Environmental, Social and Climate Risks and Opportunities Report (ESC Report)

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Purpose

The Environmental, Social and Climate Risks and Opportunities Report (ESC Report) presents Itaú Unibanco's institutional view on the management of environmental, social and climate (ESC) risks and opportunities, covering governance, strategies and processes, in accordance with Central Bank of Brazil (BCB) Resolution No. 139 and BCB Regulatory Instruction No. 153. This report reaffirms our commitment to the responsible management of risks and opportunities, integrating ESC factors into our business strategy and providing investors and the public with a clear and technical understanding of the relevance of this topic to Itaú Unibanco.

We describe how methodologies, tools and best practices are applied to identify, measure, assess, monitor, report, control and mitigate such risks, in line with proportionality, materiality and relevance criteria. In addition, we explain how ESC events materialize in the bank's traditional risk types—credit, market, liquidity and operational.

In preparing this report, we have followed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). For a more comprehensive view of the topic, we also recommend this report be read together with other documents published by the bank, such as the ESG (Environment, Social and Governance) Report, the Integrated Annual Report, the ESC Risk Policy, the ESC Responsibility Policy, and the Carbon Disclosure Project (CDP) Questionnaire, which are available on our Investor Relations website (ESG - Itaú Unibanco | RI).



GVR Table

Governance of social, environmental and climate risk management



Governance bodies of the institution with responsibilities in ESC risk management

The governance of ESC risk management is structured into three lines of defense, with the first line represented by the business areas, the second by the Risk department, and the third by Internal Audit, in accordance with the bank's Compliance Policy, ensuring segregation of duties and independence of controls. We have an integrated and cross-cutting governance structure, and ESC risk is addressed by different bodies in its various aspects (strategic, tactical, operational, control and compliance), as highlighted below:

At the Board of Directors (BoD) level, we have the Risk and Capital Management Committee (CGRC), the ESC Responsibility Committee and the Audit Committee (CAud).

At the Executive Committee (EC) level, joint bodies are established with the presence of the Chief Executive Officer (CEO) and the Chief Risk Officer (CRO) through the Superior Social, Environmental and Climate Risk Committee (Superior CRSAC) and the Superior ESG Council.

In addition, we have other **Board of Officers-level** committees dedicated exclusively to ESC risk matters, such as the Social, Environmental and Climate Risk Committee (CRSAC), composed of leaders from the Risk, Sustainability—responsible for the opportunities agenda—Legal and Credit departments, and the Itaú BBA ESG Committee, composed of leaders from the ESG business teams—Products, Credit, Planning, Agro—along with Sustainability and Risk teams and other invitees. Furthermore, ESC risk mattersmay also be submitted, on demand, to other joint bodies dealing with cross-cutting issues, such as the Wholesale Banking Products Risk Committee (CRP) and Credit Committees.

Board of Directors	Executive Committee	Board of Officers
Risk and Capital Management Committee (CGRC)	Chief Executive Officer (CEO) and Chief Risk Officer (CRO)	Environmental, Social and Climate Risks Committee (CRSAC)
Environmental, Social and Climate Responsibility Committee	Superior Environmental Social and Climate Risks Committee (Superior CRSAC)	Itaú BBA Products Committee
Audit Committe (CAud)	Superior ESG Council	Itaú BBA ESG Committee

Responsibilities assigned to the governance bodies and the relationship between them

The **BoD** has advisory, elective and supervisory duties and analyzes ESC at least once a year. In addition, the BoD oversees ESC through regular committees, such as the ESC Responsibility Committee, which discuss, guide and resolve on the ESC agenda, considering both its potential impact on risk management and its potential to generate business opportunities.

At the **BoD** level, the ESC risk agenda is monitored by the **CGRC**, which reports to and supports the BoD in the discharge of its responsibilities related to risk and capital management. This Committee reviews and recommends to the BoD the approval and revision of risk and capital management policies, strategies and limits. It also defines the Risk Appetite—including risk concentration tolerances—and oversees compliance with it by reviewing, on a monthly basis, the levels of incurred risk, including metrics used to monitor the concentration of the loan portfolio in sectors classified as high ESC risk. The matters discussed and the resolutions adopted by the CGRC, including the Risk Appetite metrics, recommendations from the Risk department and resulting actions, are subsequently submitted to the BoD by the CGRC's chair. The ESC opportunities agenda, in turn, is monitored by the **ESC Responsibility Committee**, which includes BoD members and is mandated to define strategies to strengthen the bank's ESC responsibility, covering the implementation of the ESC Responsibility Policy (PRSAC), the decarbonization strategy, ESG initiatives and the private social investment strategy, aligned with the pillars of the ESG strategy.

Completing the BoD-level committees, the **CAud** covers both the risk agenda and the ESC opportunities agenda, and reports directly to the BoD. It is responsible for overseeing internal control and risk management processes, the activities carried out by the Internal Audit function, and the activities of the Conglomerate's independent auditors.

At the **EC** level, the ESC risk agenda is monitored by the **Superior CRSAC**, which is responsible for assessing and resolving on matters which, in the opinion of the CRSAC (Board of Officers level), should be submitted to EC members due to the complexity and materiality of the topic, especially those associated with reputational risk, and which meet upon specific convocations. This Committee includes the CEO, the CRO—responsible for the risk agenda—the Head of Legal or Sustainability or Communications—responsible for the ESC opportunities agenda—the Head of Itaú BBA and the Executive of the Proposing Business, when there is a business-related item on the agenda. The **CRO**, a member of the Superior CRSAC, is responsible for the Risk department and for integrating ESC risks into the institution's global risk management framework, as well as for the ESC Risk Policy and for liaising with regulators.

The ESC opportunities agenda is monitored by the **Superior ESG Council**, which includes the CRO and the other members of the EC, as well as the Sustainability and Institutional Relations Director, responsible for ensuring the implementation of the ESG strategy, monitoring the progress of the main indicators, projects and sustainability initiatives in the businesses, monitoring the organization's response to the main ESG and climate-related demands from stakeholders, and addressing priority challenges for the effectiveness of the PRSAC.

