

The year 2023 was challenging, but adjustment initiatives we implemented have already begun to show positive effects. The default began to fall and we reaccelerated the origination of credit in retail. The year of 2024 will be transitional, as indicated in the guidance. Aware of the need for transformation of the bank, we are now accelerating and deepening the changes in Bradesco. We started to execute a strategic plan unparalleled in the history of the bank. We will transform business, and accelerate the agendas of people, culture and technology. The success of this transformation will enable us to improve our profitability. We believe in a trajectory of recovery of profitability over time, with more evident signs starting in 2025.



The recurring net income was R\$16.3 billion in 2023, impacted by ALL expenses and contraction of the client NII.

In operational terms, we saw the delinquency ratio over 90 days arrive at its peak in Jun23 and begin to fall gradually from then on. This trend is expected to continue in 2024. Because of this, the cost of credit was still high in 2023, but it should already show gradual improvement this year and in the following years.

Credit origination accelerated in 2H23, which should continue, and allow loan portfolio growth between 7% and 11% in 2024, as indicated in the guidance. The new crops have been presenting high credit quality, even when we accelerate the origination. Highlight is the acceleration of credit in the retail and MPME, segments in which we are leaders and have higher potential profitability. Considering the quality of the new crops, we see room to continue expanding the origination.

The client NII contracted in 2023, reflecting the reduction of credit origination and mix change but should recover with the increase in the ongoing origination. More expressive improvement should only be seen in 2H24 with the increase in credit volume and margin.



One of the positive highlights was the insurance operation that closed the year with a ROE of 22.4%, with a strong growth in turnover of 11.8% in 2023. The operating result of insurance showed growth of 21.1% in the year, with an improvement in the claims ratio and a strong financial result. We believe that prospects remain positive for 2024.

Our Tier I Capital closed the year at 13.2%, increasing 0.8 p.p. from the previous year. We have allocated R\$11.3 billion to our shareholders.

We are accelerating the transformation of the bank, with the execution of a strategic plan that starts with a deep and realistic diagnosis and has clear ambitions. The implementation of this plan will extend over the next few years. We will already reap good results in 2024, but the benefits will grow from 2025.

Bradesco will continue to be complete, with capillarity, and close to the client. We will have physical and digital, always humanized. We will adjust our way of serving to improve the experience and deliver more value to the client, and increase our efficiency.

We are changing the culture without losing our values. We want a culture of transformers, an agile bank at scale, one that is customer-centric.

We have accelerated some initiatives and introduced new ones. The people's agenda will enable the changes we will make, preparing for continuous evolution.

Our plan was built on top of our historical fortresses, and we are unique on several fronts. We have already started from a high base:

- We have 71 million active clients.
- We are the largest insurance group in Latin America.
- We are leaders in SMEs and top 3 in the main client segments.
- We have a wide range of services and products, perhaps the broadest on the market.
- We have capillarity that brings us closer to clients through different channels. Only Bradesco Expresso has 38 thousand points.
- We are a complete bank, mixing physical and digital, serving all segments of the population, in all geographies.
- Private bank most remembered by Brazilians.
- We have talent engaged and aligned with our purposes, which gives us strong ability to execute.



Our strategic agenda aims to resume our historical profitability in a sustainable way over the next few years. We changed the organizational structure, reducing hierarchical levels and giving greater power and autonomy to executives. We will have a 100% team dedicated to the execution of changes, transforming business and accelerating the agendas of people, culture and technology, allowing us to be more competitive in an environment of constant change.

To conclude, we highlight that we have integrated the Dow Jones Sustainability Index for the 18th consecutive time, being considered a reference in the theme of "transparency and reporting". We were also recognized in the S&P Global's "Sustainability Yearbook" for the 6th consecutive time. The highlight was the ranking among the best assessments in sustainable banking practices in the world. Our consistent market presence positions us among the leading companies in sustainable practices, both nationally and internationally, reinforcing our long-term commitment to sustainable development embedded in our business and operations.

enjoy the reading!

2023 | 4Q23

RECURRING NET INCOME

R\$16.3 bi

▲ 80.4% | 4Q23 vs. 4Q22 (y/y) ▼ 21.2% | 12M23 vs. 12M22 (23 vs. 22)

