

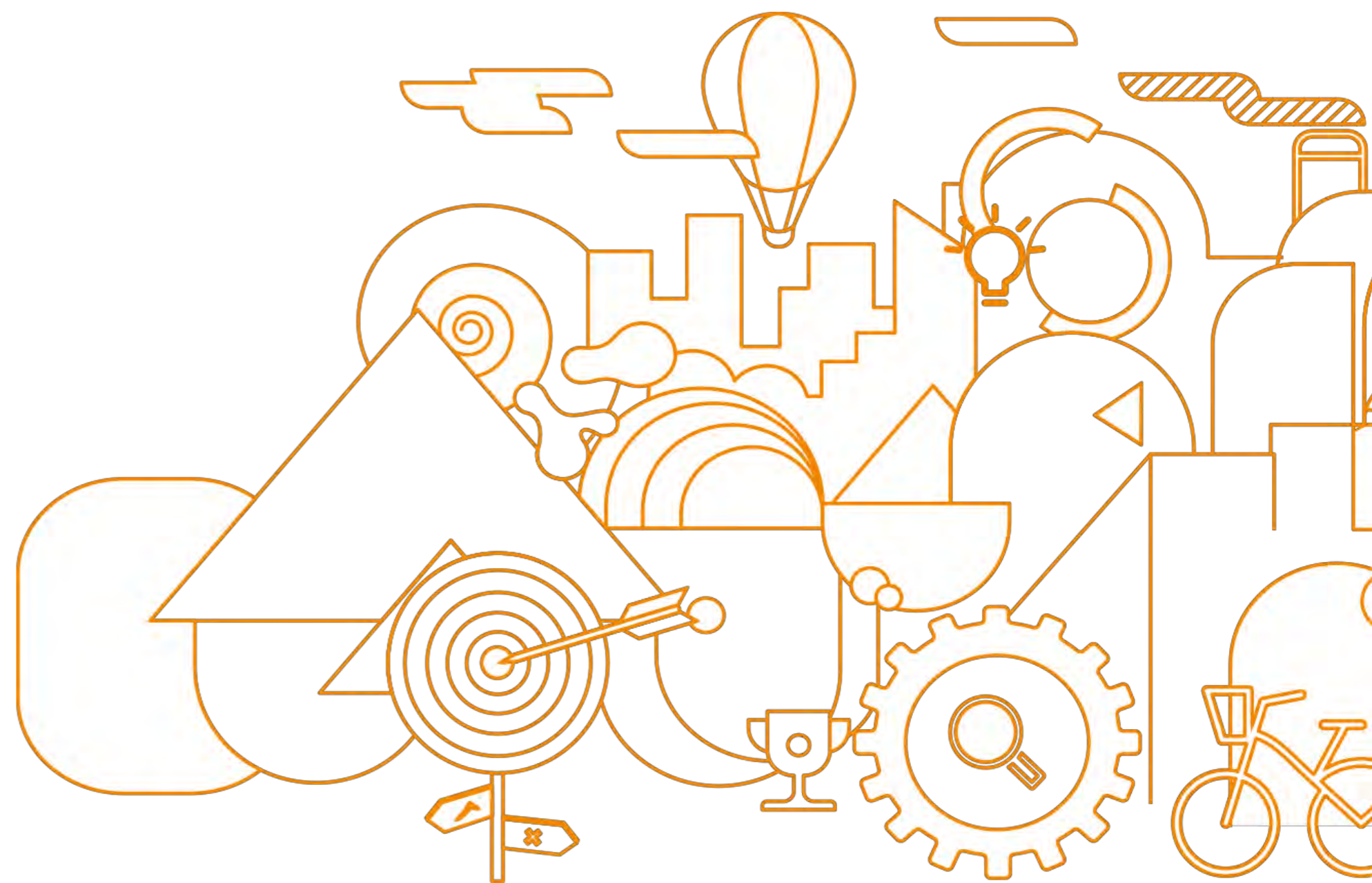


Apimec cycle 2018_SP

Itaú Unibanco Holding S.A.

Alexsandro Broedel

Group Executive Finance Director and Head of Investor Relations



www.itaú.com.br/investor-relations

AGENDA

1

Focus on
Stockholder

2

New Investor
Relations website

AGENDA

1

Focus on
Stockholder

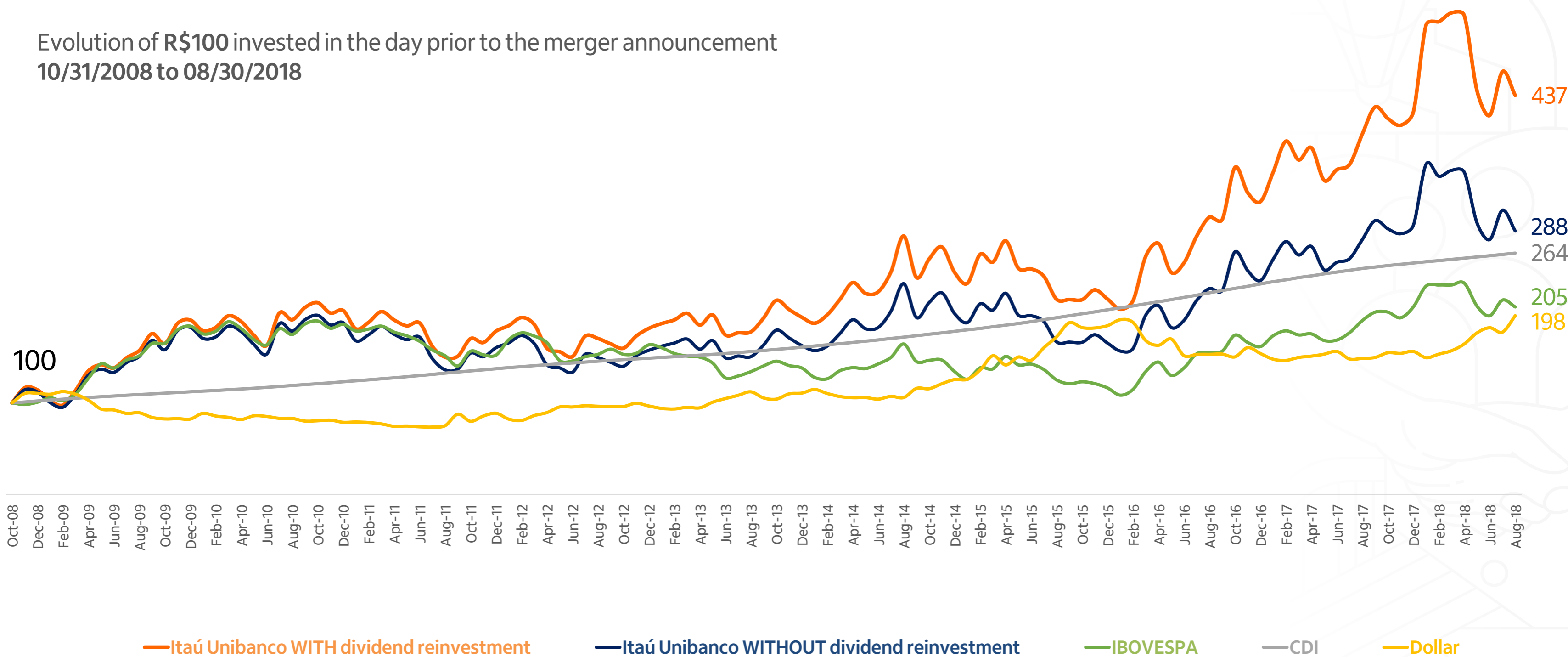
2

New Investor
Relations website

Itaú Unibanco Preferred Stock Valuation

Comparison with Market indicators

Evolution of R\$100 invested in the day prior to the merger announcement
10/31/2008 to 08/30/2018



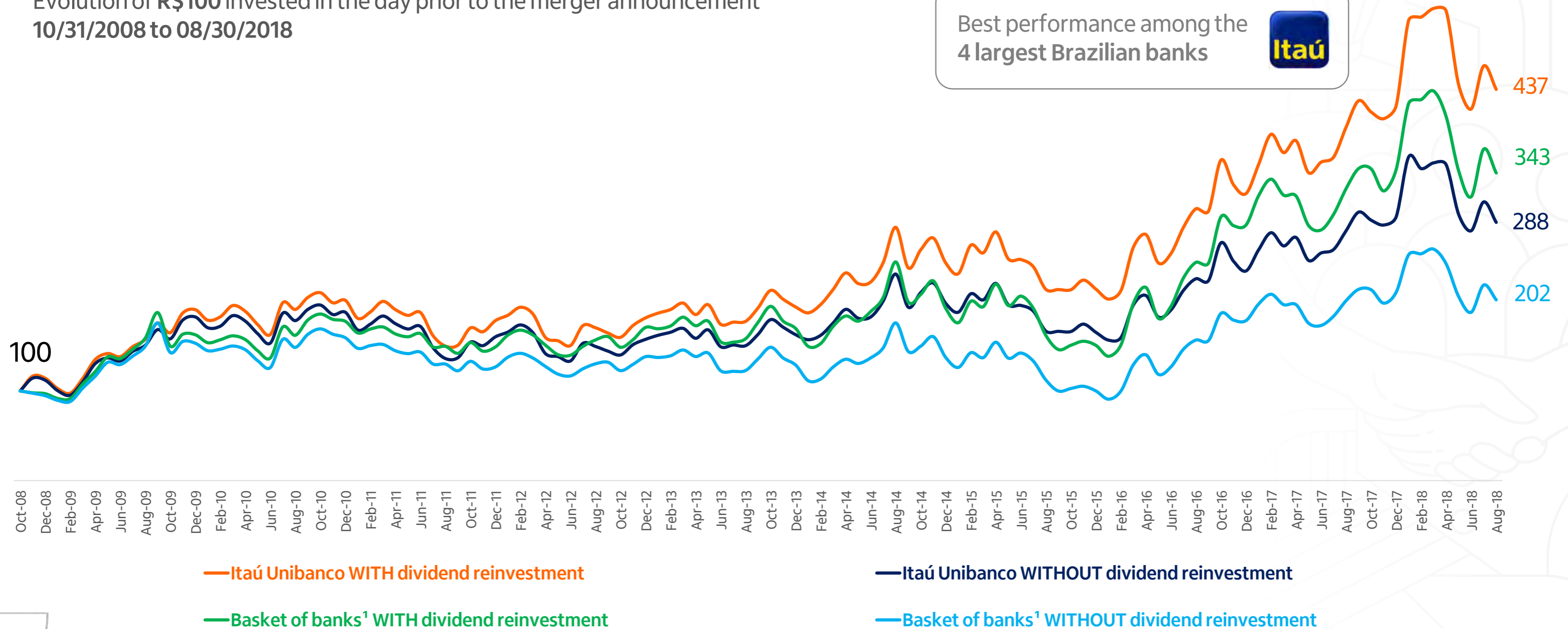
Source: Economatica

Stock Valuation

Comparison with Brazilian banks

Evolution of R\$100 invested in the day prior to the merger announcement
10/31/2008 to 08/30/2018

Best performance among the
4 largest Brazilian banks



Source: Economatica

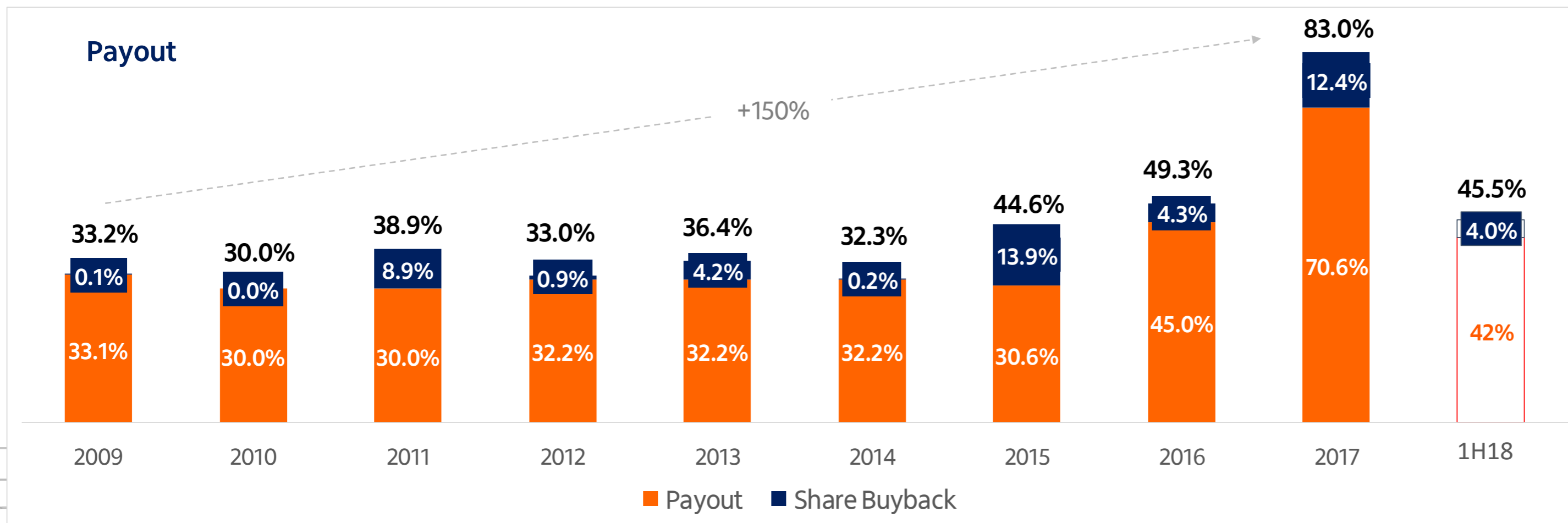
¹ Includes the three largest Brazilian banks ex-Itaú Unibanco

Payout - Dividends

Efficient capital management aiming to create value for stockholders

In the Material Fact disclosed on September 26, 2017:

- Keeping on paying dividends and interest on capital at **35%** of net income. Exclusion of the maximum limit previously determined at 45%.
- Defining the total amount to be distributed each year, taking into account:
 - The Company's capitalization level - rules defined by the Central Bank of Brazil;
 - The minimum level for common equity tier 1* at **13.5%**. This ratio should comprise at least 12.0% core capital;
 - The profitability for the year;
 - The prospective use of capital based on the expected business growth, share buyback programs, mergers and acquisitions and regulatory changes that may change capital requirement;
 - Tax changes.



Long-term management

Treasury stock in the 1st half of 2018:
60.6 million shares

Amount equivalent to 3 to 4 years of shares delivered through Long-Term Incentive plans

* Taking into consideration the full application of Basel III rules, in addition to the impact from the acquisition of the minority interest of 49.9% in XP Investimentos

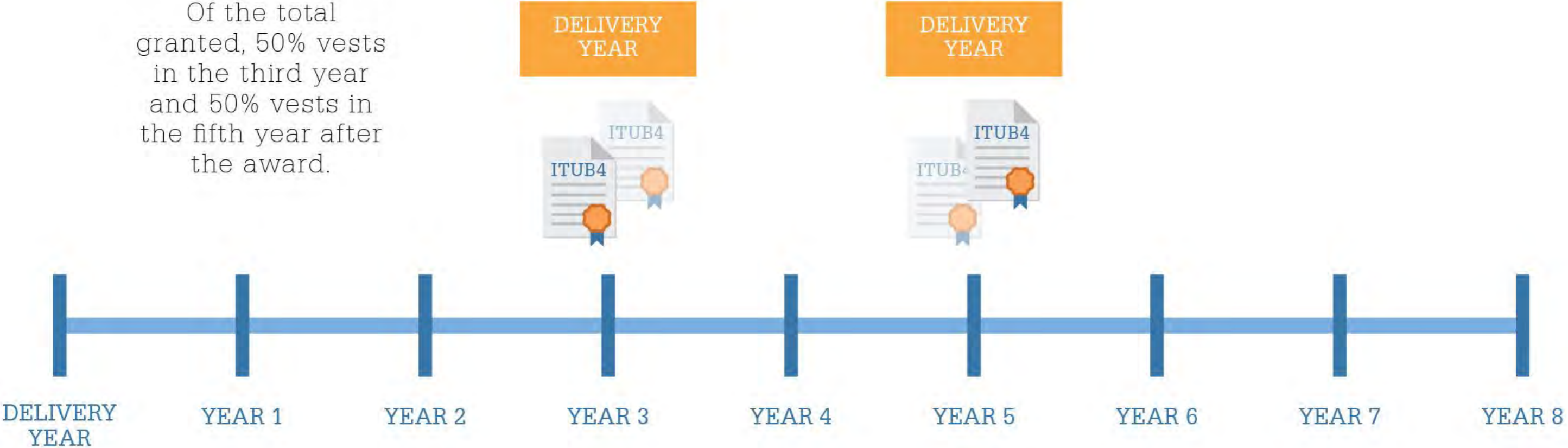
Governance – Long-Term Incentives

Management compensation program (Partners and Associates)

Alignment of Interests of stockholders and management members

Owner attitude

Of the total granted, 50% vests in the third year and 50% vests in the fifth year after the award.



Shares received will remain unavailable for sale for five- and eight-year terms as from each investment in shares.

AVAILABLE FOR SALE

70% ASSOCIATES
50% PARTNERS

AVAILABLE FOR SALE

30% ASSOCIATES
50% PARTNERS

Sustainable business practices

Creating shared value for employees, clients, stockholders and society, and ensuring business continuity

Credit analysis

Examples:

We carry out no further loan operations with companies involved in:

- Slave labor
- Child labor not in accordance with legislation
- Encouragement to prostitution

Specific guidelines for E&S risk analysis in the following sectors:

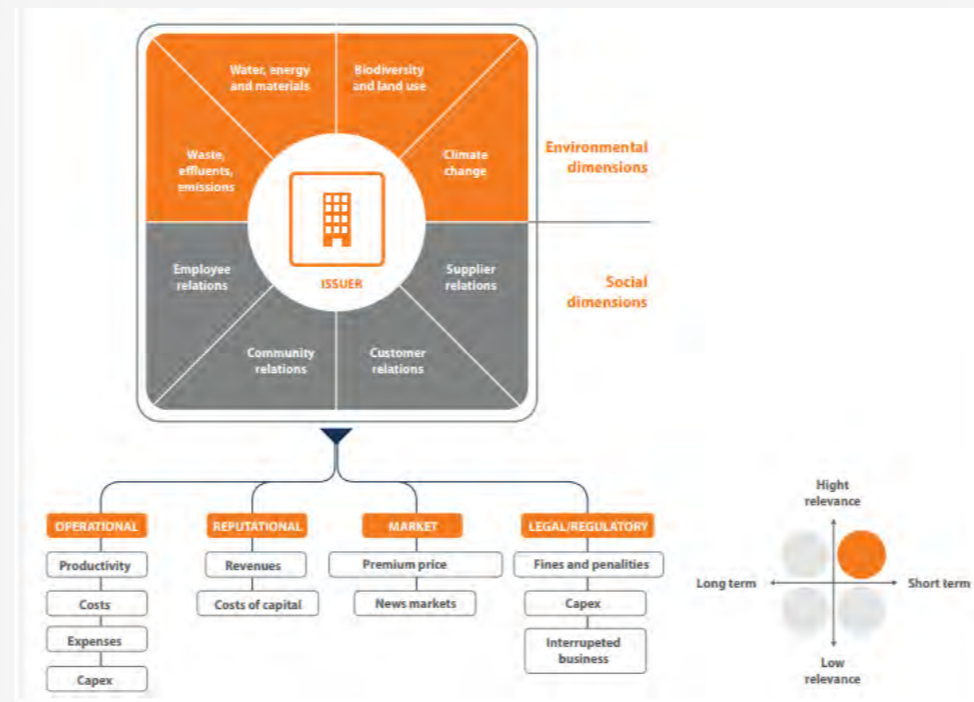
- Firearms and ammunition
- Extraction and production of timber/firewood/charcoal from native forests
- Fishing activities
- Extraction and industrialization of asbestos
- Slaughterhouses and beef-packing plants

Fund management (Responsible Investment)

Own methodology: materiality, importance in the sector, qualifying risks and opportunities, metrics and management

The following were assessed through this methodology:

- 100% of companies listed on Ibovespa and ISE
- 72% of companies listed on IPSA (Chile)
- 25% of companies listed on Merval (Argentina)
- 85% of fixed-income securities



Other initiatives

People management
Work climate
Diversity



Ethics

embedded in our business, can be translated into a transparent, respectful and fair relationship with our stakeholders.

Financial Education

- Programs for corporate clients
- Financial education website
- Preventive actions
- Conscious use of money program (6,300+ people impacted)

Market relations



Integrated Report



- We are the first Brazilian financial institution to publish an Integrated Report of our own accord

Ações Itaú em Foco



- A quarterly newsletter distributed since 2003

Stockholder relation in 2018

Abroad

Conferences and NDRs: 9

Attended by **249 investors**
London, New York City, California, Montreal, Toronto and Santiago.

Brazil

Conferences and public meetings: 26

Attended by **641 investors**

APIMEC meetings: 15

Attended by **1,770 investors**

Conference calls

6 conferences calls

1,067 participants

E-mail/Phone calls: **1.385**

Total Investors:

123 thousand

Over **1 million investors** through investment funds (in Brazil)

AWARDS AND RECOGNITION

Institutional Investor

Latin America Executive Team 2018

Financials/Banks (Overall)

- The Best CEO
- The Best CFO
- The Best Investor Relations Program
- The Best ESG / SRI Metrics
- The Best Analysts' Day

EMPRESA
**PRÓ
ÉTICA**

Itaú Unibanco was recognized by the Ministry of Transparency and Inspection/ CGU (*Office of the Federal Controller General*) as the **only financial institution to make up the Empresa Pró Ética (company championing ethics) list in 2017.**

Financial Reporting - Benchmarking Report

bespokebenchmarking
wealth creation through corporate financial benchmarking

Itaú Ranked 1st in
2016 and 2017

- A company operating for over **20 years in the market**, influential in the monitoring and development of IFRS reporting
- One of the major companies **specialized in accounting techniques**, used by:
 - Large companies
 - Government bodies
 - Big audit firms
- With **independence** to issue **unbiased** opinions on financial reports

REPORTING

- Rating and analyzing accounting items among financial institutions
- Indicating improvements and best practices

RATING METHODOLOGY

- General: aggregated score
- Individual: Per bank for each item
- Weighted by importance and relevance

AGENDA

1

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Stockholders

2

New Investor Relations
website

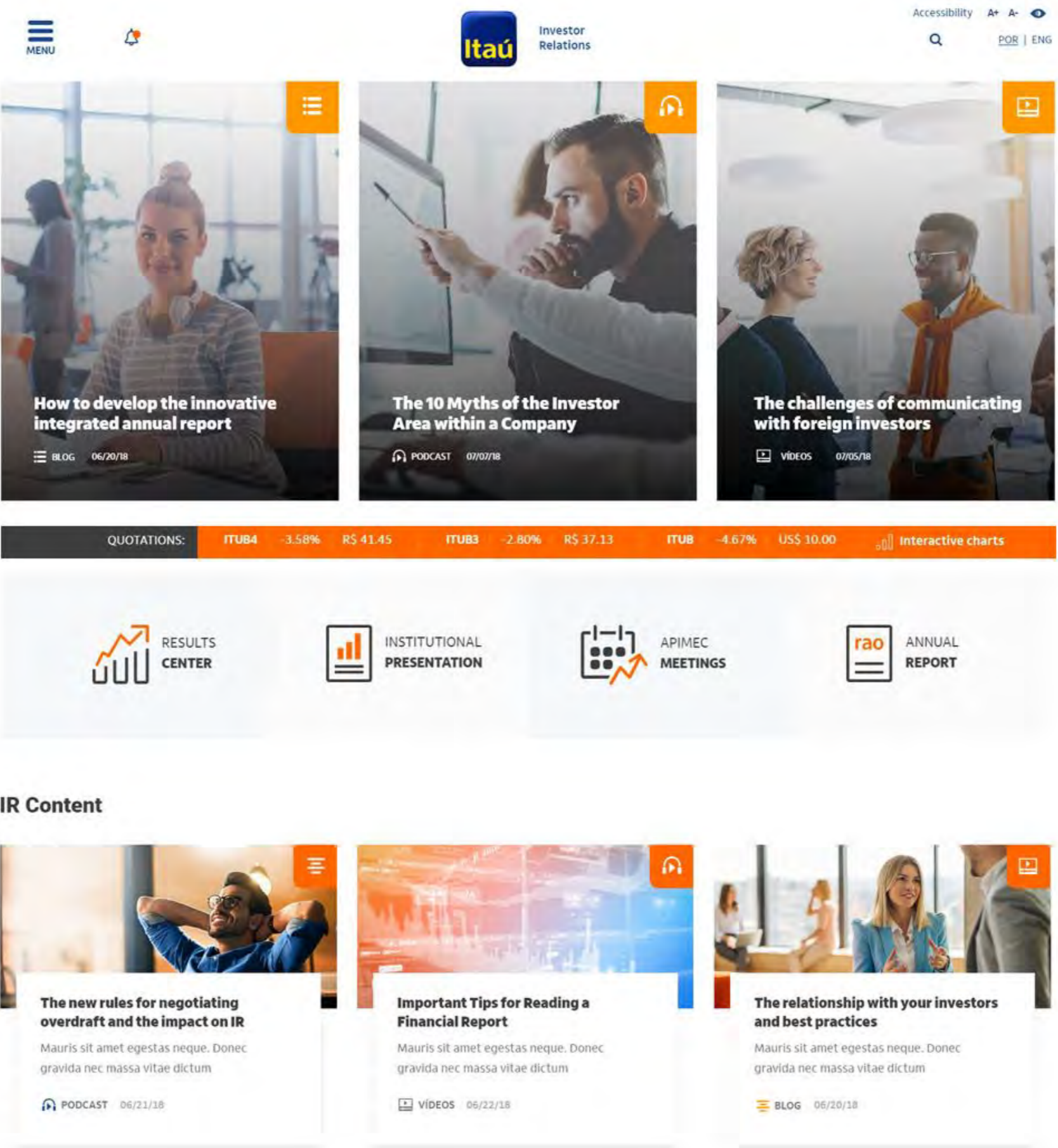
A more flexible browsing on the homepage, improving the website visibility

The screenshot displays the Itaú Investor Relations homepage with a clean, modern design. At the top, there is a navigation bar with the Itaú logo, 'Investor Relations' text, and utility links for 'Accessibility', 'A+', 'A-', and a search icon. Language options 'POR | ENG' are also present. The main content area is divided into several sections:

- Left Column:** A large blue-tinted banner with the headline 'Leading change with innovation and results'. Below it, a 'LATEST RESULTS' section highlights 'Itaú profit in the 1st quarter 2018' and provides links for 'Management Analysis', 'Webcast', 'Presentation', 'Releases', 'Transcription', 'Video', 'Spreadsheet', and 'See all results'.
- Top Right:** Two featured content cards. The first is a podcast titled 'The 10 Myths of the Investor Area within a Company' dated 07/07/18. The second is a video titled 'The challenges of communicating with foreign investors' dated 07/05/18.
- Bottom Right:** A larger featured content card titled 'How to develop the innovative integrated annual report' dated 20/06/18.

