POLITICS

Social, Environmental and Climate Risk Management Policy

Area: Social, Environmental and Climate Risks

Subject: Non-financial risks

Scope: Systemic

Approval by the General Assembly:	*No*
Vote Collection (Cooperative Centrals and Credit Unions):	*Yes*
Local Registration (Cooperative Centrals and Credit Unions):	*No*
Date of Deliberation:	*17/09/2026*
Approving Body:	*CAD*

Classificação da informação: Uso Irrestrito

SUMMARY

01 **Goal**

02 **Definitions**

03 **Guidelines**

3.1. Management of social, environmental and climate risks:

04 **Responsibilities**

05 **Regulatory Basis**

06 **Validity and History**

1. Objective

This Policy, in line with the Social, Environmental and Climate Responsibility Policy (PRSAC), the Compliance Policy and the Integrated Risk and Capital Management Policy, establishes the guidelines and strategies for the management of social, environmental and climate risks in all Entities of the System and in Sicredi's relationship with members and other stakeholders, in order to prevent the occurrence of financial, legal or reputational losses arising from social, environmental or climatic events, observing legal, regulatory and self-regulatory determinations and the *Risk Appetite Statement (RAS*).

2. Definitions

Social Risks: possibility of losses to the institution caused by events associated with the violation of fundamental rights and guarantees or acts harmful to the common interest.

Environmental Risks: possibility of losses to the institution caused by events associated with the degradation of the environment, nature and biodiversity, including the excessive use of natural resources.

Physical Climate Risks: possibility of losses to the institution caused by events associated with severe weather events or long-term environmental changes, which may be related to changes in weather patterns.

Transition Climate Risks: possibility of losses for the institution caused by factors associated with the transition process to a low-carbon economy, where economic sectors intensive in greenhouse gas emissions may be impacted by regulatory measures, market changes, or the need for technological adaptation.

Project Finance: a method of financing infrastructures with an extended cycle, usually with public and private benefits. In this model, the payment of debt is made exclusively, or almost exclusively, with the resources generated by the services from the cash flow of the product or service. For the acceptance of the investment, the lender mainly checks the prospect of revenue to be generated by the project, the guarantees, as well as carries out an assessment of the related financial and non-financial risks. It comprises projects with total costs starting at US$ 10 million (ten million dollars, from the United States) and in all sectors of the economy.

Operations: financial transactions in which the product and/or service is contracted by a member, including, for example: credit products, financing, consórcio (a pre-purchase financing pool modality), investments and insurance.

3. Guidelines

3.1. Management of social, environmental and climate risks:

It provides for the adoption of procedures, systems and routines to identify, classify, assess, respond appropriately to, monitor and report social, environmental and climate risks arising from financial exposures, processes and relationships with counterparties and entities. This adoption must occur in accordance with the nature of the products, services and activities, compatible with the model, nature and complexity of the business, as well as appropriate to the size and relevance of the exposure to such risks, applied to Sicredi's performance profile.

The rules and mechanisms for assessing social, environmental and climate risks are established in the Social, Environmental and Climate Risk Management Norm, and the details of the applicable process in the related manuals.

The rules and mechanisms for managing these risks must include, at a minimum:

a) Assessment of potential impacts of social, environmental and climate risks of the **products and services offered**, both in the creation and maintenance of these, subsidizing the decisions of governance forums, with the objective of minimizing the possibility of negative repercussions from our operations, as well as expanding the opportunities arising from our portfolio of sustainable solutions;
b) Adoption of social, environmental and climate risk management mechanisms for **operations throughout the credit cycle or its term**, according to the level of exposure, as well as treatment of the identified risks (application of mitigating actions, elimination of risk or acceptance of risk);
c) Evaluation, acceptance and monitoring of **guarantees**, which include criteria for verifying social, environmental and climate risks;
d) Evaluation, approval and monitoring of **suppliers/service providers/third parties/strategic partners** that include criteria for verifying social, environmental and climate risks, according to definitions established in the related regulations;
e) Use of **scenarios** and structured procedures for managing **physical and transition climate risks over the short, medium and long term**[1], to support business decisions and protect the institution's assets;
f) Adoption of tools and processes to manage social, environmental and climate risks of **concentrations and counterparties**, to classify and monitor exposures;
g) Maintenance of data records regarding **losses incurred by the institution** linked to social, environmental and climate risks;

