

Transcript – 2Q25 Results

Gustavo Lopes Rodrigues (Investor Relations Officer)

Hello! Good morning, everyone. My name is Gustavo, and it's a pleasure to have you with us for our second quarter of 2025 earnings video conference. As always, Milton will soon walk you through our performance, and afterwards we'll open the floor for a Q&A session, where analysts and investors will be able to interact with us directly.

But before handing over to Milton, I'd like to share a few instructions to help you make the most of today's event.

For those accessing this video conference via our website, there are three audio options available on your screen: the entire content in Portuguese, the entire content in English, or the original audio. The first two options offer simultaneous translation. To select your preferred option, simply click on the flag icon in the upper left corner of your screen.

Questions can also be submitted via WhatsApp to the number displayed on your screen. Today's presentation is also available for download on the hotsite and, as always, on our Investor Relations website.

With that, I'll now hand over to Milton, and I'll see you again shortly for the Q&A session.

Milton, over to you!

Milton Maluhy Filho (CEO)

Good morning, everyone! It's a pleasure to be here with you once again to discuss our second quarter 2025 results. Today, I'll present an executive overview focused on our results and provide a brief update on our guidance. I'll also share with you an update on the "One Itaú" initiative as I promised on our last quarter earnings videocall. I'll comment on our migration agenda and on the bank's digital acceleration process. Finally, I'll share some key figures and wrap up with an invitation to all of you.

Let's move on to the numbers. As you can see, we're presenting the same key indicators as always: recurring managerial net income, recurring managerial Return on Equity, NII with clients, NIM, NPL over 90 days, and Common Equity Tier 1 ratio.

Starting with our results: this quarter, we delivered net income of R\$11.5 billion, representing a 3.4% increase over the first quarter and a 14.3% increase year-over-year. These are very strong results, stemming from a solid performance base established over recent years.

As a result, our consolidated ROE reached 23.3%, expanding both quarter-over-quarter and year-over-year. In Brazil, ROE was 24.4%, a robust return also showing expansion over both comparative periods. As always, I'd like to note that if we were operating with a capital ratio of 11.5%, which is roughly in line with market practice and our Board's approved risk appetite, our consolidated ROE would be 24.7%, and in Brazil, the most comparable figure would be an ROE of 26.1%. This is detailed in the slide's footnote.

How did we achieve this result? First, it was a very strong quarter for NII with clients, with a 3.1% increase over the previous quarter and 15.4% growth year-over-year. I'll provide more details on NII shortly. NIM also expanded significantly, both sequentially and year-over-year, reaching 9.2% on a consolidated basis and 10% in Brazil.

We had not reached double-digit NIM in Brazil since before the Covid pandemic, in other words, since 2019, underscoring a significant margin recovery for the bank's balance sheet over these years.

Delinquency rates remained well-behaved. Consolidated NPL over 90 days stood at 1.9% and reached 2.0% in Brazil. This indicator is stable quarter-over-quarter and is down year-over-year, indicating that, despite some first-quarter pressure in short-term delinquencies, we performed very well this second quarter in long-term overdue loans — a very positive development for the portfolio.

The common equity tier ratio posted another solid increase—up 50 basis points quarter-over-quarter, already adjusted for IoC provisions, and some risk-weighted asset effects, but that were immaterial. Thus, we see a 50 basis points expansion in Common Equity quarter-over-quarter, and flat year-over-year. This is excellent news for capital generation and it shows our ability to generate capital organically—another very positive sign.

Moving on to the loan portfolio, I want to highlight that the individual loan book grew 8.0% year over year and 0.7% in the quarter, with a notable 1.6% quarterly increase in credit card loans. More important than total credit card loan book growth is the financed credit card portfolio growth, which I will address specifically.

Regarding personal loans, it's crucial to break down this number because it includes products like unsecured credit lines and overdrafts, as well as debt renegotiation products. Breaking it down is key to understanding the quality of growth and how each credit line performed in the quarter. I'll provide more detail on this shortly.

Payroll loans underperformed this quarter, due to multiple factors. The payroll loans for INSS beneficiaries' dynamic was impacted by both the cap on interest rates and funding costs, as well as by a process change in originations. Private payroll loans are advancing gradually due to ongoing product process improvement. I'm positive that there will be questions on this in the Q&A session.