At the **Board of Officers level**, on the risk agenda, we have the **CRSAC**, which is primarily responsible for resolving on institutional and strategic matters, public positions of the institution and commitments/pledges undertaken, as well as on reputational risk associated with ESC events involving clients, products, services and transactions. The CRSAC is also responsible for (i) recommending roles and responsibilities in relation to the management of these risks; (ii) monitoring compliance with the policies and procedures related to ESC risk management; and (iii) escalating matters, where necessary, for resolution at the EC level. On the opportunities agenda, we have the **Itaú BBA ESG Committee**, which also includes a member from the Risk department, meets quarterly and is responsible for (i) implementing

industry decarbonization strategies and action plans; (ii) ensuring and monitoring compliance with the target of granting Brazilian real (R$) 1 trillion in sustainable finance by 2030; and (iii) monitoring and resolving on Itaú BBA's ESG and climate workstreams. In addition to the risk and responsibility agendas, Itaú Unibanco's Product Governance relies on specific forums and is responsible for assessing products conceptually from different angles, based on specific criteria that may lead to the assessment of ESC risks, such as aspects aimed at identifying greenwashing risk or that indicate the need to establish specific due diligence processes.

Process and frequency of receipt of information related to ESC risks by the BoD

The BoD receives periodic ESC risk reports as a result of the responsibilities assigned to its committees. As an example, the ESC Risk Appetite metrics are monitored monthly by the CGRC, which, as a BoD-level committee, is responsible for providing guidance and taking preventive measures to ensure that exposures remain within the established limits and are aligned with our strategy.

Furthermore, both the CGRC and the BoD itself monitor ESC risks at least once a year, as the ESC Risk Policy (PS-109) and the Internal Capital Adequacy Assessment Process (ICAAP)—which, since 2024, has included a specific chapter addressing ESC risks—are discussed and approved by both governance bodies. The ESC Risk Policy is the document that sets out guidelines for the conduct of business and the activities of the risk areas, defining responsibilities and the hierarchical escalation between the lines of defense. The ICAAP, in turn, formalizes the ESC governance framework, assesses and reports the criteria and material risks for Itaú Unibanco, and includes considerations related to the stress testing program, including the climate stress testing program.

Consideration of ESC risks in the approval and review processes by the BoD

Considering the responsibilities of each governance body, the institution's senior management ensures the assessment of ESC risks through minimum capital requirements, corporate strategy guidelines, Itaú's risk profile, regulatory compliance, as well as the economic outlook and challenges faced by the financial sector. In addition, the perceptions of market analysts, society's expectations, the behavior of major competitors, the dynamics of profit generation and the findings of Itaú's stress testing program—which incorporate ESC risks—are also analyzed. Accordingly, the resolutions adopted by the governance bodies seek to ensure that all relevant risks—including ESC risks—are duly considered in approval and review processes.

The BoD monitors the ESC topic directly, since it is responsible for approving the ESC Risk Policy and the PRSAC, in addition to the ICAAP, which includes a specific chapter on ESC risks and climate stress testing. The BoD also monitors the ESC topic indirectly, through its BoD-level committees: on the risk agenda, the CGRC is the body responsible for monitoring risk appetite metrics and limits, including environmental and climate metrics, and, on the opportunities agenda, the ESC Responsibility Committee is the body responsible for implementing and ensuring the effectiveness of the PRSAC.



Forms of monitoring of the institution's strategic objectives and targets related to ESC aspects

We monitor ESC risk and opportunity agendas in an integrated manner with the business and transversally across its strategy, ensuring that discussions and decisions on the topic are institutionalized across different areas and in accordance with the guidelines established in the ESC Risk Policy and in the PRSAC. In addition to these two ESC-specific policies, whose updates and changes are approved by the BoD, the topic is also monitored by the ESC Responsibility Committee. Over recent years this Committee has discussed strategic sustainability issues, such as budget and tax incentive management for Institutes and Foundations, materiality revisions and decarbonization targets, advances in the Net Zero commitment, as well as private social investment strategies, governance and financial education, among other relevant ESC topics.

Furthermore, Itaú Unibanco's Compensation Policy incorporates social, environmental, climate and governance aspects into variable compensation for professionals involved in activities, businesses and commitments related to the ESG agenda, through performance indicators, projects and initiatives included in the individual performance criteria. This Policy is the responsibility of the **Compensation Committee**, a joint body composed of **BoD** members, which discusses, analyzes and oversees the implementation and operation of the existing compensation models for the Itaú Unibanco Conglomerate. Accordingly, senior management's variable compensation includes ESC performance indicators, with targets defined according to each area's scope of responsibility. These objectives are aligned with risk appetite and strategic goals, ensuring not only monitoring but also engagement in meeting ESC objectives.



EST Table

Strategies used for handling ESC risk

Identification of ESC risk events that may generate the possibility of relevant losses for the institution over different time horizons

ESC risks are understood as the possibility of losses arising from events of ESC origin related to the institution's activities, whether arising from business with counterparties, relationships with suppliers, events linked to the transition to a low-carbon economy, or physical changes in weather patterns.

The bank's ESC Risk Policy defines the guidelines for the identification, assessment, classification, monitoring and mitigation of ESC risks, integrating them into traditional risk categories and guiding their management based on the principles of relevance, materiality and proportionality, in alignment with regulatory and self-regulatory standards, such as the Banking Self-Regulation System (SARB) No. 14/2014 and No. 26/2023, of the Brazilian Federation of Banks (FEBRABAN), and with the main international references, such as the Performance Standards of the International Finance Corporation (IFC), the TCFD and the Network for Greening the Financial System (NGFS). The ESC Risk Policy establishes objective criteria for identifying ESC risk events through the use of public databases, information provided by counterparties and structured due diligence mechanisms, as well as applicable risk categorization processes that influence strategic decisions such as contractual provisions and capital allocation.

The bank's strategy for identifying ESC risk events that may generate the possibility of relevant losses began from a Credit Risk management perspective, taking into account the potential of risk events for materialization, and has been expanding, so that these risk events are now also addressed in the other traditional risk dimensions, with specific monitoring indicators for each category, and in capital management, with exercises integrated with another traditional risk dimension or stress-testing exercises. In addition to potential materialization in traditional



risks, the internal methodology for identifying ESC events with impacts on credit risk takes into account the potential impact of ESC risks on reputational risk by applying objective criteria that classify and qualify this risk.

In addition, the identification of ESC risk events is subject to applicability criteria that vary according to the sector, size and region of the client under analysis. From a product perspective, applicability also varies according to other characteristics, such as the term of the transaction and the use of funds. The different forms of applicability will be presented in the following sections.

In general terms, the identification of risks arising from counterparties is carried out through structured due diligence questionnaires applied to clients, projects, suppliers and collateral.

Through the automated monitoring of regulatory changes, we ensure that our strategies are reviewed in a timely manner and that our internal policies and procedures are updated to ensure effective risk management. In addition, we monitor market trends, ensuring a resilient ESC risk management system aligned with best practices, such as decarbonization commitments and Net Zero targets.