[1] Time horizons: short term: through 2030; medium term: from 2030 through 2040; long term: from 2040 through 2050.

h) Management of social, environmental and climate risks related to the financing of large infrastructure projects, developed through the instrument called **Project Finance**;
i) Adoption of methods for assessing and reporting the management of social, environmental and climate risks in our operations to enable **fundraising processes with multilateral partners**;
j) Verification of the **restrictive and impediment criteria, as well as the prohibited credits**, established in the internal credit regulations, as well as in the credit delimitation sections and prohibitions provided for in the Social, Environmental and Climate Risk Management Standard;
k) Adoption of mechanisms to predict/identify in a timely manner **political, legal, regulatory, market and consumer preference changes, as well as the reputation** of this institution in society, linked to social, environmental and climate risk factors;
l) Promotion and measurement of the credit portfolio focused on **products, sectors and practices with greater social, environmental and climate benefits;**
m) Compliance with the **declaration of appetite** for social, environmental and climate risks established in the RAS (Risk Appetite Statement) – document attached to the Integrated Risk Management Policy;
n) Conducting tests to interact social, environmental and climate risks with other **risks incurred by the institution**, providing for the identification and assessment of possible impacts;
o) Adoption of management and coordinated actions with **crisis management and business continuity**, observing social, environmental and climate impacts;
p) Disclosure of **periodic reports**, of a regulatory and managerial nature, regarding the actions to manage social, environmental and climate risks provided for in this Policy.

Important

This Policy is effective immediately upon its approval and shall be disseminated internally and externally.

4. Responsibilities

The Board of Directors of Sicredi Confederation is responsible for strategies and guidelines on the topic of social, environmental and climate risks.

The Risk Committee and the Strategy and Sustainability Committee are responsible for supporting the decisions of the Board of Directors of Sicredi Participações S.A. (SicrediPar) on the topic of social, environmental and climate risks.

The Executive Directors Committee is responsible for the rules and mechanisms for complying with the strategies and guidelines defined in this Policy.

The Executive Risk Board of Banco Cooperativo Sicredi is responsible for the structure for the monitoring, reporting and adequate management of social, environmental and climate risks, conducting the annual review process of this Policy and providing support to all Sicredi Entities.

The Cooperative Centrals are responsible for supervising and supporting the Individual Cooperatives in complying with the management of social, environmental and climate risks.

The Individual Credi Unions are responsible for complying with the guidelines and implementing the rules for the management of social, environmental and climate risks.

The details of roles and responsibilities are set out in the Social, Environmental and Climate Risk Management Standard.

5. Regulatory Basis

CMN Resolution 4,557/17

CMN Resolution 4,945/21

BCB Resolution 139/21

BCB Resolution 151/21

SARB 14/14

SARB 26/23

6. Term and Approval History

DATE	DESCRIPTION	APPROVER
19/05/2020	1st version – document update	Board of Directors on 19/05/2020 – minute 148/2020
26/01/2022	2nd version – revision and update of the document	Board of Directors on 26/01/2022 – minute 176/2022
14/12/2022	3rd version – revision and update of the document	Board of Directors as on 14/12/2022 – minute 199/2022
17/12/2024	4th version – revision and update of the document	Board of Directors as on 17/12/2024 – minute 242/2024
23/09/2025	5th version – revision and update of the document	Board of Directors on 09/23/2025 in minutes 257/2025.
17/09/2026	6th version – revision and update of the document	Board of Directors on 17/09/2026 – minute 148.

This Policy is effective immediately upon its approval and shall be disseminated internally and externally.