

The Itaú logo is displayed in a dark blue rounded square. The word "Itaú" is written in a bold, yellow, sans-serif font. The background of the entire page is a vibrant blue with abstract, overlapping geometric shapes in various shades of blue and yellow.

Itaú

ESG
Further
Information
2019



About this material

The ESG Further Information consolidates material that is an integral part of Itaú Unibanco's annual reporting. Its objective is to deepen material matters that are highlighted as part of the Annual Integrated Report, as well as to provide transparency and accessibility to significant data about our organization, according to the guidelines of the main indexes, ratings and reporting frameworks in Brazil and worldwide.

Accordingly, it is worth mentioning that the coronavirus (Covid-19) pandemic, which continues to impact global economic activity in an unpredictable manner, may demand that we reassess the targets presented below, in view of the change – internal and external – brought about in the coming months.

To browse this document:

- [🔗](#) **Learn more** by clicking on the icons highlighted in this report
- [⬆️](#) To return to the **main index** of the document, click on this button

INDEX



Main ESG indicators



Reporting and communication transparency



Financing in positive impact sectors



Responsible investment



Inclusion and entrepreneurship



Financial citizenship



Ethics in relations and business



Inclusive management



Responsible management



Value creation



Summary of GRI and SASB indicators



Main ESG indicators

The table below shows the main ESG topic indicators included in the Integrated Annual Report and in this Additional Information. Our purpose is providing these indicators, as well as respective changes every year, with more accessibility and visibility.

Theme	Subject matter	Indicators	Scope	Unit	2017	2018	2019	Change 2018 vs. 2019
Reporting and communication transparency	Task Force on Climate-related Financial Disclosures (TCFD)	Consolidated implementation status	Global	%	Not available	Not available	64.00%	Not applicable
		Recommendation implementation status – Governance	Global	%	Not available	Not available	73.00%	Not applicable
		Recommendation implementation status – Strategy	Global	%	Not available	Not available	54.00%	Not applicable
		Recommendation implementation status – Risk management	Global	%	Not available	Not available	76.00%	Not applicable
		Recommendation implementation status – Targets and metrics	Global	%	Not available	Not available	78.00%	Not applicable
	Reputation – RepTrak® Deep Dive ⁽¹⁾	General public's perceptions	Brazil	%			70.80%	Not applicable
		Clients' perceptions	Brazil	%	64.20%	61.60%	78.90%	Not applicable
Value creation	Distribution of value added (DVA) ⁽²⁾	Total DVA	Global	In Brazilian <i>reais</i>	67.2 billion	73 billion	76 billion	(+) 4.10%
		Net income	Global	In Brazilian <i>reais</i>	23.2 billion	25.6 billion	27.8 billion	(+) 8.59%
		Stockholders – % over total DVA	Global	%	29%	33%	27%	(-) 18.18%
		Government – % over total DVA	Global	%	30%	32%	31%	(-) 3.13%
		Employees – % over total DVA	Global	%	30%	30%	29%	(-) 3.33%
		Reinvested in the business – % over total DVA	Global	%	9%	3%	11%	(+) 266.67%
		Others – % over total DVA	Global	%	2%	2%	2%	0.00%
	Private social investment	Incentivized and not incentivized investments	Latin America	In Brazilian <i>reais</i>	547.4 million ⁽³⁾	631.0 million	780.7 million	(+) 26.86%
		Number of projects	Latin America	Unit	880	1,438	1,604	(+) 11.54%
Financing in positive impact sectors	Total financing in negative impact sectors	Total amount invested	Global	%	2.30%	2.70%	2.57%	(-) 4.80%
	Loan portfolio	Public sector	Global	In Brazilian <i>reais</i>	-	1.46 billion	1.19 billion	(-) 18.43%
		Companies	Global	In Brazilian <i>reais</i>	-	261.39 billion	281.11 billion	(+) 7.54%
		Individuals	Global	In Brazilian <i>reais</i>	-	269.63 billion	300.72 billion	(+) 11.53%
		Total	Global	In Brazilian <i>reais</i>	-	532.48 billion	583.02 billion	(+) 9.49%
		Total amount managed	Global	In Brazilian <i>reais</i>	Not available	Not available	583 billion	Not applicable
		Amount financed, in the three negative impact categories	Global	In Brazilian <i>reais</i>	Not available	Not available	15 billion (2.57% of total)	Not applicable
		Amount in sectors that do not pose risks for consumers or third parties	Global	In Brazilian <i>reais</i>	Not available	Not available	568 billion (97.40%)	Not applicable

Theme	Subject matter	Indicators	Scope	Unit	2017	2018	2019	Change 2018 vs. 2019
Responsible investment	Ecomudança E&S Funds ⁽⁴⁾	Number of projects supported	Global	Unit	Not available	Not available	67	Not applicable
		Number of families impacted	Global	Unit	Not available	Not available	1,720	Not applicable
		Projects in the Forest sector	Global	%	Not available	Not available	42.00%	Not applicable
		Projects in the Waste Management sector	Global	%	Not available	Not available	21.00%	Not applicable
		Projects in the Renewable Energy sector	Global	%	Not available	Not available	15.00%	Not applicable
		Projects in the Agriculture sector	Global	%	Not available	Not available	15.00%	Not applicable
		Projects in the Reduction of Water Footprint sector	Global	%	Not available	Not available	7.00%	Not applicable
		CO ₂ emission prevented	Global	Metric tons of CO ₂	Not available	Not available	42,000	Not applicable
Inclusion and entrepreneurship	Itaú Microcredit	Total microcredit amount	Brazil	In Brazilian <i>reais</i>	9.8 million	13.9 million	37.0 million	(+) 166.19%
		Non-performing loans (91 to 360 days)	Brazil	In Brazilian <i>reais</i>	Not available	Not available	1.5 million	Not applicable
		Number of clients	Brazil	Unit	2,500	5,000	15,500	(+) 210.00%
		% Women	Brazil	%	54%	57%	59.00%	(+) 3.51%
		% Men	Brazil	%	46%	43%	41.00%	(-) 4.65%
		Borrowers' average age	Brazil	Unit	44 years old	44 years old	40 years old	Not applicable
		Microcredit to the Commerce sector	Brazil	%	52%	58%	60.50%	(+) 4.31%
		Microcredit to the Service sector	Brazil	%	28%	23%	20.80%	(-) 9.57%
		Microcredit to the Production and Commerce sector	Brazil	%	21%	19%	13.20%	(-) 30.53%
		Microcredit to the Food sector	Brazil	%	0%	0%	2.20%	Not applicable
		Other	Brazil	%	0%	0%	3.30%	Not applicable
	Women entrepreneurship	Credit volume granted to women-led small and medium-sized businesses (+51% ownership interest)	Brazil	In Brazilian <i>reais</i>	4.18 billion	4.74 billion	6.34 billion	(+) 33.76%
		Credit volume granted to women-led small and medium-sized businesses (+51% ownership interest)	Brazil	%	21%	22%	23.00%	(+) 4.55%
	Itaú Women Entrepreneurs online platform	Number of women entrepreneurs on the platform ⁽⁵⁾	Brazil	Unit	8,000	20,000	23,500	(+) 17.50%
		Number of visits to the platform	Brazil	Unit	96,806	1,479,901	176,980	(-) 88.04% ⁽⁶⁾
Financial citizenship	Financial education and control	Number of visits to <i>Minhas Finanças</i> (My Finances) app	Brazil	Unit	Not applicable	Not available	531,000	Not applicable
		Number of visits to the <i>Saia do Vermelho</i> (Get out of the red) free online course	Global	Unit	Not applicable	15,000	42,000	(+) 180.00%
		Participants to the <i>Papo que Rende</i> (Enriching Chat) talk	Brazil	Unit	Not applicable	Not applicable	1,400	Not applicable
Ethics in relations and business	Terms of the Integrity Policy	Adherence	Brazil	%	93%	98%	97.75%	(-) 0.26%
	Integrity Policy Training	Ethics	Brazil	%	88%	92%	97%	(+) 5.50%
		Anti-corruption	Brazil	%	93%	90%	96%	(+) 7.17%
		Relationship with clients and users	Brazil	%	Not applicable	88%	96%	(+) 9.23%
		Anti-money laundering (AML)	Brazil	%	Not applicable	85%	97%	(+) 14.19%
		Sustainability	Brazil	%	Not applicable	85%	96%	(+) 13.39%

Theme	Subject matter	Indicators	Scope	Unit	2017	2018	2019	Change 2018 vs. 2019
Ethics in relations and business	Integrity Policy Training	Compliance	Brazil	%	Not applicable	Not applicable	95%	Not applicable
		Information security	Brazil	%	Not applicable	Not applicable	95%	Not applicable
		Relationship with suppliers	Brazil	%	Not applicable	Not applicable	95%	Not applicable
		Occupational health and safety (OHS)	Brazil	%	Not applicable	Not applicable	94%	Not applicable
	Complaints to the Internal Ombudsman's Office	Complaints received in the year	Brazil	Unit	1,481	1,871	2,344	(+) 25.28%
		Complaints solved in the year ⁽⁷⁾	Brazil ⁽⁸⁾	Unit	1,402	1,747	2,488	(+) 42.42%
		Number of employees reported	Brazil	Unit	904	1,074	1,632	(+) 51.96%
		Legitimate reports	Brazil	%	44%	42%	30.00%	(-) 28.57%
		Unfounded reports	Brazil	%	44%	48%	59.00%	(+) 22.92%
		Inconclusive reports	Brazil	%	12%	10%	11.00%	(+) 10.00%
		Number of measures implemented	Brazil	Unit	416	457	510	(+) 11.60%
		Dismissal	Brazil	Unit	57	55	42	(-) 23.64%
		Written warning	Brazil	Unit	11	10	9	(-) 10.00%
		Conduct adjustment notice	Brazil	Unit	77	118	119	(+) 0.85%
		Feedback recorded	Brazil	Unit	246	244	310	(+) 27.05%
		Transfer between departments	Brazil	Unit	25	30	30	-
	Government relations	Legislative proposals at the federal level	Brazil	Unit	2,800	3,000	3,200	(+) 6.67%
		Legislative propositions at state and municipal levels	Brazil	Unit	7,000	8,000	12,400	(+) 55.00%
	Relationship with the sector and society	Representative entities	Global	In Brazilian <i>reais</i>	Not available	44.2 million	54.7 million	(+) 23.76%
		Non-representative entities	Global	In Brazilian <i>reais</i>	Not available	1.4 million	2.9 million	(+) 107.14%
Inclusive management	Investment in personnel	Total amount invested	Global	In Brazilian <i>reais</i>	23.3 billion	24.7 billion	28.4 billion	(+) 14.98%
		Compensation	Global	In Brazilian <i>reais</i>	9.2 billion	10.2 billion	9.5 billion	(-) 6.86%
		Profit sharing	Global	In Brazilian <i>reais</i>	3.8 billion	4.4 billion	5.2 billion	(+) 18.18%
		Benefits	Global	In Brazilian <i>reais</i>	3.4 billion	3.7 billion	3.8 billion	(+) 2.70%
		Charges	Global	In Brazilian <i>reais</i>	2.8 billion	3.0 billion	3.2 billion	(+) 6.67%
		Other	Global	In Brazilian <i>reais</i>	4.1 billion	3.4 billion	6.7 billion	(+) 97.06%
	Profile and diversity	Total employees (managed by the People department)	Brazil	Unit	90,183	95,315	88,484	(-) 7.17%
		Men	Brazil	Unit	33,479	35,620	36,736	(+) 3.13%
		Women	Brazil	Unit	49,361	51,378	51,748	(+) 0.72%
		Men (%)	Brazil	%	40.42%	40.95%	41.52%	(+) 1.39%
		Women (%)	Brazil	%	59.58%	59.05%	58.48%	(-) 0.97%
		Under 30 years old	Brazil	Unit	26,958	36,796	38,254	(+) 3.96%
		Aged from 30 to 50	Brazil	Unit	47,762	50,318	45,487	(-) 9.60%
		Aged over 50	Brazil	Unit	8,120	8,201	4,743	(-) 42.17%
	Black persons	Black employees (%)	Brazil	%	21.64%	22%	22.88%	(+) 4.00%
		Black women (%)	Brazil	%	13.23%	13.30%	13.70%	(+) 3.01%
		Black men (%)	Brazil	%	8.40%	8.70%	9.18%	(+) 5.52%

Theme	Subject matter	Indicators	Scope	Unit	2017	2018	2019	Change 2018 vs. 2019
Inclusive management	PWD	Employees (%)	Brazil	%	4.74%	4.80%	4.22%	(-) 12.08%
		Women (%)	Brazil	%	2.40%	2.50%	2.14%	(-) 14.40%
		Men (%)	Brazil	%	2.34%	2.30%	2.08%	(-) 9.57%
	Training	Total amount invested	Brazil	In Brazilian reais	232 million	235.9 million	161 million	(-) 31.75%
		Total participation in in-person and remote training programs	Brazil	Unit	1.1 million	1.4 million	1.2 million	(-) 14.29%
		Scholarships	Brazil	Unit	7,301	6,697	6,135	(-) 8.39%
		Average rate of adherence to in-person training programs	Brazil	%	93.70%	92.90%	91.60%	(-) 1.40%
		Total hours	Brazil	Unit	2.0 million	2.2 million	1.2 million	(-) 45.45%
		Average training hours for Supervisors	Brazil	Unit	20	21	17	(-) 19.05%
		Average training hours for Administration employees	Brazil	Unit	24	18	14	(-) 22.22%
		Average training hours for Commercial and Operational employees	Brazil	Unit	21	29	12	(-) 58.62%
		Average training hours for Trainees	Brazil	Unit	287	252	170	(-) 32.54%
		Average training hours for Interns	Brazil	Unit	29	24	10	(-) 58.33%
	Turnover	Turnover	Brazil	%	9.10%	10.00%	16.70%	(+) 67.00%
		Hires	Brazil	Unit	14,145	15,446	13,571	(-) 12.14%
		Terminations	Brazil	Unit	9,454	10,667	16,536	(+) 55.02%
	Customer satisfaction survey	Satisfaction rate	Brazil	%	Not available	87.00%	87.00%	-
		Voluntary participation in the survey	Brazil	%	Not available	81.00%	78.00%	(-) 3.70%
Responsible management	Water	Consumption	Brazil	m ³	1,390,142.00	1,449,038.20	1,308,143	(-) 9.72%
	Energy	Total consumption	Brazil	MWh	570,494	575,507	547,140	(-) 4.93%
		Consumption of renewable energy for the administrative buildings	Brazil	%	93%	95%	100.00%	(+) 5.26%
		PUE (Power Usage Effectiveness)	Brazil	Unit	1.81	1.77	1.79	(+) 1.13%
	Greenhouse gas (GHG) ⁽⁹⁾	Scope 1	Brazil	tCO ₂ e	7,960	18,658	12,628	(-) 32.32%
		Scope 2	Brazil	tCO ₂ e	53,736	41,678	40,232	(-) 3.47%
		Scope 3	Brazil	tCO ₂ e	169,526	158,263	153,962	(-) 2.72%
	Waste management ⁽¹⁰⁾	Landfill	Brazil	Metric ton	22,373	23,555	25,566	(+) 8.54%
		Landfill/hazardous waste ⁽¹¹⁾	Brazil	Metric ton	12.7	0.0	3.5	(+) 350.00%
		Composting	Brazil	Metric ton	466	577.7	680	(+) 17.71%
		Recycling	Brazil	Metric ton	795.44	837.82	878.36	(+) 4.84%
		Hazardous waste recycling	Brazil	Metric ton	33.02	20.96	101	(+) 381.87%
		Recycling of waste from electrical and electronic equipment	Brazil	Metric ton	4,093.8	882.6	2,067	(+) 134.19%
		Other	Brazil	Metric ton	1,757.2	4,356.6	8,500.0	(+) 95.11%

Theme	Subject matter	Indicators	Scope	Unit	2017	2018	2019	Change 2018 vs. 2019
Responsible management	Paper	Correspondence to clients – paper rolls	Brazil	Metric ton	1,662.3	1,802.0	1,501.0	(-) 16.70%
		Correspondence to clients – envelopes	Brazil	Metric ton	197	214	179	(-) 16.36%
		Correspondence to clients – forms	Brazil	Metric ton	5.8	6.4	1.3	(-) 79.69%
		Correspondence to clients – A4 paper	Brazil	Metric ton	67.8	73.1	16.9	(-) 76.88%
		Checks – checkbooks	Brazil	Metric ton	218.3	154	121.9	(-) 20.84%
		Checks – forms	Brazil	Metric ton	Not available	25.6	23.0	(-) 10.16%
		Checks – dispensers	Brazil	Metric ton	Not available	75.7	70.5	(-) 6.87%
	Supply chain management	Number of suppliers	Brazil	Unit	12,989	13,789	14,798	(+) 7.32%
		Total amount purchased	Global	In Brazilian <i>reais</i>	10.4 billion	12.2 billion	8.99 billion	(-) 26.31%
		New suppliers	Brazil	Unit	1,670	1,665	1,269	(-) 23.78%
	Number of suppliers by region	Approval rate	Brazil	%	68.30%	94.55%	84.54%	(-) 10.59%
		Southeast	Brazil	%	84%	91.40%	77.10%	(-) 15.65%
		South	Brazil	%	8%	4.10%	8.60%	(+) 109.76%
		Northeast	Brazil	%	4%	2.20%	8.90%	(+) 304.55%
		Central-West	Brazil	%	3%	1.60%	3.60%	(+) 125.00%
		North	Brazil	%	1%	0.70%	1.80%	(+) 157.14%
	Reputation analysis – E&S aspects	Number of suppliers assessed	Brazil	Unit	Not available	Not available	33,826	Not applicable

(1) In 2018, our monitoring was extended and it started to incorporate the view of many stakeholders. The related results were reflected in 2019.

(2) Calculated in accordance with the Brazilian Accounting Practices (BRGAAP). Includes recurring net income and the reclassification of hedge tax effects of investments abroad to the financial margin.

(3) Amount related only to the private social investments in Brazil.

(4) Data consolidated since 2010.

(5) Companies with over 51% ownership interest held by women.

(6) Itaú Women Entrepreneurs online platform – in 2018, the #VaiGarota (Go Girl) institutional campaign, broadcast by major Brazilian media outlets, brought great visibility to the program and significantly increased the number of registrations.

(7) These figures include complaints received in previous years and solved in the same year.

(8) Although the Internal Ombudsman's department is not an official channel of our foreign units, it may happen that some cases are exceptionally included in these results.

(9) 2017 figures were updated in 2018 and started to include the emissions of other companies acquired at the end of 2017.

(10) This amount includes branches (ATM) and head office (desktop).

(11) This figure includes administrative buildings and technology centers only.

Sustainability Governance

For us at Itaú, business and sustainability go hand in hand.

GRI 102-18 | GRI 102-20

We incorporate sustainability into our corporate strategy through a governance structure that is consolidated and integrated with our business. This allows us to internalize social, environmental and economic issues and trends as part of our daily activities and processes to identify the areas which are capable of addressing and periodically tracking performance and indicators for these issues, ensuring their development. This way, we can produce both short- and long-term action plans that influence relevant changes for stakeholders, showing that our committees have a direct impact on our strategic planning.

Our Sustainability Committee is now called the Positive Impact Committee; to ensure consistency between projects, commitment impact measurement and development, we will bring together those responsible for each commitment to ensure the agenda's progress. The new format confirms our culture to give even more scale to sustainability agendas in other committees – each commitment's sponsors take the issue to their governance.

The graph below shows our sustainability governance forums.

Our sustainability governal structure Our organization chart



- Board of Directors: guides, monitors and approves the sustainability strategy and policy aligned with our long-term vision. In 2019, sustainability and the Positive Impact Commitments were discussed at a meeting that also addressed other issues, such as the Integrity and Ethics Program.

- Strategy Committee: leads, at the level of the Board of Directors, the discussions on key sustainability challenges and trends that may represent a reputational risk and environmental and social impact to the bank.

- Superior Ethics and Sustainability Committee: consisting of members of the Executive Committee, this committee is responsible for integrating sustainability and ethics practices to promote the spreading of these topics to our business management, organizational culture and our business strategy. In 2019, this committee held two meetings where it discussed issues such as: the Positive Impact Commitments and the communication and disclosure plan, ethics issues, donation and membership policies, and voluntary compacts.
- Positive Impact Committee: based on a corporate agenda, this committee addresses the main sustainability issues for the bank's governance and related

working groups. This Committee is composed of representatives of the Positive Impact Commitments: Legal, Personnel, Investors Relations, Credit and Investment Risk, collection, etc. In 2019, this committee held two meetings and the main issued addressed were the follow-up of the Positive Impact Commitments, impact studies, and governance structuring and approval.

GRI 102-18 | GRI 102-20

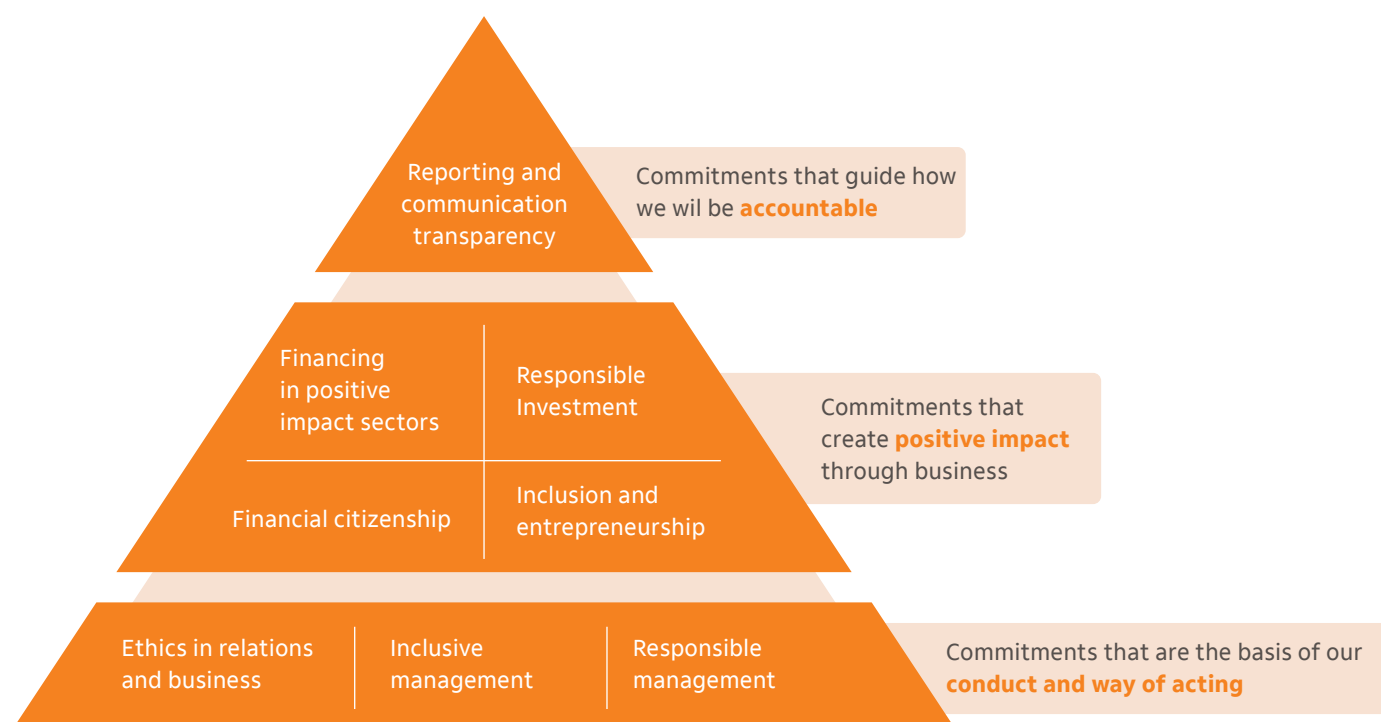
- Working groups: set up to make us more efficient in the implementation of our sustainability strategy and integrate sustainability initiatives into business areas, the working groups are responsible for managing sustainability projects and other related initiatives.

Since 2015, these committees have been divided into: Internal Management, Responsible Investments, and Reporting. There are three squads that operate on the Impact, Climate Finances, and Human Rights issues. In addition to the committees above, each positive impact commitment has its established governance and makes it possible to add value and incorporate the issue to the conglomerate's business agenda.

GRI 102-18 | GRI 102-20

In 2019, the review of our sustainability strategic guidelines resulted in the definition of our Positive Impact Commitments (described in the chapters below), which are directly linked to the business and represent the impacts that we want to trigger.

Positive Impact Commitments





Reporting and communication transparency

GRI 103-1 Reporting and communication transparency | GRI 103-2 Reporting and communication transparency |

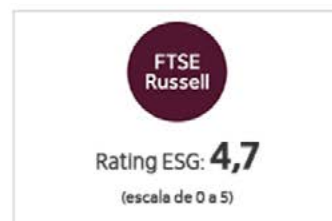
GRI 103-3 Reporting and communication transparency

Transparency for social, environmental and governance data is an essential premise in the search for sustainable performance. For the purpose of adding further objectivity to our accountability, we established a partnership with the International Integrated Reporting Council (IIRC) in 2013. We also participate in the main market indexes, such as the Dow Jones Sustainability Index (DJSI), the Corporate Sustainability Index (ISE) and the Carbon Efficient Index (ICO2), the latter two of B3 S.A. – Brasil, *Bolsa, Balcão* (B3). When responding to the questionnaires used as part of the selective process of the indexes, we make a diagnosis of our progress in the implementation of the sustainability projects and identify points for improvement that may be

incorporated into our management. We also believe that this practice promotes the sustainability agenda between companies and encourages transparent communication and transactions in the market of responsible investments.

We are assessed by ESG rating agencies (MSCI, Sustainalytics, FTSE, ISS ESG, and others) that rate us according to the environmental, social and governance pillars, based on our stakeholders' documents as source. Each agency uses its own assessment methodology. In early 2020, ISS ESG upgraded our rating, ranking us as a responsible investment company. To check our ESG ratings, see [our website](#). 

We also encourage our investees to disclose ESG information that may impact their financial performance and we take a transparent approach to share our learned lessons, as we believe we can inspire other organizations to adopt practices more aligned with sustainability. Therefore, we make our methodology publicly available and take part in several industry events to present our method and discuss the integration of environmental, social and Corporate Governance issues into the assessment process.



Media

Our purpose is to reinforce the main positions and key messages of the bank, contributing to proper and clear coverage by the media. As a result, we keep an open and transparent relationship with the media and opinion makers in general. We have channels for responding to the media on our website, via email, as well as exclusive phone lines.

Currently, we have nearly 220 spokespersons authorized to talk to the media. These executives are trained on demand, as necessary or as new executives are appointed as spokespersons, in accordance with our internal Press Relations Policy.

Our interactions with journalists and opinion makers are constantly reinforced and, together with the communication strategies, they allow us to respond as well as possible to the demands of the media. In 2019, we responded to 2,173 issues raised by the domestic media alone, and took 1,405 proactive actions,

which unfolded into events, meetings with journalists, press releases, etc.

We have broken new ground to share knowledge, inspire ourselves and listen to society. Our exposure in the local and international media is monitored by means of an image audit carried out by *CDN Comunicação*, a communication agency focused on the construction and strengthening of image and reputation. The information, analyzed at the quantitative and qualitative levels, results in the Media Exposure Quality Index (IQEM), which is monitored on a monthly basis, which ranges from zero to ten.

GRI 102-43

In 2019, we made 219 postings on LinkedIn Itaú Unibanco, reaching an average engagement of 7.33% – an index considered high by the social media's own metrics – and 114 postings on LinkedIn Itaú BBA, reaching an average engagement of 7.06%. In addition, our Executive Committee profiles were enabled, with

qualified postings and building up channel-exclusive subjects.

Itaú Views was a new development this year. This is a weekly podcast that analyzes the issues in the economic agenda and addresses relevant monetary policy, economic activity, industry evaluations, investment, and technology issues. We produced 34 episodes, which totaled 75,100 plays with a 77% retention rate.

The Corporate Communication function is also responsible for managing the awards received by Itaú Unibanco. In 2019, we received 81 awards.

Reputation

Since 2008, we have been measuring the reputation of the bank from the general public's standpoint, using the RepTrak® Deep Dive methodology of The RepTrak Company™ (former Reputation Institute), an international consultancy specializing in the management of corporate reputation. In 2018, the monitoring⁽¹⁾ was extended and it started to incorporate the view of many stakeholders, and be customized with specific attributes of our reality. Based on our monitoring, assessments are made and perceptions are obtained of strategic attributes, allowing for the

analysis and the planning of actions that prioritize specific needs and mitigate risks. In 2019, our reputation based on general public perceptions was 70.8 (the highest in the survey's history) and based on client perceptions was 78.9. This indicator is known as Pulse and both reflect the fact that Itaú Unibanco has a strong reputation.

Throughout 2019, we rolled out action plans with different areas and raised awareness on the importance of "reputation" among almost 2,000 employees. For example, one of the plans was the

creation and disclosure of an e-learning course for the call centers, which engaged approximately 400 attendants. The training course content addressed reputation in a practical way, coupled with the day-to-day business of this audience and a focus on the client.

(1) The monitoring process is continuous, conducted by means of the RepTrak® Deep Dive study and the Media Exposure Quality Index (IQEM) with stakeholders: media, main opinion makers and general public. For the IQEM, our measurement is performed on a monthly basis. The RepTrak for the general public – with a cut-off for clients – is conducted annually.



Financing in positive impact sectors

[GRI 103-1 Financing in positive impact sectors](#) | [GRI 103-2 Financing in positive impact sectors](#) | [GRI 103-3 Financing in positive impact sectors](#) | [SASB FN-CB-410a.2](#)

As a financial institution, all our activities (direct and indirect) have an impact on our stakeholders. Thus, we offer goods and services with the intention of creating value and maximizing our positive impact on society. Defining the allocation of capital and supporting our clients with sustainable investment solutions that bring financial returns and benefits to society are key parts of this work. We are moving to deliver services and goods that are aligned with the values and current demands of society.

We have in our policy some rules related to the incorporation of ESG factors in our processes, such as CMN Resolution no. 4327/2014 (Bacen), SARB Regulation no. 14, of 08/28/2014, Banking Self regulation (FEBRABAN) – Environmental and Social Responsibility, and ABNT NBR ISO 14001/2015 – Environmental Management Systems – Requirements for guidance and use.

Credit approval criteria

[GRI G4-DMA Product portfolio \(former FS1 | FS2 | FS3 | FS4\)](#)

After meeting the key criterion of not being in our List of Excluded Activities, clients are submitted to additional environmental and social assessment criteria, based on the requirements specific to your industry and market segment, the guarantee structure proposed for each operation, and type of product.

Industry and segment

Clients in the Large Corporations segment have a high, medium and low environmental and social risk rating that directly influences their risk rating. This ranking process is based on the impacts of the client's industry and takes into consideration sustainability parameters such as energy and water consumption, liquid effluent discharge, solid waste disposal, atmospheric

emissions, worker health and safety risks, etc. More recently, this ranking has become more granular and now also includes management criteria of these clients, which can mitigate the industry impacts, such as obtaining certifications and/or partaking of sustainability indexes, such as the ISE, by rating the industries into high, medium and low social and environmental risk.

In addition to the criteria above, clients in the industries covered by our **Restricted List** undergo a specific analysis process to grant and renew credit that may range from applying industry questionnaires and targeted media surveys to the submission of an individual case for approval by the Senior Committee.

Restricted List

- Manufacture and sale of war weapons, firearms and ammunition
- Extraction of wood from native forests
- Fishing activities
- Extraction and industrialization of asbestos
- Meat plants and beef slaughterhouses

For those clients who operate as **Farmers**, the Environmental and Social Risk Business function has created a proprietary score system that allows the identification of different client profiles within our portfolio. The scores are generated based both on the analysis of remote farm reports, which bring us environmental and information, as well as on face-to-face reports, which allow us to verify the health and safety conditions of farm workers. This score is renewed annually.

