

2018 Sustainability Report

Itaú Unibanco Holding S.A.



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A bank in Transformation

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This is an era of transformation that requires each one of us to be always prepared for more instantaneous, frequent and significant changes. These novelties impact and definitely change the habits of many people. For this reason, in a form of constructive indignation, we decided not to be complacent but to transform ourselves.

Accordingly, 2018 was a great year for us, not only for our achievements and results in the financial market but also for the innovations and changes we made. We developed many initiatives, in line with the six strategic fronts defined by senior management last year, which are divided into two groups:

- Transformation, with the Customer Satisfaction, Digital Transformation and People Management fronts; and
- Continuous Improvement, with the Risk Management, Sustainable Profitability and Internationalization fronts.

Some examples of the way we progressed towards internal transformation and in our roles in society were the launch of Credicard Pop, the repositioning of Credicard, the conception of Teclado Itaú (Itaú Keyboard), the offer of

new digital payment methods with Apple Pay and Samsung Pay and, also, the facility offered by the *Abre Contas* (Open Accounts) application. Additionally, we reinforced our work on urban mobility with the inauguration of the new bicycle system. In the social field, we had the visit of Malala Yousafzai to Brazil for an important event for education. For our employees, we implemented the pilot home office practice in many departments, we established a new dress code by means of the *Vou Como Sou* (I go as I am) campaign and organized many internal engagement events such as the *Semana da Diversidade* LGBT+ (LGBT+ Diversity Week) and *Semana da Diversidade Racial* (Racial Diversity Week).

In 2018, we also expressed our desire to change the league and presented to the entire institution the seven principles of centrality in the client. Our commitment is to increasingly prioritize this relationship with clients, getting to know them and understanding their problems and needs, enchanting, innovating, communicating in a transparent way and, of course, recognizing the people that make all this happen.

Accordingly, we keep on going as a bank in transformation.

Enjoy your reading!

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Context of the report

Because we are a bank in transformation, we are constantly adapting ourselves in view of the new competitive and regulatory challenges, of the new available technologies, of the employees' expectations and of the habits of our clients.

In this process of Creation of Value, we add shared value in the long term for our employees, clients, stockholders, suppliers and society, thus ensuring the longevity of our business. Therefore, in addition to creating financial value by means of the production and distribution of wealth among employees, government and stockholders, we also highlight the creation of value for the other stakeholders and, consequently, for society.

In order to create value with responsibility, we need to base our activities on strong Risk Management processes that permeate the entire organization and that are the basis for the strategic decisions that ensure the sustainability of the businesses. We understand that organizations that intend to be perennial cannot profit at any price and, therefore, that success depends on their ability to lead with Integrity and Ethics, which are essential values for us and our society.

In view of this, we decided, this year, to focus even more on our clients and join the league of the world's best companies in Customer Satisfaction, providing them with better experiences and making them more fulfilled. As an essential tool to achieve customer satisfaction, we use and increasingly invest in technology, following our Digital Transformation.

Another way to satisfy our clients is by having more satisfied employees. Accordingly, we have improved the Employee's Experience. We are concerned with a work environment that respects the individuality of our employees, where everyone is able to work as they are and in which we encourage values such as flexibility and Diversity.

We also recognize that our role as change agents and promoters of local development is very important. As such, we work to encourage projects, institutions and individuals in an innovative manner towards the construction of a better world.

With respect to the value generated for society, we highlight our Financial Orientation and Inclusion actions, which, by means of the expansion of the access to our services, affect the healthy economic development of society and our employees, and our activities aimed at Corporate Citizenship, which expand our social actions aimed at cultural and educational development, among others. Also, in the search for local development by means of the mitigation of the negative impacts of our operations, we present our initiatives aimed at Environmental Management, which are aimed at reducing the consumption of natural resources and the generation of waste and greenhouse gases (GHG).

In our business, we always place ethics ahead of results. We grow by helping people and Brazil prosper, encouraging the progress of those around us. We work to make dreams come true, to drive development and to awaken the will to do more and better.

Structure of the report

In 2018, we restructured our Materiality Matrix. As a result of this review, we reduced to ten our material topics and present them in connection with the Sustainable Development Goals (SDGs) highlighting those that we consider potentially associated with our main activities.

We present as follows our sustainability management and strategy, our materiality, and a chapter for each topic that we define as material.

We begin the chapters by explaining why we believe that each of the topics is material. Next, we present a table with the relationship between the material topic and the GRI Standards, GRI-G4 sector disclosures, potential SDGs and their targets, and stakeholders, in addition to including a summary of the main matters addressed in each chapter.





Sustainability

Management and Governance

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Our vision is to be the leading bank in sustainable performance and customer satisfaction. This challenge can only be met through collaborative work, which involves our key stakeholders: employee, clients, stockholders, suppliers, and society. We determine who are our key stakeholders based on indirect inquiries conducted in our communication channels. [GRI 102-40](#) | [GRI 102-42](#) | [GRI 102-43](#)

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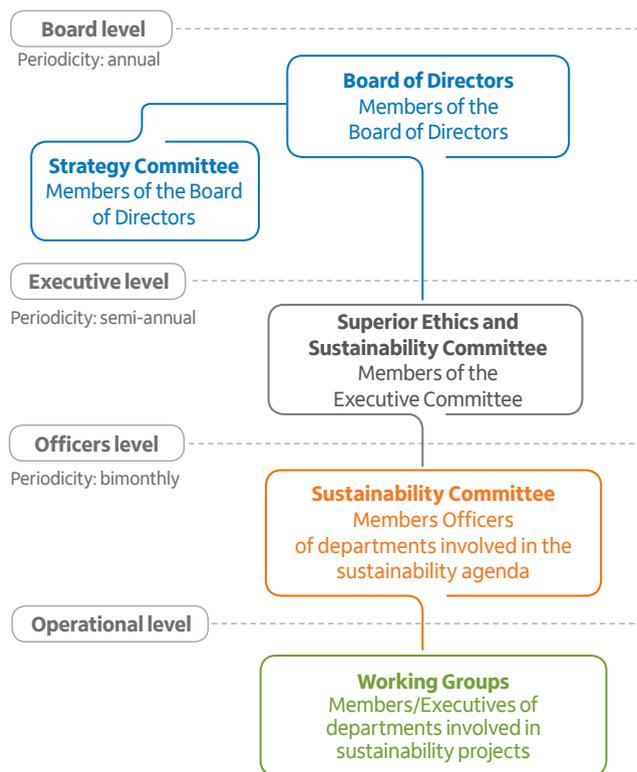
We incorporate sustainability into our corporate strategy through a governance structure that is consolidated and integrated with our business. This allows us to internalize social, environmental and economic issues and trends as part of our daily activities and processes to identify the areas which are capable of addressing and periodically tracking performance and indicators for these issues, ensuring their development.

Our governance structure allows us to improve and integrate synergies between areas with complementary challenges, thus strengthening the dissemination of global trends that may have a direct impact on the bank's strategic business planning. Therefore, we were able to direct both short- and long-term action plans that drive material changes for our stakeholders, which shows that our committees have an indirect impact on our strategic planning.

The graph below shows our sustainability governance forums.

Our sustainability governance structure GRI 102-18 | GRI 102-20

Our organization chart



- **Board of Directors:** guides, monitors and approves the sustainability strategy and policy aligned with our long-term vision. In 2018, Sustainability and our progress on priority topics were discussed at a meeting that also addressed other issues, such as the Integrity and Ethics Program and the Strategic Sustainability Guidelines.
- **Strategy Committee:** leads, at the Board of Directors' level, 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 the business management, our organizational culture, and our strategy. In 2018, this committee held two meetings where it discussed issues such as: the strategic sustainability guidelines, benchmarks for the Integrity and Ethics Program, planning and challenges for 2019 related to integrity and ethics, and our performance as measured by the Dow Jones Sustainability Index (DJSI).
- **Sustainability 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 from different departments: Legal, Personnel, External Ombudsman's Office, Internal Control, Compliance,

Governmental and Institutional Relations, Corporate Communication, Investor Relations, Marketing, Credit Risk, and Modeling and Sustainability. In 2018, this committee held six meetings and the main issues addressed were as follows: review of the strategic sustainability guidelines, initiatives addressing climate change (Task Force on Climate-related Financial Disclosures, climate risk), review of the governance and diversity roadmap, human rights due diligence, and green products business challenge.

- **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. After revising the sustainability governance, we saw an opportunity to move closer to other working groups, such as diversity, integrity and ethics, and the conglomerate's foundations and institutes.

In addition to the committees above, we have other committees that aim to add value and integrate the issue with the conglomerate's business agenda.

Environmental and Social Risk Committee GRI G4-DMA Product Portfolio (former FS2)

Consisting of officers of the Risk, Compliance, Legal, and Sustainability departments, with the possibility of calling the heads of other departments, depending on the matters to be considered by this committee. The main duties of this committee are: decide on institutional positions regarding the bank's exposure to environmental and social risk; recommend roles and responsibilities related to environmental and social risk management; decide on noncompliance situations with environmental and social risk management policies and procedures; and decide how to bring noncompliance events procedures to the competent forums.

Strategic Committee of Foundations and Institutes

Consisting of the Chairperson, Vice Chairpersons, Directors, and Superintendents in charge of all our foundations and institutes, this committee is responsible for making strategic decisions about our private social investments, as well as risk management in the group's foundations and institutes. In 2018, it conducted a study on the social impact of our social and cultural entities, focused on Instituto Unibanco, Itaú Cultural, and Itaú Social, aiming at increasing its compliance with domestic and international best practices, and maximizing each entity's actions.

Integrity and Ethics Committee

Consisting of Officers from the Compliance, Legal, Corporate Security, Marketing, Institutional and Governmental Relations, Human Resources, Procurement, Audit, and Internal Ombudsman departments, among others. In 2018, this committee held meetings every four months with the following responsibilities:

- Assessing and deciding on corporate topics that involve ethics in business and the work environment;
- Monitoring compliance with policies and procedures related to topics such as integrity and ethics;
- Pointing out and approving improvements to processes as a result of regulations, identified risks, complaints, among others;
- Submitting the status of the various actions related to the Integrity and Ethics Program;
- Submitting the information from the whistleblowing channels; and
- Deciding on conflict of interest situations (when necessary).

Diversity Blue Ribbon Committee

Consisting of Board of Directors members and people with credentials on the matter, the purpose of the Diversity Blue Ribbon Committee is to discuss projects, present trends, build partnerships, and discuss the bank's progress in the diversity agenda. This Committee meets bimonthly and gathers Managers and Specialists who work in civil society to promote the pillars of race, gender, LGBT+, and disabled people, thus fulfilling the mission of keeping the institutional discussion up-to-date.

Sustainability in Latin America (LATAM)

We believe in business-integrated sustainability and we also seek this strategic alignment in our foreign units. Since 2015 we have set up a model to prioritize and monitor local initiatives for the LATAM countries where we operate (Argentina, Chile, Colombia, Paraguay, and Uruguay), aligned with our strategy. We have designed a structured governance approach for Sustainability in LATAM countries that includes sharing local content and initiatives among the countries and an annual gathering. Throughout these years, we were able to strengthen our relationship, which translated into value creation, as shown by LATAM's key indicators.

In 2018, for the purpose of bringing all the Sustainability issues faced in LATAM and in Brazil closer, we held the Foundations and Sustainability Meeting in Santiago, Chile. Teams from the LATAM countries got together to put forward an agenda covering issues such as: Sustainable Finance Drivers, environmental management, diversity, climate finances, carbon strategy, suppliers, urban mobility, market reporting, and reputation.

Evaluating and developing products and services

GRI G4-DMA Product and Service Labeling (former FS15)

Based on the Corporate Product Evaluation Policy, any project that modifies or creates products and services is subjected to a rigorous analysis focused on risk management. This requires integration across product areas and the units evaluating the different impacts that may occur, in a multidisciplinary way, including Legal, Tax, Corporate Security, Accounting, Internal Controls, among others. The Sustainability department is part of the team involved in the evaluation process. Our Retail and Wholesale Products Committees are composed of their Officers, who meet from time to time to discuss projects. As one of the departments involved, our sustainability team evaluates and suggests adjustments to ensure that products and projects are aligned with our work pillars: financial literacy, transparency, and environmental and social risks. In 2018, the Sustainability department received 56 projects that were reviewed based on these criteria.

Strategic sustainability guidelines

GRI 102-44 | GRI G4-DMA Product Portfolio (former FS2)

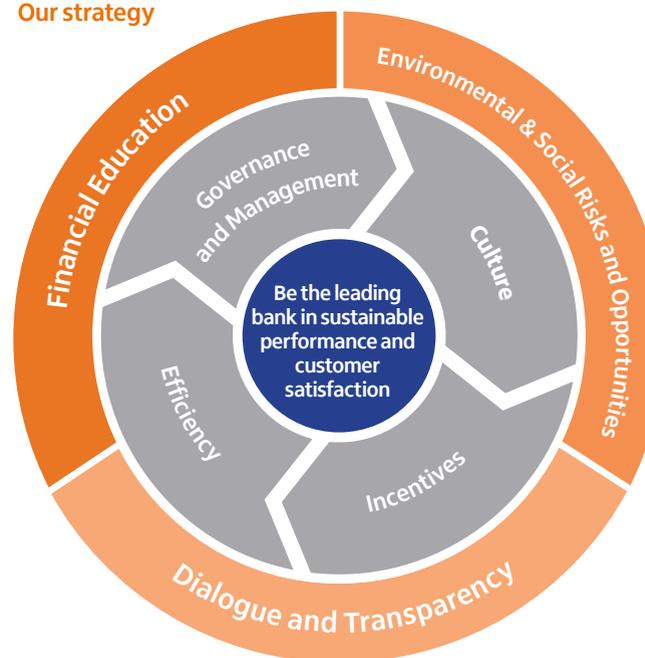
Considering and understanding our key activities, the impacts on and externalities affecting the external and internal environments, are our starting point to define our strategic action guidelines. However, we also believe that involving our stakeholders is indispensable for this process. We describe as follows the process we used to build these guidelines, which are currently guiding our actions.

The guidelines that steer our sustainability work were defined based on an analysis of our vision, Our Way, and our corporate policies, commitments and voluntary compacts, surveys, and meetings with stakeholders to understand the key issues.

In 2011, this study led us to design our Sustainability Map, which establishes three strategic focus points for our

activities: Dialogue and Transparency, Financial Literacy, and Environmental and Social Risks and Opportunities, which are supported by four support fronts: Governance and Management, Efficiency, Incentives, and Culture. After meeting with a number of Specialists and Executives, the Executive Committee approved our work.

Our strategy



To formalize our commitment to sustainable development, we have a Sustainability and Environmental and Social Responsibility Policy. This policy is revised and approved by the Board of Directors on an annual basis.

We understand that our current positioning has matured and started a process to review our strategic sustainability guidelines. This moment in time is even more convenient with the unveiling of Our Purpose, the emergence of new priority issues, the definition of priority fronts, and the progress in the sustainable development agenda.

The review process of the strategic sustainability guidelines was divided into three main stages:

- Issue development, which comprises the timely analysis of the corporate sustainability concept in the world, understanding the emerging codes, and where are the largest positive and negative impacts of our business;
- Analysis of the competition and major world trends, and an internal and external diagnosis to capture how our work is perceived by our stakeholders and the bank's top executives; and
- Building the strategic guidelines, which consists of setting priorities and positive impact commitments for the development of a new positioning and strategic model more connected to the business core and based on the impact we want to generate.

Understanding our impact

In order to better understand market perceptions and expectations, we conducted 14 in-depth interviews with Sustainability and Financial Market Specialists, opinion makers, and executives from companies known for their engagement with the issue, and we will promote three theme panels with external and internal stakeholders to encourage reflection. Additionally, we have conducted 23 interviews with top and mid-level leaders who have a key role in the current sustainability strategy to include their vision in our path and get some tips on how to act to keep our commitment toward sustainability. GRI 103-2 Value Creation

Another part of the process was to understand our impact based on our core business. Considering all the internal and external studies conducted so far, we defined the Sustainable Finance Drivers: Financial Access and Inclusion; Suitability with Finance Guidance; Infrastructure Capital; Technologic and Finance Innovation; Intelligence and Risk Management; Market Integrity, Transparency and Resilience; and Inclusive and Responsible Management. Each driver was crosschecked with the work of the executive functions and, as a result, we were able to define what is material and has more impact for each business.

Sustainable Finance Drivers

Description

FINANCIAL ACCESS AND INCLUSION

How can we increase **financial inclusion** by reducing costs and providing adequate access to capital for people and small and medium-sized enterprises (SMEs)? How can we extend in an efficient and fair manner the offer of services and credit to society segments that are currently underserved or not served, taking into account the current economic and socio-demographic setup?

SUITABILITY FOR FINANCIAL ORIENTATION

How can we **design, price, and offer a appropriate more product** to the client at the right time, taking into account his or her financial situation and time in life, habits, and values? How can we **clarify and guide** them about the impacts by seeking a mutually beneficial relationship and long-term bonds?

CAPITAL FOR INFRASTRUCTURE

How can we **mobilize capital** in sufficient scale to facilitate long-term investments aimed at resilient and sustainable infrastructure?

TECHNOLOGIC AND FINANCIAL INNOVATIONS

How can we **allocate capital and knowledge to new business models** that join profitability and positive environmental and social impacts? How can we invest and/or induce investments in the development and use of **technologic and financial innovations and transformations** that generate a positive impact for sustainable development?

INTELLIGENCE AND RISK MANAGEMENT

How can we **collect, analyze, use, and distribute economic, social, and environmental information** by generating knowledge applied to pricing and business impacts? How can we use this knowledge for the management, transfer, and diversification of risks?

MARKET INTEGRITY, TRANSPARENCY AND RESILIENCE

How to **contribute to the creation of a fair financial eco-system that is aligned with the sustainable development agenda**? How to better collect, process, analyze and distribute market information that provides our stakeholders with conditions to improve decisions and enhance the industry's regulations?

INCLUSIVE AND RESPONSIBLE MANAGEMENT

How can we create a **better experience for the employee** and **promote the creation of a diverse, inclusive environment**? How can we **reduce the environmental and social impact of our operations** by generating higher efficiency based on the use of new technologies and influencing our value chain?

Next steps

Based on these priorities, we are building commitments, indicators, and targets that magnify and evidence our

positive impact on society. The commitments will be consistent with the Sustainable Development Goals, in addition to being aligned with UN's Principles for Responsible Banking. We will disclose our commitments in 2019.

Materiality GRI 102-46

We consider as material matters any issues capable of affecting value creation in the short, medium and long terms from the standpoint of the organization and its key stakeholders. Determining material matters is key to guide our decision-making, since it provides a broader vision of the risks and opportunities inherent in the business and connects the strategies to multiple external interests.

Our strategic sustainability guidelines are undergoing a review process, as described, that had major impacts for the redefinition of our reports' materiality. GRI 102-49

Material issues for us and our stakeholders

Materiality for management and economic, environmental, and social impacts of the organization

Priority fronts, which were define by top management as general guidelines for all bank functions in 2017 (learn more in Introduction on [page 3](#)).

Sustainable Finance Drivers, defined during the strategic guidelines review process in 2018.

Materiality for stakeholders' assessments and decisions

Hearing with employees and experts, and during the strategic guidelines review process in 2017.

Interviews with experts and the bank's and other companies' top management in 2018.

The issues raised by our stakeholders during the hearings and interviews will generate commitments, indicators, targets, and our priority SDGs. GRI 102-44

In the next step (2), based on a materiality valuation, developed by several functions, in which we crosscheck our old material matters with the current expectations brought by the inputs referred to above, we will prioritize the issues and subsequently consolidate them into even more comprehensive issues, according to our stakeholders' and market expectations. GRI 102-49

Finally, in the last step (3), the prioritized issues were discussed and validated internally by the Reporting Committee, a sustainability governance forum dedicated

The methodology used to revise our material matters consists of three distinct steps.

(1) Identification (2) Prioritization (3) Validation



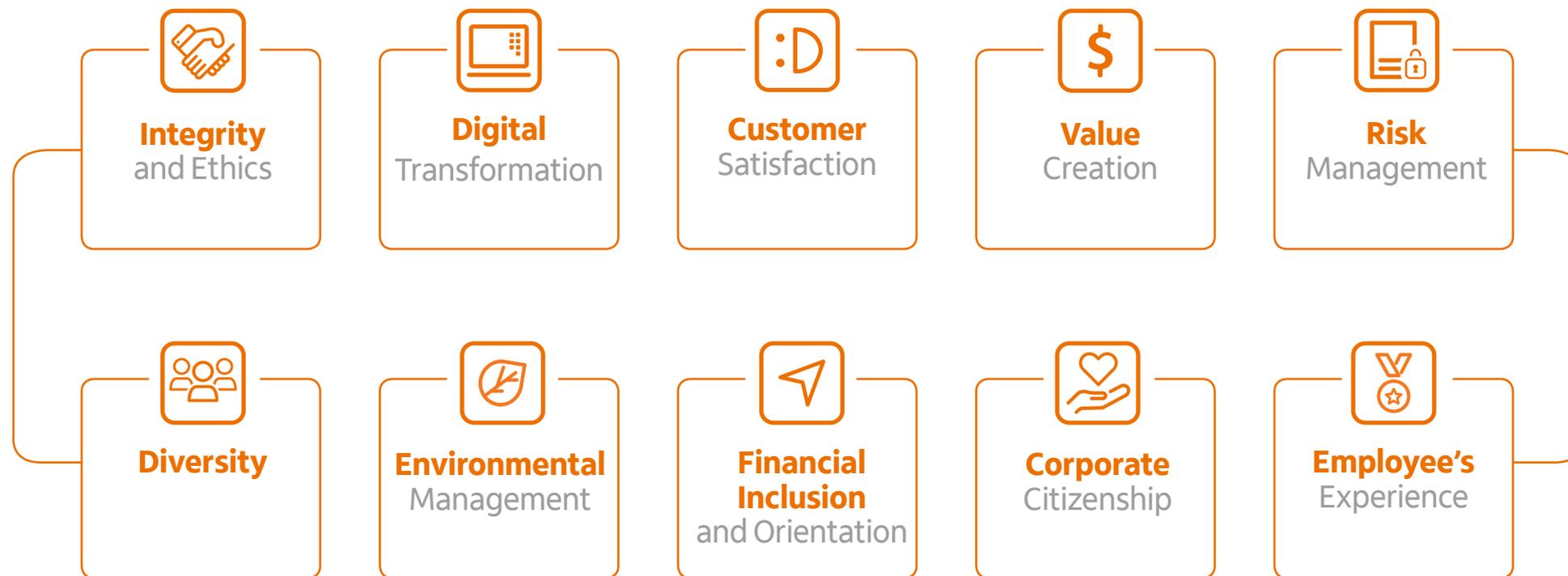
In the first step (1), we identify which would be the inputs that we would use to revise our former material matters. The main goal was to identify the most material issues for our management and our stakeholders. Accordingly, we used as basis: GRI 102-42 | GRI 102-44

to implementing the best reporting and transparency practices. The materiality definition process was externally assured by PwC, based on the guidelines of the AA1000 standard and pursuant the provisions of our policy, which sets forth the development procedures of this Report and requires the external assurance of the GRI indicators. GRI 102-56

Since 2017, we have prepared our report in accordance with the GRI Standards. However, since the sectoral indicators for the financial services industry have not yet been revised, we will continue to report them using GRI-G4.

We submit as follows the materiality analysis containing our ten new material matters: GRI 102-47 | GRI 102-49

Materiality **identified in 2018**



This year, because of the review of our materiality, we have structured this report into chapters that reflect in one of the material matters, instead of using our former structure that was based on our stakeholders. At the beginning of each chapter it is possible to check the GRI indicators and the SDGs related to the issue, as well as the type of impact on our stakeholders.

The Sustainable Development Goals (SDGs) in our operating strategy

In 2015, the United Nations (UN) and world leaders formally adopted a 2030 Agenda for sustainable development: the Sustainable Development Goals (SDGs). The agenda was developed based on the Millennium Development Goals (MDGs), after a long consultation process involving global companies, governments and civil societies. The result is 17 Goals that include social, environmental and economic aspects to be implemented by all countries by 2030.

As a result and with regard to sustainability issues, our guideline in UN's 2030 Agenda, which takes into consideration risk management and market connections. By connecting the challenges for sustainable development with an organization's purpose and business strategy, it is possible to increase the value of corporate sustainability by acting on societal challenges and changes, sharing purposes, and creating opportunities aligned with the new economy and the strengthening of worldwide collaboration to reduce negative environmental, social, and economic impacts.

We are actively involved in organizing the 2030 Agenda by attending global forums to disseminate the most recent trends on this issue and assuming a reference position when we are invited to contribute to the dissemination of our institutional experience in this matter and also holding the Chair of the Brasil Network Global Compact.

Our main initiatives involving the SDGs in 2018 are as follows:

• **White paper | Responsible investment through the SDG Lenses – Itaú Asset Management's Approach:** this paper unveils the investors' perspective on how the SDGs can produce better returns, aligning risks with the positive impact on society, and bring benefits to the environment and the business, based on the balance between investment initiatives to reach goals and targets. Read more about it [here](#).

• **SDGs in Brazil –The Role of the Private Sector:** we present the Itaú Women Entrepreneurs Program (learn more in Financial Inclusion and Orientation on [page 96](#)), which promotes economic development and financial inclusion (SDG 1), offers educational opportunities and fosters female entrepreneurship (SDG 4), promotes female empowerment (SDG 5) and sustainable economic growth by providing female entrepreneurs with content and knowledge (SDG 8), and contributes to reducing gender inequality (SDG 10). This case was selected as Companies and Human Rights, increase female presence in business, during the 73rd General Stockholders' Meeting of the United Nations, in New York.

• **2018 Brazil SDG Award – 1st edition:** we were recognized by the National Award for the Sustainable Development Goals, organized by the Federal Government and granted every two years, until 2030, for one case about the Female Entrepreneur Program (learn more in Financial Inclusion and Orientation on [page 96](#)). This program offers training that permit women to improve their management techniques and maximize the results of their businesses, inspiration so that they can see a success path, and networking so that they can expand their contact networks and thus promote partnerships and dealings. The purpose of the Brazil SDG Award is to encourage, value, and shine a light on the practices developed by state, municipal, and the Federal District governments, and civil society as well, that contribute to achieving the Sustainable Development Goals in Brazil.

Identification of the potential SDGs

Working in favor of the 2030 Agenda is a way of diminishing risks, improving results, strengthening reputation, and generating positive impacts, in addition to expanding the reach of sustainable development through our business. Thus, in 2017 we crosschecked the data of our initiatives and businesses with the affected SDGs.

We continued this process throughout 2018 by identifying which SDGs and targets had been affected and which one are considered potential goals, i.e., that may be significantly affected by our operations as a holding organization. This definition was based on the relationship of these SDGs with our materiality level and the Sustainable Finance Drivers (learn more in Strategic sustainability guidelines on [page 7](#)).

In 2019, with the launching of the Positive Impact Commitments, we will define the priority SDGs, which will be connected with the businesses through impact measurement indicators.

As follows, is our reporting and action history:

Identification history of priority SDGs



Our impact on the Sustainable Development Goals (SDGs) GRI 102-15

The tables depicted at the beginning of each chapter show the result of the analysis of our initiative's impacts on SDGs and their targets.



Value **Creation**

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Why is this **subject** material?

[GRI 102-15](#) | [GRI 102-44](#) | [GRI 103-1 Value Creation](#)

Our understanding of value creation is based on the concept of Sustainable Performance, whereby we generate long-term shared value for our employees, clients, stockholders, and society, ensuring the continuity of our business.

This shared value can be both financial and nonfinancial, which we measured based on the tangible impact or not of our results, activities, products, and services. As important as the creation of financial value through the generation and distribution of wealth among employees, the government and stockholders, it is the creation of intangible values for the other stakeholders and, consequently, to society. [GRI 103-2 Value Creation](#)

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Materiality

Value Creation GRI 103-1 Value Creation

Potential SDGs	Targets	Positive impact
	7.2 By 2030, increase substantially the share of renewable energies in the global energy matrix.	We promote the consumption of clean energy through our products and services by reviewing financed projects related to power generation and consumption based on risk criteria and environmental and social opportunities.
	7.b By 2030, expanding the infrastructure and upgrading the technology for the provision of modern and sustainable energy services for all developing countries, in particular in frontier countries, developing small island states, landlocked developing countries, according to their related support programs.	We invest in efficient energy technologies, by analyzing environmental and social opportunities and increasing the renewable energy installed capacity by offering products that foster the use of clean source energy.
	9.3 Increase the access of small industries and other companies, in particular in developing countries, to financial services, including accessible credit and their integration in value chains and markets.	We create products (credit and onlending facilities) and serve small businesses by stimulating business development and markets in the regions where we operate.
	9.4 By 2030, upgrade the infrastructure and revamp industries to make them sustainable, with increased efficiency in the use of resources and increased adoption of clean, environmental-friendly technologies and manufacturing processes; with all countries working according to their related capacities.	We mitigate environmental and social risks and leverage opportunities based on the analysis of wholesale corporate clients and infrastructure projects financed. We also invest in efficient and appropriate infrastructure for the use of resources in our facilities.
	11.6 By 2030, reduce the negative environmental impact per capita in the cities, including by paying special attention to air quality, municipal waste management, etc.	We have reduced and offset the emissions of our operations and conducted a study and disclosed the financed emissions and the carbon footprint of the Digital Agency.

Relationship between the material matter and our stakeholders

GRI 103-1 Value Creation



GRI topics	Related indicators
Management Approach	GRI 103-1 Value Creation – Explanation of the material topic and its boundary
Management Approach	GRI 103-2 Value Creation – The management approach and its components
Management Approach	GRI 103-3 Value Creation – Evaluation of the management approach
General Disclosures	GRI 102-15 Key impacts, risks, and opportunities
General Disclosures	GRI 102-44 Key topics and concerns raised
General Disclosures	GRI 102-48 Restatements of information
Economic Performance	GRI 201-1 Direct economic value generated and distributed
Indirect Economic Impacts	GRI 203-2 Significant indirect economic impacts
Economic Performance	GRI G4-DMA Economic Performance
Product Portfolio	GRI G4-FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose
Product Portfolio	GRI G4-FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose

“

In this chapter...

...we describe the different initiatives that generate value for the different sectors of society or our organization. We show how they are distributed among our stakeholders: initially as financial value, measured in the Distribution of Value Added (DVA); next, in other ways beyond the financial side, as our impacts on employees and clients. We also bring a summary of our impacts on the external and internal environment, where we provide an overview of our key activities, impacts, and externalities, which allows us to understand our impacts on society.

In line with the generation of the value to the external stakeholders, we present our credit products and socio-environmental funds for projects with social benefits and/or connected with the green economy, which bring environmental and social profits in their planning.

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Financial impact | Distribution of Value Added (DVA)

GRI 201-1 | GRI 103-2 Value Creation | GRI G4-DMA Economic Performance

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

Because this is an accounting statement required by the local regulators, its information is extracted from accounting and is reported on an accrual basis. The DVA is calculated based in the difference between the financial value created by the business and the goods and services produced by third parties and used by us.

In 2018 the Value Added taking into account the IFRS basis, reached R\$71.9 billion and wealth was distributed as shown in the following table:

DVA (%)

Distributed value	2018	2017	2016
Sector	R\$71.9 billion	R\$65.3 billion	R\$61.5 billion
Employees	30.96	32.03	33.07
Profit reinvestments	5.88	6.87	16.76
Taxes, fees and contribution	30.99	29.42	28.30
Payments to stockholders	29.99	29.44	19.47
Remuneration on third parties' capital	2.18	2.25	2.41

Notes: · Beginning 2018, we started to adopt IFRSs to disclose the DVA amounts. Accordingly, the historic amounts were adjusted to comply with this standard and differ from the amounts disclosed in previous reports. [GRI 102-48](#)
 · Amounts based on Recurring Net Income.
 · Disregards the hedging tax effect.

Nonfinancial impacts (social and economic and environmental impacts) | Banking responsibility GRI 203-2

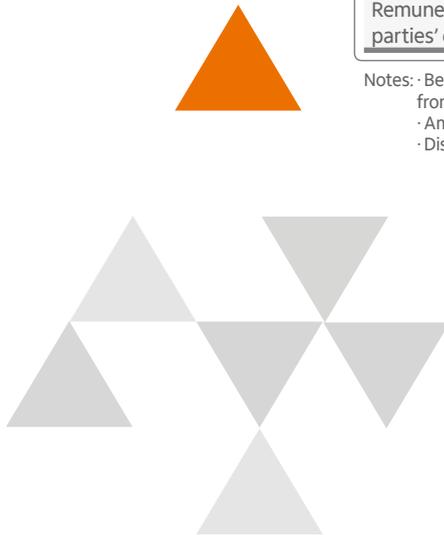
On the nonfinancial side, we conducted both valuation studies of our actions for our employees and society. These studies are comprehensive and involve social and economic and environmental aspects for the purpose of identifying our impacts on our relationships and our banking responsibility.

Though its actions, a bank is capable of, for example, create jobs, develop businesses, and promote entrepreneurship; on the other hand, it can also generate negative impacts, such as environmental or indebtedness impacts.

In order to leverage this agenda, we have been developing since 2016 studies to map and measure our impacts. The first study conducted identified the contribution of our activities to the GDP and job maintenance. In order to expand the lens on this subject, in 2017 we conducted studies that would measure our environmental impacts. [GRI 103-2 Value Creation](#) | [GRI 103-3 Value Creation](#)

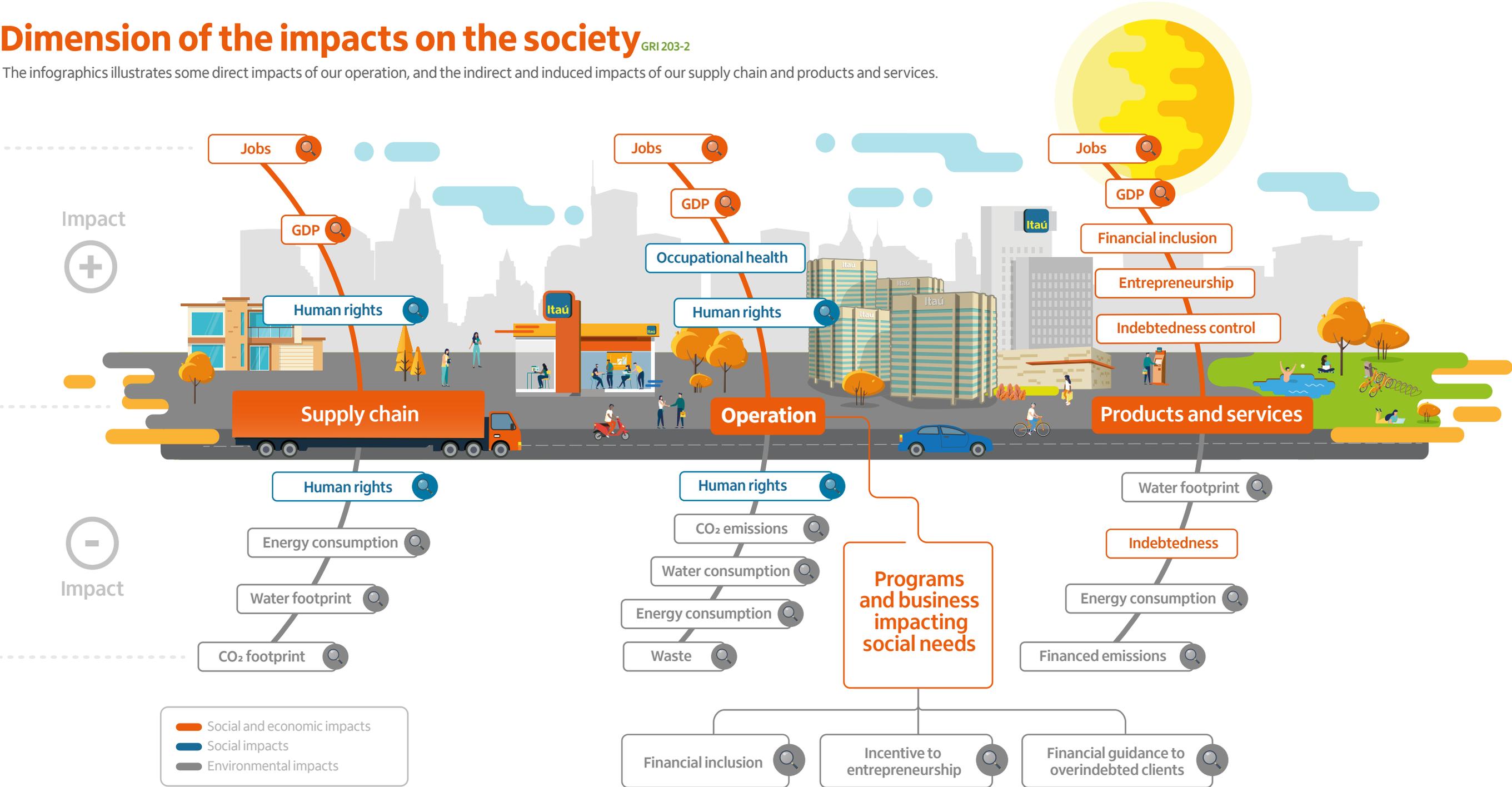
Proceeding with this agenda, in 2018 we developed new studies to expand the subject internally. In addition to the developed studies, we worked in a multidisciplinary group to disseminate the concept of impact and join efforts with areas that work with the subject.

Based on these advances, we initiated an internal research, illustrated as follows, of the priority externalities that have initiatives connected to the core business and that generate and/or mitigate direct, indirect and induced positive and/or negative impacts, as well as their outcomes.



Dimension of the impacts on the society GRI 203-2

The infographics illustrates some direct impacts of our operation, and the indirect and induced impacts of our supply chain and products and services.



Social and economic impacts | Externalities of credit products and supply chain GRI 203-2

To measure the impacts caused by us, we have conducted a study that simulates the economic flows involved in our operations and credit products for individuals and legal entities through the Utopies Local FootPrint® methodology. Based on the collected data, this tool allows us to measure the economic contribution expressed in terms of the jobs maintained and the value added created (translated into the GDP). We considered, for the analysis, ten credit products (five focused on individuals and five focused on legal entities) and our expenses on the 100 largest suppliers of Brazil (based on the amount spent on each supplier). [GRI 103-2 Value Creation](#) | [GRI 103-3 Value Creation](#)

Information on the study

Impacts of operations

These are the “direct” social and economic impacts, such as jobs created and maintained or income generated, also taking into account the effects of our relationship with suppliers, resulting in a continuous chain for the suppliers of our suppliers, and so on, until the economic flow reaches zero, “indirectly” fueling the Brazilian economy.

Meanwhile, the compensations paid to our employees and the compensations paid by our employees to their suppliers support our “induced” impacts of household consumption, in addition to financing public spending, thanks to the tax receipts.

Catalyzing impacts

These are the impacts of the operations of the ten products analyzed in this study, five of which are related to individuals and five to corporations.

All products that were analyzed under this study are related to credit, therefore, the direct impacts are not taken into consideration in this analysis. However, we still have indirect and induced impacts since the introduction of these amounts into the economy results in relationships with suppliers until the economic flow reaches zero (indirect impacts) that lead to an increase in household consumption (induced impacts).

In both cases, we classified three types of impacts that were analyzed in the study:

- **Direct impacts** – financial margin, taxes, purchases and sectors of suppliers, production and even number of workers.

- **Indirect impacts** – how this disseminates to the different sectors, particularly in the supply chain, such as tier 1, 2, 3, etc. suppliers).

- **Induced impacts** – household consumption and operating expenses of public bodies.

Note: Product for individual clients: Personal Credit, Payroll Loans, Credit Cards, Real Estate Loans, and Vehicle Loans. Product for corporate clients: Working Capital Loans, Credit Cards, CDC/FINAME/Leasing, Real Estate Loans, and Vehicle Loans.

After these analyses, we have obtained the following results:

GDP (R\$ billion)	Itaú operation	Products	Total
Direct impact	92.8	N.A.	92.8
Indirect impact	13.5	98.4	111.9
Catalyzing impact	37.5	94.0	131.5
Total impact	143.8	192.4	336.2

Jobs	Itaú operation	Products	Total
Direct impact	85,537	-	85,537
Indirect impact	117,406	3,988,716	4,116,122
Catalyzing impact	636,190	1,568,959	2,205,149
Total impact	839,133	5,567,675	6,403,808

Training impact | Employees

GRI 103-3 Value Creation

From the perspective of the employee, we have several actions to increase the experience of our employees, including investing in training so that they can develop in several knowledge areas. After undergoing training, we need to understand if the employee met his or her goals and if the training had the intended impact on the trained employees.



Bearing this in mind, we developed a workgroup that had the following goal: conduct impact analyses of some of the conducted training programs. Throughout the year, this workgroup conducted a pilot impact assessment to some applied training programs.

This way we can understand how much of our investment in employee development is being effective. For further details on this assessment, please visit the Employee's Experience chapter on [page 62](#).

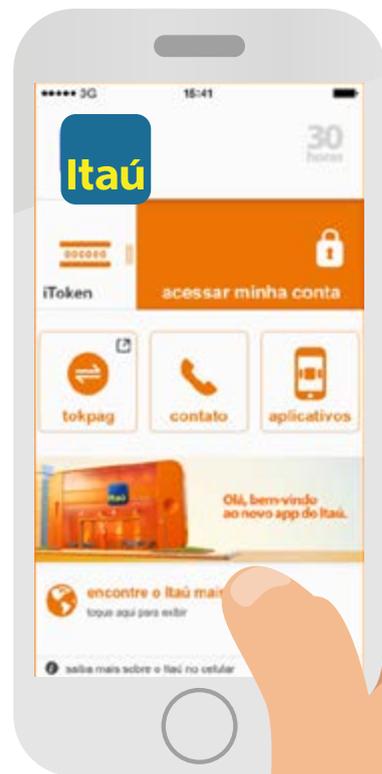
Positive impact | Products and services

GRI G4-FS7 | GRI G4-FS8 | GRI 103-2 Value Creation | GRI G4-DMA Economic Performance

Bearing in mind that because we are a financial entity, all our activities (direct and indirect) have an impact on our stakeholders, we offer products and services aimed at creating value and maximize our impact on the society. Define capital allocation, whether in credit or in investment, in addition to supporting our clients with sustainable investment solutions that bring financial returns and benefits to society is a key part of this operation. We are on track to deliver services and products that are aligned with the values and the current demands of society.

FEBRABAN Green Economy

One way of assessing our share in the generation of positive impact on our lending operations is through market reporting. Our line of services related to the green economy is a material part of a market development verified in a survey conducted in the financial market by the Brazilian Bank Federation (FEBRABAN), which identified a year-on-year 33.4% increase in funding to industries considered part of the green economy in 2017. To see this study, please click [here](#).



Business Challenge

Driven by the goal of becoming the leading bank in financing the transition to a green economy, we use a proprietary innovation methodology, called Business Challenge to expedite the development of environmental solutions by creating new products and services to individual and corporate clients. In total, 40 ideas came up that will generate ten new bank products and services, in addition to a communication and corporate environmental positioning plan will be launched in 2019.

Multilateral and financing facilities

GRI- 103-2 Value Creation

This year we kept active all our multilateral facilities aimed at promoting environmental and social benefits. These funds were provide by the International Finance Corporation (IFC), the Inter-American Investment Corporation (IIC), the Overseas Private Investment Corporation (OPIC), and the Inter-American Development Bank (IADB) for projects and companies located in the North and Northeast of Brazil, for small business and medium-sized enterprises, and women-led businesses.

Resource allocation per type of financing facility

Financing modality	Summary of funds destination	Amount (R\$ million)
BNDES Finem Prorenova	Cane fields renewal and introduction of new plantations of sugarcane.	8.8
BNDES ABC	Agriculture – financing to decrease the emissions of greenhouse gases.	44.6
BNDES Automatic Project Finance	Grain and sugar warehousing and processing facilities, hospital and school renovations, wastewater treatment plants, and hydroelectric power plant.	43.7
Itaú Project Bridge Loans	Transmission lines and hydro and solar power plants.	635.0
Itaú Project Finance	Transmission lines and hydro, solar, and wind power plants.	4,284.0
Itaú Project Finance – long term	Power distribution, sugarcane crops, rain storage, hospital, cement plant, and solar power plants.	4,808.0

In 2017, we underwrote the issued of Klabin's green bond in the foreign market. In this transaction, the organization issued US\$500 million in bonds maturing in 2027 and the proceeds were allocated exclusively to "eligible green projects". This issue puts Itaú in a prominent position with regard to advising and promoting the issue of green bonds in the foreign market.

In 2018, the Wholesale segment allocated R\$8.65 billion in financial support transactions that generated environmental and social benefits. This amount, of compared to the segment's portfolio at the end of 2018, corresponds to approximately 8.47%.

Impact investment

Impact investments are the new frontier in our industry. To learn, exchange experiences and propose paths and solutions to strengthen this subject, since 2016 we are partners of *Aliança Pelos Investimentos e Negócios de Impacto* (Alliance for Impact Investments and Businesses), former Social Finances Task Force, fomented by the *Instituto de Cidadania Empresarial* (ICE – CorporateCitizenship Institute). This group is aimed

at setting up networking to attract investors, entrepreneurs and partners to foster profitable business models that may solve social or environmental problems, and, therefore, promote insights on how to manage resources and the needs of society.

In 2018, as a way of learning about the subject and promote in association with the former Social Finances and Impact Businesses Task Force, we prepared the paper "What Stance Are Local and International Financial Institutions on the Subject Impact Investment", which was launched during our participation in the 2018 Social Finances and Impact Businesses Forum, which we sponsor.

We have been working in our governance to make available to our clients responsible investment products that also foster positive impact. We supported the distribution of the impact debenture of Vivenda, an impact business that operates in the renovation of low cost housing in the poorer neighborhoods, thus contributing to improving the quality of life of the households living in these areas. We are also reviewing our investment funds' action responsible for adding features to encourage the development of impact businesses.

Environmental and Social Funds

GRI 201-1 | GRI G4-DMA Economic Performance

We offer our clients funds with environmental and social benefits, such as:

Fundos Itaú Excelência Social (FIES): equity fund that makes investments in socially responsible companies. The selection process for the companies that make up this fund consists of excluding or including certain sectors/companies and applying the ESG integration method to other assets eligible for investment. In addition, 50% of management fees of this family of funds are donated to educational projects developed by NGOs in Brazil. From 2004 to the end of 2018, over R\$31 million was transferred to 176 civil society organizations, benefiting over 36,892 children and youngsters.

Fundos Itaú Ecomudança: support projects with potential to reduce greenhouse gas emissions that develop initiatives related to renewable energy, waste management, urban mobility, sustainable agriculture and forestation by transferring 30% of its administration fee to these projects. In 2018, in addition to the projects that we have carried out throughout the years, we have sought escalate the program's impacts and opened a helpline for organizations to which we allocate 10% of the transferred amount (10% of the 30%), for organizations with the aptitude to become impact businesses. The valuation of the organizations was made using a methodology that has indicators

based on the Sustainable Development Goals (SDGs), World Business Council for Sustainable Development (WBCSD), Environmental Social and Governance (ESG), and Paris Accord as reference of impact indicators, seeking a transition of supports, fostering the based on the venture philanthropy concept to develop impact businesses.

Since 2009, we annually publish a call notice to select new projects. For the 2018 call notice, we selected six projects, applicable to the Forests, Renewable Energy, Agriculture, and Solid Waste Handling fields, and the first organization with the aptitude to become impact business.

Since it was launched until 2018 (projects selected in the 2009 to 2017 call notices), the Ecomudança invested more than R\$6 million in 63 projects in 21 Brazilian States and in the Federal District. The program has benefitted approximately 1,593 families, of which approximately 844 had an increase in income of above 10%. The overall reduction of greenhouse gases generated by funded projects, since its inception, has already reached 34,449 tCO₂e. Please access our annual reports with the results of the program [here](#).

Fundo Itaú Futura (Itaú Futura Social Fund): between 2010 and 2018, the Fundo Itaú Futura donated over R\$3 million to educational projects developed by Roberto Marinho Foundation's Futura TV channel, which accounts for 30% of its management fee.





Risk Management

“ Why is this **topic** material?

Assuming and managing risks is one of our main activities and, for this reason, we have well established objectives with respect to risk management. The risk appetite defines the nature and level of the losses that are acceptable for us and the risk culture guides the attitudes required to manage them. We pursue sound risk management processes that permeate the entire organization and are the basis for strategic decisions so as to ensure our business sustainability. [GRI 102-15](#) | [GRI 103-1 Risk Management](#) | [GRI 103-2 Risk Management](#) | [GRI G4-DMA Product Portfolio \(former FS1 | FS2 | FS5\)](#)

These processes are in line with the guidelines of the Board of Directors and Executives that, by means of joint committees, define the overall objectives expressed in targets and limits to the risk management business units. The capital control and management units, in turn, support our management with risk and capital monitoring and analysis processes.

The principles that provide the fundamentals of risk management and risk appetite, and the guidelines on how our employees should work in a decision-making process are as follows: sustainability and customer satisfaction; risk culture; risk management; diversification; operational excellence and ethics and regulatory compliance. These principles guide the institution's operation based on the importance of our customer and user satisfaction, so as to ensure our business longevity over time by mapping, managing and mitigating risks in an ethical and responsible way.

We adhere to CMN Resolution No. 4,557, which provides for the risk and capital management structure. The highlights of this resolution are the implementation of a continuous and integrated risk management structure, the requirements to define the Risk Appetite Statement and the Stress Testing Program, the establishment of a Risk Committee and the nomination, with the Central Bank of Brazil (Bacen), of the risk management Officer, with the assignment of roles, responsibilities and independence requirements. [GRI 103-2 Risk Management](#)

”

Materiality

Risk Management GRI 103-1 Risk Management

Potential SDGs	Targets	Positive impact
	8.2 Reach higher levels of productivity of the economies through diversification, technologic modernization, and innovation, including through a focus on the high value added sectors and labor intensive sectors.	We changed the business logic with the Wholesale companies by promoting sustainable practices, with lower environmental and social impact, in addition to diversity as the driver for the innovation of processes, services, and products.
	8.4 Progressively improve by 2030, the efficiency of the global resources in consumption and production, and make an effort to dissociate economic growth from environmental degradation, pursuant to o Ten-year Program Plan on Sustainable Production and Consumption, with developed countries assuming the leadership. 8.5 By 2030, reach full, productive employment and decent work for women and men, including for youngsters and disabled people, and equal pay for equal-value work. 8.8 Protect labor rights and promote safe, protect work environments for all workers, including migrant workers, in particular migrant women, and people in precarious jobs.	Through Itaú Asset Management we conducted ESG valuation of the companies ensuring that the risks and opportunities are integrated into the investment decisions.
	8.7 Take immediate efficient actions to eradicate forced labor, ends modern slavery and human trafficking, and ensure the prohibition and elimination the worst forms of child labor, including recruiting and using child soldiers, and end with all forms of child labor by 2025.	We work in favor of eradicating forced labor by not financing clients who have given indications of such practices; we are also part of the compact to eradicate forced labor and advise clients on how to migrate to more sustainable investments based on risk assessment.
	13.1 Reinforce the resilience and capacity of adapting to risks related to climate and natural disasters in all countries.	Through Itaú Asset Management, we conduct an ESG assessment to ensure that climate change-related risks are integrated and can be taken into consideration in investment choices.
	13.2 Integrate climate change-related actions into local policies, strategies, and planning.	We implement the TCFD recommendations agenda and measured the impacts of climate change on the major loan portfolios, ensuring that risks from climate change are identified and mitigated through the positioning in portfolios less dependent on climate worsening factors. In addition to contributing and boosting the low-carbon economy and the new economy through our operations.
	13.3 Improve education, increase awareness and human and institutional capacity on impact mitigation, adaptation, decrease, and early warning of climate change.	We issue the white paper Climate change and Its Impacts where we identify the sectors and timeframes and actions necessary to mitigate the risks, as well as the business opportunities.

Relationship between the material matter and our stakeholders

GRI 103-1 Risk Management



Employee
Direct



Stockholder
Direct



Client
Direct



Supplier
Direct



Society
Indirect



GRI topics	Related initiatives and indicators
Management Approach	GRI 103-1 Risk Management – Explanation of the material topic and its boundary
Management Approach	GRI 103-2 Risk Management – The management approach and its components
Management Approach	GRI 103-3 Risk Management – Evaluation of the management approach
General Disclosures	GRI 102-9 Supply chain
General Disclosures	GRI 102-11 Precautionary principle or approach
General Disclosures	GRI 102-15 Key impacts, risks, and opportunities
Economic Performance	GRI 201-2 Financial implications and other risks and opportunities due to climate change
Procurement Practices	GRI 204-1 Proportion of spending on local suppliers
Supplier Environmental Assessment	GRI 308-1 New suppliers that were screened using environmental criteria
Supplier Environmental Assessment	GRI 308-2 Negative environmental impacts in the supply chain and actions taken
Supplier Social Assessment	GRI 414-1 New suppliers that were screened using social criteria
Supplier Social Assessment	GRI 414-2 Negative social impacts in the supply chain and actions taken
Product Portfolio	GRI G4-DMA Product Portfolio (former FS1) – Policies with specific environmental and social components applied to business lines
	GRI G4-DMA Product Portfolio (former FS2) – Procedures for the assessing and screening environmental and social risks in the business lines
	GRI G4-DMA Product Portfolio (former FS3) – Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions
	GRI G4-DMA Product Portfolio (former FS4) – Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines
	GRI G4-DMA Product Portfolio (former FS5) – Interactions with clients/investees/business partners regarding environmental and social risks and opportunities
	GRI G4-FS6 Percentage of the portfolio for business lines by specific region, size (e.g. micro/ SME/large) and by sector
Audit	GRI G4-DMA Audit (former FS9) – Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures
Active Ownership	GRI G4-FS10 Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues
	GRI G4-FS11 Percentage of assets subject to positive and negative environmental or social screening
Product and Service Labeling	GRI G4-DMA Active Ownership (former FS12) – 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
	GRI G4-DMA Product and Service Labeling (former FS15) – Policies for the fair design and sale of financial products and services
	GRI G4-DMA Product and Service Labeling (former FS16) – Initiatives to enhance financial literacy by type of beneficiary

“ In this chapter...

...we will present the fundamentals that support our risk culture, such as risk appetite and its five dimensions. Thereafter, we will show the types of risks we manage and the procedures used in each context with respect to sustainability, such as the management of environmental and social (E&S) risk and of the climate risk.

As regards third-party risks, we will detail our supplier management and the procedures involved. Finally, we will also address the risks in third-party asset management, insurance and when granting mortgage loans that, in accordance with the specific nature of each risk, are also analyzed based on environmental and social and ESG criteria.



Risk culture GRI 103-2 Risk Management

Aiming at strengthening the values and aligning the behavior of our employees with the guidelines established in risk management, we have adopted a number of initiatives to disseminate and strengthen the risk culture, which is based on four pillars: the conscious assumption of risk, the discussion and measures on the organization's risks and everyone's responsibility for risk management.

In addition to policies, procedures and processes, the risk culture strengthens the individual and collective responsibility of employees for understanding, identifying, measuring, managing and mitigating the risks inherent in their activities, respecting the ethical way of managing business.

We promote our risk culture, stressing behavior which will help people at every level of the institution to consciously assume and manage risk. With these pillars disseminated, there is an incentive for risk to be understood and openly debated, being kept within the levels indicated by the risk appetite.

Risk appetite GRI 103-2 Risk Management

The risk appetite establishes the acceptable types and levels of risk for the bank within which management tries to maximize the creation of value. We revised our Risk Appetite Policy two years ago, which was established and approved by the Board of Directors and guides our business strategy.

The Board of Directors is responsible for approving the guidelines and limits of risk appetite, performing its duties with the support of the Risk and Capital Management Committee and the Chief Risk Officer (CRO). The measures are frequently monitored and reported to the risk committees and the Board of Directors and they guide preventive measures to be taken to ensure that exposures are within the limits established and in line with our strategy.

The institution's risk appetite is based on the following Board of Directors' statement:

It's based on
Board of Directors Statement

We are a universal bank, operating predominantly in Latin America. Supported by our risk culture, we operate based on rigorous ethical and regulatory compliance standards, seeking high and growing results, with low volatility, by means of the long-lasting relationship with clients, correctly pricing risks, well-distributed fund-raising and proper use of capital.

Based on this statement, five dimensions were defined, each of them composed of the main underlying risks, combining additional forms to measure the magnitude of risks, seeking a broad view of our exposure as a financial institution.

Guided by the
Principles of Risk Management

- Sustainability and customer satisfaction;
- Ethics and respect for regulation;
- Price for risk;
- Diversification;
- Operational excellence; and
- Risk culture.

Understanding, identifying, measuring, managing and mitigating risks are practices essential to our activities.



And monitored by **metrics** inserted in the day-to-day of business management

Capitalization

- Capital ratios in normal and stress situations; and
- Debt issuance ratings.

Liquidity

- Short and mid-term liquidity indicators.

Composition of Results

- Largest credit risk;
- Largest exposures and by rating brackets;
- Concentration by sectors, countries and segments; and
- Concentration of market risk.

Operational risk

- Operational losses events; and
- Information technology.

Reputation

- Suitability indicators;
- Media exposure;
- Customer complaint tracking; and
- Regulatory compliance.

Dimensions

Capitalization dimension

Capitalization dimension establishes that we must have sufficient capital to protect us from a serious recession or a stress event with no need to adapt the capital structure in unfavorable circumstances, protecting creditors and account holders. This is monitored through the follow up of our capital ratios, in normal and stress situations, and of the institution's credit ratings.

Liquidity dimension

Liquidity dimension monitors the quality of everything that can be quickly converted into cash so that we are able to meet our cash and payment obligations without incurring losses. It establishes that our liquidity must support long periods of stress. This is monitored through the follow up of liquidity ratios.

Dimension of composition of results

This dimension comprises aspects of business and profitability, market and credit risks, and limits the exposure in activities about which we have little knowledge to operate. It also establishes limits of concentration and risk exposure, and fosters the diversification of sources of income, seeking to ensure the proper composition of our portfolios, the low volatility of our results and the sustainability of our business.

Operational risk dimension

This dimension monitors failures in processes that may generate unavailabilities and losses. In order to scale the risks with greater impact, we identified the most critical processes and assessed the performance of the departments in managing operational risk that may adversely affect the business and operational strategy.

Reputation dimension

This dimension identifies the risks that may affect the value of our brand and our reputation with customers, employees, regulators, investors, suppliers and the general public. It follows up customer satisfaction and the exposure of the bank in the media, in addition to the compliance with ethical and conduct rules of the institution.

Responsible capital

Financial institutions play an important role in the global economy as they interact with all economic sectors and, for this reason, they become influencers of changes in society. The risk appetite is part of our organization's risk culture and is a management tool that allows us to analyze the acceptable limits of risk for the organization within which we try to maximize the creation of value and, accordingly, make the best decision on a conscious and sustainable basis.

Environmental and social risk

GRI 102-11 | GRI 103-2 Risk Management | GRI G4-DMA Product Portfolio (former FS1 | FS2 | FS4 | FS5)

The purpose of managing the environmental and social risk is to identify, measure, mitigate and monitor the risks associated with environmental and social topics in our operational process and business.

Aiming at strengthening the environmental and social risk culture and disseminating the best market practices, we stimulate and value continuous learning. In 2018, the members of the Environmental and Social Risk Management had over 56-hour training. In addition, we extended the target audience for training in this topic to the departments involved in the credit granting process.

To measure the quality of processes and monitor the exposure to risk, these departments are subjected to compliance processes performed by internal controls 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, such as the Environmental and Social Risk Committee. GRI G4-DMA Audit (former FS9)

We maintained the Environmental and Social Risk Management Project, which was adopted for 18 work fronts, covering a total of 53 departments, 55 institution's policies and over 20 people.

Environmental and Social Risk Management Project

Launched in 2017, the purpose of the Environmental and Social Risk Management Project is to review the environmental and social risk in our activities and business in Brazil and foreign units. Each work front relies on the identification, review and implementation of governance for the identified risks. This initiative is headed by the Environmental and Social Risk Management, together with the Sustainability, Compliance and Environmental and Social Legal teams.

Seeking to highlight even more the relevance of the environmental and social issues, our Corporate Environmental and Social Risk Policy, approved by officers, is guided by the best environmental and social risk management practices, being continuously improved and ratifying our commitment to and concern about the topic. Our Policy can be accessed [here](#).

Environmental and social risk management GRI 103-2 Risk Management

The environmental social risk management starts at the very beginning of the relationship with our individual and corporate clients. Accordingly, we do not maintain any relationship with clients that carry out practices contrary to human rights protection, which are included in our list of excluded activities, as follows:

- 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.

Clients involved in the activities listed above are identified based on media reports and through lists issued by official bodies. If a client has been proven to be involved in such activities, he/she is blocked in our systems and not allowed to begin any relationship with the bank.

In 2018, 37 clients had their credit transactions blocked due to indications of engagement in activities of our Exclusion List. We only resume a credit relationship if the client successfully proves it has changed its labor practices and its name was excluded from the lists issued by official bodies.

Credit approval criteria

GRI G4-DMA Product Portfolio (former FS1 | FS2 | FS3 | FS4 | FS5)

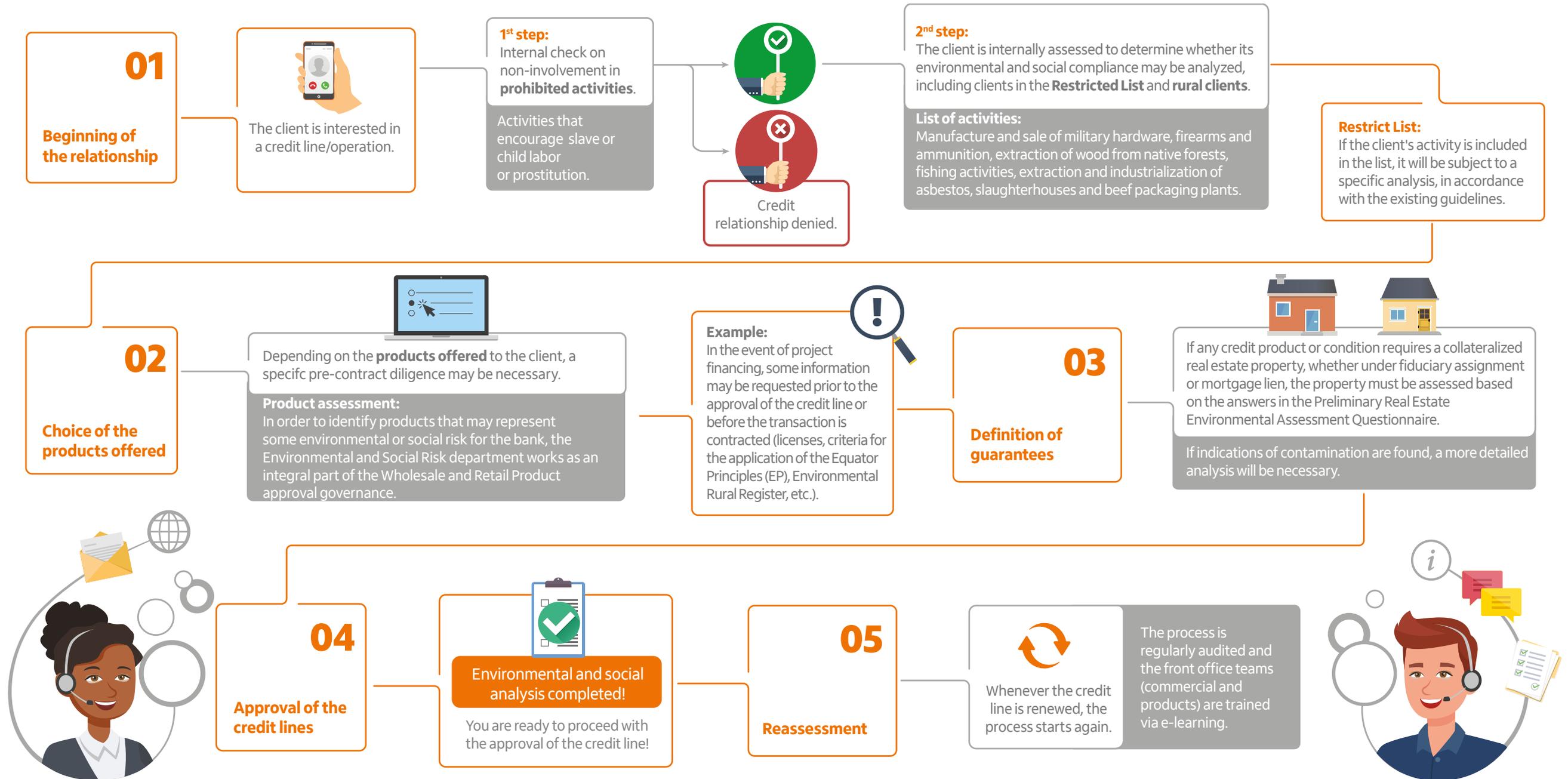
After meeting the fundamental criteria in connection with the list of excluded activities, clients are submitted to additional environmental and social assessment criteria, based on requirements specific for type of product, market segment, and guarantee structure proposed for each operation.