ROAE ACCRUED
 **10.0%**

ER ACCRUED
 **48.7%**



R\$11.3 bi

of Interest on Shareholders' Equity (gross) > payout of 79% in 2023

EXPANDED LOAN PORTFOLIO

R\$877.3 bi

Stable in the quarter

DELINQUENCY RATIO

15 TO 90 DAYS

4.1%

Stable

OVER 90 DAYS

5.1%

▼ Improvement
0.5 p.p. q/q

BASEL | TIER I

13.2%

▲ Improvement
0.8 p.p. y/y

NET INTEREST INCOME

R\$65.2 bi

▼ 3.3% y/y ▼ 1.8% 23 vs. 22

FEE AND COMMISSION INCOME

R\$35.6 bi

▼ 2.4% y/y ▼ 0.1% 23 vs. 22

OPERATING EXPENSES

R\$54.2 bi

▲ 10.7% y/y ▲ 10.4% 23 vs. 22

INSURANCE GROUP

RECURRING NET INCOME

R\$8.9 bi

▲ 31.4% y/y
▲ 32.2% 23 vs. 22

ROAE ACCRUED

22.4%

RESULT OF OPERATIONS

R\$17.9 bi

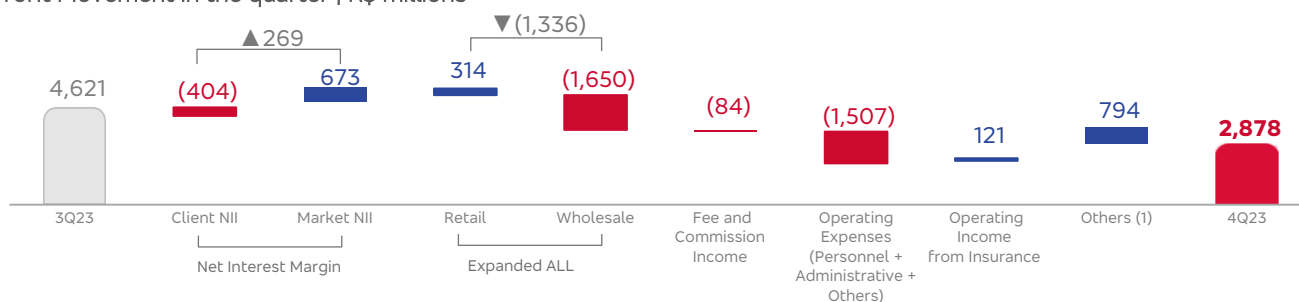
▲ 10.3% y/y ▲ 21.1% 23 vs. 22

recurring net income statement

R\$ million	4Q23	3Q23	4Q22	12M23	12M22	Variation %		
						4Q23 x 3Q23	4Q23 x 4Q22	12M23 x 12M22
\\ Net Interest Income	16,128	15,859	16,677	65,196	66,382	1.7	(3.3)	(1.8)
- Client NII	15,432	15,836	17,480	64,885	67,773	(2.6)	(11.7)	(4.3)
- Market NII	696	23	(803)	311	(1,391)	-	-	-
\\ Expanded ALL	(10,524)	(9,188)	(14,881)	(39,545)	(32,297)	14.5	(29.3)	22.4
\\ Net Interest Margin	5,604	6,671	1,796	25,651	34,085	(16.0)	-	(24.7)
Income from Insurance, Pension Plans and Capitalization Bonds	4,745	4,624	4,300	17,879	14,761	2.6	10.3	21.1
Fee and Commission Income	9,028	9,112	9,251	35,642	35,694	(0.9)	(2.4)	(0.1)
Operating Expenses	(14,935)	(13,428)	(13,491)	(54,230)	(49,140)	11.2	10.7	10.4
Personnel Expenses	(6,516)	(6,206)	(5,967)	(24,908)	(23,405)	5.0	9.2	6.4
Other Administrative Expenses	(5,972)	(5,651)	(6,055)	(22,600)	(22,055)	5.7	(1.4)	2.5
Other Income / (Operating Expenses)	(2,447)	(1,571)	(1,469)	(6,722)	(3,680)	55.8	66.6	82.7
Tax Expenses	(2,077)	(1,908)	(2,031)	(7,942)	(7,993)	8.9	2.3	(0.6)
Equity in the earnings (losses) of unconsolidated and jointly controlled subsidiaries	134	169	76	573	233	(20.7)	76.3	-
\\ Operating Income	2,499	5,240	(99)	17,573	27,640	(52.3)	-	(36.4)
Non-Operating Income	67	16	28	139	131	-	-	6.1
Income Tax / Social Contribution	390	(534)	1,745	(1,036)	(6,758)	-	(77.7)	(84.7)
Non-controlling interests in subsidiaries	(78)	(101)	(79)	(379)	(333)	(22.8)	(1.3)	13.8
\\ Recurring Net Income	2,878	4,621	1,595	16,297	20,680	(37.7)	80.4	(21.2)
Non-Recurring Events	(1,175)	-	(158)	(1,175)	52	-	-	-
Provision for Restructuring ⁽¹⁾	(570)	-	-	(570)	-	-	-	-
Contingent Liabilities	(547)	-	-	(547)	-	-	-	-
Impairment of Non-Financial Assets ⁽²⁾	(58)	-	(109)	(58)	(109)	-	-	-
Other ⁽³⁾	-	-	(49)	-	162	-	-	-
Book Net Income	1,703	4,621	1,437	15,122	20,732	(63.1)	18.5	(27.1)

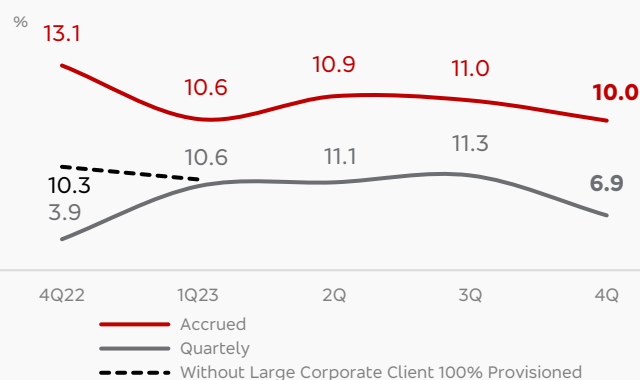
(1) Restructuring, mainly, in the branch network; (2) Includes impairment of assets related to the acquisition of rights to fee and commission income and software; and (3) Includes, mainly, the demutualization of investment in CIP and amortization of goodwill.

Profit Movement in the quarter | R\$ millions



(1) Tax Expenses, Equity in the Earnings of Affiliates, Non-Operating Income, Income Tax/Social Contribution and Minority Share.

ROAE Quarterly and Accrued



ER / Risk-Adjusted ER

