Itaú

2021

Risk and capital management Pillar 3

Index

Objective

This document presents Itaú Bank Ltd. information required by the Cayman Islands Monetary Authority (CIMA), which addresses the disclosure of information on risks and capital management, the comparison between accounting and prudential information, the liquidity and market risk indicators, the calculation of risk-weighted assets (RWA), the calculation of the Total Capital ("Patrimônio de Referência" - PR), and the compensation of management members.

Itaú Bank Ltd is a company incorporated in the Cayman Islands and wholly owned subsidiary of ITB Holding, Ltd. ("ITB") with Itaú Unibanco Holding S.A. ("Itaú Unibanco"), a company incorporated in Brazil, as the ultimate parent.

It is important to highlight that all guidelines and operational processes from Itaú Bank are executed by Itaú Unibanco as a Service Level Agreement (SLA), considering the representativeness, relevance, and complexity of the Entity's balance sheet

Given the above, the qualitative information presented in the report refers to Itaú Unibanco – except for quantitative information or when specific and presented as Itaú Bank.

The disclosure policy of the Risk and Capital Management Report presents the guidelines and responsibilities of the areas involved in its preparation, as well as the description of the information that must be disclosed and the integrity endorsement and approval governance, outlined in the following documents issued by the Basel Committee on Banking Supervision ("BCBS"):

(a) "Pillar 3 disclosure requirements – updated framework" issued in December 2018;

(b) "Pillar 3 disclosure requirements – consolidated and enhanced framework" issued in March 2017;

(c) "Revised Pillar 3 disclosure requirements" issued in January 2015;

(d) "Pillar 3 disclosure requirements for remuneration" issued in July 2011;

(e) "International Convergence of Capital Measurement and Capital Standards – A Revised Framework" (i.e. Basel II) issued in June 2004;

It is important to highlight that with the purpose of simplifying the corporate organization, a request has been made to the Central Bank of Brazil (BACEN) and a letter to the Cayman Islands Monetary Authority (CIMA) has been sent informing the intention of merging Itaú Bank, Ltd. into another company from Itaú Unibanco Conglomerate, Itaú Bank & Trust Cayman Ltd. (IBTC). After such regulatory approvals are granted, it is expected that, as a result of the planned merger, Itaú Bank, Ltd. will cease to exist.

OVA: Bank risk management approach
Scope and main characteristics of risk management

To undertake and manage risks is one of the activities of Itaú Unibanco. For this reason, the institution must have clearly established risk management objectives. In this context, the risk appetite defines the nature and the level of risks acceptable for the institution, while the risk culture guides the attitudes required to manage them. Itaú Unibanco invests in robust risk management processes, that are the basis for its strategic decisions to ensure business sustainability and maximize shareholder value creation.

These processes are in line with the guidelines of the Board of Directors and Executives who, through corporate bodies, define the institution's global objectives, which are then translated into targets and thresholds for the business units that manage risks. Control and capital management units, in turn, support Itaú Unibanco's management through the processes of analysis and monitoring of capital and risk.

The principles that provide the risk management and the risk appetite foundations, as well as guidelines regarding the actions taken by Itaú Unibanco's employees in their daily routines are as follows:

- Sustainability and customer satisfaction: the vision of Itaú Unibanco is to be a leading bank in sustainable performance and customer satisfaction. For this reason, the institution is concerned about creating shared values for employees, customers, shareholders and society to ensure the longevity of the business. Itaú Unibanco is concerned about doing business that is good for customers and for the institution;

- Risk culture: the institution's risk culture goes beyond policies, procedures and processes. It strengths the individual and collective responsibility of all employees to manage and mitigate risks consciously, respecting the ethic way of doing business. The risk culture is described in the item "Risk Culture";

- Risk Pricing: Itaú Unibanco operates and assumes risks in business that it knows and understands, avoids the ones that are unknown or that do not provide competitive advantages, and carefully assesses risk-return ratios;

- Diversification: the institution has low appetite for volatility in its results. Accordingly, it operates with a diversified base of customers, products and business, seeking risk diversification and giving priority to low-risk transactions;

- Operational excellence: Itaú Unibanco intends to provide agility, as well as a robust and stable infrastructure, in order to offer high quality services;

- Ethics and respect for regulations: at Itaú Unibanco, ethics is non-negotiable. For this reason, the institution promotes an institutional environment of integrity, educating its employees to cultivate ethical relationships and businesses, as well as respecting the norms, and therefore looking after the institution's reputation.

Since August, 2017, the Resolution CMN 4,557 came into force, which established the structure of risk and capital management. The resolution highlights are the implementation of a continuous and integrated risk management framework; the requirements for the definition of the Risk Appetite Statement (RAS) and the stress test program; the establishment of a Risk Committee; the indication, before BACEN, of the Chief Risk Officer (CRO); and the CRO's roles, responsibilities and independence requirements.

Risk and Capital Governance

The Board of Directors is the main body responsible for establishing the guidelines, policies and authority levels regarding risk and capital management. In turn, the Risk and Capital Management Committee (CGRC) provides support to the Board of Directors in the performance of their duties relating to risk and capital management. At the executive level, corporate bodies headed by Itaú Unibanco's Chief Executive Officer (CEO) are established to manage risks and capital. Their decisions are overseen by the CGRC.

Additionally, the Itaú Unibanco Holding has corporate bodies that perform delegated duties in the risk and capital management, under the responsibility of CRO (Chief Risk Officer).

To support this structure, the Risk Area is structured with specialized departments. The objective is to provide independent and centralized management of the institution's risks and capital, and to ensure the accordance with the established rules and procedures.

Itaú Unibanco's risk management organizational structure complies with Brazilian and international regulations in place and is aligned with the market's best practices, including governance for identifying emerging risks, which are those with medium and long-term impact potentially material about the business.

Responsibilities for risk management at Itaú Unibanco are structured according to the concept of three lines of defense, namely:

- in the first line of defense, the business and corporate support areas manage risks they give rise to, by identifying, assessing, controlling and reporting such risks;
- in the second line of defense, an independent unit provides central control, so as to ensure that Itaú Unibanco's risk is managed according to the risk appetite and established policies and procedures. This centralized control provides the Board and executives with a global overview of Itaú Unibanco's exposure, to ensure correct and timely corporate decisions;
- in the third line of defense, internal audit provides an independent assessment of the institution's activities, so that senior management can see that controls are adequate, risk management is effective and institutional standards and regulatory requirements are being complied with.

Itaú Unibanco uses robust automated systems for full compliance with capital regulations, as well as for measuring risks in accordance with the regulatory determinations and models in place. It also monitors adherence to the qualitative and quantitative regulators' minimum capital and risk management requirements.

Risk Appetite

Itaú Unibanco has a risk appetite policy, which was established and approved by the Board of Directors and guides the institution's business strategy. The bank's risk appetite is grounded on the following declaration of the Board of Directors:

"We are a universal bank, operating predominantly in Latin America. Supported by our risk culture, we operate based on rigorous ethical and regulatory compliance standards, seeking high and growing results, with low volatility, by means of the long-lasting relationship with clients, correctly pricing risks, well-distributed fund-raising and proper use of capital."

Based on this declaration, the bank established five dimensions, each of which comprising a set of metrics associated with the key risks involved, combining complementary measurements and seeking a comprehensive view of its exposure:

- Capitalization: establishes that Itaú Unibanco should have sufficient capital to protect itself against a serious recession or stress events without the need to adjust its capital structure under adverse circumstances. It is monitored by following up the bank's capital ratios, in usual or stress situations, and the institution's debt issue ratings.
- Liquidity: establishes that the institution's liquidity should be able to support long stress periods. It is monitored by following up on liquidity ratios.

- Composition of results: establishes that business will mainly focus on Latin America, where Itaú Unibanco will have a diversified range of customers and products, with low appetite for results volatility and high risk. This dimension includes business and profitability, as well as market and credit risks aspects. The metrics monitored by the bank seek to ensure, by means of exposure concentration limits such as, for example, industry sectors, quality of counterparties, countries and geographic regions and risk factors, a suitable composition of the bank's portfolios, aiming at low volatility of results and business sustainability.

- Operational risk: focuses on controlling operational risk events that may adversely impact the bank's business strategy and operations. This control is carried out by monitoring key operational risk events and incurred losses.

- Reputation: deals with risks that may impact brand value and the institution's reputation before its customers, employees, regulators, investors and the general public. In this dimension, risks are monitored by following up on customers' satisfaction or dissatisfaction, media exposure and observation of the institution's conduct.

The Board of Directors is responsible for approving risk appetite guidelines and limits, performing its activities with the support of the Risk and Capital Management Committee (CGRC) and the Chief Risk Officer (CRO).

Metrics are regularly monitored and must comply with the limits defined. The monitoring is reported to the risk commissions and to the Board of Directors, guiding the use of preventive measures to ensure that exposures are within the limits provided and in line with the bank's strategy.

Risk Culture

Aiming at strengthening its values and aligning the behavior of its employees with risk management guidelines, the institution adopts several initiatives to disseminate and strengthen its Risk Culture, which is based on four principles: conscious risk taking, discussions and actions on the institution's risks, and each and everyone's responsibility for risk management.

Chart 1 - Risk Culture

Besides the risk management policies, procedures and processes, the institution promotes its Risk Culture by emphasizing a behavior that helps people of all company levels to undertake and manage risks in a conscious way. By disseminating these principles, the institution fosters the understanding and the open discussion about risks, so that they are kept within the risk appetite levels established and each employee individually, regardless of their position, area or duties, may also assume responsibility for managing the risks of the business.

Itaú Unibanco also makes some channels available for communication of operating failures, internal or external fraud, conflicts at the workplace, or cases that may result in inconveniences and/or losses for the institution or its customers. All employees or third parties are responsible for informing any problems immediately, as soon as they become aware of the situation.

Stress Testing

The stress test is a process of simulating extreme economic and market conditions on Itaú Unibanco's results, liquidity and capital. The institution has been carrying out this test in order to assess its solvency in plausible scenarios of crisis, as well as to identify areas that are more susceptible to the impact of stress that may be the subject of risk mitigation.

For the purposes of the test, the economic research area estimates macroeconomic variables for each stress scenario. The elaboration of stress scenarios considers the qualitative analysis of the Brazilian and the global conjuncture, historical and hypothetical elements, short and long term risks, among other aspects, as defined in CMN Resolution 4,557.

In this process, the main potential risks to the economy are assessed based on the judgment of the bank's team of economists, endorsed by the Chief Economist of Itaú Unibanco and approved by the Board of Directors. Projections for the macroeconomic variables (such as GDP, the basic interest rate and inflation) and for variables in the credit market (such as raisings, lending, rates of default, margins and charges) used are based on exogenous shocks or through use of models validated by an independent area.

Then, the stress scenarios adopted are used to influence the budgeted result and balance sheet. In addition to the scenario analysis methodology, sensitivity analysis and the Reverse Stress Test are also used.

Itaú Unibanco uses the simulations to manage its portfolio risks, considering Brazil (segregated into wholesale and retail) and External Units, from which the risk-weighted assets and the capital and liquidity ratios are derived.

The stress test is also an integral part of the ICAAP (Internal Capital Adequacy Process), the main purpose of which is to assess whether, even in severely adverse situations, the institution would have adequate levels of capital and liquidity, without any impact on the development of its activities.

This information enables potential offenders to the business to be identified and provides support for the strategic decisions of the Board of Directors, the budgeting and risk management process, as well as serving as an input for the institution's risk appetite metrics.

