



Itaú BBA
International plc

Annual Report 2025





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The directors present their Strategic Report and the Directors' Report, followed by the audited financial statements of Itaú BBA International plc on a solo (i.e. IBBAInt or the "Bank") and on a consolidated (i.e. the Bank and its subsidiaries, together the "Group") basis, and related notes for the year ended 31 December 2025.

The Group presents additional disclosures concerning regulatory capital information and risk management in a separate document ("Pillar 3 Disclosures"). The Pillar 3 Disclosures, which are unaudited, are published on www.itaubba.co.uk.

HM Treasury has transposed the requirements set out under Directive 2013 / 36 / EU and issued the Capital Requirements (Country-by-Country Reporting) Regulations 2013. The legislation requires the Group to publish additional information in respect of the year ended 31 December 2025. This information is available on www.itaubba.co.uk.



Our mission

To be the bank of choice for the most significant Northern Hemisphere corporates and financial investors with respect to their South American operations, as well as the preferred international investment adviser for our South American private banking clients.

Who we are

IBBAInt is a wholly owned UK subsidiary of Itaú Unibanco Holding S.A. (“Itaú Unibanco”) - a leading Brazilian bank with a market cap of USD 77.0 billion, total assets of USD 564.5 billion (BRL 3.1 trillion), recurring managerial result of USD 8.5 billion (BRL 46.8 billion) (year-end 2025) and operations in Europe, North America and South America.

Our core business comprises Corporate and Investment Banking (“CIB”) and International Private Banking (“IPB”) to support the Itaú Group’s franchise domestically and internationally.

The CIB operations are concentrated in IBBAInt (London) and in our Lisbon subsidiary, while the IPB

business is developed through our overseas subsidiaries strategically based in the United States and Switzerland.

We have operated in Europe for 30 years and are committed to working with and for our clients, developing long-term relationships with large corporates, financial investors and high net-worth individuals with respect to their South American cross-border transactions.

IBBAInt’s current long term deposit and issuer ratings by Moody’s are A3 (negative outlook), reflecting the Bank’s low level of asset risk, strong capital and leverage metrics and high liquidity.



Itaú BBA International at a glance

- We are the Northern Hemisphere banking platform for Itaú Unibanco Holding S.A., a leading Brazilian financial conglomerate with total assets of USD 564 bn (as of 31 December 2025).
- We have operated in the Northern hemisphere region for more than 30 years with a well-established platform, a defined strategy and a successful business model.
- We offer a selective range of banking solutions and products to a broad and diversified client base, which has resulted in steady and sustainable growth.
- Our core business comprises Corporate and Investment Banking (“CIB”) and International Private Banking (“IPB”).
- Our clients are mainly composed of multinational corporates, global financial and institutional investors with connections to South America, as well as South American high net worth individuals and regional family offices.
- We have a robust risk management framework and conservatively select risks, supported by a well-capitalised balance sheet and high levels of liquidity.
- We operate within a strong regulatory and prudential framework supported by a seasoned management team and a highly skilled Board of Directors including independent non-executives.
- We are strategic for the Itaú Group, adding substantial value by providing international diversification to our shareholders and connecting its banking operations to the global international markets and participants.

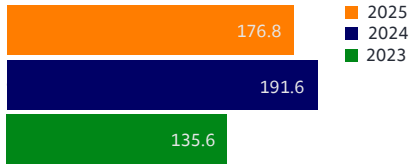
Consolidated Highlights

Total assets	USD 11.4bn
Total AuM	USD 51.3bn
Net income	USD 176.8mn
Cost-to-income ratio	45.9%
Total Capital ratio	29.0%
LCR	172%

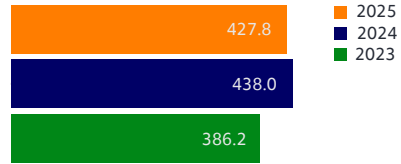


Historical Performance

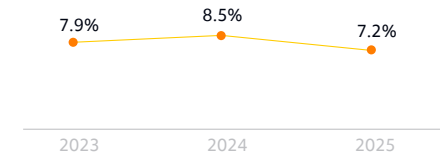
Net income (USD m)



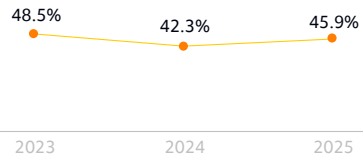
Revenues (USD m)



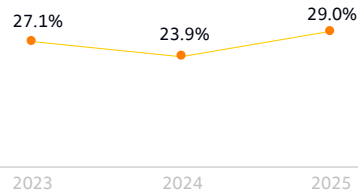
ROE (%)



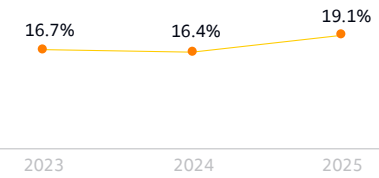
Cost-to-income ratio (%)



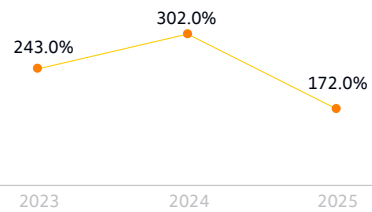
Total Capital Ratio (%)



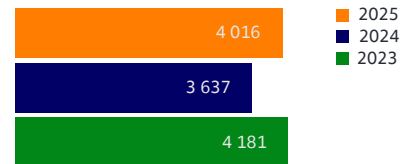
Leverage Ratio (%)



Liquidity Coverage Ratio (%)



Liquidity pool (USD m)





Foreword

Overview

Itaú BBA International plc (“IBBAInt” or the “Bank”) is the London-based subsidiary of Itaú Unibanco Holding S.A. (“Itaú Unibanco”), a leading Brazilian financial conglomerate with operations throughout Latin America, North America and Europe. Itaú Unibanco and its subsidiaries are collectively referred to as the “Itaú Group”.

Our vision and mission

For more than 30 years, we have operated in Europe with a clear strategy and core mandate: to be the bank of choice for the most significant Northern Hemisphere based corporates, institutional and financial investors with respect to their South American operations, as well as the preferred international investment adviser in Europe and in the United States (“US”) for our South American private banking clients.

During its history, the Bank has evolved into a truly client centric multinational organisation, focused on long-term relationships and positive community impact.

Our strategy

We aim to capture the banking flows between the South American region and developed economies (primarily Europe, North America, and the Middle East), taking advantage of the Itaú Group’s leadership positions in Brazil and its growing presence in the Southern Cone and the Andean Region.

Our core businesses comprise Corporate and Investment Banking (“CIB”) and International Private Banking (“IPB”); the CIB operations are concentrated in the Bank and in its Portuguese subsidiary, while the IPB business is run through overseas subsidiaries strategically based in the US, Switzerland, and Portugal (Investment Advisory only). The Bank and its subsidiaries are collectively referred to as the “Group”.

Review of the year

Despite a challenging external environment, the Group demonstrated strong resilience supported by a diversified business model. In 2025 the Group achieved strong financial performance across its main business lines, with a net income of USD 176.8 m (-7.7% YoY) and total revenues of USD 427.8 m (-2.3% YoY). We closed the year with a record Client Assets & Liabilities (“CAL”¹) of USD 58 bn, with a Net New Assets (“NNA”) inflow of USD 2.9 bn.

In 2025, our cost to income ratio was 45.9% (2024: 42.3%) and our return on equity reached 7.2% (2024: 8.5%). Our capital and liquidity position remained very strong, with a total capital ratio of 29.0% (2024: 23.9%), a liquidity coverage ratio of 172% (2024: 302%) and a liquid asset pool of USD 4.0 bn (2024: USD 3.6 bn).

Our corporate culture

We firmly believe that a strong corporate culture is essential for long term success. Our senior management team receives comprehensive training and incentives to address risks swiftly. Additionally, our cooperative relationship with our regulatory bodies, including the PRA, the FCA and other relevant authorities, form the bedrock to delivering a sound and prudently run business over the long term.

Within the IBBAInt Group, all our businesses adhere to core principles outlined in the Itaú Unibanco Code of Ethics. These principles establish high standards of behaviors that apply to every member of our staff. At our Bank, ethics are non-negotiable.

Our Code of Ethics rests on four strategic pillars, ensuring effective conflicts of interest management and safeguarding the interests of our clients, suppliers, competitors and overall working environment:

¹ CAL = total assets under management + credit portfolio + customer deposits



- Corporate Identity: we align ourselves with a corporate identity based on high ethical standards, resilience, and respect for sustainability;
- Stakeholder Interaction: we engage in open dialogue with our stakeholders, sharing our actions and objectives to achieve common goals;
- Good Faith and Professional Conduct: we act transparently and assume responsibility for our actions and choices;
- Conflict of Interest Management: we consistently pursue transparent and unbiased actions, avoiding situations that could jeopardise our reputation or promote unfairness.

At the heart of our business lies the “Itubers Culture”, driven by ethics and people-centric values. The Board actively instils these seven values throughout the organisation:

- Ethics are non-negotiable
- We put the client first
- We don’t have all the answers
- We have each other’s back
- We value diversity
- We are driven by results
- We make choices and decisions

Environment, Social Responsibility and Governance

As part of Itaú Group strategy, we are actively working to strengthen the integration of social and environmental issues into our business strategy. Our goal is to become a more responsible, sustainable, and inclusive Bank. We believe that promoting high ethical standards, good governance and quality of management are key imperatives of our sustainable development. At Itaú Group, we pride ourselves in doing business with integrity, transparency and ethics.

Here are some initiatives we’ve undertaken during 2025, to promote Corporate Social Responsibility, Diversity, Equity & Inclusion, Culture and Risk programmes, and also to enhance our risk management framework with respect to climate change financial risks:

- **Corporate Social Responsibility (“CSR”):** We have been actively promoting CSR programs within the Bank. These efforts encompass various aspects, including community engagement, environmental stewardship, and philanthropic endeavors. We also encourage our employees to participate in community service projects.
- **Diversity, Equity & Inclusion (“DE&I”):** We have a solid commitment to DE&I. In 2025, we intensified our DE&I agenda through a series of strategic initiatives. These included a journey for the inclusion of people with disabilities, initiatives that foster collaboration amongst our female talent, targeted training programs, and the celebration of key global dates. Our aim is to embed DE&I principles into our organisational culture.
- **Risk Culture Enhancement:** We recognise the importance of a strong risk culture. As part of our risk management framework, we have been proactively addressing climate change-related financial risks. This ensures that our processes consider both climate and transition risks.
- **Itubers Culture Integration:** In 2025, we kept focused on the integration of the global Itubers Culture into our daily routines. Launched in 2022, this culture is based on seven core principles: ethics, diversity, learning, teamwork, client focus, results and decisions.
- **Climate Commitments:** We remain committed to reducing our environmental impact. The Itaú Group has set ambitious targets, aiming to reduce total emissions by 50% by 2030 and achieve carbon

neutrality (including both direct and indirect emissions) by 2050.

Acknowledgements

On behalf of the Board and the Executive Committee, I would like to thank all our colleagues for their dedication and hard work in delivering the Bank’s strategic plan and robust operational and financial results. I am extremely proud of this year’s achievements and would like once again to thank our employees for their remarkable devotion and adaptability to such a challenging environment.

Thomas Campion

Director and Chief Executive Officer

Date: 16 April 2026



Strategic Report





Overview

The Bank is a public company limited by shares incorporated in the United Kingdom (“UK”) under the Laws of England and Wales, authorised by the Prudential Regulation Authority (the “PRA”) and regulated by the Financial Conduct Authority (the “FCA”) and by the PRA.

IBBAInt commenced operations as a UK-based wholesale bank effective 1 February 2013, following a cross-border merger by absorption (the “Merger”) with Banco Itaú BBA International, S.A. (“Itaú BBA Portugal”), a Portuguese bank which was established by the Itaú Group in 1994.

The Bank’s ultimate parent company, Itaú Unibanco, is a publicly listed joint stock company incorporated in Brazil

which owns, inter alia, Itaú Unibanco S.A. (its commercial banking arm) and Banco Itaú BBA S.A. (its investment banking arm). The Itaú Group’s financial statements are available at www.itaub.com.br.

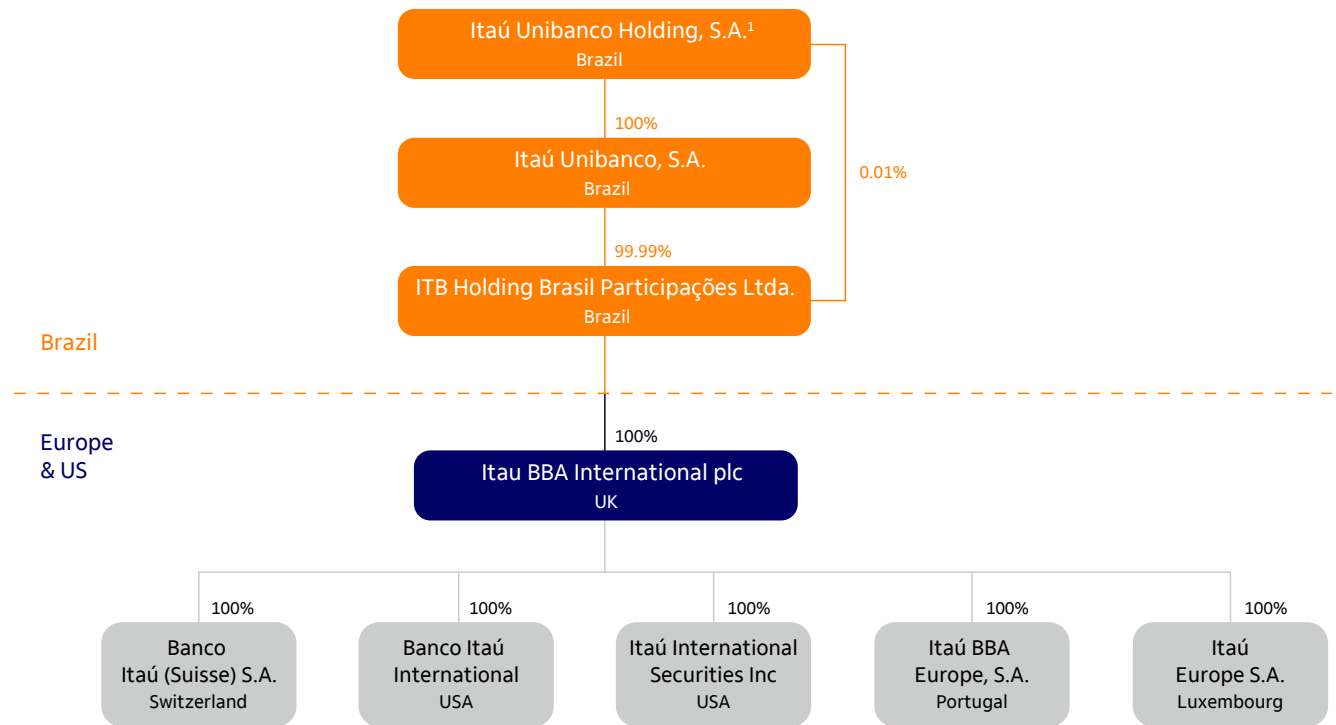
The Bank has subsidiaries in the US, Switzerland and Portugal– these all collectively form the Group, as shown in the chart below.

As the Bank is a parent company and the directors prepare group financial statements, the directors have prepared this strategic report as a consolidated report relating to the undertakings included in the consolidation.



Corporate Structure

Set out below is the Group corporate structure and its link to Itaú Unibanco as of the date of this report.

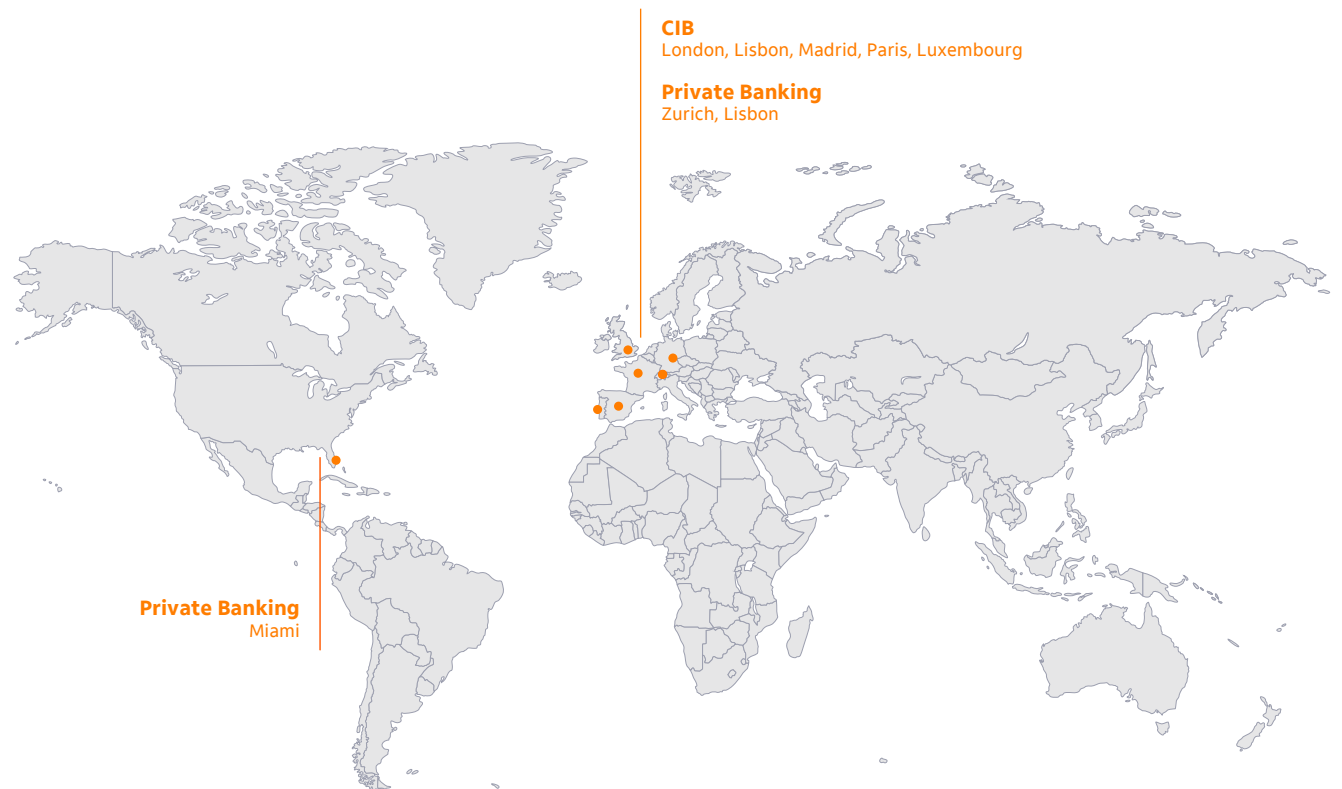


¹ Ultimate parent company



Geographic Presence

IBBAInt is based in London with subsidiaries in Lisbon, Luxembourg, Miami and Zurich. The Lisbon subsidiary has a branch in Luxembourg and representative offices in Madrid and Paris.





Business Model and Strategy

IBBAInt and its subsidiary in Portugal operate essentially in the corporate and investment banking (“CIB”) segment, where the strategic focus is on large corporates and cross-border transactions between developed economies (primarily Europe, the USA and Middle East) and South America. IBBAInt also owns private banking subsidiaries in Miami and Zurich, which are the primary delivery channels for international private banking (“IPB”) activities for the Itaú Group.

Corporate & Investment Banking

The Itaú Group CIB strategy is based on building long-lasting relationships with clients by fulfilling their banking needs with a customised products and services offering.

The business model for CIB is designed to provide European coverage and execution with seasoned resources based in

London, Lisbon, Luxembourg, Madrid and Paris, enabling the Itaú Group to achieve an effective commercial coverage for international corporates and financial investors.

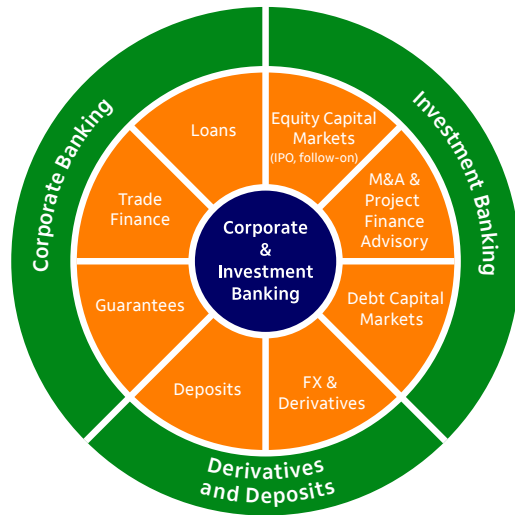
The CIB segment focuses on wholesale banking products and services, offered both to South-American corporates undertaking business in the Northern Hemisphere and large economic groups from Europe, North America and, to some extent Asia, investing into South America. These products and services include the following:

- General credit products, guarantees and related products, delivered in a bilateral format or via syndication;
- Financial derivatives, with an emphasis on hedging instruments for foreign exchange (“FX”) and interest rate risks;

- Advisory services related to mergers and acquisitions, equity capital markets and debt capital markets processes primarily in South America, and potentially in Europe for South American investors;
- Advisory services in relation to project finance in South America;
- Advisory services, in connection with the broader Itaú Group, to support local financing needs for subsidiaries of European clients doing business in South America;
- Deposit taking; and
- Assistance to European clients seeking to access other products and services (e.g. cash management, FX, etc.) for their South American subsidiaries.



Comprehensive Range of Banking Solutions



The CIB activities in London and Lisbon are complemented with other ancillary activities, such as Treasury. Across the report the CIB segment figures presented correspond to the performance of IBBAInt and IBBAE.

International Private Banking

The IPB operations are delivered by the Bank's subsidiaries in the US and in Switzerland: Banco Itaú International (an Edge Corporation²), Itaú International Securities Inc. (an introducing broker dealer), both based in Miami, and Banco Itaú (Suisse) S.A., a bank based in Zurich. These operations are a key component of the Itaú Group's strategy of providing a global platform of wealth management services

to affluent, high net-worth and ultra high net-worth individuals and families mostly from South America. In December 2025, the Group's consolidated assets under management were USD 51.3 bn.

IPB clients have access to unique investment opportunities in the North-American and European financial markets, and to customised products and services that allow for global diversification of their investments.

The main products offered include:

- Trading of securities;
- Structured products;
- Mutual and hedge funds;
- Loans;
- Cash management solutions; and
- Wealth planning consulting.



Advisory services are provided by experienced teams of relationship managers, supported by investment specialists who strive to provide the most appropriate solutions according to each client's risk profile.

The majority of the IPB business is conducted with Brazilian clients, taking advantage of the leading market share of the Itaú Group in Brazil. As a result of Itaú Group's expansion in South America, we expect the IPB subsidiaries to continue to grow the client base from the South American countries where the Itaú Group has a relevant presence, such as Argentina, Chile, Colombia, Paraguay and Uruguay.

The IPB activities in Miami and Zurich are complemented with other ancillary activities, such as Treasury. Across the report the IPB segment figures presented correspond to the performance of these IPB subsidiaries.

Global Markets - Swap Dealer

In November 2025, the Bank was granted the Swap Dealer license by the Commodity Futures Trading Commission ('CFTC'). This significant milestone empowers the Itaú Group to further enhance its derivatives business, solidifying its position as a key player in the Latam FX and Rates markets, allowing the Global Markets team to conduct swaps with US-person counterparties, above the CFTC registration thresholds. This includes cleared interest rate swaps and FX (non-deliverable forwards and options) in a selection of South American currencies, working through FX Prime Brokers.

² An Edge Corporation is chartered by the Federal Reserve to engage in international banking operations.



Perspectives for 2026

In 2025, overall uncertainty became the defining feature of the global macro, political, and economic environment, driven by escalating protectionism, unpredictable policy shifts, rising geopolitical tensions, and fragile trade dynamics — a combination that reshaped global sentiment and weighed heavily on economic prospects. Despite this challenging environment, the Group sustained its resilience, supported by strong capital and liquidity positions and a disciplined long-term strategy. This foundation enabled the Group to navigate increased volatility and maintain solid performance across its core businesses, continuing to deliver robust financial results in a year defined by uncertainty.

Global outlook

The global landscape for 2026 is shaped by rising geopolitical dynamics, high uncertainty, and a global order increasingly defined by strategic competition. International risks are dominated by gooeconomic confrontation, now seen as the most significant near-term trigger of global disruption.

Economic performance may remain uneven across regions, given the current global economic challenges. Although global inflation had been gradually moderating, the recent escalation of conflict in the Middle East — which has driven energy prices higher and revived inflationary pressures — may now slow the pace of monetary easing previously envisaged, as central banks reassess risks amid heightened market and geopolitical volatility.

In the United States, underlying economic resilience is supported by solid labour market dynamics and stable consumption patterns. Nonetheless, the direction of policy — especially regarding trade, industrial measures and fiscal priorities — may introduce additional uncertainty, with potential implications for inflation trajectories and medium-term growth.

Across the Euro Area and the United Kingdom, a gradual improvement in activity is expected throughout 2026, supported by rising real incomes and external demand.

However, the regional outlook remains constrained by persistent geopolitical risks, exposure to global trade tensions, and unresolved fiscal pressures. The conflicts in Eastern Europe continue to pose material risks to energy markets, supply chains and investor sentiment.

Brazil enters 2026 with a more tempered growth profile, following stronger-than-expected performance in the previous cycle. Domestic demand and the labor market provide some cushioning, yet the external environment — shaped by tightening global financial conditions and slowing global trade — is likely to curb momentum over the year.

Meeting the challenges of 2026 will require strong resilience, consistent execution and a long-term approach that strengthens the Group's position and supports value generation over time.



CIB & IPB Business

The CIB business is expected to grow by leveraging its advisory, hedging and lending capabilities. Its strong expertise in cross-border banking solutions further strengthens its competitive edge. In light of current macroeconomic uncertainties, the Bank will maintain its disciplined and prudent approach to risks. The overarching goal remains preserving its long-standing track record of financial soundness.

The Bank expects to expand its Swap Dealer business following the CFTC license obtained in late 2025, which will enhance its OTC derivatives business, in particular with US Institutional Clients, and solidify Itaú Group's position as a key player in the Latam FX and Rates markets.

For IPB, geopolitical tensions and market volatility may influence client behaviour and Net New Assets inflows during 2026. Nevertheless, the Group expects to continue to show consistent growth, leveraging on its leadership position in Brazil and recognized expertise in the South America region.

Finally, the European Shared Services Centre in Lisbon will continue expanding to support operational efficiency, supporting Itaú Group activities in the Northern Hemisphere.

Strategic priorities

We will continue to embrace client centricity, the cornerstone of the Itaú Group's strategic agenda. Commitment to make client satisfaction part of our everyday activities is key for our business sustainability and, as such, the strategic priority that will continue to guide the Group in the coming years.

Our focus for 2026 will be a continuity of our pluri-annual strategic plan initiated early 2023:

- Look for growth and expansion of our consolidated revenues with focus on fee-related business activities increasing our presence in differentiated markets. We will keep an active but still selective lending activity for large international accounts, predominantly in Europe;
- Employ the Group's knowledge and efficiency to broaden the range of business lines and introduce new products;
- Enhance digital capabilities by pursuing the replacement of outdated systems and encouraging the adoption of new digital tools that are currently available;
- Invest strategically in employee's development, professional growth and promotes diversity and inclusion, all while implementing retention initiatives to cultivate a thriving and committed workforce;
- Remain unwavering in the Group's dedication to meticulous and focused approach towards the full compliance with the changing regulatory agenda in the markets it operates;
- Enhance risk management by instilling a sense of responsibility and accountability among all employees of the Group;
- Strengthen dissemination of the "Itubers Culture" across the Group. The values that guide the organisation's cultural transformation, reflect our identity, and outline the way in which we will achieve our ambitions.

We will also continue to build on our strong governance and risk culture, with a conservative approach to credit selection, maintenance of strong liquidity and capital ratios, as well as our A3 credit rating by Moody's. We believe that, by focussing on our clients' best interest as key foundations of our business model, we will further contribute to the overall Itaú Group's positive performance and diversification.

In order to achieve these goals, we believe that promoting high ethical standards, strong governance and quality of management must remain key imperatives. The Bank is an institution that prides itself on acting with integrity and ethics. Therefore, we strive to establish lasting and perennial rapport and links with our stakeholders, we value the permanent satisfaction of our customers through our products and services, we assess the social and environmental impacts of our financial activity, act transparently and fully in our business and relationships, and adopt practices that contribute to building shared value.

The Bank's "ESG" approach, driven by a profound culture of ownership and integrity, is designed around four main pillars:

- **Our People:** Developing, engaging and retaining our people responsibly;
- **The Economy:** Financing the economy and investing our capital in an ethical way;
- **The Community:** Becoming a catalyst of sustainable changes of the society;
- **The Environment:** Contributing actively to the world's ongoing initiatives in combatting climate change.



Reorganisation plan

As part of our strategic initiatives over the next few years, we have decided to streamline the corporate and legal structure of our European operations in the United Kingdom (“UK”) and in the European Union (“EU”) by consolidating the banking activities of both IBBAInt and its subsidiary in Portugal, Itaú BBA Europe, S.A. (“Itaú Portugal”), in a new bank to be established in Luxembourg (“Itaú Europe”), where Itaú Portugal currently operates through a branch.

The consolidation of the Itaú Group’s UK and EU banking operations into a single bank in Luxembourg, which is subject to regulatory approvals, is expected to strengthen its governance, reduce administrative and regulatory complexity, and enhance efficiency, including in terms of capital and liquidity.

Itaú Europe, amongst other competitive strengths, is anticipated to have unlimited access to the EU single market in a country that benefits from a solid AAA sovereign rating as well as fiscal, political and social stability.

Engagement with regulators and other stakeholders is underway. In November 2025, Itaú Europe submitted its application for a banking licence to the *Commission de Surveillance du Secteur Financier* (CSSF) and the

European Central Bank (ECB). Subject to approval by the ECB and completion of all applicable legalities in the relevant jurisdictions, the first step of this reorganisation, comprising a cross-border merger by absorption of Itaú Portugal into Itaú Europe (the “Merger”), is expected to be completed by mid-2026.

Subsequent to the Merger, and subject to all the relevant approvals and consents, the next steps of this reorganisation contemplate the transfer of IBBAInt’s banking business and the shares in its Swiss and US subsidiaries to Itaú Europe. Also, and conditional upon the necessary regulatory approvals, IBBAInt intends to become an investment firm focused on equity and fixed income distribution and US swap dealer activities.

The final envisaged corporate structure would position IBBAInt as a wholly-owned subsidiary of Itaú Europe, thereby effectively relocating the headquarters of the European subgroup from the UK to Luxembourg. This reorganisation, which is subject to regulatory approvals, is expected to be completed by the end of 2027.

The Group’s business strategy will remain unchanged as a result of this reorganisation, and the Group is committed to implementing the business migration from the UK to Luxembourg smoothly, with appropriate communication and consultation with clients, counterparties, employees and suppliers, in order to minimise disruption.

Conclusion

In this time of considerable uncertainty, as we address the opportunities and challenges ahead, we will keep our commitment to, and focus on, our long-standing strategy. Our aim is to be the financial partner of choice for the most significant Northern Hemisphere corporations and financial investors with respect to their South American cross-border transactions, as well as the preferred global investment advisor for our Private Banking clients.

Above all, our confidence is based on the positive record of more than 30 years as the European wholesale and international private bank platform of the Itaú Group, and the full trust and support of our shareholders over all these years.



Performance Highlights

Consolidated Key Performance Indicators

USD m		31.12.25	31.12.24
Balance Sheet	Total Assets	11 389	11 909
	Credit Portfolio	7 000	7 258
	Assets under Management (AuM)	51 277	33 003
	Leverage ratio	19.1%	16.4%
Asset Quality	Expected Credit Loss Provisions	2	1
	Non Performing Loans (NPL)	91	0
	NPL Ratio	1.3%	0.0%
	Coverage ratio	1.9%	N/A
Capital	CET 1 Ratio	29.0%	23.9%
	Total Capital Ratio	29.0%	23.9%
	Total Capital	2 276	2 073
	Risk-Weighted Assets (RWA)	7 855	8 660
Liquidity	Liquidity pool	4 016	3 637
	HQLA eligible	2 134	1 810
	Liquidity Coverage Ratio (LCR)	172%	302%
Funding	Client Deposits	4 962	5 413
	Wholesale Funding	3 109	3 425
		2025	2024
Profitability	Profit for the year	177	192
	Cost-to-income ratio	45.9%	42.3%
	Return on average equity	7.2%	8.5%



Performance Review

Details of the consolidated results and profitability indicators are presented below:

Consolidated Income Statement

USD'000	2025	2024	% Change
Net interest income	174 752	215 762	(19.0%)
Net fee and commission income	161 562	146 645	10.2%
Net income on financial operations	80 556	64 582	24.7%
Other operating income	10 934	10 967	(0.3%)
Total operating income	427 804	437 956	(2.3%)
Provisions and impairment (charges) / reversals	(331)	296	N.A.
Total operating expenses	(196 338)	(185 241)	6.0%
Taxation	(54 288)	(61 375)	(11.5%)
Net profit	176 847	191 636	(7.7%)

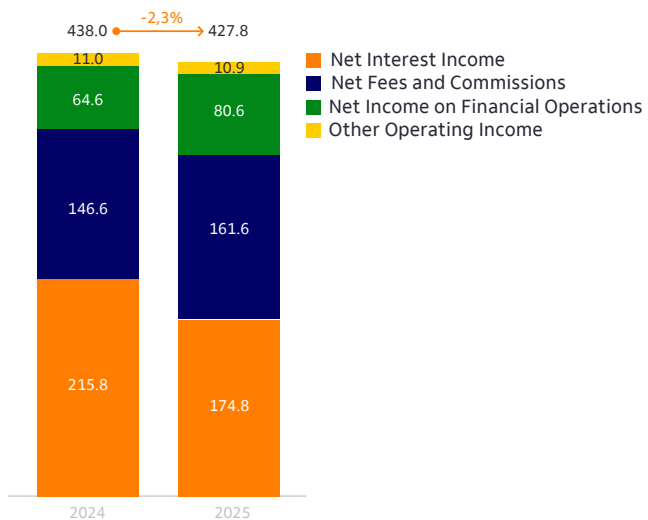
Consolidated Profitability indicators

	2025	2024
Cost-to-income ratio	45.9%	42.3%
Return on average equity	7.2%	8.5%
Return on average assets	1.5%	1.7%



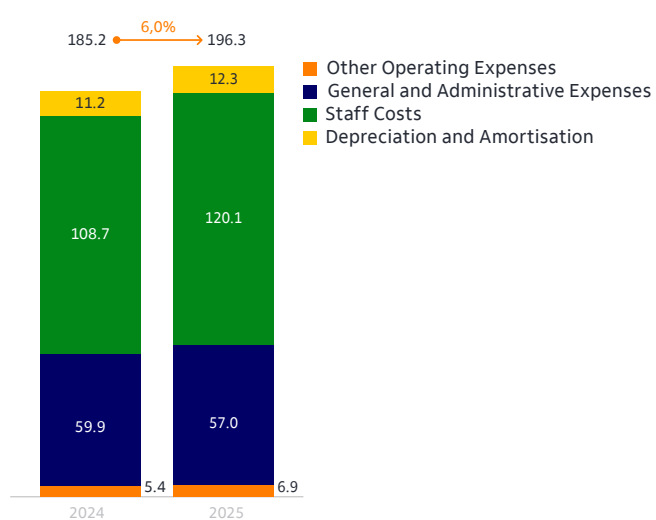
Total operating income

USD m



Total operating expenses

USD m



In 2025, total operating income reached USD 427.8 m (-2.3% YoY), with lower net interest income partially offset by stronger fee income on financial operations. Operating expenses increased 6% YoY, driven by inflation and investments in expansion of our business that were tempered by a continued focus on our efficiency initiatives. The Group ended the year with a net profit of USD 176.8 m, reflecting robust business performance, historically low credit provisions, and a strong focus on efficiency. This translated into a solid profitability, with an ROE of 7.2% and a cost-to-income ratio of 45.9%.



Business Segment Review

Balance Sheet Highlights

USD m	CIB			IPB		
	31.12.25	31.12.24	% Change	31.12.25	31.12.24	% Change
Total Assets	7 754	8 880	(12.7%)	4 369	3 297	32.5%
Assets under management (AuM)	-	-	-	51 277	33 003	55.4%
Credit Portfolio	5 032	5 340	(5.8%)	1 970	1 913	3.0%
of wich:						
Loans and advances to customers	4 396	4 506	(2.4%)	1 807	1 754	3.0%
Guarantees and commitments	636	834	(23.7%)	163	159	2.5%
Customer deposits	2 251	3 252	(30.8%)	2 730	2 161	26.3%

Income Statement

USD'000	CIB			IPB		
	2025	2024	% Change	2025	2024	% Change
Total operating income	173 557	180 014	(3.6%)	260 987	257 961	1.2%
Net interest income	86 440	115 534	(25.2%)	88 312	100 228	(11.9%)
Net fee and commission income	5 137	3 851	33.4%	156 425	142 794	9.5%
Net income on financial operations	73 024	52 454	39.2%	14 272	12 147	17.5%
Other operating income	8 956	8 175	9.6%	1 978	2 792	(29.2%)
Provisions and impairment reversals / (charges)	(331)	296	N.A.	-	-	-
Total operating expenses	(51 085)	(42 878)	19.1%	(145 253)	(142 363)	2.0%
Income Tax	(30 896)	(34 673)	(10.9%)	(23 392)	(26 702)	(12.4%)
Net profit	91 245	102 759	(11.2%)	92 342	88 896	3.9%
Cost-to-income ratio	29.4%	23.8%		55.7%	55.2%	
Return on average equity	5.7%	6.9%		10.6%	11.6%	



Corporate & Investment Banking

CIB revenues decreased 3.6%, mainly due to lower lending volumes and interest rates, while trading and derivatives desks performed strongly.

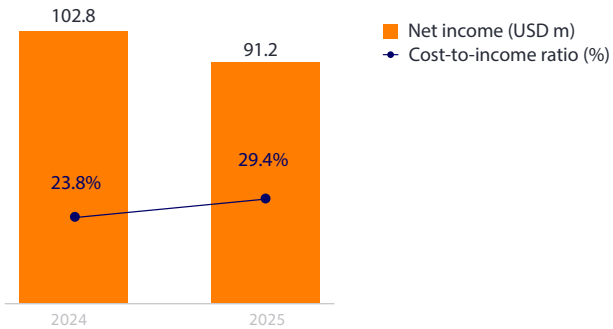
Operating expenses increased 19.1% YoY, resulting in a net profit of USD 91.2 m (-11.2% YoY) and a cost-to-income ratio of 29.4%.

International Private Banking

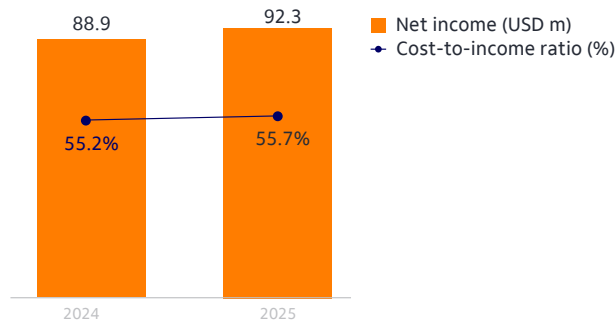
IPB revenues were stable YoY, with lower net interest margins offset by increased fee and commission income (driven by higher AuM).

Costs increased 2% YoY. Net income grew 3.9%, rising from USD 88.9 m in 2024 to USD 92.3 m in 2025, with a cost to income ratio around 55%.

CIB



IPB





Capital

The Group actively manages and monitors its capital in line with established policies and procedures and in compliance with local regulatory requirements. On a consolidated basis, the Bank's total capital requirements ("TCR") are determined by the PRA under PRA rulebook requirements and after conducting the last Supervisory Review and Evaluation Process ("SREP"). These requirements should be composed of CET 1 capital to address TCR, capital conservation buffer and capital countercyclical buffer. The Group's overall minimum capital requirements under Pillar 1 are calculated by reference to the regulatory models ("Standardised Approach" for credit risk; "Standardised Approach" for counterparty credit risk; "Basic Indicator Approach" for operational risk; "Maturity-based calculation of general risk" for market risk, and "Standardised Method" for credit valuation adjustment risk).

Following the necessary approvals, a capital increase was implemented in the Bank in the amount of USD 500 million, through the issue and allotment of fully paid ordinary shares of nominal value USD 10.00. The capital increase was carried out in three tranches,

implemented in October and November 2023, the total of which brought the share capital of the Bank from USD 935,000,000 to USD 1,221,034,000 and the Bank's share premium account to USD 213,965,990.75. The main purpose of this capital increase was to further strengthen IBBAInt's capital position, supporting its long-term growth capabilities, in line with its conservative risk and capital management policy.

The Group's capital ratios remain strong and above regulatory requirements. As of 31 December 2025, the Consolidated total capital ratio reached 29.0% (31.12.24: 23.9%) and the Leverage Ratio 19.1% (31.12.24: 16.4%). These very robust capital levels demonstrate the soundness of the Bank and our commitment to maintaining the financial health of the Group and to continuously manage the Bank to a prudent strategy and risk appetite.

Regulatory Capital composition

USD m	Group		% Change
	31.12.25	31.12.24	
Common equity tier 1 capital	2 276	2 073	9.8%
Total regulatory capital	2 276	2 073	9.8%
Total capital requirements	628	693	(9.4%)
Risk-weighted assets (RWA) ¹	7 855	8 660	(9.3%)
Common equity tier 1 ratio	29.0%	23.9%	
Total capital ratio	29.0%	23.9%	

¹ Total capital requirements x 12.5

Further disclosures on the Group's capital are available on Note 41 to the Financial Statements.



Funding

As of the end of 2025, the Group funding structure reflects a robust mix of resources. Customer deposits represent 61.6% of total funding (31.12.24: 61.2%). These deposits are categorised as follows: IPB activities (55%), deposits from corporate clients and other wholesale market counterparties (35%) and deposits from individuals collected through a digital platform (10%).

The ability of the Group to attract deposits has been a strength, building on the strong relationships we have built with our clients and our investment grade rating.

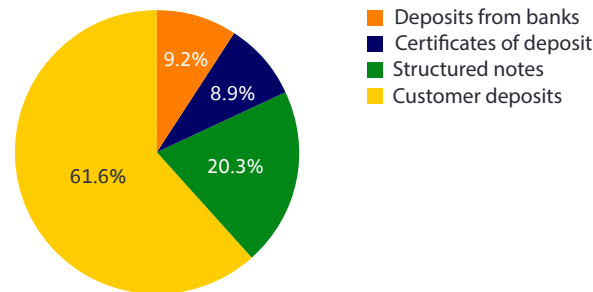
Structured notes issued by the Bank represented 20.3% of total funding at the end of 2025 (31.12.24: 15.4%). The structured notes portfolio serves as a stable medium/long-term funding. Diversification across various types of structures and investors enhances its resilience.

Deposits from financial institutions represented 9.2% of total funding at the end of 2025 (31.12.24: 8.7%).

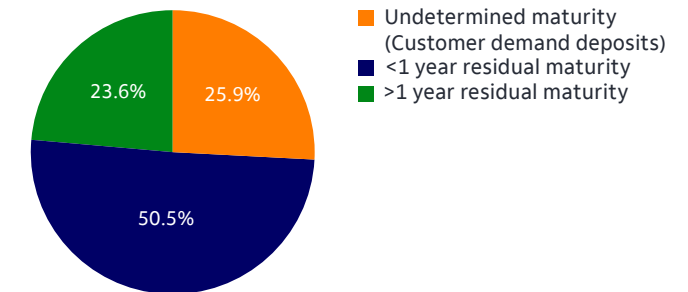
The Group will continue the effort of diversifying its funding sources, leveraging on prudent funding practices, strong client relationships and the Bank's A3 Moody's credit rating.

The following charts illustrate the Group's funding composition and maturity profile as of 31 December 2025:

Funding composition



Funding maturity profile





Risk Management

Risk is an inherent part of the banking business. The Itaú Group considers risk management as an essential instrument to optimise the use of its resources and to select the best business opportunities to maximise value creation for shareholders over the long term. The Bank manages risk within the context of the Itaú Group-wide risk management framework and the Board reviews the overall Itaú Group strategy to ensure that it is appropriate for IBBAInt.

Our risk culture encourages open and constructive discussion about the risks facing the Bank, emphasising the individual and collective responsibility of all employees for keeping a long term perspective, with a focus on business sustainability.

The Bank's risk management framework is designed to ensure appropriate identification, assessment, monitoring and management of each of the various types of risks underlying its activities on a consolidated basis, thereby allowing sustained growth of the business.

The Board-approved Risk Appetite Statement includes a balanced mix of both qualitative and quantitative measures covering reputation, capital, liquidity, earnings, and operational indicators, and is communicated to all employees throughout the Bank, helping to better align decision-making and risk.





Credit risk

Credit risk refers to the possibility of losses the Bank may incur due to the failure by the borrower, issuer, or counterparty to fulfil their respective financial obligations under agreed terms.

IBBAInt manages credit risk within the context of the Itaú Group-wide credit risk management, so that global limits and guidelines set at the parent company level are also applicable at the IBBAInt level provided that they comply with the relevant legal and regulatory requirements.

The effective management of risk involves the following key actions:

- Analysis and identification of potential risks associated with transactions;
- Establishment of risk limits;
- Definition of policies and procedures that are consistent with established risk limits;
- Allocation of capital to the risks incurred; and
- Active management of the portfolio.

Risk Parameters

IBBAInt leverages Itaú Group’s internal rating methodology, which has been developed taking advantage of the larger group-wide wholesale portfolio and external databases. This internal rating portfolio is composed of 28 notches, each one with a specifically assigned probability of default (“PD”). The loss given default (“LGD”) for the Bank’s portfolio is differentiated by geography. The general framework involves an expert-led analysis of the legal structure of each country, history of defaults

and recovery rates, and economic scenarios that may impact the corporate restructuring capabilities. Models are independently validated to ensure the accuracy and continuous calibration of the parameters.

Credit Risk Management Framework

The credit risk management framework consists of the governance, principles, processes, systems and controls used for managing credit risk.



A. Risk Appetite

The risk appetite is a framework proposed by the IBBAInt’s senior management and approved by the Board about the nature and levels of acceptable risks undertaken by IBBAInt. Credit risk is one of the risk dimensions that is included in the risk appetite metrics. These credit risk metrics are designed to ensure low NPL levels and adequate diversification of credit risks. They are frequently monitored and whenever applicable a

defined action plan is presented and approved by the Board. In 2025, the risk appetite framework underwent a comprehensive review, which reaffirmed its adequacy and suitability for the institution’s strategic direction. During this period, we further consolidated our governance of socio-environmental and climate risks, embedding these risk dimensions into a transversal and integrated model anchored in reputational risk and aligned with the organisation’s risk appetite principles.

B. Credit Analysis & Risk Rating

The internal risk rating methodology takes into account financial and non-financial variables for each counterparty:

- Financial statements;
- Macro Economics;
- Shareholder / Control;
- Competitive landscape;
- Benchmark (market data and public ratings).

In addition, the IBBAInt rating model includes qualitative and quantitative indicators. The qualitative indicators differ by sector and take into consideration criteria such as competition, peers, environmental and social, industry trends (growth potential, volatility of demand, threat of substitution), and diversification (revenue mix, geographical footprint). Quantitative metrics include financial projections and analysis of financial data based on cash flow generation, earnings, capital structure, liquidity, financial performance, leverage and coverage analysis to assess risk rating.



C. Credit approval process

The Bank performs a comprehensive credit analysis (qualitative and quantitative) and all risks are individually approved at the Credit Committee, based on the company's assigned credit rating and transaction specifics, such as rating, size, tenor, product, guarantees and others. Social and environmental risks are integrated in the credit analysis and approval processes, and credit risk management processes.

D. Monitor, Control and Review

Limit monitoring is fundamental for credit risk management and is conducted systematically on a regular basis, to ensure that no approved limit is exceeded without prior authorisation. Credit risk is monitored throughout the lifecycle of each transaction bearing such risk, and includes:

- Portfolio review, including evolution or average risk rating, client risk rating changes and portfolio duration;
- Control of country and sector restrictions and concentration limits;
- Evolution of the Watch List and Early Warning indicators; and
- Credit Risk Appetite metrics and Credit key indicators.