In 2025, with respect to the time criteria adopted to define the different time horizons (short, medium and long term), we highlight the following:

Timeframe	Period	How this timeframe is associated with the strategic and/or financial planning:
Short term	0 to 2 years	Our in-company definition, in line with the World Economic Forum's document "Global Risk Reports", considers short term as up to two years. We also take into account the internal periods used to carry out the quantification of the climate risk capital.
Medium term	2 to 5 years	Medium term is defined as between two and five years, in line with our risk management tool for loan portfolio and our Net Zero commitment.
Long term	From 5 years onwards	Consistent with the short term and medium term mentioned above, long term is defined as more than five years, also in line with the World Economic Forum's document "Global Risk Reports".

Monitoring of significant ESC risk concentrations in the institution's credit exposures and any associated losses

Itaú Unibanco has a solid Risk Appetite framework that assesses, for example, concentrations of sector and segment credit exposures, among other metrics, setting limits and establishing alert thresholds and attention thresholds for the implementation of actions to restore compliance. In particular, to measure, monitor and control the health of the loan portfolio in relation to its exposure to ESC risks, the Risk Appetite framework includes two specific metrics to monitor the concentration of our portfolio in industries with high social and environmental risk and in industries with high exposure to climate risks, whether physical or transition. Both metrics are periodically monitored by the BoD.

Furthermore, given the risk of credit losses arising from ESC events, as described in the client and product views, we have developed an internal process for identifying potential losses primarily driven by environmental damage such as illegal deforestation; practices of labor analogous to slavery; extreme environmental events/disasters; and noncompliance with contractual social and environmental obligations, among other ESC risk aspects.

As part of this process, no material credit losses related to ESC events were identified in 2025. We attribute this result to the effectiveness of our prevention and mitigation actions, the training and expertise of our teams on the subject, and the treatment of the topic in strategic forums.

Description of how the events mentioned are considered in the institution's business, strategies and capital management, detailing the timeframe considered and the criteria adopted in prioritizing the risks assessed

The identification, measurement, assessment, monitoring and mitigation of ESC risk events are part of both the bank's business and its own operations. With respect to the business, ESC risk management practices are incorporated into the processes for granting credit, accepting collateral, launching new Itaú products, and contracting services such as insurance, following the principles of relevance and proportionality. The treatment of this risk is duly discussed in senior forums involving the business areas and allows us to:

- anticipate potential relevant losses;
- align our practices with regulatory and market trends;
- support business decisions based on consistent information;
- enable strategic decisions that take into account the bank's exposure to ESC risk; and
- preserve our reputation and consolidate Itaú's leadership position in sustainable finance.

With respect to Itaú's own operations, ESC risk management addresses the identification, measurement, assessment, monitoring and mitigation of events that may arise from the day-to-day operational activities of the bank's areas. These risks include potential social, environmental or climate impacts arising from internal activities, operational processes, contracted service providers or structures under the institution's direct responsibility. From this perspective, each area must ensure that its operational processes are conducted in such a way as to prevent damage, reduce exposures and ensure compliance with applicable internal and external standards.

In addition to identifying ESC risks, the operating areas must implement controls, record incidents and act in a timely manner to mitigate them, informing the Risk department of any situations not foreseen in the existing controls. ESC risk management in operations must also consider efficient resource use, compliance with applicable social and environmental requirements, the adoption of low-carbon practices and alignment with corporate sustainability guidelines, ensuring that the institution minimizes negative impacts and strengthens its responsible conduct.

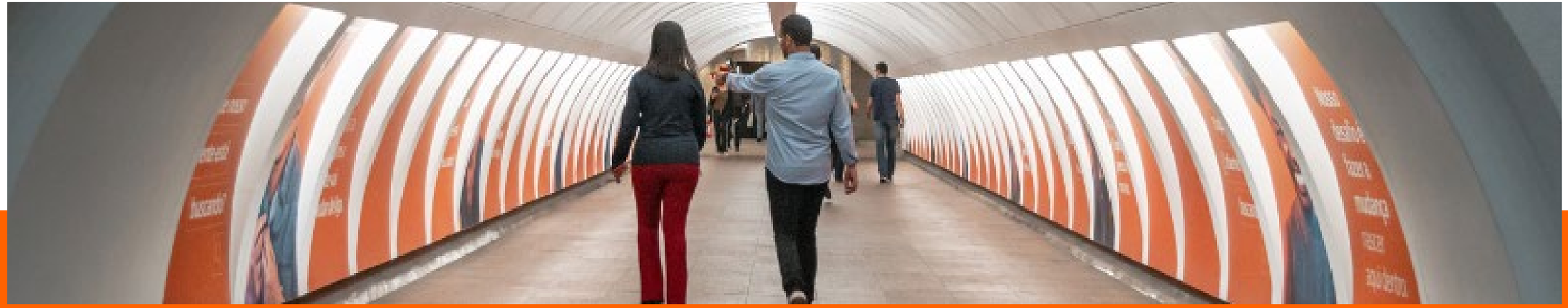
Stress testing exercises to assess the institution's financial resilience to climate risk

In order to assess business resilience and the impact of potential damage associated with climate risks, and in line with the various international frameworks that encourage scenario analysis, such as the TCFD and, more recently, International Financial Reporting Standards (IFRS), Itaú conducts scenario analyses, both for physical and transition risk, as part of the stress testing program.

For the physical scenario exercises, Representative Concentration Pathway (RCP) scenarios developed by the Intergovernmental Panel on Climate Change (IPCC) were analyzed to map potential impacts of events on the bank's portfolio by location, both for portfolios and for risk areas, and to serve as a basis for building a macroeconomic scenario used in the stress test, which is based on a drought scenario affecting energy generation and, consequently, macroeconomic indicators. This scenario was developed internally by Itaú Unibanco's team.

In the physical risk scenario studies, three different exercises were conducted to map the impacts of physical risks on the loan portfolio and on stress test projections. In the first exercise, physical risks were mapped based on scenarios adapted to the characteristics of the regions in which the bank has operations. These studies took into account the conclusions of the IPCC disclosed through the RCP 8.5 scenario, which was treated as a pessimistic scenario, based on projections presented by widely-used and recognized tools such as AdaptaBrasil, developed by the Ministry of Science, Technology and Innovation (MCTI), and the Climate Change Knowledge Portal, presented by UNEP-FI's TCFD Working Group, of which Itaú has been a member since 2018.

