

Sustainable Business



Summary

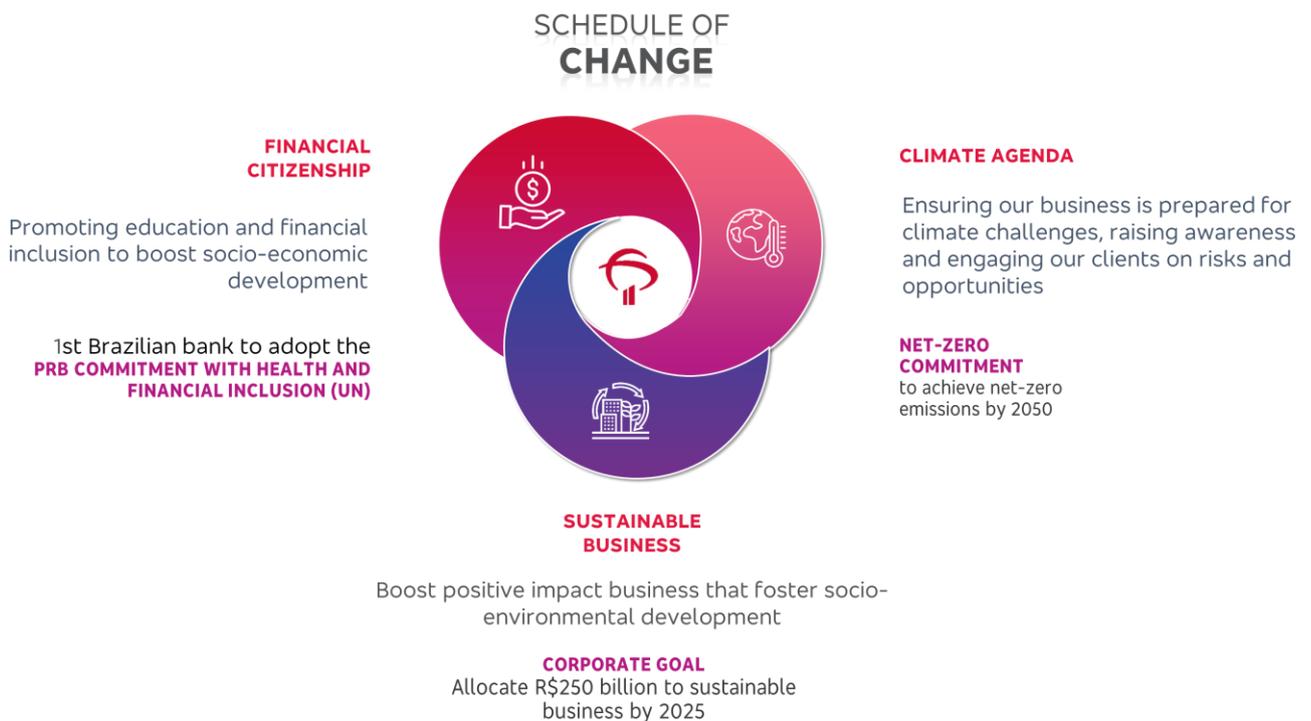
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1 Introduction

Financial institutions play a key role in promoting social and economic development and advancing major international agendas for sustainable development. The performance of financial institutions is essential to direct resources to activities and sectors that generate social and environmental benefits and economic growth, as well as to properly manage social and environmental risks.

Bradesco Organization’s corporate purpose is to contribute to people's accomplishment and sustainable development, by offering widely diversified and affordable financial and insurance solutions, products and services. In this regard, Bradesco is committed to increasingly improving the management of social and environmental aspects in its businesses and supporting the market in the same direction.

In addition to our purpose, we incorporated the agenda into our action strategy, structuring the agenda into three strategic pillars: **Financial Citizenship, Climate Change and Sustainable Businesses.**



2 Integration of ESG criteria into business management

For promotion of Sustainable Businesses, we manage and integrate the environmental, social and governance (ESG) analyses to all our business segments (Corporate, Retail, Investment Banking, Assets, among others) is key for the perpetuity and growth of the Organization in an increasingly dynamic and challenging context.