Credit limits are controlled on a daily basis. In case of breaches, these are quickly identified and follow the escalation process defined.

Credit Risk Review is a procedure that aims at ensuring the quality of processes and policies applied throughout the credit cycle, identifying opportunities and improvements. It comprises all stages of the credit cycle (credit concession, disbursement, guarantees and monitoring process), as well as processes and policies.

E. Risk Mitigation

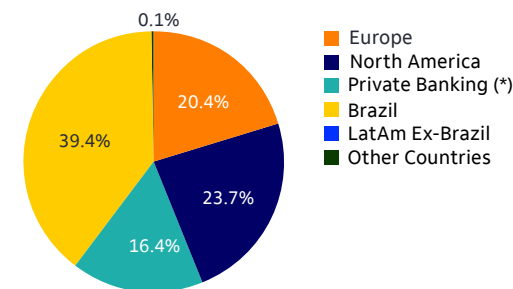
Credit Risk can be mitigated by, for example, collateral, netting agreements, derivatives, guarantees and credit insurance. Additional risk mitigation strategies may be taken in the case of potential credit deterioration above Board-approved risk appetite including:

- Mitigation instruments such as Stand By Letters of Credit or Cash Collateral;
- Implementation of strategies to sell the exposure;
- Recommendation to enhance security/guarantee package;
- Limit in run off and closely monitoring credit portfolio key risks.

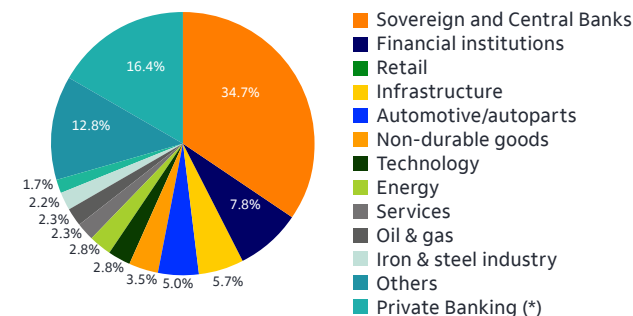
For the IPB segment, credit exposure to clients is limited by means of appropriate collateral requirements set by the Itaú Group, and by controlling and monitoring the market value of this collateral. If the collateral value of the securities falls below the amount of the credit line, the amount of the loan is reduced or additional securities are requested ('margin call'). The Private Banking units apply a haircut to the market value of collateral in order to cover the market risk relating to marketable liquid securities and to calculate the lending value of each individual collateral.

The following charts present the Group's credit risk concentration (net exposure) as of 31 December 2025. Credit risk by Geography is presented in terms of country of domicile of the credit risk counterparty³ and Credit risk by sector is presented in terms of the industry in which the immediate debtor is engaged.

Credit Risk by Geography



Credit Risk by Sector



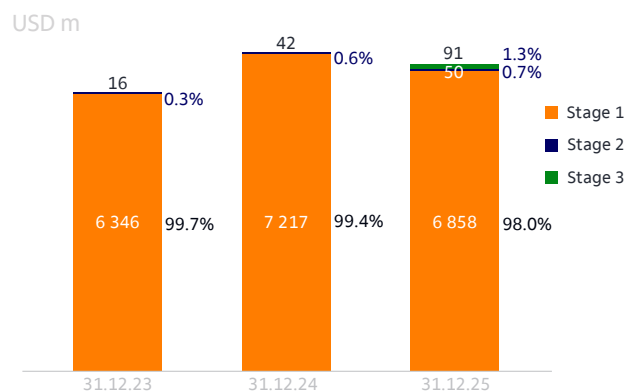
(*) Exposure to Private Banking customers is over-collateralised by liquid investments.

³ The allocation to the country is based on the country of incorporation of the client, except if the client is based in an offshore financial centre, where the exposure is allocated to the country of incorporation of the client's ultimate parent.

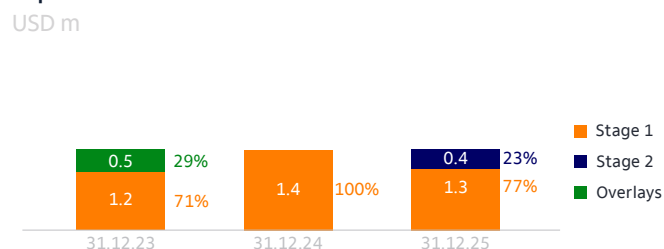


The following charts present the Group's credit portfolio at the end of the last three years, by the stages of IFRS 9 (defined according to the change in credit quality since initial recognition), as well as the respective expected credit loss provisions, evidencing an overall good quality of the credit portfolio. As of 31 December 2025, the non-performing loans in the amount of USD 91 m, correspond primarily to a loan granted to a company in the sustainability sector that is currently in a debt renegotiation, which led to its classification as Stage 3. The operation is fully covered by guarantees, so potential losses are not expected.

Credit Portfolio



Expect Credit Loss Provisions



Further disclosures on credit risk are available on **Note 40 a)** to the Financial Statements.

Market risk

Market risk can be defined as the risk of losses in Bank's on- and off-balance sheet positions arising from adverse movements in market prices, most typically caused by variations in foreign exchange rates, interest rates, equity prices, index prices and commodity prices.

The Bank's Market Risk framework aims to capture all relevant risk dimensions using a comprehensive set of risk metrics, limits and controls. This framework comprises both aggregate and granular levels of metrics, limits and controls. Historic Simulation of Value at Risk (one-day holding period and 99% confidence level) and daily control of stress-scenarios are the main metrics on an aggregate level. The Bank also monitors interest rate and foreign exchange sensitivity as well as market value/notional by currency at a granular level.

The main risk factors are interest rate and foreign exchange rate risk arising from non-trading activity, since the Bank does not undertake positions with trading intent. The Bank has set in place a granular and comprehensive limit framework, allowing daily monitoring of the market risks across the Bank. These limits and its utilisation are reported to the senior management on a daily basis and discussed in the relevant risk committees.

The Bank's market risk profile reflects a consistent and conservative approach to market risk management in line with the Board-approved risk appetite.

Further disclosures on market risk are available on **Note 40 b)** to the Financial Statements.

Liquidity risk

Liquidity risk can be defined as the risk that the Bank, although solvent, does not have sufficient liquid financial resources, in the short-term and medium-term, to enable it to meet its

contractual or contingent obligations as they fall due, or only obtain them at high cost.

Funding risk can be defined as the risk that the Bank does not have stable and diverse sources of funding, in the medium and long term, to enable it to meet its financial obligations as they fall due, either at all or without increasing funding costs unacceptably.

The Group has a comprehensive liquidity risk management framework, also applicable at the Bank level, for managing its liquidity and funding risk in compliance with Board-approved Risk Appetite and regulatory liquidity requirements. This liquidity risk framework is prudently managed, primarily through stressed net contractual and contingent outflows under a variety of stress scenarios, measured against the available liquidity resources (liquidity pool). These scenarios cover a range of idiosyncratic, market-wide and combined stresses. The Group seeks to maintain its liquidity surplus over these stress scenarios at a prudent but efficient level, on both Group and Bank level.

The liquidity coverage ratio ("LCR")⁴ is designed to promote the short-term resilience of a bank's liquidity profile by holding sufficient eligible high quality liquid assets ("HQLA") to survive a significant stress over a period of 30 calendar days. The Group maintains a surplus over the minimum regulatory and internal requirements, monitoring a range of market and internal early warning indicators on a daily basis for early signs of liquidity risk.

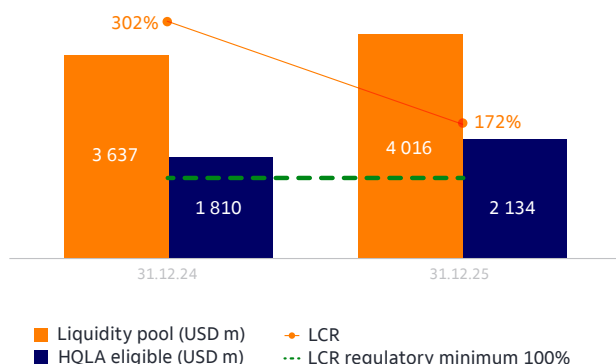
Despite the persisting uncertainty of market conditions, the Group was able to maintain its liquidity pool at comfortable levels, reaching USD 4,016 m (31.12.24: USD 3,637 m) and USD 1,699 m at the Bank level (31.12.24: USD 2,183 m), as of 31 December 2025. The liquidity pool represents the unencumbered resources, in amount and quality, immediately available to meet the outflows in an event of liquidity stress (see Note 40 c) to the Financial Statements).

⁴ LCR = Stock of HQLA / Total Net Cash Outflows over 30-days horizon



The Group continues to have a significant liquidity surplus exceeding the internal risk appetite and the regulatory minimum, with an LCR of 172% (31.12.24: 302%) and HQLA of USD 2,134 m (31.12.24: USD 1,810 m).

Liquidity



The Group also monitors its liquidity positions against the net stable funding ratio (“NSFR”) that is designed to promote a sustainable medium to long-term liquidity profile by ensuring sufficiently stable sources of funding to mitigate future funding stress. Through 2024, the Group has maintained a surplus above 100%, showing a NSFR of 168% as of 31 December 2025 (31.12.24: 155%).

The Risk, Assets and Liability Committee (“RALCO”) monitors and discusses liquidity positions, respective controls and contingency plans through monthly meetings. The Group maintains a Contingency Funding Plan (“CFP”), proportionate to the complexity, nature, size and business profile, to provide an effective framework to manage a liquidity crisis. The CFP complements the Recovery Plan and the Bank’s overall liquidity risk management framework. The CFP provides for actions to

address a short-term or prolonged liquidity stress period. The Bank’s Recovery Plan sets out further credible actions that would allow the Bank to increase its liquidity resources in the event of severe stress.

Operational risk

Operational risk refers to the potential for loss resulting from inadequate or failed internal processes, people, systems, or external events. It encompasses various other risks, including fraud, legal challenges, physical or environmental threats (such as terrorism and natural disasters), compliance issues, and information and cybersecurity risks. As an intrinsic element of all banking products, processes, systems, and activities, effective operational risk management is a fundamental pillar of our bank’s comprehensive risk management strategy.

Throughout 2025, the Operational Risk and Information Security team focused on assessing and implementing with the Digital Operational Resilience Act (DORA). Additionally, comprehensive assessments of controls and indicators were conducted across the Bank, considering the Swap Dealer applications with the NFA (National Futures Association), continuously monitoring and evaluating the actions taken by the responsible areas to implement effective responses to risks.

For categorization purposes, the Bank uses the operational risk definitions adopted by the Basel Committee, as follows:

- Internal Fraud
- External Fraud
- Employment Practices and Work Safety
- Customers, Products, and Commercial Practices
- Damage to Physical Assets
- Business Disruption
- Information and Communication Technology
- Execution, Delivery, and Process Management

Operational risk control is carried out by an independent and specialized function, duly segregated from the business areas. Operational risk management comprises the following steps:

- **Risk Identification:** Involves actions aimed at defining internal and external events that may affect the Bank’s objectives.
- **Risk Assessment:** Measurement, analysis, and evaluation of the impacts and probability of events/losses that may be generated, both in isolation and in a consolidated manner. This stage involves developing, implementing, and maintaining a process supported by qualitative and quantitative analyses.
- **Risk Monitoring and Communication:** Involves monitoring operational risk events through risk and performance indicators and analyzing the control environment through specific assessment methodologies, walkthroughs, tests, and monitoring of defined action plans.
- **Risk Control and Response:** Developing, implementing, and maintaining a process that ensures necessary risk management actions are carried out in a timely and appropriate manner to respond to identified risks. This includes creating additional controls in the process, approving policies and procedures, and/or setting risk appetite metrics.

The operational risk management methodology must be continually improved to:

- Identify new and emerging risks, both internal and external, and review existing ones.
- Update the results of the evaluation process to promptly detect deviations and support necessary management decisions.



- Ensure that adequate controls are in place for all Bank activities, products, processes, and systems.
- Provide management and stakeholders with uniform, timely, reliable, and detailed operational risk information.

identify these impacts.

The Group has considered the impact of climate-related risks on its financial position and performance. While the effects of climate change represent a source of uncertainty, the Group does not consider there to be a material impact from the physical, transition and other climate-related risks in the short to medium term.

Climate-related risks

Climate-related risks are considered as transversal types of risk, which can potentially materialise into traditional risks, in particular credit risk. Each risk category within the Group is responsible for identifying, measuring, evaluating, monitoring, reporting, controlling and proposing mitigation actions, if needed.

For further details on IBBAInt’s approach to climate-related risks, please refer to the ESG section of the Strategic Report.

Going Concern

Climate change is integrated into the credit risk framework as a key risk subject. The assessment of climate risks has become an important topic embedded in the credit analysis, approval flow and credit risk management processes. Embedding climate risks into a credit risk framework aligned with the business strategy is fundamental to address, in an appropriate way, the financial risks resulting from physical risks and/or risks from the transition to a low carbon economy. Climate risk is incorporated into the risk appetite framework to ensure proactive management of exposure to climate-sensitive sectors, thereby aligning profitability objectives with sustainable and resilient business strategies. The impacts of physical and transitions risks⁵ can lead to connected risks, which may have the potential to affect the wholesale portfolio. Ongoing monitoring of the credit portfolio in accordance with the current governance in place, assisted by stress testing under the risk framework and complemented through a sectorial approach allows to

The key risks facing the Group, including those that could threaten its business model, future performance, solvency or liquidity, as described on pages 24 to 29, are actively monitored and managed by the directors. In particular, based on internal assessments, the Bank’s capital and liquidity positions are deemed to be robust under both a normal and a stressed market environment which considers, inter alia, the stress scenarios regarding the current geopolitical and economic uncertainty. Additionally, the directors have identified a suite of credible actions to restore the Bank’s capital and solvency positions in the event of a severe stress, which include both support from the parent and market-related recovery options, such as selling corporate loans to market counterparties.

Having considered these matters, the directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due for the foreseeable future and at least 12 months from the date of approval of these financial statements.⁶

⁵ Physical risk refers to the impacts of climate and weather-related events and long-term progressive shifts of climate. Transition risk refers to the financial risk related to the process of adjustment towards a lower-carbon economy.

⁶ As described in the section Perspectives for 2026, a broader reorganisation of the Group is currently under way. Subsequent to the Merger, and subject to all the relevant approvals and consents, the next steps of this reorganisation contemplate the transfer of IBBAInt’s banking business and the shares in its Swiss and US subsidiaries to Itaú Europe. Also, and conditional upon the necessary regulatory approvals, IBBAInt intends to become an investment firm focused on equity and fixed income distribution and US swap dealer activities. The final envisaged structure, with IBBAInt being positioned as a subsidiary of Itaú Europe, is not expected to be implemented or become effective within the next 12 months following the approval of these financial statements, as the process remains dependent on multiple regulatory approvals and is scheduled to be concluded only by the end of 2027. Accordingly, the ongoing reorganisation does not impact the directors’ going concern assessment for the 12-month period following the approval of these financial statements.



Governance

The Bank has a single-tier board structure with dedicated committees focused on audit, risk and capital, and remuneration and nomination matters. The Board has also established an Executive Committee (“ExCo”) vested with management powers of the Bank.

The Board exercises oversight of the Bank’s subsidiaries, while respecting the independent legal, regulatory and governance responsibilities which apply to their respective local boards of directors. Given its regulatory responsibilities for the consolidated financial health of the Group, the Board is kept informed of and monitors all material risks and issues that might affect the Group through regular reporting by the top management, including from the risk, compliance and internal audit functions.

The established governance framework ensures effective communication flow and alignment across and within the Group, and amongst Itaú Group entities. This is largely achieved through cross- and joint-memberships on key governance forums, including at board level.

The membership of the Board includes experienced directors, fully familiar with the key markets, activities and risks of IBBAInt’s business.

The Independent Non-Executive Directors (“INEDs”) have wide knowledge of UK governance, and extensive experience in the UK financial sector, while the Group Non-Executive Directors (“NEDs”) (including the Chairman) hold top executive roles at the Itaú Group level, bringing important shareholders’ perspectives to the Board, as well as deep knowledge of the Itaú Group’s overall culture, strategy and risks.

All members of the Board have a long and extensive background in banking, allowing for independent oversight of risks and strategic alignment with the wider Itaú Group. On average, the Board members have more than 25 years of experience in the financial sector.

Below is the organisational chart showing the board level governance framework, including the composition of the Board, its specialised committees and the ExCo as of 31 December 2025⁷:

⁷ Effective 1 January 2026, Eduardo Martins left the Bank and ceased to be a member of the Executive Committee.



BOARD OF DIRECTORS

Chairman

Cristiano Guimarães

Independent Non-Executive Directors

Richard Holmes
Adrian Stirrup

Non-Executive Directors

Marcia Kinsch
Fernando Beyruti

Executive Directors

Thomas Campion (CEO & Head of CIB)
Paulo Lopes (CRO)

Board Committees

Risk and Capital (RCC)

Chair: Richard Holmes (INED)

- Risk culture and strategy
 - Risk appetite and governance framework
 - Capital and liquidity planning
 - Quarterly meetings
- Members: R. Holmes, A. Stirrup, M. Kinsch

Audit (AC)

Chair: Adrian Stirrup (INED)

- Quality and integrity of the accounts
 - Effectiveness of internal controls and risk management systems
 - Internal and external audit activities
 - Quarterly meetings
- Members: A. Stirrup, R. Holmes, M. Kinsch

Remuneration & Nomination (R&N)

Chair: Cristiano Guimarães

- Remuneration policies
 - Compensation of senior executives and heads of control functions
 - Board composition and process for new appointments
 - Biannual meetings
- Members: C. Guimarães, R. Holmes, A. Stirrup

EXECUTIVE COMMITTEE

Chief Executive Officer (CEO & Head of CIB, and Director)

Thomas Campion (Chair)

Members of the Executive Committee

Eduardo Martins (Head of Treasury & Products)
João Pedro Fonseca (CFO)
Paulo Lopes (CRO and Director)

It is the Board's prime responsibility to maintain the safety and soundness of the Bank by setting a sustainable business model, managing the Bank to a clear and prudent strategy and risk appetite, overseeing the effectiveness of the risk control framework, and ensuring that the Bank continues to meet its regulatory and legal obligations.

As a subsidiary of Itaú Unibanco, the overall strategy is driven by our role within the wider Itaú Group. Nevertheless, the Board is responsible for reviewing the strategy to ensure it is appropriate for the Group and consistent with the UK Board-approved risk appetite.

To that end, the Board has reserved powers (i.e. powers that it cannot delegate) including, *inter alia*, the approval of the business strategy, major transactions, and key strategic documents and policies, such as:

- the Risk Appetite Statement and its associated framework;
- the Internal Liquidity Adequacy Assessment Process – ILAAP report;
- the Internal Capital Adequacy Process – ICAAP report;
- the Recovery Plan;
- the Pillar III Disclosures; and
- the Remuneration Policy.

The Board Committees support the Board in discharging these duties, but do not relieve the Board from any of its responsibilities.

Moreover, the Board is responsible for disseminating a culture of ethical behaviour across the Bank, setting the tone from the top in line with the following the standards of the Itaú Group's culture ("Itubers Culture") (please refer to page 6 above).

No material changes to the Bank's governance framework are expected in the short term as a result of the aforementioned reorganisation.



Board committees

a) Audit Committee (“AC”)

The AC is accountable to the Board for helping to ensure a) the quality and effectiveness of the internal control and risk management systems of the Bank, b) the performance, independence and quality of the work of the Bank’s Internal Audit, c) the performance, independence and quality of the work of the External Auditors, d) the quality and integrity of the Bank’s financial statements, and e) compliance with the legal and regulatory requirements that are applicable to the Bank.

The members of the Committee are appointed by the Board from among the non-executive directors, with at least one of the members of this Committee being required to have financial expertise. The Audit Committee is required to include at least two INEDs. The Chief Financial Officer (“CFO”) and the Head of Internal Audit of the Bank are mandatory attendees of the Committee meetings. The CEO, the Chief Risk Officer (“CRO”), the Head of Compliance and the external auditors may be invited to the Committee meetings. Itaú Group Audit Committee members and representatives of the Itaú Group Internal Audit function are regularly invited to attend the Audit Committee meetings.

The Committee met four times in 2025. The main activities of the Audit Committee over the year are listed below:

- Reviewed the Bank’s Annual and Country by Country Reports and associated documentation, including Representation Letters, the CASS Representation Letter and the Bank’s Going Concern assessment.
- In conjunction with the review of the above annual reports of the Bank, reviewed the external auditors report. Matters reviewed included the main estimates and accounting judgments, including credit.

- Received quarterly financial updates from the CFO and challenged the CFO as necessary to ensure ongoing effectiveness of the financial reporting control framework.
- Received pre-year-end updates from the external auditors to share progress on audit, including updates relevant to key audit matters.
- Discussed the scope with, and approved the annual plan for external audit, the terms of their engagement and their audit fees.
- Reviewed and approved the Bank’s Non-Audit Services procedures and approved certain specific and recurrent non-audit fees.
- Recommended for Board approval the annual accounts and reports and the unaudited Q1 2025, half year and Q3 2025 interim accounts.
- Reviewed, along with the Itaú Group Audit Committee, the independence, performance, effectiveness and objectivity of the external auditors.
- Monitored and approved subsequent changes to the 2025 annual plan for Internal Audit and considered quarterly updates from the Head of Internal Audit (and annual guest contributions from regional Heads of Audit, based in Zurich, Lisbon and Miami) on the results of internal audit reviews and significant findings.
- Reviewed the risk assessments presented by the Head of Internal Audit and challenged them as necessary.
- Reviewed, challenged and approved the 2026 annual plan for Internal Audit.
- Reviewed, approved and monitored the Internal Audit Team skills assessment and training plan.
- Monitored the 2025 Internal Audit financial budget and approved the 2026 Internal Audit financial budget.
- Reviewed and tracked status of Internal Audit resources and recruitment.
- Reviewed and approved the Internal Audit Charter for the Bank.
- Noted the declaration of Organisational Independence by the Head of Internal Audit.
- Assessed the performance, independence, and quality of the Internal Audit function.
- Monitored management’s responsiveness to regulators, internal and external audit findings and related action plans, and challenged management where necessary.
- Reviewed the Anti-Money Laundering (“AML”) annual Effectiveness Report from the Head of Compliance and Money Laundering Reporting Officer Report.
- Reviewed and noted the consolidated Annual Compliance Report and other reports from the Head of Compliance: topics included Whistleblowing, Log of regulatory interactions, Client complaints, Fraud and Anti-Bribery & Corruption.
- Received updates from the Head of Compliance on other Compliance-related topics including the Compliance Monitoring Program and Compliance Surveillance Activities.
- Reviewed and recommended the approval of the Tax Strategy and the Tax Policy.
- Received periodic reports from management on key projects.



- Noted the report by the CRO on the operation of local committees across the consolidated sub-group of the bank.
- Noted the Risk Management function plan for 2025 as presented by the CRO.
- Received an annual conclusion by management on Internal Control & Risk Management Systems.
- Received reports from management of the Bank's subsidiaries on key audit matters and regulatory topics.
- Reviewed and approved the Audit Committee's Terms of Reference.
- Confirmed compliance with Audit Committee Terms of Reference and PS-119 (Global Policy requirements governing Audit Committees for International Units)
- Reported to the Board on its proceedings and on how it discharged its responsibilities.

b) Risk and Capital Committee ("RCC")

The RCC is in charge of providing focused support and advice to the Board on risk and capital adequacy matters. The main duties of the RCC include:

- providing advice to the Board on risk appetite, tolerance, capital ratios and strategy, including the oversight of current risk exposures of the Bank and its future risk strategy, taking into account current and prospective macroeconomic and financial environment;
- providing advice and critical review in relation to the ICAAP and the ILAAP documents;

- reviewing relevant policy statements and recommending any changes it considers necessary to the Board for approval;
- advising the Board in respect of overall risk appetite and tolerance, target capital ratios as well as ensuring both qualitative and quantitative metrics are used to monitor the Bank's risk management performance;
- the oversight and the challenge of the day-to-day risk management and oversight arrangements of the executives;
- reviewing whether prices of liabilities and assets offered to clients take fully into account the Bank's business model and risk strategy;
- assessing remuneration incentives from a risk perspective, including the recommendation of risk weightings to be applied as appropriate;
- monitoring, in conjunction with the Audit Committee, the Bank's internal control and risk management systems and the procedures for ensuring the effectiveness of such controls;
- reviewing the Bank's capability to identify and manage new risk types;
- escalating to the Audit Committee, as appropriate, periodic updates from the CRO on the Bank's Recovery Plan and Resolution Pack; cyber security and information security risks; prioritised risk map; emerging risks, including emerging risks relating to cyber security, anti-money laundering, business strategy changes, new products, new technologies, emerging regulatory issues, among others;
- considering and approving the remit of the risk management function and ensure it has adequate

resources and appropriate access to information to enable it to perform its function effectively and in accordance with the relevant professional standards; and

- providing the advice, oversight and challenge necessary to embed and maintain a supportive risk culture throughout the Bank.

The RCC shall comprise at least three members appointed by the Board, with at least two independent non-executive directors (one of whom shall be the chair of the AC).

The RCC reviews and monitors actual risk exposures versus approved risk limits on the basis of management information linked to the various dimensions of the Bank's risk appetite statement.

The Committee met five times in 2025. The main activities of the RCC throughout the year are listed below:

- Reviewed the Bank's Risk Appetite and risk strategy, introducing or adjusting metrics;
- Monitored the Bank's risk profile against its Risk Appetite;
- Noted the results of the PRA C-SREP;
- Noted the PRA's feedback on the Recovery Plan and monitored the implementation of the PRA's recommendations into the 2024 Recovery Plan;
- Reviewed the ILAAP, the ICAAP, the Pillar 3 Disclosures, and recommended their approval to the Board;
- Reviewed the Recovery Plan Indicators and Recovery Options as part of the 2025 Recovery Plan iteration and recommended their approval to the Board;



- Approved the Bank's Solvent Exit Plan;
- Closely monitored the Bank's capital and liquidity positions against the Risk Appetite and targets; considered the results of stress and scenario testing as set out in the ILAAP and ICAAP;
- Monitored the actions being taken by the Bank in relation to socio-environmental and climate change risks and management of financial risk arising from climate change;
- Reviewed quarterly reports and ad hoc updates as and when necessary from the CRO, including on implementation of key projects;
- Reviewed quarterly reports from the Head of Compliance and Operational Risk, and Money Laundering Reporting Officer of IBBAInt ("MLRO"), highlighting major areas of focus;
- Reviewed the risk management annual action plan and reports and management information to demonstrate the compliance oversight of the subsidiaries;
- Reported to the Board on its proceedings and on how it discharged its responsibilities;
- Reviewed and recommended for Board approval the risk policies taken to the RCC;
- Received reports from the IPB subsidiaries on their Risk and Compliance Activities Plans and oversaw the highest risk decisions;
- Received updates from the Head of Treasury & Products on the assets and liabilities evolution;

- Reported the results of external auditor's assessment on compliance with client assets regulation;
- Received updates on strategic projects and monitored progress on risk-related projects;
- Monitored progress on implementation of the new requirements on digital resilience and data management.

c) Remuneration and Nomination Committee ("R&N")

The R&N has duties in relation to both remuneration and nomination issues. The chairman of the RCC is also a member of the R&N, which helps to ensure that there is an appropriate alignment between the incentives (and disincentives) awarded and prudent risk-taking behaviours.

This committee is required to exercise competent and independent judgment on remuneration policies and practices and the incentives created for managing risk, capital and liquidity pursuant to its terms of reference. The R&N is responsible for directly overseeing the remuneration of executive directors, ExCo members and senior officers in the risk management, compliance and audit functions of the Bank, and of the CEOs and heads of risk and compliance functions of the Bank's PB subsidiaries. In discharging its responsibilities, the R&N must take into account the long-term interests of shareholders, investors and other stakeholders in the Bank.

The R&N is also responsible for leading the process for new appointments to IBBAInt's Board and making recommendations regarding appointments to the Board taking into account the challenges and opportunities facing the Bank, and what skills and expertise are therefore needed on the Board.

The R&N shall comprise at least three members appointed

by the Board amongst the non-executive directors, with at least two independent non-executive directors.

The R&N met three times in 2025. The main activities of the R&N over this year are listed below:

- Approved and recommended to the Board the appointment of the Head of Internal Audit;
- Reviewed and approved the Performance Year 2024 compensation proposal for the CEOs of the Bank and of the IPB subsidiaries, the Heads of the Control Functions of the Bank and of the subsidiaries, and the Executive Committee members of the Bank;
- Noted the annual proportionality thresholds assessment for constituting a "small CRR firm";
- Reviewed and approved the constituents and weightings of the variable remuneration model for the 2025 performance year;
- Noted the qualitative and quantitative criteria to identify Code Staff applicable to the Bank on a consolidated basis and approved the annual code staff list;
- Reviewed and recommended the reapproval of the Remuneration Policy by the Board;
- Reviewed and approved the remuneration policies applicable to the Bank's IPB subsidiaries;
- Reviewed the R&N Terms of Reference and the committee's constitution;
- Reported to the Board on its proceedings and on how it discharged its responsibilities.



Executive Committee (“ExCo”)

The Board has established the ExCo, led by the CEO, to which the Board delegates general management powers allowing the ExCo to manage the Bank’s business on a day-to-day basis.

The appointment of the ExCo members is a matter reserved to the Board. In appointing ExCo members, the Board is expected to ensure that there is an appropriate mix and balance of skills, experience, and knowledge to enable the ExCo to discharge their management responsibilities effectively, with regard to the key activities and risks in the Bank’s business model.

Under the authority of the Board, the ExCo must manage the business in line with the Board-approved strategy and risk appetite.

Through the review of risk policies and procedures and the establishment of governance structures (e.g. management committees), the ExCo ensures that the Board-approved risk appetite is translated into risk limits and embedded into the strategic, financial planning, and overall decision-making processes.

The ExCo is accountable to the Board and must report and escalate matters of particular significance (even matters within the delegated mandate).



ESG

Collective global efforts toward greater sustainability have created the need for organisations to be more transparent regarding the environmental, social, and governance ('ESG') challenges.

The Itaú Group has been a leader in ESG implementation in South America, incorporating sustainability into its corporate strategy through a governance structure that is consolidated and integrated within its business. In 2019, the Itaú Group launched the 'Positive impact commitments' organised into ten key agendas identified as having the greatest potential positive impact.

In 2024, based on the guidelines of its ESG Policy, the Itaú Group announced a review of its ESG Strategy, standing on a solid foundation of Governance and Conduct, focusing on three pillars of action: Sustainable Finance, Climate Transition, and Diversity and Development. The new strategic objectives adopted reflect the evolution of the previous agendas, and seek to generate businesses that promote green and inclusive economic development.

As part of the Itaú Group, IBBAInt is also working on strengthening the integration of social and environmental issues into its business strategy, aiming to become a more responsible, sustainable and inclusive Bank.

Customer satisfaction

A high client satisfaction rate is truly essential to delivering Bank's strategy and operating its business in the long term and sustainably. Itaú Group aims to be a global benchmark in customer satisfaction, seeking inspiration from companies leading the way, with remarkable scores and best practices in this very specific field, regardless of the industry.

IBBAInt's business model is focussed on offering specialised services and tailor-made products to a niche segment, consisting of wholesale clients and high net worth individuals, with connections to the South American region. This banking model implies a deep and longstanding relationship with a selected clientele. The Group's wholesale and private banking management models are based on direct and personal interactions with our clients, obtaining an in-depth understanding of their needs and offering customised solutions.

Keeping the client at the centre of our decision-making process and culture requires the Bank to continuously improve its initiatives and processes. To reinforce this commitment and to ensure that customer satisfaction is recognised and rewarded, the Bank reviewed its

performance evaluation criteria to include client centricity as one of the key pillars of the employees' assessment and daily disseminates a culture where the customer continues to be at the centre of our operations.

Captivating the customer, fostering a clear, simple, and transparent communication with the client, and taking the client's problem as their own problem, are seen as everyone's responsibility at the Bank.

Suppliers

The Bank is also committed to maintaining a constructive and ethical relationship with its suppliers. When considering a supplier in a procurement process, the Bank considers factors such as expertise, reputation, risks, terms & conditions, relationship and potential conflicts of interest. The procurement of goods and services must follow the provisions set forth by the Procurement and Vendor Management Procedure pursuant to which the Bank will only work with reputable, lawful, ethical, socially and environmentally responsible suppliers. The selection of any supplier follows a due diligence process consisting of an analysis of their adherence to compliance standards and to the applicable legislation, such as Anti-Bribery, Anti-Corruption and Anti-Slavery regulations, European Banking



Authority guidelines and PRA Supervisory Statements on outsourcing arrangements, as well as to social and environmental responsibility, diversity and inclusion practices.

Employees – Diversity, Equity & Inclusion

The Itaú Group understands that a significant part of its potential to promote a positive impact for society lies in its ability to promote a positive working culture, and a healthy and inclusive workplace, that facilitates its employees' personal and professional development.

As part of the Itaú Group, the Bank is committed to promoting a safe and respectful environment which values diversity and promotes real inclusion, with a view to achieving equitable opportunities for all its employees.

IBBAInt has in place a pluriannual Diversity, Equity & Inclusion (“DE&I”) strategy with five (5) streams and a Working Group assigned to develop each one: volunteering, gender, race, LGBT+ and disabilities. In 2025 the Bank further strengthened its DE&I agenda by enhancing the key performance indicators (“KPIs”) in its dashboard, which was originally launched in 2022 and is under constant development. Its purpose is to monitor the Bank’s DE&I performance against defined targets and identify areas for focused development.

The Bank continues to embed DE&I into its everyday practices through several channels:

- Journey to Inclusion – to promote the inclusion of people with disabilities in the workplace, the Bank implemented several actions, including providing disability awareness training to all employees, and forging partnerships with other companies to share best practices for inclusive recruitment across all offices. The Bank remains committed to developing its office spaces and practices to ensure they’re accessible to all.
- Itaú Women’s Inclusion Network (“IWIN”) – following its launch in 2023, the group has continued to deliver impactful initiatives that foster collaboration and cohesion amongst its female talent, whilst also providing opportunities for their personal and professional development.
- DE&I Training - including live webinars on topics such as “Female Leadership, Mental Health and Balance,” informative emails, digital course recommendations, and tailored learning paths in our Digital Learning Academy Hub. These initiatives aim to educate and build awareness around key topics celebrated throughout the year.
- Courageous Conversations - we hosted “Pride Month | A Panel with Erik Rios and Special Guests!”.

- Celebration of Key Global Dates in the DE&I calendar – we mark key dates in the DE&I calendar such as Race Equality Week, International Women’s Day, and Pride Month to celebrate/commemorate/build awareness

In 2026 we will reflect on the lessons learned during the last three years to build an agenda for the Bank that remains impactful, relevant, and shows our ongoing commitment to DE&I.

Communication and Engagement

IBBAInt continues to participate in the Itaú Group climate surveys to measure employee engagement. A thorough analysis of the results is conducted and used to create an action plan – ensuring any follow-up actions are targeted and impactful. In addition to the Board receiving updates on the survey results, Board members also engage with the Bank’s employees, hosting ad hoc meetings with technical areas and employees across all European offices.

The Bank continued to invest in its internal communication channels, introducing a new initiative called ‘HR Afternoon Meetings,’ to share updates on strategic initiatives within the HR remit, and gather employee feedback. As part of the Bank’s ongoing Employee Experience Programme, insights gathered from these conversations will inform the Bank’s People strategy going forwards. This is a long-term programme designed to improve the end-to-end employee



experience - mapping the employee's journey through the Bank, identifying areas for improvement, and implementing actions to enhance it.

In addition, the Bank launched the Itubers Portal (replacing the intranet), providing a more streamlined and efficient way to access key information, platforms, and tools, and bi-annual Town Halls to communicate the Bank's performance against strategic goals, share company news/employee initiatives, and create another opportunity for direct dialogue and exchange between employees and senior leaders. The Bank has also been regularly communicating key news updates on its LinkedIn page to enhance build external brand awareness and stakeholder engagement.

In 2025, the Bank continued to prioritize strengthening our culture, further embedding the "Itubers Culture" into our daily practices. This included rolling out new branded materials, and hosting workshops for managers focused on two core behavioural pillars: "Trusting Relationships" and "Openness to Error."

As in previous years, we also ran several challenges during August, engaging Itubers across three activities aligned with our core values: Summer Snapshot Showdown, celebrating our #Oneltaú culture; Together We Thrive, highlighting the value "We have each other's back"; and Diversity in Motion, embracing "We treasure diversity."

Our culture continues to be guided by six core principles – ethics, diversity, learning, teamwork, client focus, and results—and will remain a key focus area for the Bank throughout the year.

Training

The Bank developed a series of initiatives to provide employees with access to training that is adequate and tailored to both their personal and professional development needs (in addition to mandatory training). Training needs are identified during the annual performance cycle and subsequently validated by employees and their line managers. These actions are recorded in the individual development plan along with retention and development actions recommended during the talent and career committees.

Most training courses were delivered via e-learning platforms to allow employees to consume diverse content at a time that suits them.

Aligned with our commitment to ituber development, and based on feedback collected in 2024, we extended the Banking Skills Accelerator Program initiative. The program aims to increase knowledge of the Bank's internal areas and provide inspirational talks on trending topics to broaden our employees' mindset and enhance their performance.

Occupational Health and Safety

The Bank continued to invest in programmes aimed at promoting the wellbeing of its employees. We maintained the Wellness Platform, offering live exercise classes, nutritional support, financial wellbeing resources, and fitness challenges. We also continued providing Specialist Psychology consultation services through a new provider, which expanded our support offering to include mental health screenings, a panic button for urgent assistance, a WhatsApp channel with wellbeing updates, and monthly newsletters.

In addition, the Bank launched a comprehensive wellbeing programme, "Caring is knowing where to begin... Itaú Cares," encompassing four key dimensions: mental health, physical health, financial health, and social health.

Throughout the year the Bank also hosted webinars raising awareness of mental and physical health issues predominantly affecting women, and mental and physical health issues predominantly affecting men. During Heart Month the Bank hosted a Healthy gathering with nutritious food, and we ran a Steps Challenge in which collectively achieved 200k+ steps. In 2026 we will continue to build our health and wellbeing program to ensure our employees have the support they need to thrive.

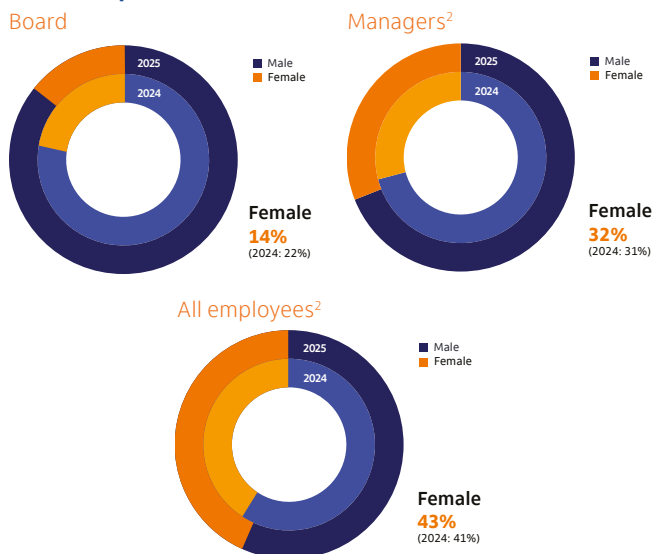


Key Performance Indicators

Building a diverse and representative workforce that recognises, celebrates, and harnesses its differences is crucial to the future success of our business. As part of the Bank’s DE&I strategy, IBBAInt has continued to monitor its workforce diversity.

Below are the available indicators in terms of female representation. Other metrics by gender available at consolidated level are the percentage of Hires of female employees, which represented 49% in 2025 (2024: 43%), and the Female turnover (voluntary and involuntary loss of female employees), which represented 35% in 2025 (2024: 46%).

Female representation¹



¹As of 31 December 2025 and 2024.
²IBBAInt and subsidiaries.

Corporate Social Responsibility

At IBBAInt, engagement with the wider community is an integral pillar within our Diversity, Equity, and Inclusion strategy. We have continued to showcase our commitment to CSR through charity fundraising, ad hoc donations, and philanthropic endeavours. To promote active engagement in this area internally, we selected charity partners that were recommended to us by our itubers. We will continue to work on building partnerships in the communities in which we are present in 2026.

In 2025, the Bank was actively involved in the following initiatives:

- With sustainability in mind, decommissioned UK laptops were raffled internally, with all proceeds donated to a local UK charity.
- The bank celebrated International Women’s Day (“IWD”) by offering to all female itubers an empowering card and badge and an artisanal card holder created by a company supporting women previously, or at risk of being, incarcerated.
- The Bank hosted a Masterclass on Managing Climate and Environmental Risks, and a webinar on Bridging the Finance Gap in Nature-Based Solutions in Carbon Markets.
- Aligned with the Bank’s commitment to sustainability and ituber engagement, IBBAInt employees participated in a canal clean-up with Moo Canoes.

Climate-related risks

Climate change poses significant risks and opportunities for institutions in all sectors of the economy.

The Itaú Group is attentive to the potential impacts of climate change on its business and has supported the Task Force on Climate-related Financial Disclosures (“TCFD”) since 2017. TCFD recommendations encourage organisations in various sectors to obtain and disclose information related to the impacts of climate change on their business.

Climate transition has become one of Itaú Group’s strategic priorities, incorporated into its ESG Strategy. As part of the Itaú Group, IBBAInt has been embedding climate-related financial risks into its business strategy.

The following climate-related financial disclosures are TCFD-based. IBBAInt is committed on continuing to develop its capability for producing robust and decision-useful disclosures.

Core elements of recommended climate-related financial disclosures





I. Governance

IBBAInt has roles and responsibilities assigned across all three lines of defence, with an oversight from the Board. Ownership and accountability are clear and coordinated.

Roles and responsibilities

- **Board-level oversight:**
 - › Oversee the development of a climate risk strategy and ensure that it is implemented robustly, through regular updates and management information
 - › Supervise Environmental & Social matters including climate related financial risk appetite
 - › Establish sufficient monitoring that the risks are effectively managed and controlled
 - › Ensure the appropriateness of climate-related objectives for the Senior Management Functions ('SMF') with responsibility for managing financial risks from climate change attributed to the CRO.
- **First line of defence (Commercial / Front-office, Credit and Products):**
 - › Carry out initial climate risk assessment when onboarding clients or during periodic review of existing clients
 - › Engage with clients to understand carbon intensities and their business plans for mitigating climate risk
- **Second line of defence (CRO supported by Credit Risk and Compliance):**
 - › Set-up and own central risk frameworks
 - › Develop the tools for identifying and assessing climate risks
 - › Deliver climate risk training
 - › Initial discussions for analysis of climate scenarios and undertake stress testing
 - › Understand, assess and consider uncertainties and developments around timing and channels of climate risk

Governance Structure



- **Third line of defence (Audit):**
 - › Monitor implementation of the Climate Risk Strategy, providing checks and challenge according to the multi-annual plan
 - › Include Climate Risk in annual planning process and, if required, propose an audit to assess the effectiveness of Climate Risk controls
- **Risk policies and committees:**
 - › Enterprise Risk Management policy includes financial risks from climate change
 - › Social, environmental and climate Risks policy
 - › RALCO's and RCC's Terms of Reference define roles and responsibilities regarding financial risks from climate change
 - › Working group chaired by the CRO, Credit, Credit Risk, Finance

The Risk, Assets and Liabilities Committee ("RALCO") is the management level committee responsible for assessing, monitoring, and managing on a day-to-day basis the key risks to which the Bank is subject to, in particular, credit risk, market risk, liquidity risk and operational risk. As such, the RALCO's duties and objectives include the identification of new risk types, such as social, environmental, and financial risks from climate change, and integrate them into the overall risk management framework.

Initiatives and outcomes

Supported by the described governance, the Bank has been taking the following actions:

- Identification of socio-environmental risk classification of each client and overall credit risk portfolio;
- Assessment of sectors that use coal as a source of energy (Mining, Iron & Steel and Energy);
- Monitoring of the incorporation of KRIs into the Risk Appetite Statement - systematic review to confirm that the indicators are adequately embedded within the defined risk limits, updated to reflect changes in the operating environment, and supported by sound methodologies, to ensure that the Risk Appetite Framework remains dynamic, forward-looking, and fully aligned with supervisory expectations and the Bank's strategic risk profile;
- Integration of metrics related to socio-environmental and climate risk exposures and establishment of a restrictive policy that excludes financing for clients generating more than 5% of their income from coal mining or coal-fired thermal power activities;
- Ongoing review of climate change sensitivity by sector and inclusion of transition and physical risk evaluations;
- Monitoring the evolution and manage exposure to clients and sectors most sensitive to climate risk;
- Delivering sustainability and socio-environmental strategy training - in 2025, the Bank continued the internal training in Climate & Environmental Academy,



a program designed for all employees. Throughout the year, the Academy further strengthened staff capabilities by deepening knowledge on how to integrate environmental and climate considerations into risk assessment, credit decision-making, and the design of financial products aligned with global climate commitments. The program also continued to reinforce a culture of environmental responsibility across the institution and supported the Bank's preparedness for an expanding set of regulatory requirements, thereby enhancing its competitiveness and relevance in a rapidly evolving market environment;

- Questionnaire applied to corporate clients with relevant credit exposure, whose activities are considered more sensitive from a social, environmental and climate risks perspective;
- Inclusion of an assessment of scenario and stress testing analysis of climate risk sensitivity;
- Monitoring and quantification of financed emissions by applying the PCAF (Partnership for Carbon Accounting Financials) methodology;
- Whenever applicable, the Bank continues to report the impacts of physical risks (acute) due to extreme climate events that may affect its clients.

II. Strategy

The Bank's climate strategy is aligned with that of the Itaú Group, which incorporates climate change as a central element of its business strategy. The Itaú Group is committed to supporting clients in their transition to a low-carbon economy, aiming to reduce total emissions (Scopes 1, 2, and 3) by 50% by 2030 and achieve net zero by 2050. This includes supporting clients in carbon-intensive sectors in facilitating the transition to meet their decarbonization goals.

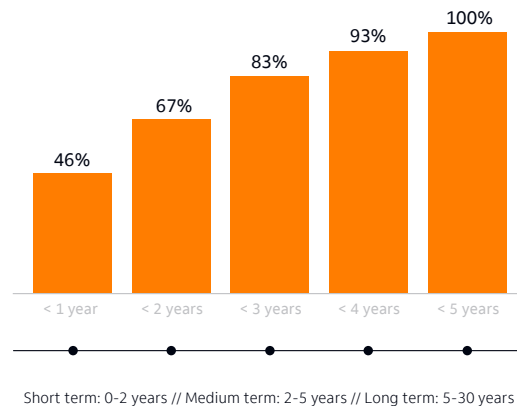
Among other actions, the Itaú Group has adopted and integrated set of voluntary national and international pacts

and initiatives into its internal processes. These efforts aim to incorporate social, environmental, and governance aspects into its activities and business strategy. Examples include the recommendations of key standards applicable to the financial sector, such as the Net-Zero Banking Alliance (NZBA), the Task Force on Climate-related Financial Disclosures (TCFD), and the guidelines of the Glasgow Financial Alliance for Net Zero (GFANZ) for Climate Transition Plans, the Principles for Responsible Investment (PRI), the Ethos Human Rights Charter, the Equator Principles, the Global Compact, the Brazilian GHG Protocol Program, the Carbon Disclosure Project (CDP), and the National Pact for the Eradication of Slave Labor.

The Bank's strategy supports our clients along their transition journey, including the development of a climate transition plan for clients of carbon-intensive sectors towards a decarbonised economy.

IBBAInt's corporate portfolio maintains the short-term profile of recent years, as shown by the average tenor of 1.4 years, with 67% of the exposure maturing in 2 years and 83% in 3 years. No relevant long-term exposures, i.e., above 5 years.

Corporate Portfolio Maturity Profile



IBBAInt has taken actions, namely keeping zero financing for clients in the coal mining or coal-fired thermal power plant sectors and keeping zero financing for clients in some specific sectors, such as Arms Industry and Tobacco.

IBBAInt's strategy includes both broader social and environmental risks and climate risks as a financial risk type.

