



Extraordinary Conference Call

**Update on our
operations and initiatives**

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Candido Bracher, CEO

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Governance, risk and capital

Milton Maluhy Filho, CFO and CRO

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Retail Banking

Marcio Schettini, General Director, Retail

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Macroeconomic Scenario

Mário Mesquita, Director, Macroeconomy & Research

Overview and key initiatives

Candido Bracher, CEO

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- 1** Our substantial investments over the years in people development and technology, both on back-office and client facing activities, made our operations more resilient to deal with crisis.
 - 2** Our robust governance and solid management of market, credit, liquidity, operational and capital risks allow us to fulfill our economic and social function.
 - 3** This is a moment to further reinforce our culture, our values and the corporate identity with our employees.
 - 4** We want to be part of the solution and we're working hard towards it. We need to join forces so that everyone comes out of this crisis stronger than before.
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Key initiatives

We have defined 3 key initiatives to deal with the impacts of COVID-19 on our operations.

Pillar



Search for the best solutions
to serve our clients



Maintain
normal operations
under exceptional circumstances



Ensure the well-being
of our workforce, clients
and service providers

Search for the best solutions to serve our clients

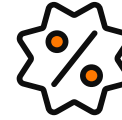
Customer-oriented solutions, such as offering new products and services on digital channels.



Collective initiatives

Acting together with government, regulators, and other banks to find solutions that serve society in this crisis scenario.

On-going discussion to adapt regulations in order to facilitate the supply of credit to companies.



Individual initiatives

New payment terms, extended grace period, differentiated rates and extension of benefits.



Encourage the use of our digital channels

To support our clients at this time of social distancing.

Maintain normal operations under exceptional circumstances

Ensuring operational capabilities of branches, call center and administrative areas.



Infrastructure

Capable of supporting our operations in a remote environment at this time of social distancing.



Reduced in-branch personnel

In order to reduce movement of people and ensure the well-being of our clients, employees and service providers.



Secure environment

Equipment and systems operating within the bank's corporate security profile.



Branches opening hours

Reduced hours, with exclusive time slots for clients within the risk groups.

Ensure the well-being of our workforce

Prevent the spread of COVID-19 and preserve the physical, mental and financial health of our employees.



Remote work

~40 thousand employees working from home.



Risk Mitigation

Exemption of at-risk group, remote work, readjustment of call center, intense cleaning, use of personal protection equipment and new layouts.



Job Stability

Suspension of terminations without cause.



Early Payment of the 13th salary*

To help our employees, in April 2020.



Serving and guiding

Intense communication about COVID-19 and our individual role.



Large-scale gatherings and meetings

Suspended or conducted remotely, since the crisis began.

* The 13th salary is an extra salary paid to employees in Brazil by the end of the year.

We want to be part of the solution

Donations totaling approximately R\$250 million.



Itaú Unibanco donations

Through Fundação Itaú para Educação e Cultura and Instituto Unibanco for:



Hospitals: Municipal Moyses Deutsch SP, Fiocruz RJ and emergency of Grajaú, Pacaembu and Anhembi.



3D printing of 2,000 mechanical ventilators on the Anestech and Hefest platform in partnership with Embraer.



Acquisition of 190 respirators.



Purchase of essential items: 800 thousand masks and 7,146 kg of hand sanitizer and other items.



Aid to 81,000 families (324,000 people), with food and hygiene basket.



Support for organizations and micro and nano entrepreneurs.



Donations in a joint initiative with Bradesco and Santander



5 million coronavirus fast detection tests.



15 million masks to be donated to the government and also to vulnerable communities.



#LeiaEmCasa

Special edition of the “Leia para uma Criança” (Read for a Child) program for home entertainment for children in quarantine.

Governance, risk management and capital

Milton Maluhy Filho, CFO and CRO

Risk management

Consolidated and tested policies, processes and systems.

Our structure to manage risks

1st line of defense

Business Areas.

2nd line of defense

Risk and Finance Control and Management Department.

- Risk appetite.
- Policies.
- Procedures.
- Dissemination of the risk culture in the business.

3rd line of defense

Internal Audit , linked to the Board of Directors.

Risk appetite

5 dimensions guide our decision making for many years, defining the level of the risks acceptable to our organization.