The management of ESG aspects comprises our internal and operational activities, but mainly business activities, including processes and procedures such as due diligence, engagement, advisory and consulting with our customers.

Normative Framework

We have a normative framework that guides and strengthens the integration of ESG aspects into our businesses. Our performance is based on the guidelines of the Resolution of the National Monetary Council (CMN) No. 4.945/2021 and by the SARB - Banking Self-Regulation System of the Brazilian Bank Federation No. 14/2014, which determine the scope of the Social and Environmental Responsibility Policy (PRSAC).

Our guidelines are applied to the business segments of the Bradesco Organization (Corporate, Retail, Investment Banking, Asset Management, among others). for managing ESG aspects. The main ones are highlighted below: **Corporate Sustainability Policy, Social, Environmental and Climate Responsibility Standard (PRSAC), Social and Environmental Risk Standard and Responsible Investment Standard.**

3 Social and Environmental Risk Management

The social and environmental risks associated with financial institutions are mostly indirect and arise from business relationships, through financing and investment activities, according to the scope defined in the Social and Environmental Risk Standard of the Integrated Risk Control Department (DCIR), which is in line with the Corporate Sustainability Policy.

The risk analysis process involves several areas, which have specific duties, ensuring an efficient structure in the measurement and control of these risks. The social and environmental risk management macro-process is reviewed on an annual basis by the Risk Management Executive Committee and by the Board of Directors itself.

For analyzes involving credit granting, we submit a questionnaire that encompasses the management of social and environmental aspects, such as impact on biodiversity, impact on traditional communities, involvement in slave-like work, child labor, sexual exploitation, legal compliance, risks associated with climate change and occupational health and safety standards.

Equator Principles

Bradesco Organization has been a voluntary signatory to the Equator Principles since 2004, and we ensure that the major projects financed and advised by the organization, which are in line with the commitment, are developed and managed in a socially responsible manner. Since 2020, we have applied version IV of the principles that incorporate environmental management practices, climate aspects and human rights in favor of sustainable development.

Thus, due diligence processes are performed to prevent, mitigate and manage adverse impacts from:

- Projects (new or expansions) falling within the scope of the commitment, our assessments meet legal and supra-legal requirements set out in the Performance Standards, of the International Finance Corporation (IFC), and the World Bank's Health, Safety and Environment Guidelines. The analysis checklists assess environmental, social, health, occupational safety, governance and climate change criteria.
- For projects considered as significant in terms of social and environmental impact, there is a monitoring process that includes the preparation of action plans and specific social and environmental clauses. This action plan consists of an assessment carried out by an independent consulting company, which includes several points that must be fulfilled throughout the term of the contract.
- When there is an impact related to the involuntary relocation of communities, the process must be carried out with due assistance, the customer must hold meetings to obtain peaceful agreements between the parties, accompanied by lawyers and auditors specialized in social issues, and offer assistance during the choice and acquisition of the new property, eventual adaptations of the acquired property and follow-up in the new installations.
- For cases in which, during the monitoring process, non-compliance with the action plan and/or social and environmental contractual clauses is identified, the Organization is entitled to determine the blocking of the release of the financial resource or even the early termination of the contract.

The Social and Environmental Risk opinions issued by the Integrated Risk Control Department (DCIR) support the Organization's business decisions, such as granting credit, contracting real estate guarantees, investment decisions, among other activities.

In addition, operating losses and Non-Own-Use Goods (BNDU) losses, which result from social and environmental events, are periodically calculated.

The compliance of social and environmental risk management activities with commitments, laws and internal standards is periodically evaluated by Bradesco's Internal Audit areas.

Project Finance framed in the Equator Principles	
Number of projects/businesses reviewed	22
Number of projects/transactions reviewed as a percentage of total projects/transactions	100%
Number of projects/ businesses that reached financial closure	16
Number of rejected projects/transactions	6

We rejected projects for not demonstrating compliance with the Equator Principles, contractual social and environmental clauses and action plans. E.g.: absence of environmental licenses, inspection report by the fire department and permit to occupy a building.

4 Social and environmental risk management in investment banking

Bradesco Banco de Investimentos (BBI) has a pre-defined checklist for the legal audit process, covering ESG aspects such as Environmental Management, Occupational Health and Safety, Anti-corruption, Labor Practices, among others.