• Social and environmental risks

Some economic activities have or can have a major negative impact on society, the environment and people's health. Therefore, ensuring the quality of the social and environmental risk analysis for these sectors is a relevant challenge for IBBAInt, especially when considering the commitments in response to climate change, concerns about working conditions, damage to biodiversity and the potential occurrence of environmental disasters. IBBAInt has been working on the elaboration and adoption of its own methodologies and tools and on the development of new workflows that bring the Bank more comfort in the pricing of credit for clients in these sectors, internally called sensitive.

The Bank considers the potential impact of social and environmental factors when defining the business strategy, namely when approving credit limits, which incorporates the assessment of social and environmental risks.

• Climate risks

Climate risks generally refer to the risks posed by climate change, such as damage caused by extreme weather events or a decline in asset value in carbon-intensive sectors. They are broadly classified into physical risk and transition risk, as defined below:

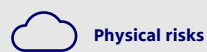
- › **Physical risk** refers to the impacts of climate and weather-related events and long-term progressive shifts of climate.



Direct impacts of such events may lead to damage to property or reduced productivity and revenues, indirect impacts may result in disruption of global supply chains.

- › **Transition risk** refers to the financial risk related to the process of adjustment towards a lower-carbon economy which can be prompted by, for example, changes in climate policy, technological or a change in market sentiment.

POTENTIAL FINANCIAL IMPLICATIONS OF CLIMATE CHANGE



Physical risks

Physical risks include **financial impacts of physical effect** of climate change



Transition risks

Transitional risks include the financial and reputational impacts of **failing to make successful commercial transition to the low carbon economy**

Physical risks are typically subdivided into:

- Acute climate hazards: specific weather events, such as floods, droughts, heatwaves, wildfires, windstorms, cyclones, storms, and hurricanes;
- Chronic climate hazards: long-term trends in climate, such as, rising average temperatures, rising sea levels, and changing of precipitation patterns.

Transition risks can arise from a range of factors:

- Policy risks - policy decisions aim to constrain actions that contribute to climate change;
- Legal risks - may emerge as a result of climate-related Environmental and Social issues;
- Technology risks - required investments in technology may affect the competitiveness of some companies;
- Market risks - transition to a low carbon economy may affect market conditions among certain products, and services;
- Reputation risks - the company's contribution for the transition to a low carbon economy may affect

stakeholders' perception of its responsibility;

- Credit risks - physical damage to the value of financial assets or collateral held by banks.

As the economy transitions to low-carbon, financial institutions may face rapid developments in stakeholders' expectations, policy, law, and regulation which can impact its lending activities, as well as the risks associated with its lending portfolios, and the value of its assets.

IBBAInt has been addressing the risks associated with climate change, which have been subject to increasing social and regulatory focus, both in UK and internationally. The Bank has been embedding climate risk into its risk management framework and adapting the Itaú Group's operations and business strategy to address the related financial risks. Financial risks arising from climate change have been treated as a cross-cutting risk type that manifests through the established principal risks, namely reputational risk (within operational risk) and credit risk.

III. Risk management

Processes for identifying, assessing, monitoring and managing climate-related risks

The management of social, environmental and climate risks ("climate-related risks") involves the development, implementation, and maintenance of processes for identifying potential and existing risk factors from three interdependent perspectives:

- financial, when an event has the potential to materialise in monetary loss,
- reputational, when an event has the potential to translate into a negative perception of the Bank's reputation by stakeholders,
- legal, when associated with inadequacies or

deficiencies in contracts signed by the institution, sanctions due to non-compliance with legal provisions and indemnities for damages to third parties arising from the institution activities.

The identification stage of all risks with relevant impact is fundamental to support the adequate measurement, monitoring and control of climate-related risks. There is a clear distinction between climate risk as a financial risk type, and broader social and environmental risks.

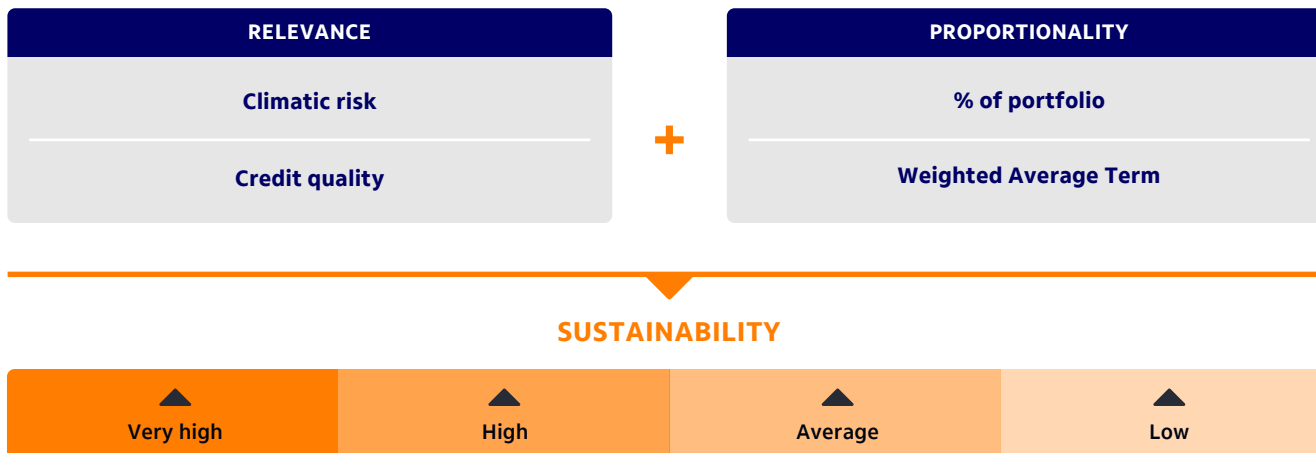
• Social and environmental risks

Social and environmental risks are embedded in the credit analysis and approval processes, and credit risk management processes, following the guidelines and risk management framework of the Itaú Group.

The default risk classification is based on the economic activity of the client. The sectors classified as sensitive are:

- › Agriculture – Chemicals and Fertilizers
- › Agriculture – Refrigerators
- › Energy
- › Iron and Steel
- › Mining
- › Oil and gas
- › Petrochemical & Chemical
- › Pulp & Paperol
- › Real Estate
- › Textile
- › Wood

In certain cases, there must be specific analysis for relevant transactions in sectors/subsectors considered sensitive from a social and environmental perspective, including project finance transactions. This specific analysis takes place at the time of approval and renewal of credit and covers, in addition to qualitative aspects, quantitative variables. The methodology includes the assessment of



results in a relevance indicator, which can be high, medium, or low. Exposure of a given sector can be high, medium, or low. Credit quality defined by the percentage of the portfolio allocated to investment grade clients;

- › Proportionality: considers the average term of the transactions within a given sector, and the relative concentration of the portfolio in that sector. The two variables result in a proportionality indicator, which can be high, medium, or low. Average term: calculated as the weighted average term of a given sector.

The combination of relevance with proportionality results in the sensitivity to climate risk, according to the following matrix:

litigation for environmental accidents and costs associated with regulatory and technological changes in transition to a cleaner economy, such as investments in alternative energies. In addition, possible market and operational barriers are evaluated, such as, the prohibition or suspension of purchases by a particular market of products that pose a risk to society or biodiversity. The analysis is periodically updated, to enable monitoring of the evolution of these clients' socio-environmental and climate practices and generates an individualised risk classification by client.

Thus, the risk classification based on the economic activity can be override by a specific assessment on the client or transaction. The final risk classification impacts the internal credit rating and shall support the Credit Committee's decision.

Social and environmental risks of the credit portfolio are assessed, monitored, and reported to the RALCO and to the Board.

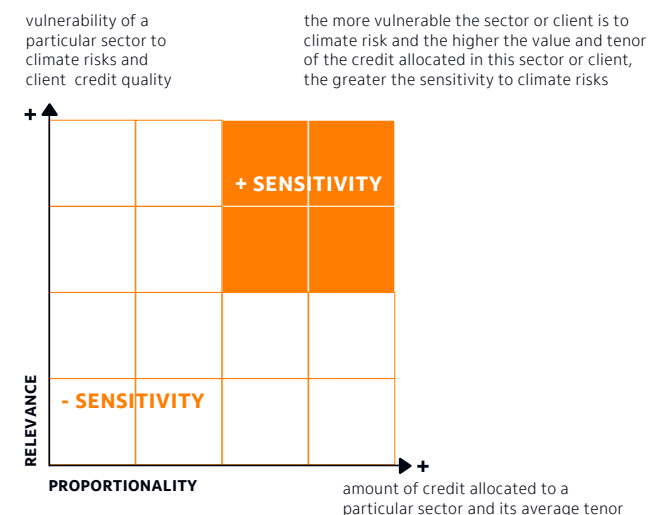
• Climate risks

Climate risk assessment must be embedded during the credit analysis and approval processes, and credit risk management processes.

The assessment is supported by a methodology that is based on the economic activity of the client and its sensitivity to climate risk (physical and transition risks). The final risk classification also considers the client's credit quality and the concentration of the exposures (amount and duration).

The outcome measures the sensitivity of a particular sector, client, or transaction to climate risks, which allows the Bank to understand the relative concentration of the portfolio in each sensitivity category. The methodology operates as follows:

- › Relevance: considers both the exposure of a given sector to climate risk and the credit quality (qualitative). The combination of the two variables



High sensitivity exposures to climate risk must be closely assessed, monitored, and reported to the RALCO and to the



Board. In December 2025, the high sensitivity to climate risk continues to decrease from 27% to 13% of the corporate portfolio, without any stranded assets. The average maturity of the high sensitivity exposures maintains the 2 years, slightly above the overall portfolio's average of 1.4 years. These high sensitivity exposures are mainly concentrated in the following sectors: Infrastructure, Real Estate and Oil & Gas.

Although climate change poses considerable challenges, it also provides IBBAInt with various chances to be proactive. Support clients of carbon-intensive sectors along their transition journey to a low-carbon economy (such as, Iron & Steel, Energy, Oil & Gas) in addressing the climate crisis and facilitating the shift towards achieving net-zero emission is an important role in the upcoming years.

In addition, we have an ambition to develop more business opportunities with clients in sectors that are less sensitive to climate risks.

Climate-related scenarios

We apply different climate scenarios to our risk management processes and decarbonization strategy, defining sector decarbonization goals. In the risk management process, we use both transition scenarios and physical scenarios to assess our resilience to climate risk. In the scope of the climate transition, we use scenarios developed by the Network for Greening the Financial System (NGFS) to guide our efforts related to stress testing exercises. In the context of the physical scenarios, we conduct exercises to map the physical risks in scenarios adapted to the region in which we operate. The exploration of scenario analyses regarding risks can be found in more details in the risk section.

IBBAInt has been using the scenario framework defined by the NGFS (Network for Greening the Financial System) to assess transition risks in the medium and long term, as described below:

Scenario 1 – Orderly transition - In this scenario, the transition to a low-carbon economy has begun in 2020 and takes place in an orderly manner, such as through government and regulatory actions and a sustained drop in greenhouse gas emissions. Through climate regulations, carbon pricing, stimulus for technological development and creation of jobs in the new economy, there is time for the economy to adjust to the new context.

Scenario 2 – Disorderly transition - In this scenario, the transition to a low-carbon economy takes place but with delays, requiring accelerated and disruptive changes in different sectors of the economy. The impacts would be more intense on some sectors and countries, with the probability of a systemic financial crisis and increased pressure on the different organisations.

Scenario 3 – Hot house world - In this scenario, global warming cannot be limited due to insufficient global efforts. As a result, critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts like sea-level rise.

Scenario 4 – Too little, too late - it is possible that a late transition would fail to contain physical risks. While no scenarios have been specifically designed for this purpose, this space can be explored by assuming higher physical risk outcomes for the disorderly scenarios.

Over the last few years, IBBAInt has started to work on this assessment to prioritise climate risks, establish specific action plans and develop scenario analysis to inform the strategic planning and determine the impact on the overall risk profile, business strategy, including resilience of the business model related with the four scenarios described above assessing short and long-term impacts.

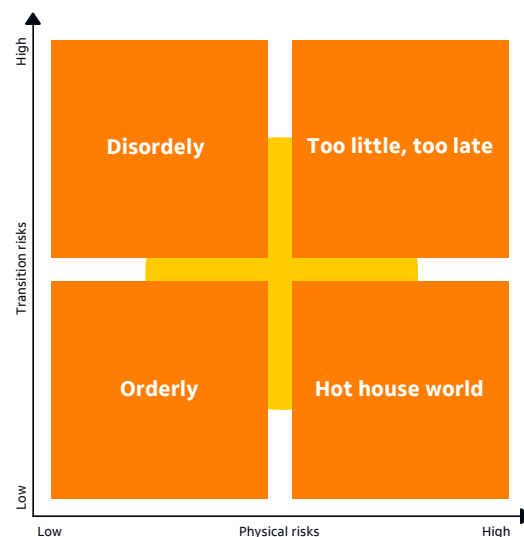
Within the Group's stress testing framework, in 2025 the Bank continued to consider in this analysis a stress scenario complemented by a climate risk related stress that looks to increase the level of stress to corporate clients more sensitive to climate changes.

IV. Metrics and targets

The Itaú Group is part of the Net Zero Banking Alliance, and although it is already carbon neutral in Brazil and Latin America (Argentina, Paraguay and Uruguay) for scopes 1 and 2 (own operation and energy consumption), it has the challenge of achieving zero financed greenhouse gas emission by 2050, i.e., emissions of clients in which it has a stake in the form of granted funding, with a 50% decrease already in 2030.

With a focus on Net Zero targets, the Itaú Group has been working on the following actions:

NGFS scenario framework



Source: Overview of the NGFS scenario framework



- Recurring calculation of financed carbon emissions at group level, based on PCAF methodology;
- Support clients along their transition journey - through dedicated ESG Products and Business teams, supporting the development of and fostering a climate transition plan for clients, as well as designing innovative solutions to support the client's transition towards a decarbonised economy;
- Conduct awareness-raising campaigns, intensify ESG communication and training;
- Encourage entrepreneurship - supporting technologies and start-ups focuses on reducing and removing CO₂;
- Reduce its emissions - keeping on effectively reducing emissions from operations by implementing renewable energy generation projects to power its offices;
- Invest in forest conservation and restoration projects, in line with the Amazon Plan⁸.

IBBAInt aims to act sustainably, and its actions on environment matters build on the Itaú Group' strategy:

- the Bank has continued to incorporate climate related financial risks more clearly into its governance, overall business strategy and risk management. There's been an effort of dissemination of the importance of considering climate and transition risks, as well as governance and social dimensions, in the different aspects of the Bank's activity;
- the Bank's credit selection processes and procurement strategy continued to be updated, in line with the Itaú Group commitments to reduce 50% of total emissions by 2030 and become carbon neutral (including both direct and indirect emissions) by 2050;
- since 2020 the Bank has been measuring its annual energy use and greenhouse gas ('GHG') scope 1 and 2 emissions (see 'Streamlined Energy and Carbon Reporting' section of the Directors' Report). The Bank

aims to, throughout time, continue to actively reduce the impact of its annual energy use and GHG emissions.

Ethics in relationship and business

Itaú Unibanco's Code of Ethics is a public document, approved by the Board of Directors of Itaú Unibanco Holding S.A. and applicable to all executive members of management and employees of the Itaú Group, in Brazil and abroad, in order to ensure that those who act on behalf of the Group follow the proper conduct in their daily activities. The Code of Ethics is aimed at members of management and employees across the entire organisation, regardless of their department.

Under the motto "Ethics is non-negotiable", the Code of Ethics is divided into four strategic pillars: "Our Corporate Identity", "How we interact with our stakeholders", "Good faith and professional conduct" and "How we manage conflicts of interest". It serves both an educational and a disciplinary purpose, emphasising the importance of ethics in everything the Itaú Group does, and guiding all employees to practice ethics every day by conducting themselves in a manner that is appropriate and consistent with the Itaú Group values.

Concerns related to the Code of Ethics and the Corporate Integrity, Ethics and Conduct Policy, and related procedures within IBBAInt can be reported to the internal ombudsman or via the internal whistleblowing channels.

Anti-money laundering ('AML') and Combating the financing of terrorism ('CTF') / Anti-bribery and corruption ('ABC')

The AML/CTF and ABC framework is founded on a series of policies, procedures and risk assessments, which seek to protect the Bank and the Group from being used to further financial crime. Over and above the due diligence processes, measures are in place to ensure that clients are frequently

screened for Politically Exposed Persons ("PEPs"), sanctions and adverse media, where the outcomes are assessed on a risk-based approach. Transactions are monitored and all payments are subject to sanctions screening. All employees receive annual AML awareness training. The IBBAInt Conflicts of Interest procedures in place are designed to ensure that no personal conflicts arise through employees' external activities.

For IBBAInt, the privacy of its customers is of utmost importance, treated with confidentiality and rigour in accordance with current laws and regulations. Therefore, the Bank adopts precautionary measures to protect information through robust security mechanisms.

The ICT Risk & Security department contributes to safeguarding customer data and preserving the integrity, availability, and confidentiality of information, thus mitigating financial losses and risks to the Bank's reputation. The Information Security strategy is designed to prevent data security breaches, minimise the risks of service unavailability, protect integrity, and prevent leaks. It is based on rigorous control processes that aim to detect, prevent, continuously monitor, and immediately respond to attacks and intrusion attempts on the infrastructure, thus ensuring effective security risk management. Furthermore, the ICT Risk & Security department collaborates with the Business and Technology departments to maintain solutions and product architecture with the highest level of security, following global market trends.

In 2025, the Bank continued to invest in maintaining and evolving the security controls of its organizational environments and technological infrastructure, improving the maturity of monitoring and protection against leaks and, thus, increasing the level of security for customers, partners and service providers.

⁸ The Amazon is the world's largest forest with a key role as the planet's climate regulator. In view of this importance, Itaú Unibanco has teamed up with two other large private banks in Brazil and, in 2020, launched the Amazon Plan, aimed at contributing to the sustainable use of the biome. Since the setting up of the initiative, its members have been carrying out positive impact collective and individual efforts to generate environmental, social and economic value and foster the sustainable development of the Amazon.



Statement as to Section 172(1) of the Companies Act 2006

Section 172(1) of the Companies Act 2006 requires directors to act in the way that they consider, in good faith, would be most likely to promote the success of the Bank for the benefit of its shareholders as a whole. In doing so, directors are required to have regard to a non-exhaustive list of factors, including the interests of the wider stakeholders of the Bank, such as the interests of employees and how the decisions made affect customers, suppliers, the community and the environment, as well as the Bank's reputation. The Companies (Miscellaneous Reporting) Regulations 2018 require directors to explain in the strategic report how they considered the interests of key stakeholders and the broader matters set out in section 172(1) (a) to (f) when performing their duty to promote the success of the Bank under section 172 ("S172").

The stakeholders we consider in discharging our duties under S172 are the people who have business relations with us, work for us, regulate us, invest in us and live in the communities we serve. The matters we consider most when taking decisions are the ones set out in section S172, i.e. the likely consequences of these decisions in the long term; the interests of the Bank's employees; the need to foster the Bank's business relationships with suppliers, customers and others; the impact of the Bank's operations on the community and the environment; and the ability of the company maintaining a

reputation for high standards of business conduct; and the need to act fairly. To comply with these requirements, the Bank invests in well prepared and organised Board processes, as they are instrumental to ensuring good governance and well-grounded decision making at Board level.

Following the launch of the new Itaú brand and logo in 2024 at the occasion of Itaú's 100th anniversary, an impactful Cultural Transformation journey was initiated in Europe, aiming to align all the Itubers under the same mindset and core values, regardless of the entity or the business line they work for, and which continued throughout 2025. In this context, the Bank continued to strengthen the Ituber's Culture, which this year included a new fundamental principle: "we make choices and decisions." This reinforcement was carried out through specific dissemination and awareness-raising actions, the celebration of meaningful dates, the organisation of events and webinars, and the provision of educational content on diversity and inclusion, such as inspiring talks and women's gatherings. It also included the organisation of sports tournaments, leadership workshops focused on building trusting relationships and embracing mistakes, the relaunch of our intranet page with enhanced internal communication, and the launch of a mentoring platform encouraging more experienced employees to act as mentors and share knowledge with newer generations, thus promoting continuous development and collaboration, among other initiatives. Moreover, the Bank continued to integrate the global Itubers Culture into the Bank's day-to-day behaviours and daily routine, including information materials available on the Bank's intranet, learning

paths dedicated to the new culture, and specific programmes to incorporate the new culture into the behaviours and in the performance evaluation criteria.

In line with this cultural environment, in 2024 it was created the Ombuds channel covering the Itaú units in the Northern Hemisphere, including the Bank and its subsidiaries. The Ombuds provides for an open communication channel where Itaú employees can receive support in resolving interpersonal conflicts with colleagues, managers and business partners and conflicts of interest in the workplace, therefore fostering a safe, healthy and respectful working environment, and promoting relationships based on trust and dialogue.

In parallel, the Bank maintained its focus on the employees' development and on top of the regular mandatory training courses, the Bank provided the employees with unlimited access to a huge range of training content and online courses with reputable learning platforms, and kept the Leadership, Mentorship and Accelerating You Programmes launched in 2023, which had received good adherence and positive feedback from the employees. In addition, the Board continued to sponsor a wide range of initiatives around Wellbeing, both physical and mental, and as part of the Bank's commitment to employees' wellbeing, in 2025 it launched a partnership with a team of specialised psychologists providing online workshops on mental health subjects, availability of psychology sessions and other support to employees and family members with beneficial conditions, as well as communication channels and private chats with certified therapists, therefore promoting



a happier, more productive, and healthier work environment, and fulfilled employees. On top of this, the various streams of the DE&I agenda, including Race, LGBT+, Gender and Disability, continued to be an area of focus for the Bank, this way considering not only the interests of the employees, but also the impact on the community as a whole.

Also, the design of the Bank's strategic agenda and the definition of the priority and core projects for 2025 took into account the set of principles which are part of the Itubers Culture and ultimately aim at fostering the success of the Bank for the benefit of its members and its stakeholders. In this context, the Board received periodic reports from management on the Bank's key projects and has closely monitored the progress of the strategic plan. In preparation for meaningful discussions that allow consideration of the factors set out in S172 in the decision-making process, the directors are provided with the Board papers in advance, having time to weigh up the decisions they consider most likely to promote the success of the Bank. Board papers are prepared and reviewed by the ExCo with the aim of providing the Board with all the information the directors need to make a well-grounded judgement as to the best course of action in the light of the Bank's strategic objectives in the long term which considers the outcome of principal decisions for the various stakeholders. The information sent to the directors in advance is supplemented through in-person presentations from across the senior management team. For a full description of the Bank's Board processes and wider governance, including the role of the Board committees and the work performed during 2025 in supporting the full Board decision making, please refer to the previous section on Governance (pages 30 to 35).

Decision making

We set out below examples of how the directors have considered the implications of their principal decisions in the long term and with regard to the impact of such decisions on the Bank's key stakeholders.

As per Itaú Group's intention to streamline the corporate and legal structure of its European operations in the United Kingdom and in the European Union and enhance efficiency, the Group is implementing an internal reorganisation which is estimated to be completed in 2027. Some steps of the internal reorganisation (the "Reorganisation") required the consideration and approval of the Bank's directors in 2024 and in doing so the directors have had regard to the matters set out in S172 and the outcome of the decisions made for all the relevant stakeholders. The directors specially considered their duty to promote the success of the Bank for the benefits of its members as a whole and have had regard to the other matters referred to in S172, in particular the fact that the Reorganisation, in addition to the benefits it brings to the Itaú Group as a whole, is expected to significantly reduce complexity at the Bank's level, namely from a legal, governance and regulatory perspective. Moreover, the directors considered the Reorganisation will be implemented smoothly so as to minimise the disruption on customers, suppliers and employees. As such, when discharging their duties, the directors have had regard to the matters set out in S172 and the resulting impact on relevant stakeholders, and had resolved that the Reorganisation be approved.

Further to the approval of the overall Reorganisation in 2024, the Board remained informed throughout 2025 of the project's progress and made decisions with a view to ensuring its successful implementation. Notably, in July 2025 the Board was asked to consider and approve a capital increase in Itaú Europe S.A., the subsidiary recently incorporated in Luxembourg and which is in the process of being authorised as a bank in Luxembourg ("Itaú Europe") in the amount of EUR 19,950,000 (the "Itaú Europe Capital Increase"). The directors considered that the Itaú Europe Capital Increase would enable Itaú Europe to meet the minimum capital requirement ahead of the licence approval and have an additional buffer for

other expenses and FX fluctuations. Therefore, in light of the alignment of the Itaú Europe Capital Increase with the purpose of the Reorganisation, which is expected to promote the success of Itaú Europe and the success of the Bank, for the benefit of its members, and having regard, among other matters, to the factors set out in S172, the Board had resolved that the Itaú Europe Capital Increase be approved. Moreover, in view of the upcoming appointment of the future management of Itaú Europe by the Bank as its sole shareholder, subject to the relevant regulatory approvals, the Board was asked to consider and approve the proposed composition of board of directors of Itaú Europe. The proposed directors had been identified following a thorough selection process, and in light of their collective and individual suitability, the Board supported the proposal, which will be formalised by means of a shareholder resolution of Itaú Europe.

For further information on the methods used by the Board to deliver on its commitment to effectively engage with all of its stakeholders, please refer to page 50 – "Statement as to engagement with suppliers, customers and others in a business relationship with the Bank".

On behalf of the Board of Directors:

Thomas Campion

Director and Chief Executive Officer

Date: 16 April 2026



Directors' Report





Directors

The directors who were in office during the year and up to the date of signing the financial statements were:

Director	Role	Office held
Adrian John Stirrup	Non-Executive*	March 2023 - current
Cristiano Duarte Guimarães	Non-Executive Chairman	March 2021 - current July 2024 - current
Fernando Mattar Beyruti	Non-Executive	July 2024 - current
Marcia Kinsch de Lima	Non-Executive	April 2024 - current
Paulo Jorge dos Santos Lopes	Executive	September 2012 - current
Rita Rodrigues Ferreira Carvalho	Non-Executive	January 2022 - January 2025
Thomas Campion	Executive & CEO	February 2020 - current
William Richard Holmes	Non-Executive*	March 2021 - current

* Considered as independent non-executive director in light of the independence criteria set out by the UK Corporate Governance Code.

Directors' insurance and indemnity

The Articles of Association of the Bank allows for qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006). These provisions were in force during the course of the financial year ended 31 December 2025 and at the date of this report.

Directors' and Officers' Liability Insurance is taken out by Itaú Unibanco Holding S.A., the Group's ultimate parent undertaking, for the benefit of the management members of Itaú Unibanco Holding S.A. and its subsidiaries, hence including the directors of the Bank and its subsidiaries.



Share capital

Information about share capital is shown in Note 25 to the Financial Statements and is incorporated in this report by reference.

Results and dividends

The income statement shows a profit for the year ended 31 December 2025 of USD 176.8 m for the Group (2024: USD 191.6 m) and of USD 90.1 m for the Bank (2024: USD 98.8 m).

No dividend with respect of 2025 is proposed to be paid.

Risk management, branches and future developments

Information regarding risk management, branches and future developments has been included in the Strategic Report.

Streamlined Energy and Carbon Reporting

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") implemented the UK government's policy on Streamlined Energy and Carbon Reporting ('SECR') and came into force on 1 April 2019. SECR seeks to improve transparency and help reduce UK carbon emissions associated with business and industry.

Under these 2018 Regulations, the Companies that qualify are required to report their UK annual energy use and greenhouse gas ('GHG') emissions, and related information. The footprint includes the 'Scope 1' (Direct emissions - e.g. combustion of fuel and process emissions), 'Scope 2' (Indirect emissions – e.g. consumption of purchased electricity) and 'Scope 3' (Other indirect emissions – e.g. business travels by means not owned or controlled by the company).

For the purposes of this report:

- The footprint for the Bank's activity in UK was calculated in accordance with the GHG Protocol and Environmental Reporting Guidelines (including SECR guidance);
- DEFRA⁹ emission factors have been used to convert activity into tonnes of carbon dioxide equivalent (tCO₂e). Market based emissions factors have been taken from each of the Bank's relevant suppliers;
- Only Scope 1 and Scope 2 emissions sources are required;
- The main driver for the Bank's energy consumption is related to the use of the UK office. The management of that consumption lies with the landlord. The Bank has no other sites or transport;
- The intensity ratio¹⁰ was obtained by dividing the impact that the Bank is reporting (total UK emissions associated with the operating activities of the Bank, measured in Tonnes of CO₂e), by the Bank's turnover (total operating income of the Bank, in millions of USD).

Energy Efficiency Actions

Over the last few years, some efficiency measures were taken at our office by the landlord, to reduce the energy consumption. In 2025, besides evolving in these optimisation strategies, the office explored a number of innovative energy efficient interventions, among such is the implementation of water saving devices and segmental lighting. Despite some reduction in natural gas consumption, in 2025 there was an increase in electricity consumption, mainly due to higher occupancy levels of the building throughout the year, which led to greater use of lighting, equipment and shared facilities¹¹. On comparison, our emissions and Intensity Ratio were in line with the previous year.

Statement as to engagement with suppliers, customers and others in a business relationship with the Bank

Under company law (Section 172(1)(c) of the Companies Act 2006), directors are required to have regard to the need to foster the Bank's business relationships with suppliers, customers and other stakeholders. This information is shown in ESG section of the Strategic Report and is incorporated in this report by reference.

Carbon performance

	Kwh Energy Consumed YTD				tCO ₂ e Emitted YTD			
	Electricity	Natural Gas	Transport	Total	Scope 1	Scope 2 (LB)	Scope 3	Scope 1+2
2025	45 160	10 580	-	55 740	2	8	-	10
2024	36 586	11 196	-	47 782	2	8	-	10

Intensity ratio performance

	Total tCO ₂ e	Intensity Metric	Intensity Ratio
2025	9.93	157.91	0.06
2024	9.68	163.72	0.06

⁹ Department for Environment, Food and Rural Affairs

¹⁰ An Intensity Ratio is a way of defining the emissions data in relation to an appropriate business metric. This allows a comparison of energy efficiency performance over time and with similar types of businesses.

¹¹ The energy consumption allocated to our office is calculated proportionally to the floor area we occupy within the building. As the total consumption of the building increased in 2025, the share of total electricity usage allocated to our office rose accordingly.



Statement as to corporate governance arrangements

The Bank is not required and does not apply any corporate governance code. Notwithstanding, the Bank has regard to recommended standards when designing key aspects of its governance arrangements.

In particular, the Bank's governance arrangements are aligned with recommended standards applicable in the UK under the UK Corporate Governance Code in relation to the following principles:

Chairman and CEO – Separate roles

Under the Bank's governance arrangements, the roles of the Chairman of the Board and the CEO/Chairman of the ExCo are separate and fulfilled by different individuals. This separation improves the governance of the Bank as it allows a clear distinction between the Board's responsibilities for direction setting, oversight, and control, on the one hand, and, on the other, management's responsibilities to run the business. The separation also helps to ensure that all views are heard and that the executive management is not able to dominate the Board discussion.

The Chairman has the typical responsibilities arising from his leading position, including running the Board meetings in such a way as to ensure the critical issues and concerns about the Bank's business are being dealt with. As part of his responsibilities, the Chairman leads the annual Board self-assessment process and ensures that relevant gaps are identified and addressed.

The CEO leads the ExCo in making and implementing operational decisions and running the Bank's business within the Board-approved strategy and risk appetite.

Independent Non-Executive Directors

At least two of the Non-Executive Directors shall be independent in the light of the independence criteria set out in the UK Corporate Governance Code ("INEDs").

The INEDs' role is especially important given the particular challenges to effective governance faced by subsidiaries of international larger groups, as it is the case of the Itaú Group. The outside perspective brought by the INEDs helps to ensure that the parent bank understands the UK regulators' expectations and that the UK Board as a whole is very aware of its responsibilities for the safety and soundness of the subsidiary, thereby improving the Bank's overall governance.

Independent challenge

The Board has established an appropriate process by which the NEDs and, in particular, the INEDs, are involved in important decisions and have sufficient access to management, thus helping to ensure independent-minded directors to effectively challenge and hold executive management to account.

This includes regular interactions between the INEDs and the ExCo members and other senior managers of the Bank through informal meetings held outside the boardroom and presentations made by these managers at Board meetings. It also includes regular meetings between the INEDs and other senior Itaú Group executives and members of the Itaú Group Audit Committee.

Reserved matters to the Board

In light of its prime responsibility to maintain the safety and soundness of the Bank, the Board has reserved powers (i.e. powers that it cannot delegate) including, inter alia, the

approval of the business strategy, major transactions, and key strategic documents and policies, as detailed on page 31.

These safeguards improve our governance as they ensure the Board effectively exercises its supervision over the management and its key decisions.

In particular, the Board has direct oversight of risk management and control functions to ensure their independence and effectiveness. Given the stature of the control functions within the Bank, the Board has exclusive responsibility (reserved power) for the appointment (or removal) of the CRO, the Head of Internal Audit and the Head of Compliance (who is also the Money Laundering Reporting Officer – MLRO).

The Board Committees support the Board in discharging these duties, but do not relieve the Board from any of its responsibilities.

Moreover, the Board is responsible for disseminating a culture of ethical behaviour across the Bank, setting the tone from the top.

For further detail about the governance framework adopted by the Bank please refer to the relevant section of the Strategic Report (pages 30 to 35).

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Bank's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make them aware of any relevant audit information and to establish that the Bank's auditors are aware of that information.



Statement of Directors' Responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the Group and the Bank financial statements in accordance with UK-adopted international accounting standards.

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Bank and of the profit or loss of the Group and Bank for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Bank will continue in business.

The directors are responsible for safeguarding the assets of the Group and Bank and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Bank's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Bank and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the Bank's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern assumption

The directors consider that the going concern basis of accounting is appropriate. In making this assessment of the Bank's ability to continue to adopt the going concern basis of accounting and of material uncertainties, the directors have considered whether the Bank, and the Group as a whole, have access to adequate resources to enable continuing operation for the foreseeable future.

In this regard, the directors have considered the adequacy of the regulatory capital held and the ability to continue to access the required level of funding, including access to the liquidity and capital of the parent as required. In particular, based on internal assessments, the Bank's capital and funding positions, on an individual and consolidated basis, are deemed to be robust under both

normal and stress environments including different stress scenarios regarding the current geopolitical and economic uncertainty.

Additionally, the Bank actively monitors and manages threats to its business model, future performance, solvency and liquidity, and the directors believe that the Bank is well placed to manage these risks successfully.

Having considered these matters, the directors have concluded that it is appropriate to continue to adopt the going concern basis in preparing these financial statements¹².

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Bank's transactions and disclose with reasonable accuracy at any time the financial position of the Bank and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Bank's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board of Directors:

Thomas Champion
Director and Chief Executive Officer
Date: 16 April 2026

¹² As described in the section Perspectives for 2026, a broader reorganisation of the Group is currently under way. Subsequent to the Merger, and subject to all the relevant approvals and consents, the next steps of this reorganisation contemplate the transfer of IBBAInt's banking business and the shares in its Swiss and US subsidiaries to Itaú Europe. Also, and conditional upon the necessary regulatory approvals, IBBAInt intends to become an investment firm focused on equity and fixed income distribution and US swap dealer activities. The final envisaged structure, with IBBAInt being positioned as a subsidiary of Itaú Europe, is not expected to be implemented or become effective within the next 12 months following the approval of these financial statements, as the process remains dependent on multiple regulatory approvals and is scheduled to be concluded only by the end of 2027. Accordingly, the ongoing reorganisation does not impact the directors' going concern assessment for the 12-month period following the approval of these financial statements.



Financial Statements





Balance Sheets

USD'000	Note	Group		Bank	
		As at 31.12.25	As at 31.12.24	As at 31.12.25	As at 31.12.24
Assets					
Cash and balances at central banks	5	2 013 095	1 151 504	17	16
Trading assets	6	10 362	6 920	10 362	6 920
Financial assets designated at fair value through profit or loss	7	-	44 509	-	44 509
Financial assets measured at fair value through OCI	8	2 044 392	2 134 335	1 735 647	1 824 171
Derivative financial instruments	9	402 454	498 208	402 429	489 006
Financial assets at amortised cost					
Loans and advances to banks	10	497 037	1 591 163	890 765	1 714 874
Loans and advances to customers	11	6 201 165	6 265 290	4 044 575	4 104 314
Property, plant and equipment	12	23 984	27 359	390	1 188
Goodwill and Intangible assets	13	107 350	108 594	-	-
Investments in subsidiaries	14	-	-	803 125	743 998
Current tax assets	15	580	13 985	-	1 107
Deferred tax assets	15	19 485	16 859	2 970	2 528
Other assets	16	69 177	49 808	5 947	4 515
Total Assets		11 389 081	11 908 534	7 896 227	8 937 146
Liabilities					
Trading liabilities	17	10 306	6 911	10 306	6 911
Financial liabilities designated at fair value through profit or loss	18	-	44 456	-	44 456
Derivative financial instruments	9	530 758	462 013	526 233	462 780
Deposits from banks	19	744 330	767 338	1 053 183	925 795
Customer accounts	20	4 962 080	5 413 209	1 740 013	2 745 061
Debt securities in issue	21	2 364 797	2 613 432	2 364 797	2 613 477
Provisions	30	279	277	236	258
Current tax liabilities	22	3 939	15 137	285	1 186
Deferred tax liabilities	22	22 144	25 092	54	101
Other liabilities	23	197 155	199 945	46 646	74 207
Total Liabilities		8 835 788	9 547 810	5 741 753	6 874 232
Equity					
Share capital	25	1 221 034	1 221 034	1 221 034	1 221 034
Share Premium	25	213 966	213 966	213 966	213 966
Revaluation reserves	26	19 402	3 679	205	(1 273)
Other reserves	27	9 832	8 416	-	-
Retained earnings		912 212	721 993	629 187	530 360
Profit for the year		176 847	191 636	90 082	98 827
Total Equity		2 553 293	2 360 724	2 154 474	2 062 914
Total Liabilities and Equity		11 389 081	11 908 534	7 896 227	8 937 146

The financial statements on pages 53 to 191 were approved by the Board of Directors on 16 April 2026 and were signed on its behalf by:

Itaú BBA International plc
Registered in England and Wales
Company Nr.7425398

Thomas Campion
Director and Chief Executive Officer



Income Statements

USD'000	Note	Group		Bank	
		2025	2024	2025	2024
Interest income using effective interest rate method		454 652	519 196	292 854	343 625
Other interest and similar income		62 721	76 195	62 721	76 195
Interest and similar income		517 373	595 391	355 575	419 820
Interest expense using effective interest rate method		(342 621)	(379 629)	(280 371)	(317 737)
Interest and similar expense		(342 621)	(379 629)	(280 371)	(317 737)
Net interest income	31	174 752	215 762	75 204	102 083
Fee and commission income		173 306	160 972	9 457	11 268
Fee and commission expense		(11 744)	(14 327)	(6 329)	(8 787)
Net fee and commission income/ (expense)	32	161 562	146 645	3 128	2 481
Net income on financial assets and liabilities at fair value through profit or loss		69 331	55 323	66 407	45 201
Net (expense) / income on financial assets at fair value through OCI		(84)	(778)	(89)	(778)
Net income on other financial operations		11 309	10 036	8 208	9 387
Net income on financial operations	33	80 556	64 582	74 526	53 811
Other operating income	34	10 934	10 967	5 050	5 344
Total operating income		427 804	437 956	157 908	163 719
Credit impairment reversals / (charges) and other provisions	30	(331)	296	64	306
Net operating income		427 473	438 252	157 972	164 025
Staff costs	35	(120 118)	(108 730)	(20 143)	(15 973)
General and administrative expenses	36	(57 032)	(59 881)	(16 306)	(14 730)
Depreciation and impairment of property, plant and equipment	12	(5 589)	(5 367)	(831)	(852)
Amortisation and impairment of intangible assets	13	(6 723)	(5 822)	-	(7)
Other operating expenses	37	(6 876)	(5 441)	(525)	(660)
Total operating expenses		(196 338)	(185 241)	(37 805)	(32 222)
Profit before tax		231 135	253 011	120 167	131 803
Income tax	38	(54 288)	(61 375)	(30 085)	(32 976)
Profit for the year		176 847	191 636	90 082	98 827



Statements of Comprehensive Income

USD'000	Note	Group		Bank	
		2025	2024	2025	2024
Profit for the year		176 847	191 636	90 082	98 827
Other comprehensive (expense)/income					
Items that will not subsequently be reclassified to profit or loss:					
Remeasurements of post employment defined benefit obligations	24	454	616	-	-
Own credit	26	(3)	64	(3)	64
Items that may subsequently be reclassified to profit or loss:					
Financial assets at fair value through OCI:					
Fair value / gains (losses)	8	1 839	489	1 841	502
Tax effect		(372)	(106)	(460)	(128)
		1 467	383	1 381	374
Cash flow hedge	26	1 551	(1 931)	133	(88)
Tax effect		(33)	21	(33)	21
		1 518	(1 910)	100	(67)
Net investment hedge	26	12 287	(5 283)	-	-
Currency translation differences	26	-	-	-	-
Total Other comprehensive (expense)/income		15 723	(6 130)	1 478	371
Total comprehensive income for the year		192 570	185 506	91 560	99 198



Statements of Changes in Equity

		Group					
USD'000	Note	Share Capital	Share Premium	Revaluation reserves	Other reserves	Retained earnings ¹	Total Equity
Balances at 1 January 2024		1 221 034	213 966	9 809	7 371	723 038	2 175 218
Profit for the year		-	-	-	-	191 636	191 636
Remeasurements of post employment defined benefit obligations	24	-	-	616	-	-	616
Fair value through OCI reserves		-	-	383	-	-	383
Cash flow hedge		-	-	(1 910)	-	-	(1 910)
Net investment hedge		-	-	(5 283)	-	-	(5 283)
Own credit reserve		-	-	64	-	-	64
Currency translation differences		-	-	-	-	-	-
Total comprehensive (expense) / income for the year		-	-	(6 130)	-	191 636	185 506
Share capital increase	25	-	-	-	-	-	-
Allocation of 2023 net income to reserves	27	-	-	-	1 045	(1 045)	-
Balances at 31 December 2024		1 221 034	213 966	3 679	8 416	913 629	2 360 724
Profit for the year		-	-	-	-	176 847	176 847
Remeasurements of post employment defined benefit obligations	24	-	-	454	-	-	454
Fair value through OCI reserves		-	-	1 467	-	-	1 467
Cash flow hedge		-	-	1 518	-	-	1 518
Net investment hedge		-	-	12 287	-	-	12 287
Own credit reserve		-	-	(3)	-	-	(3)
Currency translation differences		-	-	-	-	-	-
Total comprehensive (expense) / income for the year		-	-	15 723	-	176 847	192 570
Allocation of 2024 net income to reserves	27	-	-	-	1 416	(1 417)	(1)
Balances at 31 December 2025		1 221 034	213 966	19 402	9 832	1 089 059	2 553 293

		Bank					
USD'000	Note	Share Capital	Share Premium	Revaluation reserves	Other reserves	Retained earnings ¹	Total Equity
Balances at 1 January 2024		1 221 034	213 966	(1 644)	-	530 360	1 963 716
Profit for the year		-	-	-	-	98 827	98 827
Fair value through OCI reserves		-	-	374	-	-	374
Own credit reserve		-	-	64	-	-	64
Cash flow hedge		-	-	(67)	-	-	(67)
Total comprehensive (expense) / income for the year		-	-	371	-	98 827	99 198
Share capital increase	25	-	-	-	-	-	-
Balances at 31 December 2024		1 221 034	213 966	(1 273)	-	629 187	2 062 914
Profit for the year		-	-	-	-	90 082	90 082
Fair value through OCI reserves		-	-	1 381	-	-	1 381
Own credit reserve		-	-	(3)	-	-	(3)
Cash flow hedge		-	-	100	-	-	100
Total comprehensive (expense) / income for the year		-	-	1 478	-	90 082	91 560
Balances at 31 December 2025		1 221 034	213 966	205	-	719 269	2 154 474

¹ Including Profit for the year



Statement of Cash Flows

USD'000	Notes	Group		Bank	
		2025	2024	2025	2024
Continuing operations					
Reconciliation of profit before tax to net cash flow from operating activities:					
Profit before tax and dividends		231 135	253 011	120 167	131 803
Adjustment for non-cash items:					
Credit impairment charges and other provisions	30	331	(296)	(64)	(306)
Depreciation, amortisation and impairment of property, plant, equipment and intangibles		12 312	11 189	831	859
Other non-cash movements		(52 654)	(56 292)	(104 138)	31 363
Changes in operating assets and liabilities					
Decrease/(Increase) in operating assets					
Trading assets and financial assets designated at fair value	6/7	131 894	(224 491)	124 541	(213 757)
Loans and advances to banks	10	133 127	(241 425)	135 096	(240 931)
Loans and advances to customers	11	64 025	(685 243)	60 053	(235 192)
Derivatives designated as hedging instruments	9	4 928	4 169	3 103	(1 190)
Other operating assets	16	381	21 879	17 431	12 645
(Decrease)/increase in operating liabilities					
Trading liabilities	17	75 405	187 588	71 537	178 116
Financial liabilities designated at fair value	18	(44 456)	(4 802)	(44 456)	(4 802)
Deposits from banks	19	(22 964)	(103 955)	127 432	(432 800)
Customer accounts	20	(440 135)	511 147	(994 100)	1 035 388
Debt securities in issue	21	(259 630)	(70 233)	(259 630)	(75 268)
Derivatives designated as hedging instruments	9	(3 265)	1 243	(4 690)	1 337
Other operating liabilities	23	(18 331)	24 876	(45 452)	46 702
Net cash flow from operating activities before payment of income tax		(187 897)	(371 635)	(792 339)	233 967
Income tax paid		(57 852)	(65 575)	(30 862)	(31 922)
Net cash flow from operating activities		(245 749)	(437 210)	(823 201)	202 045
Cash flow from investing activities					
Purchases of financial assets measured at fair value through OCI	8	91 782	182 056	90 366	206 101
Sales/(Purchases) of subsidiaries	14	-	-	(550)	(55 880)
Dividends received	33	-	1	-	1
Purchases of intangible assets		(5 479)	(898)	-	-
Sales/ (Purchases) of fixed assets		(2 215)	(372)	(33)	(33)
Net cash flow from investing activities		84 088	180 787	89 783	150 189
Cash flow from financing activities					
Leasing Contracts	23	(2 397)	(3 612)	(862)	(838)
Net cash flow from financing activities		(2 397)	(3 612)	(862)	(838)
Increase/(decrease) in cash and cash equivalents		(164 058)	(260 035)	(734 280)	351 396
Cash and cash equivalents at beginning of the year		2 175 189	2 384 299	1 149 307	797 911
Effects of exchange rate change on cash and cash equivalents		64 941	50 925	45 560	-
Cash and cash equivalents at end of the year		2 076 072	2 175 189	460 587	1 149 307
Increase/(decrease) in cash and cash equivalents		(164 058)	(260 035)	(734 280)	351 396
Cash and cash equivalents comprise:					
Cash and balances at Central Banks	5	2 013 095	1 151 504	17	16
Loans and advances to banks with original maturity less than three months	10	62 977	1 023 685	460 570	1 149 291
		2 076 072	2 175 189	460 587	1 149 307



Notes to the Financial Statements

Introduction

Itaú BBA International plc (“IBBAInt” or the “Bank”) is a public company limited by shares incorporated in the United Kingdom (“UK”) under the Laws of England and Wales, headquartered in London, with registered office at 100 Liverpool Street, Level 2, London, EC2M 2AT. It is the London based subsidiary of Itaú Unibanco Holding S.A. (“Itaú Unibanco”), a leading Brazilian financial conglomerate. IBBAInt operates in the corporate and investment banking (“CIB”) segment, where the strategic focus is on large corporates and cross-border transactions between developed economies (primarily Europe and the US) and South America.

The Bank has subsidiaries in the United States (“US”), Switzerland, Portugal and Luxembourg.

For the purpose of these financial statements, the term “Group” refers to IBBAInt together with its subsidiaries.

Note 1 - Basis of Preparation

Statement of compliance

These financial statements have been prepared in accordance with the UK-adopted international accounting standards and with the requirements of the Companies Act 2006 applicable to companies reporting under those standards.

These financial statements have been prepared on a going concern basis (as detailed in the Strategic Report and the Directors’ Report) and under the historical cost convention, as modified by the revaluation of financial assets measured at fair value through OCI and financial assets and liabilities (including derivative instruments) at fair value through profit or loss.

The financial reporting period covers the twelve months from 1 January 2025 to 31 December 2025.