Recovery Plan

In response to the latest international crises, the Central Bank issued the Resolution No. 4,502, which requires the development of a Recovery Plan for the financial institutions that are classified in the Segment 1, with a total exposure of more than 10% of Gross Domestic Product (GDP). This plan aims to reestablish adequate levels of capital and liquidity, above the regulatory requirements, through appropriate strategies in the event of severe stress shocks of a systemic or idiosyncratic nature. Accordingly, each institution would be able to preserve its financial feasibility and, at the same time, mitigate the impact on the National Financial System.

Itaú Unibanco has a Recovery Plan that contemplates the entire Conglomerate, including foreign subsidiaries, and contains the description of the following items:

I. Critical functions rendered by Itaú Unibanco to the market, activities that, if abruptly interrupted, could impact the National Financial System (SFN) and the functioning of the real economy;

II. Institution's essential services: activities, operations or services which discontinuity could compromise the bank's viability;

III. Monthly monitoring program, establishing critical levels for a set of indicators, with a view to risk monitoring and eventual trigger for the execution of the Recovery Plan;

IV. Stress scenarios, contemplating events that may threaten the business continuity and the viability of the institution, including reverse tests, which seek to identify remote risk scenarios, contributing to an increase of the management sensitivity;

V. Recovery strategies in response to different stress scenarios, including the main risks and barriers, as well as the mitigators of the latter and the procedures for the operationalization of each strategy;

VI. Communication plan with stakeholders, seeking its timely execution with the market, regulators and other stakeholders;

VII. Governance mechanisms necessary for the coordination and execution of the Recovery Plan, such as the definition of the director responsible for the exercise at Itaú Unibanco.

This plan is reviewed annually and is subjected to the approval of the Board of Directors.

With this practice, Itaú Unibanco has been able to continuously demonstrate, that even in severe scenarios, with remote probability of occurrence, it has strategies capable of generating sufficient resources to ensure the sustainable maintenance of critical activities and essential services, without losses to customers, to the financial system and to other participants in the markets in which it operates.

Itaú Unibanco ensures the exercise maintenance to guarantee that strategies remain up-to-date and viable in the face of organizational, competitive or systemic changes.

Capital Adequacy Assessment

For its capital adequacy assessment process, the annual Itaú Unibanco's procedure is as follows:

- Identification of material risks and assessment of the need for additional capital;
- Preparation of the capital plan, both in normality and stress situations;
- Internal assessment of capital adequacy;
- Structuring of capital contingency and recovery plans;
- Preparation of management and regulatory reports.

By adopting a prospective stance regarding capital management, Itaú Unibanco implemented its capital management structure and its ICAAP in order to comply with National Monetary Council (CMN) Resolution 4,557, BACEN Circular 3,846 and BACEN Circular Letter 3,907.

The result of the last ICAAP, which includes stress tests – dated as of December 2020 – showed that, in addition to having enough capital to face all material risks, Itaú Unibanco has a significant buffer, thus ensuring the soundness of its equity position.

Capital Adequacy

Itaú Unibanco, through the ICAAP process, assesses the adequacy of its capital to face the incurred risks, composed by regulatory capital for credit, market and operational risks and by the necessary capital to face other risks. In order to ensure the soundness and the availability of Itaú Unibanco's capital to support business growth, the Total Capital levels were maintained above the minimum requirements.

OV1: Overview of risk-weighted assets (RWA)

According to CMN Resolution 4,193 and subsequent amendments, for assessing the minimum capital requirements, the RWA must be calculated by adding the following risk exposures:

$$RWA = RWA_{CPAD} + RWA_{MINT} + RWA_{OPAD}$$

- RWA_{CPAD} = portion related to exposures to credit risk, calculated using standardized approach;
- RWA_{MINT} = portion related to the market risk capital requirement, made up of the maximum between the internal model and 80% of the standardized model, and regulated by BACEN Circulars 3,646 and 3,674;
- RWA_{OPAD} = portion related to the operational risk capital requirement, calculated using standardized approach.

USD

	RWA		Minimum Capital Requirements
	2021	2020	2021
Credit risk (excluding counterparty credit risk) (CCR)	27,009,776.85	174,790,644.65	3,241,173.22
Securitisation exposures	-	-	-
Counterparty credit risk	-	-	-
Of which: current exposure method	-	-	-
Of which: standardized method	-	-	-
Market risk	838,111.29	108,840.60	100,573.35
Of which: Equity risk	-	-	-
Operational risk	129,111,193.92	120,645,528.92	15,493,343.27
Of which: Basic Indicator Approach	129,111,193.92	120,645,528.92	15,493,343.27
Of which: Standardised Approach	-	-	-
Of which: Alternative Standardised	-	-	-
Total (1+2+3+6+8)	**156,959,082.06**	**295,545,014.17**	**18,835,089.85**

Links between financial statements and regulatory exposures

LIA: Explanations of differences between accounting and regulatory exposure amounts

The pricing methodology for the financial instruments subject to Resolution No. 4,277, of October 31st, 2013, conducted by an independent area from the business areas, considers, in addition to benchmarks, the risks listed in the closeout uncertainty, market concentration, early termination, model risk, investing and funding costs, unearned credit spread and others.

The fair value measurement at Itaú Unibanco follows the principles enclosed in the main regulatory bodies, such as CVM and BACEN. The institution follows the best practices in terms of pricing policies, procedures and methodologies and is committed to secure the pricing of financial instruments in its balance sheet with prices quoted and disclosed by the market, and in the impossibility of doing so, expends its best efforts to estimate which would be the fair price at which financial assets would be effectively traded, maximizing the use of relevant observable data and, under specific conditions, these instruments can be valued on a model basis. In all of these situations, the organization has control over its pricing methods and model risk management.

The process of independent price verification (IPV) follows the guidelines included in Resolution No. 4,277, with daily verification of prices and market inputs, which is performed by a team independent from the pricing team. This process is also subject to an independent evaluation by the internal control, internal audit and external audit teams.

LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

USD							**12/31/2021**
			Carrying values of items:				
	Carrying values as reported in published financial statements	**Carrying values under scope of regulatory consolidation**	**Subject to credit risk framework**	**Subject to counterparty credit risk framework**	**Subject to the securitisation framework**	**Subject to the market risk framework**	**Not subject to capital requirements or subject to deduction from capital**
Assets							
Cash Items	565,284,146.98	564,671,399.04	564,671,399.04			877,365.49	
Items in the course of collection from other banks	17,525,589.31	17,525,589.31	17,525,589.31			-	
Investments - Held-to-maturity	839.29	0.00	0.00			839.29	
Financial assets at fair value	48,448,978.24	36,188,690.36	36,188,690.36			-	
Derivative financial instruments							
Loans and advances to banks	-						
Loans and advances to customers	-						
Reverse repurchase agreements and other similar secured lending							
Available for sale financial investments	10,094,661.48	10,094,661.48	10,094,661.48			-	
Other assets	722,216.56	305,403.36	177,828.38			215.54	127,574.98
Total assets	**642,076,431.86**	**628,785,743.55**	**628,658,168.57**			**878,420.32**	127,574.98
Liabilities							
Deposits from banks	-						
Items in the course of collection due to other banks							
Customer accounts							
Repurchase agreements and other similar secured							
Trading portfolio liabilities							
Financial liabilities designated at fair value	(28,445,764.29)	(28,445,764.29)				-	(28,445,764.29)
Derivative financial instruments							
Other liabilities	(693,293.20)	(204,452.42)				(74,002.42)	(204,452.42)
Total liabilities	**(29,139,057.49)**	**(28,650,216.71)**				**(74,002.42)**	**(28,650,216.71)**

LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

USD					12/31/2021
		Items subject to:			
	Total	Credit risk framework	Securitisation framework	Counterparty credit risk framework	Market risk framework
Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	628,785,743.55	628,658,168.57			878,420.32
Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	28,650,216.71	-			74,002.42
Total net amount under regulatory scope of consolidation	600,135,526.84	628,658,168.57	-	-	804,417.90
Exposure amounts considered for regulatory purposes	600,135,526.84	628,658,168.57	-	-	804,417.90

USD					12/31/2021
		Items subject to:			
	Total	Credit risk framework	Securitisation framework	Counterparty credit risk framework	Market risk framework
Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	628.785.743,55	628.658.168,57			878.420,32
Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	28.650.216,71	-			74.002,42
Total net amount under regulatory scope of consolidation	600.135.526,84	628.658.168,57	-	-	804.417,90
Exposure amounts considered for regulatory purposes	600.135.526,84	628.658.168,57	-	-	804.417,90

Composition of Capital

CAP: Details on the bank's capital, including specific capital instruments

Scope

Itaú Bank Ltd, which is a wholly owned subsidiary of ITB Holding, Ltd. ("ITB"), a company incorporated in the Cayman Islands. Itaú Unibanco Holding S.A. ("Holding"), a company incorporated in Brazil and publicly listed in Brazil and the United States, is the ultimate parent.

The Bank holds a majority stake (99,99%) in Itau Asia Ltd., a subsidiary incorporated under the laws of Hong Kong, that currently does not have an active portfolio.

There are no restriction on transfer of funds or regulatory capital within the group.

The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.	-
The aggregate amount of capital deficiencies in all subsidiaries not included in the consolidation i.e. that are deducted and the name(s) of such subsidiaries.	-
The aggregate amounts (e.g. current book value) of the firm's total interests in insurance entities, which are risk-weighted rather than deducted from capital or subjected to an alternate group-wide method, as well as their name, their country of incorporation or residence, the proportion of ownership interest and, if different, the proportion of voting power in these entities. In addition, indicate the quantitative impact on regulatory capital of using this method versus using the deduction or alternate group-wide method.	-

Capital Structure

There are no capital instruments, only Equity.

	Amounts in US dollars and cents
Total amount of Tier 1 capital, with separate disclosure of:	
Paid up capital	**487,572,686.64**
Disclosed reserves	**112,561,244.10**
Total Tier 1 Capital	**600,133,930.74**
The total amount of Tier 2 and Tier 3 capital	
Asset revaluation reserves	**1,596.10**
Total Tier 2 Capital	**1,596.10**
Other Deductions	**-**
Total eligible capital	**600,135,526.84**

Capital adequacy

The Bank has conducted capital planning and capital adequacy assessment relative to its entire risk profile by taking into consideration its institution-specific characteristics and uncertainties. As a result, the Bank has adopted the minimum capital requirement approach based on the Pillar I minimum capital requirements together with the assessment of extra capital proportionate to the non-Pillar I risk. It is considered that the Bank's risk exposures are limited due to the nature of the activities of the Bank and the experience of those involved in its business streams. Also, the Bank produces forecasts related to its results and capital, in normal and stressed scenarios.