Below the main content is a 'QUOTATIONS' bar with an orange background, displaying stock prices and changes for ITUB4, ITUB3, and ITUB. At the bottom, there is a navigation bar with four main categories: 'RESULTS CENTER', 'INSTITUTIONAL PRESENTATION', 'APIMEC MEETINGS', and 'ANNUAL REPORT' (labeled 'rao').

A more flexible browsing on the homepage, improving the website visibility



A more flexible browsing on the homepage, improving the website visibility



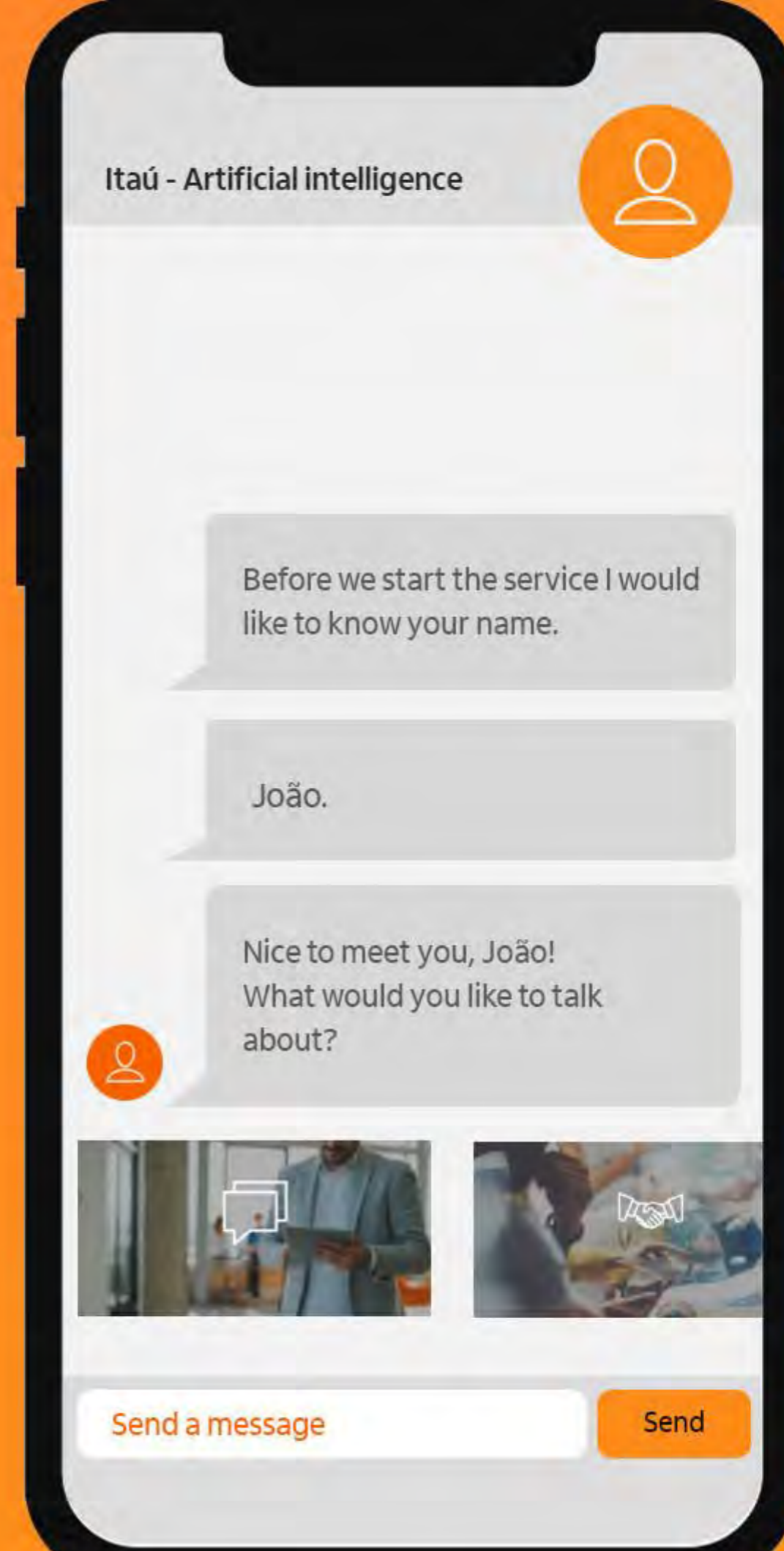
QUOTATIONS:

ITUB4	-3.58%	R\$ 41.45	ITUB3	-2.80%	R\$ 37.13	ITUB	-4.67%	US\$ 10.00	Interactive charts
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Itaú will count on another member in its IR team to settle your doubts:
the Virtual Assistant!

The Virtual Assistant!



1st IR Podcast in Brazil

- More accessible language
- Broaden access to communication
- Financial Education
- Better experiences

The screenshot displays the Itaú Investor Relations website. At the top left, there is a 'MENU' icon and a notification bell. The Itaú logo and 'Investor Relations' text are centered at the top. On the right, there are accessibility options (A+, A-, eye icon), a search icon, and language options (POR | ENG). Below the header, the page is dated '22/06/18' and features a 'BLOG' label. The main headline reads '1st Podcast - New IR Site'. The central image shows a woman in a modern office setting wearing headphones, with other office workers in the background. At the bottom of the image, there is a play button icon, a waveform representing audio, and a microphone icon.



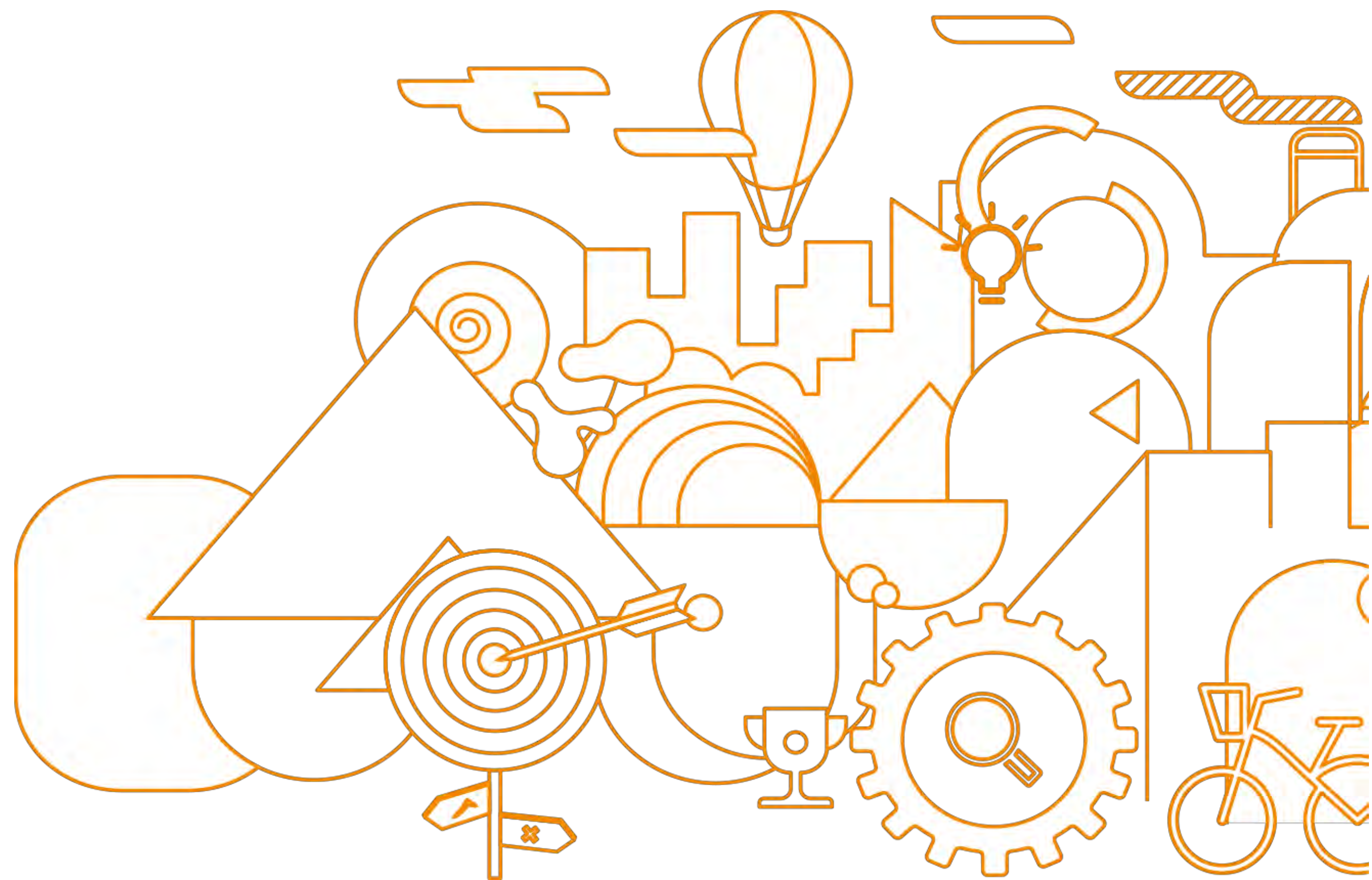
Apimec cycle 2018_SP

Itaú Unibanco Holding S.A.

A CHANGING BANK

Candido Bracher

Executive President and CEO



 www.itaú.com.br/investor-relations

agenda

1 Itaú Unibanco

2 MARKET
scenario

3 Transformation

agenda

1

Itaú Unibanco

2

MARKET
scenario

3

transformation

Itaú Unibanco who we are

FIRST HALF
OF 2018

THE LARGEST BANK IN LATIN AMERICA

94 years

OF HISTORY

4,904
Branches and Client
Services Branches

Market Value
R\$ 260.6
billion

Total Assets
R\$ 1.5
trillion

Loans and Financing
R\$ 623.2
billion

Funds from Clients
R\$ 1.8
trillion

Recurring ROE
22.0%

99,914
Employees

47,650
ATMs

Presence in
19
COUNTRIES



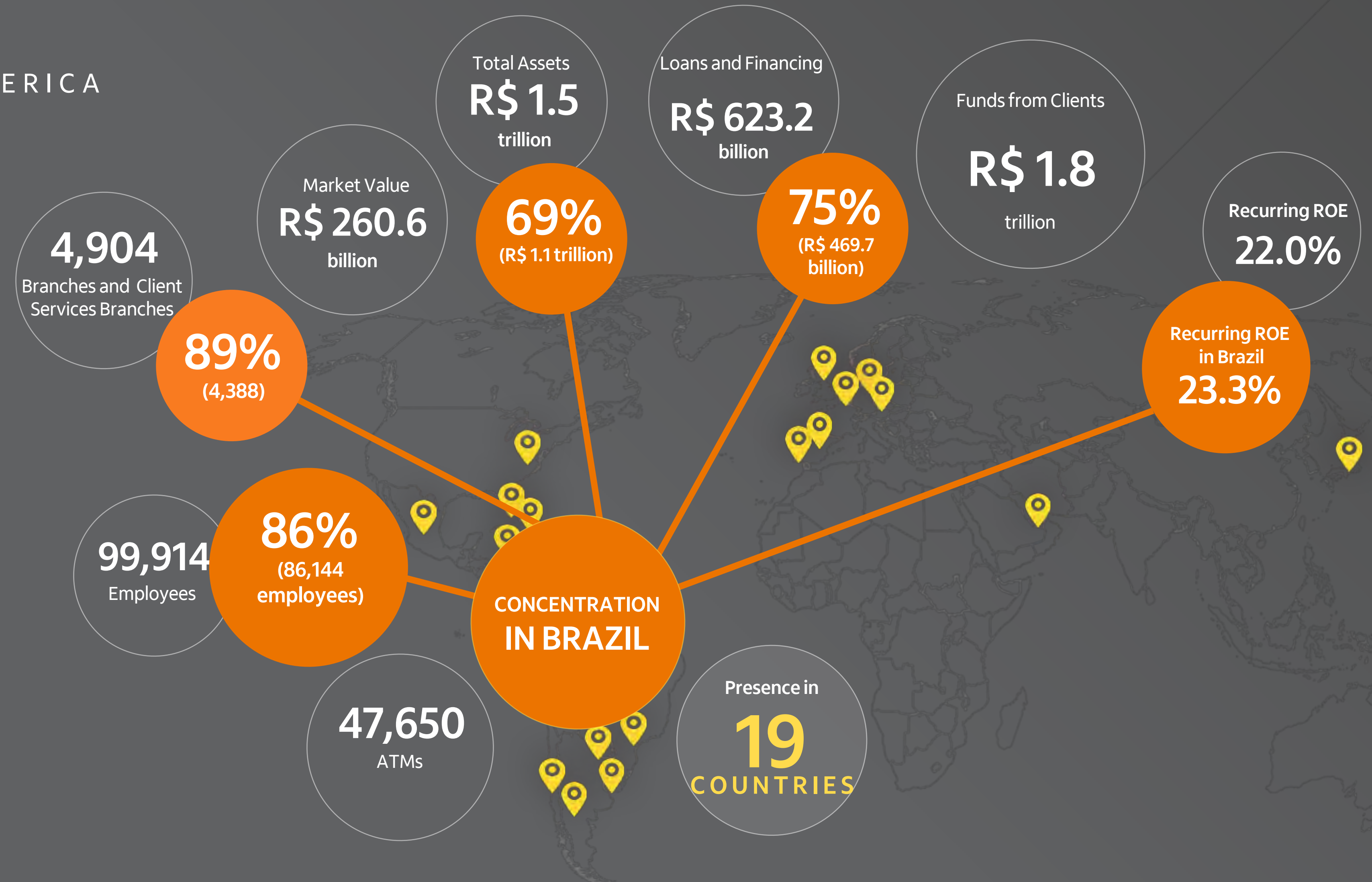
Itaú Unibanco who we are

FIRST HALF
OF 2018

THE LARGEST BANK IN LATIN AMERICA

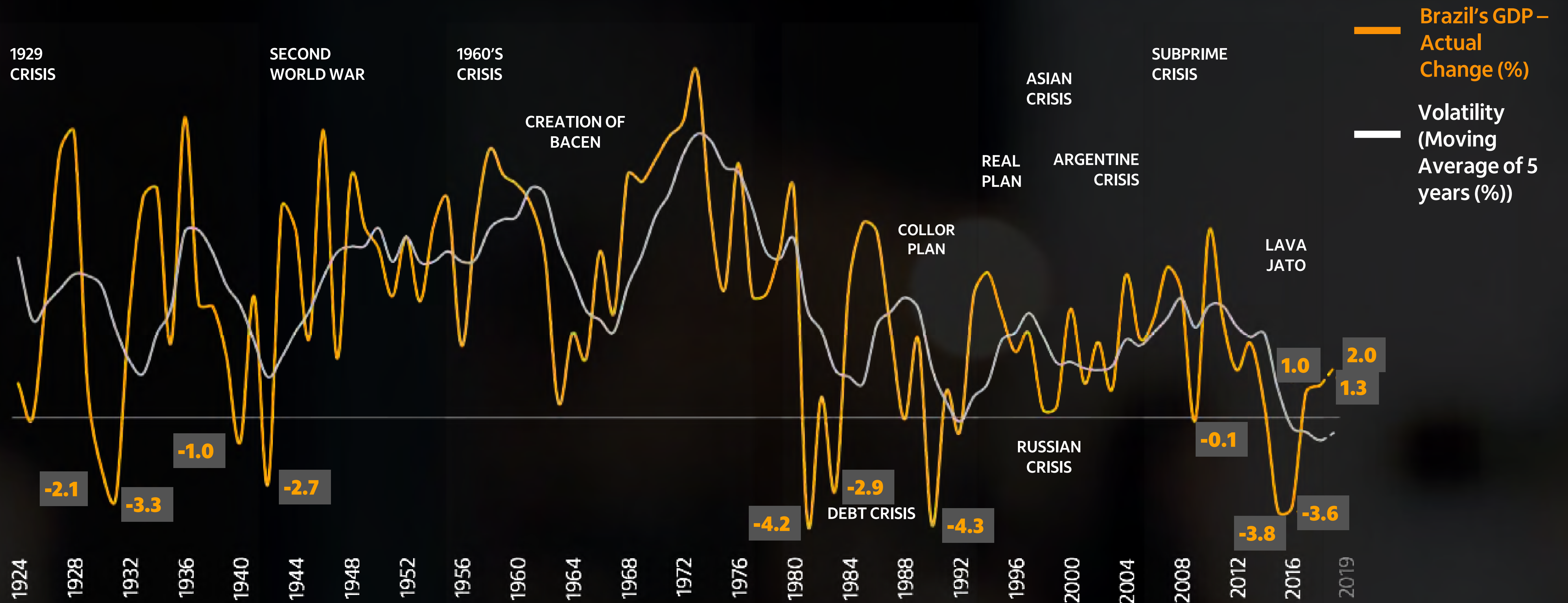
94 years

OF HISTORY



ITAÚ UNIBANCO: 94 YEARS WORTH OF CHANGES

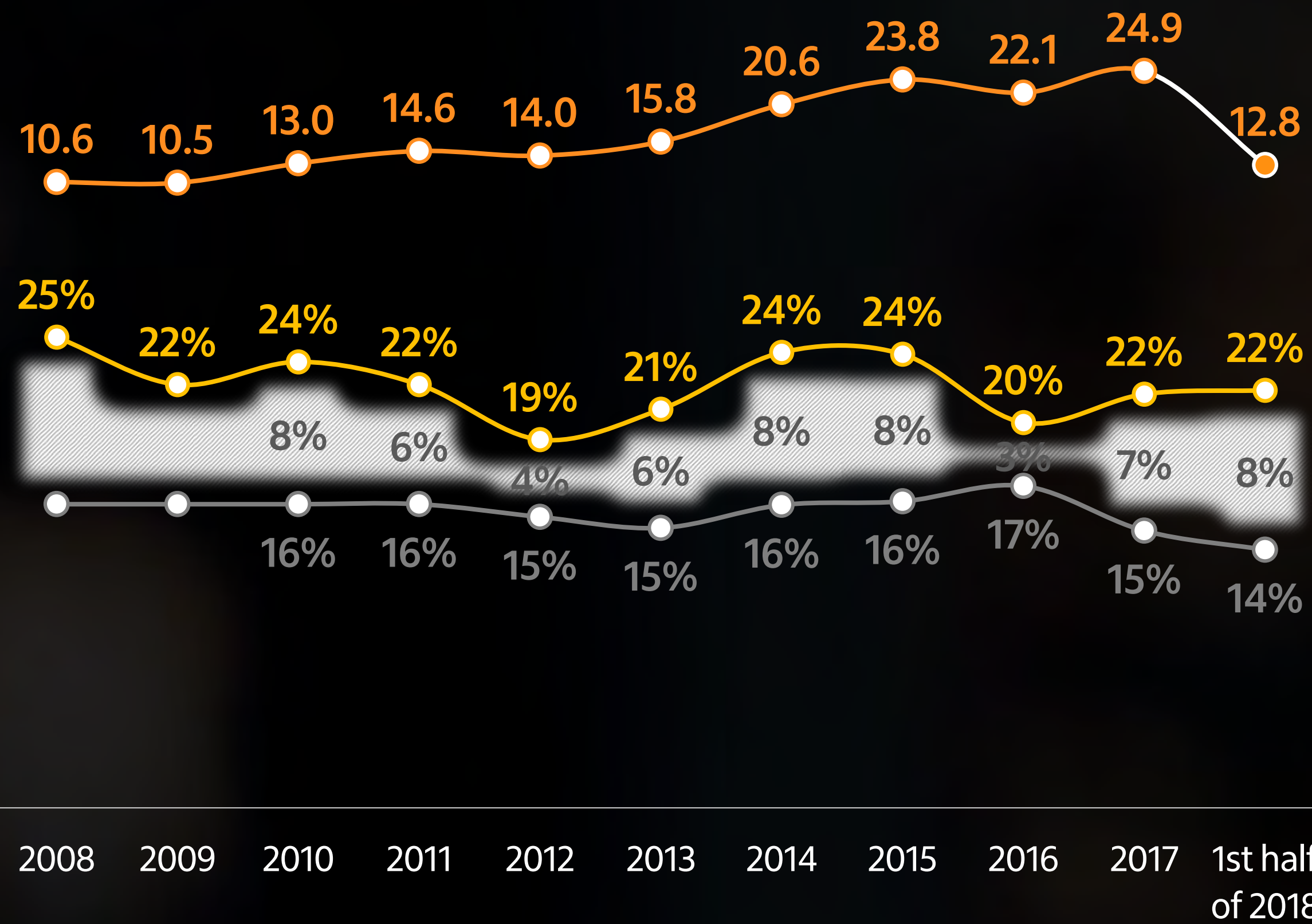
In a scenario of market volatility and structural changes in the economy



Value of 2018 and 2019 designed by Itaú-Unibanco's macroeconomic team

a bank that

creates value for stockholders...