These financial statements were authorised for issue by the directors on 16 April 2026. These financial statements are still subject to approval in the shareholders’ general meeting, and are expected to be approved without relevant or material changes.

Standards and interpretations recently issued

The following amendments to standards became effective as of 1 January 2024. None of these has had a material impact on the Bank or Group’s financial statements:

- IAS 21 (amendment), ‘The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability’. This amendment adds requirements for determining whether a currency can be exchanged for another currency (exchangeability) and defining how to determine the spot exchange rate to be used when it is not possible to exchange a currency for a long period of time. This change also requires the disclosure of information that allows understanding how the currency that cannot be exchanged for another currency affects, or is expected to affect, the financial performance, financial position and cash flows of the entity, in addition to the spot exchange rate used on the reporting date and how it was determined. This amendment is applied retrospectively without restating the comparatives. The entity is required to translate

the affected amounts at estimated spot exchange rates at the date of initial application, with an adjustment to retained earnings (if between foreign and functional currency) or to the reserve for cumulative translation differences (if between functional and presentation currency).

The following amendments to standards have been published and are mandatory for the accounting periods beginning on or after 1 January 2026, endorsed by the UK, but neither the Bank nor the Group has early adopted. No material impacts are expected as a result of the adoption of these standards:

- IFRS 9 (amendment) and IFRS 7 (amendment), ‘Amendment to classification and measurement of financial instruments’ (effective for annual periods beginning on or after 1 January 2026). These amendments are still subject to endorsement by the European Union. These amendments intend to: i) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; ii) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion such as: 1) non-recourse assets; 2) contractually associated instruments; and 3) instruments with characteristics linked to compliance with environmental, social and governance (“ESG”); iii) add new disclosure requirements for instruments with contractual conditions that can change cash flows; and iv) update the disclosure requirements for equity instruments designated at fair value through other comprehensive income, separating the fair value reserve into the fair value gains or losses of the investments derecognized and those held at the end of the period. These amendments apply at the date they become effective without restating the comparatives.



- IFRS 9 (amendment) and IFRS 7 (amendment), ‘Contracts referencing nature-dependent electricity’ (effective for annual periods beginning on or after 1 January 2026). These amendments intend to improve the report of the financial effects of nature-dependent electricity contracts, subject to variability of quantity generated because it is dependent of uncontrollable natural conditions. These amendments intend to: i) clarify the application of the “own use” exemption requirements of IFRS 9; ii) allow the application of hedge accounting when nature dependent electricity purchase contracts are designated as hedging instrument; and iii) add new disclosure requirements to IFRS 7 to better understand the impact of these contracts on entity’s the financial performance and cash flows. This amendment shall be applied retrospectively without restating prior periods, except for hedging designation, which shall be applied prospectively.

The following amendments to standards have been published and are mandatory for the accounting periods beginning on or after 1 January 2026, but are not yet endorsed by the UK and so were not adopted by the Bank/Group in the year ended 31 December 2025, unless otherwise stated. No material impacts are expected as a result of the adoption of these standards:

- IFRS 18 (new standard), ‘Presentation and Disclosure in Financial Statements’ (effective for annual periods beginning on or after 1 January 2027). This new standard is still subject to endorsement by the European Union. This new standard will replace the current IAS 1. While retaining many of the existing principles of IAS 1, it is focused on the specification of a structure for the statement of profit or loss, composed of categories and required subtotals. Items in the statement of profit or loss will be classified into one of three categories: operating, investing, financing. Specified subtotals and totals will be

required being the main change the mandatory inclusion of the subtotal “Operating profit or loss”. This standard also includes improvements to the disclosure of management performance measures including the reconciliation with the most similar specified subtotal in IFRS Accounting standards. This standard also enhances guidance on the principles of aggregation and disaggregation of information in the financial statements and respective notes, based on their shared characteristics. This standard applies retrospectively..

- IFRS 19 (new standard), ‘Subsidiaries without Public Accountability: Disclosures’ (effective for annual periods beginning on or after 1 January 2027). This new standard is still subject to endorsement by the European Union. IFRS 19 is a voluntary standard which allows “Eligible” subsidiaries to use IFRS Accounting Standards with reduced disclosure requirements. IFRS 19 is a disclosure-only standard and works alongside other IFRS Accounting Standards for recognition, measurement, and presentation requirements. A subsidiary is “Eligible” if (i) it does not have public accountability; and (ii) has a parent that prepares consolidated financial statements available for public use that comply with IFRS Accounting Standards. IFRS 19 can be applied by “Eligible” subsidiaries when preparing their own consolidated, separate or individual financial statements. Complete comparative information needs to be prepared under IFRS 19 unless any exemption applies.
- Annual Improvements – ‘Volume 11’ (effective for annual periods beginning on or after 1 January 2026). The annual improvements intend to clarify application issues or correct inconsistencies in standards. This volume of improvements affects the following accounting standards: IFRS 1, IFRS 7, IFRS 9, IFRS 10 e IAS 7. These amendments are still subject to endorsement by the EU.

Scope of consolidation

Details of the Group’s subsidiaries as of 31 December 2025 are set out below.

- **Banco Itaú International** (“BII”), with registered office at 200 South Biscayne Boulevard, Suite 2200, Miami, Florida 33131, was acquired in May 2007 through an agreement with Bank of America Corporation. Its main activity is to perform operations in the Private Banking segment. Its share capital of USD 42 million (31.12.24: USD 42 million) is represented by 420,000 shares (31.12.24: 420,000 shares) of USD 100 each, fully subscribed and paid by the Bank.
- **Itaú International Securities Inc.** (“IIS”), with registered office at 200 South Biscayne Boulevard, Suite 2200, Miami, Florida 33131, was incorporated in September 2008. The company is licensed to perform brokerage services. Its share capital of USD 1,000 (31.12.24: USD 1,000) is represented by 100,000 shares (31.12.24: 100,000 shares) of USD 0.01 each, fully subscribed and paid by the Bank.
- **Banco Itaú (Suisse) S.A.** (“BIS”), with registered office at Bleicherweg 30, CH-8002 Zurich, Switzerland, operates in the Private Banking segment. It was established on 15 September 2010. Its share capital of CHF 177 million (31.12.24: CHF 177 million) is represented by 17,700 shares (31.12.24: 17,700 shares) of CHF 10,000 each, fully subscribed and paid by the Bank.
- **Itaú BBA Europe, S.A.** (“IBBA Europe”), with registered office at Rua Tierno Galvan - Torre 3, 11º, 1099-048 Lisbon, Portugal, was incorporated on 8 October 2019 and started activity as a credit institution and financial intermediary on 3 February 2020. Its share capital of EUR 225 million (31.12.24: EUR 225 million) is represented by 225 million shares (31.12.24: 225 million shares) of EUR 1 each, fully subscribed and paid by the Bank (the share capital of IBBAE Europe was increased in August 2024, by EUR 50 million).



- **Itaú Europe S.A.** (“Itaú Europe”), with registered office at 33, Boulevard Price Henri, L-1724 Luxembourg. Its share capital of USD 550 thousand is represented by 550 thousand shares of USD 1 each, fully subscribed and paid by the Bank.

Parent undertakings

The Bank’s ultimate parent undertaking and controlling entity and the largest group of which the Bank is a member and for which group financial statements are prepared is Itaú Unibanco Holding S.A. (“Itaú Unibanco”), a publicly listed joint stock company incorporated in Brazil, at Praça Alfredo Egydio de Souza Aranha, 100, Torre Olavo Setubal, Parque Jabaquara, São Paulo. Copies of its consolidated financial statements can be obtained from www.itauri.com.br.

The Bank’s immediate parent undertaking is ITB Holding Brasil Participações Ltda. (“ITB Holding”). ITB Holding is a holding company incorporated in Brazil, indirectly owned by Itaú Unibanco.

The smallest group of which the Bank is a member and for which group financial statements are prepared is the group comprised by the Bank together with its subsidiaries (IBBAInt Group).

Use of estimates and sources of uncertainty

The preparation of the financial statements requires the Group to use certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies of the Group. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in **Note 2.14**.

Note 2 - Main Accounting Policies

The following accounting policies are applicable to these

financial statements. These include material accounting policies and are consistent with those applied by the Group in its 2025 Annual Report, unless otherwise stated.

2.1. Consolidation basis

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the separate financial statements of the Bank, the investments in subsidiaries are accounted for at historical cost. In the case of objective evidence of impairment, the impairment loss is recognised in the income statement. Dividends from subsidiaries are recognised in the separate financial statements of the Bank when the right to receive the dividend has been established.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. When preparing consolidated financial statements, the Group uses uniform accounting policies for reporting like transactions and other events in similar circumstances. Intragroup balances and transactions are eliminated. The value of the capital, reserves and net results corresponding to the shares of third parties, if any, in these companies is presented under the item Non-controlling Interests.

The Group accounts for the acquisitions of subsidiaries by the acquisition method. The consideration for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Any costs directly attributable to the acquisition are expensed as incurred. The acquired identifiable assets, liabilities, and contingent liabilities are

measured initially by the acquirer at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess cost of acquisition over the Group’s share of the net fair values of the acquiree’s identifiable assets, liabilities and contingent liabilities is recognised as goodwill.

Under the acquisition method, the initial recognition of a subsidiary can be determined at the end of the year when the acquisition occurred. The Group has up to twelve months after the date of acquisition to recognise the final treatment for those preliminary values, as determined by IFRS 3 - *Business Combinations*.

Goodwill is recognised as an asset and reviewed annually for impairment under the terms of IAS 36 – Impairment of assets and IFRS 8 – *Operating Segments*. According to IFRS 3 – *Business Combinations*, goodwill is not amortised. Negative goodwill is immediately recognised in the consolidated income statement.

At the date of disposal of a subsidiary, the carrying value of attributable goodwill is included in the calculation of the profit or loss on disposal. The treatment of transactions with non controlling interests depends on whether, as a result of the transaction, the Group loses control of the subsidiary. Changes in the parent’s ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions; any difference between the amount by which the non controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent entity. Where the Group loses control of the subsidiary, at the date when control is lost the amount of any non controlling interest in that former subsidiary is derecognised and any investment retained in the former subsidiary is remeasured to its fair value; the gain or loss that is recognised in profit or loss on the partial disposal of the subsidiary includes the gain or loss on the remeasurement of the retained interest.



2.2. Financial Assets and Liabilities

(i) Initial recognition and measurement

Financial assets and liabilities are initially recognised at fair value plus directly attributable transaction costs, except for assets and liabilities measured at fair value through profit or loss, in which case transaction costs are immediately recognised in profit or loss.

Fair value means the amount for which a particular asset or liability can be transferred or settled between equally knowledgeable counterparties interested in performing that transaction. On the trade date or operation start date, the fair value is generally the transaction value.

The fair value is determined on the basis of:

- active market prices; or
- valuation methods and techniques (when there is no active market), considering:
 - › mathematical calculations based on recognised financial theories; or,
 - › prices calculated on the basis of similar assets or liabilities traded on active markets or on the basis of statistical estimates or other quantitative methods.

A market is considered active, and therefore liquid, if transactions take place with sufficient frequency and volume to provide pricing information on an ongoing basis. In general, there are market prices for securities and derivatives (futures and options) traded on stock markets.

All purchases and sales of financial assets classified as fair value through profit or loss or through OCI that require delivery within the time frame established by regulation or market convention ('regular way' purchases and sales) are recognised at trade date, which is the date on which the Group commits to purchase or sell the asset. Financial assets at amortised cost are recognised at settlement date, which is the date on which the Group receives or delivers the asset.

Debt securities in issue are recognised and derecognised on settlement date.

Credit valuation adjustments ('CVA') and Debit valuation adjustments ('DVA') are incorporated into derivative valuations to reflect the impact on fair value of counterparty credit risk and the Groups' own credit quality respectively. These adjustments are calculated for uncollateralised and partially collateralised derivatives across all asset classes. The DVA is also incorporated in the valuation of trading liabilities and financial liabilities designated at fair value through profit or loss. CVA is calculated using estimates of exposure at default, probability of default and recovery rates, at a counterparty level and the DVA is calculated using estimates regarding the Bank's own credit risk and cost of funding.

(ii) Derecognition other than a modification

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when, even retaining the contractual rights to receive the cash flows, it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or they expire.

Collateral provided by the Group under standard repurchase agreements and securities lending transactions ('repos' and 'reverse repos') are not derecognised because the Group retains substantially all the risks and rewards on the basis of the predetermined repurchase price and the criteria for derecognition are therefore not met.

(iii) Write-off

When a loan is considered uncollectible (no reasonable expectation of recovery), it is written off through utilisation of the loan impairment allowance. This write-off only takes place after all the necessary steps have been taken and the amount of the loss has been determined.

2.2.1. Financial Assets

(i) Classification and subsequent measurement

The Group classifies its financial assets in the following measurement categories:

- Fair value through profit or loss ('FVPL');
- Fair value through other comprehensive income ('FVOCI'); or
- Amortised cost.

The classification and subsequent measurement of financial assets depend on:

- i) the business model under which they are measured; and
- ii) the cash flow characteristics of the asset.

Based on these factors, the Group classifies its financial assets into one of the following categories:

- Amortised cost: assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit losses recognised and measured as described in **Note 2.4**. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.
- FVOCI: assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent SPPI, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue and foreign exchange gains and



losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Net income on debt financial assets at fair value through OCI'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

- FVPL: assets that do not meet the criteria of amortised cost or FVOCI are measured at FVPL.

The business model reflects how the Group manages the assets in order to generate cash flows. That is, whether the Groups' objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'another' business model and measured at FVPL. Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel and how risks are assessed and managed.

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assess whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk and a profit margin.

Where the contractual terms introduce exposure to risk or volatility that are not consistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

As well, the Group may irrevocably designate at initial recognition a financial asset at FVPL. The Group designated certain debt instruments at fair value through profit or loss in order to eliminate or substantially reduce accounting mismatches.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

(ii) Reclassification of financial assets within IFRS 9

The Group reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

(iii) Expected Credit Losses

The Group assesses on a forward-looking basis the expected credit losses ('ECL') associated with its debt instruments carried at amortised cost and FVOCI and with the exposure arising from guarantees and commitments. The Group recognises a provision for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money;
- Reasonable and supportable information that is available without effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Further details on how the ECL allowance is measured can be found in **Note 2.4.**

(iv) Modification of loans

When the Group renegotiates or otherwise modifies the contractual cash flows of loans to customers, management has to apply judgement in determining whether a modification of the terms of the financial asset is considered to be substantial. This includes the nature of the modification and the extent of changes to terms including interest rate, authorised amount, term or type of underlying collateral.

If the new terms are substantially different, the Group derecognises the original financial asset, recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group recalculates the gross carrying amount based on the revised cash flows and recognises a modification gain or loss in profit or loss.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset. The Group monitors the subsequent performance of modified loans.

2.2.2. Financial Liabilities

(i) Classification and subsequent measurement

Financial liabilities are classified and subsequently measured at amortised cost, except the ones classified as financial liabilities at fair value through profit or loss ('FVPL'), namely derivatives, trading liabilities and other financial liabilities designated as such at initial recognition. Gains or losses on financial liabilities at FVPL are presented in profit or loss.



(ii) Modification of financial liabilities

The exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

2.2.3. Securities under repurchase and resale agreements

Securities sold with repurchase agreements (“repos”) are maintained in their original securities portfolio. Funds received are recorded at the settlement date, in the corresponding liability caption, while interest is accrued.

Securities purchased with resale agreements (“reverse repos”) are not recognised in the securities portfolio. Funds paid are recorded at the settlement date, as loans, while interest is accrued.

2.3. Financial guarantees and commitments

The Group issues financial guarantees and commitments.

Financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due. Financial guarantees are initially recognised in the financial statements at fair value. The premium received is recognised in the income statement in Net fee and commission income on a straight-line basis over the life of the guarantee. The respective expected credit loss allowance is recognised as a provision.

Commitments are agreements under which, over the duration of the commitment, the Group is required to provide credit facilities with pre-specified terms to the customer. These contracts are measured as the amount of the expected credit loss allowance.

The nominal contractual value of financial guarantees and commitments is not recorded on in the statement of financial position. The nominal value of these instruments is disclosed in **Note 29**.

2.4. Expected credit losses

The Group assesses on a forward-looking basis the expected credit loss (‘ECL’) associated with financial assets measured at amortised cost or at fair value through other comprehensive income, financial guarantees and commitments.

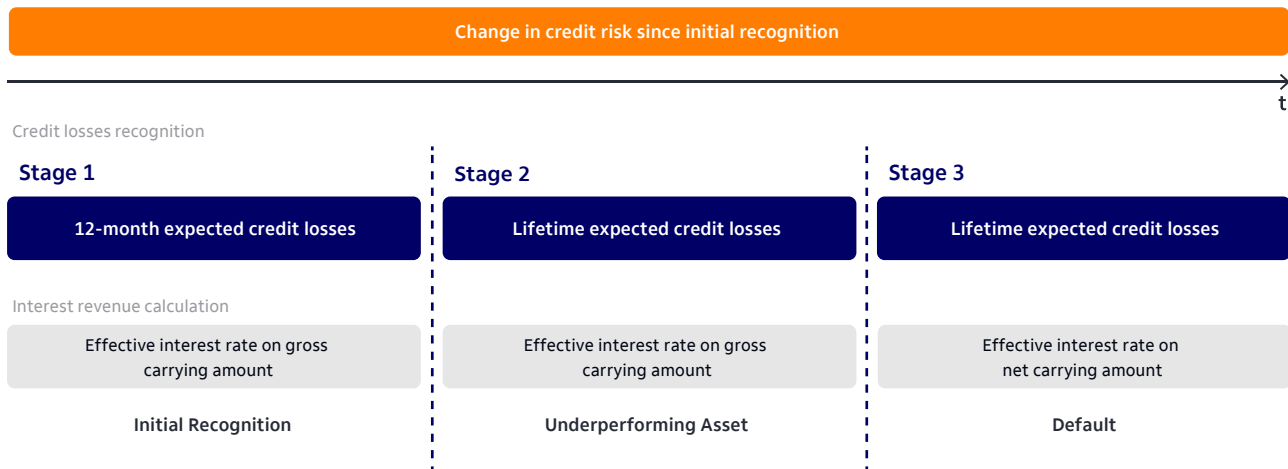
The ECL is measured individually, using an appropriate Probability of Default (‘PD’), considering the characteristics of each exposure (namely counterparty and economic group, term, region, internal rating and stage

classification), adjusted to take into account a range of possible future economic scenarios, and applying this to the estimated exposure of the Group at the point of default - the Exposure at Default (‘EAD’), net of any collateral held and other credit mitigation instruments (including guarantees received).

The PD is calculated based on statistical models, developed by the Itaú Group, which are based on macroeconomic and historical portfolio data, such as the percentage of downgrades. The loss given default (‘LGD’) is calculated from historical recovery data and estimates of probabilities of default.

IFRS 9 requires a timely recognition of the ECL over the expected life of the contracts. Under this model, the credit transactions are considered in three different stages according to the change in credit quality since initial recognition:

- Stage 1: includes financial assets without a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these instruments, the ECL is recognised following the Probability of Default (‘PD’) lifetime within 12-month even if the maturities of the loans are longer than one year. If the tenor of the deal is below 12 months, the applied PD refers to the number of months until maturity of the credit transaction.
- Stage 2: includes financial assets with a deterioration of credit quality but not credit impaired. In this stage, the ECL is calculated through PD lifetime for all maturities.
- Stage 3: includes financial assets that are credit impaired at the reporting date.



- Forced renegotiation;
- Guarantees execution;
- Executed bail;
- Interruption of activities;
- Forbearance measures¹¹.

The criteria above have been applied to all financial instruments held by the Group to determine non-performing exposures and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the PD, EAD and LGD throughout the Group's ECL calculations.

Significant increase in credit risk

The Group assesses several factors to determine a significant increase in credit risk, including qualitative, quantitative and forward-looking information. These factors can be: the counterparty risk, type and characteristics of the product, region where it was granted and a significant increase in the Probability of Default since inception, considering the following objective criteria that are applied across the Itaú Group, as a complement to the minimum factors below:

- Transfer from stage 1 to stage 2: rating downgraded to C1 or worse (including C1) or 5 downgrades since the inception of the transaction;
- Transfer from stage 2 to stage 3: default.

As a complement to the model in relation to observed rating changes, an individual qualitative analysis may be performed, and if there are others signs of deterioration, namely a significant increase in the PD (relative to PD at the time of origination of the contract), the management may assign the most appropriate stage.

A financial asset will migrate from stage 1 to 2 or 3 as its credit risk increases. If, in a subsequent period, the quality of the financial asset improves or if the significant increase in credit risk previously identified is reversed, the financial asset may return to stage 1.

Under IFRS 9, the Group's ECL model has a portfolio segmentation by region (Europe and Latin America), modelling a lifetime PD (which takes into account the region, remaining term and internal rating) along with future macroeconomic scenarios for each geography.

When necessary, adjustments are made to address known data limitations, and emerging or non-modelled risks. These temporary post-model adjustments ('overlays') are used to mitigate risks and uncertainties.

Key inputs and assumptions for measuring the ECL besides the PD, the LGD and the EAD are the definition of what constitutes a significant increase in credit risk and the application of forward-looking information and temporary overlays. These crucial components require management judgement and are subject to robust governance.

Definition of default and credit-impaired

The Group's definition of default, which is fully aligned with the definition of credit-impaired (stage 3), has been aligned to the Regulatory Capital CRR Article 178 definition of default, to maintain a consistent approach with IFRS 9 and associated regulatory guidance.

Default represents those assets that are at least 90 days past due and/or where the assets are otherwise considered unlikely to pay.

- Unlikely to pay factors, include, but are not limited to:
- Need to execute guarantees as only source of repayment;
 - Internal rating downgrade to 'E' or worse;
 - Insolvency, liquidation or bankruptcy declared.

Subjective criteria are necessary, in order to anticipate situations that will only be captured in the future by an objective manner. If one or more situations below occur, IBBAInt assesses whether they are sufficient to configure a default:

¹¹ Forbearance measures consist of concessions towards a customer that is experiencing or about to experience difficulties in meeting its financial commitments. This can include modification of the previous terms and conditions of a contract or a total or partial refinancing, either of which would not have been required had the customer not been experiencing financial difficulties.



Forward-looking information

Forward-looking information is based on macroeconomic scenarios that are reassessed on a regular basis or when market conditions so require. The Group uses a broad range of prospective economic information as inputs to its model of expected credit losses and considers both internal and external sources of information and data in order to create unbiased projections and forecasts. Forward-looking information is also included in the weighting of economic scenarios when modelling the PD.

2.5. Impairment of Non-financial assets

At each reporting date, the Group reviews its non-financial assets (tangible and intangible assets) in order to identify indications of impairment in their recoverable amounts. If any such indication exists, then the asset's recoverable amount is estimated. Irrespective of whether there is an indication of impairment, intangible assets with an indefinite useful life, including goodwill acquired in a business combination, are tested annually for impairment.

The recoverable amount of the asset is the greater of its fair value less the cost to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which independent cash flows can be identified (cash-generating units 'CGU'). The assessment may be made at an individual asset level when the fair value less the cost to sell can be reliably determined.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the income statement.

2.6. Debt securities issued by the Group

Debt issued by the Group is recorded in the items debt securities in issue, financial liabilities designated at fair value through profit or loss and trading liabilities (in the case of some structured notes).

Debt securities in issue include certificates of deposit and senior bonds. The senior bonds issued by the Bank in 2022 are listed in SIX Exchange. The Group also issues structured financial instruments which are recorded as debt securities in issue and correspond to bonds with embedded derivatives. The embedded derivatives are separated from the respective instrument, since those are not closely related to the host contract, and the derivatives' terms qualify for a stand-alone instrument.

Financial liabilities designated at fair value through profit or loss correspond to notes issued by the Bank and economically hedged by government bonds booked as financial assets designated at fair value through profit or loss.

The trading liabilities correspond to structured notes issued by the Group under a Structured Medium Term Note Programme, where the Group passes to the client all the income and risks regarding the underlying asset.

Debt issued is valued, on issue date, at fair value including expenses and transaction commissions and, with the exception of the trading liabilities and financial liabilities designated at fair value through profit or loss, are subsequently valued at amortised cost, using the effective interest rate method.

2.7. Derivative financial instruments

a) Accounting for derivatives

The Group holds financial derivatives while carrying out its activities, managing its own positions based on market development expectations, meeting the needs of its customers or hedging positions.

The Group trades financial derivatives over exchange rates, interest rates, stock or stock indices, over credit defaults, inflation or over a combination of all of these. These transactions are carried out either over-the-counter ("OTC") or in organised markets.

Derivatives traded in organised markets follow the standards and rules of those markets. OTC derivatives are normally based on a standard bilateral contract between the parties, usually following International Swaps and Derivatives Association ("ISDA") agreements.

All derivatives are recorded at fair value and classified as assets when their fair value is positive or as liabilities when their fair value is negative. Changes in the fair value of derivatives are included in 'Net income on financial operations', unless hedge accounting is applied, in which case, the interest component of the respective hedging derivatives is included in 'Net interest income'. The notional amount is the reference value for the purpose of calculating the cash flows of the transaction and is recorded in off-balance sheet accounts.

Embedded derivatives are separated from structured financial instruments, since the economic risks and characteristics of the first are not closely related to those of the host contracts.

b) Hedge accounting

As permitted by IFRS 9, the Group has elected to continue to apply the hedge accounting requirements of IAS 39.

According to IAS 39, a hedge relationship exists when:

- at the beginning of the relationship the hedge is formally documented;
- the hedge is expected to be highly effective;
- the effectiveness of the hedge can be reliably measured; and
- the hedge is highly effective throughout the financial reporting period.

There are three categories of hedge:

- fair value hedge – in a fair value hedge operation, the carrying amount of the hedged asset or liability, determined by the respective accounting policy, is adjusted to reflect its fair value change attributable to



the hedged risk. Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, the derivative is transferred to the trading portfolio and the hedge accounting is discontinued prospectively. If the hedged asset or liability is a fixed income instrument, the revaluation adjustment is amortised until maturity by the effective interest rate method.

- cash flow hedge – the effective portion of changes in the fair value of qualifying cash flow hedges is recognised in other comprehensive income in the cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts accumulated in equity are reclassified to the income statement in the periods in which the hedged item affects profit or loss. When the forecasted transaction is no longer expected to occur, the cumulative gain or loss reported in equity is immediately transferred to the income statement and the hedging instrument is transferred to the trading portfolio.
- hedge of a net investment in a foreign operational unit – hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity; the gain or loss relating to the ineffective portion is recognised immediately in the income statement. Gains and losses accumulated in equity are included in the income statement when the foreign operation is disposed of.

The Group and the Bank manage fair value hedge and cash flow hedge strategies. The fair value hedge is applied on micro level, on which one hedged item is hedged with one or multiple hedging instruments, as well as macro level, whereby a portfolio of items is hedged with multiple hedging instruments. The hedge ratio is established by matching the

notional of the hedging derivatives against the principal of the designated corresponding hedged items.

In its consolidated financial statements, the Group is also hedging the foreign currency risk on the net investment in subsidiaries in foreign currency (IBBA Europe and Banco Itaú (Suisse) S.A.). The exchange rate differences (in the effective portion) originated by the liabilities in foreign currency designated as hedging instruments, are registered as reserves related to foreign exchange differences, until the investment is sold. The ineffective portion of the hedge is recognised immediately in the income statement. In the Bank's individual financial statements, this hedge is accounted for as a fair value hedge (FVH).

Effectiveness tests are appropriately documented on a regular basis, assuring the existence of evidence during the life of the hedged operations. If the hedge no longer meets the hedge accounting criteria, it must be discontinued prospectively. Also, when the hedging instrument is intra-group and no market hedging instrument exists within the Group, the hedge accounting strategy exists only at subsidiary level and is derecognised on a consolidated level.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group considers whether the critical terms of the hedged item and hedging instrument closely align when assessing the presence of an economic relationship.

The Group has identified the following possible sources of ineffectiveness:

- Mismatches between the contractual terms of the hedged item and hedging instrument;
- Differences in timing of cash flows of hedged items and hedging instruments;

- Different interest rate curves applied to discount the hedged items and hedging instruments;
- Changes in credit risk of the hedging instruments. This risk is minimised by entering into derivatives with high credit quality counterparties.

Hedge accounting disclosures are provided in **Note 9.3**.

2.8. Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in USD, which is the Bank's functional and presentation currency.

b) Transactions and balances expressed in foreign currency

Financial assets and liabilities in foreign currencies are recorded in accordance with the principles of the multicurrency system, that is, in their currencies.

Income and costs calculated in the different currencies are converted to USD at the exchange rate for the day on which they are recognised.

The accounting procedures differ depending on the effect of the operations on the foreign exchange position:

- Spot Position

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of



such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges. Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as financial assets measured at fair value through OCI, are included in the revaluation reserve in equity.

• Forward Position

The forward foreign exchange position in each currency is given by the net balance of the forward operations awaiting settlement, excluding those due within the next two working days. All the contracts concerning these operations are revalued at the market forward exchange rates or, in their absence, through calculation based on interest rate differentials applicable to the residual maturity of each operation. Unrealised gains and losses are recorded in a foreign exchange position revaluation account, in the balance sheet, against profit or loss.

c) Subsidiaries

The results and financial position of all the Group entities (none of which have the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the balance sheet date closing rate;
- income and expenses for each income statement are translated at average exchange rates;

- equity is translated at historical exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income.

2.9. Lease contracts

At the commencement date of a contract, the Group assesses whether a contract is or contains a lease. A contract is or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a) Lessee's perspective

The Group recognises for all leases, except for those with a term under 12 months or for low value underlying asset leases, a right-of-use asset and a lease liability, in the scope of IFRS 16 - Leases:

- A right-of-use asset shall comprise the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee, and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset.
- The lease liability is measured as the present value of the lease payments that are not paid at that date. The lease payments are discounted using the Group's incremental borrowing rate. The lease liabilities are recognised as "Other liabilities". The finance cost is charged to profit or loss, over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The finance cost is recognised as an "interest expense".
- After the commencement date, the Group measures the right-of-use asset applying a cost model. The right-

of-use asset is recognised as a "tangible asset" and depreciated over the lease term on a straight-line basis.

The Group applies the depreciation requirements in IAS 16 – Property, Plant and Equipment in depreciating the right-of-use asset. The Group also applies IAS 36 – Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

The Group chose not to apply IFRS 16 – Leases to short-term lease contracts, i.e. contracts with a term shorter than or equal to one year, and to lease contracts in which the underlying asset's value is below USD 5,000. In these cases, the Group recognises the lease payments associated with such contracts as an expense.

b) Lessor's perspective

Under IFRS 16, a lessor is required to determine whether a lease is a finance or operating lease. Assets leased to customers are classified as finance leases if the lease agreements transfer substantially all the risks and rewards of ownership to the lessee but not necessarily legal title. All other leases are classified as operating leases.

2.10. Tangible assets

The tangible assets used by the Group to conduct its activities are valued in the financial statements at cost (including directly attributable costs) less accumulated depreciation and impairment losses. Subsequent costs are capitalised if these result in the enhancement to the asset.

The depreciation of tangible assets is recorded on a straight line basis over their estimated useful life, corresponding to the period in which the asset is expected to be available for use:



	Useful life (years)
Buildings (*)	5-50
Furniture and fixtures	4-9
Machinery and tools	7
Computer equipment	3-5
Furnishings	5-10
Safety Equipment	4
Other equipment	3-12

(*) Includes Leasehold improvements

2.11. Intangible assets

The Group records in this item software. Software is amortised on an annual straight line basis, which corresponds to a period of three to ten years, according to its estimated useful life.

Costs associated with maintaining software programmes are recognised as an expense as incurred. Configuration and customisation costs that are directly attributable to the design of identifiable and unique features within the software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available;
- in case of Software as a Service ('SaaS'), configuration and customisation services are distinct from SaaS arrangement, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use. Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred.

2.12. Cash flow statement

For the purposes of the cash flow statement, cash and cash equivalents comprise cash, balances with central banks and amounts due from banks with a maturity of less than three months.

Investments in debt securities at amortised cost as well as in financial assets measured at fair value through OCI are considered to be investing activities for the purposes of the cash flow statement.

Debt securities issued and redeemed are considered to be operating activities, except qualifying eligible liabilities that satisfy regulatory requirements for Own Funds instruments, which are considered to be financing activities.

2.13. Income taxes

Current tax is recognised as an expense in the period in which the profits arise, and is calculated based on the tax rate in place, in the countries where the Group is present.

Deferred tax assets and liabilities correspond to the value of the tax recoverable and payable in future periods, resulting from temporary differences between the value of an asset or liability on the balance sheet and its tax base. Tax losses to be carried forward and tax credits are also recorded as deferred tax assets.

Deferred tax assets are recognised up to the amount for

which it is likely that there will be future taxable profit to accommodate deductible temporary differences.

Deferred tax assets and liabilities are calculated based on tax rates set for the period in which the corresponding asset or liability is expected to be realised, and are recognised in profit or loss except those related to amounts registered directly in equity (in particular financial assets measured at fair value through OCI).

Changes in tax legislation and rates are recognised in the statement of income under Income tax in the period in which they are substantively enacted.

The Bank is subject to Pillar Two legislation that establishes guidelines for the recognition, measurement and disclosure of a minimum level of taxation of 15% for large multinational groups with global consolidated revenue over €750 million.

The Top-up tax is recognised separately from income tax.

Deferred Taxes in connection with Pillar Two legislation are recognised in accordance with IAS 12.

2.14. Main accounting estimates and judgements

The preparation of the financial statements requires the Group to make estimates, assumptions and subjective judgements, and changes on these could have an impact on the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. These estimates are based on the best information available at the time of preparation of the financial statements, and, where applicable, consider the impact of the current geopolitical and economic uncertainty. In preparing the financial statements, the Group has considered the impact of climate-related risks on its financial position and performance. While the effects of climate change



represent a source of uncertainty, the Group does not consider there to be a material impact on its judgements and estimates from the physical, transition and other climate-related risks in the short to medium term.

The critical accounting estimates are as follows:

- **Expected credit loss ('ECL'):**
The assumptions and other sources of estimation uncertainty used include prospective information, probability-weighted loss scenarios and criteria for significant increase or decrease in credit risk and application/release of overlays (see **Notes 2.4, 11 and 40 a**)).
- **Goodwill impairment:**
Cash flow projections necessarily take into account changes in the market in which the business operates including the level of growth, competitive activity and the impacts of regulatory change. When testing goodwill for impairment, determining both the expected cash flows and the appropriate risk adjusted discount rate requires the exercise of judgement and the use of assumptions (see **Note 13**).

Other accounting estimates include:

- **Fair value of derivatives and other financial instruments:**
On the absence of quoted prices in active markets, the fair value of derivatives and other financial instruments is estimated using valuation methods and financial models, the results of which depend on the future-oriented assumptions used (see **Notes 3.2, 6, 7, 8, 9 and 18**).
- **Deferred taxes:**
Recognition of deferred taxes requires the existence of profits and future taxable income. Deferred tax assets and liabilities are determined based on current

tax legislation for the Group, or on legislation already published for future application. Changes in tax legislation may influence the value of deferred taxes (see **Notes 2.13, 15 and 22**).

- **Defined benefit liability:**
The actuarial study conducted for calculation of the defined benefit liability involves the use of some relevant assumptions, namely rates of discount, of interest on retirement savings and of future salary increases, as well as mortality tables. Changes on these may influence the value of defined benefit liability (see **Notes 2.16 and 24**).
- **Leases:**
The definition of the term of the lease agreements requires judgement, namely when the agreements include extension and termination options. Also, the incremental interest rates used to measure lease liabilities are estimated using observable inputs and require specific adjustments to reflect the Group's own credit risk (see **Notes 2.9 and 23**).

2.15. Provisions for other risks and charges

This item includes provisions to cover other specific risks, namely tax contingencies, legal processes and other losses arising from the Group's activity.

Provisions are recognised when the Group has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at each balance sheet date.

2.16. Responsibilities for post-employment plans

The group operates post-employment schemes, including

both defined contribution and defined benefit pension plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. For defined contribution plans, the Group recognises contributions due in respect of the accounting period in the income statement. Any contributions unpaid at the balance sheet date are included as a liability.

A defined benefit plan is a pension plan that is not a defined contribution plan, and generally creates an obligation to provide agreed benefits to employees, placing actuarial risk on the Group. For defined benefit plans, the liability recognised in the balance sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries. Actuarial gains and losses arising from changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

The Bank operates a defined contribution plan for permanent employees resident in the UK, only during the employment period with the Bank. The subsidiary Banco Itaú International (Miami) operates a defined contribution plan covering substantially all of its employees.

The subsidiary Banco Itaú (Suisse) S.A. operates a post-employment plan considered to be a defined benefit plan because of the inherent minimum benefits guaranteed by Swiss law. This pension plan is managed by AXA Winterthur Insurance Group and combines a standard pension plan for all employees except Senior Management Level (which grants at least the benefits mandatory by law up to a specified pensionable salary per annum) and a separate pension plan, for Senior Management Level (which is defined to additionally



insure pensionable salaries in excess of that specified pensionable salary and up to a specified limit).

The Group's income statement charge (under Staff Costs) includes the current service cost of providing pension benefits, past service costs, net interest expense (income), and plan administration costs that are not deducted from the return on plan assets. Past service costs, which represents the change in the present value of the defined benefit obligation resulting from a plan amendment or curtailment, are recognised when the plan amendment or curtailment occurs. Net interest expense (income) is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurements of the defined benefit obligation, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest expense (income) and net of the cost of managing the plan assets), and the effect of changes to the asset ceiling (if applicable) are reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. These remeasurements are recognised in other comprehensive income as items that will not subsequently be reclassified to profit or loss

2.17. Share-based remuneration plan

Executive Directors and other senior managers of the Bank, under certain conditions, have 50% of their variable remuneration deferred for three years. This variable remuneration payment plan falls within the scope of IFRS 2 – Share-based Payment and corresponds to a cash payment based on shares (cash-settled share-based payment).

Since the Bank does not have shares listed on the stock market and its activity is fully aligned to the strategy and objectives of Itaú Unibanco, its ultimate shareholder, the payment of variable remuneration is made using an instrument linked to preference shares of Itaú Unibanco

(“phantom shares” or the “Instrument”). This Instrument represents a promise of a cash payment made by the Bank to the beneficiaries, the value of which is determined by reference to the price fluctuation of Itaú Unibanco preference shares.

The Instruments consist of tranches, each representing a proportion (determined by reference to the vesting period) of the variable remuneration delivered in the form of the Instrument. Each tranche vests on an annual basis over a three-year period, and vesting is subject to the employee remaining employed with the Bank through the relevant vesting date, not being under notice of termination, and not being subject to any active performance or disciplinary process at the time of vesting. In line with the Bank's Remuneration Policy, vested amounts may still be reduced (malus) or cancelled entirely in circumstances involving misconduct, material risk failures, breaches of internal policies, or deterioration in the financial performance or risk profile of the Bank or the Group. These service- and conduct-based vesting conditions directly affect the number of Instruments that ultimately vest.

The amount which would have become payable pursuant to the Instrument or any tranche thereof, is subject to certain conditions set out in the Bank's remuneration policy, and may be reduced, including to nil, in the circumstances set out in that policy. This amount shall be calculated at the absolute discretion of the Bank and paid to the beneficiaries in the currency in which the respective variable remuneration was approved.

In addition, Itaú Unibanco operates an investment programme for selected senior executives and other employees across the Itaú Group. This programme is designed to reinforce the retention and alignment of certain key talented employees in achieving the common objectives of the Itaú Group, including the creation of value over the long-term and alignment with the behavioural standards and culture of the Group.

This programme allows the selected employees to invest 35% to 70% of their total annual variable remuneration (including both deferred and non-deferred elements). The investment in the programme is converted into a number of phantom shares which vest, and respective amounts become payable to the employee on a deferred basis. Matching phantom shares are also awarded under this programme by reference to the net amount of the investment. The matching phantom shares amount becomes payable to the employee 5 years from the date on which the annual variable remuneration is awarded and invested in the programme. The rules of the programme may change from time to time as per Itaú Unibanco criteria and, when contemplating employees of the Bank, will always be applied consistently with the Remuneration Policy.

The fair value of this benefit, determined on the date of its assignment, is charged to the income statement as staff costs, on a straight line basis for each tranche from the start of the year of the program until the respective vesting date. The resulting liability is revalued at each balance sheet date, with the changes in fair value recognised in net income.

The Portuguese subsidiary of the Bank – Itaú BBA Europe, S.A. and the private banking subsidiaries – Banco Itaú International and Banco Itaú (Suisse) S.A. – also operate a share-based remuneration plan, aligned with that of the Bank.

2.18. Revenue recognition

a) Net interest income

Interest income and expense are recognised in the income statement using the effective interest method for all interest-bearing financial instruments (except for those measured at fair value through profit or loss). The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or interest



expense over the expected life of the financial instrument. The effective interest rate is the rate that discounts the estimated future cash payments or receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset (before adjusting for expected credit losses) or to the amortised cost of the financial liability.

Interest results on instruments classified at amortised cost, assets measured at FVOCI and derivatives in a formal hedge accounting relationship are presented in 'Interest income (expense) using effective interest rate method'. The interest component of non-trading derivatives held at FVTPL used by the Group for economic hedge of financial assets measured at FVOCI is presented in 'Other interest and similar income'.

b) Net fee and commission income

The Group applies IFRS 15 'Revenue from Contracts with Customers'. The standard establishes a five-step model governing revenue recognition. The five-step model requires the Group to (i) identify the contract with the customer; (ii) identify each of the performance obligations included in the contract; (iii) determine the amount of consideration in the contract; (iv) allocate the consideration to each of the identified performance obligations and (v) recognise revenue as each performance obligation is satisfied.

The Group recognises fees and commission income charged for services provided by the Group as the services are provided.

c) Net income on financial operations

- Net income on financial assets and liabilities at fair value through profit or loss ('FVTPL')

Net income on financial assets and liabilities at FVTPL includes gains and losses on trading assets and liabilities, financial assets and liabilities designated

at fair value and derivatives not qualifying for hedge accounting relationships. This item includes also foreign exchange revaluation.

- Net income on financial assets and liabilities at fair value through OCI ('FVOCI')

Net income on financial assets at FVOCI includes gains and losses on derecognition of financial assets at FVOCI calculated as the difference between the book value and the proceeds received.

- Dividend income

Dividend income is recognised when the right to receive the dividend has been established.

- Net income on other financial operations

Net income on other financial operations includes gains and losses on purchase and disposal of loans, early termination of financial operations, repurchase of own issues and structured financial instruments. This item includes also gains and losses on hedging relationships (including hedged items and respective hedging instruments).

2.19. Share capital and share premium

Common (ordinary) shares are classified in shareholders' equity under share capital. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. The amount by which the fair value consideration received for shares exceeds the nominal value of the shares is classified in shareholders' equity under share premium. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12 'Income taxes'.

Note 3 - Strategy in the use of financial instruments

By nature, the activities of the Group are mainly concerned with the use of financial instruments, including derivatives.

The Group accepts deposits from financial institutions and customers, at fixed and floating interest rates and for various tenors, and it seeks to obtain above average margins by investing these funds in high quality assets. The Group seeks to increase these margins by consolidating short-term funds and offering loans for longer periods at higher interest rates, while ensuring sufficient liquidity to meet its obligations. These exposures also involve guarantees and other commitments.

The Group trades financial derivatives while carrying out its activities, managing its own positions based on market development expectations, meeting the needs of its customers or hedging positions. Included in this strategy, the Group manages a portfolio of back-to-back derivatives with corporate and private customers on one side, and with institutional clients on the other, seeking profit on the bid/ask spread with minimal risk. The Board of Directors sets limits on the level of overnight and intraday exposure to the market.

The Group also manages a buffer of high quality liquid financial assets, which the Bank is required to hold to ensure that it meets the regulator's tolerance for liquidity risk.

3.1. Assets and liabilities by the categories of IFRS 9

In the context of the Group's strategy in the use of financial instruments, the following tables show the assets and liabilities by the different categories of financial instruments according to IFRS 9:



Assets and liabilities by the categories of IFRS 9

USD'000	Group						Total
	Fair value through profit or loss			Amortised cost	Fair value through OCI	Non-Financial Assets/Liabilities	
	Mandatory	Designated	Hedging				
31.12.25							
Cash and balances at central banks	-	-	-	2 013 095	-	-	2 013 095
Trading assets	10 362	-	-	-	-	-	10 362
Financial assets designated at fair value through profit or loss	-	0	-	-	-	-	0
Financial assets at fair value through OCI	-	-	-	-	2 044 392	-	2 044 392
Derivative financial instruments	391 479	-	10 975	-	-	-	402 454
Financial assets at amortised cost							
Loans and advances to banks	-	-	-	497 037	-	-	497 037
Loans and advances to customers	-	-	-	6 201 165	-	-	6 201 165
Other assets	2 058	-	-	-	-	218 518	220 576
Total Assets	403 899	-	10 975	8 711 297	2 044 392	218 518	11 389 081
Trading liabilities	10 306	-	-	-	-	-	10 306
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-
Derivative financial instruments	509 886	-	20 872	-	-	-	530 758
Deposits from banks	-	-	-	744 330	-	-	744 330
Customer accounts	-	-	-	4 962 080	-	-	4 962 080
Debt securities in issue	-	-	-	2 364 797	-	-	2 364 797
Other liabilities	93 023 ¹	-	-	-	-	130 494	223 517
Total Liabilities	613 215	-	20 872	8 071 207	-	130 494	8 835 788

¹ Operations pending settlement



Assets and liabilities by the categories of IFRS 9

USD'000	Group						Total
	Fair value through profit or loss			Amortised cost	Fair value through OCI	Non-Financial Assets/Liabilities	
	Mandatory	Designated	Hedging				
31.12.24							
Cash and balances at central banks	-	-	-	1 151 504	-	-	1 151 504
Trading assets	6 920	-	-	-	-	-	6 920
Financial assets designated at fair value through profit or loss	-	44 509	-	-	-	-	44 509
Financial assets at fair value through OCI	-	-	-	-	2 134 335	-	2 134 335
Derivative financial instruments	481 524	-	16 684	-	-	-	498 208
Financial assets at amortised cost							
Loans and advances to banks	-	-	-	1 591 163	-	-	1 591 163
Loans and advances to customers	-	-	-	6 265 290	-	-	6 265 290
Other assets	1 924 ¹	-	-	-	-	214 681	216 605
Total Assets	490 368	44 509	16 684	9 007 957	2 134 335	214 681	11 908 534
Trading liabilities	6 911	-	-	-	-	-	6 911
Financial liabilities designated at fair value through profit or loss	-	44 456	-	-	-	-	44 456
Derivative financial instruments	436 283	-	25 730	-	-	-	462 013
Deposits from banks	-	-	-	767 338	-	-	767 338
Customer accounts	-	-	-	5 413 209	-	-	5 413 209
Debt securities in issue	-	-	-	2 613 432	-	-	2 613 432
Other liabilities	107 985 ¹	-	-	-	-	132 466	240 451
Total Liabilities	551 179	44 456	25 730	8 793 979	-	132 466	9 547 810

¹ Operations pending settlement



Assets and liabilities by the categories of IFRS 9

USD'000	Bank						Total
	Fair value through profit or loss			Amortised cost	Fair value through OCI	Non-Financial Assets/Liabilities	
	Mandatory	Designated	Hedging				
31.12.25							
Cash and balances at central banks	-	-	-	17	-	-	17
Trading assets	10 362	-	-	-	-	-	10 362
Financial assets designated at fair value through profit or loss	-	0	-	-	-	-	0
Financial assets at fair value through OCI	-	-	-	-	1 735 647	-	1 735 647
Derivative financial instruments	391 485	-	10 944	-	-	-	402 429
Financial assets at amortised cost							
Loans and advances to banks	-	-	-	890 765	-	-	890 765
Loans and advances to customers	-	-	-	4 044 575	-	-	4 044 575
Investments in subsidiaries and associates	-	-	-	-	-	803 125	803 125
Other assets	122	-	-	-	-	9 185	9 307
Total Assets	401 969	-	10 944	4 935 357	1 735 647	812 310	7 896 227
Trading liabilities	10 306	-	-	-	-	-	10 306
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-
Derivative financial instruments	506 563	-	19 670	-	-	-	526 233
Deposits from banks	-	-	-	1 053 183	-	-	1 053 183
Customer accounts	-	-	-	1 740 013	-	-	1 740 013
Debt securities in issue	-	-	-	2 364 797	-	-	2 364 797
Other liabilities	23 437 ¹	-	-	-	-	23 784	47 221
Total Liabilities	540 306	-	19 670	5 157 993	-	23 784	5 741 753

¹Operations pending settlement



Assets and liabilities by the categories of IFRS 9

USD'000	Bank						Total
	Fair value through profit or loss			Amortised cost	Fair value through OCI	Non-Financial Assets/Liabilities	
	Mandatory	Designated	Hedging				
31.12.24							
Cash and balances at central banks	-	-	-	16	-	-	16
Trading assets	6 920	-	-	-	-	-	6 920
Financial assets designated at fair value through profit or loss	-	44 509	-	-	-	-	44 509
Financial assets at fair value through OCI	-	-	-	-	1 824 171	-	1 824 171
Derivative financial instruments	474 959	-	14 047	-	-	-	489 006
Financial assets at amortised cost							
Loans and advances to banks	-	-	-	1 714 874	-	-	1 714 874
Loans and advances to customers	-	-	-	4 104 314	-	-	4 104 314
Investments in subsidiaries and associates	-	-	-	-	-	743 998	743 998
Other assets	109 ¹	-	-	-	-	9 229	9 338
Total Assets	481 988	44 509	14 047	5 819 204	1 824 171	753 227	8 937 146
Trading liabilities	6 911	-	-	-	-	-	6 911
Financial liabilities designated at fair value through profit or loss	-	44 456	-	-	-	-	44 456
Derivative financial instruments	438 420	-	24 360	-	-	-	462 780
Deposits from banks	-	-	-	925 795	-	-	925 795
Customer accounts	-	-	-	2 745 061	-	-	2 745 061
Debt securities in issue	-	-	-	2 613 477	-	-	2 613 477
Other liabilities	55 607 ¹	-	-	-	-	20 145	75 752
Total Liabilities	500 938	44 456	24 360	6 284 333	-	20 145	6 874 232

¹Operations pending settlement



3.2. Fair value of financial assets and liabilities

In determining the fair value of a financial asset or liability, if an active market exists, the market price is applied. In the absence of an active market, generally accepted valuation techniques are used, based on market assumptions.