For credit-granting transactions collateralized by properties, whether rural or urban, a specific environmental and social diligence is required, aiming at identifying any environmental liabilities, such as indications of contamination, environmental preservation area, among others. This analysis is based on information on past and current activities performed on the property and on data on the surrounding areas to issue a technical report.

We review and implement new environmental and social risk governance for these guarantees, with special negotiations for situations believed to be more serious. These efforts to improve and learn have relied on a multidisciplinary team, with members of departments such as Environmental and Social Legal department, Asset Management department, Guarantees department and Products department. As a result, a governance was created bringing more speed and efficiency to the guarantee analysis process.

Additionally, the credit granting process has two analysis tracks: client analysis, focused on the environmental and social risk of each activity developed by the client, and including the environmental and social categorization and the assessment of clients involved in restricted sectors, and the analysis of structured operations, focused on the use of funds, and including the analysis of project finance and specific credit facilities. The methodology for the two processes is described as follows:

Client analysis: Credit granting process



The environmental and social analysis of clients applies to several segments, in addition to clients of sectors deemed as included in the Restricted List.

In this process we use specific tools and an environmental and social categorization. The categorization process, which was reviewed in 2018 with a team of experts in the area, counting on the most innovative aspects in the environmental and social area, is based on the industry where the client operates and includes sustainability parameters, such as energy and water consumption, emission of liquid effluents, solid waste disposal, air emissions, and occupational health and safety risks for employees, and sectors are categorized as having high, medium and low environmental and social risks.

Restricted List

Based on the existing risk and internationally recognized market practices, the sectors below are deemed as restricted:

- Manufacturing and sale of military hardware, firearms and ammunition;
- Extraction of wood from native forests;
- Fishing activities;
- Extraction and industrialization of asbestos;
- Cold storage plants and cattle slaughterhouses; and
- For these clients, we have implemented a diligence process to grant credit, composed of specific questionnaires and surveys on media directed to the sector, in addition to the requirement of submitting applicable documentation. This is an additional practice to client analysis and is applicable to the corporate segment.

Analysis of large companies

With the purpose of helping in decision making and enabling the strategic inclusion of the environmental and social topic in credit granting, this variable has always been used in our

risk rating models for large companies. As a consequence of a learning process and continuous improvement, we assessed the impact of environmental and social topics in the credit risk of the most relevant sectors in our portfolio. This work generated drivers for environmental and social risk of each sector, as shown in the following mandala.

Mandala of drivers for the assessment of environmental and social risk



As an evolution of this work, we developed a methodology able to distinguish credit risk associated to environmental and social issues for clients of the same sector. The methodology is based on the drivers developed in the assessment and other variables, such as management capacity and risks associated to locating clients. The methodology is expected to be applied in 2019 to a portfolio with at least 150 clients, totaling over R\$22.8 billion.

In 2018, we conducted 2,311 client analyses, including clients in the Restricted List, as shown on [page 130](#) of the attached chapter.

Rural clients

We have a structure that offers rural producers full-fledged financial services, ranging from financing to price hedging, with a customized client service. Regardless of the product offer, this portfolio focuses on creating value and the long-term relationship with our clients. As of the beginning of the portfolio, the Environmental and Social Risk Management operates together with the Commercial department using an analysis process specific for this sector, mitigating existing risks and providing the necessary support to find the best environmental and social practices. The experience acquired in this process provided inputs to reassess material topics of the sector together with the departments involved, seeking to improve our analysis process in view of the current needs.

Analysis of structured operations

GRI 103-2 Risk Management

We assess our environmental and social risk exposure upon the approval of new products and services. The analysis is carried out based on the detailed information received that support the technical analysis, which is conducted by the Environmental and Social Risk Management and the Environmental and Social Legal department, when applicable. Specific governance processes are developed for the environmental and social risk exposure cases identified, in compliance with the relevance and proportionality principles. [GRI G4-DMA Product and Service Labeling \(former FS15\)](#)

Analysis of products and specific operations

The environmental and social analysis of products in the Wholesale and Retail segments is a condition precedent to their operation and takes into consideration the impact of environmental and social issues on the credit, legal and reputation dimensions. In addition to product analysis, we carefully assess operations specifically structured to meet our clients' needs, always working together and in collaboration with the business departments.

As a result of the effort to review the product analysis process, we adopted this year a new intelligent questionnaire able to identify demands with more relevant environmental and social risk based on their characteristics. In 2018, 149

products and 18 specific operations of the Wholesale segment and 44 products of the Retail segment were analyzed.

Project finance GRI 103-2 Risk Management

For implementing projects in Brazil or abroad, a more robust environmental and social diligence is required. In these cases, the analysis starts by gathering previous information about the project – typology, location, financing instrument and operation value – that support the preparation of an environmental and social agenda addressing relevant technical and legal issues.

These issues enable the project to be categorized as high, medium and low environmental and social risk. At the end of the analysis, it may be necessary to establish an action plan, which has to be carried out and monitored during the term of the contract. The contractual obligations arising from this plan are extensively discussed with the client and become conditions precedent to the use of funds. The environmental and social analysis, as well as its monitoring, includes compliance with a number of different environmental and social aspects of local legislation and, where applicable, with the IFC Performance Standards, and may be conducted by an independent expert consultant. Each monitoring cycle can involve document reviews, negotiations with clients and financing agents, and visits to the project.

Equator Principles GRI 103-2 Risk Management

When the Equator Principles are applied, we are guided by the best international market practices and focus our efforts on engaging all stakeholders in a robust and transparent diligence.

Accordingly, the analysis starts by categorizing the project and the assessment process includes material and sensitive topics, such as the impact on traditional communities, cultural heritage, biodiversity, ecosystem services, as well as the assessment of compliance with local legislation and the adoption of an environmental and social management system.

For high and medium risk projects, it may be necessary to hire an independent environmental and social consultant as a requirement for contracting and monitoring them.

As a member of the Steering Committee of these principles and representing Latin America, we have been actively engaged in reviewing the Equator Principles, process aimed at expanding the application scope and deepening the environmental and social diligence in topics such as human rights and climate change.

At the end of 2018, 132 project finance agreements were monitored. Sixty new structured operations associated with these projects, including bridge loans and sureties, were analyzed by the Environmental and Social Risk Management. To check in more detail the volume of products associated with the projects contracted in 2018, whether within or outside the scope of the Equator Principles, please refer to pages [129](#) and [130](#) of this report.

Risk rating model for project finance

Aiming at improving the credit assessment for long-term and large operations, we revised the risk rating model for project finance operations. This revision involved the Modeling, Credit, Project Finance and Environmental and Social Risk departments and enabled us to improve even further our environmental and social diligence.

Among the developments of this revision we highlight the strengthening of the environmental and social variable in the model, which now looks with greater accuracy at the risks of additional costs and delays associated with environmental licensing, legal disputes and environmental and social conflicts.

Environmental and social dilemmas

We understand that environmental and social risk management is a transdisciplinary activity, since we must address complex issues and ensure that all decisions are aligned with our principles, risk appetite and culture, and especially seek to achieve the lowest impact on our stakeholders. Aware of the materiality of the environmental and social topic, we shared three major dilemmas faced over last year and the learning we acquired.

Financing a responsible transition

Some activities alone raise dilemmas due to the possible effects on society, environment and people's health. Therefore, tobacco financing is a topic that is addressed in a strict way by our senior management, which decided not to grant credit for this sector.

Over last year, however, we understood that we can work in the transition of companies reviewing their business line to include other cultures and gradually reduce tobacco production. In 2018, an important client from our agricultural portfolio sought our support for this transition.

In view of this scenario, several internal discussions were held involving senior management and credit was granted to a tobacco organization incumbent upon a number of conditions precedent to release such funds. We understand that financing this transition would create value to society and the environment and would be in line with our role of fostering sustainable business.

These conditions precedent included, for example, the required engagement of an independent renowned third party to ensure that investments would be used in the transition to new cultures other than tobacco. Additionally, an in-depth environmental and social analysis of this client's practices was carried out, including an in-site assessment of the compliance with health and safety technical standards, legal requirements and good international environmental and social practices.

Connecting technology with environmental and social analysis

The agribusiness sector is key to the Brazilian economy. Ensuring the quality of our environmental and social analysis for this segment poses a material challenge, especially taking into account concerns about the use of land in Brazil and the international commitments it assumed concerning climate change. To this end, incorporating tools and new work flows was required to make the bank's credit-granting making easier.



We have learned that new technologies associated with the expertise of our environmental and social team can optimize our analysis against the backdrop of controversial scenarios. Bearing this in mind, in 2018, we improved our methodology for rural client assessment. We integrated this segment into our Environmental and Social Intelligence system, as well as the tools for daily capture and analysis of both E&S geospatial data. These tools, in turn, indicate the need for an in-depth environmental and social analysis by experts. Our purpose is to deliver an effective and timely environmental and social response that complies with our long-term goals.

Bringing communities to the discussion

Generation of renewable energy is of utmost significance in a scenario of adjusting to climate change and managing the related economic transition risks. However, this activity is not environmental and social impact free.

In 2018, we faced a dilemma regarding the monitoring of a renewable energy project we financed in 2016, which had been granted a long-term loan. This project was the target of complaints from the surrounding community due to noise generation. This point for attention was identified by the environmental and social consultant during a monitoring cycle applying the Equator Principles.

After it was proved that the noise level was indeed higher than acceptable by law and the World Bank Environmental, Health and Safety Guidelines, we had a key role, as the leaders of the pool of banks involved in the operation, in bringing these issues into the negotiation of the stage after the

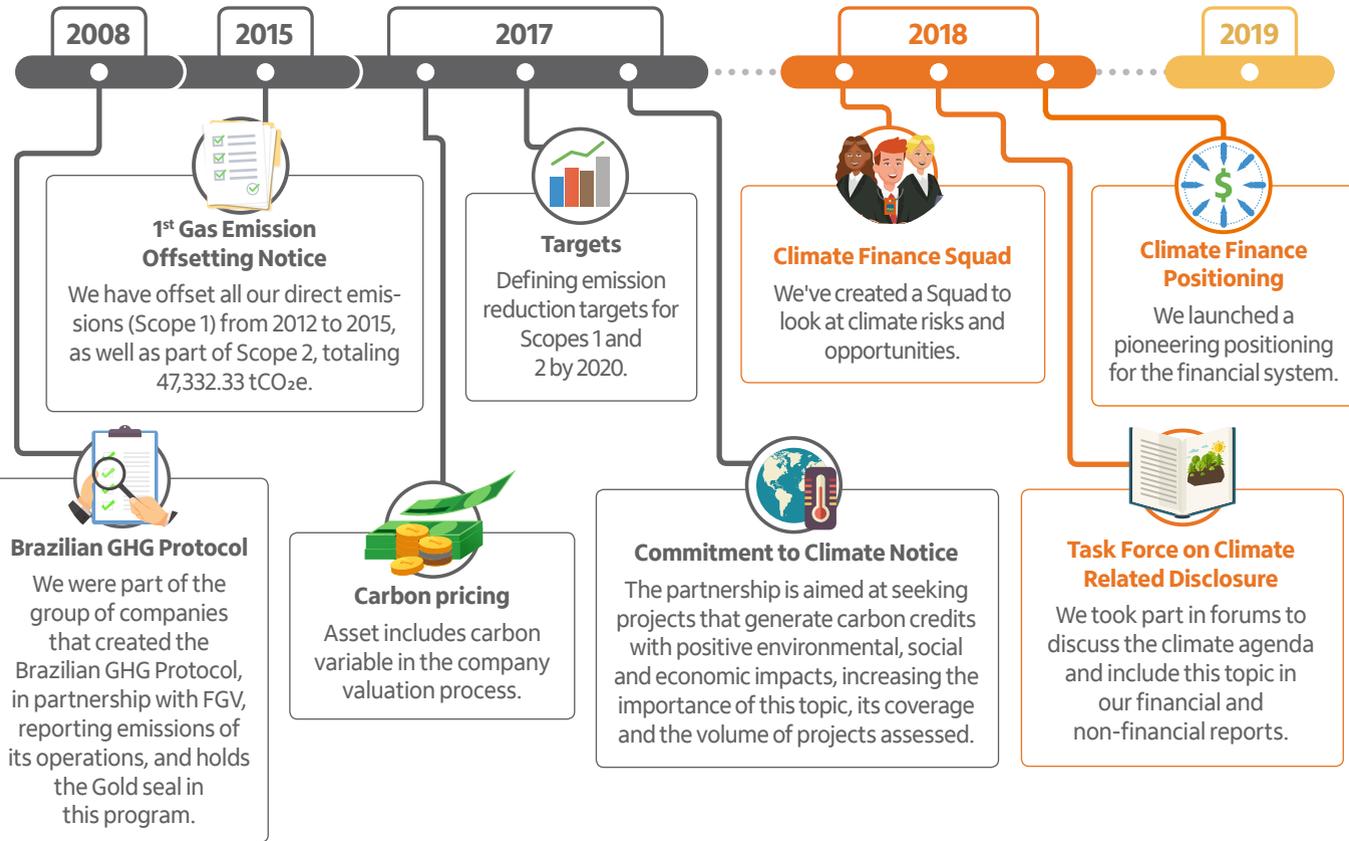
disbursement to comply with environmental and social conditions, taking into account the costs involved, the care with the business relationship, and the fact that the credit risk was mitigated, since the project was already in the operational stage. After the negotiations were concluded, it was agreed that the client had to expand the monitoring sites and have thermal and acoustic ceiling installed at the most affected households.

In 2018, these client's actions to comply with the Equator Principles requirements and the banks' E&S monitoring demands were successful to minimize the impacts on the community, since no more complaints were identified. When addressing the environmental and social risk, it is important to take into account and understand the demands from the affected communities, significant scenarios, and propose risk mitigation actions, even when we deal with sectors that promote clear environmental and social benefits.

Climate risk GRI 201-2

Climate risk, embodied in changes in rainfall standards, increased frequency of extreme events occurrence and increasing shortage of natural resources, brings about severe consequences to society and the global economy.

Our performance with the climate agenda



We have been seeking to increasingly incorporate climate variables into our business for ten years with the purpose of managing the resulting risks. Recognizing the climate risk as a trend has placed us in a strategic position, which seeks to ensure the longevity of our business and operations in view of these changes and their impacts on the economy, already foreseen for the coming years.

Task Force on Climate-related Financial Disclosure (TCFD)

This initiative spurs organizations from a number of sectors to learn about the physical and transitional climate

risks they are exposed to and proposes voluntary and consistent financial disclosures to ensure more transparency for financiers, insurance companies and investors to make better decisions. These are emergent risks of a complex nature, which pose great challenges, particularly to financial institutions.

Partnerships on climate change

In 2018, we joined the United Nations Environment Programme – Finance Initiative (UNEP FI) with other 15 banks in a working group to discuss a consistent and comparable way to disclose climate risks in financial institutions.

GRI 103-2 Risk Management

As a result of this work, two disclosure methodologies were proposed, one for the physical risk and another for the transition one. In summary, these methodologies are based on the creation of climate scenarios that change the macroeconomic scenario, thus leading to financial impacts on clients and consequently to changes in their credit quality.

Two volumes on these results were published by UNEP FI. In these publications we reinforce its

leading role by introducing a case study on the climate impact on the Agribusiness Portfolio in the Wholesale Banking segment. To access the results of the working group, please, click [here](#).

Another TCFD-related initiative was the coordination of a working group at the Brazilian Federation of Banks (FEBRABAN), which conducted a diagnosis on the financial sector's capacity to follow the TCFD's recommendations and designed a schedule with actions to fill in the main gaps found by 2020. We take part in this forum, assessing assumptions so that all banks are able to set off from the same starting point, in view of the climate scenario analyses and other agenda developments so that there is no competitive edge to every financial institution involved in that working group.

You can access our climate finance positioning, launched this year [here](#).

Climate risk management

GRI 103-2 Risk Management | GRI 201-2

We understand that climate change is a systemic risk and impacts the entire society. Therefore, we have been working to incorporate this risk in order to be ready as soon as possible to provide our clients with products and solutions that will address any adverse climate event.

With that in mind, we have updated our positioning and commitment to the climate scenario, a document that brings about transparency to our climate finance agenda related actions. The commitment to our stakeholders to disclose our practices and intentions for the coming years of operations includes

presenting some information on the disclosure of risks and opportunities to our clients, our business and society.

Potential impacts on our institution from climate risk for a three to five year period

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 our operations due to extreme climate events.

Temperature increase:

- Higher water and energy demand; and
- Occurrence of health problems associated to climate change, affecting our employees.

Transition risks

Technological changes associated to 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 of the transport matrix to shared and electric vehicles.

Market barriers:

- Carbon pricing affecting all economic segments;
- Development of the internal carbon market with permission for emissions and trading on stock exchange;
- Access to developed markets with carbon-related requirements; and
- Requirement to measure emissions financed to the financial sector; and
- Taxation of carbon emissions.

Amendment to legislation and regulation:

- 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).

The creation of the Corporate Environmental and Social Risk Management, responsible for fully covering business and operations, increases the importance of addressing the climate risk in the institution's strategy. Additionally, this topic will be addressed in the Environmental and Social Risk Management Project, allowing a comprehensive view of business and operations and its agile handling at our committees. We will proceed with our multidisciplinary Climate Finance Squad focused on implementing the TCFD recommendations.

These issues will always be taken into account in all of our initiatives related to environmental and social risk management, whether in the new analysis of CIB clients, or in discussions for updating the Equator Principles or in our analyses of clients, structured operations and investments.

When we analyze a carbon-intensive sector project, regardless of the amount and type of product involved, we may request a greenhouse gas (GHG) inventory and analyze it in the approval process.

In 2017, we conducted 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.

The scope and assumptions used in the study were:

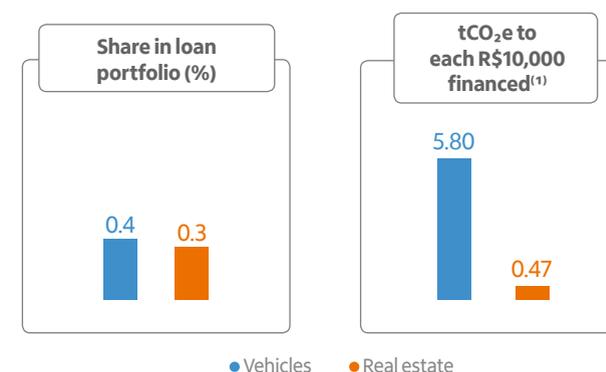
- Loans made to corporate clients;
- Operations contracted in 2017;
- Calculation of emissions per period of financing formalized in a contract;
- Vehicle Portfolio: financing of light and heavy vehicles with Itaúcred;
- Real Estate Construction Portfolio: residential, mixed and commercial real estate;

- Financing of light and heavy vehicles: use of the asset over the financing period; and

- Financing for the construction of real estate: residential, commercial and mixed.

As a result, we identified that we generate indirect impacts on CO₂ emissions from the financing of vehicle and the construction of real estate.

Emissions financed in the Wholesale Banking segment



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

Portfolios will be monitored from time to time and these data will be used in other internal studies and projects to identify opportunities and mitigate risks.

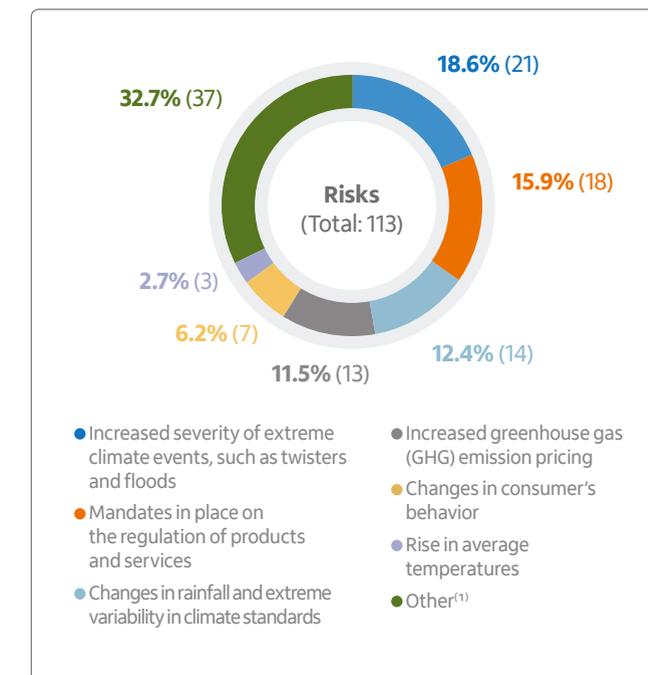
Assessment of climate change variable for risk management in the value chain GRI 201-2

In line with our climate change strategy, for over three years we have now been part of the CDP Supply Chain – Carbon Disclosure Program – a program aimed at addressing climate issues in the supply chain. This is an important initiative to support our internal supply management strategy, by which we invite our significant suppliers to provide climate change information. The goals of this program go beyond the mere GHG emission data collection, and they integrate the purposes of raising awareness, training and

developing suppliers for a greater climate resilience. Based on the results collected from the questionnaires, we seek to understand how these suppliers address climate change and how we can help them introduce this topic in their operation strategy.

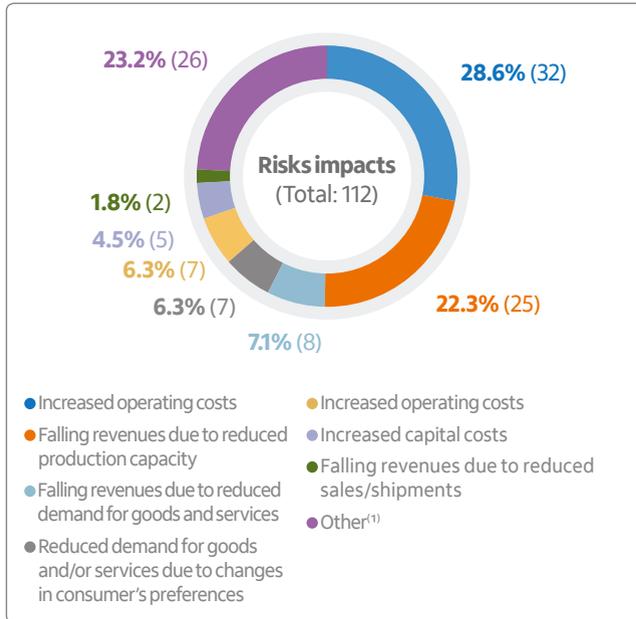
In 2018, 80 suppliers answered to the questionnaire, accounting for 68% of adherence to the program, a rate above the LATAM average of 48%. Among the main results for 2018, we highlight that 47.5% of suppliers believe they are already exposed to either physical and/or transition climate risks. On the other hand, 46.3% have some initiatives to mitigate the climate risk, and only 33.8% have an emission reduction target.

Climate change-related risks to which suppliers reported they are exposed



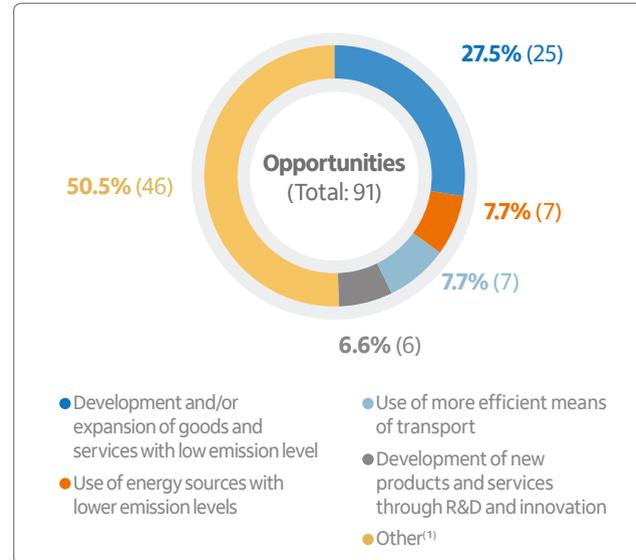
(1) Other contains distinct non-groupable risk-related responses in which each supplier considered is exposed to. To find out what these risks are, access the public questionnaire of the CDP Climate Change of Itaú Unibanco. Note: Suppliers may indicate more than one risk they consider to be exposed to. The answer to this question is optional. Source: CDP Supply Chain, 2018 cycle (restricted material).

Potential impacts of climate change related risks indicated by suppliers



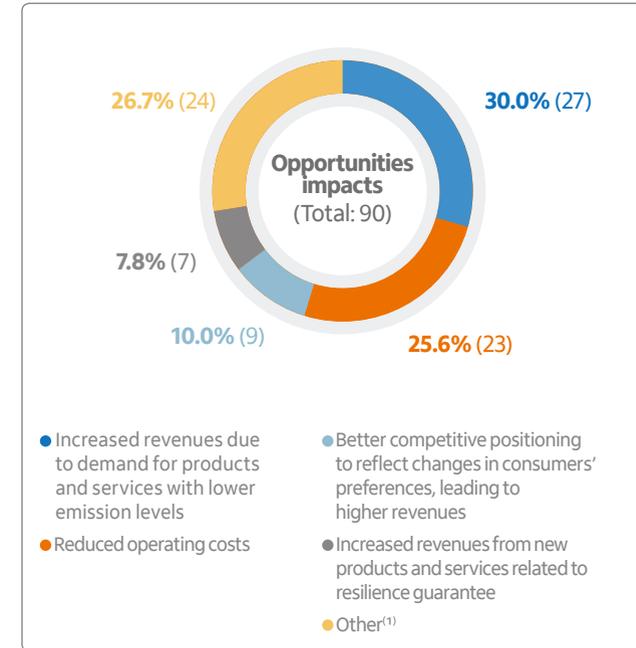
(1) Other contains distinct non-groupable responses, related to the impacts on which each supplier considered is exposed to. To find out what these impacts are, access the public questionnaire of the CDP Climate Change of Itaú Unibanco. Note: Suppliers may indicate more than one impact arising from risks they consider to be exposed to. The answer to this question is optional. Source: CDP Supply Chain, 2018 cycle (restricted material).

Opportunities arising from climate change pointed out by suppliers



(1) Other contains distinct non-groupable responses, related to the opportunities each supplier considered is exposed to. To find out what these opportunities are, access the public questionnaire from CDP Climate Change of Itaú Unibanco. Note: Suppliers may indicate more than one climate change-related opportunity. The answer to this question is optional. Source: CDP Supply Chain, 2018 cycle (restricted material).

Potential positive impacts of climate change related opportunities indicated by suppliers



(1) Others contains distinct non-groupable responses, related to the potential positive impacts supplier considered is exposed to. To find out what these potential positive impacts are, access the public questionnaire from CDP Climate Change of Itaú Unibanco. Note: Suppliers may indicate more than one positive impact arising from opportunities related to climate change they are exposed to. The answer to this question is optional. Source: CDP Supply Chain, 2018 cycle (restricted material).

Assessment of the climate change variable for management of third-party assets GRI 201-2

Also for management of third-party assets, it is important to take into account the climate change impact on investment decisions. For this reason, we build up scenarios for each issue as follows: physical damage, disease spreading, changes in the water cycle, GHG emission pricing, agricultural and forest production, and new products. One tool we use in our analysis is carbon pricing. The estimated price is used as an entry variable in our model to estimate the cost of GHG emissions. Based on this estimate, we calculate the value of the financial impact of these emissions on the market value of the companies and, consequently, on the price of their shares. We believe that this approach, in addition to encouraging the adoption of best practices by investee companies, allows investors to make a more accurate analysis of the risks involved in the organization.

Each scenario has a short, medium and long-term materiality matrix, limited based on the recurrence and scope for several economy sectors. These scenarios enable us to make well-informed investment decisions with more knowledge of the related climate risks and opportunities.

To deepen the understanding of the carbon footprint of investee companies in Itaú Asset Management's portfolios, in 2017 we developed a calculator to compare emissions of our portfolios against benchmarks, thus helping achieve a better understanding of the carbon exposure of products.

Itaú Asset Management has a white paper specific on climate change with more information. This is a public document and is available [here](#) in. To access this paper directly click [here](#).

Risks in the management of third-party assets

As managers of our clients' assets, we are responsible for investing these assets ethically and responsibly, seeking a full understanding of the opportunities and risks involved in our decisions.

Our investment process is aimed at creating value to our clients by using proprietary fundamental analysis and communicating with other companies. The goal is achieving an in-depth understanding of the companies under analysis and of the sectors they operate.

The ongoing search for financial or other information that may impact the market value of companies is an integral part of this process. The ultimate goal is getting significant information for a well-informed decision-making process.

Approach to a responsible investment GRI 103-2 Risk Management

With the purpose of monitoring the impact of environmental, social and governance (ESG) issues on investment portfolios, Itaú Asset Management adhered in 2008 to the UN Principles for Responsible Investment (PRI).

Our Responsible Investment Policy sets up the principles and guidelines steering Itaú Asset Management's activities on responsible investment, with the main purpose of protecting our client's economic interests.

We take into account the relevance of the ESG issues as these may impact the value of the assets we invest in.

What ESG is?



Our approach to responsible investment is aimed at creating value to our clients by identifying opportunities to reduce risks associated to variable income and private credit portfolios.

Integrating ESG into the investment process

We integrate ESG issues into our investment process through a proprietary analysis methodology and by engaging specialized services. This assessment identifies multi-sector dimensions and prioritizes those dimensions critical to each sector when evaluating companies. Evaluating the performance of each company includes the potential impact on cash flows, manageability and availability of information.

The output is an estimate of the impact on the fair value of the company at the evaluation date. The previous knowledge and pricing of significant ESG issues help identify any events with potential to create or destroy value to the companies.

Variable income funds with a proactive management take into account the analysis conducted based on this methodology in their investment decision-making process.

We do not use negative filters that restrict the investment universe and adversely impact the return on investments.

Exercising the right to vote – Proxy Voting

GRI G4-DMA Active Ownership (former FS12)

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.

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).

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.

Engagement and transparency

We believe the engagement with investees is an adequate way to increase our knowledge about them. The purpose is promoting a constructive dialogue and deepening the understanding of how certain ESG issues may impact the company's market value. When appropriate, we encourage the adoption of the best management and corporate governance practices to reduce risks and protect our clients' interests.

We encourage investees to disclose ESG information that may impact their financial performance and adopt a transparent approach to share our learning, since we believe that we may inspire other organizations to adopt more sustainability-aligned practices. Therefore, we make available to the public our methodology and take part in a number of events in this sector to introduce our method and discuss the integration of ESG practices into the investee assessment process.

In 2018

Responsible investment training and engagement sessions based on ESG criteria were carried out with the fund and commercial asset management teams. New activities for the Private Banking units are scheduled for 2019 onwards.

GRI G4-DMA Product Portfolio (former FS4)

We attended the annual meeting of the signatories to the UN Principles for Responsible Investment held in San Francisco, California. This event brought together institutional investors, asset managers and service providers. The agenda included discussions on the integration of ESG into Fixed Income and the development of ratings and indexes, in addition to engagement and education fronts to investors. It also addressed tools already established for the ESG agenda and renewable energy and infrastructure challenges. At that same event we launched the paper *Investimento responsável pela lente dos ODS* (Responsible investment from the SDG perspective), a paper addressing in detail the interface between UN Sustainable Development Goals (SDG) and Itaú Asset Management's ESG integration model. To access this paper, click [here](#).

Management of ESG risks in the management of third-party assets

GRI 103-2 Risk Management | GRI G4-DMA Product Portfolio (former FS1 | FS2 | FS5) | GRI G4-FS10 | GRI G4-FS11

The methodology developed by Itaú Asset Management to integrate ESG issues into its listed company valuation process is aimed at pricing the impact of these issues in the traditional valuation models by analyzing its impact on cash flows

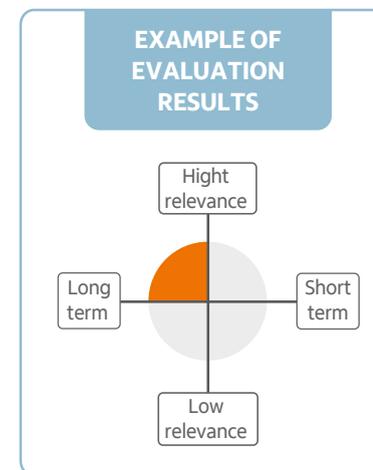
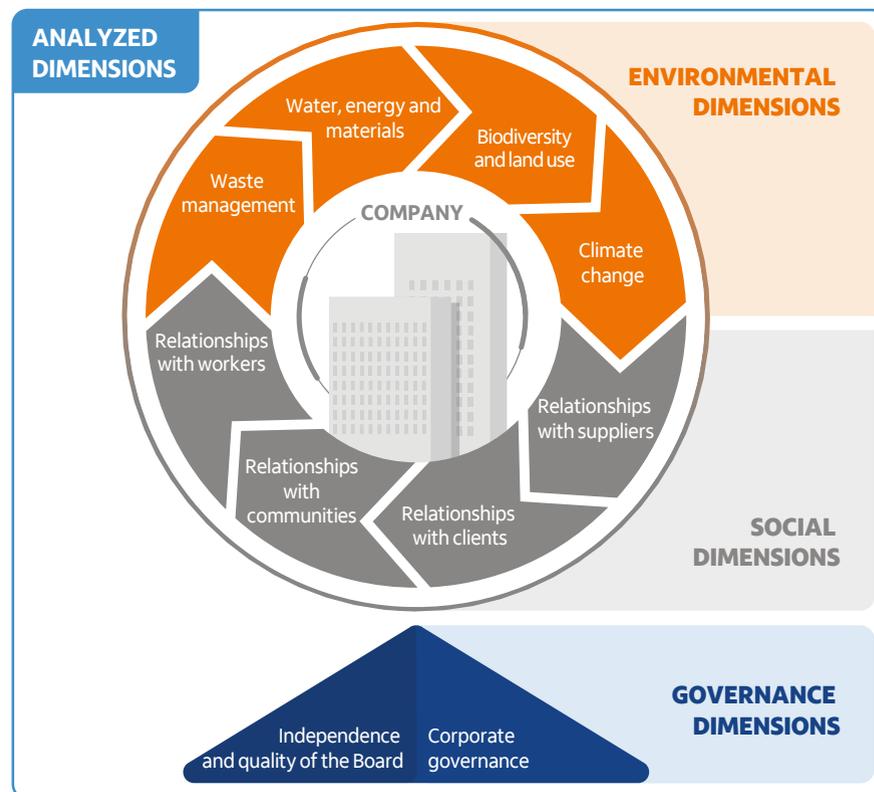
and capital cost over time. This process consists of a stage for researching and designing sector scenarios followed by another stage for valuing the impacts on companies.

Methodology

This proprietary methodology is applied to integrate environmental and social issues in evaluating companies by addressing eight dimensions, of which four are related to stakeholders relations – Workers relations, Community relations, Client relations and Supplier relations –, and four are related to environmental dimensions – Water, energy and materials, Biodiversity and land use, Waste management, and Climate change.

The purpose is to adjust the target price of listed securities and identify early events that may create or reduce value. For the valuation of fixed income securities, the model is adjusted to estimate the absolute impact of environmental and social variables on the issuers' cash flows. This approach provides flexibility for managers, who use the analyses according to their specific strategies and mandates. Our methodology includes variables such as materiality, sector relevance, temporality, risks and opportunities, measurements and management.

Integrating environmental and social issues into business valuation



The percentage of our assets located in sectors that do not pose risks for consumers or third parties, or not allocated in fossil fuel and derivatives production or distribution sectors, was higher than 99% in 2018.

In addition to the methodology that integrates environmental and social variables into traditional valuation models, we have developed an internal corporate governance rating to improve the Corporate Governance assessment. This rating takes into account 11 different governance factors of the companies under analysis, including the structure of the Board of Directors, CEO duality, independent members, committees assisting the decision-making process of the Board of Directors, and the Board members gender diversity, among other factors deemed as good corporate governance practices. The ratings achieved are used in the individual valuations of companies, as well as in the portfolio valuation. Therefore it is possible to calculate the governance rating of a certain portfolio and its benchmark, allowing a direct comparison among them.

We have advanced in the last four 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 periodically update the analyses in variable income and continue to make progress in the coverage in corporate fixed income. [GRI G4-FS10](#) | [GRI G4-FS11](#)

In addition to a structure dedicated to evaluating these criteria that models the ESG impact on investee companies, we have partnerships with independent expert consultants. To learn more, please click [here](#). [GRI G4-DMA Product Portfolio \(former FS4\)](#)

Supply chain risks GRI 103-2 Risk Management

With respect to our suppliers, we seek to build our supplier relations with the same legitimacy, quality and reliability we have reached with our clients. We have implemented a management structure aimed at improving a sustainable relationship, fostering efficiency and innovation opportunities, as well as our and our partners' operational improvement.

As a link essential to our business, we value and reinforce healthy partnerships that help build long-term sustainable relationships. We instruct our suppliers on sustainability practices and require them to comply with legislation and the ethical principles that guide business relationships. All these guidelines are published on our [website](#).

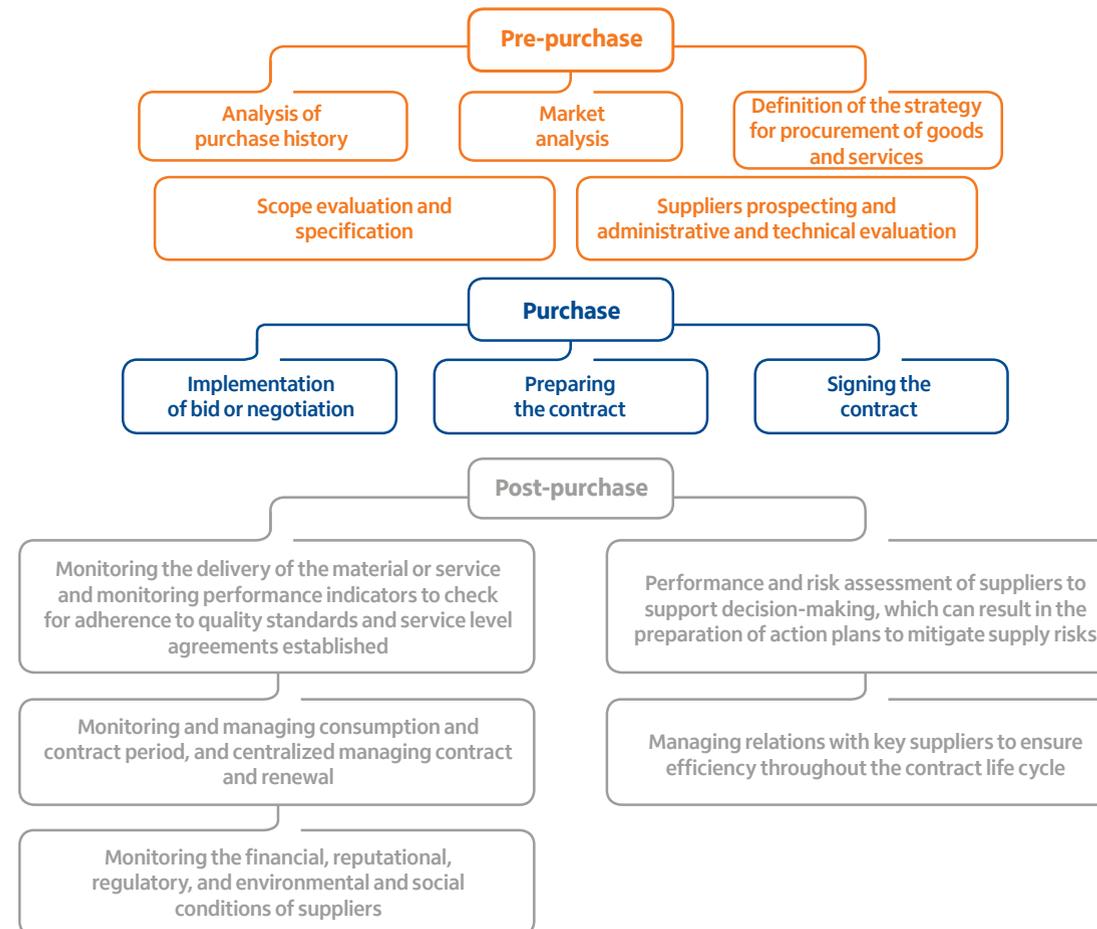
Our supply chain is composed of first and second tier suppliers, with which our relationships are based on transparency, sustainability and building shared value. In 2018, we updated our internal policies to guide the management process of our suppliers and third parties, from the prospection, administrative and technical evaluation of new suppliers and periodic risks monitoring to the termination of the supplying relation. These policies have guided our relationship with approximately 2,600 suppliers and 8,288 formalized contracts, which totaled R\$12.2 billion in business.

The goods and services procurement process in our supply chain is centrally managed by our Procurement department with the involvement of the contracting and legal departments, among other supporting departments. However, there are categories for which business and contractual negotiations are assigned to their technical managers. The remaining contracting steps are centralized by the Procurement department, ensuring that the supplier goes through an administrative evaluation and negotiated contracts signed are registered in the management system.

The Procurement department contributes significantly to reduce costs and optimize resources through actions such as partnerships with suppliers, innovations in our supply chain, developing new suppliers, consolidating volumes, redesigning the value chain, reviewing specifications, undertaking initiatives to renegotiate contracts, managing consumption,

improving processes and assessing environmental and social gains. This operation model fosters specialization in each market in order to identify the most appropriate procurement strategy for each type of business and ensure consistent supplier relations. This is a process of three stages: pre-purchase, purchase, and post-purchase.

Supplier evaluation process at procurement GRI G4-DMA Product Portfolio (former FS3)



Management of supply chain risks GRI 103-2 Risk Management

Supplier evaluation process

The supplier evaluation process is aimed at mitigating risks in our supply chain.



After being registered in our system, all the companies go through an administrative approval process, which consists of an analysis of the supplier's adherence to environmental and social responsibility practices, compliance with and adherence to fiscal, tax and labor legislation (regularity of certificates, licenses, payment of taxes, salaries and contributions), fulfillment of corporate obligations through the same tools used to assess clients (credit analysis, indebtedness with the market and suppliers, Money Laundering Prevention (MLP), fraud, Anti-Corruption Law and other discrediting facts).

This process is based on three risk analysis pillars and comprises a specific view considering the risks of the category of products or services supplied.

- Reputational/regulatory: analysis of risks associated with the image and compliance of current legislation;

- Continuity: analysis of risks associated with the financial health and supply impact on the bank's operations; and

- Labor: analysis of the labor risk in service provision to be analyzed based on legal criteria.

In addition to this administrative evaluation, we carry out the technical approval of suppliers by analyzing technical information and its products and services, identifying whether the products and services offered are in line with the organization's needs and requirements. The procurement of products and services of suppliers that support operations considered critical for the bank or feature high technical reliance are evaluated and go through differentiated negotiations.

After these analyses, and if approved, the company will be able to participate in the contracting processes.

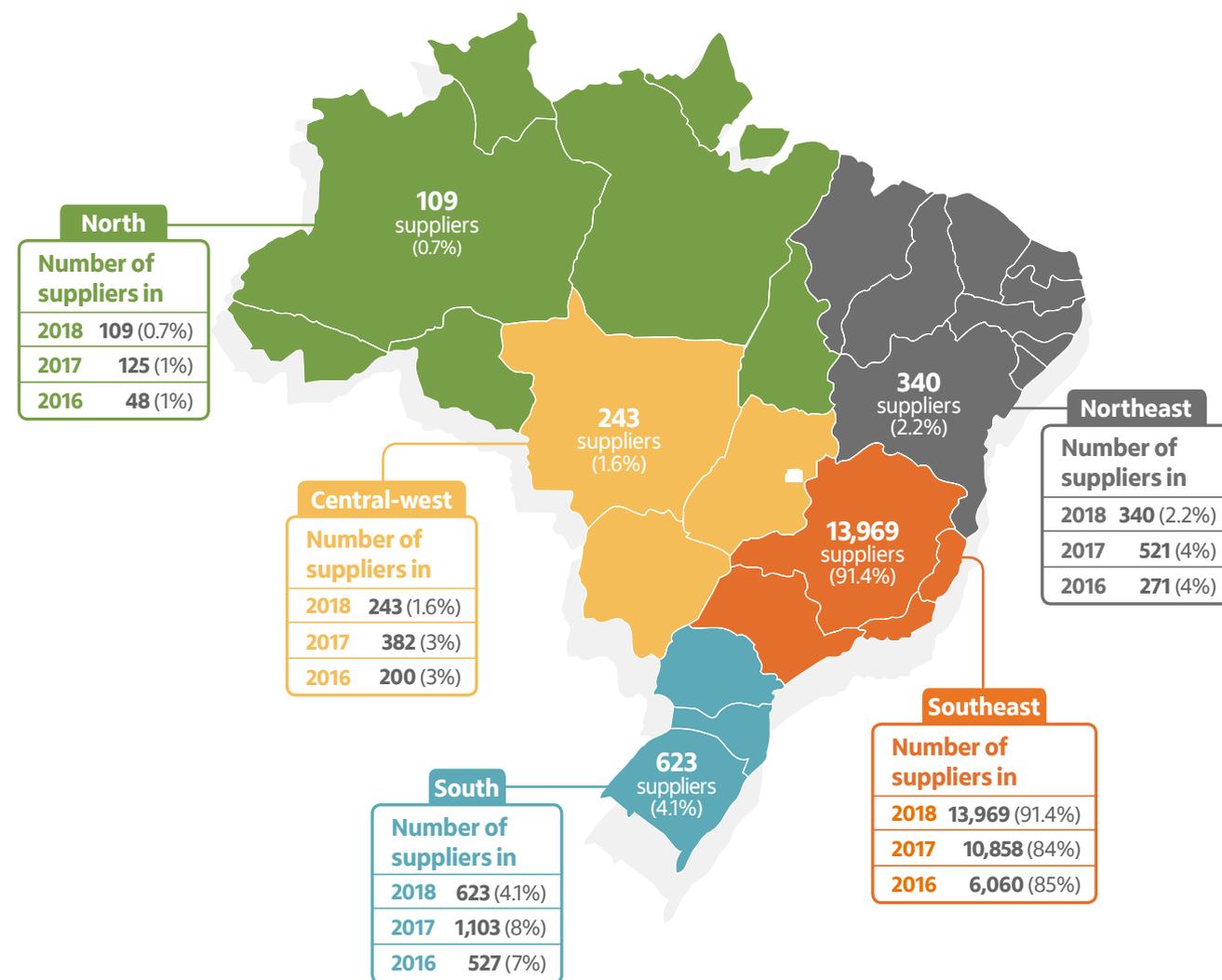
Supplier evaluation results GRI 103-3 Risk Management

	2018	2017	2016	Change (%) 2018–2017	Change (%) 2017–2016
Suppliers approved (Brazil)	13,789 ⁽¹⁾	12,989 ⁽²⁾	7,106	6.20 ⁽¹⁾	82.80 ⁽²⁾
New suppliers approved (Brazil) <small>GRI 308-1 GRI 414-1</small>	1,665	1,678	1,031	(0.80)	62.80
Approval rate of suppliers (%) (Brazil) <small>GRI 308-1 GRI 414-1</small>	94.55	68.30	86.60	38.40	(21.10)
Purchases from local suppliers – Brazilian companies and/or subsidiaries in Brazil (% of expenses in Brazil) <small>GRI 204-1</small>	99.50	98.71	96.50	0.80	2.30
Purchases from local suppliers – in the same state (% of local suppliers) <small>GRI 204-1</small>	54.70	56.00	75.30	(2.30)	(25.60)

(1) Upon streamlining the calculation of total suppliers approved we updated the criteria, and as a result the volume of approved suppliers increased by 6.2% from 2017.
 (2) As a result of the New Procurement Model, we reviewed the administrative evaluation process focusing on improving the analysis of suppliers and streamlining the process for the involved parties. Upon this review, in which the approval validity is eliminated and the risk of these suppliers is periodically monitored, the volume of approved suppliers ranged by 5,886 when comparing 2017 with 2016.

Our suppliers are distributed across all Brazilian regions in accordance with the volume of operations and the location of our administrative centers. For this reason, most of the contracts are entered into with suppliers in Southeastern Brazil. GRI 102-9

Number of suppliers by region in 2018



Among the categories with the highest number of suppliers, we highlight maintenance, works and equity, which serves the complexes and branches scattered throughout the country.

GRI 102-9

Distribution of suppliers by category

Category	%
Maintenance, works and equity	30.31
Advisory and consulting	15.96
Information technology	12.44
Marketing	11.52
Training and benefits	4.09
Legal expenses	3.54
Telecommunications	3.27
Call center	2.90
Security	2.67
Post office, card and check inputs	0.57
Valuable deliveries	0.29
Other	12.43
Total	100.00

Supplier contracts include standard clauses such as anti-corruption requirements, environmental and social issues, labor obligations, occupational health and safety standards, compliance with environmental legislation, liability for damage and information security, among other applicable to our suppliers and their supply chain. In addition, we forward every six months the Sustainability Recommendations through an official communication to our suppliers.

We periodically carry out independent external audit process on our critical suppliers to map and assess the environmental and social risks in our supply chain. In the event external audit processes detect irregularities, action plans may be developed to help a supplier solve the problem or, in certain situations, penalties are applied and they may lead to suspension or termination of the respective contract. **GRI 103-3 Risk Management | GRI 308-2 | GRI 414-1 | GRI 414-2 | GRI G4-DMA Product Portfolio (former FS3)**

We periodically monitor the approved suppliers and their employees, considering the risks of the category of products or services supplied. The monitoring criteria are the same as those used in the administrative evaluation process and, if risks are identified, the business relationship with the supplier may be terminated at any time. **GRI 308-2 | GRI 414-1 | GRI 414-2**

General results of procurement with suppliers

General results	2018 ⁽¹⁾	2017	2016	Change (%) 2018-2017	Change (%) 2017-2016
Number of procurement processes	15,668	16,285	19,010	(3.8)	(14.0)
Total amount purchased (R\$ billion)	12.2	10.4	10.0	17.8	0.0

(1) The changes in processes and the improvement of controls arising from the New Procurement Model have brought a reduction in the volume of purchase orders in 2018. The streamlining of processes, implementation of the screening cell, exception flow, consolidation of demands in the pools and delegated purchase were some of the processes that contributed to this reduction.

New commitments for 2020 GRI 103-3 Risk Management

Indicator	Assessment of 2018 target measured	2018 target	2020 target
Periodically monitoring the risk associated with suppliers	1. Monitoring of risks of suppliers with active contracts negotiated by the Procurement department. 2. Governance set up to cover the preparation of action plans for suppliers with identified risks (addressed by the Procurement department) in accordance with internal criteria.	Continuity of monitoring risks of suppliers with active contracts negotiated by the Procurement department.	Implement action plan and governance for suppliers with identified risks (addressed by the Procurement department) in accordance with internal criteria.
Recommendations for suppliers as to labor practices, human, environmental and social rights, and environmental and social management incentives for their own supply chain	Sustainability recommendations sent to suppliers registered in the Procurement Management System and included in the website .	Send recommendations every six months to 100% of active suppliers by email and include them in the website .	Maintain and update recommendations and publications to 100% of our suppliers.
Supplier engagement (specific discussions, interaction reported in development programs)	We carried out a workshop for Tier 1 suppliers with presentation of the our strategic guidance.	Make progress on Tiers 1 and 2 supplier engagement agenda by conducting workshops.	Suppliers of Levels 1 and 2 prioritized agreements with criteria defined when necessary by the area.
Audits conducted on-site	1. Annual review of the criticality of categories was carried out from the sustainability perspective. 2. Audit process conducted for suppliers of critical categories reviewed.	Annual review of the criticality of the categories and assumptions for the audit.	Annual review of the criticality of the categories and assumptions for the audit.

We seek to avoid potential impacts on our value chain through all processes described in this document. Among them we highlight: **GRI 308-2 | GRI 414-2**

• Varied environmental impacts in connection with illegal labor practices, such as child labor, forced labor, slave labor, inadequate working conditions and the impact on human rights, all included in the supplier approval process; and

• Impacts on society, which are mitigated by hiring committed suppliers, which in turn help promote responsible and ethical practices in the market, thus cooperating with Brazilian society. It is unacceptable to hire companies associated with activities that encourage and/or exploit prostitution, including child prostitution, or companies that carry out its activities using child labor not in compliance with legislation or using labor analogous to slavery.

We believe that we should promote the development of environmental and social practices and actions to have a sustainable growth in our supply chain by raising awareness of our suppliers through sustainability recommendations disclosed on our website and forwarded to all our suppliers every six months. We are increasingly improving our external audit process at suppliers and defining indicators related to the evolution of companies under analysis over the years.

Insurance process risks GRI 103-2 Risk Management | GRI G4-DMA Product Portfolio (former FS1 | FS2)

In 2018, Itaú Seguros changed its structure and operation to improve the clients' experience with its products therefore transforming our essence. Accordingly, we will connect, understand the clients' needs and assist them individually, everything to improve the Insurance clients' experience. With this in mind, it is essential that, among other issues, risk management comes to the forefront of discussions. The Procedure for E&S Risk for Insurance defines general and specific rules and guidelines for the analysis of environmental and social risk, claims, product development and environmental and social clauses. We have an internal portal to implement the Principles for Sustainable Insurance (PSI), covering all sustainability related topics and a tool to assess the environmental and social risks of new products.

Some of the activities carried out in 2018 were as follows:

- Assessing environmental and social risks in the calculation of Business Insurance premiums;
- Preparing materials for the training of employees;
- Launching products intended to different client profiles;
- Working and mapping opportunities together with the Sustainability department;
- Taking part in the environmental products Business Challenge;

- Undertaking the initiative to bring partners to develop an environmental and social risk platform; and
- Including the Net Promoter Score (NPS) when selling insurance products.

Our environmental and social risk assessment in the insurance activity follows the Principles for Sustainable Insurance (PSI), of which we have been signatories since 2012. This voluntary commitment provides guidelines to minimize the exposure to environmental and social risks and to boost proper management by insurance companies.

Insurance product risk management

We have followed at close range the climate change impacts, which directly affect the core of the Insurance area. The main reason why is that companies seek to protect themselves against climate-related claims, which consequently broadens the insurance companies' liability and risks. One major challenge faced by the insurance area is measuring these risks and pricing them adequately and concurrently reducing the exposure and vulnerability of clients in their operations.

We currently use the climate change variables for pricing the Business Insurance. This pricing is carried out according to geographic location, frequency and the potential generation of social, environmental and economic disasters. The Itaú Business Insurance provides coverage, assistance and tips on sustainability to some business segments and lines such as business offices, bars and restaurants, and food and apparel business, among others. The Itaú's website page for the Business Insurance product, related to climate change, includes information to clients on policies most suitable to their business and tips on sustainability for these companies.

When inspecting the risks of the Business Insurance product, we check the CNPJ of the contracting party for any activities posing environmental and social risk and, if so, the system will not allow the taking out or renewal. In addition, the insurance

department forwards this information to the Environmental and Social Risk Management that will be disclosed in the Bank's platforms to prevent the company from contracting any other products.

Itaú Homeowners Insurance pioneered by launching environmental services as part of its assistance package, providing sustainable solutions such as:

- Smart disposal: in an ecologically responsible manner, the policyholder requests the collection of waste, such as electric and electronic equipment, household appliances, and furniture. We provide for the disposal in a proper manner, ensuring ecologically responsible disposal;
- Environmental guidance: specialized advice for guidance in the conscious use of water, electricity and tips on garbage recycling; and
- Eco-efficient projects: these services make eco-efficient projects possible in accordance with the needs of each policyholder.

In addition to environmental aspects, we have also made efforts to integrate social issues into insurance products. The *Proteja* (Protect) platform provides tips and guidance on protection and insurance through video tutorials with user-friendly explanations for the main insurance question. This platform is aimed at raising awareness of the general public of the importance of this protection and helping people better understand the insurance sector in a simple and uncomplicated manner. GRI G4-DMA Product and Service Labeling (former FS16)

Mortgage loan risks GRI 103-2 Risk Management | GRI G4-DMA Product Portfolio (former FS1 | FS2)

The guidelines of our Corporate Environmental and Social Risk Policy, approved by officers, also apply to loans for commercial and residential construction projects in all Brazilian

regions. In 2018, our Corporate Plan, designed to generate construction financing, was offered mainly to companies with annual revenues of over R\$50 million, and our portfolio totaled R\$6.4 billion. To assess the risks involved in approving the financing for construction of the units, we have developed a series of analyses that together deliver a report on possible indications of contamination of soil and water table of the site where the construction work will be done, including the sites close to the land in question. The analysis is carried out by the Engineering department of the Wholesale Banking segment, which works in the contracts of Corporate Plans in all Brazilian regions, and counts on the support of partner engineering firms.

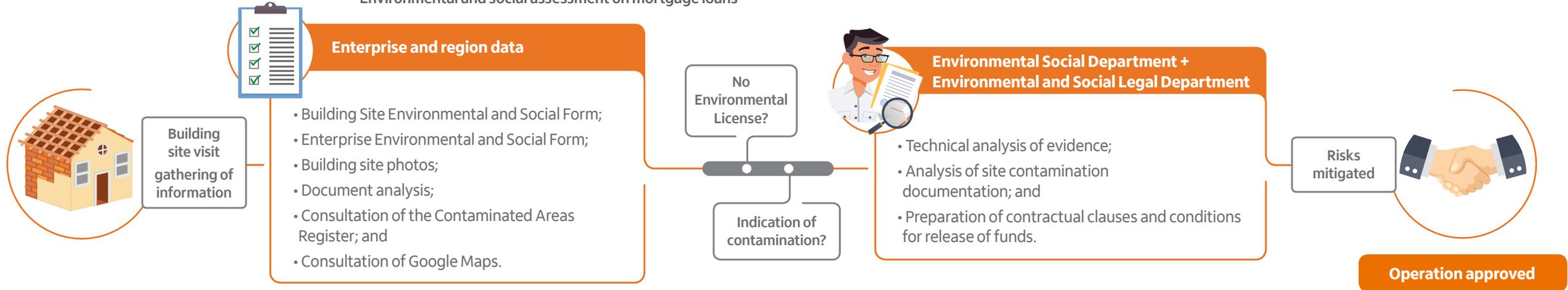
Mortgage loan risk management GRI 103-2 Risk Management

The construction risk analysis process sets off with a Feasibility Study, which, among other analyses, is responsible for identifying risks in contracting operations, such as technical problems in the project, difficulties in sales of units, inconsistent documentation and environmental risks identified, such as the presence of contaminating factors in the land or region or even the proximity with environmental preservation areas, among other possibilities.

The information collected in this field-visit are input into a standard questionnaire (Building Site Environmental and Social Form), which covers general aspects of the building site and the surrounding area. The client applying for the financing is also requested to respond to a questionnaire (Client Environmental and Social Form), which covers aspects of the history of the building site and the surrounding area.

The following chart presents the path of information, from the field visit to the final report prepared by the Environmental and Social and Social Legal departments in the event indications of contamination are identified.

Environmental and social assessment on mortgage loans



Based on the analysis of the forms completed by the partner company and the client, our internal engineering team makes a consultation in the Contaminated Areas Register of São Paulo, Rio de Janeiro and Minas Gerais (the only states that have such a register) to check whether the enterprise address submitted is included in such register.

Opinions issued in 2018

Favorable opinions ⁽¹⁾	Unfavorable opinions
61	0

(1) Among the "Favorable Opinions" issued, there are operations in which risks of contamination and/or other types of environmental damage were identified. For this reason, these operations were approved with contractual conditions that mention the remediation plan. The approval of the project and the monthly release of funds are conditioned upon compliance with the contractual conditions requested by the proper environmental agency responsible for the client, as well as upon the provision of accountability to the bank on the progress of the process(es), such as the presentation of decontamination reports and Conduct Adjustment Instruments (TACs), among others.

Finally, all the documentation of the enterprise is analyzed, which includes the Approved Project, Incorporation Register, Environmental License and Construction Permit, and may contain information about contamination of the land.

Analysis of environmental and social forms

	2018	2017	2016
Number of analyses ⁽¹⁾	61	61	60

(1) Number of analyses refers to the number of Corporate Plan operations analyzed from 2016 to 2018.

After consolidating the analyses carried out in the field visits and the enterprise documentation, we carry out an assessment of indications of contamination and, if this risk is identified, we will contact our Environmental and Social department for a detailed technical analysis of the operation.

The Environmental and Social department will analyze the Site Contamination Reports forwarded by the client, by identifying the risks involved in the operation and guiding which steps must be taken for following up the decontamination process and protecting the contract. The involvement of the Environmental and Social Legal department is essential in this stage to point out the contractual clauses clarifying both our and the client's duties and obligations.

Mortgage loans

Technical analysis for construction financing





Integrity and Ethics

“ Why is this
topic material?
GRI 102-16

We believe that organizations that wish to live long do not admit gaining at any cost and that their success depends on the ability to lead with integrity and ethics. In our corporate culture, these values are non-negotiable and fundamental to our vision: to be the leading bank in sustainable performance and customer satisfaction. [GRI 103-1 Integrity and Ethics](#)

Moreover, we consider integrity and ethics as the only foundation stone that supports the whole organization and the relations with the several stakeholders. These are key components of our activities and essential elements for the business longevity and sustainability.

Society demands transparency and commitment to the goals and commitments assumed from large companies. Small missteps can ruin a good reputation and a brand built up over decades in some hours.

With this in mind and based on our corporate social responsibility before society, we run our business, processes and relationships in order to establish long-lasting links and create shared value for our stakeholders. We are committed to high standards of conduct in business and value sustainable relationships and compliance with laws, rules and regulations wherever we operate or have commercial relations. [GRI 103-2 Integrity and Ethics](#)

Based on the confidence obtained and the quality of our products and services, we ensure the business longevity and customer satisfaction, the latter being understood as the perception by clients that we meet the requirements they expect when providing a service.

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Materiality

Integrity and Ethics GRI 103-1 Integrity and Ethics

Potential SDGs	Targets	Positive impact
	16.5 Significantly reduce corruption and bribes and all their forms.	We have the Integrity and Ethics Program, which is a set of guidelines and processes aimed at ensuring the compliance with the organization's Code of Ethics and principles and values.
	16.6 Develop efficient, responsible, and transparent institutions at all levels.	We are committed with the business conduct standards by ensuring an ethical and transparent conduct and cherishing sustainable relationships, compliant with laws, standards, and regulations. Our Internal Ombudsman's Office prepares action plans for the constant development of an environment of trust and respect among our employees. We sponsor institutions that work with matters such as regulation, government transparency, tax agendas, etc., thus contributing to nationwide agendas for the development of both public and private institutions. In 2018, we implemented a Dependency Rule for Rouanet projects that sets a contribution ceiling for each project, taking into account its scope and total amount. The purpose of such practice is to ensure project sustainability and autonomy.
	16.7 Ensure responsive, inclusive, participative, and representative decision-making at all levels.	Our top management is committed to the premises of the Integrity and Ethics Program. Together with the Internal Ombudsman's Office, we monitor the guiding or disciplinary actions to address any reports of occurrences at odds with Code of Ethics principles and our organization's standards. We set up a structured governance framework to decide on all sponsorships and donations of the organization, with or without tax incentives, organized into committees that review the risks posed by the entities to be sponsored and the scope of each project.
	16.b Promote and enforce nondiscrimination laws and policies for sustainable development.	Through affirmative actions, we have consolidated our commitment not only to respect but also to disavowing any type of discrimination by reiterating our open-doors policies so that employees report any type of discomfort or discriminatory feeling.
	17.16 Reinforce the global partnership for sustainable development, complemented by multisectoral partnerships that mobilize and share knowledge, expertise, technology, and financial resources to support the accomplishment of the sustainable development goals in every country, in particular developing countries.	We work with our stakeholders by supporting them and entering into partnerships with influencers and opinion makers to promote sustainability.
	17.17 Foster and promote efficient public, public-private, and societal partnerships based on our experience with resource mobilization strategies of such partnerships.	Through a partnership consolidated with the Government, on the theme urban mobility, promote dialogue, develop and implement the bike-sharing platform in the main Brazilian metropolis. In addition to this initiative, we have partnerships in different cities on Brazil using an education platform of Itaú BBA, which intervenes in Secondary and Technical education. In 2018, we launched the senior citizen platform, aiming at building together with local consultancies, new opportunities and empower the Senior Citizen Councils of Brazilian municipalities to train them in drafting and implementing efficient public policies for this age bracket.