Capitalization

More than enough capital to protect us from a stress event.

Liquidity

Our liquidity should weather long periods of stress.

Credit, Market and Business

Credit concentration limits and enforcement of revenue diversification to ensure lower volatility in our results.

Operational risks

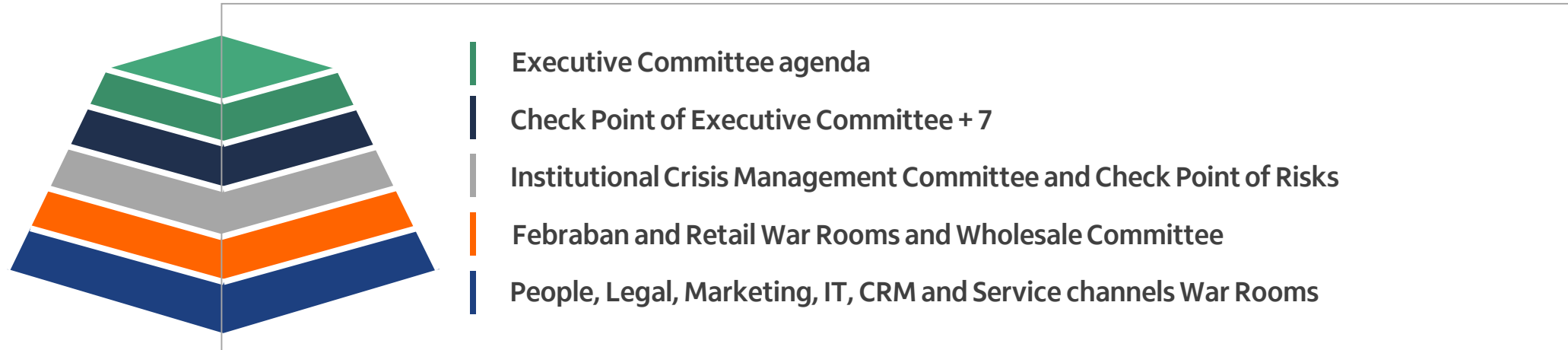
Centered on controlling operational risk events that could have an adverse impact on our strategy.

Reputation

Deals with risks that could impact our brand value and reputation.

Governance

Responsible for monitoring the crisis and its impacts, deliberations and institutional positioning.



- **Retail War Room**
Monitoring and adjusting operations in real time.
- **Wholesale Committee**
Consolidates the treasury, credit and ECM war rooms and monitors and adjusts their operations in real time.
- **Febraban* War Room**
Coordination between banks and alignment with public authorities and regulators.

- **Institutional Crisis Management Committee**
 - Morning Calls.
 - Operation monitoring.
 - Decisions coordination.
 - Risks and contingencies mitigation.
- **Check Point of Risks**
 - Closing day.
 - Market, credit, liquidity and operational risks monitoring.

* Febraban is the Brazilian Federation of Banks.

Risks and liquidity management

Measures that increased the System's liquidity

Regulatory changes implemented and respective impacts on the Financial System (in R\$ billions)

Additional Reserve Requirements release	68 bn
Agricultural Credit Bonds flexibilization	2.2 bn
Loan backed by guaranteed financial bills	670 bn
New Term Deposit with Special Guarantee	200 bn
Loan backed by debentures	91 bn
Additional Reserve + Liquidity Coverage Ratio	135 bn
Repurchase operations of Brazilian sovereign bonds	50 bn
Reduction of the Conservation Additional of Main Capital	Before 2.5% Now 1.25%

at Itaú Unibanco

Liquidity

- Cash and liquidity on adequate levels at this critical moment.
- Short and long-term liquidity indicators aligned with the bank's risk appetite.
- Positive flow of resources in Retail and Wholesale deposits

Capital

- Solid capital base
- Capital can absorb the most negative scenario: stress tests carried out constantly with pre-defined actions, if necessary.

Operational risk and information security

Even remotely, we maintained our corporate security standards.



Secure remote environment

Equipment and systems with the same corporate security level.



Communication on risks and fraud

Fraud prevention alerts, due to the expansion of the use of digital channels.



Focus on monitoring operation risks

Operational risks teams fully dedicated to manage our operation.



Real-time monitoring

Of our client's behaviour patterns and their credit quality.