Recurring Net Income
(in R\$ billion)

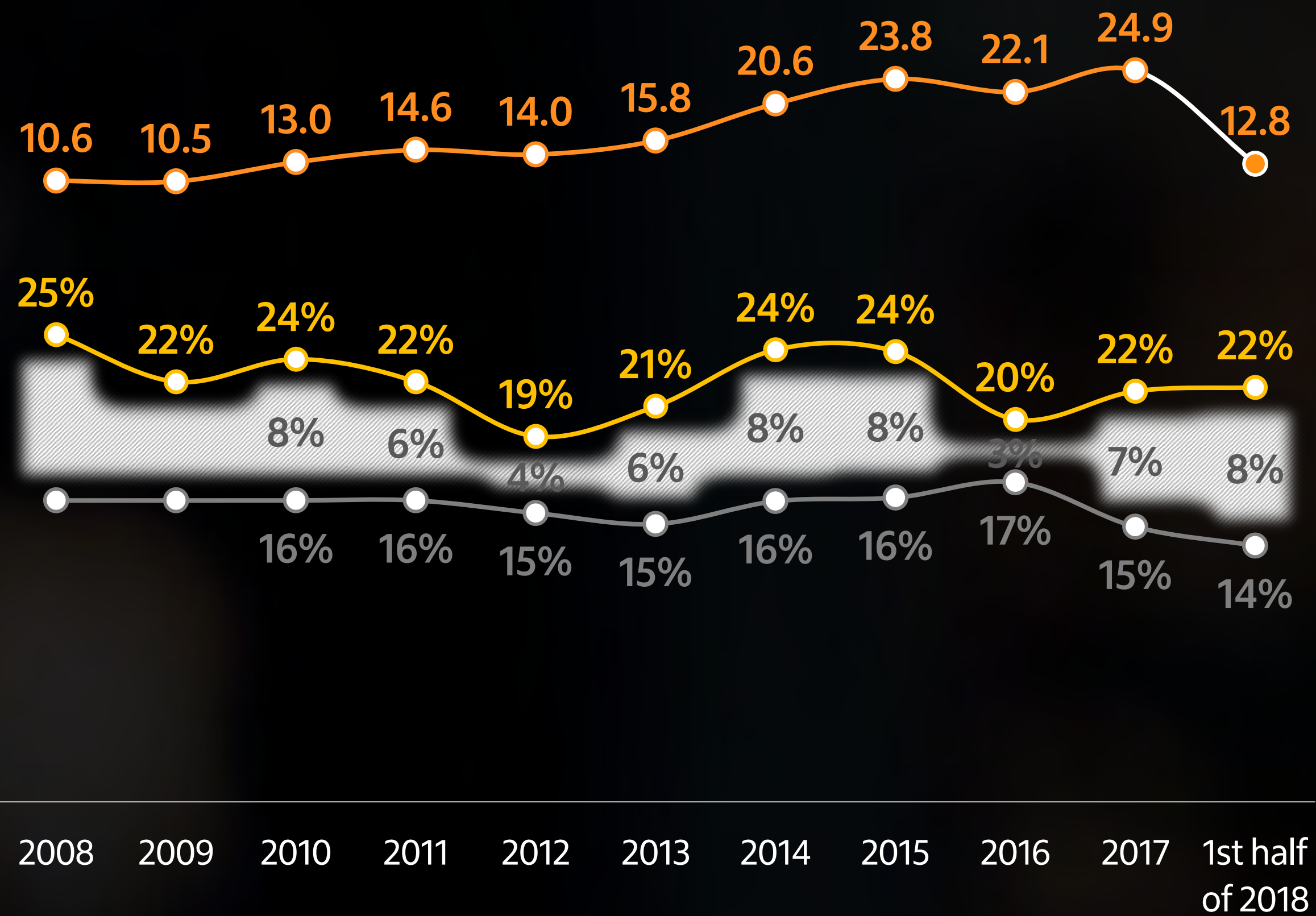
ROE

Value Creation

Cost of Capital

a bank that

creates value for stockholders...

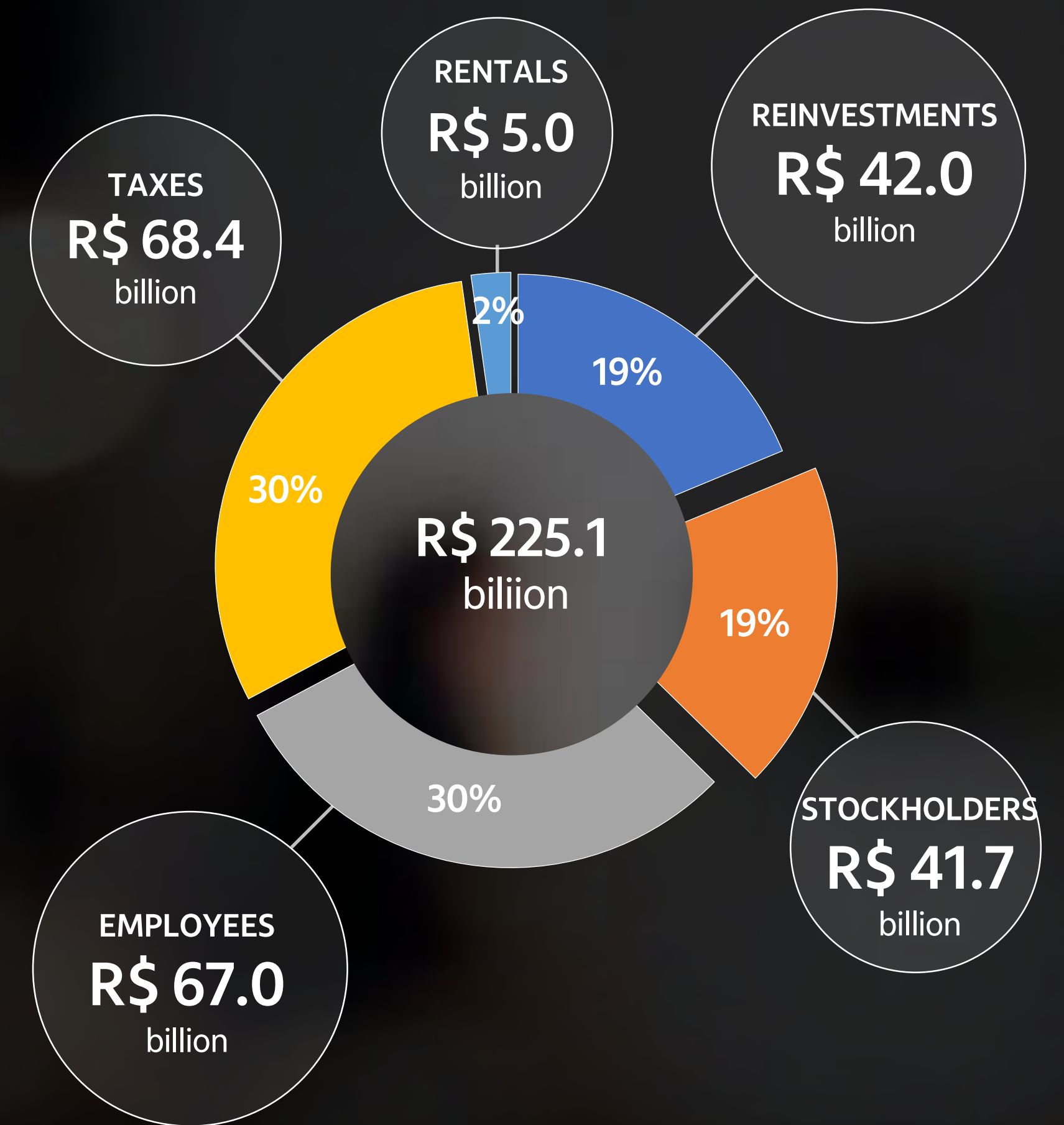


Recurring Net Income
(in R\$ billion)

ROE
Value Creation
Cost of Capital

... AND FOR SOCIETY

Value Added Distributed
from 2015 to the 1st half of 2018



strategy

IMPLEMENTED AS
FROM 2012

2012 STRATEGY | OUR BUSINESS MODEL



defining the risk appetite

INCREASE IN THE SHARE OF LOWER RISK PRODUCTS



focus on service

LOWER CAPITAL ALLOCATION, LOWER VOLATILITY OF RESULTS IN RELATION TO THE ECONOMIC CYCLES

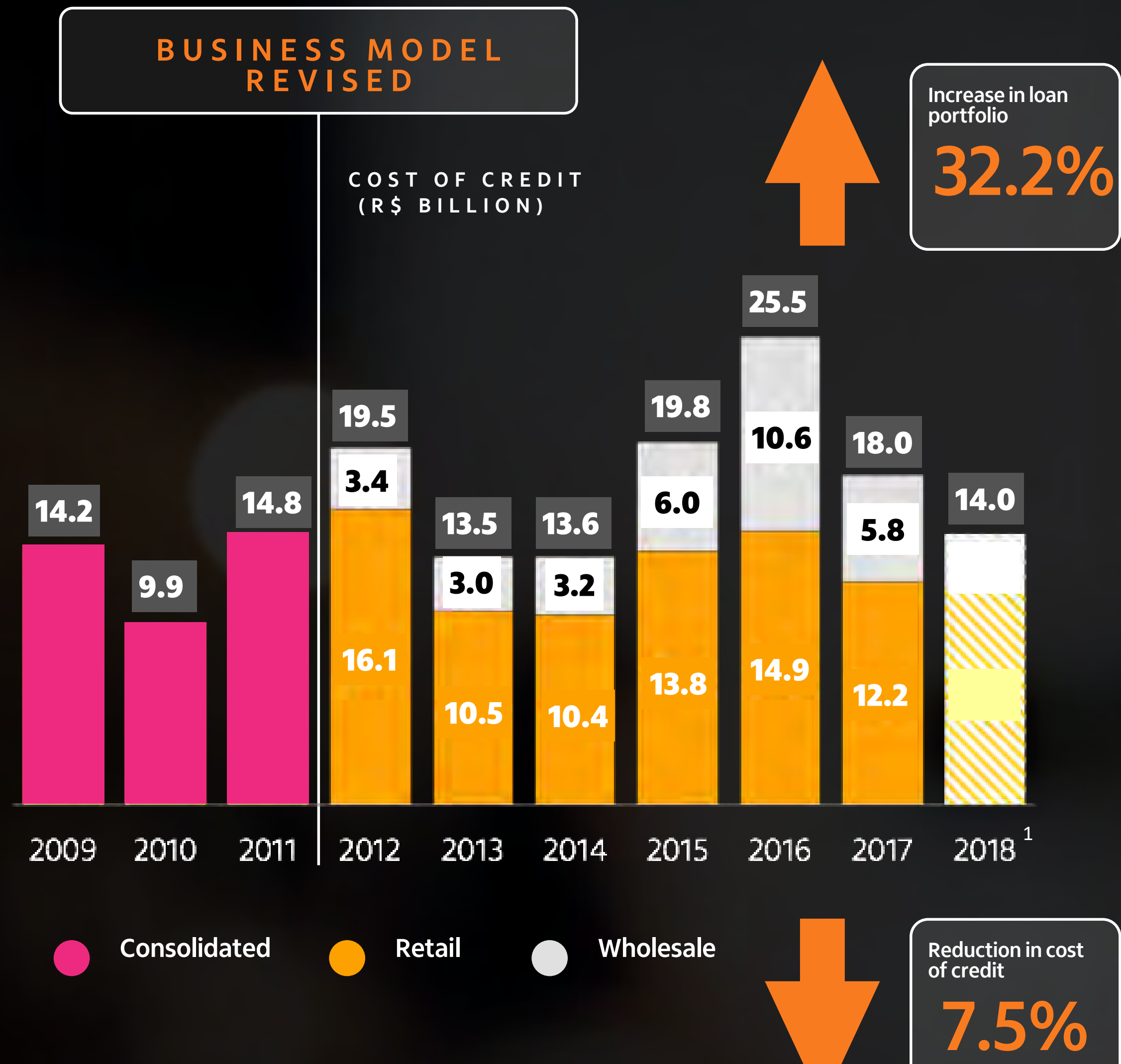
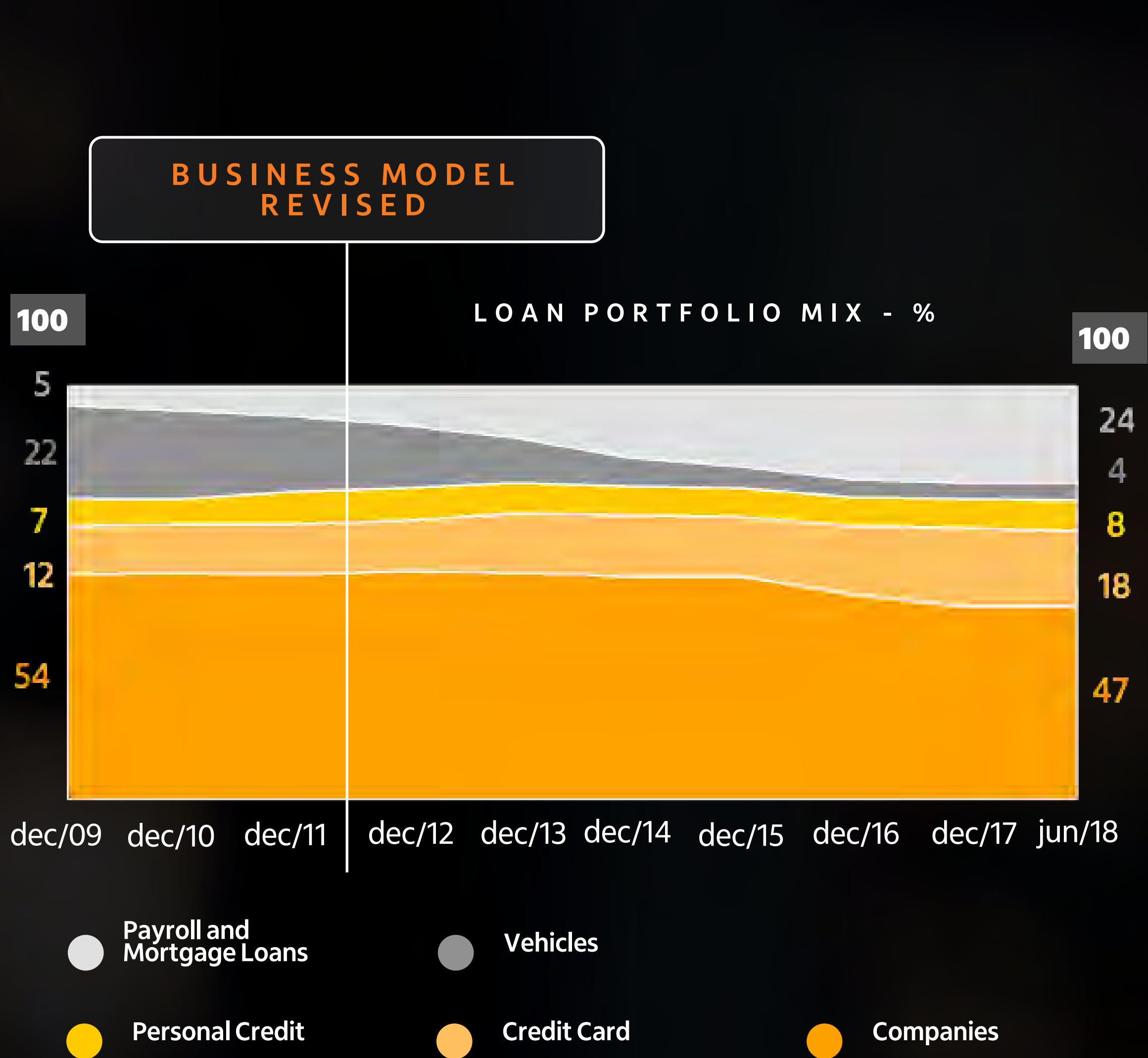


cost and efficiency control

CONSTANT SEARCH FOR OPPORTUNITIES TO IMPROVE EFFICIENCY AND PRODUCTIVITY

ALWAYS SEEKING TO MAXIMIZE
creation of value for stockholders

2012 STRATEGY | DEFINING THE RISK APPETITE

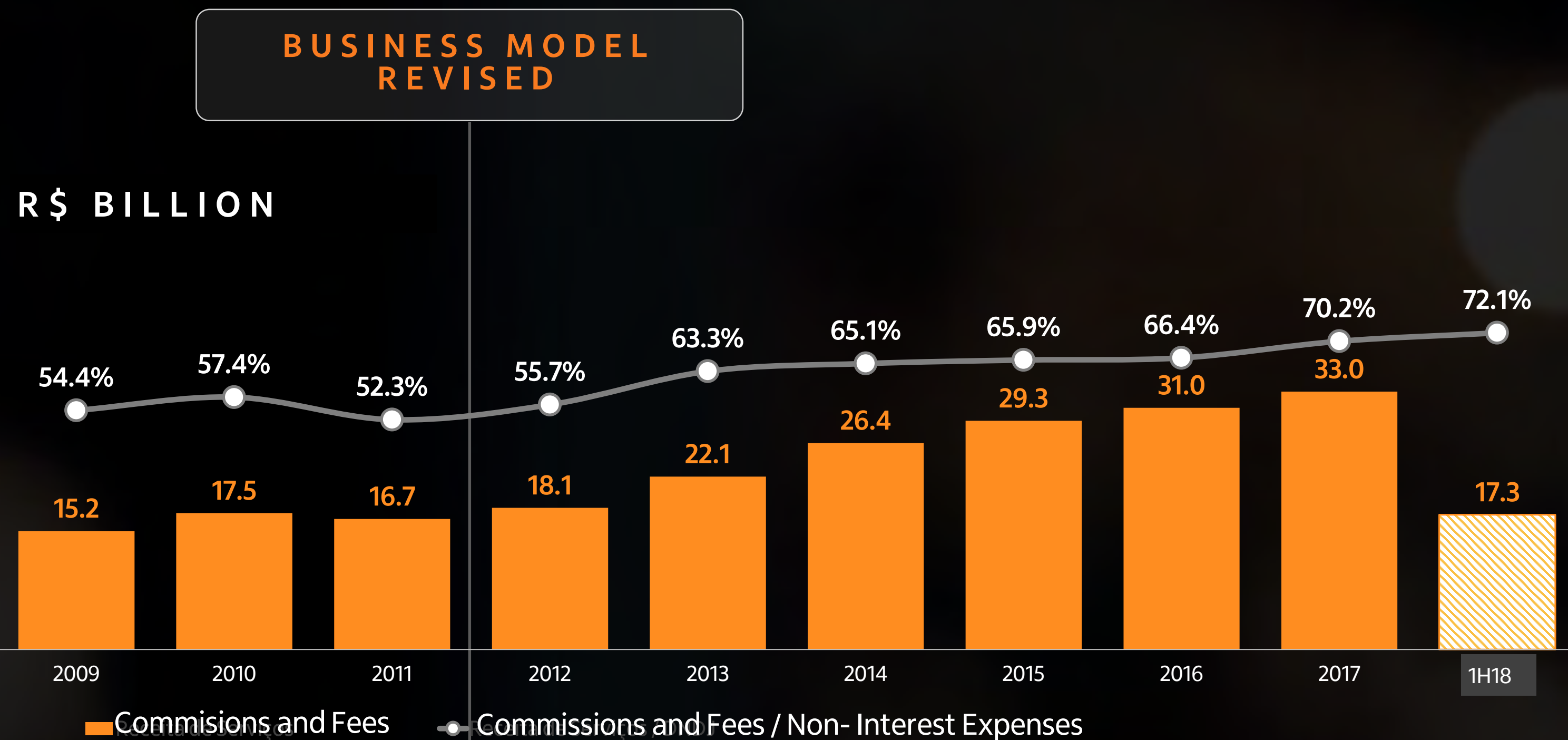


¹ Average guidance point
Does not include discounts granted and impairment for periods prior to 2014
Includes pro forma data on Itaú Corpbanca for 2015 and 2016

2012 STRATEGY | FOCUS ON SERVICES AND INSURANCE, PENSION PLAN AND PREMIUM BONDS

LESS ALLOCATED CAPITAL IN RELATION TO CREDIT

LESS VOLATILE RESULTS WITH VALUE CREATION IN RELATION TO THE ECONOMIC CYCLES



OPERATIONAL COVERAGE

(Commissions and Fees / Expenses) in the first half of 2018

THE HIGHEST LEVEL

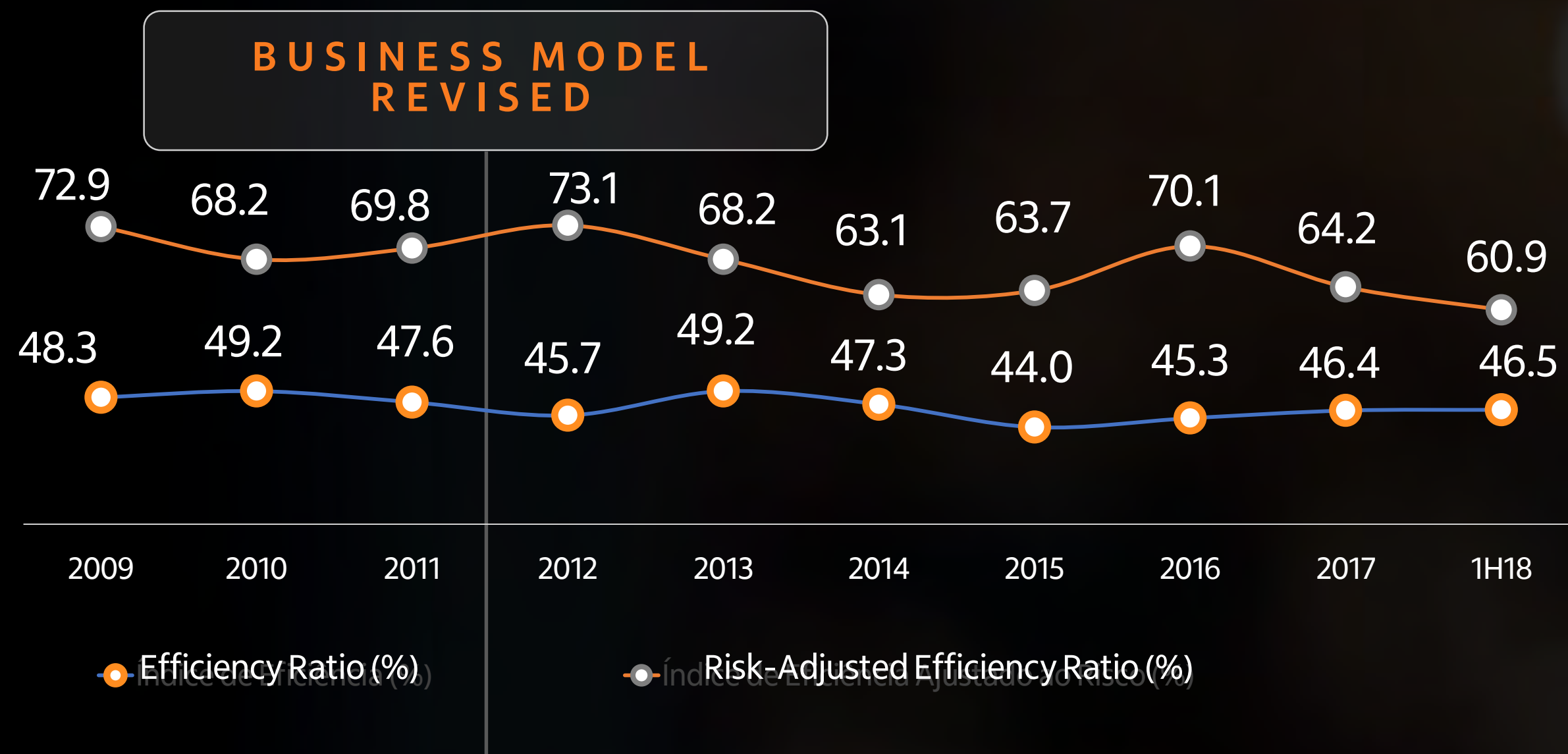
Since the merger between Itaú and Unibanco

2012 STRATEGY | COST AND EFFICIENCY CONTROL

15 LARGEST BANKS IN THE WEST

BANKS	EFFICIENCY RATIO
Itaú Unibanco (best ratio)	46.5%
Fifth best ratio	52%
Fifteenth best ratio	71%

BANKS	RISK-ADJUSTED EFFICIENCY RATIO
Best ratio	55%
Itaú Unibanco (fourth best ratio)	60.9%
Fifteenth best ratio	76%