For some of the Group's financial assets and liabilities, especially derivatives, quoted market prices are not available, and valuation models are used to estimate fair value. The most common valuation models are the discounted cash flows model and option price calculation models which incorporate interest rate curves and market volatilities.

3.2.1. Financial assets and liabilities not measured at fair value

The table below summarizes the fair value of financial assets and liabilities that are not measured at fair value in

the financial statements. It is presented in accordance with the fair value hierarchy described, along with the respective differences to their book values. The fair value hierarchy is classified as follows:

- Level 1: Assets and liabilities are classified as Level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted price is readily available, and the price represents actual and regularly occurring market transactions.
- Level 2: Assets and liabilities are classified as Level 2 if their valuation is based on one or more quoted prices in markets that are not active, or using models whose inputs are observable in an active market, either directly (i.e. as prices) or indirectly (i.e. derived from prices) or are mainly derived from or corroborated

by observable market data through correlation or by other means. Assets or liabilities that are valued using unobservable inputs that are not considered relevant or significant are classified as Level 2.

- Level 3: Assets and liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs).

Financial Assets and Liabilities not measured at Fair Value

USD'000	Group											
	31.12.25					31.12.24						
	Fair Value				Book Value	Difference	Fair Value				Book Value	Difference
Level 1	Level 2	Level 3	Total	Level 1			Level 2	Level 3	Total			
Financial Assets												
Cash and balances at central banks	-	2 013 095	-	2 013 095	2 013 095	0	-	1 151 504	-	1 151 504	1 151 504	-
Loans and advances to banks	-	497 096	-	497 096	497 037	59	-	1 590 836	-	1 590 836	1 591 163	(327)
Loans and advances to customers at amortised cost	-	6 213 356	-	6 213 356	6 201 165	12 191	-	6 275 445	-	6 275 445	6 265 290	10 155
Financial Liabilities												
Deposits from banks	-	744 783	-	744 783	744 330	453	-	763 777	-	763 777	767 338	(3 561)
Customer accounts	-	4 860 461	-	4 860 461	4 962 080	(101 619)	-	5 221 926	-	5 221 926	5 413 209	(191 283)
Debt securities in issue	-	2 378 233	-	2 378 233	2 364 797	13 436	-	2 600 739	-	2 600 739	2 613 432	(12 683)



Financial Assets and Liabilities not measured at Fair Value

USD'000	Bank											
	31.12.25						31.12.24					
	Fair Value				Book Value	Difference	Fair Value				Book Value	Difference
Level 1	Level 2	Level 3	Total	Level 1			Level 2	Level 3	Total			
Financial Assets												
Cash and balances at central banks	-	17	-	17	17	0	-	16	-	16	16	-
Loans and advances to banks	-	434 593	-	434 593	890 765	(456 172)	-	1 536 095	-	1 536 095	1 714 874	(178 779)
Loans and advances to customers at amortised cost	-	4 055 944	-	4 055 944	4 044 575	11 369	-	4 119 927	-	4 119 927	4 104 314	15 613
Financial Liabilities												
Deposits from banks	-	604 334	-	604 334	1 053 183	(448 849)	-	732 348	-	732 348	925 795	(193 447)
Customer accounts	-	1 740 307	-	1 740 307	1 740 013	294	-	2 741 902	-	2 741 902	2 745 061	(3 159)
Debt securities in issue	-	2 378 233	-	2 378 233	2 364 797	13 436	-	2 600 739	-	2 600 739	2 613 477	(12 738)

a) Financial assets

The book value of Loans and advances to banks repayable on demand, balances at central banks as well as overnight deposits is considered a reasonable estimate of its fair value.

The fair value of term Loans to banks and Loans and advances to customers at amortised cost is determined using discounted cash flow methodology, assuming the payments of the instalments at contractually defined dates. The discount rates are derived from (i) market observable interest rates and (ii) the risk margin reflecting credit risk conditions at origination. These operations are also presented net of expected credit losses, being this considered as a reasonable proxy for the credit risk evolution.

b) Financial liabilities

The book value of Deposits from banks and Customer accounts without defined maturity (including demand deposits) is considered a reasonable estimate of its fair value.

For time deposits and Debt securities in issue, the fair value is calculated by discounting the expected cash flows by current market rates, plus the Funds Transfer Pricing spread ('FTP' - is the rate used to all internal transfers of funding within the Bank providing a comparable cost measure across all product lines in the bank's portfolio), considering that the payments of the instalments occur on the contractually defined dates.



3.2.2. Financial assets and liabilities measured at fair value

The following table classifies the measurement of fair value, using a fair value hierarchy (defined in 3.2.1 item) which reflects the observability of significant market inputs.

Financial Assets and Liabilities measured at Fair Value	Group					
	31.12.25			31.12.24		
	Level 1	Level 2	Total	Level 1	Level 2	Total
USD'000						
Trading assets						
- Debt Securities	10 362	-	10 362	6 920	-	6 920
Financial assets designated at fair value through profit or loss						
- Debt Securities	-	-	-	44 509	-	44 509
Financial assets at fair value through OCI						
- Debt securities	2 044 392	-	2 044 392	2 134 335	-	2 134 335
Derivative financial instruments	22	402 432	402 454	188	498 020	498 208
Total assets at fair value	2 054 776	402 432	2 457 208	2 185 952	498 020	2 683 972
Trading liabilities	-	10 306	10 306	-	6 911	6 911
Financial liabilities designated at fair value through profit or loss	-	-	-	-	44 456	44 456
Derivative financial instruments	117	530 641	530 758	98	461 915	462 013
Total liabilities at fair value	117	540 947	541 064	98	513 282	513 380

Financial Assets and Liabilities measured at Fair Value	Bank					
	31.12.25			31.12.24		
	Level 1	Level 2	Total	Level 1	Level 2	Total
USD'000						
Trading assets						
- Debt Securities	10 362	-	10 362	6 920	-	6 920
Financial assets designated at fair value through profit or loss						
- Debt Securities	-	-	-	44 509	-	44 509
Financial assets at fair value through OCI						
- Debt securities	1 735 647	-	1 735 647	1 824 171	-	1 824 171
Derivative financial instruments	22	402 407	402 429	188	488 818	489 006
Total assets at fair value	1 746 031	402 407	2 148 438	1 875 788	488 818	2 364 606
Trading liabilities	-	10 306	10 306	-	6 911	6 911
Financial liabilities designated at fair value through profit or loss	-	-	-	-	44 456	44 456
Derivative financial instruments	117	526 116	526 233	98	462 682	462 780
Total liabilities at fair value	117	536 422	536 539	98	514 049	514 147



During 2025 and 2024, there were no material transfers between Level 1 and Level 2.

The valuation techniques used for the material products within Level 2 are described as follows:

• Trading liabilities:

Description: These trading liabilities correspond to Structured Notes issued by the Bank and economically hedged by Brazilian government bonds booked as trading assets.

Valuation: Since the value of the trading assets hedging the correspondent trading liabilities is observable in an active market, the fair value of these structured notes is linked to their underlying asset. Additionally, an adjustment is incorporated into trading liabilities valuation to reflect the impact on fair value of the Group's own credit risk. This adjustment is calculated through the variation of the FTP spread.

• Financial liabilities designated at fair value through profit or loss:

Description: These financial liabilities correspond to structured notes issued by the Bank and economically hedged by sovereign bonds booked as financial assets designated at fair value through profit or loss.

Valuation: Since the value of the financial assets hedging these liabilities is observable in an active market, the fair value of these structured notes is linked to their underlying asset. Additionally, an adjustment is incorporated into the valuation of these liabilities to reflect the impact on fair value of the

Group's own credit risk. This adjustment is calculated through the variation of the FTP spread.

• Derivatives:

Bilateral Over the Counter ('OTC') Derivatives valuation uses Risk-Free Rates ('RFR') discounting to reflect Credit Support Annex ('CSA') collateralisation and daily margin transfer. Interest Rate Swaps in USD and EUR are subject to Central Clearing and consider the Risk-Free Rates followed by IBOR reform for each currency (SOFR in USD and ESTR in EUR). CVA and DVA are incorporated into derivatives valuation to reflect the impact on fair value of counterparty and Group's own credit risk, respectively. The CVA is calculated through the variation of the counterparty credit spread and the DVA through the variation of IBBAInt's own credit spread.

The description and valuation of the different types of derivatives traded by the Group are as follows:

a) Interest rate derivatives:

Description: These are derivatives linked to interest rates. This category includes interest rate swaps, caps, floors and options (interest rate futures are categorised under Level 1).

Valuation: Interest rate derivative cash flows are valued using interest rate yield curves whereby observable market data is used to construct the term structure of forward and zero coupon rates. This is then used to project and discount future cash flows based on the parameters of the trade. Interest rate options traded as OTC derivatives are valued using standard market models based on observable market inputs (including interest rates, implied volatilities and others, as appropriate).

b) Foreign exchange derivatives:

Description: These are derivatives linked to the foreign exchange (FX) market. This category includes FX forward contracts, FX and Cross-currency swaps, FX options traded as OTC derivatives (FX futures are categorised under Level 1).

Valuation: Foreign exchange derivatives are valued using standard market models on observable market inputs (including FX rates, interest rates, FX forward points and others, as appropriate).

c) Credit derivatives:

Description: These are derivatives linked to the credit spread of a referenced entity. This category currently includes only single name Credit Default Swaps (CDS).

Valuation: CDS are valued using a market standard model that incorporates the credit spread curve as its principal input. All credit spreads are observed directly from market data.

d) Equity derivatives:

Description: These are derivatives linked to equity indices, baskets and single names. This category includes OTC equity option swaps and OTC equity options.

Valuation: The valuations of OTC equity derivatives are determined using standard market models based on observable market inputs (including equity prices, volatilities, correlation¹², dividends and interest rates).

¹² Correlation is based on equity prices observable in organised markets. It is estimated using a one year rolling window of relevant equity price's log returns.



Note 4 - Segment Reporting

The Group's segment reporting is in accordance with IFRS 8 – Operating segments. Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Committee, which is responsible for assessing performance of the operating segments and has been identified as the chief operating decision maker.

All transactions between operating segments are conducted on arm's length basis. Income and expenses directly associated with each segment are included in determining operating segment performance.

The Group is divided into two major operating segments, Corporate & Investment Banking ("CIB") and International Private Banking ("IPB"), as defined in the Business Model and Strategy section of the Strategic Report.

The operating segment reporting of the Group is detailed as follows:

Operating Segments

	Group				
	31.12.25				
USD'000	CIB	IPB	Eliminations	Other adjustments	Total
Interest external income using effective interest rate method	318 579	149 551	-	-	468 130
Other interest and similar external income	62 721	-	-	-	62 721
Interest intra-segment income	-	2 109	(15 587)	-	(13 478)
Total interest and similar income	381 300	151 660	(15 587)	-	517 373
Interest expense	(294 861)	(63 347)	15 587	-	(342 621)
Net interest income	86 439	88 313	-	-	174 752
Total fee and commission income	11 546	161 760	-	-	173 306
Fee and commission expense	(6 409)	(5 335)	-	-	(11 744)
Net fee and commission income	5 137	156 425	-	-	161 562
Other operating income	8 956	1 978	-	-	10 934
Net income on financial operations	73 024	14 272	-	(6 740)¹	80 556
Total Operating Income	173 556	260 988	-	(6 740)	427 804
Credit impairment charges and other provisions	(331)	-	-	-	(331)
Depreciation and amortisation	(1 801)	(10 511)	-	-	(12 312)
Staff costs	(43 072)	(77 046)	-	-	(120 118)
General and administrative expenses	(4 825)	(52 207)	-	-	(57 032)
Other operating expenses	(1 387)	(5 489)	-	-	(6 876)
Profit before tax	122 140	115 735	-	(6 740)	231 135
Income tax	(30 896)	(23 392)	-	-	(54 288)
Profit for the year	91 244	92 343	-	(6 740)	176 847
Assets by segment	7 753 816	4 369 304	(734 039)	-	11 389 081
Liabilities by segment	6 134 332	3 433 894	(732 438)	-	8 835 788

¹ Consolidation adjustment regarding intra-group hedge instruments. The hedge instrument is intra-group, therefore only impacting the subsidiary level and being derecognised at consolidated level. All exposures are part of the risk management of the Group and monitored on a solo and consolidated basis.



Operating Segments

	Group				
	31.12.24				
USD'000	CIB	IPB	Eliminations	Other adjustments	Total
Interest external income using effective interest rate method	374 343	161 585	-	-	535 928
Other interest and similar external income	76 195	-	-	-	76 195
Interest intra-segment income	-	1 550	(18 282)	-	(16 732)
Total interest and similar income	450 538	163 135	(18 282)	-	595 391
Interest expense	(335 004)	(62 907)	18 282	-	(379 629)
Net interest income	115 534	100 228	-	-	215 762
Total fee and commission income	12 616	148 356	-	-	160 972
Fee and commission expense	(8 765)	(5 562)	-	-	(14 327)
Net fee and commission income	3 851	142 794	-	-	146 645
Other operating income	8 175	2 792	-	-	10 967
Net income on financial operations	52 454	12 147	-	(19) ¹	64 582
Total Operating Income	180 014	257 961	-	(19)	437 956
Credit impairment charges and other provisions	296	-	-	-	296
Depreciation and amortisation	(1 792)	(9 397)	-	-	(11 189)
Staff costs	(35 392)	(73 338)	-	-	(108 730)
General and administrative expenses	(4 327)	(55 554)	-	-	(59 881)
Other operating expenses	(1 367)	(4 074)	-	-	(5 441)
Profit before tax	137 432	115 598	-	(19)	253 011
Income tax	(34 673)	(26 702)	-	-	(61 375)
Profit for the year	102 759	88 896	-	(19)	191 636
Assets by segment	8 879 683	3 297 196	(268 345)	-	11 908 534
Liabilities by segment	7 325 251	2 496 044	(273 485)	-	9 547 810

¹Consolidation adjustment regarding intra-group hedge instruments. The hedge instrument is intra-group, therefore only impacting the subsidiary level and being derecognised at consolidated level. All exposures are part of the risk management of the Group and monitored on a solo and consolidated basis.



The report of geographical information of the Group, based on the customer/asset location, is as follows:

Geographical information

31.12.25	Group				
	Total assets	Total liabilities	Guarantees and commitments	Total operating income	Capital expenditure
Europe	2 280 820	2 633 218	401 454	55 535	2 562
North America	2 824 561	77 830	83 388	56 323	2 912
South and Central America and Caribbean	5 892 620	2 994 621	311 080	282 878	-
Other countries	7 640	286 787	-	8 763	-
Unallocated	383 440 ¹	2 843 332 ²	2 796 ¹	24 305	-
Total	11 389 081	8 835 788	798 718	427 804	5 474

¹ This balance includes fully cash-collateralised operations

² This balance includes mainly structured notes and certificates of deposit issued by the Bank.

Geographical information

31.12.24	Group				
	Total assets	Total liabilities	Guarantees and commitments	Total operating income	Capital expenditure
Europe	2 539 825	3 658 805	500 617	79 367	4 686
North America	2 496 366	91 065	115 300	57 149	1 869
South and Central America and Caribbean	6 472 832	2 355 249	366 947	273 997	-
Other countries	19 526	388 203	-	4 392	-
Unallocated	379 985 ¹	3 054 488 ²	10 177 ¹	23 051	-
Total	11 908 534	9 547 810	993 041	437 956	6 555

¹ This balance includes fully cash-collateralised operations

² This balance includes mainly structured notes and certificates of deposit issued by the Bank.

Disclosures on the Group's exposure in terms of country of domicile of the credit risk counterparty are available on the Credit Risk Concentrations section of Note 40 a).



Note 5 - Cash and balances at central banks

This item is analysed as follows:

Cash and balances at central banks

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Cash	19	17	17	16
Demand deposits at European Central Bank	5 672	5 817	-	-
Short time deposits at European Central Bank	326 650	299 515	-	-
Demand deposits at Other Central Banks				
Federal Reserve Bank	1 654 704	815 414	-	-
Swiss National Bank	26 050	30 741	-	-
	2 013 095	1 151 504	17	16

Note 6 - Trading assets

This item is analysed as follows:

Trading assets

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Debt instruments				
Government bonds	10 362	6 920	10 362	6 920
	10 362	6 920	10 362	6 920

The trading assets are Brazilian Government bonds used to hedge, on an economic hedge basis, the structured notes of "Pass-through" type issued by the Bank under a Structured Medium Term Note Programme, recorded as trading liabilities (see Note 17).



The detail of the Group's and Bank's trading assets as of 31 December 2025 and 2024 is as follows:

Trading assets at 31.12.25

Type of Securities	Original Currency	Quantity	Rating Moody's	Book Value / Fair Value USD'000
Debt instruments				
Government bonds				
TESOURO NACIONAL BRASILEIRO	BRL	15 541	Ba1	10 362
				10 362

Trading assets at 31.12.24

Type of Securities	Original Currency	Quantity	Rating Moody's	Book Value / Fair Value USD'000
Debt instruments				
Government bonds				
TESOURO NACIONAL BRASILEIRO	BRL	13 830	Ba1	6 920
				6 920

The movement of the Group's and Bank's portfolio of trading assets for the years 2025 and 2024 is as follows:

Movement in the Trading portfolio

USD'000	Group		Bank	
	2025	2024	2025	2024
At 1 January	6 920	11 783	6 920	11 783
Acquisitions	4 940	-	4 940	-
Disposals	(2 562)	(1 923)	(2 562)	(1 923)
Matured	-	(278)	-	(278)
Gains and losses in the period recognised in income statement	1 064	(2 662)	1 064	(2 662)
At 31 December	10 362	6 920	10 362	6 920



Note 7 - Financial assets designated at fair value through profit or loss

This item is analysed as follows:

Financial assets designated at fair value through profit or loss

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Debt instruments				
Government bonds	-	44 509	-	44 509
	-	44 509	-	44 509

By designating these assets at fair value through profit or loss, the Group aims to eliminate or substantially reduce the inconsistency in measurement or recognition (“accounting mismatch”).

As of 31 December 2024, the Government bonds booked in this portfolio correspond to Paraguayan sovereign debt issued in Paraguayan Guarani. The structured notes economically hedged by these securities are recorded as financial liabilities designated at fair value through profit or loss. These government bonds were fully sold during the year ended 31 December 2025 as the related debit instrument was prepaid (**Note 18**). The impact on profit or loss arising from these instruments is presented in **Note 33**.

As of 31 December 2024, this debt instruments designated at fair value were detailed as follows:

Financial assets designated at fair value at 31.12.24

	Original currency	Nominal value USD'000	Book value/ fair value USD'000	Relevant organised market
Debt instruments				
Government Bonds				
PARAGUAY 15-2-2030	PYG	36 868	40 353	BVPASA
PARAGUAY 3-3-2036	PYG	4 048	4 156	BVPASA
			44 509	



The movement of the Group's and Bank's portfolio of financial assets designated at fair value for the years 2025 and 2024 is as follows:

Movement in the portfolio of Financial assets designated at fair value through profit or loss

USD'000	Group		Bank	
	2025	2024	2025	2024
At 1 January	44 509	49 259	44 509	49 259
Acquisitions	-	4 063	-	4 063
Disposals	(46 267)	(12 973)	(46 267)	(12 973)
Matured	-	-	-	-
Gains and losses in the period recognised in income statement	1 758	4 160	1 758	4 160
At 31 December	-	44 509	-	44 509

Note 8 - Financial assets measured at fair value through OCI

This item is analysed as follows:

Financial assets measured at fair value through OCI

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Debt instruments				
Government bonds	2 044 392	2 134 335	1 735 647	1 824 171
	2 044 392	2 134 335	1 735 647	1 824 171



As of 31 December 2025, the detail of financial assets measured at fair value through OCI is presented below:

Financial assets measured at fair value through OCI at 31.12.25

Type of securities	Original currency	Unit Values			Purchase value (USD)	Accrued interest	Group		Bank		Relevant organised market
		Quantity	Nominal	Price			Book value/ fair value	Gain/Loss (+/-)	Book value/ fair value	Gain/Loss (+/-)	
Debt instruments											
Government Bonds											
FEDERATIVE REPUBLIC OF BRAZIL 1-10-2026	BRL	1 023 000	33	90.67%	168 970	-	168 857	-	168 857	-	SAO PAULO
FEDERATIVE REPUBLIC OF BRAZIL 1-7-2026	BRL	4 077 000	33	93.66%	695 563	-	695 195	-	695 195	-	SAO PAULO
FEDERATIVE REPUBLIC OF BRAZIL 1-1-2026	BRL	247 000	33	99.94%	44 227	-	44 942	-	44 942	-	SAO PAULO
FEDERATIVE REPUBLIC OF BRAZIL 1-4-2026	BRL	2 406 000	33	96.73%	424 503	-	423 687	-	423 687	-	SAO PAULO
UNITED STATES OF AMERICA 31-12-2030	USD	30 000	1 000	100.10%	29 981	3	30 034	49	30 034	49	NYSE
UNITED STATES OF AMERICA 31-7-2027	USD	700 000	100	100.10%	70 011	478	70 550	61	70 550	61	NYSE
UNITED STATES OF AMERICA 31-10-2026	USD	3 000 000	100	100.10%	300 277	2 072	302 382	33	302 382	33	NYSE
UNITED STATES OF AMERICA 9-7-2026	USD	50 000	100	96.91%	4 809	-	4 845	36	-	-	NYSE
UNITED STATES OF AMERICA 31-1-2026	USD	125 000	100	100.88%	12 515	83	12 693	95	-	-	NYSE
UNITED STATES OF AMERICA 31-7-2026	USD	75 000	100	100.88%	7 509	50	7 616	57	-	-	NYSE
UNITED STATES OF AMERICA 31-7-2026	USD	490 000	100	100.03%	49 031	330	49 347	(15)	-	-	NYSE
UNITED STATES OF AMERICA 31-1-2026	USD	234 000	100	100.00%	23 428	159	23 558	(28)	-	-	NYSE
SWISS NATIONAL BANK 1-1-2026	CHF	30 000	1 591	100.01%	37 849	-	37 849	-	-	-	SIX
SWISS NATIONAL BANK 1-1-2026	CHF	50 000	1 591	100.00%	63 081	-	63 080	(2)	-	-	SIX
SWISS NATIONAL BANK 1-1-2026	CHF	84 000	1 591	103.57%	109 762	-	109 757	(5)	-	-	SIX
					2 041 516	3 175	2 044 392	281	1 735 647	143	
Equity instruments											
Shares											
PLUG POWER INC	USD	32	1	100.00%	-	-	-	-	-	-	-
					2,041,516	3,175	2,044,392	281	1,735,647	143	



As of 31 December 2024, the detail of financial assets measured at fair value through OCI is presented below:

Financial assets measured at fair value through OCI at 31.12.24

Type of securities	Original currency	Unit Values			Purchase value (USD)	Accrued interest	Group		Bank		Relevant organised market
		Quantity	Nominal	Price			Book value/ fair value	Gain/Loss (+/-)	Book value/ fair value	Gain/Loss (+/-)	
Debt instruments											
Government Bonds											
FEDERATIVE REPUBLIC OF BRAZIL 1-10-2025	BRL	950 000	26	90.09%	140 170	-	138 380	-	138 380	-	SAO PAULO
FEDERATIVE REPUBLIC OF BRAZIL 1-1-2025	BRL	445 000	26	99.95%	54 762	-	71 921	-	71 921	-	SAO PAULO
FEDERATIVE REPUBLIC OF BRAZIL 1-1-2026	BRL	1 050 000	26	86.57%	151 075	-	146 976	-	146 976	-	SAO PAULO
FEDERATIVE REPUBLIC OF BRAZIL 1-4-2025	BRL	3 292 700	26	97.02%	520 292	-	516 562	-	516 562	-	SAO PAULO
FEDERATIVE REPUBLIC OF BRAZIL 1-4-2026	BRL	800 000	26	83.31%	111 293	-	107 763	-	107 763	-	SAO PAULO
FEDERATIVE REPUBLIC OF BRAZIL 1-7-2025	BRL	2 568 900	26	93.74%	396 221	-	389 392	-	389 392	-	SAO PAULO
UNITED STATES OF AMERICA 15-6-2025	USD	200 000	1 000	99.45%	198 637	253	199 151	262	199 151	262	NYSE
UNITED STATES OF AMERICA 30-11-2027	USD	60 000	1 000	99.00%	60 329	198	59 598	(929)	59 598	(929)	NYSE
UNITED STATES OF AMERICA 30-9-2027	USD	45 000	1 000	99.72%	45 377	469	45 343	(504)	45 343	(504)	NYSE
UNITED STATES OF AMERICA 31-10-2025	USD	170 000	100	100.03%	16 997	129	17 134	9	-	-	NYSE
UNITED STATES OF AMERICA 31-1-2026	USD	125 000	100	100.43%	12 508	98	12 660	54	-	-	NYSE
UNITED STATES OF AMERICA 31-1-2026	USD	234 000	100	100.11%	23 428	182	23 607	(4)	-	-	NYSE
UNITED STATES OF AMERICA 31-7-2025	USD	1 250 000	100	100.04%	124 949	997	126 053	107	126 053	106	NYSE
UNITED STATES OF AMERICA 31-7-2025	USD	125 000	100	100.43%	12 508	94	12 656	54	-	-	NYSE
UNITED STATES OF AMERICA 31-7-2025	USD	265 000	100	100.03%	26 498	198	26 705	8	-	-	NYSE
UNITED STATES OF AMERICA 31-7-2029	USD	23 000	1 000	98.48%	23 284	382	23 032	(634)	23 032	(634)	NYSE
SWISS NATIONAL BANK 13-1-2025	CHF	86 000	1 218	100.02%	94 898	-	94 914	15	-	-	SIX
SWISS NATIONAL BANK 20-1-2025	CHF	26 000	1 218	100.01%	28 690	-	28 693	3	-	-	SIX
SWISS NATIONAL BANK 27-1-2025	CHF	85 000	1 218	100.00%	93 795	-	93 795	1	-	-	SIX
					2 135 711	3 000	2 134 335	(1 558)	1 824 171	(1 699)	



The movement of the Group's and Bank's portfolio of financial assets measured at fair value through OCI for the years 2025 and 2024 is as follows:

Movement in the portfolio of Financial assets measured at fair value through OCI

USD'000	Group		Bank	
	2025	2024	2025	2024
At 1 January	2 134 335	2 315 902	1 824 171	2 029 771
Acquisitions	4 606 619	4 304 933	1 734 749	1 558 960
Disposals	(2 166 973)	(1 582 456)	(2 110 889)	(1 502 458)
Matured	(2 909 933)	(3 065 871)	(61 657)	(437 575)
Gains and losses in the period recognised in OCI	1 839	489	1 842	501
Gains and losses in the period recognised in income statement	347 373	177 773	347 431	174 972
Foreign exchange and other movements	31 132	(16 435)	-	-
At 31 December	2 044 392	2 134 335	1 735 647	1 824 171

Note 9 – Derivative financial instruments

This item is analysed as follows:

Derivatives

USD'000	Group				Bank			
	31.12.25		31.12.24		31.12.25		31.12.24	
	Fair value		Fair value		Fair value		Fair value	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Trading derivatives	279 146	(265 257)	378 100	(285 200)	279 152	(261 934)	371 535	(289 611)
Embedded derivatives	112 333	(244 629)	103 424	(148 809)	112 333	(244 629)	103 424	(148 809)
Hedging derivatives	10 975	(20 872)	16 684	(28 004)	10 944	(19 670)	14 047	(24 360)
	402 454	(530 758)	498 208	(462 013)	402 429	(526 233)	489 006	(462 780)



9.1. Trading derivatives

The Trading derivatives item is analysed as follows:

Trading derivatives

USD*000	Group					
	31.12.25			31.12.24		
	Notional value	Fair value		Notional value	Fair value	
	Assets	Liabilities		Assets	Liabilities	
Interest rate contracts						
Swaps	2 781 104	15 086	(13 353)	2 442 281	30 101	(18 791)
Caps & Floors	2 802	153	(66)	2 802	113	(79)
Futures						
Purchase	1 570 122			1 406 083		
		22	(117)		188	(98)
Sale	(52 375)			(64 828)		
Exchange rate contracts						
Options - Over-the-counter market						
Call options						
Purchase	109 324			233 493		
		3 785	(6 301)		13 484	(21 652)
Sale	(159 473)			(284 383)		
Put options						
Purchase	67 404			190 326		
		4 743	(2 320)		1 553	(726)
Sale	(29 180)			(140 026)		
Forwards						
Purchase	382 342			2 583 957		
		6 627	(6 153)		58 754	(123 647)
Sale	(385 691)			(2 649 622)		
Swaps						
Purchase	472 977			322 102		
		628	(4 571)		7 041	(936)
Sale	(474 786)			(314 455)		
Futures						
Purchase	10 000			10 000		
		-	-		-	-
Sale	(101 000)			(5 750)		
Cross Currency Swaps	1 294 649	5 220	(119 736)	2 472 089	115 531	(16 972)
Stock index contracts						
Options - Over-the-Counter Market						
Call options						
Purchase	786 394			529 064		
		228 312	(56 944)		134 891	(38 124)
Sale	(318 278)			(235 864)		
Put options						
Purchase	191 268			220 464		
		10 633	(53 938)		12 576	(57 012)
Sale	(1 295 161)			(1 009 877)		
Other contracts						
Credit Default Swaps	(581 688)	3 937	(1 758)	(640 774)	3 868	(7 163)
	279 146	(265 257)		378 100	(285 200)	



Trading derivatives

USD'000	Bank					
	31.12.25			31.12.24		
	Notional value	Fair value		Notional value	Fair value	
	Assets	Liabilities		Assets	Liabilities	
Interest rate contracts						
Swaps	3 190 401	17 023	(15 431)	3 254 624	34 400	(29 697)
Caps & Floors	2 802	153	(66)	2 802	113	(79)
Futures						
Purchase	1 570 122			1 406 083		
		22	(117)		188	(98)
Sale	(52 375)			(64 828)		
Exchange rate contracts						
Options - Over-the-counter market						
Call options						
Purchase	99 810			153 058		
		3 375	(5 891)		10 750	(19 019)
Sale	(150 259)			(203 948)		
Put options						
Purchase	62 077			142 016		
		4 673	(2 250)		1 364	(536)
Sale	(23 853)			(91 716)		
Forwards						
Purchase	249 350			2 396 581		
		5 266	(5 185)		56 107	(121 596)
Sale	(252 352)			(2 462 875)		
Swaps						
Purchase	471 145			322 811		
		626	(705)		3 123	(652)
Sale	(470 958)			(320 388)		
Futures						
Purchase	10 000			10 000		
		-	-		-	-
Sale	(101 000)			(5 750)		
Cross Currency Swaps	1 294 649	5 220	(119 736)	2 454 444	114 778	(16 252)
Stock index contracts						
Options - Over-the-Counter Market						
Call options						
Purchase	786 394			529 064		
		228 312	(56 944)		134 891	(38 124)
Sale	(318 278)			(235 864)		
Put options						
Purchase	188 770			212 890		
		10 545	(53 851)		11 953	(56 395)
Sale	(1 292 661)			(1 002 362)		
Other contracts						
Credit Default Swaps	(581 688)	3 937	(1 758)	(640 774)	3 868	(7 163)
		279 152	(261 934)		371 535	(289 611)



9.2. Embedded derivatives

The Embedded derivatives item for both the Group and the Bank are as follows:

Embedded derivatives

USD'000	31.12.25		31.12.24	
	Fair value		Fair value	
	Assets	Liabilities	Assets	Liabilities
Cross Currency Swaps	7	(26)	3 800	(1)
Credit Default Swaps	1 877	(6 207)	7 547	(4 533)
Stock index options	110 397	(238 293)	91 989	(144 230)
Exchange rate options	52	(103)	88	(45)
	112 333	(244 629)	103 424	(148 809)



9.3. Hedging derivatives

The Group applies hedge accounting for economic hedge relationships that meet the hedge accounting criteria as discussed in **Note 2.7 b)**. The Group manages all other risks derived by these exposures, such as credit risk, but does not apply hedge accounting for these risks. For interest rate hedges, the designated hedged risk is determined with reference to the underlying benchmark rate.

The Hedging derivatives item is analysed as follows:

Hedging derivatives	Group					
	31.12.25			31.12.24		
	Notional value	Fair value		Notional value	Fair value	
USD'000		Assets	Liabilities		Assets	Liabilities
Derivatives designated as hedging instruments of fair value						
Portfolio hedging						
Interest Rate Swaps	2 042 685	10 000	(1 899)	1 164 445	1 703	(8 259)
Micro hedging						
Interest Rate Swaps	887 994	830	(9 407)	2 318 039	5 609	(11 426)
Interest Rate Futures	Purchase	-	-	-	-	-
	Sale	(1 411 447)	-	-	(1 472 485)	-
Crosscurrency IRS	Purchase	268 312	101	(6 439)	199 694	411
	Sale	(273 617)			(196 117)	(5 956)
Derivatives designated as hedging instruments of cash flow						
Forwards	Purchase	40 553	44	(159)	40 467	-
	Sale	(41 392)			(43 643)	(2 363)
Derivatives designated as hedging instruments of net investment in foreign operations						
Fx Swaps	Purchase	485 655	-	(2 968)	438 610	8 961
	Sale	(487 952)			(429 374)	-
		10 975	(20 872)		16 684	(28 004)


Hedging derivatives

		Bank					
		31.12.25			31.12.24		
		Notional value	Fair value		Notional value	Fair value	
Assets	Liabilities		Assets	Liabilities			
USD'000							
Derivatives designated as hedging instruments of fair value							
Portfolio hedging							
Interest Rate Swaps		1 962 685	9 922	(1 899)	1 238 877	1 703	(8 443)
Micro hedging							
Interest Rate Swaps		975 994	978	(9 407)	2 120 760	2 972	(9 872)
Interest Rate Futures	Purchase	-	-	-	-	-	-
	Sale	(1 411 447)	-	-	(1 472 485)	-	-
Crosscurrency IRS	Purchase	164 821	-	(5 396)	199 694	411	(5 956)
	Sale	(170 028)	-	-	(196 117)	-	-
Fx Swaps	Purchase	485 655	-	(2 968)	438 610	8 961	-
	Sale	(487 952)	-	-	(429 374)	-	-
Derivatives designated as hedging instruments of cash flow							
Forwards	Purchase	4 242	44	-	6 368	-	(89)
	Sale	(4 192)	-	-	(6 443)	-	-
		10 944	(19 670)		14 047	(24 360)	



Fair value hedges

Portfolio hedging of interest rate risk

- **Interest rate swaps**

The Group holds portfolios of fixed rate assets or liabilities, namely loans to customers, structured notes and certificates of deposit which expose it to changes in fair value due to movements in market interest rates. The Group manages these exposures by entering into interest rate swaps. Each portfolio contains assets or liabilities that are similar in nature and share the risk exposure that is designated as being hedged. Both assets or liabilities within the identified portfolios are allocated to repricing time buckets based on expected, rather than contractual, repricing dates. The hedging instruments (receive fix/ pay floating rate interest rate swaps) are designated appropriately to those repricing time buckets.

Micro hedging of interest rate risk and foreign exchange risk

- **Interest rate swaps**

In accordance with the risk management strategy in place, the Group enters into interest rate swap contracts to mitigate the risk of changes in interest rates on the fair value of large exposures to corporate loans and on issued fixed rate debt. These exposures are identified and hedged on a transaction-by-transaction basis.

- **Interest rate futures**

The Group uses Interest Rate Futures to hedge the interest rate risk of financial assets measured a fair value through OCI, and these futures fully reflect the yield of the bonds they are intended to hedge.

- **Crosscurrency IRS**

The Group uses crosscurrency interest rate swaps to hedge both the risk of changes in interest rates and in foreign exchange rates on the fair value of debt securities in issue and loans to customers. These swaps reflect the foreign-exchange movements of the underlying large foreign-currency exposures, whether loans or issued debt, while ensuring an interest-rate hedge consistent with the approach applied for standard interest rate swaps.

- **FX Swaps**

The Group uses foreign currency ('FX') swaps to hedge the foreign currency risk of financial assets measured at fair value through OCI. The Bank also uses FX swaps to hedge the foreign exchange risk of the investment in the subsidiaries IBBA Europe and Banco Itaú (Suisse) S.A.

Cash flow hedges

- **Forwards**

The Group uses Forwards to hedge the cash flow of highly probable forecast transactions denominated in foreign currencies. These forwards are contracted with notionals and currencies aligned with the expected underlying cash flows, ensuring full coverage of the associated foreign-exchange risk.

Net investment hedges

- **FX Swaps**

The Group uses FX swaps to hedge the foreign currency risk of the Group arising from the net investments in the subsidiaries IBBA Europe and Banco Itaú (Suisse) S.A. (see **Note 2.7 b**).



The effectiveness of the hedging instruments and hedged items are presented as follows:

Interest Rate Swaps

	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
USD'000				
Portfolio Hedging				
Assets				
Loans and advances to customers				
Carrying amount	364	-	364	-
Notional amount	538 685	-	538 685	-
Maximum maturity date	2030		2030	
Hedge ratio	Portfolio		Portfolio	
Change in fair value of outstanding hedging instruments				
since 1 January	273	-	273	-
Change in value of hedged item used to determine hedge				
effectiveness	(327)	-	(327)	-
Hedge ineffectiveness recognised in the income statement	(54)	-	(54)	-
Liabilities				
Debt securities in issue				
Carrying amount	7 737	(6 556)	7 658	(6 740)
Notional amount	1 504 000	1 164 445	1 424 000	1 238 877
Maximum maturity date	2030	2029	2030	2029
Hedge ratio	Portfolio		Portfolio	
Change in fair value of outstanding hedging instruments since 1 January				
	9 738	(4 390)	9 940	(4 539)
Change in value of hedged item used to determine hedge effectiveness				
	(9 637)	4 435	(9 839)	4 586
Hedge ineffectiveness recognised in the income statement	100	45	100	47



Interest Rate Swaps

	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
USD'000				
Micro Hedging				
Assets				
Loans and advances to customers				
Carrying amount	(6 340)	(3 599)	(6 191)	(4 682)
Notional amount	838 644	1 512 405	926 644	1 315 126
Maximum maturity date	2030	2029	2030	2029
Hedge ratio	1:1	1:1	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 January	(3 490)	(11 998)	4 361	(12 038)
Change in value of hedged item used to determine hedge effectiveness	3 429	12 412	(4 442)	12 176
Hedge ineffectiveness recognised in the income statement	(61)	414	(81)	138
Liabilities				
Customer accounts				
Carrying amount	(2 396)	(2 505)	(2 396)	(2 505)
Notional amount	35 250	793 167	35 250	793 167
Maximum maturity date	2028	2028	2028	2028
Hedge ratio	1:1	1:1	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 January	653	1 022	653	1 022
Change in value of hedged item used to determine hedge effectiveness	(653)	(897)	(653)	(897)
Hedge ineffectiveness recognised in the income statement	0	125	0	125
Debt securities in issue				
Carrying amount	158	286	158	286
Notional amount	14 100	12 467	14 100	12 467
Maximum maturity date	2030	2030	2030	2030
Hedge ratio	1:1	1:1	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 January	(208)	(53)	(208)	(53)
Change in value of hedged item used to determine hedge effectiveness	211	60	211	60
Hedge ineffectiveness recognised in the income statement	3	7	3	7



The effects of the interest rate futures are presented as follows:

Interest Rate Futures

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Assets				
Financial assets measured at fair value through OCI				
Carrying amount	-	-	-	-
Notional amount ¹	(1 411 447)	(1 472 485)	(1 411 447)	(1 472 485)
Maximum maturity date	2026	2026	2026	2026
Hedge ratio	1:1	1:1	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 January	(185 957)	(109 760)	(185 957)	(109 760)
Change in value of hedged item used to determine hedge effectiveness	187 619	110 146	187 619	110 146
Hedge ineffectiveness recognised in the income statement	1 662	386	1 662	386

¹ Negative notionals reflect short positions



The effects of the crosscurrency IRS are presented as follows:

Crosscurrency IRS

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Assets				
Loans and advances to customers				
Carrying amount	(6 338)	411	(5 396)	411
Notional amount	(5 305)	1 010	(5 207)	1 010
Maximum maturity date	2030	2030	2030	2030
Hedge ratio	1:1	1:1	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 January	8 854	1 612	(8 306)	1 612
Change in value of hedged item used to determine hedge effectiveness	(7 279)	(1 461)	8 196	(1 461)
Hedge ineffectiveness recognised in the income statement	1 575	152	(110)	152
Liabilities				
Debt securities in issue				
Carrying amount	-	(5 956)	-	(5 956)
Notional amount	-	2 567	-	2 567
Maximum maturity date		2025		2025
Hedge ratio		1:1		1:1
Change in fair value of outstanding hedging instruments since 1 January	-	(9 163)	-	(9 163)
Change in value of hedged item used to determine hedge effectiveness	-	9 515	-	9 515
Hedge ineffectiveness recognised in the income statement	-	352	-	352



The effects of the FX swaps are presented as follows:

FX Swaps

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Assets				
Investments in subsidiaries				
Carrying amount	(2 968)	8 961	(2 968)	8 961
Notional amount	(2 297)	9 236	(2 297)	9 236
Maximum maturity date	2026	2025	2026	2025
Hedge ratio	1:1	1:1	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 January	(2 968)	8 961	(2 968)	8 961
Change in value of hedged item used to determine hedge effectiveness	2 968	(8 961)	2 968	(8 961)
Hedge ineffectiveness recognised in the income statement	-	-	-	-



The effects of the Forwards are presented as follows:

Forwards

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Future Liabilities				
Cash Flows to pay in foreign currency				
Carrying amount	44	(89)	44	(89)
Notional amount	50	(75)	50	(75)
Maximum maturity date	2026	2025	2026	2025
Hedge ratio	1:1	1:1	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 January	-	-	-	-
Change in value of hedged item used to determine hedge effectiveness	269	32	269	32
Hedge ineffectiveness recognised in the income statement	269	32	269	32
Future Revenues				
Cash Flows to pay in foreign currency				
Carrying amount	(159)	(2 274)	-	-
Notional amount	(889)	(3 101)	-	-
Maximum maturity date	2026	2025	-	-
Hedge ratio	1:1	1:1	-	-
Change in fair value of outstanding hedging instruments since 1 January	-	-	-	-
Change in value of hedged item used to determine hedge effectiveness	505	-	-	-
Hedge ineffectiveness recognised in the income statement	505	-	-	-



The following tables present the residual maturity and average price/rate of the hedging instruments used in the Group's and Bank's hedging strategies:

Maturity

	Group									
	Maturity									
	31.12.25					31.12.24				
USD'000	Up to one month	One to three months	Three months to one year	One year to five years	More than five years	Up to one month	One to three months	Three months to one year	One year to five years	More than five years
Fair value hedge										
Interest rate										
Interest Rate Swaps										
Notional USD'000	176 250	185 000	679 509	1 889 920	-	762 000	78 167	1 003 375	1 626 475	12 467
Average fixed interest rate	2.20%	4.26%	2.73%	3.10%	-	4.84%	4.27%	2.67%	3.02%	2.51%
Interest Rate Futures										
Notional USD'000	(44 967)	-	(1 366 481)	-	-	(71 954)	-	(1 101 397)	(299 134)	-
Average fixed interest rate	0.00%	-	0.00%	-	-	0.00%	-	0.00%	0.00%	-
Interest rate and foreign exchange										
Crosscurrency IRS										
Notional USD'000	-	-	(1 453)	(3 853)	-	-	2 567	-	643	367
Average fixed interest rate	-	-	11.90%	3.75%	-	-	0.56%	-	0.94%	0.01%
Average CHF/USD exchange rate	-	-	1.2082	1.2082	-	-	1.1340	-	1.1340	1.1340
Foreign exchange										
Fx Swaps										
Notional USD'000	(24)	(76)	(789)	-	-	(7)	(672)	(2 497)	-	-
Average CHF/USD exchange rate	0.7580	0.7580	0.7580	-	-	0.8450	0.8450	0.8450	-	-
Notional USD'000	5	11	34	-	-	-	-	-	-	-
Average CHF/USD exchange rate	1.2082	1.2082	1.2082	-	-	-	-	-	-	-
Net investment hedge										
Foreign exchange										
FX Swap										
Notional USD'000	(2 229)	-	-	-	-	2 965	-	-	-	-
Average EUR/USD exchange rate	1.1314	-	-	-	-	1.0808	-	-	-	-
Notional USD'000	(68)	-	-	-	-	6 271	-	-	-	-
Average CHF/USD exchange rate	1.2082	-	-	-	-	1.1340	-	-	-	-



Maturity

	Bank									
	Maturity									
	31.12.25					31.12.24				
	Up to one month	One to three months	Three months to one year	One year to five years	More than five years	Up to one month	One to three months	Three months to one year	One year to five years	More than five years
USD'000										
Fair value hedge										
Interest rate										
Interest Rate Swaps										
Notional USD'000	176 250	185 000	679 509	1 897 920	-	866 929	99 615	928 055	1 452 572	12 467
Average fixed interest rate	2.20%	4.26%	2.73%	3.10%	-	4.95%	4.32%	3.04%	3.24%	2.51%
Interest Rate Futures										
Notional USD'000	(44 967)	-	(1 366 481)	-	-	(71 954)	-	(1 101 397)	(299 134)	-
Average fixed interest rate	0.00%	-	0.00%	-	-	0.00%	-	0.00%	0.00%	-
Interest rate and foreign exchange										
Crosscurrency IRS										
Notional USD'000	-	-	(1 485)	(3 722)	-	-	2 567	-	643	367
Average fixed interest rate	-	-	1.90%	0.32%	-	-	0.56%	-	0.94%	0.01%
Average CHF/USD exchange rate	-	-	1.2082	1.2082	-	-	1.1340	-	1.1340	1.1340
Foreign exchange										
FX Swap USD'000										
Notional USD'000	(2 229)	-	-	-	-	2 965	-	-	-	-
Average EUR/USD exchange rate	1.1314	-	-	-	-	1.0808	-	-	-	-
Notional USD'000	(68)	-	-	-	-	6 271	-	-	-	-
Average CHF/USD exchange rate	1.2082	-	-	-	-	1.1340	-	-	-	-
Cash flow hedge										
Foreign exchange										
FX forward										
Notional USD'000	5	10	35	-	-	(7)	(13)	(55)	-	-
Average GBP/USD exchange rate	0.7580	0.7580	0.7580	-	-	0.8450	0.8450	0.8450	-	-



Note 10 - Loans and advances to banks

This item is analysed as follows:

Loans and advances to banks	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
USD'000				
Repayable on demand	56 595	100 919	4 251	55 609
Interbank Money Market / Term deposits				
- with original maturity less than three months	6 382	922 766	456 319	1 093 682
- with original maturity more than three months	111 200	232 535	111 200	232 500
Collateral deposits	145 977	20 053	142 147	18 383
Reverse repurchase agreements	169 589	303 537	169 589	303 537
Interest receivable	7 294	11 353	7 259	11 163
	497 037	1 591 163	890 765	1 714 874

Loans and advances to banks pledged as collateral are analysed in **Note 29**.

