

MATERIALITY REPORT



Introduction

As one of Brazil's leading financial institutions, we have a significant impact on society and play a key role in the country's economic development.

Our role as financial intermediaries gives us the ability to allocate resources to positive impact businesses and drive the transition to a more sustainable, fair and inclusive economy.

To guide our efforts towards the issues on which we have the highest impact, it is essential to understand the priorities of the audiences with whom we interact. This understanding is also crucial for identifying issues that have the potential to affect our operations and ability to generate value in the long term.

Bradesco periodically reviews materiality, i.e. the relevance of sustainability topics, through a structured process that collects stakeholders' insights and expectations and assesses the financial and strategic impacts associated with each topic. This process results in the updating of the materiality matrix, which guides a more effective ESG strategy and supports the definition of indicators and performance monitoring mechanisms, in line with national and international regulatory requirements.

Materiality review

In 2024, with the support of Deloitte Consulting, we conducted a new review of materiality. Since the previous cycle, we have adopted the dual materiality approach, which considers both the impacts of our activities on society and the environment (impact materiality) and the effects of sustainability issues on our financial performance (financial materiality). This year, we aligned this approach with the guidelines of the International Sustainability Standards Board (ISSB), reinforcing our commitment to global best practices, such as the SASB Materiality Map®. This integration strengthens consistency and transparency in the assessment of risks and opportunities associated with environmental, social and climate issues.

The assessment also started to include a structured time frame, identifying risks and opportunities over short, medium and long-term horizons, in line with ISSB requirements. This continuous monitoring strengthens the database for strategic decisions and increases our preparedness for future challenges and opportunities.

Methodology

1. Contextual Analysis and Engagement

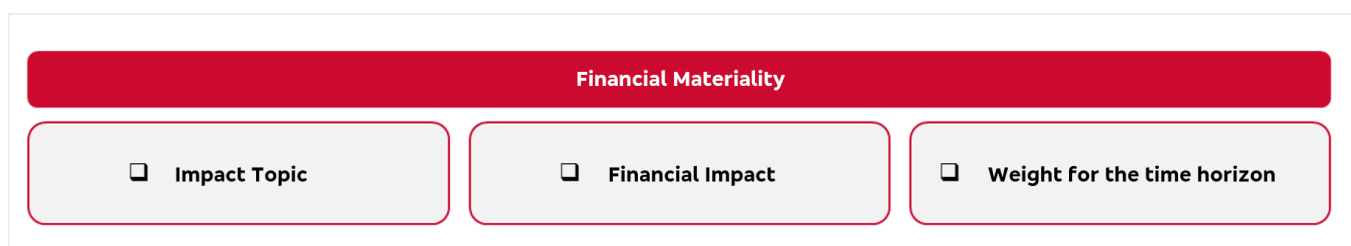
The first stage consisted of an analysis of the Bank's institutional context and relations with its main stakeholders, considering its activities, value chain and communication channels. A structured engagement process was then conducted, which included surveys, interviews and workshops, with the aim of identifying perceived risks and opportunities, identifying key insights and mapping the most relevant topics.

2. Risk and Opportunity Identification

The information collected was analyzed from a risk perspective, allowing the issues to be validated and framed in different time horizons - short, medium and long term. To ensure the accuracy and relevance of the prioritization, we applied qualitative and quantitative criteria. The process included elements of the Organization's due diligence, reinforcing the synergy between sustainability, risk management and business strategy.

3. Assessment and Prioritization of Topics

Prioritization considered technical and objective criteria, based on potential impacts, probability of occurrence and financial materiality. The exercise was conducted on a consistent basis, adaptable to market changes, regulatory developments and geared towards generating long-term value.



Stakeholders

The identification and prioritization of stakeholders was conducted based on the guidelines of the Stakeholder Engagement Standard (AA1000) and Bradesco's Stakeholder Engagement Policy, which guide efficient and transparent dialogue practices. The process considered audiences directly impacted by the Bank's activities, as well as those indirectly affected, including relevant links in the value chain.

In this cycle, the process was enhanced to include ISSB standards requirements, with special attention to the investor perspective. Although these requirements were already covered in previous cycles, their interests are now being addressed on a more structured basis. The guidelines of GRI and SASB standards were also applied, ensuring an approach aligned with best market practices.

Stakeholder prioritization was based on criteria of influence, level of impact on operations and strategic relevance for business sustainability.

A total of 2,977 *stakeholders* participated in the review process – an increase of over 100% compared to the previous cycle.

List of topics

The definition of the list of material themes was supported by a structured analysis that combined several sources and stages. The process included a sector benchmark, which provided a comparative view of domestic and international market practices, considering the macroeconomic scenario, regulatory moves and emerging trends in sustainability.