ANNUAL AVERAGE INCREASE

1H12 – 1H18 - Brazil

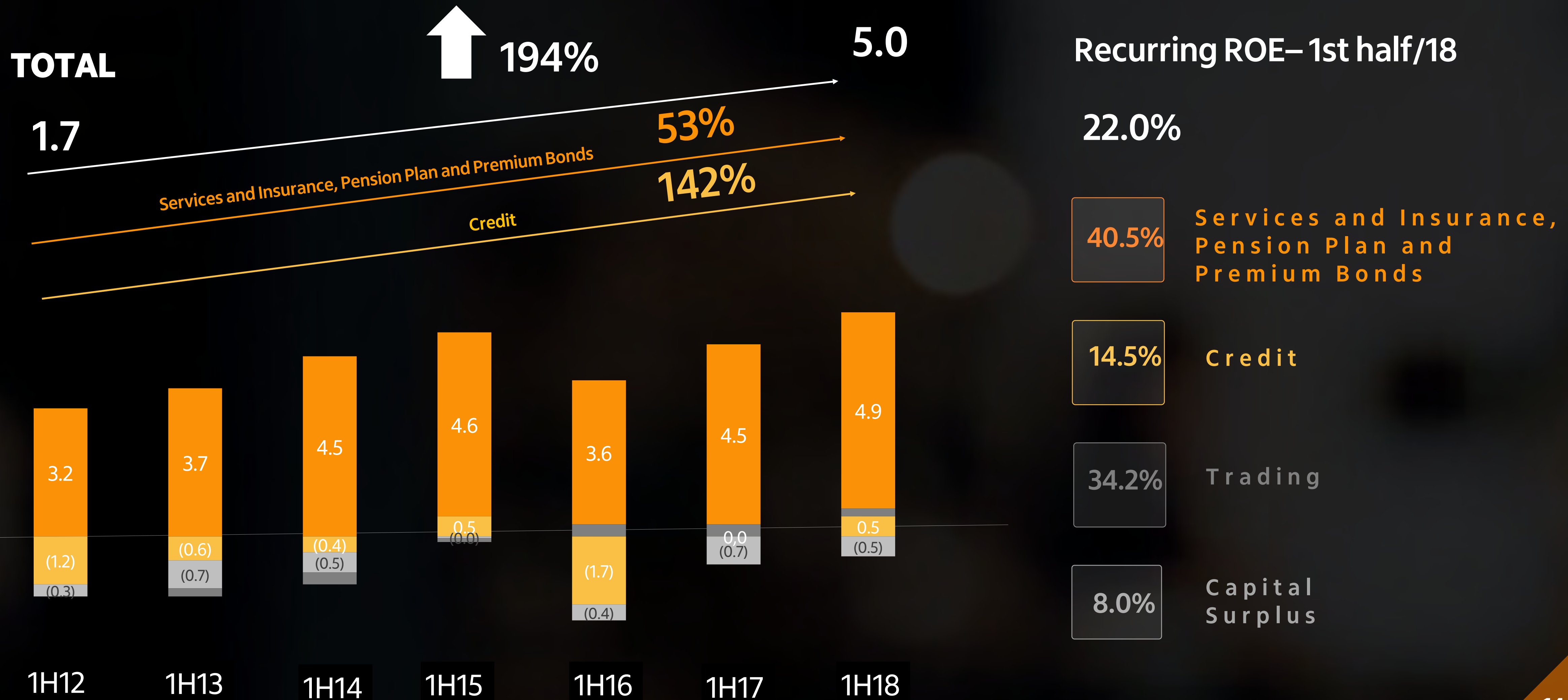
Expenses: **4.5%**

Inflation: **6.4%**

Assets: **7.1%**

2012 STRATEGY | OUR BUSINESS MODEL

Value Creation (R\$ billion)



agenda

1

Itaú Unibanco

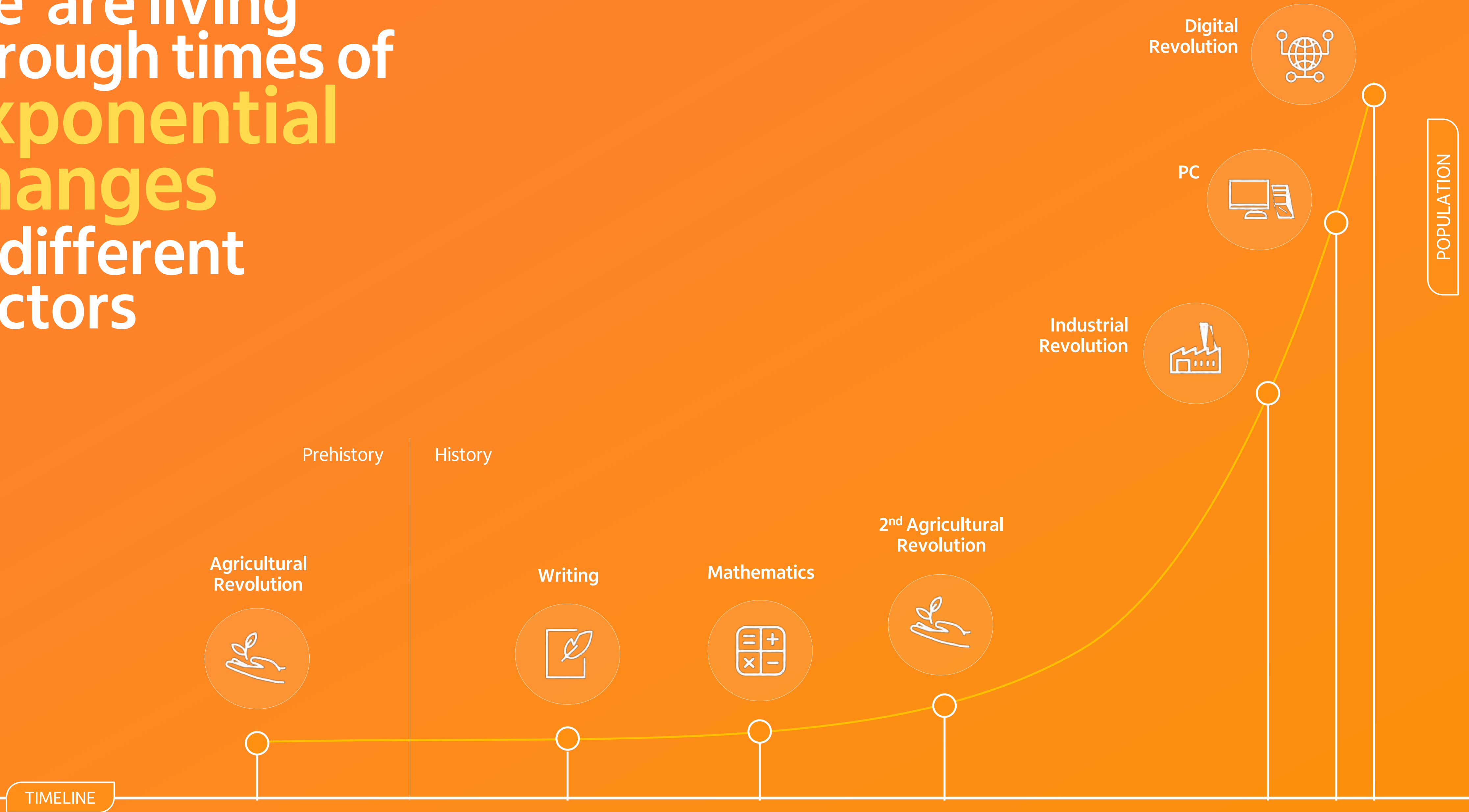
2

MARKET
Scenario

3

transformation

We are living through times of exponential changes in different sectors



A WORLD IN CONSTANT CHANGE

COMPETITIVE ENVIRONMENT

REGULATORY ENVIRONMENT

AVAILABLE TECHNOLOGIES

CONSUMERS' HABITS

EMPLOYEES' EXPECTATIONS

WE NEED TO BE PERMANENTLY
READY

for changes



agenda

1 Itaú Unibanco

2 MARKET
scenario

3 transformation

transformation

IS A JOURNEY, NOT A DESTINATION

ATM



internet



biometrics



salas.com



Digital Personnalité



multichannels



clouding



phone



social networks



mobile



des. agile



hackaton



CTMM



cubo

Six priority fonts:

transformation

- + People management**
- + Digital transformation**
- + Customer satisfaction**

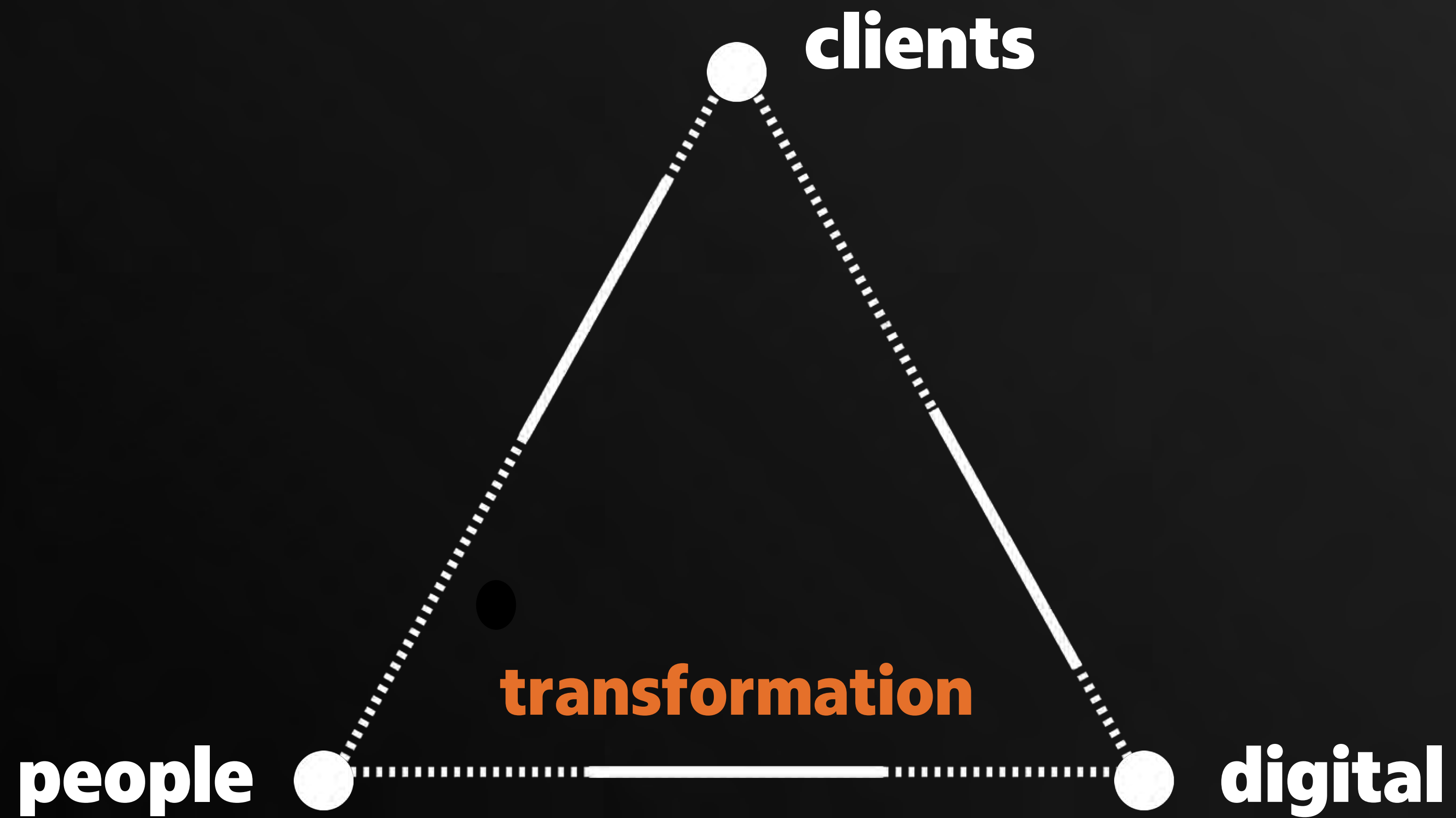
continuous improvement

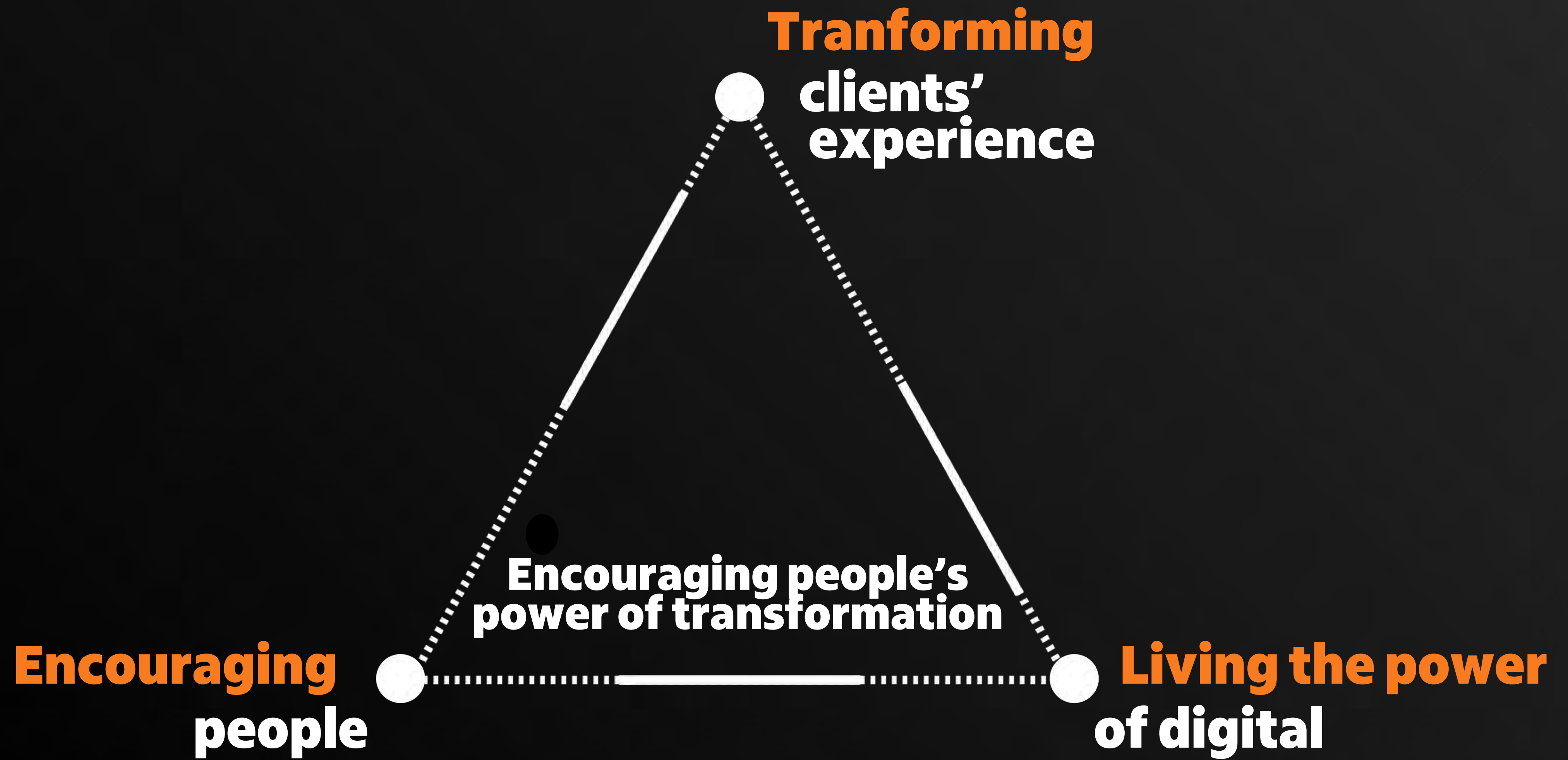
- + Internationalization**
- + Risk management**
- + Profitability**

Six priority fonts:

transformation

- + people management**
- + digital transformation**
- + customer satisfaction**







Encouraging people

ENCOURAGING PEOPLE

**evolution
leads us to
rethink
people
management**

10 YEARS AGO

- hierarchy
- offices
- preserving

- competition
- financial return
- stability
- acceptance

- traditional syllabus
- previsibility
- education and professional experiences

organization



values



profile



FROM NOW ON

- autonomy
- close leaders
- changing and adapting

- cooperation
- performance
- flexibility
- impact

- new specializations
- adaptability
- valuing diversified experiences

ENCOURAGING PEOPLE

CHALLENGES

STRENGTHENING OUR CAPACITY
TO ATTRACT AND RETAIN
TALENTS

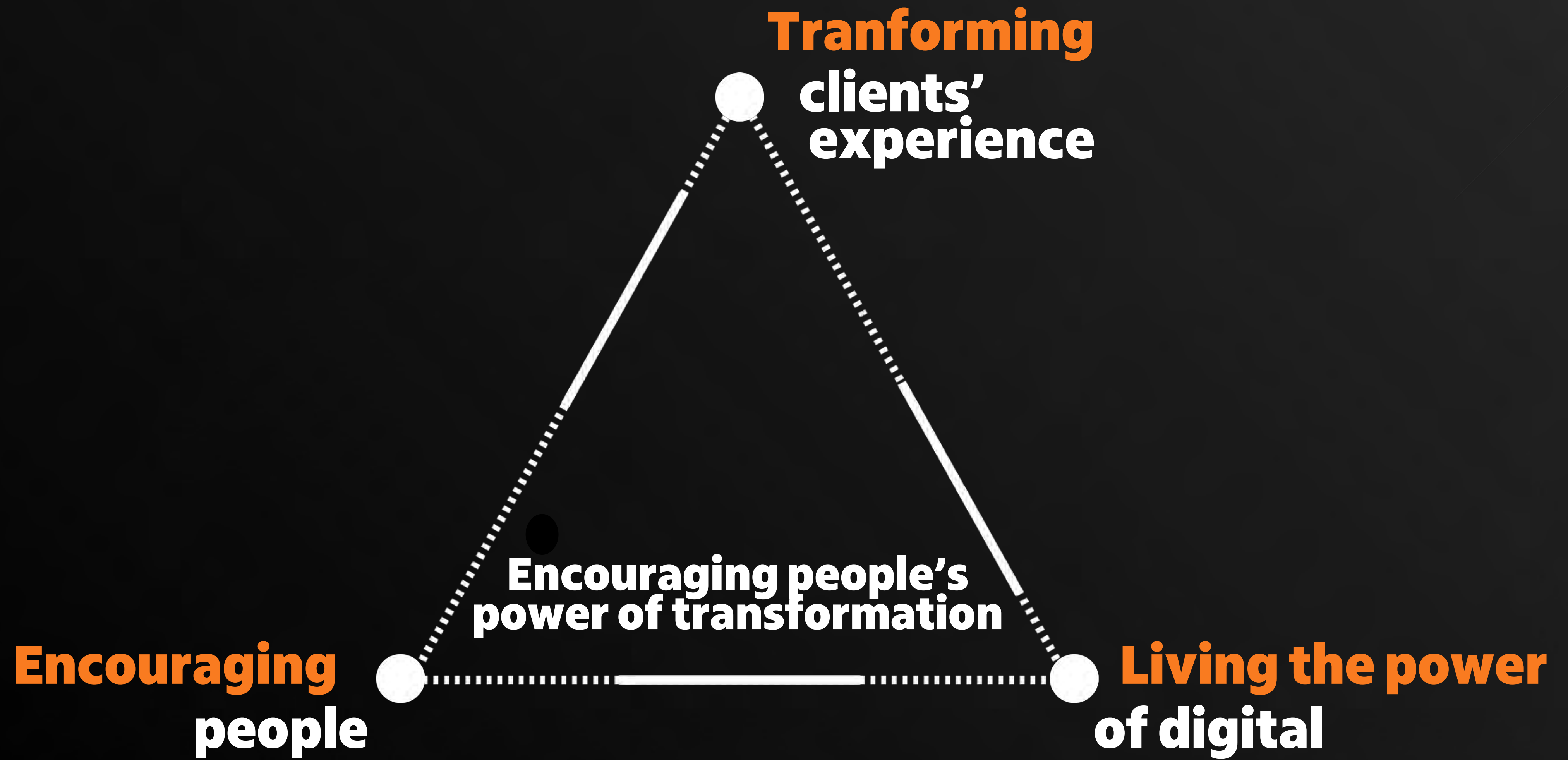
ADDRESSING WHAT TALENTS ARE AFTER:
PURPOSE, CREATING VALUE AND
EXPERIENCE

ENGAGING AND MOTIVATING
DIFFERENT GENERATIONS

GETTING THE INTERNAL ENVIRONMENT
READY TO LEAD TRANSFORMATIONS

99,914

EMPLOYEES





Living the power of digital

LIVING THE POWER OF DIGITAL

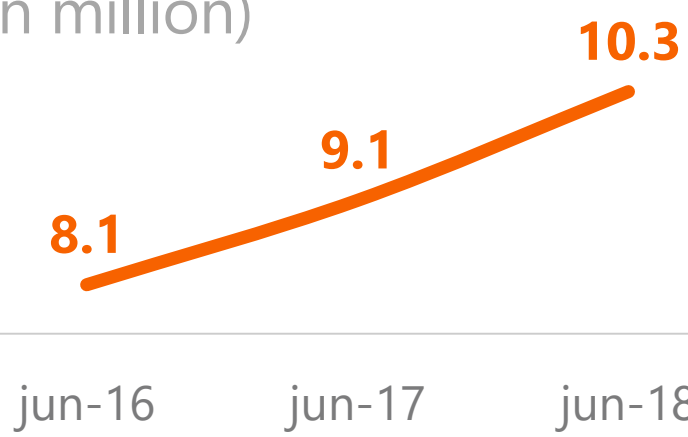
DATA ANALYTICS



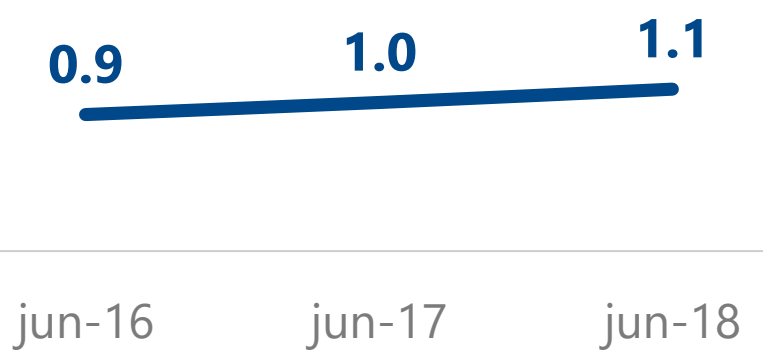
INVESTING IN DATA ANALYSIS IS HOW WE ANTECIPATE OUR CLIENTE NEEDS

Use of Digital Channels

Individuals (in million)

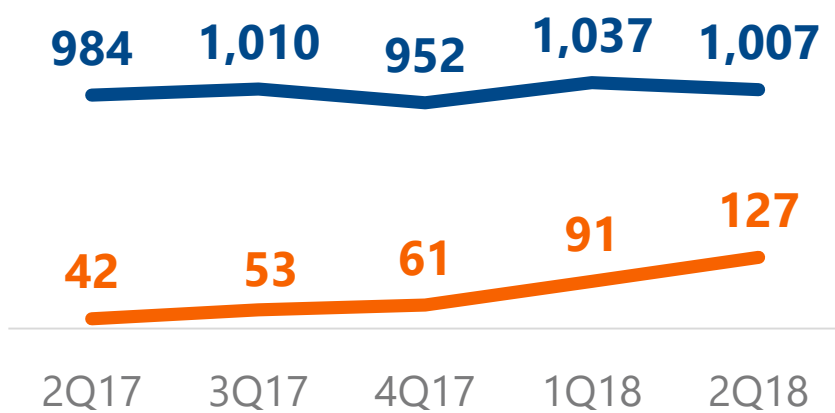


Companies (in million)



Note: number of clients using internet, mobile or SMS.