Relationship between the material matter and our stakeholders

GRI 103-1 Integrity and Ethics



 **Employee**
Direct

 **Client**
Direct

 **Stockholder**
Direct

 **Supplier**
Direct

 **Society**
Indirect



GRI topics	Related indicators
Management Approach	GRI 103-1 Integrity and Ethics – Explanation of the material topic and its boundary
Management Approach	GRI 103-2 Integrity and Ethics – The management approach and its components
Management Approach	GRI 103-3 Integrity and Ethics – Evaluation of the management approach
General Disclosures	GRI 102-12 External initiatives
General Disclosures	GRI 102-13 Membership of associations
General Disclosures	GRI 102-16 Values, principles, standards, and norms of behavior
General Disclosures	GRI 102-17 Mechanisms for advice and concerns about ethics
General Disclosures	GRI 102-43 Approach to stakeholder engagement
General Disclosures	GRI 102-44 Key topics and concerns raised
Anticorruption	GRI 205-2 Communication and training about anti-corruption policies and procedures
Nondiscrimination	GRI 406-1 Incidents of discrimination and corrective actions taken
Public Policy	GRI 415-1 Political contributions
Marketing and Labeling	GRI 417-3 Incidents of non-compliance concerning marketing communications
Customer Privacy	GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

“

In this chapter...

...we demonstrate how these features of our identity reflect, especially in the organizational culture, the principles of the Code of Ethics and the corporate governance guidelines and practices, which, in turn, are the assumptions of our Integrity and Ethics Program. Counting on the commitment of senior management, this program comprises a number of policies and procedures, as well as a monitoring system and communication channels for questions and calls.

We provide details about the Code of Ethics and the guidelines of our Code of Relationship with Suppliers. Accordingly, we present possible corruption activities detected, as well as our prevention measures for different unethical actions, such as money laundering, information leakage and client privacy management.

Additionally, we present information about managing breaches of our Code, from inside the organization, through the Internal Ombudsman’s Office, which addresses moral and sexual harassment, among other issues. Nevertheless, we present the measures taken, our actions directed to speed up the management of these issues, and communication and preventive measures.

We present guidelines for selecting sponsorships, memberships and partnerships, and actions for monitoring the impacts of our communication acts and procedures with stakeholders, media and all government levels.

At the end, we share our actions related to reputation measurement, which are aimed at identifying and managing risks and opportunities thus supporting the strategic planning of several of our departments.

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Integrity and Ethics Program

To ensure that we live up to good national and international corporate integrity practices, we have an Integrity and Ethics Program, which consists of a set of guidelines and processes aimed at ensuring compliance with the Code of Ethics and our conglomerate's principles and values. The composition of the Integrity and Ethics Corporate Program is as follows:

Dimensions of the Integrity and Ethics Program



Senior management's commitment

GRI 103-2 Integrity and Ethics

The Board of Directors, through the Code of Ethics, determines guidelines on conduct, the attitudes considered the most adequate and consistent with the organization values regarding, for example, professional posture, management of conflicts of interests, relationship with stakeholders and corporate social responsibility. The Executive Committee and other senior management members, by means of integrity and ethics joint committees, define the program guidelines and practices, monitor compliance and other actions required for managing the program. The message that comes from the top of the organization is also shared through announcements, videos, talks, team meetings and, most important, by leading by example.

Policies and procedures

GRI 102-16 | GRI 103-2 Integrity and Ethics

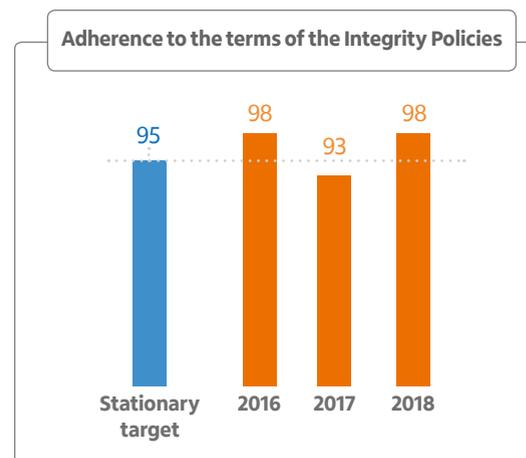
Policies and procedures comprise the preparation and updating of the conglomerate's integrity and ethics guidelines, so that they are in conformity with the Code of Ethics, applicable legislation and good national and international market practices.

Our governance is composed of several corporate policies. The integrity program includes, but is not limited to, a set of 12 documents that employees must be aware of and adhere to their guidelines. These documents are as follows: the Itaú Unibanco's Code of Ethics, the Code of Relationship with Suppliers, the Itaú Unibanco Commitment with Human Rights and the following corporate policies: Integrity, Ethics and Conduct, Anti-Corruption, Illicit Act Prevention, Intellectual Property, Information Security, Relationship with Public Agents and Contracts with Public Bodies and Companies owned by the Government, Relationship with Clients and Users of Financial Products and Services, Integrated Management of Operational Risk, Internal Controls and Compliance and Disciplinary Standards.

All employees must adhere to the Terms of the Integrity Policies every year and this adherence process may be carried out electronically or in-person depending on the availability of each unit of the organization. In the foreign units, adherence is carried out in accordance with local legislation.

The percentage of adherence to the Terms of the Integrity Policies reached 98% of employees and active management members in the Company in 2018.

Integrity policies (%) GRI 103-3 Integrity and Ethics



Communication and training

The program's education and communication actions contribute for management members and employees to:

- Expand their knowledge on the integrity and ethics guidelines, and their application to business and to the process and people management;
- Be capable of identifying, preventing and solving ethical dilemmas, conflicts of interest, interpersonal conflicts and misconduct inherent in their daily activities; and

- Get to know the reporting and doubt solving channels.

These education and communication practices include:

- Education Program for Integrity and Ethics: is composed of online and in-person training; and
- Institutional Communication Plan: involves awareness campaigns, announcements on specific topics related to ethics and disclosure of policies and guidelines.

In 2018, the Education Program for Integrity and Ethics brought together online the most important training sessions of the program. All employees are trained and the training sessions are renewed every two years. In 2018, these training sessions were restructured and launched in three phases, as follows: GRI 205-2

1st phase – training courses under the Integrity and Ethics Education Program (%)

E-learning	2019 target	2018 target	2018	2017	2016
Ethics	90	85	90	88	N.A. ⁽¹⁾
Anti-corruption	90	-	86	93	83
Relationship with clients and users	90	85	85	N.A. ⁽¹⁾	N.A. ⁽¹⁾

(1) N.A. – Not applicable.

2nd phase – Training courses under the Integrity and Ethics Education Program (%)

E-learning	2019 target	2018 target	2018	2017	2016
Anti-money laundering	90	80	82	N.A. ⁽¹⁾	N.A. ⁽¹⁾
Sustainability	90	75	83	N.A. ⁽¹⁾	N.A. ⁽¹⁾

(1) N.A. – Not applicable.

3rd phase – Training courses under the Integrity and Ethics Education Program (%)

E-learning	2019 target	2018 ⁽¹⁾
Compliance	90	In progress
Information security	90	In progress
Relationship with sup-pliers	90	In progress
Occupational health and safety	90	In progress

(1) The 3rd training phase was launched in November 2018 and for this reason we do not have the result.

Monitoring GRI 103-2 Integrity and Ethics | GRI 103-3 Integrity and Ethics

The continuous monitoring of the Integrity and Ethics Program effectiveness and possible required adjustments is coordinated by the Operational Risk and Compliance Executive Office with direct involvement of different departments of the organization and periodically reported to the Audit Committee and joint committees that address Integrity and Ethics issues. This monitoring comprises testing processes carried out by Internal Controls and Compliance, monitoring indicators, information from doubt solving and reporting channels and addressing new regulations that might impact the program. Based on the results of such monitoring, we identify any needs for adjustment or improvement concerning the Integrity and Ethics Program, which are periodically reported to the Audit Committee and Integrity and Ethics joint committees, and submitted to the Board of Directors.

The Internal Audit carries out an annual assessment of the Integrity and Ethics Program. The assessment of the program compliance and possible improvement opportunities may also be carried out by an external audit, certification or accreditation company. In 2018, an external company assessed the maturity of our Integrity and Ethics Program, which was classified as an advanced level program.

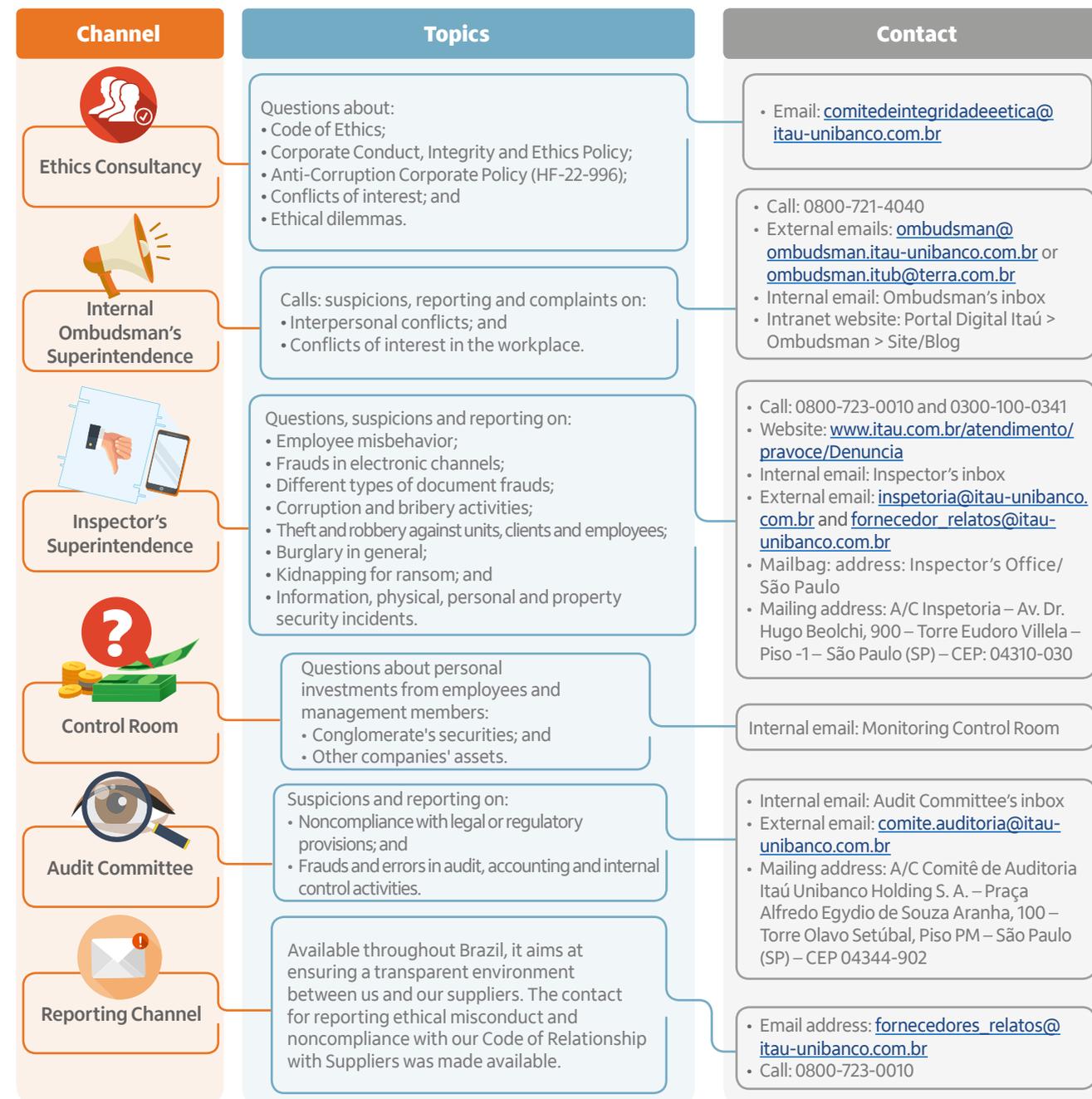
Channels for questions and calls

GRI 102-17 | GRI 103-2 Integrity and Ethics | GRI 103-3 Integrity and Ethics

Management members and employees must promptly communicate actual or suspected violations of the Code of Ethics and corporate policies. The channels described as follows are open for everyone in order to allow management members and employees to report with total freedom. These call channels investigate the communications received on a timely basis and with independence, impartiality and confidentiality, and keep records of all identified situations, investigations and decisions.

The Compliance department, which is responsible for the Integrity and Ethics Program, is open to receive suggestions and answer questions about the Program and its practices. We also provide a reporting channel for employees and stakeholders to report any actual facts or suspected illicit acts. The complaint may be anonymous or identified, ensuring the confidentiality of the claimant identity and an independent and impartial treatment. Depending on their complexity, these cases are submitted to the Integrity and Ethics joint committees and may culminate in dismissal or contract termination. The channels for questions and calls of the Integrity and Ethics Program are listed as follows:

Call channels



Itaú Unibanco's Code of Ethics and Code of Relationship with Suppliers GRI 103-2 Integrity and Ethics

One of the main values of our organizational culture (*Nosso Jeito – "Our Way"*) is "Ethics is non-negotiable", and our Code of Ethics is in place to guide, prevent and resolve dilemmas and conflicts of interest related to our activities and internal relationships. Additionally, we have a Corporate Conduct, Integrity and Ethics Policy. These three documents together guide our activities and relationships with several stakeholders: employees, clients, stockholders, suppliers, partners, Public Authorities, competitors, media and society.

Our Code of Ethics is divided into four basic principles:

- Identity: it shows that we are a company focused on growth, efficiency and customer satisfaction, based on an ethical corporate conduct and sustainable development;
- Interdependence: it details the way we interact with our stakeholders and society aiming at sharing values and actions that favor the common good;
- Good faith: it emphasizes that we act in good faith and take responsibility for our actions and choices; and
- Excellence: our work is based on a collective development and depends mainly on the quality of the professional posture and the way we resolve conflicts of interest.

This Code is approved by the Board of Directors and applies to all directors, officers and employees of our conglomerate in Brazil and abroad. It is available in four languages (Portuguese, English, Spanish and Japanese, the local languages where it operates).

Additionally, our Code of Ethics provides for our formal commitment to the topics indicated in the International

Labour Organization's (ILO) fundamental conventions and other international agreements, such as the prevention and fight against illicit acts (such as corruption, fraud, and money laundering, among others), elimination of child forced or compulsory labor, combat against all forms of discrimination, promotion of appreciation of diversity, prevention of moral and sexual harassment in the workplace, and respect to the rights to free union association and collective bargaining agreements.

Our Code of Ethics is available to all employees on the intranet and to our stakeholders on the Investor Relations website [here](#).

We also have a Code of Relationship with Suppliers in Brazil with the purpose of achieving the same transparency, legality, quality and reliability we have with our customers in the interactions with our suppliers and service providers. This Code supplements the Code of Ethics, and suppliers must adhere to its guidelines, ensuring alignment of principles in business relationship.

The Code of Relationship with Suppliers aims at governing interactions between employees and suppliers through a statement of values that define the expected behavior in commercial relationships, called "Our Principles", which are: Ethical and Long-Lasting Relationship, Transparency, Traceability and Integrity, Simplicity and Efficiency, Sustainable Results, Cooperation and Risk Management.

Anti-corruption GRI 103-2 Integrity and Ethics

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 those 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. This Policy applies, in Brazil and abroad, to all management

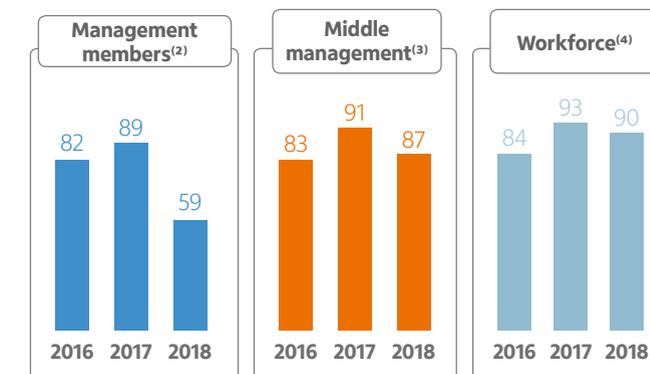
members, employees and controlling stockholders of the conglomerate and to non-profit entities associated with the conglomerate in Brazil, and to any interaction between the conglomerate and clients, partners, suppliers and other stakeholders. Additionally, we carried out due diligence in merger and acquisition processes.

This document is available for all employees in Brazil on the intranet and for the employees in foreign units on their respective portals, in English and Spanish. External stakeholders, in turn, can visit the Investor relations website ([here](#)), in Portuguese and in English. This document is also available in audio format on the link ([here](#)). GRI 205-2

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](#), public sector and third parties according to the specific regulations and particularities of each jurisdiction.

The Integrity and Ethics Program includes the Education Program for Integrity and Ethics, which provides in-person and online training, especially to departments most sensitive to the risk of corruption, which have relations with government and suppliers. The percentage of adherence of employees and senior management members to the new online training on Prevention of Corruption, launched in 2018, achieved 86%. GRI 205-2

People trained on anti-corruption under the Education Program for Integrity and Ethics by job level (%)⁽¹⁾ GRI 205-2



(1) In 2018, the new training model was implemented by means of the *Programa de Educação em Integridade e Ética* (Integrity and Ethics Education Program). The topic Prevention of corruption was launched in May and, as such, the percentage of people trained in 2018 is lower than in the previous years for which the results included the whole year.

(2) Officers and above.

(3) Superintendents, Managers and Coordinators.

(4) With no management position.

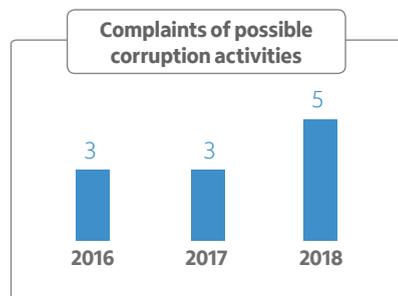
In 2017 and 2018, we carried out in-person seminars and training activities on Integrity, Ethics and anti-corruption with 4,092 employees in Brazil and 717 in foreign units for the departments most sensitive to corruption risk, including the Senior Management of foreign units and the LATAM team based in Brazil. Additionally, an online anti-corruption education program is in place in units in Argentina, Paraguay, Uruguay, Portugal, the United Kingdom and Japan.

With respect to third parties and joint ventures, our Anti-Corruption Corporate Policy applies, in Brazil and abroad, to all management members, employees and controlling stockholders and to any interaction we have with clients, partners, suppliers and other stakeholders. Currently, 57% of our joint ventures adhere to our integrity policies and receive corporate training.

In 2018, we received five complaints of possible corruption activities involving private agents and, after an internal investigation, we concluded that three of them were unfounded. The other two had indications of irregularities involving conflict of

interest, which resulted in the dismissal of five employees and the termination of contracts with the suppliers involved. Note that our investigations did not find any involvement of our employees in a corruption cases falling within the scope of the Anti-Corruption Act (or Clean Company Act).

Possible corruption activities



Our anti-corruption and anti-fraud efforts were publicly acknowledged by the Ministry of Transparency, Inspection and General Controllership of the Federal Government (CGU) in partnership with *Instituto Ethos* (Ethos Institute), in the last 2017 Pro-Ethics Company list (*Empresa Pró-Ética 2017*).

As of 2018, this acknowledgement will be disclosed every two years. Out of the 375 participating companies in 2017, 23 were approved and acknowledged in the Conference on the Clean Company Act. We were the only financial institution to be awarded in this event. Investing in preventing and combating fraud and claims, and meeting security requirements, based on the best market practices and current laws, we developed guidelines and rules aimed at preventing illicit acts, ensuring a safe and controlled business environment and mitigating risks to society. The main activities involved in these processes are as follows:

Fraud prevention GRI 103-2 Integrity and Ethics | GRI 103-3 Integrity and Ethics

We are engaged in the management of prevention and handling of frauds, seeking new solutions and tools to act on our clients' needs and expand our business. This agenda is

recurrently taken to our executives so they can define guidelines and roles, following up information indicators to help the decision-making process and alignment of behavior with the departments with security processes to manage compliance with current anti-fraud strategies. We also keep close contact with the business departments to help them understand risks and propose mitigation actions to ensure the sustainability of products and services.

To increase the security of clients from all segments, both individuals and companies, we provide security devices for authentications and operations in digital, electronic and physical channels. For physical channels, we offer cards with chip technology and the use of biometric authentication by Finger Print technology. These devices are introduced on our [website](#).

To mitigate frauds, we carry out a preventive monitoring of higher risk transactions aimed at assessing, preventing, reversing and prospecting atypical situations, through advanced analytics techniques and tools that may corroborate decision-making, such as the history of transactions carried out by client, demographics and reference files, focusing on gaps found between the client profile and the profile of a fraudulent transaction.

We carry out awareness campaigns to prevent frauds and claims for clients and employees through different channels, such as social media, emails, text messages, screen savers and partitions for ATMs, and pop-ups on internet banking for clients, as well as training sessions, seminars, talks, distribution of leaflets, posters, videos and e-learning for employees.

In addition to these initiatives and the e-learning training available in the Integrity and Ethics Program, we also provide training in more specific topics, such as information leakage prevention and information security in general, anti-corruption, guidance on frauds and social engineering, care in public settings, social media and misconduct. In 2018, we offered 58 in-person training courses and two e-learning training courses to 49,916 employees.

Money laundering GRI 103-2 Integrity and Ethics | GRI 103-3 Integrity and Ethics

Regarding anti-money laundering, the challenge is to identify and prevent increasingly sophisticated operations that seek to conceal the source, ownership and transfer of goods and assets, derived from illegal activities, in addition to ensuring full compliance with regulation. Anti-money laundering management is detailed [here](#).

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 all 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, Business areas, Technology, and Supplier Management. This set of structures and measures have turned out a high level of reliability of our clients. GRI 418-1

Our Information Security department contributes to the security pillar by handling information and data. This department is aimed at reducing financial losses and our image risk. The bank's cyber security information strategy is designed to prevent breaches of our data security, minimize risks of service unavailability, protect integrity and prevent information leakage. For this reason, our strategy is based on strict control processes aimed at detecting, preventing, ongoing monitoring and immediately responding to attacks and attempts to invade our infrastructure, thus ensuring security risk is managed and a sound foundation is built for an increasingly digital future.

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 a 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.

Suppliers contracted by the bank 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 in-site validation of the controls informed by the supplier, in addition to monitoring possible corrections and improvements implemented by suppliers, when necessary. We monthly scan specific suppliers for their environment and monitor corrections made to any vulnerabilities identified. Contracts entered into by the organization and third parties include confidentiality clauses that must be followed by the supplier.

Noteworthy in 2018 are the implementation of new relevant protection layers in system infrastructure and development, as well as the improvement of the monitoring processes that enable us to identify and carry out increasingly effective preventive actions. Additionally, we strengthened our relationship with partners such as the Brazilian Army, telecom companies and other financial market partners, with the purpose of improving the ecosystem security.

For 2019, we will continue to evolve by investing in the protection of information over its entire life cycle, in the technology

infrastructure, by increasing protection in our foreign units, partners and third parties, in detecting new external threats earlier, and in protecting ourselves against information leakage and investing in our employee training and technical qualification. Furthermore, investments in the safe development of systems will continue to be given priority, with focus on continuous improvement in the face of an increasingly digital environment. To ensure that everything follows the planning, independent tests are carried out with the world's best and most reliable cyber security companies. Regarding the regulatory arena, we are getting ready to comply with the requirements of the new Brazilian General Personal Data Protection Act (LGPD), Resolution No. 4,658/18 of the National Monetary Council, and Circular No. 3,909/18 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.

The pages of our [website](#) are certified in accordance with the Brazilian standard ISO/IEC 27001 to ensure the protection and privacy of information provided by clients and other sources.

Brazilian General Personal Data Protection Act (LGPD)

In recent years, data protection and privacy has been gaining strength, fostered by technological advancements, great developments and the emergence of legislations in the global scenario.

In 2018, Brazil became part of the group of countries that has adopted a specific legislation regarding the topic. Additionally, the application of the European regulation - General Data Protection Regulation (GDPR), and of the California Consumer Privacy Act (CCPA), in the State of California in the United States, had become mandatory.

The Brazilian General Personal Data Protection Act (LGPD), which will become effective in 2020, provides for personal data protection based on fundamentals such as respect,

freedom of expression, inviolability of privacy and transparency. In addition, it addresses a number of definitions on types of data, data handling scenarios, and roles and responsibilities regarding data handling.

In line with our purpose and the institution's strategic priorities, we believe that it is of utmost important that our clients know that their data is being handled with the appropriate care required to ensure privacy and protection.

The impact of this regulation is spread across all sectors of the economy. Any organization handling personal data will be subject to this law. Initially, the regulation requires current processes to be adjusted by companies and data owners, for example, by paying attention when providing proprietary information.

The expected great social impact of this law is that it will raise awareness among the entire population, the public and private sectors about the importance of respecting privacy when handling personal data.

Focused on complying with legal provisions, a working group was created, composed of members from different departments in the bank, such as Data, Compliance, Legal, Corporate Security, which is studying all the items addressed in legislation and raising points for improvement in the Institution's current processes.

Among the actions planned for 2019, we'd like to mention:

- Providing training for sharing knowledge on data privacy;
- Adjusting Data Governance policies; and
- Fostering the Privacy by design concept⁽¹⁾ in product and service development.

We know that this is a great cultural advancement required to ensure sustainability in relationships with the conscious use of information.

Internal Ombudsman GRI 102-17 | GRI 406-1 | GRI 103-2 Integrity and Ethics | GRI 103-3 Integrity and Ethics

In order to maintain and continually strengthen our commitment to ethics, we have an Internal Ombudsman channel in place – the Internal Ombudsman's Office, which is an independent department, operating with full autonomy in the organization and reporting directly to the CEO.

Guided by the foundations of trust, dialogue, transparency, owner's mindset, integrity and ethics, the purpose of the Internal Ombudsman's Office is to help employees resolve interpersonal conflicts and conflicts of interest in the work environment, ethical misconduct and nonconformities with related institutional policies, such as moral or sexual harassment, discrimination in all diversity spheres, favoritism, behaviors contrary to risk management, among others, always based on three pillars: confidentiality, neutrality and independence.

Indicator reports related to calls received and addressed in this channel and discussions of issues of significance to the organization are submitted to the CEO on a monthly basis, to the Audit Committee every six months and to the Integrity and Ethics joint committees from time to time. If required, the Audit Committee may also be called, on an extraordinary basis, to resolve on cases involving senior management members.

The Internal Ombudsman's Office completed its 11th anniversary and over this period more than 24,000 employees were assisted. This figure is the result of the credibility achieved mainly due to the channel commitment to the quality of the work developed over these years and to the consolidation of its role in the organization – that is, to build up a company that values respect and integrity in all relationships and seeks to achieve its goals without deviating from the ethical values we believe in.

Preventive work

Continuous learning, by reflecting on every call and aimed at preparing specific prevention plans, such as communication actions and training sessions, which favors constant evolution in an environment of trust and respect among employees is an issue that has increasingly become part of the Internal Ombudsman's Office focus of operation.

With this goal in mind, every year the Internal Ombudsman's Office attends meetings and panels from a number of areas, bringing information about the channel, its indicators and learning, sharing and improving the understanding of specific topics, and encouraging an environment of trust and openness.

In 2018, the Internal Ombudsman's Office held 35 talks with over 2,500 participants. In 11 years, 511 talks were held and about 34 thousand people got to know the work performed by the channel up close.

Furthermore, as from the fourth quarter of 2018, the detailed analysis of investigation findings, as they unveiled recurring behaviors and behaviors concentrated on specific departments or situations, have led the Internal Ombudsman's Office to spur the organization on carrying out preventive measures, such as revising the leadership training to seek an environment of more openness and trust.

Communication

Since it was set up, the Internal Ombudsman's Office has held internal communications so that employees feel safe, emboldened and confident to seek out the channel for help in ethical dilemmas and conflicting situations.

Over the year, communication strategies have been adopted to adjust to the moment experienced by the channel in the organization, such as those supported by analysis of indicators, employee satisfaction surveys, direct demands from executives, and among which we highlight as follows:

(1) Methodology created in the 90's, aiming the construction of thinking in data protection and security from the moment of the design of the project, product or any other way that requires data manipulation.

- Ethics and Internal Ombudsman's Office Week – with display booths at the complexes and hot site contents, strengthening the Internal Ombudsman's role;
- Campaign with Internal Ombudsman's Office employees – “*aproximar e humanizar*” (coming closer and humanizing);
- Videos on the channel operation – “*como funciona?*” (how does it work?);
- Virtual moral harassment: “do's and don'ts”;
- Performance pillars – a relationship of trust with the channel;
- Good practices in social media campaign;
- Strengthening the channel's role – Internal Ombudsman's Office independence and the importance of dialogue in relationships; and
- Messages from the CEO and executives – leadership endorsement.

To celebrate its 10th year of operation, in 2018 the Internal Ombudsman's Office held a communication to showcase a little bit of the history of the people who are part of the team, with the goal of demystifying the work performed by the department and “humanize” the employees' view of this channel.

Against the backdrop of its anniversary, the campaign sought to gather our employees closer to the department's employees, by unveiling who are the people willing to listen to them, strengthening empathy and trust, and lowering the barriers in the relationship with the channel, in addition to bringing the manifesto below as its core message:

“We share the same corridors, every day. My badge carries the same brand as yours. And with the task I chose: to help you. A commitment that requires empathy. Knowing how to listen. Listening with respect. Listening without judgment. I behave with secrecy, neutrality and independence so that you may feel safe, because I share with you the will to experience great relationships. No matter what the

problem is. I know how you feel and that's why I am here. I am the Internal Ombudsman's Office. For 10 years I have been learning how to advance relationships.”

Furthermore, in the second half of 2018, this channel proceeded with the same communication and introduced to the organization its new superintendent. In addition to communicating the evolved humanization of the channel, this communication has portrayed the focus on trust and preventive work.

Governance of foreign units

Aimed at ensuring agility and even more effectiveness in handling incidents in foreign units, in 2017 the Executive Committee decided that complaints should be dealt with locally. Employees in these units may report to the local Compliance and HR departments, which are the main reporting and guidance channels and are ready to receive calls, engage the partner departments in the investigation whenever needed and assess the best way to handle them. Noteworthy mentioning is that the Internal Ombudsman's Office may be called to help settle the conflict if the engagement of the aforementioned departments is not possible.

Calls addressed

In 2018, the Internal Ombudsman's Office received an expressive volume of calls, representing a rise of 40% from previous years, which we believe is a consequence of the increasing trust placed in this channel.

Some actions carried out in the first quarter of 2018 contributed to this increased volume of complaints, among them the humanizing the channel institutional campaign and the disclosure to the organization, by way of a notice from the Executive Committee, of some decisions made based on an investigation conducted by the Internal Ombudsman's Office, which strengthened the commitment to an equal, impartial and independent treatment, no matter the hierarchical level of the employee.

Moreover, 2018 stood out as the year the organization consolidated – by means of affirmative actions – its commitment

not only to the respect, but also to its objection against any form of discrimination, which has positively supported an open environment for employees to express any annoyance or emotions against expected behaviors.

Calls addressed over the last three years are shown below. The indicators related to calls to the Internal Ombudsman's Office reported in reports for 2017 and 2016 were reviewed – the calls received and dismissed and/or discontinued over the process now are part of the total number of cases. These calls may be classified as follows:

- Filed – the caller fails to provide all information that is essential to proceed with the case; and
- Discontinued – the caller resumes the contact and requests the case to be discontinued. Any cases are only dismissed or discontinued after assessment by the manager and/or superintendent of the Internal Ombudsman's Office.

Any case in which the investigation was completed by the channel and await the implementation of recommended measures are no longer part of the volume of complaints under analysis, but are now included in the volume of complaints handled in their respective years.

Calls per year GRI 406-1

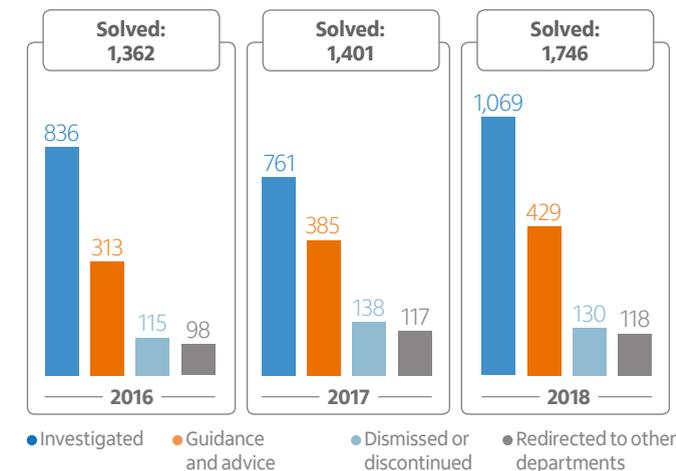
Calls	2018	2017	2016 ⁽¹⁾
Received in the year	1,871	1,479	1,341
Solved in the same year	1,595	1,328	1,268
Under analysis up to December 31	276	151	73

Calls solved in the year

Calls solved	2018	2017	2016
Solved	1,746	1,401	1,362
Received and solved in the same year	1,595	1,328	1,268
Received in prior years and solved in the year	151	73	94

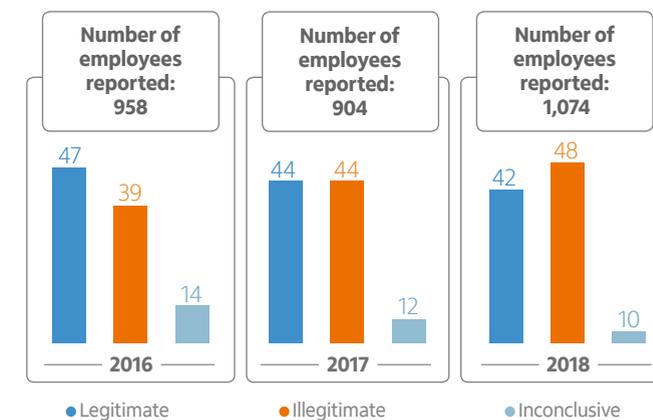
The calls solved in the year were addressed as follows:

Calls addressed in the year



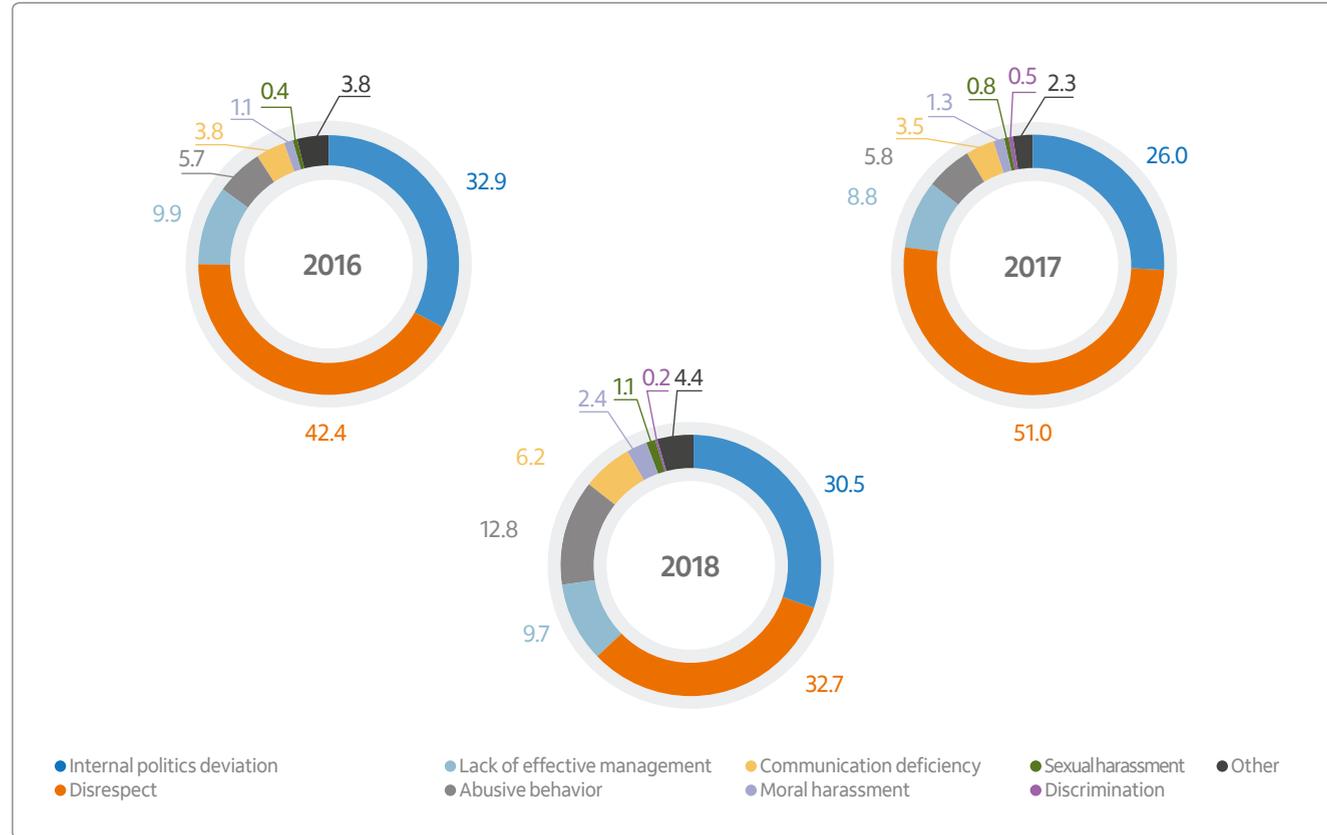
The investigations conducted in 2018, 2017 and 2016 involved the number of complaints reported and the share of legitimate complaints shown as follows:

Calls investigated – Internal Ombudsman's Office GRI 406-1



The main behaviors reported in legitimate cases were as follows:

Behaviors identified – Internal Ombudsman’s Office (%)



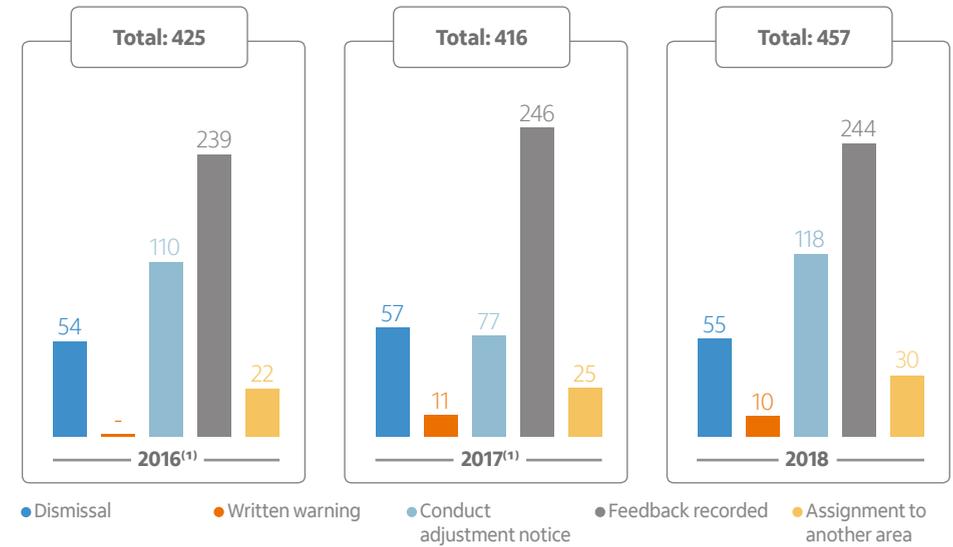
- **Disrespect:** being authoritarian, harsh, arrogant.
- **Internal politics deviation:** improper use of corporate communication tools; selling any products inside the bank’s facilities.
- **Lack of effective management:** lack of support/planning activities, issues with the department’s management.
- **Abusive behavior:** threats of dismissal, being aggressive, expose the employee.
- **Communication deficiency:** lack of clear communications; lack of communication.
- **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, illness, disability etc.
- **Other:** lack of equal treatment; lack of feedback.

Guiding and disciplinary measures GRI 406-1

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 2018, 2017 and 2016 are as follows:

Measures taken



(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). 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 2016 and 2017. GRI 102-48

Harassment

The number of complaints reporting workplace harassment, specifically sexual harassment, in 2018 was significantly higher than related complaints received in the prior period, representing a rise of 138%, as follows:

Calls reporting sexual harassment

Calls	2018	2017	2016
Received in the year	50	21	10
Solved in the year	46	17	8
Under analysis until December 31 st	4	4	2

Calls solved	2018	2017	2016
Solved	50	19	13
Received and solved in the year	46	17	8
Solved in the year and received in prior years	4	2	5

Calls investigated (%) ⁽¹⁾	2018	2017	2016
Legitimate	28	21	22
Illegitimate	28	21	44
Inconclusive	44	57	33

(1) The percentage of origin of the manifestations investigated does not necessarily refer to the origin of reported behaviors (moral or sexual harassment). During the course of the investigation, origin may have been identified for other behaviors.

Evolution of complaints classified as moral harassment in the last three years is as follows:

Calls reporting moral harassment

Calls	2018	2017	2016
Received in the year	18	26	26
Solved in the year	17	20	21
Under analysis until December 31 st	1	6	5

Calls solved	2018	2017	2016
Solved	23	25	23
Received and solved in the year	17	20	21
Solved in the year and received in prior years	6	5	2

Calls investigated (%) ⁽¹⁾	2018	2017	2016
Legitimate	55	17	35
Illegitimate	36	83	53
Inconclusive	9	0	12

Service

With the reduction of the timeframe for the resolution of calls in the previous year, the channel established a timeframe of 30 business days for 2018. However, the increased volume of calls received through the channel in the year, together with the recurrence of more complex cases and the preparation of broader plans aimed at prevention, demanded more investigative efforts and contributed for the average response time to be longer than that originally estimated, which remains a challenge to the Internal Ombudsman's Office.

As a consequence of the increase in volume of calls and seeking to adjust to the new level of calls received, in addition to improving and automating the process, the Internal Ombudsman's Office increased the number of employees by 25% over 2018. The channel's goal continues to be serving employees as expeditiously as possible. However, commitment to the quality of service and detailed investigation is vital to the work of the department and should be given priority in any circumstances, ensuring that the work is carried out with a focus on empathy, consideration and respect towards the employees involved.

Management of the relationship with stakeholders GRI 103-2 Integrity and Ethics

Based on transparent communication, respect and honesty in the relationship with our stakeholders, and with the consequent perception of the way we work, we have built and strengthened the value and the reputation of the brand. Therefore, we continuously seek to improve our discourse and practices so that we are always on a path towards soundness, which supports the reputation we have built.

As an example, we can find support in our responsible marketing practices and in the management of risks associated with the sale of our products and the dissemination of our services by means of the above mentioned Code of Ethics, the Sector Policy of Prevention of Money Laundering and other internal policies. Similarly, we are supported by our respect for the rules and regulations of the National Board of Advertising Self-Regulation (CONAR). In 2018, we did not identify any occurrences of non-compliance with the marketing communication codes and no Public-Interest Civil Action was filed against us. GRI 417-3

The impacts of our communication actions are monitored by means of:

- Customer satisfaction surveys;
- Pre-test and post-test surveys of our advertising campaigns to analyze the communication performance, in addition to the monitoring of campaigns in social medias and in our proprietary channels;
- Constant monitoring of social networks; and
- Monitoring of the number of interactions with and views of communications, from which we can perceive the mood of people from surveys and reports carried out over the period of our campaigns.

Additionally, our digital operation is composed of 110 people and divided into three pillars, with teams that are connected every day – including on holidays.

- Monitoring of the brand and campaigns: we listen to consumers for the purpose of providing feedback to our Communication Department and increasing its potential in accordance with the interaction generated in our proprietary channels and outside of them, segmenting the matters discussed and generating insights for the communication strategy itself and for the business;
- Monitoring of crises: whenever some activity related to us is identified in social networks, we analyze it with respect to the sensitivity of the matter in relation to our brand and the image risk. Then we quantify these mentions, estimating a scope and dissemination potential and we check the perception related to them. As a result, we measure the risk involved in what is being analyzed to recommend the best solution for managing the incident and action plans with the departments related to the crisis; and
- War Room: we analyze data in real time, mapping and understanding popular habits and issues. At this point, we can also anticipate trends and topics for the purpose of increasing the potential of projects and optimizing the engagement of people with our brands and products. We want to become a more modern and contemporary brand.

Media GRI 103-2 Integrity and Ethics

We keep an open and transparent relationship with the media and opinion makers in general. We have channels for specific contacts on our website, emails, exclusive telephone lines aimed at serving the media and other means of communication, an External Ombudsman's service and consumer protection bodies, among others.

In the interfaces with the media, we work to reinforce the main positions and key messages of the bank, contributing to a proper and clear coverage by the media.

In 2018, journalists from the main local and international media outlets were received by executives of the bank. The purpose was to present projects and initiatives adopted with a focus on customer satisfaction, profitability, people management, internationalization, digital transformation, risk management, diversity, entrepreneurship and marketing campaigns, among other matters. Additionally, topics such as the economic climate, macroeconomic projections, evolution of the service channels and agribusiness were also addressed in these meetings.

One of the innovations in 2018 was the partnership between the marketing and corporate communication teams to increase the production of proprietary content for LinkedIn, an important social network for contacting market professionals, establishing new partnerships, getting to know and disseminating trends and presenting our actions to potential employees and society in general. In six months of the

project, we made around 100 posts that included 37 video films, reaching an average engagement of 3.9% - a rate that is considered high by the social network's own measurements – and the activation of the profiles of our Executive Committee, with qualified entries and development of exclusive topics for the channel.

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. In 2018, 38 professionals were trained.

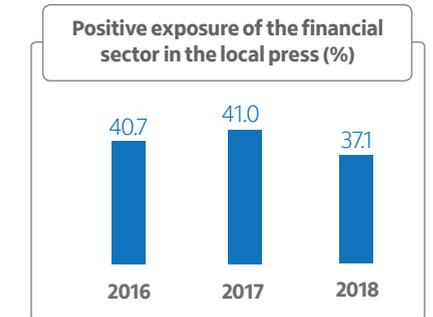
Our interactions with journalists and opinion makers are constantly reinforced and, together with the communication strategies, they allow us to respond as well as possible to the demands of the media. From the local media, 3,247 topics were received in 2018. This work allows us to endorse our changes of practices, products and services and reinforce our concern with the reputation and appreciation of the brand. GRI 102-43

Around 200 events and relationship meetings were organized to address issues such as financial orientation education, macro-economy, sustainability, urban mobility, investments, incentive to reading, culture and sports, digital channels, External Ombudsman's Office, women's entrepreneurship and agribusiness, among others. We also organized and took part in more than 54 lectures in companies, organizations, universities, conferences and workshops. They were important places to share knowledge, inspire us and listen.

Our exposure in the local and international media is monitored by means of an image audit carried out by the Analysis and Survey Department of CDN, 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.

GRI 103-3 Integrity and Ethics

Media Exposure Quality Index (IQEM)



Of all the topics we responded to, the demand from the international media represented 30% of all the requests made to us in 2018, and the majority of them (92%) referred to Latin American countries. Chile is the leading country in international demand and the highlight was macroeconomics in the Latin American continent. Other highlights were the topics related to digitalization, which were present in interviews with executives of the parent company when travelling to the other countries.

Relationships with institutions

GRI 102-43 | GRI 103-2 Integrity and Ethics

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 market players.

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 promoting further interaction between the State, civil society and stakeholders. 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 2018, we had the representations as follows, which focused on topics such as credit environment, banking system taxation, insurance and economic plans. For the trade associations or tax-exempt groups, R\$1,439,652.13 was spent. Meanwhile, for the lobbying, interest representation or similar, R\$44,188,863.55 was spent in 2018.

Entities of which we are members GRI 102-13

Non representatives
Brazilian Association of Intellectual Property (ABPI)
Brazilian Association of Company Customer Relationships (ABRAREC)
Brazilian Association of Advertisers (ABA)
Brazilian Association of Corporate Communication (Aberje)
Brazilian Association of Direct Marketing (ABEMD)
Brazilian Association of Technical Standards (ABNT)
Brazilian Association of Institutional and Governmental Relationships (ABRIG)
Association of Investors in Capital Markets (Amec)
Interactive Media Association (IAB Brasil)
BayBrazil
Carbon Disclosure Project Latin America (CDP)
Brazilian Center of International Relations (CEBRI)
Brazil China Business Board (CEBC)
Brazilian Business Council for Sustainable Development (CEBDS)
National Board of Advertising Self-Regulation (CONAR)
Abring Foundation for the Rights of Children and Adolescents
Global Banking Alliance for Women (GBA)
Akatu Institute
Brazilian Institute of Studies on Competition, Consumption and International Trade (IBRAC)
Brazilian Institute of Corporate Governance (IBGC)
Ethos Institute of Companies and Social Responsibility
National Pact Institute for the Eradication of Slave Labor (InPACTO)
Open Word Institute
Lideranças Empresariais Ltda. (LIDE)
Mobile Marketing Association (MMA)
United Nations Development Programme (UNDP)
Equator Principles
Brasil Network Global Compact
Reputation Institute
United Nations Environment Programme – Finance Initiative (UNEP FI)

Representatives

Brazilian Association of Credit Card and Service Companies (ABECS)
Brazilian Association of Real Estate Loans and Savings Entities (ABECIP)
Brazilian Association of Financial and Capital Markets Entities (ANBIMA)
Brazilian Association of Consortia Administrators (ABAC)
National Association of Brokerages and Distributors of Marketable Securities, Foreign Exchange and Commodities (Ancord)
Brazilian Federation of Banks (FEBRABAN)
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)

The largest expenses with associations are, respectively, with the Brazilian Federation of Banks (R\$38,653,197.07), Brazilian Association of Credit Card and Service Companies (R\$3,151,590.92), Brazilian Association of Real Estate Loans and Savings Entities (R\$883,827.99), Brazilian Association of Financial and Capital Markets Entities (R\$505,974.00) and National Federation of Capitalization (R\$242,000.00).

We encourage the topics that contribute to the development of society by means of the organization of meetings, workshops, lectures, panels at events, conferences, in addition to the relationship with institutions by means of representations that encourage dialogue between agents from the sector, the preparation of self-regulation policies and the structuring of joint actions between institutions. Our intention is to expose relevant information about topics that help understand the contribution of the financial sector in the globalized world and that work as a way of listening, sharing practices and absorbing trends. [GRI 102-43](#)

We present as follows some voluntary commitments signed over the past 15 years that, together with our internal policies, support our management and our direct relations with stakeholders:

Voluntary principles that we joined GRI 102-12

Principles	Year of joining	Country of operation
Global Compact	2003	Global
Equator Principles III	2004	Global
National Pact for the Eradication of Slave Labor	2008	Brazil
Principles for Responsible Investment (PRI)	2008	Global
GHG Protocol – Brazilian Program	2008	Brazil
United Nations Environment Programme – Finance Initiative (UNEP FI)	2008	Global
Corporate Charter for Human Rights and the Promotion of Decent Labor	2012	Brazil
Corporate Contribution for the Promotion of a Green and Inclusive Economy (RIO+20)	2012	Brazil
International Integrated Reporting Council (IIRC)	2012	Global
Principles for Sustainability in Insurance (PSI)	2012	Global
Pact for Sports	2015	Brazil
Corporate Initiative for Racial Equality	2016	Brazil
Corporate Pact for Integrity and Against Corruption	2016	Brazil
Corporate Coalition for Racial and Gender Equality	2017	Brazil
Women's Empowerment Principles (WEPs)	2017	Global
Task Force on Climate-related Financial Disclosures (TCFD)	2017	Global
Forum of Companies and LGBT+ Rights	2018	Brazil
Standards of Conduct for Companies (UN)	2018	Global

Government relations GRI 102-43 |

GRI 103-2 Integrity and Ethics

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

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. We tried 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.

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 and the principles established by our Code of Ethics and our Government Relations Policy, which guide the conduct permitted for and expected from employees in their relationships with any public agents.

From this standpoint, we make the following efforts at the federal, state and municipal levels. At the federal level, we monitor the progress of legislative proposals that are pending in the National Congress on topics that involve the financial sector, such as issues concerning tax, consumers, labor and regulations of new technologies.

Legislative propositions at the federal level

	2018	2017	2016
Approximate number of propositions	3,000	2,800	1,900

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

- Meetings with representatives from the Executive and Legislative branches and from the academic community to discuss the Tax Reform, focused on the Constitutional Amendment Proposal No. 293 of 2004, which changes the National Tax System and makes other provisions;
- Meetings with representatives from the Executive branch, such as the Office of the President's Chief of Staff, the Ministry of Science and Technology and the Central Bank of Brazil, with the participation of other representation entities, to discuss the proposals on protection and treatment of personal data, in particular the Bill of the House of Representatives No. 53 of 2018, which regulates the protection of personal data and was converted into Law No. 13,709 of August 14, 2018;
- We cooperated with projects aimed at the development and improvement of the public sector, such as the GovTech event organized by OSCIP BrazilLab, whose purpose was to discuss applications and innovations in the technology infrastructure that the government and its partners use to provide services to society; and
- We understand the importance of public policies and legislation for the progress of the climate change topic. For this reason, in 2018, we supported the structuring of the government work monitoring area of the Cyclists Union of Brazil, in addition to the work of our Government Relations team in the strategy for the approval of the legislative bill that established the Bicicleta Brasil (Brazil Bicycle) Program. One of the main guidelines of this program is the reduction of pollutant emission rates, given the positive impact of bicycles as an alternative and sustainable means of transportation.

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 propositions at the state and municipal levels

	2018	2017	2016
Approximate number of propositions	8,800	7,000	4,500

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. Examples of these relations are as follows:

- Support for the **Inclusive Culture Program** of the municipality of São Paulo (State of São Paulo) so as to promote architectural and communicational accessibility in theaters, libraries, museums and other municipal venues, thus ensuring the right of disabled people to culture;
- Support for the **Social Vegetable Gardens Project** in the city of Fortaleza (State of Ceará) for the purpose of assuring food security and promoting urban family agriculture for the elderly in situations of social vulnerability; and
- Support for the creation of the **Application of the State Public Security Department of Rio de Janeiro** to be used by military and civil police officers and municipal guards during the service to minorities and vulnerable groups at police stations in the capital city of the State of Rio de Janeiro. The initiative is aimed at serving women, children and adolescents, the LGBT+ community and the elderly, in addition to the victims of religious intolerance and racial discrimination.

We care about the maintenance of an ethical and transparent relationship with all public officials, respecting the laws, rules and regulations in effect and, in the search for sustainability in

our business, we engage with many interlocutors in the exercise of the Government Relations activities and in the monitoring of the preparation and enforcement of public policies in general. 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\$1,390,000.00 in 2018.

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 2018, more than 500 interactions were recorded.

Additionally, we support political education projects to encourage the social engagement and citizenship of individuals. An example of this is the São Paulo State's Good Legislative Practices Award, which is aimed at stimulating the recognition by society of the nearly 6,000 city councilors in the State of São Paulo who work on the preparation of projects that can positively impact the life of their respective municipalities. Additionally, it is also aimed at rewarding the City Councils through innovative actions in the field of public administration organized by their respective presiding tables and public servant staff, in addition to recognizing what civil society and the third sector have been doing at the legislative bodies.

Other actions we support include:

- **Political Initiation Course:** offered participants a content that can change the relation of a common citizen with politics. It is an essential program to consolidate the commitment of society with the democratization of politics, presenting it in a cross-party manner to society. Additionally, we have the annual support for the Public Leadership Center, a non-profit and non-partisan organization that works to promote transformational changes through efficient management and improvement in the quality of public policies.

- **Politicize Portal:** seeks to offer a 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.

- **Political Awareness Program 2018:** cross-party educational content of internal political awareness aimed at our employees for the purpose of stimulating participation in the 2018 elections. The program included debates with leaders of political movements, a lecture by a political scientist, in addition to papers published on the corporate portal (intranet).

Political campaigns and donations GRI 415-1

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 2018, we did not make any donations of funds to political parties or candidates for use in the elections.

Government tax incentives GRI 201-4

In 2018, we invested in culture, education, sports and health with incentives from Brazilian tax legislation and, in consideration, we had a tax benefit in the amount of R\$108.4 million by means of the following areas:

Investments by area

R\$ million	2018	2017	2016
Donations for funding the rights of children and young people	12.4	15.6	15.8
Rouanet Law to support culture	51.1	67.0	74.4
Sports sponsorships	12.4	16.6	12.4
Audiovisual activities	0	0.4	0.3
Other ⁽¹⁾	32.5	30.6	31.9
Total	108.4	130.2	134.8

(1) This refers to projects related to the *Programa Nacional de Apoio à Atenção da Saúde da Pessoa com Deficiência* (National Health Care Support Program for People with Disability – PRONAS), the *Programa Nacional de Apoio à Atenção Oncológica* (National Oncology Care Support Program – PRONON) and the Statute of the Elderly.

Additionally, we used the amount of R\$8.7 million as tax incentives:

Tax incentives by area

R\$ million	2018	2017	2016
Workers' food program	7.3	6.3	5.3
Citizen company program	1.4	25.6	1.0
Total	8.7	31.9	6.3

Engagement of stakeholders

GRI 103-2 Integrity and Ethics

Based on our strategic planning, we established internal and external partnerships for the achievement of the defined objectives. These partnerships must be supported by integrity and ethics. We show as follows the basic assumptions used for the achievement of the engagement of stakeholders.

We consider such engagement a process for the establishment of partnerships for the purpose of enabling the opportunities to generate a positive impact. To ensure compliance with the objectives, the following stages must be followed in accordance with the description in the AG-71 policy:

- Definition of scope;
- Identification of stakeholders;
- Definition of the level of engagement of each stakeholder;
- Management of stakeholders;
- Method of engagement;
- Assessment of the risks involved;
- Action plan; and
- Monitoring and reporting.

We seek to address the surveys carried out by our stakeholders and provide feedback on them. We provide accountability based on our sustainability and materiality strategy in a transparent manner for the different stakeholders, with no distinction. GRI 102-44

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. Since then, we have been publishing our Integrated Report on an annual basis. It is a concise publication focused on our ability to create value for stakeholders in the long term. Our Integrated Report 2018 can be accessed [here](#).

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 the companies and encourages transparent communication and transactions in the market of responsible investments.

Reputation

GRI 103-2 Integrity and Ethics | GRI 103-3 Integrity and Ethics

Since 2008, we have been measuring the reputation of the bank from the general public's standpoint, using the RepTrak® Deep Dive methodology. In 2018, the monitoring was extended and it started to incorporate the view of many stakeholders, and be customized with specific attributes of our reality. As a result, 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 2018, our reputation index, known as Pulse, was 61.6.

As a highlight, we can mention the Reputation + Legal Workshop. The purpose of the meeting is to raise the awareness of the Legal Department and partner offices about the understanding and monitoring of sensitive topics, so they can identify them and find solutions as best as possible. 55 people participated in the event, ten of which are our employees and 45 are representatives of partner law firms.

Based on all the results obtained from the IQEM and RepTrak, the risks to be mitigated and the work opportunities are assessed. The data obtained support the strategic planning of many departments of the bank since reputation is a cross-cutting concern for the institution.



Engagement initiatives GRI 102-40 | GRI 102-43

Engagement with clients

Engagement method	Frequency	Description
Dialogue forum	Annual	Annual meeting between the bank and the units of the Consumer Protection and Advisory Program (Pro-con), Public Defender's Office, Public Prosecution Office and consumer protection bodies.
Customer service	Continuous	First line of service regarding complaints, cancellations and general information.
Telephone contacts for survey	Annual	Annual survey via telephone contact to study a representative sample of each segment's portfolio, aimed at assessing customer satisfaction with respect to the services of the bank at specific business units and comparing the results with those of the competition.
Surveys with customers	Periodical	We conduct satisfaction surveys via telephone contacts, email, SMS and digital channels of the bank itself. Additionally, to improve our services and products, we conduct other surveys with different methodologies, such as focus groups, in-depth interviews, client forums with executives, and market analyses.
External Ombudsman's Office	Continuous	The External Ombudsman's Office is the ultimate body responsible for providing services to clients that expressed dissatisfaction with the solution presented in the primary channels of the Institution, seeking to solve the claim on a definitive basis. It also works on the demands from regulatory bodies and has a permanent dialogue agenda with them.
www.consumidor.gov.br website	Continuous	We are part of the government's initiative of promoting online solutions for the complaints of clients that are directly received by the company via the www.consumidor.gov.br website.
Structured communication	Continuous	By means of an analysis of the client's history, we identify opportunities to improve the client's experience, structuring actions for a proactive, customized and digital service.



Engagement with employees

Engagement method	Frequency	Description
Internal Ombudsman's Office	Continuous	Notification and guidance channel aimed at helping employees solve interpersonal conflicts and conflicts of interests in the work environment, ethical misconducts and practices that go against the institutional policies associated with an Internal Ombudsman's Office.
Employees union	Continuous	We maintain a continuous and transparent dialogue with the unions that represent our employees in different professional categories, seeking to keep a permanent channel of dialogue about the many topics of mutual interest.
National Federation of Banks (FENABAN)	Semiannual	Meetings between representatives of the unions of bank employees and representatives of banks with a presentation of the statistics and indicators of the sector by the National Federation of Banks (FENABAN), establishing, based on the most recent Collective Labor Agreement, the commitment to always dialogue and negotiate in advance any and every situation, thus avoiding the intermediation and the interference of the Judiciary.
Communication channels	Continuous	Email (marketing emails, bulletins and statements), intranet, digital panels, screen savers, Itaú Unibanco Magazine, visual communication totems and Corporate TV (Itaú Unibanco TV) and Itaú Unibanco Instagram.
Dialogue with the leaders	Annual	Since 2010, the <i>Portas Abertas</i> (Open Doors) program has been organizing meetings between employees, the CEO, Candido Bracher, and the chairmen of the Board of Directors, Pedro Moreira Salles and Roberto Setubal, to discuss topics related to the organization. The meetings are also a way to disseminate our culture and promote a dialogue with the employees.
Meetings between leaders	Annual	Held since 2010, the purpose of this event is to cause all the leaders of the organization, including external foreign units, to be in line with the current results and challenges and with our strategy for the longevity of our business, ensuring the commitment and continuous engagement of our employees.
<i>Pulso</i> (Pulse) Survey	Annual	The survey is conducted once a year and all employees are invited to participate. The purpose of this survey is to assess the level of satisfaction of employees with the work environment and management.



Engagement with suppliers

Engagement method	Frequency	Description
Communication channels	Continuous	Website, email and telephone are available in Brazil for the purpose of ensuring a transparent and ethical environment between us and our suppliers.



Engagement with stockholders

Engagement method	Frequency	Description
Teleconferences	Quarterly	Realizamos quatro teleconferências sobre os resultados trimestrais durante o ano. Todas são transmitidas em tempo real em português e em inglês, podendo ser acessadas por telefone ou pela internet.
APIMEC meetings	Annual	In 2018, we held 16 meetings around Brazil.
Institutional meetings	Continuous	In-person meetings with stockholders.
Email – Investor Relations Box and Telephone Service Channel	Continuous	Service tool for stockholders – in Portuguese and English.
Website	Continuous	Main means of communication of the Investors Relations Office – in Portuguese and in English.
Itaú IR Application	Continuous	Available for Android and IOS.
Investcast	Monthly	Podcast aimed at the Investor Relations' stakeholders that can be accessed via Spotify and iTunes.



Engagement with society and media

Engagement method	Frequency	Description
Social media	Continuous	Facebook, LinkedIn, Twitter, Medium, YouTube and Instagram. Itaú Cultural has profiles on Facebook, Twitter, Instagram, Google My Business, TripAdvisor and <i>Reclame Aqui</i> .
Relationships with communities	Periodical	We have a program to identify needs and opportunities in regions where we have large operational and business centers. This process allows us to study ways of working together with the leaders of local communities, organized civil society and government bodies to support and implement projects in these places.
Relationships with government entities	Periodical	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.
Advisory committees	Periodical	We have Advisory Committees for the urban mobility and diversity topics. The purpose is to bring together specialists in the topics for consultation on investment priorities.
Relationship with Itaú Cultural's audience	Continuous and periodical	There is a message box at the Institute's headquarters and an email box (atendimento@itaucultural.org.br), and the messages are responded to within three working days. Public surveys are also conducted at the exhibits of the <i>Ocupação</i> (Occupation) Program.
Meetings and workshops	Periodical	We hold meetings and workshops to detail relevant information on topics that help clarify the workings of the financial system for journalists and opinion makers, in addition to their implications in the current context.
Continuous dialogue	Continuous	As part of our scope of operation outside the bank, we combine continuous dialogue with communication strategies to receive and provide proper references to the demands of the media and opinion makers.
Monitoring of reputation	Periodical	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 clipping for clients – is conducted annually.