Additionally, stakeholders' insights were included through targeted engagement. We also applied components of UNEP FI Principles for Responsible Banking (PRB) methodology, with emphasis on the assessment of the credit portfolio and identification of topics with systemic relevance to the Bank's operations.

The result was a list of material topics organized by time horizon — short, medium and long term — allowing focus on the most critical issues and strengthening the alignment between the sustainability agenda and the Organization's strategic goals.

Consultation Process

The progress of the regulatory environment since the last materiality cycle, in 2022, required the improvement of our analysis process. With the introduction of IFRS S1 and S2 sustainability and climate standards, made mandatory by CMN Resolution 5.185/24 and CVM Resolution 193, we have sought to expand our process as an exercise to reflect the growing complexity of regulatory and market requirements.

The consultation was conducted with the aim of capturing strategic insights on the most relevant topics, through questionnaires and interviews with priority stakeholders.

Senior Management (VPs, executives, officers and directors), employees from different areas, investors, sustainability experts, representatives of professional associations and/or regulatory bodies, clients, suppliers and NGOs participated in the process.

AUDIENCE INVOLVED	PARTICIPANTS:
Management (VPs and Officers)	21
Suppliers	18
Specialists	16
Investors	6
Class Associations	3
NGOs	3
Regulatory Bodies	1
Clients	2,342
Employees	557
TOTAL	2,967

The increase in participants this year (2,967), compared to the previous cycle (798), reflects the strengthening of engagement and the broadening of dialogue with priority audiences. This effort ensured a broader and deeper collection of information, resulting in a more robust analysis aligned with the Bank's strategic needs, offering a solid basis for defining sustainability priorities.

Result

Based on the questionnaires and interviews conducted, no changes were identified in the 7 material topics previously monitored by the Bank:

Innovation and technology (8) (9) (13)

Ethics, integrity and transparency

Management of climate risks and opportunities (13)

Privacy and data security

Human capital management (4) (5) (8) (10)

Sustainable business (5) (8) (9) (10) (13)

Customer relations, inclusion and financial health (4) (5) (8) (10)

Correlated SDGs prioritized

- (4) Quality education
- (5) Gender Equality
- (8) Decent work and economic growth
- (9) Industry, innovation and infrastructure
- (10) Reduction of inequalities
- (13) Climate action

The 7 material topics, highlighted in the materiality matrix, offer a broad view of the Bank's strategic priorities. They reflect key areas with a focus on resilience, competitiveness, and sustainable growth, especially in a scenario of rapid economic, climate and social change, with direct impacts on risks, opportunities and financial results.

The topics and recommendations were validated by the Sustainability Committee, which includes the Board Members and Executives.

Aware that this process must be revisited on a regular basis, we remain committed to generating a positive impact through our operations and our business.

ANNEX: IMPACT MEASUREMENT AND VALUATION EXERCISE

Exercise for reporting and compliance with the transparency requirements of the Dow Jones Sustainability Index (Economic Dimension - Materiality - Questions 1.3.4 and 1.3.5) and Principle 2 - Impact and setting PRB targets.

Irrespective of the priorities identified by our priority stakeholders, we recognize that our activities as a financial institution have an impact on society and the environment.

Aware of the importance of managing social and environmental impacts, we have made progress in identifying, monitoring and making transparent these effects, with the aim of boosting our positive contributions and mitigating risks and negative external factors. In 2024, we deepened the studies on the indirect impacts associated with the products in our credit portfolio, based on the dual materiality approach and in line with the institution's strategic Sustainability pillars.

Impact valuation methodology

We adopted the methodology developed in partnership with ERM NINT (formerly SITAWI), based on the recommendations of UNEP-FI's Principles for Responsible Banking (PRB).

This approach integrates different methodologies for assessing and valuing impacts, combining strategic references such as the Sustainable Development Goals (SDGs) - with an emphasis on those prioritized by Bradesco - and the Theory of Change.

In addition to the dual materiality analysis conducted in 2024 - which assessed both the impacts of our activities on the environment and society and the potential impacts of sustainability on our financial performance - we sought to identify and measure businesses (products and services) linked to the Sustainability strategy with potential social and environmental impacts (positive or negative).

To do this, we used the Theory of Change, which, in addition to structuring the mapping of products and services, enabled us to diagnose the initial scenario and define the tools required to value the potential impacts generated, as well as the transformation promoted in the social and economic reality of the target audiences. The result was consolidated into a logical framework, which expresses the main qualitative impacts found.