Based on the physical risk rating indicated by the AdaptaBrasil methodology, Brazilian municipalities



can be classified on a scale from very low to very high risk for different climate events. Using this classification, it is possible to assess the distribution of the loan portfolio across the locations indicated by the respective risk level for the different climate events.

In addition, exercises were developed to assess the impacts of extreme physical risk events based on the RCP drought risk scenarios, replicating the impact of a water restriction scenario inspired by an event that occurred in 2000. This scenario was simulated to assess the impact on the entire economy and, using macroeconomic projections, potential impacts that would spread to the bank's balance sheet were analyzed. The studies were developed as part of Itaú Unibanco's Stress Testing program, which seeks to continually expand its approach to incorporate climate aspects.

For the transition scenario exercises, the various NGFS scenarios were analyzed and assessed in order to understand the characteristics of each, the variables available and those whose narratives best fit Brazil's current and future outlook. In addition, starting with the 2024 exercise, we developed an internal scenario for the risk arising from the transition to a low-carbon economy.

For the transition scenario exercises, the Macroeconomic department created, as from 2024, an internal scenario for carrying out the stress test in a comprehensive manner, affecting several variables such as GDP (Gross Domestic Product), inflation, interest and foreign exchange rates, as well as the carbon price, which are updated annually.

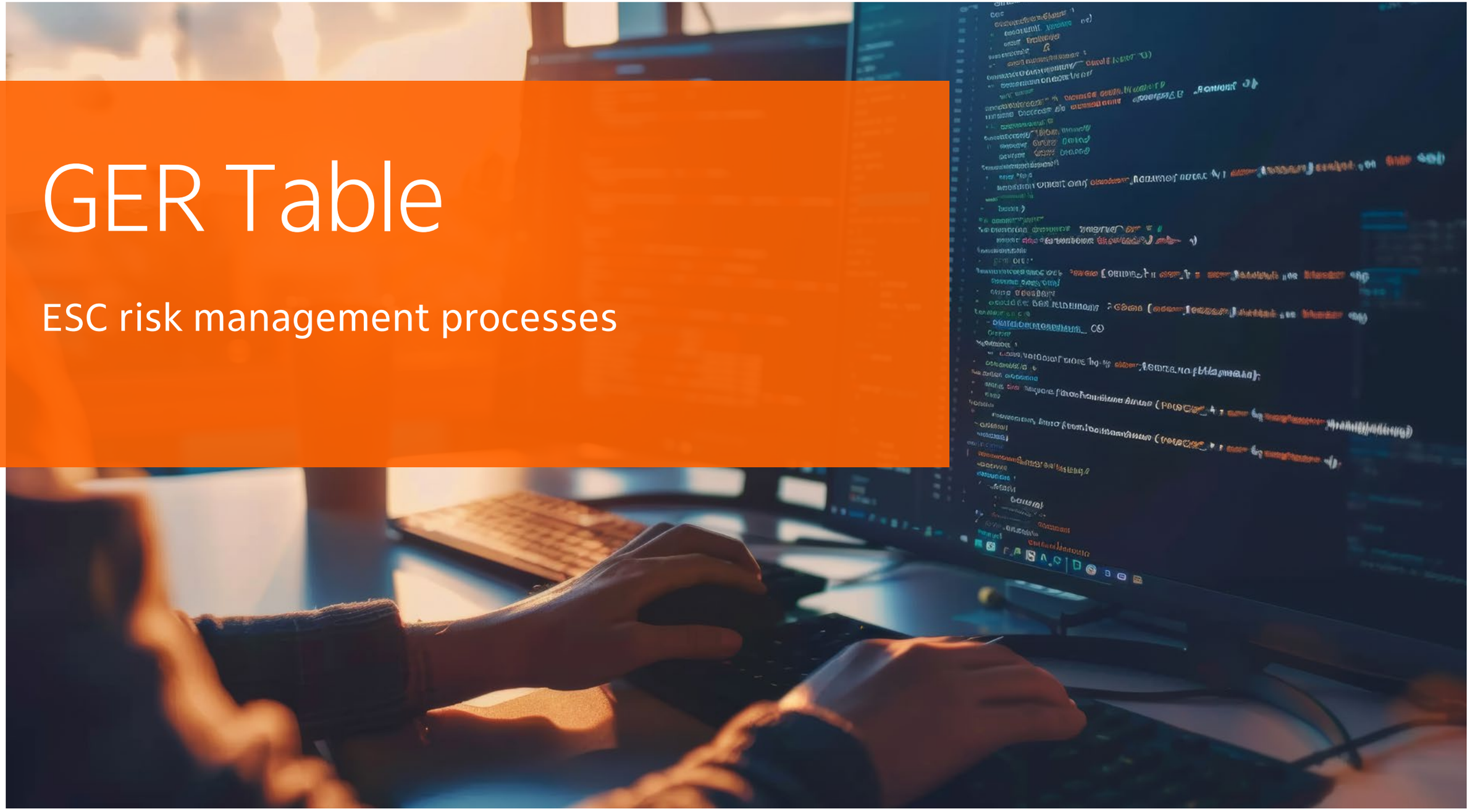
In general, in line with benchmarking studies and with the main practices reported by different supervisory authorities, transition scenario analyses were conducted for use in stress testing, using two types of approaches.

Under the first approach, called bottom-up, the potential impact on the credit assessment of clients in carbon-intensive sectors was studied, based on the sectors defined by the Net-Zero Banking Alliance (NZBA) and taking into account the relevance of the bank's loan portfolio, in scenarios involving the implementation of a carbon price. Several tax, price and offsetting scenarios and a potential impact interval were assessed. Under the second approach, the top-down approach, additional shocks expected in economic indicators in a transition scenario to a low-carbon economy were incorporated into the aforementioned climate physical risk scenario. Once this effect was considered, the potential impacts were analyzed as part of Itaú Unibanco's current Stress Testing program.

The results of the climate stress testing are part of the ICAAP and did not show material impacts on Itaú Unibanco's capital planning and adaptive capacity beyond those already in place as part of the proper management of ESC risks.

GER Table

ESC risk management processes



Description of the process for identifying, measuring and assessing ESC risks

Assuming and managing risks is the essence of Itaú Unibanco's business and a responsibility of all employees. The bank's Risk Appetite defines the nature and level of acceptable risks, while our risk culture guides strategic management initiatives and tools to mitigate risk and generate opportunities.

Our organizational structure complies with Brazilian and international regulations, is aligned with best market practices and is composed of three lines of defense:

1 First line

Business areas, responsible for risk identification, assessment, control and reporting.