	Amounts in US dollars and cents
Claims on Banks and Security Firms	3241173.22
Securitisation exposures.	0.00
Standardised Approach	100573.35
Basic Indicator Approach	15493343.27
Tier 1 Capital Ratio	382.35%
Total Capital Ratio	**382.35%**

LR1: Summary comparison of accounting assets vs leverage ratio exposure measure (RA)

USD	**12/31/2021**
Total consolidated assets as per published financial statements	642,076,431.86
Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
Adjustments for temporary exemption of central bank reserves (if applicable)	-
Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
Adjustments for regular way purchases and sales of financial assets subject to trade date accounting	-
Adjustments for eligible cash pooling transactions	-
Adjustments for derivative financial instruments	-
Adjustment for securities financing transactions (i.e. repurchase agreements and similar secured lending)	46,283,351.84
Adjustment for off balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	-
Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
Other adjustments	- 59,574,040.15
Leverage ratio exposure measure	628,785,743.55

LR2: Leverage ratio common disclosure

USD	12/31/2021	12/31/2020
On-balance sheet exposures		
Total consolidated assets as per published financial statements	642,076,431.86	781,395,061.82
Gross up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	-	-
(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	-	-
(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
(Specific and general provisions associated with on balance sheet exposures that are deducted from Basel III Tier 1 capital)	-	-
(Asset amounts deducted in determining Basel III Tier 1 capital and regulatory adjustments)	- 59,574,040.15	- 147,326,905.26
Total on balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	**582,502,391.71**	**634,068,156.56**
Derivative exposures		
Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	-	-
Add on amounts for potential future exposure associated with all derivatives transactions	-	-
(Exempted central counterparty (CCP) leg of client cleared trade exposures)	-	-
Adjusted effective notional amount of written credit derivatives	-	-
(Adjusted effective notional offsets and add on deductions for written credit derivatives)	-	-
Total derivative exposures (sum of rows 8 to 12)	-	-
Securities financing transaction exposures		
Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	46,283,351.84	144,566,462.51
(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
Counterparty credit risk exposure for SFT assets	-	-
Agent transaction exposures	-	-
Total securities financing transaction exposures (sum of rows 14 to 17)	**46,283,351.84**	**144,566,462.51**
Other off-balance sheet exposures		
Off-balance balance sheet exposure at gross notional amount	-	-
(Adjustments for conversion to credit equivalent amounts)	-	-
(Specific and general provisions associated with off balance sheet exposures deducted in determining Tier 1 capital)	-	-
Off-balance sheet items (sum of rows 19 to 21)	-	-
Capital and total exposures		
Tier 1 capital	**600,133,930.74**	**599,689,000.00**
Total exposures (sum of rows 7, 13, 18 and 22)	**628,785,743.55**	**778,634,619.07**
Leverage ratio		
Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	95.44%	77.02%
Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	95.44%	77.02%
National minimum leverage ratio requirement	3%	3%
Applicable leverage buffers	0	0

Liquidity Ratios

LIQA: Liquidity Risk Management Information

Liquidity risk is controlled by an area independent from the business area and responsible for establishing the reserve composition, estimating the cash flow and exposure to liquidity risk in different time horizons, and for monitoring the minimum limits to absorb losses in stress scenarios for each country where Itaú Unibanco Holding operates. All activities are subject to verification by independent validation, internal control and audit areas.

Liquidity management policies and limits are based on prospective scenarios and senior management's guidelines. These scenarios are reviewed on a periodic basis, by analyzing the need for cash due to atypical market conditions or strategic decisions by Itaú Unibanco Holding.

Itaú Unibanco Holding centralizes the management and controls liquidity risk on a daily basis, using procedures approved in superior committees, the adoption of liquidity minimum limits, sufficient to absorb possible cash losses in stress scenarios, measured with the use of internal and regulatory methods. The institution also adopts concentration limits to corporate clients, in order to guarantee a funding diversification.

Additionally, the following items for monitoring and supporting decisions are periodically prepared and submitted to senior management:

- Different scenarios projected for changes in liquidity;
- Contingency plans for crisis situations, for example:
    - Asset Sales
    - Raising capital resources
    - Renegotiation to extend bank´s liabilities
- Reports and charts that describe the risk positions;
- Assessment of funding costs and alternative sources of funding;
- Monitoring of changes in funding through a constant control of sources of funding, considering the type of investor, maturities and other factors.

LIQ1: Liquidity Coverage Ratio (LCR)

USD		12/31/2021
	Total unweighted value (average)	**Total weighted value** (average)
High-quality liquid assets		
Total HQLA	10,094,661.48	8,580,462.26
Cash outflows		
Retail deposits and deposits from small business customers, of which:	**-**	**-**
Stable deposits	-	-
Less stable deposits	-	-
Unsecured wholesale funding, of which:	-	-
Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
Non-operational deposits (all counterparties)	-	-
Unsecured debt	-	-
Secured wholesale funding	-	-
Additional requirements, of which:	-	-
Outflows related to derivative exposures and other collateral requirements	-	-
Outflows related to loss of funding on debt products	-	-
Credit and liquidity facilities	-	-
Other contractual funding obligations	-	-
Other contingent funding obligations	-	-
TOTAL CASH OUTFLOWS	-	-
Cash inflows		
Secured lending (e.g. reverse repos)	**-**	**-**
Inflows from fully performing exposures	-	-
Other cash flows	564,671,399.04	564,671,399.04
TOTAL CASH INFLOWS	**564,671,399.04**	**564,671,399.04**
		Total adjusted value
Total HQLA		8,580,462.26
Total net cash outflows		0
Liquidity Coverage Ratio (%)		0

LIQ2: Net Stable Funding Ratio (NSFR)

12/31/2021	Unweighted value by residual maturity (USD)				Weighted value (USD)
	No maturity	Lower than 6 months	Greater than or equal to 6 months, and lower than 1 year	Greater than or equal to 1 year	
Available stable funding (ASF) item					
Capital:					600,133,930.74
Regulatory capital	600,133,930.74				600,133,930.74
Other capital instruments					
Retail deposits and deposits from small business customers:					
Stable deposits					
Less stable deposits					
Wholesale funding:					
Operational deposits					
Other wholesale funding					
Liabilities with matching interdependent assets					
Other liabilities:					
NSFR derivative liabilities					
All other liabilities and equity not included in the above categories	28,651,812.81				
Total ASF					600,133,930.74
Available stable funding (ASF) item					
Total NSFR high-quality liquid assets (HQLA)					5,047,330.74
Deposits held at other financial institutions for operational purposes	564,671,399.04				282,335,699.52
Performing loans and securities:					
Performing loans to financial institutions secured by Level 1 HQLA					
Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions					84,700,709.86
Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:					
With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk					
Performing residential mortgages, of which:					
With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk					
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities					
Assets with matching interdependent liabilities					
Other assets:					
Physical traded commodities, including gold					
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					
NSFR derivative assets					
NSFR derivative liabilities before deduction of variation margin posted					
All other assets not included in the above categories	54,019,683.03				54,019,683.03
Off-balance sheet items					
Total RSF					341,402,713.29
Net Stable Funding Ratio (%)					176%

MLR: Minimum Liquidity Ratio

USD																
A) Liquid assets (free from any prior incumbrances)	**DEZ/21**	**NOV/21**	**OUT/21**	**SET/21**	**AGO/21**	**JUL/21**	**JUN/21**	**MAI/21**	**ABR/21**	**MAR/21**	**FEV/21**	**JAN/21**	**DEZ/20**	**NOV/20**	**OUT/20**	**SET/20**
Currency notes and coins	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	511,691,537.49	512,321,570.08	813,085,424.31	817,065,436.34	818,733,007.64
Withdrawable central bank reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					
Deposit balances with and Certificates of Deposit (CDs) issued by the bank's Group Bank – Parent, Branch, Subsidiary or Affiliate. (Available when a liquidity issue encountered and must have an explicit agreement with its Group Bank that is approved by the Authority.)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	513,045,960.13					
Any Debt Securities assigned a 0% risk weight representing claims on or guaranteed by:																
Sovereigns	10,094,661.48	10,092,317.73	10,091,731.73	10,091,536.43	10,090,950.53	10,098,732.69	10,098,667.52	10,098,993.06	10,097,951.39	10,097,788.67						
Central banks																
Public Sector Entities (PSEs)																
Multilateral Development Banks (MDBs)																
Any Debt Securities assigned a 20% risk weight representing claims on or guaranteed by:																
Sovereigns																
Central banks																
Public Sector Entities (PSEs)																
Multilateral Development Banks (MDBs)																
Any corporate debt security including commercial paper with a 20% risk rating - not issued by a financial institution or any of its affiliated entities																
Any covered bonds with a 20% risk rating - not issued by the bank itself or any of its affiliated entities																
Total Liquid Assets	**10,094,661.48**	**10,092,317.73**	**10,091,731.73**	**10,091,536.43**	**10,090,950.53**	**10,098,732.69**	**10,098,667.52**	**10,098,993.06**	**10,097,951.39**	**10,097,788.67**	**513,045,960.13**	**511,691,537.49**	**512,321,570.08**	**813,085,424.31**	**817,065,436.34**	**818,733,007.64**
B) Qualifying Liabilities																
All liabilities of the bank, excluding any contingent liabilities																
Due to non-bank customers (gross basis)	28,611,852.48	28,450,995.52	29,534,606.02	31,266,328.80	34,695,985.56	34,809,695.86	36,708,677.13	35,723,565.17	33,169,782.53	31,865,124.66	30,294,315.06	31,351,324.30	178,495,335.49	829,995,305.30	824,044,679.56	823,948,615.55
Due to other banks (Net basis) maturing within one month from MLR computation day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15% of all undrawn commitments																
Total Qualifying Liabilities	**28,611,852.48**	**28,450,995.52**	**29,534,606.02**	**31,266,328.80**	**34,695,985.56**	**34,809,695.86**	**36,708,677.13**	**35,723,565.17**	**33,169,782.53**	**31,865,124.66**	**30,294,315.06**	**31,351,324.30**	**178,495,335.49**	**829,995,305.30**	**824,044,679.56**	**823,948,615.55**
C) Minimum Liquidity Ratio																
Total Liquid Assets	10,094,661.48	10,092,317.73	10,091,731.73	10,091,536.43	10,090,950.53	10,098,732.69	10,098,667.52	10,098,993.06	10,097,951.39	10,097,788.67	513,045,960.13	511,691,537.49	512,321,570.08	813,085,424.31	817,065,436.34	818,733,007.64
Total Qualifying Liabilities	28,611,852.48	28,450,995.52	29,534,606.02	31,266,328.80	34,695,985.56	34,809,695.86	36,708,677.13	35,723,565.17	33,169,782.53	31,865,124.66	30,294,315.06	31,351,324.30	178,495,335.49	829,995,305.30	824,044,679.56	823,948,615.55
Minimum Liquidity Ratio - minimum required is 15%	**0.35**	**0.35**	**0.34**	**0.32**	**0.29**	**0.29**	**0.28**	**0.28**	**0.30**	**0.32**	**16.94**	**16.32**	**2.87**	**0.98**	**0.99**	**0.99**

Credit Risk

CRA: Qualitative information on credit risk management

Itaú Unibanco defines credit risk as the risk of loss associated with: failure by a borrower, issuer or counterparty to fulfill their respective financial obligations as defined in the contracts; value loss of credit agreements resulting from deterioration of the borrower's, issuer's or counterparty's credit rating; reduction of profits or income; benefits granted upon subsequent renegotiations; or debt recovery costs.

The management of credit risk is intended to preserve the quality of the loan portfolio at levels compatible with the institution's risk appetite for each market segment in which Itaú Unibanco operates. The governance of credit risk is managed through corporate bodies, which report to the Board of Directors or to the Itaú Unibanco executive structure. Such corporate bodies act primarily by assessing the competitive market conditions, setting the credit limits for the institution, reviewing control practices and policies, and approving these actions at the respective authority levels. The risk communication and reporting process, including disclosure of institutional and supplementary policies on credit risk management, are also function of this structure. Itaú Unibanco manages the credit risk to which it is exposed during the entire credit cycle, from before approval, during the monitoring process and up to the collection or recovery phase, with the periodic monitoring of troubled assets, which are defined as:

- Overdue Transactions for more than 90 days;
- Restructured Operations for Troubled Assets;
- Counterparties that present inability to pay, whether by legal measures, bankruptcy, loss, among others;
- Significant deterioration in credit quality, which can be identified by deterioration in internal rating metrics, guarantees honored, overdue exposure, among others.