Also, based on studies assessing the impact of environmental and social issues on credit risk, throughout 2019, we developed a methodology capable of differentiating and quantifying the credit risk associated with the environmental and social issue for clients within the same industry, taking into consideration the environmental and social risk drivers represented in the pie chart as follows.

In this case, the industries covered by this methodology, called **Priority Industries**, are: Mining, Steel and Metallurgy, Oil and Gas, Textile, Pulp and Paper and Chemical and Petrochemical.

Environmental and social risk assessment drivers pie chart



This methodology's implementation will be staggered, beginning in 2020, and will serve as a basis for improving the impact of the environmental and social variable on the risk rating of clients.

Collateral structure proposed for each transaction: in the case of loans collateralized by properties, whether urban or rural, it is necessary to carry out an environmental and social due diligence in order to identify possible environmental liabilities, such as signs of contamination, Environmental Preservation areas, etc. The analysis may use as a basis proprietary information or land occupation, their current use, and the

data on their surroundings and may have direct impact on the valuation or acceptance of such collateral.

Type of product: New products launched by the bank and structured operations subject to the Product Committee's approval or whose destination of funds includes project finance undergo an environmental and social risk assessment. In addition, some fund transfer products, such as Rural Credit and BNDES transactions, also undergo a review on the compliance with certain environmental and social requirements established by the related funding terms.

Structured transactions

To submit structured transactions to the Wholesale Products Committee, it is necessary to complete a questionnaire that will indicate the need for a more detailed analysis and possibly the creation of a specific due diligence prior to closing the transaction.

These transactions include the purchase of preferred shares from companies that, in addition to the due diligence usually conducted by a law firm, can be subject, in certain cases, to a technical assessment by the Business Environmental and Social Risk function. In addition, investments in Equity

Investment Funds (FIP) and Real Estate Investment Funds (FII) in which the Itaú Unibanco Conglomerate companies act as officers or managers can also include technical support from this function.

Project finance structured transactions

The environmental and social due diligence in this type of transaction begins with collecting prior environmental and social information from the project – licensing stage, sensitive characteristics of the surroundings, etc. – which can be used as inputs to prepare a more detailed environmental and social agenda covering relevant technical and legal issues, if applicable.

The issues involved allow the ranking of the project into high, medium or low

environmental and social risk. At the end of the analysis, it may be necessary to design an action plan aiming at boosting the adoption of best practices by a client and which should be monitored by the Business Environmental and Social Risk function on a biannual or annual basis, during the term of the contract. The contractual obligations resulting from this plan are widely discussed with the client, becoming conditions precedent for the use of funds. The environmental and social analysis, as well as its

monitoring, include observing a variety of environmental and social aspects of the local legislation and International Finance Corporation's (IFC) Performance Standards, when applicable, and may be performed by a specialized independent consultant. Each monitoring cycle can include desk reviews, negotiations with the client and funding agents, and visits to the project.

Equator Principles

When applying the Equator Principles,⁽¹⁾ we are guided by international market best practices and focus our efforts on engaging all stakeholders in a robust, transparent due diligence. In this sense, the review begins by rating a project and the assessment process incorporates material and sensitive issues such as impact on traditional populations, climate change, and human rights, in

accordance with the IFC Performance Standards, as well as assessing compliance with local legislation and the adoption of an environmental and social management system.

In high and medium risk projects, it may be necessary to engage independent environmental and social consultants as a hiring and monitoring requirement.

(1) The cutoff criteria set by the Equator Principles are available at the website equator-principles.com. 

Risk rating model for project financing

In order to improve the credit rating of transactions in which we are primarily assuming the credit risk associated with the project's cash flows, we use a Risk Rating model that includes detailed aspects specific to the

environmental and social nature of a transaction. Among these aspects are regional sensitivities, the process maturation for project licensing and the client's expertise in managing these variables. Weighting all these drivers

has a direct impact on the project's final risk rating and allows for more accurate pricing and better capital allocation based on the identified risks or mitigating factors.

Corporate Environmental and Social Risk Policy and Equator Principles

GRI G4-FS6

In 2019, we had 69 financing contracts for projects under monitoring and reviewed 27 new project-related structured transactions.

It should also be noted that in 2019 we did not have any project finance transactions under contract and two project financing operations were rejected.

For further details on the volume of products associated with the projects contracted in 2019, whether within or outside the scope of the Equator Principles, please refer to the tables below.

Project-related corporate loans (Corporate Finance)⁽¹⁾ closed and assessed by using Environmental and Social Policy criteria

GRI G4-FS6

	Number of projects			Total investment (R\$ million) ⁽²⁾			Itaú Unibanco's share (R\$ million) ⁽²⁾		
Category	2019	2018	2017	2019	2018	2017	2019	2018	2017
A	-	-	-	-	-	-	-	-	-
B	1	7	1	150.00	144.87	123.46	21.70	120.10	45.00
C	0	-	6	-	-	1,324.79	-	-	407.20
Sector									
Sugar and ethanol	-	-	4	-	-	104.37	-	-	52.18
Agribusiness	-	4	1	-	79.34	125.00	-	79.34	110.28
Logistics	-	-	-	-	-	-	-	-	-
Telecommunications	0	-	-	-	-	-	-	-	-
Energy	1	1	1	150.00	16.00	1,095.42	21.70	16.00	244.74
Health care	-	-	1	-	-	123.46	-	-	45.00
Infrastructure	-	2	-	-	49.53	-	-	24.77	-
Location									
Southeast	-	5	3	-	87.47	1,150.50	-	62.70	272.28
South	-	-	1	-	-	123.46	-	-	45.00
Central-West	1	-	2	150.00	-	145.01	21.70	-	120.28
Northeast	-	-	-	-	-	-	-	-	-
North	-	-	-	-	-	-	-	-	-
Brazil ⁽³⁾	0	2	1	-	57.40	29.28	-	57.40	14.64
Total	1	7	7	150.00	144.87	1,448.25	21.70	120.10	452.20

(1) Itaú Unibanco's Corporate Environmental and Social Risk Policy. No corporate finance transactions closed that fell into the Equator Principles criteria.

(2) If in a different currency, transaction-day exchange rate was used.

(3) Projects located in more than one Brazilian region.

Note: Project related-corporate loans (Corporate Finance) are usually covered by existing rather than approved credit limits for specific operations.

**Other project finance transactions closed and assessed
by using Environmental and Social Policy criteria⁽¹⁾**

GRI G4-FS6

	Project guarantee ⁽³⁾			Bridge loan ⁽⁴⁾⁽⁵⁾			Total		
	2019	2018	2017	2019	2018	2017	2019	2018	2017
Number of transactions	13	29	11	-	4	10	13	33	21
Amount of transactions contracted									
Total investment (R\$ million) ⁽²⁾	11,317.3	20,555.5	26,644.6	-	635.0	10,340.0	11,317.3	21,190.5	36,984.6
Itaú Unibanco's share (R\$ million) ⁽²⁾	3,707.2	4,284.1	2,248.9	-	635.0	981.5	3,707.2	4,919.1	3,230.4
Category									
A	-	8	2	-	1	0	-	9	2
B	13	19	8	-	3	9	13	22	17
C	-	2	1	-	-	1	-	2	2
Sector									
Logistics	-	-	-	-	-	-	-	-	-
Energy	13	21	11	-	3	10	13	24	21
Infrastructure	-	8	-	-	1	-	-	9	-
Location									
Brazil ⁽⁵⁾	2	1	-	-	-	-	2	1	-
Central-West	0	4	-	-	-	-	-	4	-
Northeast	9	15	7	-	2	7	9	17	14
North	-	5	1	-	-	-	-	5	1
Southeast	1	3	2	-	1	2	1	4	4
South	1	1	1	-	1	1	1	2	2
Total	13	29	11	-	4	10	13	33	21

(1) Itaú Unibanco's Corporate Environmental and Social Risk Policy.

(2) If in a different currency, transaction-day exchange rate was used.

(3) Include surety rollover transactions in 2018 and 2017. Do not include surety rollover transactions in 2019.

(4) No bridge loans in the credit market were closed.

(5) Projects located in more than one Brazilian region (e.g., linear infrastructure, CAPEX for chain of stores, etc.).

Capital market transactions related to project finance closed and assessed by using Environmental and Social Policy criteria⁽¹⁾

GRI G4-FS6

Capital market transactions for projects ⁽¹⁾⁽²⁾	2019
Number of transactions	13
Transaction volume (R\$ million) ⁽³⁾	5,648.0
Category	
A	-
B	12
C	1
Sector	
Telecommunications	1
Energy	12
Location	
Brazil ⁽⁴⁾	2
Central-West	-
Northeast	2
North	-
Southeast	4
South	5
Total	13

(1) Includes capital market operations that may have occasionally been included in the portfolio, even if partially.

(2) Operations other than in capital markets, such as debentures, promissory notes, etc.

(3) If in a different currency, transaction-day exchange rate was used.

(4) Projects located in more than one Brazilian region (e.g., linear infrastructure, CAPEX for chain of stores, etc.).

As shown in the table below, in 2019, the Wholesale segment generated R\$3.8 billion (roughly 3.6% of the lending portfolio) in operations that promote environmental and social benefits. In addition, in light of the materiality of the capital market in the period, we intermediated the issuance of R\$5.1 billion in securities for uses aligned with the "green economy".

Resource allocation per type of financing facility

Financing modality	Summary of funds destination	Amount (R\$ million)
ABC BNDES	Financing to decrease the emissions of greenhouse gases (GHG) in agriculture	62.30
BNDES automatic – project finance	Modernization and expansion of production unit industrial infrastructure	10.80
Itaú Project bridge loans	-	-
Project guarantee	Transmission lines and hydro, solar and wind power plants	3,707.17
Itaú Project finance – long term (excluding capital market transactions)	Telecommunications, power generation	21.70
Itaú Project finance – capital market transactions	Power generation, power transmission, telecommunications	5,648.00
Total		9,449.97

Loan portfolio by sector

GRI G4-FS8 | SASB FN-CB-410a.1

Financing modality	Total (R\$ million)	Percentage
Public sector	1,190	0.2
State/municipal government	682	0.1
Petrochemical and chemical	199	0.0
Sundry	309	0.1
Private Sector	581,827	99.8
Legal Entity	281,111	48.2
Sugar and ethanol	3,963	0.7
Agribusiness and fertilizers	18,067	3.1
Food and beverages	16,814	2.9
Banks and other financial institutions	10,635	1.8
Capital goods	5,062	0.9
Pulp and paper	1,693	0.3
Electro-electronics and IT	5,311	0.9
Packaging	2,565	0.4
Energy and sanitation	7,279	1.2
Education	2,214	0.4
Pharmaceuticals and cosmetics	6,319	1.1
Real estate	21,265	3.6
Leisure and tourism	5,297	0.9
Wood and furniture	3,341	0.6
Construction material	4,854	0.8
Metallurgy/steel	8,764	1.5
Media	717	0.1
Mining	4,603	0.8
Infrastructure works	8,468	1.5
Oil and gas	5,989	1.0
Petrochemical and chemical	9,699	1.7
Healthcare	3,419	0.6
Insurance, reinsurance and pension plans	13	0.0
Telecommunications	2,749	0.5
Apparel and footwear	4,412	0.8
Trading	1,842	0.3
Transportation	19,159	3.3
Household appliances	2,396	0.4
Vehicles/auto parts	12,599	2.2
Third sector	1,732	0.3
Publishing and printing	1,195	0.2
Trade – sundry	20,373	3.5
Industry – sundry	9,148	1.6
Services – sundry	38,729	6.6
Sundry	10,424	1.8
Individuals	300,716	51.6
Credit card	96,664	16.6
Real estate loans	73,952	12.7
Consumer loans/overdraft	110,470	18.9
Vehicles	19,631	3.4
Grand total	583,017	100.0

Environmental and social dilemmas

We believe that environmental and social risk management is an activity that requires an integrated and cross-section view in our organization since we must deal with complex

issues and ensure that all decisions are aligned with our principles, our risk appetite and culture, and foremost seek the least impact on our stakeholders. Aware of the materiality of

the environmental and social issue, we shared an engagement case with our clients when addressing with an environmental and social dilemma last year and the lessons learned.

Engaging the client in environmental and social risk analysis

Some economic activities have serious impacts on society, the environment and people's health. Against this backdrop, ensuring the quality of our environmental and social analysis for these industries is a major challenge, in particular considering our commitments in response to climate change, concerns about working conditions, and the potential for environmental disasters. Accordingly, we have been working on the development and adoption of proprietary tools and the development of new workflows that bring the bank more confidence in pricing credit for clients in these industries.

In 2019, we faced a major challenge in building the environmental and social pricing tool for the Pulp and Paper industry. During internal discussions involving the Sales, Lending, and Risk functions, we realized that it would be necessary to involve our clients in this process in order to deepen our

management practices and be closely aware of the environmental and social standard of the industry players, since the studies that supported the criteria that were being checked were theoretical studies. By being aware of our clients' circumstances, therefore, we would be able to make sure the analysis tool would be more assertive and qualified.

Against this backdrop, in addition to holding several discussions, we visited our clients to gain an understanding of their key concerns, as well as the methods used to prevent, mitigate, and recover of possible environmental and social impacts. This closeness allowed us to understand, for example, that the conservation of certain clients' forest assets was an important variable for the continuity of their business and we were also able to verify that the companies in the industry had a high management standard with regard to the adoption of practices

to reduce the environmental and social impact throughout their entire process, from the conservation of their forest assets to industrial production. As a result, after this contact, we have adjusted the weight attributed to each tool variable by measuring the key risk issues of the Pulp and Paper industry more assertively.

The support and engagement of our clients were key to have gain a deeper perspective on the most relevant topics and we were also able to create a closer relationship with them. Based on the success of this experience, we believe that it will be possible to expand the engagement dynamics for the development of tools for other industries and thus produce better deliverable on a shared, empathetic basis.

Climate risk

GRI 102-11 | GRI 102-15 | GRI 201-2

We are aware of the impacts our business has on the climate, as well as the effects of climate change on our activities. The role of the Corporate Environmental and Social Risk Department is to have a comprehensive view of the business and operations and climate risk has become increasingly relevant for our strategy. In addition, this issue is addressed in the Environmental and Social Risk Management Project by allowing us to have a comprehensive view of the business and operations and handling them in a timely manner in our committees. We have a list of sensitive industries, which considers climate exposure, among other criteria. These are handled in a more detailed manner in credit granting.

We also work with financing facilities for projects that mitigate the impacts of climate change. We have partnerships with the IADB, CEF, IFC, and BNDES to finance renewable energy and low carbon economy projects. Our position on climate change is available on our website, where we detail these and several other initiatives.

We will proceed with our multidisciplinary Climate Finance Squad focused on implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). [Click here for more information on the TCFD.](#) These issues will continue to be in all of our environmental and social risk management initiatives, linked to our own operation and the bank's business.

In 2019, we updated a study to identify the financed emissions of the loan portfolios, specifically the loans used in the acquisition of vehicles and the construction of real estate. As a result, we identified that we generate indirect impacts on CO₂ emissions from the financing of vehicles and the construction of real estate. We use a specific tool to determine the GHG emissions of each industry based on guidelines set by specialized consultants.

The portfolios will be monitored periodically and such data will be used in other studies and internal projects to identify opportunities and mitigate risks. We continue to deepen our understanding of our financed

emissions in order to cover other industries and most of our portfolio.

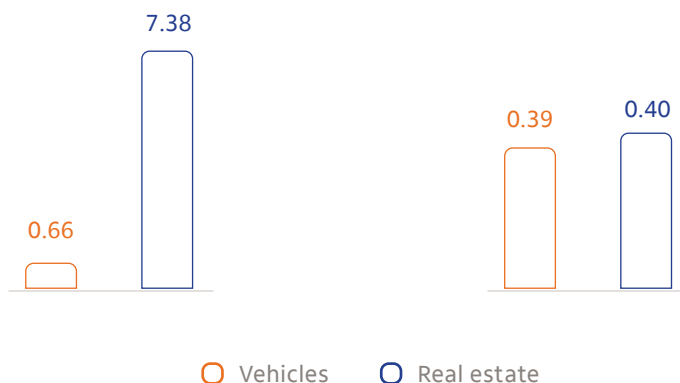
For the management of third-party assets, we build scenarios for each issue that unfolds: property damages, spread of diseases, changes in the water cycle, GHG emissions pricing, forestry agricultural production, and new products. Each of these issues has a short-, medium- and long-term Materiality Matrix, outlined based on recurrence and coverage for various industries. These scenarios allow us to make investment decisions better informed about the associated climate risks and opportunities. Itaú Asset Management has a specific public paper on climate change with more information.

[To access the paper, click here.](#)

Emissions financed in the Wholesale Banking segment

Share in loan portfolio (%)

tCO₂e to each R\$10,000⁽¹⁾



(1) Emissions were calculated by using an internal tool with assumptions specific for each portfolio.

Where we are | our timeline points to pioneering initiatives and innovation



(1) Business Challenge of green products is an agile methodology that brings together different Company areas for the purpose of creating a portfolio of solutions focused on green economy.

Potential impacts of the climate risk for the financial sector within the next 3 to 5 years

GRI 102-15

Physical risks



Occurrence of extreme climate events, such as droughts and floods in regions that have not historically experienced such serious events:

- Impact on agriculture with crop failures;
- increase in the payments of claims arising from climate issues;
- impact on urban areas due to floods and related financial damage; and
- impact on own operation by extreme weather events.



Temperature increase:

- Increased demand for water and energy; and
- occurrence of health issues associated with climate change, affecting our employees.

Transition risks



Technological changes associated with the transition to a low-carbon economy:

- Generation of renewable energy in an upward trend and use of fossil fuel in a downward trend, and
- change in the transportation matrix to shared and electric vehicles.



Market barriers:

- Carbon pricing affecting all economic segments;
- development of the domestic carbon market with permission for emissions and trading on stock exchange;
- access to developed markets with carbon-related requirements;

- financial sector is required to measure financed emissions; and
- carbon tax.



Changes in laws and regulations:

- TCFD recommendations become regulation;
- market regulation requiring methodology to identify and measure climate risk exposure;
- new legal instruments regarding the carbon market; and
- mandatory offsetting of equivalent carbon provided for in RenovaBio (law on biofuels).

Environmental and social risk

We construe the environmental and social risk as the likelihood of losses from the exposure to environmental and social events. Since this risk maintains a significant interface with other types of risks, it is necessary that its management be carried out on an integrated and cross-discipline basis. At Itaú, we

have a Sustainability and Environmental and Social Responsibility Policy (PRSA) that sets the guidelines for our environmental and social management, starting with institutional issues and addressing, using specific procedures, the key risks of our operation.

We have a management structure with three lines of defense: the first (front office) conducts the risk management of its daily activities, following PRSA guidelines, manuals and specific procedures. In turn, the second line of defense is represented by Credit Risk, Internal Controls, and Compliance, handled by the Corporate Environmental and Social Risk Management, which supports and oversees the activities of the first line of defense. The third line of defense, represented by Internal Audit, performs the independent assessment of risk management, controls and governance.

We seek to align our environmental and social management with the best market practices. We comply with the PRSA's action plan since 2015 and discuss priority environmental and social issues using our Environmental and Social Risk Management Project (PGRSA), a multi-disciplinary group led by the Corporate Environmental and Social Risk Manager, with the involvement of environmental and social specialists from the Credit Risk, Legal and Institutional Relations functions, in addition to other partner departments. Throughout 2019, issues such as suppliers, sensitive industries, and climate risk were discussed within this framework. The most relevant issues of this forum are brought to of the Environmental and Social Risk Committee (CRSA), formed by the officers of the departments involved in the PGRSA.

Our PRSA has specific procedures for each one of the key lines of business and key risks.

[GRI G4-DMA Product portfolio \(former FS1\)](#)

There are specific criteria that must be met to maintain relationships with customers and suppliers. We believe that the following activities run counter to our values and are therefore excluded:

- Use of labor analogous to slavery;
- use of child labor in a manner that is not in accordance with legislation; and
- exploitation of prostitution, including child prostitution.

Throughout 2019, 118 clients were blocked in the bank's systems for involvement in some of these activities.

We also have specific environmental and social procedures for our own operations, suppliers, credit and investment funds.

[GRI G4-DMA Product portfolio \(former FS2\)](#)

To measure the quality of processes and monitor the exposure to risk, these departments are subjected to compliance processes performed by internal control or audit teams. These processes include the assessment of environmental and social risk manuals and procedures, and the findings of this work are reported periodically to relevant forums.

[GRI G4-DMA Audit \(former FS9\) | GRI G4-DMA Product portfolio \(former FS3\)](#)

In order to improve the quality of our environmental and social management and encourage knowledge sharing, in 2019 our environmental and social team underwent over 200 hours of training.

[GRI G4-DMA Product portfolio \(former FS4\)](#)

Responsible Investment

We have taken on and integrated in our internal processes several voluntary commitments and domestic and international compacts aiming at including environmental and social and governance aspects in our business. These commitments help us assimilate several market integration and linkage to sectorial initiatives aspects, as well as monitoring our exposure to environmental and social risks. All undertaken commitments and voluntary compacts are available [in this document](#). 

We have specific environmental and social procedures for our own operations, suppliers, credit and investment funds.

Stress testing

SASB FN-CB-550a.2

The stress test is a process of simulating extreme economic and market conditions on Itaú Unibanco's results, liquidity and capital. The Company carries out this test aiming at assessing its solvency in plausible scenarios of system crisis, as well as at identifying the departments that are more susceptible to the impact of stress that may be the subject of risk mitigation.

The macroeconomic variables for each stress scenario are estimated by the Economic Research department. Stress scenarios are prepared taking into account the qualitative analysis of the Brazilian and global scenarios, historical and hypothetical elements, short and long-term risks, among other aspects, as set forth by CMN Resolution No. 4,557.

In this process, the main potential risks to the economy are assessed based on the judgment of the bank's team of economists, endorsed by Itaú Unibanco's Chief Economist and approved by the Board of Directors. Projections for macroeconomic variables (such as GDP, basic interest rate, foreign exchange and inflation rates) and for credit market variables (such as funding, lending, default rates, spread and fees) are based on exogenous shocks or by adopting models validated by an independent department.

Then, the stress scenarios adopted are used to influence the budgeted result and balance sheet. In addition to the scenario analysis methodology, sensitivity analysis and reverse stress testing are also used.

Itaú Unibanco uses simulations to manage its portfolio risks, considering Brazil (segregated into Wholesale and Retail banking) and foreign units, from which the risk-weighted assets and the capital and liquidity ratios are derived.

The stress testing is an integral part of the ICAAP (Internal Capital Adequacy Process), the main purpose of which is to assess whether, even in severely adverse situations, the Company would have adequate capital and liquidity levels, without any impact on the sustainability of its activities.

This information enables potential offenders to business to be identified and provides support for the strategic decision making of the Board of Directors, budget and risk management process, as well as serving as input for the Company's appetite metrics.

Our internal drills and regulatory stress test (bottom-up stress testing), analyses, insights and material are reported to the Board of Directors, namely to the Risk and Capital Management Committee, and to the Central Bank of Brazil.



Responsible investment

GRI 103-1 Responsible investment | GRI 103-2 Responsible investment | GRI 103-3 Responsible investment

Asset management

Good Corporate Governance practices may promote a greater alignment between the company's and stockholders' interests. Itaú Asset Management takes into account environmental, social and Corporate Governance issues when exercising the right to vote at general meetings of the assets held by funds.

GRI G4-DMA Active ownership (former FS12)

In addition to applying this methodology when setting up portfolios, we take into account ESG issues when exercising the right to vote at general meetings for the assets held by funds. The Policy for Voting at the Investee Companies' Annual General Stockholders' Meetings (Proxy Voting Policy) is based on the code of Regulation and Best Practices for Investment Funds, developed by the Brazilian Association of Financial and Capital Market Entities (ANBIMA).

GRI G4-DMA Active ownership (former FS12)

The policy establishes that voting rights will be exercised when funds hold over 3% of the company's capital stock or when a company holds interest over

10% in a single fund. Calls to stockholders' meetings are analyzed in advance by the ESG analyst and portfolio managers. Exercising the right to vote is public, as companies publish their meeting minutes.

GRI G4-DMA Active ownership (former FS12)

We have advanced in the last 4 years in valuing companies through the Environmental, Social and Corporate Governance (ESG) integration methodology. We currently cover about 99% of the companies listed on Ibovespa, 98% on IBrX-100 and 97% on the Business Sustainability Index (ISE) of Bovespa. More than 95% of the assets under the management of Itaú Asset Management are covered by the ESG evaluation. The target for the coming years is to keep progressing in the coverage in corporate fixed income and variable income.

GRI G4-FS11

In 2019, Itaú Asset Management engaged individually with 90 companies on ESG issues. Additionally, Itaú Asset Management is also involved in collective

engagements. In 2019, we took part of the PRI Network's collective engagement with rating agencies, encouraging these agencies to integrate environmental, social and corporate governance issues into their ratings.

GRI G4-FS10

In addition to the examples of ESG drivers in our PRI report, the incorporation of these drivers in our analyses is aligned with that of the Global Sustainable Investment Alliance (GSIA) and is considered in investment decision-making processes. [Click here for more.](#)

SASB FN-CB-410a.2

The Client and User Relations Institutional Policy (HF-52) sets principles and guidelines that guide the relationship of the Financial Institution with clients and users by valuing actions in which ethics, transparency, responsibility and due diligence principles are observed at all stages of the relationship.

GRI G4-DMA Product and service labeling (former FS15)



Inclusion and entrepreneurship

GRI 103-2 Inclusion and entrepreneurship | GRI 103-3 Inclusion and entrepreneurship |

SASB FN-CB-240a.1 | SASB FN-CB-240a.2 | SASB FN-CB-240a.4

Itaú Microcrédito

Itaú Microcrédito (Itaú Microcredit) is available in the São Paulo and Rio de Janeiro metropolitan areas, and in Campina Grande (State of Paraíba) and cities on the border with the State of Rio Grande do Norte (RN), Fortaleza (State of Ceará), Montes Claros (State of Minas Gerais), and Teresina (State of Piauí). The lowest extended credit facility is R\$400.00 and can reach R\$20,300.00.

GRI GA-FS13

Our microcredit investment consolidates our strategy of operating as a transformation agent in society. We recognize microcredit as an opportunity to exercise our role of offering knowledge and appropriate financial solutions, thus promoting a small entrepreneurs' ecosystem and ensuring their financial inclusion. The ultimate goal is create a virtuous cycle of social and economic development for Brazil's low-income population.

GRI G4-FS13

In 2019, we consolidated our expansion to the Northeast of Brazil by operating in the cities and metropolitan regions of Campina Grande, Paraíba, the first city in the region to receive the product, followed by Fortaleza, Ceará, and Teresina, Piauí. In the Southeast, we started operating in the city of Montes Claros, Minas Gerais, as well as in other São Paulo (SP) and Rio de Janeiro (RJ) cities, where we already operated. The start of operations in new cities resulted in a major development in our portfolio: we reached the 15,500 client mark and increased our production by 278%, compared to what was disbursed in 2018, closing the year with R\$48 million disbursed. In 2020 we will expand our distribution channels by increasing the product's capillarity.

Our microcredit investment consolidates a strategy of operating as a transformation agent in society.

Social and economic indicators of microcredit-supported entrepreneurs

GRI G4-FS7

The microentrepreneurs in our portfolio have an average age of 40 years, 49% are married, 77.5% own and already pay for their homes, and 54% have attended at least high school.

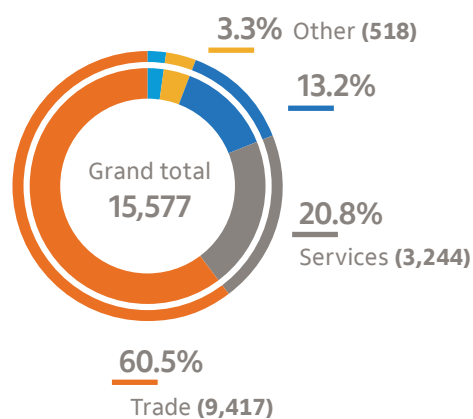
Portfolio distribution broken down by geography (2019)

GRI G4-FS7

State	Portfolio (balance) – R\$	Clients
Ceará	3,515,402	2,370
Maranhão	377,040	213
Minas Gerais	3,281,641	1,818
Paraíba	14,057,483	5,843
Piauí	4,775,261	2,642
Rio de Janeiro	4,895,656	1,217
Rio Grande do Norte	309,474	86
São Paulo	5,842,073	1,388
Grand total	37,054,030	15,577

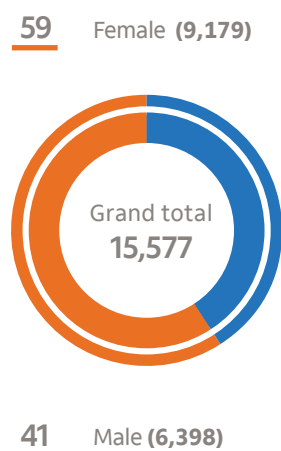
Portfolio distribution broken down by business segment (2019)

GRI G4-FS7



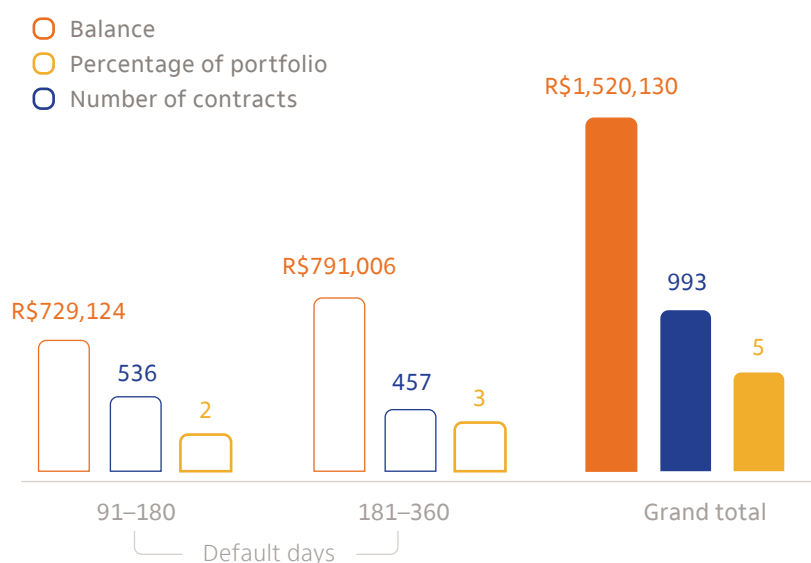
Portfolio distribution broken down by gender (%) – 2019

GRI G4-FS7



Default portfolio (91–360 days – 2019)

GRI G4-FS7 | SASB FN-CB-240a.2



Itaú Microcrédito Impact Study

GRI 203-2

In 2019 we developed, in association with the Impact Institute, a study on the most relevant impacts of our microcredit granting. The review was based on the Integrated Profit and Loss (IP&L)⁽¹⁾ methodology to measure and rank the value creation of this credit facility for our stakeholders, according to five capitals (financial, human, social, intellectual and manufactured) of the International Integrated Reporting Council (IIRC).

The study involved 4,800 clients, covering more than 20 impacts distributed across four stakeholder groups (clients, employees, society, and stockholders), in the financing granted directly to microentrepreneurs at Itaú Unibanco in 2018 in the cities of São Paulo and Rio de Janeiro. The Institute gathered and reviewed data from clients and financing facilities, as well as other internal and external reports and surveys, measuring impacts such as income and self-confidence increase, payment to employees, and human capital creation.

Programa Itaú Mulher Empreendedora

GRI 203-2 | GRI G4-FS14

The purpose of the Programa Itaú Mulher Empreendedora (IME – Itaú Women Entrepreneurs Program) is to support the development of women-led businesses using an online platform that offers solutions and tools that empower women, introduce inspiring referrals, and facilitate contacts between female entrepreneurs. The pilot program started in 2013 through a partnership with the International Finance Corporation (IFC), the World Bank and the Inter-American Development Bank (IADB).

The program is steered by these three values:

- Build women's capacity to improve management techniques and maximize results in their businesses.
- inspire women to envision success paths.
- connect women so they can expand their networks.