2 Second line

Risk department, which assesses risks in accordance with established policies, procedures and Risk Appetite.

3 Third line

Internal Audit, which acts independently to assess the risk, control and governance management environment and reports to the BoD.

ESC risk management is integrated into the global risk model, with cross-cutting governance and comprehensive management processes. Business units follow the guidelines of the internal policy, with support from the Risk and Legal departments. ESC risk management relies on processes such as the following:

- **Classification criteria** methodologies that consider risk matrices (high, medium, low), economic sectors, geographic regions and average maturity of exposures, in accordance with the principles of relevance and proportionality.
- **Automated regulatory monitoring** technological tools used for timely capture and analysis of legal and regulatory changes, with communication to the responsible areas.
- **Contractual mitigation** inclusion of specific clauses for early termination in the event of noncompliance with social and environmental covenants, as well as action plans monitored periodically.
- **Indicators and external sources** internal tools that use data from AdaptaBrasil, MapBiomas, IBAMA and other agencies, ensuring greater granularity in the assessment of physical and transition risks.
- **Regulatory, reputational and international alignment** adherence to TCFD and NGFS recommendations, BCB regulations and FEBRABAN's self-regulation, incorporating quantitative metrics and forward-looking scenarios for climate risks.

  These practices ensure a robust process for risk identification, prioritization, response, monitoring and reporting, strengthening Itaú Unibanco's resilience to ESC challenges.
- **Governance** monitoring of the application of ESC risk guidelines in order to verify adherence to the governance framework formalized in internal policies and procedures. This process assesses qualitative aspects and, where applicable, uses criticality indicators and consequence management to ensure that situations with relevant risk are escalated to the appropriate levels of authority.
- **Risk interactions** assessment of cross-impacts between ESC risks and traditional risks.

In addition, ESC risks are subject to assessment and monitoring as part of the internal mapping of processes, risks and controls, monitoring of new standards, as well as the recording of occurrences in internal systems. As a result of the risk identification process, the subsequent stages are prioritization, risk response, monitoring and reporting, which supplement risk management at Itaú Unibanco.

Accordingly, Itaú adopts robust processes for identifying, measuring, classifying and mitigating ESC risks, integrated into the three lines of defense. Identification takes place through qualitative and quantitative analyses, including due diligence, media monitoring and internal tools

Description of the mechanisms used to promptly identify policy, legal or regulatory changes

With respect to identifying policy, legal or regulatory changes, we have a process in place to manage the monitoring of compliance with new regulations, based on the principle of relevance, structured to promptly identify changes that impact the Financial System.

With respect to regulatory changes, we identify, capture, analyze and tag the topic (for example, ESC risks) and forward it to the relevant areas to ensure regulatory compliance, as well as to monitor action plans until their implementation.

More specifically, legislative proposals are monitored and analyzed and, based on the probability of approval and on the analysis of financial and reputational risks, strategies are developed to guide our actions within the legislative process.

Where necessary, the second-line team responsible for the process of monitoring compliance with new regulations reports, systematically and promptly, directly to the BoD or through its advisory committees, relevant information regarding both the results of Compliance assessments that identified material deficiencies and significant changes in the regulatory environment.

Furthermore, we seek to contribute to discussions on bills of law at the federal, state and municipal levels and to public consultation notices on the ESC agenda.

Our risk management is aligned with methodologies and frameworks such as those of the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and this management encompasses the stages of risk identification, prioritization, response, monitoring and reporting. In practice, these stages are implemented through actions such as process mapping, definition of controls, capture of new standards and monitoring of actions for their implementation, recording and management of risk findings in internal systems, governance through committees for collective analysis of risk tolerance, and reporting to the EC and BoD.

Description of the criteria used for identifying, measuring, assessing and monitoring ESC risks

ESC risk management at Itaú is based on structured criteria that ensure consistent analyses proportional to the risk level of the exposures. These criteria guide the identification of relevant events, the measurement of their potential impacts, the assessment of their materiality and the definition of mechanisms for continuous monitoring. Combining regulatory references, public databases and internal methodologies, the process provides an integrated and timely view of risks, strengthening strategic decision-making and institutional governance. This framework makes it possible to monitor both individual risks and portfolio concentrations, promoting robust management aligned with best market practices.

1. ESC analysis of clients

An important part of the ESC risk management strategy involves the assessment of clients and the use of social, environmental, climate and governance information when approving and renewing limits and maintaining credit relationships.

In client assessments, the identification of events related to Social Risk, especially those related to human rights, is highly relevant, in accordance with Itaú Unibanco's ESC Risk Policy. Accordingly, we adopt specific due diligence and exclusion procedures when the following are identified: use of labor analogous to slavery, use of child labor in violation of legislation, and exploitation of prostitution.

To this end, we check the Register of Employers that have subjected workers to conditions analogous to slavery ("Lista Suja", established by Interministerial Administrative Rule MTPS/MMIRDH No. 4, of May 11, 2016) and/or adverse media related to the use of child labor in violation of legislation or the encouragement and/or exploitation of prostitution, identified through monitoring and subsequent assessment by specialized teams. If any of these practices are identified, the client is included on the "List of Excluded Activities". The consequence of inclusion in this list is systemic blocking in any of the segments served by Itaú Unibanco, preventing access to additional credit, the hiring and/or renewal of suppliers, and the contracting of insurance. This verification also extends to companies and individuals, regardless of their relationship with the bank, and may restrict the admission of potential new clients that engage in the situations described.

1.1. Industry Categorization

Industry categorization of ESC risks is the result of a process to classify the industries in which our clients operate by high, medium or low ESC risk. The methodology used assesses the ESC risks inherent in economic sectors in accordance with the potential social and environmental impact of clients' activities and their respective exposure and vulnerability to climate risks. To this end, sustainability parameters are taken into account, including energy and water consumption, deforestation risk, level of air emissions, risks to worker health and safety, and disaster risks, among others.

In 2025, we carried out a comprehensive review of this categorization to increase the accuracy of the analysis, reflect necessary updates and strengthen the governance of strategic decision-making. The methodology was improved with new international references, the inclusion of a reputational factor for critical sectors, the development of a more balanced quantitative model, the incorporation of supply chain risk and adjustments to reflect geographic particularities of sectors in Brazil.

