Basis of preparation

We are publishing the "Basis of preparation" for the 2022 Annual Integrated Report of Banco Santander (Brasil) S.A. Its purpose is to make it easier for readers to comprehend the limitations and assumptions adopted during the preparation of this report.

Who we are

We are the third largest private-sector bank in Brazil and the only international bank with scale in the country. We operate in the retail and wholesale segments with high value-added offerings, allowing us to deliver a broad portfolio of products and services to individuals, small and medium-sized enterprises, and wholesale customers. We are part of the Santander Group, a financial institution founded in Spain, which provides us with significant competitive advantages, such as access to the Group's global operations network, leveraging best practices and risk management implemented in other units, in addition to enabling us to offer customers an array of products distinguished by our strong global presence.

This is the sixth year that PwC has conducted a limited assurance engagement on the report. As in prior years, we followed the Core option of the GRI Standards. Our indicators are highlighted throughout the report and in the GRI Content Index, starting from page 92. Additionally, we utilized icons to indicate the correlations between the text and the United Nations' Sustainable Development Goals ("SDGs") and the Integrated Reporting framework capitals (read more on page 4 of the report).

Organizational boundaries and report scope exceptions

Our report adheres to the boundaries surrounding Santander Brasil's operations. As may be seen throughout the data, we have also provided information on companies that comprise our ecosystem, such as Atual Serviços de Recuperação de Créditos e Meios Digitais S.A., Aymoré Crédito, Financiamento e Investimento S.A., BEN Benefícios e Serviços S.A., Esfera Fidelidade S.A., F1RST TECNOLOGIA E INOVACAO LTDA., Santander Brasil Gestão de Recursos LTDA., Santander Corretora de Seguros, Investimentos e Serviços S.A., Santander Holding Inmobiliaria, S.A., Universia Brasil, S.A., and Webmotors S.A. This information is specified in the footnotes and in this basis of preparation, particularly in the indicators pertaining to our people.

Accounting information, currencies, and conversions

As stated on page 8 of the "About the Report" section, this report is part of Banco Santander Brasil's annual disclosure, which also includes the Financial Statements and the Annual Report. Collectively, they provide a comprehensive and thorough picture of our entire organization. The accounting data is derived from the Earnings Report and the 4Q22 Financial Statements (BR-GAAP). The Brazilian Real is the functional and presentation currency used in this report.

Reporting systems

The key indicators of our sustainability agenda described in the report are tracked monthly through a dashboard that is presented to the Bank's CEO, the Sustainability Committee, and executives responsible for the strategy and management of ESG issues. The Responsible Banking Dashboard, as it is called, is a tool managed by our ESG Management team that compiles information reported by different areas of the Bank. Other annual indicators are also included in the report, which are gathered exclusively for this document.

Furthermore, we focused on priority material topics identified in our materiality assessment, which examined global and Brazilian financial industry sustainability trends based on interviews on this theme with members of our Sustainability Committee, Vice Presidents, and strategic executives. We also utilized ESG information disclosed both internally and externally to our audiences in 2022.

Reporting criteria details

In addition to notes throughout the report and the GRI Content Index, the reader can better comprehend the scope, criteria, and assumptions of each GRI indicator on the following pages, which include the fields below:

Content: GRI indicator detailed and referenced in accordance with the codes defined by the GRI Standards

Content description: Description according to GRI Standards

Details: Description of the reporting criteria and assumptions for indicators with boundaries defined by "Banco Santander"

Assured indicator: Not all indicators were assured in the process

Exceptions: Exceptions to boundaries and reporting period

Changes in boundaries and criteria since the last report: Boundary and criterion changes relative to the previous report

Justification: Rationale for boundary and criterion changes since the last report