In auto loans, risk management is key, and the portfolio continues to perform very well. Both credit card and auto loan portfolios are outperforming market benchmarks for the national financial system. Effective risk management discipline is essential here.

The mortgage loan book grew 2.1% in the quarter and 17.2% year-over-year, further demonstrating our capacity to expand such an important credit line for our clients.

The SMEs loan portfolio grew 0.8% in the quarter. I'll provide more details on the quarter growth and on the performance of what we classify as small companies in a little while. The large companies' portfolio grew 1.4% in the quarter and 6.4% year over year.

It is worth noting that the loan book in Brazil grew 1.0%, while in Latin America the portfolio declined 2.3%, a clear effect of the appreciation of the Brazilian real against other currencies.

The total credit portfolio grew 0.4% in the quarter, and excluding the FX impact it would have grown 1.3%. For large companies, the 1.4% quarterly growth would have been 2.3% excluding the FX impact. This breakdown provides an insight into the impact of FX fluctuations. In previous quarters, we have noticed the impact of the Brazilian real depreciation; however, this quarter, the Brazilian real appreciated versus other currencies. Those are the main messages.

Let me provide further details on the loan book performance. The financed credit card portfolio grew 5.4% in the quarter and 6.1% year-over-year. It's worth highlighting that 100% of annual growth came from the Uniclass and Personnalité segments. There are several reasons for this, some of which I'll detail later, but primarily it's about new products and solutions in cards that have supported the expansion in the financed credit card lines.

For Personal Loans, breaking down the figures is critical, as I've said. Unsecured credit portfolio, including installments and overdrafts, posted a 1.1% quarterly increase and 12.1% yearly growth, and 83% of this growth comes from Uniclass and Personnalité segments—mid and high-income clients with great credit quality.

Debt composition, in terms of an analogy, would be the “bad cholesterol”, while unsecured credit would be the “good cholesterol”. Debt composition, or the “bad cholesterol”, posted a 3.8% reduction in the quarter and a 12.6% annual drop. Thus, tracking this breakdown is essential to understanding the personal loan portfolio dynamic.

Moving on to SMEs, we see that small businesses grew 5.4% in the quarter. Government program volumes grew 21.7% in the quarter, with very sound credit quality. Over recent months, we've become highly skilled in operating these programs, generating positive results and expanding net financial margin for the segment—a very positive outcome as well.

Now, let's talk about NII and NIM. First, focusing on NII, then on annualized average margins. In client NII, we exclude the working capital effect—which was R\$4 billion last quarter and R\$3.8 billion this quarter. I'd like to remind you that last quarter there was a significant additional dividend distribution, which reduced the shareholders' equity and explains the difference in working capital margin.

What's most important is that all core margin lines contributed positively. The average volume contributed by R\$200 million; product mix and segment mix added another R\$300 million; spreads and liability margins are posting very strong results, with our investment franchise delivering extraordinary results; the calendar effect of one additional day also contributed positively; and Latin America and others added R\$100 million in the quarter. This resulted in core margin expanding 4.5% in the quarter, or R\$1.1 billion, a very positive performance.

Moving on to NIM, the first message is that NIM continues to expand sequentially, reaching 9.2% this quarter, the highest in the historic series. As we always say, it's important to analyze risk-adjusted NIM, since the hard figure may be misleading. On a risk-adjusted basis, NIM reached 6.3%, a significant expansion in the quarter.

In Brazil, NIM hit double digits this quarter, a level we've not seen for many quarters. Risk-adjusted NIM was also the best in the series at 6.9%, showing that we've managed to expand margins while maintaining strong credit quality. In summary, net financial margin this quarter posted the strongest and most solid expansion to date.

Moving on to market NII, let me take a moment to focus on this slide. We posted very strong results in the quarter, exceeding our expectations. It's always challenging to forecast trading results, which were outstanding this quarter and contributed to a very solid overall outcome. On the other hand, the cost for hedging the capital index, which is easier to forecast, is expected to increase in the coming quarters as we mentioned last quarter. This is the impact of the interest rate gap.

The 2025 guidance for NII with the market is a range between R\$1 billion and R\$3 billion; thus, R\$2 billion is the midpoint of the guidance. In the first half of the year, NII with the market reached R\$1.8 billion. It is still hard to forecast market NII performance, especially in trading, but we've seen very positive results so far, and we're reaffirming our guidance as the range fits our best estimates. If there are any updates, we'll discuss it again, and I'll provide more details when addressing the guidance framework later on this presentation. The cost for hedging the capital index is expected to continue expanding over the coming quarters.