1.2. Individual Categorization

In the process of categorizing ESC risks for large corporate clients, in addition to the industry risks described above, individual aspects that differentiate clients within the same sector are considered. Such aspects include inclusion in sustainability indices, which indicate the adoption of management practices to mitigate these risks, and the client's climate sensitivity, which measures how sensitive the client is to the physical and transition effects of climate change, based on credit parameters. These factors may positively or negatively affect the initial industry-based risk categorization.

The risk categorization resulting from this analysis is used in the calculation models for the clients' credit risk rating and serves as a basis for pricing and capital allocation.

1.3. Sensitive industries

As mentioned above, for Large, Infrastructure & Energy and Agro clients, the industry in which clients operate is an important factor in defining the scope and coverage of ESC risk analysis. Accordingly, sensitive industries are those that are more likely to cause or be exposed to material ESC risks. Following relevance and proportionality criteria, clients in these industries are subject to in-depth individual analysis, the results of which, as in the Individual Categorization described

above, comprise the ESC variable in the calculation of the credit risk rating, allowing for more accurate pricing and capital allocation.

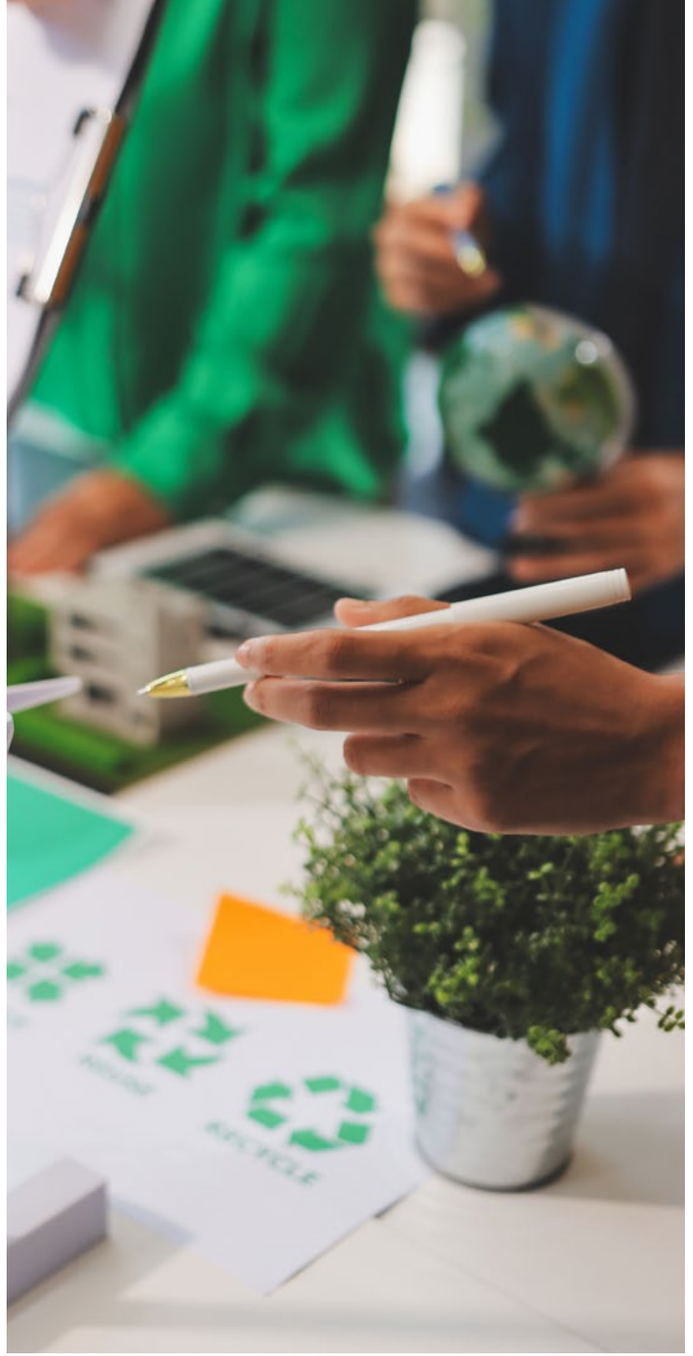
For these cases, assessments may include social events, such as impacts on traditional communities, occupational health and safety, and supply chain management; and environmental events, such as the existence of deforestation, embargoes and environmental notices of violation, water consumption and management practices, use of hazardous materials, structural risks (dams), overlapping and/or proximity to conservation units, and waste management. Clients' sensitivity to physical and transition climate effects is also assessed, as well as susceptibility to water scarcity, assessment of the volume of greenhouse gas emissions and the financial capacity to offset them through carbon credits, emission reduction policies and practices, and/or Net Zero commitments. In addition, the methodology addresses governance aspects, such as the independence and diversity of the board.

In 2025, we advanced in improving ESC risk and opportunity analysis practices for clients in sensitive industries, increasing the consistency and depth of our assessments, and continued to strengthen the applicable governance framework, ensuring greater alignment with internal guidelines, regulations and best market practices.

1.4. Industries and activities subject to ESC restrictions

Industries and activities subject to ESC restrictions represent economic activities or practices that, by their nature, require greater attention in ESC risk management. Among them, we highlight those related to the "Lista Suja" of labor analogous to slavery, the tobacco sector, cold storage plants in the Amazon region and coal production. These industries and activities have a greater propensity for relevant risks, requiring specific controls and continuous monitoring.

In 2025, we advanced in strengthening the governance of industries subject to greater ESC risk attention, adopting mechanisms that increase the efficiency and consistency of our controls and monitoring. These improvements reinforce our commitment to best practices and alignment with regulatory and internal requirements.





2. ESC analysis of products

The institution's strategy also provides for ESC risk management from a product perspective at all stages of governance, from the design of new products to their renewal and operation. In these cases, the due diligence and ESC risk events addressed are defined in accordance with the characteristics and structure of the product/transaction and are considered before contracting and, in some cases, throughout the term of the transaction.

The ESC analysis of products also uses some of the criteria applied to clients, such as verification of the List of Excluded Activities and the impact on traditional populations from a social perspective; deforestation and pollution from an environmental perspective; and the volume of air emissions from a climate perspective. In some cases, the events assessed may vary according to the geographic region.

In addition to these events, the ESC analysis of products, based on relevance and materiality criteria, may include other aspects, such as the maturity of the project licensing process, the existence of a Biosecurity Quality Certificate and indications of soil contamination. For more complex transactions, such as long-term project finance transactions, the criteria of the Equator Principles are also considered.

In both views—clients and products—the identification of risk events is based on publicly available information disclosed by clients, the media or databases provided by public authorities and/or relevant institutions, such as IBAMA, the Register of Employers that have subjected workers to conditions analogous to slavery, AdaptaBrasil MCTI, ICMBio, and the National Mining Agency, among others, as well as data provided directly by clients themselves or by contracted third parties.