Retail credit

Daily monitoring of origination, credit quality and collection performance.



Expected loss provisioning model

Adopted since 2010 and reflects in our balance sheet the possibility of loss since the origination of the credit and updated according to changes in the macroeconomic conditions.



Credit Policies

Adjusted according to client profile and product type.

Technology and operations

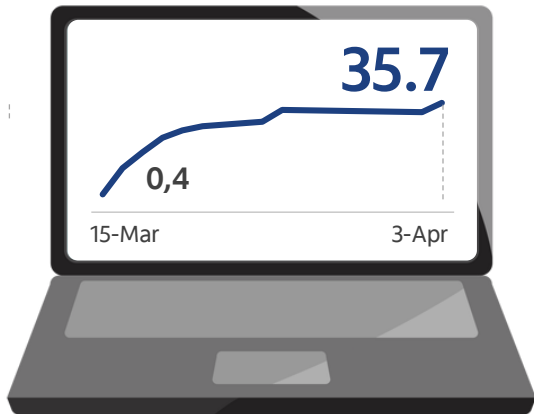
André Sapoznik, Executive Vice-President, Operations & IT

Enabling remote work for most employees

All areas quickly adapted to this working model.

Remote work

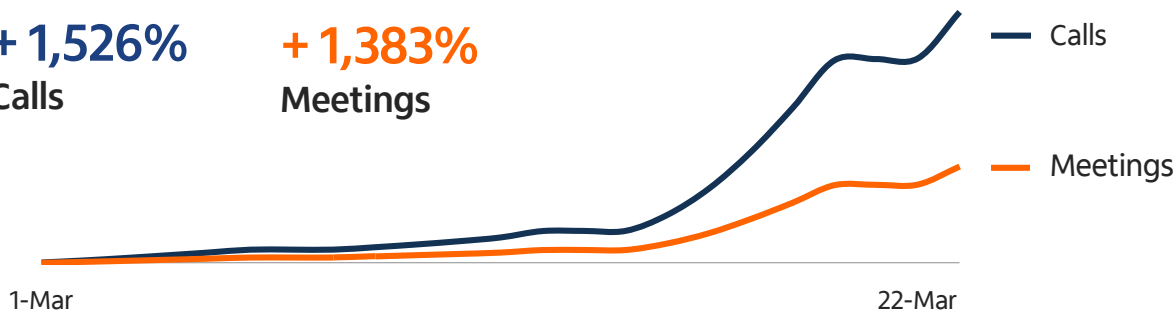
Accesses via VPN (in thousands)



Capacity for 90 thousand
Accesses per day.

+ 1,526%
Calls

+ 1,383%
Meetings



We enabled remote work for all Central Administration teams

That rely upon corporate systems.

Safe onboarding for new employees

Through a secure cloud solution without the need to go to the office.

Ensuring the well-being of our employees and service providers

Significant reduction in the circulation of people and adoption of measures to ensure a safe environment.

All employees over 60 years old, pregnant or at-risk group were exempted from face-to-face work.



Central administration

Drastic reduction in people's access to administration buildings.

-94% in the average circulation.

Interruption of non-essential services.

Adoption of security measures, such as onsite rotation schedules and 2-meter distance between workstations.



Contact centers

Reduced operations.

-25% workforce.

Layout adaptation

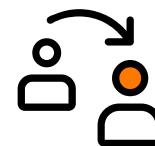
To meet hygiene and security recommendations.

Communication and encouragement to use digital channels and self-service.

Innovative solution:

+1600 operators

and supervisors working from home.



Vendors and service providers

Monitoring our main partners.

Communication of good practices

for the 15 thousand active service providers, constant monitoring of the 350 most relevant and daily contact with the 100 most critical.

Design of a plan to ensure continuity of services.

Availability of equipment with bank security for our main suppliers that help in support and technology operations.