BBI seeks to include, whenever possible, compliance with these items as a condition precedent for releasing funds and obligations reflected in its transactions. The Project Finance modality follows the social and environmental risk management guidelines for due diligence, as described above.

ESG assessment in asset management

As a signatory of the Principles for Responsible Investment (PRI), BRAM (Bradesco Asset Management) has a regulation of responsible investments, which considers, among other aspects: situations of corruption and conflicts of interest, compliance with legal requirements, transparency and accountability, respect for human and labor rights and impacts on the environment and climate change.

Thus, it uses methodologies that analyze the risks, opportunities and potential impacts arising from ESG aspects on the performance of its assets.

Know Your Customer and Due Diligence – ESG

We follow the guidelines established by the Central Bank of Brazil (BACEN) applicable to all the Organization's business segments (Wholesale, Retail, Investment Banking, among others).

Prior to the start of any business relationship, the due dealings related to the registration process and the "Know Your Customer" Policy are considered, in addition to the statement on the purposes and nature of the business relationship with the institution.

In addition, we have processes for the Prevention of Financial Laundering and Combating the Financing of Terrorism (PLD/CFT), following the international guidelines of the Financial Action Task Force (GAFI").

In order to combat and prevent these practices, we have internal risk assessment processes, operations registration processes, procedures for getting to know our customers and processes for monitoring and managing contact with politically exposed persons.

To learn more, visit our Policies and the Program that govern the Due diligence and get to know your customer on Bradesco's investor relations website:

- Registration Information Policy
- Know Your Customer Policy
- Bradesco Integrity Program

5 Customer Engagement

We guide the engagement of our customers, from all segments, in accordance with the guidelines established in the Bradesco Organization's Stakeholder Engagement Standard. The Standard aims to guide the planning and performance of engagement activities in line with the

other internal Policies and Standards, also considering material topics for the Organization and its different stakeholders.

We interact and share knowledge and ESG aspect management practices with our customers through different approaches, favoring different experiences:

In the scope of social and environmental risk management, in credit and financing transactions (wholesale and retail) we engage our clients through technical visits and reports that influence the improvement of our clients' ESG performance.

Wholesale

In 2022, we promoted a training process for our Wholesale commercial team, with the aim of preparing them to meet the demands of our customers that involve Social and environmental aspects. More than 750 Wholesale Managers and Assistants received ESG training.

We have support structures to improve the ESG performance of Wholesale clients, indicating best practices and offering financial solutions in the same direction through our investment bank and the Sustainable Businesses area of the Sustainability Department. In all, in 2022 we engaged **250 customers**.

Retail

In Retail, we have several fronts of action, seeking to understand the best moment for the customer and offer solutions that promote the financial health of their businesses and the application of best environmental practices, such as:

- **MEI Portal:** We provide individual micro-entrepreneurs - customers and non-customers - with a provider of financial and non-financial services, helping them in the business management of their businesses, encouraging the formation of their MEI company and boosting their trajectory as an entrepreneur.

- **Guided Productive Microcredit:** aims to provide information, qualification and access to credit to foster for local development and entrepreneurship through the Guided Productive Microcredit 213,190 customers received credit and guidance from this solution.

- **Agribusiness:** Bradesco has a specific structure to offer the best solutions to our customers, in addition to participating in and supporting the improvement of social and environmental

practices in this sector, for this reason, our team is dedicated to establishing projects with internally contracted or third-party Agronomists.

6 Management of results in Sustainable Businesses 2022

In 2020 we set the goal of directing R\$250 billion to sectors and assets with a positive social and environmental impact through its businesses by 2025. Below are the results obtained in 2022.



This target considers granting credit to:

- Activities classified as having positive contribution – considering the “Febraban Green Taxonomy” methodology, with some exceptions.
- Financial products and services with a social and environmental focus – considering the 20 solutions focused on generating positive social and environmental results for individuals and companies;
- ESG advisory – considering the structuring of credit and debt solutions linked to ESG (environmental, social and governance) criteria.