New accounts (in thousand)



— Abreconta app
— Brick-and-mortar branches

86%
Of our new Retail clients are identified by biometrics

WE CHOSE TO BE

an integrated bank

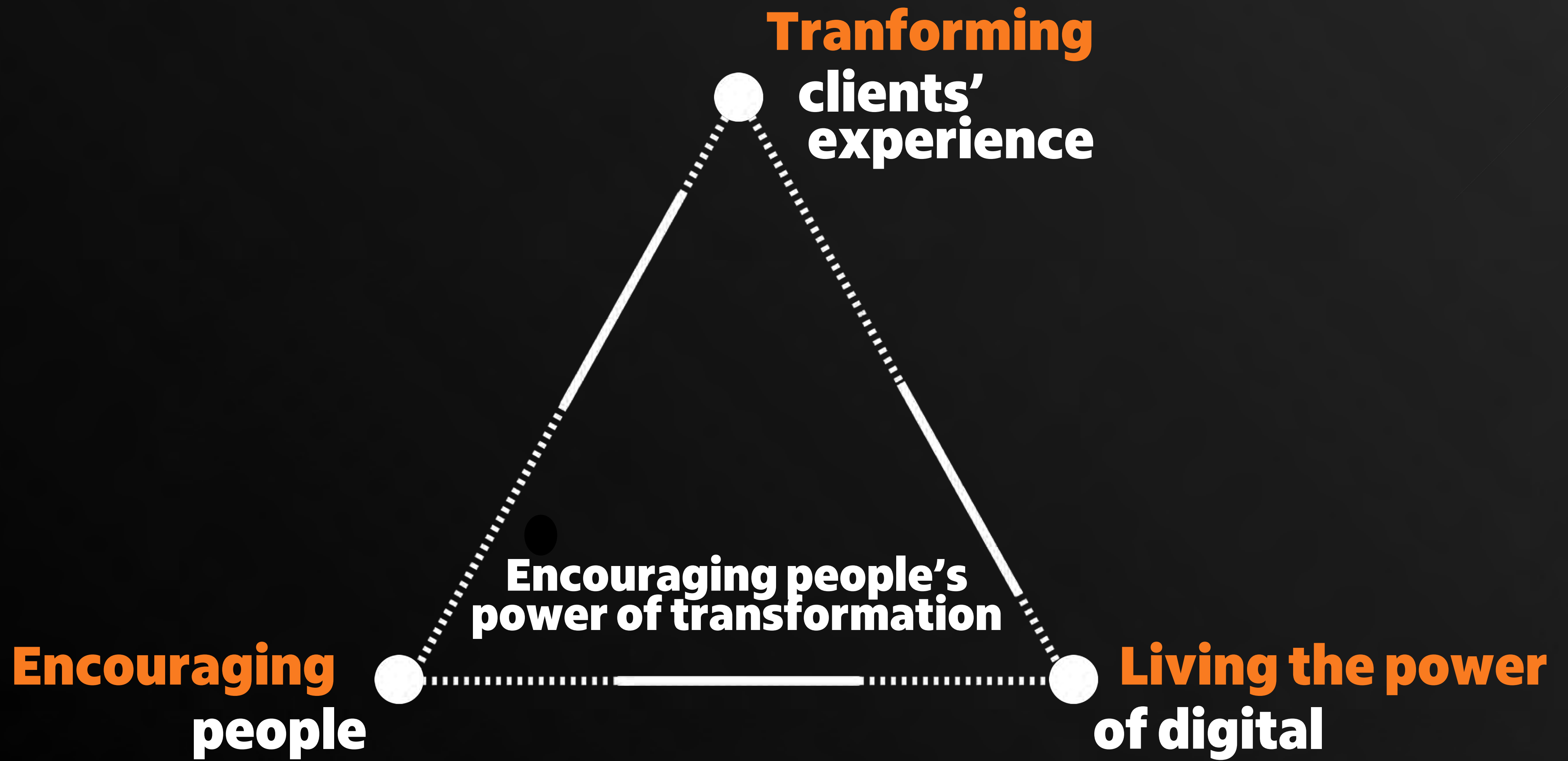
LIVING THE POWER OF DIGITAL

CHALLENGES

USING TECHNOLOGY TO SERVE PEOPLES: BEING
SIGNIFICANT, SAVING TIME AND CREATING VALUE

FOLLOWING OUR TRADITION TO
BREAKTHROUGH

OFFERING SIMPLE, CLEAN, PRODUCTIVE,
CONVENIENT AND CHARMING EXPERIENCES



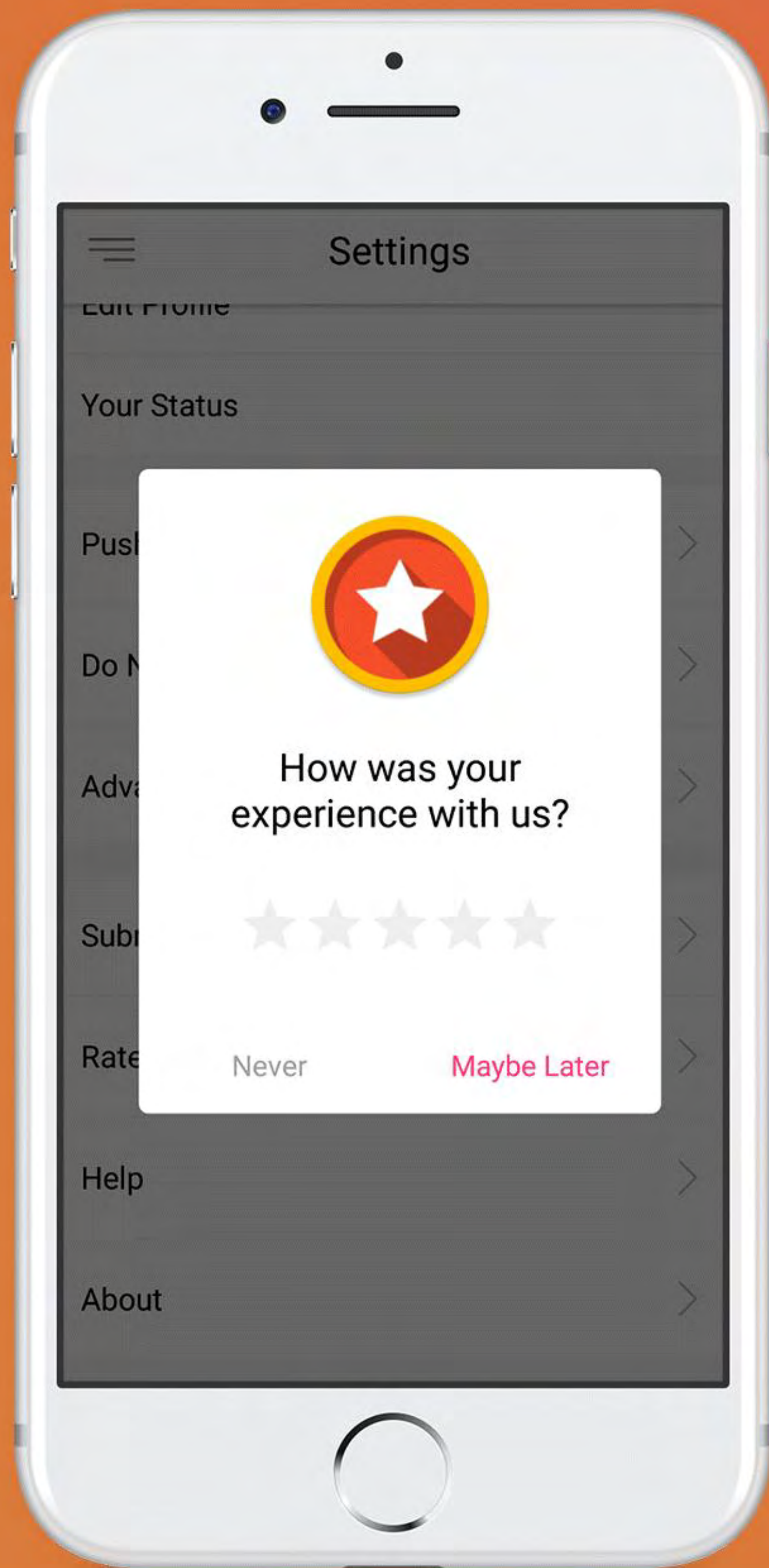


**transforming
clients'
experience**

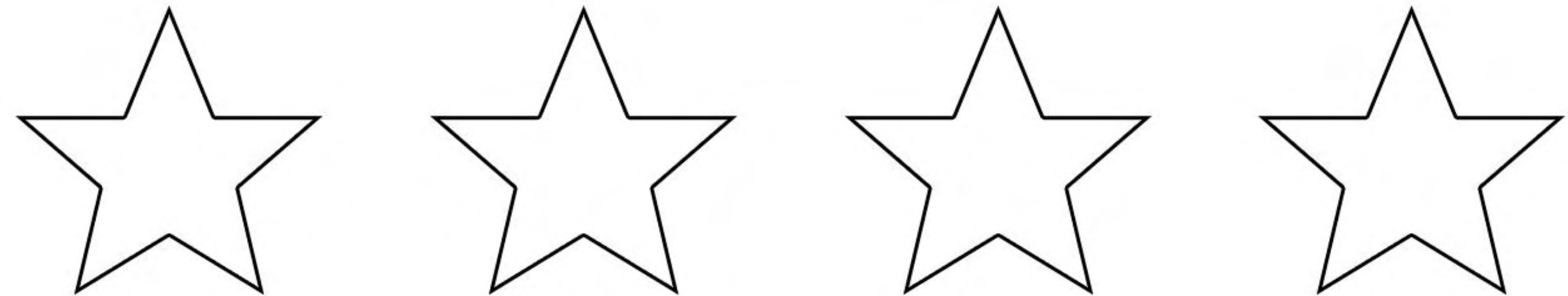
A woman in a white, flowing dress and high-heeled sandals is walking on a grassy field. The image is darkened, and the text 'WE NEED TO STEP INTO our clients' shoes' is overlaid in the center. The text 'WE NEED TO STEP INTO' is in a smaller, orange font, and 'our clients' shoes' is in a larger, white font.

WE NEED TO STEP INTO
our clients' shoes

Clients have new references



How was your experience?



CHALLENGES

BEING A COMPANY 100% FOCUSED ON CLIENTS:
WORKING INTERNALLY TO CHANGE BEHAVIORS,
GETTING AHEAD TO MEASURE SATISFACTION
LEVELS (NPS) AND CAPTURING AND
UNDERSTANDING FEEDBACK

REDESIGNING JOURNEYS: MAKING THE LIVES OF CLIENTS
EASIER, STREAMLINING PRODUCTS AND MAKING PROCESSES
LEANER AND MORE AGILE

CONTINUOUSLY AND RESTLESSLY IMPROVING THE CLIENTS'
EXPERIENCE IN EACH OF THEIR INTERACTIONS WITH OUR
BANK

a change of league

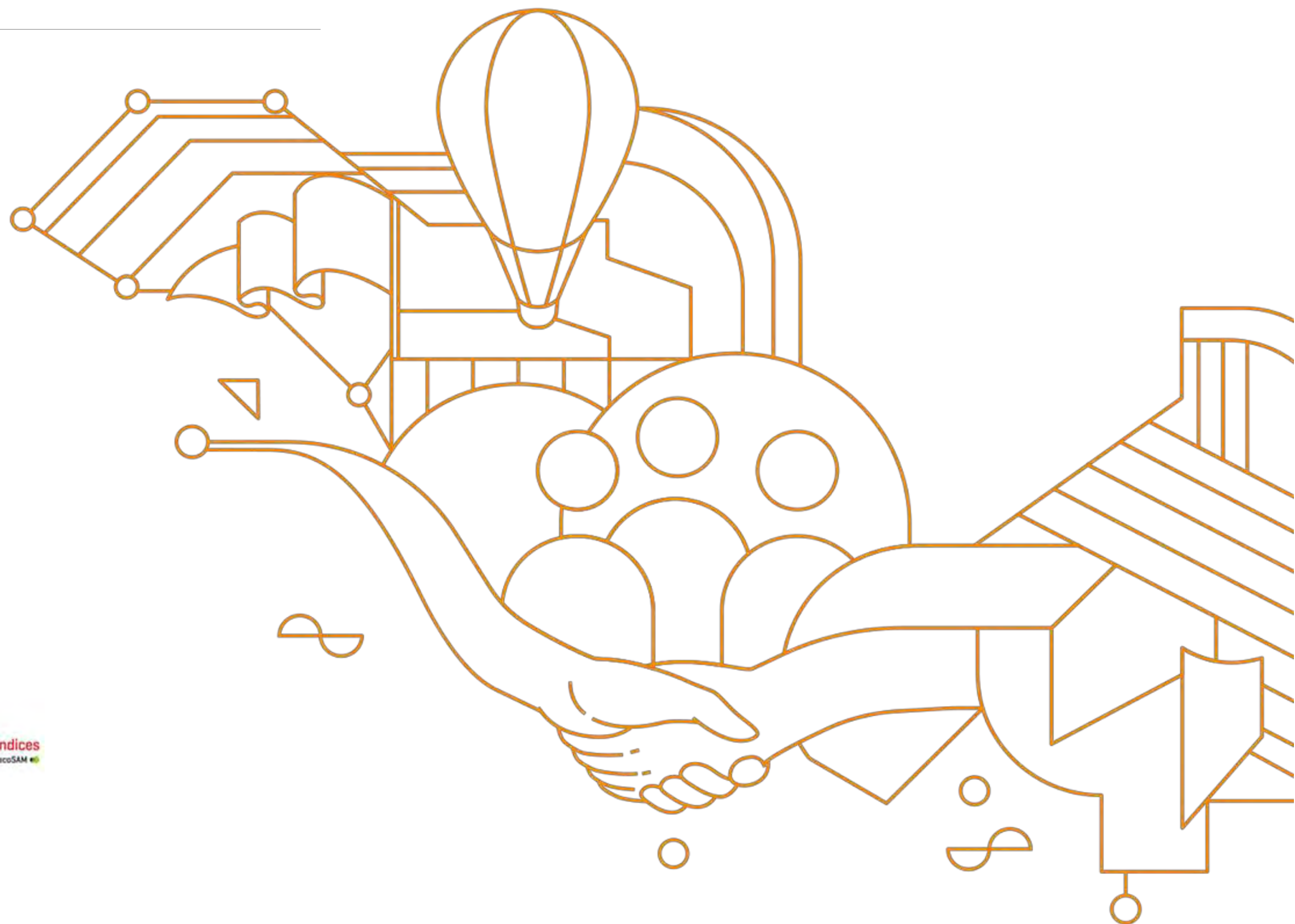
HAVING OUR EXPERIENCE
COMPARED WITH THE BEST
COMPANIES BENCHMARK IN
SATISFYING CLIENTS OF
EVERY SIZE AND ACTIVITY
RATHER THAN COMPARING
OURSELVES WITH DIRECT
COMPETITION



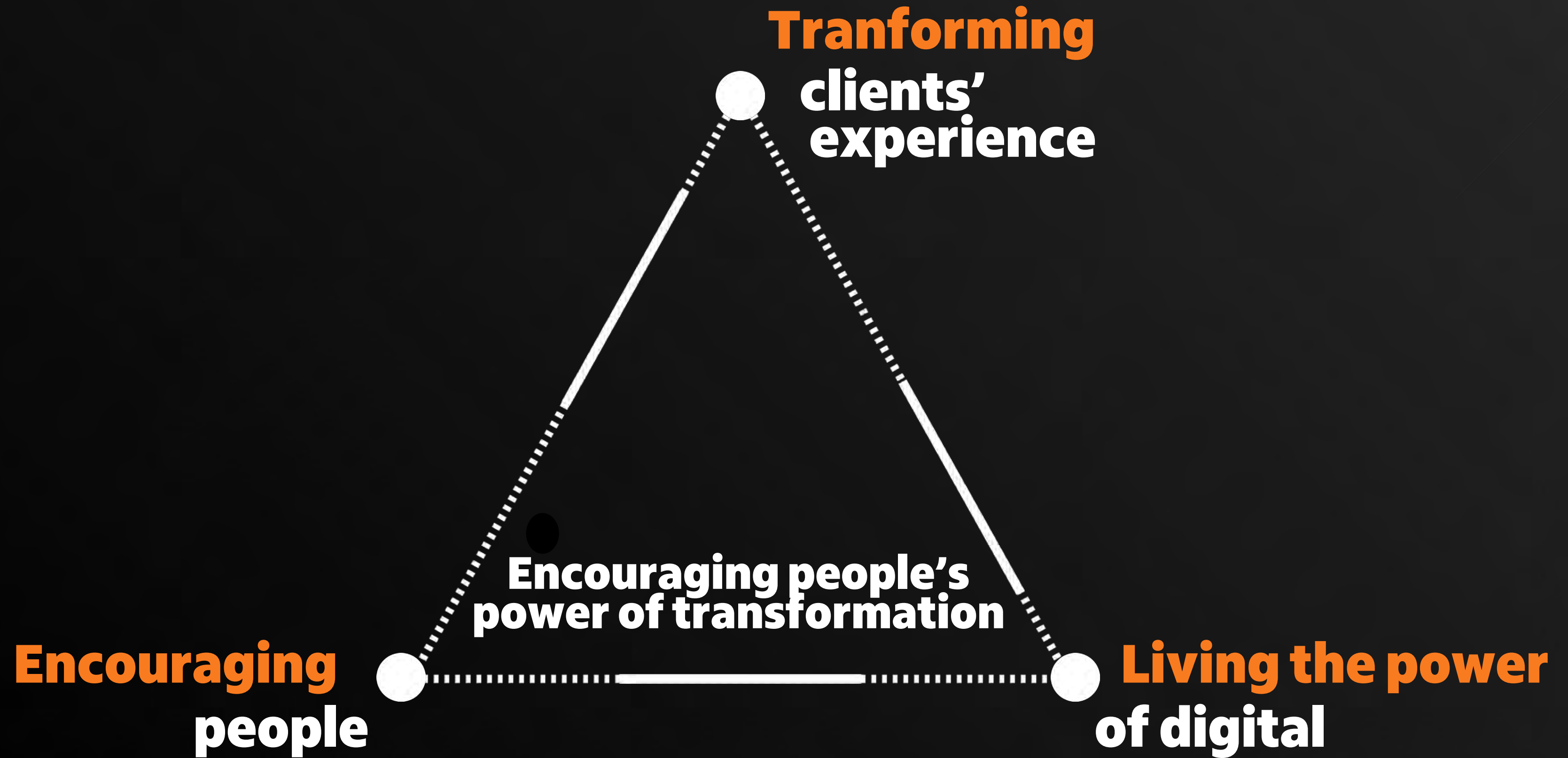
Apimec cycle2018_SP

Itaú Unibanco Holding S.A.

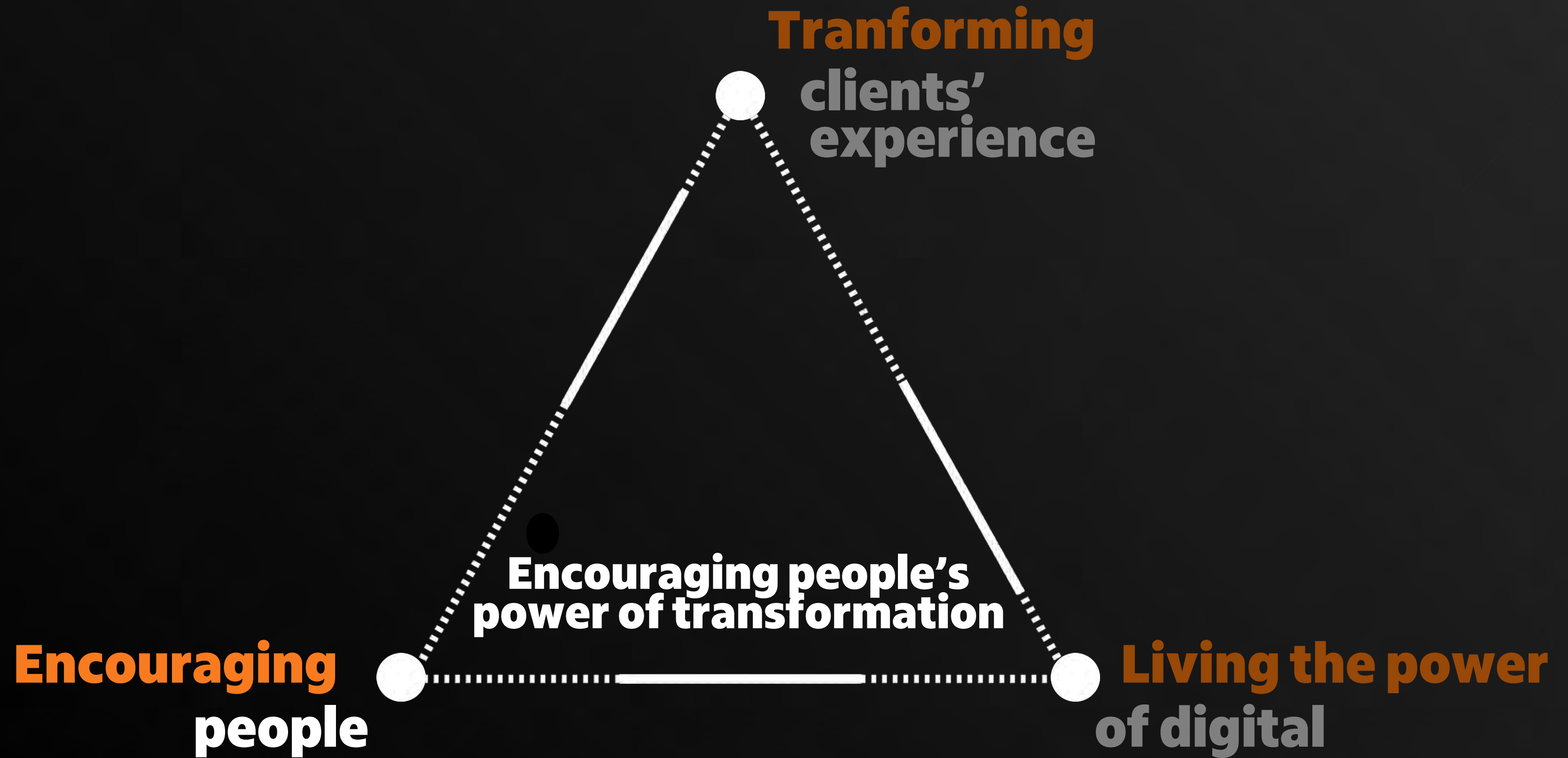
Claudia Politanski
People Management



ESSENCE OF OUR
transformation process



ESSENCE OF OUR
transformation process





**encouraging
people**

| the best version of
each one of us

| the best version of
all of us

| meritocracy 2.0



**encouraging
people**

| the best version of
each one of us

the best version of
all of us

meritocracy 2.0

THE BEST VERSION OF EACH ONE OF US
To value and respect people for what they are

MORE FLEXIBLE DRESS CODE
UNDERSCORING THE IMPORTANCE OF COMMON SENSE
RESPECT FOR CONTEXT AND THE DAY'S AGENDA



V • U
C • O • M • O
S • U



elimaranhao · Seguir
Itaú-Unibanco Centro Empresarial



ciavdr · Seguir
Itaú-Unibanco Centro Empresarial



siqueira.isabela · Seguir
Ca Pinheiros - Itaú Unibanco



thamacedocosta · Follow



bruna.garcia27 · Seguir
Marília



priiileite · Seguir



pridanin · Follow



digoroo · Seguir
Campinas, São Paulo



eli_elinda · Follow
Itaú-Unibanco Centro Empresarial



gabrielmamprim · Seguir
Itaú-Unibanco Centro Empresarial



priiileite · Seguir



priiileite · Seguir



digoroo · Seguir



eli_elinda · Follow




gabrielmamprim · Seguir



130 curtidas

thajacob A gente faz e acontece! E a palavra da vez é EVOLUÇÃO. Uma empresa tão empenhada em estar sempre inovando, não poderia deixar de inovar para os próprios funcionários, mostrando que, o que somos, o que fazemos, não é caracterizado pela roupa que usamos, nem por nossa cor, cabelo e afins. #voucomosou e com MTO #orgulhoempertencer. @itau.unibanco #itau #orgulhoempertencer #agentefazeacontece #voucomosou #bancarios #starwars #starwarsfan #starwarsgirl

 **liihmuller** · Seguir
CTO Itaú - Unibanco

THE BEST VERSION OF EACH ONE OF US
To value and respect people for what they are



GENDER

We strive for equitability, so that men and women enjoy equal opportunities for development, growth within the bank, and compensation



RACE

We strive to make racial representativeness a reality. The goal is to increase attractiveness and inflow, and for all employees to enjoy the same opportunities



PwD

Fostering accessibility, qualifications and equitable opportunities



AGE

To depart from constraining paradigms and encourage actions intended for employees aged 55+, in an effort to make their experience at the bank better and better



RELIGION

A safe and respectful environment, regardless of sexual orientation and gender identity



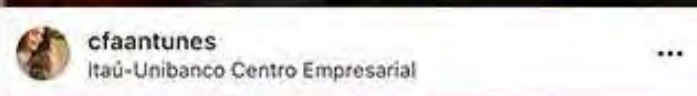
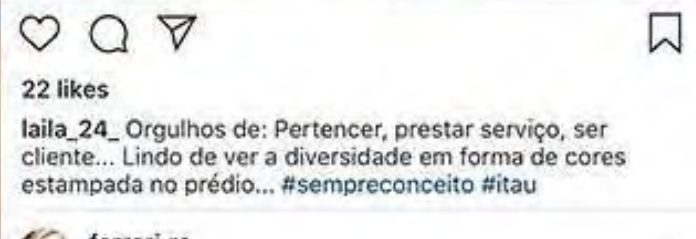
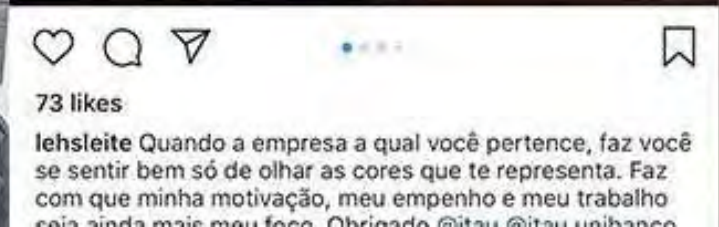
LGBT+

A safe and respectful environment, regardless of sexual orientation and gender identity