Additionally, if it is identified that a CNPJ may contaminate the counterparties, they may be marked as Troubled Assets.

The monitoring contains information on significant exposures, including recovery history and prospects, as well as restructuring information. These analyzes are generated monthly for executives and quarterly for the Board of Directors through the Risk and Capital Management Committee (CGRC).

There is a credit risk management and control structure, centralized and independent of the business units which defines operational limits, risk mitigation mechanisms and processes, and instruments to measure, monitor and control the credit risk inherent to all products, portfolio concentrations and impacts to potential changes in the economic environment. Such structure is subjected to internal and external auditing processes. The credit's portfolio, policies and strategies are continuously monitored so as to ensure compliance with the rules and laws in effect in each country. The key assignments of the business units are (i) monitoring of the portfolios under their responsibility, (ii) granting of credit, taking into account current approval levels, market conditions, the macroeconomic prospects and changes in markets and products, and (iii) credit risk management aimed at making the business sustainable.

Itaú Unibanco's credit policy is based on internal factors, such as: client rating criteria, performance and evolution of the portfolio, default levels, return rates and allocated economic capital, among others; and also take into account external factors such as: interest rates, market default indicators, inflation and changes in consumption, among others.

With respect to individuals, small and medium companies, retail public, the credit ratings are assigned based on statistical application (in the early stages of relationship with a customer) and behavior score (used for customers with whom Itaú Unibanco already has a relationship) models.

For wholesale public, the classification is based on information such as the counterparty's economic and financial situation, its cash-generating capacity, and the business group to which it belongs, the current and prospective situation of the economic sector in which it operates. Credit proposals are analyzed on a case-by-case basis through the approval governance. The concentrations are monitored continuously for economic sectors and largest debtors, allowing preventive measures to be taken to avoid the violation of the established limits.

Itaú Unibanco also strictly controls credit exposure to clients and counterparties, acting to reverse occasional limit breaches. In this sense, contractual covenants may be used, such as the right to demand early payment or require additional collateral.

To measure credit risk, Itaú Unibanco takes into account the probability of default by the borrower, issuer or counterparty, the estimated amount of exposure in the event of default, past losses from default and concentration of borrowers. Quantifying these risk components is part of the lending process, portfolio management and definition of limits.

The models used by Itaú Unibanco are independently validated, to ensure that the databases used in constructing the models are complete and accurate, and that the method of estimating parameters is adequate.

Itaú Unibanco also has a specific structure and processes aimed at ensuring that other aspects of credit risk, such as country risk, are managed and controlled, described in the item "Other Risks".

CR1: Credit Quality of Asset

USD				12/31/2021
	Gross carrying values of:			
	Defaulted exposures	Non-defaulted exposures	Allowances/ impairments	Net values (a+b-c)
Loans				
Debt Securities				
in which: Sovereigns		10,093,904.67	(756.81)	10,094,661.48
in which: Other Debts		52,663,659.96	4,214,681.72	48,448,978.24
Off-balance sheet exposures	30,503,123.86			30,503,123.86
Total	**30,503,123.86**	**62,757,564.63**	**4,213,924.91**	**89,046,763.59**

CR2: Changes in Stock of defaulted loans and debts securities

USD	Total
Defaulted loans and debt securities at end of the previous reporting period	30,503,123.86
Loans and debt securities that have defaulted since the last reporting period	
Returned to non-defaulted status	
Amounts written off	
Other changes	
Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)	**30,503,123.86**

CRB: Additional disclosure related to the credit quality of assets

The tables below contain additional disclosure related to the credit quality exposures reported in the table CR1. Where is informed breakdown of exposures by geographical area, industry and defaulted exposures. In addition, the total exposures by residual maturity by delay range, the total of restructured exposures and the percentage of the ten and one hundred largest exposures are reported.

Exposure by industry

USD	12/31/2021	
	Portfolio	
	Total Exposure (Net values)	Total Exposure (Gross values)
Financial	11,840,698.24	14,730,297
Manuf	16,342,560.20	15,928,967
Other	20,265,719.81	22,004,396
Public	10,094,661.48	10,093,905
Total	**58,543,639.73**	**62,757,564.63**

Exposure by remaining maturity

USD				12/31/2021
Remaining maturities of transactions (Net values) *				
up to 6 months	6 to 12 months	1 to 5 years	above 5 years	Total
58,543,639.72	-	-	0.00	58,543,639.73

USD				12/31/2021
Remaining maturities of transactions (Gross values) *				
up to 6 months	6 to 12 months	1 to 5 years	above 5 years	Total
62,756,725.34	-	-	839.29	62,757,564.63

* Do not consider the amount of credits to be released

Exposure by geographical areas

USD	12/31/2021	
	Portfolio	
	Total Exposure (Net values)	Total Exposure (Gross values)
ARG	0.00	839.29
BRA	32,485,653.07	37,687,608.07
CHL	653,750.38	815,335.13
MEX	8,976,967.03	8,241,731.32
PER	1,431,392.85	1,490,681.26
USA	14,995,876.40	14,521,369.56
Total	**58,543,639.73**	**62,757,564.63**

Largest debtors exposures

USD		12/31/2021
	Exposure	% of portfolio
10 largest debtors	32,936,957.60	37.0%
40 largest debtors	25,606,682.13	28.8%

CRC: Qualitative disclosure related to Credit Risk Mitigation techniques

Itaú Unibanco uses guarantees to increase its recovery capacity in operations subject to credit risk. The guarantees used can be financial, credit derivatives, fiduciary, real, legal structures with mitigation power and offsetting agreements. For these guarantees to be considered as credit risk mitigating instruments, it is necessary that they comply with the requirements and determinations of the that regulate them, whether internal or external, and that they are legally enforceable (effective), enforceable and regularly evaluated.

The information regarding the possible concentration associated with the mitigation of credit risk considers these different mitigating instruments, segregating by type and by provider. For reasons of confidentiality, the institution determines the non-disclosure of information beyond the classification of the type of guarantor, but ensuring adherence to the general requirements.

- **Financial Guarantees:** the borrower or third party highlights a financial asset (deposits, bonds, shares, shares of low-risk equity, among others), in such a way as to guarantee the creditor's reimbursement in case of default.

- **Fiduciary Guarantees and credit derivatives:** a third party assumes the responsibility for fulfilling the obligation contracted by the debtor, which falls on the general equity of that third party. Avals, sureties and CDS are examples of these guarantees.

Fiduciary guarantees are segregated into the following providers: Legal Entities; Multilateral Development Entities (EMD); Financial Institutions, Sovereigns, National Treasury or Central Bank.

Itaú Unibanco also uses credit derivatives to mitigate the credit risk of its securities portfolios. These instruments are priced based on models that use the fair price of market variables, such as credit spreads, recovery rates, correlations and interest rates. They are also segregated into: Legal Entities; Multilateral Development Entities (EMD); Financial Institutions and Sovereigns.

- **Real Guarantees**: the borrower himself or a third party highlights an asset or a set of assets, movable or immovable, in such a way as to guarantee the reimbursement of the creditor in case of default. Examples of instruments and assets: mortgages on real estate, pledge of goods, fiduciary sale of real estate, vehicles, machinery and equipment. These guarantees are segregated by type: financial collateral, bilateral contracts and assets.

- **Clearing and Settlement of Obligations Agreement and legal structures with mitigating power**: the clearing agreement aims to reduce the risk of credit exposure of one party to the other, resulting from transactions entered into between them, so that, in case of maturity, after offsetting, the net amount owed by the debtor to the creditor is identified. It is commonly used in derivative transactions, but it can also cover other types of financial transactions.

In legal structures with mitigation power and compensation agreements, mitigation is based on methodologies established and approved by the business units responsible for credit risk management and by the centralized credit risk control area.

Such methodologies consider factors related to the legal enforceability of the guarantees, the costs necessary for such and the expected value in the execution, taking into account the volatility and liquidity of the market.

To control the mitigating instruments, there is periodic monitoring that monitors the level of compliance with the use of each instrument when compared to internal measurement policies, even including corrective action plans when there is noncompliance, analyzing concentration, types, providers, formalization. The parameters used are: HE (Haircut of execution) which evaluates the probability of success in executing the guarantee, HV (Volatility Haircut) represents the liquidity of the collateral being offered, and LMM (Maximum Mitigation Limit) which is the mitigation ceiling for real guarantees.

CR3: Credit Risk mitigation techniques – overview

USD							12/31/2021
	Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
Loans	-	-	-	-	-	-	-
Debt securities	58,543,639.73	-	-	-	-	-	-
Total	58,543,639.73	-	-	-	-	-	-
Of which defaulted	-	-	-	-	-	-	-

CR4: Standardized Approach – Credit Risk exposure and credit risk mitigation effects

USD						12/31/2021
	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Asset classes	On-balance sheet amount (a)	Off-balance sheet amount (b)	On-balance sheet amount (c)	Off-balance sheet amount (d)	RWA (e)	Off-balance sheet amount [e/(c+d)]
Sovereigns and their central banks	10,095,500.77		10,095,500.77	-	1,258.94	0%
Non-central government public sector entities	-		-	-	-	-
Multilateral development banks	-		-	-	-	-
Banks	594,650,434.53		594,650,434.53	-	12,649,816.70	2%
Securities firms	36,608,280.01		36,608,280.01	-	20,342,428.72	56%
Corporates	-		-	-	-	-
Regulatory retail portfolios	-		-	-	-	-
Secured by residential property	-		-	-	-	-
Secured by commercial real estate	-		-	-	-	-
Past-due exposures	-		-	-	-	-
Higher-risk categories	-		-	-	-	-
Other assets	722,216.56		722,216.56	-	361,108.28	50%
Total	**642,076,431.86**		**642,076,431.86**	-	**33,354,612.63**	**5%**

CR5: Standardized Approach – exposures by asset classes and risk weights

USD	Risk weight (FPR)									12/31/2021
Asset classes | Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	Others	Total credit exposure amount (post CCF and post CRM)
Sovereigns and their central banks	10,094,661.48	-	-	-	-	-	-	839.29		10,095,500.77
Non-central government public sector entities	-	-	-	-	-	-	-	-		-
Multilateral development banks	-	-	-	-	-	-	-	-		-
Banks	-	-	6,777,756.93	-	22,588,530.62	-	-	-		29,366,287.55
Securities firms	-	-	-	-	32,531,702.57	-	4,076,577.44	-		36,608,280.01
Corporates	-	-	-	-	-	-	-	-		-
Regulatory retail portfolios	-	-	-	-	-	-	-	-		-
Secured by residential property	-	-	-	-	-	-	-	-		-
Secured by commercial real estate	-	-	-	-	-	-	-	-		-
Past-due exposures	-	-	-	-	-	-	-	-		-
Higher-risk categories	-	-	-	-	-	-	-	-		-
Other assets	-	-	-	-	722,216.56	-	-	-		722,216.56
Total	**10,094,661.48**	**-**	**6,777,756.93**	**-**	**55,842,449.75**	**-**	**4,076,577.44**	**839.29**		**76,792,284.89**

Counterparty Credit Risk (CCR)

CCRA: Qualitative disclosure related to CCR

Counterparty credit risk is the possibility of noncompliance with obligations related to the settlement of transactions that involve the trading of financial assets with a bilateral risk. It encompasses derivative financial instruments, settlement pending transactions, securities lending and repurchase transactions.