ESG Advisory - Wholesale

We work with our customers to identify ESG opportunities, with the aim of integrating sustainability aspects into the business, evaluating trends and operations in the capital market and in the credit portfolio. This is a free service provided to our customers, with the purpose of meeting the challenges and promoting access to the opportunities on the ESG agenda of our customers.

Labeled Operations 2022 – Investment Banking

Through our Investment Bank BBI, Bradesco has supported its customers by providing advice and/or participating in the structuring of operations with ESG labeling.

In 2022, we took part in the issuance of 19 operations with ESG guarantees, in national (16 operations) and international (3 operations) markets, according to the main international framework methodologies, all with a second party opinion (SPO).

These operations are aimed at direct allocation of resources to specific assets and projects (Green Bonds or Sustainable Bonds), or that will improve the customer's performance, over the term of the issued debt (Linked-Bonds).

Green Bonds

Green Bonds are debt issues where resources will be allocated to assets and/or projects that generate environmental benefits. In 2022, 9 operations of this nature were performed, amounting to R\$3,432 billion.

Green Bond Cases – Ômega Desenvolvimento and Tegra Incorp.



Volume: R\$650 million

Term: 3 years

Allocation of resources for the implementation of renewable energy projects, including wind projects.



Volume: R\$265 million

Term: 3 years

Allocation of resources for the construction of projects with efficiency certification

Sustainable Bonds

Sustainable Bonds are debt issues where resources will be allocated to assets and/or projects that generate both environmental and social benefits. In 2022, 5 operations of this nature were performed, amounting to R\$1,166 billion.

Case Sustainable Bonds (Sustainable CRA) – OAKBerry



Volume: R\$50 million

Term: 3 years

Purchase of inputs from producers and small producer cooperatives that practice sustainable management

Sustainability-Linked Bonds

Sustainability-Linked Bonds are securities whose funding is linked to the company's performance in social and environmental issues that are challenging and relevant to the core business of the customer. Overall, in 2022, 5 operations of this type were structured, generating **R\$1,341 billion.**

Case Sustainability-Linked Bonds – Elea Digital



Volume: R\$66 million

Term: 3 years

Improving water resource usage efficiency and attaining the *Great Place to Work* certification.

Labeled Operations - Loans

In addition to labeling that takes place through capital markets solutions, we offer the labeling service for the bank's other credit or financing products. In total, there were 5 operations carried out in 2022, generating R\$1,250 billion, for Linked, Green and Transition Loan operations.

Cases 2022



Customer: Volkswagen

Instrument: Linked-Loan (Export Credit Bill)

Volume: R\$500 million

Term: 3 years

Performance target aimed at reducing scope 1 emissions and promoting more women in leadership positions.



COOPERCITRUS
cooperativa de produtores rurais

Customer: Coopercitrus

Instrument: Linked-Loan (Rural Product Bill)

Volume: R\$174 million

Term: 1 year

Goal of recovery of springs and restoration of degraded areas of the cooperative members.



Customer: Oncorp

Instrument: Transition Loan (Rural Product Bill)

Volume: R\$35 million

Term: 1 year

Installation of the first hybrid power generation plant in the Amazon isolated system

ESG Advisory - Retail

We have a dedicated staff of Agronomists, which help us include as a requirement for granting Rural Credit resources in the Amazon Biome (with the exception of FINAME/BNDES operations of less than or equal to R\$100 million) the creation of a technical project evaluating regulatory aspects and potential ESG labeling opportunities offered in the biome.

Social and Environmental Product Portfolio

Seeking to offer the best solutions to support our customers to achieve more sustainable behaviors and habits, in addition to financing the production of corporate customers more efficiently, with more return and less social and environmental impacts.

In 2022, we highlight our performance in the financing line for photovoltaic panels, surpassing BRL 1 billion. In addition to this line, we highlight our performance in financing electric and hybrid vehicles, which is a market with potential for expansion in the coming years.