2.1. ESC analysis of products with ESG/Green label

A prior ESC risk analysis is also carried out before launching shelf products and structured transactions with an ESG/Green label in order to avoid greenwashing risk. For shelf products, ESC risk analysis aims to establish due diligence criteria to be applied for the classification and monitoring of transactions, in addition to consequence management, where applicable. For structured transactions, we also assess the borrower's track record of controversies.

In 2025, we advanced in improving the governance applied to products with ESG/Green labels, strengthening eligibility criteria, the consistency of analyses and alignment with best market practices. These developments contributed to greater clarity, reliability and robustness in the classification of transactions, reflecting our commitment to high standards of quality and transparency.

Within the scope of integrated risk management, description of the mechanisms used for handling interactions

To integrate the management of the various traditional risk categories with ESC risk, we use the Integrated ESC Risk View Panel. By monitoring various indicators that reflect the bank's businesses, as well as institutional and internal topics, we are able to manage, in an aggregated and timely manner, various aspects and risk factors related to ESC topics.

In 2025, we improved the governance and monitoring of indicators related to ESC risks, reflecting the increasing maturity of the topic across various areas of the institution. The improvements implemented provided greater visibility into business-related aspects and strengthened the integration between ESC risks and other risk categories. This monitoring is conducted in a structured manner in the governance forums responsible for the topic.

ESC risks in Credit Risk management

Given that ESC events may lead to financial losses, we have a process in place to identify potential credit losses. This process considers aspects such as embargoes, degrading working conditions, extreme events and disasters, as well as situations with significant risk identified in individual client assessments. It is important to highlight that no significant credit losses arising from ESC events were observed in 2025, due to the maturity of credit risk management and the processes adopted for its prevention and mitigation, as described below.

Within the Credit Risk dimension, the identification, measurement and assessment of ESC risks follow guidelines defined in the internal procedures of the Risk department, which are verified by the business/credit areas during client assessment stages for granting and renewing credit, in the provision and monitoring of collateral, as well as in the assessment and monitoring of project finance and structured transactions.

From a client perspective, this process includes verifying the involvement of all clients in practices included in the "List of Excluded Activities" and the application of different methodologies and tools that rate clients' ESC risks as high, medium or low. For small and medium-sized clients, this rating is based on industry risks and, for large companies, it has an impact on the credit risk rating. Considering that larger companies have greater potential to generate impacts on society, the environment and climate, all clients in the Large, Infrastructure & Energy and Agro segments undergo individual categorization, with the results of this assessment being taken into account in the calculation models for these clients' credit risk ratings, serving as a basis for pricing and capital allocation.

Furthermore, since the client's industry is also an important factor in defining the scope and coverage of the ESC risk analysis, for clients in the Large, Infrastructure & Energy and Agro segments that operate in sensitive industries, namely: Agribusiness – Pesticides and Fertilizers; Agribusiness – Cold Storage Plants; Pulp and Paper; Energy; Real Estate; Textile Industry and Apparel Retailing; Wood; Metallurgy and Steel and Iron; Mining; Oil and Gas; Rural Producers; Chemicals; and Petrochemicals, additional ESG assessment methodologies and tools are applied at the time of credit approval and renewal, strengthening integrated decision-making in credit granting and pricing. This assessment covers qualitative and quantitative aspects and takes into account the possibility of ESC issues affecting both reputation and the financial performance and sustainability of clients' businesses—such as litigation arising from environmental accidents or costs associated with regulatory and technological changes associated with the transition to a more sustainable economy.

Topics and criteria covered in the assessment of sensitive sectors

Sensitive sectors classified

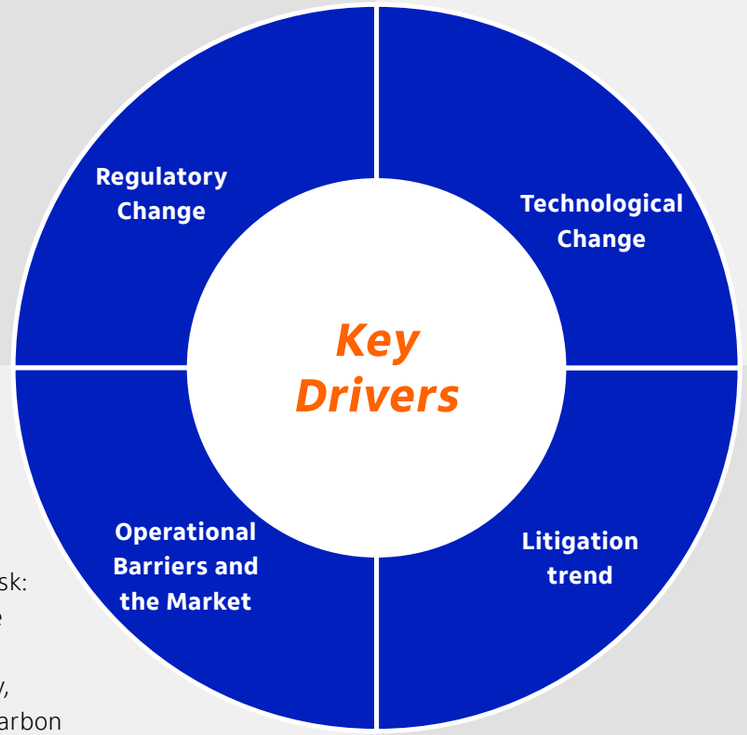
- Agricultural Defensives and Fertilizers
- Agriculture: Slaughterhouses
- Energy sector
- Real estate
- Timber
- Metallurgy and steel
- Mining
- Oil and gas
- Produtores Rurais
- Paper and cellulose
- Chemicals and petrochemicals
- Textiles

Governance criteria

- Independence and quality of the Board
- Diversity of the Board

Social criteria

- Social criteria
- Human rights
- Health and safety
- at work
- Traditional communities and local populations



Climate criteria

- Short- and Long-Term Physical Risk: Changes to the hydrological cycle and wind patterns
- Transition Risk: climate sensitivity, Net Zero policies and practices, carbon emissions and offsetting

Environmental criteria

- Biodiversity
- Atmospheric emissions
- Accidents/disasters
- Hazardous products and materials
- Water and soil contamination
- Waste and effluents

It is worth mentioning that all analyses described in this section are renewed periodically, allowing for the monitoring of practices and ESC risk monitoring of clients.