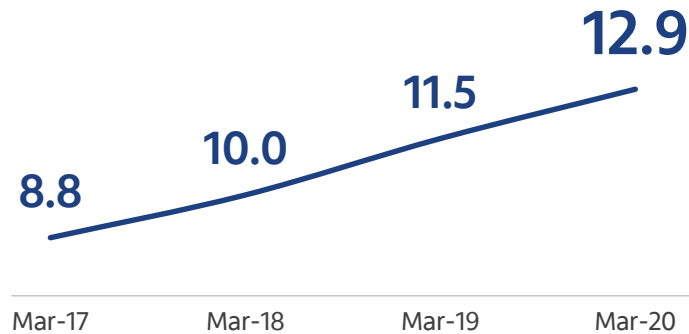
Remote work also for third-party operations.

Availability of digital channels for clients remains high

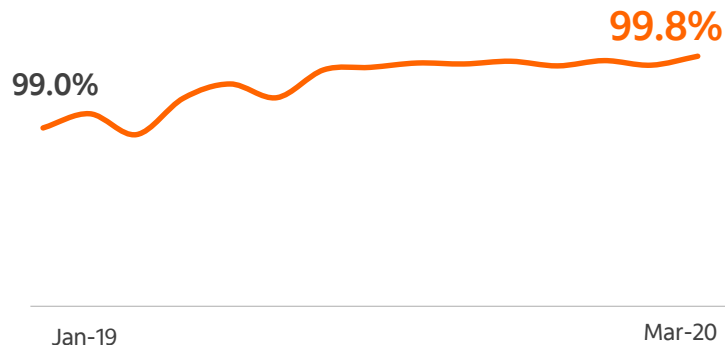
Clients had fewer problems, despite the growing trend in the use of digital channels.

Digital channels

Higher access volume of individuals
(In millions)



The **availability** of digital channels is at the highest level ever



99.8% of the clients did not have any impact on the main functionalities.
(March 2020)

Similar uptime figures on digital channels for commercial customers.

Reduced time-to-market of new solutions

New features to enable customers to fulfill their needs remotely.



New digital service menu for cards.

INSS

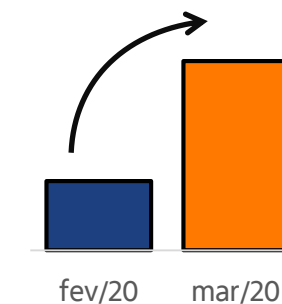
Payment for INSS pensioners via Rede 24h.



Card PIN code recovery via app.



Check deposit in the Itaú app.



+70% of use.

14 thousand deposits/day.

Retail Banking

Marcio Schettini, General Director, Retail

New dynamics in branches and platforms

More service and less business.



Brick-and-mortar Branches

Opening hours

9 am to 10 am

for retirees and INSS pensioners

10 am to 2 pm

for the general public

Service

Maximum of 10 clients

at a time

Weekly rotation

with half of the employees in loco



Digital Branches

Opening hours

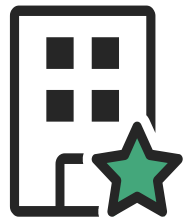
9 am to 6 pm

New opening hours

Service

All employees

are already qualified for remote work



Platform Companies

Service

45% of platforms

are already qualified for remote work

90% of platforms

will be qualified for remote working by the end of this week.

Our clients have carried out more transactions through digital channels

The current crisis has increased the use of basic services through digital channels.

March 2020



~ 97%
of transfers

through our digital channels.



^ 49% clients
using WhatsApp

for questions about current account,
credit, cards and renegotiation.



Wide range
of services and products.

to meet the real needs of our clients
in this period.

Growth of the share of digital channels

**Opening
Accounts**

(Mar-20 vs. Feb-20)

^ 32%

**Time deposit and
fixed income**

(Mar-20 vs. Feb-20)

^ 47%

**Working
capital**

(Mar-20 vs. Feb-20)

^ 34%

**Personal
loans**

(Mar-20 vs. Feb-20)

^ 42%

Intense communication with clients in times of uncertainty

Inform

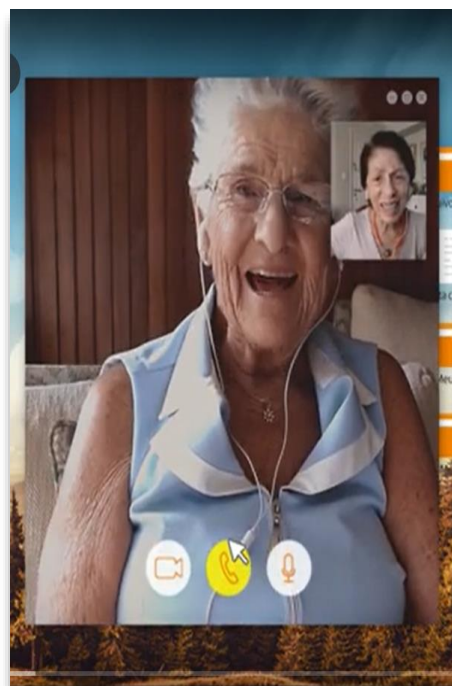
Up-to-date information about our service