Mental models and unconscious biases

Furthermore, we understand that the concepts of mental models and unconscious biases pervade all of the theme areas addressed.





brunocre
Itaú-Unibanco Centro Empresarial

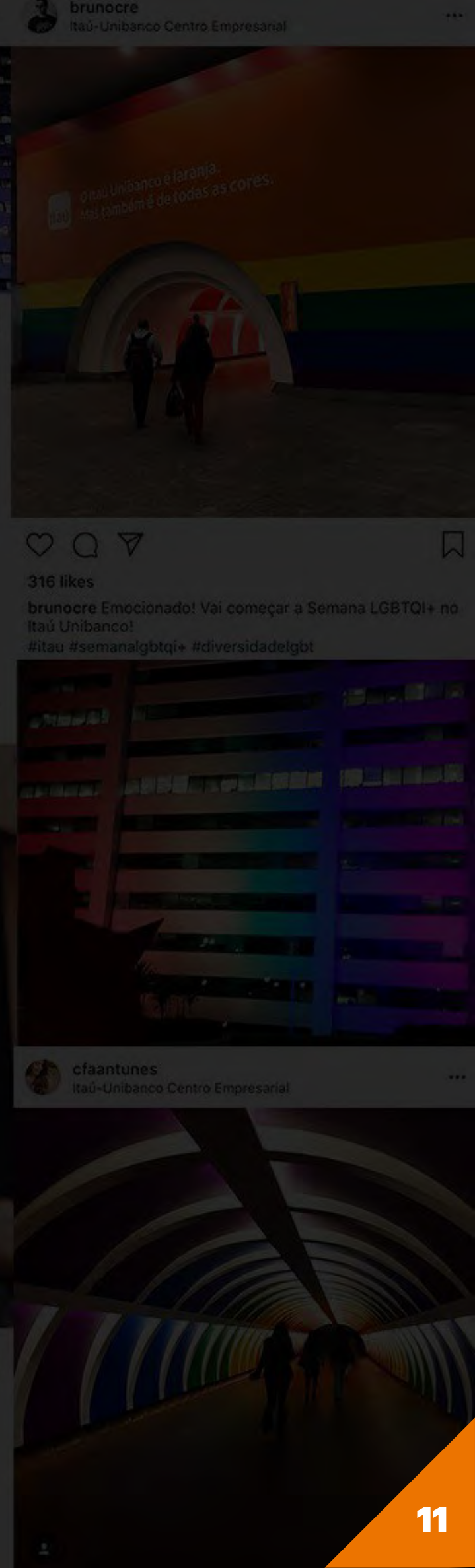
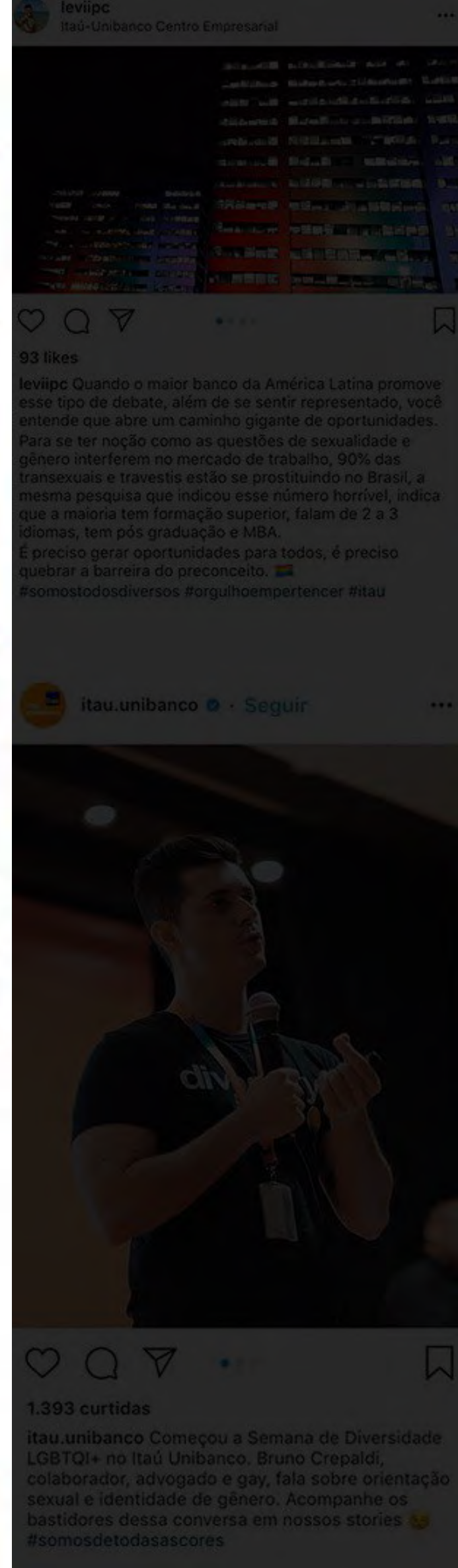
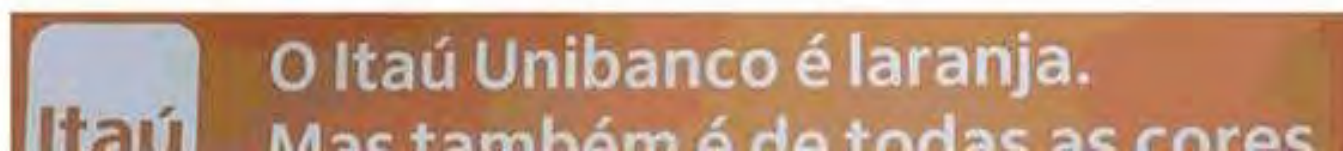


316 likes

brunocre Emocionado! Vai começar a Semana LGBTQI+ no Itaú Unibanco!
#itau #semanalgbtqi+ #diversidadelgbt



ferrari.re
Itaú-Unibanco Centro Empresarial



THE BEST VERSION OF EACH ONE OF US
Care for our employees' health and well-being



launch

INTEGRATED
HEALTH PROGRAM



REA DAPTATION PROGRAM

1,644 participating employees



Fique Ok
 Programa de Apoio Pessoal

150 thousand calls

PSYCHOLOGY, SOCIAL WORK, NUTRITION
AND OTHER



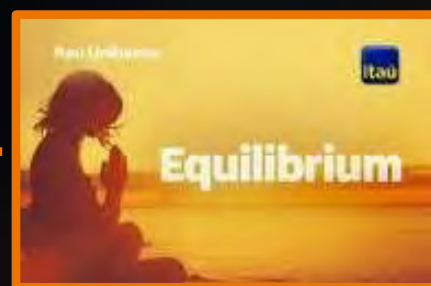
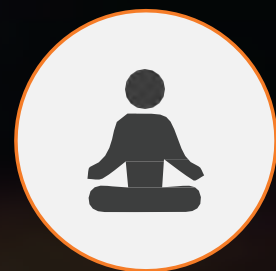
VACCINATION

60 thousand people



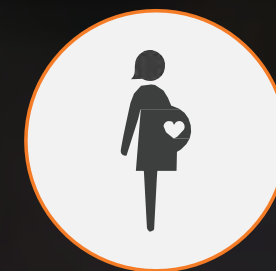
EXECUTIVE CHECK-UP

1,024 examinations



STRESS-MANAGEMENT
PROGRAM

580 employees
covered in 2018



2,186 mothers

WITH REDUCED SHIFTS
AND GOALS IN THE FIRST
MONTH BACK TO WORK

A decorative graphic consisting of a white circle at the center, with a solid white line extending from the top-left and a dotted white line extending from the bottom-left, both meeting at the circle. The background is a solid orange color with some faint white lines in the corners.

encouraging people

the best version of
each one of us

| the best version of
all of us

meritocracy 2.0

THE BEST VERSION OF EACH ONE OF US

A workplace that doesn't make work



4.67



2,557 evaluations



IU Conecta: a new platform for employees' everyday tasks

To make employees' administrative tasks a simpler, safer and more efficient experience

New employees admission and welcome experience

To reach 100% of employees recommending Itau as a place to work based on their admission to the organization

Model pilot: Home Office

To provide more flexible working options that encourage employee autonomy

726 people

THE BEST VERSION OF EACH ONE OF US
A workplace that doesn't make work



MOBILITY

What are the benefits

Improved productivity: improved synergy and communication, providing greater integration and **collaboration** across team.

Provide different spaces for different activities, added **flexibility** and autonomy.

What will change?



collaborative environments



focal space



team desks

THE BEST VERSION OF EACH ONE OF US
A collaborative work



What are delivery communities?

A set of stable teams made up of different roles working together collaboratively and focusing on a single purpose.

30 communities
throughout the bank

+ 6 thousand people
working under the new model



**encouraging
people**

the best version of
each one of us

the best version of
all of us

| meritocracy 2.0

initiatives

- create a delivery communities-oriented model
- continuous feedback tool
- review the institutional incentives model

MERITOCRACY 2.0

to value team play | to recognize those who make a difference

ASSUMPTIONS



to ensure meritocracy and differentiation



to be simple and sustainable and to be perceived as fair



to keep subjectivity in check, assigning greater responsibility to managers



to guarantee accurate and transparent feedback capable of helping executives to develop



to encourage collaboration and teamwork



to address the long-term as well



to be different depending on area or hierarchy



to guarantee incentives orientation and alignment (convergence with priority fronts)

A decorative graphic consisting of a white circle at the center, with a solid white line extending from the top-left and a dotted white line extending from the bottom-left, both meeting at the circle. The background is a solid orange color with some faint white lines in the corners.

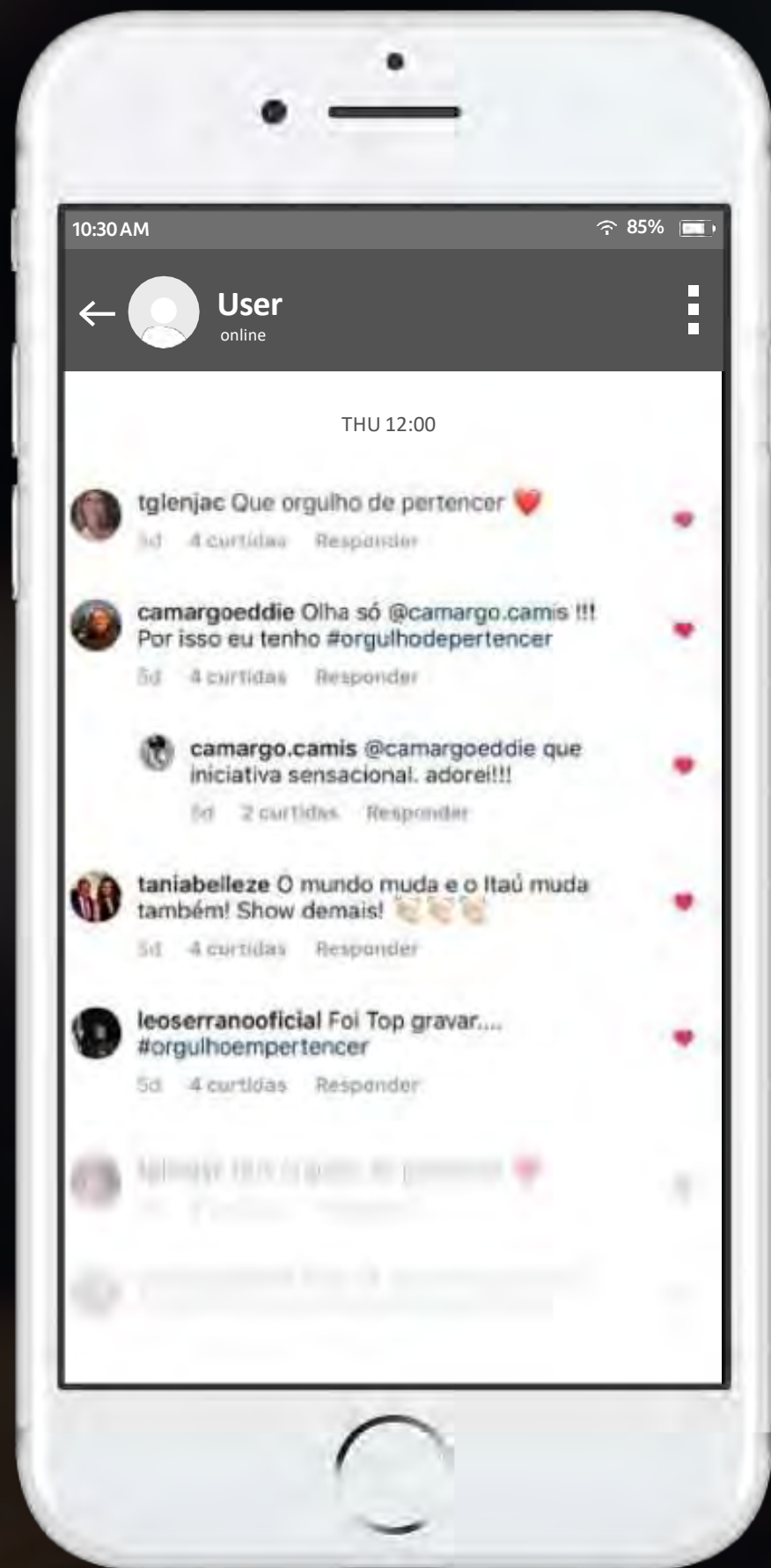
encourage people

| the best version of
each one of us

| the best version of
all of us

| meritocracy 2.0

SPONTANEOUS COMMENTS



mariza.souza Eu e meus colegas da UNIFESP fomos num evento na empresa. Itaú portas abertas. Só enfatizou o quanto quero ser colaboradora da mesma.

furtadovini @janainavargasgalo Massa Né 😊

carllacoimbra Sonho fazer parte dessa empresa!!!! Fui aprendiz queria retornar 😍

priscintra Ótima iniciativas ❤️❤️❤️

millynhafe @itau.unibanco esperando vocês me contratarem!!! ❤️❤️

crisrochso Melhor empresa 😊

paulo_rsantana #orgulhoempertencer 😊❤️

lets_correa Foi maravilhoso!!!! ❤️❤️❤️❤️

jujuandas Tanto orgulho em pertencer.

fel_jr ❤️❤️❤️❤️

gabicarrera Foi top!

j.manubens Conheço bem, há muitas décadas, é uma instituição que admiro cada vez mais. Parabéns Itaú Unibanco!

h3nrique_luiz @itau.unibanco me contrata ❤️❤️❤️

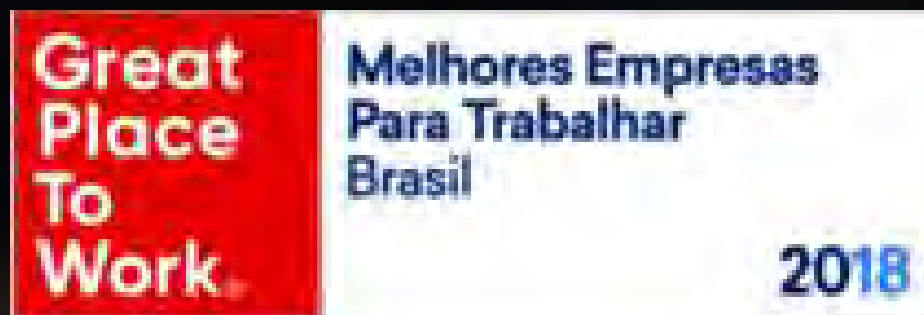
Carlos Augusto Saadi De Andrade
O Itaú mais uma vez quebrando paradigmas, preconceitos e trabalhando com a inclusão! O importante é entregar resultado, meritocracia, ser como somos e não como nos vestimos. 😊😊😊😊

Alessandra Clarice Ferreira Bastos Barreto
Itaú Unibanco sempre na vanguarda. A palavra que nos descreve é respeito. Ao cliente, ao colaborador. Isso dá um #orgulhodepertencer danado na gente! ❤️❤️❤️❤️❤️



AWARDS AND RECOGNITION

13º



The only bank ranked within the 20 Great Place to Work – GPTW/Época



1st in 2017



We are among youths' "Dream Companies" for the 10th consecutive year, according to the dream career survey

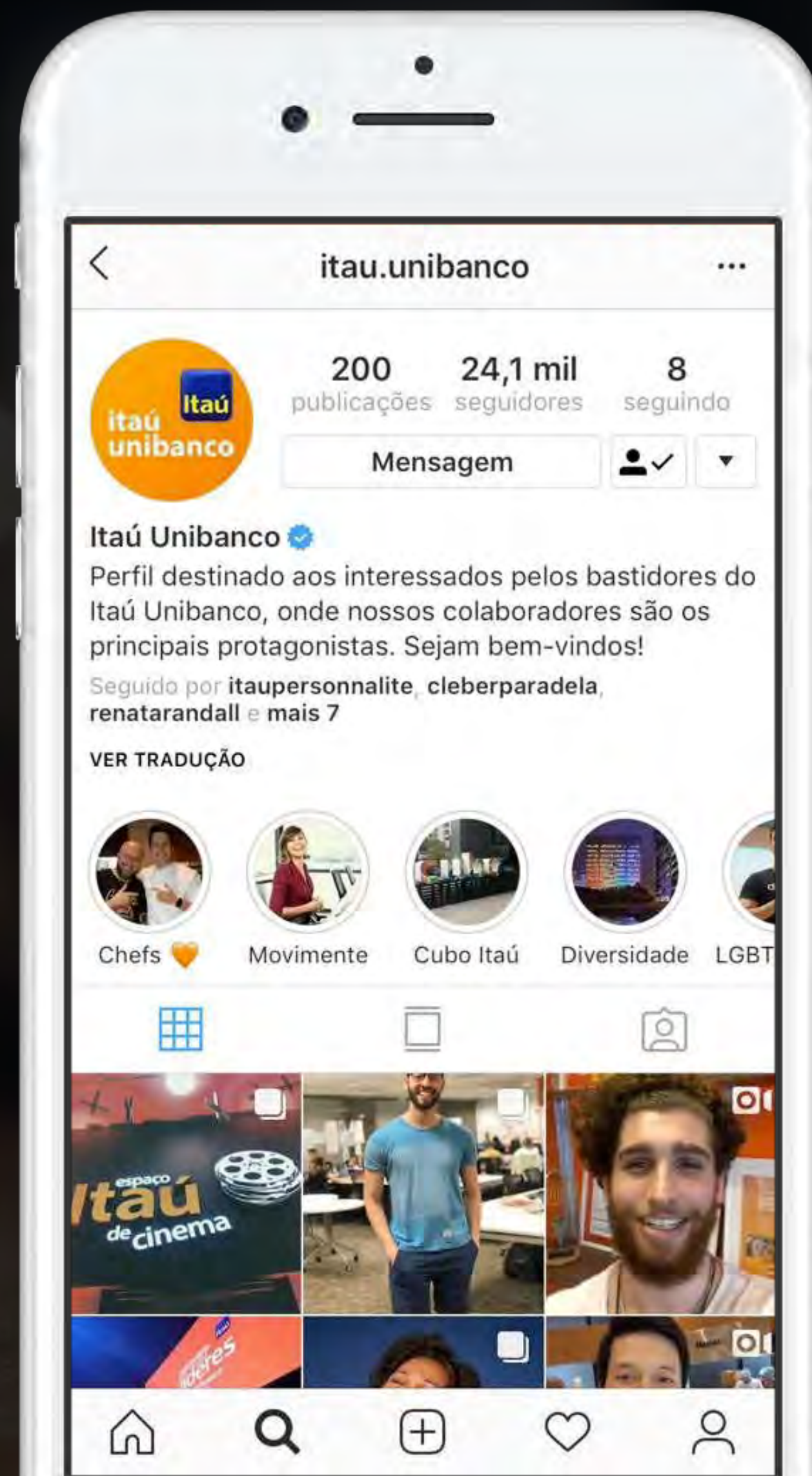
5th in 2018 and the only bank among the 10 companies ranked in the category



1st place on LinkedIn TOP Companies, 2018



FOLLOW US ON
INSTAGRAM





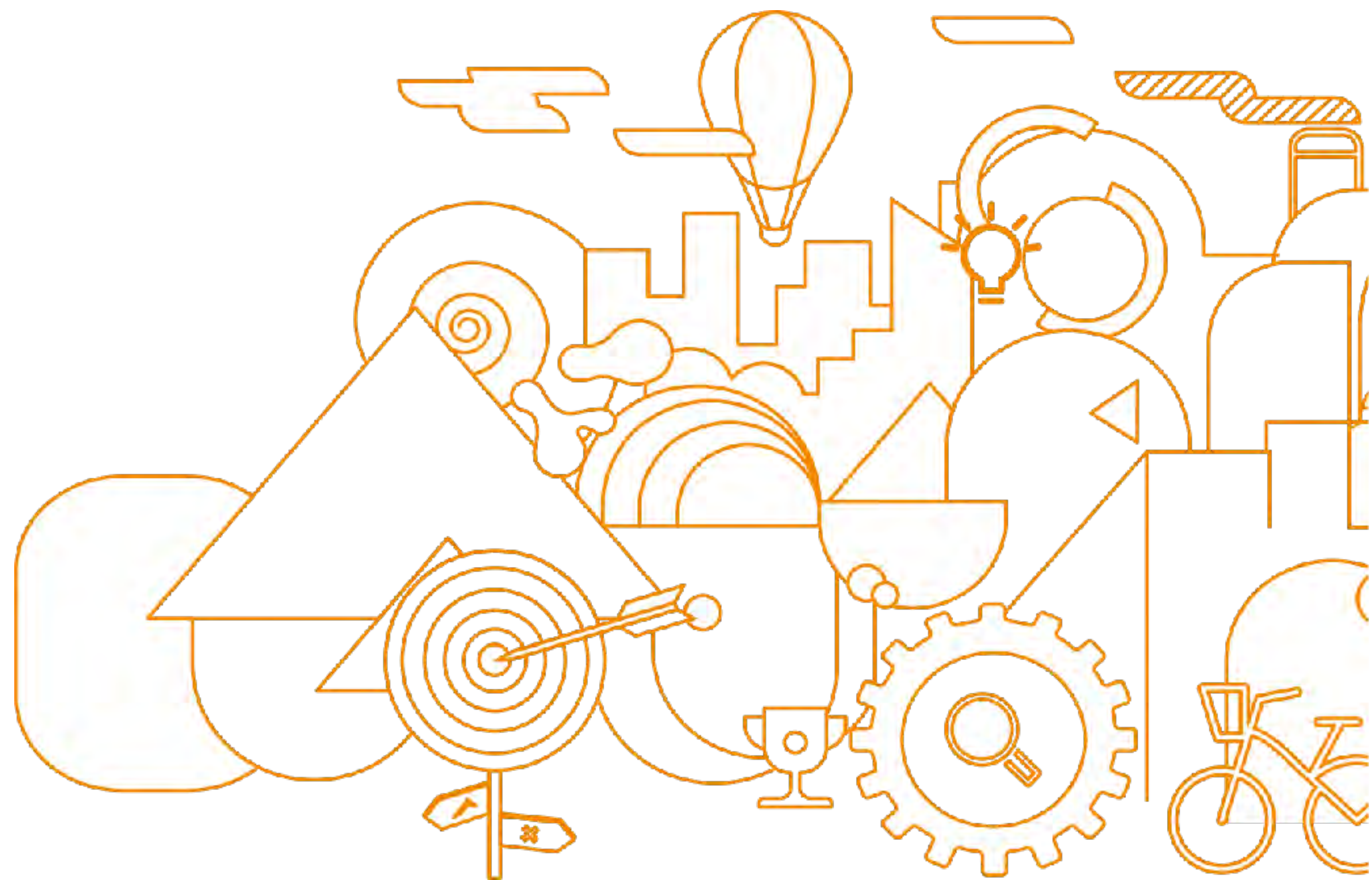
apimeccycle2018_SP

Itaú Unibanco Holding S.A.