We seek to guide the process by principle 2 of PRB (Principles of Responsible Banking) – impact and target setting.

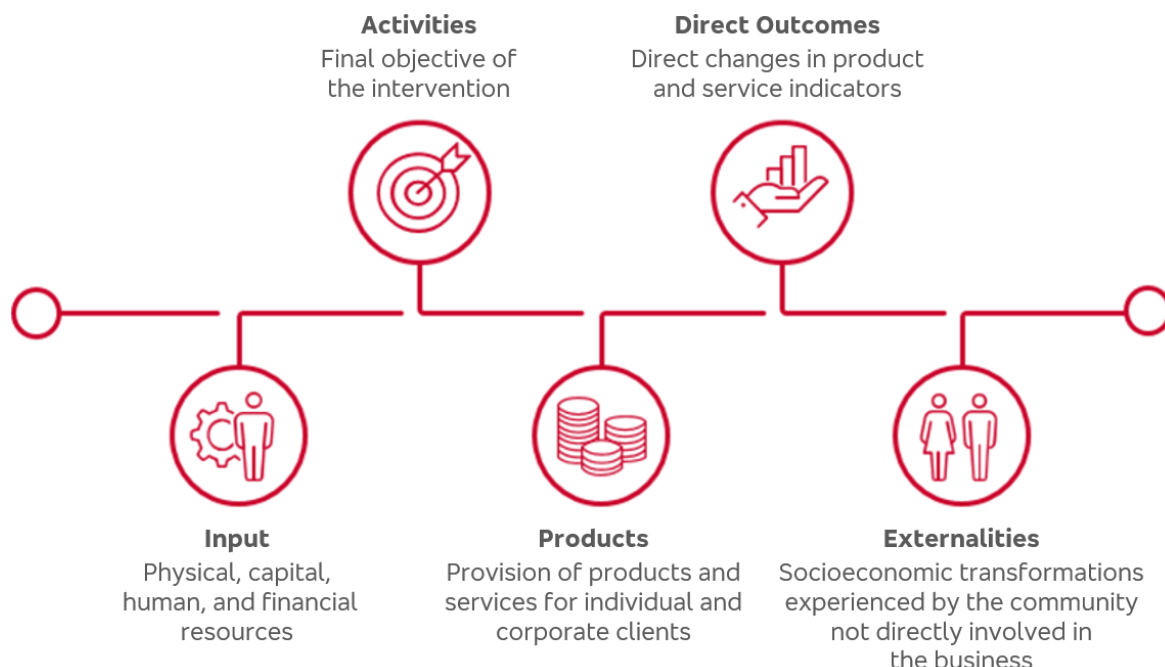


Figure 1: Prepared by the author based on Principle 2 of the “Principles for Responsible Banking” (PRB), link: <https://www.unepfi.org/banking/more-about-the-principles>

Process for impact assessment:

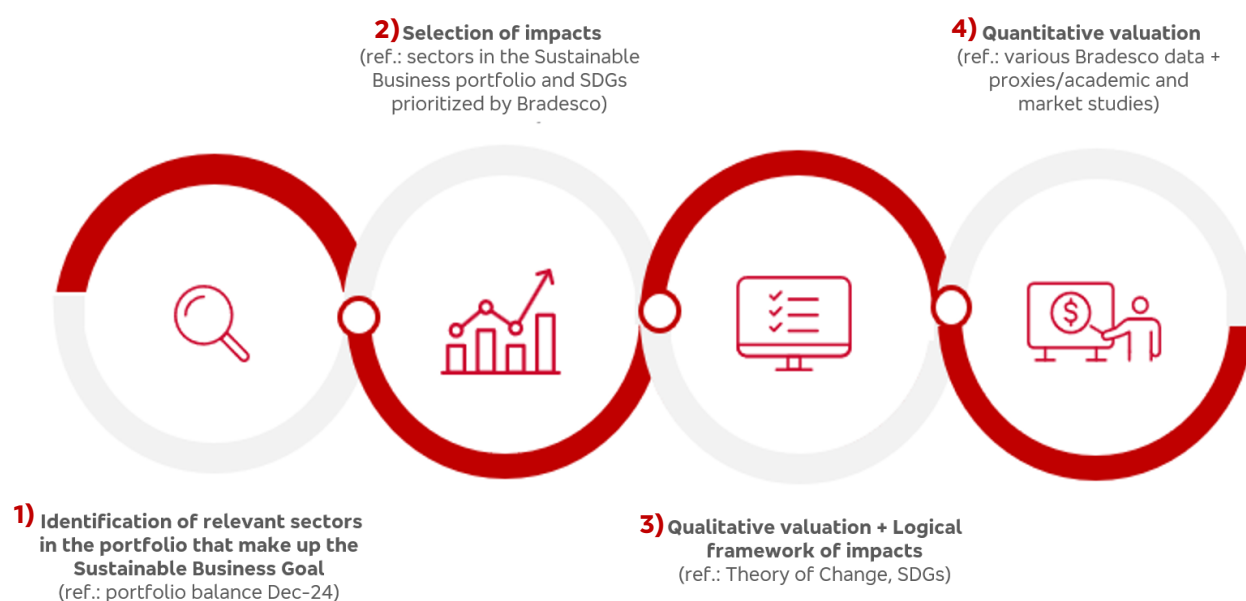


Figure 2: Prepared by the author based on the PRB guidelines for impact analysis, available at <https://www.unepfi.org/wordpress/wp-content/uploads/2020/09/PRB-P2-Material-de-apoio-20200914-PT.pdf>

1) Scope

We considered the scope of the Sustainable Business goal which includes: ESG operations (ESG-labeled securities and loans, such as green bonds, blue bonds, green loans, corporate credit (aligned with Febraban's green taxonomy), social and environmental portfolio and enabling instruments (operations such as bank guarantees with sustainability criteria).

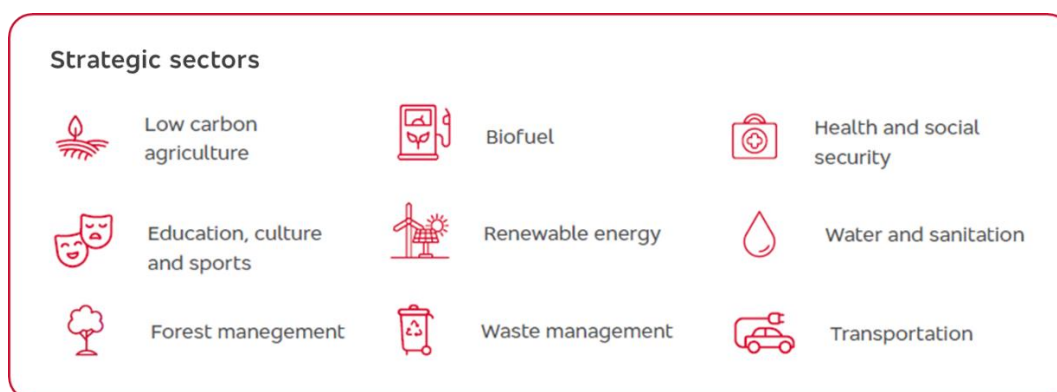
We adopted the sustainable business portfolio¹ as the scope of analysis, as it is a segment with a clear intention of generating a positive impact. Although (PRB) principles recommend a broader view of the portfolio, this choice considered the availability of data, applicability of methodologies and feasibility of measurement in the Brazilian context. This approach enables a more consistent assessment of the impacts generated and serves as a basis for future progress towards a more comprehensive view of the portfolio.

¹ target of R\$350 bn by December/25, including ESG operations (ESG-labeled securities and loans, such as green bonds, blue bonds, green loans), corporate credit (in line with Febraban's green taxonomy), social and environmental portfolio and enabling instruments (operations such as bank guarantees with sustainability criteria).

2) Exposure Scale

Credit portfolio, considering the scope of the sustainable business goal of allocating R\$ 350 billion to sectors and assets with a positive social and environmental impact by 2025.

Selected sectors – examples:



3) Context and Relevance

Based on the correlation between these sectors and the SDGs prioritized by Bradesco - defined from the materiality review held in 2024, considering the domestic and sector context and listening to stakeholders - three priority sectors were identified:

- Sanitation and water
- Renewable energy
- Low-Carbon agriculture

4) Scale and intensity/salience of impacts

Among the 3 sectors, **Sanitation and Water** and **Renewable Energy** stand out as having the largest volume of business, accounting for around 30% of this portfolio.

The impact valuation below used this sector analysis and the methodologies available for valuing impacts.

For the purposes of disclosing the progress requested by PRB, it is worth mentioning that these sectors are directly linked to the material topics "Climate risk and opportunity management" and "Sustainable business", which are also aligned with the strategic pillars of Sustainability.

Although the sector analysis has contributed to understanding the potential impacts of the portfolio, we have opted to maintain the target setting at a consolidated level, considering our performance in the real economy.

Therefore, for PRB reporting purposes, we maintain "sustainable business" as an impact area, covering different sectors and initiatives with the potential to generate social and environmental value. In addition, and reflecting the results of the sector analysis, another area of impact is "Climate Change", due to its recognized role as an imperative condition for the financial sector to foster sustainable development, contributing to raising awareness and engaging clients in a low-carbon economy.