Itaú Unibanco has well-defined rules for calculating its managerial and regulatory exposure to this risk, and the models developed are used both for the governance of consumption of limits and management of counterparties sub-limits, as well as for the allocation of capital, respectively.

The managerial volatility of the potential credit risk (PCR) of derivatives (interpreted as the amount of potential financial exposure that an operation can reach until its maturity) and the volatility of repurchase agreements and foreign exchange transactions are monitored periodically to maintain the exposure at levels considered acceptable by the institution's management.

The risk may be mitigated by the use of margin call, initial margin or other mitigating instrument.

Currently, Itaú Unibanco does not have impact in the amount of collateral that the bank would be required to provide given a credit rating downgrade. The regulatory exposures of counterparty credit risk are presented as follows.

CCR1: Analysis of CCR exposures by approach

There are no exposures to be reported in table CCR1.

CCR3: Standardised approach – CCR exposures by regulatory portfolio and risk weights

There are no exposures to be reported in table CCR3.

CCR5: Composition of collateral for CCR exposures

There are no exposures to be reported in table CCR5.

CCR6: CCR associated with credit derivatives exposures
There are no exposures to be reported in table CCR6.

CCR8: CCR associated with Exposures to central counterparties
There are no exposures to be reported in table CCR8.

Securitisation Exposures

SECA: Qualitative disclosure requirements related to securitisation exposures
Not applicable.

SEC1: Securitisation exposures in the banking book
Not applicable.

SEC2: Securitisation exposures in the trading book
Not applicable.

SEC3: Securitisation exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor
Not applicable.

SEC4: Securitisation exposures in the banking book and associated capital requirements - bank acting as investor
Not applicable.

Market Risk

MRA: Qualitative disclosure requirements related to market risk

Market risk is the possibility of losses resulting from fluctuations in the market values of positions held by a financial institution, including the risk of operations subject to variations in foreign exchange rates, interest rates, equity and commodity prices, as set forth by CMN. Price Indexes are also treated as a risk factor group.

The institutional policy for market risk is in compliance with Resolution 4,557 and establishes the management structure and market risk control, which has the function of:

- Provide visibility and comfort for all senior management levels that market risks assumed must be in line with Itaú Unibanco risk-return objectives;
- Provide a disciplined and well informed dialogue on the overall market risk profile and its evolution over time;
- Increase transparency as to how the business works to optimize results;
- Provide early warning mechanisms to facilitate effective risk management, without obstructing the business objectives; and
- Monitoring and avoiding the concentration of risks.

Market risk is controlled by an area independent of the business units, which is responsible for the daily activities: (i) measuring and assessing risk, (ii) monitoring stress scenarios, limits and alerts, (iii) applying, analyzing and stress testing scenarios, (iv) reporting risk to the individuals responsible in the business units, in compliance with Itaú Unibanco´s governance, (v) monitoring the measures needed to adjust positions and/or risk levels to make them viable, and (vi) supporting the secure launch of new financial products.

The market risk management framework categorizes transactions as part of either the Trading Book or the Baking Book, in accordance with general criteria established by CMN Resolution 4,557 and BACEN Circular 3,354. Trading Book is composed of all trades with financial and commodity instruments (including derivatives) undertaken with the intention of trading. Banking Book is predominantly characterized by portfolios originated from the banking business and operations related to balance sheet management, are intended to be either held to maturity, or sold in the medium and in the long term.

The market risk management is based on the following key metrics:

- Value at Risk (VaR): a statistical metric that quantifies the maximum potential economic loss expected in normal market conditions, considering a defined holding period and confidence interval;

- Losses in Stress Scenarios (Stress Testing): a simulation technique to evaluate the impact, in the assets, liabilities and derivatives of the portfolio, of various risk factors in extreme market situations (based on prospective and historic scenarios);

- Stop Loss: metrics that trigger a management review of positions, if the accumulated losses in a given period reach specified levels;

- Concentration: cumulative exposure of certain financial instrument or risk factor calculated at market value ("MtM - Mark to Market"); and

- Stressed VaR: statistical metric derived from VaR calculation, aimed at capturing the biggest risk in simulations of the current trading portfolio, taking into consideration the observable returns in historical scenarios of extreme volatility.

In addition to the risk metrics described above, sensitivity and loss control measures are also analyzed. They include:

- Gap Analysis: accumulated exposure of the cash flows by risk factor, which are marked-to-market and positioned by settlement dates;

- Sensitivity (DV01 – Delta Variation Risk): impact on the market value of cash flows when a 1 basis point change is applied to current interest rates or on the index rates; and

- Sensitivities to Various Risk Factors (Greeks): partial derivatives of a portfolio of options on the prices of the underlying assets, implied volatilities, interest rates and time.

In an attempt to fit the transactions into the defined limits, Itaú Unibanco hedges its client transactions and proprietary positions, including investments overseas. Derivatives are the most commonly used instruments for carrying out these hedging activities, and can be characterized as either accounting or economic hedge, both of which are governed by institutional regulations at Itaú Unibanco.

The structure of limits and alerts is in alignment with the board of directors' guidelines, being reviewed and approved on an annual basis. This structure extends to specific limits and is aimed at improving the process of risk monitoring and understanding as well as preventing risk concentration. Limits and alerts are calibrated based on projections of future balance sheets, stockholders' equity, liquidity, complexity and market volatility, as well as the Itaú Unibanco's risk appetite.

The consumption of market risk limits is monitored and disclosed daily through exposure and sensitivity maps. The market risk area analyzes and controls the adherence of these exposures to limits and alerts and reports them timely to the Treasury desks and other structures foreseen in the governance.

Itaú Unibanco uses proprietary systems to measure the consolidated market risk. The processing of these systems takes place in an access-controlled environment, being highly available, which has data safekeeping and recovery processes, and counts on an infrastructure to ensure the continuity of business in contingency (disaster recovery) situations.

MR1: Market risk under standardized approach

USD	12/31/2021
Risk factors	RWA
Outright products	
Interest rate risk (general and specific)	
Equity risk (general and specific)	
Foreign exchange risk	838,111.29
Commodity risk	
Options	
Simplified approach	
Delta-plus method	
Scenario approach	
Securitisation	
Total	838,111.29

MRB: Qualitative disclosures on market risk in the Internal Models Approach (IMA)
Not applicable.

MR2: RWA flow statements of market risk exposures under an IMA
Not applicable.

MR3: IMA values for trading portfolios
Not applicable.

MR4: Comparison of VaR estimates with gains/losses
Not applicable.

IRRBBA: IRRBB risk management objectives and policies

BACEN's (Central Bank of Brazil) Circular 3,876, published in January 2018, states on methodologies and procedures for evaluation of the capital adequacy, held to cover interest rates risk from instruments held in the banking book.

For the purposes of this Circular, are defined:

- ∆EVE (Delta Economic Value of Equity) is defined as the difference between the present value of the sum of repricing flows of instruments subject to IRRBB in a base scenario, and the present value of the sum of repricing flows of the same instruments in an interest-rate shocked scenario;
- ∆NII (Delta Net Interest Income) is defined as the difference between the result of financial intermediation of instruments subject to IRRBB in a base scenario, and the result of financial intermediation of the same instruments in an interest-rate shocked scenario.

The sensibility analysis introduced here are just a static evaluation of the portfolio interest rate exposure, and, therefore, don´t consider the dynamic management of the treasury desk and risk control areas, which hold the responsibility for measures to mitigate risk under an adverse situation, minimizing significant losses. Moreover, it is highlighted, though, the results presented do not translate into accountable or economic results for certain, because this analysis has, only, an interest rate risk disclosure purpose and to demonstrate the principle protection actions, considering the instruments fair value, apart from any accounting practices adopted by Itaú Unibanco.

The institution uses an internal model to measure ∆EVE and ∆NII. ∆EVE results do not represent immediate impact in the stockholders' equity. Meanwhile, ∆NII results indicate potential volatility in the projected interest rates results.

In compliance with the circular 3,876, the following demonstrates qualitative and quantitative details of risk management for IRRBB in Itaú Unibanco.

Framework and Treatment

Interest rate risk in the banking book refers to the potential risk of impact on capital sufficiency and/or on the results of financial intermediation due to adverse movements in interest rates, taking into account the principal flows of instruments held in the banking book.

The main point of assets and liabilities management is to maximize the risk-return ratio of positions held in the banking book, taking into account the economic value of these assets/liabilities and the impact on actual and future bank's results.

The interest rate risk managing on transactions held in the banking book occurs within the governance and hierarchy of decision-making bodies and under a limits structure and alerts approved specifically for these purpose, which is sensitive due to different levels and classes of market risk.

The management structure of IRRBB has it owns risk policies and controls intended to ensure adherence to the bank's risk appetite. The IRRBB framework has granular management limits for several other risk metrics and consolidated limits for ∆EVE and ∆NII results, besides the limits associated with stress tests.

The asset and liability management unit is responsible for managing timing mismatches between asset and liability flows, and minimizes interest rate risk by through strategies as economic hedge and accounting hedge.

All the models associated with IRRBB have a robust independent validation process and are approved by a CTAM (Technical Model Assessment Commission). In addition, all the models and processes are assessed by internal audit.

The interest rate risk framework in the banking book uses management measurements that are calculated daily for limit control. The ∆EVE and ∆NII metrics are calculated according to the risk appetite limits and the other risk metrics in terms of management risk limits.

In the process of managing interest rate risk of the banking book, transactions subject to automatic options are calculated according to internal market models which split the products, as far as possible, into linear and non-linear payoffs. The linear payoffs are treated similarly to any other instruments without options, and for non-linear payoffs an additional value is computed and added on the ∆EVE and ∆NII metrics.

In general terms, transactions subject to behavioral options are classified as deposits with no contractual maturity date defined or products subject to early repayment. Non-maturity deposits are classified according to their nature and stability to guarantee compliance with regulatory limits. A survival analysis model treats the products subject to pre-payment, using the historical dataset to calibrate its parameters. The instruments flows with homogeneous characteristics are adjusted by specific models to reflect, in the most appropriate way, the repricing flows of the instruments.

The banking book consists of asset and liability transactions originating in different commercial channels (retail and wholesale) of Itaú Unibanco. The market risk exposures inherent in the banking book consists of various risk factors, which are primary components of the market in price formation.

IRRBB also includes hedging transactions intended to minimize risks deriving from strong fluctuations of market risk factors and their accounting asymmetries.

Market risk generated from structural mismatches is managed by a variety of financial instruments, such as exchange-traded and over-the-counter derivatives. In some cases, operations using derivative financial instruments can be classified as accounting hedges, depending on their risk and cash flow characteristics. In these cases, the supporting documentation is analyzed to enable the effectiveness of the hedge and other changes in the accounting process to be continuously monitored. The accounting and administrative procedures for hedging are defined in BACEN Circular 3,082.

The IRRBB model includes a series of premises:

- ∆EVE and ∆NII are measured on the basis of the cash flows of the banking book instruments, broken down into their risk factors to isolate the effect of the interest rate and the spread components;
- For non-maturity deposits, the models are classified according to their nature and stability and distributed over time considering the regulatory limits;
- The institution uses survival analysis models to handle credit transactions subject to prepayment, and empirical models for transactions subject to early redemption;
- The medium-term repricing attributed to non-maturity deposits is defined as 1.71 years;
- The maximum-term repricing attributed to non-maturity deposits is defined as 30.00 years.