GRI content	Content description	Details	Assured indicator	Exceptions	Changes in boundaries and criteria since the last report	Justification
2-1	Organizational details	N/A	No	No	No	N/A
2-2	Entities included in the organization's sustainability reporting	N/A	No	No	No	N/A
2-3	Reporting period, frequency and contact point	N/A	No	No	No	N/A
2-4	Restatements of information	N/A	Yes	No	No	N/A
2-5	External assurance	N/A	Yes	No	N/A	N/A
2-6	Activities, value chain and other business relationships	We consider operations, products, and services from all activities and offerings that cater to individual clients ("PF"), small and medium-sized enterprises ("SMEs"), and wholesale customers. The units considered for this report are the administrative buildings and branch network (stores) that are currently operational. This Report highlights the main ESG-focused products and services. The website www.santander.com.br provides a comprehensive list of products for all customer segments. Our definition of relevant business relationships encompasses activities that have a financial, reputational, and/or procedural impact on both prudential and non-prudential companies within the conglomerate, including those that hold significant financial representation and strategic relevance for Santander Brasil. We consider significant changes to be all those alterations in activities, value chains, and other business relationships that generate financial, reputational, and/or procedural impact due to potential changes in competitive conditions in the markets in which we operate, resulting from economic, political, and business conditions in the country, government interventions, and regulatory environment, among others.	No	No	No	N/A
2-7	Employees	We consider all Santander Brasil employees hired under the Consolidation of Labor Laws ("CLT"), as well as Statutory Officers, to be permanent employees. Only employees are eligible for the CLT regime, while interns and young apprentices are not eligible. We have no temporary employees and no employees with non-guaranteed hours. We consider a full-time workday to be 8 hours/day, while a part-time workday is deemed to be less than 8 hours/day. We consider significant fluctuations to be all those changes in headcount exceeding 10%.	Yes	No	No	N/A
2-8	Workers who are not employees	Significant fluctuations are defined as meaningful changes in third-party hiring compared to prior years. Changes exceeding 30% are deemed significant.	Yes	No	No	N/A
2-9	Governance structure and composition	Significant fluctuations are defined as meaningful changes in third-party hiring compared to prior years. Changes exceeding 30% are deemed significant.	No	N/A	N/A	N/A
2-10	Nomination and selection of the highest governance body	N/A	No	No	No	N/A

GRI content	Content description	Details	Assured indicator	Exceptions	Changes in boundaries and criteria since the last report	Justification
2-11	Chair of the highest governance body	N/A	No	No	No	N/A
2-12	Role of the highest governance body in overseeing the management of impacts	N/A	No	No	No	N/A
2-13	Delegation of responsibility for managing impacts	N/A	No	No	No	N/A
2-14	Role of the highest governance body in sustainability reporting	N/A	No	No	No	N/A
2-15	Conflicts of interest	We deem a conflict of interests to occur when an individual is involved in a decision-making process where they possess the power to sway the outcome, thereby securing an undue advantage for themselves, a family member, or a third party, or even compromising their ability to exercise sound judgment. Further details can be found in our Related-Party Transaction Policy (https://www.santander.com.br/ri/estatuto-codigo-politicas), which addresses the topic of Conflict of Interests.	Yes	No	No	N/A
2-16	Communication of critical concerns	We deem critical concerns to be those situations of utmost relevance, given their potential impact and the macroeconomic context, as well as the volume of complaints received through Santander's Open Channel.	No	No	No	N/A
2-17	Collective knowledge of the highest governance body	N/A	No	No	N/A	N/A
2-18	Evaluation of the performance of the highest governance body	N/A	No	No	N/A	N/A
2-19	Remuneration policies	N/A	No	No	No	N/A
2-20	Process to determine remuneration	We consider fixed compensation, variable compensation, and benefits. The variable compensation takes into consideration different deferral percentages, depending on the level of variable compensation received in the year. The Board of Directors approves the monthly fixed compensation of the members of the Advisory Committees, and only those who do not hold a position on the Executive Board are entitled to this compensation. The Company has its Compensation Policy approved and revised at a Board of Directors meeting.	No	No	N/A	N/A

GRI content	Content description	Details	Assured indicator	Exceptions	Changes in boundaries and criteria since the last report	Justification
2-21	Annual total compensation ratio	Due to its strategic nature, this indicator is not disclosed in the report.	No	No	No	N/A
2-22	Statement on sustainable development strategy	N/A	No	No	No	N/A
2-23	Policy commitments	We consider the precautionary principle to be the implementation of best practices in environmental management and combating climate change, prioritizing an approach centered on anticipating and preventing environmental impacts. Our Social, Environmental, and Climate Responsibility Policy ("PRSAC") is available at https://www.santander.com.br/ri/estatuto-codigo-politicas.	No	No	No	N/A
2-24	Embedding policy commitments	N/A	No	No	No	N/A
2-25	Processes to remediate negative impacts	N/A	Yes	No	No	N/A
2-26	Mechanisms for seeking advice and raising concerns	N/A	Yes	No	No	N/A
2-27	Compliance with laws and regulations	N/A	Yes	No	No	N/A
2-28	Membership in associations	N/A	No	No	No	N/A
2-29	Approach to stakeholder engagement	N/A	Yes	No	No	N/A
2-30	Collective bargaining agreements	We consider employees to be all permanent employees of the Bank, hired under the CLT regime. Interns, young apprentices, and statutory officers are not part of this group.	No	No	No	N/A
3-1	Process to determine material topics	N/A	Yes	No	No	N/A
3-2	List of material topics	N/A	Yes	No	No	N/A
3-3	Management of material topics	N/A	Yes	No	No	N/A

