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A. Investment Summary Tab

Disclosed Date:	April 16 th , 2026
Project Name:	Fostering the Adoption of Sustainable Farming Practices in Brazil alongside Itau
Project Number:	16003-01
Investment Type:	Committed Senior Loan
E&S Category:	FI-2
Projected Board Approval Date:	May 22, 2026
Company name (Borrower):	Itaú Unibanco SA/ Itaú
Sector:	Sustainable Agricultural Development
Financing Requested:	R\$300,000,000.00 (or USD equivalent)
Financing Currency:	BRL
Project Country:	Brazil
Team Leader:	Debora Sarian
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Project Scope and Objective:

This is a joint initiative between IDB Invest and Itaú Unibanco S.A (the “Client”), to accelerate the adoption of regenerative agriculture practices among Brazilian soybean farmers in the Cerrado region (the “Project”).

The primary objective of the Project is incentivizing Brazilian soybean farmers in the Cerrado Region to adopt sustainable agricultural practices alongside with incentives for deforestation-free commodities. Specifically cover crops and biological inputs, key practices that restore soil health and enhance climate resilience across approximately 200,000 hectares of farmland. By implementing these regenerative practices, the project aims to deliver significant environmental benefits and promote long-term sustainability in soybean cultivation.

IDB Invest will assist in the design of Measurement, Reporting, and Verification (“MRV”) systems and a technical assistance (“TA”) program to farmers to ensure successful implementation of regenerative practices and measurable environmental impact. The proposed financing consists of a program with a final tenor of up to 6 years and a total amount of up to R\$1 billion, in which IDB Invest is considering providing a committed senior loan of up to R\$300,000,000 including a blended finance participation of R\$150,000,000.

The initiative contributes to Unilever’s Regenerative Agriculture Program by promoting agricultural practices that restore soil health, improve climate resilience of agrifood systems, and protect natural resources, targeting the transformation of one million hectares worldwide by 2030.

This initial effort targets 200,000 hectares, with potential expansion to 600,000 hectares, with Itaú acting as originator, and monitoring agent, leveraging its extensive agribusiness network. Unilever and IDB Invest concessional funds will be allocated to the TA and MRV system implementation, ensuring robust impact measurement and alignment with international sustainability standards.

B. Environmental and Social Review Tab

ENVIRONMENTAL AND SOCIAL REVIEW SUMMARY

1. Scope of Environmental and Social Review

The Environmental and Social (“E&S”) Review covered meetings with representatives of Itaú and document review to gather information about the Project objectives, the MRV procedure and their respective risk and impact management frameworks, policies, and procedures, including farmer screening for E&S risks and impacts as well as associated monitoring.

2. Environmental and Social Categorization and Rationale

The sub-projects to be supported have a medium risk potential including land use change, indirect biodiversity impacts, labor and supply chain risks, land tenure, and superimposition of Project area with sensitive ecosystems. The impacts are manageable through the implementation of appropriate screening and monitoring procedures, including the MRV system, and are considered limited to the farm properties, and may be managed through readily available and feasible measures in the context of the proposed operation. Therefore, as per the IDB Invest Sustainability Policy, the FI has been categorized as FI-2.

The Performance Standards (PS) triggered by the Project are: i) PS1: Assessment and Management of Environmental and Social Risks and Impacts; and ii) PS2: Labor and Working Conditions. IDB Invest’s resources may not be used by Itaú to finance any category A subprojects (high risk) based on IDB Invest’s definition, or projects in the sectors included in the IDB Invest Exclusion List.

The sub-loan value will be based on a rate of approximately BRL 5,000.00 per eligible hectare, i.e., it will cover only hectares where regenerative agriculture practices (cover crops and use of bio inputs) are implemented. The loan tenor will be 1-year, aligned with the use of CPRs— financial instruments commonly employed by farmers to finance the seasonal cultivation of crops. Farmers require upfront liquidity to purchase key inputs and to cover working capital needs related to planting, cultivation, and harvesting. Repayment is typically structured to occur after the crops are sold, allowing farmers to align debt service with their revenue cycle.

