

PS-123 - ESG INVESTMENT POLICY IN FUNDS MANAGED BY THIRD PARTIES (BRAZIL)

1. PURPOSE

To establish ESG parameters (acronym for Environmental, Social and Governance) for a manager or fund to be invested in, including when the fund managed by Itaú *Fund of Funds* is classified as ESG. This Policy is in line with the Environmental and Climate Social Responsibility Policy (PRSAC), which establishes the principles, strategies and guidelines of a social, environmental and climate nature to be followed in the conduct of Itaú Unibanco's business, activities and processes, as well as in its relations with stakeholders.

2. TARGET AUDIENCE

This policy applies to the activities of the Itaú *Fund of Funds*.

3. INTRODUCTION

This document is complementary to the Internal Policy for approving financial investments in funds managed by third parties and aims to present the general guideline on the assessment criteria for the integration of social, environmental and governance concepts into the investment process of third party managers, as well as into the company's culture.

All material relating to research, analysis and opinions on the Assets analyzed, as well as the material from the Committees, should be kept in magnetic files in network folders with restricted access, centralized in the *Fund of Funds Superintendence (SFF)*.

4. SCOPE

4.1 Scope of the Policy

To establish guidelines and requirements valid for the management of fund of funds, mirror funds and direct investments in third party funds. Funds managed by Itaú Asset Management and Kinea are not included in this Policy, as they are already assessed by another internal unit.

4.2 Channel Scope

All Itaú Unibanco bank channels in Brazil.

5. EVALUATION AND MONITORING PROCESS

The process aims to assess the ESG practices of partner managers and third-party managed funds to enable informed and appropriate decision-making:

- Objective assessment, based on proprietary methodology;
- Evidence of verification;
- Constant monitoring, with periodic review.

5.1 Parameters assessed

- Formalization and maintenance of the Responsible Investment Policy;
- Methodology and ESG approach adopted in the investment process;
- Construction, applicability and limitations of the methodology;
- Training and education of the investment team;
- Structure for control, monitoring and review;
- Level of depth of the process and ESG variables analyzed;
- Structure and dynamics of the Investment Committee in relation to ESG aspects;
- Engagement at investment level in the case of investee companies.

5.2. Guidelines for assessing partner managers

5.2.1 Environmental

- Climate strategy: Neutralization of CO2 emissions, measurement of invested emissions, decarbonization targets;
- Responsible management: Efficiency in the consumption and use of natural resources, management and proper disposal of waste and effluents generated in activities and efficiency in the use of energy;
- Investment in projects for sustainable development: such as conservation and sustainable use of resources and protection of biodiversity; combating deforestation; recovery of degraded areas; sustainable use of soil and water; energy transition.

5.2.2 Social

- Employees: Existence of policies and investment in diversity, equity and inclusion programs, as well as initiatives related to the well-being of employees and partners;
- Training: On ESG issues for employees and partners;
- Investment in social projects: Encouraging the transformation of society in key areas for social development and reducing inequalities, on agendas such as education, employability, mobility, culture and health;
- Integrity: Provision of a communication and whistleblowing channel.

5.2.3 Governance

- Market recognition: Adherence to recognized institutions dedicated to ESG issues and voluntary pacts, especially the Principles for Responsible Investment (PRI) and other recognized certifications (e.g. B Corporation or equivalent);
- ESG assessment: Responsible Investment Policy; guidelines on how E, S and G factors are incorporated into the investment process; Exclusion List; engagement with investee companies;
- Sustainable finance: Offering responsible and impact investment products and services on the product shelf;
- Governance structure: Public structure of committees; composition and independence of the Board of Directors.

Information on ESG practices can be analyzed through public reports, ratings or external providers and, if necessary, requested from the partner manager through questionnaires.

The information may be used for decision-making by Itaú Unibanco and for engagement actions to improve the sector's social and environmental practices.

6. PRINCIPLES FOR APPROVAL OF ESG FUNDS

Funds will only be eligible for allocation to an ESG vehicle if the manager or the Fund must cumulatively present:

- Classification applicable to current regulations, where suffixes "ESG", "ASG", "environmental", "green", "social", "sustainable" and similar may only be used in the names of funds that seek to originate socio-environmental benefits;
- Public documentation describing what environmental, social and governance benefits are expected from the strategy;
- Describe the defined, clear and formalized ESG methodology incorporated into the fund's investment process;
- - Formalization of whether there is an entity responsible for certifying or issuing a second opinion on the fund's qualification;
- - Managers who present, based on their response to the questionnaire and submission of evidence, the incorporation of ESG principles across the board in the manager's culture and in the investment process of funds classified as ESG.

If the manager does not fulfil the above requirements, the Fund of Funds Management Committee must establish the criteria and guidelines for risk mitigation so that the manager can comply with the policy and operate with Itaú.

More information about the other stages of the Due Diligence and governance process is available in the internal procedure.

The performance indicators of the partner managers and approved funds will be reported to the Responsible Investment Committee.

7. PERSONS RESPONSIBLE FOR THE DOCUMENT

Stage	Area responsible
Preparation	SUP INVEST FOF
Approval	DIR GLOBAL SOLUTIONS & FUND
Director responsible	DIR GLOBAL SOLUTIONS & FUND