Moving on to service fee income, I'd like to highlight a few lines. Card Issuance revenues are growing 4.5% year-over-year, with TPV performing well, directly impacting interchange revenue.

In the asset management business, I want to emphasize the growth in revenues from R\$1.7 billion to R\$1.9 billion. We had a very strong and solid performance fee, significantly better than last year, leading to a 17.5% annual increase, a sound result.

In advisory and brokerage services, revenues declined both quarter-over-quarter and year-over-year, mainly explained by DCM activities. Last year, in the same quarter, we experienced the best DCM quarter in the bank's history. Although we maintain significant market share and a strong position in the rankings, due to lower activity and fewer transactions, we naturally captured less revenue.

Another noteworthy line is the insurance, pension, and capitalization businesses, which grew 8.8% in the quarter and 17.3% year-over-year. This shows that our operation has delivered very solid results, more than doubled earnings over recent years and is keeping growth at a robust pace. I'll provide further details on this shortly.

In the asset management business, a positive highlight is the net inflow of R\$47.5 billion in the second quarter of 2025, a 30% increase compared to the second quarter of 2024—an outstanding result. Itaú Asset was the leading asset manager in terms of performance fees this quarter. We are growing not only through distribution capacity but also through value creation, delivering sound performance to our clients and improving performance fees—a very robust outcome.

Moving next to insurance, earned premiums are up 14.6% year-over-year, with significant expansion in the quarter. Recurring insurance income grew 7.7% in the quarter and 25.2% year-over-year. Our core insurance operation, bancassurance, continues to expand at a very favorable pace, with growth concentrated mainly in personal accident and credit insurance, underscoring the recurring and solid nature of these results.

Moving on to credit quality, I'll first address short-term delinquency (NPL 15-90 days), followed by long-term delinquency.

Short-term delinquency indicators are very positive, showing delinquency is well-controlled. Overall NPL 15-90 days posted a slight 10 basis points decrease and so did the indicator for the Brazilian operation. In Latin America, we had only isolated cases impacting the quarter, with very low volatility and no further concerns.

Alongside, we have the indicator including corporate securities, in compliance with Resolution 4,966, which we'll continue to monitor closely. The chart contains extensive information, but this is due to the limited historical data available under the new regulation. I expect that, within another quarter, we'll be able to provide more comprehensive insights for monitoring. The

direction remains consistent, with the main change being in the information level, particularly in Brazil, where corporate securities are more relevant.

The short-term delinquency ratio for individuals in Brazil dropped 10 basis points quarter-over-quarter and there is no corporate securities effect in this portfolio. For SMEs, the credit quality remains healthy, and NPL was flat in the quarter at 1.4% considering the credit-only portfolio, and flat at 1.2% when adding corporate securities to the credit portfolio. So, the trend is the same, but the absolute level changes.

I'd like to remind you of some information I shared last quarter: a significant portion of the growth in the SMEs portfolio came from government-sponsored products. Most of this portfolio is currently under a grace period, which benefits the denominator with the loan portfolio increase, while the numerator is not impacted by the amount of overdue payments since under the grace period no installments are due yet, resulting in a temporary indicator benefit. We expect this to normalize over the coming quarters in both short- and long-term overdue loans, with no cause for concern.

Therefore, a slight uptick is expected for the SMEs portfolio, which shows remarkable credit quality and no credit risk concerns. We have reaffirmed the cost of credit guidance. The main reason why we are highlighting the expectation of NPL growth is to be very transparent regarding our expectations going forward.

Analyzing long-term credit quality, the news is equally positive, with very well-controlled indicators. We did not experience significant rollovers from the first to the second quarter, which is typically seasonal. In Brazil, despite a slight increase in NPL creation, loan portfolio growth resulted in stable indicators, which is very positive.

For SMEs, the earlier comment regarding gradual normalization over the coming quarters applies. As short-term overdue loans mature, they will eventually impact long-term delinquency ratio as grace periods expire.