The article 16 of the BCB Resolution 54 defines the need to publish ∆EVE and ∆NII, using the standard shock scenarios described in article 11 of the BACEN Circular 3,876.

The table below are presented the main results due the change in the interest rates over the banking book in the standardized scenarios. It is important to note that, following the normative rules, the potential losses are represented by positive values and potential gains by negative values (between parentheses).

- Parallel Up: increasing in the short-term and in the long-term interest rates;
- Parallel Down: decreasing in the short-term and in the long-term interest rates;
- Short-term increase: increasing in the short-term interest rates;
- Short-term reduction: decreasing in the short-term interest rates;
- Steepener: decreasing in the short-term interest rates and increasing the in the long-term interest rates;
- Flattener: increasing in the short-term interest rates and decreasing the in the long-term interest rates.

REM: Qualitative and quantitative disclosure requirements related to remuneration

Compensation Policy

Compensation Committee

It is incumbent upon the Compensation Committee to promote discussions on our management compensation-related matters. Its duties include, but are not limited to: developing a compensation policy for our management, proposing to the Board of Directors the many forms of fixed and variable compensation, in addition to special benefits and recruitment and termination programs; discussing, examining and overseeing the implementation and operation of existing compensation models, discussing general principles of the compensation policy for our employees and recommending adjustments or improvements to the Board of Directors. The Committee has its own internal charter, approved by the Board of Directors on August 28, 2018, disclosed on the Investor Relations website: www.itau.com.br/investor-relations > Menu > Itaú Unibanco > Corporate Governance > Rules and Policies > Rules > Compensation Committee Internal Charter.

Composition of Compensation Committee

Name Taxpayer ID (CPF) Date of birth	Position held	Election date Term of office Number of consecutive terms o office
Geraldo José Carbone 952.589.818-00 02/08/1956	Independent Committee member (and non-administrator, under the terms of CMN Resolution 3.921) (effective)	29/04/2021 Annual 4
Candido Botelho Bracher 039.690.188-38 05/12/1958	Independent Committee member (effective)	29/04/2021 Annual 1
João Moreira Salles 295.520.008-58 11/04/1981	Committee member (effective)	29/04/2021 Annual 1
Roberto Egydio Setubal 007.738.228-52 13/10/1954	Chairman of the Committee	29/04/2021 Annual 5

Compensation governance

Our compensation strategy adopts clear and transparent processes, aimed at complying with applicable regulation and the best national and international practices, as well as at ensuring consistency with our risk management policy.

Formally approved on August 23, 2021 by the Board of Directors, our compensation policy is revised annually by the Compensation Committee, and is aimed at consolidating our compensation principles and practices to attract, reward, retain and motivate management members and employees in the sustainable running of business, subject to proper risk limits and always in line with the stockholders' interests.

Annually, the Compensation Committee evaluates and, if necessary, proposes improvements to the Compensation Policy. After this careful analysis by the Compensation Committee, the Policy is submitted to the Board of Directors' evaluation.

In 2017, the Extraordinary General Stockholders' Meeting approved the formalization and ratification of the Stock Grant Plan ("Stock Grant Plan") to consolidate general rules in connection with long-term incentive programs involving stock grant to management members and employees of the Issuer and of its direct and indirect controlled companies, as set forth by CVM Instruction No. 567/15. Among the programs mentioned in the Stock Grant Plan, managed by the Compensation Committee and with the Issuer's management members as target audiences, we highlight the Variable Stock-Based Compensation, the Fixed StockBased Compensation (for members of the Board of Directors only), and the Partners, those also included in the information provided along the REMA table. The Stock Grant Plan is available on: www.itau.com.br/investor-relations > Itaú Unibanco > Corporate Governance > Rules and Policies > Grant Plan.

In order to bring more transparency about our compensation model, since 2020 we started to disclosure a document that consolidates the main practices and principles that guide the compensation payment to our management members. This document, named Remuneration Policy, makes public the bases of our remuneration model and is available at www.itau.com.br/investor-relations > Itaú Unibanco > Corporate Governance > Rules and Policies > Grant Plan.

Additionally, since 2019 the Compensation Committee determined that Executive Committee members should retain the ownership of a minimum number of the Issuer's shares equivalent to ten times the annual fixed compensation of the CEO and to five times the annual fixed compensation of the other members. Until December 31, 2021, the CEO and most of the Executive Committee members comply with the minimum ownership requirement. The requirement must be accomplished up to five years after taking up their functions.

For 2022, the requirement remains the same. The new members of the Executive Committee and the CEO must comply with the requirement in up to five years.

The Issuer also provides a Plan for Granting Stock Option ("Stock Option Plan") to its management members and employees, as well as to the management members and employees of its controlled companies, allowing the alignment of the interests of management members to those of stockholders, as they share the same risks and gains due to their share appreciation. No option has been granted under our Stock Option Plan since 2012. For further information on Changes in the Plan, please see Note 20 to the financial statements under IFRS.

The Personnel Committee is responsible for making institutional decisions and supervising the Stock Option Plan implementation and operation.

For further information on the responsibilities and functions of the Personnel Committee and the Compensation Committee, please see item 12.1 of the Reference Form available on www.itau.com.br/investor.relations > Menu > Reports > CVM > Reference Form.

Compensation Policy – Compensation composition

We adopt compensation and benefits strategies that vary according to the area of operation and market parameters. We periodically check these parameters through:

- hiring of salary surveys, carried out by specialized consultants;
- participation in research carried out by other banks; and
- participation in forums specialized in remuneration and benefits.

The fixed compensation of the Board of Directors and the Executive Board, as well as the benefits plan granted to the executive officers, are not impacted by performance indicators.

Fiscal Council: member of the Fiscal Council are paid monthly fixed compensation amount only and are not eligible for the benefit plan. Additionally, in accordance with applicable legislation, compensation members of the Fiscal Council may not be lower, for each acting member, than 10% of the fixed compensation assigned to each officer (i.e., not including benefits, representation allowances and profit sharing).

Audit Committee: The members of the Audit Committee are paid monthly fixed compensation amount only are not eligible for the benefit plan. For those members of the Audit Committee who are also part of the Board of Directors, the compensation policy of the Board of Directors is applied.

Board of Directors: The monthly fixed compensation is consistent with market practices and periodically revised to attract qualified professionals. Additionally, history and résumé, among other factors, are taken into account.

a) Monthly fixed compensation: it is consistent with market practices and revised frequently enough to attract qualified professionals.

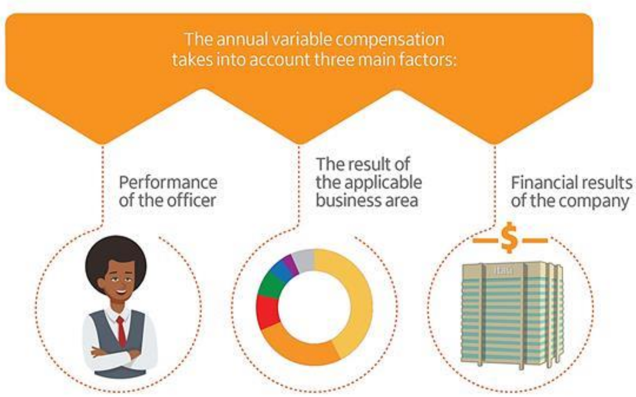
b) Annual fixed compensation in shares: the annual fixed compensation to the members of the Board of Directors is paid in the Issuer's preferred shares

c) Annual variable compensation in shares: for variable compensation in shares paid to members of the Board of Directors, the compensation follows the same deferral terms, conditions and calculation of the value of shares presented in item "b) ii" below, which describes the delivery of preferred shares of the annual variable compensation. To ensure its compatibility with value creation, this compensation takes into account Itaú Unibanco Holding's results and may be adjusted by the Compensation Committee.

Board of Officers:

a) Monthly fixed compensation: it is established in accordance with the position held and based on the internal equality principle, since all officers holding equivalent position earn the same monthly fixed compensation amount, also providing mobility across our different businesses. Fixed compensation amounts are defined considering market competition.

b) Annual variable compensation in shares[(1)] :

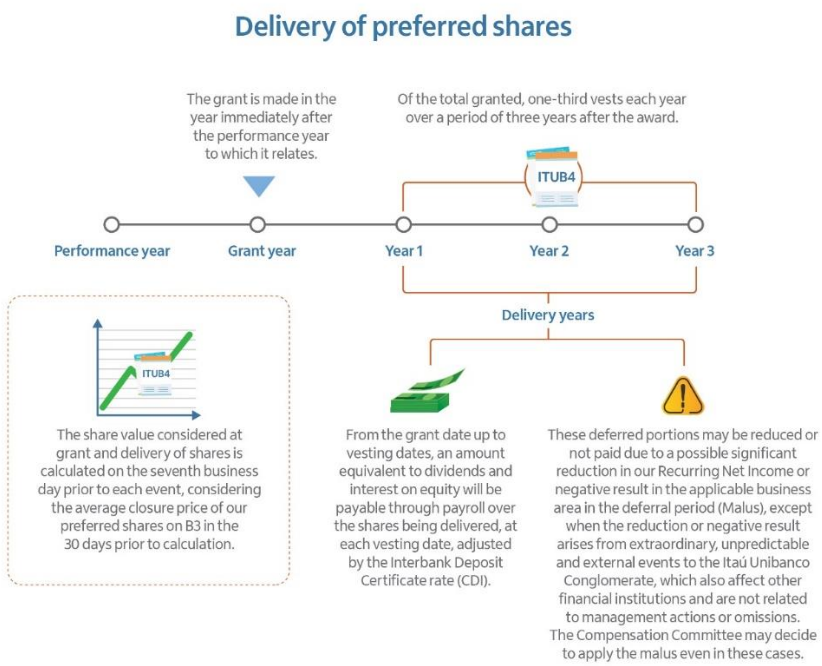


(1) Within the limits established by legislation, those Officers in charge of internal control and risk departments have their compensation determined irrespectively of the performance of the business areas they control and assess so as to avoid any conflicts of interest. However, even though compensation is not impacted by the results of the business areas, it is still subject to impacts arising from the Company's results.

b) i. Distribution of annual variable compensation[2]:

(2) In accordance with Resolution No. 3,921 of the National Monetary Council, a portion of the variable compensation must be deferred

b) ii. Delivery of preferred shares related to the annual variable compensation of the Board of Officers:



The Issuer establishes, in addition to the annual variable remuneration, which seeks to link the members who receive it to the Issuer's projects and results, the Partner Program, which aims to align risk management in the short, medium and long term, as well as align the interests of the program participants to those of our shareholders, benefiting them in proportion to the gains obtained by the Issuer and its shareholders.

Compensation Policy – stock-based compensation

a) General terms and conditions

Stock-based payment models are in conformity with the principles pursued by the Issuer, since they tie up management members to the Issuer's projects and results in the long-term, work as tools that motivate individual development and commitment, and retain management members, as stock-based payments are made in the long term.