Product	Qty Contracts	Volume
CDC Photovoltaic	20,209	R\$1,137,907,866
CDC Solar Heater	7	R\$89,912
CDC Vehicles (Electric and Hybrid)	1,036	R\$196,923,625
CDC Water Reuse	87	R\$6,971,722
Microcredit Individual	203,024	R\$ 908,148,201
Microcredit Company	10,166	R\$72,536,366
CDC Building Materials	106	R\$1,232,643
APL Working Capital	38	R\$4,524,149
CDC APL	42	R\$7,127,335
CDC MBA/Post-graduation	7	R\$173,948
CDC - Accessibility - Goods	4	R\$45,293
CDC - Accessibility - Services	1	R\$5,355
TOTAL	234,727	R\$2,335,686,415

Product Transfers	Qty Contracts	Total
BNDES Finame (Photovoltaic energy)	8	7,304,372
Pronamp	38	14,113,894
Moderinfra/Proirriga	6	6,807,417
Prodecoop	6	18,955,634
TOTAL	58	47,181,317

7 Fundraising

Following our Sustainable Finance Framework, in 2022, we raised USD 500 million through an International Bond with a private offer, in a 60-month term and a 4.375% coupon per annum. Resources could be used to finance or refinance projects and assets in activities that contribute to the transition to a less carbon-intensive economy, that contribute to promoting the social and environmental agenda development, inclusion in financial services and digital inclusion. The resource allocation chart is as follows:

Resource Allocation

Eligibility Criteria	Transactions	Allocated Resources (USD)	Total percentage allocated (%)
Climate – a.1) Renewable Energy - Solar*	20,209	218,408,419	38%
Climate – a.2) Renewable Energy – Wind**	1	109,689, 213	19%
Green – b.1) Water Resources and Effluents Management***	3	151,118,466	27%
Social – c.1) Financial Inclusion – Micro and Small Companies****	68,968	92,425,759	16%
Total	89,181	571,641,859	100%

* The USD/BRL exchange rate at the close of December 30, 2022 was considered, that is, R\$5.21.

**The USD/BRL exchange rate at the close of November 16, 2021, at R\$5.47 was considered.

***Considering the USD/BRL exchange rates at the close of July 21 and December 21, 2021, respectively, R\$5.25 and R\$5.74.

****The USD/BRL exchange rate at the close of November 30, 2021, R\$5.61, was considered.

In the Green/Climate category, refinancing of solar and wind energy projects was considered. In the solar category, our financing line considers the installation of photovoltaic systems, whereas in the wind category, a Project Finance project was considered.

In the Green category, we consider issuance of debentures for effluent treatment and management projects, contributing to the development of the locations where the projects will be installed.

In the Social category, we consider loans for Individual Microentrepreneurs (MEIs), fostering entrepreneurship and the development of solutions for strategic sectors. The distribution of these entrepreneurs is 55% in the service sector, 36% of small businesses, and 9% service providers in the Industry.

Climate/Green

Eligibility Criteria	Number of Transactions	Allocated Amount (USD)	Start	End	Context and KPIs
Climate – a.1) Renewable Energy - Solar	20,209	218,408,419	Jan- 2022	Dec- 2022	20,209 photovoltaic kits were financed in 2022. The average generation capacity of the kits is 1,458 kWh, representing 44,692 tCO ₂ eq/year in avoided emissions in relation to the emission factor of the National Interconnected System (0.1245 tCO ₂ eq/MWh)
Climate – a.2) Renewable Energy – Wind	1	109,689,213	Sep- 2021	Apr- 2024	Expansion project for a wind farm in the state of Bahia, with a 212 MW installed potential and a carbon avoidance potential of 7,716 tCO ₂ eq/year, compared to the emission factor of the National Interconnected System.
Green – b.1) Water Resources and Effluents Management	3	151,118,466	Jul- 2021	Jun- 2024	Transactions targeting CAPEX and expansion of effluent treatment activities in the cities of Recife, Goiânia and in the state of Amapá.
Total	20,213	479,216,098			

Social

Eligibility Criteria	Number of Transactions	Allocated Amount (USD)	Year	Context and KPIs
Social – c.1) Financial Inclusion – Micro and Small Companies	68,968	92,425,759	2022	68,968 micro and small companies with revenues lower than US\$ 53 million were benefited
Total	68,968	92,425,759		

8 Assurance Report

Independent Limited Assurance Report on the process of compilation and presentation of the information contained in the Sustainable Business Report

To
Shareholders and Board of Directors of
of Banco Bradesco S.A.
Osasco – SP

We were engaged by Banco Bradesco S.A. ("Bradesco") to present a report on the process of compilation and presentation of the information contained in the Bradesco Sustainable Business Report for the year ended December 31, 2022, in the form of a limited assurance conclusion if, based on our work, described in this report, nothing has come to our attention that causes us to believe that the process of compilation of the information contained in the Sustainable Business Report are not presented, in all material respects, in accordance with the information referred to in the paragraph "Criteria for preparing the sustainability information contained in the Sustainable Business Report".