Digital Transformation

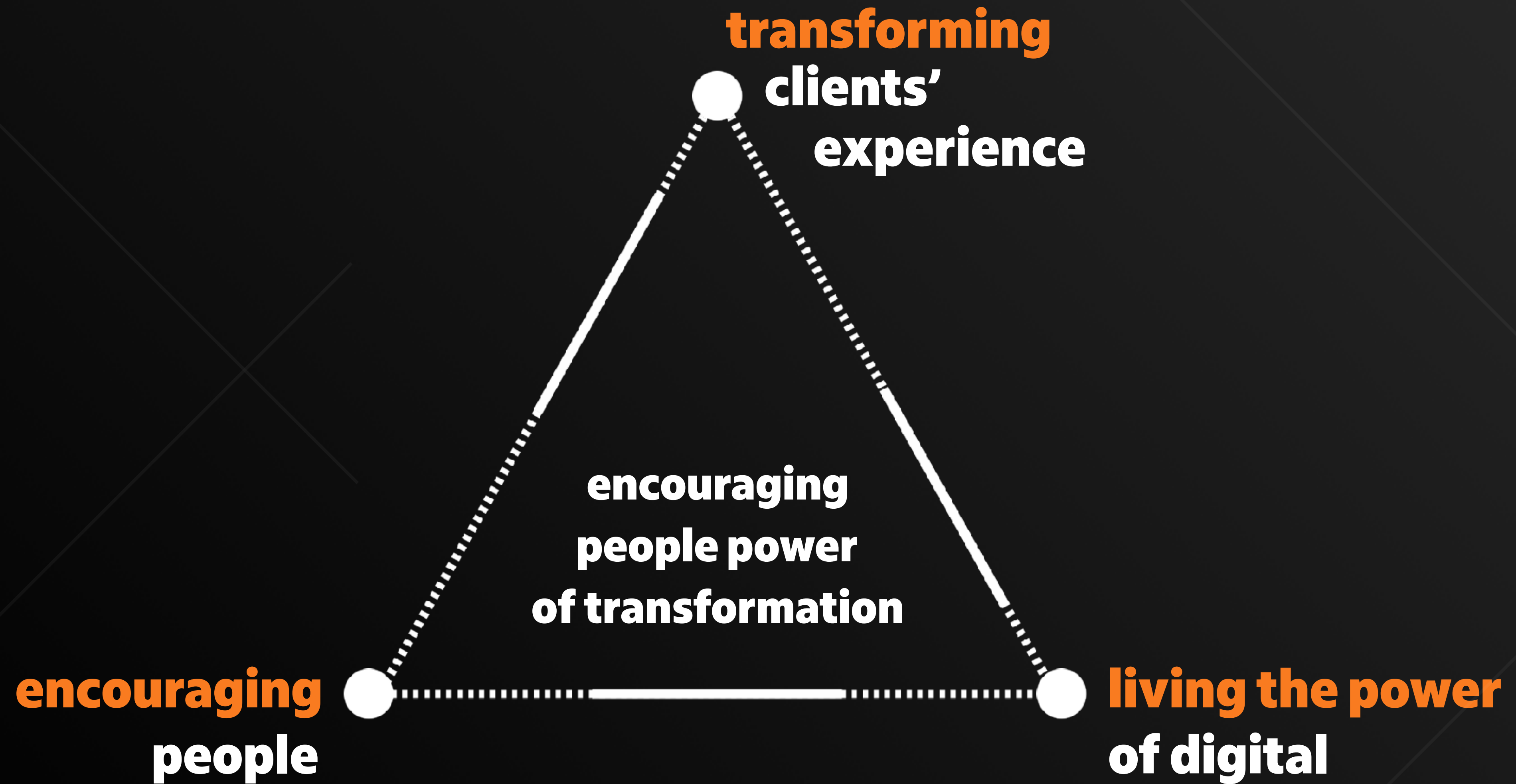
André Sapoznik

Technology & Operations



www.itaub.com.br/investor-relations

DIGITAL TRANSFORMATION
our strategic cornerstones





**encouraging
people**

| the best version
of each one of us

| the best version
of all of us

| meritocracy 2.0



**living the power
of digital**

| digiWOW experiences

| digital to be more
personal

| digital in essence



**living the power
of digital**

| digiWOW experiences

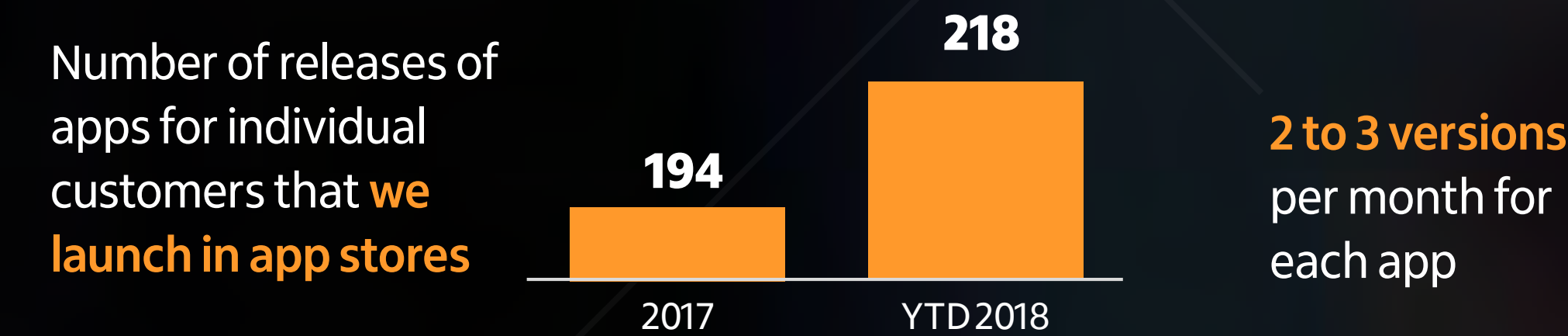
| digital to be more
personal

| digital in essence

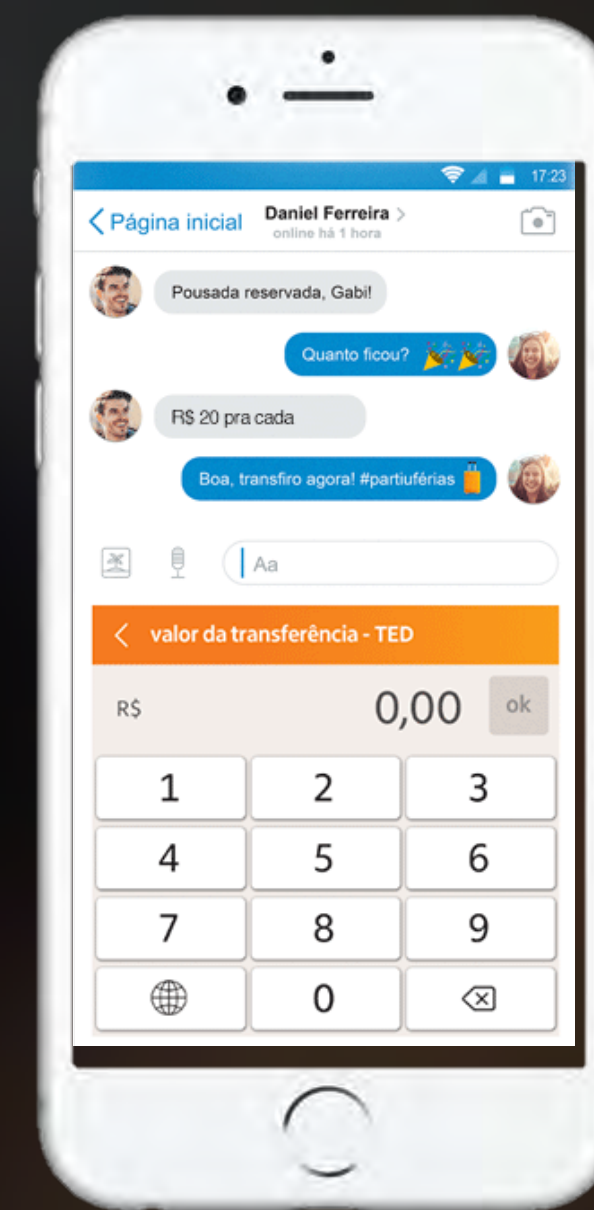
DIGIWOW EXPERIENCES

flawless journeys in powerful digital solutions

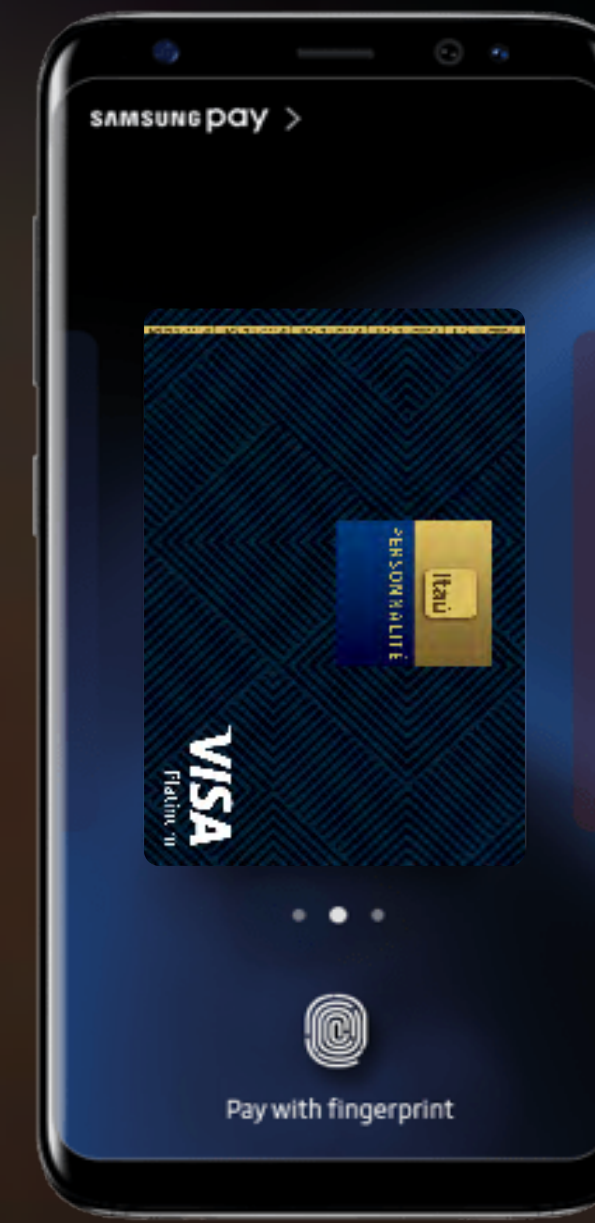
MORE CUSTOMER SATISFACTION



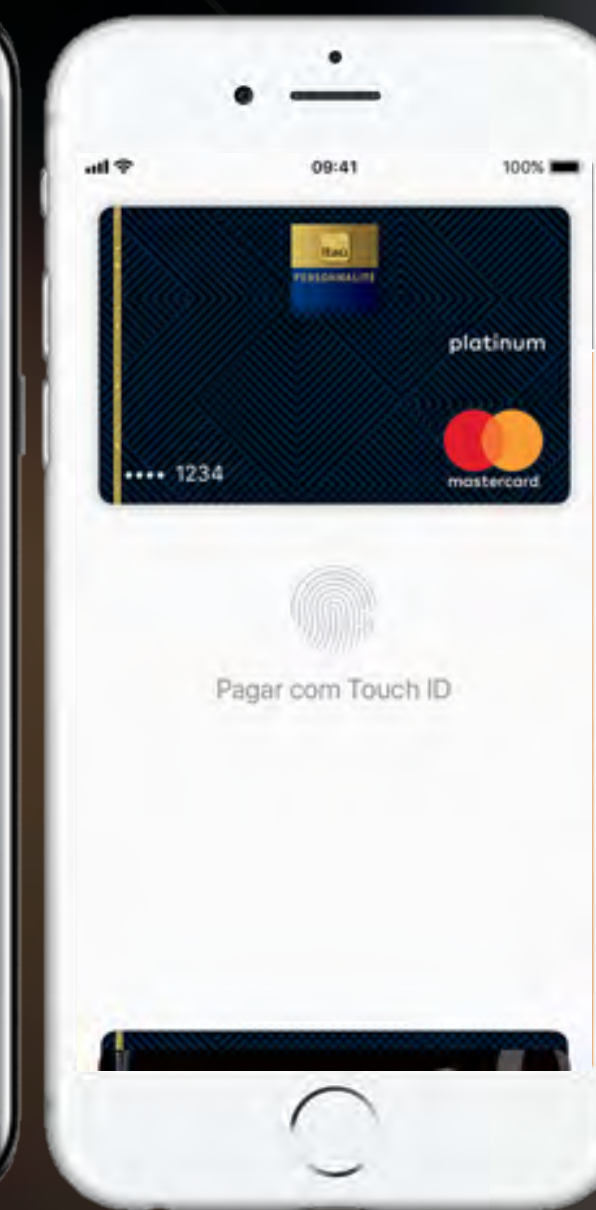
MORE INNOVATIVE SOLUTIONS



Itaú keyboard
Funds transferred using the smartphone's keyboard



Samsung Pay and Apple Pay
Largest number of users of digital wallets in Brazil



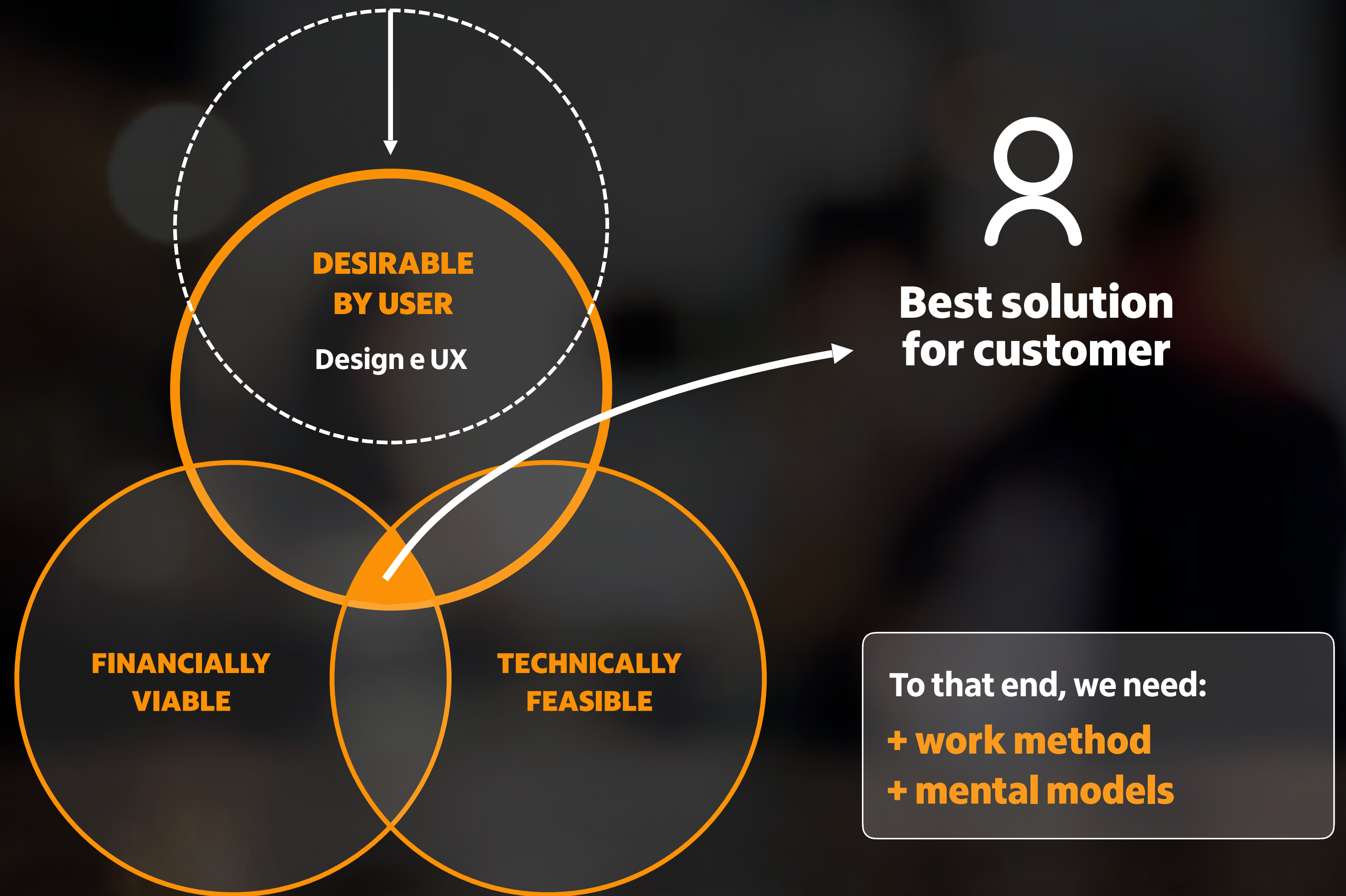
Itaú | Apple Pay

Largest digital wallet in Brazil in the first month after launching

DIGIWOW EXPERIENCES

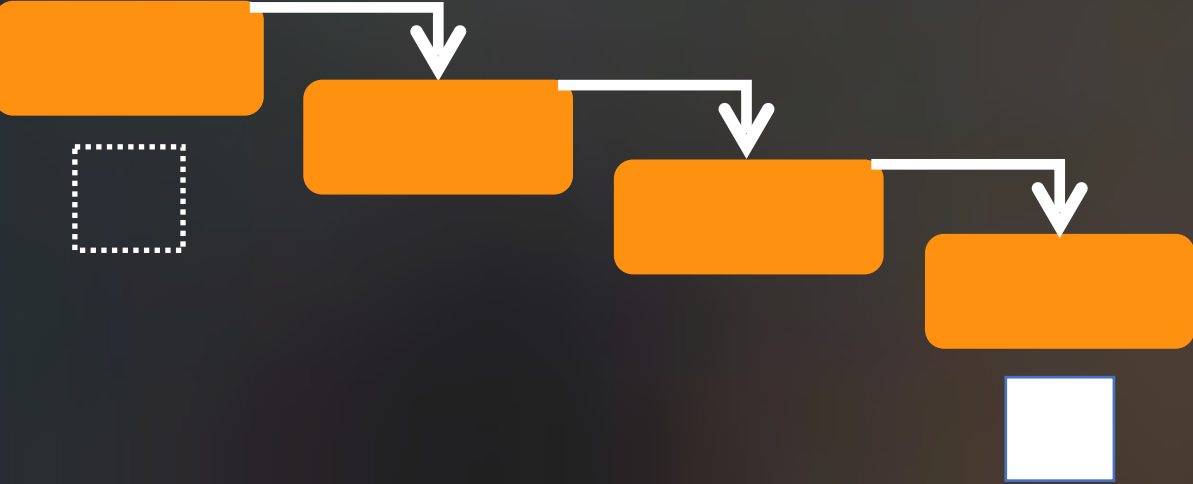
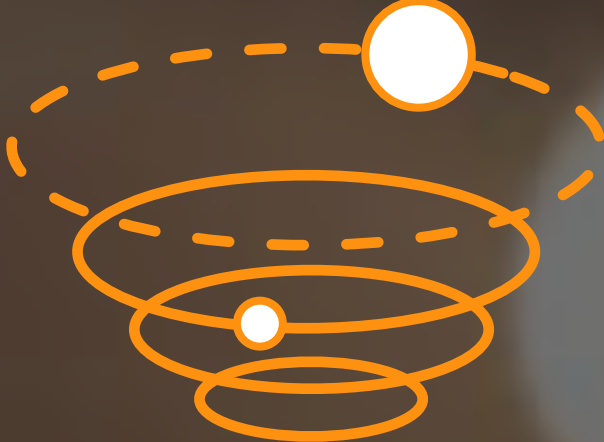
flawless journeys in powerful digital solutions

Powerful digital solutions involve not only financial and technical feasibility. **They must be desirable by customers. After all, it's their experience that matters.**



DIGIWOW EXPERIENCES
digital-oriented organization

**customer centricity
 means managing
 the organization
 in a new way**

	traditional	modern
	<p>project management and execution</p> 	<p>integrated management of digital solutions</p> <p>BUSINESS + TECHNOLOGY</p>  <p>↑ PLATFORMS IN CONSTANT EVOLUTION</p>
team organization	people move at each new project	stable teams working in collaboration
value capture	months/years	weeks
customer involvement	after solution is finalized	constant iteration and continuous feedback