As of 31 December 2025, the reverse repurchase agreements were secured by collateral amounting to USD 167 million, which is registered off-balance sheet.

As of 31 December 2025, the interest rates on Loans and advances to banks range from:

- for Loans and advances to banks in USD: 0.00% (2024: 0.00%) and 19.65% (2024: 6.46%) for the Group and 0.00% (2024: 0.00%) and 19.65% (2024: 5.58%) for the Bank,
- for Loans and advances to banks in EUR: -0.34% (2024: 0.00%) and 3.45% (2024: 4.41%) for the Group and -0.34% (2024: 0.00%) and 1.95% (2024: 2.99%) for the Bank.



Note 11 - Loans and advances to customers

This item is analysed as follows:

Loans and advances to customers	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
USD'000				
At amortised cost				
Customer loans				
Overdrafts	26 543	16 592	-	-
Trade Finance	116 309	376 540	78 453	399 928
Factoring	-	6 417	-	6 417
Term loans	5 986 628	5 772 145	3 921 094	3 702 443
Mortgage loans	1 192	1 157	-	-
Interest receivable	73 709	96 424	46 979	59 631
	6 204 381	6 269 275	4 046 526	4 108 419
Overdue loans and interest	953	608	47	-
Deferred commissions	(2 656)	(3 457)	(1 095)	(3 166)
Gross amount at amortised cost	6 202 678	6 266 426	4 045 478	4 105 253
Expected credit loss provisions	(1 513)	(1 136)	(903)	(939)
	6 201 165	6 265 290	4 044 575	4 104 314

As of 31 December 2025, the interest rates on Loans and advances to customers range from:

- for Loans and advances to customers in USD: 0.00% (2024: 0.00%) and 8.90% (2024: 9.59%) for the Group and 0.00% (2024: 0.00%) and 8.54% (2024: 9.31%) for the Bank,
- for Loans and advances to customers in EUR: 0.00% (2024: 0.00%) and 6.95% (2024: 7.96%) for the Group and 0.00% (2024: 0.00%) and 5.7% (2024: 7.93%) for the Bank.

Further analysis on the Group's loans and advances to customers is included in **Note 40 a)**.



Note 12 - Property, plant and equipment

a) Movement in property, plant and equipment:

	Group													
	Gross value					Accumulated depreciation						Net value		
	Balance on 01.01.25	Acquisitions	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.25	Balance on 01.01.25	Depreciation for the year	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.25	Balance on 01.01.25	Balance on 31.12.25
USD'000														
Other tangible assets														
Buildings	9 157	168	-	638	-	9 963	(5 657)	(1 065)	-	(513)	(6)	(7 241)	3 500	2 722
Furniture and fixtures	2 358	134	-	156	(1)	2 647	(2 236)	(33)	-	(153)	1	(2 421)	122	226
Machinery and tools	4	27	-	1	-	32	(1)	(3)	-	-	-	(4)	3	28
Computer equipment	5 876	234	-	454	(97)	6 467	(4 908)	(732)	-	(403)	94	(5 949)	968	518
Furnishings	694	-	-	4	-	698	(680)	(10)	-	(4)	-	(694)	14	4
Safety equipment	130	12	-	-	-	142	(128)	(9)	-	-	-	(137)	2	5
Art Objects	4 676	-	-	328	-	5 004	-	-	-	-	-	-	4 676	5 004
Other equipment	2	1	-	-	-	3	-	-	-	-	-	-	2	3
In leases														
Office - Right of use	26 717	1 145	-	1 082	(536)	28 408	(9 063)	(3 730)	-	(699)	536	(12 956)	17 654	15 452
Vehicles - Right of use	28	-	-	4	-	32	(8)	(7)	-	(1)	-	(16)	20	16
On-going tangible assets														
Buildings	398	560	-	-	(952)	6	-	-	-	-	-	-	398	6
Total	50 040	2 281	-	2 667	(1 586)	53 402	(22 681)	(5 589)	-	(1 773)	625	(29 418)	27 359	23 984



	Group													
	Gross value					Accumulated depreciation						Net value		
	Balance on 01.01.24	Acquisitions	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.24	Balance on 01.01.24	Depreciation for the year	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.24	Balance on 01.01.24	Balance on 31.12.24
USD'000														
Other tangible assets														
Buildings	9 504	-	-	(347)	-	9 157	(4 868)	(1 049)	-	260	-	(5 657)	4 636	3 500
Furniture and fixtures	2 355	90	-	(87)	-	2 358	(2 300)	(22)	-	86	-	(2 236)	55	122
Machinery and tools	2	2	-	-	-	4	(1)	-	-	-	-	(1)	1	3
Computer equipment	5 857	372	-	(240)	(113)	5 876	(4 550)	(656)	-	196	102	(4 908)	1 307	968
Furnishings	699	9	-	(2)	(12)	694	(663)	(28)	-	2	9	(680)	36	14
Safety equipment	130	-	-	-	-	130	(126)	(2)	-	-	-	(128)	4	2
Art Objects	4 862	-	-	(186)	-	4 676	-	-	-	-	-	-	4 862	4 676
Other equipment	1	1	-	-	-	2	-	-	-	-	-	-	1	2
In leases														
Office - Right of use	27 148	3 282	-	(580)	(3 133)	26 717	(5 724)	(3 604)	-	265	-	(9 063)	21 424	17 654
Vehicles - Right of use	30	-	-	(2)	-	28	(2)	(6)	-	-	-	(8)	28	20
On-going tangible assets														
Buildings	-	398	-	-	-	398	-	-	-	-	-	-	-	398
Total	50 588	4 154	-	(1 444)	(3 258)	50 040	(18 234)	(5 367)	-	809	111	(22 681)	32 354	27 359



USD'000	Bank													
	Gross value						Accumulated depreciation						Net value	
	Balance on 01.01.25	Acquisitions	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.25	Balance on 01.01.25	Depreciation for the year	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.25	Balance on 01.01.25	Balance on 31.12.25
Other tangible assets														
Furniture and fixtures	39	-	-	-	-	39	(33)	(1)	-	-	-	(34)	6	5
Machinery and tools	1	-	-	-	-	1	-	(1)	-	-	-	(1)	1	-
Computer equipment	171	32	-	-	(3)	200	(127)	(24)	-	-	4	(147)	44	53
Furnishings	85	-	-	-	-	85	(78)	(7)	-	-	-	(85)	7	-
Safety equipment	9	-	-	-	-	9	(7)	(2)	-	-	-	(9)	2	-
Other equipment	1	-	-	-	-	1	-	-	-	-	-	-	1	1
In leases														
Office - Right of use	2 386	-	-	-	-	2 386	(1 259)	(796)	-	-	-	(2 055)	1 127	331
Total	2 692	32	-	-	(3)	2 721	(1 504)	(831)	-	-	4	(2 331)	1 188	390

USD'000	Bank													
	Gross value						Accumulated depreciation						Net value	
	Balance on 01.01.24	Acquisitions	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.24	Balance on 01.01.24	Depreciation for the year	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.24	Balance on 01.01.24	Balance on 31.12.24
Other tangible assets														
Furniture and fixtures	39	-	-	-	-	39	(30)	(3)	-	-	-	(33)	9	6
Machinery and tools	1	-	-	-	-	1	-	-	-	-	-	-	1	1
Computer equipment	187	44	-	-	(60)	171	(147)	(31)	-	-	51	(127)	40	44
Furnishings	97	-	-	-	(12)	85	(65)	(22)	-	-	9	(78)	32	7
Safety equipment	9	-	-	-	-	9	(5)	(2)	-	-	-	(7)	4	2
Other equipment	-	1	-	-	-	1	-	-	-	-	-	-	-	1
In leases														
Office - Right of use	2 386	-	-	-	-	2 386	(465)	(794)	-	-	-	(1 259)	1 921	1 127
Total	2 719	45	-	-	(72)	2 692	(712)	(852)	-	-	60	(1 504)	2 007	1 188

**b) Right of use assets**

The gross book value of the right of use assets is analysed as follows:

Right-of-use assets

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Buildings	28 408	26 717	2 386	2 386
Vehicles	32	28	-	-
	28 440	26 745	2 386	2 386

The impact of lease contracts in the income statement was as follows:

Right-of-use assets

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Depreciation charge of right-of-use assets				
Buildings	3 730	3 604	796	794
Vehicles	7	6	-	-
Interest expense (included in finance cost)	624	754	37	73
Total	4 361	4 364	833	867

As of 31 December 2025, the residual maturity of the lease contracts ranged between 0.4 and 8.5 years (31.12.24: between 0.1 and 9.6 years).



Note 13 - Goodwill and intangible assets

This item is analysed as follows:

Goodwill and Intangible Assets

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Intangible assets				
- Gross value	78 569	70 639	876	876
- Accumulated amortisation	(44 506)	(35 332)	(876)	(876)
	34 063	35 307	-	-
Goodwill				
- Gross value	73 287	73 287	-	-
- Accumulated impairment	-	-	-	-
	73 287	73 287	-	-
	107 350	108 594	-	-

a) Goodwill:

The amount of goodwill in the Group results from the acquisition of Private Banking businesses in 2007, and represents the excess of the fair value of the purchase consideration over the fair value of the Group's share of the IPB assets acquired and contingent liabilities assumed on the date of the acquisition.

Goodwill was allocated to the subsidiary Banco Itaú International (the IPB cash-generating unit ('IPB CGU')) and is reviewed annually for impairment, or more frequently if and when there are indications that impairment may have occurred.

In accordance with IAS 36, the recoverable amount is determined as the higher of the fair value less costs of disposal and value in use.

Methodology

With reference to 30 June 2025 and 2024, a valuation analysis was performed on the IPB CGU. The recoverable amount of the IPB CGU was calculated as fair value less costs of disposal. For the valuation analysis, the following procedures were performed:

- Information gathering within Management regarding current financial conditions, future business plans and forecasts of the IPB CGU;
- Analysis of historical financial condition and operating results of the IPB CGU, as well as review of its projections of future operating results;
- Analysis of the performance and market position of the IPB CGU relative to competitors and/or similar publicly traded companies.

Sources of information were both internal (historical and projected financials) and external (various market data sources).

The valuation was based on reasonable and sustainable assumptions representing the best estimate of the management on the economic conditions that affect the IPB CGU, the budgets and the last projections approved for the IPB CGU and their extrapolation for future periods.

As of 31 December 2025, the management considers that the valuation on the IPB CGU performed as of the valuation date of 30 June 2025 remains adequate, considering the financials of the unit at the year-end, as well as the assumptions taken on the projections.



Key assumptions

The key assumptions used in the determining the recoverable amount were:

- Management's judgement in estimating the cash flows of the IPB CGU – the cash flow projections are based on one-year budget approved by the Board of the IPB CGU, extrapolated to a five-year forecast for use in the goodwill impairment testing, challenged in light of current market conditions and macroeconomic outlook. Overall, Management expects profitability to decrease slightly in 2026 and 2027, before increasing steadily through 2030. This is primarily driven by the reduction in the federal funds rate and a shift to different service offerings during this period. Going forward, growth is expected to maintain its stable course due to the steady increase in Assets under Management. Furthermore, Management plans on maintaining a stable base of operating expenses throughout the projection period and does not expect any large investments to occur in the near future.
- Discount rate – the rate used to discount the cash flows is based on the cost of capital of the IPB CGU, which is derived using a capital asset pricing model ('CAPM'). The following inputs were used in estimating the cost of equity:
 - › Risk-free rate based on the yield of 20-year US treasury bonds;

- › Market risk premium that attempts to quantify the expected equity risk premium for US common stocks;
- › Size risk premium (small stock) based on the historical incremental return on companies of similar size;
- › Company specific premium to reflect the risk of achieving the forecast increase in revenue, income and cash flows;
- › Beta based on observed market data of the guideline public companies.
- - Revenue growth rate – a 5-year compound annual growth rate ('CAGR') was used to capture the management assumptions for revenues growth over the forecasted period, under the 5-year balance-sheet and income statement projections.
- - Expenses growth rate – a 5-year compound annual growth rate ('CAGR') was used to capture the management assumptions for expenses over the forecasted period, under the 5-year balance-sheet and income statement projections.

When testing goodwill for impairment in 2025, the following assumptions were considered:

- five-year balance sheet and income statement projections approved by the Board;

- a discount rate of 12.0% (2024: 14.5%) comprised by:
 - › Risk-free rate of 4.75% (2024: 4.61%);
 - › Market risk premium of 4.8% (2024: 5.0%);
 - › Size risk premium (small stock) of 1.02% (2024: 1.24%);
 - › Company specific premium of 1.5% (2024: 3%);
 - › Beta of 0.95 (2024: 1.16);
- a terminal growth rate of 3% (2024: 3%);
- 5-year CAGR for revenues of 2.2% (2024: 2.2%);
- 5-year CAGR for expenses of 2.0% (2024: 1.7%).

Conclusion

Based on these assumptions and as a result of the test, the recoverable amount exceeded the carrying value of the IPB CGU for 31 December 2025 (by USD 299 million) and 2024 (by USD 209 m) and therefore, there was no indication of goodwill impairment.



Sensitivity analysis

As part of the valuation of the IPB CGU, a sensitivity analysis was performed in order to identify the maximum variation of the relevant assumptions that eliminates the entire headroom (surplus of recoverable amount compared to carrying value¹³).

The sensitivity of the recoverable amount to key judgements in the calculations is set out below:

Key assumption

	2025			2024		
	Assumption used	Breakeven assumption	Change	Assumption used	Breakeven assumption	Change
Discount rate	12.0%	22.4%	10.4%	14.5%	23.9%	9.4%
5-year CAGR for revenues	2.2%	-3.4%	-5.6%	2.2%	-2.7%	-4.9%
5-year CAGR for expenses	2.0%	8.7%	6.7%	1.7%	7.4%	5.7%

The sensitivity analysis indicates that an impairment of goodwill could arise only under certain adverse scenarios. These sensitivities are intended to illustrate the impact of hypothetical variations in the key assumptions rather than reasonably possible changes. Management will continue to review the recoverability of its goodwill positions as the macroeconomic conditions remain uncertain.

¹³ Corresponding to the total equity of the IPB CGU as of 30 June 2025 plus an additional USD 9.1 m goodwill generated in the consolidated financial statements.



b) Intangible assets:

The movement in intangible assets was as follows:

USD'000	Group													
	Gross value						Accumulated amortisation						Net value	
	Balance on 01.01.25	Acquisitions	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.25	Balance on 01.01.25	Amortisation for the year	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.25	Balance on 01.01.25	Balance on 31.12.25
Intangible assets														
Software	69 873	1 844	1 570	4 683	(39)	77 931	(35 239)	(6 723)	-	(2 477)	38	(44 401)	34 634	33 530
Other intangible	93	-	-	12	-	105	(93)	-	-	(12)	-	(105)	-	-
On-going intangible assets														
Advances on intangible assets	539	1 041	(1 570)	77	-	87	-	-	-	-	-	-	539	87
Other intangible ¹	134	308	-	4	-	446	-	-	-	-	-	-	134	446
Total	70 639	3 193	-	4 776	(39)	78 569	(35 332)	(6 723)	-	(2 489)	38	(44 506)	35 307	34 063

¹ The balance of On-going intangible assets corresponds to software development in progress and advances for purchase of software pending implementation.

USD'000	Group													
	Gross value						Accumulated amortisation						Net value	
	Balance on 01.01.24	Acquisitions	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.24	Balance on 01.01.24	Amortisation for the year	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.24	Balance on 01.01.24	Balance on 31.12.24
Intangible assets														
Software	70 231	1 188	1 024	(2 570)	-	69 873	(30 555)	(5 822)	-	1 138	-	(35 239)	39 676	34 634
Other intangible	99	-	-	(6)	-	93	(99)	-	-	6	-	(93)	-	-
On-going intangible assets														
Advances on intangible assets	475	1 112	(1 012)	(36)	-	539	-	-	-	-	-	-	475	539
Other intangible ¹	80	101	(12)	(5)	(30)	134	-	-	-	-	-	-	80	134
Total	70 885	2 401	-	(2 617)	(30)	70 639	(30 654)	(5 822)	-	1 144	-	(35 332)	40 231	35 307

¹ The balance of On-going intangible assets corresponds to software development in progress and advances for purchase of software pending implementation.



		Bank													
		Gross value					Accumulated amortisation						Net value		
USD'000	Balance on 01.01.25	Acquisitions	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.25	Balance on 01.01.25	Amortisation for the year	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.25	Balance on 01.01.25	Balance on 31.12.25	
Intangible assets															
	Software	876	-	-	-	-	876	(876)	-	-	-	-	(876)	7	-
	Total	876	-	-	-	-	876	(876)	-	-	-	-	(876)	7	-

		Bank													
		Gross value					Accumulated amortisation						Net value		
USD'000	Balance on 01.01.24	Acquisitions	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.24	Balance on 01.01.24	Amortisation for the year	Transfers	Exchange rate fluctuation	Disposals	Balance on 31.12.24	Balance on 01.01.24	Balance on 31.12.24	
Intangible assets															
	Software	876	-	-	-	-	876	(869)	(7)	-	-	-	(876)	7	-
	Total	876	-	-	-	-	876	(869)	(7)	-	-	-	(876)	7	-



Note 14 - Investments in subsidiaries

As at 31 December 2025 and 2024, the subsidiaries' financial information is as follows. Details on the activity of the subsidiaries can be found in **Note 1**.

Subsidiaries

31.12.25	Participation (%)		Total assets a)	Total equity a)	Profit/(loss) for the year a)
	Direct	Effective			
USD'000					
Banco Itaú (Suisse) SA	100.00%	100.00%	858 404	338 193	20 693
Banco Itaú International	100.00%	100.00%	3 459 193	507 379	59 563
Itaú International Securities Inc.	100.00%	100.00%	87 244	80 694	12 086
Itaú BBA Europe, S.A.	100.00%	100.00%	847 674	267 818	1 395
Itaú Europe, S.A.	100.00%	100.00%	637	318	(232)

a) All amounts are as at 31 December 2025 (accounting balances, before consolidation adjustments)

Subsidiaries

31.12.24	Participation (%)		Total assets a)	Total equity a)	Profit/(loss) for the year a)
	Direct	Effective			
USD'000					
Banco Itaú (Suisse) SA	100.00%	100.00%	815 709	275 608	19 745
Banco Itaú International	100.00%	100.00%	2 429 637	447 735	60 591
Itaú International Securities Inc.	100.00%	100.00%	76 581	68 665	8 561
Itaú BBA Europe, S.A.	100.00%	100.00%	821 702	235 516	3 932
Itaú Europe, S.A.	-	-	-	-	-

a) All amounts are as at 31 December 2024 (accounting balances, before consolidation adjustments)



In the separate financial statements of the Bank, investments in subsidiaries are stated at cost less impairment, as follows:

Investments in subsidiaries

USD'000	Bank					
	31.12.25			31.12.24		
	Cost	Accumulated Impairment	Cost less Impairment	Cost	Accumulated Impairment	Cost less Impairment
Banco Itaú International	297 004	-	297 004	297 004	-	297 004
Itaú International Securities Inc.	17 620	-	17 620	17 620	-	17 620
Banco Itaú (Suisse) SA	223 577	-	223 577	195 621	-	195 621
Itaú BBA Europe, S.A.	264 374	-	264 374	233 753	-	233 753
Itaú Europe, S.A.	550	-	550	-	-	-
	803 125	-	803 125	743 998	-	743 998

The amounts presented include, where applicable, unaudited figures, which are expected to be approved by the respective Boards of Directors and General Meetings without adjustments.

Note 15 – Current and Deferred tax assets

Current tax assets comprise:

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Corporate tax recoverable	451	13 985	-	1 107
Withholding tax	129	-	-	-
	580	13 985	1 107	1 107



Deferred tax assets comprise:

Deferred tax assets

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Due to temporary differences:				
Pensions and other post-retirement benefits	1 509	1 216	-	-
Financial assets at fair value through OCI	84	516	-	516
Provisions for bonus	11 631	9 128	2 741	1 731
Depreciation and amortisation of tangibles and intangibles	229	260	229	260
Derivatives	718	21	-	21
Lease liability	3 163	3 415	-	-
R&D expenses	1 526	1 875	-	-
Other	552	428	-	-
	19 412	16 859	2 970	2 528
Due to tax losses carried forward	73	-	-	-
	19 485	16 859	2 970	2 528

Deferred tax assets

USD'000	31.12.25	31.12.24	31.12.25	31.12.24
Deferred tax assets to be recovered after more than 12 months	9 389	9 513	2 525	1 255
Deferred tax assets to be recovered within 12 months	10 096	7 346	445	1 273
	19 485	16 859	2 970	2 528

Recognition of deferred tax assets is based on profit forecasts which indicate that it is probable that the Bank and its subsidiaries will have future taxable profits against which the losses and temporary differences can be utilised.



The movement in the deferred tax assets balance is as follows:

Movement in the deferred income tax assets

USD'000	Group									Total
	Due to temporary differences								Due to Tax losses carried forward	
	Pension	Financial assets at FVOCI	Bonus provisions	Depreciation and Amortisation	Derivatives	Lease Liabilities	R&D expenses	Other		
At 1 January 2025	1 216	516	9 128	260	21	3 415	1 875	428	-	16 859
Income statement charge/(credit)	-	-	2 464	(31)	719	(252)	(349)	238	73	2 862
Exchange and other adjustments	293	(1)	39	-	-	-	-	(114)	-	217
Amount charged to equity	-	(431)	-	-	(22)	-	-	-	-	(453)
At 31 December 2025	1 509	84	11 631	229	718	3 163	1 526	552	73	19 485

Movement in the deferred income tax assets

USD'000	Group									Total
	Due to temporary differences								Due to Tax losses carried forward	
	Pension	Financial assets at FVOCI	Bonus provisions	Depreciation and Amortisation	Derivatives	Lease Liabilities	R&D expenses	Other		
At 1 January 2024	1 226	855	8 376	292	-	3 562	1 369	472	168	16 320
Income statement charge/(credit)	-	-	767	(32)	-	(147)	505	41	(164)	970
Exchange and other adjustments	(10)	1	(15)	-	-	-	1	(85)	(4)	(112)
Amount charged to equity	-	(340)	-	-	21	-	-	-	-	(319)
At 31 December 2024	1 216	516	9 128	260	21	3 415	1 875	428	-	16 859



Movement on the deferred income tax assets

USD'000	Bank					Total
	Due to temporary differences					
	Financial assets at FVOCI	Derivatives	Bonus provisions	Depreciation and Amortisation		
At 1 January 2025	516	21	1 731	260	2 528	
Income statement credit/(charge)	-	-	1 010	(31)	979	
Amount charged to equity	(516)	(21)	-	-	(537)	
At 31 December 2025	-	-	2 741	229	2 970	

Movement on the deferred income tax assets

USD'000	Bank					Total
	Due to temporary differences					
	Financial assets at FVOCI	Derivatives	Bonus provisions	Depreciation and Amortisation		
At 1 January 2024	855	-	1 528	292	2 675	
Income statement credit/(charge)	-	-	203	(32)	171	
Amount charged to equity	(339)	21	-	-	(318)	
At 31 December 2024	516	21	1 731	260	2 528	

There are no unrecognised deferred tax assets in the Bank. At Group level, in the years in which the Portuguese subsidiary - IBBA Europe had a positive global net income, no deferred tax assets were recognised relating to the tax losses reported by its Luxembourg Branch. Based on the latest tax declaration submitted to the Luxembourg tax authorities, this Branch has USD 4,709 thousand (EUR 4,533 thousand) of carried forward tax losses available as of 31 December 2024, and estimates USD 5,061 thousand (EUR 4,307 thousand) of accumulated tax losses available after the financial year 2025. In Luxembourg, the losses generated after 1 January 2017 can be carried forward for the seventeen years following the tax year in which the losses arose.

The Bank applied a mandatory temporary exception for deferred taxes in respect of Pillar Two income taxes.

For the composition and movement of deferred tax liabilities see **Note 22**.



Note 16 - Other assets

This item is analysed as follows:

Other assets USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Government and other sundry debtors				
Public sector	1 132	628	110	35
Subleases	-	-	-	-
Customers and other Debtors	3 055	5 233	1 106	962
	4 187	5 861	1 216	997
Accrued income				
For irrevocable commitments assumed	74	152	35	129
For bank services provided	37 414	30 637	2 245	593
For operations rendered to third parties	9 905	1 363	-	-
Other accrued income				
Commissions on guarantees given	58	494	92	522
	-	-	-	-
	47 451	32 646	2 372	1 244
Deferred expenses				
Irrevocable commitments	1 024	1 684	1 024	1 684
Rents	19	12	13	12
Insurances	520	429	112	81
Systems and equipments maintenance	5 264	2 229	210	167
Information services	209	94	58	17
Advertisement and sponsorship	316	60	133	7
Pension Plan	-	-	-	-
Deposit platform	698	714	-	-
Other deferred expenses	7 431	4 155	687	197
	15 481	9 377	2 237	2 165
Other adjustment accounts				
Foreign exchange transactions pending settlement	-	13	-	-
Other operations pending settlement				
Charged amounts	-	7	-	-
Securities pending settlement	-	1 904	-	109
Other operations pending settlement	2 058	-	122	-
	2 058	1 924	122	109
	69 177	49 808	5 947	4 515

As of 31 December 2025, the balance of Other operations pending settlement was mainly comprised of derivatives pending settlement.



Note 17 - Trading liabilities

This item is analysed as follows:

Trading liabilities

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Notes issued in USD				
Credit-Linked Notes	10 306	6 911	10 306	6 911
	10 306	6 911	10 306	6 911

The trading liabilities consist of structured notes of “Pass-through” type issued by the Bank under a Structured Medium Term Note Programme. These are Credit-Linked Notes hedged by Brazilian government bonds, where the Bank passes to the client all the income and risks regarding the underlying asset.

The underlying bonds hedging the trading liabilities are recorded as trading assets (see **Note 6**).

Note 18 - Financial liabilities designated at fair value through profit or loss

This item is analysed as follows:

Financial liabilities designated at fair value through profit or loss

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Debt instruments				
Structured financial instruments	-	44 456	-	44 456
	-	44 456	-	44 456

The securities economically hedging these financial liabilities are recorded as financial assets designated at fair value through profit or loss (see **Note 7**).



Note 19 - Deposits from banks

This item is analysed as follows:

Deposits from banks

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Demand deposits	7 826	9 219	-	1 626
Interbank Money Market / Term deposits	270 790	364 127	585 675	527 172
Collateral deposits	162 468	89 830	162 944	87 580
Syndicated loans	300 000	300 000	300 000	300 000
Interest payable	3 246	4 162	4 564	9 417
	744 330	767 338	1 053 183	925 795

Assets pledged in relation to repurchase agreements are analysed in **Note 29**.

As of 31 December 2025, the interest rates on deposits from Banks range from:

- a) for deposits in USD: 0.00% (2024: 0.00%) and 5.22% (2024: 6.08%) for the Group and 0.00% (2024: 0.00%) and 5.22% (2024: 6.46%) for the Bank,
- b) for deposits in EUR: -0.34% (2024: 0.00%) and 3.45% (2024: 4.41%) for the Group and 1.93% (2024: 0.69%) and 3.45% (2024: 4.41%) for the Bank.



Note 20 - Customer accounts

This item is analysed as follows:

Customer accounts

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Demand deposits	2 077 557	1 911 403	-	-
Time deposits	2 341 853	2 955 767	1 712 637	2 708 486
Time deposits - Deposit platform	505 477	499 221	-	-
Other amounts due to customers	-	14	-	14
Interest payable	37 204	46 859	27 387	36 616
Deferred commissions	(11)	(55)	(11)	(55)
	4 962 080	5 413 209	1 740 013	2 745 061

The balance of Time deposits – Deposit platform, corresponds to deposits from individuals collected through a digital platform. This funding source started in mid-2022 and consists of fixed term deposits collected from individuals residing in the European Union, by the subsidiary IBBA Europe, through an online deposit platform.

As of 31 December 2025, the interest rates on customer accounts range from:

- for customer accounts in USD: 0.00% (2024: 0.00%) and 8.9% (2024: 9.59%) for the Group and 0.00% (2024: 0.00%) and 6% (2024: 6.35%) for the Bank,
- for customer accounts in EUR: 0.00% (2024: 0.00%) and 3.1% (2024: 4.25%) for the Group and 0.00% (2024: 0.00%) and 3.10% (2024: 4.12%) for the Bank.



Note 21 - Debt securities in issue

All debt securities in issue as of 31 December 2025 and 2024 are issued by the Bank. This item is analysed as follows:

Debt securities in issue

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Floating Rate Notes	13 929	29 865	13 929	29 865
Senior bonds	-	165 381	-	165 381
Certificates of deposit	751 722	1 086 991	751 722	1 086 991
Structured financial instruments	1 593 886	1 341 481	1 593 886	1 341 526
Interest payable	30 943	23 993	30 943	23 993
Issuance discount	(25 683)	(34 243)	(25 683)	(34 243)
Deferred commissions	-	(36)	-	(36)
	2 364 797	2 613 432	2 364 797	2 613 477

As of 31 December 2025 and 2024, the portfolio of certificates of deposit issued by the Bank is detailed as follows:

Certificates of deposit at 31.12.25

Currency	Issued amount in USD'000	Buy-backs	Adjustment hedged liabilities	Balance at 31.12.25 USD'000	Average Effective Interest Rate	Average Initial Term (days)
USD	722 704	(3 115)	10 345	729 934	0.05%	574
CHF	763	-	-	763	0.02%	1 807
EUR	21 025	-	-	21 025	0.03%	459
				751 722		



Certificates of deposit at 31.12.24

Currency	Issued amount in USD'000	Buy-backs	Adjustment hedged liabilities	Balance at 31.12.24 USD'000	Average Effective Interest Rate	Average Initial Term (days)
USD	1 077 014	(1 011)	(788)	1 075 515	0.06%	535
CHF	668	-	-	668	0.02%	1 807
EUR	10 808	-	300	10 808	0.04%	444
				1 086 991		

As of 31 December 2024, the portfolio of senior bonds issued by the Bank is detailed as follows.

Senior Bonds at 31.12.24

Issue date	Currency	Issue amount in original currency'000	Issued amount	Buy-backs	Hedge Adjustment	Balance at 31.12.24	Interest Rate	Frequency of payments	Maturity date	Listed
Feb-22	CHF	150 000	165 571	-	(190)	165 381	0.56%	Yearly	Feb-25	SIX Exchange
						165 381				

The portfolio of structured financial instruments issued by the Bank is comprised of structured notes mostly linked to the performance of assets or with auto-call features. As of 31 December 2025 and 2024, this portfolio is detailed by currency and residual maturity as follows:



Structured Financial Instruments at 31.12.25

USD'000

Currency	Residual maturity					Total
	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	
USD	123 841	74 360	175 435	1 145 035	33 321	1 551 992
EUR	-	-	6 300	31 310	4 150	41 760
GBP	-	-	134	-	-	134
	123 841	74 360	181 869	1 176 345	37 471	1 593 886

Structured Financial Instruments at 31.12.24

USD'000

Currency	Residual maturity					Total
	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	
USD	26 781	58 524	135 126	1 031 464	63 617	1 315 512
EUR	260	2 069	6 173	4 733	12 779	26 014
	27 041	60 593	141 299	1 036 197	76 396	1 341 526

As of 31 December 2025 and 2024, there were no debts represented by listed securities, except for the senior bonds listed in SIX Exchange as of 31 December 2024.

Note 22 - Current and deferred tax liabilities

Current tax liabilities comprise:

Current tax liabilities

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Corporate tax payable	3 939	15 137	-	-
Estimate for current year	-	-	285	1 186
	3 939	15 137	285	1 186



Deferred tax liabilities comprise:

Deferred tax liabilities

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Due to temporary differences:				
Financial assets at fair value through OCI	36	95	36	92
Depreciation and amortisation of tangibles and intangibles	2 512	2 898	-	-
Provisions for bonus	560	562	-	-
Derivatives	18	1 978	18	9
Right-of-use	2 925	3 224	-	-
Goodwill	15 522	15 589	-	-
Other	571	746	-	-
	22 144	25 092	54	101
Deferred tax liabilities to be paid after more than 12 months	21 496	22 935	3	6
Deferred tax liabilities to be paid within 12 months	648	2 157	51	95
	22 144	25 092	54	101



Goodwill from the subsidiary Banco Itaú International (see Note 13) is deductible for tax purposes in the US. The movement in the deferred tax liabilities balance is as follows:

Movement in the deferred income tax liabilities

USD'000	Group							Total
	Due to temporary differences							
	Bonus provisions	Goodwill	Depreciation and Amortisation	Derivatives	Financial assets at FVOCI	Right-of-use	Other	
At 1 January 2025	562	15 589	2 898	1 978	95	3 224	746	25 092
Income statement credit/(charge)	(2)	(67)	(386)	(1 971)	-	(299)	(183)	(2 908)
Exchange and other adjustments	-	-	-	-	-	-	8	8
Amount charged to equity	-	-	-	11	(59)	-	-	(48)
At 31 December 2025	560	15 522	2 512	18	36	2 925	571	22 144

Movement in the deferred income tax liabilities

USD'000	Group							Total
	Due to temporary differences							
	Bonus provisions	Goodwill	Depreciation and Amortisation	Derivatives	Financial assets at FVOCI	Right-of-use	Other	
At 1 January 2024	552	15 274	1 750	482	326	3 429	849	22 662
Income statement credit/(charge)	10	315	1 148	1 496	-	(205)	(101)	2 663
Exchange and other adjustments	-	-	-	-	3	-	(2)	1
Amount charged to equity	-	-	-	-	(234)	-	-	(234)
At 31 December 2024	562	15 589	2 898	1 978	95	3 224	746	25 092

**Movement in the deferred income tax liabilities**

USD'000	Bank		
	Due to temporary differences		Total
	Derivatives	Financial assets at FVOCI	
At 1 January 2025	10	91	101
Income statement credit	(3)	-	(3)
Amount charged to equity	11	(55)	(44)
At 31 December 2025	18	36	54

Movement in the deferred income tax liabilities

USD'000	Bank		
	Due to temporary differences		Total
	Derivatives	Financial assets at FVOCI	
At 1 January 2024	13	302	315
Income statement credit	(3)	-	(3)
Amount charged to equity	-	(211)	(211)
At 31 December 2024	10	91	101

Pillar Two legislation has been enacted in certain jurisdictions the Group operates. The legislation is effective for the Group's financial year beginning 1 January 2024.

The Group is in scope of the enacted legislation and has performed an assessment of its potential exposure to Pillar Two income taxes, based on the most recent tax filings, country-by-country reporting and financial statements of the Group.

Based on the assessment performed, the Pillar Two effective tax rate in all jurisdictions in which the Group operates is above 15%, thus it is not expected an exposure to Pillar Two top-up taxes.

The Bank applied a mandatory temporary exception for deferred taxes in respect of Pillar Two income taxes.



Note 23 - Other liabilities

This item is analysed as follows:

Other liabilities

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Creditors and other resources				
Public Sector	4 374	5 648	38	21
Other creditors	4 912	2 077	1 163	799
	9 286	7 725	1 201	820
Expenses payable				
Staff costs				
Share-based payments	24 281	13 585	11 776	6 523
Other staff costs	41 158	38 703	6 133	6 312
General and administrative expenses				
Audit	338	219	-	-
Consulting	144	106	-	-
Structuring and technical support	203	361	-	-
Other services provided by third parties	711	91	-	-
Other General and Administrative expenses	71	88	-	-
For guarantees received	688	1 830	688	1 830
Lease liabilities	16 026	18 423	194	1 056
Service level agreements	1 653	2 920	2 083	1 314
Other expenses payable	3 825	3 773	633	369
	89 098	80 099	21 507	17 404
Deferred income				
Irrevocable commitments assumed	114	233	60	88
Guarantees given and other contingent liabilities	1 408	538	441	288
Rents	1 369	1 531	-	-
	2 891	2 302	501	376
Other liabilities				
Responsibilities with pension plans				
Net defined benefit (Note 24)	2 857	1 834	-	-
Foreign exchange transactions pending settlement	92	208	41	211
Other operations pending settlement				
Charged amounts	70 193	52 309	861	81
Securities pending settlement	2 019	326	1 816	173
Other	20 719	55 142	20 719	55 142
	95 880	109 819	23 437	55 607
	197 155	199 945	46 646	74 207

a) Expenses payable – Other staff costs:

The balance of Other staff costs refer to all the expenses payable regarding staff costs of the Group except the ones related with Share-based payments, i.e., wages and salaries, social security costs, other pension costs, severances and other.

b) Expenses payable – For guarantees received:

This balance refers to fees payable for guarantees received from Itaú Group entities.



c) Expenses payable – Lease liabilities:

Following the adoption of IFRS 16, the lease liability was registered at the present value of the future lease payments discounted using the Group's incremental borrowing rate. As of 31 December 2025, the Group's average incremental borrowing rate of the lease contracts is 4.10% (31.12.24: 4.36%) and the average remaining maturity 2.6 years (31.12.24: 2.5 years). Also, the Bank's incremental borrowing rate of the lease contracts is 4.56% (31.12.24: 4.56%) and the remaining maturity 0.5 years (31.12.24: 1.5 years).

The maturity of the lease liabilities is as follows:

Lease liabilities

USD'000	Discounted cash flows				Undiscounted cash flows			
	Group		Bank		Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24	31.12.25	31.12.24	31.12.25	31.12.24
Current								
Up to 1 year	3 574	3 734	194	747	3 867	4 129	198	776
	3 574	3 734	194	747	3 867	4 129	198	776
Non-current								
From 1 to 5 years	6 998	8 032	-	309	7 198	9 366	-	321
More than 5 years	5 454	6 657	-	-	5 583	8 077	-	-
	12 451	14 689	-	309	12 781	17 443	-	321
Total Future Payments	16 026	18 423	194	1 056	16 648	21 572	198	1 097

The movement of the lease liabilities is as follows:

USD'000	Lease Liabilities	
	Group	Bank
Net debt as of 1 January 2024	22 035	1 894
Cash flows	(3 612)	(838)
Net debt as of 31 December 2024	18 423	1 056
Cash flows	(2 397)	(862)
Net debt as of 31 December 2025	16 026	194



d) Expenses payable - Service level agreements:

The balance of Service level agreements refers to expenses from services provided by Itaú Group entities. These services and related fees are specified in the respective agreements.

e) Other liabilities - Charged amounts:

As of 31 December 2025 and 2024, the balance of Charged amounts recognised in Other liabilities was mainly comprised of amounts pending settlement with brokers and custodians. The variation of this balances is due to its pending settlement specific nature.

f) Other liabilities - Other operations pending settlement - Other:

As of 31 December 2025 and 2024, the balance of Other operations pending settlement - Other was mainly comprised of derivatives pending settlement. The variation of this balances is due to its pending settlement specific nature.

Note 24 - Defined benefit pension plans

The subsidiary Banco Itaú (Suisse) S.A. operates a post-employment plan considered a defined benefit plan because of the inherent minimum benefits guaranteed by Swiss law. The related pension fund has entered into a contract of insurance to cover disability and death. The risk for Banco Itaú (Suisse) S.A. as an employer lies in the possibility of the pension fund to not fulfil their commitments for old age (investment risk). The pension fund can also terminate the existing contract within the

contractual notice period in line with Swiss law. Also, the pension fund is allowed to ask for higher risk and cost premiums from the employer and employees.

The following table provides information on the Group's liabilities with respect to post-employment defined benefit plans:

Net defined benefit (asset) / liability

USD'000	Group	
	31.12.25	31.12.24
Defined benefit obligation	32 761	26 964
Fair value of plan assets	(29 904)	(25 130)
Net defined benefit (asset) / liability	2 857	1 834

The amounts recognised in the income statement regarding defined benefit plans are as follows:

Defined benefit cost recognised in the income statement

USD'000	31.12.25	31.12.24
Service cost and Administration Cost		
Current service cost	2 454	2 283
Administration cost	15	14
	2 469	2 297
Net interest on the net defined benefit (asset) / liability		
Interest expense on defined benefit obligation	294	425
Interest income on plan assets	(271)	(386)
	23	39
	2 492	2 336



The movement in the net defined benefit obligation over 2025 and 2024 was as follows:

Movement in the defined benefit obligation

USD'000	Defined obligation	Fair value assets	Net defined (asset) / liability
As at 01.01.25	26 964	(25 130)	1 834
Recognised in the income statement:			
Interest expense / (income)	294	(272)	22
Current service cost (employer)	2 455	-	2 455
Benefits (paid) / deposited	(4 075)	4 075	-
Administration cost (excl. cost for managing plan assets)	15	-	15
	(1 311)	3 803	2 492
Recognised in OCI:			
Actuarial (gain) / loss on defined benefit obligation			
- arising from changes in financial assumptions	1 708	-	1 708
- arising from changes in demographic assumptions	-	-	-
- arising from experience adjustments	(349)	-	(349)
Return on plan assets excl. interest income	-	(1 813)	(1 813)
	1 359	(1 813)	(454)
Currency translation differences	4 397	(3 423)	974
Contributions:			
- Employer	-	(1 989)	(1 989)
- Plan participants	1 352	(1 352)	-
As at 31.12.25	32 761	(29 904)	2 857

**Movement in the defined benefit obligation**

USD'000	Defined obligation	Fair value assets	Net defined (asset) / liability
As at 01.01.24	30 444	(27 940)	2 504
Recognised in the income statement:			
Interest expense / (income)	425	(386)	39
Current service cost (employer)	2 283	-	2 283
Benefits (paid) / deposited	(4 868)	4 868	-
Administration cost (excl. cost for managing plan assets)	14	-	14
	(2 146)	4 482	2 336
Recognised in OCI:			
Actuarial (gain) / loss on defined benefit obligation			
- arising from changes in financial assumptions	1 379	-	1 379
- arising from changes in demographic assumptions	10	-	10
- arising from experience adjustments	(1 524)	-	(1 524)
Return on plan assets excl. interest income	-	(481)	(481)
	(135)	(481)	(616)
Currency translation differences	(2 496)	1 977	(519)
Contributions:			
- Employer	-	(1 871)	(1 871)
- Plan participants	1 297	(1 297)	-
As at 31.12.24	26 964	(25 130)	1 834



As at the last valuation date, the present value of the defined benefit obligation solely related to active employees. The significant actuarial assumptions in 2025 and 2024 were as follows:

Actuarial assumptions

	2025	2024
Discount rate (DR) at 01.01	1.00%	1.50%
Discount rate (DR) at 31.12	1.30%	1.00%
Interest rate on retirement savings capital (IR) at 31.12	3.25%	1.25%
Future salary increases (SI) at 31.12	1.00%	1.00%
Mortality tables	BVG 2020 GT	BVG 2020 GT
Date of last actuarial valuation	31.12.25	31.12.24

For the most important parameters with influence the defined benefit obligation, a sensitivity analysis was performed considering that the discount rate ('DR'), the interest rate ('IR') and the assumption for salary increases ('SI') were modified by a fixed percentage. The sensitivity of mortality was obtained by changing the mortality rate by a standard factor, and as a result the life expectancy for most age categories has been increased or reduced by one year. The sensitivity analysis is as follows:

Impact on defined benefit obligation

	New defined benefit obligation USD'000	% Change
Defined Benefit Obligation at 31.12 with DR -0.25%	34 031	4%
Defined Benefit Obligation at 31.12 with DR +0.25%	31 581	-4%
Defined Benefit Obligation at 31.12 with IR -0.25%	32 264	-2%
Defined Benefit Obligation at 31.12 with IR +0.25%	33 274	2%
Defined Benefit Obligation at 31.12 with SI -0.25%	32 516	-1%
Defined Benefit Obligation at 31.12 with SI +0.25%	33 043	1%
Defined Benefit Obligation at 31.12 with life expectancy +1 year	33 234	1%
Defined Benefit Obligation at 31.12 with life expectancy -1 year	32 283	-1%



The benefits of the pension schemes are funded by employer and employee as a fixed percentage of the insured salaries. Expected contributions to the defined benefit plan for the year ending 31 December 2025 are as follows:

Best Estimate of contributions for next year

	USD'000
Contributions by the employer	2 061
Contributions by plan participants	1 412

The weighted average duration of the defined benefit obligation is 15.1 years (31.12.24: 14.8 years).

The composition of the fair value of plan assets by asset class is as follows:

Plan assets classes

USD'000	31.12.25	31.12.24
Quoted market price		
Cash and cash equivalents	622	299
Equity instruments	11 848	8 692
Debt instruments	8 152	8 577
Others	2 093	1 445
Price not quoted in an active market		
Real estate	7 189	6 117
	29 904	25 130

Note 25 - Share capital and Share premium

As of 31 December 2022, the share capital of the Bank was USD 935 million, represented by 93,500,000 ordinary shares with a nominal value of USD 10 each, fully paid and owned by ITB Holding.

Following the necessary approvals, a capital increase was implemented in the Bank in the amount of USD 500 million, through the issue and allotment of fully paid ordinary shares of nominal value USD 10.00. The capital increase was carried out in three tranches, implemented in October and November 2023, the total of which brought the share capital of the Bank from USD 935,000,000 to USD 1,221,034,000 and the Bank's share premium account to USD 213,965,990.75.

As of 31 December 2025 and 2024, the share capital of the Bank was USD 1,221,034,000, represented by 122,103,400 ordinary shares with a nominal value of USD 10 each, fully paid and owned by ITB Holding.



Note 26 - Revaluation reserves

This item is analysed as follows:

Revaluation reserves

USD'000

	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Reserves due to fair value adjustments of financial assets at fair value through OCI				
Debt instruments	281	(1 558)	143	(1 698)
Deferred tax assets	49	421	(36)	424
Cash Flow hedge reserve	(376)	(1 927)	49	(84)
Deferred tax assets	(12)	21	(12)	21
Hedge of Net Investment reserve	14 731	2 444	-	-
Other revaluation reserves				
Remeasurements of post employment defined benefit obligations	4 668	4 214	-	-
Own credit	61	64	61	64
	19 402	3 679	205	(1 273)



The movement in revaluation reserves due to fair value adjustments of financial assets at fair value through OCI is as follows:

Movement in revaluation reserves due to fair value adjustments of financial assets at fair value through OCI

USD'000	Group		Bank	
	2025	2024	2025	2024
At 1 January	(1 558)	(2 047)	(1 698)	(2 200)
Debt instruments				
Government Bonds				
Revaluation	2 155	(380)	2 066	(381)
Acquisitions	143	(387)	143	(528)
Sales / Maturities	(459)	1 256	(368)	1 411
	1 839	489	1 841	502
At 31 December	281	(1 558)	143	(1 698)

The movement in hedge of net Investment reserve is as follows:

Movement in revaluation - Hedge of net investment reserve

USD'000	Group		Bank	
	2025	2024	2025	2024
At 1 January	2 444	7 727	-	-
Change in fair value of hedging instruments	12 287	(5 283)	-	-
At 31 December	14 731	2 444	-	-

The movement in other revaluation reserves is as follows:

Movement in revaluation - Other revaluation reserves

USD'000	Group		Bank	
	2025	2024	2025	2024
At 1 January	4 214	3 598	-	-
Remeasurements of post employment defined benefit obligations	454	616	-	-
At 31 December	4 668	4 214	-	-



Note 27 - Other reserves

This item is analysed as follows:

Other reserves

	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
USD'000				
Legal reserve	9 832	8 416	-	-
	9 832	8 416	-	-

The legal reserve is related to local requirements of the subsidiaries Banco Itau Suisse and Itaú BBA Europe. This reserve is non-distributable.

The movement in other reserves is as follows:

Movement in Other reserves

	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
USD'000				
At 1 January	8 416	7 371	-	-
Allocation of retained earnings to legal reserve	1 416	1 045	-	-
At 31 December	9 832	8 416	-	-



Note 28 - Contingent liabilities

a) As of 31 December 2024, the Bank was a defendant in a lawsuit filed in 2021 against IBBAInt alongside a group of lenders, which made several project-finance loans to special-purpose vehicles. Under this lawsuit, the complaint alleged one count of unjust enrichment and one count of aiding and abetting breach of fiduciary duty against the defendants, including the Bank, in connection with a sale-leaseback transaction where the bulk of the sale proceeds were used to repay the defendants on their loans.