Programa Itaú Mulher Empreendedora (IME) reaches a wide audience. Exclusively in the online platform, we reached over 23,000 female entrepreneurs up to 2019.

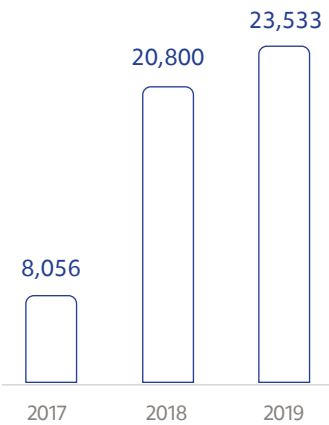
23,000 female entrepreneurs in our online platform.

(1) Impact Institute (2019). Framework for Impact Statements – Beta version (Framework for Impact Statements – Beta version (FIS Beta)). Available at www.impactinstitute.com/framework-for-impact-statements. [2]

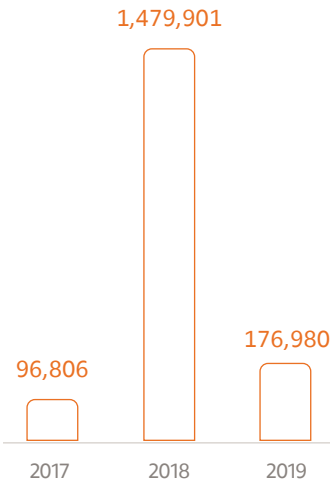
The IME program includes in-person and online solutions and tools, as described below.

Online platform: the platform ([available in Portuguese here](#)) contains business administration papers, inspiring videos, interviews with female entrepreneurs, online video classes, management tools, events, and IME social network to allow women to contact each other.

Number of people enrolled on the platform⁽¹⁾



Number of accesses to the platform



Online platform⁽¹⁾

Satisfaction evaluation: 7.47/10

(1) Accumulated values.

Online training: in association with EduK, we developed the course Growth Plan: How to Transform Businesses into Success Stories, which presents the key success drivers of your business, such as: developing a business model, market analysis, financial diagnostic, financial control, sales techniques, and customers, and people management.

In association with Iniciativas Empreendedoras we also applied the Strategic Planning for Female Entrepreneurs pilot course using an e-learning platform in WhatsApp, lasting six weeks, using the Itaú Microcrédito customers’ course framework. A significant improvement in business management indicators was observed in the pre- and post-course survey.

EduK – January–December 2019: more than 27,000 accesses to classes.

(1) In 2018, we had the institutional campaign #VaiGarota, broadcast on the main media in the country, which brought a great visibility to the program, significantly expanding the registered public.

Entrepreneurial initiatives – 200 participants – 93% consider using WhatsApp to hold the course good or very good – NPS of 79%.

Workshops: in association with *Fundação Getúlio Vargas de São Paulo*, we created an online workshop aimed at expanding the knowledge of the tools and financial aspects of female entrepreneurs enrolled in the program who are our clients.

Three editions held in 2019 – 84 participants – overall valuation by female entrepreneurs: 9.6/10.

Acceleration program: the IME Acceleration program is one of the projects that contribute to IME's inspiration pillar. The primary objective is to drive success cases, potential businesses, and impact generation, with support to businesses led by female entrepreneurs,

leveraging finance results, and their social impact potential. Since 2017, 60 projects have been directly benefited.

In 2019, we performed the strategic review of the program and the selection for its third edition, which takes place in 2020. This edition is an Itaú initiative in association with the IFC, with acceleration by Yunus Corporate and FGV Cenn and selection by Pipe.Social, to drive women to change the world through their businesses with high potential for environmental and social transformation.

The selected female entrepreneurs will participate in the journey that involves capacity building solutions, mentoring, and outcome monitoring free of charge, with more than 80 hours of support, in the form of collective meetings and specialized mentoring, with an approach built on their needs and the challenges they face to grow their

business, both in terms of financial results and social impact.

Acceleration Program – 2020 Edition: 284 enrollments – six participants selected from five different states: Ceará, Paraná, Pernambuco, Rio Grande do Sul, and São Paulo.

Forum: event with lectures by successful female entrepreneurs who share trajectories, errors, hits, and tips that inspire and build capacity. The event gathers program participants, enabling networking among them.

Forum – 2019 Edition: 187 participants – 600,000 online viewers (live format) – General evaluation by female entrepreneurs: 9.46/10.

Itaú Mulher Empreendedora

The IME program celebrated its fifth anniversary in 2019. To commemorate, we wrote a special book, *Somos Empreendedoras* (We are Entrepreneurs), which was launched on Female Entrepreneurship Day – November 19, 2019. The book tells 25 stories of women of different ages, backgrounds, areas and trajectories, but who have in common the fact that they own businesses that have produced positive changes in society. Divided into five chapters, the

book shows, over 168 pages, first-person texts, the challenges of owning a business and how women's entrepreneurship has been instrumental to expand a business with a purpose, which makes the difference.

Book *Somos Empreendedoras*

- PDF format: 2,522 downloads
- ePub format: 399 downloads
- 1,000 physical books distributed

Evolution of the loan portfolio for women


The credit granted to female entrepreneurs is an important way to support female entrepreneurship. As a result, we monitor the evolution of our portfolio and have entered into partnerships with multilateral banks to expand the access to credit small and medium-size enterprises. In 2019, the volume of lending transactions to companies owned by women (more than 51.0% of ownership interests) reached approximately R\$6.3 billion, a 51.8% increase compared to the 2017 portfolio, which reached R\$4.18 billion. Growth has been persistent in all segments over 3 years (both in absolute amounts and in percentage of the total portfolio), which also evidences an increase of the women's representativeness in our loan portfolio for small and medium-size enterprises.

Our commitments to female entrepreneurship

With the goal of expanding knowledge and reach, the IME program has entered into strategic partnerships with local and international organizations that promote gender equity.

Financial Alliance for Women: a global consortium of financial institutions dedicated to mutual support, seeking to leverage the growth of women in business and wealth creation, generating superior results for member financial institutions.

Women Entrepreneurs Network: we support the first and largest network supporting female entrepreneurship in Brazil, aimed at empowering female entrepreneurs by ensuring their financial independence.

In addition, we are part of other commitments related to this subject, such as the Female Empowerment Principles, and we are part of the Bloomberg Gender-Equality Index. [Click here for more.](#) 

The program in 2020

Our efforts with the IME Program are being directed to expand our capacity to empower, inspire and connect women at the head of their businesses. As a result, in 2019 we revised our strategy to expand our channels, not just the online platform – we opened the workshop for Itaú noncustomers, offered training via WhatsApp, kept the course active on the distance education platform, distributed the physical and digital book and connected entrepreneurs in discussion forums. Thus, despite not reaching the 27,000 enrollments goal on the platform – reaching 23,533 –, we reached more than 60,000⁽¹⁾ people with our solutions.

In 2020, we will continue to advance our strategy with the following actions:

1. Creation and implementation of a self-diagnostic tool that will enable content, tools, and solutions customization available to female entrepreneurs, according to the needs of their businesses.
2. Design of a gender-focused entrepreneurship study to map behaviors, needs and opportunities in the service of female entrepreneurs.
3. Develop the third edition of the IME Acceleration Program.
4. Create and make available contents to empower female entrepreneurs and develop their businesses.

In 2019, the total volume of lending transactions to companies owned by women increased 51.8% since 2017.

(1) Taking into account enrollments on the platform, access to classes on the distance learning platform, WhatsApp course participants, in-person participants on the Forum, and book downloads and physical distributions.



Financial citizenship

GRI 103-2 Financial citizenship | GRI 103-3 Financial citizenship | SASB FN-CB-240a.4

In order to promote financial orientation and created conditions that would allow people to make better financial decisions, we offer products and services, help to prevent indebtedness, produce content and share information with our different stakeholders.

Employee-driven program

GRI G4-DMA Product and service labeling (former FS16)

Providing financial orientation to employees is one of our actions to help people around us to grow. And to make it possible, we train people to become financial orientation multipliers, both when engaging in their professional activities and within their families.

In 2019, we restructured our actions with employees and created four action pillars: communication, capacity building, experience, and indicators.

- Communication: influencing more conversation spaces influence employees, spreading the culture of care and financial planning.
- Capacity building: restructure capacity building formats for employees.
- Experience: ensure financial orientation in the main points of an employee's experience journey.
- Indicators: measure results, assess performance, and impact on financial well being.

Capacity building

We offer online and in-person courses and other employee development actions, such as lectures and internal campaigns that promote a reflection on the relationship between consumption and personal goals and the way people manage their finances.

- Online courses: courses taught via e-learning on the Escola Itaú de Negócios (Itaú Business School) portal, with voluntary enrollment and accessible by all employees in Brazil. Currently the available courses in the syllabus address subjects such as money use behavioral analysis, investment selection, conscientious use of financial credit, and financial rebalance. In 2019, the activities were revised and eight video-classes were created to be made available to all employees and launched in the first half of 2020.
- In-person course: for employees to realize their dreams and become more independent in their decision-making, we offer a free, in-person course on Personal Finances, which was voluntarily attended by 168 employees in 2019.

- Service Center Workshop: we conducted a pilot Financial Orientation Workshop for call center supervisors attended by 24 employees. The purpose of the workshop was to serve employees who were interested in the content covered, with knowledge multiplication potential and interface with clients. We approached the financial orientation content using historical and cultural references, the individual and family relationship with money and promoting financial coaching in their activities as employees, in addition to identifying the triggers that impact planning.

Communication

Through our endomarketing campaign *Papo que Rende* (Enriching Chat) we seek to inspire employees to think about financial health. The campaign raised issues aimed at instigating employees to reflect on their own behavior in the different spaces, such as on the corporate televisions, our corporate portal, email and Instagram.

In 2019, we held *Papo que Rende* talks in venues open to employees, which made the activity even better known, encouraging people's curiosity about the subject, while at the same time improving the employees' perception about the subject. The lectures were attended by 1,400 employees who explored nine subjects.

We also have a fixed agenda in *Itaú Magazine for Employees*, email marketing with communications about the lectures, and financial education tips. A group was also created in the bank's internal portal with a monthly content editorship with financial orientation tips.

Employee's experience

In terms of employee experience, we have created an internal content hub that highlights financial orientation for life moments, available training, and financial products with exclusive terms and conditions. This page of the intranet website will be available from the beginning of 2020. To stimulate

employee recognition and identify the main stories of those engaged with the subject, we have conducted a campaign to create a database of stories that can be used in 2020 campaigns.

Indicators

In order to have reliable indicators on the subject, we carry out research to evaluate the self-perception of employees regarding their finances and the bank's supporting relationship. The financial self-esteem survey allowed us to prepare a clearer diagnosis on the use of products and services and higher financial vulnerability areas, as well as employee satisfaction levels with the topic, spending control practices and retirement planning, among other aspects. The 2019 lessons learned should guide the program's actions in 2020.

In 2019, we held *Papo que Rende* talks, which were attended by 1,400 employees.

Initiatives for clients and society

GRI G4-DMA Product and service labeling (former FS16)

In order to promote financial orientation and created conditions that would allow people to make better financial decisions, we act in the offer of products and services, in the prevention of indebtedness and producing content and sharing information with our different stakeholders. In addition to the initiatives we have for our clients already mentioned in our **Annual Integrated Report** [\[↗\]](#), we have also developed the following activities.

GRI G4-DMA Product and service labeling
(former FS15)

Product and service offerings

We draw on a group of skilled people to disseminate and add focuses on orientation, inclusion and financial soundness standpoint to our business. Taking all these aspects into consideration when developing or reframing products and services, helps our clients to be more independent and capable of leading a more balanced financial life.

GRI G4-DMA Product and service labeling
(former FS15)

To help clients avoid to face financial unbalances and support those that in debt distress we offer the initiatives described in **Annual Integrated Report**. [\[↗\]](#)

In order to expand our discussion on finances within society and provide useful information so that people handle their finances carefully, we provide content on different actions:

- Our website Responsible Use of Money offers quick tips to help people make the best choices in different financial situations, on how to balance their budgets, come out of the red, reach goals, save, and invest and protect their achievements. The website has already had about three million views from 2014 to 2017. **Click here for more.** [\[↗\]](#)
- Customer site branches: we have a Financial Orientation Program for Corporate Clients that provides content, videos, and free lectures to employees of over 590 companies where there is a customer site branch (CSB).

- ENEF Week: in 2019 we participated of the National Strategy of Financial Education (ENEF) week, with support for the “*Quem Sonha, Poupa!*” (Dreamer, Saver!) competition conceived by FEBRABAN and with a series of videos with quick tips on financial control and personal finance. In all, the videos had over 1.7 million hits during the week.

- Itaú Personnalité Channel: Itaú Personnalité presented several videos with content and tips for those interested in investing and who want to learn more about the main concepts of this subject, in addition to learning more about how to understand the economic scenario.



Ethics in relations and business

GRI 103-2 Ethics in relations and business | GRI 103-3 Ethics in relations 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 management members and employees of the Itaú Unibanco Conglomerate, in Brazil and abroad.

GRI 102-16

With the updating of Itaú Unibanco's Code of Ethics in 2019, the Code of Ethics is now divided into four strategic principles: "Our corporate identity", "How we interact with our stakeholders", "Good faith and our professional attitude" and "How we manage conflicts of interest". It is important to keep in mind that Itaú Unibanco's Code of Ethics is an ongoing consultation document aimed at employees across the entire organization, regardless of their department. It has an educational as well as disciplinary facet that strengthens the importance of ethics in everything we do and guides us on how to put it into practice, using appropriate attitudes, consistent with our values. Itaú Unibanco's Code of Ethics is available to the internal audience in Portuguese, English and Spanish. In the [Investor Relations website](#) of Itaú Unibanco the document is available in Portuguese and English.

GRI 102-16

Every Company's management members and employees must adhere annually to the "Integrity Policies Terms", which includes the guidelines of the Code of Ethics. Compliance with the Code of Ethics and the principles and values of the Itaú Unibanco Conglomerate is ensured by means of a set of guidelines, processes and joint committees called the Integrity and Ethics Program. The Integrity and Ethics Program consists of five dimensions: Senior Management Commitment; Policies and Procedures; Education and Communication; Integrity and Ethics Program Monitoring; and Ethical Misconduct Reporting and Questions Channels.

GRI 102-16

This program is provided for in the Corporate Policy on Integrity, Ethics and Conduct, which covers:

- Supplementary guidelines to the Code of Ethics regarding the conduct of relationships with the different stakeholders, situations of potential conflicts of interest, and anti-corruption and illicit act prevention actions.

- Program governance, including communication and training, responsibilities of the different parties involved, monitoring, and whistleblower protection.

- Responsibility of the Integrity and Ethics Collegiate in defining and monitoring the enforcement of Program guidelines, and report to the Audit Committee of the defined actions.

More restrictive regulations than this Code may be adopted by the functions or companies that make up the Itaú Unibanco Conglomerate.


In the foreign units, in addition to the corporate policies, there are specific local policies related to the issues of this Code that should be consulted and enforced in the respective geographies.

The Compliance department is responsible for managing the Integrity and Ethics Program. Its main duties are to:

a) Coordinate the Integrity and Ethics Joint Committees and their charters, and monitor compliance with deliberations.

b) Prepare and make available integrity and ethics training and awareness campaigns, in accordance with established parameters, and make them available to management members and employees in Brazil. Coordinate, together with the Marketing department, the availability of awareness-building training and campaigns for the foreign units. The education actions (in person and remote) and corporate communications address the most varied Code of Ethics subjects, contributing for management members and employees to:

- Expand their knowledge of the integrity and ethics concepts and guidelines, and their application to business and to the process and relationship management.
- Be capable of identifying, preventing and solving ethical dilemmas, conflicts of interest, interpersonal conflicts, and misconduct inherent in their daily activities.
- Get to know the reporting and doubt solving channels.

c) Clarify doubts about the Code and the Corporate Integrity, Ethics and Conduct Policy and their application, through the Ethics Consulting at: comitedeintegridadeetica@itau-unibanco.com.br. 

d) Guide the management members and employees on questions regarding ethical dilemmas, conflicts of interest, misconduct, and other practices that conflict with the related institutional policies.

e) Monitor and report on compliance with the guidelines related to the Integrity and Ethics Program for Integrity and Ethics Joint Committees.

f) Submit the annual reports provided for in this policy for consideration by the Board of Directors and the Audit Committee.

g) Report potentially significant situations related to the issues addressed in the Corporate Policy on Integrity, Ethics and Conduct to the Audit Committee and Integrity and Ethics Joint Committees in a timely manner.


The continuous monitoring of the Integrity and Ethics Program effectiveness and possible adjustment needs is coordinated by the Operational Risk and Compliance Executive Department with direct action of the several organization departments and with periodic reporting to the Audit Committee and the Joint Committees that address, among others, issues related to integrity and ethics, defined in the policy. This monitoring comprises testing the processes for Internal Controls and Compliance, monitoring indicators, information from questioning and reporting channels, and treatment of new regulations that impact the program.

The monitoring results identify needs for the adjustment to and improvement of the Integrity and Ethics Program.

This department submits to the Audit Committee and the Integrity and Ethics Joint Committees, as applicable:

(i) before the start of the calendar year, an annual monitoring plan for the following year; and (ii) during the first quarter of the year, an annual report with the actual execution of the plan, the material situations identified in the previous year, and the identified needs for adjustment to the Integrity and Ethics Program.

Internal Audit performs a periodic and independent assessment of the Integrity and Ethics Program and the reports. The assessment of the compliance with the program and possible opportunities for improving may also be performed by an external audit, attestation or accreditation firm.

In order to become a supplier to the bank it is mandatory that the potential supplier accepts the **Supplier Relationship Code of Conduct** , available in Portuguese, English, and Spanish on the Itaú Suppliers website, among other requirements. The Supplier Relations Code, supplementary to the Code of Ethics, also aims to govern the interactions between employees and suppliers through the value statement that defines the expected conduct in commercial relations.

In 2019, we held a workshop with our supply chain where topics related to Ethics and Conduct were addressed. Still in 2019, we also held a training course on the guidelines of the Supplier Relations Code for the institution's employees as part of the Integrity and Ethics Program.

GRI 102-16

Regarding corruption prevention, our anticorruption policies and procedures were communicated to 100% of our employees in 2019, including managers and members of governance bodies, as well as to our business partners. The members of the governance body also received anti-money laundering training that addresses aspects of the federal law on the antecedent crimes, such as corruption.

GRI 205-2

Anti-money laundering and combating the financing of terrorism

Money laundering consists of concealing or disguising the nature, origin, location, disposal, movement or ownership of goods, rights or values arising, directly or indirectly, from criminal infraction. The financing of terrorism is when someone, directly or indirectly, by any means, provides financial support, supplies or collects funds with the intent to be used or knowing that they will be used, in the whole or in part, by terrorist groups to commit terrorist acts.

Financial institutions play a key role in combating the illicit activities cited above and face the challenge of identifying and prosecuting increasingly sophisticated operations that seek to disguise the origin, ownership, and movement of goods and valuables from illegal activities, as well as ensuring full compliance with regulations.

Accordingly, we have designed a corporate policy aimed at preventing

our involvement in illegal activities, protecting our reputation and image before employees, clients, strategic partners, suppliers, service providers, regulatory bodies, and society, based on a governance structure oriented toward transparency, strict compliance with rules and regulations, and cooperation with law enforcement and court authorities. Additionally, we seek continuous alignment with the best national and international practices to prevent and combat illicit activities, based on permanent investments in and training of our employees. The Anti-Money Laundering and Combating the Financing of Terrorism Program (AML/CFT) includes face-to-face and distance training, as well as continual communication actions intended to disseminate the AML/CFT culture, instruct employees in the activities and controls performed on a daily basis, in addition to updating them based on current legislation and regulators' requirements.

Anti-corruption

SASB FN-CB-510a.2

Whereas Brazilian legislation deems only misconduct on the part of public and private agents as corruption, our purview of corruption covers misconduct on the part of public and private agents, as well as misconduct involving private agents only, based on the best global practices regarding the topic. Our Anti-Corruption Corporate Policy reinforces our commitment to proactively cooperate with national and international initiatives to prevent and combat all forms of corruption. Our Policy applies, in Brazil and abroad, to all management members,

employees and controlling stockholders of the Company and to non-profit entities associated with the conglomerate in Brazil, and to any interaction between the conglomerate and clients, partners, suppliers and other stakeholders. Based on local and foreign legislation (Brazil's Federal Law No. 12.846/2013; the Foreign Corrupt Practices Act and the UK Bribery Act, among others), case law and global market information, we identify the countries with higher corruption risk. In all countries where we operate, we have processes and controls related

to relationships with clients, the public sector and third parties according to the specific regulations and particularities of each jurisdiction.

Anti-Corruption Law

SASB FN-CB-510a.2

In January 2014, a new anti-corruption law (Law 12,846/2013) entered into force in Brazil, which states that legal entities have objective liability (regardless of guilt or negligence) if they are involved in any form of corruption. Although known as the Anti-Corruption Law, the text also covers other illicit acts contrary to the Brazilian or international public administration, such as bid fraud and obstruction of justice. The law provides for stringent penalties through administrative and judicial proceedings, including the dissolution of the company, prohibition of access to financing from public agencies and participation in public tenders. In addition, the law authorizes the public administrative authorities responsible for the investigation to enter into leniency agreements. Disclosure by the infringing parties themselves of violations committed and their cooperation could lead to the reduction of fines and other sanctions, as determined by Decree 8,420/2015. This new regulation provides parameters for Anti-Corruption Law enforcement, including with respect to penalties and compliance programs.

Information leakage prevention and client privacy management

Our clients' privacy is a very significant issue, handled with secrecy and strictness in accordance with laws and regulations in force. Therefore, we adopt precautionary measures to protect information, by using security, including digital, mechanisms.

When we process information and data, our ongoing concern is carrying out these activities in an ethical, transparent and secure way. To ensure these features, we have structured different frontlines focused on these issues, such as: Information Security, Technology, Supplier Management, and Business areas. This set of structures and measures have turned out a high level of reliability of our clients (Committee Steering).

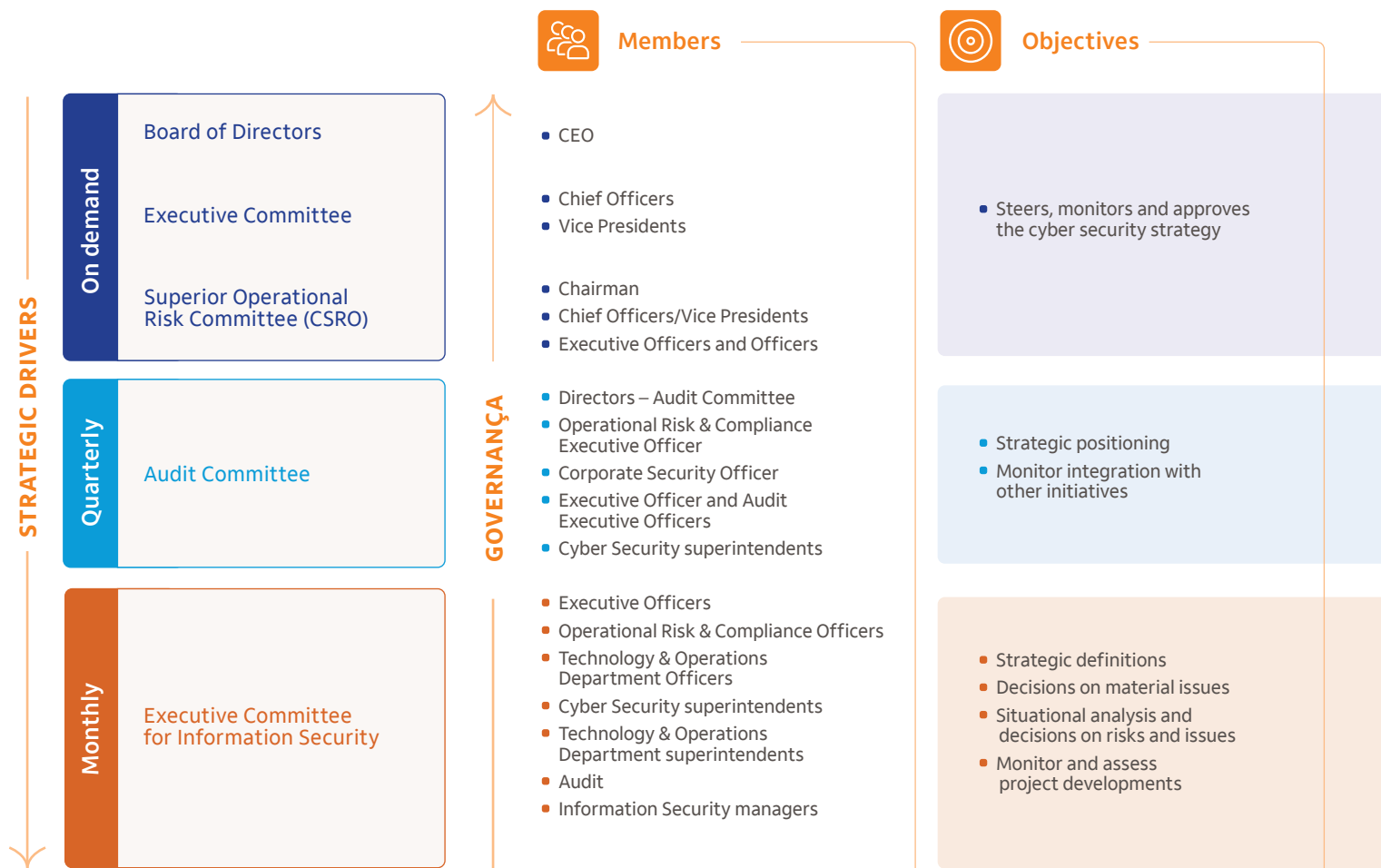
GRI 418-1

Our Information Security department contributes to the security pillar by handling information and data. The purpose of this department is to safeguard the data of the Company and its clients and preserve the integrity, availability, and confidentiality of information, thus mitigating financial losses and our image risk. The bank's cyber security information strategy is designed to prevent breaches of our

data security, minimize unavailability-of-service risks, protect integrity and prevent information leakage. It is based on strict control processes aimed at detecting, preventing, uninterrupted monitoring, and immediately responding to attacks and attempts to hack our infrastructure, thus ensuring the security risk is managed and a sound foundation is built for an increasingly digital future.

The bank's cyber security information strategy is approved by the Board of Directors and monitored by the Audit Committee. Both receive periodic updates on the evolution of the cyber security environment. Every year, in compliance with Resolution 4,658/2018 of the National Monetary Council and Circular 3,909/2018 of the Central Bank of Brazil, a report on the Cyber Security Policy and the Incident Response Plan is submitted to the Risk Committee and the Board of Directors and made available to the Central Bank. The list below discloses the main forums in which the strategy is presented:

Cyber Security – Committees' Governance



We work together with the Business and Technology departments to maintain solutions and product architecture with the highest degree of safety, following digital world market trends. We also have a dedicated function that works closely to our foreign units, with the definition of minimum security policies and standards.

In order to reach this purpose, we use the strategy of protecting an expanded perimeter. Under this concept, information must be protected regardless of where it is located, within the bank infrastructure, at a third party or a foreign unit. This strategy also takes into

account the entire information lifecycle, from collection to processing, transmission, storage, analysis and destruction.

Service providers contracted by us are classified according to a number of criteria, including the type of information they will have access to, the supplier size, and type of service provided. Depending on the classification, the requirements for protection of the supplier's infrastructure range from providing security recommendations to on-site validation of the controls informed by the supplier, in addition to monitoring possible corrections and improvements implemented by suppliers, when

necessary. For the most critical service providers, we perform monthly scans of the provider's environment and monitor the corrections for any vulnerabilities identified. Contracts entered into by the organization and service providers include confidentiality clauses that must be followed by the service provider.

In 2019, we proceeded with our continual improvement strategy of our security control environment, considering the implementation of new layers of technology infrastructure protection and system development processes; we also improved our monitoring processes, allowing us to identify and carry out preventive actions that are increasingly effective and compatible with the evolution of the cyber threat environment.


Additionally, we sought to anticipate new threats, expanded our operations in threat intelligence (intelligence on virtual threats), and got actively involved in cyber security industry and government forums to strengthen our defenses.

In 2020, we will continue to evolve by investing in the protection of our organization's critical environments and technological infrastructure by adopting an adaptive reference architecture, increasing our protections for our foreign units, partners and service providers, and continuing to evolve in the early detection of new external threats, protection against information leakage, and the technical training and technical capacity building of our employees.

Furthermore, investments in the safe development of systems will continue to be given priority by focusing on continual improvement in the face of an increasingly digital environment. To ensure that everything is in accordance with planning, independent tests are carried out with the world's best and most reliable cyber security companies.

Regarding the regulatory arena, we will continue to develop implementations to comply with the requirements of the Brazilian General Personal Data Protection Act (LGPD) and Resolution 4,658/2018 of the National Monetary Council and Circular 3,909/2018 of the Central Bank of Brazil, which address the adoption of a cyber security policy and the provision of significant data processing and storage and cloud computing services, as well as in the actions to comply with CVM Instruction No. 612/19, of the Brazilian Securities and Exchange Commission, which amends, expands, and repeals provisions to CVM Instruction No. 505, also of the Brazilian Securities and Exchange Commission, which sets forth the standards and procedures to be observed in security transactions carried out in regulated security markets.

Itaú Unibanco adopts the main market frameworks as the basis for ensuring that our processes are appropriate to mitigate our risks. In 2020, our main processes have been certified by an independent entity in accordance with Brazilian Standard NBR ISO/IEC 27,001, where our Information Security Management System (ISMS) was evaluated, applied to information security governance, information security risk assessment, the Security Operation Center (SOC), information treatment security incidents, information security architecture, vulnerabilities in the computing environment, and logical access management. Further, the pages of Itaú Unibanco's website are also certified to ensure the protection and privacy of information provided by clients and other sources.

For more information, visit our Corporate Information Security and Cyber Security Policy available [here](#). 

We will continue to evolve by investing in the protection of our technological infrastructure by adopting an adaptive reference architecture.

Personal information leakage risks

SASB FN-CB-230a.2

We manage and hold confidential personal information of clients in the ordinary course of our business. Even though we have procedures and controls to safeguard personal information in our possession, unauthorized disclosures or security breaches could subject us to legal action and administrative sanctions as well as damage that could materially and adversely affect our operating results, financial condition and prospects.

Further, our business is exposed to risk from potential noncompliance with policies, employee misconduct or negligence and fraud, which could result in regulatory sanctions and reputational or financial harm.

In addition, we may be required to report to the relevant regulatory authority events related to cyber security issues, events where client information may be compromised, unauthorized access and other security breaches.

Any material disruption or slowdown of our systems could cause information, including data related to client requests, to be lost or to be delivered to our clients with delays or errors, which could reduce demand for our services and products and could materially and adversely affect us.

Cyber security-related risks

We face various cyber security risks, including but not limited to: penetration of our information technology systems and platforms, by ill-intentioned third parties, infiltration of malware (such as computer viruses) into our systems, contamination (whether intentional or accidental) of our networks and systems by third parties with whom we exchange data, unauthorized access to confidential client and/or proprietary data by persons inside or outside of our organization, and cyber attacks causing systems degradation or service unavailability that may result in business losses.

Although we have procedures and controls to safeguard our information technology systems and platforms, we are subject to cyber security risks. We have seen in recent years computer systems of companies and organizations being targeted, not only by cyber criminals, but also by activists and rogue states. We define cyber attack as any type of offensive maneuver employed by states, nations, individuals, groups or organizations that targets computer

information systems, infrastructure, networks and/or personal devices, using varied means, such as denial of service, malware and phishing, for the purpose of stealing, altering or destroying a specific target by hacking into a technological susceptible system. Cyber attacks can range from the installation of viruses on a personal computer to attempts to destroy the infrastructure of entire nations. We are exposed to this risk over the entire lifecycle of information, from the moment it is collected to its processing, transmission, storage, analysis and destruction.