Customer Satisfaction

“ Why is this
topic material?

GRI 103-1 Customer Satisfaction

The development of our strategic agenda has brought to light a significant pillar for our sustainable performance: client appreciation, which directly impacts our decisions and changes. Our choice of focusing our actions on the client has made us aim at joining the league of the world's best companies in customer satisfaction, because we believe that by doing so we will be able to provide the best experiences and make clients happier too.

Aiming at changing our customer experience, we will focus efforts in two fully interconnected steps. The first one is the very foundation: an internal behavioral change towards a customer centricity culture. The second one, the customer experience, either on retail or wholesale, goes far beyond the mere management of statistics and sorting out problems that reach our External Ombudsman's Office or the Central Bank of Brazil. The idea here is to reach the causes of what we call the customer's pains, that is, whatever causes problems.

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Materiality

Customer Satisfaction **GRI 103-1 Customer Satisfaction**

Potential SDGs

The 2030 agenda promotes changes that business can also make in the world. We, as a financial organization, we recognized that we have a great potential to promote changes in the world, and that Customer Satisfaction is inherent to our business. Accordingly, we do not relate any SDGs directly to the material matter.

Relationship between the material matter and our stakeholders

GRI 103-1 Customer Satisfaction



GRI topics

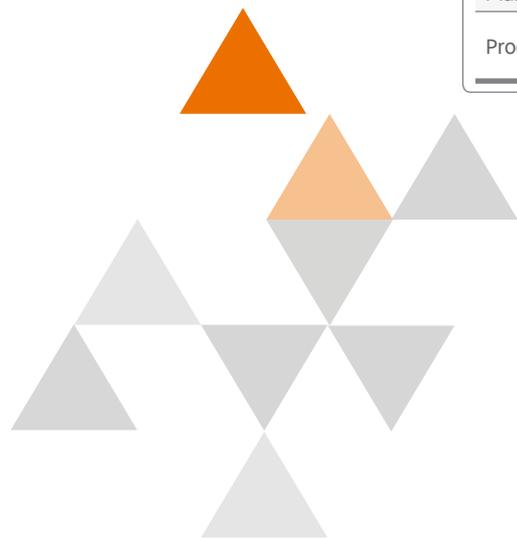
Related initiatives and indicators

Management Approach	GRI 103-1 Customer Satisfaction – Explanation of the material topic and its boundary
Management Approach	GRI 103-2 Customer Satisfaction – The management approach and its components
Management Approach	GRI 103-3 Customer Satisfaction – Evaluation of the management approach
Product and Service Labeling	GRI G4-DMA Product and Service Labeling (former FS15) – Policies for the fair design and sale of financial products and services

“ In this **chapter...**

...we explore our idea of relentlessly pursuing a new level of customer satisfaction and the four significant steps in this journey of changing the customer experience: first, by measuring customer satisfaction in each point of contact. Second, by listening to the customer by capturing, understanding and working on their feedback. The third step involves redesigning journeys; and the fourth step is improving products and processes based on the client's vision, by seeking to eliminate any points of dissatisfaction.

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Customer satisfaction GRI 103-2 Customer Satisfaction

We focus on the continuous improvement of the customer experience in their interactions with our institution, by redesigning our processes to simplify, streamline products and improve the measurement of customer satisfaction and capture of feedback. Therefore, it is essential to measure customer satisfaction and listen to them.

We have adopted the Customer Centricity Principles, which guide our behavior to change our customer experience.



By ratifying our position, we have the Institutional Policy of Relationship with Customers and Users of Financial Products and Services, which states the guidelines and principles to be followed by employees, correspondents and partners in all aspects of client and user relationships of our banking framework. In summary, it defines that the origin, offering, purchase and post-purchase stages of our products and services should be guided by the principles of ethics, transparency, responsibility and diligence, therefore ensuring our commitment to have the best relationship with our clients and users, allowing for the clients' free and conscious decision-making for the products most suitable to their interests, needs and goals, in addition to caring for ongoing customer satisfaction and relationship.

Taking into account the efforts to apply the Customer Centricity Principles, we have placed the customer satisfaction as a concern of the entire company. In addition to including this commitment into the Institutional Policy of Relationship with Customers and Users of Financial Products and Services, we expanded the targets related to this topic to not only the Customer Service and External Ombudsman's departments, but rather to all our departments, and extended them to Superintendents, Officers and the CEO. One example of how customer satisfaction affects our employees' variable compensation is the variable compensation system applied to the Retail Banking Office (AGIR), by weighting items such as sale of products, prospecting current accounts and customer satisfaction. These results affect

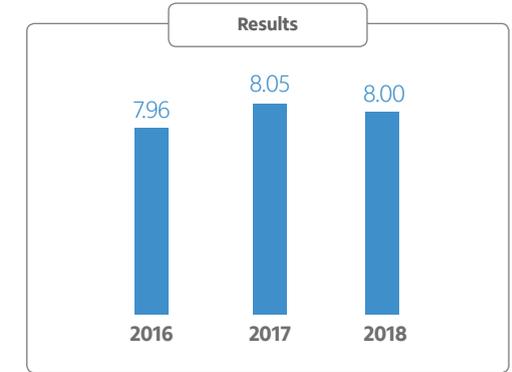
the compensation of the whole branch staff, commercial staff and main executives.

Every year we interview over six million customers through a satisfaction survey designed for all types of Customers from all segments. We carry out monthly surveys on our channels, such as ATMs, SMS and Internet Banking, and have increased our relationship team to respond to issues posted in our social networks. Tactically, we monitor customer satisfaction from time to time in our own service channels and, strategically, we monitor satisfaction with competitors together with major survey institutes. This proximity provides for more expeditious and personal feedback on our applications and services.

We carry out satisfaction surveys that assess our activities compared to competitors in Brazil, Argentina, Paraguay and Uruguay. These surveys are carried out every year by third parties via phone calls, with a representative sample of each segment base without identifying our brand so as to ensure unbiased evaluation. Taking into account the business peculiarities and access to specific audiences, the survey is identified when it comes to the Wholesale Banking Office. The results are shared with the quality departments of each business to define action plans to improve services and build customer loyalty. Our survey department frequently audit processes and monitors the survey quality.

In Brazil, survey data collected from each segment are weighted based on the size of its portfolio and consolidated into an overall customer satisfaction index, and it is possible that differences from year to year may exist due to the restructuring and new acquisitions carried out by the company. In foreign units, these results are submitted to the board of directors of each country and to the committee responsible for Latin America.

Customer satisfaction survey GRI 103-3 Customer Satisfaction



Source: Competition survey.

As part of our commitment to improve customer satisfaction, we also increased the number of studies about the client journeys and experiences with different services and products that are part of their day-to-day. Accordingly, a number of customer centricity initiatives were developed, such as creating a Customer Experience dedicated department, focusing on the governance and analysis of the main interactions in their journeys.

Therefore, at the end of 2017, we started a transition process from our customer satisfaction model to the Net Promoter Score (NPS), following a world trend in the customer experience evaluation scenario. This is a measure widely used by major companies that will enable us generate a single indicator for the organization, in addition to having more potential to mobilize employees. **GRI 103-3 Customer Satisfaction**

We are preparing ourselves to be able to listen to customer's at the most diverse moments of their interaction journey. Furthermore, we will also engage the front line in this customer communication cycle to learn about their experiences, either good or bad, to generate this virtuous

cycle of continuous improvement. Other initiative is the redesign the journeys and implementations of process improvements to act in the root cause of pains experienced by clients.

External Ombudsman's Office and customer complaints management

GRI 103-2 Customer Satisfaction | GRI 103-3 Customer Satisfaction

The External Ombudsman's Office works as an improvements driver and as the ultimate body for those cases in which customers had their complaints handled by primary service channels but has not been satisfied with the solution given. Among the goals of the External Ombudsman's Office we highlight maintaining a constructive relationship with the National Consumer Protection System (SNDC) and regulatory bodies, and contributing to the development and strengthening of consumer relations.

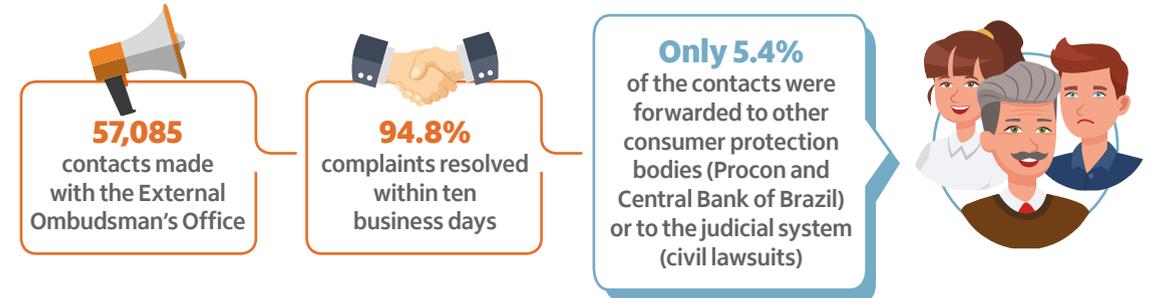
Customer demands management cycle



Additionally, working in partnership with our other departments, the External Ombudsman's Office helps to assess the client's vision to create new retail products and services, ensuring compliance with the Consumer Protection Code and focusing on transparency and customer satisfaction.

Together with the Client Service, Business, Operations and Quality departments, another pillar of action of the External Ombudsman's Office is ensuring an effective Customer Demands Management process and the engagement of senior management in the customer satisfaction agenda. Customer Demands Management is an institutional process focused on improving customer satisfaction by reducing complaints. It comprises capturing complaints forwarded to our Client Service, External Ombudsman's Office, Consumer Protection body (Procon) and the Central Bank of Brazil, monitoring for analysis and prioritization of critical issues, diagnosis of root-causes, defining action plans to correct or improve issues, and controlling the implementation and efficacy of plans.

Complaints made to customer protection bodies



The result of these actions is the reduced number of demands filed with consumer protection bodies, thus improving our position in the rankings disclosed by the many Procons, Central Bank and National Consumer Department. Compared to the previous year, the number of complaints was down 10.8% with the National Consumer Protection Information System (Sindec – Procons) and 3.1% with the Central Bank of Brazil. Additionally, we work on the demands received via platform Consumidor.gov, which is managed by the National Consumer Department of the Ministry of Justice, which allows for the direct communication between consumers and companies. For the demands filed at this platform, our complaint resolution rate was 80.7%, the best rate among the largest banks, and our average satisfaction rate, assigned by customers, was 3.2 out of five. The response time also ranked among the most efficient, with average of seven business days.

The work done by the External Ombudsman's Office has also been recognized by consumer protection-entities. We received the Ouvidorias Brasil 2018 award, granted by the Brazilian Association of Company and Client Relationships (ABRAREC), which positively contributes to enhance our reputation.

Redesigning journeys and improving products and processes

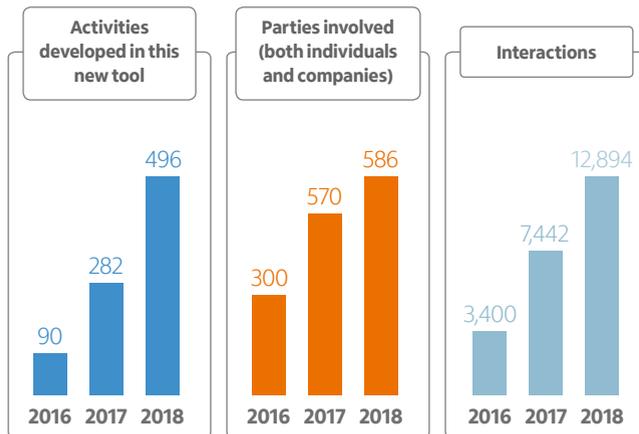
GRI 103-2 Customer Satisfaction | GRI G4-DMA Product and Service Labeling (former FS15)

We are continually conducting qualitative and quantitative surveys with clients to launch new products, segments or changes in our products. Customers are engaged in increasingly earlier stages for the creation of new initiatives, such as in concept tests rather than in ready prototypes only.

We call this practice Customer Experience, which is the basis for developing tools. A number of our departments, such as Channels, Service Design and Customer Experience, use their knowledge about this practice to manage relationships with clients and in digital concept methodologies supported by the Design Thinking and Human Centered Design approaches. These approaches assume a direct and recurring contact with the client/user to understand their needs, and mental model and "fast tests" to check adherence to and understanding of the proposed solution. The result of these initiatives will be the delivery of a series of improved processes in client journeys, minimizing the problems that are currently detected.

To increase our efficiency in terms of deadlines and costs, we have created an online community for clients and non-clients to support initiatives such as those described above. This community is a laboratory to enable us talk to our clients with more agility, providing ground-breaking ideas and references, feedback and strengthening our relations. Examples of some tangible results of this laboratory are the development of new functionalities in our main banking app and the refining of pieces of communication.

Online community results



We broadened the ways we relate with our corporate clients, by making available managers with smartphones, tablets and videoconference technology, and with our individual clients, by providing extended office hours, media and a dedicated team. The standard relation from inside the branch was extended so we are able to address recurring demands and improve our customer experience. Based on the results of customer surveys, we have created labs to test new functionalities and equipment for the branches as we seek excellence in our services.

In addition, the quality of our client service is part of our culture. Based on this principle, a Sales Quality Score was created primarily aimed at satisfactorily meeting our client's needs, reducing the number of complaints and ensuring customer satisfaction, by improving the identification and management of possible indicators showing employees from commercial and operation departments with levels of

sales quality below the parameters defined by our institution. This is a monthly program that is part of the incentives system and monitors the sales of over 30,000 employees. This program is based on four great pillars: information and training of the sales teams; improving the sales quality, reducing disagreements with clients and giving employees warnings. Both the employee and their Manager are informed about this monthly supervision, including the history of the last 12 months and the next steps they need to take to guarantee their sales quality. All training sessions are online, certificated and involve the following topics: focus on client service, quality sales, and what we look for and what we do not tolerate. Since this program was implemented, we have improved our position in the ranking of complaints with the Central Bank of Brazil. This program has been improved and expanded, in addition to being integrated into our incentive models throughout our hierarchical structure.





Digital Transformation

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Why is this
topic material?

[GRI 103-1 Digital Transformation](#)

The speed of the world is changing exponentially: we are increasingly faster, more demanding about quality and more connected. Historically, we have always anticipated scenarios and adapted to new realities but, in the current context, we need to be in a constant state of renewal.

In our interactions with clients, we note an increase in the number of electronic transactions, the expectation of immediate service and the need for solutions that are increasingly faster. With our employees, we note that more dynamic cooperation networks and independent and optimized processes are capable of improving the work experience. We have identified that our stakeholders needed quickly updated information. Additionally, we have great potential to be change agents in society, distributing knowledge and collectively creating solutions for challenges.

In this movement, we established that we want to go beyond a positive experience within the financial industry. We want to be a reference in relationship experience to continue charming those who are impacted by our activities. For this reason, we chose digital transformation as one of our priority fronts in our development strategy. Only the digital transformation can provide a quick and consistent development, speed up operations and analyses and provide new work and presentation formats. [GRI 103-2 Digital Transformation](#)

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Materiality

Digital Transformation GRI 103-1 Digital Transformation

Potential SDGs	Target	Positive impact
	8.2 Reach higher levels of productivity of the economies through diversification, technologic modernization, and innovation, including through a focus on the high value added sectors and labor intensive sectors.	We promote technologic innovation through Cube, in addition to implementing technologic innovations and new tools facilitating our clients' daily routine. We increased the number of employees hired to work with data use, improvements, and solution development. We also conducted several hackathons to encourage technologic innovations with the civil society.
	9.1 Develop quality, reliable, sustainable, and resilient infrastructure, including regional and cross-border infrastructure, to support the economic development and the human well-being, focused on equitable access and at prices affordable for all.	We promote the technologic entrepreneurship and innovation through <i>Cubo</i> to fast track, connect, and create businesses between large corporations and startups. We also offer workshops, lectures, and material meetings for the innovation ecosystem growth.



GRI topics	Related Initiatives and indicators
Management Approach	GRI 103-1 Customer Satisfaction – Explanation of the material topic and its boundary
Management Approach	GRI 103-2 Digital Transformation – The management approach and its components
Management Approach	GRI 103-3 Digital Transformation – Evaluation of the management approach

“ In this chapter...

...you will see how we work with technology in a proprietary manner, using our entire intellectual capacity to help people, to be more relevant in their lives, to save time and create value, undergoing the experience of digital living and power. Currently, almost 80% of the payments made by our clients are made via Internet Banking and applications, which reinforces the division of our efforts into three main work fronts: *Experiências DigiUAU* (DigiWOW Experiences), *Digital Para Ser Mais Pessoal* (Digital To Be More Personal) and *Ser Digital na Essência* (Being Digital at Essence).



Experiências DigiUAU

GRI 103-2 Digital Transformation

Following our objective, we split our work focus into three essential pillars. The first is to promote what we call *Experiências DigiUAU* (DigiWOW Experiences), that is, an impeccable, charmingly simple and convenient experience. We are talking about the entire process, from the contact with the client to the processing of the operation, the service and the after-sale service, in addition to the product itself.

In recent years, with the launch of innovations such as Teclado Itaú (Itaú Keyboard), proximity payments and other functionalities in the applications, we have been creating a close relationship of trust with our clients. Teclado Itaú is an innovation that facilitates bank transfers by means of communication applications. Should someone send data for transfer via these applications, all they have to do is to open Teclado Itaú and carry out the transaction without opening our application. The acceptance of this tool was surprising: there were more than 1.2 million activations, more than 129,000 transactions in the month of its launch and 75% of positive comments about the product in social networks.

We also increased the focus of the Virtual Card, which is used to replace the plastic card when a purchase is being made via the Internet. It brings together two relevant concepts for a good purchase experience: it protects the data of our client because it generates a number that can be used for only one purchase, preserving the data of the original card, and it easily facilitates the localization of the purchase data without the need of the plastic card for carrying out the transaction.

Another functionality available to our clients is the PDF Reader, which reads the bar code contained in a payment file and automatically fills out the fields in our application for carrying out the transaction.

To increase the list of experiences, we also invested in eWallets, which are digital wallets that allow transactions to be made on mobile phones and proximity payments, without the use of the physical card. We already operate via Apple Pay and Samsung Pay and have already entered into a

partnership to operate via PayPal and Google Pay, and we are the first in this kind of service. Since the launch of these functionalities, we have had 970,000 registrations in both portfolios and approved 99% of the transactions that we received via these means.

To increase the knowledge of the above mentioned technologies, we release video films on our [Youtube](#) channel, in which the employees teach clients how to take advantage of all functionalities available in the application.

Digital Para Ser Mais Pessoal

The launch of new applications or functionalities is not enough if we do not closely monitor the reaction of users. For this reason, another pillar is the *Digital Para Ser Mais Pessoal* (Digital To Be More Personal): we want to integrate physical and remote experiences. Regardless of the relationship channel chosen by our client, the experience has to be special. This means that the same agility, transparency and proximity must be perceived in whichever point of contact the client has chosen.

We monitor the notes and the comments of the users to assess, in a timely manner, the performance of our applications. With this closer contact, we started to monitor more closely the demands from our clients for the constant improvement of our applications. **GRI 103-3 Digital Transformation**

We increased our contact with clients in social networks and created a team dedicated to monitor and serve clients on Instagram, YouTube, Twitter, Facebook and LinkedIn. Therefore, we quickly address the simplest demands to be resolved and quickly forward the more complex ones that require other means to be resolved.

Another way of expanding our relationship with our clients is the demand for customized offers. Based on the clever use of our database, we created an initiative for default in vehicles through which, based on the analysis of data on the flow of current accounts and the maturity of the installments of the Motor Vehicle Ownership Tax (IPVA), we offer, in a customized

manner, options for the payment in installments that would avoid the use of the overdraft account limit. We had a return rate that is 500% higher than the traditional campaigns and 60% of the clients who returned contracted the operation.

This technology also allows us to use geo-localization data to monitor the clients who access our applications and their transactions to identify possible incompatibilities, thereby reducing cases of fraud. **GRI 103-3 Digital Transformation**

Ser Digital na Essência

GRI 103-2 Digital Transformation

The third pillar is to assume the commitment of *Ser Digital na Essência* (Being Digital at Essence), creating projects in a more agile way, whether in the development of a flexible and efficient platform, or in the process of approval of the product or in its implementation at the branch, in the analysis of the processes and in the development of the activities internally.

The Telemetry superintendency, which is responsible for gathering and analyzing our database, had the term Analytics Coach added to its name in order to represent the new duties of this team. The Analytics Coach & Telemetry is intended to work as an orchestrator in the scope of analytics and serve employees as clients and to disseminate knowledge so as to encourage digital independence among them. One of the means to this end is the *Academia* DEOA (DEOA Academy) which, since its creation in 2018, has already trained 110 multiplying agents and held 5,100 training sessions, 4,298 of which were in-person and 817 online.

In 2017, we created the Center of Excellence in Analytics and, in 2018, we doubled the evolution projections. The purpose of the center is to anticipate the needs of clients by means of investments in data analysis. There are more than 20 planned analytics projects, more and more data scientists hired and five times more bases in our data lake. To promote further development in the area, we established a partnership with the Aeronautical Technological Institute (ITA) and with the University of São Paulo (USP) for the training of data scientists.

FinTech@CSAIL

We are the only member in Latin America to integrate FinTech@CSAIL, the financial technology research lab of the MIT's Computer Science and Artificial Intelligence Laboratory in the United States. We will work with FinTech@CSAIL together with ten other representatives from the participant companies and with the highest authorities in these areas of study to leverage the innovation of state-of-the-art research in order to address significant business problems in the financial industry, among others. With this cooperation, we reinforce our strategy of being always ahead in the search for innovative solutions that can address real problems and provide for a better experience for our clients and our focus is on the identification of existing needs and making use of the benefits that technology provides to make people's lives easier, offering more convenience, agility and security for offering products and services.

We seek to develop dynamics that place people from different areas and with different backgrounds to think about solutions focused on the client; therefore, we work based on the rationale that the best solutions come from the multiplicity of visions. Based on this, we have been inviting more employees, market professionals and even clients to co-create solutions that resolve their main difficulties and at the speed that clients need.

Accordingly, we established a new work format, known as Communities of Delivery, with which we form interdisciplinary teams that are not governed by hierarchy, with the application of an Agile and Lean Framework in the solution of challenges and with more independence and collaboration. The results involve quicker deliveries that are better aimed at the real solution of problems and increased commitment of teams. Currently, we have more than 30 communities where more than 6,000 employees work, with an increase of 20% in productivity. We also changed our internal environment and our relationships to improve our

partnership with our employees – learn more in the chapter Employee's Experience on [page 62](#).

This action allowed us, for example, to think of a new dynamic for contracting vehicle insurance for different periods, intermittent or continuous, like weekends. The innovation was prepared by a diversified group of employees of Itaú Soluções Previdenciárias in the 2018 edition of Challenge, which is an internal event for the creation of ideas in favor of solutions for our clients, for which 190 ideas were registered, 400 employees participated, 20 ideas were prototyped and seven employees won.

We are also encouraging other formats of problem solving, such as *Batalhas de Dados* (Data Battles) and Hackathons. In the battles, we bring data scientists and professionals from our departments to solve a proposed challenge, always focused on the client and using analytics as the main tool. The people are exclusively dedicated to the challenge for a few days and have the opportunity to work in a collaborative way, creating a transforming career experience. We carried out nine editions of the Data Battle, for which more than 4,600 employees applied and in which more than 500 employees participated and more than 100 departments were involved.

Meanwhile, for the Hackathons, we sought the participation of the internal public and included professionals from many departments and with different backgrounds to solve a proposed digital business challenge. In addition to creating a number of solutions, this is a talent selection opportunity. In 2018, three Hackathons were organized: the 1st HackaDEOA, the 1st HackaOPs and the 2nd HackaOPs. For the 1st HackaDEOA and for the 1st HackaOPs, five inimum Valiable Players (MVPs) were implemented and ten are in the implementation phase. With the five implemented MVPs, we were able to reduce manual processing by 200 hours, mitigate image and operational risks in addition to scalability risks in other departments.

Internally, we also have the Adoption Sprints, which do not have a competitive characteristic, in which the Analytics Coach & Telemetry team adopts a coordination case study

and develops solutions with the employees so that they can achieve independence in the resolution of problems. In 2018, six Sprints were organized with the adoption of two coordination case studies in each of them. One of the coordination case studies adopted was Sustainability, with the case study on the Panel of Complaints related to diversity and the automation of the analysis of micro-credit cases which, together, reduce the operational work from hours or more of processing to just minutes, in addition to mitigating operational errors. Another successful case study was the Sprint in partnership with DWS, in which the PDF Reader was developed and implemented, reducing the operation from 30 minutes per document to less than seconds and resulting in time optimization of more than 99%. The Sprints are already moving to an expansion agenda in which other coordination case studies with independence in analytics may start to adopt the Adoption Sprints initiative. Accordingly, we are working on the dissemination of digital transformation within the bank.

Digital Entrepreneurship – *Cubo*

As the largest private bank in Brazil, we have been constantly reinventing ourselves in order to be in the vanguard in the use of new technologies and tools for the purpose of serving our clients and anticipating their needs in an efficient way. For this reason, we pioneered in the creation of an initiative to promote the technological entrepreneurship market in Brazil, enhancing our recognition as a technological and digital brand.

Cubo contributes to our daily routine in many aspects but mainly with respect to culture, business, brand and attraction of talents. More than 70 projects and pilot projects between us and the startups that are *Cubo's* residents are being implemented. The proximity between our departments and *Cubo's* startups bring new acculturation, which helps rethink both the form of doing business and our internal processes.

More than 10,000 employees have been at *Cubo* and had the opportunity to get to know and engage with the startup ecosystem. All of our employees have access to the events and this adds to the professional development of each one of

them. We have been learning a lot from *Cubo* when it comes to reinventing the process through the use of innovative technologies. Additionally, we organize many events focused on the attraction of talents since *Cubo* has become a hub of connections that concentrates the most brilliant minds.

Blockchain

We received US\$100 million from Standard Chartered and Wells Fargo through a club loan (similar to a syndicated loan). At the same time, we successfully completed, together with Standard Chartered, the development and the Proof of Concept (PoC) of Latin America's first blockchain platform for an operation in this format.

The blockchain technology allows individuals and companies to upload data to a shared and authenticated computer network. These data are then replicated to all participants by means of a mechanism known as a shared ledger. All data recorded in the network are encrypted to ensure the legitimacy of the information and that the content had been originated by an authorized participant. Additionally, the existence of the shared database avoids conflicts that could arise when many agents participate in only one transaction.

With the blockchain PoC, the participants were able to monitor loan agreement reviews, comments and the sequence of approvals in a safe, transparent and paperless manner. As the sequences of changes are preserved, participants may track and, subsequently, audit the changes until the closing of the transaction.

Simulation tests were successfully carried out in three stages: (i) negotiation of terms and conditions, including the review of the loan agreement; (ii) process of signatories, informing what had been agreed upon in the previous stage; and (iii) the signature itself.





Employee's Experience

“ Why is this
topic material?

GRI 103-1 Employee's Experience

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. [GRI 103-2 Employee's Experience](#)

Our Personnel Department started to work in communities with the Agile Framework, which is a resource that facilitates the routine of the project and the staff, allowing the progress in this topic to be achieved in a better structured and quicker way. Over the past year, we implemented innovations in the way we recruit and receive new employees (onboarding) for the purpose of engaging them and preparing them to work in the organization in a more agile and productive way. Additionally, we reviewed processes and policies such as the provision of the Wi-Fi network for personal use and the dress code with the *You Como Sou* (I'll Go as I am) campaign, which resulted in a better work environment, favoring the employee's experience.

With the challenge of changing leagues, which is aimed at fully focusing on the client, we also open a work front to empower employees and simplify internal processes because we believe that less bureaucracy and more independence results in more efficiency in our activities, thus allowing greater focus on customer satisfaction. Based on this transformation, we launched an internal campaign to promote a trust and responsibility mindset.

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 companies, establishing long-lasting relationships. Accordingly, we seek to create shared value, achieve positive results and encourage the development of people, of society and of the countries in which we operate by means of a virtuous cycle.

”

Materiality

Employee's Experience GRI 103-1 Employee Experience

Potential SDGs	Targets	Positive impact
	5.1 End all forms of discrimination against all women and girls everywhere.	We offer benefits on an equal basis for all of our employees, reinforcing our vision and our equality and welcoming discourse that affect in particular the female population.
	5.5 Ensure the full, effective participation of women and equality of opportunities for the leadership at all decision-making levels of politics, the economy and public life.	We promoted policies and programs for equality of opportunities, reinforcing our vision and our equality and welcoming discourse for situations that affect especially the female population: <ul style="list-style-type: none"> • Mothers and Pregnant Women Support Policy: outlines the benefits for pregnant women and the homosexual couples after a child is born or adopt, in order to meet the needs of the possible family setups; • <i>Bebê a bordo</i> (Baby on board): course attended by pregnant employees, employees with the pregnant employees, and couples in process of adopting that addressed major issues, with guidance on first care of newborn children; • <i>Canto da Mamãe</i> (Mother's Corner): space to extract and store breast milk during working hours; e • <i>Bebê em Casa</i> (Baby at Home): home visit of a nurse in first week after birth to provide guidance about breastfeeding and first care of the newborn child.
	10.2 By 2030, empower and promote social, economic, and political inclusion for everyone, regardless of age, gender, disability, race, ethnicity, origin, religion, economic status, or any other reason.	We promoted the policy on equality of opportunities between men and women. <ul style="list-style-type: none"> • Mothers and Pregnant Women Support Policy: outlines the benefits for pregnant women and the homosexual couples after a child is born or adopt, in order to meet the needs of the possible family setups.
	10.3 Ensure equality of opportunities and reduce inequality of outcome, including by eliminating discriminatory laws, policies and practices and promoting legislation, policies and actions.	We conducted affirmative actions for equality of opportunities for women with the change of internal policies and assessment of differentiated performance assessment de when returning from maternity leave with full payment of profit sharing.

Relationship between the material matter and our stakeholders

GRI 103-1 Employee Experience



 **Employee**
Direct

 **Client**
Indirect

 **Stockholder**
Indirect

 **Supplier**
Indirect

 **Society**
Indirect



GRI Topics	Related Initiatives and Indicators
Management Approach	GRI 103-1 Employee's Experience – Explanation of the material topic and its boundary
Management Approach	GRI 103-2 Employee's Experience – The management approach and its components
Management Approach	GRI 103-3 Employee's Experience – Evaluation of the management approach
General Disclosures	GRI 102-8 Information on employees and other workers
General Disclosures	GRI 102-35 Remuneration policies
General Disclosures	GRI 102-36 Process for determining remuneration
General Disclosures	GRI 102-41 Collective bargaining agreements
General Disclosures	GRI 102-48 Restatements of information
Employment	GRI 401-1 New employee hires and employee turnover
Employment	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
Occupational Health and Safety	GRI 403-2 Hazard identification, risk assessment, and incident investigation
	GRI 403-3 Occupational health services
	GRI 403-5 Worker training on occupational health and safety
	GRI 403-6 Promotion of worker health
	GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
Training and Education	GRI 403-9 Work-related injuries
	GRI 404-1 Average hours of training per year per employee
	GRI 404-2 Programs for upgrading employee skills and transition assistance programs
Diversity and Equal Opportunity	GRI 404-3 Percentage of employees receiving regular performance and career development reviews
	GRI 405-1 Diversity of governance bodies and employees
	GRI 405-2 Ratio of basic salary and remuneration of women to men

“ In this chapter...

...we describe the practices and innovations that we have implemented with respect to attraction, recruitment and retention of talents, training, assessment and development of employees, internal mobility opportunities and compensation actions, recognition and rotation. At the end of the chapter, we share the information related to the well-being, health and safety of employees, with the breakdown of data for 2018 related to these topics, as well as of programs, services and actions offered and promoted by us.



The employee's trajectory

GRI 103-2 Employee's Experience | GRI 103-3 Employee's Experience

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 talents, preferably in situations of social vulnerability, promoting and developing career opportunities with us.	2,399 youngsters were contracted as apprentices.	We retained 38.4% of the apprentices; 81% of whom are still with the bank. We provided a career to 26.2% of the apprentices contracted between 2012 and 2018.
Corporate Internship Program	Attract and develop young talents with potential to fill entry positions in the corporate departments; it lasts two years at the most and offers a specific training grid.	In 2018, there were 56,554 applicants in the Corporate Program, 2,393 of whom were accepted as interns.	68% of the interns admitted between 2016 and 2018 were contracted; 95% of whom are still active in the bank
Branch Network Internship Program	Attract and train young university students, focusing on the development of talents 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.	55% of the vacancies (operational and not manager level) opened for 2018 in the Branch Network were filled by interns.	In 2018, 56% of the interns were contracted; 93% of whom are still active in the bank.
Holiday Internship Program	To attract talents by offering a corporate experience with challenging projects, supply other talent programs; National Holiday Internship Program: it takes place during academic summer (December, January and February) and winter (July) holidays; and International Graduation Holiday Internship Program: it takes place from May to October, summer holidays in the Northern hemisphere.	For the National Holiday Internship Program , there were 7,399 applicants in July 2018 and 86 were accepted for the program; in December 2018, there were 6,464 applicants for the National Holiday Internship Program , with an estimate of 101 accepted; and for the International Holiday Internship Program , 33 interns were accepted.	Not applicable.
Master's Summer Program	Attract talents 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.	For the Master's Summer Program, there were 466 applicants in July 2018 with an estimate of 25 students accepted for the program.	Not applicable.
Itaú Unibanco Trainee Program	Itaú Unibanco Trainee Program is aimed at attracting and developing talents by means of a challenging professional practice, technical and behavioral training, mentoring and networking events with our executives. During the program, which lasts for one year, 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 2017, there were 42,000 applicants for the selection process, 132 of whom were contracted as trainees in 2018. In 2018, there were 48,000 applicants, 193 of whom were contracted as trainees in 2019.	98% retention rate in the 2018 group ⁽¹⁾ .
	After the Program, the trainees who stood out were offered a <i>Carreira Acelerada</i> (Fast Career) Program that included training and coaching sessions.	A total of 50 former trainees were selected for the current <i>Carreira Acelerada</i> Program from among the 2017 trainee group.	98% was the retention rate of the <i>Carreira Acelerada</i> Program in 2018.
International Sponsorship (MBA, Master, Sloan and LLM)	Develop our employees by means of the MBA/ Sloan/Master (LLM – Master of Laws/MIF – Master in Finance) programs in the best business schools in the United States and Europe, with monitoring by the Human Resources Department and executives.	In 2018, 244 employees applied. Of these, 24 were accepted in the program.	93% is the retention rate of those sponsored who returned from the MBA in 2018.

(1) determined between January and November 2018.

Programa	Descrição	Recrutamento	Taxa de retenção
MBA Summer and Full-Time Associate	Recruit students from the best business schools in the United States and Europe for summer internship programs in our organization with a duration from nine to 12 weeks.	43 MBA students applied. Of these, 15 participated in the Summer Program.	Not applicable.
	We also offer full-time opportunities in our organization for MBA graduates in the best schools of the United States and Europe.	Seventy-nine graduates applied for the program; seven employees were contracted as MBA Full-Time Associate, three of whom had participated in the Summer Program.	Not applicable because the program is being restructured.

In 2018, we staged some initiatives related to diversity. In our process of attraction and retention of youngsters for the *Jovens Aprendizizes Program*, we have been seeking to contract low-income young people and, for the Corporate Internship Program and Itaú Unibanco Trainee Program, we have changed the selection process, reducing the existence of biases upon contracting. More details about these processes can be seen on [page 80](#).

Additionally, we participated 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 the institutes Great Place to Work, Mercer and *Fundação Instituto de Administração* (Administration Institute Foundation – FIA), respectively. More than 6,000 employees are randomly selected by the institutes to answer the surveys and they assess organizational climate management aspects and monitor, in a comprehensive manner, management practices and compare them with other companies in the market. In 2018, we were elected one of the best companies to work for in all rankings mentioned: first place in the general ranking of the Best Companies to Start a Career in 2018 in the *Você S/A* magazine, first place in Top Companies of LinkedIn in 2018 and Top 20 Best Companies to Work for by GPTW/*Época* (the only bank among the leaders in the ranking) confirmed the high satisfaction levels.

[GRI 103-3 Employee's Experience](#)

In Paraguay, we were in 1st place according to the Great Place to Work as the best company to work for in the ranking of multinational companies with more than 150 employees.

[GRI 103-3 Employee's Experience](#)

After attracting our talents, we offer many tools for them to develop their abilities, making available specific programs that cover technical and behavioral topics by means of the use of many methodologies and media vehicles. We also promote development and continuous improvement actions for staff and leaders.

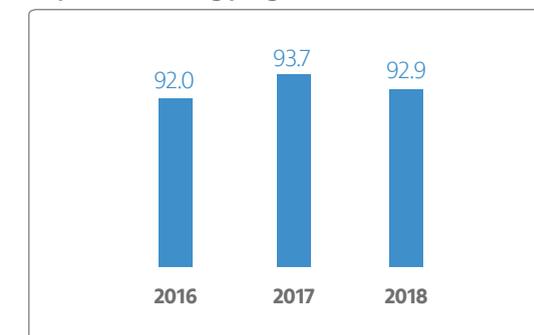
In addition to the corporate training programs, we offer specific training actions that are in line with the career stage achieved by the employee and customized to their Individual Development Plan, including in-person and digital training solutions on continued education online platforms, language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

On our Corporate Portal are the policies on development, good practices and ethics that provide guidelines on planning and corporate education actions for leaders and their teams. In 2018, we invested R\$235.9 million in Brazil in training, with more than R\$1.4 million in in-person and digital training programs.

For the better management of the training programs, we use two types of indicators: process (budget, volumetry and efficiency) and quality (reaction, learning, applicability, impact on business and return on investment), which ensure the obtaining of data for the improvement of our programs.

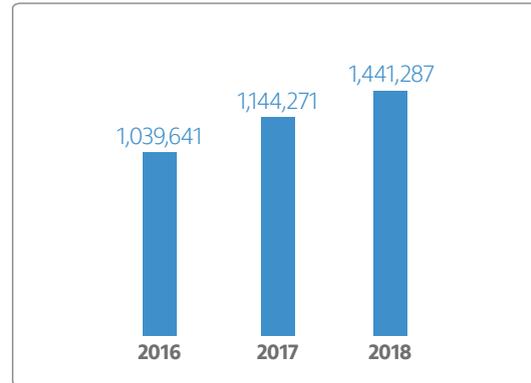
[GRI 103-3 Employee's Experience](#)

Average rate of adherence to in-person training programs (%) [GRI 404-2](#)



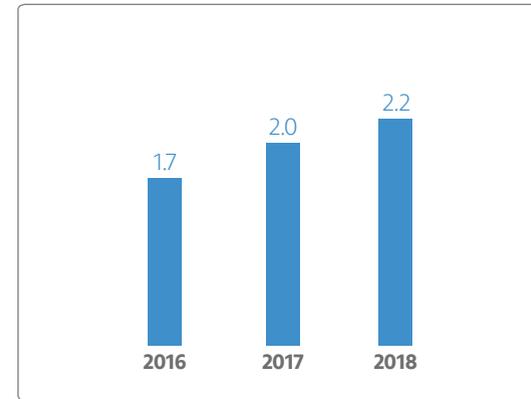
Number of employees trained-in-person and digital activities

(the same employee may participate in more than one program)

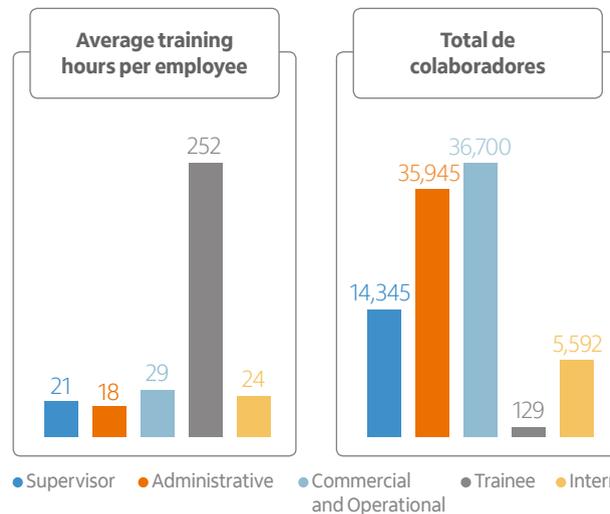


Note: In prior-year Reports, we disclosed the numbers related to in-person training programs only. Starting with this Report, we will disclose the numbers for in-person and digital training programs. The numbers for the previous years (2017 and 2016) were recalculated. [GRI 102-48](#)

Total hours (in-person and digital – million)

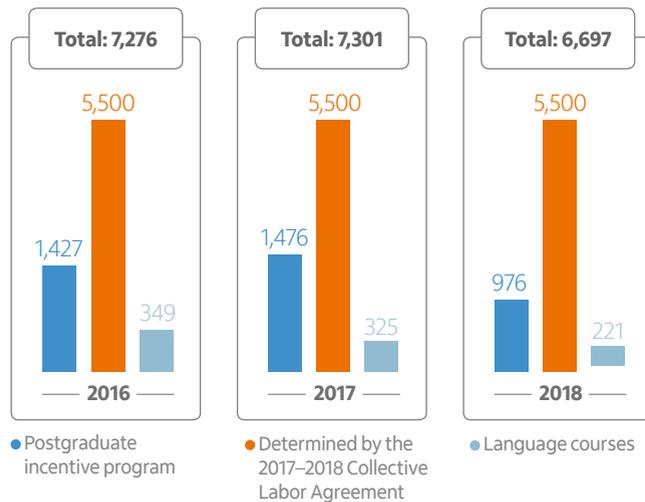


Average in-person and digital training hours per employee in 2018 [GRI 404-1](#)



To see the full table with historic data, please access [124](#).

Scholarships



Assessment of training programs [GRI 103-2 Employee's Experience](#) | [GRI 103-3 Employee's Experience](#)

To assess and measure training programs on a large scale is one of the most important aspects in the construction of a company's corporate education model. It is the basis for us to know whether we are on the right track to help, in the best way possible, the development of our employees. Therefore, we established a multidisciplinary working group that involves the Sustainability, Finance and Business School teams for the purpose of selecting and analyzing the main development actions and their related impacts in financial terms and other quantitative and qualitative performance improvement metrics.

Based on impact assessment methodologies⁽¹⁾ for the formulation of training programs, this group started to analyze three programs offered over the course of the year, as described below.

Training Service Center tutors | Analysis completed

In the search to change leagues and focus on clients, one of the programs chosen for the full and detailed assessment of impact was the training of employees who work directly with clients in the service centers. The training of these agents is essential for the learning curve in this activity to be optimized and for the employee to quickly

achieve a level of excellence that is a benchmark in the contact with clients. To further leverage the preparation of new agents, we prioritize the training of tutors that receive the new employees and help them in the first services provided, supporting the understanding of the processes and activities by monitoring the routine and sharing knowledge. This practice seeks to benefit both those who are tutored, so they feel supported from the beginning of their journey, and those who do the tutoring, who are trained and encouraged to share their knowledge as a way to consolidate what they have learned.

The purpose of the financial assessment is to measure, by means of statistical tools, the real quantitative impact of the development program. The rationale of the assessment is that the agents monitored by tutors reach a level of excellence in less time and positively impact the satisfaction of the clients served who then start to promote the company instead of acting as detractors. We consider the indicators Average Transfer Indicator (ATI), Satisfied Clients Indicator (SCI) and Net Promoter Score (NPS) to measure the effect of the training program on those who are tutored and, to get to know the return on the training program in monetary terms, we used the results obtained for the NPS, in accordance with the segmentation of each client:

(1) We considered the Kirkpatrick and Jack Phillips methodologies and used the 6Ds and 70/20/10 concepts.

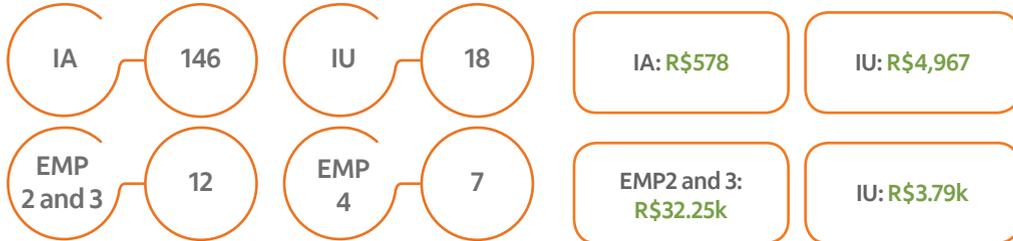
Monetary return on the training program in the Service Center



To identify the return on training programs in monetary terms, the results obtained for the NPS will be used:

1. Number of clients who went from detractors to promoters after tutoring.

2. Financial value added by a client who goes from detractor to promoter.



Combining the two pieces of information and excluding costs, we have the ROI on training programs for the next five years:



ROI total: R\$456,515.40

IB: Clients from the Individuals segment – Itaú Branches.
IU: Clients from the Individuals segment – Itaú Uniclass.
COMPs: Clients from the Corporate segments – Companies 2, 3 and 4.

The Service Center counts on the work of more than 3,300 employees, totaling more than 72,000 calls a day. To support the agents, in the course of 2018, we trained 191 tutors in 18 classes of 12 hours each. For the study, 1,299 people were used as a sample, 299 of whom had tutors who took the program and 1,000 were new employees who received tutoring from people that had not taken the training program. We could confirm, in financial and procedural terms, by observing the results obtained and comparing them with the cost realized and projected for the next five years

(R\$130,200), the positive impact for the organization and employees, taking into consideration their development and the satisfaction of our clients. In addition to the financial impact calculated according to the NPS, there are also other benefits that we will monitor over the course of 2019, such as the time for the maturation of new employees who reach, on average, a level of excellence in three months – showing a reduction of 50% in time when compared to people that did not receive trained tutors.

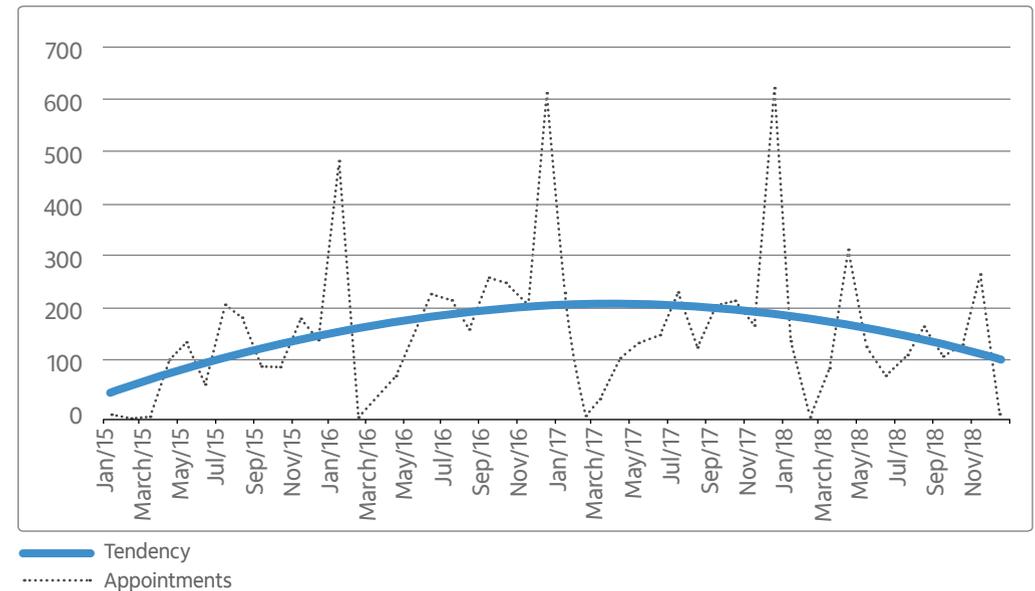
Risk culture | Analysis completed

One of the soundest and most important pillars of an organization is related to the perception and postures of employees in view of the analysis and measurement of and appetite for risks that are inherent or not to the business. This matter is a central topic for us and, in 2018, it received greater attention by means of many initiatives, such as the Integrity Program, which is a digital path directed towards ethical postures taken by employees from all hierarchical levels, and the risk culture, which is composed of in-person and digital training programs, in addition to many institutional communications. These initiatives were directed towards all employees of the organization for the purpose of increasing the level of knowledge in a broad and general way, seeking to reach a level of excellence in the prevention and treatment of risks, providing increased independence in strategic decision-making processes, generating benefits for us and increasing the knowledge of each individual so that their activities can be performed with more security and efficiency.

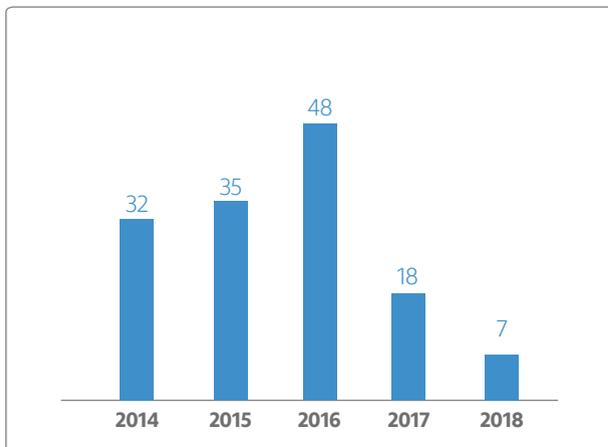
Among the many initiatives of the program, we analyzed the in-person training course for supervisors at the managerial level to measure its qualitative impact. This is an 8-hour training course that had the participation of 1,845 supervisors (13% of total supervisors), in which they were subject to an immersion program about risk management. To manage the impact of this initiative, we analyzed the registration of incidents with the Operational Risk team and the points raised by the Audit team.

By analyzing the results obtained, we verified that, as from the moment when there were the initial communications, there was an increase in the number of risk incidents, which is explained by the fact that the learning process begins before the training course itself, as described by the 6Ds methodology. After the provision of the training courses, we verified that there was a decrease in the points, which can be explained by the enhanced management of operational routines and treatment of the risks identified. This action allowed for a reduction of the historic level of incidents and an environment with increased risk governance, as presented in the charts below:

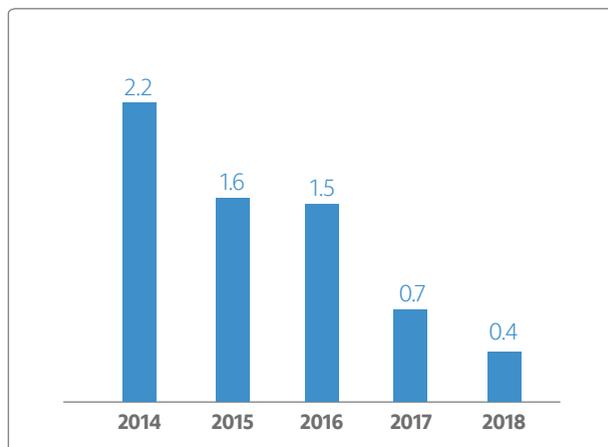
Risk incident tendency line



Open high risk incidents (%)



Proportion of open high risk incidents (%)

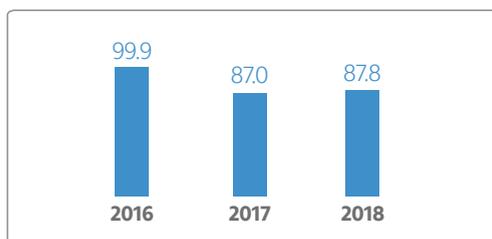


Leadership Models – Commercial and Operational | Analysis in progress

We believe that a supervisor with well-developed leadership skills can strengthen the engagement of our teams. This line of thought becomes even more important in an adverse macroeconomic scenario. For this reason, the new development grid includes the training of new leaders and more senior executives of the organization.

In 2018, we had an important agenda for the Modelos de Liderança (Leadership Models) program in which our leaders were stimulated by means of the development of strategic skills based on the mapping of characteristics shared by high performance leaders and with the application of the new leadership model, which addresses the employee's journey, recruitment and selection, training and consequence management. This new model was implemented in 2018 and its impacts will be assessed over the course of 2019.

Training of Coordinators and Managers in the Corporativo de Liderança Program (%)



In addition to the Modelos de Liderança program for the Commercial and Operational Department, our *Corporativo de Liderança (Trilha Essencial)* (Corporate Leadership [Essential Track]) program is essential for three topics: people and performance management, ethics workshops and good labor practices.

Other training programs that merit attention are those aimed at the construction of agile communities. In 2018, we worked hard on the consolidation of three essential behaviors for the new model of work in delivery communities.

Training grids were developed for the purpose of:

- Aligning the organizational culture with the digital transformations that have been taking place;
- Activating key behaviors (lean thinking, collaborating and constantly learning) for teams and leaders of the communities, working in accordance with the agile methodology for more constant and fast deliveries;

- Connecting the key behaviors with the principles of lean philosophy and how they apply to leaders and members;
- Establishing a support network for engagement with the mindset change;
- Showing, by means of examples and contents, the postures and behaviors expected for the members; and
- Establishing the commitment of those involved with the change.

To support the management of the community leaders and monitor the performance of the deliveries, the communities work with operational indicators and target indicators, as well as with the established central governance process.

Foreign units

For the operations of the foreign units, we continue to bet on training programs on development and application of topics that follow our digital transformations, in addition to the risk culture. Another front refers to the training programs that strengthen the focus on the client and on the excellence in the service of both physical and digital branches. In view of this scenario, the following training programs have been developed:

- **Agile Framework and Design Thinking:** conceptual training program and practice of methodologies that support innovation and digital transformation initiatives.
- **Digital Branches:** grid of training programs for the training of employees who work at the Digital Branches on tools, business and behavior.
- **Business Management and Commercial Coaching:** training of Account Managers, providing tools for a better management of the portfolio with a focus on the challenges of the companies segment of each country.

- **Digital Academia:** development of a grid of topics related to digital transformations and innovations that may impact our core business. The topics can be explored by means of in-person and online training courses, lectures, articles and video films.
- **Journey of Visits (game learning):** online game whose purpose is to train the Account Managers of the foreign units about the topic of visits (pre, during and post-visits).

Average training hours per employee, per hierarchical level and gender (foreign units) GRI 404-1

Hierarchical level	Women	Men	Total
Manager	23.65	23.09	23.37
Administrative	17.18	16.19	16.69
Commercial and Operational	17.00	15.61	16.31
Trainee	11.00	15.00	13.00
Intern	35.43	34.48	34.95
Total	20.85	20.87	20.86

To support the preparation of the individual development and training plans, we usually carry out annual performance assessments of our employees. To this end, we created the Ciclo de Meritocracia (Meritocracy Cycle) Program, which 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. This exercise includes feedback, the offer of development opportunities that are suited to the needs of each employee and the employee's role in the continuous search for better opportunities. Therefore, the Ciclo de Meritocracia represents a strong ally in the organization's constant development.

The program takes into consideration 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 our values.

In this context, the program is composed of two individual assessments:

- **Axis X:** which assesses the performance of each employee based on the results of a contract composed of targets. The process is annual and provides for four stages: split of objectives, contracting of targets, assessment of results and feedback. The individual targets must represent the challenges that stimulate the overcoming of challenges and the development of new skills, in addition to portraying the search for improvements in processes and products to leverage the growth of business and customer satisfaction. They must be agreed upon between the Management members and the employee, with well-defined determination criteria, reflecting the developments of the strategy of each executive department.

- **Axis Y:** which assesses whether the employee is compliant with the behaviors expected by the organization, defined based on our organizational culture (*Nosso Jeito [Our Way]*) and based on the way of delivering results. We use two assessment methodologies: 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 is prepared by committees that position people on a matrix with nine quadrants (nine classifications) and discuss the relative performance between peers. 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 2017 cycle, with the most updated information available until the publication of the Report, 40,426 employees were assessed as part of the PSP (including foreign units), which corresponds to approximately 50.25% of total employees⁽¹⁾. In 2017, in our foreign units (Argentina, Chile, Colombia, United States, England, Paraguay, Switzerland and Uruguay) 4,400 employees were assessed according to the PSP, which is equivalent to 89.27% of the employees of these units⁽²⁾.

After the PSP, to support the action for the development of employees, the Individual Development Plan (IDP) Committee is established. This Committee receives the employee's performance history, in accordance with their PSP results for the past three years, and analyzes their career momentum. To this end, management members align career expectations with the lateral movement of the employees in the year prior to this mapping.

With a view to the continuous and structured development of each employee, in 2018, 100%⁽³⁾ 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.

The employees from branches who do not hold a management position are assessed on a semiannual basis under another model, the Trilhas de Carreira (Career Tracks), based on the results accumulated in the previous six-month period, on Axis Y, and on their readiness for the next position level. The results are determined by means of the individual and/or branch productivity and sales quality – that is, products sold and cancelled are not considered in the individual productivity.

Every six months, the committee meets, conducted by the Personnel Department together with the supervisors for the individual discussion about the employees. In this discussion, many individual business, sales quality and results indicators are presented and, based on it, employees, on a joint basis, are allocated to six possible classifications. In the first half of 2018, 34,561 employees were assessed, representing 42.96% of total employees⁽⁴⁾. **GRI 404-3**

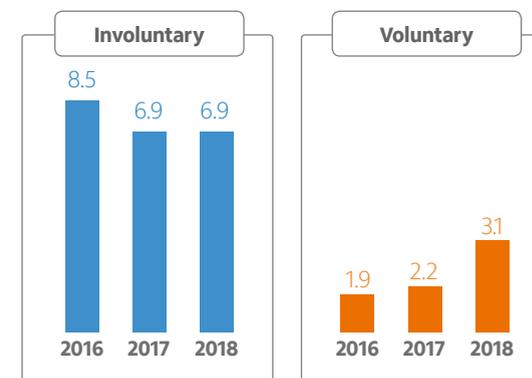
This ensures that 100% of the organization's employees were subject to some performance assessment. The process related to the 2018 cycle is still in progress. **GRI 404-3**

By means of the *Oportunidade de Carreira* (Career Opportunity) Program, our main internal transfer system, employees and interns seek opportunities that are in line with their career expectations. Meanwhile, Management members can identify people from different departments whose profiles are compatible with their vacancies. The program works as an internal mobility tool, allowing for the expansion of development horizons, encouraging employees to play a hands-on role in their careers and reducing our turnover rate. **GRI 404-2**

Turnover

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). Further information can be seen in the Contracting, Terminations and Turnover tables starting on [page 125](#).

Total turnover rate (%) **GRI 401-1**



Notes: 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.

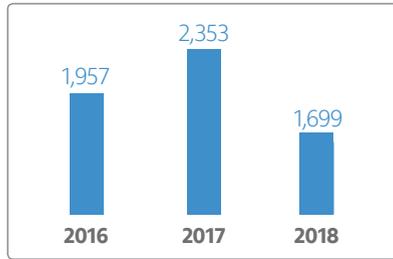
(1) Including the total of 80,449 eligible employees that participated in the assessment system (Brazil and foreign units).

(2) Including the total of 4,929 eligible employees that participated in the assessment system (foreign units).

(3) For the positions of Executive Officers, Officers, Superintendents and Managers, the exercise is compulsory.

(4) In addition to the models already mentioned, the business has been going through transformations that require the consideration of deliveries of results in smaller cycles aligned with the long-term objectives, more collaborative working models that operate in a matrixial way and the demand for new incentives. Accordingly, the Modelo Comunidades (Communities Model) was developed based on partial deliveries that take into consideration collective and individual objectives and on a behavioral adherence assessment (Axis Y) with a single score. Employees will be relativized in PSP Communities, which will guide the compensation, recognition and development actions. Currently, we have 5,462 employees under this model, that is, equivalent to 6.79% of the employees.

Employees transferred under the Oportunidade de Carreira Program



Employees may register their previous interest in the Oportunidade de Carreira Program system for up to three executive departments and six careers. Whenever a vacancy opens for the chosen careers and departments, an alert is sent via email, notifying them of their eligibility for the positions in question. The available opportunities are also announced by means of the Corporate Portal.

We also have the *Conectando Oportunidades* (Connecting Opportunities) program, which connects professionals whose jobs have changed or no longer exist to departments with vacancies in which they have the opportunity to take new responsibilities. In 2018, we connected 26% of the participants of this program.

For the foreign units, the internal turnover is carried out by means of indications and disclosures of the local Human Resources Department via email.

We also promote the employees' mobility for internal vacancies through disclosures in Uruguay, Paraguay, Colombia, and Argentina.

Employees' skills updating programs and transition assistance programs LATAM GRI 404-2

Country	Employees transferred through internal disclosure of vacancies
Paraguay	104
Uruguay	6
Argentina	7
Chile	115
Colombia	140

Use of temporary labor

For some activities, we opt to contract temporary labor. Mandatorily, every use of temporary labor is established by the use of temporary employment service companies. The employment contracts are entered into on an individual basis between the workers and the companies approved for this purpose.

The contract of a temporary employee may be effective for up to 180 days and extended by up to 90 days and it can be terminated at any time by any of the parties. This type of contract does not establish an employment relationship between us and the professionals appointed for the provision of services, and the benefits, labor, tax and social security obligations and the worker health and safety obligations are the responsibility of the supplier.

The employee must maintain the confidentiality of any strategic, commercial, financial, administrative and legal information or information of any nature, directly or indirectly arising from the contract.

We are responsible for ensuring the safety, hygiene and health conditions of the temporary workers, as well as the health and policlinic services and meals provided to our employees.

During the term of effectiveness of a temporary agreement, any pay rises determined by collective bargaining of the worker's professional category are applied to the salary and benefits, and the hours worked are controlled by the department that contracted the temporary worker. The contracting of temporary workers to replace workers on strike is forbidden.

Our fixed and variable compensation policy is in line with the market practices and our compensation strategy varies in accordance with the unit in which each employee works.

GRI 102-35 | GRI 102-36

The fixed compensation recognizes the skills and seniority of a professional. The employees may have their fixed compensation changed in accordance with our Promotion and Merit Policy. The fixed compensation of our employees, plus charges and benefits, amounted to approximately R\$17 billion in 2018.

Meanwhile, the variable compensation recognizes the level of individual performance, the financial result achieved by the bank and its sustainability in the short, medium and long terms. Each employee has targets to be achieved that are linked to the strategy of each department that, in turn, reflect our global strategy.

Additionally, pay rises and profit sharing are assured to our employees based on collective labor agreements and conventions entered into with the unions of each professional category.

Our variable compensation programs are:

Types of variable compensation	Description
Profit Sharing (PRL/PR)	Profit sharing programs that 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.
Additional Profit Sharing Program (PCR)	A profit sharing program that depends on our corporate performance and consists of the payment of an amount defined in an agreement with the respective union.
High Performance Compensation Program (PRAD)	Additional profit sharing for 30% of the best assessed employees who do not participate in other profit sharing programs. This program also depends on the organization's results.
Differentiated Performance (PD)	A long-term compensation program that covers the employees in leadership positions or similar positions in our organization. Compensation in the form of our preferred shares (ITUB4) ⁽¹⁾ on a deferred basis. This model takes into consideration the individual assessment and is aimed at rewarding the professionals who distinguished themselves in results and behavior. Its purpose is to strengthen people management, self-development and the development of the staff.

(1) Information related to the companies of Itaú Unibanco Holding in Brazil managed by the Human Resources Department.



The variable compensation programs described are also applied at the foreign units, except for the programs arising from agreements with unions that may be replaced by programs that follow agreements with the unions of each region. In the case of compensation in shares of foreign units, the Phantom Shares are used as an instrument of granting and payment.

In addition to the already mentioned variable compensation programs, we also have a long-term incentive program called Programa de Sócios (Partners' Program). This program recognizes and distinguishes professionals who make a difference, who lead the construction of the organization's future and reinforce and disseminate the vision and the posture of the business' owner, strengthening and disseminating Our Culture. Under this program, the employees and management members who are elected as partners or associates may invest part of their Profit Sharing in the acquisition of our shares, receiving a consideration in shares from the bank.

Every year, we organize the Walther Moreira Salles Award, one of the most important ways to value our cultural identity. The employees of the Brazilian and foreign units may apply projects and exceptional practices on the Efficiency,

Customer Satisfaction, Innovation, Risk Management and Leadership topics that promote Nosso Jeito (Our Way) – a set of values that guide the way we relate with clients, employees, stockholders, suppliers, governments and society in general. In 2018, there were 354 applications, 176 of which were projects and 178 were leaders and 39 employees were awarded in an event at Sala São Paulo. Each winner received a recognition trophy, shares of the organization and broad disclosure of the projects in the internal media.