100%
of branches activated and
clientes being informed

Serve

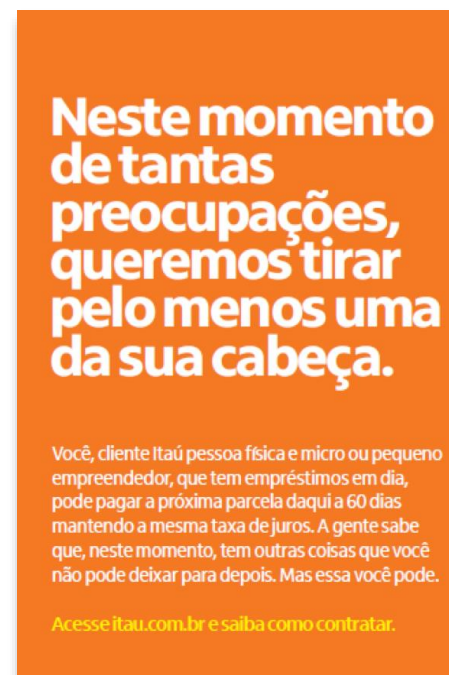
Up-to-date information about our digital channels services



100%
of current account holders

Support

Products and services suitable for the current moment



100%
of compliant current account holders

Reassure

Comfort the client by building a positive agenda



14 hours
of experts analysis

Initiatives to help and support individuals and companies



products

services

help

for individuals

Credit

Renegotiation of non-overdue contracts

More than 300 thousand contracts for individuals and companies were already renegotiated.

Renegotiation

- Extended grace period.
- Renegotiation rate reduction.
- Payroll loans.

Fees

Extension and exemptions

- Fees and reward points.
- Credit card fees.

for companies

Credit

Grace period and renegotiation

- Emergency credit line for small companies payroll.
- BNDES* working capital for SMEs.
- Renegotiation of working capital contracts.

Fees

Acquiring initiatives

- Additional POS free of charge (for 60 days).
- Maintenance of discounts on current account packages.
- Maintenance of the best rate conditions of the contract.



Joining forces

Payment to restaurants in 7 days and additional POS free of charge.

* Brazilian National Development Bank.

Wholesale Banking

Caio Ibrahim David, General Director, Wholesale

Credit and liquidity to support our clients

Itaú BBA

Credit and liquidity initiatives

Corporate clients

~4X increase in credit origination, distributed in several economy sectors (vehicle manufacturers, clothing, petrochemical and chemical, food and beverage).

Institutional clients

Acquisition of financial assets from 40 clients.

Proactive support to clients

Postponing maturities of loans that expire in the coming months.

Exclusive renegotiation lines

Maintaining contracted guarantees.

Up to 90 days grace period

In the Middle Market for installment credits.

Payroll Financing (Middle Market)

Benefiting around 600 companies.

Credit Concentration

Diversified loan portfolio with low concentration.