For illustrative purposes, in this item we provide information about all stock-based compensation models, as follows: (1) shares or stock-based instruments delivered under the Compensation Policy; (2) shares or stockbased instruments delivered under the Partners Program; and (3) options granted under the Plan for Granting Stock Option ("Stock Option Plan"), as described below:

(1) Compensation Policy – stock-based compensation

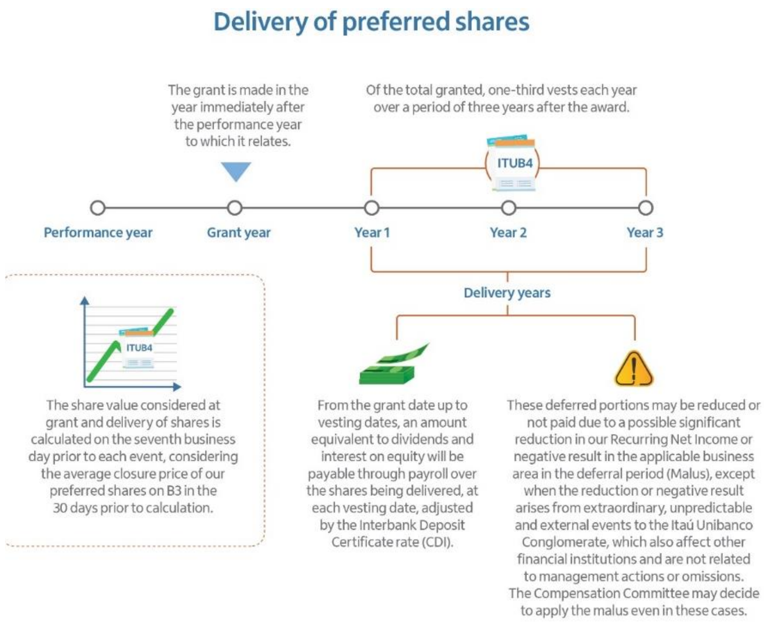
Annual fixed compensation in shares:

This compensation is paid to the members of the Board of Directors, provided they have fully completed their terms of office. The purpose is to reward the contribution made by each member to the Itaú Unibanco conglomerate. The annual fixed compensation takes into account the history and résumé of members, in addition to market conditions and other factors that may be agreed between the member of the Board of Directors and Itaú Unibanco conglomerate.

To calculate the value of the shares used to make up the compensation payable in shares or stock-based instruments, we use the average price of Itaú Unibanco Holding's preferred shares on B3 – Bolsa, Brasil, Balcão ("B3") in the thirty (30) days prior to calculation, which will be carried out in the seventh (7^{th}) business day prior to granting the shares or paying the compensation.

The number of shares is calculated and granted every three years, and these shares are delivered proportionally to the number of terms of office completed in the period.

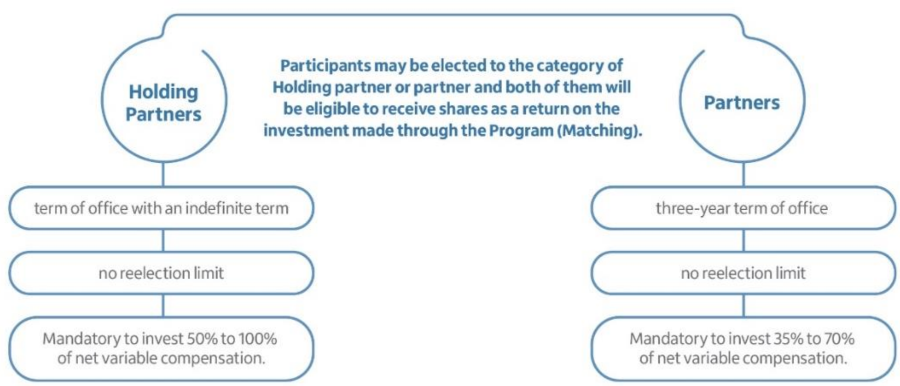
Annual variable compensation in shares:

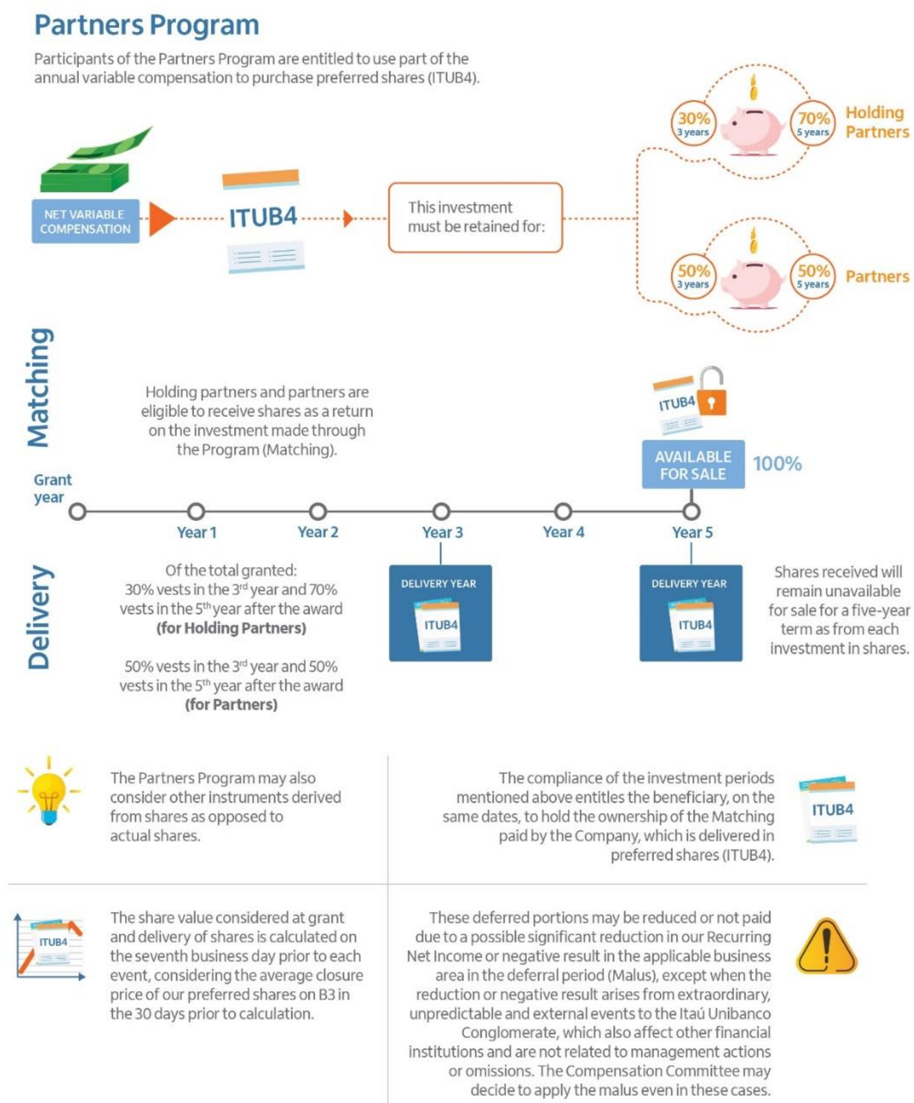


(2) Partners Program

Aimed at aligning the interests of our officers and employees to those of our stockholders, this program provides participants with the opportunity to invest in our preferred shares (ITUB4), sharing short-, medium- and long-term risks.

This program is aimed at officers and employees in view of their history of contribution, relevant work and also outstanding performance. It has two types of appointments: Holding Partners and Partners. Main differences are as follows:





(3) Stock Option Plan

We have a Stock Option Plan through which our officers and employees with outstanding performance are entitled to receive stock options. These options enable them to share the risk of price fluctuations of our preferred shares (ITUB4) with other stockholders and intend to integrate participants of this program into the conglomerate's development process in the medium- and long-terms.

Our Personnel Committee manages the Stock Option Plan, including matters such as strike prices, grace periods and terms of options, in accordance with the rules set forth therein.

Options may only be granted to participants if earnings are in sufficient amounts to be distributed as mandatory dividends.

No option has been granted under our Stock Option Plan since 2012. For further information on Changes in the Plan, please see Note 20 to the financial statements under IFRS.

For further information on the Stock Option Plan, please see the Investor Relations website: www.itau.com.br/investor-relations > Menu > Itaú Unibanco > Corporate Governance > Rules and Policies > Grant Plan.

b) Main objectives of the plan

Stock-based compensation models have the primary purpose of aligning management members' interests with those of the Issuer's stockholders, as they share the same risks and earnings provided by their share appreciation.

c) How the plan contributes to these objectives

Stock-based payment models are intended to motivate management members to contribute to the Issuer's good performance and share appreciation, as they may actively take part in the results of this appreciation. Accordingly, the institution achieves the objective of the stock-based payment models by engaging management members in the organization's long-term strategies. Management members, in turn, take part in the appreciation of shares in the Issuer's capital stock.

d) How the plan is inserted in the Issuer's compensation policy

Stock-based payment models are in conformity with the principles pursued by the Issuer, since they (i) tie up management members to the Issuer's projects and results in the long-term, (ii) work as tools that motivate individual development and commitment, and (iii) retain management members, as stock-based payments are made in the long term.

e) How the plan is aligned with the short-, medium- and long-term interests of management members and the Issuer

Stock-based payment models are aligned with the interests of the Issuer and management members, since that, by enabling management members to become stockholders of the Issuer, these are encouraged to act from the perspective of being the "owners" of the business, therefore aligning their interests with those of the stockholders. Additionally, they motivate management members to remain at the Issuer, since general rule dictates that a member leaving the company will lose their rights to stock-based payments (please see sub item "i - Effects of the management member's leave from the Issuer's bodies on their rights, as provided for in the stock-based compensation plan").

f) Maximum number of shares covered by the plan

In order to limit the maximum dilution to which Stockholders may be subject: the sum of (i) the shares to be used as compensation, in accordance with Resolution No. 3,921 of the National Monetary Council, including those related to the Partners Program and other stock-based compensation programs of the Issuer and its controlled companies; and (ii) the options to be granted each year may not exceed the limit of 0.5% of all Issuer's shares that stockholders hold at the balance sheet date of the same year.

In the event that the number of shares delivered and options granted, in any given year, is below the limit of 0.5% of the total shares as mentioned in the paragraph above, the resulting difference may be added for compensation or option granting purposes in any of the following seven (7) fiscal years.

g) Restrictions on the transfer of shares

Stock-based compensation: after receiving the shares within one, two or three years, there will be no restrictions to the share transfer. If the executive chooses to invest these shares in the Partners Program as Own Shares, these shares will become unavailable for three and five years from the investment date.

Partners Program: after receiving the Partners Shares within three and five years from the initial investment, such shares will become unavailable for five and eight years as from the initial investment date.

Stock Option Plan: the availability of shares subscribed by Beneficiaries by exercising the option may be subject to additional restrictions, according to resolutions to be adopted by the Personnel Committee upon grant. Therefore, the percentage of shares that must remain unavailable, as well as the period of this unavailability, will be defined by said Committee. As a rule, the period of this unavailability defined by the committee is two (2) years after the option is exercised.

h) Criteria and events that may cause the suspension, amendment or termination of the plan

Stock-based compensation: deferred shares may not be delivered in the event of a significant decrease in realized recurring net income of the Issuer or to a negative result of the applicable business area, expect when the reduction or negative result arises from extraordinary, unforeseeable events, external to Itaú Unibanco Holding, which also affect other financial institutions and are not related to the actions or omissions of the management members. The Compensation Committee may decide to apply the malus even in these cases. Additionally, the compensation model may be amended upon approval from the Compensation Committee and the Board of Directors.

Partners Program: any Partners Shares still to be received may not be delivered in the event of a significant decrease in realized recurring net income of the Issuer or to a negative result of the applicable business area, expect when the reduction or negative result arises from extraordinary, unforeseeable events, external to Itaú Unibanco Holding, which also affect other financial institutions and are not related to the actions or omissions of the management members. The Compensation Committee may decide to apply the malus even in these cases. Additionally, the Partners Program may be amended upon approval from the Compensation Committee or the Personnel Committee.