A successful cyber attack may result in our services becoming unavailable, or information being leaked or compromised and could give rise to the loss of significant amounts of client data and other sensitive information, as well as significant levels of liquid assets (including cash) as well as damage to our image, directly affecting our customers and partners. In addition, cyber attacks could give rise to the disabling of our information technology systems used to service our clients.

As attempted attacks continue to evolve in scope and sophistication, we may incur significant costs in our attempt to modify or enhance our protective measures against such attacks, or to investigate or remediate any vulnerability or resulting breach.
















If we fail to effectively manage our cyber security risk, for example, by failing to update our systems and processes in response to new threats, this could harm our reputation and adversely affect our operating results, financial condition and prospects through the payment of client compensation, regulatory penalties and fines and/or through the loss of assets. In addition, we may also be subject to cyber attacks against critical infrastructures of Brazil or of the other countries where we operate. Our information technology systems are dependent on such critical infrastructure and any cyber attack against such critical infrastructure could negatively affect our ability to service our clients.

There are also requirements such as the General Law on Personal Data Protection and CVM Instruction No. 612/19 and noncompliance with any of these new regulatory requirements could adversely affect us.

Another important issue is the discussion of risk and attack events using the Financial Services Information Sharing and Analysis Center (FS-ISAC). The information sharing is mentioned in the **Information Security and Cyber Security Policy** [\[link\]](#) (for incidents that may impact other financial institutions in Brazil, there is process for information exchange among institutions intended for collaboration in the mitigation of incident risks, in compliance with legal and regulatory requirements). Additionally, we our systems are tested by the Cyber Guardian.

We adopt the main market frameworks as a basis to ensure that our processes are suitable to mitigate our risks.

Communication channels

Channel	Topics	Contacts
 <p>Ethics Advisory</p>	<p>Employees' doubts on:</p> <ul style="list-style-type: none"> • Code of Ethics; • Corporate Conduct, Integrity and Ethics Policy; • Anti-Corruption Corporate Policy; • conflicts of interest; and • ethical dilemmas. 	<p>Email: comitedeintegridadeetica@itau-unibanco.com.br </p>
 <p>Internal Ombudsman Superintendence</p>	<p>Employees' calls, suspicions, reports, and complaints on:</p> <ul style="list-style-type: none"> • Interpersonal conflicts; and • conflicts of interest in the workplace. 	<ul style="list-style-type: none"> • Intranet: IU Connect > Internal Ombudsman > Register • Internal email: Ombudsman's inbox • External emails: ombudsman@ombudsman.itau-unibanco.com.br  ou ombudsman.itub@terra.com.br  • Call: 0800-721-4040
 <p>Inspector's Superintendence</p>	<p>Employees' and external stakeholders' doubts, suspicions, and reports on:</p> <ul style="list-style-type: none"> • Employee misbehavior; • fraud in electronic channels; • different types of document frauds; • corruption and bribery activities; • theft and robbery against units, clients and employees; • burglary in general; • kidnapping for ransom; and • information, physical, personal and property security incidents. 	<ul style="list-style-type: none"> • Call: 0800-723-0010 e 0300-100-0341 • Site: www.itau.com.br/atendimento-itau/para-voce/denuncia  • Internal email: caixa Inspetoria • External emails: inspetoria@itau-unibanco.com.br  and fornecedor_relatos@itau-unibanco.com.br  • Mailbag: address: Inspector's Office/ São Paulo • Mailing address: A/C Inspetoria Avenida Doutor Hugo Boelchi, 900 – Torre Eudoro Villela – piso -1 – São Paulo (SP) – CEP 04310-030
 <p>Control Room</p>	<p>Questions about personal investments from employees and management members:</p> <ul style="list-style-type: none"> • Conglomerate's securities; and • other companies' assets. 	<p>Internal email: Monitoring Control Room</p>
 <p>Audit Committee</p>	<p>Employees' and external stakeholders' suspicions and reports on:</p> <ul style="list-style-type: none"> • Noncompliance with legal or regulatory provisions; and • frauds and errors in audit, accounting and internal control activities. 	<ul style="list-style-type: none"> • Internal email: caixa Comitê Auditoria • External email: comite.auditoria@itau-unibanco.com.br  • Mailing address: A/C Comitê de Auditoria Itaú Unibanco Holding S.A. – Praça Alfredo Egydio de Souza Aranha, 100 – Torre Olavo Setubal, 9º andar – São Paulo (SP) – CEP 04344-902
 <p>Reporting Channel</p>	<p>Available throughout Brazil, it aims at ensuring a transparent environment between us and our suppliers. The contact for reporting ethical misconduct and noncompliance with our Code of Relationship with Suppliers was made available.</p>	<ul style="list-style-type: none"> • Email: fornecedor_relatos@itau-unibanco.com.br  • Call: 0800-723-0010 • Via www.itau.com.br/atendimento-itau/para-voce/denuncia , can be made by completing a form to make an anonymous or identifiable report.

In our international units we also have the other reporting channels that handle calls in Spanish, including:

Country	Spanish-speaking reporting channels	Contacts
Chile	Fraud reporting channel: for accounting, accounting internal control, or auditing matters. They are confidential and cover a number of branches (Colombia, United States, Panama and Peru).	<ul style="list-style-type: none"> Email: denuncias.fraudefinancieirosox@itau.cl Mailing address: : Carta confidencial dirigida ao Presidente do Comitê de Auditoria – Itaú – a/c Secretaria de Auditoria interna Avenida Presidente Riesco, 5.537 – piso 8, Las Condes, Santiago
Colombia	Channels that guarantee confidentiality and transparency. Reports of human rights violations, irregularities, fraud, wrongdoing, public or private corruption, bribery, transnational bribery, violations, or questionable situations in accounting materials or internal control processes and compliance with the code.	<ul style="list-style-type: none"> Email: eticayconducta@itau.co Compliance Vice President email Personnel Department Vice President email Controller's office Call: 3 394618 Inbox for clients and suppliers: eticayconducta@itau.co
Paraguay	Channels that provide about the Code of Ethics guidelines and making reports and complaints about regulatory violations, abuse, discrimination, and other misconducts.	<p>Internal:</p> <ul style="list-style-type: none"> Ethics Committee email: comitedeetica@itau.com.py Compliance email: complianceetica@itau.com.py Personas email: personasetica@itau.com.py Call: 3777 Internal email and telephone numbers: Personnel Superintendent, Internal Control and operational Risks Manager Mailing address: Casilla de correo, 391 de la Dirección Nacional de Correos del Paraguay Voz Activa: portal corporativo interno <p>External:</p> <ul style="list-style-type: none"> External email: hablemos@terra.com <p>Suppliers:</p> <ul style="list-style-type: none"> Email: hablemos@itau.com.py Mailing address: La casilla de correo, 391

Investigations follow the following assumptions:

- The secrecy of the investigation is strictly kept.
- Anonymity is ensured for those who want it.
- An investigation is carried out in an independent, unbiased way.
- Charges or accusations with no consistent reasoning are brushed aside.

- Malicious charges or accusations aimed at harming a person are subject to disciplinary sanctions.
- Disciplinary sanctions are to be applied against management members and employees who attempted retaliation against anyone who, in good faith, reports ethical or other misconduct.

Among the sanctions we apply in confirmed cases are: disciplinary measures for employees; and penalties provided for by law, indemnification actions, reduction of scope and contract termination for suppliers.

The practices applied in our reporting channels are in accordance with various laws, rules and regulations.

Ethics Advisory

GRI 102-17

The Compliance area has an internal channel (Ethics Advisory) that receives questions from employees and management members on ethics issues. This channel is available in the Code of Ethics in the Anti-Corruption Corporate Policy and in the Corporate Policy on Integrity, Ethics and Conduct, and mainly answers questions about conflicts of interest. The channel is available during business hours and the

reports filed are handled confidentially. In 2019, we received 1,206 questions. The most common topics addressed include: internal kinship (27%), offering and receiving gifts (9%), external activities and companies (35%), relations with clients and suppliers (8%), etc.

Employees and management members are guided by the Code of Ethics and the Conflicts of Interests Procedure

to seek the channel in case of doubt whether or not a situation may represent a conflict of interests. Employees and management members are informed about the existence of the channel also via corporate communications (email, corporate portal, TV ads, etc.). The channel is also publicized in in-person and distance training.

Internal Ombudsman

In 2019, our Internal Ombudsman received a significant volume of calls, representing a 25% growth compared to 2018. The total volume of reports received has grown year after year, and

2019 represented a 75% increase in the number of reported cases compared to 2016 – the first year of the channel reporting directly to the CEO. In other

words, in 3 years the demand has almost doubled, which we believe is the result of the constant development in the channel's confidence.

The table below lists the reports received over the last few years:

GRI 406-1

Reports	2019	2018	2017
Received in the year	2,344	1,871	1,481
Solved in the same year	2,212	1,595	1,329
Under analysis by December 31	132	276	152

Reports solved	2019	2018	2017
Solved⁽¹⁾	2,488	1,747	1,402
Received and solved in the same year	2,212	1,595	1,329
Received in prior years and solved in the year	276	151	73

(1) These figures include calls received in previous years and solved in the same year in question.

The reports within the year were handled as follows:

GRI 406-1

Type of handling	2019	2018	2017
Solved	2,488	1,747	1,402
Via investigation	1,414	1,072 ⁽²⁾	762
Via guidance and advice	672	427	385
Dismissed or discontinued ⁽¹⁾	180	130	138
Redirected to other departments	222	118	117

(1) It occurs when: a) dismissed – the reporter does not provide all the key information to go forward and investigate the report; and b) discontinued – the reporter resumes contact requesting discontinuation of the report. Reports are only discontinued or dismissed by an Internal Ombudsman's office manager and/or superintendent after its assessment.

(2) Changes in results disclosed in 2018 are due to adjustments made to classification of cases.

The investigations made in recent years involved the number of reports and percentage of legitimate cases presented below:

GRI 406-1

Reported	2019	2018	2017
Number of reported employees	1,632	1,074	904
Legitimate	30%	42%	44%
Illegitimate	59%	48%	44%
Inconclusive	11%	10%	12%

In 2019 there were no noteworthy cases that would raise a specific flag with regard to the matters involved in the legitimate cases. In addition, we recorded a reduction of more than 25% in the percentage of legitimate cases,

but given the growth in demand, there was an 7.2% increase in the absolute number of cases.

The main behaviors identified in the cases were:

Reported behaviors (%)

GRI 406-1

	2019 ⁽¹⁾				2018	2017
	4 th quarter	3 rd quarter	2 nd quarter	1 st quarter	Year	Year
Deviation from internal policies	17.2	17.5	19.7	24.3	30.5	26.0
Bad character	2.9	0.0	0.0	0.0	30.5	26.0
Lack of effective management	6.4	5.3	4.3	4.3	9.7	8.8
Communication deficiency	7.1	7.0	9.4	12.2	6.2	3.5
Inappropriate collection	12.1	7.0	47.0	45.2	32.7	51.0
Disrespect	35.0	42.1	0.0	0.0	32.7	51.0
Intimidation/retaliation	14.3	15.8	12.0	7.8	12.8	5.8
Moral harassment	4.3	1.8	3.4	2.6	2.4	1.3
Sexual harassment	0.7	1.8	0.0	0.0	1.1	0.8
Discrimination	0.0	0.9	0.9	1.7	0.2	0.5
Other	-	-	3.4	1.7	4.4	2.3

(1) 2019 is presented in quarters, as from the 2nd quarter of the year there was an evolution in the case classification process. The change made it possible to identify more precisely the focus of the problems identified, given that previously some types of cases concentrated a significant volume of cases. Therefore, it is possible to add more quality to the behavior analysis identified in the investigations aiming at taking preventive actions in the affected departments.

As in the situations described in each classification, we can mention some identified behaviors:

- Noncompliance with standards: noncompliance with institutional rules and situations that qualify as a conflict of interests.
- Bad character: favoritism, attempt to influence assessments, collusion.
- Lack of effective management: problems with the department management, undue delegation of activities, omission.
- Communication deficiency: problems conducting difficult conversations lack of quality and feedback clarity, lack of openness with the team.
- Inappropriate collection: excessive, incisive or expositive collection.
- Disrespect: authoritarianism, harshness, arrogance, inappropriate jokes, indifference, shaming.
- Intimidation/retaliation: abusive behavior, abuse of power, dismissal threats, aggressiveness.
- Moral harassment: act or series of acts performed in a manner that is repeated, abusive or insistent through behaviors or communications that inflict harm to the psychological, physical integrity, the personality or dignity of a person.
- Sexual harassment: act or series of acts performed in a constant and/or repeated manner to threaten, oppress or harass a male or female employee through proposals (verbal or physical) with either explicit or implied sexual connotations.
- Discrimination: making generalizations that are offensive and derogatory, telling embarrassing jokes and pulling pranks or denying professional and social opportunities in the work environment on the grounds of sexual orientation, gender identity, race, gender, looks, age, culture, disease, a disabled person, or a person with any other characteristic.
- Other: lack of equal treatment, lack of feedback.

Guiding and disciplinary measures

To guide and discipline employees who have not complied with the principles of the Company's Code of Ethics and rules and to minimize related risks, the Internal Ombudsman's Office recommends and monitors the implementation of guiding/disciplinary measures to those involved in the calls investigated and considered legitimate.

The measures implemented in past years are as follows:

GRI 406-1

Measures taken	2019	2018	2017 ⁽¹⁾
Number of measures	510	457	416
Dismissal	42	55	57
Written warning	9	10	11
Conduct adjustment notice	119	118	77
Feedback recorded	310	244	246
Department transfer or reassignment within the same department	30	30	25

(1) As of May 2017, the disciplinary measures scale was updated as per the Disciplinary Standards Policy (RP-29), with the inclusion of a conduct adjustment notice as a measure for a first minor violation (in place of what was previously a warning). A warning is now applicable to a second minor violation (in place of what was previously a Suspension from work). Therefore, for a better understanding, the classification of measures was updated for indicators of 2017.

GRI 102-48

Our Internal Ombudsman is an independent area, which has total autonomy and reports directly to the President.

Complaints on specific topics

As the channel responsible for receiving and handling behavioral situations involving the organization's employees, the Internal Ombudsman often receives complaints involving situations in which an employee perceives or sees

a situation that goes against Human Rights. Below is a list of the reports involving the most critical issues of Human Rights received in recent years:

Moral harassment

Reports	2019	2018	2017
Received in the year	25	20	26
Solved in the same year	22	18	20
Under analysis by December 31	3	2	6

Reports solved	2019	2018	2017
Solved	24	24	25
Received and solved in the same year	22	18	20
Received in prior years and solved in the year	2	6	5

The investigations made in recent years involved the number of reports and percentage of origin presented below:

Reported	2019	2018	2017
Number of reports involved	34	22	24
Moral harassment legitimacy	44.1%	50.0%	20.8%

Sexual harassment

Reports	2019	2018	2017
Received in the year	43	51	21
Solved in the same year	42	46	17
Under analysis by December 31	1	5	4

Reports solved	2019	2018	2017
Solved	47	50	19
Received and solved in the same year	42	46	17
Received in prior years and solved in the year	5	4	2

The investigations made in recent years involved the number of reports and percentage of origin presented below:

Reported	2019	2018	2017
Number of reports involved	25	17	15
Sexual harassment legitimacy	12.0%	29.4%	20.0%

In 2019 the Internal Ombudsman held around 40 lectures, as part of the thematic weeks, such as: Gender Diversity, LGBT+, Mental Health.

Discrimination

GRI 406-1

Reports	2019	2018	2017	Reports solved	2019	2018	2017
Received in the year	59	41	38	Solved	59	42	36
Solved in the same year	56	38	34	Received and solved in the same year	56	38	34
Under analysis by December 31	3	3	4	Received in prior years and solved in the year	3	4	2

The investigations made in recent years involved the number of reports and percentage of origin presented below:

Reported	2019	2018	2017
Number of reports involved	48	25	28
Discrimination harassment legitimacy	8.3%	4.0%	7.1%

It is worth noting that while there was an increase in the number of complaints received, the issues involving practices contrary to Human Rights have remained proportionally stable.

As part of an organization that seeks to be an example of best practices and ensures the protection of Human Rights, the Internal Ombudsman has recommended, in all legitimate cases arising from situations that violate these principles, the dismissal of employees who have engaged in such behavior.

Service

One of the most important assumptions to ensure the process quality is the swiftness with which cases are handled; therefore, even with the increase in the volume and complexity of the reports received, the Internal Ombudsman set wrapping up any reported case within approximately 30 working days as a goal for 2019.

To achieve this goal, the channel invested heavily in process automation and optimization, consolidating the team's performance in a collaborative work model, with even more synergy and learning exchange.

Furthermore, there were improvements in the process used to implement the actions recommended by the channel after investigating the cases, with greater involvement of the managers, which allowed for a reduction in the timeframe and focus on the development of the people involved.

The result of these actions allowed for a more efficient process leading to a 43% reduction in the time required to handle complaints and 89% in the average period required to implement the recommended measures. All this was done without losing sight of the commitment to quality and detailed checking of the reports – a key premise for the channel's work – and prioritizing the focus on empathy, welcoming, and respect for the employees involved in any circumstance.

Preventive work

In 2019, the Internal Ombudsman's Office held about 40 talks in the organization, including during the thematic weeks promoted by the bank (Gender Diversity Week, LGBT+ Week and Mental Health Week), with an audience of more than 3,000 people. These meetings were held with the aim of explaining the process, demystifying it, presenting the

indicators and above all encouraging an environment of openness and trust in professional relations, provoking reflection on themes such as psychological safety at work and the impact on mental health.

Additionally, 2019 was an important year for the channel's preventive work, given that it implemented actions such as the follow-up process of those involved after the cases were completed.

This action was implemented as part of the follow-up of the identified and active whistleblowers, up to 3 months after the outcome of the investigation process, in order to monitor whether the actions implemented were effective and whether the scenario evolved, in addition to strengthening the bond of trust with the channel and mitigate retaliation actions after the process.

Inspector's Office

The Corporate Security Office reviews the reports received from employees and external stakeholders and obtains supplementary information and documents to investigate facts, carries out interviews and internal and external inquiries, requests support from other departments, such as the Legal, Audit or Internal Ombudsman's Office, Ethics,

or Compliance to help analyze and/or address such reports. In the event a specific report cannot be assessed due to a possible conflict of interests, there is a procedure to be followed for forwarding the report to the Internal Audit Executive Board. The handling method and the measures to be adopted in each case are defined by our internal

procedures. In the foreign units, the acceptance of the terms will be made in accordance with local law, and there may be adjustments to the content.

Review and handling responsibilities

Involved in the report of wrongdoing	Department responsible for the review and handling
Up to superintendent level	Corporate Security Office
Officers and executive officers	Executive Internal Audit Board and Corporate Security Office
Members of the Executive Committee or Audit Committee or directors or other members of committees reporting to the Board of Directors	Executive Board of Internal Executive Internal Audit
Audit Officers	Board of Directors, Audit Committee, and Corporate Security Office

Every six months, we elaborate reports containing the number of reports received with indications of wrongdoing, their nature, the competent departments involved, and the average time period for handling the situation and the actions taken. This report is subject to internal audit, approved by the Board of Directors, and kept available to the Bacen.

Disciplinary measures

Violations are ranked from light to serious, and disciplinary measures can range from: guiding measures (dialogue and feedback); notification; warning; and ultimately dismissal. Serious violations are covered by law. Before enforcing disciplinary measures, the nature and seriousness of the violation are

evaluated, an employee's conduct, and such employee's disciplinary or recidivism history and the extent of damages (both financial and reputational).

Cases of discrimination

Even though we have an External Ombudsman's Office, which is a communication channel that receives and replies to client questions, criticism and complaints, certain occurrences with alleged discrimination are brought to court or other authorities.

In 2019, 22 lawsuits involving the bank's clients and discrimination were closed, and in 16 a settlement was reached

and, for the rest, the courts issued a sentence declaring inappropriate treatment of our clients, sentencing Itaú to pay compensation.

Our LATAM units did not record any lawsuits related to this issue.

The bank remains committed to preventing and identifying the causes of discrimination in order to prevent such

situations from occurring again, as well as monitoring all cases to avoid similar cases in the future.

For more information on our communication channels, please visit here. [please visit here.](#)

Government relations⁽¹⁾

Our representation of our institutional interests and the interests of the financial system has developed by means of the monitoring of the regulatory process, as well as the provision of information and technical suggestions aimed at contributing to the improvement of the Brazilian regulatory environment, always observing relevant legal and ethical precepts.

We seek to work in direct contact with civil society, academia and third sector entities for the purpose of cooperating with the development of public policies that converge with the interests of society and of the organization. With respect to the strengthening of institutional causes, we made, over the course of the year, financial contributions to

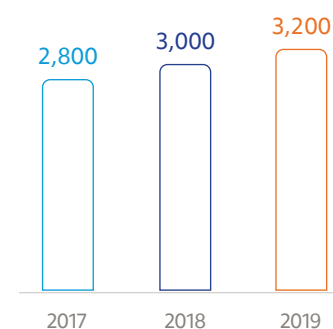
support projects and activities that contributed to the development of the public sector.

Working with public bodies, in accordance with the issues that involve our business and the causes we support, ensures democracy and respect for Brazilian laws. The principles set forth by our Code of Ethics and our Government Relations Policy guide the permitted and expected conduct of our employees in cases of relations with public agents.

We step up efforts at the federal, state and municipal levels. At the federal level, we monitor the legislative proposals being discussed in the National Congress on topics that involve the

financial sector, such as issues concerning tax, consumers, labor and regulations of new technologies.

Legislative proposals at the federal level (approximate number of proposals)



We interact frequently with lawmakers and public administrators in fields like security, consumer rights, urban mobility, fiscal issues and the environment. Examples of these relations are as follows:

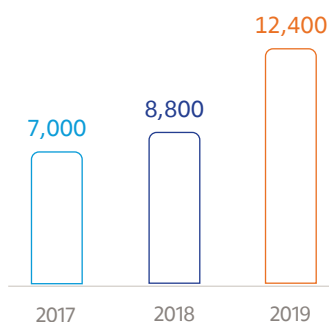
- Meetings with dozens of congressmen and representatives of the Executive Branch to discuss Constitutional Amendment Proposal No. 6, of 2019, which resulted in the Social Security Reform. Increased the confidence of national and foreign investors in the Brazilian economy, for predicting the settlement of Social Security accounts.
- Meetings with representatives from the Executive and Legislative branches and the academic community to discuss Tax Reform, focused on the Constitutional Amendment Proposals No. 45 and 110 of 2019, which amends the National Tax System and makes other provisions.
- Meetings with representatives from the Executive and Legislative branches and the academic community to discuss the bill that was passed into Law No. 13,874/2019, known as the Economic Freedom Act, which aims at deregulating the industry and boosting the Brazilian economy.
- Meetings with representatives of the Executive and Legislative Branches, with the involvement of other representative entities, to discuss the proposals on the Positive Register File, which provides for the centralization and availability of consumer data in order to optimize the offer of credit to the population, with emphasis on Supplementary Bill No. 441, of 2017, passed into Supplementary Law No. 166 of April 8, 2019.

(1) We keep in contact with government entities in order to contribute to the development of public policies that converge with the interests of the organization and society. Our work with public bodies is based on the principles of ethics, transparency, morality and legality, ensuring democracy and respect for Brazilian laws and the principles established by our Code of Ethics.

We also collaborate with projects for the development and increase of the efficiency of public authorities, especially BrazilLAB, which encourages initiatives focused on digitalization and innovations in the infrastructure through which the government and its partners provide services to society.

At the state and municipal levels, we monitor the progress of legislative proposals that are pending in the State Legislatures of Brazil and in many City Councils, based on matters that address security, consumer rights, the tax system, banking transactions and urban mobility, among others.

Legislative proposals at the state and municipal levels (approximate number of proposals)



We established relations with government entities and strategic stakeholders for the purpose of supporting, sustaining and developing activities that are in line with our institutional causes, producing and adding value to society. Of the 2019 initiatives, we highlight:

- Digital Inclusion Centers, structured by PROCONS (consumer protection bodies) with our support, where the client has access to several service platforms. This project is already in operation in cities

such as Porto Alegre (PR), Jundiaí (SP), Santo André (SP), Poços de Caldas (MG) and Caruaru (PE).

- Livelong Platform, which aims at the efficient management of public resources, especially those from the Senior Citizen Fund. In association with municipal and state governments, we train public managers by granting access to our own platform of social indicators for all municipalities in Brazil.
- Recife-Medellín-Fortaleza Connection, an event organized in association with the state government of Ceará, whose crime prevention policies used Medellin, Colombia, as a reference case, because crime rates there have dropped dramatically in the past decade. We also support the Community Peace Center (COMPAZ) in Recife (PE), which has implemented projects based on the Colombian model, which prioritizes social inclusion and community strengthening in vulnerable areas as priorities to fight violence.

For the monitoring of the processing of political and regulatory matters of interest to the financial sector, we have specialized consulting firms that provide inputs for the advocacy activities of our internal Government Relations team. The total expenditures with these entities amounted to R\$1.7 in 2019.

We value the maintenance of an ethical and transparent relationship with all public agents, respecting laws, rules and regulations in force. We receive and manage the recordings made by our management members and employees of their interactions with public officials, reporting the data and the situations that are deemed necessary to the vice chairman responsible for the department and to the Integrity and Ethics Committee and the secrecy of the

information provided is maintained. In 2019, 1,035 interactions were recorded.

Other actions we support include:

- Program *Juntos* (Together), organized by Comunitas, which encourages the collaborative build up of projects for improving public services. Five state and 13 municipal governments were impacted by the project.
- *Politize* (Politicize) Portal, which seeks to offer first-class education throughout Brazil through many contents available on the website, YouTube and podcasts, training young teachers-leaders who disseminate content to thousands of people.
- In association with *Sou da Paz*, an NGO, we encourage the discussion about alternative measures to fight violence in Brazil, through studies, lectures, and debates on public security policies.

Taxes

GRI 207-1 | GRI 207-2 | GRI 207-3 | GRI 207-4

We have a **Tax Conduct Policy** [\[link\]](#), available on our IR page, which contains some of the key tax issues, including a brief explanation of how governance is structured to assess this type of issue.

Our Tax Conduct Policy instructs that, if misconduct is identified, it should be reported using the internal communication channels. This control is also carried out by monitoring our Integrity and Ethics Program, laid down in this **Annual Integrated Report**. [\[link\]](#) In addition, our **Corporate Policy on Integrity, Ethics and Conduct** [\[link\]](#) outlined the channels for reporting ethical misconducts, questions, and wrongdoing.

The Tax Conduct Policy guides us to maintain an ethical relationship with the regulatory agencies, with tax authorities and other public sector

entities, within the relevant legal requirements, in all geographies where we operate.

Information about the disclosure of financial information regarding taxes in Brazil can be found in our Note 24 (Taxes) on pages F.70 to F.73 of our **Financial Statements as at December 31, 2019**. [\[link\]](#) Further information about the disclosure process can be found in the **2019 Reference Form** [\[link\]](#) (pages 162, 163, 167, 245 and 246), **Audit Committee Rules** [\[link\]](#) and **Audit Committee Rules and Internal Regulations of the Fiscal Council**. [\[link\]](#)

For some financial information about our external units, access our **Management Discussion & Analysis and Complete Financial Statements – 4Q2019** [\[link\]](#) (pages 10; 29-31; and 137).

On pages F.13 and F.14 of our **Financial Statements as at December 31, 2019** [\[link\]](#) we present the main consolidated companies, with their corporate names, shareholding structure, and main line of business, and about the employees in our **Management Discussion & Analysis and Complete Financial Statements – 4Q2019** [\[link\]](#) (pages 53 and 88) and **Institutional Presentation 4Q2019 – Macroeconomic Outlook and Institutional Information** [\[link\]](#) (page 30). Further consolidated information in **Group Companies** [\[link\]](#) and **Itaú Unibanco Consolidated – Complete Financial Statements**. [\[link\]](#)

GRI 102-10

Legal compliance

In conformity with Law No. 9,504/1997, as amended by the Electoral Reform (Law No. 13,165/2015), our internal donations policy prohibits any type of: I) donation made directly to public officials, bodies or entities of the government, or made to direct or collateral relatives or relatives by affinity of public officials, up to the second degree, whose purpose is to influence decisions in which we have interests; II) electoral donation or donation aimed at political candidates and parties. Accordingly, in accordance with Brazilian laws and regulations, in 2019,

we did not make any donations of funds to political parties or candidates for use in the elections.

GRI 415-1

Together with Citibank, CADE (the Brazilian antitrust agency), and Bacen, we were cited in a class action filed in August 2019 for alleged nullity of the administrative acts that approved Itaú Unibanco's acquisition of Citi's operations. The current stage is for defendants to file an objection to the action (March 2020).

GRI 206-1

In 2019, we had no convictions in the National Council of Advertising Self-Regulation (Conar), nor were we a party to civil class actions involving marketing communications.

GRI 417-3

Losses arising from lawsuits

SASB FN-CB-510a.1

We are not defendants in any significant administrative proceeding before the CVM, SUSEP, the Central Bank or any municipalities. As part of the ordinary course of our business, we are party to various legal and administrative proceedings (including consumer complaints) filed against us with SUSEP, certain municipalities or the Central Bank. Our audited consolidated financial statements only include reserves for probable losses that can be reasonably estimated and expenses that we may incur in connection with pending litigation or administrative proceedings, or as otherwise required by Brazilian

law. Our management believes that our provisions, including interest, for legal proceedings in which we are defendants are sufficient to cover probable losses that can be reasonably estimated in the event of unfavorable court decisions. It is currently not possible to estimate the amount of all potential costs that we may incur or penalties that may be imposed on us other than those amounts for which we have reserves. We believe that any potential liabilities related to these lawsuits and administrative proceedings will not have a material adverse effect on our business, financial condition or results. There are

no material proceedings in which any of our directors, any member of our senior management or any of our affiliates is either a party adverse to us or to our subsidiaries or has a material interest adverse to us or our subsidiaries.

Please see “Note 2.3 – Critical Accounting Estimates and Judgments, j) Provisions, contingencies and legal liabilities” to our audited consolidated financial statements for further information and details about the changes in the provisions and respective escrow deposits for tax and social security lawsuits and main types of tax disputes.

Contingencies provision

Provision (R\$ million)	12/31/2019	12/31/2018	12/31/2017
Civil	3,633	4,426	5,300
Labor	8,579	6,821	7,283
Tax proceedings and legal obligations	8,266	6,793	7,003
Other	976	573	150
Total	21,454	18,613	19,736

Tax litigation

Litigation arising from government monetary stabilization plans

The following table sets forth our provisions for such contingencies as at December 31, 2019, 2018 and 2017:

We are a defendant in lawsuits for the collection of understated inflation

adjustment for savings resulting from the economic plans implemented in the 1980s and 1990s by the Brazilian Federal Government as a measure to combat inflation. Please see “Item 3D. Risk Factors – Legal and Regulatory

Risks, Decision on lawsuits due to government monetary stabilization plans may have a material adverse effect on us” for further information.

Other civil litigation

In addition to litigation arising from government monetary stabilization plans, we are defendants in numerous civil lawsuits arising in the normal

course of our business. We are not able to currently predict the total amounts involved in these claims, due to the nature of the matters disputed. However, we believe that any potential

liabilities related to these lawsuits will not have a material adverse effect on our financial condition or results.

Labor litigation

In 2019, we and our subsidiaries were not exposed to any labor liabilities or labor contingencies which individually significantly impacted our results. The pool of labor claims for our subsidiaries in such period is composed of labor claims filed by employees, former employees and outsourced service providers.

Labor unions and former employees have filed labor claims against us, seeking compensation for alleged breaches of employment agreements or rights under the applicable labor laws. As at December 31, 2019, there were 62,768 labor claims filed against us.

The main requests in the labor claims filed by our current and former employees include:

- Salary differences arising from the application of the 30 working hours per week limit, provided for in art. 224 of the CLT, which is applicable to bank employees whose function does not require special trust from the employer.

- Salary differences arising from overtime not duly registered in the internal systems.

- Claims with respect to the method used to establish overtime pay.

- Salary parity.