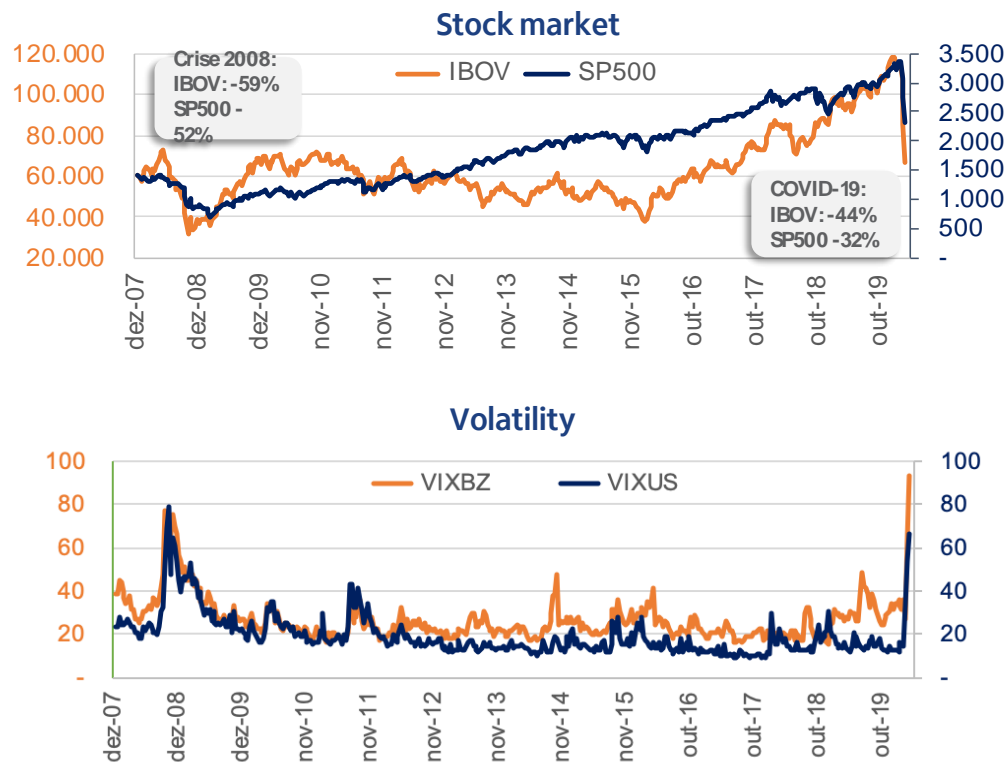
Our largest credit concentration by sector represents **3.6% of total credit**.

As of Dec 31, 2019	Risk (in R\$ Bn)	% of credit
Largest Debtor	5.4	0.8%
10 Largest Debtors	29.3	4.5%
20 Largest Debtors	44.7	6.9%
50 Largest Debtors	72.0	11.1%
100 Largest Debtors	97.7	15.1%

Treasury, Wealth Management Services and Investment Banking

Treasury

In this moment of intense volatility, our operations are guided by well-defined policies and risk systems.



Wealth Management Services

Migration of equity to fixed income assets.

Itaú Asset Management Performance

Highlight for the positive performance of certain fixed income and multimarket funds in March.

Investment Banking

Absent capital markets due to high volatility.

Robust pipeline of high quality mandates

That should be resumed when market conditions improve.

Close communication with clients

Contents are benefiting private and institutional clients and the society in general.

Daily lives on social media

With experts from the bank, Itaú Asset, third parties (FoF) and Kinea managers.



995 thousand views



~6 thousand comments



~27 thousand new followers

Podcasts with external managers

Discussing the scenario and its impacts on investment funds, with more than 15 thousand participants.

Launch of the “Vision of leaders” series

Daily lives with the leaders of the most important sectors of the economy.

Virtual meetings

Since the beginning of the crisis 64 events on social networks were held, bringing together investors, politicians, companies and economists with more than 220 thousand views.

Latin America

Liquidity and capitalization levels compatible with each country needs.

Different levels of complexity

Colombia

- Total quarantine, with fine.
- Only essential services work.

Chile

- State of emergency and progressive quarantine with curfew.
- Borders and non-essential services are closed..
- The country with the highest volume of tests in the region.



Commercial policies and initiatives

are aligned with those that are being practiced in Brazil, taking into account local particularities.

Paraguay

- Total quarantine, with fine.

Uruguay

- Partial quarantine, with measures for risk groups.
- Government has encouraged voluntary quarantine
- Most non-essential services are closed.