Stock Option Plan: the Personnel Committee may suspend the exercise of options under justifiable circumstances, such as significant market fluctuations or legal or regulatory restrictions. Additionally, the StockOption Plan may only be amended or terminated if proposed by the Personnel Committee to the Board of Directors and subsequently approved at an Extraordinary Stockholders' Meeting.

i) Effects of the management member's leave from the Issuer's bodies on their rights, as provided for in the stock-based compensation plan

Stock-based compensation: the general rule when a member leaves is the termination of shares granted but not yet delivered. However, subject to the criteria established in the Compensation Policy, the Personnel Committee may determine the non-termination of these shares.

Partners Program: the general rule when a member leaves is the termination of Partners Shares not yet delivered. However, subject to the criteria established in the internal charter, the Personnel Committee may determine the non-termination of these shares.

Stock Option Plan: the general rule is that any Beneficiaries managing the Itaú Unibanco conglomerate who resign or are dismissed from position will have their options expired automatically. Management members' stock options will expire on the date such members cease to exercise their functions on a permanent basis, that is, in the event of a garden leave agreement (the period of leave prior to the formal end of the employment or statutory relationship), these options will expire when said agreement becomes effective. However, the aforementioned automatic expiry may not occur if, for example, this member is dismissed simultaneously to their election as a management member of the Itaú Unibanco conglomerate or if they take up another statutory position in the Itaú Unibanco conglomerate.

Additionally, subject to criteria established in the internal charter, the Personnel Committee may choose not to have these options expired.

OPR: Qualitative and quantitative disclosure requirements related to operational risk

Operational risk is defined as the possibility of losses arising from failure, deficiency or inadequacy of internal process, people or systems or from external events that affect the achievement of strategic, tactical or operational objectives. It includes legal risk associated with inadequacy or deficiency in contracts signed by the institution, as well as penalties due to noncompliance with laws and punitive damages to third parties arising from the activities undertaken by the institution.

Itaú Unibanco internally classifies its risk events in:

- Internal fraud;
- External fraud;
- Labor claims and deficient security in the workplace;
- Inadequate practices related to clients, products and services;
- Damages to own physical assets or assets in use by Itaú Unibanco;
- Interruption of Itaú Unibanco's activities;
- Failures in information technology (IT) systems, processes or infrastructure;
- Failures in the performance, compliance with deadlines and management of activities at Itaú Unibanco.

Operational risk management includes conduct risk, which is subject to mitigating procedures to assess product design and incentive models. The inspection area is responsible for fraud prevention. Irrespective of their origin, specific cases may be handled by risk committees and integrity and ethics committees. Itaú Unibanco has a governance process that is structured through forums and corporate bodies composed of senior management, which report to the Board of Directors, with well-defined roles and responsibilities in order to segregate the business and management and control activities, ensuring independence between the areas and, consequently, well-balanced decisions with respect to risks. This is reflected in the risk management process carried out on a decentralized basis under the responsibility of the business areas and by a centralized control carried out by the internal control, compliance and operational risk department, by means of methodologies, training courses, certification and monitoring of the control environment in an independent way.

The managers of the executive areas use corporate methods constructed and made available by the Operational Risk and Corporate Compliance and Money Laundering Prevention Areas. Among the methodologies and tools used are the self-evaluation and the map of the institution's prioritized risks, the approval of processes, products, the monitoring of key risk indicators and the database of operational losses, guaranteeing a single conceptual basis for managing processes, risks, projects and new products and services.

Within the governance of the risk management process, regularly, the consolidated reports on risk monitoring, controls, action plans and operational losses are presented to the business area executives.

Capital Requirement for Operational Risk (Basic Indicator Approach as at 31 December 2021)

	Gross Income			Average Gross Income	Capital Requirement per QPR	Risk Weighted Asset (CR/0.12)	Weighted Income			Capital Requirement
	First Year	Second Year	Thrid Year				First Year	Second Year	Thrid Year	
Total	107,571,222.00	61,419,088.27	37,587,600.00	68,859,303.42	15,493,343.27	129,111,193.92	16,135,683.30	9,212,863.24	5,638,140.00	10,328,895.51

USD	12/31/2021
Operational risk total operational RWA x Minimum CAR	15,493,343.27
Total Minimum Capital Requirements - Pillar 1	18,835,089.85
	82.26%
Operational losses	0.00

ENC: Asset Encumbrance

USD			12/31/2021
Assets	Encumbered assets	Unencumbered assets	Total
Cash Items	-	564,671,399.04	564,671,399.04
Items in the course of collection from other banks	17,525,589.31	-	17,525,589.31
Investments - Held-to-maturity	-	0.00	0.00
Financial assets at fair value	-	36,188,690.36	36,188,690.36
Derivative financial instruments	-	-	-
Loans and advances to banks	-	-	-
Loans and advances to customers	-	-	-
Reverse repurchase agreements and other similar secured	-	-	-
Available for sale financial investments	-	10,094,661.48	10,094,661.48
Other assets	-	305,403.36	305,403.36
Total assets	**17,525,589.31**	**611,260,154.24**	**628,785,743.55**

Glossary of Acronyms

A

- ASF – Available Stable Funding
- AT1 – Additional Tier 1 Capital
- AVA – *Avaliação de Vulnerabilidade e Ameaças* (Threats and Vulnerabilities Analysis)

B

- BACEN - *Banco Central do Brasil* (Central Bank of Brazil)
- BCB - *Banco Central do Brasil* (Central Bank of Brazil)
- BCP – Business Continuity Plan
- BCBS - Basel Committee on Banking Supervision
- BIA – Business Impact Analysis
- BIS – Bank for International Settlements

C

- CCF – Credit Conversion Factor
- CCP – Non-Qualified Central Counterparty
- CCR – Counterparty Credit Risk
- CDP – Carbon Disclosure Project
- CEM - Current Exposure Method
- CEO - Chief Executive Officer
- CET 1 - Common Equity Tier I
- CGRC - *Comitê de Gestão de Risco e Capital* (Risk and Capital Management Committee)
- CMN - *Conselho Monetário Nacional* (National Monetary Council)
- Comef - *Comitê de Estabilidade Financeira* (Financial Stability Committee)
- CRI – Real State Receivables Certificate
- CRM – Credit Risk Mitigation
- CRO - Chief Risk Officer
- CTAM – *Comissão Técnica de Avaliação de Modelos* (Technical Model Assessment Commission)
- CVA - Credit Valuation Adjustment

- CVM - *Comissão de Valores Mobiliários* (Brazilian Securities and Exchange Commission)

D

- DLP - Long- Term Liquidity Statement
- DRL - Liquidity Risk Statement
- D-SIB - Domestic Systemically Important Banks
- DV - Delta Variation

E

- EAD – Exposure at Default
- ECL – Expected Credit Losses
- EMD – *Entidades Multilaterais de Desenvolvimento* (Multilateral Development Entities)
- EP – Equator Principles
- EVE – Economic Value of Equity

F

- FIDC – Credit Rights Investment Funds
- FCC - Credit Conversion Credit
- FPR - *Fator de Ponderação de Risco*(Weighting Factor)

G

- GAP - Gap Analysis
- GDP - Gross Domestic Product
- GHG – Greenhouse Gas Protocol
- Greeks – Sensitivities to Various Risk Factors
- G-SIB – Global Systemically Important Banks

H

- HE – Haircut of Execution
- HQLA – High Quality Liquid Assets
- HV – Volatility Haircut

I

- ICAAP – Internal Capital Adequacy Assessment Process
- IMA – Internal Models Approach
- IPV – Independent Price Verification
- IRRBB – Interest Rate Risk in the Banking Book
- IT – Information Technology

K

- KYC – Know your Customer
- KYP – Know your Partner
- KYS – Know your Supplier
- KYE – Know your Employee

L

- LCR – Liquidity Coverage Ratio
- LMM - *Limite de Mitigação Máxima* (Maximum Mitigation Limit)

M

- MtM - Mark to Market

N

- NII – Net Interest Income
- NSFR – Net Stable Funding Ratio

O

- OTC – Over-the-Counter

P

- PR – *Patrimônio de Referência* (Total Capital)
- PRI – Principles for Responsible Investments
- PRSA – *Política de Sustentabilidade e Responsabilidade Socioambiental* (The Social and Environmental Responsability and Sustainability Policy)
- PCR – Potential Credit Risk
- PVA – Prudent Valuation Adjustments

Q

- QCCP – Qualified Central Counterparties

R

- RA – Leverage Ratio
- RAS - Risk Appetite Statement
- RSF – Required Stable Funding
- RWA - Risk Weighted Assets
- RWA_{CPAD} - Portion relating to exposures to credit risk
- RWA_{CPrNB} - amount of risk-weighted assets corresponding to credit risk exposures to the non-banking private sector, calculated for jurisdictions whose ACCPi is different from zero
- RWA_{MINT} - Portion relating to exposures to market risk, using internal approach
- RWA_{MPAD} - Portion relating to exposures to market risk, calculated using standard approach
- RWA_{OPAD} - Portion relating to the calculation of operational risk capital requirements

S

- SA – Joint-Stock Company
- SA-CCR – Standardised Approach to Counterparty Credit Risk
- SFN – *Sistema Financeiro Nacional* (National Financial System)
- SFT – Securities Financing Transactions
- SOC – Security Operation Center

T

- TCFD – Task Force on Climate-Related Financial Disclosures
- TLAC – Total Loss-Absorbing Capacity
- TVM - *Títulos de valores mobiliários* (Securities)

V

- VaR - Value at Risk

Glossary of Regulations

- BACEN Circular No. 3,354, of June 27th, 2007
- BACEN Circular No. 3,644, of March 4th, 2013
- BACEN Circular No. 3,646, of March 04th, 2013
- BACEN Circular No. 3,674, of October 31st, 2013
- BACEN Circular No. 3,748, of February 26th, 2015
- BACEN Circular No. 3,749, of March 05th, 2015
- BACEN Circular No. 3,751 of March 19th, 2015
- BACEN Circular No. 3,769, of October 29th, 2015
- BACEN Circular No. 3,809, of August 25th, 2016
- BACEN Circular No. 3,846, of September 13rd, 2017
- BACEN Circular No. 3,869, of December 19th, 2017
- BACEN Circular Letter No. 3,706 of May 05th, 2015
- BACEN Circular Letter No. 3,907 of September 10th, 2018
- BACEN Circular Letter No. 4,068 of July 7th, 2020
- BACEN Circular Letter No. 3,876 of January 31st, 2018
- BACEN Circular Letter No. 3,082 of January 30th, 2012
- BACEN Circular Letter No. 3,978 of January 23rd, 2020
- BACEN Communication No. 37.942, of November 18th, 2021
- BCB Resolution No. 54, of December 16th, 2020
- CMN Resolution No. 2,682, of December 22nd, 1999
- CMN Resolution No. 4,192, of March 1st, 2013
- CMN Resolution No. 4,193, of March 1st, 2013
- CMN Resolution No. 4,327, of April 25th, 2014
- CMN Resolution No. 4,502, of June 30th, 2016
- CMN Resolution No. 4,557, of February 23rd, 2017
- CMN Resolution No. 4,589, of June 29th, 2017
- CMN Resolution No. 4,693, of October 29th, 2018
- CMN Resolution No. 4,783, of March 6th, 2020