The transaction is deemed aligned with the provisions of the Paris Agreement based on the analysis in line with IDB Group’s Paris Alignment Implementation Approach.

3. Environmental and Social Risks and Impacts

The main potential E&S risks and impacts linked to the sector include deforestation, habitat loss, land-use changes, inappropriate working conditions, including the risk of forced and child labor, occupational risks and potential risks of involuntary resettlement and economic displacement. The Client will manage these risks and impacts through a robust Environmental and Social Management System (“ESMS”) and associated policies and procedures, which will ensure appropriate due diligence for sub-loans to screen out potentially non-compliant farmers¹.

Monitoring procedures will be implemented during the term of the sub-loans to ensure continual compliance with the screening criteria. Contractual clauses will formalize commitment with zero deforestation, habitat and land use changes, compliance with human rights and appropriate labor conditions. Moreover, the MRV system and regular technical assistance will be in place to apply appropriate metrics and monitor traceability in the use of regenerative agriculture practices, preventing double counting and “greenwashing” claims.

4. Mitigation Measures

Itaú has a well-developed ESMS that ensures appropriate pre-loan screening of potential clients and after the sub-loans have been conceded, this system ensures continual monitoring and formalizes E&S commitments through appropriate contractual clauses. The Client’s main policies and procedures include: i) an E&S and Climate Risks Policy; ii) a Crisis Management Policy; iii) an Emergency Response Plan; iv) a procedure to manage E&S and Climate risks; v) a procedure to attribute risk category according to client type (including the agribusiness sector); vi) a procedure to screen risks linked to the agribusiness sector; vii) a procedure to screen out companies involved with slave or child labor and viii) external communications and grievance channels accessible to stakeholders, aimed at receiving, analyzing, and addressing inquiries, complaints, and other submissions, including those related to environmental, social, and climate-related risks and impacts arising from its operations.

These mechanisms are explicitly documented in the ESG Report and in the Social, Environmental, and Climate Responsibility Policy (“PR SAC”), which establishes the set of social, environmental, and climate-related principles and guidelines to be observed in the conduct of Itaú’s business, activities, and processes, as well as in its relationship with stakeholders. Questions and suggestions regarding this Policy and its application may be sent to the following email address: prsac@itau-unibanco.com.br, among others.

The Project applies a tiered MRV system aligned with a recognized regenerative agriculture best practice benchmark² for MRV procedures. Tier 1 farmers include those who will receive a tailored regenerative agriculture transition plan supported by technical assistance (“TA”) delivered through a third-party network of experts. Tier 1 farmers are subject to full MRV requirements, including polygon-level mapping, establishment of baselines, annual data collection, and verification of regenerative hectares, farmgate greenhouse gas (“GHG”) emissions, and soil health indicators such as Soil Organic Matter (“SOM”). Soil Organic Carbon

¹ Farmers that are non-aligned with the ESMS eligibility criteria or those who fail to comply with the sub-loan contract terms regarding Environmental and Social commitments.

² A relevant benchmark used as an example is the Renova Terra Program: see <https://www.unilever.com.br/news/2025/mitigar-emissoes-e-fortalecer-o-cerrado>.

("SOC") removals, where applicable, are measured by the TA provider. This data may be used for Scope 3 FLAG reporting³.

Tier 2 farmers are subject to full MRV requirements, except for SOC measurements, which may be inferred from data collected from Tier 1 farmers. The Project is exploring alternative TA models for this group that can help scale regenerative agriculture practices and ensure a minimum level of support for farmers. Tier 2 farmers include those who have not previously implemented regenerative agriculture practices and are willing to adopt them, as well as those not covered under Tier 1 who commit to expanding the area under regenerative practices on their properties. They will be monitored to assess the effective area covered by regenerative agriculture and the associated GHG emissions. The commitment to non-deforestation also applies to Tier 2 farmers.

The MRV framework supports zero-deforestation commitments by limiting claims to preexisting agricultural land and by applying georeferenced mapping, satellite monitoring, and field verification. It is implemented through a modular model involving an MRV lead partner, digital platforms, independent experts, and field teams.