Labor class actions filed against us mainly relate to the continuation of health care plans, safety rules and strikes. We are also defendants in connection with labor claims filed by the labor prosecution office regarding union classification, outsourcing,

occupational diseases, health and safety and compliance with the minimum quotas for disabled personnel.

In the fiscal year ended December 31, 2019, we paid approximately R\$2,449 million in direct labor expenses, mainly in settlements and convictions involving former employees, in accordance to the agreements signed and to the rulings imposed by labor courts.

Regarding labor claims filed by outsourced service providers, they generally involve allegations of subsidiary liability of the companies within our group.

Please see “Note 2.3 – Critical Accounting Estimates and Judgments, j) Provisions, contingencies and legal liabilities” to our audited consolidated financial statements for further information about labor claims.

Tax litigation

We have certain tax disputes that arise in our ordinary business activities, mainly relating to the constitutionality or legality of certain taxes imposed on us. We classify tax due as legal liability when the legality and/or unconstitutionality of the legislation in force is challenged. Legal liability taxes are provisioned regardless of the likelihood of loss. Tax contingencies correspond to the principal amount of taxes involved in tax, administrative or judicial challenges, subject to tax assessment notices, plus interest and, when applicable, fines and charges. A provision is recognized whenever the chance of prevailing is probable.

On June 25, 2013, we received a notice of deficiency from the Brazilian tax authorities alleging that we failed to pay approximately R\$11,844.7 million of corporate income tax (IRPJ), plus accrued penalties and interest, and approximately R\$6,867.0 million of CSLL, plus accrued penalties and interest, in fiscal year 2008, as a result of the corporate transaction that led to the association of Itaú Holding and Unibanco Holdings S.A. The Brazilian tax authorities allege that corporate transactions of a different kind should have been used. However, the transaction suggested by the Brazilian tax authorities is not supported in the rules applicable to financial institutions. We defend that the

transactions conducted were appropriate and legitimate, having been approved by management bodies of the companies involved and their respective stockholders, and subsequently sanctioned as well by the relevant regulatory authorities, including the CVM, the Central Bank and CADE. We and our external counsel assess the risk of loss in this tax proceeding as remote. On April, 10, 2017, the Administrative Board of Tax Appeals (CARF), by the Ordinary Instance, issued a favorable decision to us, canceling the tax assessment notice. The Brazilian federal government appealed to the Superior Chamber of CARF. We understand that the CARF decision is final, and there is

no possibility of a review. As such, we presented a mandate of security to have the final judgment of the administrative proceeding judicially recognized. Our injunction and sentence were favorable. Currently, the writ of security awaits the judgment of the Brazilian federal government's appeal and request for suspension of judgment.

Additionally, relating to the same transaction on November 14, 2013, we received a notice of tax assessment issued on behalf of Itaú Unibanco, charging R\$1,439.9 million of corporate income tax (IRPJ) and R\$502.6 million of CSLL, plus accrued penalties and interest. We also assess the chance of

prevailing in this litigation as remote. We filed a voluntary appeal that was dismissed by CARF and by the Superior Administrative Court of Federal Tax Appeals (CSRF). Currently, the company is discussing the case in court.

In November 2019, we received tax assessments from the Municipality of São Paulo, in the approximate amount of R\$4 billion, for the alleged non-payment of municipal tax on services (ISS) in connection with leasing and credit card operations. In our defense, we state that such tax was duly paid to the Municipality of Poá, State of São Paulo, where we have had operations for about 30 years, with a structure comprising

staff, physical space and technology consistent with the operations carried out in that location.

Please see "Note 2.3 – Critical Accounting Estimates and Judgments, j) Provisions, contingencies and legal liabilities" to our audited consolidated financial statements for further details about the changes in the provisions and respective escrow deposits for tax and social security lawsuits and the main types of tax disputes.


Administrative proceedings

Our subsidiary Itaú BBA is currently a defendant in an administrative procedure initiated by CADE against 11 banks on an alleged anticompetitive agreement to set prices and commercial conditions in the Brazilian market for onshore exchange. In its defense, Itaú BBA denied participation in the aforementioned practices and highlighted that the evidence does not support the claims against the bank. The matter is under analysis by CADE's General Superintendence, and Itaú BBA currently awaits the next movements of the procedure. There have not been any relevant movements for the last 20 months.

Itaú Unibanco S.A. and Redecard S.A. (Rede) are currently under investigation by CADE's General Superintendence for alleged anticompetitive practices in the market of credit card acquiring. Differently from other countries, in Brazil, credit card transactions are usually cleared thirty days after the purchase. Eight months ago, Rede

introduced a new commercial policy according to which – given some requirements – credit card transactions would be cleared 2 days after the purchase solely in a bank account maintained by the client at Itaú Unibanco, with no additional charges for such payment anticipation. On October 24th, 2019 CADE has granted an injunctive relief against Itaú and Rede, which would require Rede to forfeit the condition that such payment in within 2 days would necessarily happen in a bank account of the client at Itaú Unibanco. This injunctive relief has been suspended on November 4th, 2019 by a preliminary decision of a federal judge, which remains unchanged to date. Rede made the strategic decision to extend its commercial policy to all clients, regardless of the bank domicile, which can be maintained at any financial institution in Brazil to have access to clearance within up to 2 days.

Additionally, in the Reference Form of Itaú Unibanco Holding we describe the

judicial, administrative or arbitral proceedings to which we and our subsidiaries are party, broken down by labor, tax, civil and other matters. We use as materiality criteria transactions involving an amount in excess of R\$747.3 million, which represents 0.5% of the Itaú Unibanco Holding's IFRS stockholders' equity (R\$149,465 million as at December 31, 2019). Provisions are also recorded, irrespective of the event of an unfavorable outcome to the company, for tax contingencies in which the outcome of the case is dependent on the recognition of the unconstitutionality of legislation in force. Management believes that the provisions for legal and administrative contingencies in place are sufficient to cover probable losses and that these may be reasonably estimated. We believe that any losses arising from other administrative or legal contingencies will not have a material adverse effect on our business, financial position or result. To access the individualized process information, see our [2019 Reference Form](#). 

U.S. Foreign Accounts Tax Compliance Act (FATCA)

FATCA attempts to minimize tax avoidance by U.S. persons investing in foreign assets both through their own accounts and through their investments in foreign entities. FATCA requires U.S. withholding agents such as Itaú to provide information to the IRS regarding their U.S. account holders including substantial U.S. owners of certain non-financial foreign entities, or NFFEs, and specified U.S. persons having an interest in certain professionally managed investment vehicles and trusts known as owner-documented foreign financial institutions, or FFIs.

To the extent a U.S. withholding agent is not able to properly document an account, it generally will be required to deduct 30% FATCA withholding on certain payments of U.S. source income.

U.S. federal income tax law has detailed rules for determining the source of income. Different rules apply for each type of income. Interest and dividends, two of the most common types of income for investors, are generally sourced by reference to the residence of the obligor. Specifically, dividends are generally treated as U.S. source income when paid by a U.S. corporation with respect to its stock, and interest is generally treated as U.S. source income when paid by a U.S. borrower of money.

The United States collaborated with other governments to develop Intergovernmental Agreements, or IGAs, to implement FATCA. IGAs with partner jurisdictions facilitate the effective and efficient implementation of FATCA. The purpose of these agreements is essentially to remove domestic legal impediments to compliance with

FATCA and sharing of information and to reduce burdens on FFIs located in partner jurisdictions.

More than 70 jurisdictions have signed an IGA, including Brazil, the Cayman Islands, Switzerland and United Kingdom. In addition, approximately 30 other jurisdictions are deemed as having an IGA in effect. Some countries signed a reciprocal agreement, meaning that the country (such as Brazil) and the U.S. will automatically exchange annually, on a reciprocal basis, specific account holder information.

There are two types of IGAs – Model 1 IGA, where local FFIs are required to implement account opening and due diligence procedures to identify U.S. accounts and report them to the local tax authority for exchange with the IRS (examples of Model 1 IGA countries are Brazil, Cayman Islands, The Bahamas, Peru and Colombia), and Model 2 IGA, where local FFIs are required to implement account opening and due diligence procedures to identify U.S. accounts, but report such information directly to the IRS (examples of Model 2 IGA countries are Switzerland, Chile, Paraguay and Japan).

The governments of Brazil and the United States entered into a Model 1 IGA on September 23, 2014, which came into effect in Brazil on August 24, 2015, after the approval by the Brazilian Congress, ratification by the President and enactment of Decree 8,506 (IGA-BR).

Under the IGA-BR, Brazilian financial institutions and other entities subject to FATCA disclosure requirements are

generally required to provide certain information on their U.S. account holders to the Brazilian tax authorities, which will share this information with the IRS.

Furthermore, Normative Ruling No. 1,680, dated December 28, 2016, was enacted to introduce the so-called Common Reporting Standard, or CRS, in Brazil, which seeks to implement a system of reporting financial accounts in a manner similar to FATCA. CRS is the result of discussions on the necessity of exchanging information between tax authorities of many countries in the context of the Base Erosion and Profit Shifting (BEPS) Project, coordinated by the Organization for Economic Co-operation and Development, or OECD. In connection therewith, an ancillary obligation called “e-financeira” provided by Normative Ruling No. 1,571, dated July 2, 2016, was created to be the mandatory report filed by financial institutions in order to fulfill FATCA and CRS obligations.

Moreover, on May 6, 2016, Brazilian tax authorities issued Normative Ruling No. 1,634, effective as of January 1, 2017, that amended the regulation applicable to the National Registry of Legal Entities, or CNPJ. This regulation introduced a new rule providing an ancillary obligation by which certain entities have to indicate the “Final Beneficiary” in each CNPJ, which is defined as the natural person who ultimately, directly or indirectly, owns, controls or significantly influences a particular entity or on whose behalf a transaction is conducted. Currently, this subject is regulated by Normative Ruling No. 1,863, dated December 27, 2018.

In addition, Normative Ruling No. 1,681 was enacted on December 28, 2016 providing the obligation to annually deliver the a so-called Country-by-Country Statement, an ancillary obligation also arising from the discussions under the BEPS Project, before the Brazilian Federal Revenue Service (RFB), which in its turn is also expected to exchange such information with other countries' tax authorities.

Pursuant to FATCA, the issuer, any other financial institution or other entities subject to FATCA disclosure requirements to or through which any payment with respect to the preferred shares or ADSs is made may be required, pursuant to the IGA-BR or under applicable law, to (i) request certain information from holders or beneficial owners of our preferred shares or ADSs, which information may be provided to the IRS; and (ii) withhold U.S. federal tax at a 30.0% rate on some portion or all of the

payments considered "passthru payments" made after December 31, 2018, with respect to the preferred shares or ADSs if such information is not duly provided by such a holder or beneficial owner (referred to under FATCA as a "recalcitrant account holder"). If the issuer or any other person is required to withhold amounts under or in connection with FATCA from any payments made in respect of the preferred shares or ADSs, holders and beneficial owners of the preferred shares or ADSs will not be entitled to receive any gross up or other additional amounts to compensate them for such withholding.

The above description is based on guidance issued to date by the U.S. Treasury Department, including the final U.S. Treasury regulations and IGA-BR. Future guidance may affect the application of FATCA to the preferred shares or ADSs.

Relations with the industry and society

We also work to positively influence society, establishing relationships with institutions that help us understand the contribution of the financial market in the globalized world, at the same time as they provide us with opportunities to listen, share practices and absorb trends. By means of these representations, we engaged in dialogue with agents from the sector and participated in the preparation of self-regulation policies and the structuring of joint actions with other institutions.

We chose sponsorships and memberships that are in line with our work principles, increasing the scale of our impact; we established internal and external

commitments, created partnerships and directed the efforts towards the government and civil society, in addition to exercising our influence on the industry. By means of contributions to associations, we helped develop opportunities for discussion and dialogue with agents from the sector, we guided the preparation of self-regulation policies and we structured joint actions between institutions, using as a method, in most cases, meetings and working groups with those involved in the projects.

Our memberships are classified, primarily, as representative and non-representative. The former are entities from market sectors that carry out

activities related to the interests of the organization, for the main purpose of gathering industry players to promote further interaction between the State, businesses, and civil society. Meanwhile, the non-representative associations are entities whose purpose is to congregate, nurture, support and develop civic, corporate or institutional activities so as to produce and add value to society. The duty of these entities is not to represent, although they do recognize and promote actions that are consistent with their institutional pillars.

In 2019, we had the representations below, which focused on topics such as credit environment, banking system taxation, insurance and economic plans. For the trade associations or tax-exempt groups, R\$2,854,809.54 was spent. Meanwhile, for the lobbying, interest representation or similar, R\$54,670,348.96 was spent in 2019.

Therefore, as a financial institution, we operate in the development of groups, and sectorial and research entities, and are signatories of several commitments, among which we highlight:

Entities of which we are members

GRI 102-13

Non-representative

Brazilian Association of Advertisers (ABA)
Brazilian Association of Direct Marketing (ABEMD)
Brazilian Association of Corporate Communication (ABERJE)
Brazilian Association of Intellectual Property (ABPI)
Brazilian Association of Pension Funds (ABRAPP)
Brazilian Association of Company Customer Relationships (ABRAREC)
Brazilian Association of Institutional and Governmental Relationships (ABRIG)
Association of Investors in Capital Markets (AMEC)
National Association of Pension Fund Accountants (ANCEP)
National Pension Fund Academy (ANSP)
<i>Associação Mulher 360</i> (360 Women's Association)
BayBrazil
France-Brazil Chamber of Commerce
Carbon Disclosure Project Latin America (CDP)
Brazil China Business Board (CEBC)
Brazilian Business Council for Sustainable Development (CEBDS)
Brazilian Center of International Relations (CEBRI)
National Board of Advertising Self-Regulation (CONAR)
Center for Foreign Trade Studies Foundation (FUNCEX)
ABRINQ Foundation for the Rights of Children and Adolescents
Global Banking Alliance for Women (GBA)
Group of Foundation Institutes and Companies (GIFE)
Interactive Media Association (IAB Brazil)
Brazilian Institute of Corporate Governance (IBGC)
Brazilian Institute of Studies on Competition, Consumption and International Trade (IBRAC)
ICC Brazil – International Chamber of Commerce
InPACTO – Eradication of Slave Labor
Institute of International Finance (IIF)
Akatu Institute
Ethos Institute of Companies and Social Responsibility
Lideranças Empresariais Ltda. (LIDE)
Competitive Brazil Movement (MBC)
Equator Principles
United Nations Environment Programme Finance Initiative (UNEP FI)

Entities of which we are members

GRI 102-13

Representative

Brazilian Association of Consortia Administrators (ABAC)
Brazilian Agribusiness Association (ABAG)
Brazilian Association of Real Estate Loans and Savings Entities (ABECIP)
Brazilian Association of Credit Card and Service Companies (ABECS)
Brazilian Association of Leasing Companies (ABEL)
Brazilian Private Equity and Venture Capital Association (ABVCAP)
National Association of Credit, Financing and Investment Institutions (ACREFI)
Brazilian Association of Financial and Capital Markets Entities (ANBIMA)
National Association of Brokerages and Distributors of Marketable Securities, Foreign Exchange and Commodities (ANCORD)
National Association of Automakers' Financial Companies (ANEF)
Brazilian Federation of Banks (FEBRABAN – unanticipated extraordinary dues)
FEBRABAN (anticipated extraordinary dues)
FEBRABAN (ordinary dues)
National Federation of Capitalization (FenaCap)
National Federation of Private Pension and Life Insurance (Fenaprevi)
National Federation of Private Health Insurance (FenaSaúde)
National Federation of General Insurance (FenSeg)
National Union of Leasing Companies (SINDLEASING)


The five largest expenses with associations were, respectively, with the Brazilian Federation of Banks (R\$48,875,777.32), the Brazilian Association of Credit Card and Service Companies (R\$3,022,400.01), the Brazilian Association of Real Estate Loans and Savings Entities (R\$1,003,474.52), the Institute of International Finance (R\$647,561.42) and the Brazilian Association of Financial and Capital Markets Entities (R\$449,952.00).

External initiatives

GRI 102-12

	Joining
Global Compact	2003
Equator Principles III	2004
National Compact for the Eradication of Slave Labor	2008
Principles for Responsible Investment (PRI)	2008
United Nations Environment Programme – Finance Initiative (UNEP-IF)	2008
Corporate Charter for Human Rights and the Promotion of Decent Labor	2012
Corporate Contribution for the Promotion of a Green and Inclusive Economy (RIO+20)	2012
Principles for Sustainability in Insurance (PSI)	2012
Compact for Sports	2015
Corporate Compact for Integrity and Against Corruption	2016
Corporate Initiative for Racial Equality	2016
Corporate Coalition for Racial and Gender Equality	2017
Women's Empowerment Principles (WEPs)	2017
Forum of Companies and LGBTI+ Rights	2018
Conduct Standards for Companies with LGBTI Stakeholders	2018
Principles for Responsible Banking (UNEP-FI)	2019
Carbon Pricing Charter in Brazil	2019

Relative to our public commitment on Human Rights

Our **public commitment**  reinforces our commitment to respect Human Rights in our relationships with our employees, clients, suppliers, partners, and society. We have guidelines that guide our actions in the prevention of risks and violations to which we are exposed, implementation and monitoring, as well as to disseminate our good practices on the subject. Respect for Human Rights permeates our policies and is harmonized with the best practices of Corporate Governance, sustainable development, and social responsibility.

We follow the incorporation of market best practices and the guidance of bodies that establish social responsibility guidelines, such as:

- Universal Declaration of Human Rights (United Nations);
- International Covenant on Civil and Political Rights (United Nations);
- International Covenant on Economic, Social and Cultural Rights (United Nations); and
- International Labour Organization (ILO).

Human Rights due diligence

In order to ensure respect for human rights in accordance with the UN Guiding Principles on Business and Human Rights, we update the risk and opportunity map of the organization's human rights operations every 2 years. In 2019, we carried out our third process, in association with an independent specialized third party. We fine tuned the prioritization method, looking at causes or contributions through our own activities, or those that may be directly linked to our operations, products or services through our business relationships. In addition, we proposed to deepen the mapping by capturing perceptions in a direct way, through questionnaires applied to our main right holders: employees, suppliers and clients.

Stages of the 2019 process

- Research and mapping using the analysis of the Human Rights Commitment, policies and procedures, voluntary compacts, processes, products and services, trends, internal interviews with key leaders in groupings according to the 2018 materiality and surveys with right holders: clients, employees and suppliers.
- Impact assessment defining and classifying the most severe and probable risks, in terms of impact on right holders, which the company is best able to control, in addition to identifying opportunities for improvement.

- Identification and analysis of challenges related to the UN Guiding Principles.
- Conclusions and recommendations for improvements in the Human Rights management process.

This process resulted in the following list of topics: Occupational health and medicine; Working conditions; Discrimination; Data security; Data privacy; Ethics and transparency; Damages to the environment and society; Damages related to the management of third parties' resources; Project Finance-related damages; Credit- and sector financing-related damages; Individual- and legal entity-related damages; and Itaú operation-related damages.



Inclusive management

GRI 103-2 Inclusive management | GRI 103-3 Inclusive management

There is a global trend towards the search for purpose, flexibility, identity and independence at work. With a focus on these needs, we seek to attract and retain more well-trained talents by investing in actions that can increasingly improve the experience of our employees. We take part in the main surveys that identify the best companies to work for conducted by the magazines *Época*, *Valor Carreira* and *Você S/A*, in partnership with institutes Great Place to Work, Mercer and *Fundação Instituto de Administração* (Administration Institute Foundation – FIA), respectively. Over 6,000 employees are randomly selected by the institutes to answer the surveys, which

analyze organizational climate management aspects and monitor, in a comprehensive manner, management practices and compare them with other companies in the market.

Satisfied employees are absolutely relevant for the longevity and sustainability of the business because they are more committed to providing better services to our clients that, in turn, tend to be more loyal to the company, establishing long-lasting relationships. Accordingly, we seek to create shared value, achieve positive results and encourage the development of people, society and the countries in which we operate by means of a virtuous cycle.

Satisfied employees are absolutely relevant for the longevity and sustainability of the business.

Our workforce

GRI 102-8

With 88,500 employees at the end of 2019, we are committed to our employees' professional development, by fostering internal diversity and with the dialogue and recognition of individual

and team performance. For this purpose, we rely on the establishment of policies and processes that value an ethical and inclusive environment.

Employees by hierarchical level (total employees)

GRI 102-8

Hierarchical level ⁽¹⁾	2019	2018	2017
Officers	113	121	118
Supervisors	13,269	14,224	13,783
Administrative	34,348	35,945	27,189
Commercial and Operational	34,142	36,700	41,738
Trainees	191	129	139
Apprentices	1,622	2,604	2,482
Interns	4,799	5,592	4,743
Total employees	88,484	95,315	90,183
Employees under the Consolidation of Labor Laws (CLT)⁽²⁾	81,950	86,998	82,840

(1) Supervisor level includes employees from branches and administrative departments who manage teams. Administrative level includes employees from administrative departments who do not manage teams. Commercial and operational levels include employees from branches who do not manage teams.

(2) Employees hired under the Consolidation of Labor Laws (CLT). These figures exclude Officers, Apprentices and Interns.

Employees by age group

GRI 405-1

Age group	2019	2018	2017
Aged below 30	38,254 43.2%	36,796 38.6%	34,182 37.9%
Aged 30 to 50	45,487 51.4%	50,318 52.8%	47,855 53.1%
Aged over 50	4,743 5.4%	8,201 8.6%	8,146 9.0%
Grand total	88,484 100.0%	95,315 100.0%	90,183 100.0%

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

Employees by hierarchical level and age group (2019)⁽¹⁾

GRI 405-1

Hierarchical level	Aged below 30		Aged 30 to 50		Aged over 50	
	2019	%	2019	%	2019	%
Officers	-	-	95	84.1	18	15.9
Supervisors	1,262	9.5	10,735	80.9	1,272	9.6
Administrative	14,035	40.9	18,566	54.1	1,747	5.1
Commercial and operational	16,383	48.0	16,053	47.0	1,706	5.0
Trainees	190	99.5	1	0.5	0	0.0
Apprentices	1,622	100.0	0	0.0	0	0.0
Interns	4,762	99.2	37	0.8	0	0.0
Grand total	38,254	43.2	45,487	51.4	4,743	5.4

(1) Employees by hierarchical level and age group, divided by the total number of employees of the same hierarchical level.

Employees by hierarchical level and age group (2018)⁽¹⁾

GRI 405-1

Hierarchical level	Aged below 30		Aged 30 to 50		Aged over 50	
	2018	%	2018	%	2018	%
Officers	-	-	94	77.69	27	22.31
Supervisors	920	6.47	11,231	78.96	2,073	14.57
Administrative	12,564	34.95	20,337	56.58	3,044	8.47
Commercial and operational	15,007	40.89	18,636	50.78	3,057	8.33
Trainees	127	98.45	2	1.55	0	0.00
Apprentices	2,604	100.00	0	0.00	0	0.00
Interns	5,574	99.68	18	0.32	0	0.00
Grand total	36,796	38.60	50,318	52.79	8,201	8.60

(1) Employees by hierarchical level and age group, divided by the total number of employees of the same hierarchical level.

Employees by hierarchical level and age group (2017)⁽¹⁾

GRI 405-1

Hierarchical level	Aged below 30		Aged 30 to 50		Aged over 50	
	2017	%	2017	%	2017	%
Officers	-	-	92	77.97	26	22.03
Supervisors	953	6.91	10,803	78.38	2,027	14.71
Administrative	9,606	35.34	15,476	56.94	2,098	7.72
Commercial and operational	16,260	38.96	21,483	51.47	3,995	9.57
Trainees	139	100.00	0	0.00	0	0.00
Apprentices	2,482	100.00	0	0.00	0	0.00
Interns	4,742	99.98	1	0.02	0	0.00
Grand total	34,182	37.90	47,855	53.06	8,146	9.03

(1) Employees by hierarchical level and age group, divided by the total number of employees of the same hierarchical level.

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

Diversity at Itaú Unibanco

We are made up of different people and believe that by treating them with ethics, respect and value we build up the essence of our achievements.

We recognize our role in valuing and fostering diversity at home and in society, seeking to implement the best practices and promote equal opportunities for all stakeholders. In 2017, we established an important milestone in our journey of changing our history and shared our Diversity Commitment Letter with the market. Accordingly, we have assumed a public commitment to our employees, clients, suppliers, partners and society.

We believe that having staff with diversified origins, cultures, beliefs, experiences, races, genders, sexual orientations, gender identities, age groups and generations broadens perspectives, thus contributing to a positive, respectful and tolerant environment.

Our clients comprise different people, and to better serve them our teams need to be diverse as well. Our customer centricity priority front recognizes it as a business agenda, which means broadening perspectives, innovations and viewpoints in the decision-making process.

Policy

Itaú Unibanco has a proprietary Diversity policy to guide the organization's actions to consistently spearhead the results of each pillar. The Diversity policy is updated every year and is available for all employees.

Main actions

- Diversity Weeks

In 2019 we held a series of Diversity Weeks, one for each pillar of action: gender, race, people with disabilities, and LGBT+. A unique opportunity to talk about the challenges, barriers, responsibilities and advancements in the agenda for equal opportunities inside and outside organizations. We held 50 talks overall, which counted on the participation of external guests and employees, who enriched the debate with their knowledge, experiences and inspiring life histories.

- Affinity groups

In 2019, we formalized the set-up of affinity groups: gender, race, people with disabilities, and LGBT+. Formed by employees who share common interests, origins or life experiences, these groups have the goal of promoting an inclusive and belonging workplace for all. Participation is voluntary and open for all employees. Each group has the leadership of a senior supervisor and a sponsor in the Executive Committee.

- Employee awareness-raising and engagements

We carry out awareness-raising activities with our employees, through seminars, training and internal communication (talks, information posted on the intranet and videos), we show the importance of valuing diversity of race, gender, PWD, LGBT+, age groups, our learning program (Young Apprentice)

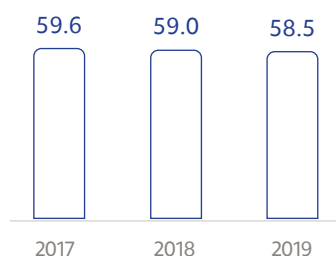
and unconscious biases. Additionally, we included a workshop on mental models and basic diversity concepts in the training schedule for supervisors (coordinators and managers), and we have a department responsible for implementing Diversity projects and programs.

In 2019, we formalized the set-up of affinity groups: gender, race, people with disabilities, and LGBT+.

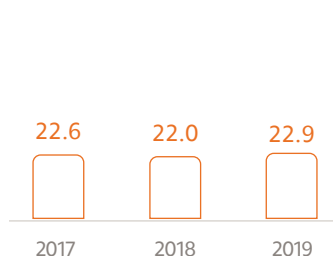
Our diversity profile

Total employees by pillar (%)

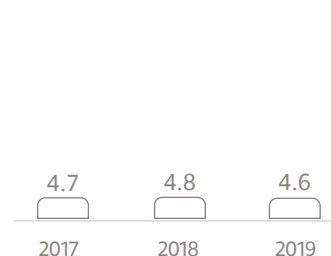
Women



Black people



People with disabilities⁽¹⁾



(1) Employees (PWD) hired under the Consolidation of Labor Laws (CLT) were used for this calculation.

Gender equality

Our guideline for this front is to encourage women's career development and use our influence potential by sharing the principle of equality in our value chain. Aware of maternity as a factor of immense career impact, the Mother and Pregnant Women Support Program and the updated Performance Evaluation Policy for Women on Maternity Leave

are aimed at ensuring that evaluation is based on the work performed rather than on working hours, thus preserving good evaluations that, as a result, keep women eligible for career acceleration programs, education sponsorships and promotions. We also determined that profit sharing will be fully paid, rather than proportionally. Additionally, we

seek to ensure more diversity in selection processes. For this reason, we recommend that succession committees include whenever possible at least one woman being evaluated and another woman carrying out the evaluation.

Total employees by gender

GRI 405-1

Gender		2019		2018		2017
Female	51,748	58.48%	51,378	59.05%	49,361	59.58%
Male	36,736	41.52%	35,620	40.95%	33,479	40.42%
Total	88,484	100.00%	86,998	100.00%	82,840	100.00%

Representation of management positions by gender in 2019 (%)

GRI 405-1



Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

Employees with indefinite employment contracts (gender – hierarchical level)

GRI 102-8

Year	Supervisors		Administrative		Commercial and operational		Trainee		Total		Total
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	
2019	6,909	6,360	17,319	17,029	23,785	10,357	78	113	48,091	33,859	81,950
2018	7,373	6,851	18,467	17,478	25,489	11,211	49	80	51,378	33,620	86,998
2017	7,084	6,699	14,355	12,825	27,860	13,878	62	77	49,361	33,479	82,840

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

Employees with other types of contracts (gender)

GRI 102-8

Year	Officers		Apprentices		Interns		Total		Total
	Women	Men	Women	Men	Women	Men	Women	Men	
2019	16	97	1,116	506	2,525	2,274	3,657	2,877	6,534
2018	16	105	1,842	762	3,107	2,485	4,965	3,352	8,317
2017	15	103	1,750	732	2,739	2,004	4,504	2,839	7,343

Employees by hierarchical level and gender (2019)⁽¹⁾

GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	16	0.03	97	0.26	113	0.13
Supervisors	6,909	13.35	6,360	17.31	13,269	15.00
Administrative	17,319	33.47	17,029	46.36	34,348	38.82
Commercial and operational	23,785	45.96	10,357	28.19	34,142	38.59
Trainees	78	0.15	113	0.31	191	0.21
Apprentices	1,116	2.16	506	1.38	2,072	1.83
Interns	2,525	4.88	2,274	6.19	4,799	5.42
Total	51,748	100.00	36,736	100.00	88,484	100.00

(1) Employees by hierarchical level and gender, divided by the total number of employees of the same gender.

Employees by hierarchical level and gender (2018)⁽¹⁾

GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	16	0.03	105	0.27	121	0.13
Supervisors	7,373	13.09	6,851	17.58	14,224	14.92
Administrative	18,467	32.78	17,478	44.85	35,945	37.71
Commercial and operational	25,489	45.24	11,211	28.77	36,700	38.50
Trainees	49	0.09	80	0.21	129	0.14
Apprentices	1,842	3.27	762	1.96	2,604	2.73
Interns	3,107	5.51	2,485	6.38	5,592	5.87
Total	56,343	100.00	38,972	100.00	95,315	100.00

(1) Employees by hierarchical level and gender, divided by the total number of employees of the same gender.

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

Employees by hierarchical level and gender (2017)⁽¹⁾

GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	15	0.03	103	0.28	118	0.13
Supervisors	7,084	13.15	6,699	18.45	13,783	15.28
Administrative	14,355	26.65	12,825	35.31	27,180	30.14
Commercial and operational	27,860	51.72	13,878	38.21	41,738	46.28
Trainees	62	0.12	77	0.21	139	0.15
Apprentices	1,750	3.25	732	2.02	2,482	2.75
Interns	2,739	5.08	2,004	5.52	4,743	5.26
Total	53,865	100.00	36,318	100.00	90,183	100.00

(1) Employees by hierarchical level and gender, divided by the total number of employees of the same gender.

Employees by region, age group and gender – women

GRI 102-8

Region	Aged below 30			Aged 30 to 50			Over 50			Grand total		
	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017
South	2,003	1,938	1,337	1,821	2,212	2,213	235	497	501	4,059	4,647	4,051
Southeast	18,153	17,950	13,627	22,643	25,065	23,635	1,598	2,822	2,864	42,394	45,837	40,126
Central-West	941	931	696	952	1,087	1,091	92	147	149	1,985	2,165	1,936
Northeast	873	894	665	1,619	1,802	1,689	118	237	211	2,610	2,933	2,565
North	317	320	256	372	420	410	11	21	17	700	761	683
Grand total	22,287	22,033	16,581	27,407	30,586	29,038	2,054	3,724	3,742	51,748	56,343	49,361

Employees by region, age group and gender – men

GRI 102-8

Region	Aged below 30			Aged 30 to 50			Over 50			Grand total		
	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017
South	1,030	934	630	967	1,118	1,173	356	617	593	2,353	2,669	2,396
Southeast	13,703	12,602	8,789	15,648	16,961	15,925	1,984	3,315	3,261	31,335	32,878	27,975
Central-West	498	463	356	478	543	546	123	216	223	1,099	1,222	1,125
Northeast	555	595	451	811	892	874	204	297	270	1,570	1,784	1,595
North	181	169	151	176	218	206	22	32	31	379	419	388
Grand total	15,967	14,763	10,377	18,080	19,732	18,724	2,689	4,477	4,378	36,736	38,792	33,479

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

Race diversity – inclusion of black people

Our greatest purpose in the race equality agenda is increasing the number of black people in our staff at all hierarchical levels. Therefore, we have four great work fronts: attractiveness and review of selection processes; training of potential applicants; development of black employees; and awareness-raising.