In addition, we have a restrictive policy with specific rules for credit granting in the Arms Industry. For the Agribusiness – Tobacco sector, we have implemented a strategy to gradually reduce, by 2025, Itaú's credit exposure to clients whose activities are related to tobacco, such as rural producers dedicated exclusively to this crop and cigarette manufacturers. Finally, our Net Zero plan provides for the gradual reduction of our credit exposure to clients/transactions associated with thermal coal, as well as the prohibition of financing for unconventional oil and gas exploration in oil sands and in the Arctic.

In addition to ESC risks associated with the economic sector, stricter treatment is applied both in the assessment of clients operating in more sensitive geographic regions and in the assessment of products specifically aimed at such regions, such as the Amazon biome. From a client perspective, for example, as signatories to FEBRABAN's self-regulation system, we follow the requirements of SARB 26 for cold storage plants and slaughterhouses located in the Legal Amazon and in the state of Maranhão, applying guidelines and procedures that promote the financing only of activities free from illegal deforestation in this supply chain.

For transactions aimed at project finance, whether through the credit market or the capital market, the process of identifying, measuring and assessing ESC risks begins with the collection of information covering relevant technical and legal aspects, such as regional sensitivity analysis and the sponsor's level of social and environmental management and governance. The compilation of this information results in the project's risk categorization as high, medium or low. After the initial stage, a more detailed list of topics is prepared, which may include various ESC aspects based on applicable legislation and good market practices, according to the industry and geographic region in which the project is located.

Examples of social and environmental due diligence for Itaú Unibanco projects can be found on our Investor Relations website, such as the document "Experience in Mitigating Social and Environmental Risks in Project Finance".

Risk mitigation is part of the risk management process and may take different forms, depending on the type of analysis conducted, guided by the principles of relevance and proportionality. For project finance transactions, if noncompliance or lack of adherence to good practices is identified, contractual conditions may be established for monitoring and disbursement of funds in order to encourage clients to adopt better practices and comply with the requirements established by Itaú.

In addition, for long-term financing, depending on the ESC risk rating, an action plan may be agreed with the client, which is monitored every six or twelve months throughout the term of the contract by a specialized area or an independent specialized consultant. Each monitoring cycle may include site





visits, document reviews and discussions with the client and financing agents.

Furthermore, for transactions in which the bank primarily takes on the risks associated with the project's cash flows, a specific credit model is used under which the ESC risk categorization directly impacts the project's credit risk rating, enabling more accurate pricing and better capital allocation.

For financing allocated to a specific agricultural property, any illegal deforestation and other risk situations at the financed properties are monitored on a daily basis using a georeferencing tool.

Within the scope of ESC risk management, for credit granting operations involving real estate collateral, Itaú Unibanco has property appraisal processes that include, among others, ESC aspects, both at the time the collateral is established and throughout the term of the transaction for which the property serves as collateral. With respect to climate aspects, topographic data collection for the property considers, for example, the assessment of flooding points, floods/inundation, and the risk of building collapse or slope failure.

For urban real estate collateral, a social and environmental analysis of the property offered as collateral is carried out based on the Receipt of the Survey of Contamination Indications (LIC), a standard document adopted by financial institutions that are signatories to FEBRABAN's self-regulation system, under SARB Regulation No. 14/2014, which contains information on the property's occupation history, current use, data on the use of surrounding areas and, where applicable, indicates contamination risks. When contamination indications or other restrictions on use are identified, the analysis is deepened by the institution's technical team, and a Preliminary Environmental Assessment, Confirmation Investigation or other related study may be requested, as necessary. In addition to the social and environmental assessment upon the establishment of the real estate collateral, Itaú Unibanco also conducts property revaluations in accordance with the rules set out in internal procedures.

For the establishment of rural real estate collateral, in-person and/or remote reports are used to verify possible forest liabilities and/or overlaps with sensitive areas such as conservation units, indigenous lands or "quilombola" communities. When overlaps with risk areas are found, the analysis is deepened by Itaú Unibanco's technical team.

ESC risks in Operational Risk management

Itaú Unibanco manages the borderline cases between operational risk and ESC risks by identifying events linked to topics defined in National Monetary Council (CMN) Resolution No. 4,943/2021, based on issues and causes recorded in civil and labor lawsuit systems, in alignment between the Wholesale Credit Risk and Modeling, Social and Environmental Legal, and Litigation Legal areas. Events related to Non-Operating Real Estate (BNDU) are also identified and recorded by the Asset Management and Operations (DOP) department.

The criteria for identifying operational losses related to ESC risks have been jointly defined by the Risk, Legal, Property and Compliance areas, taking into account the requirements of CMN Resolution 4,943 and the best practices provided in SARB 14. The operational loss events considered include administrative and legal proceedings in which the institution is a defendant, as well as damage to physical assets.

Using an internal system, an operational loss database is generated with event categorization based on claims and issues defined by the Legal department, as well as accounting entries indicated by the Property area.

In the historical monitoring process, no significant volumes of effective losses or provisions related to ESC risks were identified.

ESC risks in Market Risk management

Itaú Unibanco recognizes ESC risks in market risk assessment and management by assessing possible adjustments to its positions or to asset pricing due to ESC events. Information on these events is analyzed by the Market Risk team, which incorporates it into the market risk management process for positions. Furthermore, the consideration of ESC risk factors also affects market risk management through the monitoring of secondary market prices, captured in the pricing process, as ESC events become public and/or consensus in the market.

To assess the impact of ESC risks on market risk, we also monitor securities traded and characterized as ESC-related based on an assessment of which assets and/or positions are more sensitive to and/or related to ESC events, and conduct a stress test of the value of these securities based on a price shock arising from potential ESC events. This monitoring is performed monthly and reported to the Capital, Market and Liquidity Risk Board. No material results were observed in 2025.

ESC risks in Liquidity Risk management

In order to estimate the sensitivity of ESC risks in relation to Liquidity, the impact of the bank's ESG portfolios is periodically assessed from the standpoint of the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR). The purpose is to measure whether there is any risk involved in the event an ESC-related event materializes and it becomes necessary to comply early with the obligations related to these issuances. This monitoring is carried out through a stress test of the liquidity indicators, simulating this impact.

The results of the simulations carried out in 2025 were immaterial compared to current LCR and NSFR levels and did not trigger the alerts defined in the Risk Appetite.

However, it is important to emphasize that, should a social, environmental or climate risk event materialize and be sufficiently strong to cause the LCR to reach its alert level, the contingency plan would be activated.


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