The collective labor agreements and conventions cover the totality of our employees and many benefits were agreed upon in accordance with the respective unions of each professional category. The benefits cover obligations such food allowance, basic staples allowance, day care/baby sitter allowance, transportation voucher, among others. These benefits are offered only to active employees who work in Brazil and who are on the payroll, including employees with reduced work hours or who are contracted for a definite period of time. The Free Union Association is the right of employees to unionize with the union entity that represents their professional category in their respective union/territorial base under the terms of the legislation in effect. [GRI 102-41](#) | [GRI 103-2 Employee's Experience](#)

Benefits granted [GRI 401-2](#) | [GRI 403-6](#) | [GRI 103-3 Employee's Experience](#)

Program	Description	Results
Health and well-being		
Medical and dental care	Offering a network with diverse accredited health care services, including medical and dental appointments (emergency, outpatient clinics and hospital admissions), diagnostic services (supplementary medical examinations) and therapies, in accordance with the standards of ANS, the private health regulator.	92,623 employees covered by the health plan and 67,022 by the dental plan. These figures include: active employees, retirees (terminated), special dismissals (linked to the Voluntary Termination Program), and Interns.
Pharmaceuticals	Discounts for employees in the purchase of medication and perfumery products at partner drugstores.	On average 27,700 employees benefitted from this partnership.
Nutritional care	Nutritional clinical care offered at those centers with the largest number of employees: CEIC, CAT, CT, ITM and CA Brigadeiro.	A total of 2,031 people assisted in 2018.
Fitness center	Partnerships with fitness centers that offer discounts to employees, in addition to facilities at some of our office buildings.	Approximately 19,900 employees take advantage of this exclusive benefit.
Check-up	Medical checkup eligible for Officers, Superintendents, Superintendent-level specialists, head office managers and Manager-level specialists.	About 2,533 executives eligible, of whom 51% had this checkup in 2018.
<i>Fique OK</i> (Be Ok) Program	<p>A personal support pro-gram to our employees and their family members, with a multidisciplinary team available 24/7, 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 are:</p> <ul style="list-style-type: none"> • Psychological evaluation and monitoring or other treatments, in addition to guidance on the adoption of conflict management strategies for employees identified with or who recognize them-selves as having some emotional distress or need. • Onsite support is adopted in the case of situations of violence; • Physiotherapy: answering questions in the cases of injuries and global postural reeducation (GPR) or other specific physical and stretching exercises; • Legal: helps with advice on general issues involving criminal, civil, real estate, consumer, family and other legal areas (except for labor); • Nutrition care: advice on information for weight control, pregnancy, breast-feeding, recovery, and doubts concerning suitable food; • Financial support: supporting personal and family financial planning; providing guidance in situations of financial difficulties; • Personal trainer: advice on physical conditioning, sports activities and ways to exercise, as well as ways to beat a sedentary lifestyle, and exercises more suitable to be done at the fitness center; • Social work support: advice for people with special needs; retire-ment information and procedures in case of accidents, death and leave. Supporting when a death of family member occurs and the procedures required in this case; and • Pet advisor: guidance on pet breeding, responsibilities and warning signs. 	<p>Telephone service: 2.5 calls/person.</p> <p>In-person service: 2,082 people impacted.</p>
Psychosocial services	Psychological and Social Work care at centers: CEIC, CT, CAT and ITM.	Psychology – 1,587 people assisted. Social Worker – 852 people assisted.

Program	Description	Results
Health and well-being		
Outpatient clinical assistance services	General clinical and ortho-pedic care at those centers with the largest number of employees: CEIC, CAT, CT, and ITM.	19,609 people assisted.
Influenza vaccination	Vaccination offered free of charge to employees and interns at the workplace and accredited clinics.	Coverage: approximately 65% (60,873) of employees.
Leadership Support for Health Promotion	Lectures aimed at promoting more health and quality of life, offered to teams with over 50 employees. Topics available: <ul style="list-style-type: none"> • The paths to overcome anxiety, fear and depression; • Stress: Does it help or hurt?; • Time management; • Living together in group: easy and hard aspects; and • How to have more quality of life? 	24 lectures held in 2018.
Program for professional readaptation	We offer a multi-disciplinary team to guide and adjust the job activities of employees that, due to health issues, need this help.	2,183 employees assisted by this program.
Movimente-se (Get moving) program	To support and encourage the adoption of healthier habits, workout classes were held open to employees, given by Physical Education teachers at centers CEIC, CAT and CT.	1,572 employees.
Equilibrium	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. Entry doors for the program: occupational examinations (in accordance with technical protocols upon periodic examinations and return to work), analytics and self-enrollment when the program opens.	395 employees included in the program.

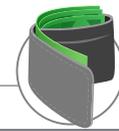


Program	Description	Results
Licenses and maternity support programs		
Mothers and Pregnant Women Support Policy	The Mothers and Pregnant Women Support Policy sets benefits for pregnant women and homosexual couples after the birth or adoption of children, aimed at fulfilling the needs of families in their different possible configurations. To ease the return to the job, mothers have their working hours reduced during the first month after the end of maternity leave (RP 71).	In 2018, 3,883 employees adhered to the Mothers and Pregnant Women Support Policy (mothers: 2,660; fathers: 1,223).

Program	Description	Results																
Licenses and maternity support programs																		
Maternity support programs	<ul style="list-style-type: none"> • Bebê a Bordo (Baby on Board): in-person or distance course run with the participation of pregnant employees and employees with pregnant spouses and couples going through a child adoption process. Important topics are addressed, with guidelines adopted for the first months of pregnancy, such as nutrition of the mother-to-be, initial care for new-borns, psychological issues, etc.; • Canto da Mamãe (Mom's Corner) space for pumping and storing breast milk during working hours; and • Bebê em Casa (Baby at Home): visits from a specialist nurse to the male or female employee's home in the first week after birth to advise on breastfeeding and initial post-natal care. <p>The parental support programs are available to employees at the São Paulo and Greater São Paulo units.</p>	<p>Baby on Board: 1,078 people. Mom's Corner: 11,501 female employees used this space. Baby at Home: 1,163 families assisted.</p>																
Additional 60 days of Maternity Leave in accordance with the Citizen Company Program	<p>We are signatories to the Citizen Company Program, adherence being optional. An additional 60 days maternity leave begins on the day immediately following the end of the leave period granted under labor legislation:</p> <ul style="list-style-type: none"> • 60 days for the new mother and when adopting children under one year old; • 30 days when adopting children from one to four years old; and • 15 days when adopting children from four to eight years old. 	<p>Of the total number of employees beginning maternity leave in 2018, 94% adhered to the extension under the Citizen Company Program.</p> <p>In addition, the percentage of female employees returning from parental leave in 2018 and remaining in their jobs for at least 12 months upon their return was:</p> <table border="1"> <thead> <tr> <th></th> <th>2017</th> <th>2016</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>Total</td> <td>88.5%⁽¹⁾</td> <td>88.7%⁽¹⁾</td> <td>86.0%⁽¹⁾</td> </tr> <tr> <td>Men</td> <td>91.2%</td> <td>-</td> <td>-</td> </tr> <tr> <td>Women</td> <td>87.6%</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <p>(1) Leave due to abortion issues not included.</p>		2017	2016	2015	Total	88.5% ⁽¹⁾	88.7% ⁽¹⁾	86.0% ⁽¹⁾	Men	91.2%	-	-	Women	87.6%	-	-
	2017	2016	2015															
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Men	91.2%	-	-															
Women	87.6%	-	-															
Extension of paternal leave	A benefit allowing the male employee to extend the parental leave for 15 days in addition to the five days he is already entitled to by law, it also applies for cases of child adoption.	1,138 employees benefitted in 2018.																



Program	Description	Results
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 in Guarapiranga dam, Itanhaém and São Sebastião (State of São Paulo).	<ul style="list-style-type: none"> • Lodging: 89,400 daily stays; • Events: 15,200 attendances; • Visitors: 26,100 people; and • Library: 24,900 borrowings. <p>Sessions held on the website www.itaunibancoclube.com.br: 417,800 hits.</p>



Program	Description	Results
Financial		
Itaú Unibanco World Partnership Program	Our Itaú Unibanco World program provides benefits, discounted prices and exclusive services from several partners in Brazil and Latin America.	On average 22,700 employees benefitted from this 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.	Benefits granted to 100% employees.
Complementary private pensions	Complementary pension plans managed by two closed funds and one open fund. 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.	About 98% of employees have this benefit.



Program	Description	Results
Education		
Tuition	Tuition grants for employees to subsidize part of the costs of first and second graduation courses and also postgraduate courses.	5,500 tuition grants, of which 1,000 are primarily for employees with disabilities allocated in the banking sector; 4,000 for bank employees and 500 for non-banking staff (foundations, insurance and financial companies).



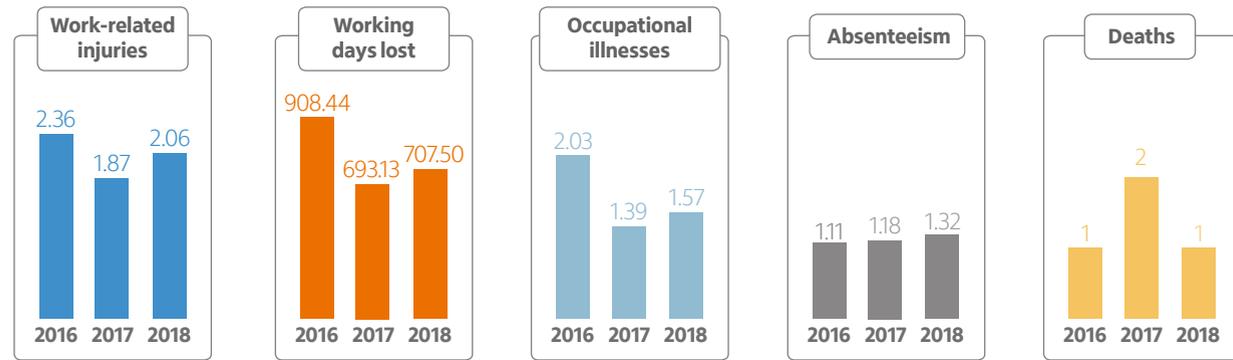
Program	Description	Results
Flexibility in the workplace		
Electronic time clock	The electronic control of the working day is based on capturing the arrival and departure records input by employees on their work stations. At the branch network and administrative departments, a system was implemented to activate the work station only when the employee records their arrival.	Number of employees eligible for the electronic time clock: 72,962 in December 2018.

Program	Description	Results
Flexibility in the workplace		
Flexible working hours	Flexible work schedule: to enable employees to take care of their personal issues, they can compensate over- or underworked hours in specific days or exchange them for days off and/or arrive after and/or leave before regular working hours, always following what is agreed between the supervisor and the employee during the current month. Flexible working hours allow employees to fulfill their working hours in alternative hours, respecting the limit period established between 7 a.m. and 10 p.m.	Number of employees under the flexible work schedule: 72,096 in December 2018.
Home office	We began a pilot project on working from home office for some administrative departments. The main goal of this initiative is offering flexibility and improving our employees' quality of life. Under this pilot, the employee can work remotely for up to two days in the same week, and these days must be previously agreed with their supervisor. To support the adjustment to this new working model, we have prepared a guide for supervisors and employees with information about the rules, working model, ergonomics and supporting channels. Surveys conducted with participants point out to high satisfaction levels with this program, from both the viewpoint of the supervisor and the employee working from home.	<ul style="list-style-type: none"> • Participation of about 2,600 employees in 2018; • Satisfaction score 4.7 (maximum 5.0); • 96% of employees stated their wish to continue working from home; • 90% of employees stated they now have more quality of life by working from home; and • 82% of employees stated that they worked more efficiently from home.
Hospitalization due to illness of spouse, partner, parents or children	A structured policy (RP 09) that provides for absence due to hospitalization of a relative, provided that a proof of hospital admission is submitted (one business day every 12 months). Absences due to personal reasons can be previously negotiated with the supervisor, with these hours to be made up for at a later time.	Target: include a one day bonus for accompanying elderly every half year.
Meu Tempo (My Time) Program GRI 404-2	Designed to prepare employees for a healthy and structured career transition to retirement. This project addresses topics focused on self knowledge, career alternatives, health care and financial and personal planning. Groups that joined this program have showed high satisfaction levels with the value delivered.	Participation of 120 employees by December 2018. Satisfaction rate of 8.91 (range 0–10).
Vou Como Sou (I'll go as I am) campaign	Making the dress code more flexible, allowing employees to dress however they see fit, while respecting minimum requirements according to their appointments and contact with clients. Therefore, we promote the respect for the individuality of our employees and break down barriers between what people are and how they dress for work. This initiative had a very positive repercussion throughout the organization, including social networks and specialized media, in addition to becoming a benchmark for other organizations seeking reference.	All employees in Brazil and foreign units.
Accessing Wi-Fi and YouTube	The organization gave the go-ahead for personnel at the major administrative centers to access YouTube and Wi-Fi for personal use. This initiative is in line with our goal to empower employees and facilitate new ways of learning and self-development, in addition to foster other inspiration and innovation ways.	Not applicable.
Workplace	We changed the layout and design of our workplace to foster new ways of thinking and interacting, by bringing new insights, experiments, multiplicity, initiatives, and individual and collective expressions to the day-to-day of our employees through diversity in space and configuration.	Not applicable.

In addition to these benefits, we have developed other health and safety related actions for health 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 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). Accordingly, we seek to identify working conditions by way of field visits and surveying health indicators, which enable us to outline action plans to promote safer and healthier workplaces and relationships. [GRI 403-2](#)

Occupational Health and Safety Indicators [GRI 103-3 Employee's Experience](#) | [GRI 403-9](#)



Further information can be seen in the health and safety tables on [page 126](#).

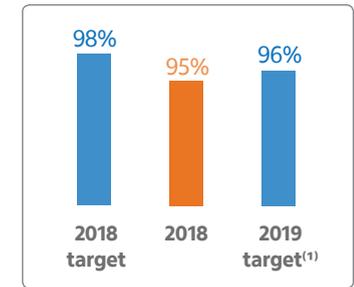
Occupational health and safety actions

[GRI 103-2 Employee's Experience](#) | [GRI 103-3 Employee's Experience](#) | [GRI 403-2](#) | [GRI 403-3](#) | [GRI 403-7](#)

Occupational health and safety	Description	Results
Internal Accident Prevention Committee (CIPA)	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 of the Ministry of Labor and Employment.	<ul style="list-style-type: none"> • 22 committees at the bank; • 322 members trained; • 22 hours of individual training/year; and • 100% of adherence to CIPA training.
Internal Accident Prevention Week (SI-PATs)	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, made up of staff from different hierarchical levels, such as supervisors, coordinators and analysts.	<p>Held in August – we reached approximately:</p> <ul style="list-style-type: none"> • In-person: 3,678 employees (9%) (Total active employees in August 2018: 42,516); and • Digital platform: 49,093 employees (56%) Total active employees in August 2018: 88,172).



Occupational health and safety	Description	Results
Occupational Health and Safety Training GRI 403-5	<p>Ergonomic adjustment: training is provided by occupational safety experts at the São Paulo telemarketing centers and provides ergonomic information for telemarketing operators, 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).</p> <p>Workplace Safety Representative (RSLT) at branches where a CIPA is not required, we provide training and e-learning for supervisors and supervisors about occupational accident and disease prevention.</p> <p>Employee Health and Safety (NR-1): employees receive full guide-lines relating to occupational accident and disease prevention via e-learning.</p> <p>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.</p>	<p>Four-hour long in-person training sessions are carried out for 100% of the employees hired at the telemarketing centers upon the on boarding stage, as this is part of the mandatory training content; employees undergo a refresher training via e-learning every six months from the last training session. 1,200 in-person evaluations via Postural Blitz.</p> <p>RSLT – project kept and monitored in 2018.</p> <p>Revising the content, which was linked to the Integrity and Ethics Program.</p> <p>Training and e-learning program kept and monitored in 2018.</p>
Periodic medical examinations	<p>Periodic medical examinations carried out annually, even though NR-7 allows biannual evaluations. These evaluations determine the employee's fitness for work and drive them for specific health programs, based on technical protocols established. 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 the examinations carried out, following technical protocols and offering 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: eight rooms under own management and exclusive service located in Rio de Janeiro (four), Curitiba, Salvador, Recife and Porto Alegre; • Reference network: three management rooms outsourced and shared service; and • Accredited network: a network of clinics with outsourced, non-exclusive service. <p>Noteworthy mentioning is 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>	<ul style="list-style-type: none"> • Satisfaction survey at 99% for outpatient clinics; • Satisfaction rate at accredited network from 96% in 2016 to 93% in 2018; • Increase in the rate of examinations run at the accredited network from 67% in 2016 to 92% in 2018; and • Coverage of medical examinations run at facilities directly managed by the bank: 98%.



(1) This new target was recalculated due to the acquisitions carried out in 2018, which followed different rules, and to the inclusions of positions eligible to medical monitoring.

Occupational health and safety	Description	Results
Occupational health examinations in LATAM countries	Uruguai: every two years. Paraguay: every year.	Uruguai: 79% of eligible population in 2018 was examined to date. Paraguay: 80% employees examined within the period.
Complementary clinical evaluation	To identify absenteeism due to health reasons in our population, we have implemented the Complementary Clinical Evaluation (ACC), a process carried out at outpatient clinics and occupational rooms (except for Porto Alegre). In addition to the medical assistance, these evaluations generate inputs for health data bases and indicators.	6,501 appointments made • 2018 target: outperformed. Besides being implemented in Salvador and Curitiba, the ACC was also implemented in Recife. • 2019 target: expand the program to Porto Alegre.
Ergonomic analysis of workstations	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.	<ul style="list-style-type: none"> • Carrying out traditional ergonomics analyses, identifying any non-conformity and arrangements through the Non-Conformity Reports (NCRs); • Carrying out postural guidance activities and Ergonomics Blitz at the centers, with the help of CIPA and SESMT; and • Responding to request for WorkStation Evaluation (WSE), carrying out analyses and making recommendations for acquisition and/or replacement of furniture, ergonomics facilitators, etc.
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 disability because it is aimed at adjusting working conditions to the characteristics that made them fall into this category.	<ul style="list-style-type: none"> • Answering the request for workstation evaluation, analyzing and recommending the acquisition and/or change of furniture, ergonomic devices, etc.; • 106 evaluations carried out; and • The Admission, Occupational Health and Diversity team has advanced workstation adjustment to newly hired PWD.
Investigations of occupational and similar accidents (submission of Occupational Accident Report – CAT)	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.	<ul style="list-style-type: none"> • 309 CATs; • Implementing a Safety Alert tool to identify causes, determine action plans and share with all the Occupational Safety Team; and • Maintaining the distance characterization/investigation program with data collection by telephone and including files in our system, so that the process can be audited.

Occupational health and safety	Description	Results
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), Operation and Control Maintenance Plan (PMOC) and Air Quality Analysis Certificate – these two latter are obtained on a half-yearly basis in accordance with legislation. We are responsible for the PMOC of most of our branches; however, we have some branches in third-party facilities and condominiums, which are responsible for the Pocking 2018, due to the amendment to legislation on PMOC, we have been adjusting previously exempt branches.	4,240 units visited for environmental survey, in accordance with NR9: <ul style="list-style-type: none"> • Lighting: 100%; • Noise: 100%; • Temperature: 100%; • Air speed: 100%; and • Internal air quality: <ul style="list-style-type: none"> • Technologic centers: PMOC and Air Quality Analysis Certificate: 100%; • Wholesale buildings: PMOC and Air Quality Analysis Certificate: 100%; • Administrative buildings: PMOC and Air Quality Analysis Certificate: 100%; and • Branches: adjustment in progress.
Environmental Risk Prevention Program (PPRA)	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.	4,240 units visited.
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 prepared in 2018. 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 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.	113 removals in 2018.
Workplace exit 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 in 2018 in our administrative units were: <ul style="list-style-type: none"> • 37 workplace exit training sessions – totaling 36,000 people trained; • Training of 3,000 new brigade members; and • Maintaining 10,000 fire prevention and fight equipment.

Our indicators do not identify high incidence of occupational diseases, and periodical workplace evaluations are carried out to identify possible noncompliance. Ill-health absenteeism rates are considered adequate and our target for 2019 is to maintain rates closer to those in the year before. These indicators also identify low incidence of work-related incidents/accidents, which are basically due to carelessness or unsafe actions on the part of employees, such as falls commuting from their residence to the company and vice versa, for which cases the company has no management control. Anyway, we provide e-learning training to all employees to minimize incidents/accidents. **GRI 403-9**

Based on epidemiological data that identifies an increase in mental disease in the world population, and focusing on studies that show the speed of growth 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. We have a 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), and carried out workplace ergonomic analyses including Organizational Psychodynamics aspects. We included a specific questionnaire, scientifically validated by work-related medical examination protocols, to assess the risk of mental disorders (SRQ20). We have also implemented the Equilibrium Program, comprising 12 training sessions provided by psychologists via Skype in a four-month period, aimed at enhancing skills to face situations perceived by the user

as threatening. Additionally, we already 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.

In view of the different programs offered, we always seek to ensure the best experience to our employees at the most diverse moments of their journey with us. Thinking about the best way to measure and monitor our employees' satisfaction, in 2018 we redesigned our survey strategy, by discontinuing the *Fale Francamente* (Speak Frankly) survey, which was replaced by Pulse as the main internal satisfaction survey for all employees throughout Brazil and in the foreign units.

GRI 103-3 Employee's Experience

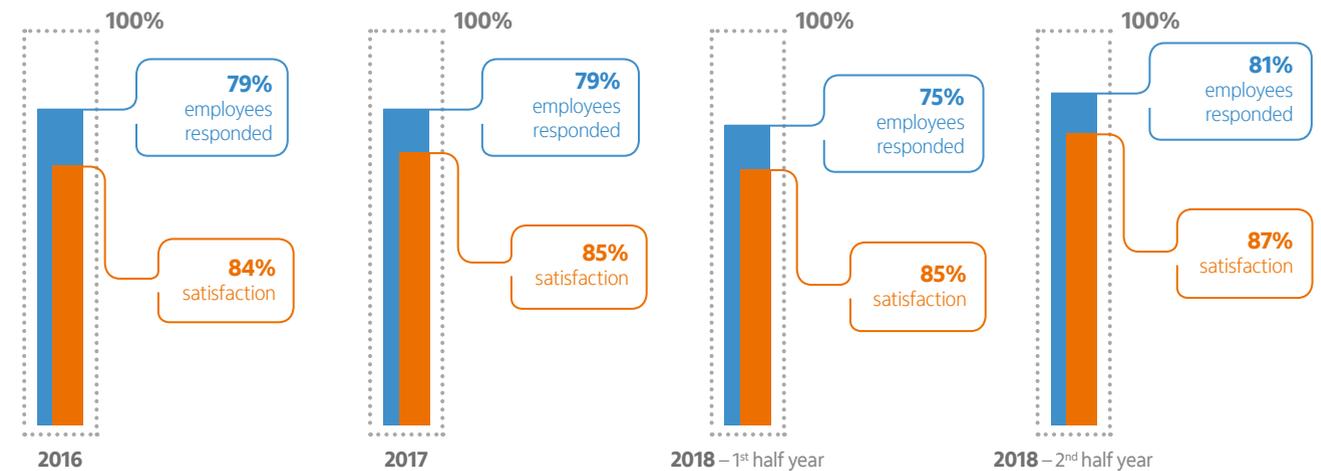
We have adopted the Pulse survey to assess our employees' satisfaction. This survey has been applied since 2015 to all employees so that we felt comfortable to consider its methodology as more assertive and reliable as well as more appropriate to the organization's current context. It is an internally-developed survey that measures the employees' level of agreement with 17 statements divided into four evaluation blocks: Individual, Team, Management and Company.

As a result of the many projects for improving the employees' experience implemented over 2018, we have conducted the survey twice this year (April and October) for all employees in Brazil and in the foreign units.

In October, this survey came out with a satisfaction rate of 87% with voluntary participation of 81% employees, up 2% from the last surveys. This result is viewed very positively, since the organization has maintained consistent high levels of internal engagement and employees' satisfaction over the last three years. For an organization with approximately 100,000 employees, this indicator is not expected to change dramatically from one year to another, especially considering the current high satisfaction level.

The survey results are widely shared with all employees, who may access overall results and individual figures for their departments. With these results in hand, with the support of the Business Partners, supervisors and employees are encouraged to gather together to analyze the results of their departments and prepare an action plan based on our Practice Guide to Improve the Organizational Climate.

Results of the Pulse survey⁽¹⁾ GRI 103-3 Employee's Experience



(1) Survey carried out in Brazil and foreign units.



Diversity



“ Why is this **topic** material?

GRI 103-1 Diversity

We are made up of people and we believe that ethics, respecting and valuing these people who have supported our development are the essence of our achievements. We recognize our role in protecting and fostering diversity at home and in society, seeking to be a role model for the best practices and continuing to offer equal opportunities for all fair competition in view of differences.

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. Learn more about our commitment [here](#).

GRI 103-2 Diversity

We believe that having a staff with diversified origins, cultures, beliefs, experiences, races, genders, needs, sexual orientation, gender identities, age groups and generations in the company means broadening perspectives, thus contributing for a positive and more tolerant climate, encouraging cooperation and synergy among employees and leaders, and enhancing the creative, competitive and value creation potential in our activities. Client centricity is one of our priority fronts and recognizing this as a business agenda means broadening perspectives, innovations and viewpoints in the decision-making process. Our clients comprise different people, and to better serve them our teams need to do so as well.

There is a strong connection between inclusion and diversity promotion and increased talent attraction and retention, innovation, improved employee and customer satisfaction, and higher profitability of operations.

”

Materiality

Diversity GRI 103-1 Diversity

Potential SDGs	Targets	Positive impact
	5.5 Ensure the full, effective participation of women and equality of opportunities for the leadership at all decision-making levels of politics, the economy and public life.	We conduct affirmative actions for equal opportunities: <ul style="list-style-type: none"> • Clients: a different perspective so that women see themselves in financial products, communication, and services; • Employee: transparency in recruiting processes and succession committees that have no participation of women, change of internal policies and differentiated performance assessment de when returning from maternity leave; and • Value chain: promote purchases from suppliers with a higher headcount of women and female entrepreneurs.
	10.2 By 2030, empower and promote social, economic, and political inclusion for everyone, regardless of age, gender, disability, race, ethnicity, origin, religion, economic status, or any other.	We promote the awareness of unconscious biases and an inclusive environment for all: <ul style="list-style-type: none"> • Clients: taking into consideration the progress of clients in entrepreneurship through microcredit; • Employees: equality in selection processes, evidencing the institutional position of promoting racial inclusion, seeking representativeness and the guarantee of a respectful environment for all our employees, and not tolerating any type of discrimination; and • Society: support Civil Society in projects created and implemented by the LGBT+ community.
	10.3 Ensure equality of opportunities and reduce inequality of results, including by eliminating discriminatory laws, policies and practices and promoting adequate legislation, policies and actions.	We have affirmative action policies to address inequality issues in our selection and promotion processes, such as: internal succession committees for leading positions, with a view to having at least one woman among the candidates and the evaluators, the change of the intern and trainee selection processes so as to ensure equality and reduce entry-level contracting inequalities; and political advocacy to adjust the Apprenticeship Law to Brazil's reality and to the inequalities in the public and private education systems.
	10.4 Adopt new policies, in particular tax, salary, and social protection policies, and progressively reach greater equality.	We promote the awareness of unconscious biases and an inclusive environment for all, with actions towards increased accessibility for our internal stakeholders, such as the change in internal policies and different performance assessment for women returning from maternity leave; and formalization of identity groups of black employees.



GRI Topics	Related Initiatives and Indicators
Management Approach	GRI 103-1 Diversity – Explanation of the material topic and its boundary
Management Approach	GRI 103-2 Diversity – The management approach and its components
Management Approach	GRI 103-3 Diversity – Evaluation of the management approach
General Disclosures	GRI 102-17 Mechanisms for advice and concerns about ethics
General Disclosures	GRI 102-48 Restatements of information
Local Communities	GRI G4-FS14 Initiatives to improve access to financial services for disadvantaged people

“ In this chapter...

...we present our diversity-related practices. We address our governance, present our voluntary commitments and actions aimed at raising our employees' awareness.

We also share our diversity profile in which we disclose the proportion of distribution of our staff based on gender, age group, people with disabilities, ethnics, among others. We present our diversity pillar analysis approach, aimed at identifying the greatest challenges and prioritizing action plans together with our employees.

In addition, we disclose the external recognitions we received in 2018, the details of the internal reporting channel and the actions carried out to increase our impact in terms of diversity on other players of our relationship chain, such as suppliers and clients.



Governance

Our diversity governance is the responsibility of the Human Resources department, but other departments actively take part in it so that we have a consistent performance.

Therefore, to foster this agenda, in 2018 the Sustainability Committee approved an integrated operation of the diversity front, and this governance was expanded. Currently, five departments support, discuss and play different roles in the institutional agenda.

Roles and responsibilities of the departments on diversity



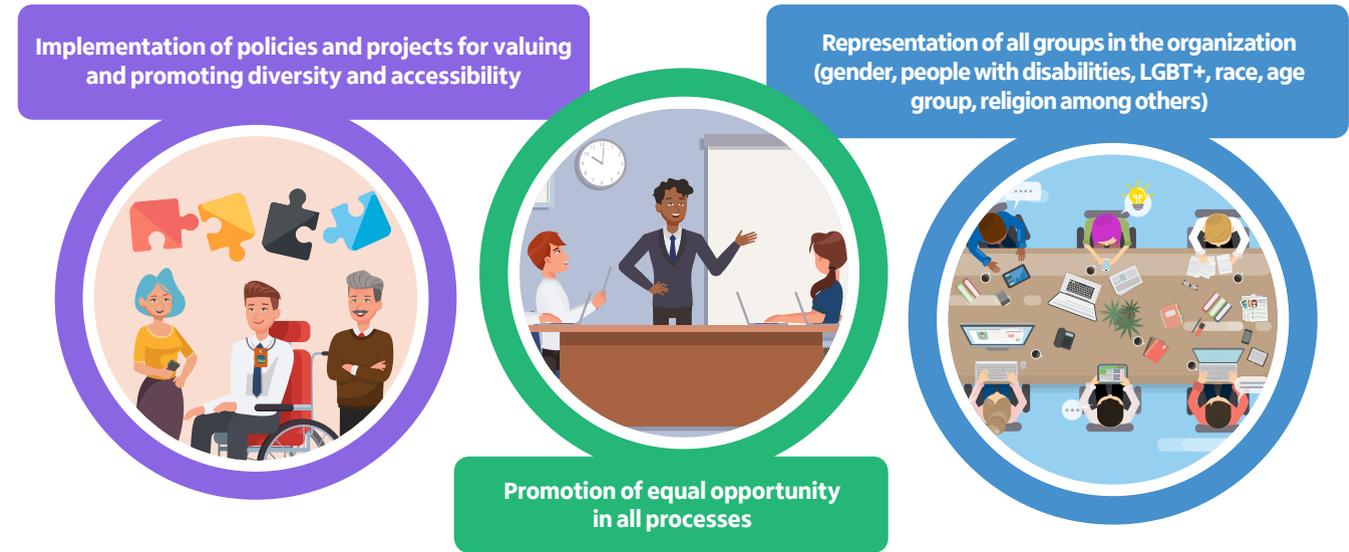
In addition to these forums, we also have a Diversity Blue Ribbon Committee, which includes directors and external consultants who help with the agenda proposals, so that together we are able to advance the topic beyond people management and consequently ensure our stance by taking into account: employees, clients, suppliers, society and partners. Learn more on the Diversity Blue Ribbon Committee in chapter Our sustainability governance structure on [page 7](#).

A group composed of leaders from these departments meets on a monthly basis to discuss, structure and validate these diversity-related actions in progress. Strategically positioning the topic in institutional processes and projects, raising the organization's awareness and implementing actions to change specific scenarios are some of its guidelines.

In order to keep track of our business challenges, in 2017 we elected six strategic fronts that have been guiding, and will guide, our actions in recent and coming years. One of these pillars is People Management, and diversity is one of the work fronts. The diversity-related matters for employees are addressed by the Personnel Department that, in 2018, included an exclusive Diversity function with a team responsible for advancing diversity in the organization and spreading the concept so that it permeates the business and people management.

As a recognized and valued topic in our culture, the management of internal diversity is guided by our Internal Policy for Diversity Enhancement, and by the commitments we signed over time, based on three basic principles:

Basic principles of internal diversity management



The Diversity department activities are divided into topics: race, gender, People with Disabilities (PWD), LGBT+, age group, belief (religion), learning program (Young Apprentice) and unconscious biases. This strategy is carried out on an institutional basis for demands that change policies and processes throughout the organization and on a specific basis for other demands, with projects and studies focused on each business area, seeking to understand specific needs.

We also brought different departments together, such as External Ombudsman, Compliance, Environmental and Social Risk, Procurement, User Experience and Retail, among others, to address diversity-related topics from the many different aspects, such as human rights and diversity in business. The purpose of this multidisciplinary group is to gather matters that are material to business strategies and bring about discussions such as new ways to measure the performance of departments, taking into account the diversity in the client base and the service quality in specific groups.

Raising awareness among employees

To enable diversity fronts to be increasingly present in our culture, in 2018 the Personnel Department started to raise awareness among our senior management to work with mental models and unconscious biases. The executives received information about what unconscious biases are, how they come up and how we can prevent them in decision-making. All our Superintendents, Officers and members of the Executive Committee received several contents, and among the actions taken, one to highlight is the awareness-raising of the managers in charge of the Trainee program selection process.

We also carried awareness-raising activities with our employees, through seminars, training and internal communication (talks, information posted on the intranet and videos), we showed the importance of valuing diversity of race, gender, PWD, LGBT+, age group, belief (religion), Learning Program (Young Apprentice) and unconscious biases.

We held more than 50 meetings with the organization's departments that, by playing a leading role, have stated a genuine interest in coming closer and engage in Diversity topics. We have shared our action guiding concepts and opened room for debates and clarification of doubts on Diversity. In this way, we seek to foster respectful dialogue and together fight against judgmental views that lead to discrimination.

Concurrently, we designed on-site training to raise awareness among the Personal Department consulting function. Over two days we aligned concepts, provided guidelines and engaged people involved in Business departments in their roles as agents of transformation in the diversity journey. The results have already come upfront, for example, in our Internship and Trainee programs. To improve the results in diversity indicators, the selection process included specific related actions.

For the Internship programs, the first step of the selection process is digital and carried out by means of online logical thinking tests. Moreover, the applicant's name, gender, age, address and university are initially not known. Therefore, we were able to significantly reduce bias in hiring and increased to 15% from 20% the number of black people in our corporate Internship program.

In the Trainee program, the first step of the selection process is also an online logical thinking test. Additionally, we became more flexible in terms of English requirements and broadened the search for applicants to all universities. Aiming at mitigating unconscious biases in the in-person selection steps, we raised awareness among the managers of their impact on the selection process. Consequently, race diversity accounted for 11% and women for 40% among the 193 candidates approved in the selection process.



Voluntary commitments and programs

One of the diversity engagement fronts is the execution of voluntary commitments and participation in programs. Through these activities, we monitor the progress of the agenda and increase our communication with other players about Diversity.

Voluntary commitments to diversity and human rights

Brazil Network Global Compact	Global and voluntary initiative that seeks to provide guidelines for the promotion of sustainable growth and citizenship through committed and innovative corporate leadership.
Program for Promotion of Gender and Race Equality (Ministry of Human Rights)	It consists in spreading new concepts in people management and organizational culture to achieve equality between women and men in the work environment.
Women 360 Movement (Business Movement for Women's Economic Development)	Economic empowerment of Brazilian women through incentive, systematization and advancement of business policies and practices and engagement of the Brazilian business community and society in general.
Business Coalition for Racial and Gender Equality (Ethos Institute)	Coalition is a forum for debate, experience exchange and incentive to the implementation and improvement of public policies and business practices, in a collective effort to overcome gender and race discrimination in organizations.
Corporate Charter on Human Rights and the Promotion of Decent Work	Commitment to respect human rights and promote decent work in business activities, developing criteria for direct suppliers and clients, and disseminating these principles in its value chains through positive agendas.
Women's Empowerment Principles (WEPs)	UN has been working to promote the Women's Empowerment Principles (WEPs) in Brazil and all over the world.
Letter of Commitment of Itaú Unibanco to Diversity	Bank's commitment to the Diversity agenda.
Forum of Companies and LGBT+ Rights	Refers to the 10 Commitments the Company has to the Promotion of LGBT+ Rights, as they express the understanding of the role of companies. They provide a work agenda for everyone and qualify the demand in the relationship with the State and Civil Society.
UN Standards of Conduct	UN developed five Standards of Conduct to support the global business community in tackling discrimination against lesbian, gay, bi, trans and intersex people (LGBT+).
Bloomberg Gender-Equality Index	The first index that measures indicators, policies, products and commitments to society in connection with gender equality.
Global Banking Alliance for Women	It leverages women's growth in business and wealth creation, generating better results to member financial institutions.
Women Entrepreneur Network (Rede Mulher Empreendedora)	The first and largest network supporting women entrepreneurship in Brazil intended to empower women entrepreneurs to ensure financial independence.

Our diversity profile

Main actions by work front

The diversity topics are individually analyzed with the employees involved and, after being studied and analyzed, we prioritize the biggest challenges and structure action plans. [GRI 103-3 Diversity](#)

Our diversity profile



	Total employees by pillar (%) ⁽¹⁾		
	2018	2017	2016
Women	59	60	60
Black people	22	22	21
People with disabilities	4.81	4.70	4.60

(1) Detailed information on this table are available in the Attachment to this report.

Gender Women's career development

Today women are approximately 59% of our total employees. However, this share does not follow the top positions in our hierarchical pyramid. We have one woman in our Executive Committee and our Board of Directors has a woman member for the first time, but this share is still very low when compared to other positions.

This is why our guideline for this front is to encourage women's career development and use our potential influence by sharing the principle of equality in our value chain. The support program and the updating of the performance evaluation policy for women on maternity leave are aimed at ensuring that the evaluation is based on the work performed rather than on the 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 one woman being evaluated and another woman carrying out the evaluation. We have developed a tool to monitor the succession committees for management positions aimed at monitoring

women's participation in these committees. It will enable us to carry out more assertive analyses and action plans by business department and/or on an institutional basis.

We have addressed this topic in campaigns to raise awareness among employees, engage leaders, and initiatives intended for clients and society. Based on internal studies and interviews with female employees, we seek to capture their professional development scenario in the company and, accordingly, bring new gender-related action proposals.

Representation of management positions by gender (%)⁽¹⁾⁽³⁾

	Women	Men
Officer	13.2	86.8
Manager	51.8	48.2
Superintendent	27.0	73.0
Manager	37.1	62.9
Coordinator	54.3	45.7
Other positions	57.1	42.9
Total (Officers + Managers)	51.5	48.5

(1) Detailed information on this table is available in the Attachment to this report.
 (2) Commercial and Operational positions with management role.
 (3) Calculation of representation including total employees by position.

Racial equality Inclusion of black people

Our purpose is focused on increasing the number of black people in our staff. With this in mind, attractiveness events were carried out, such as the Portas Abertas (Open Doors), the partnership with the Black youth development project (developed by FEBRABAN, JP Morgan and Zumbi dos Palmares University) and the participation in different events and fairs to promote racial equality, inclusion and entrepreneurship.

We held the Racial Diversity Week, highlighting the institutional positioning regarding the promotion of racial inclusion, the search for representation and the guarantee of a respectful environment for all employees, not tolerating any type of discrimination.

Thirteen on-site talks were organized and eight of them were transmitted live with over 1,400 views. In addition, we created totems displaying overcoming stories of our employees, which were listened by more than 600 people. In the announcements about the topic, 5,487 people clicked to read the content.

This activity was carried out together with the employees engaged in Racial inclusion, whose participation is fundamental for the daily advancement of this agenda, and to share these contents.

Additionally, we formalized two groups of black employees, one composed of our black leadership (Superintendents and Officers) and one composed of our employees. The purpose of these groups is to discuss actions driven to inclusion of black employees and their career development in our structure.

Representation of black people in management positions (%)⁽¹⁾⁽³⁾

	Women	Men	Total
Officer	0.0	0.8	0.8
Manager	7.0	7.1	14.1

(1) Detailed information on this table is available in the Attachment to this report.
 (2) Calculation of representation including total employees by position.



**People with Disabilities (PWD)
Inclusion and training**

We foster the inclusion of employees with disabilities by promoting the six types of accessibility (communicational, instrumental, methodological, attitudinal, programmatic and architectural), in addition to the guidelines of the Brazilian Law for the Inclusion of People with Disabilities (*Lei Brasileira de Inclusão da Pessoa com Deficiência*) and the UN Convention on the Rights of People with Disabilities.

The purpose is to enhance the leading role of our employees with disabilities, increase the employability of the different types of disabilities and raise awareness among all employees of inclusion-related topics.

Noteworthy are the projects in partnership with Specialisterne, with 23 employees with autism spectrum disorder (ASD) we hired for several activities; the Believe (*Acreditar*) Program, which includes 43 intellectual PWD, 38 of them for customer services and operational tasks at Personalité branches; and the launch of

the Julia's profile, a guide dog that provides attitudinal accessibility through information on accessibility, tips on coexistence, rights and duties of PWD on posts on IU Conecta (our internal network). These actions are very relevant to this pillar and reflect a great advancement in the PWD inclusion agenda.

In 2018, we launched the internship pilot project for PWD. It aims at mapping the accessibility throughout the intern attraction and selection process, making it possible to expand this action in 2019.

PWD in management positions⁽¹⁾⁽²⁾

	Women	Men	Total
Officer	0.0	0.0	0.0
Manager	0.1	0.1	0.2

(1) Detailed information on this table is available in the Attachment to this Report.
(2) Calculation of representation including total employees of the organization.

Training and career planning for Young Apprentices

We have increasingly entered into more partnerships with public schools close to our administrative centers, aiming at hiring low-income youth.

In 2018, we have a chat with students of a school close to the CA ITM business center in partnership with the Centre for Integration of Corporations and Schools (CIEE). We had opportunity to share our work routine, career plans and diversity actions with the youth.

**LGBT+
Safe, healthy and respectful environment**

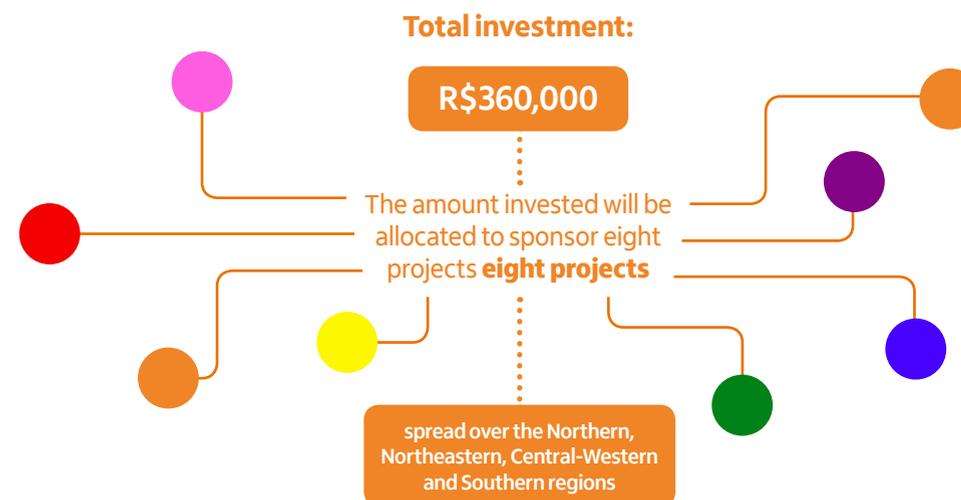
In 2017 we held the first event Open Doors on LGBT+, with Candido Bracher and Roberto Setubal. This is an initiative to share experiences, histories and perceptions on this topic, where participants are able to express their opinions on different issues. Therefore, our purpose is encouraging a safe and respectful environment, where people are free to talk openly about their sexual orientation without fear.

As a result of this engagement, we held the LGBT+ Diversity Week, which was marked by a series of lectures with market experts and internal employees, including discussions about nomenclature and the several different concepts of sexual orientation, gender identity and sexual expression, among others. We also decorated the administrative centers with the colors of the LGBT+ pride flag. Over 2,900 people took part in the activities, which were transmitted live to all our foreign units, and had over 19,000 interactions in our social networks.

In that same week, we adhered to the commitment to the Forum of Companies and LGBT+ Rights and to the UN Standards of Conduct.

At the end of that week, we announced the launch of the LGBT+ Pride (LGBT+ *Orgulho*) call notice, intended to search for projects that encourage LGBT+ people's power of transformation across Brazil. The impact investment originally forecast was R\$200,000 for four projects, but in view of the number of projects enrolled (301) and the quality of the finalist projects, the total investment ended up at R\$360,000. The amount invested will be allocated to sponsor eight projects, which will be monitored over 2019 in their respective performance sites, spread over the Northern, Northeastern, Central-Western and Southern regions.

In addition, we had the formalization of the use of our employee's social name on their badges, corporate portal and email.



Employees' engagement in the LGBT+ Diversity Week activities



Recognition of our initiatives

Our efforts were recognized by diversity-related indices, as we were ranked as one of the best companies in the 2018 Great Place to Work Women award. We make up the Bloomberg Financial Services Gender Equality Index and, also in 2018, we were recognized by the State Secretary of the Rights of People with Disabilities and by the UN for our best practices for employability of people with disabilities.

Internal reporting channel

We reinforce and disclose the Internal Ombudsman's Office also as the reporting channel for situations in which employees feel discriminated against or witness any situation that goes against Diversity principles. Additionally, the Internal Ombudsman's Office and the Diversity team periodically meet to develop preventive actions, based on the learning from complaints handled, in accordance with our letter of commitment to diversity. To learn more about this issue, please see the chapter Integrity and Ethics. [GRI 102-17](#)

Diversity in our relationships

[GRI G4-FS14](#)

As social development agents, we seek to extend our impact on diversity to other players in our relationship chain, in addition to our employees.

Suppliers

Diversity in our supply chain is a material topic for the sustainable social development. We encourage our suppliers to adopt commitments focused on valuing human rights and diversity in their agendas by incorporating environmental and social responsibility policies. The topic is addressed in our Code of Relationship with Suppliers, Code of Ethics and Sustainability Recommendations, which can be directly accessed on our dedicated page – click [here](#).

In 2018, we held a workshop focused on human rights and diversity, where we shared guidelines on this topic with our surveillance service providers, as they are an important segment to serve our end clients.

We also started to map our suppliers aiming at expanding diversity in the supply chain, promoting inclusion and the business development of suppliers from vulnerable groups.

We also held workshops for some of our selection and training suppliers, with the purpose of increasing, sharing and promoting diversity valuation.

Clients

Last year, we multiplied our efforts to bring new experiences to our clients. Our multidisciplinary working groups strengthen these actions and the involved teams support top leaders and departments so that we are able to include the human rights and diversity perspective when developing business, services and products actions. This is a mounting challenge, but we know that these actions bring consistency to one of our priority strategies, that is, to strengthen us in the client centricity front and promote rights and equality in society.

As a practical example of action plan, we held meetings between the LGBT+ employees' advisory group and the Mortgage department to discuss the kits of forms sent to clients taking into account social and demographic changes and what questions should be changed.

We also focus on the accessibility to our financial services so that they are available to our clients, thus supporting the economic development of all people. Accessibility allows the promotion of autonomy for people with disabilities and, accordingly, we address the importance of providing access for clients with special needs to our physical spaces and digital channels.

Brazil has several regulations that provide for the best way to make the inclusion of people with disabilities viable, such as Brazilian Federal Law No. 13,146, of July 6, 2015. Additionally, to adjust our physical environment, we follow the ABNT (Brazilian Association of Technical Standards) technical standards and municipal legislation. In the digital arena, our websites and applications adopt the world's best renowned practices and guidelines. We follow the Web Content Accessibility Guidelines (WCAG), which is an international standard with guidelines on accessibility good practices, to design pages that enable the best access to people with disabilities. For more information about the standard click [here](#).

In 2016, the Technology Quality department has taken an important step by structuring a specialized team dedicated to Digital Accessibility. Its challenge was to ensure the quality of our digital channel services to all of our clients.

This team works from the inclusion perspective and is made up of people with and without disabilities, all of them specialized in quality and tests. The methodology adopted by the team is working with two people, one of them being impaired, according to the WCAG standard (world standard), ensuring that a person who is visually, hearing, physically, temporarily or cognitively, impaired will use our services in an independent, safe and dynamic way.

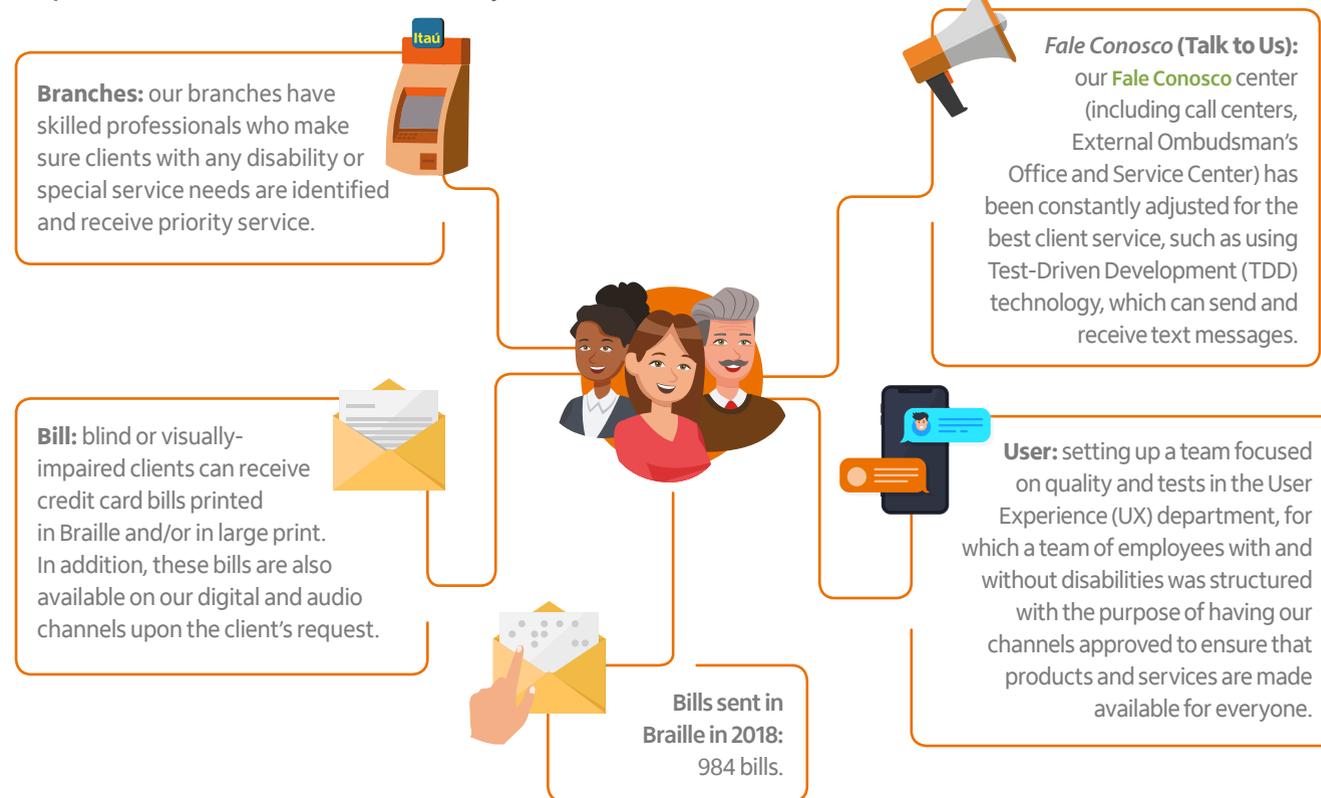
Important functionalities, such as virtual keyboard, to enter password and access the bankline, Itoken security code, statements, bills, PDF documents, transfers, mobile recharge, were totally redesigned and adjusted to make the client experience much more efficient, transparent and easier. Addressing digital accessibility goes beyond the functional aspect, ensuring our clients', as well as our employees', inclusion.



In 2018, this team won the Banking Report Award, User Experience – Accessibility Test category, which ensures that our concerns about improving our clients' journey and experience are increasingly more consistent and evident. We worked on 147 projects and carried out 4,068 accessibility tests.

And for 2019, the Quality department will seek to spread this methodology to other channels of the bank, also focused on the main journeys of clients.

Graphics content about services/accessibility solution



Society

The strategy to advance the diversity agenda also includes making partnerships with civil society. In order to achieve such advancement, there is a team dedicated to the dialogue, selection and monitoring of projects led by people and organizations working to strengthen the cause and positively impact their operation sites, with either actions that directly benefit society or advocacy with the public sector.

In 2018, we invested R\$5,483,658.06 in a total of 39 projects and initiatives from institutions that work with the diversity pillars we consider priority for advancing the agenda in Brazil: race, people with disabilities, age group, gender, LGBT+ and Young Apprentice. These sponsorships and donations took into account the specific nature of each pillar by developing a strategy to strengthen democracy, guarantee of rights, inclusion, equality and diversity valuation.

Human rights

We have a public commitment to human rights with the mission of respecting and protecting the fundamental rights by counting on specialized partnerships, incorporating the best market practices and orientation of bodies that set up social responsibility guidelines, such as:

- Universal Declaration of Human Rights (UN);
- International Covenant on Civil and Political Rights (UN);
- International Covenant on Economic, Social and Cultural Rights (UN); and

- International Labor Organization (ILO).

We have adhered to the [Commitment to Human Rights](#), a document that sets the guidelines for preventing the risks we are exposed to in the relations with our most sensitive audiences, comprising our business and relationships with employees, clients, suppliers, partners and society. One of the tools we use to comply with this commitment is the Human Rights due diligence, which is carried out every two years.

GRI 103-3 Diversity

The process consists of four stages:



In 2017, we carried out our second due diligence process to assess actual or potential impacts on human rights by means of our activities or as a result of our commercial relations. We also assessed the management of human rights, monitored the compliance with our commitment guidelines and ensured respect to human rights according to the UN Guiding Principles, under the Protect, Respect and Remedy framework.

This process resulted in a list of priority issues that were submitted in 2018 for review of the Governance, through the Sustainability Committee, and will be addressed over the year.

After mapping the risks, we set up working groups by topic and created action plans for mitigation and remediation, in addition to monitoring schedules mainly focused on these risks management. In 2018, our priorities were: **GRI 103-3 Diversity**



Client data security and privacy

We set up the Internal Data Committee, which analyzes project data security and privacy management and decides on whether to proceed with these projects.



Please see our main Diversity policies and commitments [here](#), such as Code of Ethics, Corporate Ethics Policy, Sustainability and Environmental and Social Responsibility Policy, Anti-Corruption Policy, Corporate Governance Policy, Information Security Policy, Commitment to Human Rights, among others.

on unfair treatment received by our clients, sentencing us to pay damages. No legal actions were filed in connection with our LATAM branches.

Cases of discrimination

In spite of having an External Ombudsman's Office, which receives questions, criticisms and complaints from clients, certain alleged discrimination incidents end up being taken to the courts or to other customer protection bodies.

It should be reinforced that the risk map in our human rights due diligence process has not identified any discrimination incident involving clients as a critical aspect of our operations. Nevertheless, we keep working to prevent and identify the reasons why discrimination incidents happened, aiming at preventing these situations from happening again. We also keep engaged in our commitment to monitoring all cases to prevent similar incidents in the future.

In 2018, 16 legal actions involving clients and discrimination were settled. We entered into settlements with eight of them and for the remaining a judgment was issued and concluded

For further information on our communication channels, please see [page 44](#) (Internal Ombudsman's Office) in Employee's Experience and [page 56](#) (External Ombudsman's Office) Customer Satisfaction. **GRI 102-17**



Financial

Inclusion and Orientation

“ Why is this **topic** material?

GRI 103-1 Financial Inclusion and Orientation

People's consumer habits change constantly, as new demands and new habits come up on daily basis. When we look from a business perspective, we realize that the best relationship between our clients and us requires understanding these changes and people's needs. This way we can offer knowledge and appropriate financial solutions so that they have a more balanced relationship with money. We know that changes come from individual behavior and we believe that our role is to orient our employees, clients, and society, and offer tools so that they make more appropriate financial decisions depending of the their stage in life and create products that facilitate actual realizations and thus have positive impacts. **GRI 103-2 Financial Inclusion and Orientation**

”

Materiality

Financial Inclusion and Orientation **GRI 103-1 Financial Inclusion and Orientation**

Potential SDGs	Targets	Positive impact
	1.4 By 2030, ensure that all men and women, in particular poor men and women, have equal rights to economic resources, as well as access to basic services, ownership and control over the land, and other forms of ownership, inheritance, natural resources, appropriate new technologies, and financial services, including microfinances.	We will promote social and financial inclusion through Itaú Microcrédito by allowing that more microentrepreneurs have access to financial citizenship, helping with income distribution and small business growth, thus contributing to the country's economic sustainability. Most of the clients served by the program are in the poor suburbs of São Paulo (State of São Paulo), Rio de Janeiro (State of Rio de Janeiro), Campina Grande (State of Paraíba), Fortaleza (State of Ceará), Teresina (State of Piauí), and Montes Claros (State of Minas Gerais).
	10.2 By 2030, empower and promote social, economic, and political inclusion for everyone, regardless of age, gender, disability, race, ethnicity, origin, religion, economic status, or any other.	We expanded the scope of the Itaú Microcrédito program by allowing the financial inclusion of higher number of microentrepreneurs with encumbered access to credit services. We changed the product policy by eliminating the borrowing ceiling and the need to have a bank account, and reduced the activity period to grant a loan. We build the capacity of women-led small businesses, developing new financial and nonfinancial solutions through the Itaú Mulher Empreendedora Program, stimulating the growth and empowerment to take a prominent position in their business, job creation, and income generation. Through financial orientation projects, we support people, clients and non-clients, at different times of their lives to plan their finances, making the best decisions to escape indebtedness, and investing their income to reach financial balance.
	10.5 Improve global markets and financial institutions regulation and oversight, and strengthen the implementation of such regulation.	Consistently with the overdraft account autoregulation standards on new sales and communication rules, for a better relationship of clients with the product, we published a page with quick tips and replies to frequently asked questions on the overdraft account.

“ In this chapter...

...we talk about our financial orientation initiatives aimed at employees, clients, and society. Thus, we show several products, services, and contents aimed at preventing indebtedness of our stakeholders. With regard to financial inclusion, we outline our credit lines aimed at funding production activities by microentrepreneurs – including the results of 15 years of Itaú Microcrédito – and the developments in women-led businesses. We also share the results and the impacts obtained through our actions and awards received.

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Relationship between the material matter and our stakeholders

GRI 103-1 Financial Inclusion and Orientation



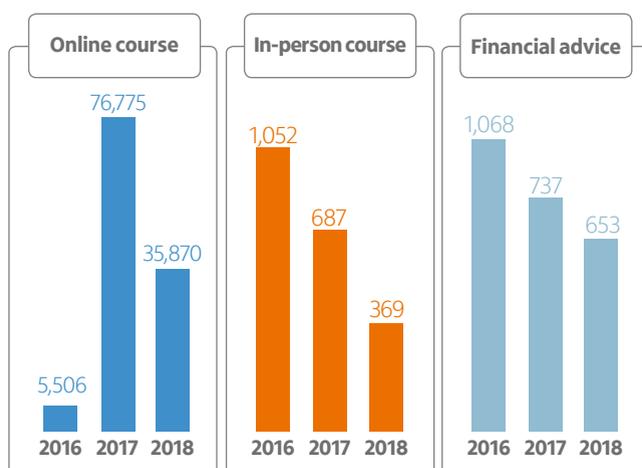
GRI Topics	Related Initiatives and Indicators
Management Approach	GRI 103-1 Financial Inclusion and Orientation – Explanation of the material topic and its boundary
Management Approach	GRI 103-2 Financial Inclusion and Orientation – The management approach and its components
Management Approach	GRI 103-3 Financial Inclusion and Orientation – Evaluation of the management approach
Indirect Economic Impacts	GRI 203-2 Significant indirect economic impacts
Product Portfolio	GRI G4-FS6 Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector
	GRI G4-FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose
Local Communities	GRI G4-FS13 Access points in low-populated or economically disadvantaged areas by type
	GRI G4-FS14 Initiatives to improve access to financial services for disadvantaged people
Product and Service Labeling	GRI G4-DMA Product and Service Labeling (former FS16) – Initiatives to enhance financial literacy by type of beneficiary

Employee-driven program

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 literacy multipliers, both when engaging in their professional activities and within their families. As a result, we created the Employee-driven Program, which consists of online and in-person training, and financial advisory. **GRI G4-DMA Product and Service Labeling (former FS16)**

We offer online and in-person courses, financial advisory sessions, and other employees-development actions, such as financial coaching and in-house campaigns that encourage people to reflect about consumption and individual goals and the way people manage their finances. **GRI 103-2 Financial Inclusion and Orientation**

Number of employees impacted by this action



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-person course

For employees to realize their dreams and become more independent in their decision-making, we offer a Personal Finances in-person course free of charge and voluntary.

Divided into two four-hour separate modules (Module 1 – Financial Planning and Module 2 – Investments), it totaled eight training programs throughout the year and was attended by 469 people in São Paulo.

Financial advice

Our financial advice helps our employees understand the time of their lives and support them in making better decisions. The purpose of financial advice is to go beyond basic concept and give practical tips on how to have a good relationship with money. The on-line service it provided by an outside financial planning specialist, confidentially and free of charge; in 2018, we reached 653 employees.

Financial coaching

In search for enhancing financial orientation solutions, we have developed a financial coaching pilot program for employees that have attended other training programs and felt they needed closer monitoring of their finances. Through in-person meetings and group gatherings mediated by a specialist and individual on-line sessions, we have supported the development of these employees and acknowledged their role in multiplying knowledge and the transformation in society.

For this program, we selected employees that were divided into groups based on the stage of their lives. Throughout the program we covered historic and cultural references, individual and family relationships with money, and how to promote financial orientation in their activities as employees, as well as identifying the triggers that have an impact on financial planning. The participants also attended five

individual on-line sessions on how to organize their finances and plan for achieving their goals. The knowledge gathered in this pilot program will be used to build financial orientation actions that will meet more needs of our employees in their relationship with money.

Papo que Rende Campaign

Our endomarketing campaign *Papo que Rende* (Enriching Chat) seeks 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 2018, the subject was addressed in in-person gatherings, such as the Financial Behavior Workshop and the Investments Workshop, where we encouraged our employees to think about financial health and inviting them to get acquainted with the employee-driven program.

We have also created a page on the Corporate Portal that allows employees to get to know which are the financial orientation initiatives intended for our employees, society and our clients.

Initiatives for clients and society **GRI 103-2 Financial Inclusion and Orientation**

In order to promote financial orientation and created conditions that would allow people to make increasingly sounder 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.

Product and service offerings

We draw on a group of skilled people to disseminate and add an orienting, 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.

The highlights of this program in 2018 were as follows:

Autoregulation of overdraft account

In order to report the changes in the overdraft account rule, we launched a page with tips on situations where this type of credit is recommended, simulator, and information on the use of the overdraft account.

My Finances

Bank statements now include options to highlight expenses per category and compare average movements on a month basis. This novelty is a facilitator for clients and makes it easy to organize and control personal finances. Approximately four million clients have already used this service at once since it was launched.

Indebtedness prevention and attention

To avoid clients to face financial unbalances and support those that in debt distress we offer:

Sponsoring the Serasa Truck project

We partnered with Serasa Experian to sponsor a traveling team that renegotiates debts and provides financial advisory. In December 2018, the truck started to travel and it will visit 40 cities nationwide to facilitate access of more people to financial information, guidance, and opportunities to renegotiate debts. We trained ten multipliers who will provide guidance to 20 teachers in each city so that they will be able to pass on this type of content in their schools.

Active management

We monitored our credit clients and, if we detect any sign of a possible financial unbalance, we contact such client to provide guidance and offer options more appropriate products and renegotiation.

Saia do Vermelho

In order to educate people that need to rebalance their finances, we provide, in the EduK platform, the *Saia do Vermelho* (Get Out of The Red) free online course. Lasting approximately two hours, the course offers practical tips to anyone who needs to organize his or her finances to pay debts and improve the control over his or her personal budget. In 2018, 11,930 people enrolled in the course.