Among other procedures, the case was referred to a bankruptcy judge and in May 2022, the defendants filed a motion to dismiss, arguing the complaint is legally deficient, which was opposed by the plaintiff in June 2022; the bankruptcy court issued an opinion granting the defendant's motion to dismiss in February 2024 and designated it as its proposed findings of fact and conclusions of law, which it recommended to the United States District Court for the Southern District of New York adopt in its entirety. In March 2025, the United States District Court for the Southern District of New York granted the defendant's motion to dismiss and dismissed the action without prejudice, entered final judgment and closed the case. In April, the plaintiff filed a notice of appeal in the United States Court of Appeals for the Second Circuit. Defendants subsequently filed a notice of conditional cross-appeal in May 2025, requesting that the Second Circuit address alternative bases for dismissal that were recommended by the bankruptcy court, but which the district court did not reach.

On 26 September 2025 the plaintiff moved to withdraw its appeal, which was granted on 1 October 2025. The defendants subsequently moved to withdraw their

cross-appeal, and the district court granted that motion in October 2025. The cases have now been closed as of October 2025. Based on the information currently available and the procedural status of the cases, management considers that no present obligation exists and, accordingly, no provision has been recognised, as no material future outflows are expected in connection with this matter.

b) As of 31 December 2025 and 2024, the subsidiary Banco Itaú International ("BII") is defendant in lawsuits filed by the liquidators of a former investment fund and a trustee in 2011 and 2012.

Under these lawsuits, BII, alongside several other financial institutions, is being requested to pay monetary damages or return certain amounts to the claimants in connection with past banking transactions. To the extent both the liquidators and the trustee seek recovery of the same redemptions, BII may be exposed to only a single recovery. These lawsuits were filed against several financial institutions and the trustees seek from BII the return of approximately USD 10 m plus interest. All claims asserted by the liquidators were dismissed although further procedural steps may still be available to them. The claims asserted by the trustee remain pending before the US District Court.

BII has retained independent outside counsel to defend it in the lawsuits. The outcomes of these cases remain uncertain and accordingly, BII has not recorded a provision at this moment. Due to the level of uncertainty, it is not practicable to estimate any potential financial impact in respect of these matters.



Note 29 - Guarantees and commitments

The nominal contractual value of financial guarantees and commitments is recorded off-balance sheet and is analysed as follows

Guarantees and commitments

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Guarantees given				
Institutional guarantees				
Guarantees	399 955	473 633	388 881	465 887
Stand-by letters of credit	94 899	102 872	-	-
Other institutional guarantees given	66 965	54 782	-	-
	561 819	631 287	388 881	465 887
Financial assets pledged as collateral				
Securities	196 600	210 441	196 600	208 191
	196 600	210 441	196 600	208 191
Total Guarantees	758 419	841 728	585 481	674 078
Commitments to third parties				
Irrevocable credit facilities	235 508	360 488	128 819	255 420
Commitment deposit insurance	1 391	1 266	-	-
Total Commitments	236 899	361 754	128 819	255 420

In the ordinary course of business, the Group enters activities that requires it to pledge assets or provide collateral. Pledging and collateral transactions are typically conducted under terms and conditions that are usual and customary to these activities. If there is no default, the securities or their equivalents must be returned by the pledgee upon satisfaction of the obligation.



The following tables summarise the pledged assets, recognised on-balance sheet, and the activities to which they relate:

Financial assets pledged as collateral

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Financial assets at fair value through OCI	196 600	210 441	196 600	208 191
	196 600	210 441	196 600	208 191

Uses of pledged assets

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Assets pledged in relation to exchange-traded derivative transactions	187 568	202 475	187 568	202 475
Assets pledged in relation to over-the-counter derivative transactions	9 032	7 966	9 032	5 716
Assets pledged in relation to repurchase agreements	-	-	-	-
	196 600	210 441	196 600	208 191

The pledge terms and conditions regarding the above assets prohibit selling or re-pledging.



Note 30 - Credit impairment (charges) / reversals and other provisions

The movement in expected credit losses and other provisions for 2025 and 2024 was as follows:

Expected credit losses and other provisions

USD'000	Group						Bank					
	Expected credit losses				Other provisions	Total	Expected credit losses				Other provisions	Total
	Stage 1	Stage 2	Stage 3	Overlays			Stage 1	Stage 2	Stage 3	Overlays		
Opening balance at 01.01.25	1 350	-	-	-	63	1 413	1 135	-	-	-	63	1 198
Movements with P&L impact:												
- New assets originated or purchased	614	-	-	-	-	614	474	-	-	-	-	474
- Assets derecognised or repaid	(590)	(1)	-	-	-	(591)	(452)	(1)	-	-	-	(453)
- Changes in EADs/PDs/LGDs	(66)	374	-	-	-	308	(86)	1	-	-	-	(85)
	(42)	373	-	-	-	331	(64)	-	-	-	-	(64)
Other movements:												
- Assets derecognised	-	-	-	-	-	-	-	-	-	-	-	-
- Provisions for tax contingencies	-	-	-	-	-	-	-	-	-	-	-	-
- Dismantling provisions	-	-	-	-	-	-	-	-	-	-	-	-
- Foreign exchange changes	5	39	-	-	4	48	-	-	-	-	4	4
Closing balance at 31.12.25	1 313	412	-	-	67	1 792	1 071	-	-	-	67	1 138
In respect of:												
- Loans and advances to customers (Note 11)						1 513						903
- Guarantees and commitments						212						168
- Other provisions						67						67
Closing balance at 31.12.25						1 792						1 138



Expected credit losses and other provisions

USD'000	Group						Bank					
	Expected credit losses				Other provisions	Total	Expected credit losses				Other provisions	Total
	Stage 1	Stage 2	Stage 3	Overlays			Stage 1	Stage 2	Stage 3	Overlays		
Opening balance at 01.01.24	1 180	-	-	480	195	1 855	1 042	-	-	399	195	1 636
Movements with P&L impact:												
- New assets originated or purchased	833	-	-	-	-	833	692	-	-	-	-	692
- Assets derecognised or repaid	(550)	-	-	-	-	(550)	(515)	-	-	-	-	(515)
- Changes in EADs/PDs/LGDs	(95)	-	-	-	-	(95)	(84)	-	-	-	-	(84)
- Overlays	-	-	-	(484)	-	(484)	-	-	-	(399)	-	(399)
	188	-	-	(484)	-	(296)	93	-	-	(399)	-	(306)
Other movements:												
- Provisions for tax contingencies	-	-	-	-	(131)	(131)	-	-	-	-	(131)	(131)
- Dismantling provisions	-	-	-	-	(1)	(1)	-	-	-	-	(1)	(1)
- Foreign exchange changes	(18)	-	-	4	-	(14)	-	-	-	-	-	-
Closing balance at 31.12.24	1 350	-	-	-	63	1 413	1 135	-	-	-	63	1 198
In respect of:												
- Loans and advances to customers (Note 11)						1 136						939
- Guarantees and commitments						214						196
- Other provisions						63						63
Closing balance at 31.12.24						1 413						1 198



Note 31 - Net interest income

This item is analysed as follows:

Net interest income

USD'000	Group		Bank	
	2025	2024	2025	2024
Interest income				
Interest from balances at central banks	58 510	51 729	-	-
Interest on loans and advances to banks	61 115	68 424	58 695	58 391
Interest on loans and advances to customers at amortised cost	306 114	334 590	208 219	228 435
Interest on financial assets at fair value through OCI	19 602	25 371	18 375	21 299
Interest on hedging derivatives	9 311	39 081	7 565	35 500
Other interest	-	1	-	-
Total interest income using effective interest rate method	454 652	519 196	292 854	343 625
Interest on non-trading derivatives (no hedge accounting)	62 721	76 195	62 721	76 195
Other interest and similar income	62 721	76 195	62 721	76 195
Total interest and similar income	517 373	595 391	355 575	419 820
Interest and similar expense				
Interest on amounts due to central banks	(1)	-	-	-
Interest on deposits from banks	(39 244)	(49 087)	(51 218)	(63 096)
Interest on deposits from customers	(154 680)	(150 994)	(83 572)	(76 065)
Interest on issued bonds	(1 248)	(2 552)	(1 248)	(2 552)
Interest on issued certificates of deposit	(40 920)	(66 046)	(40 920)	(66 046)
Interest on issued structured financial instruments	(88 191)	(75 696)	(88 191)	(75 698)
Interest on hedging derivatives	(17 659)	(34 500)	(15 132)	(34 208)
Interest on right-of-use assets	(624)	(754)	(37)	(73)
Other interest	(54)	-	(53)	1
Total interest expense using effective interest rate method	(342 621)	(379 629)	(280 371)	(317 737)
Total interest and similar expense	(342 621)	(379 629)	(280 371)	(317 737)
	174 752	215 762	75 204	102 083

The amount of USD 63 m of interest on non-trading derivatives (no hedge accounting) for the Group and the Bank in 2025 (2024: USD 76 m), corresponds to the interest component of derivatives held at fair value through profit or loss used by the Group for economic hedge of financial assets at fair value through OCI (see Note 2.18 a).



Note 32 - Net fee and commission income / (expense)

This item is analysed as follows:

Net fee and commission income / (expense)

USD'000	Group		Bank	
	2025	2024	2025	2024
Fee and commission income				
For guarantees given	4 756	4 629	4 313	4 298
For irrevocable commitments	2 675	3 125	2 297	2 357
For banking services	165 875	153 218	2 847	4 613
	173 306	160 972	9 457	11 268
Fee and commission expense				
For guarantees received	(4 234)	(6 604)	(4 225)	(6 577)
For operations on financial instruments	(108)	(720)	(127)	(824)
For banking services	(4 277)	(4 801)	(1 095)	(846)
For operations undertaken by third parties	(2 239)	(1 732)	-	(72)
Other	(886)	(470)	(882)	(468)
	(11 744)	(14 327)	(6 329)	(8 787)
	161 562	146 645	3 128	2 481

At the Group level, fee and commission income for banking services is mainly related with asset management and custody services provided by IPB units, in both 2025 and 2024.

At the Bank level, fee and commission income for banking services is mainly comprised by structuring, arranging and dealer fees in 2025 and 2024.



Note 33 - Net income on financial operations

This item is analysed as follows:

Net income on financial operations

USD'000	Group		Bank	
	2025	2024	2025	2024
Net income on financial assets and liabilities at fair value through profit or loss				
Net income / (expense) on trading assets	1 145	(519)	1 145	(519)
Net (expense) / income on trading liabilities	(1 160)	530	(1 160)	530
Net income on financial assets designated at fair value	16 243	15 078	13 320	12 270
Net (expense) / income on financial liabilities designated at fair value	(3 309)	(2 391)	(3 309)	(2 391)
Net income / (expense) on derivative financial instruments	923	7 738	5 315	981
Net income on currency revaluation	55 489	34 887	51 096	34 330
	69 331	55 323	66 407	45 201
Net income / (expense) on financial assets at fair value through OCI	(84)	(778)	(89)	(778)
Dividend income	-	1	-	1
Net income on other financial operations				
Net income on early termination of financial operations	2 563	1 221	1 673	847
Net income on repurchase of own issues	(1 757)	2 182	(1 757)	2 182
Net income on structured financial instruments	6 503	5 119	6 503	5 119
Net income on hedging relationships	4 000	1 514	1 789	1 239
	11 309	10 036	8 208	9 387
	80 556	64 582	74 526	53 811



Note 34 - Other operating income

This item is analysed as follows:

Other operating income

USD'000	Group		Bank	
	2025	2024	2025	2024
Income from service level agreements	9 330	9 572	4 966	5 320
Taxes reimbursement	-	11	-	11
Gains in tangible assets	1	3	-	-
Other operating income	1 603	1 381	84	13
	10 934	10 967	5 050	5 344

Income from service level agreements refers to revenues obtained from providing services to Itaú Group entities. These services and related fees are specified in the respective agreements.



Note 35 - Staff costs

This item is analysed as follows:

Staff costs

USD'000	Group		Bank	
	2025	2024	2025	2024
Wages and salaries	103 001	93 067	17 724	13 599
of which: Bonus	49 153	38 927	13 212	9 143
of which: Share-based	13 105	4 239	7 026	2 850
Social security costs	7 217	6 506	1 437	1 379
Other pension costs				
- Defined contribution plans	1 433	1 383	420	401
- Defined benefit plans (Note 24)	2 492	2 336	-	-
Other staff costs				
- Severances	1 484	1 133	304	389
- Other	4 491	4 305	258	205
	120 118	108 730	20 143	15 973

The monthly average number of employees is analysed as follows:

Number of employees (Monthly average)

	Group		Bank	
	2025	2024	2025	2024
Management	24	23	2	2
Business areas	135	124	11	11
Support areas	336	336	12	12
Total	495	483	25	25



The remuneration of the Bank's directors was as follows:

Directors' remuneration

USD'000	2025	2024
Agregate Remuneration	4 136	4 799
Of wich: Long-term incentive scheme	739	1 379

The amounts above consist of remuneration awarded for the year, including fixed remuneration and the upfront and deferred components of variable remuneration awarded for the year.

In 2025, post-employment benefits were accruing for two directors of the Bank (2024: two) under a defined contribution pension scheme, and two directors of the Bank were accruing benefits under a long-term incentive scheme (2024: two).

The Bank's highest paid director's emoluments were as follows:

Highest paid director's emoluments

USD'000	2025	2024
Total emoluments and amounts		
under long-term incentive schemes	3 283	3 632
Of which: Aggregate value paid to defined contribution pension scheme	46	44



Note 36 - General and administrative expenses

This item is analysed as follows:

General and administrative expenses

USD'000	Group		Bank	
	2025	2024	2025	2024
Supplies	923	949	32	92
Services				
Rentals and leasing	334	176	29	26
Communications	2 055	1 627	131	119
Travel, lodging and representation	4 686	3 665	363	437
Training expenses	451	539	75	25
Insurance	527	602	9	10
Specialized services				
Legal	2 008	1 576	411	423
Audit	2 280	2 364	531	469
Human resources	508	714	206	284
Tax	247	312	176	199
Information Technology	21 854	22 342	2 503	1 177
Databases	5 520	7 251	96	995
Other consultants	5 517	6 383	71	166
Other specialized services	1 227	624	539	187
Service level agreements	8 044	10 033	11 112	10 106
Other services	851	724	22	15
	56 109	58 932	16 274	14 638
	57 032	59 881	16 306	14 730

Expenses from service level agreements are incurred for services provided by Itaú Group entities. These services and related fees are specified in the respective agreements.



Note 37 - Other operating expenses

This item is analysed as follows:

Other operating expenses

	Group		Bank	
	2025	2024	2025	2024
USD'000				
Subscriptions and donations	564	397	285	191
Losses on disposal of tangible assets	3	2	-	2
Indirect taxes	2 546	2 457	232	388
Direct taxes	104	157	-	-
Other operating expenses	3 659	2 428	8	79
	6 876	5 441	525	660



Note 38 - Income tax

This item is analysed as follows:

Income tax

USD'000	Group		Bank	
	2025	2024	2025	2024
Current taxes on income for the reporting year	(60 598)	(57 753)	(31 071)	(33 279)
Current taxes referring to previous years	540	(1 929)	4	129
Total current tax	(60 058)	(59 682)	(31 067)	(33 150)
Origination and reversal of temporary differences regarding:				
Provisions for bonus	2 466	757	1 010	203
Derivatives	2 690	(1 496)	3	3
Goodwill amortisation	67	(315)	-	-
Depreciation and amortisation of tangibles and intangibles	355	(1 180)	(31)	(32)
Financial assets at fair value through OCI	-	-	-	-
Lease liabilities	(252)	(147)	-	-
Right-of-use	299	205	-	-
R&D expenses	(349)	505	-	-
Other	421	142	-	-
Tax losses carried forward	73	(164)	-	-
Total deferred tax	5 770	(1 693)	982	174
	(54 288)	(61 375)	(30 085)	(32 976)

For the movement in the deferred tax assets and liabilities, see **Notes 15** and **22**.

The table below shows the reconciliation between the actual tax charge and the tax charge that would result from applying the standard corporation tax rate to the profit before tax, on a consolidated and on a solo level:



Income tax reconciliation

USD'000	Group		Bank	
	2025	2024	2025	2024
Profit before tax	231 135	253 011	120 167	131 803
Tax calculated at the weighted average applicable tax rate	(54 572)	(58 390)	(30 042)	(33 069)
Effect of :				
- Expenses not deductible for tax purposes	(189)	(189)	(21)	(14)
- Changes in tax rates	111	(17)	-	-
- Adjustment for prior years	540	(1 929)	4	129
- Double taxation	(156)	(116)	-	-
- Others	(22)	(734)	(26)	(22)
Income tax	(54 288)	(61 375)	(30 085)	(32 976)

In 2025, the income tax rate applicable to the majority of the Bank's income is 25.0% (2024: 25%), and the weighted average applicable tax rate was 25.0% (2024: 25.1%).

On a consolidated level, the income tax rate applicable to the majority of income generated by the Bank and its subsidiaries ranges from 19.7% to 26.5% (2024: 19.7% to 26.5%). The weighted average applicable tax rate was 23.6% (2024: 23.1%).

Income tax rates

	Bank	Subsidiaries					Group	
		BII	IIS	BIS	IBBAE	IE		
2025	Income tax rate applicable to the majority of the income	25.0%	26.5%	26.5%	19.7%	20.0%	23.9%	
	Weighted average applicable tax rate	25.0%	21.0%	21.0%	20.2%	22.3%	23.9%	23.6%
2024	Income tax rate applicable to the majority of the income	25.0%	26.5%	26.5%	19.7%	21.0%		
	Weighted average applicable tax rate	25.1%	21.0%	21.0%	19.6%	24.6%		23.1%



Note 39 - Related Party Transactions

a) Key Management Personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and comprise the members of the Board of Directors and certain top executives of the Bank and its subsidiaries.

The total compensation below represents all benefits in the form of consideration paid, payable or provided by the Group/Bank to key management personnel, in exchange for services rendered to the Group/Bank, and do not reconcile with the costs recognised in the income statement, as these reflect only the accounting charge for the year.

Key management personnel compensation

USD'000	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Short-term employee benefits	16 542	15 928	4 242	4 401
Post-employment benefits	389	374	-	-
Other long-term benefits	3 665	3 264	2 015	1 654
Termination benefits	13	224	-	-
Share-based payment:				
paid (settled)	3 855	2 613	1 656	2 020
payable (vesting ongoing)	36 185	20 955	15 847	10 897

At 31 December 2025, loans to key management personnel amounted to USD 74 thousand (31.12.24: USD 76 thousand).



b) Other Related Parties – Group:

Parent and other entities of the Itaú Group:

Related Parties - Group

USD'000	31.12.25		31.12.24	
	Itaú Unibanco Group (Brazil) ¹	Total	Itaú Unibanco Group (Brazil) ¹	Total
Assets				
Derivative financial instruments	18 290	18 290	32 965	32 965
Loans and advances to banks	108 529	108 529	841 799	841 799
Loans and advances to customers	79 403	79 403	17 699	17 699
Other assets	3 286	3 286	2 414	2 414
	209 508	209 508	894 877	894 877
Liabilities				
Derivative financial instruments	4 435	4 435	126 612	126 612
Deposits from banks	175 422	175 422	45 255	45 255
Customer accounts	237 555	237 555	57 623	57 623
Other liabilities	2 921	2 921	4 004	4 004
	420 333	420 333	233 494	233 494
Income and Expenses				
Interest income	31 299	31 299	38 483	38 483
Interest expense	(28 540)	(28 540)	(5 074)	(5 074)
Net income / (expense) in financial operations	451 492	451 492	(112 736)	(112 736)
Commission income	2 294	2 294	1 411	1 411
Commission expense	(4 645)	(4 645)	(7 088)	(7 088)
Other income	9 342	9 342	9 477	9 477
General and administrative expenses	(6 840)	(6 840)	(8 243)	(8 243)
	454 402	454 402	(83 770)	(83 770)
Off-balance sheet				
Guarantees received	1 645 525	1 645 525	1 564 074	1 564 074
Guarantees given	-	-	-	-
Exchange operations and derivative instruments				
Purchase	594 081	594 081	2 189 024	2 189 024
Sale	649 975	649 975	2 408 606	2 408 606
	2 889 581	2 889 581	6 161 704	6 161 704

¹ Includes the companies Itaú Unibanco Nassau Branch, Itaú Unibanco S.A., Itaú Unibanco Miami Branch, Banco Itaú Paraguay, Itaú Bank&Trust (Cayman) Ltd., Itaú BBA International Cayman Ltd., Itaú USA Securities, Itaú Corpbanca Colombia S.A., ITB Holding Ltd, Itaú BBA Trading S.A., Itaú International Holding Ltd, Itaú USA Asset Management, Itaú Bank&Trust (Bahamas) Ltd and MCC Asesorias Chile.



c) Other Related Parties – Bank:

Subsidiaries, parent and other entities of the Itaú Group:

Related Parties - Bank

	31.12.25						Total
	Subsidiaries					Other related parties	
	Banco Itaú International	Banco Itaú (Suisse)	Itaú International Securities. Inc	Itaú BBA Europe, S.A.	Itaú Europe, S.A.	Itaú Unibanco Group (Brazil) ¹	
USD'000							
Assets							
Derivative financial instruments	696	1 180	-	1 469	-	17 943	21 288
Loans and advances to banks	414 700	4 533	-	37 036	-	108 529	564 798
Loans and advances to customers	-	-	-	-	-	79 403	79 403
Investments in associates and subsidiaries	297 004	223 577	17 620	264 375	550	-	803 126
Other assets	79	101	-	192	261	1 223	1 856
	712 479	229 391	17 620	303 072	811	207 098	1 470 471
Liabilities							
Derivative financial instruments	1 305	917	-	231	-	3 264	5 717
Deposits from banks	250 717	50 013	-	148 650	-	42 430	491 810
Customer accounts	-	-	-	-	-	237 555	237 555
Other liabilities	-	-	-	2 083	-	688	2 771
	252 022	50 930	-	150 964	-	283 937	737 853
Income and Expenses							
Interest income	5 923	356	-	1 898	-	31 299	39 476
Interest expense	(19 963)	(4 850)	(683)	(4 439)	-	(27 289)	(57 224)
Net income in financial operations	1 032	(21 126)	471	19 044	-	451 492	450 913
Commission income	-	-	-	-	-	2 258	2 258
Commission expense	-	-	-	(19)	-	(4 640)	(4 659)
Other income	421	332	-	134	-	4 093	4 980
General and administrative expenses	-	-	-	(11 112)	-	-	(11 112)
	(12 587)	(25 288)	(212)	5 506	-	457 213	424 632
Off-balance sheet							
Guarantees received	-	-	-	-	-	1 451 159	1 451 159
Exchange operations and derivative instruments							
Purchase	209 550	300 395	-	286 275	-	476 795	1 273 015
Sale	209 550	281 256	-	285 866	-	533 536	1 310 208
	419 100	581 651	-	572 141	-	2 461 490	4 034 382

¹ Includes the companies Itaú Unibanco Nassau Branch, Itaú Unibanco S.A., Itaú Corretora De Valores S.A., Itaú Unibanco Miami Branch, Banco Itaú Uruguay, Banco Itaú Colombia, Itaú Bank&Trust (Cayman) Ltd., Itaú BBA International Cayman Ltd., Itaú USA Securities, Itaú Corpbanca Colombia S.A., ITB Holding Ltd, Itaú BBA Trading S.A., Itaú BBA USA Securities, INC.



Related Parties - Bank

USD'000	31.12.24					Total
	Subsidiaries				Other related parties	
	Banco Itaú International	Banco Itaú (Suisse)	Itaú International Securities. Inc	Itaú BBA Europe, S.A.	Itaú Unibanco Group (Brazil) ¹	
Assets						
Derivative financial instruments	-	4 887	-	4 621	31 710	41 218
Loans and advances to banks	100 400	48 572	-	29 713	841 799	1 020 484
Loans and advances to customers	-	-	-	-	17 699	17 699
Investments in associates and subsidiaries	297 004	195 621	17 620	233 752	-	743 997
Other assets	26	67	-	164	848	1 105
	397 430	249 147	17 620	268 250	892 056	1 824 503
Liabilities						
Derivative financial instruments	6 355	3 136	-	110	126 025	135 626
Deposits from banks	-	86 044	-	103 955	28 869	218 868
Customer accounts	-	-	-	-	57 623	57 623
Other liabilities	-	-	-	1 381	1 835	3 216
	6 355	89 180	-	105 446	214 352	415 333
Income and Expenses						
Interest income	8 430	93	-	4 523	31 988	45 034
Interest expense	(3 424)	(7 457)	-	(5 277)	(4 860)	(21 018)
Net income in financial operations	(6 139)	3 114	-	3 211	(112 736)	(112 550)
Commission expense	-	-	-	(123)	(7 085)	(7 208)
Other income	425	582	-	192	4 119	5 318
General and administrative expenses	-	-	-	(10 106)	-	(10 106)
	(708)	(3 668)	-	(7 500)	(87 192)	(99 068)
Off-balance sheet						
Guarantees received	-	-	-	-	1 401 321	1 401 321
Guarantees given	-	-	-	3 329	-	3 329
Exchange operations and derivative instruments						
Purchase	364 841	214 992	-	331 951	2 148 277	3 060 061
Sale	364 921	182 660	-	328 703	2 368 409	3 244 693
	729 762	397 652	-	663 983	5 918 007	7 709 404

¹ Includes the companies Itaú Unibanco Nassau Branch, Itaú Unibanco S.A., Itaú Unibanco Miami Branch, Banco Itaú Paraguay, Itaú Bank&Trust (Cayman) Ltd., Itaú BBA International Cayman Ltd., Itaú USA Securities, Itaú Corpbanca Colombia S.A., ITB Holding Ltd and Itaú BBA Trading S.A.



Note 40 - Financial Risks

The following disclosures relating to financial risks should be read in conjunction with the Risk Management section of the Strategic Report on pages 22 to 30.

a) Credit risk

The risk management policy of the Bank takes into consideration three mechanisms to manage the credit portfolio's deterioration: (i) closely monitor the credit operation with higher credit risk, (ii) sell the credit operation or (iii) obtain a credit guarantee at market conditions.

i) Maximum exposure to credit risk and effects of collateral and other credit enhancements

The following tables present a reconciliation between the Group's and the Bank's maximum exposure and net exposure to credit risk, reflecting the financial effect of cash collateral and netting agreements. For on-balance sheet assets, the maximum exposure set out below is based on net carrying amounts as reported in the balance sheet. This analysis of credit risk includes only financial assets subject to credit risk, and therefore excludes goodwill, tangible and intangible assets, tax and other assets, as well as trading securities because their risk is transferred to investors (see Note 6 to the Financial Statements).



Maximum exposure and effects of cash collateral and other credit enhancements

	Group									
	31.12.25					31.12.24				
USD m	Maximum exposure gross	ECL Provisions	Netting	Cash collateral	Net exposure ¹	Maximum exposure gross	ECL Provisions	Netting	Cash collateral	Net exposure ¹
On-balance sheet:										
Balances at Central Banks	2 013	-	-	-	2 013	1 152	-	-	-	1 152
Financial assets designated at fair value through profit or loss	-	-	-	-	-	45	-	-	-	45
Financial assets at fair value through OCI	2 044	-	-	-	2 044	2 134	-	-	-	2 134
Derivative financial instruments	402	-	-	-	402	498	-	-	-	498
Financial assets at amortised cost										
Loans and advances to banks	497	-	(146)	-	351	1 591	-	(20)	-	1 571
Loans and advances to customers										
- CIB	4 397	(1)	-	-	4 396	4 507	(1)	-	(7)	4 499
- IPB ²	1 805	-	-	(171)	1 634	1 759	-	-	(181)	1 578
Total on-balance sheet	11 158	(1)	(146)	(171)	10 840	11 686	(1)	(20)	(188)	11 477
Off-balance sheet:										
Guarantees and Commitments										
- CIB	636	-	-	(1)	635	834	-	-	(6)	828
- IPB ²	163	-	-	(2)	161	159	-	-	(5)	154
Total off-balance sheet	799	-	-	(3)	796	993	-	-	(11)	982
Total	11 957	(1)	(146)	(174)	11 636	12 679	(1)	(20)	(199)	12 459

¹ The amount of Net exposure corresponds to the maximum exposure after taking into account the effects of ECL provisions, netting and cash collateral.

² Net exposure to Private Banking customers is collateralised by highly liquid investments.



Maximum exposure and effects of cash collateral and other credit enhancements

USD m	Bank									
	31.12.25					31.12.24				
	Maximum exposure gross	ECL Provisions	Netting	Cash collateral	Net exposure ¹	Maximum exposure gross	ECL Provisions	Netting	Cash collateral	Net exposure ¹
On-balance sheet:										
Financial assets designated at fair value through profit or loss	-	-	-	-	-	45	-	-	-	45
Financial assets at fair value through OCI	1 736	-	-	-	1 736	1 824	-	-	-	1 824
Derivative financial instruments	402	-	-	-	402	489	-	-	-	489
Financial assets at amortised cost										
Loans and advances to banks	891	-	(142)	-	749	1 715	-	(18)	-	1 697
Loans and advances to customers	4 046	(1)	-	-	4 045	4 105	(1)	-	(7)	4 097
Total on-balance sheet	7 075	(1)	(142)	-	6 932	8 178	(1)	(18)	(7)	8 152
Off-balance sheet:										
Institutional guarantees	389	-	-	(1)	388	466	-	-	(6)	460
Commitments	129	-	-	-	129	255	-	-	-	255
Total off-balance sheet	518	-	-	(1)	517	721	-	-	(6)	715
Total	7 593	(1)	(142)	(1)	7 449	8 899	(1)	(18)	(13)	8 867

¹ The amount of Net exposure corresponds to the maximum exposure after taking into account the effects of ECL provisions, netting and cash collateral.



ii) Quality of the portfolio of Loans and advances to customers, guarantees and commitments

As of 31 December 2025 and 2024, the portfolio of loans and advances to customers, guarantees and commitments subject to credit risk is analysed as follows:

Quality of the portfolio of Loans and advances to customers, guarantees and commitments

31.12.25								
Group					Bank			
USD'000	Maximum exposure gross	ECL Provisions	Cash collateral	Net exposure	Maximum exposure gross	ECL Provisions	Cash collateral	Net exposure
Stage 1	6 859 633	(1 313)	(174 037)	6 684 283	4 433 270	(1 071)	(850)	4 431 349
Stage 2	50 279	(412)	-	49 867	38 424	-	-	38 424
Stage 3	91 484	-	(250)	91 234	91 484	-	(250)	91 234
	7 001 396	(1 725)	(174 287)	6 825 384	4 563 178	(1 071)	(1 100)	4 561 007

Quality of the portfolio of Loans and advances to customers, guarantees and commitments

31.12.24								
Group					Bank			
USD'000	Maximum exposure gross	ECL Provisions	Cash collateral	Net exposure	Maximum exposure gross	ECL Provisions	Cash collateral	Net exposure
Stage 1	7 217 903	(1 350)	(193 306)	7 023 247	4 784 996	(1 135)	(7 303)	4 776 558
Stage 2	41 564	-	(5 627)	35 937	41 564	-	(5 627)	35 937
Stage 3	-	-	-	-	-	-	-	-
	7 259 467	(1 350)	(198 933)	7 059 184	4 826 560	(1 135)	(12 930)	4 812 495

¹ Including overlays in stage 1.

As of 31 December 2025, the amount of Stage 3 loans correspond primarily to a loan granted to a company in the sustainability sector that is currently in a debt renegotiation. The operation is fully covered by guarantees, so potential losses are not expected.

On 31 December 2025 and 2024, the breakdown by internal rating classification of the loans and advances to customers, guarantees and commitments is as follows. The Group implemented this internal rating system which is established through probabilities of default and is compatible with the nature, scale and complexity of the activities developed by the Group.



Quality of the portfolio of Loans and advances to customers, guarantees and commitments

31.12.25								
USD'000	Group				Bank			
	Stage 1	Stage 2	Stage 3	TOTAL ³	Stage 1	Stage 2	Stage 3	TOTAL ³
Internal rating¹								
Aaa to Aa3	79 403	-	-	79 403	79 403	-	-	79 403
A1 to A4	897 393	-	-	897 393	865 324	-	-	865 324
Baa1 to Baa4	2 803 882	-	-	2 803 882	2 491 118	-	-	2 491 118
Ba1 to Ba6	1 088 443	-	-	1 088 443	976 793	-	-	976 793
B1 to B4	19 561	49 867	-	69 428	19 561	38 424	-	57 985
Below B4	-	-	91 484	91 484	-	-	91 484	91 484
Unrated	1 192	-	-	1 192	-	-	-	-
Private Banking ²	1 968 446	-	-	1 968 446	-	-	-	-
Total	6 858 320	49 867	91 484	6 999 671	4 432 199	38 424	91 484	4 562 107

Quality of the portfolio of Loans and advances to customers, guarantees and commitments

31.12.24								
USD'000	Group				Bank			
	Stage 1	Stage 2	Stage 3	TOTAL ³	Stage 1	Stage 2	Stage 3	TOTAL ³
Internal rating¹								
Aaa to Aa3	17 699	-	-	17 699	17 699	-	-	17 699
A1 to A4	403 296	-	-	403 296	387 714	-	-	387 714
Baa1 to Baa4	3 690 298	-	-	3 690 298	3 371 851	-	-	3 371 851
Ba1 to Ba6	1 185 981	-	-	1 185 981	1 006 597	-	-	1 006 597
Below B4	-	41 564	-	41 564	-	41 564	-	41 564
Unrated	1 157	-	-	1 157	-	-	-	-
Private Banking ²	1 918 122	-	-	1 918 122	-	-	-	-
Total	7 216 553	41 564	-	7 258 117	4 783 861	41 564	-	4 825 425

¹ The monitoring and measurement of credit risk methodologies used for the Group limits are established in coordination with an internal rating system, under which the higher the risk, the lower the permitted exposure. All entities to which a credit limit is attributed are rated in terms of their risk level.

² Corresponds to Loans with Private Banking customers, which are substantially collateralised by deposits, highly liquid investments or a combination of both.

³ Corresponds to Maximum exposure net of ECL provisions.



Expected Credit Losses ('ECL')

- **Forward-looking information**

The ECL internal models are based on the internal historical information in order to be representative of the current economic context, but also to incorporate a perspective of future economic evolution. The specific context motivated by the current geopolitical and economic challenges continue to impact the complexity in the identification of significant increases in credit risk and default indicators, taking into account the various support measures granted to economic agents namely the launch of support lines for the economy.

In these circumstances, the internal ECL analysis models developed should incorporate new criteria and other judgments, such as (i) avoid excessively procyclical assumptions in line with supervisors' guidelines, (ii) the development of individual analysis of the significant exposures of the sectors most affected by the current economic conditions, in order to identify situations of significant deterioration in credit risk; and (iii) analysis of the macroeconomic scenarios for the purpose of determining the estimated loss in this uncertain environment.

These models use forward-looking information available. Forward-looking information is considered when measuring the ECL and is based on macroeconomic scenarios that are analysed regularly or when the market conditions require it.

In 2025, the Bank also conducted a periodic reassessment of risk factors, macroeconomic scenarios and scenario

weightings, concluding that no updates were necessary given the specifics of the current market.

The Group uses a broad range of prospective economic information as inputs to its model of expected credit losses and considers both internal and external sources of information and data in order to create unbiased projections and forecasts.

- **Estimation Uncertainty**

The Group uses a three-scenario model to calculate ECL. The either central or most plausible scenario (baseline scenario), one adverse/pessimistic scenario (downside) and one favourable/optimistic scenario (upside) with associated probability weightings:

Weighted-probabilities

	31.12.2025	31.12.2024
Upside	10%	15%
Baseline	50%	55%
Downside	40%	30%

These scenarios are expressed both in terms of macroeconomic variables, as well as other variables that may impact our risk profile. All scenarios are backed by a rationale and are verified and reviewed by all areas involved in the simulation process. The methodology for estimating probability weights for each of the scenarios involves a comparison of the distribution of key historical Europe and Brazilian macroeconomic variables against the forecast paths of the three scenarios.

- **Macroeconomic Factors**

The Group's economic scenarios have continued to be revised to reflect the specific macroeconomic conditions, incorporating the challenges from the current geopolitical and economic uncertainties. Itaú Unibanco has a specific and independent economic research department, which is responsible to determine the Group outlook for the principal economic factor/index.

The following tables have the economic scenarios used in 2025. The PDs used for the ECL estimation at the year-end took into consideration the macroeconomic factors projected as of 2025.



European & US portfolio	Baseline			Downside			Upside		
	GDP Eurozone %	GDP World %	Euribor 12m %	GDP Eurozone %	GDP World %	Euribor 12m %	GDP Eurozone %	GDP World %	Euribor 12m %
2025	1.30%	3.20%	2.00%	1.30%	3.20%	2.00%	1.30%	3.20%	2.00%
2026	1.20%	3.30%	2.00%	0.00%	3.00%	1.00%	2.00%	3.60%	3.00%
2027	1.20%	3.30%	2.00%	0.00%	3.00%	1.00%	2.00%	3.60%	3.00%
2028	1.20%	3.30%	2.00%	0.00%	3.00%	1.00%	2.00%	3.60%	3.00%

Latam portfolio	Baseline			Downside			Upside		
	CDS Brazil 5y	Effective risk free interest (%) Selic	GDP Brazil %	CDS Brazil 5y	Effective risk free interest (%) Selic	GDP Brazil %	CDS Brazil 5y	Effective risk free interest (%) Selic	GDP Brazil %
2025	160	14	2.96	160	14	2.96	160	14	2.96
2026	175	13	1.74	197	15	1.35	148	13	1.90
2027	200	12	1.57	297	15	0.87	141	11	2.19
2028	200	11	1.86	300	15	0.65	140	8	3.00

The application of the European & US macroeconomic scenarios was not subject to review in 2025. The following table presents the main macroeconomic factors used in the scenarios.

European & US portfolio	Baseline			Downside			Upside		
	GDP Eurozone %	GDP World %	Euribor 12m %	GDP Eurozone %	GDP World %	Euribor 12m %	GDP Eurozone %	GDP World %	Euribor 12m %
2024	0.80%	3.20%	3.00%	0.80%	3.20%	3.00%	0.80%	3.20%	3.00%
2025	0.80%	3.10%	2.00%	0.00%	2.80%	4.00%	1.30%	3.20%	1.75%
2026	1.00%	3.00%	2.00%	0.00%	2.80%	4.00%	1.30%	3.10%	1.75%
2027	1.00%	3.00%	2.00%	0.00%	2.80%	4.00%	1.30%	3.10%	1.75%



• **Sensitivity Analysis**

The table below shows the estimated ECL impact on the credit portfolio for the baseline scenario, for a positive growth (upside scenario), for a downturn (downside scenario) and for the weighted-probabilities scenario, assuming scenarios have been 100% weighted:

USD'000	31.12.25		31.12.24	
	ECL	Change	ECL	Change
Upside Scenario	1118	(49)	1 092	(43)
Baseline Scenario	1049	(25)	1 114	(21)
Weighted-probabilities Scenario	1074	-	1 135	-
Downside Scenario	1118	43	1 195	60

The Bank updated its macroeconomic scenarios in November 2025, with no relevant variation on the PD levels, which reflect current market conditions and the macroeconomic scenario.

assumed the default probabilities of that scenario (downside) considering the current model (weighted-probabilities scenario). This analysis did not show changes in staging of the portfolio. The table below shows the staging of both scenarios:

To demonstrate the sensitivity of the ECL to the worst-case scenario, an analysis was performed. This sensitivity analysis

Although the above analysis did not trigger a migration from

31.12.25				31.12.24			
USD'000	Weighted-probabilities	Scenario		USD'000	Weighted-probabilities	Scenario	
		Downside	Change			Downside	Change
ECL	1074	1118	44	ECL	1135	1195	60
Stage 1	1071	1114	43	Stage 1	1134	1194	60
Stage 2	1	2	1.00	Stage 2	0.78	0.80	0.02
Stage 3	2	2	0.1	Stage 3	0	0	0

Stage 1 to Stage 2, a complementary shock by moving the entire portfolio to Stage 2 was carried out over 31 December 2025. This aggressive scenario resulted in an increase of USD 3,456 thousands (2024: USD 3,193 thousands) in ECL compared to the weighted-probabilities scenario, which demonstrates the good quality of the portfolio.



Collateral

As of 31 December 2025 and 2024, the collateral held for the Bank's maximum exposure to credit risk, regarding loans and advances to customers, guarantees and commitments, is as follows:

Collateral held for maximum exposure to credit risk

USD'000	Bank	
	31.12.25	31.12.24
Maximum exposure to credit risk		
Loans to customers	4 045 478	4 105 253
Guarantees and commitments	517 700	721 307
	4 563 178	4 826 560
Cash collateral	1 100	12 899
Standby letters of credit received	1 582 909	1 569 437
Guarantees received	3 678 575	3 688 087
Other pledge (*)	1 452 862	1 090 092
Total collateral	6 715 446	6 360 515

(*) Includes securities (debt and equity) pledge, mortgages, receivables pledge, personal guarantees and other pledge.

The maximum exposure to Private Banking customers is monitored according to Group internal policies on a daily basis. The IPB subsidiaries minimise exposure to credit risk in these arrangements by requiring all loans, guarantees and commitments to be collateralised with deposits or with highly-liquid instruments held in custody by these entities. If the collateral value of the securities falls below the amount of the credit line, the amount of the loan is reduced or additional securities are requested. A haircut is applied to the market value of collateral in order to cover the market risk related to marketable liquid securities and to calculate the lending value of each individual collateral.



As of 31 December 2025 and 2024, the collateral held for the maximum exposure to Private Banking is as follows:

Collateral held for Private Banking exposure

USD'000	31.12.25			31.12.24		
	Private Banking subsidiaries			Private Banking subsidiaries		
	BIS	BII	Total	BIS	BII	Total
Maximum exposure to credit risk						
Loans to customers	447 190	1 359 608	1 806 798	391 871	1 367 329	1 759 200
Guarantees and commitments	114 277	48 978	163 255	102 975	55 945	158 920
	561 467	1 408 586	1 970 053	494 846	1 423 274	1 918 120
Cash collateral	139 882	33 305	173 187	141 555	44 449	186 004
Standby letters of credit received	79 544	131 313	210 857	65 896	103 054	168 950
Other pledge (*)	7 908 941	5 319 479	13 228 420	6 536 929	6 729 316	13 266 245
Total collateral	8 128 367	5 484 097	13 612 464	6 744 380	6 876 819	13 621 199
Over-collateral	7 566 900	4 075 511	11 642 411	6 249 534	5 453 545	11 703 079

(*) Includes investment grade bank bonds, bonds and certificates of deposit issued by Itaú Group entities, sovereign bonds, funds and equities.



iii) Quality of the portfolio of Securities

The tables below present an analysis of the quality of the securities portfolios at fair value:

Quality of the portfolio of Securities (Rating Moody's)

	Group		Bank	
	Financial assets at FVOCI 31.12.25	Financial assets designated at fair value 31.12.25	Financial assets at FVOCI 31.12.25	Financial assets designated at fair value 31.12.25
USD m				
Aaa				
- Switzerland	211	-	-	-
Aa1 to Aa3				
- USA	500	-	403	-
Below Baa3				
- Brazil	1 333	-	1 333	-
Total	2 044	-	1 736	-

Quality of the portfolio of Securities (Rating Moody's)

	Group		Bank	
	Financial assets at FVOCI 31.12.24	Financial assets designated at fair value 31.12.24	Financial assets at FVOCI 31.12.24	Financial assets designated at fair value 31.12.24
USD m				
Aaa				
- USA	545	-	453	-
- Switzerland	218	-	-	-
Below Baa3				
- Brazil	1 371	-	1 371	-
- Paraguay	-	45	-	45
Total	2 134	45	1 824	45

Brazilian and international government securities are considered low credit risk financial assets, in accordance with a study conducted by Itaú Unibanco. Therefore, they remain in stage 1 for credit risk purposes, and no ECL has been recognised for them.



iv) Quality of the portfolio of Loans and advances to banks

The tables below present a qualitative analysis of the portfolio of loans and advances to banks.

Quality of the portfolio of Loans and advances to banks

USD'000	31.12.25							
	Group				Bank			
	Maximum exposure	ECL Provisions	Netting ¹	Net exposure	Maximum exposure	ECL Provisions	Netting	Net exposure
Stage 1	497 037	-	(145 977)	351 060	890 765	-	(142 147)	748 618
Stage 2	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-
	497 037	-	(145 977)	351 060	890 765	-	(142 147)	748 618

¹ Corresponds to collateral deposits (Note 10).

Quality of the portfolio of Loans and advances to banks

USD'000	31.12.24							
	Group				Bank			
	Maximum exposure	ECL Provisions	Netting ¹	Net exposure	Maximum exposure	ECL Provisions	Netting	Net exposure
Stage 1	1 591 163	-	(20 053)	1 571 110	1 714 874	-	(18 383)	1 696 491
Stage 2	-	-	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-	-	-
	1 591 163	-	(20 053)	1 571 110	1 714 874	-	(18 383)	1 696 491

¹ Corresponds to collateral deposits (Note 10).

Loans and advances to banks have very short residual maturities and high quality ratings. Therefore, these exposures were considered stage 1 for credit risk purposes, and no ECL has been recognised for them.



As of 31 December 2025 and 2024, the maximum exposure to loans and advances to banks by internal rating is as follows:

Quality of the portfolio of Loans and advances to banks

USD'000	31.12.25							
	Group				Bank			
	Stage 1	Stage 2	Stage 3	TOTAL	Stage 1	Stage 2	Stage 3	TOTAL
Internal rating¹								
Aaa to Aa3	146 906	-	-	146 906	571 411	-	-	571 411
A1 to A4	338 737	-	-	338 737	310 383	-	-	310 383
Baa1 to Baa4	10 944	-	-	10 944	8 521	-	-	8 521
Ba1 to Ba6	450	-	-	450	450	-	-	450
Total	497 037	-	-	497 037	890 765	-	-	890 765

¹ The monitoring and measurement of credit risk methodologies used for the Group limits are established in coordination with an internal rating system, under which the higher the risk, the lower the permitted exposure. All entities to which a credit limit is attributed are rated in terms of their risk level.

Quality of the portfolio of Loans and advances to banks

USD'000	31.12.24							
	Group				Bank			
	Stage 1	Stage 2	Stage 3	TOTAL	Stage 1	Stage 2	Stage 3	TOTAL
Internal rating¹								
Aaa to Aa3	1 145 504	-	-	1 145 504	1 298 735	-	-	1 298 735
A1 to A4	443 786	-	-	443 786	416 101	-	-	416 101
Baa1 to Baa4	1 873	-	-	1 873	38	-	-	38
Total	1 591 163	-	-	1 591 163	1 714 874	-	-	1 714 874

¹ The monitoring and measurement of credit risk methodologies used for the Group limits are established in coordination with an internal rating system, under which the higher the risk, the lower the permitted exposure. All entities to which a credit limit is attributed are rated in terms of their risk level.



v) Quality of the portfolio of Cash and Balances at Central banks

The tables below present a qualitative analysis of the portfolio of cash and balances at Central banks.

Quality of the portfolio of Cash and balances at Central banks

31.12.25								
Group					Bank			
USD'000	Maximum exposure	ECL Provisions	Netting	Net exposure	Maximum exposure	ECL Provisions	Netting	Net exposure
Stage 1	2 013 095	-	-	2 013 095	17	-	-	17
	2 013 095	-	-	2 013 095	17	-	-	17

Quality of the portfolio of Cash and balances at Central banks

31.12.24								
Group					Bank			
USD'000	Maximum exposure	ECL Provisions	Netting	Net exposure	Maximum exposure	ECL Provisions	Netting	Net exposure
Stage 1	1 151 504	-	-	1 151 504	16	-	-	16
	1 151 504	-	-	1 151 504	16	-	-	16



Quality of the portfolio of Cash and balances at Central banks

31.12.25

USD'000	Group				Bank			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating ¹								
Aaa to Aa3	2 013 095	-	-	2 013 095	17	-	-	17
	2 013 095	-	-	2 013 095	17	-	-	17

¹ The monitoring and measurement of credit risk methodologies used for the Group limits are established in coordination with an internal rating system, under which the higher the risk, the lower the permitted exposure. All entities to which a credit limit is attributed are rated in terms of their risk level.