Responsibilities of the Management of Bradesco

Management of Bradesco is responsible for the process of compilation and adequately presenting of the information contained in the Sustainable Business Report in accordance with the information referred to in the paragraph "Criteria for preparing the sustainability information contained in the Sustainable Business Report" and for other information contained in this report, as well as the design, implementation and maintenance of internal controls that management determined as necessary to allow for such information that is free from material misstatement, whether due to fraud or error.

Independent Auditor's Responsibility

Our responsibility is to review the process of compilation and presentation of the information contained in the Sustainable Business Report prepared by Bradesco and to report there on in the form of a limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with the NBC TO 3000 - Assurance Engagement Other than Audit

and Review (ISAE 3000). That standard requires that we comply with ethical requirements, including independence requirements, and plan and perform our procedures to obtain a significant level of limited assurance we did not become aware of any fact that could lead us to believe that the process of compilation and presentation of the information contained in the Sustainable Business Report are not presented, in all material respects, in accordance with the information referred in the paragraph "Criteria for preparing the sustainability information contained in the Sustainable Business Report".

A limited assurance engagement conducted in accordance with the NBC TO 3000 (ISAE 3000) consists mainly of inquiries to Bradesco's Management and other Bradesco professionals who are involved in the preparation of the information contained in the Sustainable Business Report, as well as by applying other procedures to obtain evidence that allows us to conclude it in the form of limited assurance on the information taken as a whole. A limited assurance engagement also requires the performance of additional procedures, when the independent auditor becomes aware of matters that lead him to believe that the information contained in the Sustainable Business Report, taken as a whole, may present material misstatements.

The procedures selected were based on our understanding of the process of compilation and presentation of the information contained in the Sustainable Business Report, as well as other circumstances of our work and our consideration of other areas that may contain material misstatements, regardless of whether they are caused by fraud or error. However, such procedures do not include investigation or detection of fraud or error.

We believe that the evidence obtained is sufficient and appropriate to support our conclusion.

Scope and limitations

The procedures applied in a limited assurance engagement are substantially less extensive than those applied in a reasonable assurance engagement that aims to express an opinion on the information contained in the Sustainable Business Report. Consequently, they do not enable us to obtain assurance that we are aware of all matters that would be identified in a reasonable assurance engagement aimed at issuing an opinion. If we had performed an engagement with the objective of issuing an opinion, we could have identified other matters and possible misstatements that may exist in the information contained in the Sustainable Business Report. Accordingly, we do not express an opinion on this information.

Non-financial data are subject to more inherent limitations than financial data, given the nature and diversity of the methods used to determine, calculate or estimate such data. Qualitative interpretations of data materiality, relevance and accuracy are subject to individual assumptions and judgments. Additionally, we did not perform any work on data reported for previous periods, nor in relation to future projections and targets.

Criteria for preparing the sustainability information contained in the Sustainable Business Report

The sustainability information contained in the Sustainable Business Report for the year ended December 31, 2022 were compiled by Bradesco's Management based on the guidelines and regulations, as described in the "Normative Framework" on page nº 4 of the Sustainable Business Report.

Conclusion

Our conclusion was based on and is limited to the matters described in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. In our opinion, the process of compilation and presentation of the information contained in the Sustainable Business Report is, in all material respects, in accordance with the information referred to in the paragraph "Criteria for preparing the sustainability information contained of the Sustainable Business Report".

São Paulo, June 06th, 2023



KPMG Auditores Independentes Ltda.

CRC 2SP- 027685/O-0 F

Original report in Portuguese signed by


Carlos Massao Takauthi

Contador CRC 1SP206103/O-4