Sistema Único de Finanças

This year we sponsored the *Sistema Único de Finanças* (Single Finance System) of *Pontifícia Universidade Católica do Rio Grande do Sul* (PUC-RS), a university. The goal of this initiative is to grant a comprehensive, free-of-charge solution, including financial orientation, to people who look for help to get out of debt.

Information and content

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

Responsible Use of Money website

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.

TV *Vida Real* Campaign

In 2017 we prepared a campaign to help youngsters to reflect on their finances and consumption choices. TV *Vida Real* (Real Life TV) consisted of several clips broadcasted in social networks that included humor, testimonials from people who realized their dreams even without or very little money, practical tips, and even cartoons. In 2018, we launched the third episode of the series, which totaled over 110 million views.

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).

Volunteering Program

As part of our volunteering program, we engage people to visit schools and social organizations to encourage people to talk about money within their families, reflect about life projects, and make financial planning to realize their dreams. In 2018 we had: 117 volunteers working on the Responsible Use of Money and 334 beneficiaries.

ENEF Week

In association with Fundação Itaú Social (Itaú Social Foundation) and Instituto Unibanco (Unibanco Institute), we proceeded with the partnership with the *Estratégia Nacional de Educação Financeira* (ENEF – National Strategy of Financial Education), for a transmedia project that offered content to students of public schools all over Brazil, through educational series broadcasted by TV *Escola* (School TV), and a digital platform that gathered video, games, library and distance education courses for elementary and secondary school teachers.

Our financial orientation initiatives received a certification of the ENEF for its alignment with our strategy's principles and guidelines.

Review of the financial orientation operating strategy

Our goals for the period from 2015 to 2018 were:

	Enable real achievement	Empower better decision-making	Enhance the topic across society
2018 goal	<ul style="list-style-type: none"> Develop new online training for employees, offering custom tracks in accordance with their profile; and Offer financial guidance solutions for small entrepreneurs. 	<ul style="list-style-type: none"> Expand the audience impacted by the distance learning solutions focused on recovering financial balance and becoming free from indebtedness; Expand the offer of financial guidance on digital format for corporate clients; and Enhance digital engagement of employees in topics that involve financial guidance. 	<ul style="list-style-type: none"> Get more knowledgeable on financial behavior for specific audiences, such as those from different generations; and Proceed with financial entertainment strategy for young people and expand campaigns for a larger audience, working this topic across institutional communications.
2018 status	<ul style="list-style-type: none"> We had discussion rounds with employees to create a language for in-house training and developed new content scripts; No new online training was implemented; and We activated the Growth Plan online course, which covers key aspects regarding small-business management. 	<ul style="list-style-type: none"> Using our digital channels, we maintained the <i>Saia do Vermelho</i> course available, online, free-of-charge training, and tips to recover the financial balance; We launched an online financial orientation workshop and held the second edition of the <i>Aceleração Itaú Mulher Empreendedora</i> (Women Entrepreneurs Acceleration Itaú), an intensive training program for female entrepreneurs; and We proceeded with the <i>Papo que Rende</i> campaign, which promotes releases in in-house communication portal on financial orientation and tools available to employees. 	<ul style="list-style-type: none"> We deepen the knowledge about the employees' objectives segmented by generation in the financial coaching lab; Based on the Female Financial behavior launched in 2017, we included an empowerment personal and professional and leadership view in the review of the impact of the Itaú Mulher Empreendedora program to monitor the developments in these indicators; We sponsored the survey <i>The Voice and Time - Diversity in the Consumer and Entrepreneurship Market</i>, a study conducted by <i>Instituto Locomotiva</i> (Locomotive Institute) ordered by <i>Instituto Feira Preta</i> and which shows an overview of black consumption in Brazil; and In 2018 the third episode of TV <i>Vida Real</i> series on social networks to expand the conversation with youngsters about financial entertainment.

We started a work to define the Sustainability Strategic Guidelines and build commitments, indicators, and targets that have a positive impact in the society (for further details, please see [page 7](#)). Based on this, the financial orientation operating strategy will be reviewed and definitions for the subject and new goals will be presented in 2019.

Financial orientation initiatives in LATAM

We also had initiatives in the countries of Latin America where we operate:



Paraguay

Audience	Initiatives
Employees	<p>Responsible Use of Money Program for Employees To inspire the reflection about the responsible use of money, we organized talks about personal and family finances, investments, personalized financial counseling, and audiovisual materials with testimonies from employees. The talks were opened to pairs of employees, and the Financial Counseling Sessions. Number of talk participants: 70. Number of Financial Counseling participants: 18.</p>
	<p>"Managing my money" for clients with a Personal Finances expert The Multipliers Program, initiated in 2015, was developed for client companies that hire the salary payment service for their employees. This program makes available to the clients content about the responsible use of money, in the format of talks, guides and digital and hardcopy communications that can be used in the companies and include advice, recommendations, practical examples, and exercises about how to use financial resources correctly. The talks conducted present four subjects: "Consume and Save", "Out of the Red", "Use Your Money Well", and "Family and Money". These talks are developed by employees from the Bank's branches, who were trained in presentation, public speaking, and financial orientation content techniques. In 2018 we held 383 talks as part of the Multipliers Program, which were attended by 5,895 people from 228 client companies.</p> <p>Financial Orientation Multipliers Program for Clients We conducted the talk "Managing My Money", during which we provided guidance and tools to keep your personal and family finances organized. We held 24 talks in 16 companies in the year that impacted 1,825 people.</p> <p>Responsible Use of Money Website and radio and television shows On the "Responsible Use of Money" website, at www.ita.com.py/usoconscienteeldinero, clients have access to financial orientation guides, a budget simulator, and test about consumption habits. On the other hand, the television show "Talking about Money" has the support of Itaú and the participation of representatives from different departments of the bank to discuss specific matters about financial tools. In addition, on a weekly basis we broadcast shows with advice about personal finances in two far-reaching national radios.</p>
Clients and community	<p>Content on social media The bank's social media profiles are used to propose content about the responsible use of money, provide guidance on personal finances and calls inviting followers to reflect about decisions related to the use of money.</p> <p>"Bank of Options" Financial Orientation Program for High School Students Bank of Options is the name of the program developed to offer guidance about the responsible use of money to sophomore and senior high school students, give them the opportunity to start to use the financial planning tools, and the preparation of fundraising actions to meet their objectives. The students are monitored by Itaú and a consultant to guide them and monitor the progress of their action plans. Over 220 students will attend the first edition of the program.</p> <p>Participation in the National de Financial Inclusion Strategy Itaú participates of the National de Financial Inclusion Strategy (ENIF) since 2014, together with different public institutions and private sector actors. The purpose of this initiative is to develop citizenship skills focused on personal finances management and to reach 500,000 people through 2018. Through:</p> <ul style="list-style-type: none"> • Awareness raising campaigns about financial inclusion; • Train high school students in Economic and Financial Education; and • Train partners, users, and/or program beneficiaries and public and private programs. <p>Global Money Week We participated of the Global Money Week, an activity locally promoted by the Central Bank of Paraguay (BCP), the Paraguayan Foundation, and the AMCHAM Foundation; at the global level, the Global Money Week is celebrated in hundreds of countries with the incentive of Dutch organization Child and Youth Finance International. The purpose of this initiative is to increase the level of knowledge about financial concepts among between children, adolescents, and youngsters. To do it, we call organizations dedicated to this subject by inviting them to develop activities that help reaching this goal.</p>

Audience	Initiatives
Clients and community	<p>Action Oranges With Children The "Learning in Family" Oranges Action on the Responsible use of Money is intended for children and was developed to highlight the value of work and savings. The children participate in an activity (organized in fairs and shopping malls), during which the children can pick gifts that they price in number of orange juices that they are supposed to sell (deliver to people in the audience) to get the gift. The kickoff was a campaign in social media that showed a series of episodes during which children have the experience of visiting an orange grove and participate of the juice and gift workshop. The material included reflections about money from the children's standpoint and also conveyed a message about the value of work and created an opportunity to talk about money with them. Link to the videos: https://youtu.be/ISGlZ58TCu4. Participants: 370 children.</p>
	<p>Responsible Use of Money Voluntary Work The program consists of a series of gatherings with youngsters and adults during which we present money management concepts and tools. During these gatherings we work on people's consumption attitudes and habits; people learn to work with tools such as the budget, test a planning of personal and family projects, and ends ups with the activities with a game of questions and answers, followed by a wrap-up with the main findings In 2018, the program was run in two occasions and was attended by 40 people, among adolescents, youngsters, and adults.</p>

Audience	Initiatives
Employees	<p>To create dialogue forums and communication channels that help eliminating obstacles and be able to talk about financial concerns, we made an internal call among employees to be part of a financial education workgroup. We also conducted an internal survey to understand the needs associated to the financial education of our employees and build the program's content. 16% of our staff answered the survey.</p>
	<p>To train our employees in personal finances and at the same time promote actions and good practices that encourage savings, we held a workshop on Investments conducted by the Itaú Personal Bank team. The purpose was to build our employees' capacity to build their own investment portfolio. As are result, 12% of our employees are qualified to invest.</p>
	<p>We used the savings month to talk about and train people in banking products, exclusive benefits and financial instruments that are better suited to people's goals, in the form of an internal campaign that addressed the financial benefits that employees can access because they work at Itaú, financial intelligence advice, planning, savings, and the correct use of credit cards.</p>
Clients and community	<p>To align the consolidation of the FE program for employees with our digital strategy, together with the launching of the Employee Portal, we made available to our employees a special Financial orientation section.</p> <p>In order to provide relevant information on the use of financial tools to ensure that people have a healthy relationship with money, we organized talks about tools and capacity building to help client companies and suppliers improve their management. These talks include contents on how to manage money, consume, and save, get people out of the red, and sound use of financial products. In 2018, we managed to integrate our program and extend it to companies and organizations from Paraguay's inland, Itaú Foundation Training Center students, and social organizations supported by the Itaú Foundation. Consolidated results: • 23 talks – a 90% increase compared to 2017; • 350+ participants; and • 31 volunteers.</p>
	<p>Social media We were the first private bank to talk about financial orientation in social media. We produced notes and tools with proprietary contents about how to draw up a budget, take control of one's expenses, get ready for emergencies, and reflect about consumption habits. In addition we created a microsite on the responsible use of money where we make all the materials available.</p>

Audience	Initiatives
Employees	Investment capacity building
Clients and community	Lectures with financial orientation experts Investment strategies for the non-expert: 210 participants.
	Entrepreneur newsletter Monthly newsletter for entrepreneurs. More than 9,000 subscribers.
	Crowdfunding Platform The Itaú Argentina Foundation supports entrepreneurs who are part of the Buenos Aires Province Crowdfunding platform. It is a new crowd-funding program that allows the early purchase of products (presales). One of the selected projects was <i>Verde agua</i> that consists of the design and implementation of hydroponic gardens; the other selected project was <i>Klink</i> that creates science and technology kits and recreational, innovative experiences. Drawing on both projects, we developed workshops in schools and for Itaú employees.
	Online Finances Course for Companies Ten theoretical and practical modules that address the struggles usually faced by a gym owner to make his or her business grow. This course had more than 900 enrollments.
	Financial Orientation Challenge The Itaú Red Hat challenge, a proposal that fosters the development of an entertaining financial orientation app for 14 to 18 year olds. The proposals are submitted by college students and the winners will be announced before the end of the year.
	Financial and Entrepreneurship Training Courses In-class training sessions in public and private universities: the courses are the result of a concern expressed by our stakeholders with the lack of education in subjects relevant for the financial industry. We started with the idea of providing access to basic knowledge about finances and immediately went ahead to building the different programs. During 2018 we performed 15 training activities for entrepreneurs in: Finances and costs; Digital marketing and neuromarketing; Social media and on-line sales channels; Communication and branding; Processes and logistics; Investment strategies; Design thinking, etc. The courses were attended by 1,670 entrepreneurs and more than 1,143 we awarded the corresponding certificate.

Audience	Initiatives
Clients	Business Advice Program We want to contribute significantly for our clients' businesses, beyond the value we deliver through our products and services. That is why, through customized talks and workshops, this program conveyed financial knowledge to partners and managers of small and medium-sized companies from Santiago, Valparaíso and Concepción. The program was divided into four modules that will address the following contents: "Tax Laws and Regulations", "Accounting and Finances", "Business Model", and "Responsible Borrowing". In each module, firstly a speaker exposed the general concepts and ideas about the subject and then the attendants had the opportunity to put together small groups for a customized advisory session, applied to the specific reality of their organization. More than 400 people, from 200 different companies attended these workshops, who assessed the activity with 96% of overall satisfaction. Finally, the contents covered in these workshops were made available on the bank's internet page (www.ita.cl) through manuals and briefs, for the purpose of expanding the program's impact to more people and companies.



Audience **Initiatives**

**Employees,
clients, and
community**

Itaú Method

Our goal is to educate people about personal finances, the reason why one of our great challenges was to develop our own methodology, which we called the Itaú Method, to build the capacity of our group of volunteer facilitators. This methodology seeks to, through an educational workshop, teach people about the responsible use of money, depending on what point in life each person is.

We conducted 38 workshops that benefited 599 people:

- 290 employees;
- 28 clients;
- 17 suppliers; and
- 264 partners and community members.

Currently we work in the digital front, developed using the Itaú Method. This is part of the digital ecosystem in Colombia that started to posting content on social media in 2018, but which will expand its content in 2019. The postings pursued an interaction with our followers to strengthen and educate them in terms of personal finances, while increasing brand recognition in Colombia.

Trade Association Membership

Itaú has active role in the different Financial Orientation committees and initiatives of trade associations such as Asobancaria and the stock market self-regulator AMV.

Global Money Week

Itaú participated of the world day promoted by the organization Child and Youth Finance International that consisted of visiting the high schools *Instituto Henao y Arrubla* and *Unidad Educativa Jean Piaget* to build the capacity of youngsters and children about savings and investments and provided the tools that they will use to become self-confident economic citizens.

- 535 trained youngsters.
- Ten volunteers involved.
- Two educational institutions.
- Two activities, dream map, and business round.

International Savings Month

We participated actively by sending tips to both our employees via internal channels and external stakeholders via social media (Facebook and Instagram).

Itaú Microcrédito

GRI 103-2 Financial Inclusion and Orientation

Itaú Microcrédito is a credit line aimed at financing the production activities of small entrepreneurs, whether formal or informal (with annual billing of up to R\$200,000), in accordance with the National Productive and Guided Microcredit Program (PNMPO), which was developed to encourage job creation and income generation among small entrepreneurs and used the methodology based on the direct relationship with the entrepreneur, through a credit agent. The credit agent conducts a social and economic survey with the microentrepreneur to assess the business's potential and the required funding and payment ability of the borrower. **GRI G4-FS13**

Itaú Microcrédito is available in the São Paulo and Rio de Janeiro metropolitan areas, and in Campina Grande (State of Paraíba), 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\$14,500.00. **GRI G4-FS13**

Itaú Microcrédito's lending procedures are guided by the Product Policy, which conceptualizes the product, proposers and areas involved by setting loan hiring, amending or cancelling rules. We also use the Credit Policy to ensure portfolio quality. In 2018, the lending policy was reshaped to meet client specificities.

We recognize this product as an opportunity to exercise our role of providing knowledge and financial solutions appropriate to society, thus fostering an ecosystem of small entrepreneurs and ensuring their financial inclusion.

15 years of Itaú Microcrédito

In 2018, this line completed 15 years and throughout this journey, initiated in 2003 at Unibanco, we reached 35,500 formal and informal entrepreneurs, located primarily in the metropolitan regions of Rio de Janeiro and São Paulo. In June 2018, Itaú Microcrédito expanded its operations and reached Campina Grande, Paraíba, the first Northeast city to have access to this product, followed by Fortaleza (State of Ceará), Teresina (State of Piauí), and Montes Claros (State of Minas Gerais). This novelty will be gradually extended to other locations in the region, prioritizing regions that concentrate a large number of microentrepreneurs and constrained access to credit. In seven months of operation, we have already granted loans to 2,300 entrepreneurs. The expansion represents a major step for the operation, the target of which is to reach 15,000 clients and increase production by 280% in 2019.

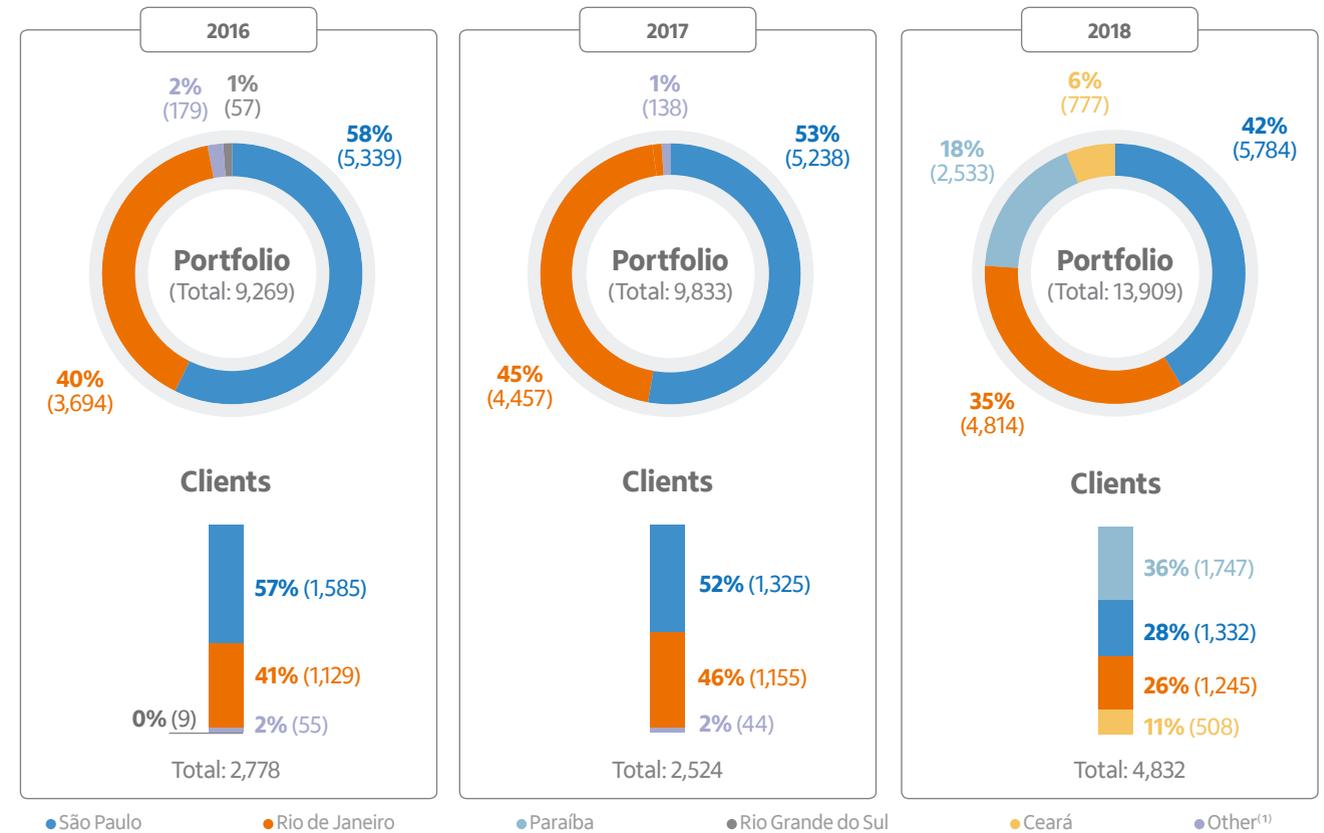
Microcredit as an inclusion tool

Our challenge for the next year is to ensure the connection with the microcredit operation with our private social investment. Drawing on initiatives with partners, we will promote the inclusion of small entrepreneurs, promoting a development ecosystem and local participation, through training and financial and digital inclusion.

Additionally, the change in laws and regulations (Enactment of Law No. 13,636, of March 20, 2018) now allow the use of digital and electronic technologies in the management and offering microcredit, which increases the capillarity of our actions. As a result, one of our challenges in 2019 is to understand the needs of our client and develop a digital transformation path of the business by promoting product scalability.

Social and economic indicators of entrepreneurs supported by microcredit (R\$ thousand)

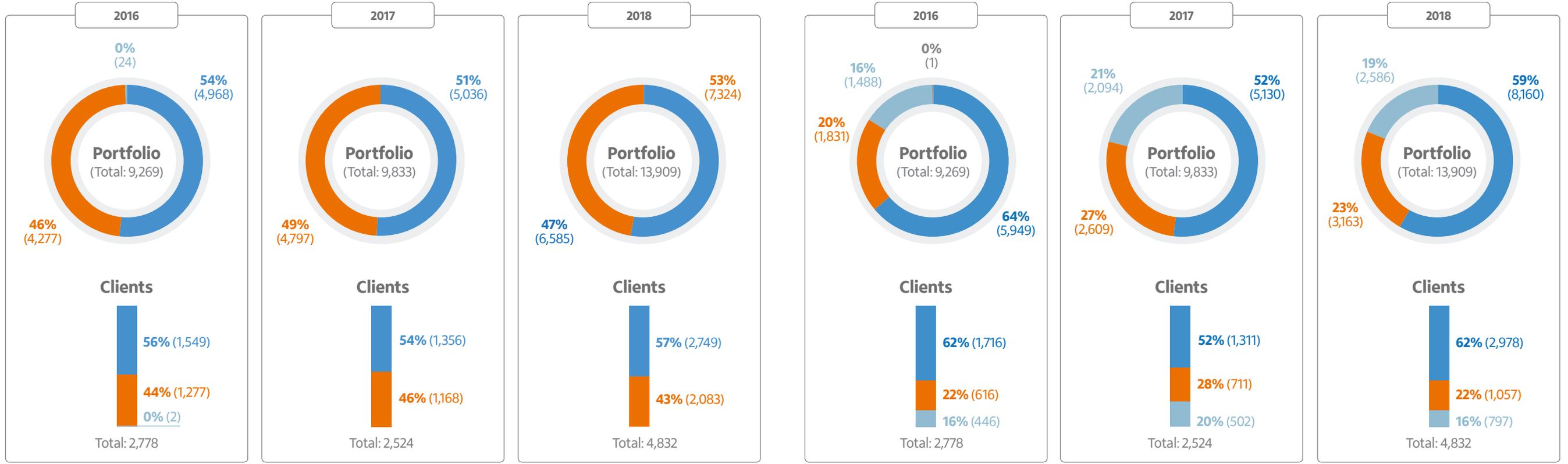
GRI 103-3 Financial Inclusion and Orientation | GRI 203-2 | GRI G4-FS6 | GRI G4-FS7



(1) Unidentified information.

Social and economic indicators of entrepreneurs supported by microcredit (R\$ thousand)

GRI 103-3 Financial Inclusion and Orientation | GRI 203-2 | GRI G4-FS6 | GRI G4-FS7



(1) Unidentified information.

● Female ● Male ● Other⁽¹⁾

(1) Unidentified information.

● Commerce ● Service provision ● Production and trade ● Other⁽¹⁾

Banking inclusion ratio: In 2003 to 2018, 21.6% of the current account holder clients opened account after hiring microcredit.

Microentrepreneurs' profile analysis

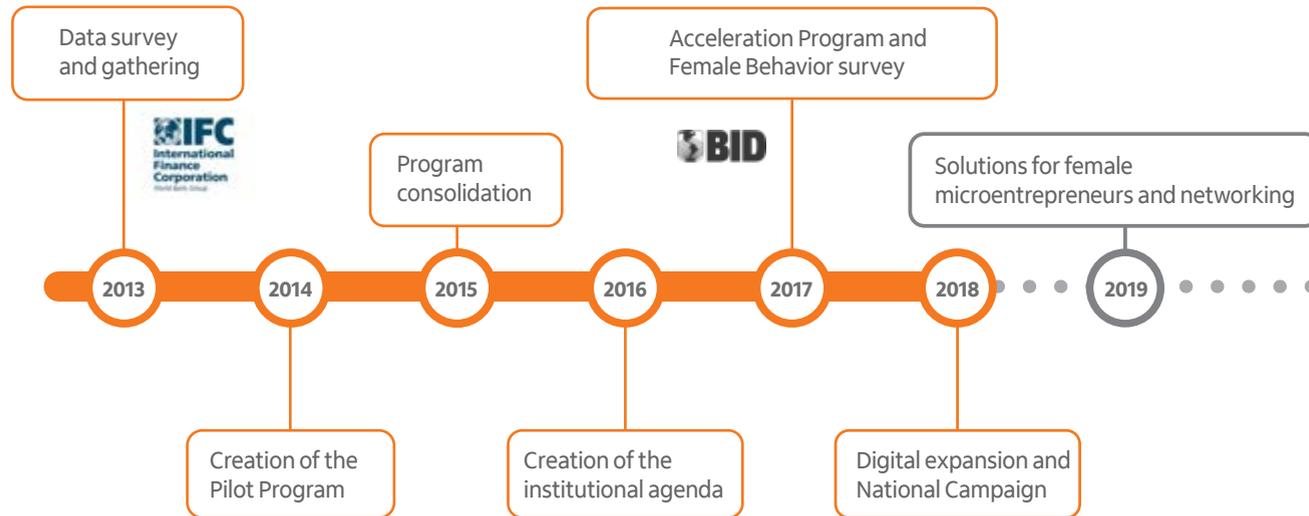
- Over 40% completed at least High School;
- 52% are married;
- Average age is 44;
- 55% have dependents (average two dependents);
- At least 85% of applicants are homeowners, and 98% of such homes have already been settled; and
- Approximately 20% are formal businesses, of which 95% are sole-proprietorships.

Note: Microcredits approved in 2013 to 2018.

Itaú Women Entrepreneurs Program GRI G4-FS14

The purpose of the Itaú Women Entrepreneurs Program (IME) 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 program is steered by these three values: (i) build women's capacity to improve management techniques and maximize results in their businesses; (ii) inspire women to envision success paths; and (iii) connection so they can expand networking. The program was created in 2013 as a result of a partnership with the IFC, the World Bank, and the Inter-American Development Bank (IDB). Since it was designed, the program is undergoing constant development, represented as follows:



Itaú Women Entrepreneurs Program (IME) reaches a wide audience. Approximately 20,000 female entrepreneurs, most of whom are 31 to 40 years old (44%), have a high level of education, and are mostly microentrepreneurs (55%) working in Services and Commerce (58.2% and 37.4%, respectively). We note that the younger female entrepreneurs, with a lower level of education operate primarily in commerce, while female entrepreneurs over 30 and a higher level of education focus on manufacturing and services.

Sector distribution per age bracket of female entrepreneurs (%)

	Commerce	Manufacturing	Services
Between 18 and 25 years old	54	2	44
Between 26 and 30 years old	46	3	51
Between 31 and 40 years old	38	4	58
Between 41 and 50 years old	31	5	64
Between 51 and 79 years old	27	7	66
Total	37	4	58

Sector distribution per level of education among female entrepreneurs (%)

	Commerce	Manufacturing	Services
Incomplete secondary education	41	10	49
Complete secondary education	43	8	49
Incomplete college education	39	5	56
Complete college education	31	5	64
Post-graduation	19	4	76
Total	35	5	60

Solutions

GRI 103-3 Financial Inclusion and Orientation | GRI 203-2

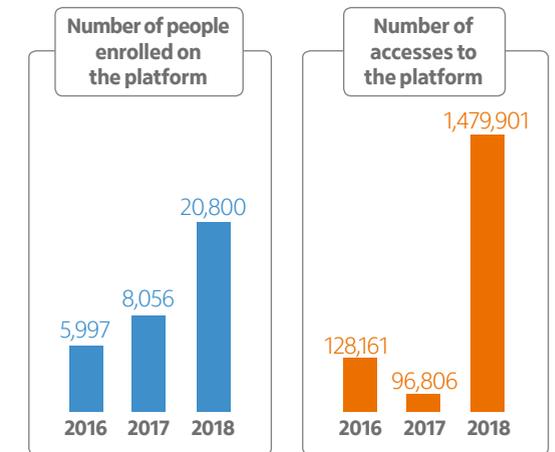
The IME program has in-person and online solutions and tools, some of which are exclusive for our clients:

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.

Online platform

Satisfaction evaluation: 7.64/10.0



Video Classes

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.

Video classes

From April to December 2018

The 2nd most watched video class of the Eduk platform

21,976 accesses to the classes

88% of the people enrolled watch at least one video on the platform

Workshops

In association with *Fundação Getulio Vargas*, 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.

Online workshops

Six editions held

163 attendants

Overall assessment of female entrepreneurs: 9.0/10.0

Acceleration Program

In order to strengthen the development and consolidation of women-led businesses, we promoted the second edition of the Acceleration Program that addresses the key business administration dimensions in a three-month course free of charge. At the end of the program, the female entrepreneurs defend their business growth plan and receive feedback from an assessment panel consisting of teacher, bank executives, and angel investors. Five projects are selected to receive specific consulting, handed by *Fundação Getulio Vargas* de São Paulo, which a reference university in the education of executives in Brazil. The Acceleration Program has already benefited 60 women, 30 in 2018 and 30 in 2017.

Acceleration Program

2,856 enrollments

30 attendants

33% of attendants are not from São Paulo

Assessment of attending female entrepreneurs:
9.17/10.00

Forum

Event consisting of lectures that give successful female entrepreneurs as opportunity to share their experiences, mistakes, successes, and tips that inspire and build capacity. The event gathers over 200 women attending the program, thus facilitating their networking.

Forum (2018 edition)

208 participants

2,000 online viewers (online format)

Overall satisfaction score: 9.11/10.00

Our commitments to female entrepreneurship

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

Women Entrepreneurs Network

The first and largest network supporting female entrepreneurship in Brazil, aimed at empowering female entrepreneurs by ensuring their financial independence.

Global Banking Alliance for Women (GBA)

GBA leverages women's growth in business and wealth creation by generating superior results for the member financial institutions.

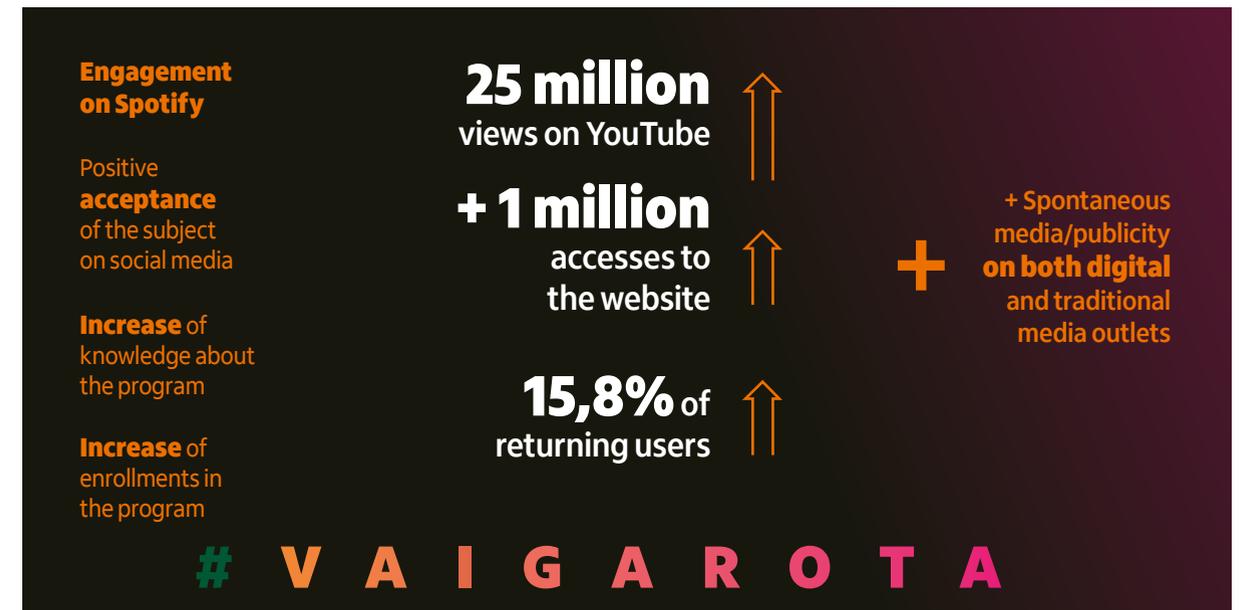
In addition, we are part of other commitments related to this subject, such as the Female Empowerment Principles, the Women's Movement 360, the Bloomberg Gender-Equality Index and the Women's Policies Department's Pro Gender and Race Equity Program, which are described in the Diversity Chapter, [page 80](#).

#VAIGAROTA Campaign

In 2018, we promoted a nationwide campaign called Vai Garota (Go Girl) for the Itaú Women Entrepreneurs program. The campaign represents the attitude, union, and transformative power of women. Produced by a mostly female team, the movie shows diverse women and has a powerful message on sisterhood. See more in the video available on [Youtube](#).

The campaign's results were positive as it expanded the knowledge about the program nationwide, increased the number of enrollments, publicized the program, increased the number of website visitors, and promoted positive acceptance and discussion of this subject.

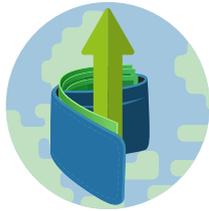
Main results of the #VAIGAROTA campaign



Program impact on businesses' financial health

In previous studies, we noted that the women participating in the IME have managed to increase their financial margins, service margins, and revenues and improve their credit ratings. The new survey shows that this did not change:

Current account holders who have participated in the program average an overall maximum credit limit⁽¹⁾ 77% higher than other current account holders (by controlling market and revenue risk).



The credit limit is related to the intensity of the client's interaction with the bank, i.e., the more intense use of our products in a healthy way has a positive impact on the credit limits. Additionally, these female entrepreneurs show a lower probability of default as compared to other bank clients, which confirms the result presented in the previous survey: the Program generates positive impacts both on the participating female entrepreneurs and the bank. Additionally, these female entrepreneurs say they are satisfied with our services (satisfaction index of 86%).

Account holders participants of Itaú Mulher Empreendedora Program are less likely to default on their obligations than the other account holders.

⁽¹⁾ Added limit of all other products.

Impact of the program on leadership and level of empowerment

We believe that it is crucial to develop leadership skills among these women to empower them by making them the protagonists of their businesses and the leaders of their lives, a key condition to ensure they are fully realized both professionally and personally. In the first year, we measured the level of leadership and empowerment of female entrepreneurs. We developed a methodology based on academic studies on the matter and adapted to the reality of Brazilian female entrepreneurs. The first figure shows the leadership areas defined in our methodology and the next figure shows the professional and personal empowerment areas.

Measured leadership areas



Professional and personal empowerment areas

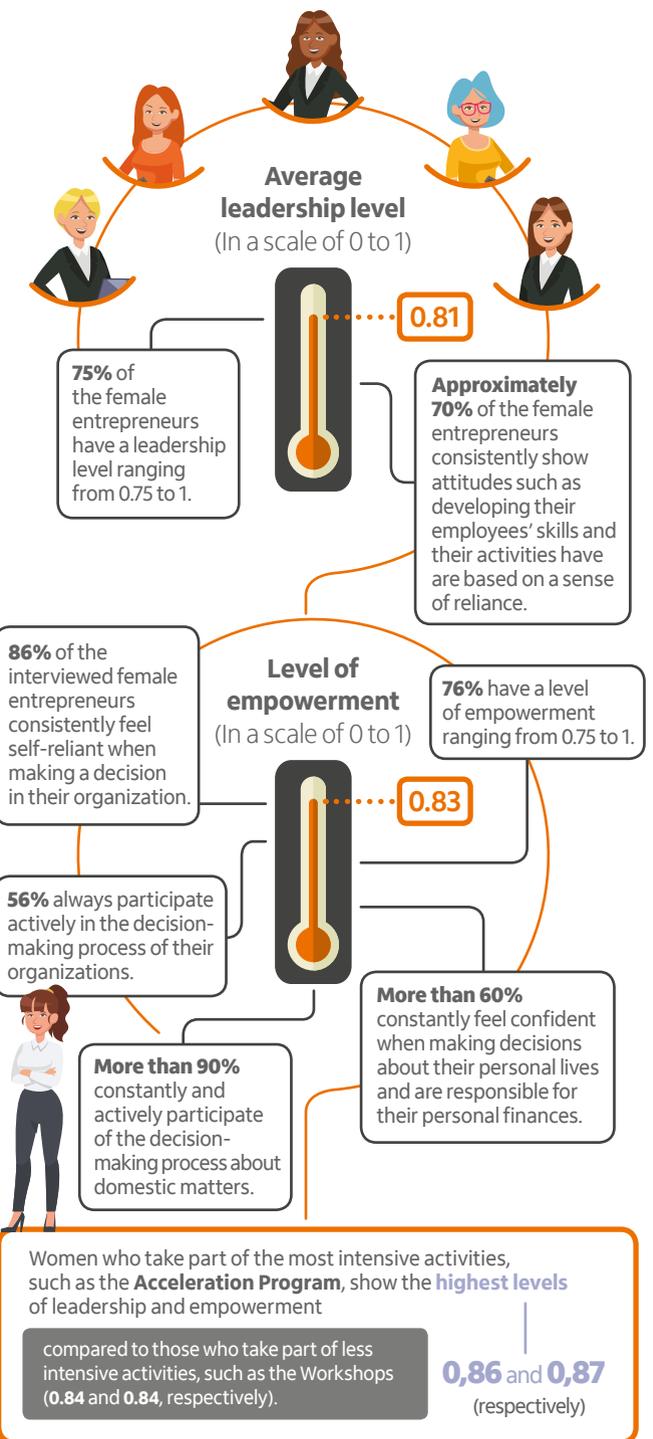


When they accessed the platform, women were asked about their engagement in their own organization. We concluded that approximately 50% of the women make the relevant decisions for their businesses; the younger and smaller the project, the lower is the level of involvement in relevant decision-making. IME seeks precisely to reverse this scenario by training business women to take a top positions in their businesses and plan and decide their future.

Our current survey, with a sample of 507 participants shows that these women have the attitude and inclination to do it. In a scale of 0 to 1, we noted that female program participants have an average leadership level of 0.81, and 75% of the female entrepreneurs have a leadership level ranging from 0.75 to 1. Approximately 70% of the female entrepreneurs consistently show attitudes such as developing their employees' skills and their activities have are based on a sense of reliance.

We have also noted that the level of empowerment is 0.83 (76% have a level of empowerment ranging from 0.75 to 1). The survey shows that 86% of the interviewed female entrepreneurs consistently feel self-reliant when making a decision in their organizations and 56% always participate actively in the decision-making process of their organizations. At the personal level, more than 60% constantly feel confident when making decisions about their personal lives and are responsible for their personal finances. Additionally, more than 90% constantly and actively participate of the decision-making process about domestic matters.

The initiatives offered by IME include several types of interactions with female entrepreneurs, such as the Acceleration Program, forum consisting of lectures from female entrepreneurs and specialists, and management workshops. We noted that the engagement in these activities tends to have a positive impact on female entrepreneurs' level of leadership and empowerment, i.e., women who take part of the program's most intensive activities, such as the Acceleration Program, show the highest levels of leadership and empowerment (0.86 and 0.87 respectively) compared to those who take part of less intensive activities, such as the Workshops (0.84 and 0.84, respectively).



Average level of leadership and empowerment, per type of program activity

	Participants (%)	Leadership	Empowerment
Acceleration Program	7	0.86	0.87
Forum	41	0.84	0.85
Workshop	31	0.84	0.84

The recurring distribution of this questionnaire in the coming years will allow us to monitor the impact of the program on the development of empowerment and the attitude toward female leadership, as well as the businesses' performance and their relationship with the bank.

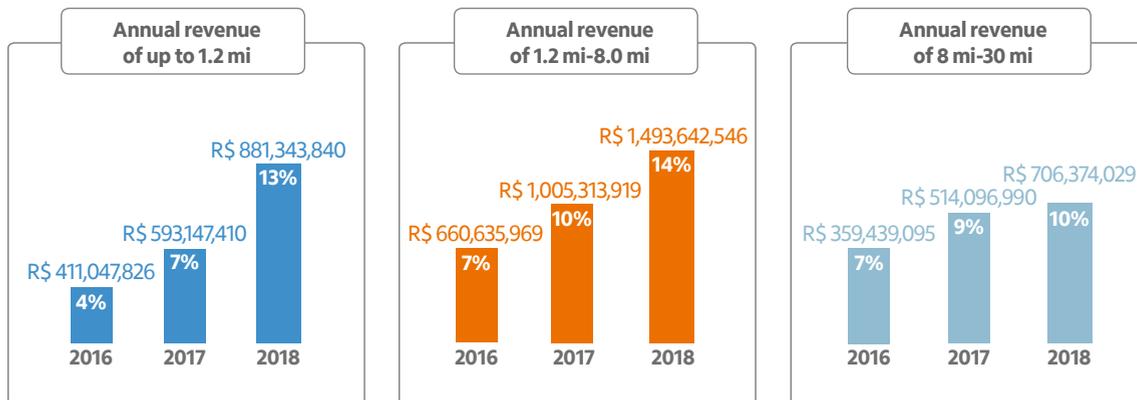
Evolution of the credit portfolio

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 entered into partnerships with multilateral banks to expand the access to credit small and medium-size enterprises. In 2018, the volume of lending transactions to companies owned by women (more than 51% of ownership interests) reached approximately

R\$3.1 billion, more than the double of the 2016 portfolio, which reached R\$1.4 billion.

The graph below evidences that the growth has been persistent in all segments over three years (both in absolute amounts and in percentage of the total portfolio), which also evidences an increase of the women's representativeness in Itaú Unibanco's loan portfolio for small and medium-size enterprises.

Volume of credit granted to women-led businesses (>51% stake) and percentage of total loan portfolio



New financial funds

As a way of continuing supporting the development of Brazilian female entrepreneurs, we entered into a partnership with Inter-American Development Bank (IDB) to fund micro, small and medium-sized businesses controlled by women in Brazil, thus contributing to expanding credit to this market.

Total fund US\$100 million, lent by IDB Invest in 2017 and maturing in November 2020 should fund women-led businesses, with annual revenue of no more than R\$8 million. This type of funding contributes to expanding credit to the female entrepreneurs' market and the development of women-led businesses.

Beyond entrepreneurship: the female financial behavior

To broaden our understanding of women's relationship with the financial universe, also at the individual level, we conducted a new qualitative survey. We noted that despite the recent increase in female independence and women's participation in spaces of power, including at the economic level, financial self-esteem (the confidence to manage own funds) is not increasing at the same pace. This means that even though many women have conquered financial power by going into the job market or earning money with their business initiatives, many do not feel sufficiently capable of managing their finances and talking to banks. For further details, please see the full report [here](#).

The 2019 program

Itaú Mulher Empreendedora faces new challenges for 2019. In addition to bringing greater visibility to the program, the #VaiGarota national campaign increased significantly the number of registrations and introduced a segment of female entrepreneurs with different management, finances, and entrepreneurship demands since they are still in the early stages of the business. To meet these new demands we conceived three development pillars for 2019:

1. Develop solutions for female microentrepreneurs: new solution formats that supplement the demands of female entrepreneurs who own small businesses or are still in an early stage;
2. Increasing networking among female entrepreneurs: make the program an actual connection and networking agent between female entrepreneurs by providing physical and digital communication channels to promote conversation and increase the engagement with the available solutions; and
3. Bring the business internal functions closer: make it a more dynamic experience, connected with our other financial solutions, with customized offerings to program participants who are our clients.

The goal for 2019 is to increase registrations in the Itaú Women Entrepreneurs platform by 30% and reach a total of 27,040 female participants.



Corporate Citizenship

“ Why is this
topic material?

GRI 103-1 Corporate Citizenship

As a financial institution, we recognize our role as transformation agents and local development promoters. As such, we work to encourage projects, institutions and individuals in an innovative manner towards the construction of a better world.

GRI 103-2 Corporate Citizenship

The causes are the materialization of our purpose. Our strategy focuses on social development actions, such as education, culture, sports, urban mobility, aging and entrepreneurship. In partnership with several internal and external institutions, we support different initiatives, which are extended to the media, opinion makers, the market and various social organizations. We also work together with the government, at its many levels, to improve public policy models in the many countries where we operate.

”

Materiality

Corporate Citizenship **GRI 103-1 Corporate Citizenship**

Potential SDGs	Targets	Positive impact
	4.1 By 2030, ensure that all girls and boys attend and finish free, equitable, and quality primary and secondary education that leads to relevant and efficient learning results.	We provide access to equitable, quality learning through Itaú Social, and sponsor the training of teachers, schools managers, education board technicians and managers, educators, and managers of civil society organizations.
	4.4 By 2030, increase significantly the number of youngsters and adults with material skills, including technical and professional skills to enter the job market, find decent work, or open a business.	Through Itaú Social, we stimulate youngsters to acquire relevant skills and education improvement, and we sponsor the training of teachers, schools managers, education board technicians and managers, educators, and managers of civil society organizations.
	4.7 By 2030, ensure that all students acquire the necessary knowledge and skills for sustainable development, including, but not limited to, through education for sustainable development and sustainable life styles, human rights, gender equality, promoting a peace and nonviolence culture, global citizenship, and valuation of cultural diversity and culture's contribution for sustainable development.	We promote access to education and culture through our Institutes and Foundations, with training, gender equality promotion, and cultural diversity programs, in addition to supporting and having an active part in building the Base National Common Curricular Basis Reform through IBBA Educação by also working with state education boards to train teachers and manage Professional and Higher Education schools and projects.
	11.4 Strengthen efforts to protect and safeguard the world's cultural and natural heritage.	We preserved and promoted the collection of Itaú Cultural, consisting of more than 15,000 artworks – the largest corporate collection in Latin America and one of the largest in the world, built up using own funds and accessible by the public through free exhibitions – and we supported technically and financially projects related to the identification, cataloging, and safeguard of data related to the production of Brazilian artists or artists who worked in Brazil.
	11.a Support the economic, social, and environmental positive relations between urban, peri-urban, and rural areas by strengthening national and regional development planning.	We promoted access to education, culture, sports, and mobility through our causes, initiatives, and investments, where we do advocacy work through our involvement in municipal boards and discussion forums.
	17.16 Reinforce the global partnership for sustainable development, complemented by multisectoral partnerships that mobilize and share knowledge, expertise, technology, and financial resources to support the accomplishment of the sustainable development goals in every country, in particular developing countries.	We strengthen our regional cultural partnerships to promote culture through Itaú Cultural with the <i>Rumos</i> (Directions) Project.
	17.17 Foster and promote efficient public, public-private, and societal partnerships based on our experience with resource mobilization strategies of such partnerships.	We promoted sponsorships, donations, and partnerships entered into by the Bank and our Institutes and Foundations, through private social investment, sponsored projects that resulted in public policies or influenced the political sphere through advocacy. We contributed to the institutional strengthening of civil society and network organizations by promoting sustainable development within and outside the bank.

Relationship between the material matter and our stakeholders

GRI 103-1 Corporate Citizenship



Society
Direct



Stockholder
Indirect



Client
Indirect



Employee
Indirect



Supplier
Indirect



GRI topics

Related initiatives and indicators

Management Approach	GRI 103-1 Corporate Citizenship – Explanation of the material topic and its boundary
Management Approach	GRI 103-2 Corporate Citizenship – The management approach and its components
Management Approach	GRI 103-3 Corporate Citizenship – Evaluation of the management approach
General Disclosure	GRI 102-43 Approach to stakeholder engagement
Economic Performance	GRI 201-1 Direct economic value generated and distributed
Economic Performance	GRI 201-4 Financial assistance received from government
Economic Performance	GRI G4-DMA Economic Performance

“ In this chapter...

... we present our main actions related to private social investment in Brazil, in favor of the development of society, and we call this corporate citizenship. Our social investment and our practices related to our participation in the community are reflected in actions aimed at reinforcing our institutional presence and strengthening our government relations, in addition to voluntary solidarity practices with the community. We also describe our actions related to urban mobility with our pioneering initiative in active transportation and support for institutions and studies related to the topic.

Our social investment in education is aimed at promoting learning opportunities for all during formal education, mainly during High School, through the investments of Itaú BBA, Fundação Itaú Social (Itaú Social Foundation) and Instituto Unibanco (Unibanco Institute). With respect to the promotion of activities that stimulate culture, we present the main practices of Instituto Itaú Cultural (Itaú Cultural Institute) and the actions of Espaço Itaú de Cinema (Itaú Cinema Complex), in addition to the sponsorship of projects from different cultural fields. With respect to sports, we believe that it contributes significantly to develop critical citizens, which encourages us to invest and sponsor important sporting activities. We also present our practices for longevity through Itaú Viver Mais (Itaú Live Longer) and for the technological entrepreneurship market in Brazil through Cubo Itaú.

Given the relevance of this topic for us, in 2018 we reformulated the governance of our foundations and institutions, aiming at jointly deepening the

connection and similarities between them and correcting the main asymmetries. Accordingly, we restructured the Working Group of foundations and institutes to stimulate discussions in common by means of a unified agenda schedule, making the topics and communications spread across them. Our communication with the foundations and institutes became closer, we achieved a greater understanding of the affinities and integrated projects that have a unifying axis.

We developed the Governance Policy for Foundations and Institutions, which centralizes in a single department the communications of all those involved, to ensure that they all share a consistent discourse. An expressive and consistent visibility reinforces the message of commitment to the promotion of Brazilian culture.

Along the way, we monitor the impact of our actions by means of the Reprtrak survey, a reputational index that measures the emotional connection with each organism and the level of admiration, trust, respect and esteem that the interviewees have for each of our organizations. We noted that the institutions maintained by the bank enjoy a high level of admiration and respect. The people surveyed who know the causes very well assigned a score of up to 14 points higher than those who do not have contact with them. In the media, when we assess the Media Exposure Quality Index (IQEM), the content related to the causes represent 17.2% of the brand's visibility.

GRI 103-3 Corporate Citizenship



Private social investment

GRI 201-1 | GRI G4-DMA Economic Performance |

GRI 103-2 Corporate Citizenship

Under the assumption of contributing to the society that strengthens us, historically we are one of the most important players in private social investment in the places we are present, whether through direct contributions, projects supported by incentive laws or by means of our foundations and institutes.

We formalized in an internal policy the ruling that all of our social investment should contribute to the Sustainable Development Goals (SDGs) and consider, as a priority, the influence on public policies and the collective agendas at global, national or local levels, because we believe in building new models of collaboration among the different sectors of society and in the integration of the SDGs into the plans and policies of states and municipalities.

Accordingly, we joined the UNDP's Sustainable Development Goals Philanthropy Platform, a global initiative that connects philanthropy with knowledge and networks that can deepen collaboration, leverage resources

and sustain impact, driving SDG delivery within national development agenda. As regards this topic, we also joined the Global Compact, in the Brazilian Committee, with the commitment to adopt, in our business practices, fundamental and internationally accepted values in the fields of human rights, labor relations, environmental protection and combating corruption.

In 2018, we invested R\$631 million in more than 1,400 projects, 82.1% of which were invested through donations and sponsorships provided by us, and 17.9% were invested through funding subsidized by the Rouanet Law and Sports Incentive Law, contributing to projects in the education, health, culture, sports and mobility fields. This year, we revised the organization of our social investment in order to achieve further transparency and alignment with global trends. Accordingly, three new lines were included in our positioning: Development and local participation, Innovation and entrepreneurship, and Diversity. Thus, we redistributed the information that used to be part of the Institutional Support and others and the Seniors categories. In addition, we included the work and investment of our international units in Argentina, Chile, Colombia, Uruguay and Paraguay. We present as follows a breakdown of our work in 2018: [GRI 201-4](#)

Breakdown of the private social investment GRI 201-1

	2017		2018				
	Brazil		Brazil		LATAM ⁽³⁾		Total
	Amount (R\$ million)	Number of projects	Amount (R\$ million)	Number of projects	Amount (R\$ million)	Number of projects	Amount (R\$ million)
	Patrocínio		Patrocínio				
Not incentivized⁽¹⁾	414.3	668	485.1	1,086	33.1	125	518.3
Education	181.0	520	266.6	501	4.9	45	
Culture	148.5	50	105.9	240	13.1	43	
Sports ⁽¹⁾	7.2	7	4.9	4	0.7	2	
Urban mobility	64.9	45	64.3	45	10.5	3	
Diversity	N.A.	N.A.	7.6	44	-	-	
Development and local participation	N.A.	N.A.	11.4	69	3.4	21	
Innovation and entrepreneurship	N.A.	N.A.	24.5	183	0.6	11	
Institutional support and others	10.4	43	N.A.	N.A.	-	-	
Seniors	2.3	3	N.A.	N.A.	-	-	
Incentivized⁽²⁾	133.1	212	109.1	216	3.6	11	112.7
Education	15.8	38	12.4	58	0.9	10	
Culture	69.4	119	51.6	83	2.7	1	
Sports	16.9	18	12.4	24	-	-	
Health			20.3	35	-	-	
Seniors	31.0	37	12.3	16	-	-	
Total (not incentivized + incentivized)	547.4	880	594.2	1,302	36.8	136	631.0

(1) Own resources of the bank's companies and budget of foundations and institutes.

(2) Resources with tax incentive through laws such as Rouanet, Sports Incentive, among others.

(3) The amounts in foreign currency were converted into *reais* on December 31, 2018.

Bicycle sharing system

Because we are located in essentially urban areas and recognize the importance of valuing active transportation for the sustainable development of cities, we defined urban mobility as a pillar of investment within our sustainability platform and fostered the integration of bicycles into the transport model of cities jointly with the Public Authorities and society, seeking to influence public policies that promote the use of bicycles in people's day-to-day life. The cause is in line with the SDG Sustainable Cities and Communities, encouraging access to safe, affordable and sustainable transport systems.

Taking into consideration the relevance of transport emissions in total greenhouse gases (GHG) emitted in urban areas, we understand that offering a sustainable and non-polluting transport option is an important contribution to the climate change agenda and a real action to reduce the emission of these gases.

Bicycle sharing system

Our bicycle sharing system began in the city of Rio de Janeiro in 2012 and it was subsequently extended to other cities, such as São Paulo (State of São Paulo), Porto Alegre (State of Rio Grande do Sul), Salvador (State of Bahia), Recife, Olinda and Jaboatão dos Guararapes (State of Pernambuco) and Belo Horizonte (State of Minas Gerais). In the following year, we implemented the system in Santiago, Chile, expanding our actions in Latin America, and the Bike Buenos Aires, in Argentina. The project reached the mark of 6,899,130 trips since its inauguration, more than 660,000 registered users and over 19,000,000 kilometers traveled, which is equivalent to more than 470 around-the-world trips.

In order to improve the sharing system and the user experience, Bike Itaú now counts on a cutting-edge technology, new in Brazil, with a better operation standard, which provides more comfort, safety and convenience. The Itaú orange bicycles (laranjinhas) are lighter, more ergonomic and resistant.

Bicycle stands

By considering bicycle stands essential to encourage mobility via bicycles, we undertook the operation of five public stands, the Estações Bike (Bike Stations). In São Paulo (State of São Paulo), and Salvador (State of Bahia) combined, they were used almost 80,000 times in 2018.

We opened, for the first time, a bicycle sharing station in a suburban region, Cidade Tiradentes, in the city of São Paulo, the largest housing complex in Latin America. The station allows rentals for up to 12 hours, thus making commutes easier for people who live there. The project strengthens the inclusive potential of bicycles and is intended to collaborate with innovative solutions for the complex problems related to transport in the suburban regions of large cities.

Besides the effort to support the promotion of public policies for cycle mobility, we are committed to encouraging employees and clients to adopt the bicycle as a means of transport through:

- Internal campaigns;
- Bicycle stands at four administrative hubs of the bank in the city of São Paulo, as well as changing rooms and lockers. In the Faria Lima hub, the bicycle stand has spots with specific chargers for electric bicycles; and
- Ibike, a digital client relationship platform with content on urban mobility and sale of bicycles.

Actions for strengthening the strategy

In 2018, we provided institutional support for various projects, such as *União de Ciclistas do Brasil* (Union of Brazil's Cyclists), *Bike Anjo* (Angel Bike), *Bike é Legal* (Bike is Cool), *Transporte Ativo* (Active Transportation) and *Ameciclo* (Lovecycle), among others. We understand the importance of investing in initiatives of organized civil society in order to strengthen the movement in favor of active mobility and support local and regional projects on topics such as social inclusion and diversity.

Understanding the challenges of large cities to develop efficient cycling policies, we support organizations such as the World Resources Institute (WRI) and the Institute for Transportation and Development Policy (ITDP) to help in the technical training of municipalities on topics associated with sustainable urban mobility, public participation and implementation of large projects.

For the purpose of advancing on the evaluation of indicators and measurement of impact, we developed, in 2017, in partnership with Inspers Metrics, a protocol for the evaluation of social projects and their results related to the SDGs. In 2018, the methodology was applied to Bike Itaú by the Brazilian Center of Analysis and Planning (CEBRAP), bringing a new impact rationale to the active mobility topic. [GRI 103-3 Corporate Citizenship](#)

To develop academic studies on the topic, we have been funding, since 2017, the Desafio Itaú Cebrap de Mobilidade por Bicicleta (Itaú Cebrap Challenge of Mobility by Bike), which awarded five academic scholarships to students from graduate to doctoral levels who are conducting research on the subject. The winning research gave rise to the already published book *Estudos de Mobilidade sobre Bicicleta* (Studies on Mobility by Bike) and received more than 500 visits on Amazon. In 2018, we supported the challenge once again in order to create a continuous training program.

Learn more about our activities [here](#).

Development and local participation

[GRI 102-43](#) | [GRI 103-2 Corporate Citizenship](#) | [GRI 201-1](#) | [GRI G4-FS13](#)

Our impact goes beyond business operation: we have to pay attention to the needs and players in the different places where we operate because we want to act together with the local community with cross-cutting support that positively impacts the development of the regions.

In this sense, we seek to work by supporting and partnering with civil society organizations, whether through our institutional presence or through voluntary actions with employees. Reinforcing our local participation, we want to impact and dialogue, directly and indirectly, with the different players, collaborating to social transformation.

Institutional presence

In the scope of the institutional pillars, we also work with civil society and third-sector entities in order to drive the articulation of private social investment with causes and public policies in different cities of Brazil.

Among our main actions in this field is, firstly, our partnership with Instituto *Mara Gabrilli* (Mara Gabrilli Institute) whose main mission is to promote the autonomy of disabled people, disseminating knowledge on accessibility and carrying out actions that make society more inclusive and human. We support the *Cadê Você* (Where are You) project, which identifies disabled people who live in low-income communities in the municipality of São Paulo, disseminating important information about the services offered in the fields of health, education, labor and law.

In the State of Rio de Janeiro, meanwhile, we have a partnership with Instituto Novo Brasil Pelo Carimbo Solidário (New Brazil Institute for the Solidarity Seal), which works to regulate the housing situation of the residents of communities, seeking local development and the autonomy of the inhabitants.

Public authorities

We also participate in discussions, events and actions that contribute to the improvement and strengthening of communities around our major business hubs in Brazil, seeking to encourage projects, institutions and individuals in an innovative manner, towards the construction of a better world.

As regards our actions in partnership with the public sector, we highlight two main projects: *Horta Social* (Social Vegetable Garden) and *Cultura Acessível* (Accessible

Culture). The first is an initiative in the city of Fortaleza (State of Ceará), and its purpose is to promote the development of homeless people who are served at the Temporary Shelter Centers (CTAs) and Shelter Centers, by means of training in urban agriculture focused on the production of organic food in the city.

Meanwhile, the Accessible Culture is focused on the disabled people pillar and it promotes visits by disabled people in situations of high social vulnerability to cultural institutions and events in the municipality of São Paulo. Our support will cover expenses with transportation in adapted buses, Libras (Brazilian sign language) interpreters, audio description services and visual communication items.

Additionally, we maintain public areas, such as the Alfredo Egydio de Souza Aranha Square and the Lina e Paulo Raia Park, and sponsor cultural activities in the district of Jabaquara in partnership with the local community. We also hold meetings with local Public Authorities to identify opportunities to work within the institutional pillars.

Actions with employees

The voluntary actions of our employees reinforce Our Way of being. We encourage solidarity and leadership practices that contribute toward the development of the surroundings. Every year, we organize the *Gincana da Solidariedade* (Solidarity Treasure Hunt), an action that engages our employees from all over Brazil for the purpose of collecting clothes, blankets, toys, personal hygiene products, books and even bicycles. Our volunteers engage with the community to collect the donations and forward them to charitable institutions throughout Brazil. This year, we collected 175 metric tons that were delivered to more than 140 institutions and allocated 40,000 blankets and bed sheets throughout Brazil with the help of 70 leader volunteers.

Education

Investment in education is one of the driving forces towards social transformation and a basic pillar of a country's

sustainable development. The better the quality of education, the better trained and more capable citizens are to achieve better job opportunities and quality of life, thus strengthening Brazil's economy, which is the key for our business. We believe that equal public education promotes access to culture, creating autonomous citizens with a critical ability to assess their reality and propose the necessary changes.



Malala: a discussion on education and women's empowerment

How can books and education change the story of a person? It is based on this reflection that we promoted the Itaú Apresenta: Malala (Itaú presents: Malala) event, in São Paulo (State of São Paulo). We invited Malala Yousafzai, the Pakistani activist, student and youngest Peace Nobel laureate, to debate on the topics of education and women's empowerment. When Malala was 15, she was shot by the Taliban because she had spoken out against the prohibition of education for women. The student recovered, continued her campaign and, as a co-founder of the Malala Fund, she has been developing a global movement aimed at ensuring 12 years of education for girls.

We brought together women who stand out in the defense of education, children and women in Brazil. Together, they discussed how education can change the world, including topics such as the benefits of reading,

family ties, women's empowerment and diversity in education. Additionally, reinforcing her commitment to world education, the entire amount allocated to the Malala Fund was transferred to initiatives of Brazilian women who fight for this cause, with projects such as the promotion of a working environment that tolerates differences and diversity, the creation of an online course on gender equality and the current assessment of the impact of Brazilian education on girls.

Fundação Itaú Social

GRI 103-2 Corporate Citizenship

Created 25 years ago, Fundação Itaú Social (Itaú Social Foundation) contributes to improve the quality of Brazilian public education, focused on elementary and middle school. By means of partnerships with the three levels of government, civil society organizations (CSOs) and companies, it works on two lines: training education professionals and strengthening CSOs that work with children and young people. In 2018, 23,434 people were trained and 601 institutions were supported, benefiting around 3.3 million children and young people. Our institutional targets are in line with the SDGs. The Foundation is supported by an endowment, the income from which makes its programs and partnerships possible.

To meet the challenge posed by low performance and high dropout rates among Brazilian school children, the line of training education professionals is focused on two programs: *Letras e Números* (Letters and Numbers), focused on reading, writing and mathematics, and *Melhoria da Educação* (Improvement of Education), focused on improving municipal administration. One of the main projects of *Letras e Números*, *Escrevendo o Futuro* (Writing the Future), provides in-person and online training to Portuguese teachers. In 2018, 8,633 people attended the training course, reaching around 1.8 million students. The program promoted in-person training in 23 states: Acre, Alagoas, Amazonas, Amapá, Bahia, Ceará, Espírito Santo, Goiás, Maranhão, Minas Gerais, Mato Grosso do Sul, Mato Grosso, Pará, Paraíba, Pernambuco, Piauí, Rio de Janeiro, Rio Grande do Norte, Roraima, Rio Grande do Sul,

Sergipe, São Paulo and Tocantins. The *Escrevendo o Futuro* portal, with 384,000 registered users, provides input for teachers to improve their knowledge, come up with innovative learning strategies, and share experiences. In 2018, the investment made was R\$6.7 million.

Additionally, as regards reading, it is worth mentioning the *Leia para uma Criança* (Read to a Child), which is aimed at encouraging reading and sharing stories to expand the child's cultural repertoire and strengthen emotional, family and community ties. We send collections of children's books with guidance for reading mediation to all states every year. In 2018, the target of the program was to distribute 820,000 children's books and 6,443 book collections for children and young people to the network of the Reference Centers in Social Welfare (CRAS) through a partnership with the Ministry of Social Development; we distributed 407,000 collections made up of two children's books each and 6,443 book collections with 50 books each. Also this year, 1.6 million collections were distributed to 1.6 million individuals and 200,000 children's books were sent to partner Civil Society Organizations (CSOs) and State Education Departments. Among the accessible books, 2,000 collections of books in Braille and 2,000 collections of audiovisual books were distributed to 4,000 individuals. The investment made was R\$9.8 million.