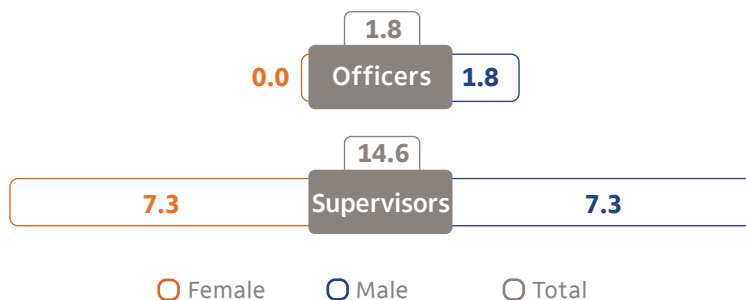
We carry out initiatives involving all these fronts and, among them, we highlight the participation in the 2019 *Juntos* (Together) Conference, an event that gathered 400 black university students to talk about career and race issues. Additionally, we have set up partnerships with some initiatives

such as Instituto PROA, which provides training to vulnerable youth to join the labor market, the LIFT Initiative, which provides English language courses free for two years of charge for black university students, and the *Projeto Diversidade* FEBRABAN (FEBRABAN Diversity Project), which provides training to black young people to work in the financial market. Finally, it is worth mentioning the Bank's Mentorship for Managers and Coordinators Program, with over 100 participants, and the Workshops for Black Interns Program, with activities scheduled for 2020, focused on behavioral aspects and developed in partnership with *Instituto Ser+*.

Seeking to provide equal opportunities for all applicants, we have made the first step of the selection process for our internship program digital, by means of online tests. Information such as the applicant's name, gender, age, address and university is initially not known in the process. Logical thinking and speed of learning are the things that are tested.

Representation of black people in management positions⁽¹⁾ (%)

GRI 405-1



Employees by hierarchical level and minorities – black people⁽¹⁾ (2019)

GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	0	0.00	2	1.80	2	1.80
Supervisors	969	7.30	971	7.30	1,940	14.60
Administrative	3,484	10.10	3,251	9.50	6,735	19.60
Commercial and operational	6,340	18.60	3,026	8.90	9,366	27.40
Trainees	7	3.70	12	6.30	19	9.90
Apprentices	515	31.80	252	15.50	767	47.30
Interns	811	16.90	606	12.60	1,417	29.50
Total	12,126	13.70	8,120	9.18	20,246	22.88

(1) Black employees by gender and hierarchical level divided by total employees of the corresponding hierarchical level.

GRI 102-48

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

Employees by hierarchical level and minorities – black people⁽¹⁾ (2018)

GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	0	0.0	1	0.80	1	0.80
Supervisors	995	7.0	1,005	7.10	2,000	14.10
Administrative	3,510	9.8	3,178	8.80	6,688	18.60
Commercial and operational	6,417	17.5	3,115	8.50	9,532	26.00
Trainees	1	0.8	9	7.00	10	7.80
Apprentices	864	33.2	369	14.20	1,233	47.40
Interns	925	16.5	605	10.80	1,530	27.40
Total	12,712	13.3	8,282	8.7	20,994	22.0

(1) Employees by hierarchical level, gender and minorities (black people) divided by total employees by each hierarchical level.

GRI 102-48

Employees by hierarchical level and minorities – black people⁽¹⁾ (2017)

GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	0	0.0	1	0,80	1	0.8
Supervisors	956	6.9	960	1.1	1,916	13.9
Administrative	2,697	9.9	2,263	2.5	4,960	18.2
Commercial and operational	6,673	16.0	3,530	3.9	10,203	24.4
Trainees	1	0.7	5	0.0	6	4.3
Apprentices	851	34.3	367	0.4	1,218	49.1
Interns	755	15.9	453	0.5	1,208	25.5
Total	11,933	13.2	7,579	8.4	19,512	21.6

(1) Employees by hierarchical level, gender and minorities (black people) divided by total employees by each hierarchical level. In previous years' reports, this information had been reported by dividing employees by hierarchical level, gender and minorities (blacks) by the total number of employees in the organization.

GRI 102-48

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

People with disabilities (PWD) – inclusion and training

We foster the inclusion of employees with disabilities based on the guidelines of the *Lei Brasileira de Inclusão da Pessoa com Deficiência* (Brazilian Law for the Inclusion of People with Disabilities) and the UN Convention on the Rights of People with Disabilities, in addition to the promotion of the six types of accessibility (communicational, instrumental, methodological, attitudinal, programmatic and architectural). We expanded the installation of tactile warning paving on common areas and stairs of the administrative centers to provide more safety and independence to our employees with disabilities. Regarding attitudinal accessibility, we provided training for our supervisors and employees on good inclusion practices, and launched an internal page with coexistence tips for our employees. The purpose of these actions is to reframe

the leading role of our employees with disabilities, increase the leading role of employees, and the accessibility and employability for people with different types of disabilities.

Noteworthy are the projects in partnership with Specialisterne, with the hiring of, until the beginning of 2020, 28 employees with autism spectrum disorder (ASD) for several activities; the Acreditar (Believe) Program, which included 40 intellectual PWD, most of them hired for customer service at Personnalité branches. In 2019, we launched the selection process for the Trainee Program, that is, all selection tools (website, app, and testing) were adjusted. We also sponsored a development program jointly with PoliSaber Foundation, with training classes for a PWD audience, preparing them to join the labor market.

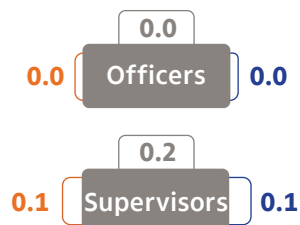
We were elected one of the Best Companies for Employees with Disabilities by the São Paulo State's Ministry of People with Disabilities' Rights.

We were ranked number one among the 150 best companies to work for promoted by *Guia Você S/A* – Banks category.

We were ranked number one at the LinkedIn Talent Awards in Best Employer Brand and Top Companies categories.

PWD in management positions⁽¹⁾ (%)

GRI 405-1



○ Female ○ Male ○ Total

(1) Representation is calculated by factoring in the Company's total employees.

Employees by hierarchical level and minorities – PWD⁽¹⁾ (2019)

GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	0	0.00%	0	0.00%	0	0.00%
Supervisors	63	0.50%	72	0.50%	135	1.00%
Administrative	755	2.20%	904	2.60%	1,659	4.80%
Commercial and operational	1,085	3.20%	867	2.50%	1,952	5.70%
Trainees	0	0.00%	0	0.00%	0	0.00%
Apprentices	0	0.00%	0	0.00%	0	0.00%
Interns	1	0.00%	3	0.10%	4	0.10%
Grand total	1,904	2.14%	1,846	2.08%	3,750	4.22%

(1) For 2019, number of employees calculated by hierarchical level, gender and minorities (people with disabilities) divided by total employees by each hierarchical level.

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

Employees by hierarchical level and minorities – PWD⁽¹⁾ (2018)

GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	0	0.0	0	0.0	0	0.0
Supervisors	78	0.1	69	0.1	147	0.2
Administrative	847	1.0	1,000	1.1	1,847	2.1
Commercial and operational	1,220	1.4	973	1.1	2,193	2.5
Trainees	0	0.0	0	0.0	0	0.0
Apprentices	0	0.0	0	0.0	0	0.0
Interns	0	0.0	0	0.0	0	0.0
Grand total	2,145	2.3	2,042	2.3	4,187	4.8

(1) Employees by hierarchical level and minorities (PWD) divided by total number of employees. Employees hired under the Consolidation of Labor Laws (CLT) were used for this calculation.

Employees by hierarchical level and minorities – PWD⁽¹⁾ (2017)

GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	0	0.0	0	0.00	0	0.00
Supervisors	64	0.08	63	0.08	127	0.15
Administrative	611	0.74	804	0.97	1,415	1.71
Commercial and operational	1,315	1.59	1,071	1.29	2,386	2.88
Trainees	0	0.00	0	0.00	0	0.00
Apprentices	0	0.00	0	0.00	0	0.00
Interns	0	0.00	0	0.00	0	0.00
Grand total	1,990	2.40	1,938	2.34	3,929	4.74

(1) Employees by hierarchical level and minorities (PWD) divided by total number of employees. Employees hired under the Consolidation of Labor Laws (CLT) were used for this calculation.

LGBT+

Our purpose is encouraging a safe and respectful environment, where people are free to talk about their sexual orientation and gender identity openly without fear. As a way to keep this agenda in the spotlight, since 2018 Itaú Unibanco has been a part of the OUTStand Financial Market Pride Group, set up to discuss inclusion issues and promoting the value of LGBT+ professionals in the sector.

In May 2019, we attended Reaching Out, an annual international conference aimed to create opportunities to Brazilian students (and from countries of the region) who are lesbians, gays, bisexuals and transsexuals (LGBT) to find out the value and importance of coming out as they are in the workplace.

Moreover, in the second half of 2019, we held the second edition of LGBT+ Orgulho (LGBT+ Pride) Call Notice, intended to search for projects that encourage LGBT+ people's power of transformation across Brazil. Out of the 565 projects enrolled, eight projects from across several Brazilian regions were approved.

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

The employee's journey

Our talent attraction programs have a diversified focus so as to cover different talent profiles.

Talent attraction programs

Program	Description	Recruitment	Retention rate
<i>Jovens Aprendizizes</i> (Young Apprentices)	Provide for the possibility of a first job for young talent, preferably in situations of social vulnerability, promoting and developing career opportunities with us.	1,185 youngsters were contracted as apprentices.	We hired 45.3% of all apprentices in 2019, of whom 83.0% remain with us. We provided a career to 28.9% of the apprentices hired from 2012 to 2019.
Trainee	Itaú Unibanco Trainee Program is aimed at attracting and developing talent by means of a challenging professional practice, technical and behavioral training, mentoring and networking events with our executives. During this one-year program, trainees have the opportunity to work on specific projects of a department or in the job rotation format. The program's purpose is the fast development of these talents, allowing for the training of staff and project leaders or reference analysts, in synergy with the needs of our departments.	In 2018, there were 48,000 applicants for the selection process, 193 of whom were hired as trainees in 2019. In 2019, there were 72,000 applicants, of whom 122 were hired as trainees in 2020.	98% retention in the 2019 group ⁽¹⁾ .
International Sponsorship (MBA, Master, Sloan and LLM)	Develop our employees by means of the MBA/Sloan/Master (Master of Laws – LLM/Master in Finance – MIF) programs in the best business schools in the United States and Europe, with monitoring by the Human Resources Department and executives.	In 2019, 233 employees applied, of whom 16 were accepted in the sponsorship program.	100% is the retention rate of those sponsored who returned from the MBA in 2019. Summer 2019: 66% (four offers of full-time employment, out of a total of six). Summer 2020: to be calculated after the program.
MBA Summer and Full-Time Associate	We recruit students from the best business schools in the United States and Europe for 9-to-12 weeks summer internships in our organization. We also offer full-time opportunities in our organization for MBA graduates in the best schools of the United States and Europe.	Summer 2019: A total of 6 full-time offers with those of the Summer 2019, of which 4 were accepted. Summer 2020: 39 MBAs have applied, of whom we have 4 positions already closed and two others to be completed. This program is expected to take place in June 2020. 2020: This program is currently linked to the MBA Summer program. It is no longer open to external recruitment, although we have received timely expressions of interest. 2019: external full-time recruitment.	Summer 2019: 66% of offers accepted. Full-Time 2019: 100% of offers accepted.

(1) Calculated in January 2020.

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

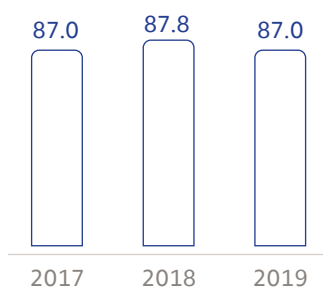


Program	Description	Recruitment	Retention rate
<i>Carreira Acelerada</i> (Fast-Track Careers) Program	After the Program, trainees who stand out are offered a <i>Carreira Acelerada</i> (Fast-Track-Careers) Program with training and coaching sessions.	A total of 59 former trainees (72%) were selected for the current <i>Carreira Acelerada</i> Program from the 2018 trainee group.	97% is the retention rate of this program in 2018.
Corporate Internship Program	Attract and develop young talent with potential to fill entry positions in the corporate departments; it lasts 2 years at the most and offers a specific training grid.	In 2019, 1,895 corporate interns were hired.	74% of corporate interns hired in 2019.
Holiday Internship Program	To attract talent by offering a corporate experience with challenging projects, supply other talent programs. International Graduation Holiday Internship Program: it takes place from May to October, summer holidays in the Northern hemisphere.	For the International Holiday Internship Program, 33 interns were accepted in 2019. In 2020, 412 applicants enrolled and 24 were accepted.	Not applicable.
Master's Summer Program	Attract talent and forge closer ties with Brazilian academia. Our intention is to bring professionals with more perfected technical knowledge who can carry out highly complex projects in the Summer period.	465 applicants in October 2019, with 14 accepted in the program.	In 2020, 70% of program participants were hired.
Branch Network Internship Program	Attract and train young university students, focusing on the development of talent for the Branch Network. It lasts 12 months and can be extended to 18 months. For the Branch Network Internship Program, there is a grid of remote training programs made up of 56 courses.	53% of vacancies (operational, but not manager level) opened for 2019 in the Branch Network were filled by interns.	In 2019, 49% of the interns were hired, 99% of whom remain at the bank.

After attracting talent, we offer many actions for them to develop their abilities, making available specific programs that cover technical and behavioral topics by using many tools, platforms, methodologies and media outlets.

We also promote development and continuous improvement actions for staff and leaders. Among these actions we highlight the Journey of Leadership, comprising over 20 development experiences that include a people management cycle workshop and the good labor practices remote learning course, which are mandatory for the first leadership level, as well as the *Academia Mudança de Liga* (Change Leagues Academy) aimed to promote the learning about clients and digital transformation to support the bank's strategy, which we have commenced with exclusive actions for senior management through theme-specific modules.

Development of coordinators and managers in the Journey of Leadership (%)⁽¹⁾



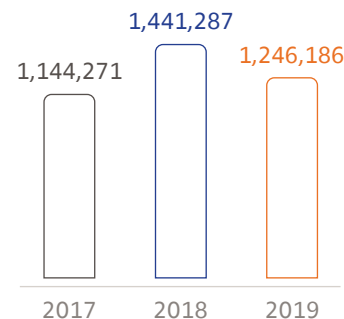
(1) Includes only the mandatory track (people management cycle, ethics and good labor practices workshops).

In addition to the corporate training programs, we offer specific training actions that are in line with the career stage achieved by the employee and customized to their Individual Development Plan, including in-person and online training solutions on continued education online platforms, language courses, postgraduate programs, MBAs, seminars, congresses and short-duration courses in Brazil and abroad.

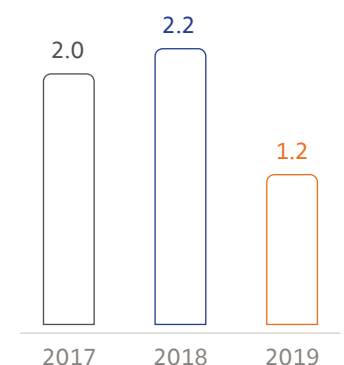
To increasingly leverage the continued development of our employees, in 2019 we started a pilot learning experience platform project, aimed to enable employees to learn through different formats, at the time and place of their preference. The bank and supervisors provide guidance on the skills expected for the functions and the employee designs their own path to meet these expectations and the goals they really wish to achieve. This is an AI-based platform that develops content curation and helps employees in their self-development.

Our *Portal* features development and ethics policies with guidelines on planning and corporate education actions for leaders and their teams. In 2019, we invested R\$161 million in training in Brazil, with 1.2 million attendances in in-person and online training.

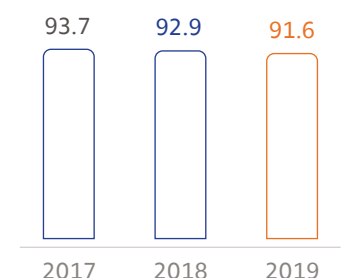
Number of employees trained in in-person and online activities



Total hours (online and in-person – in million)



Average rate of adherence to in-person training programs (%)



Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

Average training hours by hierarchical level and gender (in-person and online)

GRI 404-1

Hierarchical level	Women			Men			Total	
	2019	2018	2017	2019	2018	2017	2019	2018
Supervisors	18	19	17	16	24	23	17	21
Administrative	15	19	21	14	18	28	14	18
Commercial and operational	11	27	22	14	34	21	12	29
Trainees	167	248	289	173	254	285	170	252
Interns	9	23	27	11	25	31	10	24
Total	13	23	21	14	25	25	14	24

Training hours by hierarchical level and gender (in-person and online)

GRI 404-1

Hierarchical level	Women			Men			Total	
	2019	2018	2017	2019	2018	2017	2019	2018
Supervisors	102,810	139,191	117,412	106,967	165,551	154,782	209,777	304,742
Administrative	243,533	346,960	296,655	212,301	313,943	358,914	455,834	660,903
Commercial and operational	291,050	695,583	608,299	172,824	384,359	288,335	463,874	1,079,942
Trainees	15,196	12,160	17,927	22,128	20,317	21,947	37,324	32,477
Interns	27,632	70,647	73,705	29,952	63,346	62,159	57,584	133,993
Total	680,221	1,264,541	1,113,997	544,172	947,516	886,136	1,224,393	2,212,057

Average training hours by employee and total employees

GRI 404-1

Description	Average training hours by employee	Number of employees
Supervisors	17	11,946
Administrative	14	30,939
Commercial and operational	12	40,535
Trainees	170	191
Interns	10	4,799

Scholarships

	2019	2018	2017
Postgraduate incentive program	519	976	1,476
Determined by the 2018–2020 Collective Labor Agreement	5,500	5,500	5,500
Language course	116	221	325

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

Training and career planning for Young Apprentices

The goal of the Apprentice Program at Itaú Unibanco is providing the first job for young talent, preferably those in who

are socially vulnerable, by providing them with training and career planning with us. In 2019, 1,622 Young Apprentices joined

the program. In 2018 and 2017, the number of young apprentices totaled 2,604 and 2,482, respectively.

Evaluation and development

The *Ciclo de Meritocracia* (Meritocracy Cycle) Program is focused on driving increasingly better results by means of aligning individual targets with the organization's challenges. We believe that meritocracy is the path towards even more transparent and fairer management of our teams, recognizing the differentiated performance of our employees in a differentiated way. This exercise includes feedback, offering development opportunities suited to the needs of each employee and also the employee's role in the continuous search for better opportunities. Therefore, the *Ciclo de Meritocracia* represents a strongly ally of meritocracy in the organization's constant development.

This program takes into account the proposed targets, the results obtained and the way to deliver such results because, although reaching objectives is important, all actions must be based on the behaviors expected by the organization. In this context, the program is composed of two individual evaluations.

- Axis X evaluates the performance of each employee based on the results of targets. The process is annual and provides for four stages: alignment of objectives, contracting of targets, assessment of results and feedback. Individual targets must represent the challenges that stimulate the overcoming of challenges and the development of new skills, but not include day-to-day activities. They also portray the search for improvements in processes and products to leverage the growth of business and customer satisfaction. They must be agreed upon between the supervisor and the employee, with well-defined determination criteria, reflecting the strategy of each executive department.

- Axis Y evaluates whether the employee is compliant with the behaviors expected by the organization. We use two evaluation groups: for leaders, the 360 model (peers, partners, team and supervisor); and for teams, the 180 model (supervisor, peers and partners).

With the results from the Axes X and Y, the People Strategic Planning (PSP) is prepared. This planning positions people on a matrix with nine quadrants and discusses the relative performance between peers. Employees are deployed on the matrix by a Performance Evaluation Committee, which is responsible for analyzing and equalizing the results. All data obtained will be used in the future to define the career development, the training and the compensation of each employee. With respect to the 2018 cycle (the most updated information available until the publication of the report), 45,000 employees were assessed as part of the PSP (including foreign units), which corresponds to approximately 50.08% of our total eligible employees⁽¹⁾. In 2018, in our foreign units (Argentina, Chile, Colombia, the United States, England, Paraguay, Switzerland and Uruguay, and other) 3,632 employees were assessed according to the PSP, which is equivalent to 91.67% of eligible employee⁽²⁾. The 2019 cycle will be closed after the completion of this report.

GRI 404-3

We believe that meritocracy is the path towards even more transparent and fairer management of our teams, recognizing the differentiated performance of our employees in a differentiated way.

(1) Including the total of 89,850 eligible employees that participated in the evaluation system (Brazil and foreign units).

(2) Including the total of 3,962 eligible employees that participated in the evaluation system (foreign units).

To support the action for the development of employees, Individual Development Plan (IDP) talks are carried out, which take into account the employee's performance history and analyzes their career momentum. To this end, supervisors align career expectations with those of the employees in the previous year.

With a view to the continuous and structured development of each employee, in 2019, 100% of the officers, superintendents and managers prepared their Individual Development Plan. All plans were discussed at a Development Committee so as to define consequence actions. This exercise is recommended, but it is optional for the coordinator and analyst levels. At these levels, adherence was 17.88%.

Employees from branches who do not hold a management position are evaluated either on a semiannual or annual basis under another model, the *Trilhas de Carreira* (Career Tracks), based on the results achieved in the previous period, on Axis Y, and on their readiness for the next position level. Results are determined by means of the individual and/or branch productivity and sales quality – that is, products sold and cancelled are not included in the individual productivity, for example.

The *Trilhas de Carreira* committee's meeting is conducted by the Personnel Department together with supervisors for the individual discussion about the employees. In this discussion, many individual business, sales quality and results indicators are presented and, based on them, employees are allocated to certain classifications (as it is a committee and discussions and decisions are made on a joint basis). In the first half of 2019, 35,054 employees were evaluated, a number that accounts for 39.01% of eligible employees.

Business has also been going through transformations that require the consideration of deliveries of results in shorter cycles aligned with the long-term objectives, more collaborative working models with teams working in a matrix way, which gives rise to new incentive models more suitable to this reality. Accordingly, the *Modelo de Comunidades* (Communities Model) was developed based on partial deliveries that take into consideration collective and individual objectives and a behavioral adherence evaluation (Axis Y) with a single score at the end of the year. Employees will be relativized in PSP Communities, which will guide compensation, recognition and development actions. We currently have 5,477 employees under this model, that is, about 6.03% of eligible employees.

Other employees go under an individual evaluation process only (target and behavior evaluations) or are evaluated under other specific evaluation models. This ensures that 100% of the organization's eligible employees go under some kind of performance evaluation. We revisited our evaluation model for 2019, so that it may be more suitable to the bank's momentum.

GRI 404-3

Compensation

GRI 102-35 | GRI 102-36

Fixed compensation

Our Fixed Compensation Policy recognizes the skills and seniority of a professional, and their compensation amounts may be changed in accordance with our Promotion and Merit Policy and collective bargaining agreements.

Variable compensation

Variable compensation recognizes the level of individual performance, the financial result achieved by our business and its sustainability in the short, medium and long terms. Our employees' variable compensation is made up of Profit Sharing, Profit Sharing (PR), and Additional Profit Sharing Program (PCR). All of these depend on our performance in the business and/or on the individual performance of the employee, assuring, at least, the amount defined in a collective labor agreement entered into with the respective union.

Variable Compensation Program:

high-performance managers and super-intendents are paid additional stock-based compensation⁽¹⁾ to be received in a three-year period.

High Performance Compensation Program (PRAD) and Service Center Recognition Program (PRCA):

these refer to additional profit sharing for 30% of the best-evaluated employees, according to meritocracy criteria.

Differentiated Performance (DP):

a long-term compensation program that covers employees in leadership or similar positions in our organization, by way of individual evaluation recognizing highlights in results and behavior in the form of our preferred shares (ITUB4).

Partners Program:

this program recognizes and distinguishes professionals who make a difference and lead the build-up of a future-oriented bank, aligned with our vision and values. Employees and management members elected as partners or associates may invest part of their profit sharing in the acquisition of our shares, receiving a consideration also in shares. Compensation measures are available at the **2019 General Stockholders' Meeting Manual**. [\[↗\]](#)

Compensation ratio⁽²⁾

Ratio of basic salary and remuneration of women to men

GRI 405-2

Hierarchical level	2019 rate	2018 rate	2017 rate	Calculation rationale (12 months of 2019 – January to December)
Officers	1.00	1.00	1.00	Average women's compensation by average compensation of grand total (Officer level)
Managers	0.87	0.87	0.87	Fixed income (with no ATS) – average of women by average fixed compensation of grand total
Administrative	0.88	0.88	0.88	
Commercial and operational	0.98	0.98	0.95	
Trainees	1.00	1.00	0.90	External payroll – Apprentices' grants have one value only; therefore, amounts are equal to both genders
Apprentices	1.00	1.00	1.00	
Interns	1.00	1.00	1.00	Average grant for women by the average grant of grand total

Note: Includes all companies.

(1) In the recognition of shares, if the professional terminates on his own initiative until the end of the period, he will have total cancellation of the shares.

(2) The Compensation Equity Ratio expresses the ratio of compensation for female members of each functional level indicated to compensation for the set of all members at the same level.

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

Turnover

GRI 401-1

Through *Carreiras Internas* (Internal Careers), our internal recruitment platform, employees and interns seek opportunities aligned with their career expectations. Supervisors may identify professionals from different departments with profiles suitable to vacancies in their functions. This program works as an internal mobility tool by widening career horizons, encouraging employees to take a lead role in their career planning, and reducing our turnover rate.

Employees transferred under *Carreiras Internas* Program

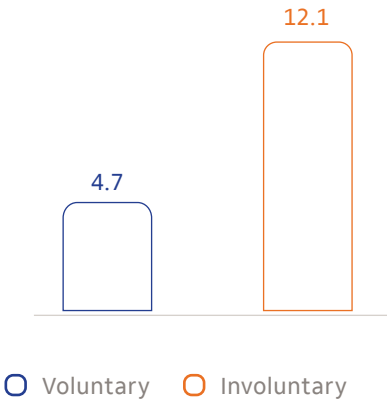
GRI 404-2

2019	1,476
2018	1,699
2017	2,353

The turnover rate is the ratio of admissions and terminations (voluntary or involuntary) of employees in a given period. We monitor this rate on a monthly basis and submit it to the Executive Committee (the criteria used does not include employees abroad, apprentices, expatriates, retirees due to disability, officers, and interns).

Total turnover rate in 2019⁽¹⁾ (%)

GRI 401-1



(1) Calculations based on total terminations / (Total employees at the beginning of the period + Total employees at the end of the period) / 2. Total employees at the end of the period include employees at the beginning of the period plus contracting of employees less terminations of employees. It does not include the Executive Board, Interns, expatriates and retirees due to disability.

Turnover⁽¹⁾⁽²⁾

GRI 401-1

Region	Women																	Men			Total of 2019
	Aged below 30			Aged 30 to 50			Aged over 50			Aged below 30			Aged 30 to 50			Aged over 50					
	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017			
South	9.3	5.70	5.70	23.9	12.40	10.00	83.5	23.10	18.90	15.1	9.20	10.00	19.5	11.90	9.70	60.6	17.00	18.90	23.3		
Southeast	9.6	6.20	5.60	14.0	9.20	8.70	79.7	27.60	27.10	14.0	9.50	8.20	15.0	10.80	9.50	61.9	17.20	19.00	16.2		
Central-West	9.2	5.60	6.30	16.7	11.40	10.50	63.7	23.90	14.40	7.9	9.90	11.10	17.3	10.20	14.00	58.2	14.40	15.20	16.8		
Northeast	7.6	4.30	3.30	13.1	7.10	5.80	91.7	15.70	15.20	12.3	6.40	4.90	12.0	10.80	7.60	43.4	8.00	12.70	15.8		
North	8.4	5.30	7.70	15.6	9.10	7.60	105.9	34.50	52.60	12.1	8.80	10.10	22.0	9.40	8.70	46.8	13.80	23.30	15.4		
Total	9.5	6.00	5.60	14.8	9.40	8.70	80.4	26.20	25.00	13.8	9.30	8.30	15.3	10.80	9.60	60.1	16.40	18.50	16.7		

(1) Calculations based on total terminations / (Total employees at the beginning of the period + Total employees at the end of the period) / 2. Total employees at the end of the period include employees at the beginning of the period plus contracting of employees less terminations of employees. It does not include the Executive Board, Interns, expatriates and retirees due to disability.

(2) Calculations based on the number of terminations in each category by the total number of employees of the same category.

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.



Hires⁽¹⁾

GRI 401-1

Region	Women																		Men			Total		
	Aged below 30			Aged 30 to 50			Aged over 50			Aged below 30			Aged 30 to 50			Aged over 50								
	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017			
South	646	749	750	54	45	24	-	-	-	433	408	369	41	51	25	-	-	1	1,174	1.3%	1,253	1%	1,169	1%
Southeast	4,764	5,605	5,772	711	1,015	680	8	4	5	5,017	5,329	4,524	1,018	1,097	805	4	5	6	11,522	13.0%	13,055	15%	11,792	14%
Central-West	222	306	301	22	15	19	-	-	-	140	156	177	18	21	21	-	-	-	402	0.5%	498	1%	518	1%
Northeast	200	249	242	10	22	15	-	-	-	130	194	203	16	14	19	-	-	-	356	0.4%	479	1%	484	1%
North	59	96	105	4	8	11	-	-	-	52	46	61	2	11	5	-	-	-	117	0.1%	161	0%	182	-
Total	5,891	7,005	7,170	801	1,105	749	8	4	5	5,772	6,133	5,339	1,095	1,194	875	4	5	7	13,571	15,3	15,446	18%	14,145	17%

(1) The Compensation Equity Ratio expresses the ratio of compensation for female members of each functional level indicated to compensation for the set of all members at the same level.

Terminations⁽¹⁾

GRI 401-1

Region	Women																		Men			Total
	Aged below 30			Aged 30 to 50			Aged over 50			Aged below 30			Aged 30 to 50			Aged over 50						
	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017	
South	339	256	231	445	269	209	255	108	90	231	159	157	200	136	112	252	93	110	1,722	1,021	909	
Southeast	2,670	1,795	1,622	3,122	2,222	1,929	1,315	721	675	2,542	1,666	1,435	2,305	1,773	1,471	1,344	536	524	13,298	8,713	7,656	
Central-West	138	107	105	156	122	111	57	32	15	67	76	83	86	56	77	87	30	28	591	423	419	
Northeast	116	70	71	211	124	94	122	33	24	101	63	65	98	96	67	93	21	26	741	407	347	
North	39	22	35	55	35	29	9	6	6	31	15	31	39	21	17	11	4	5	184	103	123	
Total	3,302	2,250	2,064	3,989	2,772	2,372	1,758	900	810	2,972	1,979	1,771	2,728	2,082	1,744	1,787	684	693	16,536	10,667	9,454	

(1) Rate calculated by dividing the total number of terminations by region by the total number of hired workers.

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.



Health and safety

We develop health and safety related actions for prevention, early diagnosis and rehabilitation purposes. Besides understanding the importance of work in the build-up of a person's identity and the complex interactions among personal desires, rules, relationships at workplace and the socioeconomic environment, we follow the Occupational Health and Safety (OHS) definitions stated in collective labor agreements entered into with workers' unions and the Sub Committee of Occupational Health and Safety of the Brazilian Federation of Banks (FEBRABAN).