Argentina

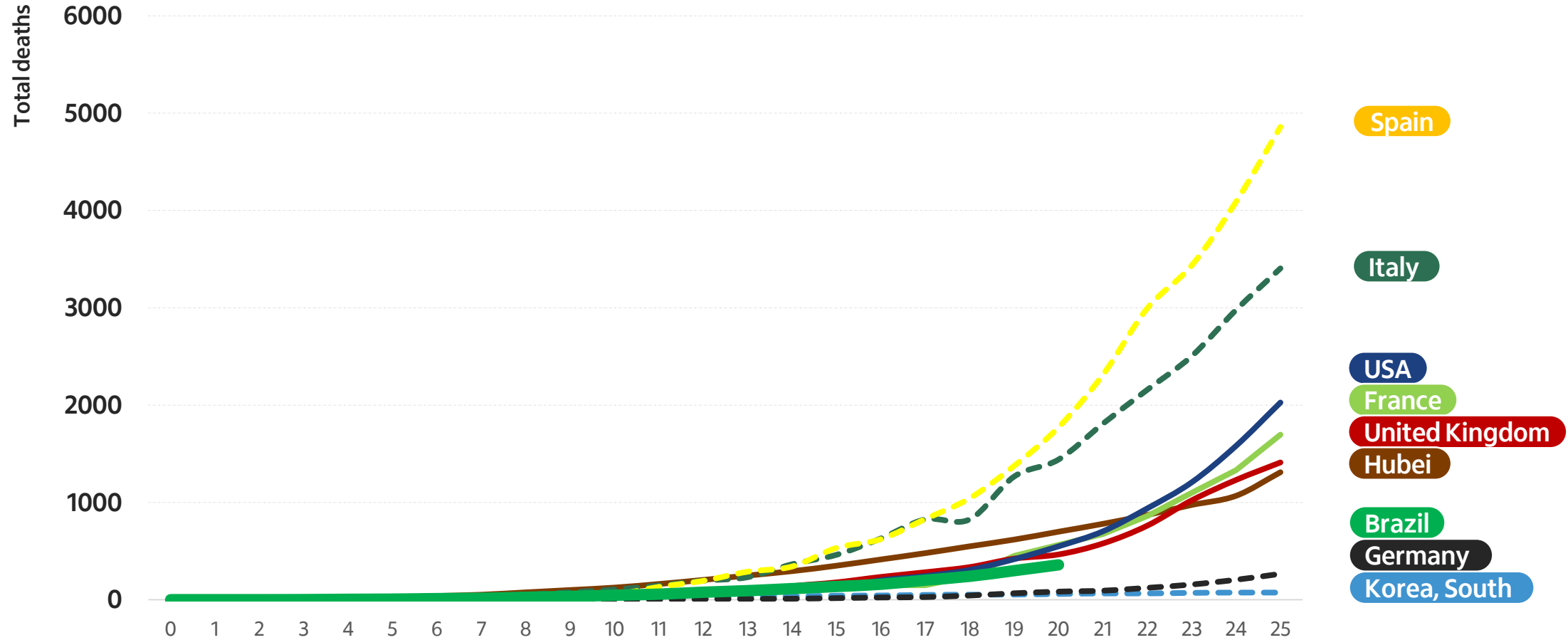
- Total quarantine, borders and non-essential services are closed.