Quality of the portfolio of Cash and balances at Central banks

31.12.24

USD'000	Group				Bank			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating ¹								
Aaa to Aa3	1 151 504	-	-	1 151 504	16	-	-	16
	1 151 504	-	-	1 151 504	16	-	-	16

¹ The monitoring and measurement of credit risk methodologies used for the Group limits are established in coordination with an internal rating system, under which the higher the risk, the lower the permitted exposure. All entities to which a credit limit is attributed are rated in terms of their risk level.



vi) Credit risk concentrations

Limit monitoring is fundamental for credit risk management and is conducted systematically on a regular basis, to ensure that no approved limit is exceeded without prior authorisation. Credit risk is monitored throughout the lifecycle of each transaction bearing such risk, and includes the control of country and industry restrictions and concentration limits.

Also in terms of credit risk concentration, legal lending limits apply for Economic Groups. As defined by relevant regulatory requirements, these limits stand at 25% of IBBAInt's total own funds (details on Capital section of the Strategic Report). Internally, the Bank has defined additional limits to restrict and avoid concentration risks which is scaled by different risk categories, that are directly related to the principles and limits defined in the risk appetite.

The assigned internal ratings are periodically reviewed, incorporating the new financial information that in the meantime has become available as well as, at the qualitative level, the experience arising from the on-going credit assessment. This frequency increases in the case of Economic Groups in which the internal warning and classification systems of risk so require. The Bank's strategy seeks business growth with low volatility of results, which shall be supported by sound management of the concentration risk of its credit exposures supported by the risk appetite of the Bank.

The tables below present the Group's and the Bank's credit risk concentration (net exposure) in terms of the industry in which the immediate debtor is engaged.

Credit risk concentrations by industry - Group

USD m	Loans to Banks and Balances at Central Banks	Loans to Customers	Guarantees and Commitments	Securities and Derivatives	Net Exposure ¹			
					31.12.25	%	31.12.24	%
Sovereign and Central Banks	2 013	-	-	2 024	4 037	34.7%	3 331	26.7%
Financial institutions	351	255	-	307	913	7.8%	2 410	19.3%
Retail	-	517	146	-	663	5.7%	409	3.3%
Infrastructure	-	527	59	-	586	5.0%	450	3.6%
Automotive/autoparts	-	394	9	-	403	3.5%	274	2.2%
Non-durable goods	-	324	-	-	324	2.8%	464	3.7%
Technology	-	304	20	-	324	2.8%	194	1.6%
Energy	-	235	34	-	269	2.3%	272	2.2%
Services	-	242	25	-	267	2.3%	447	3.6%
Oil & gas	-	160	96	-	256	2.2%	368	3.0%
Iron & steel industry	-	197	-	1	198	1.7%	109	0.9%
Pharmaceutical & Cosmetics	-	192	-	-	192	1.7%	162	1.3%
Durable goods (ex-vehicles)	-	191	-	-	191	1.6%	195	1.6%
Capital goods	-	175	11	-	186	1.6%	22	0.2%
Transport & logistics	-	37	140	-	177	1.5%	222	1.8%
Agro & fertilizers	-	67	48	-	115	1.0%	144	1.2%
Construction materials	-	110	-	-	110	0.9%	213	1.7%
Mining	-	84	-	-	84	0.7%	91	0.7%
Petrochemical & chemical	-	77	-	-	77	0.7%	76	0.6%
Trading	-	67	-	-	67	0.6%	27	0.2%
Real estate	-	62	-	-	62	0.5%	300	2.4%
Infrastructure concessions	-	13	47	-	60	0.5%	147	1.2%
Food & beverage	-	12	-	-	12	0.1%	24	0.2%
Sugar & ethanol	-	-	-	-	-	-	10	0.1%
Communications	-	-	-	-	-	-	4	0.0%
Others	-	154	-	-	154	1.4%	250	1.9%
Private Banking ²	-	1 634	161	114	1 909	16.4%	1 844	14.8%
	2 364	6 030	796	2 446	11 636	100.0%	12 459	100.0%

¹ Group's net exposure in terms of risk of the immediate debtor classified by industry sector, after taking into account netting and cash collateral.

² Net exposure to Private Banking customers is collateralised by highly liquid investments.



Credit risk concentrations by industry - Bank

USD m	Loans to Banks and Balances at Central Banks	Loans to Customers	Guarantees and Commitments	Securities and Derivatives	Net Exposure ¹			
					31.12.25	%	31.12.24	%
Sovereigns and Central Banks	-	-	-	1 736	1 736	23.3%	1 869	21.1%
Financial institutions	749	255	-	288	1 292	17.3%	2 536	28.6%
Retail	-	517	73	-	590	7.9%	344	3.9%
Infrastructure	-	436	59	-	495	6.6%	369	4.2%
Non-durable goods	-	324	-	-	324	4.3%	434	4.9%
Automotive /autoparts	-	335	-	-	335	4.5%	202	2.3%
Technology	-	304	20	-	324	4.3%	194	2.2%
Energy	-	224	34	-	258	3.5%	236	2.7%
Services	-	242	-	-	242	3.2%	425	4.8%
Oil & gas	-	145	96	-	241	3.2%	327	3.7%
Transport & logistics	-	37	140	-	177	2.4%	222	2.5%
Pharmaceutical & Cosmetics	-	177	-	-	177	2.4%	149	1.7%
Capital goods	-	175	-	-	175	2.3%	4	0.0%
Durable goods (ex-vehicles)	-	165	-	-	165	2.2%	172	1.9%
Iron & steel industry	-	129	-	1	130	1.7%	73	0.8%
Construction materials	-	110	-	-	110	1.5%	213	2.4%
Agro & fertilizers	-	43	48	-	91	1.2%	123	1.4%
Mining	-	84	-	-	84	1.1%	91	1.0%
Real estate	-	62	-	-	62	0.8%	300	3.4%
Petrochemical & chemical	-	56	-	-	56	0.8%	57	0.6%
Infrastructure concessions	-	7	47	-	54	0.7%	147	1.7%
Trading	-	52	-	-	52	0.7%	2	0.0%
Food & beverage	-	12	-	-	12	0.2%	24	0.3%
Sugar & ethanol	-	-	-	-	-	-	10	0.1%
Communications	-	-	-	-	-	-	4	0.0%
Private Banking ²	-	-	-	112	112	1.5%	103	1.2%
Others	-	154	-	1	155	2.4%	237	2.6%
	749	4 045	517	2 138	7 449	100.0%	8 867	100.0%

¹ Bank's net exposure in terms of risk of the immediate debtor classified by industry sector, after taking into account netting and cash collateral.

² Corresponds to Embedded Derivatives in Structured Notes sold to Private Banking customers. These derivatives are covered with mirror transactions closed with market counterparties.



The following tables present the Group's and the Bank's credit risk concentration (net exposure) in terms of country of domicile of the credit risk counterparty¹⁴.

Credit risk concentrations by geography - Group

USD m	Central Banks ²	Loans to Banks	Loans to Customers	Securities	Derivatives	Guarantees and Commitments	Net Exposure ¹			
							31.12.25	%	31.12.24	%
Eurozone Countries										
Spain	-	-	464	-	42	71	577	5.0%	589	4.7%
France	-	-	126	-	144	98	368	3.2%	439	3.5%
Portugal	327	2	21	-	-	-	350	3.0%	327	2.6%
Luxembourg	6	3	120	-	-	101	230	2.0%	339	2.7%
Netherlands	-	170	-	-	-	-	170	1.5%	314	2.5%
Germany	-	-	56	-	-	-	56	0.5%	88	0.7%
Austria	-	-	20	-	-	9	29	0.2%	12	0.1%
Belgium	-	-	-	-	-	-	-	-	52	0.4%
	333	175	807	-	186	279	1 780	15.4%	2 160	17.2%
Other European Countries										
Switzerland	26	3	27	211	-	61	328	2.8%	414	3.3%
United Kingdom	-	17	45	-	75	-	137	1.2%	130	1.0%
Sweden	-	-	110	-	-	-	110	0.9%	98	0.8%
Denmark	-	-	-	-	-	12	12	0.1%	14	0.1%
Norway	-	-	-	-	-	-	-	-	26	0.2%
	26	20	182	211	75	73	587	5.0%	682	5.4%
North America										
USA	1 654	32	436	501	9	83	2 715	23.2%	2 438	19.8%
Mexico	-	-	56	-	-	-	56	0.5%	56	0.4%
	1 654	32	492	501	9	83	2 771	23.7%	2 494	20.2%
South America, Latin America & Caribbean										
Brazil	-	117	2 915	1 332	18	200	4 582	39.4%	5 185	41.6%
Paraguay	-	-	-	-	-	-	-	-	45	0.4%
Colombia	-	-	-	-	-	-	-	-	29	0.2%
	-	117	2 915	1 332	18	200	4 582	39.4%	5 259	42.2%
Other Countries										
United Arab Emirates	-	6	-	-	-	-	6	0.1%	19	0.2%
New Zealand	-	1	-	-	-	-	1	0.0%	1	0.0%
	-	7	-	-	-	-	7	0.1%	20	0.2%
Private Banking ³										
	-	-	1 634	-	114	161	1 909	16.4%	1 844	14.8%
	2 013	351	6 030	2 044	402	796	11 636	100.0%	12 459	100.0%

¹ Group's net exposure in terms of country of domicile of the final credit risk counterparty, after taking into account netting and cash collateral.

² Exposure to Central Banks - Portugal corresponds to demand deposits placed in Banco de Portugal (European Central Bank) by the Lisbon subsidiary (IBBA Europe).

³ Net exposure to Private Banking customers is collateralised by highly liquid investments.

¹⁴ The allocation to the country is based on the country of incorporation of the relevant client, except for off-shore jurisdictions, where the exposure is allocated to the country of the relevant client's ultimate parent.



Credit risk concentrations by geography - Bank

USD m	Central Banks	Loans to Banks	Loans to Customers	Securities	Derivatives	Guarantees and Commitments	Net Exposure ¹			
							31.12.25	%	31.12.24	%
Eurozone Countries										
Spain	-	-	358	-	42	71	471	6.3%	478	5.4%
France	-	-	40	-	144	-	184	2.5%	199	2.2%
Netherlands	-	171	-	-	-	-	171	2.3%	314	3.5%
Luxembourg	-	-	37	-	-	101	138	1.9%	270	3.0%
Portugal	-	37	-	-	1	-	38	0.5%	38	0.4%
Germany	-	-	20	-	-	-	20	0.3%	35	0.4%
Belgium	-	-	-	-	-	-	-	-	52	0.6%
Austria	-	-	-	-	-	-	-	-	9	0.1%
	-	208	455	-	187	172	1 022	13.8%	1 395	15.6%
Other European Countries										
United Kingdom	-	2	45	-	74	-	121	1.6%	112	1.3%
Sweden	-	-	110	-	-	-	110	1.5%	98	1.1%
Switzerland	-	6	27	-	1	61	95	1.3%	192	2.2%
Denmark	-	-	-	-	-	12	12	0.2%	14	0.2%
Norway	-	-	-	-	-	-	-	-	26	0.3%
	-	8	182	-	75	73	338	4.6%	442	5.1%
North America										
USA	-	417	436	403	10	83	1 349	18.1%	1 613	18.2%
Mexico	-	-	56	-	-	-	56	0.8%	56	0.6%
Canada	-	-	-	-	-	-	-	-	-	-
Bermudas	-	-	-	-	-	-	-	-	-	-
	-	417	492	403	10	83	1 405	18.9%	1 669	18.8%
South America, Latin America & Caribbean										
Brazil	-	116	2 916	1 333	18	189	4 572	61.2%	5 173	58.4%
Paraguay	-	-	-	-	-	-	-	-	45	0.5%
Colombia	-	-	-	-	-	-	-	-	29	0.3%
	-	116	2 916	1 333	18	189	4 572	61.2%	5 247	59.2%
Other Countries										
United Arab Emirates	-	-	-	-	-	-	-	-	11	0.1%
	-	-	-	-	-	-	-	0.0%	11	0.1%
Private Banking ²										
	-	-	-	-	112	-	112	1.5%	103	1.2%
	-	749	4 045	1 736	402	517	7 449	100.0%	8 867	100.0%

¹ Bank's net exposure in terms of country of domicile of the final credit risk counterparty, after taking into account netting and cash collateral.

² Corresponds to Embedded Derivatives in Structured Notes sold to Private Banking customers. These derivatives are covered with mirror transactions closed with market counterparties.



b) Market risk

Value at Risk (“VaR”) is a key metric of market risk that quantifies the maximum potential economic loss expected in normal market conditions, considering a defined holding period and confidence level.

The Group’s market risk is managed and controlled on a prudent and suitable manner. The Group’s activity is characterised by portfolios originated from the banking business activity and operations related to the management of structural balance sheet risk, where interest rate and foreign exchange rate are the main linear market risks to which the bank is exposed. As part of the

Group’s business strategy there are also a range of non-linear products (i.e. options embedded in structured notes) that are traded on a back-to-back basis, which do not pose any non-linear market risks.

The table below shows the average amounts of VaR for the Group and for the Bank in 2025 and 2024, and provides an analysis of the portfolio exposure to market risk. This VaR is calculated through the Historical Simulation methodology (one-day holding period and 99% confidence level), which fully reflects all positions based on the historical series of asset prices.

Market Risk - VaR (unaudited)

USD'000 <small>average amounts</small>	Group				Bank			
	1 st Half	2 nd Half	2025	2024	1 st Half	2 nd Half	2025	2024
Interest rate risk	713	525	618	1 100	748	597	672	995
Foreign exchange risk	94	101	98	71	61	50	55	49
Total VaR	720	553	636	1 102	744	604	673	988

To address the limitations of VaR, that does not take into account potential extreme market events, the Group’s market risk framework also encompasses metrics and limits that extends to single risk factor level (addressing concentration risks) and stress metrics that quantify the impact on the portfolio’s value when several risk factors are projected to extreme market events over a target horizon (based on historical and prospective stress scenarios).

The following tables summarise the exposure to interest rate risk, on 31 December 2025 and 2024, and include the financial assets and liabilities at book value, by repricing or maturity date. More details on the Group’s derivatives that are hedging the interest rate risk can be found in **Note 9.3**.



Interest rate risk - Group

USD m	2025	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non-interest bearing	31.12.25 Total
Non-trading Financial Assets								
Cash and balances at central banks		2 013	-	-	-	-	-	2 013
Financial assets measured at fair value through OCI		628	36	1 350	-	30	-	2 044
Loans and advances to banks		489	-	8	-	-	-	497
Loans and advances to customers		918	953	2 192	2 147	1	(10)	6 201
Total		4 048	989	3 550	2 147	31	(10)	10 755
Non-trading Financial Liabilities								
Deposits from banks		418	2	324	-	-	-	744
Customer accounts		3 020	545	1 193	223	-	-	4 981
Debt securities in issue		328	493	499	1 059	11	(25)	2 365
Total		3 766	1 040	2 016	1 282	11	(25)	8 090
Interest rate gap by period		282	(51)	1 534	865	20		
Cumulative interest rate gap		282	231	1 765	2 630	2 650		
2024								
USD m		Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non-interest bearing	31.12.24 Total
Non-trading Financial Assets		3 591	2 043	3 126	2 376	59	(8)	11 187
Non-trading Financial Liabilities		3 934	1 632	1 958	1 262	85	(34)	8 837
Interest rate gap by period		(343)	411	1 168	1 114	(26)		
Cumulative interest rate gap		(343)	68	1 236	2 350	2 324		



Interest rate risk - Bank

USD m	2025	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non-interest bearing	31.12.25 Total
Non-trading Financial Assets								
Financial assets measured at fair value through OCI		418	-	1 288	-	30	-	1 736
Loans and advances to banks		883	-	8	-	-	-	891
Loans and advances to customers		522	694	1 313	1 524	-	(8)	4 045
Total		1 823	694	2 609	1 524	30	(8)	6 672
Non-trading Financial Liabilities								
Deposits from banks		303	2	748	-	-	-	1 053
Customer accounts		484	406	663	187	-	-	1 740
Debt securities in issue		328	493	499	1 059	11	(25)	2 365
Total		1 115	901	1 910	1 246	11	(25)	5 158
Interest rate gap by period		708	(207)	699	278	19		
Cumulative interest rate gap		708	501	1 200	1 478	1 497		
2024								
USD m		Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non-interest bearing	31.12.24 Total
Non-trading Financial Assets		1 748	1 648	2 454	1 790	56	(8)	7 688
Non-trading Financial Liabilities		1 836	1 525	1 675	1 241	85	(34)	6 328
Interest rate gap by period		(88)	123	779	549	(29)		
Cumulative interest rate gap		(88)	35	814	1 363	1 334		



The interest rate risk sensitivity analysis presented below uses the dollar value of 1 basis point (“DV+01bp”) metric. It measures the change in the market value (discounted cash flow methodology) due to a 1 basis point increase in interest rates curves (parallel shift), based on a static assessment of the portfolio (including all balance-sheet items) aggregated by currency.

Interest Rate Risk - DV +1bp (unaudited)

USD'000	Group		Bank	
	2025	2024	2025	2024
USD	(63)	(63)	7	(7)
EUR	(3)	(8)	(8)	(10)
GBP	(1)	(1)	(1)	(1)
Other currencies	(10)	1	(7)	2
Total	(77)	(71)	(9)	(16)

As of 31 December 2025 and 2024, the net positions in foreign currencies with currency-risk exposure, as well as the impact on net income before taxation of a 10% depreciation of the USD against these currencies, are shown in the following table (it does not take into account management actions to mitigate potential losses):

Exchange Rate Risk

USD'000	Group						Bank					
	Position		2025	Position		2024	Position		2025	Position		2024
	Long	Short	Impact	Long	Short	Impact	Long	Short	Impact	Long	Short	Impact
Euros	-	(1 159)	(116)	14 004	-	1 400	5 568	-	557	14 988	-	1 499
Brazilian Reais	8 209	-	821	6 033	-	603	7 528	-	753	1 037	-	104
Sterling Pounds	-	(1 376)	(138)	-	(145)	(15)	-	(701)	(70)	-	(148)	(15)
Swiss Francs	7 200	-	720	25 810	-	2 581	251	-	25	-	(30)	(3)
Colombian Peso	-	-	-	-	-	-	-	(122)	(12)	-	(222)	(22)
Other currencies	50	(195)	(15)	-	(10 601)	(1 060)	304	-	30	5	-	1
Total	15 459	(2 730)	1 273	45 847	(10 746)	3 509	13 651	(823)	1 283	16 030	(400)	1 564



c) Liquidity risk

The liquidity pool represents the unencumbered resources, in amount and quality, immediately available to meet the outflows in an event of liquidity stress, as follows:

Liquidity pool

	Group						Bank					
	31.12.25 Liquidity pool ¹	%	Of which: HQLA ² eligible	31.12.24 Liquidity pool ¹	%	Of which: HQLA ² eligible	31.12.25 Liquidity pool ¹	%	Of which: HQLA ² eligible	31.12.24 Liquidity pool ¹	%	Of which: HQLA ² eligible
USD m												
Cash and balances at central banks	2 008	50%	1 265	1 146	31%	773	-	-	-	-	-	-
Financial assets												
Government bonds												
AAA rated	534	13%	518	752	21%	735	427	25%	425	662	30%	660
Other government bonds	1 473	37%	350	1 464	40%	303	1 272	75%	143	1 246	57%	98
Overnight placements with Banks	0	0%	-	275	8%	-	0	0%	-	275	13%	-
	2 008	50%	869	2 491	69%	1 038	1 699	100%	568	2 183	100%	758
Total	4 016	100%	2 134	3 637	100%	1 810	1 699	100%	568	2 183	100%	758

¹ Considers only unencumbered assets.

² High quality liquid assets, disregarding liquid assets with transfer restrictions.

The following tables present the cash flows related to financial assets and liabilities (including derivatives) receivable and payable by remaining contractual maturities at the balance sheet date. The amounts disclosed are the contractual undiscounted cash flows, except for financial assets and liabilities recognised in the balance sheet at fair value, in which case the amounts correspond to the book value. Except for these, the balances in the table do not agree directly to the amounts in the balance sheet as the tables incorporate all cash flows, on an undiscounted basis.



Liquidity risk at 31.12.25 - Group

USD m	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	31.12.25 Total
Financial assets						
Cash and balances at central banks	2 013	-	-	-	-	2 013
Trading assets	-	-	-	-	10	10
Financial assets at amortised cost						
Loans and advances to banks	485	-	8	-	-	493
Loans and advances to customers ¹	594	382	2 556	3 034	10	6 576
Financial assets measured at fair value through OCI	256	36	1 643	71	30	2 036
	3 348	418	4 207	3 105	50	11 128
Financial liabilities						
Trading liabilities	-	-	-	-	(10)	(10)
Deposits from banks	(368)	(2)	(89)	(306)	-	(765)
Customer accounts	(2 913)	(703)	(1 188)	(238)	-	(5 042)
Debt securities in issue ¹	(248)	(271)	(494)	(1 531)	(36)	(2 580)
Lease liabilities	-	-	-	-	-	-
	(3 529)	(976)	(1 771)	(2 075)	(46)	(8 397)
Derivatives ²						
Positive flow	-	1	2	1	-	4
Negative flow	(16)	(1)	(4)	(3)	-	(24)
	(16)	-	(2)	(2)	-	(20)
Liquidity gap by period	(197)	(558)	2 434	1 028	4	2 711

¹ Embedded derivatives were included together with the host contracts (IFRS 7 par B11A).

² Derivatives under CSA agreements were considered MtM net of collateral (net basis by counterparty) under the "Up to 1 month" bucket.



Liquidity risk at 31.12.24 - Group

USD m	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	31.12.24 Total
Financial assets						
Cash and balances at central banks	1 152	-	-	-	-	1 152
Trading assets	-	-	-	2	5	7
Financial assets designated at fair value through profit or loss	-	-	-	-	45	45
Financial assets at amortised cost						
Loans and advances to banks	741	608	246	-	-	1 595
Loans and advances to customers ¹	794	807	1 772	3 318	24	6 715
Financial assets measured at fair value through OCI	287	-	1 420	419	-	2 126
	2 974	1 415	3 438	3 739	74	11 640
Financial liabilities						
Trading liabilities	-	-	-	(2)	(5)	(7)
Financial liabilities designated at fair value through profit or loss	-	-	-	-	(45)	(45)
Deposits from banks	(100)	(15)	(249)	(442)	-	(806)
Customer accounts	(3 109)	(1 022)	(966)	(299)	-	(5 396)
Debt securities in issue ¹	(278)	(437)	(626)	(1 414)	(78)	(2 833)
Lease liabilities	-	-	-	-	-	-
	(3 487)	(1 474)	(1 841)	(2 157)	(128)	(9 087)
Derivatives ²						
Positive flow	31	9	17	13	-	70
Negative flow	(118)	(4)	(2)	(9)	-	(133)
	(87)	5	15	4	-	(63)
Liquidity gap by period	(600)	(54)	1 612	1 586	(54)	2 490

¹ Embedded derivatives were included together with the host contracts (IFRS 7 par B11A).

² Derivatives under CSA agreements were considered MtM net of collateral (net basis by counterparty) under the "Up to 1 month" bucket.



Liquidity risk at 31.12.25 - Bank

USD m	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	31.12.25 Total
Financial assets						
Trading assets	-	-	-	-	10	10
Financial assets at amortised cost						
Loans and advances to banks	883	-	8	-	-	891
Loans and advances to customers ¹	290	174	1 610	2 221	10	4 305
Financial assets measured at fair value through OCI	45	-	1 581	71	30	1 727
	1 218	174	3 199	2 292	50	6 933
Financial liabilities						
Trading liabilities	-	-	-	-	(10)	(10)
Deposits from banks	(253)	(2)	(521)	(306)	-	(1 082)
Customer accounts	(364)	(408)	(801)	(198)	-	(1 771)
Debt securities in issue ¹	(248)	(271)	(494)	(1 531)	(36)	(2 580)
Lease liabilities	-	-	-	-	-	-
	(865)	(681)	(1 816)	(2 035)	(46)	(5 443)
Derivatives²						
Positive flow	-	1	-	1	-	2
Negative flow	(16)	-	(3)	(2)	-	(21)
	(16)	1	(3)	(1)	-	(19)
Liquidity gap by period	337	(506)	1 380	256	4	1 471

¹ Embedded derivatives were included together with the host contracts (IFRS 7 par B11A).

² Derivatives under CSA agreements were considered MtM net of collateral (net basis by counterparty) under the "Up to 1 month" bucket.



Liquidity risk at 31.12.24 - Bank

USD m	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	31.12.24 Total
Financial assets						
Trading assets	-	-	-	2	5	7
Financial assets designated at fair value through profit or loss	-	-	-	-	45	45
Financial assets at amortised cost						
Loans and advances to banks	876	608	246	-	-	1 730
Loans and advances to customers ¹	265	458	1 103	2 587	22	4 435
Financial assets measured at fair value through OCI	72	-	1 364	383	-	1 819
	1 213	1 066	2 713	2 972	72	8 036
Financial liabilities						
Trading liabilities	-	-	-	(2)	(5)	(7)
Financial assets designated at fair value through profit or loss	-	-	-	-	(45)	(45)
Deposits from banks	(115)	(69)	(340)	(463)	-	(987)
Customer accounts	(996)	(860)	(587)	(275)	-	(2 718)
Debt securities in issue ¹	(278)	(437)	(626)	(1 414)	(78)	(2 833)
Lease liabilities	-	-	-	-	-	-
	(1 389)	(1 366)	(1 553)	(2 154)	(128)	(6 590)
Derivatives²						
Positive flow	27	6	13	12	-	58
Negative flow	(120)	(3)	(2)	(9)	-	(134)
	(93)	3	11	3	-	(76)
Liquidity gap by period	(269)	(297)	1 171	821	(56)	1 370

¹ Embedded derivatives were included together with the host contracts (IFRS 7 par B11A).

² Derivatives under CSA agreements were considered MtM net of collateral (net basis by counterparty) under the "Up to 1 month" bucket.



d) Funding

The tables below illustrate the funding composition and the main funding highlights as of 31 December 2025 and 2024:

Funding composition

USD m	Group				Bank			
	31.12.25	%	31.12.24	%	31.12.25	%	31.12.24	%
Wholesale funding								
Deposits from banks	744	9.2%	767	8.7%	1 053	20.4%	926	14.6%
Floating Rate Notes	14	0.2%	7	0.1%	14	0.3%	7	0.1%
Senior Bonds	-	-	189	2.1%	-	-	189	3.0%
Certificates of deposit	718	8.9%	1 104	12.5%	718	13.9%	1 104	17.4%
Structured notes	1 633	20.1%	1 358	15.4%	1 633	31.7%	1 358	21.5%
	3 109	38.4%	3 425	38.8%	3 418	66.3%	3 584	56.6%
Customer deposits	4 981	61.6%	5 413	61.2%	1 740	33.7%	2 745	43.4%
Total funding	8 090	100%	8 838	100.0%	5 158	100.0%	6 329	100.0%

Funding Highlights

USD m	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
Total Funding	8 090	8 838	5 158	6 329
Wholesale Funding	3 109	3 425	3 418	3 584
of which:				
<1 year residual maturity	1 421	1 673	1 730	1 832
>1 year residual maturity	1 688	1 752	1 688	1 752
Customer deposits	4 981	5 413	1 740	2 745
Loan-to-Deposit ratio	124.5%	115.7%	232.4%	149.5%
Loan-to-Wholesale funding ratio	199.5%	182.9%	118.3%	114.5%



Note 41 - Capital Management

The following disclosures relating to capital management are unaudited unless otherwise stated, and should be read in conjunction with the Capital section of the Strategic Report on page 20.

The Group's objectives when managing capital are: (i) to safeguard the Group's ability to continue as a going concern so that it can continue to provide the returns for shareholders and benefits for other stakeholders; (ii) to comply with the capital requirements set by the regulators

of the banking markets where the entities within the Group operate; and (iii) to maintain a strong capital base to support the development of its business. These objectives are achieved through well-embedded capital management practices.

The Group annually prepares an Internal Capital Adequacy Assessment Process ("ICAAP") document in order to ensure that it remains adequately capitalised. All of the Group's key risks are captured by the ICAAP so as to calculate the

internal capital adequacy under normal and stressed times over a three-year planning horizon.

IBBAInt also has a Recovery Plan, where a set of credible actions that would allow the Bank to increase its capital level, if required, are identified.

The capital managed by the Group broadly includes share capital and reserves. These are all part of the Group's regulatory capital composition, as follows:

Regulatory Capital composition

USD m	Group		Bank		% Change
	31.12.25	31.12.24	31.12.25	31.12.24	
Common equity tier 1 capital	2 276	2 073	1 466	1 414	3.7%
Permanent share capital (Note 25)	1 221	1 221	1 221	1 221	-
Share premium (Note 25)	214	214	214	214	-
Profit or loss account and other reserves					
Retained earnings	912	722	629	530	18.7%
Other Reserves (Note 27)	10	8	-	-	-
Revaluation Reserves (Note 26)	19	4	-	(1)	(100.0%)
Intangible assets	(98)	(93)	-	-	-
Prudent valuation adjustments	(2)	(3)	(2)	(2)	-
Significant investments	-	-	(596)	(548)	8.8%
Total regulatory capital ¹	2 276	2 073	1 466	1 414	3.7%
Total capital requirements	628	693	448	510	(12.2%)
Risk-weighted assets (RWA) ²	7 855	8 660	5 594	6 374	(12.2%)
Common equity tier 1 ratio	29.0%	23.9%	26.2%	22.2%	
Total capital ratio	29.0%	23.9%	26.2%	22.2%	

¹ Audited

² Total capital requirements x 12.5

Capital requirements

USD m	Group		Bank	
	31.12.25	31.12.24	31.12.25	31.12.24
By Risk Type				
Credit Risk ¹	559	630	423	486
Credit Valuation Adjustment ²	5	3	3	2
Market Risk ³	1	4	-	2
Operational Risk ⁴	63	56	22	20
Total	628	693	448	510

¹ "Standardised Approach" for credit risk and counterparty credit risk

² "Standardised Method" for credit valuation adjustment risk

³ "Maturity-based calculation of general risk" for market risk

⁴ Basic Indicator Approach" for operational risk



Risk-weighted assets - Credit Risk

USD m	Group						Bank					
	31.12.25			31.12.24			31.12.25			31.12.24		
	Balance sheet amount	Average weight	Risk weighted assets (RWA)	Balance sheet amount	Average weight	Risk weighted assets (RWA)	Balance sheet amount	Average weight	Risk weighted assets (RWA)	Balance sheet amount	Average weight	Risk weighted assets (RWA)
Assets												
Cash and balances at central banks and other banks	2 511	5.4%	136	2 743	26.1%	717	890	24.2%	215	1 715	43.0%	738
Loans and advances to customers	6 201	97.7%	6 059	6 265	97.6%	6 112	4 045	100.4%	4 060	4 104	100.2%	4 112
Securities non-trading book ¹	2 044	0.0%	-	2 179	2.1%	45	1 736	0.0%	-	1 869	2.4%	45
Trading assets	413	17.2%	71	505	30.3%	153	413	13.1%	54	496	26.2%	130
Property, plant and equipment	24	100.0%	24	27	100.0%	27	-	0.0%	-	1	100.0%	1
Goodwill and intangible assets ²	107	0.0%	-	109	0.0%	-	-	-	-	-	-	-
Investment in subsidiaries	-	-	-	-	-	-	803	64.3%	516	744	65.9%	490
Tax assets	20	245.0%	49	31	135.5%	42	3	233.3%	7	4	150.0%	6
Other assets	69	98.6%	68	50	98.0%	49	6	100.0%	6	4	100.0%	4
Total Assets	11 389	56.3%	6 407	11 909	60.0%	7 145	7 896	61.5%	4 858	8 937	61.8%	5 526
Guarantees	562	86.5%	486	631	91.1%	575	389	88.4%	344	466	94.0%	438
Commitments (revocable)	1 318	-	-	1 232	-	-	1 318	-	-	1 232	-	-
Commitments	237	47.3%	112	362	43.9%	159	129	49.6%	64	255	43.9%	112
Total Off-Balance Sheet	2 117	28.2%	598	2 225	33.0%	734	1 836	22.2%	408	1 953	28.2%	550
Total RWA for Credit Risk	13 506	51.9%	7 005	14 134	55.7%	7 879	9 732	54.1%	5 266	10 890	55.8%	6 076
Credit Risk capital requirement			559			630			423			486

¹ Subject to market risk requirements.

² Deducted from own funds.



Note 42 - Other disclosures

The fees charged by the Statutory Auditors, in the years 2025 and 2024, were as follows:

Statutory Auditors Fees

	Group		Bank	
	2025	2024	2025	2024
Statutory audits				
Rendered to the Bank	464	396	464	396
Rendered to the Subsidiaries	905	845	-	-
Audit-related assurance services				
Rendered to the Bank	24	21	24	21
Rendered to the Subsidiaries	346	252	-	-
Other assurance services				
Rendered to the Subsidiaries	41	35	-	-
Total	1 780	1 549	488	417



Independent auditors' report to the member of Itaú BBA International plc

Report on the audit of the financial statements

Opinion

In our opinion, Itaú BBA International plc's Group financial statements and Bank financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the Bank's affairs as at 31 December 2025 and of the Group's and Bank's profit and the Group's and Bank's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Group and Bank Balance Sheets as at 31 December 2025;
- the Group and Bank Income Statements for the year then ended;

- the Group and Bank Statements of Comprehensive Income for the year then ended;
- the Group and Bank Statements of Changes in Equity for the year then ended;
- the Group and Bank Statements of Cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)"), International Standards on Auditing issued by the International Auditing and Assurance Standards Board ("ISAs") and applicable law. Our responsibilities under ISAs (UK) and ISAs are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe

that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by either the FRC's Ethical Standard or Article 5(1) of Regulation (EU) No 537/2014 were not provided.

Other than those disclosed in Note 42, we have provided no non-audit services to the Bank or its controlled undertakings in the period under audit.



Our audit approach

Overview

Audit scope

- The scope of our audit and the nature, timing, and extent of our audit procedures performed were determined by our risk assessment, the financial significance of components and other qualitative factors (including history of misstatement through fraud or error).
- We performed audit procedures over components considered to be financially significant in the context of the Group (full scope audit) or in the context of individual primary statement account balances (audit of specific account balances). We also considered overall coverage in assessing the appropriateness of our scoping. Our primary locations for scoping purposes were: Portugal - Lisbon, USA - Miami and Switzerland - Zurich.
- Our audit plan was discussed with the Audit Committee in September 2025 and updates were provided at later stages of the audit. We executed the planned approach and concluded based on the results of our testing, ensuring that sufficient audit evidence had been obtained to support our opinion. We discussed our approach and the results of our audit with the Audit Committee. We also discussed the key audit matter at the conclusion of the audit.

Key audit matters

- Impairment of loans and advances to customers within the Corporate & Investment Bank (Group and Bank).

Materiality

- Overall Group materiality: \$22,700,000 (2024: \$20,730,000) based on 1% of Common Equity Tier 1 capital.
- Overall Bank materiality: \$14,600,000 (2024: \$14,135,000) based on 1% of Common Equity Tier 1 capital.
- Performance materiality: \$17,025,000 (2024: \$15,540,000) (Group) and \$11,000,000 (2024: \$10,600,000) (Bank).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.



Key audit matter

Impairment of loans and advances to customers within the Corporate & Investment Bank (Group and Bank)

Credit Impairment allowances represent management's best estimate of the expected credit loss (ECL) within the underlying loan portfolios at the balance sheet date. The identification and the determination of allowances is inherently judgemental. Management uses a number of models and assumptions to achieve compliance with the requirements of IFRS 9. The determination of ECLs requires a number of significant judgements in the estimation process. ECL for the Bank for the period ended 31 December 2025 totalled \$0.9m relating to loans and advances, and \$0.2m relating to off-balance sheet guarantees and commitments.

There continues to be significant economic uncertainty driven by a number of factors including geopolitical instability, elevated interest rates and inflation, continued business cost increases and ongoing supply chain pressures. As a result, in relation to the Bank's loan portfolios, we consider certain judgements and assumptions used in the determination of ECL to represent a key audit matter.

In particular, given the level of judgement involved, we identified a key audit matter exists in relation to the:- Calculation of Probability of Default (PD) for borrowers for use in expected credit loss models; and - Macroeconomic scenarios used to incorporate forward looking information into PDs in the expected credit loss models due to the uncertainty in these scenarios.

Refer to Note 2.4 Accounting Policies - Expected credit losses, Note 2.14 (Main accounting estimates and judgements), and Note 11 - Loans and advances to customers.

How our audit addressed the key audit matter

As the relevant credit risk models, data inputs and economic scenarios are calculated by the modelling team of Itaú Unibanco Holding, we instructed the Itaú Unibanco Group audit team in Brazil to perform a number of procedures relevant to the key audit matter.

Testing of key controls

With the support of PwC Brazil, we understood and evaluated the design of key controls over the determination of ECLs and in some instances tested their operating effectiveness. These procedures included testing the operating effectiveness of the following controls:

- Reconciliations performed between development datasets, such as historical loan book data and historical default data and relevant source systems.
- Review of approved internal impairment ratings against the supporting analysis.
- Monitoring of watchlist clients for changes in risk profile.
- Periodic reviews of credit files to validate internal ratings, including identification of indicators of increased credit risk.
- Review of the impairment calculation, comparison with actual incurred losses, and analysis of the key variables that could impact the model.
- Model monitoring and re-calibration controls considering current macroeconomic scenarios, comparison of model outputs to business expectations, stress testing, and other relevant results, to determine whether re-calibration is required. This control also includes assessment of alternate modelling approaches and sector specific modelling.

Substantive testing

Additionally, with the support of PwC Brazil, we performed the procedures described below:

i) Calculation of Probability of Default (PD) for borrowers for use in expected credit loss models:

- We evaluated the appropriateness of the historical data used in calculation of the lifetime and 12-month probability of default measures.
- We evaluated the calculated PDs to determine whether appropriate considerations were included relative to the geographic location of the portfolio.
- We evaluated back testing procedures, where modelled PDs are compared to recent default rates in the portfolio.

ii) Macroeconomic scenarios used to incorporate forward looking information into PDs in the expected credit loss models:

- We assessed the reasonableness of the multiple economic scenarios and scenario probability weightings adopted by management. We considered external economic data such as Brazilian Central Bank and European Central Bank financial agents in the Brazilian Financial Market; and consistency with those used across other portfolios and other forecasting processes to assess whether management's forecasts are reasonable.
- We compared previous Itaú macroeconomic forecasts with actual outcomes.
- We reviewed the extrapolation techniques used by management on the PD methodology to reflect forward looking information.



How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the Bank, the accounting processes and controls, and the industry in which they operate.

Our approach and team structure was also designed to reflect the structure of the Group and we used component auditors in Lisbon, Zurich and Miami who are familiar with the relevant businesses in their geographical locations to audit relevant components that were in scope for the Group audit. As part of the planning and execution of the audit, we held regular discussions with each of the overseas locations to ensure that the procedures performed to support the Group audit were sufficient for our purposes. We also co-located with certain components at the planning and execution stages. Specific audit procedures were also performed at the Group level mainly related to

the presentation of the Group financial statements, the consolidation process, taxation and elements of laws and regulation specific to the UK. Based on the procedures we performed over the reporting units, our audit scoping/ coverage accounted for 99% of total assets, 96% of revenue and 98% of the net interest income of the Group.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was \$4,000,000 to \$13,500,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to \$17,025,000 (2024: \$15,540,000) for the Group financial statements and \$11,000,000 (2024: \$10,600,000) for the Bank financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above \$1,135,000 (Group audit) (2024: \$1,036,000) and \$1,135,000 (Bank audit) (2024: \$1,036,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

	Financial statements - Group	Financial statements - Bank
Overall materiality	\$22,700,000 (2024: \$20,730,000).	\$14,600,000 (2024: \$14,135,000).
How we determined it	1% of Common Equity Tier 1 capital	1% of Common Equity Tier 1 capital
Rationale for benchmark applied	Common Equity Tier 1 capital (CET1) is a key indicator of the financial strength of the Group and Bank. This is a common materiality benchmark for wholly owned bank subsidiaries, as it is a key measure used by regulators and other stakeholders.	



Conclusions relating to going concern

Our evaluation of the directors' assessment of the Group's and the Bank's ability to continue to adopt the going concern basis of accounting included:

- Meetings with senior management to discuss current performance, risks and future plans of the Bank.
- Assessing the current capital and liquidity levels to validate the starting point for management's assessment;
- Review of regulatory correspondence, including correspondence with the FCA and PRA;
- Assessing the reasonableness of future projections included in management's going concern assessment;
- Assessing the ability of the Group to withstand a severe but plausible downturn in light of historic experience, liquid assets available and other management actions that could be taken;
- Considering the level of interaction with, and reliance on, parent and Group entities;
- Considering how the planned Group reorganisation (as disclosed in Note 1 to the financial statements) impacts management's assessment and whether it has been appropriately considered; and
- Considering whether there are subsequent events that could impact the Group's ability to continue as a going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the

Group's and the Bank's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the Bank's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Bank and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the



Group or the Bank or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to Financial Conduct Authority's ('FCA') regulations, the Prudential Regulation Authority's ('PRA') regulations, regulations established by regulators in overseas territories where the Group operates, UK tax legislation and tax legislation in overseas territories where the Group operates, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006 and corporate tax legislation. We evaluated management's incentives and

opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Review of correspondence with and reports to the regulators, including the PRA and FCA;
- Review of reports to, and minutes of the Audit Committee and Risk & Capital Committee in respect of compliance and legal matters;
- Performing confirmation procedures with legal counsel;
- Performing enquiries of management and review of internal audit reports in so far as they related to the financial statements;
- Challenging assumptions and judgements made by management in their significant accounting estimates, including an assessment of the risk of presence of management bias, in particular in relation to the determination of expected credit losses;
- Testing of information security controls relating to system access and change management across a number of key systems; and
- Identifying and testing journal entries meeting specific fraud criteria, including those posted with certain descriptions or journals with unusual movements.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements in accordance with ISAs (UK) is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Banks internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and Bank to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group and Bank audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Use of this report

This report, including the opinions, has been prepared for and only for the Bank's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Bank, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the Bank financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

We were first appointed by the Bank for the financial year ended 31 December 2013. Our uninterrupted engagement covers 13 financial years.

Steven Linnegar (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
17 April 2026



Forward-looking Statements

This document contains forward-looking statements with respect to the business, strategy and plans of the Group, and its current goals and expectations relating to its future financial condition and performance.

Statements that are not historical facts are forward-looking statements. These statements are based on the Group's current plans, estimates, assumptions and projections. These expectations and projections are subject to significant risks and uncertainties and might not prove accurate. Therefore, no undue reliance should be placed on them. Forward-looking statements speak only as of the date they are made, and the Group undertakes no obligation to update any of them in light of new information or future events.

Forward-looking statements involve inherent risks. Many factors could affect the future performance of the Group's business. These factors include, but are not limited to, general economic and business conditions in the markets

where the Group conducts its business or where the Group has risk exposure, market related risks including fluctuations in interest rates, currency exchange rates, and inflation levels, unexpected loan losses, changes in laws, regulations, accounting standards, taxation, effects of competition and actions of competitors, impacts of pandemics or other disasters, impacts of the Russia-Ukraine, Middle East and other conflicts, international or domestic hostilities and political uncertainty, global economic instability, changes to the credit rating of the Bank or its parent company, downgrade of sovereign credit ratings, cessation of usage of the Euro as legal tender in the Eurozone, changes in capital or liquidity requirements applicable to banks, fluctuation in interest rates, a prolonged recession, low or unstable economic growth, a decline in demand for investment services or products, increased regulation of investment products, ability to obtain funding, lack of liquidity, inability to hedge risks, operational failures, cyberattacks and changes in regulation related to cybersecurity.



Glossary

Assets under Management (“AuM”)

Client assets managed or administered by International Private Banking subsidiaries.

The Bank

Itaú BBA International plc.

Capital requirements

Amount to be held by the Group to cover the risk of losses to a certain confidence level.

Common equity tier 1 capital

The highest quality form of regulatory capital under PRA Rulebook that comprises share capital and related share premium, retained earnings and other reserves, less specified regulatory adjustments.

Common equity tier 1 ratio

Common equity tier 1 capital as a percentage of risk-weighted assets.

Corporate & Investment Banking (“CIB”)

Business segment mainly focused on international financial operations associated with trade and investment relationships between South America and Europe.

Coverage ratio

Expected credit loss provisions as a percentage of Non-Performing Loans.

CRD V

The Fifth Capital Requirements Directive refers to an EU Directive and an accompanying Regulation (CRR) that together prescribe EU capital adequacy and liquidity requirements and implements Basel standards in the European Union. CRD V entered into force on 27 June 2019 and should be transposed by member states by 28 December 2020. The majority of CRD V measures were transposed to UK level until the end of transition period (31 December 2020) and some amendments were approved to be applicable after that.

Credit Portfolio

Portfolio composed of Loans and advances to customers, Guarantees given (excluding assets given as guarantee) and Commitments.

Credit Valuation Adjustment (“CVA”)

The difference between the risk-free value of a portfolio of trades and the market value which takes into account the counterparty’s risk of default. The CVA therefore represents an estimate of the adjustment to fair value that

a market participant would make to incorporate the credit risk of the counterparty due to any failure to perform on contractual agreements.

Cost-to-income ratio

Total operating expenses divided by Total operating income.

Debit Valuation Adjustment (“DVA”)

Debit valuation adjustment reflects the credit risk of the bank underwriting the contract. It is often thought of as the negative of credit valuation adjustment (CVA) – that is, a bank’s DVA is its counterparty’s CVA. It reflects the benefit to a bank from a deterioration in its credit quality.

Expected credit losses

probability-weighted estimate of credit losses as calculated according to IFRS 9.

Financial Conduct Authority (“FCA”)

The statutory body responsible for conduct of business regulation and supervision of UK authorised firms from 1 April 2013. The FCA also has responsibility for the prudential regulation of firms that do not fall within the PRA’s scope.



Foreign Exchange (“FX”)

Foreign exchange rates related transactions.

Foreign exchange risk

The impact of changes in foreign exchange rates and volatilities.

The Group

Itaú BBA International plc together with its subsidiaries.

Interest rate risk

The risk of interest rate volatility adversely impacting the Group’s net interest income. It measures the impact of changes in interest (swap) rates and volatilities on cash instruments and derivatives.

International Private Banking (“IPB”)

Business segment that comprises the wealth management services provided by the International Private Banking subsidiaries.

Leverage ratio

Tier 1 capital divided by the exposure measure. A non-risk based ratio introduced as part of Basel framework that acts as a supplementary buffer to the risk based capital requirements.

Liquidity pool

The liquidity pool comprises cash at central banks and highly liquid collateral specifically held by the bank as a contingency to enable it to meet cash outflows in the event of stressed market conditions.

Loan-to-Deposit ratio

The ratio of loans and advances to customers divided by customer accounts.

Loan-to-Wholesale funding ratio

The ratio of loans and advances to customers divided by the amount of wholesale funding.

Non-Performing Loans (“NPL”)

Includes more than 90 days overdue loans, loans at default and credit-impaired loans.

Overdue loans

Loans are overdue when a counterparty has failed to make a payment when contractually due.

Prudential Regulation Authority (“PRA”)

The statutory body responsible for the prudential supervision of banks, building societies, insurers and a small number of significant investment firms in the UK from 1 April 2013. The PRA is a subsidiary of the Bank of England.

PRA Rulebook

contains the rules made and enforced by the PRA under powers conferred by the Financial Services and Markets Act (FSMA).

Regulatory Capital

The amount of capital that a bank holds to satisfy regulatory requirements.

Return on average assets (“ROA”)

Calculated as profit after tax and non-controlling interests for the period, divided by average assets for the period.

Return on average equity (“ROE”)

Calculated as profit after tax and non-controlling interests for the period, divided by average equity for the period.

Risk-Weighted Assets (“RWA”)

A measure of a bank’s assets adjusted for their associated risks. Risk weightings are established in accordance with the PRA Rulebook.

Total capital ratio

Total regulatory capital as a percentage of risk-weighted assets.

Wholesale funding

Funding from banks and debt securities in issue.



Contacts

For further enquiries please contact:

INVESTOR RELATIONS

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