GRI 403-2

Accordingly, we seek to identify risks associated with the workplace by way of field visits conducted by an occupational safety team and by surveying health indicators, which are jointly reviewed with occupational engineers and physicians, and result in action plans to promote safer and healthier workplaces and relationships. Moreover, supervisors and even employees themselves have direct access to the Occupational Health and Safety team to report occupational accidents, diseases and conditions they deem inadequate by way of a request control system to prompt the investigation and analysis of each call. Whenever an occupational accident or disease is confirmed by the technical team, the analysis of the core cause of such work-related injury will give rise to actions aimed to eliminate or reduce risks by prompting action plans.

Based on epidemiological data that identify an increase in the frequency of mental diseases in the world population, focusing on studies that show the speed of growth of its incidence, prevalence and impact rates, we have implemented programs aimed at promoting, preventing, early detecting and rehabilitating people subject to this group of condition:

GRI 403-3

- Partnership with a large nationwide chain of fitness centers (Gympass), with partial subsidies for plans (the benefits of physical activity are well known in every stage of mental diseases).
- Workplace ergonomic analyses including Organizational Psychodynamics aspects.
- Inclusion of a questionnaire scientifically validated by work-related medical examination protocols of occupational examinations specific for assessing the risk of mental disorders (SRQ20).
- implementation of the Equilibrium Program, comprising 12 training sessions provided by psychologists via Skype in a four-month period on average, aimed at enhancing skills to face situations perceived as threatening by the user.

We hold the Mental Health Week, with a topic "*Quebrando o Tabu – vamos falar de saúde mental?*" (Breaking taboo – let's talk about mental health?) aimed at sharing knowledge, breaking paradigms, and reflect the scope of addressing what it is to become ill in the corporate world. We hold talks with health specialists and bank's executives, with online live broadcast and content made available on the Internet. We also organized rounds of chats, interventions for physical health and relaxation activities at the main centers and digital branches.

Additionally, we have a network of accredited health specialists (such as doctors and psychologists) available through the Health Care, Employee Assistance Program ("*Fique OK*") and outpatient clinics to foster a structure to handle mental health issues.

We understand the importance of work on constructing personal identities. We develop health and safety actions in order to prevent diseases, give early diagnosis and health rehabilitation.

Benefits granted in 2019

GRI 403-3

Health and safety

Pharmaceuticals	Discounts for employees in the purchase of medication and perfume products.	Approximately 32,500 employees benefited by the partnership.	
Fitness center	Partnerships with fitness centers that offer discounts to employees, in addition to our own gym facilities at some of our office buildings.	Used by around 32,500 employees.	
Mothers and Pregnant Women Support Policy	This policy sets out the benefits for pregnant women after a child is born or adopted.	2,641 employees were eligible.	
Nutritional care	Nutritional clinical care offered at those centers with the largest number of employees: CEIC, CAT, CT, and ITM.	2,830 employees served.	
<i>Fique OK</i> (Be Ok) Program	A personal support program to employees and their family members, with a multidisciplinary team available 24/7 by telephone , offering a free of charge service with confidentiality, aimed at embracing and guiding employees who are going through personal, familiar or professional conflicting situations. Services offered: psychological evaluation/ monitoring or other treatments; physiotherapy; legal; nutritional; financial guidance; personal trainer; social worker support; pet advisor.	94% of employees and 6% of dependents served. Total: 11,957 calls/6,750 people served/1,8 calls per person.	
Psychosocial services	Psychological and Social Work care at centers: CEIC, CT, CAT and ITM.	• Psychology – 2,246 appointments.	• Social Worker – 2,623 appointments.
Check-up	Medical checkup eligible for Officers, Superintendents, Superintendent-level Specialists, Head Office Managers and Manager-level Specialists.	About 2,154 executives eligible, 42% of these had a check-up this year.	

Flexibility in the workplace

Electronic time clock	The electronic control of the working day is based on capturing the arrival and departure records input by employees on their work stations. At the branch network and administrative departments, a system was inputted to activate the work station only when the employee records their arrival.	Employees eligible for the electronic time clock: 71,578 in December.	
-----------------------	---	---	--

Education

Tuition	These are tuition grants for employees to subsidize part of the costs of first and second graduation courses and also postgraduate courses.	Total: 5,500 scholarships. • 1,000 for PWD. • 4,000 for bank employees.	• 500 for employees non-bank category (Foundations, Insurance, Financial).
---------	---	--	--

Financial

Itaú Unibanco World Partnership Program	Our Itaú Unibanco World program provides benefits, discounted prices and exclusive services from several partners in Brazil.	Approximately 22,700 employees benefited from the partnership.	
Financial products and services with discounts for employees (loans, purchasing consortiums, insurance, credit cards)	Banking products at discounts and/or special fees, such as payroll loans, overdrafts, banking charges, auto insurance, home insurance, purchasing consortiums and real estate loans.	Available to 100% of employees.	
Complementary private pensions	Complementary pension plans managed by two closed funds and one open fund. The main goals of these plans are topping up social security benefits and maintaining the standards of living for retirees.	These are 18 complementary pension plans and, due to voluntary adherence, we have 72% of employees joining one of the plans we offer.	
Group life insurance	Group life insurance covers a beneficiary's death or disability. The plan automatically includes spouses and children and extended funeral assistance coverage. Employees who already have life insurance may get a supplementary life policy to increase the amount insured.	Available to approximately 98% of employees.	

Leisure

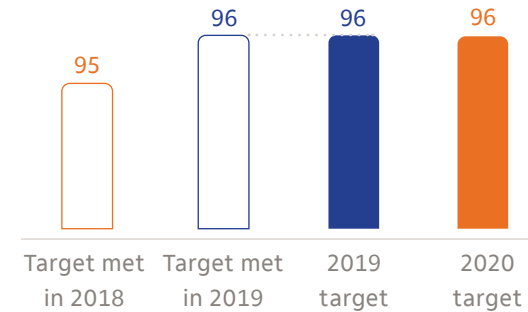
Itaú Unibanco Club	Leisure, recreation, cultural and sporting activities intended to foster integration and quality of life for our employees, retirees and their families. We have three clubs, located at Guarapiranga dam, Itanhaém and São Sebastião (State of São Paulo).	Lodgings: 64,600 daily stays. Events: 21,300 attendances. Visitors: 53,700 people. Library: 24,800 borrowings. Sessions held on website www.itaunibancoclube.com.br : 407,800 hits.	
--------------------	---	--	--

Training on occupational health and safety

GRI 403-6 | GRI 403-7

Periodic medical examinations	<p>Periodic medical examinations carried out annually, even though NR-7 allows biennial evaluations. These evaluations determine the employee's fitness for work and drive them for specific health programs, based on established technical protocols. The data obtained generate epidemiological indicators, help the department's related strategies and allow the evaluation of the impact of actions in progress.</p> <p>We are increasingly improving the quality of medical examinations, regarding both aspects of the employee's experience (waiting time to be assisted, perceived quality of medical examination and of the facilities infrastructure) and technical aspects (adherence of teams to service protocols). To reach these achievements, we have increased the coverage of examinations carried out, following technical protocols and offering the bank's specific programs, under the bank's direct management, supplemented by an accredited health care network that provides coverage nationwide:</p> <ul style="list-style-type: none">Outpatient clinics: nine at the administrative centers in São Paulo;occupational rooms: nine rooms under own management and exclusive service located in Rio de Janeiro, Belo Horizonte, Curitiba, Salvador, Recife and Porto Alegre;reference network: three management rooms outsourced and shared service; andaccredited network: a network of clinics with outsourced, non-exclusive service. <p>It is worth mentioning that to support the medical evaluation of the mental aspects of employees' health, we have adopted the Self Report Questionnaire – 20 (SRQ20), a scientifically validated tool that allows actions in the three levels of health care intervention (prevention, early diagnosis and rehabilitation); therefore, we are able to identify early employees with emotional changes and direct them for psychological/psychiatric evaluation/monitoring and/or professional readaptation.</p>	
	<p><i>Espaço Saúde</i> (Health Space)</p> <p>Multidisciplinary care assistance guided by family medicine principles, in partnership with <i>Sírio Libanês Hospital</i>, integrated into the occupational model. <i>Espaço Saúde</i> is offered at those centers hosting the largest number of employees: CEIC, CAT, CT, ITM, <i>Pinheiros</i>, and <i>Torre</i>.</p>	31,388 people assisted.
	<p>Complementary Clinical Evaluation</p> <p>To identify and monitor absenteeism due to health reasons in our population, we have implemented the Complementary Clinical Evaluation (CCE), a process carried out at outpatient clinics and occupational rooms (except for Porto Alegre). In addition to medical assistance, these evaluations generate inputs for health data bases and indicators.</p>	6,869 appointments made in 2019. 2019 target: expand the program to Porto Alegre -> target met (Sao Paulo, Rio de Janeiro, Salvador, Curitiba, Recife, and Porto Alegre).
	<p>Equilibrium</p> <p>We offer Stress Control Training (SCT) to support employees and promote mental health, by way of 12 weekly meetings via Skype. The purpose is supporting the development and broadening of the range of behaviors to handle current stressor and develop treatment strategies in the future.</p>	447 employees included in the Program. Including employees going under training and those completed.
	<p>Program for Professional Readaptation</p> <p>We offer a multi-disciplinary team to guide and adjust the job activities of employees that, due to health issues, need this help.</p>	2,560 employees assisted by this program.

Rate of examinations run (%)



Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.



Training on occupational health and safety

Internal Accident Prevention Committee (CIPA)	<p>A mandatory committee composed of representatives of the bank's employees (mostly non-technical) that work on the prevention of occupational accidents and diseases and survey inputs in debates on occupational health and safety topics carried out by the bank. Their representatives set the responsibilities and actions required to ensure compliance with ordinances No. 3,214/1978 and SIT No. 14/2007.</p>	<p>22 committees at the bank.</p> <p>317 members.</p> <p>20 hours of individual training/year.</p>
Internal Week of Prevention of Work-Related Accidents (SIPAT)	<p>Held annually at the organization's major administrative centers with a focus on the prevention and awareness-raising of occupational accidents related topics. This initiative is run jointly with CIPA, including staff from different hierarchical levels, such as supervisors, coordinators and analysts.</p> <p>Branches receive SIPAT content via Corporate Portal on the Occupational Safety page.</p>	<p>The lecture "<i>Quebrando o Tabu: vamos falar de Saúde Mental?</i>" was held in November 2019 with Dr. Drauzio Varella for supervisors (1,300 enrolled, 154 were chosen by lot to attend).</p> <p>Approximately 1,500 supervisors watched it on the Internet.</p> <p>Lectures: 32 presentations, of which eight were broadcast live <i>Papo com Saúde</i> (Talking about health): 22 groups at digital branches</p> <p>Relaxation activities: 51 groups.</p> <p>4,000 hits of presentation videos on digital platforms.</p>
Environmental Risk Prevention Program (PPRA)	<p>Rates the performance of business units to check physical, chemical and biological hazards in the environment and proposes adjustments required to eliminate exposure to these risks.</p>	<p>3,830 units visited – 99.76%.</p>
Investigations of occupational and similar accidents (submission of Occupational Accident Report – CAT)	<p>Work-related accident and disease investigation process to determine the causal relation and indicators (main causes, main regions affected, and time off). Analyzing these indicators allows the monitoring and development of action plans for intervention.</p>	<p>362 CATs.</p> <p>Implementing a Safety Alert tool to identify causes, determine action plans and share with all the Occupational Safety Team.</p> <p>Maintaining the distance characterization/investigation program with data collection by telephone and including files in our system, so that the process can be audited.</p> <p>Implementing a direct channel for the employees themselves may request investigation to characterize the occupational accident or disease.</p>
Ergonomic analysis of workstations	<p>Analyses based on field visits to the employee's workstations, focused on preventing any discomfort when doing their daily tasks, including checking conditions of furniture (desks and chairs), equipment for work, approval of ergonomics accessories, description of activities done, organization of working hours and workplace.</p>	<p>Traditional ergonomics analyses carried out, identifying any nonconformity and arrangements through the Non-Conformity Reports (NCRs).</p> <p>Postural guidance activities and Ergonomics Blitz carried out at the centers, with the help of CIPA and SESMT.</p>


Training on occupational health and safety

Workstation evaluation	With a view to enhance employee's comfort, the Occupational Safety Specialist and Engineering team undertakes individual workplace evaluations to improve working postures while carrying out activities, on request of the supervisor or medical recommendation. This action is extremely important for people with disabilities because it is aimed at adjusting working conditions to the characteristics that made them fall into this category.	Responding to requests for workstation evaluation, analyzing and recommending the acquisition and/or change of furniture, ergonomic devices, etc. 115 evaluations carried out.
Environmental survey	Sample evaluations are carried out at our units to measure lighting and noise levels, temperature and speed, relative humidity and quality of the internal air. These evaluations allow the preparation of reports, such as the Environmental Risk Prevention Program (PPRA).	3,830 units visited for environmental survey, in accordance with NR9: • Lighting: 100%; • noise: 100%; • temperature: 100%; and • air speed: 100%.
Preparation of reports on unhealthy or dangerous conditions	On-site inspections made at specific business units to identify unhealthy or hazardous conditions as required by applicable Brazilian legislation. Conducted at all workplaces where employees are potentially exposed to environmental risks.	54 reports available. No unhealthy or hazardous condition was identified in these other locations.
Emergencies	It includes matters related to damage or risks to our employees' lives, with objectives and responsibilities described in policies (CN5 and CN 20). In medical emergency situations, the bank has ten outpatient clinics structured for welfare and emergency assistance, as well as a company contracted for removal from protected areas.	117 removals in 2019.
Emergency workplace escape policies and processes	We have a permanent fire safety policy for the administrative buildings and data center environments, aiming at raising awareness among people and establishing guidelines, responsibilities and a number of procedures to prevent and fight fire and minimize possible damage if it happens.	In compliance with this policy and current legislation, the activities carried out by the bank in 2019 in its administrative units and data center area were: • 41 emergency workplace escape drills – with total participation of 40,000 people; • training of 2,600 new fire brigade members; and • maintenance of 10,000 fire prevention and fight equipment carried out.



Training on occupational health and safety

GRI 403-5

Leadership support for Health promotion	Lectures that aim to promote more health and quality of life, offered to teams that have more than 50 collaborators, on topics such as anxiety, stress and time management.	35 lectures held in 2019.
Occupational Health and Safety Training	Ergonomic adjustment: training is provided by occupational safety experts at the São Paulo telemarketing centers, providing advice on the correct use of furniture and equipment. Refresher training is periodically provided via e-learning. Evaluations and hands-on training are directly run at the workstation on a non-periodic basis (Postural Blitz).	Face-to-face training with four hours duration.
	Workplace Safety Representatives: at branches, where a CIPA is not required, we provide training and e-learning for supervisors and branch supervisors about occupational accident and disease prevention.	Training courses under the Integrity and Ethics Education Program – OHS module:
	Employee Health and Safety (NR-1): employees receive full guidelines relating to occupational accident and disease prevention via e-learning.	<ul style="list-style-type: none">• 2017 – 86% adherence;• 2018 – 87% adherence;• 2019 – 94% adherence; and• 2020 target – keep 2019 target – 90%.
	Ergonomics Training for Tellers: following the installation of new cash counters in the branch network, all tellers are trained in the correct use of the new facilities.	Training and e-learning program kept and monitored in 2019. Adherence in 2019: 89.5%.
Occupational Health and Training for Third Parties	Our OHS policy and guidelines for suppliers are available on the Supplier Portal  , including a reporting channel for any misconduct by the contracting party in nonconformity with the guidelines listed in the policy. NR-17 is audited by us at the largest service centers (external auditors), required by the business.	

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.

Rates of Health and Safety per region

GRI 403-9

Region	Work-related injuries			Working days lost			Occupational illnesses			Absenteeism ⁽¹⁾		
	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017
South	7.23	3.00	3.70	2,385	2,234	2,254	6.80	2.64	3.20	1.15	1.19	1.10
Southeast	1.86	1.46	1.30	447	373	373	1.31	0.93	0.83	1.49	1.30	1.15
Central-West	4.59	1.36	1.40	1,542	1,348	1,301	4.37	1.31	1.33	1.50	1.48	1.19
Northeast	15.04	12.2	8.50	4,874	3,909	3,338	14.67	11.86	8.23	2.15	1.85	1.75
North	3.43	2.56	2.20	1,202	1,012	958	3.43	2.41	2.26	1.22	1.15	1.10
Total	2.92	2.06	1.87	820.9	707.5	693.13	2.40	1.57	1.39	1.49	1.32	1.18

(1) Calculation of absenteeism: absenteeism = (total days of absence for health reasons in the period / total days worked by internal public in the same period) x 100.

Rates of Health and Safety per gender

GRI 403-9

Gender	Work-related injuries			Working days lost			Occupational illnesses			Absenteeism ⁽¹⁾		
	2019	2018	2017	2019	2018	2017	2019	2018	2017	2019	2018	2017
Women	3.39	2.59	2.14	959.65	1,050.66	807.47	2.79	2.23	1.58	1.83	1.35	1.44
Men	2.25	2.02	1.46	622.15	689.97	518.51	1.84	1.72	1.09	1.00	0.76	0.79
Total	2.92	2.06	1.87	820.90	707.5	693.13	2.40	1.57	1.39	1.49	1.32	1.18

(1) Calculation of absenteeism: absenteeism = (total days of absence for health reasons in the period / total days worked by internal public in the same period) x 100.

Deaths⁽¹⁾

GRI 403-9

	2019	2018	2017
Total	1	1	2

(1) Death by accidents commuting to work.

Note: For information on employees, we included information on Itaú Unibanco companies managed by the Human Resources department only, except for foreign units.



Responsible management

GRI 103-2 Responsible management | GRI 103-3 Responsible management

We strengthen our commitment to responsible management by actions such as the implementation of the Environmental Management System (based on Standard NBR ISO 14001:2015), joining Voluntary Commitments and Compacts, supporting the development of public policies and other initiatives, and through transparency in reporting financial and non-financial information.

Use of resources

Initiatives carried out in 2019

GRI 303-1



Water

Indicator	Initiative	Area	Summary	Investment (R\$)	Return (R\$/year)	Savings (CM/year)
Water	Expanding the use of alternate water supply sources	Head office	Expanding the use of rainwater to minor uses at the CAT (<i>Centro Administrativo Tatuapé</i>).	74,000	36,393	3,140
Water	Building a wastewater treatment plant (WWTP) in the Eudoro Villela Tower in the Corporate Center	Head office	A WWTP A provides for the use of wastewater as a new reused water supply source for Chilled Water Stations (CWS), toilet flushes and other non-potable uses. Itaú incurred zero cost for the WWTP implementation. In a seven-month long operation it generated savings of 3,046 cubic meters of water in 2019.	0	16,000	3,046
Water	Installing dual flush valves	Head office	Installing self-closing valves and dual flush valves. Dual flush valves allow toilets to use only the required water volume according to the user's need.	19,491	37,945	1,558
Water	Filtering cooling towers	CTSP	The system implemented aims to reduce the input of chemical products for water treatment and improve water quality and, as a result, the centrifuge approach. This process aims at the improved efficiency of the air-conditioning system operation, but with no direct return in terms of finance and savings.	1,168,980,00	N.A.	N.A.



Energy

GRI 302-4

Indicator	Initiative	Area	Summary	Investment (R\$)	Return (R\$/year)	Savings (kWh/year)
Energy	Replacement of major operation equipment	Head office	Replacement and retrofit of equipment such as: chilled water stations, chillers, and frequency inverters.	14,083,582	1,520,880	2,606,756
Energy	Replacement of fluorescent light for LED bulb lights	Head office	A major program to replace fluorescent light for LED bulb lights at 27 centers of head office.	1,203,805	712,699	1,830,044
Energy	Optimization and automation of air-conditioning and lighting equipment	Head office	Implementing and optimizing the automation of air-conditioning and lighting equipment.	3,318	890,869	921,264
Energy	New energy sources	Head office	Installing photovoltaic panels at the roof top of the building in the East Zone of São Paulo.	460,787.00	56,595.03	N.A.
Energy/PUE	Chiller Optimizer	CTSP	A solution implemented to improve and optimize data center cooling, helping the system to reach the highest efficiency potential.	110,329.20	Implemented in 2019, this system will commence to be tested in 2020.	To be assessed after the testing stage.
Energy/PUE	Turning off fan coils 7ºD	CTSP	Turning off cooling machines in data centers, due to reduction in IT load.	N.A.	7,801.35	15,921.00
Energy/PUE	Turning off PDPs 7ºD	CTSP	Turning off power distribution panels inside the equipment environment, due to reduction in IT load.	N.A.	142,164.29	290,131.00
Energy/PUE	Turning off mechanical (UPS) ⁽¹⁾ 7ºD	CTSP	Turning off power distribution panels in the data center, due to reduction in IT load.	N.A.	47,388.10	96,710.00
Energy/PUE	Closing halls at Data Hall	CTMM	Closing off the equipment hall in the data center, thus improving air distribution in the environment.	40,690.07	106,434.00	236,520.00
Energy	Retrofit of air-conditioning equipment	Branches	Retrofit of air-conditioning equipment in branches.	20,380,581	N.A.	N.A.
Energy	Automation of air-conditioning and lighting equipment	Branches	Expanding the automation of air-conditioning and lighting equipment in branches.	7,134,695	1,859,997	2,038,254

(1) Uninterruptible Power Supply (Nobreaks).



Waste

Indicator	Initiative	Area	Summary	Investment (R\$)	Return (R\$/year)	Savings
Waste	Reusable cups	Head office	Distribution of reusable cups to all employees at administrative centers (Head Office and Wholesale) aimed to reduce the consumption of plastic cups. We expect a change in employees' behavior to rethink their input consumption habits.	219,450.70	Calculation in progress.	A minor reduction in the consumption of plastic cups; we are following up indicators.

In addition to our sources of potable water, in our administrative and technology centers we collect, reclaim and treat rainwater and wastewater to reduce the use of water supplied by the water utility. Treated reused water is used in our toilets flushes, air conditioning equipment (such as the cooling towers) and in the cleaning of outside areas and façades.

We are responsible for the proper disposal and return of the waste from

electrical and electronic equipment (WEEE), critical factors of our business. We have developed a process to dispose the waste of electrical and electronic equipment since 2009, disposing the waste of electrical and electronic equipment across the Brazilian territory in an environmentally proper manner with 100% of recycling. Equipment undergoes a reverse logistics and reverse manufacturing process and are later reintroduced in the production chain as raw materials.

We are an increasingly digital bank, although our activities are characterized by paper-intensive activities, driven by the need to formalize financial transactions. The reams of paper used in all our correspondence are certified by the International Forest Stewardship Council (FSC), as well as other paper and furniture used in our operations. We do not use recycled paper in our operations due to its low quality for the type of printing used in the corporate environment.

Materials used

GRI 301-1

Volume (metric tons)		2019	2018
Correspondence for clients	Large paper rolls	1,501.0	1,802.0
	Envelope	179.0	214.0
	Form	1.3	6.4
	A4 paper	16.9	73.1
Checks	Checkbooks	121.9	154.0
	Form	23.0	25.6
	Electronic check dispenser	70.5	75.7

Emissions

We are signatories to the CDP Supply Chain program, which steers the carbon emission agenda and its management to the supply chain of large companies. We are members of the Benchmark Club of the Carbon Disclosure Program (CDP) Latin America, in addition to making up the portfolios of the Corporate Sustainability Index (ISE), the Carbon Efficient Index (ICO2), and the Dow Jones Sustainability Index (DJSI), which report our emissions every year. Against this backdrop, we have implemented measures to directly or indirectly reduce GHG emissions and other pollutants associated with our business.

To minimize the impacts of our operations on the environment, we offset 100% of our scope 1 and 2 emissions through the Commitment to Climate Program (www.compromisso.ekos.social). Launched in September 2017 in partnership with Natura, this program was originally aimed to offset 500 thousand tons of CO₂ through independent projects which corresponded to the emissions of these two companies for 2016 and 2017. The Commitment to the Climate program earned the support of other companies, and is currently formed by Natura, Renner, B3, MRV, and Itaú, as institutional supporters.

We at Itaú understand the importance of offsetting our emissions, seeking to reduce our impact on global warming and climate change. In conformity with the best market practices, we understand it is even more important to reduce our absolute emissions, that is, those generated by our operations. Therefore, every year we implement a number of actions to improve efficiency and the intelligent use of the bank's resources. Among these actions, we highlight the responsible choice of suppliers, that is, choosing to work with suppliers aligned with our sustainability practices, such is the case of our supplier providing employee transportation between our centers.

To improve the quality of the service offered to employees and choose a supplier engaged in eco-efficiency actions, and offsetting carbon in the whole operation, the supplier of the transportation mode between the centers was assessed, as well as the routes taken by it.

The main eco-efficiency actions carried out by the supplier are:

1. Reforestation: Annual planting of native trees of the Atlantic Forest, in partnership with Instituto Ipê, carried out at the Atibainha dam.

2. Recycling of all solid and liquid waste derived from corrective and preventive maintenance activities of the company's total vehicle fleet.

3. Using rainwater for cleaning the vehicle fleet and yard.

Publicly aligned with our Positive Impact Commitments (Commitment 8) we also have the target to reduce kilometers driven for business travel, which includes the following transportation modes:

- Between centers: vans carrying employees between some of the administrative centers of Itaú Unibanco holding company.

- Shuttles: buses carrying employees between administrative centers and the subway and train stations closest to these centers.

- Executive fleet: Executive cars remain parked at the headquarters of Itaú Unibanco Corporate Center and carry our employees who hold executive positions.

Compared with 2018, in 2019 commuting to work was up 26.81%, mainly driven by the transfer of operations of some departments of the bank and a change in the operations of the fleet between the centers, which started to be operated by a new supplier.

Business travel	2020	2019	2018	2017
Total realized – by land	-	2,269,205	1,789,386	2,078,805
Target	1,648,154	1,856,278	1,999,811	– ⁽¹⁾
Target met?	-	No	Yes	-
Change (%)	-	26.81	(16)	(12)
Kilometers travelled (air and land)	-	133,337,655	178,161,381	227,009,386

(1) Target was revisited in 2018.

Considering all means of transportation used by our holding company's employees (air and land), in 2019 we were responsible for the emission of 13,847.90 tCO₂e⁽¹⁾, and we travelled 133,337,654.76 km, down 25% year-on-year, mainly driven by the bank's digitalization and efficiency move that led to a more conscious use of the means of transportation, supporting the streamlining of meetings or digital meetings.

Mitigation and prevention investments (R\$)	2019	2018	2017
Waste management – treatment and disposal	7,397,613.12	3,933,033.00	2,376,744.26
Purchase and use of emission certificates (IREC)	885,393.60	608,200.00	-
Conduct Adjustment Agreement	128,860.00	40,584.00	40,584.00
Remediation of contaminated areas	1,336,392.63	1,166,729.06	686,916.00
External certification of management systems	1,094,989.49	35,809.30	41,719.90
Extra expenses to install cleaner technologies/other costs	49,500.00	3,135,720.93	8,169,790.90

We did not identify monetary sanctions or significant fines due to noncompliance with environmental legislation.

GRI 307-1

(1) Takes into consideration (i) scope 3 sources (of the inventory): mobile combustion – air, mobile combustion – road and passenger transport; and (ii) activities: airplane charter, helicopter charter, conventional fleet, bus, fuel reimbursement, taxi fuel, taxi, van, and air travel, and visits to clients.

Suppliers

GRI 102-9

Our Code of Relationship with Suppliers is aimed at providing the same transparency, legality, quality and reliability we have with our clients in the interactions with our suppliers and service providers.

Business relations are set out by means of a formal hiring process, the purpose of which is to minimize the possible financial, reputational, operational and legal impacts during the provision of the service or after the termination of the contract. After being registered in our system, companies are submitted to an administrative approval process, with an analysis of the supplier's adherence to E&S responsibility practices, compliance with and respect to fiscal, tax and labor legislation (regularity of certificates, licenses, payment of taxes, salaries and contributions) and compliance

with their corporate obligations, by using the same tools adopted to assess clients (credit analysis, indebtedness with the market and suppliers, anti-money laundering, fraud, anticorruption law, and other discrediting facts).

We periodically monitor our suppliers based on the risks of the category of services or products supplied.

Monitoring criteria are the same as those used in the administrative assessment process, aimed at checking whether the supplier's initial condition has been maintained, and, in case any significant facts are identified at any time, this supplier may be blocked for new procurements and eventually have their contracts terminated.

Suppliers must adhere to the guidelines set out in our Code of Relationship with Suppliers, which governs interactions by way of a statement of the values that define expected conducts: Ethical and Long-Lasting Relationship, Transparency, Traceability and Integrity, Simplicity and Efficiency, Sustainable Results, Cooperation and Risk Management. We also encourage our suppliers to adopt commitments focused on valuing human rights and diversity in their agendas.

In 2019, we had 14,798 approved suppliers (Brazil), of which 1,269 were new, with an approval rate of suppliers of 84.54%. The estimated monetary value of payments made to suppliers totaled R\$14.7 billion.

GRI 308-1 | GRI 308-2 | GRI 414-1 | GRI 414-2

Supplier evaluation results

	2019	2018	2017	2019/2018 change (%)
Suppliers approved (Brazil)	14,798	13,789	12,989	7.32
New supplies approved (Brazil)	1,269	1,665	1,678	(23.78)
GRI 308-1 GRI 414-1				
Approval rate of suppliers (Brazil) – %	84.54	94.55	68.30	(10.59)
GRI 308-1 GRI 414-1				
Number of procurement processes	5,224 ⁽¹⁾	11,456	16,285 ⁽²⁾	(54.40)
Total amount purchased (R\$ billion)	8.99	12.2	10.4	(26.31)
Purchases from local suppliers – Brazilian companies and/or subsidiaries in Brazil (% of expenses in Brazil)	97.80	99.50	98.71	(1.70)
GRI 204-1				
Purchases from local suppliers – in the same state (% of local suppliers)	77.42	54.70	56.00	41.54
GRI 204-1				

(1) We changed the counting of items for closed demand counting.

(2) The changes in processes and the improvement of controls arising from the New Procurement Model have led to a reduction in the number of purchase orders in 2017. The streamlining of processes, implementation of the screening cell, exception flow, consolidation of orders in the pools and delegated purchase were some of the processes that contributed to this reduction.

Also in 2019, under our periodic supplier risk monitoring process, we assessed 33,826 suppliers under the reputational approach, which takes into account E&S criteria.