The working line of strengthening civil society organizations focuses on increasing the opportunities for the full development of children and young people based on two programs: *Investimento na Sociedade Civil* (Investment in Civil Society), and *Redes e Arranjos* (Networks and Arrangements). Among the main projects of *Investimento na Sociedade Civil* is the Prêmio Itaú-Unicef (Itaú-Unicef Award), which is aimed at recognizing comprehensive education projects carried out by CSOs in partnership with public schools. In the 2017 edition, 1,651 partnerships between CSOs and public schools, from all Brazilian states, applied. In 2018, the program had 3,657 applicants, carried out 25 mobilization actions throughout Brazil and 100 CSOs and 40 public schools were awarded, with an investment of R\$10.7 million.

In order to prepare social managers to carry out evaluations, we provided courses on Economic Evaluation of

Social Projects. In 2018, in-person training was offered in the State of São Paulo. In this period, the target of the program was to organize two groups for the Course for Managers, one group for the Advanced Course and six groups for the Online Course. One Advanced Course group was organized, with 41 participants, in addition to six Online Course groups for Social Managers, with 375 participants. Additionally, there were two In-Person Course groups for Social Managers, with 90 participants. The investment made was R\$640,337.00.

Finally, there is our Volunteering Program, which is aimed at mobilizing and preparing our employees to carry out social actions, connecting them with civil society organizations from our networks that do volunteer work. In 2018, all states benefitted from volunteering actions by means of the 40 Itaú Mobilization Committees (groups of volunteer employees), totaling 470 volunteering actions and 2,766 volunteers.

More information on Fundação Itaú Social can be accessed [here](#).

Instituto Unibanco

GRI 103-2 Corporate Citizenship

Founded 36 years ago, Instituto Unibanco (Unibanco Institute) is an organization that works to contribute to the improvement of the quality of Brazil's public education, focused on improving the learning results of High School students and producing knowledge about this education cycle. The Institute develops and implements management solutions committed to the effective capacity of the public schools to ensure the right to education for all students.

The actions are structured on three fronts:

- Conception, development, implementation and evaluation of solutions applied to education management projects;
- Production and dissemination of knowledge through research, studies and debates focused on solutions based on empirical evidence and scientific investigation; and

- Support and incentive for projects and initiatives that are aligned with the challenges of High School.

Its main and largest program is *Jovem de Futuro* (Youth of the Future) that, since 2007, has been developing and implementing management solutions in partnership with public schools for the purpose of improving the learning results of the young people enrolled in the last three years of the compulsory school period. The Management Circuit, which is the central piece of the program, focuses on the students' full development and on the reduction of dropout rates; on the internal consistency and co-responsibility of all levels of the educational systems; and on the management cycles with continuous learning. *Jovem de Futuro* supports the education departments on seven fronts: governance, technical assistance, data systems, protocols, assessment, communication and training.

In 2018, 32 training meetings were held for around 5,000 education managers in more than 2,262 schools in six states (Ceará, Espírito Santo, Goiás, Pará, Piauí and Rio Grande do Norte). The total amount of the investment in this program was R\$2,226,849.40 in the year.

Since its creation, the *Jovem de Futuro* program has already contributed to the professional qualification of around 86,000 education professionals (school managers, supervisors and technical staff from the regional offices and central bodies), positively impacting the learning of more than 2.9 million youngsters in 11 education networks.

Over the ten years of the program, we have had a positive, relevant and consistent impact on the learning of Mathematics and Portuguese, measured based on the students' grades in standardized tests in the states. During the entire period, the average impact is of around four points in the SAEB (Basic Education Assessment System of the Brazilian Ministry of Education and Culture) scale, which means a 30% gain in the learning average of the SAEB scale. In addition to the impact on learning, there is strong evidence of improvement in the quality of school management, in the professional development of school supervisors and principals, and in the school climate. [GRI 103-3 Corporate Citizenship](#)

In 2014, the Institute started a line of call notices called *Gestão Escolar para Equidade* (School Management for Equality), dedicated to ethnic and racial and gender discussions, for the purpose of strengthening the education field. This working line supports technically and financially civil society organizations, human rights funds and academic institutions dedicated to the development of educational technologies and reflections aimed at improving the quality of education in Brazil.

In this work front, the Institute focuses on the topic of equality management. The initiatives expect to identify and foster promising experiences that generate consistent results and can be replicated in scale:

Edital Juventude Negra (Young Black People Call Notice):

in partnership with *Baobá – Fundo para Equidade Racial* (Baobá Fund for Racial Equality) and Universidade Federal de São Carlos (Federal University of São Carlos) invested R\$606,860.97 in 2018. The program received 185 applications for its 2nd edition in 2017, and enabled the development of projects in nine states in 2018. The selected projects contribute to improve indicators such as school access, completion, attendance, performance, number of black students who are admitted to higher education courses and other related indices. Most projects presented are supported by Law No. 10,639/2003 that provides for the mandatory teaching of Afro-Brazilian and African history and culture in the schools.

Edital Elas nas Exatas (Girls in Exact Sciences Call Notice):

organized in partnership with *Elas – Fundo de Investimento Social* (Girls – Social Investment Fund) and *Fundação Carlos Chagas* (Carlos Chagas Foundation) and with the support of the Brazilian office of UN Women; R\$930,512.78 in 2018. The activities proposed are varied and include training in robotics, programming and development of games and apps, construction of prototypes for electric energy generation, classes and debates about the history of women scientists, among other things.

Partnership with Instituto Rodrigo Mendes (Rodrigo Mendes Institute):

stimulates the design and implementation of public policies to ensure access, attendance and learning by students with disabilities. An amount of R\$400,000 was invested in the projects in 2018.

To comprise its project and initiative promotion strategy, the Institute supports other actions that are committed to improving the quality of public education, such as surveys and projects on ethnic and racial relations in schools, in partnership with CEERT (Center for Studies of Work Relations and Inequalities) and Ação Educativa (Educational Action). Additionally, it has an analysis and feedback platform for educational indicators developed by the Tuneduc startup, which increases the use of evidence in the decision-making process of education managers, a project which is supported in partnership with Itaú BBA.

By increasing the dialogue with the National Council of State Education Secretaries (Consed), we maintained our institutional partnership, technically and financially supporting the work of four working groups: School Management, High School, Evaluation and Financing.

With the participation of technical staff from the High School Working Group, we held the first training program on the formulation and implementation of public policies to restructure High School, in partnership with Itaú BBA and Insper. The program trained 108 technical staff from the 26 states and the Federal District with analytical and conceptual public education management tools. In this program, participants were challenged to develop a strategic plan for reorganizing the High School policy of each state.

With the Consed Financing Working Group, we developed and shared knowledge of the level and quality of spending in education in the Brazilian states in order to support national financing policies and state proposals for reducing spending.

With respect to corporate volunteering with the support of employees, Instituto Unibanco runs the *Estudar Vale a Pena* (Studying is Worthwhile) program. The program is aimed at promoting the meeting of public High School professionals and students so that the exchange of experiences can motivate the development of their life projects. In 2018, the program involved 873 volunteers from the states of São Paulo and Espírito Santo who visited 53 schools and impacted 5,426 students and, for the second time, the volunteer teams from the conglomerate's foundations and

institutes in the five countries where it operates (Argentina, Brazil, Chile, Paraguay and Uruguay) met to think about the simultaneous development of mobilization and social engagement actions. Instituto Unibanco also took part in the initiative called *Ação Global* (Global Action) by means of the *Estudar Vale à Pena* program. The investment this year was R\$1,267,468.11.

The institute is supported by an endowment. Learn more about Instituto Unibanco [here](#) or directly in the [activities report](#).

Itaú BBA Educação

GRI 103-2 Corporate Citizenship

For four years, Itaú BBA has been making investments focused primarily in the formulation of a new High School Education model that is flexible and articulated with Technical Education and professional qualification.

In 2018, we highlight the technical support provided in the states of Santa Catarina, Paraíba, Mato Grosso do Sul, Pernambuco, Bahia, Sergipe, Rio Grande do Norte, Ceará, Espírito Santo and the Distrito Federal in the formulation of High School education models that integrate professional education with vocational and technological courses whose curricula are articulated with those of high school.

As part of this action, meetings were held to define the composition of the education departments' teams, to formulate and detail the implementation proposals and to organize the II Meeting of Itaú BBA Partner States, which had speakers with high international influence in the field of education. For two days, State Education Secretaries, technical staff and administrators of the education departments of the ten Brazilian states supported by Itaú BBA, in addition to representatives of civil society organizations, participated in debates and exchanges of experiences about making curricula more flexible to combine High School Education with vocational and technical education.

We continue to provide technical and financial support to the National Council of State Education Secretaries (Consed) with a focus on the Meetings of Working Groups, which, this

year, prioritized flexibility for High School curricula combined with the inclusion of vocational and technical courses.

The specialization course Program for Training in Planning for the Implementation of Public Policies and Development of High School Education, a partnership of Itaú BBA with Instituto Unibanco (Unibanco Institute) and Insper, was maintained. The course had the participation of all states and benefited 54 technicians from all Education Departments of Brazil who attended it in-person and another 54 technical staff who took the distance learning course. The course, which started in 2017, ended in 2018 with the presentation of the high school development project for each state, prepared by the respective teams. The total amount invested in the support to Consed in the course organized by Insper was R\$515,000.00.

As part of the actions with the states for a better management of public education, Itaú BBA supported, in partnership with Instituto Unibanco and *Fundação Lemann* (Lemann Foundation), the use, by the partner states, of the *Foco Aprendizagem* (Learning Focus) platform, produced by the Tuneduc startup. This platform, which has a personalized name in each state, delivers qualified information for teachers and managers based on the analysis of teaching indicators, significantly increasing the management perspective of the class and of the school.

Representatives of Itaú BBA integrate the *Movimento pela Base Nacional Comum Curricular* (Movement for the National Common Core Curriculum – BNCC), a non-governmental group of education professionals that, since 2013, has been working to facilitate the development of a quality curriculum. The amount invested was R\$222,000.00.

Itaú BBA supported *Todos pela Educação*, which is a civil society movement founded in 2006 for the purpose of improving Brazil's education and driving the quality and equality of Basic Education. The amount invested in the Movement was R\$550,000.00 and the main actions supported were:

- *Educação Já* (Education Now), which consists of a short-, medium- and long-term action to make basic public

education evolve in Brazil in a systemic way by means of a set of measures that can promote structural changes; and

- *Profissão Professor* (Teaching Profession), which is aimed at guiding public policies for teachers based on four pillars: teaching references, attractiveness of the profession, initial and continued education, career and working conditions. Learn more [here](#).

Itaú BBA has been, since 2011, participating in the *Educação Compromisso de São Paulo* (Education Commitment of São Paulo) program and, with State Education Department, it works to support evidence-based educational policies. Together with a group of third sector organizations, we believe that, by persisting in this direction, the São Paulo state school system can, in just over a generation, reach international standards of quality, that is, be one of the world's 25 best systems and position the teaching career among the ten most desired in the State. The amount invested in the project was R\$250,000.00.

We also support *Parceiros da Educação* (Partners of Education), a non-profit association created in 2004 that works for public education with quality in Brazil. Itaú BBA institutionally contributes to the Association and sponsors two state public comprehensive education schools in São Paulo. The amount invested in the project was R\$1,052,136.90.

We also published the studies: *Formação Técnico-Profissional* (Technical and Vocational Education), by Laís da Costa Manso Nabuco de Araújo and Maria Helena de Castro Lima; *Curricular Models for High School: Desafios e respostas em onze sistemas educacionais* (challenges and answers in eleven educational systems), by Alejandra Cardini and Belén Sanches, and *Articulação Curricular e Projetos Empreendedores* (Curricular Articulation and Entrepreneur Projects): an innovative practice in the Paraíba state school system.

Itaú BBA has been making an important contribution so that vocational education combined with high school can gain strength in the agenda of the implementation of the high school reform.

Culture

The positive impact of culture on the dissemination of intellectual assets and the promotion of learning in society cannot be denied. Increasing people's contact with cultural diversity is a way to create new paths of social development.

By believing in this, we support the democratization of culture through investments by our foundations and institutes and through a range of sponsorships.

Instituto Itaú Cultural

GRI 103-2 Corporate Citizenship

After completing 30 years of existence, Instituto Itaú Cultural (Itaú Cultural Institute) defined its purpose and a new visual identity. This purpose seeks to translate an abundance of activities, a way of making and stimulating culture and art.

At the beginning of 2018, the Institute introduced a new schedule: Tuesdays dedicated to cinematography, with movie sessions, courses and other activities. Music, theater and dance were held on Thursday and Sunday evenings. There were 246 performances with an 85% occupancy rate.

The sculptor Véio, from the State of Sergipe, one of the winners of the Itaú Cultural Award 30 years, in 2017, was the topic of the first major exhibit of the year: *Véio – a imaginação da madeira* (Véio – the imagination of wood). The production of the architect and designer Sergio Rodrigues was celebrated in *Ser Estar – Sergio Rodrigues (To Be – Sergio Rodrigues)*; and the work of the ballerina and choreographer Angel Vianna and the literary critic Antonio Candido was addressed in festivals of the *Ocupação Itaú Cultural* (Itaú Cultural Occupation) program. The amount invested in the program was R\$3,049,477.86.

In the last quarter of the year, the exhibit about the photographer German Lorca and the occupations by Paulo Mendes da Rocha and Ilê Aiyê took place. The first was a tribute to a career of more than 70 years dedicated to photography, the second was a selection of the production of the architect based on the relation of his work with water,

and the third told the story of Brazilian Carnival's first afro group. The exhibit *Imagens Impressas* was the last of the year. The audience at the head office totaled 472,634 people, a growth of 48.39% in relation to the previous year.

The institute organized the seminar *Proteção e Circulação de Bens Culturais: combate ao tráfico ilícito* (Protection and Circulation of Cultural Assets: combat of illicit trafficking), with representatives from government bodies and entities from the sector, and organized the third edition of *Mekukradjá – Circulo de Saberes* (Mekukradjá – Circle of Knowledge), a cycle of debates on indigenous issues. The *Classificação Indicativa: -18* (Indicative Classification: -18) audiovisual festival, of short and feature films targeted at young people, and partnerships such as the *Mostra Internacional de Teatro de São Paulo* (International Theater Festival of São Paulo) (MITsp) and the *É Tudo Verdade* (It's All True) – International Festival of Documentaries at the 42nd São Paulo Film Festival.

With respect to the touring exhibits, the cities of Rio de Janeiro (State of Rio de Janeiro), Ribeirão Preto (State of São Paulo), Curitiba (State of Paraná), Porto Alegre (State of Rio Grande do Sul), Brasília (Federal District), Florianópolis (State of Santa Catarina), Fortaleza (State of Ceará), Brumadinho (State of Minas Gerais), and Buenos Aires, in Argentina, received exhibits with works that are part of the bank's Art Collection. These activities were visited by 181,416 people and received an investment of R\$453,265.13.

In May, the 109 winning projects for the 2017–2018 edition of the Rumos Itaú Cultural (Itaú Cultural Directions) were disclosed. The investment for the call notice was R\$820,065.41. Selected from among more than 12,000 applications – from all Brazilian states – the projects reflect topics related to black awareness and gender and indigenous issues, among others.

In 2018, the Institute carried out 1,117 activities that were attended by more than 758,000 people. In addition to the actions, there were exhibits at *Espaço Memória* (Memory Room) and performances at the Ibirapuera Gymnasium. At the head office of Itaú Cultural, on Paulista Avenue, is the *Espaço Olavo Setubal* (Olavo Setubal Room), a permanent exhibit that has already received more than 241,635 visitors since its opening in December 2014.

The Itaú Cultural website had more than 22 million accesses in the year. The accesses to the collection of Enciclopédia Itaú Cultural de Arte e Cultura Brasileiras (Itaú Cultural Encyclopedia of Brazilian Art and Culture), consisting of 172,000 entries, continue to increase, reaching more than 1.5 million a month.

Many of the actions of Itaú Cultural meet the UN's Sustainable Development Goals (SDGs), a subject that is increasingly prioritized at the Institute. In 2018, a Working Group on the topic was created.

Diversity

Diversity is part of the governance of Instituto Itaú Cultural. Over the course of 2018, diversity continued to guide the institute's activities. The fifth edition of *Todos os Gêneros: mostra de arte e diversidade* (All Genders: art and diversity festival), which reflects on notions of gender, sexuality and affection in society, was carried out in May and the topic was living with HIV. The event had the exhibit of short films, debate panels, theater performances, performances in general, in addition to a concert by the singer Almério, from the State of Pernambuco, a party, *Cabaré de Todos os Gêneros* (All Gender Cabaret), and the launch of the book *Tente Entender o que Tente Dizer – Poesia HIV/Aids* (Try to Understand what I Try to Say – HIV/AIDS Poetry), organized by the writer, journalist and human rights activist Ramon Nunes Mello. In the second half of the year, in August, there was the above mentioned third edition of *Mekukradjá – Circulo de Saberes* (Mekukradjá – Circle of Knowledge), which reflects the struggles of indigenous people in multidisciplinary activities. The latter takes place on an annual basis and proposes reflections on life in the cities. In December, there was the third edition of the project *|| Entre || Arte e Acesso* (|| Between || Art and Access), with the topic accessibility and culture. The event gathered many artists with disabilities from different fields of expression to explore the worlds of art and culture from the accessibility standpoint.

Espaço Itaú de Cinema

Since its inauguration in 1995, the main purpose of Espaço Itaú de Cinema (Itaú Movie Theater Complex) has been to provide different views of cinematography, create critical audiences and leave a legacy for society, always supporting projects that value and reinforce our commitment to the democratization of culture.

Our structure has eight movie theater complexes in six Brazilian cities – Brasília (the Federal District), Curitiba (State of Paraná), Porto Alegre (State of Rio Grande do Sul), Rio de Janeiro (State of Rio de Janeiro), São Paulo (State of São Paulo) and Salvador (State of Bahia) with 57 movie theaters and 198 seats for people with special needs. In 2018, we received more than 2.9 million people in our movie theaters.

In addition to offering movies of different profiles, our complexes also allow for access to different types of content, such as sports, musical and educational events, which are broadcast live via satellite. Since we are concerned with providing access to culture to the entire population, all movie theaters offer accessibility and seats for disabled people.

Among our social programs is the *Clube do Professor* (Teacher's Club) whose purpose is to extend the cinematography experience of teachers. The ticket for the session is free for teachers who have the *Clube do Professor's* card plus a companion. In 2018, 28,415 teachers used this benefit, 16% fewer than in 2017 (33,748 teachers), which is below the 10% increase target established. In 2016, 37,661 teachers benefited.

Another social program is the *Escola* (School) Project whose purpose is to integrate different forms of expression, always seeking to relate fields of knowledge in its programs. In addition to showing movies, the project also carries out workshops, debates and other additional activities to address the content and understanding of the topics presented. Accordingly, it seeks to contribute to the development of people who have a critical sense and who are more active in society. In 2018, 14,629 students participated in the project, 19% fewer than in 2017 (18,168 students), which is below the 10% increase target established. In 2016, we catered to 13,702 students.

We have cross-cutting actions with the audiences of the other institutions we work with. We offer free movie sessions to the participants of Itaú Viver Mais (Itaú Live Longer) focused on the longevity topic in all movie theaters every last Tuesday of the month, with a debate on the matter at the end of the session. In 2018, 9,547 seniors participated in the sessions, representing an increase of 21% compared to 2017 (7,917 seniors), which was higher than the 10% increase target established. In 2016, 7,906 seniors benefited.

GRI 103-3 Corporate Citizenship

We also carried out the free airing of the documentary *Elo Perdido* (Missing Link), of Renata Falzoni, during the Mobility week and, in partnership with the Administration Office of the City of São Paulo, we ran the Yellow May campaign in our sessions.

In 2018, we also carried out the *Mulheres Negras* (Black Women) project in the Brazilian audiovisual campaign. Espaço Itaú de Cinema Augusta organized a scriptwriting workshop with black women and the meetings were run by one of Latin America's most distinguished scriptwriting consultants, the Cuban writer Eliseo Altunaga. The idea of the workshops arose from the desire to support Brazilian black female scriptwriters and their authorial narratives. Fifteen black female writers, from across Brazil, had the opportunity to develop their arguments in practical and theoretical classes. This action was a partnership between Espaço Itaú de Cinema and the website *Mulheres Negras do Audiovisual Brasileiro* (Black Women of Brazilian Audiovisual).

We also organized the round table conversation *Olhos Negros – Cinema Negro e a Formação das Novas Gerações do Audiovisual* (Black Eyes – Black Cinematography and the Training of the New Generations of Audiovisual) to discuss the ways black cinematographers and their topics can bring new generations closer to the world of movie-making and contribute to racial discussions. Traditionally far from the places that make, think about and show Brazilian movies, the prospect of black youngsters is to touch the audience that identifies with their stories and build, together, the bridge that can take them from the place of the subject matter to the subject of their representation and representativeness. The purpose of the meeting was to broaden the perspective for Brazilian cinematography on and off the screens.

Learn more about Espaço Itaú de Cinema [here](#).

Other cultural investments

In 2018, we sponsored important projects from the most varied cultural fields, such as the 42nd São Paulo Film Festival (State of São Paulo), Brazil's most important film festival, and the International Photography Festival of Porto Alegre (State of Rio Grande do Sul), which was created to help expand the visibility of Brazilian photographers and today is one of the international events on contemporary Brazilian photography, in

addition to *A Primeira Estrela* (The First Star) exhibit, which took place at the Soccer Museum in São Paulo and talked about the Brazilian National Soccer Team of 1958, which won the World Cup for the first time.

We also support relevant literary projects, such as the International Literary Festival of Paraty (FLIP) and the Literary Festival of the Outskirts (FLUPP), which takes place in the city of Rio de Janeiro (State of Rio de Janeiro), in addition to the 26th São Paulo International Book Fair.

Another cultural expression we support is dance through festivals such as the Dance of Joinville (State of Santa Catarina), and the Denise Stoklos International Festival of Solo Performance, which takes place in Irati (State of Paraná). We also support the dance company *Cisne Negro Cia. de Dança*, such as its Ballet Paraisópolis Project, which was founded in 2012 in the Paraisópolis community in São Paulo (State of São Paulo) and which, through the teaching of classical and contemporary ballet, encourages children and young people to seek better opportunities in life.

Eight years ago, we sponsored SP Arte (SP Art), one of Latin America's major art fairs that takes place in São Paulo. Also in the field of visual arts, we supported the 33rd São Paulo International Arts Fair.

Because we care for the democratization of and access to culture, we also support, every year, large public institutions, such as the Museum of Modern Art (MAM), the Assis Chateaubriand São Paulo Art Museum (MASP) and the Bienal Foundation. Accordingly, we encourage the construction and continuity of inclusive and pluralistic venues for society.

Music is another cultural expression for which we have significant projects. The Trancoso Music Festival (State of Bahia) was created to turn classical and popular music into a permanent source of personal and social development through the education of people. We support the Philharmonic Orchestra of Minas Gerais and the Symphonic Orchestra of the State of São Paulo (OSESP), with which we have been partners since 2007.

In addition to our work in Brazil, our Latin American units also supported some projects, both large events and permanent cultural institutions. In Chile, we were the master sponsor of Lollapalooza, the largest musical festival in that country. Meanwhile, in Uruguay, we have a strong presence in Montevideo Rock, the most prestigious rock event in Montevideo.

According to the institutional purpose of supporting the democratization of culture, we support the *Centro de las Artes 660*, a relevant cultural center in the city of Santiago, Chile. In Paraguay, we support many cultural institutions, such as the *Centro Cultural del Lago* (Del Lago Cultural Center), *Fundación Migliorisi* (Migliorisi Foundation), *Centro Cultural Manzana de la Rivera* (Manzana de la Rivera Cultural Center) and the musical project *Comunidades Musicais Transformadoras* (Transforming Musical Communities).

We also support projects via tax incentives from the tax deduction program of the Ministry of Culture in Buenos Aires, Argentina. In 2018, we provided support of more than R\$2.5 million.

Sports

We sponsor many projects in three sports (soccer, tennis and multidisciplinary) whose purpose is to promote social inclusion through sports, the strengthening of our brand and the training of people to disseminate the practice of sports, thus transforming people's worlds.

Our involvement with soccer started more than 20 years ago through the sponsorship of television broadcasts such as the Brazilian Championship, the FIFA 2014 World Cup and the Brazilian National Soccer Team. Since 2008, we have been sponsoring both the Male and Female Brazilian National Soccer Teams in all categories: Principal, Olympic, under-23, under-20, under-17 and under-15. We also sponsored the Chilean National Soccer Team from 2015 to 2018.

We also have a long history of support for tennis and we prepared a complete platform that goes from the junior category to high performance. In the sports initiation phase, we support the *Bola Dentro* (Ball Inside) Project, which has been receiving

our support since 2016 and caters to around 200 youngsters a year at the Villa Lobos Park in São Paulo (State of São Paulo).

The Centro de Treinamento Itaú/Instituto Tênis (Itaú Training Center/Tennis Institute), a project that we have been supporting since 2009, is focused on the training of high-performance junior athletes and support to take these tennis players to the main tournaments around the world.

The mission of Tennis Route is to transform the life of young tennis players through the sport and education, offering opportunities to create routes towards professional or university tennis. Thiago Wild, one of the Institute's athletes, was the second Brazilian junior champion in the Junior U.S. Open 2018 Grand Slam.

Additionally, representing women, we have been supporting, since its beginning in 2010, the International Female Tennis's Future Circuit, which allows youngsters to accumulate points in the world ranking and have the chance to participate in high-performance championships outside Brazil.

With a high performance since 2015, we are the main sponsor of the Miami Open, the Masters 1000 event of the Association of Tennis Professionals (ATP), a project that we have been supporting since 2009, which is one of the world's most important tournaments that has taken place every year, until 2018, in Key Biscayne, State of Florida. In Brazil, we have sponsored the Rio Open, the largest South American tennis tournament, since its first edition in 2014 until 2018.

With respect to the multidisciplinary projects, we have been sponsoring, since 2009, the *Caravana do Esporte* (Sports Caravan) – a touring program that serves Brazilian municipalities indicated by Unicef as having a low Human Development Index (HDI) and that promotes the training of teachers. It has already benefited, since the beginning of our support, 178,000 children and young people and trained 5,000 teachers, in addition to two million indirect services. Since 2015, we have been supporting the *Campeões da Vida* (Life Champions) Project of the Guga Kuerten Institute, which caters to nearly 700 people a year in the region of Santa Catarina, encouraging the practice of sports.

Diversity

Over the course of the year, we formalized our commitment to the strengthening of civil society in favor of diversity, working based on topics such as LGBT+, race, gender, disabled people and seniors. We believe that the investment in this cause as a whole is not only cross-cutting but also a new front of consolidation and, for this reason, we decided to include it at the forefront of our Social Investment.

In this chapter, we are focusing on the activities related to the seniors pillar. To learn more about our other actions and our view on Diversity, please see the Diversity Chapter in this report on [page 77](#).

Seniors

The aging of the population is a phenomenon that is occurring on a global scale, particularly in the developed countries. This process is characterized by the constant growth of life expectancy and the drop in fertility.

We are experiencing a technological revolution that will essentially transform the way we live, work and relate to others. In its scale, scope and complexity, the transformation will be different from anything that man has experienced before. In this context, the global economic system is being redefined based on disruptive forces that work simultaneously, related to technology and demographic change. Although separately these phenomena are well known, there are still few studies that address the topics in an integrated manner and only recently have we observed their impact on society.

We believe that we can contribute to society, sponsoring initiatives, training people and supporting governments and civil society to address demographic change and its impacts.

Seniors Funds

In 2018, the strategic review of Itaú Viver Mais (Itaú Live Longer), a non-profit association focused on people over 55, was completed with improvements and a new value proposal for the projects. In order to promote the culture of longevity

and work on the development of public policies aimed at seniors, Itaú Viver Mais has been aiming its efforts at the establishment of Municipal Councils of Seniors. The purpose is to promote governance and transparency practices and qualify the investments made by means of the seniors funds, thus contributing to the development of municipal public policies. The initiative has been carried out in the cities of Rio de Janeiro (State of Rio de Janeiro), Porto Alegre (State of Rio Grande do Sul), Salvador (State of Bahia), Belo Horizonte (State of Minas Gerais) and São Paulo (State of São Paulo).

By means of the elderly person incentive act, we donated R\$12.2 million to support 16 projects in 16 funds all over Brazil.

In 2018, the Associação Itaú Viver Mais (Itaú Live Longer Association) reached approximately 2,434 people in 36 municipalities, and the total annual investment amounted to R\$2.1 million. The activities were distributed among the states of São Paulo, Rio de Janeiro, Paraná, Bahia, Rio Grande do Sul, Minas Gerais and the Federal District.

The association promotes the following projects:

Physical and cultural activities: yoga, pilates, dance and tai chi chuan classes, and workshops with musical instruments and craftwork in 29 locations in four states – São Paulo, Rio de Janeiro, Minas Gerais and Rio Grande do Sul, serving 1,940 people.

Itaú Viver Mais Cinema (Itaú Live Longer Movies): 77 commented sessions of movies, for free, in São Paulo (State of São Paulo), Salvador (State of Bahia), Rio de Janeiro (State of Rio de Janeiro), Porto Alegre (State of Rio Grande do Sul), Curitiba (State of Paraná) and in the Federal District, with 9,547 tickets distributed.

Diálogos Itaú Viver Mais (Itaú Live Longer Dialogues): an event dedicated to the exchange of knowledge about matters related to seniors in partnership with the Pontifical Catholic University of São Paulo (PUC-SP). Two events were held in São Paulo (State of São Paulo), with the presence of 182 people.

Elderly people diagnosis: according to the guidelines of the World Health Organization (WHO) for active aging, an indicator matrix was created to guide the development of public policies for seniors. This action was carried out in seven cities: Rio de Janeiro (State of Rio de Janeiro), Belo Horizonte (State of Minas Gerais), Salvador (State of Bahia), Porto Alegre (State of Rio Grande do Sul) and São Paulo, Mogi Mirim and Poá (State of São Paulo).

Entrepreneurism

As the largest private bank in Brazil, we have been constantly reinventing ourselves in order to continue to be at the vanguard in the use of new technologies and tools. With this motivation, we pioneered in the creation of an initiative to promote the technological entrepreneurship market, in addition to investing more than R\$24 million in civil society initiatives, both domestically and internationally.

Cubo Itaú

Inaugurated in September 2015 in partnership with Redpoint eVentures, Cubo Itaú is a non-profit organization and the largest hub for the promotion of technological entrepreneurship in Latin America, which speeds up the connection and creation of business between large companies and startups.

The purpose of Cubo Itaú is to offer an inspiring environment to connect brilliant people with a will to transform business, technology and people's lives better. We want to generate the exchange of experiences, the sharing of knowledge and the disclosure of opportunities for entrepreneurs, students, investors and professionals of large companies or startups.

Cubo makes available its event venues for workshops, lectures and relevant meetings for the growth of the innovation ecosystem. Additionally, *Cubo* has eight programs to constantly discuss some topics that have been identified as priority in this ecosystem. They are: Diversity in Tech, Corporate Venture, VC for founders, Best Practices, Open Coffee Club, *Cubo Day, Brasil ao Cubo* (Brazil Cubed) and *Cubo Talks*.

Cubo Itaú is located at the Vila Olímpia district in the city of São Paulo (State of São Paulo) and houses in its physical space around 1,250 residents from different segments, such as health, education, fintech, logistics, industry, retail, among others, in addition to more than 250 startups that are present on the *Cubo* Digital platform, which includes entrepreneurs from all over Brazil.

For a startup to become a resident of *Cubo*, it needs to offer a real solution with scale potential. *Cubo's* selection criteria take into consideration the relevance of the business for the market at which it is targeted and the capacity for transformation offered to society. Some points, such as its stage of operation in the market, ability to perform, scope of scale and value proposition to other residents are also taken into consideration. At *Cubo*, we have startups that work with artificial intelligence, gamification and Internet of Things, among other technologies that are accelerating digital transformation in Brazil and around the world.

The space, which was created in 2015, has been such a success that, in 2018, it increased fourfold and expanded its connection capacity. The expansion follows the growth of entrepreneurship in Brazil and *Cubo's* representativeness in the market. Additionally, *Cubo* also started to pay more attention to some fields that are part of the hub's structure today. Health, fintech, industry 4.0, education and retail are the promising segments identified as bets to develop the innovation ecosystem.

Connecting the main agents to promote the technological and entrepreneurial ecosystem has proven to be the real value proposition of Cubo Itaú in its three years of operations and, in this period, the hub has reached very significant figures.

- More than 2,000 people using the space per day;
- More than 3,000 jobs have been created by the resident startups to date;
- More than 24,000 candidates applied for jobs on the platform of *Cubo* startups and more than 4,400 job vacancies were disclosed;

- Business generated between large companies and startups: +720 contracts until July 2018 | +370 in 2017;
- Residents' billing: +R\$230 million until July 2018 | +R\$110 million in 2017;
- Investment by large companies in the business models of startups: +R\$50 million until July 2018 | +R\$50 million in 2017;
- Startups of the ecosystem assessed: +500 until July 2018 | +300 in 2017; and
- Events organized: +790 until 2018 | +700 in 2017.





Environmental Management

“ Why is this **matter** material?”

The creation of shared value for employees, clients, suppliers, stockholders and society is key for us to continue pursuing our vision of becoming the leading bank in Sustainable Performance and Customer Satisfaction. As a result we acknowledge our responsibility to have a transformative role by acting beyond our operations and contributing to create positive impacts on the market and society.

GRI 103-1 Environmental Management

We strengthen this commitment 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 nonfinancial information.

GRI 103-2 Environmental Management

Even if our financial business creates a low environmental impact as compared to other industries, this matter’s materiality increases when we consider the size and structure required for financial institutions to operate efficiently. In light of the size of our operations in large urban centers, our main action place, we understand the importance of recognizing, measuring, and managing the environmental impact of our activities since this is the only way to reduce our direct strain on natural resources. An example of the positive and negative impacts of the operation of financial institutions is our Itaú Conceição Corporate Center, with more than 12,000 employees divided in five building located in the Jabaquara district, São Paulo. The implementation of these buildings reinvigorated the local economy and attracted more investments to this micro-region, in contrast to the consumption of water, energy, and land occupation related to their construction and use.

”

Materiality

Environmental Management GRI 103-1 Environmental Management

Potential SDGs	Targets	Positive impact
	7.2 By 2030, increase substantially the share of renewable energies in the global energy matrix.	We promoted the use of renewable energies by installing solar panels in our administrative buildings, and implemented Solar Farm projects to supply solar power to 200 branches in Minas Gerais.
	12.2 By 2030, reach the sustainable and efficient use of natural resources.	We reduced the consumption and are continuously improving the efficiency in the use of natural resources in our facilities through sustainable with certifications, consumption monitoring, emissions offset, efficient use natural resources with water and energy decrease de consumption actions, in addition to making our goals public.
	12.5 By 2030, substantially reduce the generation of waste through prevention, decrease, recycling, and reuse.	We conducted actions to decrease the volume of waste disposed in landfills.
	13.3 Improve education, increase awareness, and human and institutional capacity about the mitigation, adaptation, decrease of impacts, and early alert of climate change.	We contribute to raise the awareness and decrease emissions with the initiative of the Climate Commitment Program in association with other organizations, aiming at offsetting carbon credits and promoting projects focused on the decrease of emissions.



GRI topics	Related initiatives and indicators
Management Approach	GRI 103-1 Environmental Management – Explanation of the material topic and its boundary
Management Approach	GRI 103-2 Environmental Management – The management approach and its components
Management Approach	GRI 103-3 Environmental Management – Evaluation of the management approach
Material	GRI 301-1 Materials used by weight or volume
Energy	GRI 302-1 Energy consumption within the organization
	GRI 302-4 Reduction of energy consumption
Water	GRI 303-1 Interactions with water as a shared resource
	GRI 303-3 Water withdrawal
Emissions	GRI 305-1 Direct (Scope 1) GHG emissions
	GRI 305-2 Energy indirect (Scope 2) GHG emissions
	GRI 305-3 Other indirect (Scope 3) GHG emissions
	GRI 305-5 Reduction of GHG emissions
Effluents and Waste	GRI 306-2 Waste by type and disposal method
Compliance	GRI 307-1 Non-compliance with environmental laws and regulations

“ In this chapter...

...we present our key actions regarding this matter, including our goods practices, the environmental management system (ISO 14001 certifications), and other sustainability-related certifications.

We highlight the main challenge faced concerning the volume of consumption information and management, in light of the wide-ranging a geographical distribution of our operations. We also share our environmental management goals and the detailed management of our key resources used and our key environmental aspects. At the end we present our investments in eco-efficiency, aimed at mitigating and preventing our environmental impacts.



Our environmental management

GRI 103-2 Environmental Management

In order to encourage, control, and disseminate the creation and implementation of projects that pursue a decrease in the consumption of natural resources and more efficient environmental management, we created a working group within central management focused on efficiency in utilities. As a result of the group's activities, in 2018, we had 27 eco-efficiency initiatives implemented in 18 administrative buildings that led to a decrease of consumption by 4.0 GWh of energy, 13,000 CM of natural gas, 26,000 CM of water, 57,000 liters of diesel, avoiding the emission of 469 tCO₂e.

In addition to our efficient consumption actions, our pursuit to improve environmental management allowed us to certify the Itaú Unibanco Corporate Center under ISO 14001, still at the end of 2017. Added to the certifications of our Corporate Center and our Tatuapé Administrative Center (certified under ISO 14001:2015 since 2011), we currently have 47.2% of our central administration employees in Brazil allocated to certified buildings (except for the wholesale banking buildings). The ISO establishes and manages international standards for quality management procedures, and the 14001 series includes specific standards for the management of environmental impacts and people safety. **GRI 103-3 Environmental Management**

Also regarding our certifications, our FL 3500 building has since 2016 the triple LEED Gold Seal certification for sustainable constructions, granted by the US organization U.S. Green Building Council (USGBC), in the categories LEED O+M (Operation and Maintenance), LEED BD+C (Building Design + Construction), and LEED ID+C (Interior Design + Construction). Our CTMM was awarded the certifications LEED Gold (New Construction), LEED Silver (New Construction) – both awarded by the U.S. Green Building Council, and TIER III Gold, categories Design Documents, Constructed Facility, and Operational Sustainability, which is the highest level of certification granted by the Uptime Institute: global standard for datacenter.

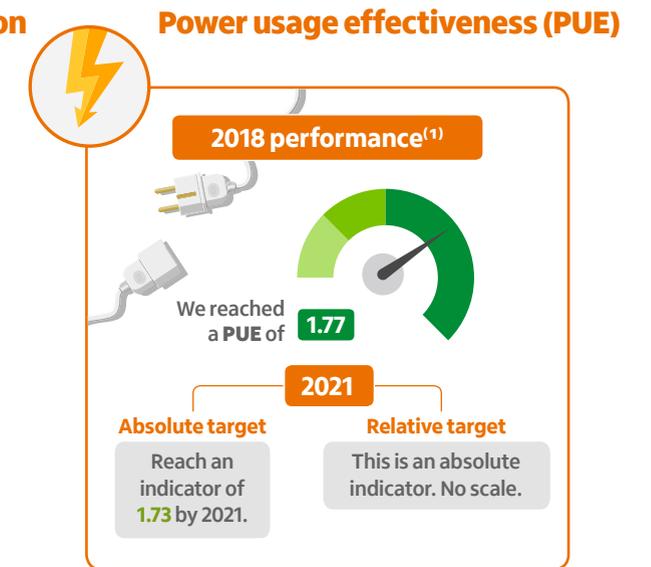
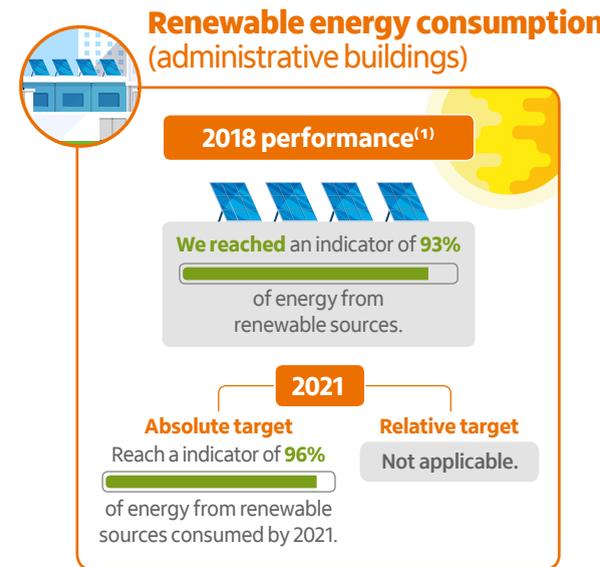
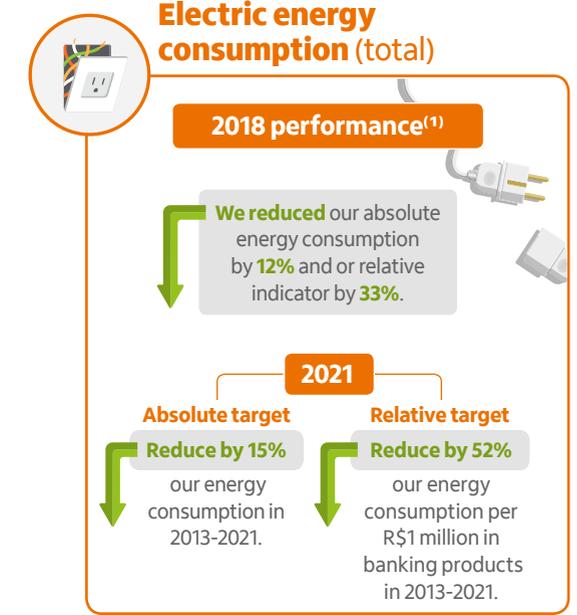
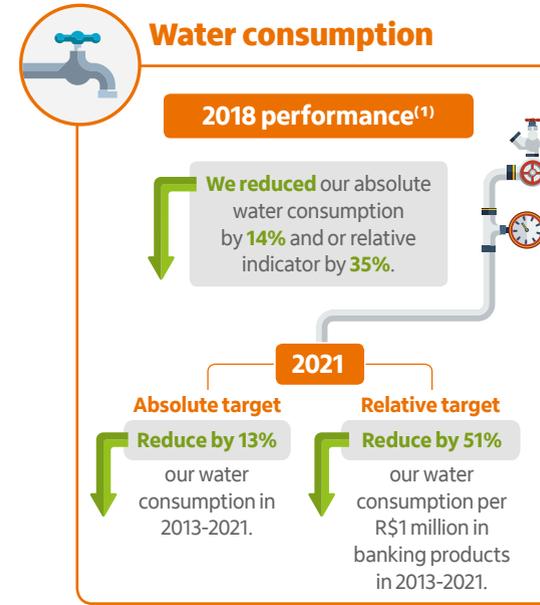
We have been conducting tests in our branches of new building concepts and following up the results of such tests. The refurbishment concepts are based on the principle that a building's existing structure and materials must be respected to produce the least waste possible during construction. This project also promoted this model's branch expansion initiative and in 2018 we implement a project to expand this concept to two other branches in different regions of Brazil to check the performance of the solutions under other conditions.

In general, one of the key challenges of environmental management for an organization of our size and our geographical distribution is the consolidation of resource consumption data and the management of these data. In our pursuit to centralize the data on our administrative units, our branch chain, and our Technology Centers (TC) throughout Latin America (except for Colombia), we implanted a cloud-based Environmental Management System (SGA) that will increase the effectiveness of data transmission and tracking, thus mitigating audit- and reporting-related risks.

Setting goals and commitments and their follow-up monitoring is key for an efficient environmental management. Accordingly, we share our long-term commitments for our environmental indicators (key performance indicators) set for our operations in Brazil. It is important to note that our targets for 2020 (with a base year in 2013) were reviewed, due to the acquisition of other companies by the Itaú Unibanco group, which unable us to previously consider them in the targets. As a result, our target was extended to 2021. In addition, for our energy, emissions, waste and business travel indicators, we revised the base year because we changed the accounting methodology. This way, the annual value for these goals were also revised.

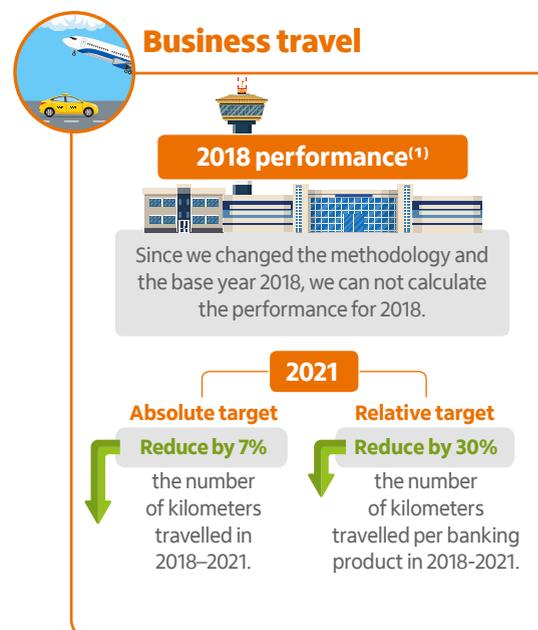
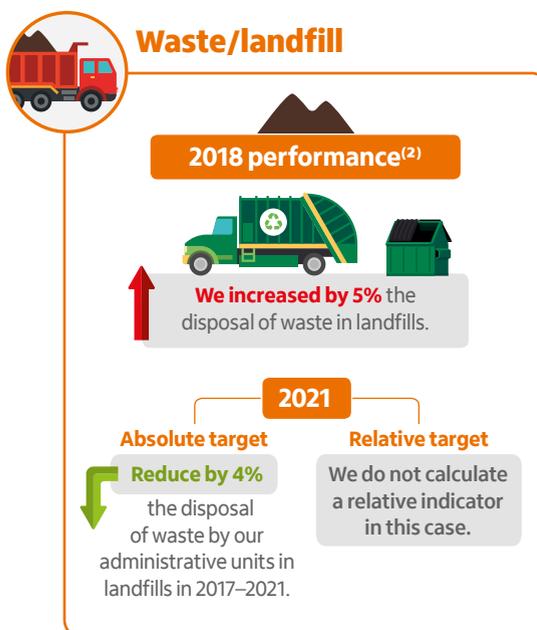
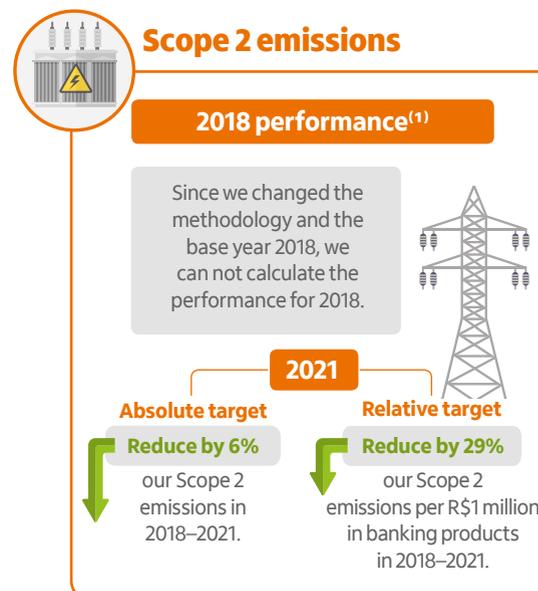
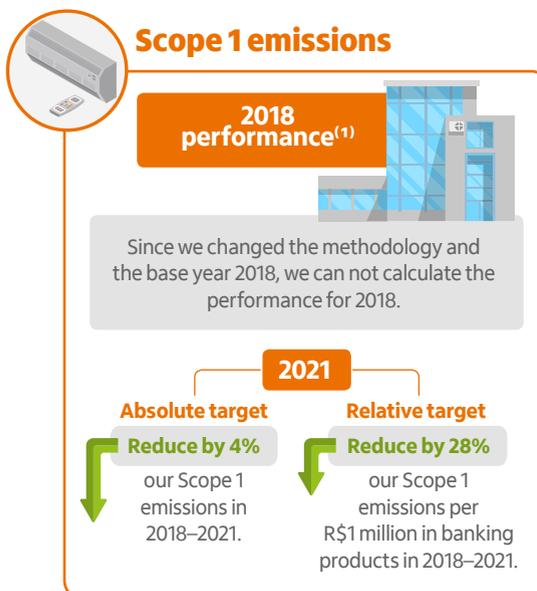
For the definition of the new emissions targets of Scopes 1 and 2, we use the Science Based Target methodology.

Key Performance Indicator (KPI) of our environmental commitments GRI 103-2 Environmental Management | GRI 103-3 Environmental Management



(1) Comparative data considering the consumption in 2013.

Key Performance Indicator (KPI) of our environmental commitments
GRI 103-2 Environmental Management | GRI 103-3 Environmental Management



(1) Comparative data considering the consumption in 2018.
(2) Comparative data considering the consumption of 2017.

The details on the management of each resource, natural otherwise, are shown as follows.

Water

GRI 303-1 | GRI 303-3 | GRI 103-2 Environmental Management

Our water management is based on two pillars: reducing our consumption and diversifying water supply sources of our administrative buildings, branches, and technology centers. We currently use the public supply water grid in our domestic operations and in some administrative centers we also use potable water sourcing through artesian wells.

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. In 2018 we consumed a total of 77,830.23 CM of treated reused water that was used in our toilet flushes, our air conditioning equipment (such as the cooling towers), and in the cleaning of outside areas and facades. As a whole, in 2018 we consumed 1,449,038.20 CM of water (94,101.95 CM of which from artesian wells). In the previous year, we had 34 Wholesale banking units whose water consumption was not computed because they were located in multi-company condominiums. However, with changes in our control, in 2018 we monitored the water consumption of these units, which justifies the present increase in consumption and consequently a proportional adjustment in the 2018 target.

Water consumption

GRI 103-3 Environmental Management | GRI 303-3



	2019 target	2018 target ⁽⁶⁾	2018 total consumption ⁽⁵⁾	Target met?	2017 target	2017 total consumption ⁽¹⁾⁽²⁾	Target met?	2016 total consumption ⁽¹⁾⁽²⁾
Cubic meters (CM)	1,460,999.00	1,460,999.00	1,449,038.20	✓	1,389,968.50	1,390,142.00	✗	1,410,592.40
CM/R\$ BP	12.14 ⁽⁴⁾	14.02 ⁽³⁾	13.91	✓	12.90	12.76	✓	13.03

(1) Does not take into account our 34 Wholesale banking units located in multi-company condominiums.
(2) Does not include LATAM data (2016 and 2017).
(3) Uses the actual banking product (BP) amount for 2018 equivalent to R\$104,200,000.00.
(4) Uses the BP amount estimated for 2019.
(5) Consumption includes our 34 Wholesale banking units located in multi-company condominiums.
(6) 2019 target includes our 34 Wholesale banking units located in multi-company condominiums.

In 2018, we implemented 14 projects to reduce water consumption and obtained savings of 26,000 CM of water, with an investment of R\$432,000 and a financial return of R\$481,000 in the administrative office buildings (except Wholesale and Technological Centers).

The main implemented projects were: using reused water in gardening and air conditioning equipment, upgrading our lake water filtering system, installing flow restriction valves on the restrooms, installing faucet aerators, and installing water

flow control valves. The efficiency of these actions will continue to be captured in the coming years.

In 2019, we are also studying nine other projects to reduce water consumption, with estimated savings of 37,000 CM. These include building a wastewater treatment plant (WWTP) in our Corporate Center; installing flow control valves in our toilets and faucets; use reused water in our toilet flushes, and a pilot project to replace our current toilets for vacuum toilets.

Also in this context, we set a goal to collect 30,000 CM of reused water in 2019.

We installed equipment automation and consumption monitoring in 200 branches that allow the integrated control and management of lighting, air conditioning, water, and energy.

In addition to equalizing the use of equipment and spaces within the properties, it also allowed us to prevent waste and operation failures.

The initiatives in 2018 to meet the proposed commitments and make our operation increasingly more efficient are listed in the following table.

Efficiency Initiatives – water GRI 303-1



Initiative	Summary	Investment (R\$)	Savings (CM/year)	Return (R\$)
Aerators	Installing aerators in restroom faucets of the Brigadeiro Administrative Center and the Corporate Center	18,996.00	1,368.00	28,454.40
Lake water filtering	Filtering the water of the Corporate Center lakes	144,000.00	5,145.00	68,440.80
Flow control	Installing flow control valves in the restrooms of our administrative buildings	65,390.00	7,498.00	157,946.00
Reuse	Water reuse (collect rainwater, use rainwater in gas cleaners) of the Tatuapé Administrative Center	203,680.00	11,916.00	226,362.00
Cooling tower	Change the temperature set point of the air conditioning equipment for Information Technology environments in the CTSP. The actions were performed in chilled-water units (CWUs) and in the environments where our equipment is installed	0.00	7,101.30	199,593.10
Total		432,066.00	33,028.30	680,796.30

Energy GRI 103-2 Environmental Management

The undue consumption of energy could be linked to several factors that in turn could be related to the equipment used (such as the use of very old electric and electronic appliances; the lack of air conditioning equipment maintenance, and the use of inefficient bulbs, for example) or the power grid users, who do not have a conscientious use of this resource. We are concerned, therefore, with performing the maintenance of our air conditioning equipment, raise our employees' awareness, upgrading our IT equipment, and follow market trends, as shown as follows.

Electric energy sources (%)

	2018	2017
Administrative buildings and technology centers ⁽¹⁾	53	42
Renewable energy	93	95
Nonrenewable energy	7	5
Branch network	47	58
Renewable energy	0	0
Nonrenewable energy	100	100

(1) Beginning 2018, we started to compute the energy consumption of new wholesale banking buildings. These new buildings still use energy supplied by the utility company, we justifies the drop in the use of renewable energy and the increase in the use of nonrenewable energy.

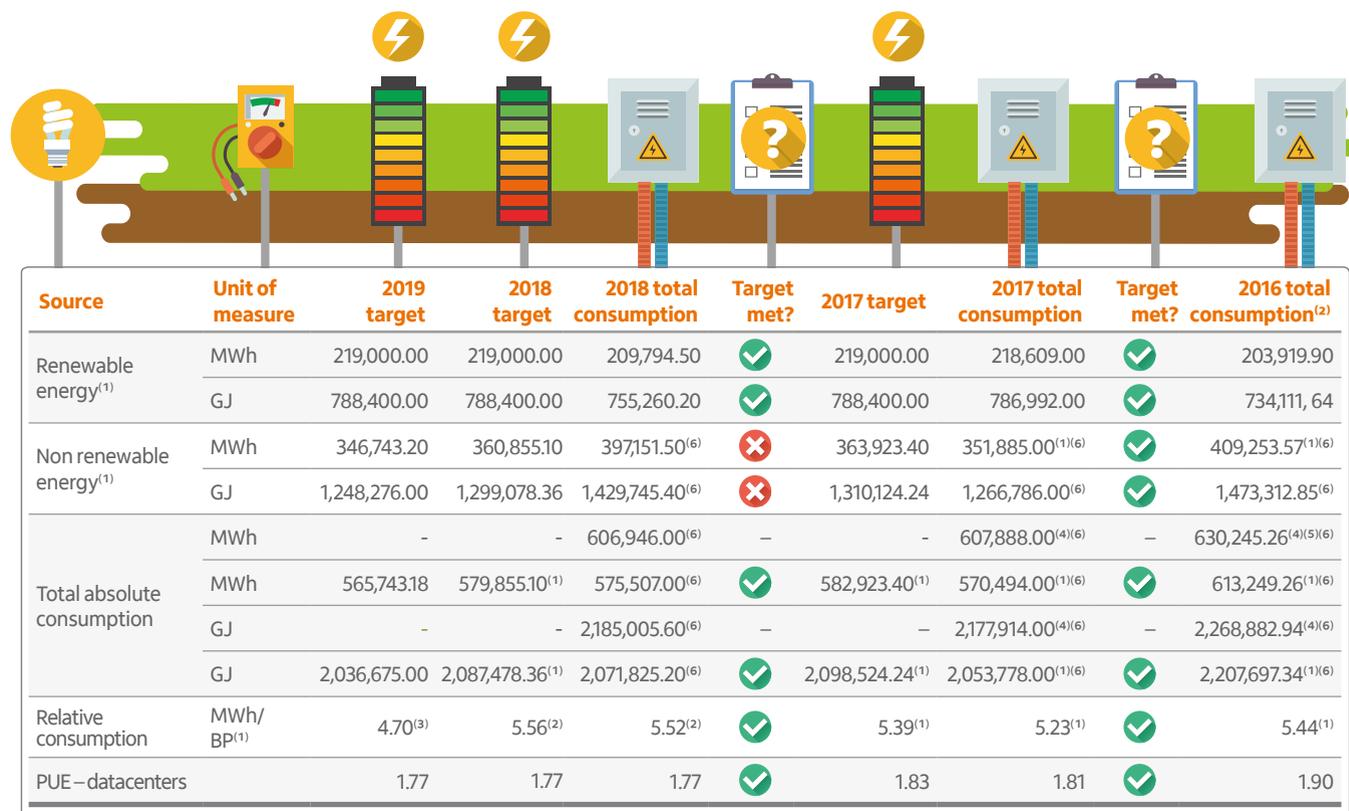
The energy consumed in our administrative buildings and technology centers has low environmental impact and very low carbon emissions, since 93% of this energy comes from renewable sources such as small hydropower plants, biomass power plants, solar power plants, and wind farms, according to the statements of the suppliers. Accordingly, our strategies to decrease the consumption of nonrenewable energy are focused on energy efficiency research and new technologies.

The main examples of our initiatives in our administrative buildings in 2018 include, specifically in our FL3500 building, the replacement of fluorescent lights for equivalent LED bulbs with lower energy consumption in garages and

technical areas, the upgrading of the characteristics and operating data of all air conditioning and lighting equipment to facilitate access to information and operating management, and the adjustment of the ventilation operation hours. As for our Tatuapé Administrative Center, we installed a boiler system to preheat water, which reduced the consumption of natural gas, greenhouse gas (GHG) emissions, and energy consumption.

As a result of the projects implemented in our administrative buildings, in 2018 we avoided the consumption of 4.0G Wh of electricity, with investments of R\$2.6 mi and a financial return of R\$1.8 mi.

Electric energy consumption GRI 103-3 Environmental Management | GRI 302-1



(1) Data do not include LATAM units.

(2) Uses the actual BP amount for 2018 equivalent to R\$104,200,000.00.

(3) Uses the BP amount estimated for 2019.

(4) Includes LATAM.

(5) Excludes Chile.

(6) The total amount could include consumption estimates based in monthly average for the year.

In 2018, we also conducted actions involving Information Technology infrastructure and environment of the CTMM and the CTSP, which increased the conscientious and efficient use of electric energy. This is the first year that, thanks to the partnership with the involved areas, we were able to quantify the results obtained with the actions applied to the management of the equipment installed in our datacenters. Despite our efforts, however, in 2018 we were unable to meet the Power Usage Effectiveness (PUE) target set for our datacenters as a result of unforeseen changes in these buildings' use strategy. PUE is an IT infrastructure efficiency metric that compares the total energy consumption of a datacenter (electric system, cooling system, lighting, etc.) with the consumption of the installed IT equipment (servers, storages, mainframes, etc.), and calculates the ratio of these two figures.

As a way of increasing the share of renewable sources in total supply, we started to operate a photovoltaic power plant that operates by Distributed Generation to offset the energy consumed by Minas Gerais state branches.

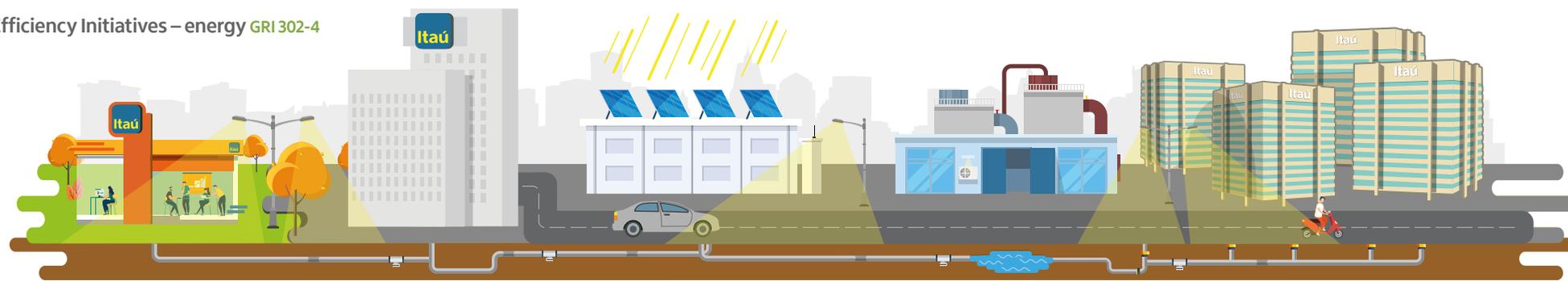
In the first stage we started to generate 1 MW that was fed back to the power utility operating in the State, CEMIG, thus covering part of the energy consumption of our 200 branches, located in 133 cities in Minas Gerais (approximately 45% of the Itaú Unibanco network in Minas Gerais). The second stage will run from January 2019 to mid-2019, during we will generate and offset an additional 1 MW, which should cover all the consumption of these 200 branches. We plan to expand this initiative to other Brazilian regions by 2020, to cover a higher number of branches and strengthen the share of renewable sources to offset our consumption.

We also conducted tests of new technologies and projects at our Butantã branch during 2017 (for further information, please read our [2017 Annual Consolidated Report](#)), which allowed us to test and select the most energy efficient equipment and rolled out this equipment to our other branches, such as equipment automation and consumption monitoring units.

Year-on-year, our total electric energy consumption in 2018 increased by 0.5% in our operations, which is equivalent to almost 1,600 MWh.

The table below shows our energy efficiency initiatives in our administrative buildings, technology centers, and branches.

Efficiency Initiatives – energy GRI 302-4



Initiative	Summary	Investment (R\$)	Savings (kWh/year)	Return (R\$)
Lighting	Replacement of fluorescent light for LED lights in administrative and technical areas.	896,981.50	2,012,000.00	818,256.30
Building automation	Expand the automation system to improve operation management, consumption, and equipment failure detection.	0.00	457,687.00	175,975.50
New energy sources (photovoltaic)	In 2018 we operated with three photovoltaic technologies in our administrative center, one of which was considered extremely innovative and identified as the first ventilated façade attached to a building in Brazil.	1,247,800.00	6,310.00	22,176.00
Higher performance equipment	Replacement low performance equipment for high performance equipment: new chilled water unit, electric motors, and water control valves in our administrative buildings.	1,811,442.00	1,346,050.00	748,789.00
Elevators	Upgrading of 42 elevators of our Corporate Center to obtain better energy efficiency, with an energy regeneration system, higher level of user comfort, and higher service speed.	30,554,169.50	405,405.00	151,343.25
Improvements in the CTMM Cooling System	We implemented actions in several segments of the cooling system of the CTMM datacenter environment and facilities. System improvement and upgrading actions to increase efficiency.	695,000.00	722,644.00	296,000.00
DCE	Datacenter enhancement: review of how environments are occupied to increase the efficiency of the IT infrastructure and environments (CTMM and CTSP).	0.00	2,353,116.00	870,652.92
LED Lighting (Technology Center)	Replacement of fluorescent lights for LED lights in the parking lots, infrastructure area, and external area (CTSP).	191,249.99	358.64	102,579.33
Kaizen Servers	Enhancing and reducing the consumption of electric energy in IT environment servers (CTSP).	0.00	1,001,694.32	622,000.00
Reduction of mainframe components	Decommissioning of components of some mainframe equipment to reduce electricity consumption (CTMM and CTSP).	0.00	238,412.20	175,296.00
CPU upgrading	Consolidation CPUs and reuse of inactive and energized computers to avoid buying new machines (CTSP).	0.00	814,330.00	322,718.80
Automation of branch equipment	Automation of the air conditioning and lighting equipment of 200 branches.	5,154,633.55	530,628.00	424,502.30
Retrofit air conditioning equipment	Retrofit of equipment in 200 branches.	30,112,079.95	530,628.00	424,502.30
Distributed generation	Operation of the photovoltaic power plant to offset the energy consumed by branches in the State of Minas Gerais.	-	358,231.00	-
Total		70,663,356.49	10,777,494.16	5,154,791.70

Emissions GRI 103-2 Environmental Management | GRI 103-3 Environmental Management

More than eight years ago, we voluntarily started to prepare an inventory of our greenhouse gas emissions pursuant to the Brazilian GHG Protocol Program methodology and started to disclose its results in the [Emissions Public Register](#) which is a local platform allowing transparent communication of data on emissions from participants of the program. The final result of our inventory will be available through the program in the second half of 2019 and may be visited [here](#). We also had our inventory checked by an independent third party, certified by Inmetro, which granted us the Gold Seal recognition by the program.