An Environmental and Social Action Plan ("ESAP") was developed to further refine the Client's E&S risk and impact management framework aiming the improvement of the existing ESMS, providing adjusted management measures to face the current operation's E&S risks and impacts.

5. Environmental and Social Action Plan:

N°	Action	Deliverable	Timeline
Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts			
<i>E&S Assessment and Management System</i>			
1	Apply the ESMS to the asset class, at minimum screening all subprojects for exclusion list and local law. If subproject exceeds USD 5 million and 3 years IFC PS should apply.	As part of the Annual Environmental and Social Compliance Report (ESCR).	Annually
2	Share three due diligence reports showing ESMS application in farmers with largest plots and/or with highest E&S risk exposure to confirm assessment and action plan (if applicable)	Three environmental and social due diligence reports	When transactions are available

³ Scope 3 FLAG reporting refers to the accounting and disclosure of greenhouse gas emissions and removals from Forest, Land and Agriculture-related activities occurring in a company's value chain, in line with the GHG Protocol

N°	Action	Deliverable	Timeline
3	Incorporate proportional environmental and social covenants into the Project's agricultural credit agreements.	Updated contractual clauses or standard templates providing for legal compliance, commitment to zero conversion of native vegetation (legal or illegal) after the applicable cut-off date, and corrective measures in case of relevant non-compliances.	3 months after the signature of the master agreement, with annual updates in the monitoring report.
4	Include international databases with international biodiversity hotspots, such as Alliance for Zero Extinction ("AZE") ⁴ Sites and Key Biodiversity Areas ("KBA") ⁵ in the sub-loans screening process to avoid and prevent impact on biodiversity values and minimize the affectation of natural and critical habitats, as defined in IFC PS6.	Documentary evidence of the eligibility process demonstrating: i) verification of the Rural Environmental Registry (CAR); ii) checks of Permanent Preservation Areas (APPs) and Legal Reserves; iii) exclusion of interference with Protected Areas including AZE and KBA sites; and iv) application of a zero-conversion policy with a defined cut-off date.	4 months after the signature of the master agreement and then annually in the monitoring report.
5	Implement risk-based environmental and social monitoring of the Project's agricultural portfolio.	Periodic monitoring report or consolidated spreadsheet evidencing E&S compliance reviews, sample-based verifications, and reporting to IDB Invest.	Annually
Performance Standard 2: Labor and Working Conditions			
<i>Child and Forced Labor</i>			
6	Ensure exclusion of financing for operations associated with forced labor, child labor, or other severe	Documentary evidence of the screening process (e.g., E&S checklist, credit memorandum,	Annually in the

⁴ <https://zeroextinction.org/>

⁵ <https://www.keybiodiversityareas.org/>

N°	Action	Deliverable	Timeline
	human rights violations, and conduct proportional screening of occupational health and safety practices and seasonal labor conditions at the producer level.	consultations of official lists and public databases, producer declarations) demonstrating: (i) exclusion of operations linked to severe human rights violations; (ii) consideration of basic occupational health and safety practices; and (iii) proportional assessment of seasonal labor conditions.	monitoring report.
7	As part of land tenure analysis for the Project's agricultural credit operations, include an assessment of risks of involuntary physical or economic displacement and ensure that, where such impacts are identified, the Client denies financing.	Record of the land tenure analysis process (e.g., checklist, credit memorandum, or technical note) evidencing: (i) assessment of risks of involuntary physical or economic displacement; and (ii) the decision to exclude financing when the risk is detected.	Annually in the monitoring report.

Contact Information For project inquiries, including environmental and social questions related to an IDB Invest transaction please contact the client (see **Investment Summary** tab), or IDB Invest using the email requestinformation@idbinvest.org. As a last resort, affected communities have access to the IDB Invest Independent Consultation and Investigation Mechanism by writing to mecanismo@iadb.org or MICI@iadb.org, or calling +1(202) 623-3952.