GRI content	Content description	Details	Assured indicator	Exceptions	Changes in boundaries and criteria since the last report	Justification
201-1	Direct economic value generated and distributed	The Value-Added Statement is presented in accordance with the format prescribed in the Financial Statements and considers the following companies: Banco Santander (Brasil) S.A. Cayman Islands Branch Bsb Luxembourg Branch Bsb Banco Bandepe S.A. Santander Leasing S.A. Arrendamento Mercantil Banco RCI Brasil S.A. Aymoré Crédito, Financiamento e Investimento S.A. Santander Corretora de Câmbio e Valores Mobiliários S.A. Santander Brasil Administradora de Consórcio Ltda. Santander Corretora de Seguros, Investimentos e Serviços S.A. Evidence Previdência S.A. Sancap Investimentos e Participações S.A. Santander Fundo de Investimento Unix Multimercado Crédito Privado Santander Fundo de Investimento Diamantina Multimercado Crédito Privado de Investimento no Exterior Santander FI Hedge Strategy Fund Atual Companhia Securitizadora de Créditos Financeiros (Atual denominação da Atual Serviços de Recuperação de Créditos e Meios Digitais S.A.) Santander Fundo de Investimento Amazonas Multimercado Crédito Privado de Investimento no Exterior Santander Fundo de Investimento SBAC Referenciado DI Crédito Privado Santander Fundo de Investimento Guarujá Multimercado Crédito Privado de Investimento no Exterior Santander Holding Imobiliária S.A. (Atual denominação da Webcasas S.A.) SX Negócios Ltda (Atual denominação da Toque Fale Serviços de Telemarketing Ltda.) SANB Promotora de Vendas e Cobrança Ltda. Santander Tecnologia e Inovação Ltda (Atual denominação da Bonsucesso Tecnologia Ltda.) Prime 16 - Fundo de Investimento Imobiliário (Atual denominação da BRL V - Fundo de Investimento Imobiliário - FII) Return Capital Serviços de Recuperação de Créditos S.A. Fundo de Investimento em Direitos Creditórios Multisegmentos NPL Ipanema VI - No Padronizado Rojo Entretenimento S.A. Ben Benefícios e Serviços Instituição de Pagamento S.A. Venda de Veículos Fundo de Investimento em Direitos Creditórios Santander Distribuidora de Títulos E Valores Mobiliários S.A. (Atual denominação da PI Distribuidora de Títulos e Valores Mobiliários S.A.) Banco PSA Finance Brasil S.A. Santander Capitalização S.A. Banco Hyundai Capital Brasil S.A. Esfera Fidelidade S.A. Santander Hermes Multi Créd Priv Infra Fundo de Invest Fundo de Investimento em Direitos Creditórios Atacado – No Padronizado Summer Empreendimentos Ltda. Atual - Fundo de Investimento Multimercado Crédito Privado Investimento no Exterior GIRA, Gestão Integrada de Recebíveis do Agronegócio S.A. Verbena FCVS - Fundo de Investimento em Direitos Creditórios Paylog Logística e Armazém Eireli Paytec Tecnologia em Pagamentos Ltda TORO Corretora de Títulos e Valores Mobiliários Ltda. TORO Investimentos S/A Liderança Serviços Especializados em Cobranças LTDA. Solution 4Fleet Consultoria Empresarial S.A. APE11 Tecnologia e Negócios Imobiliários S.A. Monetus Investimentos S.A. Monetus Corretora de Seguros LTDA. MOB Soluções em Tecnologia LTDA. Mobills Labs Soluções em Tecnologia LTDA. Getnet Fundo De Investimento Em Direitos Creditórios Santander Flex Fundo de Investimento Direitos Creditórios SX Tools Soluções e Serviços Compartilhados LTDA Cayman Islands Branch - CPC-02 Luxemburgo Islands Branch Bsb - Cpc-02	No	No	No	N/A