Greenhouse gas emissions GRI 305-1 | GRI 305-2 | GRI 305-3 | GRI 305-5

The Brazilian GHG Protocol Program covers the methodological guidelines used to identify and register the emission sources and the GHG Protocol calculation methodology, by ISO 14064 and IPCC, which are organizations globally recognized for their work in this area, which generates a consistent output, comparable to the market. Our inventory includes the emission of CO₂, N₂O, CH₄ and HFC in the calculation.

In 2018 we revisited our emissions targets and started using the Science Based Targets methodology for Scopes 1 and 2. Therefore, we set the targets for this new methodology.

Our emissions management is based on the development of projects intended to reduce the impact that we cause and offset the emissions that cannot be avoided. Compared with the 2017 results, in 2018 we posted a 6.5% reduction of total emissions and Scope 2 showed the largest reduction.

In 2019, we will roll out eco-efficiency projects aimed at reducing diesel consumption by power generators, energy consumption, and the volume of wastes disposed in landfills.

Scope 1

In the last year, our Scope 1 emissions totaled 19,521 tCO₂e, or a year-on-year increase of 145%. The main source of our Scope 1 emissions is the air conditioning equipment.

In our administrative buildings and our branches there was a substantial increase in the use of air conditioning cooling gases due to our initiative to replace R22 type gases – harmful for the ozone layer – by R407C and R410A gases. In 2019 we will also try to increase the efficiency of the recycling of these gases.

During 2018 we streamlined the use of generators that result in a 8% decrease in diesel consumption in our Central Administration buildings. This reduction was possible because we decreased the number of tests made in the power generation systems of our Administrative Buildings and Technology Centers and reduced the operation period of generators after a power supply failure.

The diesel-powered generators of our Technology Centers (used in case of power supply failure) continue to operate for hours long after the power supply is resumed as a conservative way to ensure that the Technology Centers continue to operate regularly. This year, however, we conducted a study at the CTSP that evidenced that the period during which generators operate after a power failure can be reduced. In addition, the maintenance of the CTMM power substation was performed on

duly planned dates so that it did not require firing the power generators. In aggregate these actions caused the reduction of diesel consumption by 161.521 liters, which represents 386.5 tCO₂e. [GRI 305-5](#)

Scope 2

More than 90% of our Administrative Buildings consume energy purchase in the deregulated market, from renewable sources, according to the statements of the suppliers. We were able, therefore, to dissociate ourselves from the emissions from the national grid.

In other locations where we do not use deregulated market energy, the conversion of electric energy consumption into greenhouse gas emissions is made using the emission factor of the National Interconnected System, which is benchmark used for this type of calculation and which is changed annually according to the system's electric energy supply characteristics throughout the year. The volume obtained using this conversion factor decrease by 20% compared to 2017. [GRI 305-5](#)

In 2018, the energy electric consumption by our units totaled 607,000 MWh, or a year-on-year decrease of approximately 0.16%. As a result of this difference, our year-on-year Scope 2 emissions dropped 23.9%, thanks to the actions implemented in all our administrative buildings, Technological Centers and branches.

Our targets include only the emissions of our operations in Brazil and should be compared to the 2017 result of 53,736.7 tCO₂e.

Scope 3

Our Scope 3 emissions totaled 158,263 tCO₂e in 2018, 6.6% down from the previous year, when these emissions totaled 169,526 tCO₂e. The main sources of emissions in this category were employee transportation, generation of solid waste, and business travelling. Currently our Scope 3 does not include goods and services acquired, capital assets, leased assets, products sold processing, franchises, and



	2019 target	2018 target	2018 emissions	Target met?	2017 target	2017 emissions ⁽³⁾⁽⁸⁾	Target met?	2016 emissions ⁽³⁾
Absolute indicator: Scope 1 (tCO ₂ e)	18,359.00 ⁽⁶⁾	18,900.00 ⁽⁶⁾	19,521 ⁽³⁾ 18,658 ⁽⁶⁾	✓	10,422.00	7,960	✓	10,895.00
Relative indicator: Scope 1 (tCO ₂ e)/BP ⁽⁴⁾	0.153 ⁽⁵⁾⁽⁶⁾	0.181 ⁽⁴⁾⁽⁶⁾	0.187 ⁽³⁾ 0.181 ⁽⁶⁾	✓	0.096	0.073	✓	0.101
Absolute indicator: Scope 2 (tCO ₂ e)	41,103.00 ⁽⁶⁾	41,714.00 ⁽¹⁾⁽⁶⁾	50,898 ⁽³⁾ 41,678 ⁽⁶⁾	✓	54,054.50 ⁽¹⁾⁽⁶⁾	66,848 53,736 ⁽⁶⁾	✓	54,340.00
Relative indicator: Scope 2 (tCO ₂ e)/BP ⁽⁴⁾	0.341 ⁽⁵⁾⁽⁶⁾	0.400 ⁽¹⁾⁽⁴⁾⁽⁶⁾	0.488 ⁽³⁾ 0.400 ⁽⁶⁾	✓	0.49 ⁽¹⁾⁽⁶⁾	0.61 ⁽⁴⁾ 0.49 ⁽⁴⁾⁽⁶⁾	✓	0.50
Absolute indicator: Scope 3 (tCO ₂ e)	– ⁽²⁾	– ⁽²⁾	158,263 ⁽⁷⁾	– ⁽²⁾	– ⁽²⁾	169,526	– ⁽²⁾	99,556.00
Relative indicator: Scope 3 (tCO ₂ e)/BP ⁽⁴⁾	– ⁽²⁾	– ⁽²⁾	1.519 ⁽⁷⁾	– ⁽²⁾	– ⁽²⁾	1.56	– ⁽²⁾	0.91
Total absolute emissions⁽⁶⁾			228,682.00⁽⁷⁾			244,334.00		164,791.00⁽⁷⁾

(1) Target designed using the Average Emission Factor of the Brazilian Network in 2017 – 0.0927 kgCO₂/MWh.

(2) We do not have a set target for Scope 3 emissions.

(3) Amount corresponding to emissions of operations in Brazil and Latin America. Fugitive emissions from Chile estimated based on the data reported in 2017.

(4) Uses the actual BP amount for 2018 equivalent to R\$104,200,000.00. For 2017 and 2016 the BP amounts were used.

(5) Uses the BP amount estimated for 2019.

(6) Amount referring only to emissions from operations in Brazil.

(7) Data from road and air mobile combustion emissions of some suppliers of Redecard and for the transportation of materials to branches, estimated based on amounts reported as from 2017.

(8) The values for 2017 were updated in 2018 and started to consider the emission figures of other companies acquired at the end of 2017.

investments, as laid down in the Brazilian GHG Protocol Program categories for this scope.

In addition to our annual monitoring of Scope 3 emissions, we are signatories to the CDP Supply Chain program, which steers the carbon emission agenda and its management

Business travel GRI 103-3 Environmental Management

for the supply chain of large companies. Even though we monitor the fluctuations of our Scope 3 emissions, we still do not have an absolute or relative target to guide our work towards the reduction of these emissions. We know this is a major challenge for the coming years, since our emissions are mostly concentrated in Scope 3. **GRI 305-5**



	2019 target ⁽²⁾	Target met?	2018 target	Total travelled in 2018	Target met?	Total travelled in 2017	Total travelled in 2016
Kilometers (air and land)	–	–	–	178,161,381	–	227,009,386	187,197,506
Business (land) ⁽¹⁾⁽²⁾⁽³⁾	1,856,278	✓	1,999,811	1,789,386	✓	2,078,805	2,323,491

(1) Until 2017, the target of business travel considered air travel, taxi and taxi reimbursement.
 (2) The assumptions previously applied for this target purposes were revised for the 2018/2019/2020.
 (3) Target of not to exceed 3.8% of km travelled year-on-year.

The monitoring of our emissions related to business traveling is structured using data on the transportation of documents and air and road travel by employees and e third parties of our holding company Itaú Unibanco Brasil. And to be able to control these emissions, our service providers provide the requested information, which is consolidated and stored by our Travel Management team responsible to ensure the accuracy of the information.

The management of Scope 3 transportation includes vans, buses, and executive cars fully dedicated to the users from our holding company Itaú Unibanco Brasil. The vans carry our employees between our centers, while the buses are used as shuttles between metro stations and some administrative

centers of Itaú Unibanco. The executive cars remain parked at the headquarters of Itaú Unibanco (Corporate Center) and carry our officers and people in higher positions.

Considering all means of transportation (used exclusively for our activities or not) used by our employees in Brazil, we were responsible for the emission of 25,056.6 tCO₂e in 2018.

Year-on-year, the number of kilometers traveled in 2018 decrease of approximately 27.5% due to the streamlining of fleet use processes and monitoring, which are based on GPS-based mileage tracking tools of the chartered buses, and a decrease of nine vans that carried employees to our Poá (State of São Paulo) center.

Emissions Offsetting Program

In September 2017, we issued the call notice Commitment to the Climate for carbon offsetting, in partnership with Natura, aimed at together offsetting 500,000 metric tons of CO₂ through independent projects, which correspond to the emissions of both companies between 2016 and 2017. We received the applications of more than 100 projects, from 25 Brazilian states that together consolidate a volume of over 5 million tCO₂e. At the end of the call notice period, we selected seven projects to offset our emissions

and Natura's emissions. In previous years, our offsetting of Scope 2 emissions was partial since it only took into consideration the emissions of our Mogi Mirim Technology Center. Finally, we defined as our strategy for this issue to offset 100% of our greenhouse gas emissions (from Scopes 1 and 2) in 2017 and the following years.

Of the seven projects selected by the program, we picked three to offset only our greenhouse gas emissions, which in 2016 and 2017 total 98,000 tCO₂e. These are:



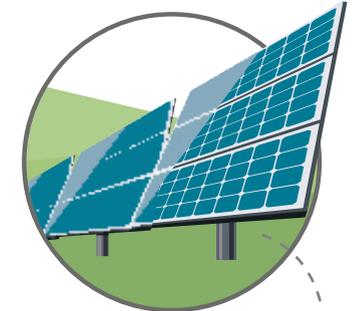
REDD+ Manoa

A Deforestation and Degradation Emissions Reduction (REDD) project that specifically targets avoided unplanned deforestation. The benefits offered to the affected community include training the members of local associations and farm employees in subjects such as sustainable agriculture and environmental education. To date we have already acquired 10,000 tCO₂e of the total generated by the project, which will continue to generate carbon credits in the coming years.



Efficient Stoves Project

This is an initiative undertaken by Instituto Perene that has helped changing the reality of the people living in the Recôncavo Baiano region (Bahia's Lowlands). The construction of sustainable cooking stoves, which also use firewood, to replace rudimentary stoves, decreases significantly the volume of wood used and will benefit more than 3,000 households with a technology that has a high potential of being replicated in other areas of the region. As in the case of the photovoltaic complex, project Efficient Stoves will also generate carbon credits in the coming two years.



Photovoltaic Complex – Forest

Located in Areia Branca, Rio Grande do Norte state, the complex generates clean source power (photovoltaic) that is fed back to the National Integrated Grid. The project will reduce greenhouse gas emissions by replacing the electricity that would be generated by fossil fuel-fired thermal power plants connected to the grid. In addition, this project will generate carbon credits in the coming two years.

In August 2018, we launched the platform of the Commitment to Climate Program and invited other organizations to participate in this initiative. As a result, we are promoting the voluntary carbon market, even though it is not yet regulated at the national level.

For further information on the Commitment to Climate Program call notice, please click [here](#).

Waste generation GRI 306-2 | GRI 103-3 Environmental Management



Waste GRI 103-2 Environmental Management

We generate low environmental impact waste, which is disposed in landfills and composting sites, or sent for recycling. We are always seeking to improve our information by expanding our control scope and our involvement of new partners in our efforts. We are constantly working with our value chain in awareness raising initiatives and programs to reduce and ensure the correct disposal of waste generated by our activities.

	2019 target ⁽³⁾	2018 target ⁽³⁾	Generated in 2018	Target met?	2017 target	Generated in 2017	Target met?	Generated in 2016
Landfill (t)	23,419.00	23,555.00	23,555.00 ⁽³⁾	✓	835.00 ⁽⁵⁾	22,373.16 ⁽³⁾	✗	1,084.01 ⁽⁴⁾
Landfill/hazardous waste (t)	–	–	0.00 ⁽⁶⁾	–	–	12.69 ⁽⁶⁾	–	53.99 ⁽⁷⁾
Composting (t)	–	–	577.72 ⁽⁶⁾	–	–	466.00	–	447.65
Recycling (t)	–	–	837.82 ⁽⁶⁾	–	–	795.44	–	862.81 ⁽⁴⁾
Recycling of hazardous waste (t) ⁽²⁾	–	–	20.96 ⁽⁶⁾	–	–	33.02	–	2,645.64 ⁽⁶⁾
Outros (t) ⁽¹⁾	–	–	4,356.69 ⁽⁶⁾	–	–	1,757.2 ⁽⁶⁾	–	–

(1) Landfill of Inert Waste or Class A Waste.
 (2) In 2018 we recycled 13,778 fluorescent lights.
 (3) Figures updated taking into account the branch network with 100% coverage of our facilities in Brazil.
 (4) Figures include administrative buildings and Wholesale banking buildings only.
 (5) The consumption to be compared to target is 1,045 metric tons, equivalent to administrative buildings (other than wholesale banking) and technology centers.
 (6) Figures include administrative buildings and technology centers only.
 (7) Figures include technology centers and Wholesale banking buildings only.

In 2018, we expanded the scope of our composting model (disposal of food and gardening waste) from three to seven centers, as a result of an expansion study. Now our Pinheiros, Brigadeiro, ITM e Zona Leste administrative centers are also covered by this service, which increases the volume of waste sent from composting by 24%. In addition to composting, we also implemented and reviewed the Solid Waste Management Plan in our administrative buildings, technology centers, and Wholesale banking buildings.

Other initiatives undertaken in our administrative buildings include the use of reverse logistics for plastic cups and bottles, the replacement of cardboard boxes for 100% returnable boxes (in our wholesale banking buildings), and installation of environmental collectors for cigarette litter in our FL 3500 building. We also increase the number of selective sorting collectors, created the Construction Works Waste Unit that increases the

traceability of the correct disposal of construction waste. Additionally, we applied reverse logistics to double sided scrub sponges and recycle coffee capsules and approximately 15.4 t of paper towels used to dry off hands in restrooms per month.

Information Technology Waste Electrical and Electronic Equipment (WEEE)

As a financial institution for which technology is extremely relevant in its business, we are responsible for the proper disposal and return of the waste from electrical and electronic equipment. Our IT-related activities have the largest impact on this category. We have a process to dispose of the waste electrical and electronic equipment since 2009 and in this period up to 2018 we have properly disposed of over 35,000 metric tons of this type of waste.

Information Technology waste electrical and electronic equipment GRI 306-2



	2019 target ⁽¹⁾	2018 target ⁽¹⁾	2018	Target met?	2017 target ⁽¹⁾	2017	Target met?	2016 target ⁽¹⁾	2016
Recycling of waste electrical and electronic equipment (in metric tons)	178.00	235.60	882.62	✗	274.72	4,093.79	✗	556.78	2,643.45

(1) The target set is only related to a part of the total waste generated, including IT equipment at branches and head office (monitors, desktops and notebooks) only.

We dispose of waste electrical and electronic equipment in Brazil in an environmentally correct manner. When it reaches the end of its useful life (obsolescence), equipment undergoes a reverse logistics and reverse manufacturing process and are later reintroduced in the production chain as raw materials. Under the current process, the total disposed material is recycled by adopting the Zero Landfill concept, in which all the machine's components are reused

as mass or energy, thus eliminating the disposal of remaining material in landfills.

In 2018, we implemented projects targeting the reuse of this equipment by avoiding the purchase of new machines and the disposal of idle equipment. In addition to the mentioned benefits, these projects, implemented by the Information Technology Operation function, allow the reuse of the optical and electrical infrastructure at CTMM and CTSP.

Efficiency initiatives – disposal of electronic equipment



Initiative	Description	Results	Savings (R\$/year)	Investment
Upgrading of the SAN Mainframe switches	Reuse of the SAN switches with idle status. Reuse of the optical and electrical infrastructure without the need to implement new infrastructure. The action undertaken at CTSP allowed postponing the investment in new equipment by two years	Reuse of the optical and electrical infrastructure equipment and postponement of the investment in this segment by two years	32,000,000.00	0.00
Swap of CPUs	Consolidation of CPUs with the reuse of the entire optical and electrical infrastructure at CTSP	Reuse of the optical and electrical infrastructure	500,000.00	0.00
Electrical boards	Reuse of the electrical boards thus avoiding the disposal of material and the purchase of new board at CTSP	Less than 3,300 kg of WEEE	968,435.46	230,000.00
Total			33,468,435.46	230,000.00

Paper GRI 103-2 Environmental Management | GRI 301-1

We engage in paper-intensive activities, especially the documentation of movements and correspondence. Bearing this in mind and in line with our constant modernization process, we are increasingly expanding the digitization process and to become an increasingly digital bank, we strongly contribute to reducing paper consumption. Currently our operation is divided into digital and traditional bank and, therefore, correspondence sent to our clients represents a large portion of the paper generated by our activity.

Paper consumption



Volume (metric tons)	Type	2018	2017	2016
Correspondence to clients	Large paper rolls	1,802.87	1,662.27	1,505.95
	Envelops	213.97	197.27	343.31
	Forms	6.38	5.80	56.05
	A4 paper	73.06	67.83	82.40
Checks	Checkbooks	256.75	288.41 ⁽²⁾	455.30
Itaú + Network + IBBA + branches printing ⁽¹⁾	A4 paper	1,424.63	1,498.70	1,807.00
	A3 paper	0.48	0.60	0.30
Tangibles (invoice notifications)	A4 paper	2,386.10	2,680.00	2,859.00
Total		6,164.24	6,400.88	7,109.31

(1) The branch network does not request A3 paper.
(2) Value has been revised.

We do not use recycled paper in our operations due to its low quality for the type of printing used in the corporate environment. However, 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.

Our efforts to reduce paper consumption are guided by the existing internal streamlining and electrolysis projects. The

overall volume of paper consumed in 2018 decreased of approximately 4% year-on-year.

For 2019, we are finishing the implementation of the PDF 24 program that allows us to convert a text document directly into the pdf format to avoid it to be printed and them scanned, and we will continue to raise our employees' awareness through communications with guidelines of the conscientious use of paper.

Eco-efficiency investments

One of the ways of controlling our initiatives related prevention, mitigation and protection of environmental impacts is to keep track of our investments and expenses. In 2018, we continued to invest money and energy in the environmental management of our operations.

Investments in mitigation and prevention of environmental impacts (R\$)



	2018	2017	2016
Waste management – treatment and disposal	3,933,033.00	2,376,744.26	2,994,983.00
Purchase and use of emission certificates ⁽¹⁾	608,200.00	-	-
Conduct Adjustment Agreement – management of contaminated areas and restore vegetation	40,584.00	40,584.00	40,589.10
Remediation of contaminated areas	1,166,729.06	686,916.00	747,393.20
Subtotal	5,748,546.06	3,104,244.26	3,782,965.30
External environmental management services ⁽²⁾	108,563.73	861,422.90	54,957.50
External certification of management systems ⁽²⁾	35,809.30	41,719.90	494,452.67
Extra expenses to install cleaner technologies/other costs ⁽³⁾	3,135,720.93	8,169,790.90	6,916,813.64
Subtotal	3,280,093.96	9,072,933.70	7,466,223.81
Total	9,028,640.02	12,177,177.96	11,249,189.11

(1) Our GHG Emissions Offsetting Program has a biannual periodicity. No carbon credits were purchased in 2017 (the year it was created).
 (2) Expenses on legal advisory, internal and external audit, and operating costs of the ISO 14001 systems.
 (3) Includes investments in cleaner technologies for the administrative buildings to reduce water, electricity, diesel and gas consumption.
 Note: We did not identify any nonmonetary sanctions or significant fines for noncompliance with environmental legislation. **GRI 307-1**

Attachments

Organizational profile

Employees by hierarchical level GRI 102-8

Hierarchical level ⁽¹⁾	2018	2017	2016
Officers	121	118	107
Supervisors	14,224	13,783	13,591
Administrative	35,945	27,180	26,007
Commercial and Operational	36,700	41,738	40,928
Trainees	129	139	122
Apprentices	2,604	2,482	2,743
Interns	5,592	4,743	4,213
Total employees	95,315	90,183	87,711
Total employees under the Consolidation of Labor Laws (CLT)⁽²⁾	86,998	82,840	80,648

(1) Supervisors refer to employees of branches and administrative departments who manage people. Administrative refers to employees of administrative departments who do not manage people. Commercial and Operational refer to employees of branches who do not manage people.

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

Number of third parties

	2018	2017	2016
Third parties ⁽¹⁾	47,832	41,293	42,115

(1) Call center and collection service providers were not included.

Employees with indefinite employment contracts GRI 102-8

Year	Supervisors		Administrative		Commercial and Operational		Trainees		Total	
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men
2016	6,938	6,653	13,898	12,109	27,318	13,610	44	78	48,198	32,450
2017	7,084	6,699	14,355	12,825	27,860	13,878	62	77	49,361	33,479
2018	7,373	6,851	18,467	17,478	25,489	11,211	49	80	51,378	35,620

Employees with other types of employment contract GRI 102-8

Year	Officers		Apprentices		Interns	
	Women	Men	Women	Men	Women	Men
2016	13	94	1,925	818	2,461	1,752
2017	15	103	1,750	732	2,739	2,004
2018	16	105	1,842	762	3,107	2,485

Note: We only consider the information of the Itaú Unibanco companies under the management of the Human Resources department, except IU Seguros S.A. and foreign units.

Own employees by region, age and gender GRI 102-8

Women												
Region	Under 30			Aged 30 to 50			Over 50			Total		
	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016
South	1,938	1,337	1,247	2,212	2,213	2,260	497	501	522	4,647	4,051	4,029
Southeast	17,950	13,627	12,855	25,065	23,635	23,291	2,822	2,864	2,941	45,837	40,126	39,087
Central-West	931	696	686	1,087	1,091	1,094	147	149	131	2,165	1,936	1,911
Northeast	894	665	684	1,802	1,689	1,637	237	211	201	2,933	2,565	2,522
North	320	256	260	420	410	372	21	17	17	761	683	649
Total	22,033	16,581	15,732	30,586	29,038	28,654	3,724	3,742	3,812	56,343	49,361	48,198

Men												
Region	Under 30			Aged 30 to 50			Over 50			Total		
	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016
South	934	630	582	1,118	1,173	1,232	617	593	665	2,669	2,396	2,479
Southeast	12,602	8,789	8,021	16,961	15,925	15,658	3,315	3,261	3,235	32,878	27,975	26,914
Central-West	463	356	343	543	546	576	216	223	209	1,222	1,125	1,128
Northeast	595	451	411	892	874	883	297	270	252	1,784	1,595	1,546
North	169	151	153	218	206	197	32	31	33	419	388	383
Total	14,763	10,377	9,510	19,732	18,724	18,546	4,477	4,378	4,394	38,972	33,479	32,450

Ratio of women's basic salary to men's by hierarchical level⁽¹⁾ GRI 405-2

Hierarchical level	2018 rate	2017 rate	2016 rate
Officers	1.0	1.0	1.0
Supervisors	0.9	0.9	0.9
Administrative	0.9	0.9	0.9
Commercial and Operational	1.0	0.9	1.0
Trainees	1.0	1.0	1.0
Apprentices	1.0	1.0	1.0
Interns	1.0	1.0	1.0

(1) Supervisors refer to employees of branches and administrative departments who manage people. Administrative refers to employees of administrative departments who do not manage people. Commercial and Operational refer to employees of branches who do not manage people.

Note: We only consider the information of the Itaú Unibanco companies under the management of the Human Resources department, except IU Seguros S.A. and foreign units.

Salary ratio between genders LATAM (2018 – %) GRI 405-2

Job category	Paraguay rate ⁽¹⁾	Uruguay rate ⁽²⁾	Argentina rate ⁽³⁾	Chile rate ⁽⁴⁾	Colombia rate ⁽⁵⁾
Officers	0.00	69.14	83.00	84.40 ⁽⁶⁾	87.95
Supervisors	83.00	86.85	88.00		88.73
Administrative	101.00	85.25	85.00	98.30	92.33
Commercial and Operational	71.00	85.50	87.00	77.00	95.46

(1) Considers only Banco Itaú Paraguay S.A. employees. Does not include outsourced workers.

(2) The data correspond to Banco Itaú Uruguay.

(3) The data refers to Itaú, Itaú BBA and Itaú Valores.

(4) Considers the operations of the bank and its subsidiaries in Chile. Accordingly, it does not consider the New York office or the subsidiary in Colombia.

(5) Group information.

(6) The ratio between Officers and Supervisors is not separately disclosed. Does not include the salary of the General Supervisor. It is calculated on the gross salary.

Terminations GRI 401-1

Region	Women									Men									Total		
	Under 30			Aged 30 to 50			Over 50			Under 30			Aged 30 to 50			Over 50					
	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016			
South	256	231	274	269	209	192	108	90	101	159	157	155	136	112	147	93	110	105	1,021	909	974
Southeast	1,795	1,622	1,768	2,222	1,929	2,070	721	675	748	1,666	1,435	1,510	1,773	1,471	1,614	536	524	719	8,713	7,656	8,429
Central-West	107	105	125	122	111	139	32	15	36	76	83	92	56	77	91	30	28	51	423	419	534
Northeast	70	71	86	124	94	154	33	24	32	63	65	84	96	67	90	21	26	19	407	347	465
North	22	35	39	35	29	48	6	6	5	15	31	30	21	17	42	4	5	4	103	123	168
Total	2,250	2,064	2,292	2,772	2,372	2,603	900	810	922	1,979	1,771	1,871	2,082	1,744	1,984	684	693	898	10,667	9,454	10,570

Contracting⁽¹⁾ GRI 401-1

Region	Women									Men									Total					
	Under 30			Aged 30 to 50			Over 50			Under 30			Aged 30 to 50			Over 50								
	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016		2018	2017	2016		
South	749	750	468	45	24	20	0	0	0	408	369	233	51	25	13	0	1	1	1,253	1%	1,169	1%	735	11%
Southeast	5,605	5,772	4,148	1,015	680	424	4	5	0	5,329	4,524	3,066	1,097	805	495	5	6	1	13,055	15%	11,792	14%	8,134	12%
Central-West	306	301	283	15	19	6	0	0	0	156	177	172	21	21	12	0	0	0	498	1%	518	1%	473	16%
Northeast	249	242	219	22	15	18	0	0	0	194	203	160	14	19	16	0	0	0	479	1%	484	1%	413	10%
North	96	105	72	8	11	6	0	0	0	46	61	49	11	5	7	0	0	0	161	0%	182	0%	134	13%
Total	7,005	7,170	5,190	1,105	749	474	4	5	0	6,133	5,339	3,680	1,194	875	543	5	7	2	15,446	18%	14,145	17%	9,889	12%

(1) The hiring rate in 2016 was calculated by dividing total hiring by region by total employees within that region. In 2017 and 2018, however, this rate was calculated by dividing total hiring by region by total employees hired under the Consolidation of Labor Laws (CLT).

Training hours by hierarchical level and gender (in-person and digital) GRI 404-1

Hierarchical level	Women			Men			Total		
	2018	2017	2016	2018	2017	2016	2018	2017	2016
Supervisors	139,191	117,412	93,706	165,551	154,782	104,162	304,742	272,194	197,868
Administrative	346,960	296,655	306,549	313,943	358,914	319,067	660,903	655,568	625,616
Commercial and Operational	695,583	608,299	494,400	384,359	288,335	249,401	1,079,942	896,634	743,801
Trainees	12,160	17,927	9,914	20,317	21,947	16,703	32,477	39,873	26,616
Interns	70,647	73,705	58,366	63,346	62,159	45,297	133,993	135,864	103,664
Total	117,412	1,113,997	962,936	947,516	886,136	734,629	2,212,057	2,000,133	1,697,565

Notes:

- In 2018, as we revised the methodology to present in-person and digital training hours, the figures for 2017 previously presented have changed. [GRI 102-48](#)
- Supervisors refer to employees of branches and administrative departments who manage people. Administrative refers to employees of administrative departments who do not manage people. Commercial and Operational refer to employees of branches who do not manage people.

Average training hours by employee (in-person and digital) GRI 404-1

Hierarchical level	Women			Men			Total		
	2018	2017	2016	2018	2017	2016	2018	2017	2016
Supervisors	19	17	14	24	23	16	21	20	15
Administrative	19	21	22	18	28	26	18	24	24
Commercial and Operational	27	22	18	34	21	18	29	21	18
Trainees	248	289	225	254	285	214	252	287	218
Interns	23	27	24	25	31	26	24	29	25
Average	23	21	18	25	25	21	24	23	19

Notes:

- In 2018, as we revised the methodology to present in-person and digital training hours, the figures for 2017 previously presented have changed. [GRI 102-48](#)
- Supervisors refer to employees of branches and administrative departments who manage people. Administrative refers to employees of administrative departments who do not manage people. Commercial and Operational refer to employees of branches who do not manage people.

Note: We only consider the information of the Itaú Unibanco companies under the management of the Human Resources department, except IU Seguros S.A. and foreign units.

Percentage of employees with performance analyses LATAM (2018) GRI 404-3

Hierarchical level	Paraguay ⁽¹⁾	Uruguay ⁽²⁾	Argentina ⁽³⁾	Chile ⁽⁴⁾	Colombia ⁽⁵⁾
Supervisors	100	100	100	-	90
Administrative	100	100	100	-	91
Commercial and Operational	100	100	100	-	90
Total	100	100	100	73⁽⁶⁾	90

(1) Considers only Banco Itaú Paraguay S.A. employees. Does not include outsourced workers. The data refers to employees, does not include college interns or employees who have an employment relationship with the organization, as outsourced workers.

(2) The data correspond to Banco Itaú Uruguay.

(3) The data refers to Itaú, Itaú BBA and Itaú Valores.

(4) The data refers to the bank and the subsidiaries in Chile.

(5) Group information.

(6) Does not correspond to 100% because it includes only employees with indefinite employment contracts.

Turnover (%)⁽¹⁾⁽²⁾⁽³⁾ GRI 401-1

Region	Women									Men									
	Under 30			Aged 30 to 50			Over 50			Under 30			Aged 30 to 50			Over 50			Total
	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018
South	5.70	5.70	7.71	12.40	10.00	8.89	23.10	18.90	20.27	9.20	10.00	11.18	11.90	9.70	11.21	17.00	18.90	16.91	11.60
Southeast	6.20	5.60	6.67	9.20	8.70	9.36	27.60	27.10	26.48	9.50	8.20	9.65	10.80	9.50	10.22	17.20	19.00	23.58	10.00
Central-West	5.60	6.30	9.42	11.40	10.50	13.39	23.90	14.40	29.68	9.90	11.10	14.53	10.20	14.00	15.14	14.40	15.20	26.35	10.30
Northeast	4.30	3.30	9.11	7.10	5.80	9.82	15.70	15.20	20.38	6.40	4.90	12.53	10.80	7.60	9.97	8.00	12.70	10.98	7.80
North	5.30	7.70	9.39	9.10	7.60	13.88	34.50	52.60	24.00	8.80	10.10	15.08	9.40	8.70	21.80	13.80	23.30	9.52	8.60
Total	6.00	5.60	7.03	9.40	8.70	9.55	26.20	25.00	25.40	9.30	8.30	10.14	10.80	9.60	10.55	16.40	18.50	22.03	10.00

(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 employees contracted less employees terminated. It does not include Officers, 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.

(3) We only consider the information of the Itaú Unibanco companies under the management of the Human Resources department, except IU Seguros S.A. and foreign units.

Turnover LATAM (%) GRI 401-1

Region	Women									Men									Total		
	Under 30			Aged 30 to 50			Over 50			Under 30			Aged 30 to 50			Over 50					
	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016			
Paraguay ⁽¹⁾	5.94	7.69	11.84	5.77	8.07	7.12	0.00	14.29	16.67	13.82	14.48	10.26	5.30	15.12	10.78	0.00	0.00	0.00	6.85	10.82	10.01
Uruguay ⁽²⁾	0.70	0.52	0.68	0.52	0.52	0.17	0.52	0.87	1.35	0.52	1.22	0.51	0.87	0.17	0.68	0.70	1.56	1.69	3.84	4.87	5.07
Argentina ⁽³⁾	0.23	0.06	0.09	0.86	0.45	0.47	0.08	0.16	0.09	0.35	0.09	0.05	1.48	0.48	0.07	0.35	0.15	0.29	3.36	1.39	1.70
Chile ⁽⁴⁾	28.40	35.00	-(6)	16.60	20.30	-(6)	15.00	28.00	-(6)	33.70	38.50	-(6)	17.60	20.40	-(6)	8.80	12.40	-(6)	18.20	22.60	-(6)
Colombia ⁽⁵⁾	9.00	11.00	14.00	10.00	10.00	8.00	9.00	7.00	6.00	14.00	21.00	14.00	8.00	10.00	11.00	5.00	8.00	6.00	10.00	11.00	10.00

(1) Considers only Banco Itaú Paraguay S.A. The data refers to dismissals of employees alone, without including interns or outsourced workers.

(2) The data refers to Banco Itaú Uruguay.

(3) The data refers to Itaú, Itaú BBA and Itaú Valores.

(4) Considers the operations of the bank and its subsidiaries in Chile. Accordingly, it does not consider the New York office or the subsidiary in Colombia.

(5) Group information.

(6) The 2016 data was not presented because in that year the bank was merged and this information is not comparable with subsequent periods.

Employee health and safety

Contractors are responsible for controlling data from outsourced staff.

Employee health and safety indicators by gender GRI 403-9

Rate	2018			2017			2016		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Work-related injuries	2.59	2.02	2.36	2.14	1.46	1.87	2.44	1.49	2.06
Working days lost	1,050.66	689.97	908.44	807.47	518.51	693.13	853.86	493.37	707.50
Occupational illnesses	2.23	1.72	2.03	1.58	1.09	1.39	1.84	1.18	1.57
Absenteeism ⁽¹⁾	1.35	0.76	1.11	1.44	0.79	1.18	1.62	0.88	1.32

(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.

Employees' health and safety indicators by region (%) GRI 403-9

Region	Work-Related Injuries (WRI)			Working Days Lost (WDL)			Occupational Illnesses (OI)			Absenteeism (TA) ⁽¹⁾		
	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016
South	3.00	3.70	3.72	2,234	2,254	2,530	2.64	3.20	3.36	1.19	1.10	1.01
Southeast	1.46	1.30	1.88	373	373	566	0.93	0.83	1.52	1.30	1.15	1.10
Central-West	1.36	1.40	2.04	1,348	1,301	1,255	1.31	1.33	1.84	1.48	1.19	1.17
Northeast	12.20	8.50	9.16	3,909	3,338	3,977	11.86	8.23	8.96	1.85	1.75	1.47
North	2.56	2.20	1.89	1,012	958	1,073	2.41	2.26	1.74	1.15	1.10	0.96
Brazil	2.06	1.87	2.36	707.50	693.13	908.44	1.57	1.39	2.03	1.32	1.18	1.11

(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.

Absolute number of deaths⁽¹⁾ GRI 403-9

Category	2018		2017		2016	
	Women	Men	Women	Men	Women	Men
Employees	0	1	0	2	1	0

(1) Death by accidents commuting to work.

Note: We only consider the information of the Itaú Unibanco companies under the management of the Human Resources department, except IU Seguros S.A. and foreign units.

Diversity

Employees by gender⁽¹⁾ GRI 405-1

Gender	2018	%	2017	%	2016	%
Female	56,343	59.11	53,865	59.73	52,597	59.96
Male	38,972	40.89	36,318	40.27	35,114	40.04
Total	95,315	100.00	90,183	100.00	87,711	100.00

(1) Employees by gender, divided by the total number of employees.

Employee per gender LATAM (%) GRI 405-1

Gender	Paraguay ⁽¹⁾			Uruguay ⁽²⁾			Argentina ⁽³⁾			Chile ⁽⁴⁾			Colombia ⁽⁵⁾		
	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016
Female	56.94	55.88	54.93	46.21	46.00	45.80	43.80	43.53	43.66	52.45	47.62	-(6)	56.60	56.82	56.71
Male	43.06	44.12	45.07	53.79	54.00	54.20	56.20	56.47	56.34	47.55	52.38	-(6)	43.40	43.18	43.29

(1) Considers only Banco Itaú Paraguay S.A. employees. Does not include outsourced workers. This calculation includes employees and interns.

(2) The data correspond to Banco Itaú Uruguay.

(3) The data refers to Itaú, Itaú BBA and Itaú Valores.

(4) Chile: considers the operations of the bank and its subsidiaries in Chile. Accordingly, it does not consider the New York office or the subsidiary in Colombia.

(5) Group information.

(6) The 2016 data was not presented because in that year the bank was merged and this information is not comparable with subsequent periods.

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.

Employees hired under the Consolidation of Labor Laws were included in the calculation.

Employees by age group⁽¹⁾ GRI 405-1

Age group	2018	%	2017	%	2016	%
Under 30	36,796	38.60	34,182	37.90	32,197	36.71
Aged 30 to 50	50,318	52.79	47,855	53.06	47,285	53.91
Over 50	8,201	8.60	8,146	9.03	8,229	9.38
Total	95,315	100.00	90,183	100.00	87,711	100.00

(1) Employees by age group, divided by the total number of employees.
Employees hired under the Consolidation of Labor Laws were included in the calculation.

Employees by hierarchical level and age group (2018)⁽¹⁾ GRI 405-1

Hierarchical level	Under 30	%	Aged 30 to 50	%	Over 50	%
Officers	0	0.00	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
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.
Employees hired under the Consolidation of Labor Laws were included in the calculation.

Employees per job category level and age group LATAM (2018) GRI 405-1

Job category	Paraguay ⁽¹⁾			Uruguay ⁽²⁾			Argentina ⁽³⁾			Chile ⁽⁴⁾			Colombia ⁽⁵⁾		
	Under 30	Aged 30 to 50	Over 50	Under 30	Aged 30 to 50	Over 50	Under 30	Aged 30 to 50	Over 50	Under 30	Aged 30 to 50	Over 50	Under 30	Aged 30 to 50	Over 50
Officers	0	1	1	0	4	5	0	7	2	0	6	6	0	62	20
Supervisors	9	131	16	1	69	32	1	201	61	22	750	173	27	487	75
Administrative	112	209	8	92	163	77	152	469	120	261	886	281	368	943	124
Commercial and Operational	232	122	5	19	87	28	52	556	80	541	2,285	427	459	725	141
Total	353	463	30	112	323	142	205	1,233	263	824	3,927	887	854	2,217	360

(1) Considers only Banco Itaú Paraguay S.A. employees. Does not include outsourced workers. We hire a woman in the Officer category who is not included because she is also the Chief Executive Officer of Itaú Paraguay.

(2) The data correspond to Banco Itaú Uruguay.

(3) The data refers to Itaú, Itaú BBA and Itaú Valores.

(4) Considers the operations of the bank and its subsidiaries in Chile. Accordingly, it does not consider the New York office or the subsidiary in Colombia.

(5) Group information.

Employees by hierarchical level and minorities – black people (2018)⁽¹⁾ GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	0	0.0	1	0.8	1	0.8
Supervisors	995	7.0	1,005	7.1	2,000	14.1
Administrative	3,510	9.8	3,178	8.8	6,688	18.6
Commercial and Operational	6,417	17.5	3,115	8.5	9,532	26.0
Trainees	1	0.8	9	7.0	10	7.8
Apprentices	864	33.2	369	14.2	1,233	47.4
Interns	925	16.5	605	10.8	1,530	27.4
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 the total number of employees in each hierarchical level. Prior years' reports disclosed this information by dividing each category, based on hierarchical level, gender and minorities (black people), by the total number of employees of the organization. GRI 102-48

Employees by hierarchical level and minorities – black people (2017)⁽¹⁾ GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	0	0.0	1	0.8	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 the total number of employees in each hierarchical level. Prior years' reports disclosed this information by dividing each category, based on hierarchical level, gender and minorities (black people), by the total number of employees of the organization. GRI 102-48

Employees by hierarchical level and minorities – black people (2016)⁽¹⁾ GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	0	0.0	0	0.0	0	0.0
Supervisors	902	6.6	947	7.0	1,849	13.6
Administrative	2,552	9.8	2,088	8.0	4,640	17.8
Commercial and Operational	6,127	15.0	3,288	8.0	9,415	23.0
Trainees	5	4.1	5	4.1	10	8.2
Apprentices	780	28.4	296	10.8	1,076	39.2
Interns	708	16.8	384	9.1	1,092	25.9
Total	11,074	12.6	7,008	8.0	18,082	20.6

(1) Employees by hierarchical level, gender and minorities (black people), divided by the total number of employees in each hierarchical level. Prior years' reports disclosed this information by dividing each category, based on hierarchical level, gender and minorities (black people), by the total number of employees of the organization. GRI 102-48

Employees by hierarchical level and minorities – people with disabilities (2018)⁽¹⁾ 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
Total	2,145	2.3	2,042	2.3	4,187	4.8

(1) Employees by hierarchical level and minorities (people with disabilities), divided by the total number of employees.

Employees by hierarchical level and minorities – people with disabilities (2017)⁽¹⁾ GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	0	0.00	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
Total	1,990	2.40	1,938	2.34	3,929	4.74

(1) Employees by hierarchical level, gender and minorities (people with disabilities), divided by the total number of employees. Employees hired under the Consolidation of Labor Laws were included in the calculation.

Employees by hierarchical level and minorities – people with disabilities (2016)⁽¹⁾ GRI 405-1

Hierarchical level	Women	%	Men	%	Total	%
Officers	0	0.00	0	0.00	0	0.00
Supervisors	62	0.07	62	0.07	124	0.14
Administrative	613	0.70	813	0.93	1,426	1.63
Commercial and Operational	1,345	1.53	1,103	1.26	2,448	2.79
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
Total	2,020	2.30	1,978	2.26	3,998	4.56

(1) Employees by hierarchical level, gender and minorities (people with disabilities), divided by the total number of employees. Employees hired under the Consolidation of Labor Laws were included in the calculation.

Corporate Environmental and Social Risk Policy and Equator Principles

In 2018, we had no project finance-related transaction rejected due to environmental and social issues.

Finance project transactions⁽¹⁾⁽²⁾ closed (Equator Principles III criteria) GRI G4-FS6

Category	Number of projects			Total investment ⁽³⁾ (R\$ million)			Itaú Unibanco's share ⁽³⁾ (R\$ million)		
	2018	2017	2016	2018	2017	2016	2018	2017	2016
A	-	1	1	-	409.79	671.60	-	125.21	200.00
B	1	-	2	173.44	-	3,027.64	27.95	-	701.36
C	3	1	-	859.62	2	-	799.25	0.34	-
Setor									
Cement	-	1	-	-	409.79	-	-	125.21	-
Energy	2	1	1	214.40	2	842.81	68.94	0.34	49.18
Logistics	-	-	2	-	-	2,856.43	-	-	852.19
Hotels	1	-	-	72.66	-	-	12.26	-	-
Infrastructure	1	-	-	746.00	-	-	746.00	-	-
Location									
Northeast Brazil	-	-	1	-	-	842.81	-	-	49.18
North Brazil	-	-	1	-	-	671.60	-	-	200.00
Colombia	1	-	1	72.66	-	2,184.83	12.26	-	652.19
Brazil ⁽⁴⁾	-	1	-	-	2.00	-	-	125.21	-
Uruguai	-	1	-	-	409.79	-	-	125.21	-
Argentina	3	-	-	960.47	-	-	815.00	-	-
Independent consultant									
Transactions analyzed with independent consultant	1	1	3	173.44	409.79	3,699.24	27.95	125.21	901.36
Transactions analyzed without independent consultant	3	1	-	859.62	2.00	-	799.25	0.34	-
Total	4	2	3	1,033.06	411.79	3,699.24	827.20	125.55	901.363

(1) Project Finance as defined by Basel on www.bis.org/publ/bcbs107.pdf.

(2) One of the Project Finance transactions did not fall into Equator Principles because of its financial volume.

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

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

Notes: Brazil is a non-designated country, while Chile is a designated country. One Project Finance transaction was not included in this table because it did not reach EP triggers.

Project-related corporate loans (Corporate Finance)⁽¹⁾ closed and assessed by using Environmental and Social Policy criteria GRI G4-FS6

Category	Number of projects			Total investment ⁽²⁾ (R\$ million)			Itaú Unibanco's share ⁽²⁾ (R\$ million)		
	2018	2017	2016	2018	2017	2016	2018	2017	2016
A	-	-	-	-	-	-	-	-	-
B	7	1	1	144.87	123.46	1,544.83	120.10	45.00	115.73
C	-	6	8	-	1,324.79	364.89	-	407.20	172.80
Sector									
Sugar and ethanol	-	4.00	6	-	104.37	217.37	-	52.18	93.89
Agribusiness	4	1.00	1	79.34	125.00	36.91	79.34	110.28	36.91
Logistics	-	-	1	-	-	1,544.83	-	-	115.73
Telecommunications	-	-	1	-	-	110.61	-	-	42.00
Energy	1	1.00	-	16.00	1,095.42	-	16.00	244.74	-
Health care	-	1.00	-	-	123.46	-	-	45.00	-
Infrastructure	2	-	-	49.53	-	-	24.77	-	-
Location									
Southeast Brazil	5	3.00	3	87.47	1,150.50	107.38	62.70	272.28	47.67
South Brazil	-	1.00	2	-	123.46	61.05	-	45.00	46.91
Central-West Brazil	-	2.00	2	-	145.01	85.85	-	120.28	36.22
Northeast Brazil	-	-	-	-	-	-	-	-	-
Brazil ⁽³⁾	2	1.00	2	57.40	29.28	1,655.44	57.40	14.64	157.73
Total	7	7	9	144.87	1,448.25	1,909.72	120.10	452.20	288.52

(1) Itaú Unibanco's Corporate Environmental and Social Risk Policy. No Corporate Finance meeting Equator Principles Criteria was closed.

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

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

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

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

	Bridge loan ⁽³⁾			Project guarantee			Total		
	2018	2017	2016	2018	2017	2016	2018	2017	2016
Number of transactions contracted	4	10	10	29	11	12	33	21	22
Amount of transactions contracted									
Total investment (R\$ million) ⁽²⁾	635.00	10,340.00	10,822.00	20,555.53	26,644.63	30,013.50	21,190.53	36,984.63	40,895.50
Itaú Unibanco's share (R\$ million) ⁽²⁾	635.00	981.50	1,282.05	4,284.12	2,248.95	1,571.97	4,919.12	3,230.45	2,854.02
Category of transactions contracted									
A	1	0	2	8	2	3	9	2	5
B	3	9	8	19	8	8	22	17	16
C	-	1	-	2	1	1	2	2	1
Location of projects associated to transactions contracted									
Brazil	-	-	-	1	-	3	1	-	4
Central-West	-	-	-	4	-	1	4	-	1
Northeast	2	7	7	15	7	7	17	14	13
North	-	-	1	5	1	1	5	1	1
Southeast	1	2	2	3	2	-	4	4	-
South	1	1	1	1	1	-	2	2	1
Sector									
Energy	3	10	10	21	11	11	24	21	21
Logistics	-	-	-	-	-	1	-	-	1
Infrastructure	1	-	-	8	-	-	9	-	-
Total	4	10	10	29	11	12	33	21	22

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

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

(3) Based on the Equator Principles III, bridging loans address the specific requirements.

Environmental and social risk in Corporate, Wholesale, Middle Market and Retail operations

Number of client analysis carried out in Wholesale

Category	Favorable environmental and social opinion			Unfavorable environmental and social opinion			Adequacies and adjustments ⁽¹⁾			Total		
	2018	2017	2016	2018	2017	2016	2018	2017	2016	2018	2017	2016
High	385	269	378	121	80	284	67	55	149	573	404	811
Medium	979	1,067	1,383	225	108	582	117	75	185	1,321	1,250	2,150
Low	N.A.	68	185	N.A.	3	43	N.A.	8	17	N.A.	79	245
Rural clients	132	141	-	0	1	-	0	0	-	132	142	-
Restricted List	105	134	-	136	168	-	44	45	-	285	347	274
Total	1,601	1,679	1,946	482	360	909	228	183	351	2,311	2,222	3,206

(1) Favorable opinion after measures taken to comply with environmental and social policies and regulations in force.



Loan portfolio by sector GRI G4-FS6

Companies	In R\$ million
Sugar and ethanol	5,680
Agribusiness and fertilizers	16,954
Food and beverages	13,826
Banks and other financial institutions	8,328
Capital goods	4,231
Commerce – sundry	29,635
Sundry	15,245
Power and sanitation	9,394
Pulp and paper	1,988
Education	1,977
Pharmaceuticals & cosmetics	5,350
Real estate	17,887
Leisure and tourism	4,774
Construction materials	4,286
Metallurgy/steel and iron	7,268
Media	640
Mining	6,808
Infrastructure	8,850
Oil and gas	5,985
Petrochemicals & chemicals	9,326
Health care	2,528
Insurance, reinsurance and pension plans	23
Telecommunications	2,216
Trading	1,703
Transportation	15,760
Vehicles/auto parts	10,104
Industry – sundry	9,297
Services – sundry	38,571
Technology	4,215
Individuals	
Real estate loans	68,724
Consumer loans/overdraft	101,372
Vehicles financing	16,497
Credit cards	83,039

Note: Among our financing tools, we currently have three categories with known negative impact: (i) carbon-intensive products, (ii) those threatening public, food and nutritional security; and (iii) those that indirectly cause damages to the physical or psychological integrity of users or third parties. This amount accounts for 2.7% of our loan portfolio.

Environmental and social risk on vehicle financing GRI G4-FS6

Vehicle financing portfolio percentages by sector

Sector	Portfolio value (R\$ million)			Portfolio value (% of business line)		
	2018 ⁽¹⁾	2017	2016	2018	2017	2016
Transportation	3,261.35	2,346.10	2,824.34	48.1	50.0	51.9
Construction materials	402.91	335.54	477.48	5.9	7.1	8.8
Light and heavy vehicles	865.00	438.59	371.29	12.8	9.3	6.8
Food	495.63	414.03	511.11	7.3	8.8	9.4
Other (with portfolio value significantly lower than the four main sectors)	1,760.17	1,159.59	1,255.48	25.9	24.7	23.1
Total value of business line (R\$ million)	6,785.06	4,693.85	5,439.70			

(1) Includes Itaucard, branches network and Wholesale Banking.

Vehicle financing portfolio percentages by region

Region	Portfolio value (R\$ million)			Portfolio value (% of business line)		
	2018 ⁽¹⁾	2017	2016	2018	2017	2016
Southeast	3,104.75	2,030.29	2,289.84	45.8	43.3	42.1
South	1,901.82	1,397.89	1,678.97	28.0	29.8	30.9
Central-West	704.68	474.54	518.68	10.4	10.1	9.5
Northeast	782.13	565.66	681.74	11.5	12.1	12.5
North	291.68	225.47	270.47	4.3	4.8	5.0
Total value of business line (R\$ million)	6,785.06	4,693.85	5,439.70			

(1) Includes Itaucard, branches network and Wholesale Banking.

Vehicle financing portfolio percentages by size

	Portfolio value (R\$ million)			Portfolio value (% of business line)		
	2018 ⁽¹⁾	2017	2016	2018	2017	2016
Very small companies (0–2.40 million)	1,645.68	1,242.70	1,497.16	24.3	26.5	27.5
Small companies (2.40–16.00 million)	2,474.64	1,678.66	2,137.15	36.5	35.8	39.3
Middle-market companies (16–90 million)	1,735.82	1,187.12	1,210.35	25.6	25.3	22.3
Middle-market/large companies (90–300 million)	572.10	424.97	461.35	8.4	9.1	8.5
Large companies (over 300 million)	346.25	160.28	127.97	5.1	3.4	2.4
Information not available	10.58	0.12	5.72	0.2	0.0	0.1
Total value of the business line (R\$ million)	6,785.06	4,693.85	5,439.70			

(1) Includes Itaucred, branches network and Wholesale Banking.

Environmental and social risk on mortgage loans GRI G4-FS6

Mortgage loans portfolio percentages by sector

Sector	Portfolio value (R\$ million) ⁽¹⁾⁽²⁾			Portfolio value of business line (R\$ million) ⁽¹⁾⁽³⁾			Portfolio value (%) ⁽⁴⁾		
	2018	2017	2016	2018	2017	2016	2018	2017	2016
Residential property	3,295.66	4,619.03	5,940.92	5,891.88	7,099.43	9,341.20	55.94	54.76	58.07
Commercial property ⁽¹⁾	3,178.42	3,816.20	4,289.78	3,879.48	4,460.98	5,198.39	81.93	45.24	41.93

(1) Malls, corporate offices, hotels and office buildings.

(2) Debtor balance + delinquent installments.

(3) Debtor balance + delinquent installments + installments to be released.

(4) Percentage of business line.

Itaú Seguros (Itaú Insurance) in numbers

Portfolio earned premiums, by business line in 2018 GRI G4-FS6

Overall insurance result		
Type of insurance	Cancellation free earned premium (R\$)	Share of portfolio (%)
Card protection	561,786,584.16	12
Home	391,527,695.16	8
Lenders	864,700,435.26	18
Group life	191,184,379.27	4
Individual life	1,771,801,703.49	37
Property	61,306,346.27	1
Other	406,093,948.34	9
Travel	19,940,027.30	0
Itaú Auto and Home	484,932,985.51	10
Total	4,753,274,104.77	100

Note: Any minimum difference in the total sum or percentage arises from the rounding up of decimal places.

Portfolio earned premiums, by business line and sector in 2018

GRI G4-FS6

Card protection insurance

Business line	Earned premiums (R\$)	Share (%)
Commercial banking	299,375,768.66	53
Financial	262,410,815.50	47
Total	561,786,584.16	100

Note: Any minimum difference in the total sum or percentage arises from the rounding up of decimal places.

Home insurance

Business line	Earned premiums (R\$)	Share (%)
Commercial banking	67,139,736.07	17
Multiple-service banking	128,015,15	0
Financial	324,259,943.94	83
Total	391,527,695.16	100

Note: Any minimum difference in the total sum or percentage arises from the rounding up of decimal places.

Credit life

Business line	Earned premiums (R\$)	Share (%)
Other	652,467,463.67	75.5
Financial	100,117,419.47	11.6
Commercial banking	31,660,280.84	3.7
Commerce – companies not classified	29,680,179.76	3.4
Other activities	50,775,091.53	5.9
Total	864,700,435.26	100.0

Note: Any minimum difference in the total sum or percentage arises from the rounding up of decimal places.

Travel insurance

Business line	Earned premiums (R\$)	Share (%)
Other	19,940,027.30	100
Total	19,940,027.30	100

Note: Any minimum difference in the total sum or percentage arises from the rounding up of decimal places.

Group life insurance

Business line	Earned premiums (R\$)	Share (%)
Other	64,885,880.37	33.9
Commerce – companies not classified	38,870,784.78	20.3
Services – companies not classified	11,069,371.66	5.8
Sale of food and beverages	7,001,125.43	3.7
Industry – companies not classified	5,160,918.35	2.7
Companies operating in several lines	4,915,316.18	2.6
Transportation	4,859,364.96	2.5
Civil construction	4,545,900.02	2.4
Repair, maintenance, installation services	3,531,260.93	1.8
Steel and iron	2,634,619.73	1.4
Sale of construction materials	2,384,797.38	1.2
Professional technical services	2,295,510.53	1.2
Sale of vehicles and auto parts	2,240,800.00	1.2
Other	36,788,728.96	19.2
Total	191,184,379.27	100.0

Note: Any minimum difference in the total sum or percentage arises from the rounding up of decimal places.

Individual life insurance

Business line	Earned premiums (R\$)	Share (%)
Other	1,642,939,680.57	93
Financial	122,923,019.40	7
Other	5,939,003.52	0
Total	1,771,801,703.49	100

Note: Any minimum difference in the total sum or percentage arises from the rounding up of decimal places.

Property insurance

Business line	Earned premiums (R\$)	Share (%)
Commerce – companies not classified	49,924,124.04	81.4
Services – companies not classified	1,484,107.37	2.4
Sale of food and beverages	1,355,943.72	2.2
Other	1,086,804.51	1.8
Companies operating in several lines	715,675.42	1.2
Steel and iron	666,057.32	1.1
Other activities	6,073,633.89	9.9
Total	61,306,346.27	100.0

Note: Any minimum difference in the total sum or percentage arises from the rounding up of decimal places.

Other insurance lines

Business line	Earned premiums (R\$)	Share (%)
Other	170,543,538.62	42.0
Public administering services	43,298,158.79	10.7
Services – companies not classified	42,817,518.96	10.5
Commercial banking	39,907,860.71	9.8
Industry – companies not classified	24,005,843.40	5.9
Civil construction	13,461,577.51	3.3
Commerce – companies not classified	8,344,256.94	2.1
Caixa Econômica	5,147,288.67	1.3
Transportation	4,364,820.37	1.1
Other activities	54,203,084.37	13.3
Total	406,093,948.34	100.0

Note: Any minimum difference in the total sum or percentage arises from the rounding up of decimal places.

Itaú Auto and Home Insurance

Business line	Earned premiums (R\$)	Share (%)
Other	458,443,275.51	94.5
Financial	22,145,292.62	4.6
Other activities	4,344,417.37	0.9
Total	484,932,985.51	100.0

Note: Only activities with a share of over 1% of the portfolio are disclosed. Any minimum difference in the total sum or percentage arises from the rounding up of decimal places.

Portfolio earned premiums, by State in 2018 GRI G4-FS6

Brazilian States	Total earned premium (R\$)
Acre	1,825,388.75
Alagoas	9,393,488.88
Amazonas	22,566,667.19
Amapá	3,025,580.35
Bahia	74,919,444.92
Ceará	39,427,757.31
Distrito Federal	48,716,884.72
Espírito	26,116,757.72
Goiás	112,435,754.81
Maranhão	11,991,911.24
Minas Gerais	613,452,731.62
Mato Grosso do Sul	20,696,368.38
Mato Grosso	24,939,002.62
Pará	31,266,817.31
Paraíba	11,298,803.43
Pernambuco	60,324,147.61
Piauí	5,870,439.35
Paraná	257,806,363.30
Rio de Janeiro	594,101,926.78
Rio Grande do Norte	11,807,604.09
Rondônia	7,612,059.24
Roraima	2,559,484.53
Rio Grande do Sul	110,428,399.83
Santa Catarina	84,854,007.15
Sergipe	5,883,962.93
São Paulo	2,555,675,194.66
Tocantins	4,277,156.05
Total	4,753,274,104.77

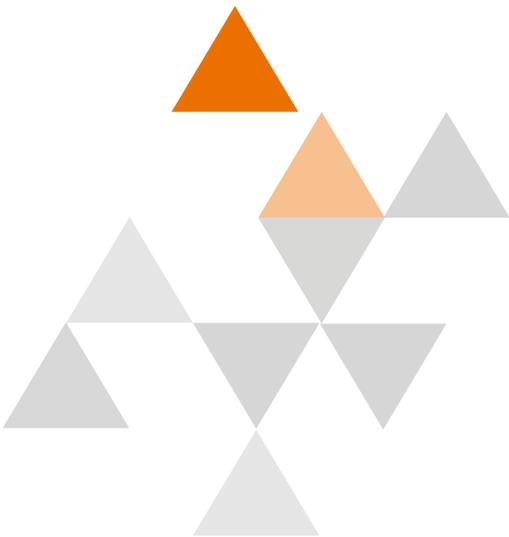
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Independent auditors' limited assurance report on the sustainability information included in the Sustainability Report for 2018 GRI 102-56

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

Introduction

We have been engaged by Itaú Unibanco Holding S.A. ("Itaú Unibanco" or "Company") to present our limited assurance report (i) on the compilation of sustainability information included in the Sustainability Report for 2018 of Itaú Unibanco, for the year ended December 31, 2018, and (ii) on compliance with the principles defined in AA1000 AccountAbility Principles Standards 2008 ("AA1000APS") as regards the process of engaging stakeholders and defining materiality.



Responsibilities of the Company's management

The Company's management is responsible for the preparation and fair presentation of the sustainability information included in the Sustainability Report for 2018, in accordance with the criteria of the Global Reporting Initiative (GRI-STANDARDS) and for such internal control as it determines is necessary to enable the preparation of information free from material misstatement, whether due to fraud or error, and is also responsible for complying with the principles defined in AA1000APS as regards the process of engaging stakeholders and defining materiality.

Independent auditor's responsibilities

Our responsibility is to express a conclusion on the information included in the Sustainability Report for 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 application of the Brazilian Standard on Quality Control (NBC PA 01) and, therefore, the maintenance of a comprehensive quality control system, including documented policies and procedures regarding the compliance with the applicable ethical requirements, professional standards and legal and regulatory requirements.

Moreover, the aforementioned standards require that the work be planned and performed to obtain limited assurance that the information included in the Sustainability Report for 2018, taken as a whole, is free from material misstatement.

Our responsibility is also to express a conclusion on the process of engaging stakeholders and defining materiality, based on our limited assurance engagement conducted in accordance with AA1000 Assurance Standard ("AA1000AS") 2008 - Type 1, which establishes the following procedures:

- confirm the existence of a process for identification and participation of key stakeholders;
- confirm the existence of a transparent procedure for determining the materiality of significant issues; and
- confirm the existence of a communication process with key stakeholders, and also for the presentation of a well-defined structure in the Sustainability Report, as regards the process to be able to respond to sustainability-related issues.

A limited assurance engagement conducted in accordance with the Brazilian standard NBC TO 3000, ISAE 3000 and AA1000AS mainly consists of making inquiries of management and other professionals of the entity involved in the preparation of the information, as well as applying analytical procedures to obtain evidence that allows us to issue a limited assurance conclusion on the information, taken as a whole. A limited assurance 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 information included in the Sustainability Report for 2018, other circumstances of the engagement 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 that were used to prepare the information included in the Company's Sustainability Report for 2018;
- (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 analytical procedures to quantitative information and making inquiries regarding the qualitative information and its correlation with the indicators disclosed in the Sustainability Report for 2018; and
- (d) comparing the financial indicators with the financial statements and/or accounting records.

The limited assurance engagement also included application of procedures 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 Sustainability Report for 2018, in addition to the checking of the compliance with the principles of AA1000APS in the engagement of stakeholders and in the definition of the materiality.

We believe that the evidence we 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 included in the Sustainability Report for 2018 and on the compliance with the principles of AA1000APS. Consequently, we were not able to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an assurance engagement, the objective of which is the issuance of an opinion. If we had performed an engagement with the objective of issuing an opinion, we might have identified other matters and possible misstatements in the sustainability information included in the Sustainability Report for 2018 or incidence of non-compliance with the principles of AA1000APS. Accordingly, we do not express an opinion on this 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 is subject to individual assumptions and judgments. Furthermore, we did not consider in our engagement the data reported for prior periods, nor future projections and goals.

The preparation and presentation of sustainability indicators followed the criteria of the GRI-STANDARDS and, therefore, were not designed to assure compliance with laws and social, economic, environmental or engineering regulations. However, those standards require the presentation and disclosure of possible cases of non-compliance with regulations to avoid sanctions or significant fines. Our assurance report should be read and considered in this respect, in the context of the selected criteria (GRI-STANDARDS).

Conclusion

Based on the procedures performed, described herein, no matter has come to our attention that causes us to believe (i) that the sustainability information included in the Sustainability Report for 2018 of Itaú Unibanco Holding S.A. has not been compiled, in all material respects, in accordance with the guidelines of the Global Reporting Initiative (GRI-STANDARDS), and (ii) that the process of engaging stakeholders and defining materiality has not been performed in accordance with the guidelines established in the AA1000 AccountAbility Principles Standard.

São Paulo, April 30, 2019

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Washington Luiz Pereira Cavalcanti
Contador CRC 1SP172940/O-6Ga



Declaration of Independence

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

São Paulo, April 30, 2019

In connection with our work related to the issue of our Independent Auditors' Limited Assurance Report (i) on the sustainability information included in the Sustainability Report for 2018 of Itaú Unibanco Holding S.A. and (ii) on compliance with the principles defined in AA1000 AccountAbility Principles Standards 2008 ("AA1000APS") as regards the process of engaging stakeholders and defining materiality, we declare that PricewaterhouseCoopers Auditores Independentes is independent of Itaú Unibanco Holding S.A., and there was no conflict of interest in the process of verifying the environmental and social data related to the sustainability information in accordance with the Code of Ethics of the International Federation of Accountants (IFAC) and local rule of the Federal Accounting Council (CFC), Resolution NBC PA 291(R1).

Yours faithfully,

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Washington Luiz Pereira Cavalcanti
Contador CRC 1SP172940/O-6