Another credit portfolio indicator that we are monitoring is the loan book by stage and coverage by stage for both stages 2 and 3. In stage 2, there are no material concerns, as movements largely reflect the mechanical rollover from short-term overdue loans, in line with expectations and without any significant issues in either loan portfolio or coverage. Stage 2 is expected to slightly decline this quarter.

This mechanical rollover impacted stage 3 for individuals. There is a dual effect: the coverage ratio drops in stage 3 for individuals since loans recently entered into stage 3 tend to be provisioned at a slightly lower rate compared to those exiting it via write-off, even though provision is made by expected lifetime loss. As there were more entries than exits in this stage, coverage mathematically drops.

For large companies, the opposite trend was posted: coverage increased because we sold a credit portfolio in stage 3 at a lower-than-average provisioning ratio due to its strong collaterals. This sale removed the loan with lower provisions from the portfolio, improving overall coverage as the remaining loans have higher average provisions due to their credit risk profile.

As a result, we have seen a significant reduction in restructured loan portfolios. We continue to provide ample transparency regarding renegotiated and restructured portfolios. This is a relevant figure to monitor, as it demonstrates our progress and ongoing evolution. There was a R\$1.1 billion reduction in the quarter, driven by both restructured and renegotiated portfolios.

Credit and securities renegotiated portfolio decreased from R\$40.1 billion to R\$38.8 billion, posting a healthy trend in both renegotiated and restructured categories.

The combined effect of all these indicators is very well-behaved cost of credit, with only a slight nominal increase as the loan portfolio grows. We should analyze the cost of credit growth compared with the loan book growth. The annualized cost of credit over the loan portfolio remained flat at 2.7%, which is a very healthy portfolio with an indicator far below historical average.

All in all, we are growing the loan portfolio with high-quality assets, resulting in a robust credit performance across all segments—a highly positive outcome.

Regarding non-interest expenses, we posted an 8.7% increase in Brazil when comparing the first half of 2025 to the first half of 2024, and a 9.2% increase on a yearly basis.

Personnel and transactional expenses remain very well-controlled lines. The bank continues to deliver solid and growing results, which impacts many of these lines, whether through higher transaction volumes or an increase in variable compensation. In terms of technology expenses, we continue to invest heavily in business, technology, products, and solutions to meet client needs and make the bank increasingly efficient and modern. This has been the prevailing trend. And most importantly, all of this was delivered 100% within budget, meaning every initiative was fully aligned with our financial planning. This underscores our ability to forecast and manage the bank's cost structure with discipline and precision.

When we look at the half-year comparisons, we observe another positive evolution in our efficiency ratio, which declined to 36.4% in Brazil in the first half of 2025, compared to 37.0% in the first half of 2024. On a consolidated basis, the ratio was 38.5% in the first half of 2024 and now stands at 38.4%. This represents another relevant improvement in our efficiency levels, demonstrating that the tech capex continues to translate into efficiency gains and solid and sustainable results.

Moving on to capital, net income—already adjusted for the full provision of Interest on Equity which alone would imply a payout ratio of approximately 32%—generated a capital increase of 60 basis points in the quarter. Risk-weighted assets had an immaterial impact during the period. So, we expanded our CET1 ratio to 13.1%, with AT1 at 1.5%. Although our AT1 is structurally higher, Basel regulations cap our AT1 contribution at 1.5%.

We just announced the call option on two perpetual foreign currency debt instruments totaling approximately USD 1.5 billion—in two tranches of USD 750 million each—alongside our 2Q25 earnings release yesterday. Due to this call option, our AT1 ratio should converge to approximately 1.3%, which remains fully aligned with our capital appetite.

This was feasible because of our liability management. We issued approximately R\$ 5 billion in perpetual debt in the local market, which enabled us to exercise the call option on these instruments and repurchase them. Again, the Notice to the Market on this was released yesterday.

Moving on to our 2025 guidance, we are reaffirming our expectation for credit portfolio growth, NII with the market, cost of credit, fee income growth, and non-interest expense growth. However, we are updating our expectations for NII with clients' growth since we are posting stronger growth than originally expected. Accordingly, the range previously set was between 7.5% and 11.5% and now has been updated to between 11% and 14%. The lower end of the new

guidance is nearly equivalent to the top end of the previous range—this is a very positive development for NII with clients.