GRI content	Content description	Details	Assured indicator	Exceptions	Changes in boundaries and criteria since the last report	Justification
201-2	Financial implications and other risks and opportunities due to climate change	We consider substantial changes to be all those changes in the political, legal, market, technological or social, environmental and climate context that may impact stakeholders, resulting in financial and non-financial repercussions for the Bank. Concerning the financial implications of risk or opportunity and the costs of the measures taken, the data will not be reported (Reason for omission in the GRI Index).	Yes	No	No	N/A
203-2	Significant indirect economic impacts	We consider significant indirect economic impact to be our total social, cultural, and environmental investment.	Yes	No	No	N/A
205-1	Operations assessed for risks related to corruption	We consider operations the financial activities, in addition to funds for sponsorships; donations; corruption risks from suppliers and associations; deliveries or receipts of gifts and premiums; contractual clauses and signed terms related to corruption prevention. We consider significant risk any material risk that affects the operation.	Yes	No	No	N/A
205-2	Communication and training about anti-corruption policies and procedures	The figures reported in the indicator pertain solely to the year 2022. Permanent employees of the Bank, hired under the CLT regime, are considered employees. We offer an online course on Preventing and Combating Corruption, which is available to employees, officers, interns, and apprentices, and we disclose the percentage of course completions in our Report. Moreover, we have an Anti-Corruption Policy aimed at establishing behavioral standards in circumstances involving, resembling, or characterizing any form of corruption, such as bribery or acts detrimental to the national or international public administration. In addition, the policy aims to decrease Santander and its members' legal exposure to image and reputation risks. Our anti-corruption communication activities include the following: Institutional messages from the Ethics and Compliance Committee and internal messages regarding updates to online courses centered on this subject. Our People department keeps track of all employees, officers, interns, and apprentices who have received training. Regarding policy communications and regulations pertaining to this topic, all information is readily available through our regulations portal and intranet to all employees, officers, interns, and apprentices. Anti-corruption procedures are communicated to 100% of senior leadership members, including the Board of Directors. Institutional communications from the Ethics and Compliance Committee, as well as reports and indicators on the completion status of mandatory courses by employees, are utilized as communication tools. Anti-corruption policies and procedures are communicated to 100% of employees through institutional communications from the Ethics and Compliance Committee. Anti-corruption policies and procedures are communicated to 100% of business partners through email and the Supplier portal. This information is also available on our Sustainability portal, which is available to all audiences. Our online courses on Preventing and Combating Corruption and the New Code of Ethical Conduct are mandatory for all employees, officers, interns, and apprentices.	Yes	No	No	N/A
207-1	Approach to tax	N/A	No	No	No	N/A
305-1	Direct (Scope 1) GHG emissions	Under scope 1, the following processes are considered: fuel use (power generators and transportation), refrigeration/air conditioning equipment, and fire extinguishers. The employed methodology and calculation tool are the standard made available to all companies by the GHG Protocol. Boundary: Encompasses all branches and administrative buildings	Yes	No	No	N/A

GRI content	Content description	Details	Assured indicator	Exceptions	Changes in boundaries and criteria since the last report	Justification
305-2	Energy indirect (Scope 2) GHG emissions	Under scope 2, we considered the total energy consumption of our operations, encompassing all branches in Brazil and administrative buildings. The employed methodology and calculation tool are the standard made available to all companies by the GHG Protocol. All branches and administrative buildings were considered in this report.	Yes	No	No	N/A
305-3	Other indirect (Scope 3) GHG emissions	Under scope 3, we considered emissions resulting from purchased fuel, paper, energy purchased for the Call Center buildings - Vila Santander Carioca and Vila Santander Paulista, waste sent to landfills, air travel, chartered vehicles for employees (if any), and national energy loss from transmission and distribution. Boundary: Considering all branches and administrative buildings. The employed methodology and calculation tool are the standard made available to all companies by the GHG Protocol. The reports have not undergone any significant changes. A significant change would be, for instance, beginning to report emissions from our customer portfolio.	No	No	No	N/A
305-5	Reduction of GHG emissions	Our understanding of associated primary effects encompasses those that result in a reduction of greenhouse gas emissions, including paper consumption, fuel usage in air travel, and electricity consumption. We do not consider any significant secondary effects. To determine overall GHG emissions, we utilized the GHG Protocol calculation tool and methodology.	No	No	No	N/A
308-1	New suppliers that were screened using environmental criteria	We consider new suppliers to be all those service providers who undergo the engagement process during the reporting period. Among the environmental criteria considered in the engagement process is respect for the environment. As premises for selection, we consider compliance with activities that meet the desired scope. The supplier percentage calculation considers the number of new suppliers assessed for environmental issues in the period, divided by the total number of new suppliers during the same period. All new suppliers undergo this assessment.	Yes	No	No	N/A
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	We consider employees to be all permanent employees of the Bank, hired under the CLT regime. Interns, young apprentices, and statutory officers are not part of this group.	No	No	No	N/A
401-3	Parental leave	We consider employees to be all permanent employees of the Bank, hired under the CLT regime. Interns, young apprentices, and statutory officers are not part of this group.	Yes	No	No	N/A