Macroeconomic Scenario

Mário Mesquita, Director, Macroeconomy & Research

Advance of the pandemic

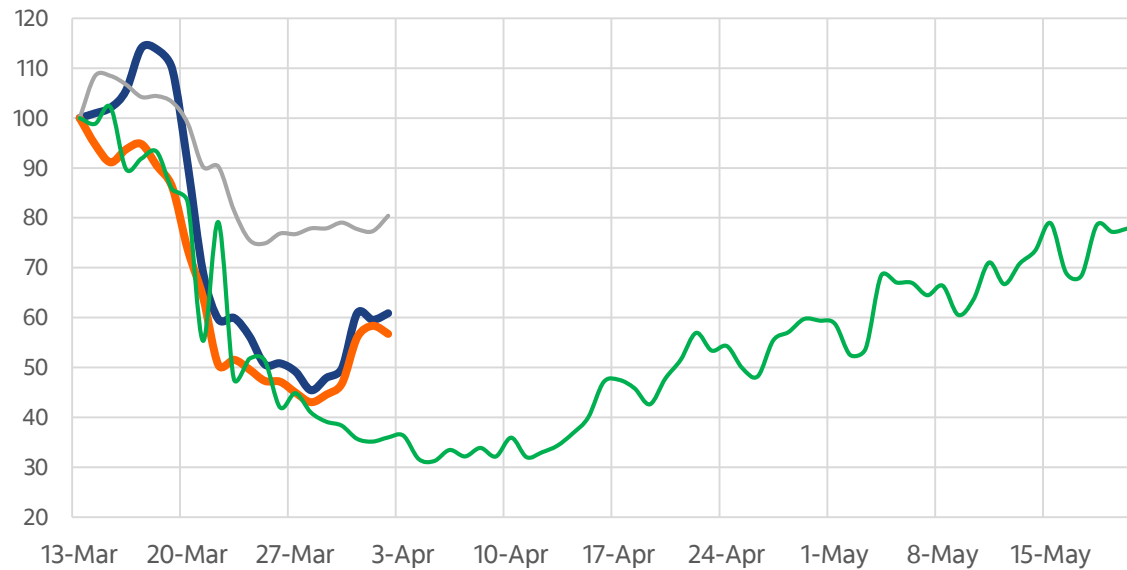
Number of deaths by new coronavirus



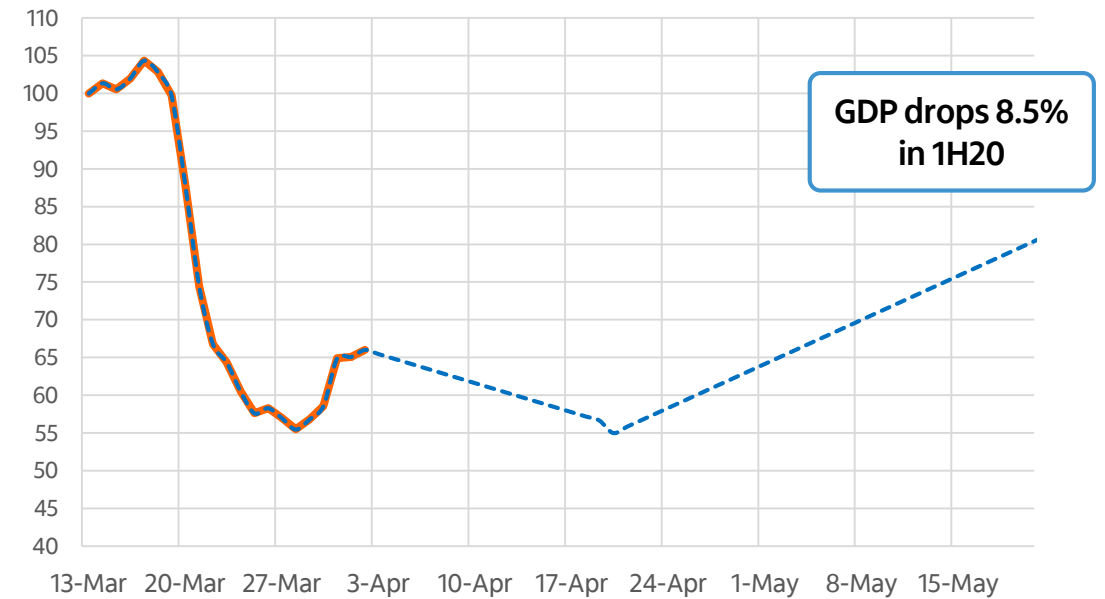
Activity indicator

Brazil still uncertain, but we expect a gradual recovery of the economy from April 20th.

Daily activity in Brazil



- Consumption of goods
- Consumption of services
- China benchmark
- Proxy of industrial electrical power



- Brazil activity index
- - - Brazil base scenario

**GDP drops 8.5%
in 1H20**

2020 GDP depends on the duration of the lockdown and recovery from 3Q

Lockdown		3Q % recovery			
END	GDP 1H20	25%	50%	75%	100%
04/14	-7.5%	-4.3%	-3.0%	-1.7%	-0.5%
04/21	-8.5%	-4.6%	-3.3%	-2.0%	-0.8%
04/28	-9.5%	-5.0%	-3.7%	-2.4%	-1.2%
05/05	-10.5%	-5.3%	-4.0%	-2.7%	-1.5%
05/12	-11.5%	-5.7%	-4.4%	-3.1%	-1.9%
05/19	-12.5%	-6.0%	-4.7%	-3.4%	-2.2%
05/26	-13.5%	-6.4%	-5.1%	-3.8%	-2.6%

Final remarks

Candido Bracher, CEO

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Thank you_