On the other hand, given the higher earnings, the benefit from IoC is diluted, resulting in an increase in the bank's effective tax rate. In addition to that, we've been posting a higher share of earnings coming from banking operations versus non-financial entities. Together, these effects lead to a slight upward revision in our effective tax rate, from the previous range between 27% and 29% to a new range between 28.5% and 30.5%. These are the two updates we are making to the 2025 guidance this quarter.

Last quarter, many of you asked me about the performance of One Itaú and whether we had any data to share. As I've mentioned before, we are in the midst of a critical migration phase, and our focus remains on executing this transition carefully, ensuring a smooth and client-centric experience.

We now have solid data to share—not only from the One Itaú initiative, but also from our broader digital acceleration agenda, including product delivery, solution development, and clients' problems resolution. Over 10 million clients have already migrated to the One Itaú platform, with an NPS of 80 points and a conversion rate of 99.3%, well above expectations. Notably, 54% of these clients already hold three or more products with the bank, reflecting our successful transition from a monoline offering to a full-bank proposition. This shift has led to a 32% increase in engagement among this client base, as they adopted the full-bank offering. These are very encouraging results.

We are enhancing the user experience in the super app and improving results. Over the past 18 months, we have launched 19 key products and posted a 25% increase in SuperApp usage per client. This has significantly boosted frequency, activation, and engagement across our digital channels.

For example, our recently launched digital savings feature called "cofrinho" or "Piggy Bank" reached a balance of R\$ 13 billion in less than 90 days, with an NPS of 93 points. It's important to highlight that most of these funds came from a deeper client relationship.

Our expense tracking tool, launched less than 90 days ago, already has 1.8 million active users and an NPS of 85 points. Interestingly, 57% of users were unaware of their largest spending categories—highlighting our ability to address client pain points and promote financial education. This drives engagement, strengthens relationships, and increases long-term client lifetime value.

We now have 15% of our Uniclass and Personnalité client base using Pix Credit, which is a very positive development. This functionality has contributed meaningfully to the growth in our financed credit portfolio. Over R\$ 13 billion in credit limits have been reallocated across cards, allowing clients to define their preferred limits and products. This flexibility has led to over 20% transactional growth in the past three months. Once again, this demonstrates how well-designed digital offerings can radically improve product adoption.

Digital origination of loans—including personal loans and payroll loans—grew 31% compared to 2Q24. This emphasizes digital origination is improving significantly.

Origination of daily financing, such as "Pix Crédito", overdraft limit, paying bills and credit card instalment plan, grew 72% versus 2Q24. These results reflect the impact of our investments in

technology and modernization. These are very positive results, and we decided to share them with you.

On the AI front, we've deployed over 500 internal use cases focused on efficiency and productivity. We've launched Pix via WhatsApp for our entire client base, powered by AI and transactional capabilities, enabling self-service through intelligent automation. We are making significant progress in both investments and Pix. Transactionality is key to scaling our models.

If you're a client, try it—you'll see the results yourself. Regarding investment advisory, we've launched a 24x7 AI-powered investment specialist pilot, already serving 10,000 clients. As results evolve, we'll expand this solution to a broader base. This is a fully scalable advisory model.

As I always say, having good AI technology is necessary, but not sufficient. What truly matters is combining technological know-how with deep expertise in investment products and solutions, which has always been a core strength of the bank.

Our investment front has always been robust. Our understanding of client behavior, economic cycles, and solution design is what powers what we call Itaú Intelligence. Technology alone, without domain expertise, does not deliver outstanding results. And I believe we've been able to do this in a differentiated way within the industry.

To wrap up, I'd like to invite you to Itaú Day, which will take place on September 2nd, from 9 a.m. to 12 p.m. (Brasilia time). This is an event we host for clients, investors, employees, and competitors, where we share more about our journey and strategy, and all members of the Executive Committee join the event.

So, there's our invitation—and I hope to see you soon. We close another quarter posting very solid results, strong across all lines, with high quality, and most importantly, with a long-term view across the balance sheet. We truly believe in long-term management.

We must continue to follow our mantra: capital allocation, portfolio management, resilience, and consistency. That's what underpins the numbers you've seen so far. It's a highly entrepreneurial environment, where people are energized, results are growing, and we're building remarkable things.

I'm very excited about what we've been able to accomplish—without ignoring the challenges ahead. Let's talk more about this, and now I'll join Gustavo for our traditional Q&A session.

Thank you for your trust and for being here. See you soon.