GRI content	Content description	Details	Assured indicator	Exceptions	Changes in boundaries and criteria since the last report	Justification
403-9	Work-related injuries	We consider employees to be all individuals who maintain an employment relationship with Banco Santander Brasil S.A. through a labor contract under the CLT regime. We consider non-employee workers to be all professionals hired by the Bank's supplier companies, who operate in technology and support services at Santander's units. Third-party workers are hired under the CLT regime by the Bank's approved companies. ii. We consider work-related accidents with severe consequences to be those that occur while performing job duties for the company and result in bodily harm, functional impairment leading to death, permanent or temporary loss or reduction of work capacity (Social Security Law No. 8,213/91). Accidents with severe consequences have an action plan (which may be advisory or implemented in the workplace) that is executed on a case-by-case basis. iii. Every occurrence of an accident, incident, or work-related illness among employees must be reported and analyzed by the Specialized Services in Occupational Safety and Medicine ("SESMT") department of Santander Brasil. The purpose is to evaluate what happened, identify the direct and indirect causes of the possible accident/illness, and correct them by implementing corrective and preventive actions. v. The basis considers the effective hours worked to be the number of employees who worked each month multiplied by the number of business days in each month.	Yes	No	No	N/A
403-10	Work-related ill health	We consider employees to be all permanent employees of Banco Santander (Brasil) S.A. We do not consider workers who are not employees in this indicator. ii. We consider "mandatory reporting occupational diseases" to be all those instances of work-related illness suffered by employees that must be analyzed by the Specialized Services in Occupational Safety and Medicine ("SESMT") department of Banco Santander. The purpose of this analysis is to evaluate what happened, identify the direct and indirect causes of the potential illness, and follow it up through the Bank's health programs.	Yes	No	No	N/A
404-2	Programs for upgrading employee skills and transition assistance programs	N/A	No	No	No	N/A
405-1	Diversity of governance bodies and employees	We consider employees to be all permanent employees of the Bank, hired under the CLT regime. Interns, young apprentices, and statutory officers are not part of this group. The functional categories are: Operational, Administrative, Specialist, Managerial, and Executive. These categories are based on the level/position of each employee and are segmented by the education platform.	Yes	No	No	N/A
406-1	Incidents of discrimination and corrective actions taken	a) Refer to allegations whose reports stem from discrimination or prejudice based on race, color, ethnicity, religion, or national origin + diversity. Examples: PwD, blacks, LGBT+, gender, age. b) We have a specific category for "discrimination," in accordance with the aforementioned concept and examples.	Yes	No	No	N/A
414-1	New suppliers that were screened using social criteria	a. Social criteria are an integral part of the supplier approval process at the Bank. For instance, the social initiatives undertaken by the supplier and the diversity within the engaged company are surveyed. The formula is the sum of all engaged suppliers. We define new suppliers as those companies with which we have signed new agreements.	Yes	No	No	N/A

GRI content	Content description	Details	Assured indicator	Exceptions	Changes in boundaries and criteria since the last report	Justification
415-1	Political contributions	In compliance with the current legislation (Law No. 9,504 of 1997), Santander and its affiliates and subsidiaries do not make any type of donation or contribution (monetary or in kind) to electoral campaigns and political parties, either on their own behalf or through intermediaries (directly or indirectly).	Yes	No	No	N/A
417-1	Requirements for product and service information and labeling	Items a.ii, iii, iv and b. do not apply to the activities of Santander Brasil.	No	No	No	N/A
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	a. We deem “substantiated complaints” to be the reports received through Open Channel, under the subcategories of “Breach of Confidentiality, Leakage or Theft of PI/ internal information”, which have been investigated and concluded as well-founded. b. For the purposes of Open Channel, we consider “leaks, thefts, or losses of customer data” to be the reports that mention breach of confidentiality, leakage or theft of information. All complaints are duly considered in this report. We do not have a minimum number of reports that we classify as significant.	Yes	No	No	N/A
G4-FS8	Monetary value of products and services created to deliver a specific environmental benefit for each line of business, broken down by purpose	N/A	No	N/A	N/A	N/A
G4-FS14	Initiatives to improve access of people with disabilities to financial services	N/A	No	N/A	N/A	N/A