Connection with material themes:

Material topic - Management of climate risks and opportunities:

At Bradesco, we recognize that climate challenges represent not only risks, but also strategic opportunities. We therefore act on a proactive basis to reduce the environmental impacts of our operations and business activities, while at the same time developing financial solutions that support the transition to a low-carbon economy.

Our portfolio of products and services is continually being improved to support our clients in adapting to and mitigating the effects of climate change. We allocate resources on a strategic basis, strengthening our relations with our various stakeholders and contributing to a more resilient and sustainable economy.

The climate agenda is integrated into our sustainability strategy and integrated risk management, and is an essential part of assessing risks and opportunities and making corporate decisions. Our focus is on business resilience and long-term value generation.

As signatories of the Partnership for Carbon Accounting Financials (PCAF), the Net Zero Banking Alliance (NZBA) and the Principles of Responsible Banking (PRB), we are committed to measuring our financed emissions and aligning our actions with Paris Agreement, which aims to limit global warming to 1.5°C. Our goal is to have a Net Zero credit portfolio by 2050.

Financed emissions represent the main indirect climate impact of our activities and guide our portfolio decarbonization strategy. Our analysis covers GHG emissions associated with the granting of corporate credit in all the corporate segments of Bradesco's expanded credit portfolio, in addition to the investments under management by Bradesco Asset Management.

More details on our climate strategy, targets and transition plans are available in our [Climate Report](#).

As an example of the potential impact of social and environmental products and considering the relevance of the renewable energy sector beyond the scope of earmarked credit, we selected the Photovoltaic CDC - one of the solutions in our portfolio.

Measurement exercise:

Data (Input)	R\$ 1.03 billion (credit granted)		
Impacted Stakeholders/Impacted Area	- Environment Increase energy generation from clean and renewable sources and contribute to the reduction of GHG emissions) - Society: Reduction of the social costs of carbon, associated with changes in net agricultural productivity, human health, material damage due to increased risk of flooding and the value of ecosystem services due to climate change. - Consumers/End Users		
Type of impact	Positive and Negative		
Impact Valuation - Assumptions	<u>Solar panel lifespan:</u> 25 years <u>Social cost of carbon:</u> \$185.00 <u>Avoided emissions:</u> SIN Factor GHG Protocol		
Impact generated (Output)	32 thousand tons of carbon avoided (+)	R\$32.714 million in avoided social costs (+)	16.12 tons of carbon financed (-)

Material topic – Sustainable Business

Financial institutions play a key role in promoting sustainable development, by allocating resources to activities and sectors with a positive impact, and supporting the transition to business models with lower negative impact.

At Bradesco, we are committed to fostering sustainable business, working side by side with our clients. We seek to engage and guide them in identifying and managing social, environmental and climate risks and opportunities, contributing to the construction of a more resilient and inclusive economy.

To strengthen this commitment, we have a goal to allocate **R\$350 billion for sustainable businesses by December 2025**.

With these initiatives, we reaffirm our role as agents of positive change in society, in line with our purpose and the voluntary commitments made, such as the **Principles of Responsible Banking (PRB)**.

To illustrate the potential impacts of the sectors included in our sustainable business target - based on the sectors prioritized in this exercise - we selected the sanitation and water sector as the focus for the measurement exercise.

Measurement exercise:

Data (Input)	R\$ 1.28 billion (investments)		
Impacted Stakeholders/Impacted Areas	- Environment Proper disposal and treatment of sewage - Society: Reduction of public spending and family expenses related to public health by reducing the incidence of disease and promoting healthier environments. In addition, there are benefits in education, with improvements in the school attendance and performance of children and young people, and in real estate appreciation, by making areas with good sanitation infrastructure more attractive. - Consumers/End Users		
Type of impact	Positive and Negative		
Impact Valuation - Assumptions	<u>Consumer units by investment in sanitation and water</u> <u>Sanitation-related annual public health expenditure</u> Real estate appreciation: PNAD and IBGE 2019		
Impact generated (Output)	116 thousand new water and sewage consumer units (+)	R\$ 341 million in public healthcare spending reduction (+)	281 tons of carbon financed for the sanitation sector (-)

The impact measurement scope presented has been externally audited by ERM NINT Consulting with a favorable opinion.

Although the topic of Financial Citizenship was not prioritized in our impact exercise, we continue to monitor the progress of the indicators due to the relevance of the subject, which is material for the Organization and one of the pillars of the sustainability strategy.

Detailed information on our sustainability strategy and material topics is available in our [ESG Report](#).