Suppliers by category (%)⁽¹⁾

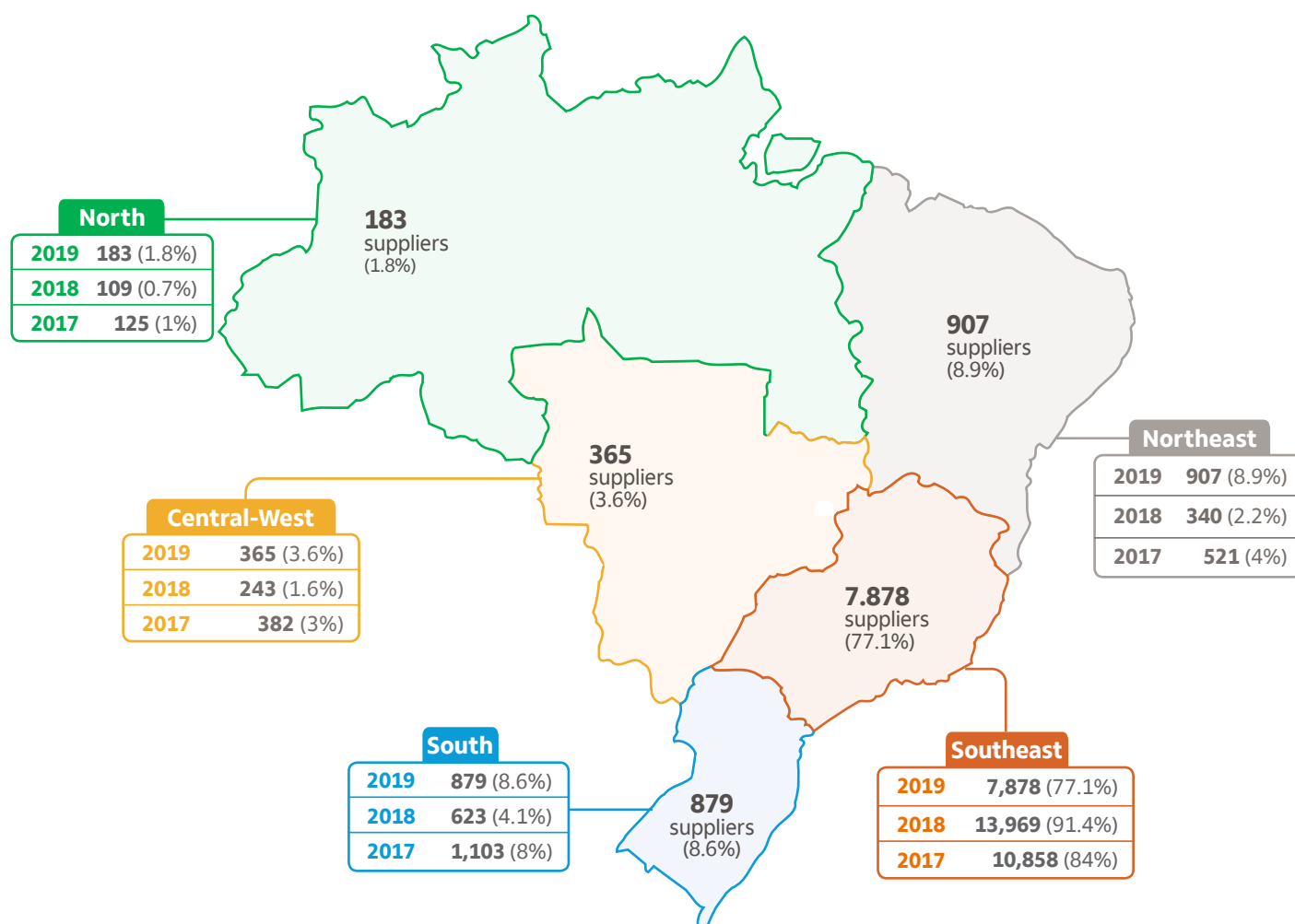
GRI 102-9

Category	2019
Maintenance, works and equity	28.9
Advisory and consulting	3.7
Information technology	4.7
Marketing	5.8
Training and benefits	5.5
Legal expenses	3.1
Telecommunications	0.7
Call center	0.9
Security	0.7
Post office, card and check inputs	1.6
Valuable deliveries	1.1
Other	43.4
Grand total	100.0

(1) We changed the concept for suppliers with payments in 2019.

Suppliers by region

GRI 102-9





Value creation

GRI 201-1

On the financial side, value creation is identified by using the DVA, which is an accounting statement aimed at presenting the way the wealth created among different sectors involved in the process is distributed.

Since it is a financial statement required by local regulators, the information it contains is extracted from the financial statements based on accrual method of accounting. The Statement of Value Added is calculated based on the difference between the financial value

generated by the business and the goods and services generated by third parties and used by the Itaú Unibanco.

In 2019, the Value Added under IFRS totaled R\$76.0 billion and wealth was distributed as follows:

Distribution of Value Added (DVA) ⁽¹⁾ – R\$ billion	2019	2018	2017
	R\$76.0	R\$73.0	R\$67.2
Sector	%		
Employees	29	30	30
Profit reinvestments	11	3	9
Taxes, fees and contributions	31	32	30
Payment to stockholders	27	33	29
Others	2	2	2

(1) Calculated in accordance with the Brazilian Accounting Practices (BRGAAP). Includes recurring net income and the reclassification of hedge tax effects of investments abroad to the financial margin.

Private social investment

GRI G4-DMA Economic performance

Corporate citizenship is in consonance with our history. We support and fund projects that contribute to the progress of society and make a difference in the life of thousands of people.

As a financial institution, we recognize our role as transformation agent and promoter of development, that's why our strategy aims to contribute to the Sustainable Development (SDG) and to consider priority the incidence in public policies and collective agendas globally, nationally or locally, thus building new collaboration models among sectors of

society and integrating the SDGs into plans and policies of states and municipalities. Our actions are focused on the areas of education, culture, sport, urban mobility, aging and entrepreneurship. These causes are materialized in three ways: by through the direct contribution of financial resources; via fostering subscribed projects incentive laws; and our institutes and foundations. Among the actions carried out in 2019, we highlight the *Editais Esporte* (Sports Projects Call Notice), *Editais Idoso* (Seniors Projects Call Notice), *Leia para uma criança* (Read to a Child) program, Bicycle Sharing System, *Gincana da*

Solidariedade (Solidarity campaign), and the income tax allocation.

In 2019, we invested R\$780.7 million in projects in Brazil and abroad, through our foreign units, of which 69% were by way of donations and sponsorships provided by Itaú Unibanco itself and 31% were through funding subsidized by the Rouanet Law (culture), the Sports Incentive Law (sports), Statute of the Elderly (elderly), PRONAS (health), PRONON (health) and FUMCAD (education).

GRI 201-4

Private social investment in details

GRI 201-1 | GRI G4-DMA Economic performance

Sponsorships	Total of 2019 (R\$ million)	Brazil				LATAM			
		Amount (R\$ million)		Number of projects		Amount (R\$ million)		Number of projects	
		2019	2018	2019	2018	2019	2018	2019	2018
Not incentivized⁽¹⁾	536.7	499.8	485.1	1,090	1,086	36.9	33.1	107	125
Education	260.8	259.0	266.6	445	501	1.9	4.9	35	45
Sports	1.6	1.6	4.9	6	4	0.01	0.7	1	2
Culture	123.2	119.0	105.9	298	240	3.8	13.1	36	43
Urban mobility	86.1	57.6	64.3	28	45	28.6	10.5	4	3
Diversity	4.8	4.8	7.6	26	44	-	-	-	-
Innovation and entrepreneurship	47.6	47.5	24.5	211	183	0.1	0.6	6	11
Development and local participation	12.6	10.0	11.4	76	69	2.6	3.4	25	21
Incentivized	244.1	232.8	109.1	400	216	11.3	3.6	7	11
Culture	126.5	118.2	51.6	146	83	8.4	2.7	3	1
Sports	30.1	30.1	12.4	63	24	-	-	-	-
Education	32.8	29.9	12.4	118	58	2.9	0.9	4	10
Health	24.7	24.7	20.3	18	35	-	-	-	-
Statute of the elderly and civil society organizations	30.0	30.0	12.3	55	16	-	-	-	-
Total (R\$ million)	780.8	732.6	594.2	1,490	1,302	48.2	36.8	114	136

Instituto Unibanco

Instituto Unibanco is a nonprofit organization that works for the improvement of the quality of K-12 public education's quality through management. Its goal is to help

students stay in school, improve learning, and reduce educational inequalities. The Institute's work is based on evidence, valuing diversity, and accelerating

change through management. Founded in 1982, the Institute is part of the group of entities responsible for private social investment at Itaú Unibanco.

www.institutounibanco.org.br



Summary of GRI and SASB indicators

GRI Content index for “in accordance” – Standards option Core

GRI 102-54 | GRI 102-55

GRI 101 Foundation

GRI 102 General disclosures – Standards

Indicators: Organization profile		Page number (or link)	External assurance
102-1	Name of the organization	IAR 06	No
102-2	Activities, brands, products, and services	IAR 28	No
102-3	Location of headquarters	IAR 07	No
102-4	Location of operations	IAR 13	No
102-5	Ownership and legal form	We are a publicly traded corporation.	No
102-6	Markets served	IAR 13	No
102-7	Scale of the organization	IAR 12 IAR 32	No
102-8	Information on employees and other workers	ESG-FI 64 ESG-FI 68 ESG-FI 69	Yes
102-9	Supply chain	ESG-FI 94 ESG-FI 95	No
102-10	Significant changes to the organization and its supply chain	IAR 12 IAR 40 ESG-FI 54	No
102-11	Precautionary principle or approach	ESG-FI 21	Yes
102-12	External initiatives	ESG-FI 61	No
102-13	Membership of associations	ESG-FI 60 ESG-FI 61	No
Indicators: Strategy			
102-14	Statement from senior decision-maker	IAR 08	No
102-15	Key impacts, risks, and opportunities	ESG-FI 21 ESG-FI 23 IAR 50 IAR 89	No
Indicators: Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	ESG-FI 36 ESG-FI 37	Yes
102-17	Mechanisms for advice and concerns about ethics	IAR 59 ESG-FI 46	Yes
Indicators: Governance structure			
102-18	Governance structure	ESG-FI 09 ESG-FI 10	No
102-20	Executive-level responsibility for economic, environmental, and social topics	ESG-FI 09 ESG-FI 10	Yes
102-25	Conflicts of interest	IAR 22	No
102-35	Remuneration policies	IAR 24 IAR 25 ESG-FI 80	Yes
102-36	Process for determining remuneration	IAR 24 IAR 25 ESG-FI 80	Yes

GRI 102 General disclosures – Standards

Indicators: Stakeholder engagement		Page number (or link)	External assurance
102-40	List of stakeholder groups	IAR 43	Yes
102-41	Collective bargaining agreements	IAR 25 IAR 65	No
102-42	Identifying and selecting stakeholders	IAR 43	Yes
102-43	Approach to stakeholder engagement	ESG-FI 12 IAR 43	Yes
		The organization has several communication channels to stakeholders, with different frequencies, as mentioned in previous reports. This year, it was decided to highlight to the construction process of the eight Positive Impact Commitments.	
102-44	Key topics and concerns IA ised	IAR 43	Yes
Indicators: Reporting practice			
102-45	Entities included in the consolidated financial statements	IAR 06	Yes
102-46	Defining report content and topic boundaries	IAR 43	Yes
102-47	List of material topics	IAR 42	Yes
102-48	Restatements of information	ESG-FI 48 ESG-FI 70 ESG-FI 71 IAR 05 – There is a difference in the calculation for black employee tables, which are detailed in the footer of the respective ones.	Yes
102-49	Changes in reporting	IAR 05 – This year we started to report the indicators 207-1 207-2 207-3 and 207-4 , that were launched in 2019 by GRI.	Yes
102-50	Reporting period	IAR 06	Yes
102-51	Date of most recent report	2018 – IAR 06	Yes
102-52	Reporting cycle	Annual – IAR 05 IAR 06	Yes
102-53	Contact point for questions regarding the report	relacoes.investidores@itau_unibanco.com.br	No
102-54	Claims of reporting in accordance with the GRI Standards	This report was prepared in accordance with the GRI Standards option: "according" – option Essential.	Yes
102-55	GRI content index	GRI Content Index	No
102-56	External assurance	IAR 06 IAR 07 IAR 93 ESG-FI 110	Yes

GRI 103 Management approach – Material topics

Indicators	Page number (or link)	Omission(s)	Reason(s) for omission(s)	Explanation for omission(s)	External assurance
Material topic – Reporting and communication transparency					
103-1	Reporting and communication transparency: Explanation of the material topic and its boundary	ESG-FI 11 IAR 45			No
103-2	Reporting and communication transparency: The management approach and its components	ESG-FI 11 IAR 45			No
103-3	Reporting and communication transparency: Evaluation of the management approach	ESG-FI 11 IAR 45			No
Material topic – Financing in positive impact sectors					
103-1	Financing in positive impact sectors: Explanation of the material topic and its boundary	ESG-FI 13 IAR 48			No
103-2	Financing in positive impact sectors: The management approach and its components	ESG-FI 13 IAR 48 IAR 49			Yes
103-3	Financing in positive impact sectors: Evaluation of the management approach	ESG-FI 13 IAR 48 IAR 49			Yes
Material topic – Responsible investment					
103-1	Responsible investment: Explanation of the material topic and its boundary	ESG-FI 26 IAR 50			No
103-2	Responsible investment: The management approach and its components	ESG-FI 26 IAR 50			No
103-3	Responsible investment: Evaluation of the management approach	ESG-FI 26 IAR 50			No
Material topic – Inclusion and entrepreneurship					
103-1	Inclusion and entrepreneurship: Explanation of the material topic and its boundary	IAR 53			No
103-2	Inclusion and entrepreneurship: The management approach and its components	IAR 53 ESG-FI 27			Yes
103-3	Inclusion and entrepreneurship: Evaluation of the management approach	IAR 53 ESG-FI 27			Yes
Material topic – Financial citizenship					
103-1	Financial citizenship: Explanation of the material topic and its boundary	IAR 56			No
103-2	Financial citizenship: The management approach and its components	ESG-FI 33 IAR 56			Yes
103-3	Financial citizenship: Evaluation of the management approach	ESG-FI 33 IAR 56			Yes

GRI 103 Management approach – Material topics

Indicators		Page number (or link)	Omission(s)	Reason(s) for omission(s)	Explanation for omission(s)	External assurance
Material topic – Ethics in relations and business						
103-1	Ethics in relations and business: Explanation of the material topic and its boundary	IAR 58				No
103-2	Ethics in relations and business: The management approach and its components	ESG-FI 36 IAR 58				Yes
103-3	Ethics in relations and business: Evaluation of the management approach	ESG-FI 36 IAR 58				Yes
Material topic – Inclusive management						
103-1	Inclusive management: Explanation of the material topic and its boundary	IAR 62				No
103-2	Inclusive management: The management approach and its components	ESG-FI 63 IAR 62				No
103-3	Inclusive management: Evaluation of the management approach	ESG-FI 63 IAR 62				No
Material topic – Responsible management						
103-1	Responsible management: Explanation of the material topic and its boundary	IAR 67				No
103-2	Responsible management: The management approach and its components	IAR 67 ESG-FI 90				No
103-3	Responsible management: Evaluation of the management approach	IAR 67 ESG-FI 90				No
Topic-specific disclosure – Economic						
GRI 201 – Economic performance						
201-1	Direct economic value generated and distributed	IAR 14 ESG-FI 96 ESG-FI 97				Yes
201-2	Financial implications and other risks and opportunities due to climate change	IAR 51 ESG-FI 21				Yes
201-4	Financial assistance received from government	ESG-FI 97				Yes
GRI 203 – Indirect economic impacts						
203-2	Significant indirect economic impacts	ESG-FI 29 IAR 54				Yes
GRI 204 – Procurement practices						
204-1	Proportion of spending on local suppliers	ESG-FI 94				No
GRI 205 – Anti-corruption						
205-2	Communication and training about anti-corruption policies and procedures	ESG-FI 38				Yes
GRI 206 – Anti-competitive behavior						
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	ESG-FI 54				Yes

Topic-specific disclosure – Economic

Indicators	Page number (or link)	Omission(s)	Reason(s) for omission(s)	Explanation for omission(s)	External assurance
GRI 207 – Tax (version 2019)					
207-1	Approach to tax	ESG-FI 54			Yes
207-2	Tax governance, control, and risk management	ESG-FI 54			Yes
207-3	Stakeholder engagement and management of concerns related to tax	ESG-FI 54			Yes
207-4	Country-by-country reporting	ESG-FI 54			Yes

Topic-specific disclosure – Environmental

GRI 301 – Materials

301-1	Materials used by weight or volume	ESG-FI 92			No
-------	------------------------------------	---------------------------	--	--	----

GRI 302 – Energy

302-1	Interactions with water as a shared resource	IAR 70			Yes
302-4	Reduction of energy consumption	ESG-FI 91			Yes

GRI 303 – Water and effluents (version 2018)

303-1	Interactions with water as a shared resource	IAR 68 ESG-FI 90			Yes
303-3	Water withdrawal	IAR 68			No

GRI 305 – Emissions

305-1	Direct (Scope 1) GHG emissions	IAR 71			Yes
305-2	Energy indirect (Scope 2) GHG emissions	IAR 71			Yes
305-3	Other indirect (Scope 3) GHG emissions	IAR 71			Yes
305-5	Reduction of GHG emissions	IAR 71			No

GRI 306 – Effluents and waste

306-2	Waste by type and disposal method	IAR 70			No
-------	-----------------------------------	------------------------	--	--	----

GRI 307 – Environmental compliance

307-1	Non-compliance with environmental laws and regulations	ESG-FI 93			Yes
-------	--	---------------------------	--	--	-----

GRI 308 – Supplier environmental assessment

308-1	New suppliers that were screened using environmental criteria	ESG-FI 94			No
308-2	Negative environmental impacts in the supply chain and actions taken	ESG-FI 94			No

Topic-specific disclosure – Social

Indicators	Page number (or link)	Omission(s)	Reason(s) for omission(s)	Explanation for omission(s)	External assurance
GRI 401 – Employment					
401-1	New employee hires and employee turnover	ESG-FI 81 ESG-FI 82			Yes
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	IAR 65			No
GRI 403 – Occupational health and safety (version 2018)					
403-2	Hazard identification, risk assessment, and incident investigation	ESG-FI 83			Yes
403-3	Occupational health services	ESG-FI 83 ESG-FI 84			No
403-5	Worker training on occupational health and safety	ESG-FI 88			No
403-6	Promotion of worker health	ESG-FI 85 ESG-FI 86 ESG-FI 87			No
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESG-FI 85 ESG-FI 86 ESG-FI 87			No
403-9	Work-related injuries	ESG-FI 89			Yes
GRI 404 – Training and education					
404-1	Average hours of training per year per employee	ESG-FI 77			No
404-2	Programs for upgrading employee skills and transition assistance programs	ESG-FI 81			No
404-3	Percentage of employees receiving regular performance and career development reviews	ESG-FI 78 ESG-FI 79			No
GRI 405 – Diversity and equal opportunity					
405-1	Diversity of governance bodies and employees	IAR 64 ESG-FI 64 ESG-FI 65 and ESG-FI 67 until ESG-FI 73			Yes
405-2	Ratio of basic salary and remuneration of women to men	ESG-FI 80			Yes

Topic-specific disclosure – Social

Indicators		Page number (or link)	Omission(s)	Reason(s) for omission(s)	Explanation for omission(s)	External assurance
GRI 406 – Non-discrimination						
406-1	Incidents of discrimination and corrective actions taken	IAR 59 IAR 60 ESG-FI 46 until ESG-FI 48 ESG-FI 50				Yes
GRI 414 – Supplier social assessment						
414-1	New suppliers that were screened using social criteria	ESG-FI 94				No
414-2	Negative social impacts in the supply chain and actions taken	ESG-FI 94				No
GRI 415 – Public policy						
415-1	Political contributions	ESG-FI 54				Yes
GRI 417 – Marketing and labeling						
417-3	Incidents of non-compliance concerning marketing communications	ESG-FI 54				Yes
GRI 418 – Customer privacy						
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESG-FI 39				No
Sector disclosures						
Indicators		Page number (or link)	Omission(s)	Reason(s) for omission(s)	Explanation for omission(s)	External assurance
Sector disclosure – financial services (G4 version): Economic performance						
G4-DMA	Economic performance	IAR 14 IAR 52 ESG-FI 97				Yes
Sector disclosure – financial services (G4 version): Product portfolio						
G4-DMA	Product portfolio: Policies with specific environmental and social components applied to business lines (former FS1)	ESG-FI 13 ESG-FI 24				Yes
G4-DMA	Product portfolio: Procedures for assessing and screening environmental and social risks in business lines (former FS2)	IAR 20 ESG-FI 13 ESG-FI 24				Yes
G4-DMA	Product portfolio: Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions (former FS3)	ESG-FI 13 ESG-FI 24				Yes

Sector disclosures

Indicators		Page number (or link)	Omission(s)	Reason(s) for omission(s)	Explanation for omission(s)	External assurance
G4-DMA	Product portfolio: Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines (former FS4)	ESG-FI 13 ESG-FI 24				Yes
G4-DMA	Product portfolio: Interactions with clients/ investees/business partners regarding environmental and social risks and opportunities (former FS5)	IAR 50				Yes
G4-FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/sme/large) and by sector	ESG-FI 16 until ESG-FI 18				Yes
G4-FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	IAR 55 ESG-FI 28				Yes
G4-FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	IAR 49 ESG-FI 19				Yes
Sector disclosure – financial services (G4 version): Audit						
G4-DMA	Audit: Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures (former FS9)	ESG-FI 24				Yes

Sector disclosures

Indicators		Page number (or link)	Omission(s)	Reason(s) for omission(s)	Explanation for omission(s)	External assurance
Sector disclosure – financial services (G4 version): Active ownership						
G4-FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues	ESG-FI 26				Yes
G4-FS11	Percentage of assets subject to positive and negative environmental or social screening	ESG-FI 26				Yes
G4-DMA	Voting policy(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting (former FS12)	ESG-FI 26				No
Sector disclosure – financial services (G4 version): Local communities						
G4-FS13	Access points in low-populated or economically disadvantaged areas by type	IAR 54 ESG-FI 27				Yes
G4-FS14	Initiatives to improve access to financial services for disadvantaged people	ESG-FI 29				Yes
Sector disclosure – financial services (G4 version): Product and service labeling						
G4-DMA	Product and service labeling: Policies for the fair design and sale of financial products and services (former FS15)	ESG-FI 26 ESG-FI 35				No
G4-DMA	Product and service labeling: Initiatives to enhance financial literacy by type of beneficiary (former FS16)	IAR 56 ESG-FI 33 ESG-FI 35				Yes

Summary of SASB indicators – Commercial Banks

Theme	Code	Accounting metric	Page	Commented grip	External assurance
Data security	FN-CB-230a.1	Number of data breaches, percentage involving personally identifiable information (PII), number of account holders affected. Note a FN-CB-230a.1 – The entity shall describe the corrective actions taken in response to data breaches.		Not reported – The information requested is considered strategic by the company and is therefore not disclosed.	No
	FN-CB-230a.2	Description of approach to identifying and addressing data security risks.	ESG-FI 42	Partial – The requested regulations are not applicable in Brazil.	Yes
Financial inclusion & capacity building	FN-CB-240a.1	Number and amount of loans outstanding qualified to programs designed to promote small business and community development. Note a FN-CB-240a.1 – The entity shall provide a description of its short-term and long-term strategy or plan to expand its portfolio of loans qualified to programs designed to promote small business and community development.	ESG-FI 27 IAR 53	Partial – The requested regulations are not applicable in Brazil.	Yes
	FN-CB-240a.2	Number and amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development.	ESG-FI 27 ESG-FI 28 IAR 53 IAR 55	Partial – The requested regulations are not applicable in Brazil.	Yes
	FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers.		Not reported – In Brazil, we have no control over information that can determine which customers were previously unbanked or underbanked.	No
	FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers. Note a FN-CB-240a.4 – The entity shall describe its initiatives, programs, and/or financial services that are focused on enhancing the financial literacy of unbanked, underbanked, or underserved customers.	ESG-FI 27 ESG-FI 33 IAR 53 IAR 56	Partial – In Brazil, we have no control over information that can determine which customers were unbanked, underbanked or underserved.	Yes
Incorporation of environmental, social, and governance factors in credit analysis	FN-CB-410a.1	Commercial and industrial credit exposure, by industry.	ESG-FI 19	Partial – The requested regulations are not applicable in Brazil.	Yes
	FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis.	ESG-FI 13 ESG-FI 26 IAR 48	Partial – Some information required by the indicator is not available.	Yes

Theme	Code	Accounting metric	Page	Commented grip	External assurance
Business ethics	FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations. Note a FN-CB-510a.1 – The entity shall briefly describe the nature (e.g., judgment or order issued after trial, settlement, guilty plea, deferred prosecution agreement, or non-prosecution agreement) and context (e.g., fraud, anti-trust, or market manipulation) of all monetary losses as a result of legal proceedings.	ESG-FI 55	Partial – The requested regulations are not applicable in Brazil.	Yes
	FN-CB-510a.2	Description of whistleblower policies and procedures.	ESG-FI 38 ESG-FI 39 IAR 59	Complete.	Yes
Systemic risk management	FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category. Note a FN-CB-550a.1 – The entity shall describe whether it obtains the score from the relevant supervisory authority after reporting the indicators used in calculation of the G-SIB or calculates the score internally using the Bank of International Settlements' (BIS) methodology. And whether its relevant regulatory authority requires the entity to report the data required for the G-SIB calculation or if the entity chooses to report the data voluntarily.	IAR 90	Complete.	Yes
	FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities.	ESG-FI 25	Partial – The information is not available by the Company.	Yes
Activity metric	FN-CB-000.A	Number and value of checking and savings accounts by segment: (a) personal and (b) small business.	IAR 32 IAR 88	Partial – The information requested is considered strategic by the Company and is therefore not disclosed.	Yes
	FN-CB-000.B	Number and value of loans by segment: (a) personal, (b) small business, and (c) corporate. Note a FN-CB-000.B – Mortgage loans as well as revolving credit loans shall be excluded from the scope of disclosure.	IAR 86	Partial – The information requested is considered strategic by the Company and is therefore not disclosed.	Yes

Independent auditor's limited assurance report on sustainability information included in the "ESG Further Information 2019"

GRI 102-56

To the Board of Directors and Stockholders
Itaú Unibanco Holding S.A.
São Paulo – SP

Introduction

Itaú Unibanco Holding S.A. ("Itaú Unibanco" or "Company") engaged us to present our limited assurance report on (i) the compilation of sustainability information included in the "ESG Further Information 2019" report of Itaú Unibanco for the year ended December 31, 2019, in accordance with the Global Reporting Initiative (GRI-STANDARDS) criteria, and (ii) the compliance with the principles established by the standard AA1000 AccountAbility Principles 2018 – "AA1000AP (2018)".

Management's responsibilities

The Company's management is responsible for (i) the preparation and fair presentation of the sustainability information in the "ESG Further Information 2019" report in accordance with the Global Reporting Initiative criteria, and (ii) the compliance with the principles established by the standard AA1000AP (2018). Management is also responsible for the internal controls over the preparation of such information (items (i) and (ii)) in accordance with the respective criteria, being free from material misstatement, whether due to fraud or error.

Independent auditor's responsibilities

Our responsibility is to express a conclusion on (i) the sustainability information included in the "ESG Further Information 2019" report and on (ii) the compliance with the principles established by the standard AA1000AP (2018) based on our limited assurance engagement carried out in accordance with the Technical Communication CTO 01, "Issuance of an Assurance Report related to Sustainability and Social Responsibility", issued by the Federal Accounting Council (CFC), based on the Brazilian standard NBC TO 3000, "Assurance Engagements Other than Audit and Review", also issued by the CFC, which is equivalent to the international standard ISAE 3000, "Assurance engagements other than audits or reviews of historical financial information", issued by the International Auditing and Assurance Standards Board (IAASB). Those standards require that we comply with ethical and independence requirements, and other responsibilities, including in relation to the Brazilian Standard on Quality Control (NBC PA 01) and, therefore, the maintenance of a comprehensive quality control system, including compliance policies and procedures for applicable ethical requirements, professional standards and legal and regulatory requirements.

These standards also require the work to be planned and performed to obtain limited assurance that the sustainability information included in the "ESG Further Information 2019" report, taken as a whole, is free from material misstatement.

Finally, we are also responsible for concluding about whether the principles established by the standard AA1000AP (2018) were complied with, based on a moderate assurance engagement, applying procedures in accordance with AA1000 Assurance Standard ("AA1000 AS", 2018 Addendum), as issued by AccountAbility, for Type 1 reviews.

A limited assurance engagement conducted in accordance with the Brazilian standard NBC TO 3000 and ISAE 3000, and a moderate assurance engagement made in accordance with AA1000 AS, 2018 Addendum, mainly consist of making inquiries of management and other professionals of the entity involved in the preparation of the sustainability information, as well as applying analytical procedures to obtain evidence that enables the issue of a limited/moderate assurance conclusion on the information taken as a whole. A limited assurance/moderate engagement also requires the performance of additional

procedures when the independent auditor becomes aware of matters that lead the auditor to believe that the information taken as a whole might present significant misstatements.

The procedures selected are based on our understanding of the aspects related to the compilation and presentation of the sustainability information in the "ESG Further Information 2019" report and to the compliance with the principles established by the standard AA1000AP (2018), other engagement circumstances and our analysis of the areas in which significant misstatements might exist. The following procedures were adopted:

- (a) Planning the work, taking into consideration the materiality and the volume of quantitative and qualitative information and the operating and internal control systems used to prepare the information in the Company's "ESG Further Information 2019" report;
- (b) Understanding the calculation methodology and the procedures adopted for the compilation of indicators through interviews with the managers responsible for the preparation of the information;
- (c) Applying, on a test-basis, analytical procedures to quantitative information and making inquiries regarding the qualitative information and its correlation with the indicators disclosed in the "ESG Further Information 2019" report;
- (d) Comparing the financial indicators with the financial statements and/or accounting records.

- (e) Assessing the compliance with the principles of inclusion, significance, response capacity and impacts of standard AA1000AP (2018) in the preparation of sustainability information, in analyzing the "ESG Further Information 2019" report and the Company's internal documentation.

The limited assurance engagement also included tests to assess compliance with the guidelines and criteria of the Global Reporting Initiative (GRI- Standards) applied in the preparation of the sustainability information included in the "ESG Further Information 2019" report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Scope and limitations

The procedures applied in a limited assurance engagement are substantially less detailed than those applied in a reasonable assurance engagement, the objective of which is the issuance of an opinion on the sustainability information in the "ESG Further Information 2019" report. Consequently, we were not able to obtain reasonable assurance that we might have become aware of all significant matters, compared to those matters that might have been identified in an assurance engagement, the objective of which is the issue of an opinion. Had we performed an engagement with the objective of issuing an opinion, we might have identified other matters and possible misstatements in the sustainability information in the "ESG Further Information 2019" report. Therefore, we do not express an opinion on this information.

Likewise, the procedures applied in a moderate assurance engagement are substantially less detailed than those applied in an elevated assurance engagement, the objective of which is the obtaining of sufficient information to support the statement, taking into account that the margin of error for the conclusion is significantly reduced. In this regard, we were not able to obtain the same assurance on the information regarding the compliance with the principles established by standard AA1000AP (2018). Had we performed an elevated assurance engagement, we might have identified other matters regarding the reliability of such information.

Non-financial data is subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate and estimate these data. Qualitative interpretations of the relevance, materiality, and accuracy of the data are subject to individual assumptions and judgments. Furthermore, we did not carry out any work on the data reported for prior periods, nor for projections or future goals.

The compilation of the sustainability indicators were performed pursuant to the criteria of the GRI-STANDARDS and, therefore, do not aim to provide assurance with regard to the compliance with social, economic, environmental, or engineering laws and regulations. However, the aforementioned standards establish the presentation and disclosure of possible cases of non-compliance with such regulations when sanctions or significant fines are applied. Our limited assurance report should be read and understood in this context, which is inherent to the criteria selected (GRI-STANDARDS).

Conclusion

Based on the procedures described herein, no matter has come to our attention that causes us to believe that (i) the sustainability information included in the "ESG Further Information 2019" report of Itaú Unibanco Holding S.A. has not been compiled, in all material respects, in accordance with the Global Reporting Initiative (GRI-STANDARDS), and (ii) the management of Itaú Unibanco Holding S.A. failed to apply the principles established by the standard AA1000 AccountAbility Principles 2018 in the sustainability information included in that report.

São Paulo, June 15, 2020

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Emerson Laerte da Silva
Contador CRC 1SP171089/O-3

INDEPENDENCE STATEMENT

To the Board of Directors and Stockholders
Itaú Unibanco Holding S.A.

São Paulo, June 15, 2020

In connection with the issue of the Independent Auditor's Limited Assurance Report on the (i) sustainability information included in the "ESG Further Information 2019" report of Itaú Unibanco Holding S.A., and (ii) the compliance with the principles established by the standard AA1000 AccountAbility Principles 2018, we state that PricewaterhouseCoopers Auditores Independentes is independent in relation to Itaú Unibanco Holding S.A. and that there has been no conflicts of interest during the verification of environmental and social data related to sustainability information in accordance with the Code of Ethics for Professional Accountants issued by the International Federation of Accountants (IFAC) and with the local NBC PO 900 Resolution issued by the Brazilian Federal Accounting Council (CFC).

Yours faithfully,

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Emerson Laerte da Silva
Contador CRC 1SP171089/O-3