DIGIWOW EXPERIENCES

digital end-to-end

DEPOSITING CHECKS

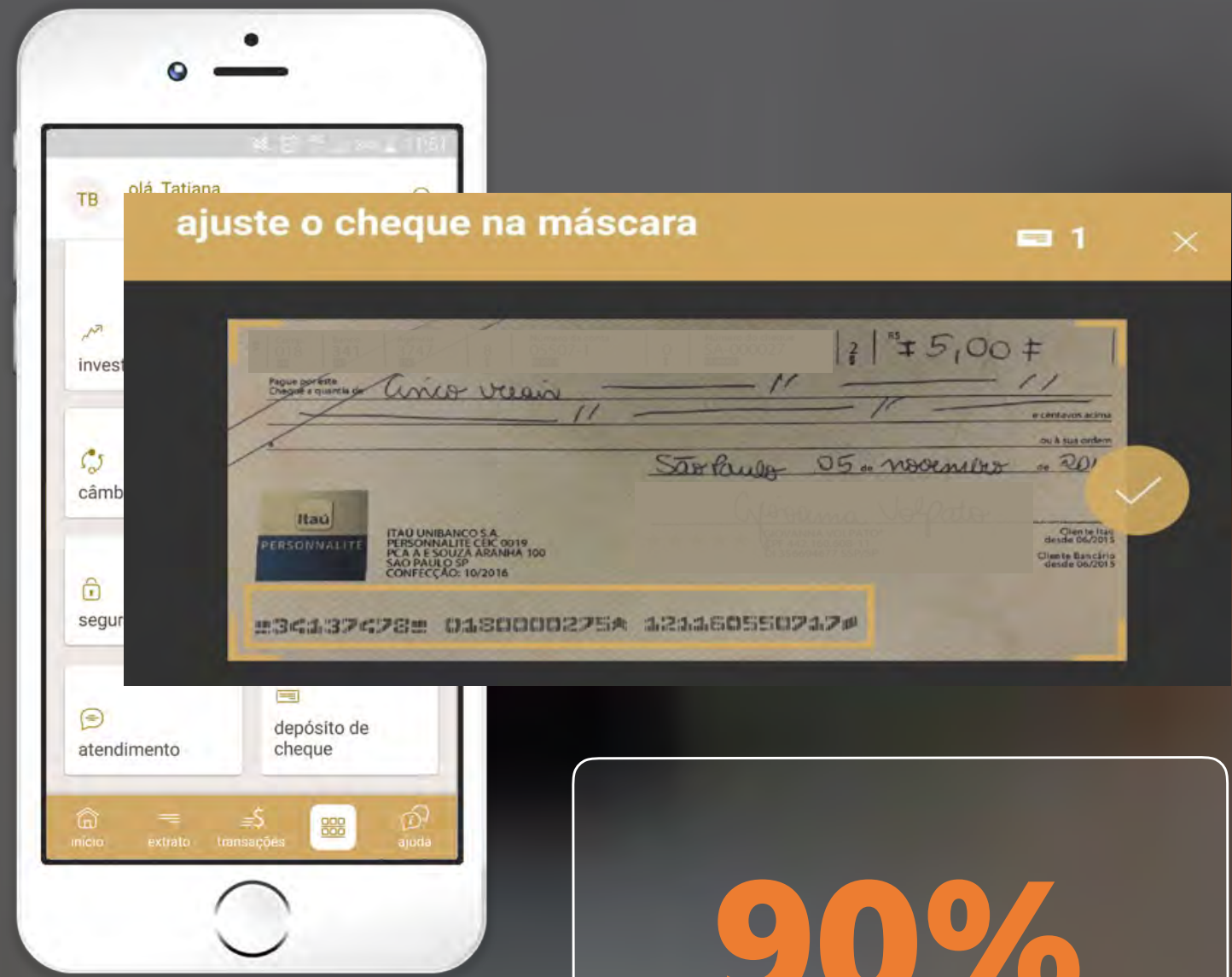
IN THE PAST

Manual deposit and verification



TODAY

Deposit using the app

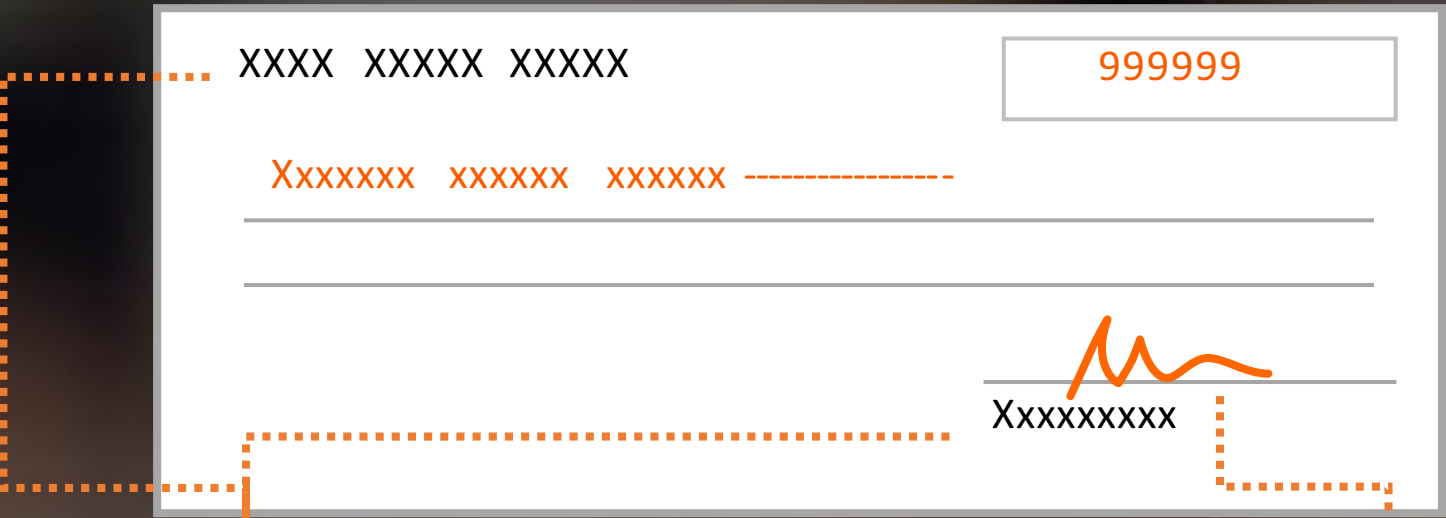


90%
reduction in total
cost per deposit

SOON

Verification using
artificial intelligence

Next step toward
**100% DIGITAL
JOURNEY**



Machine learning for
formalistic validation

Deep learning for
signature recognition

**Verification of 100% of the elements
in 100% of checks**
Humans evaluate only what the model questions

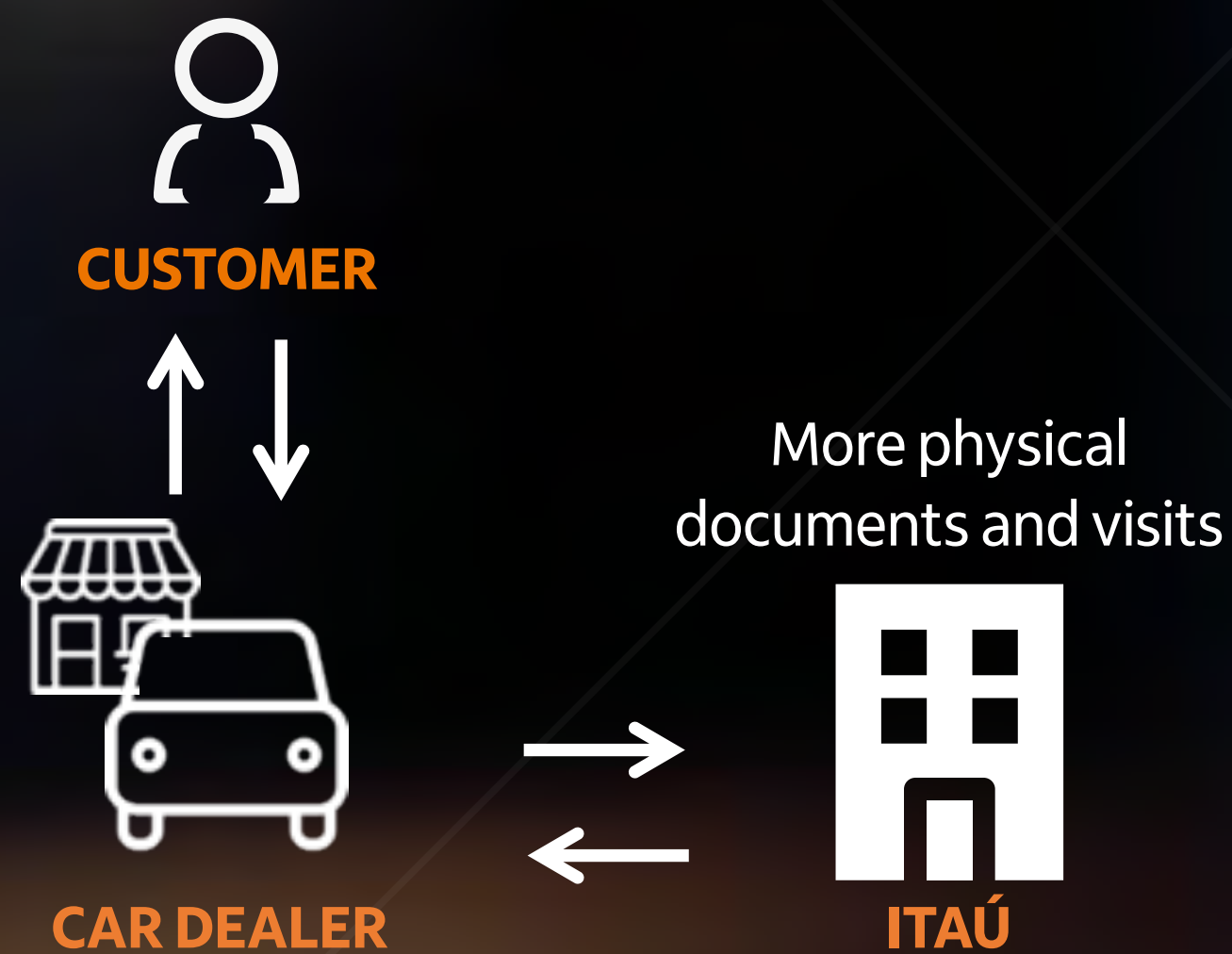
DIGIWOW EXPERIENCES

digital end-to-end

DIGITAL EXPERIENCE FOR NEW AUTO LOANS

IN PAST

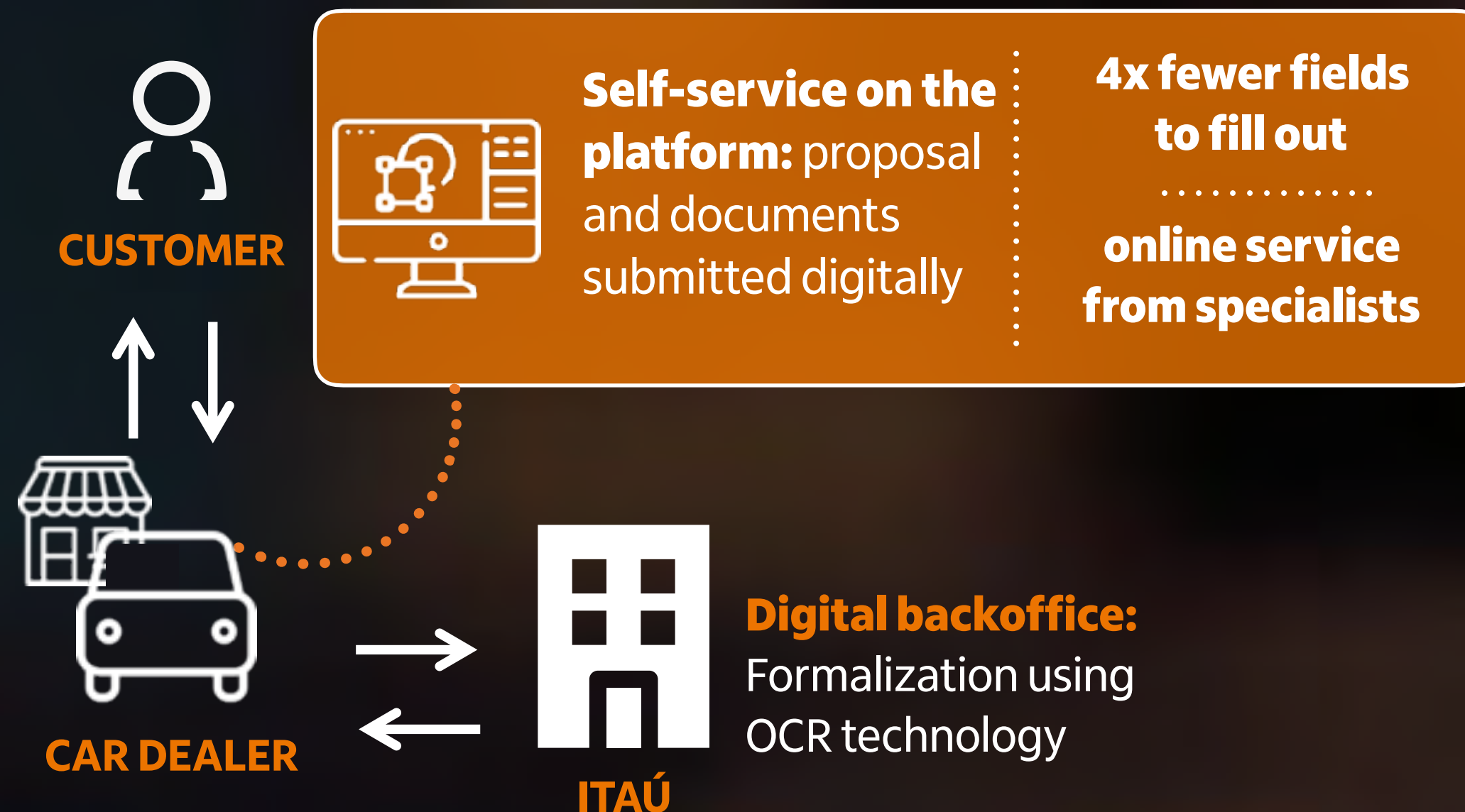
Long time to sell pre-owned vehicles and high operational effort by Itaú



Up to 5 days
for formalization and disbursement
of financed amount

TODAY

End-to-end digital: faster disbursement in sale of pre-owned vehicles and more efficiency for Itaú



Up to 1 hour
for formalization and disbursement
of financed amount, even on weekends

-39%
operational cost

-50%
effort in operational activities

**+50% in total amount
financed/month**
vs. 27% in overall loan market

+ time
for the commercial
team to work on businesses

DIGIWOW EXPERIENCES

flawless journeys and end-to-end digital experiences produce significant results

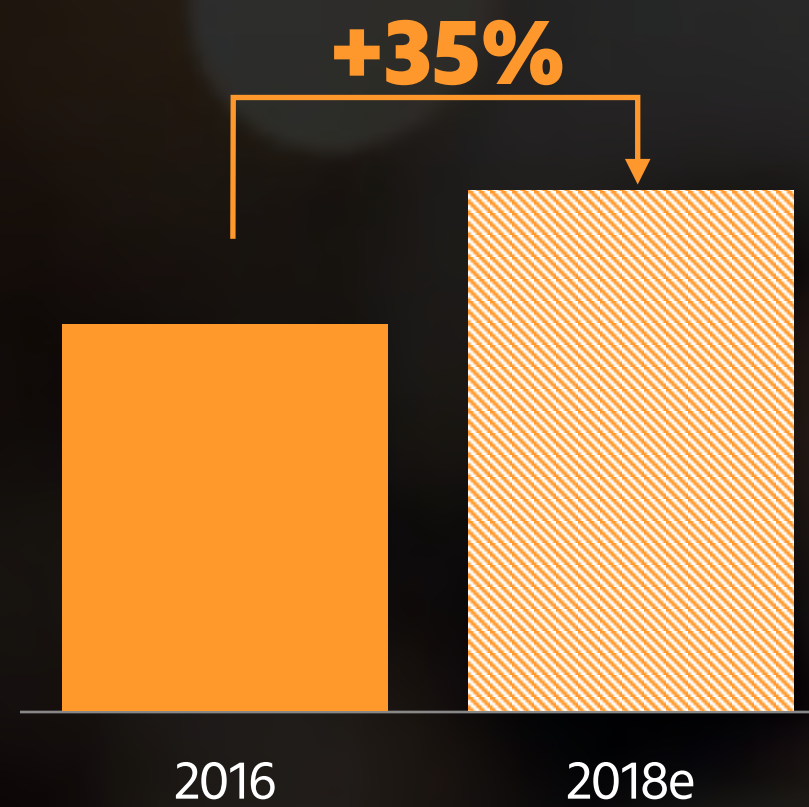


Individual customers

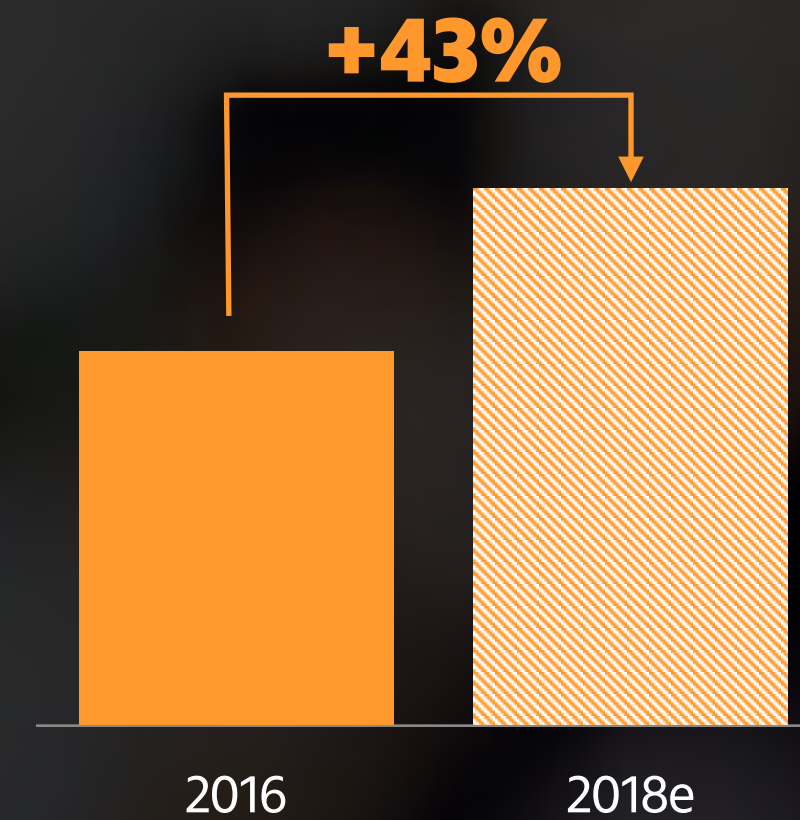
+11 MM
digital individual customers

+30% in the last 2 years

Access intensity
(daily average of customers using digital channels)



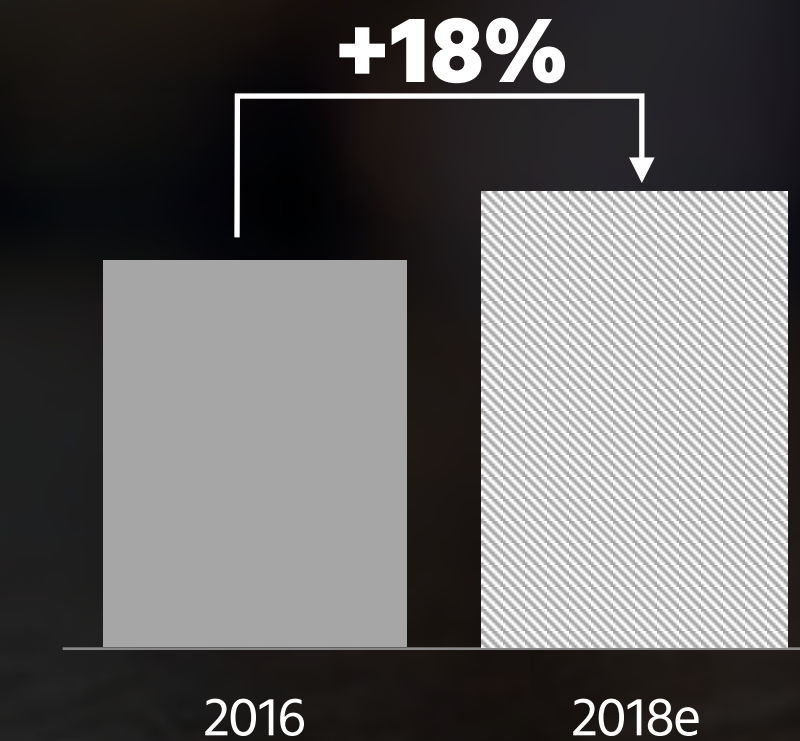
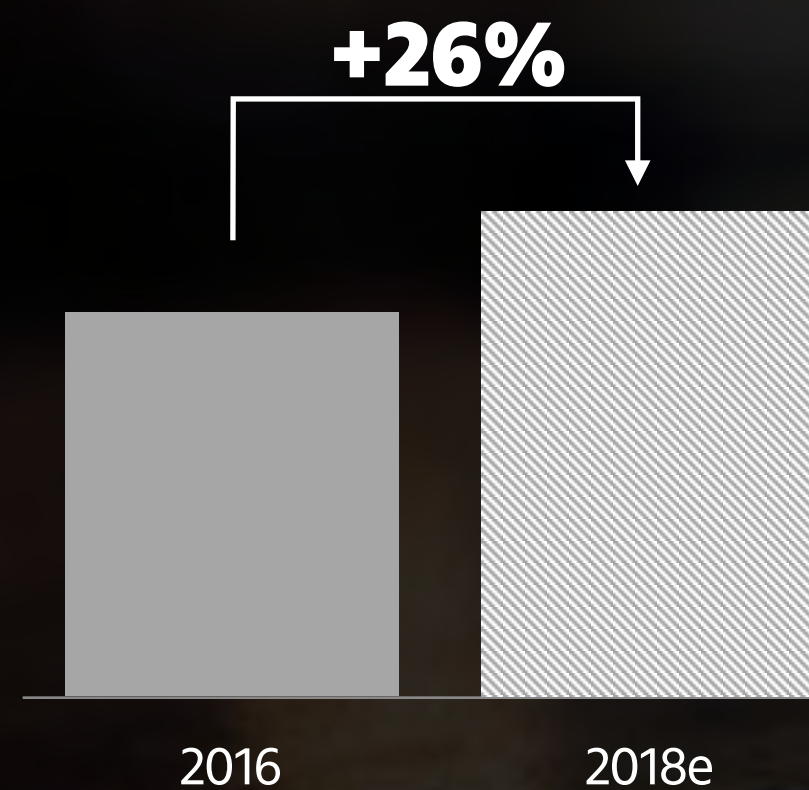
Result from digital channels



Corporate customers

+1.1 MM
digital corporate customers

+70% of corporate customers are digital





**living the power
of digital**

digiWOW experiences

digital to be more
personal

digital in essence

DIGITAL TO BE MORE PERSONAL

physical and digital are integrated: to be digital is also to make physical interactions more powerful

TABLETS FOR BUSINESS MANAGERS



The bank goes to the customer

- _ More freedom for manager, greater proximity with customer
- _ Products are contracted during the visit
- _ Support tools for manager and fast customer service through videoconferences

more presence in customer's life

8x more
visits/month
per manager

10x more
digital consultations with
financial product specialist

85% of e-mails
answered in up
to 45 minutes

proximity that generates business

+12 p.p.
in customer satisfaction index
regarding manager proximity

Managers who are more
digital bring financial results
that are **25% higher**

DIGITAL TO BE MORE PERSONAL

physical and digital are integrated: to be digital is also to make physical interactions more powerful

DIGITAL EXPERIENCE IN NEW MORTGAGES

IN THE PAST

Need to fill out and send physical documents



EXPERIENCE:
notary office

Customer



Customer had no visibility of phases in the process

Advisor



Advisor split between red tape and customer service

TODAY

Documents and forms sent through internet banking



- time
on red tape. Visibility of process status; documents submitted digitally



+ time
for advisor to help customer achieve the dream of becoming a home-owner

Up to 40%
reduction in time for contracting product

+ R\$9 billion
financed with documents submitted 100% online

DIGITAL TO BE MORE PERSONAL

Right product for the right customer, at the right time, through the right channel

PERSONALIZED OFFER

TECHNOLOGY BEHIND THE EXPERIENCE



BIG DATA

stores and interprets transaction information for millions of customers



FAST PROCESSING

organizes large amounts of data in the needed timing



CONTEXT TOOL

identifies the best offer and sales approach given the customer's context



ARTIFICIAL INTELLIGENCE

predicts which customers will enter overdraft protection

WHAT THE CUSTOMER SEES

MANAGER MESSAGE

From: Vinicius - Itaú Unibanco

To: Adriana Ferreira

Your IPVA is near its due date and this expense may consume your account balance. Would you like to learn about payroll-deductible loan solutions?

From: Adriana Ferreira

To: Vinicius - Itaú Unibanco

Hi Vinicius,
Thanks for the reminder. Can you send me a simulation of the payroll-deductible loan?

Exponential gains

500%

increase in e-mail response rate

60%

of customers who responded contracted credit



**living the power
of digital**

| digiWOW experiences

| digital to be more
personal

| digital in essence

DIGITAL IN ESSENCE

continuous investment in technology

Investment to develop the bank's systems and customer experience

+40%

in the last 2 years

and to have the best people

5 hackatons

per week for talent selection

+5,000 participants in 2018

25 new people

join the Technology area every week

+950

types of learning experiences

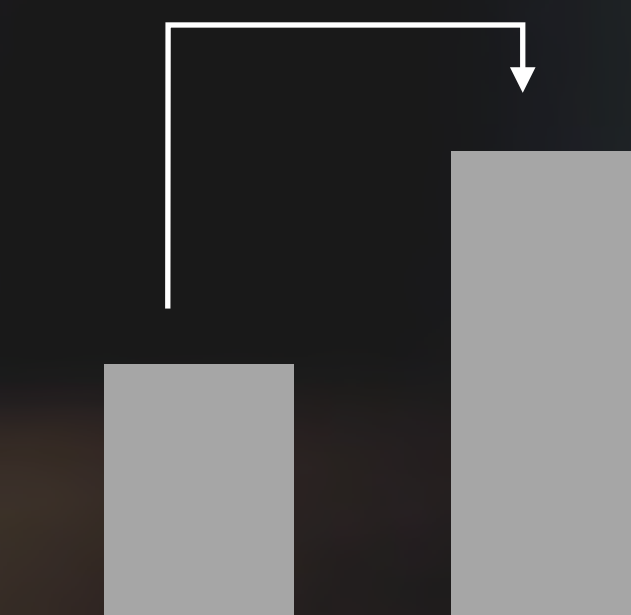
for employees self-development

Discipline + control = RESULT

Regulatory environment

more Technology demands for regulatory changes delivered

+83%



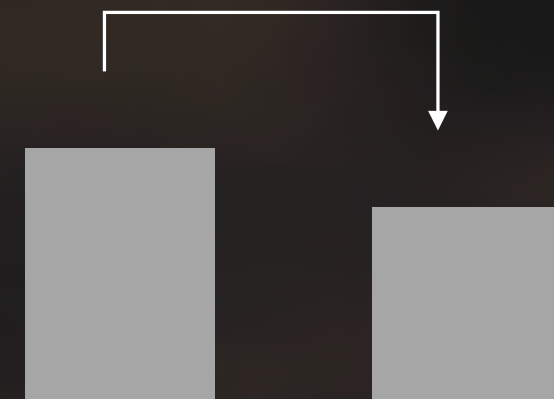
2017 (1ºH)

2018 (1ºH)

Higher productivity

shorter time to deliver technology solutions

-23%



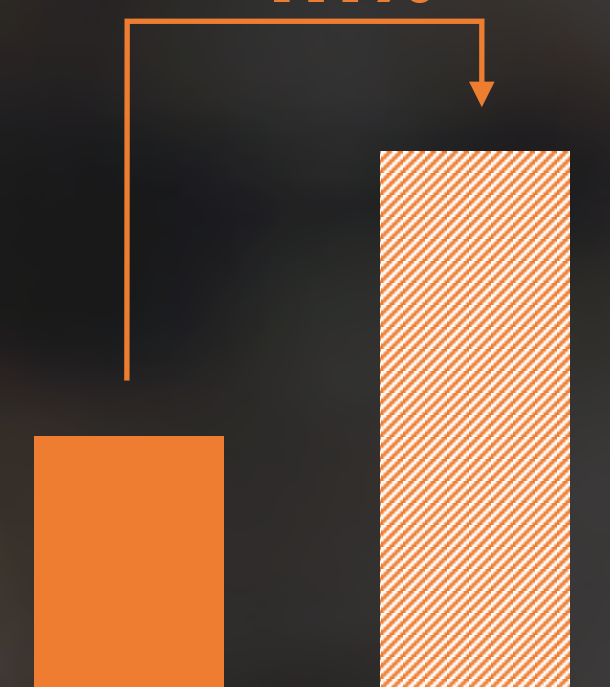
2017 (1ºH)

2018 (1ºH)

More value

higher return captured in financial benefit projects

+111%



2017

2018e



Each R\$ 1

spent in technology projects



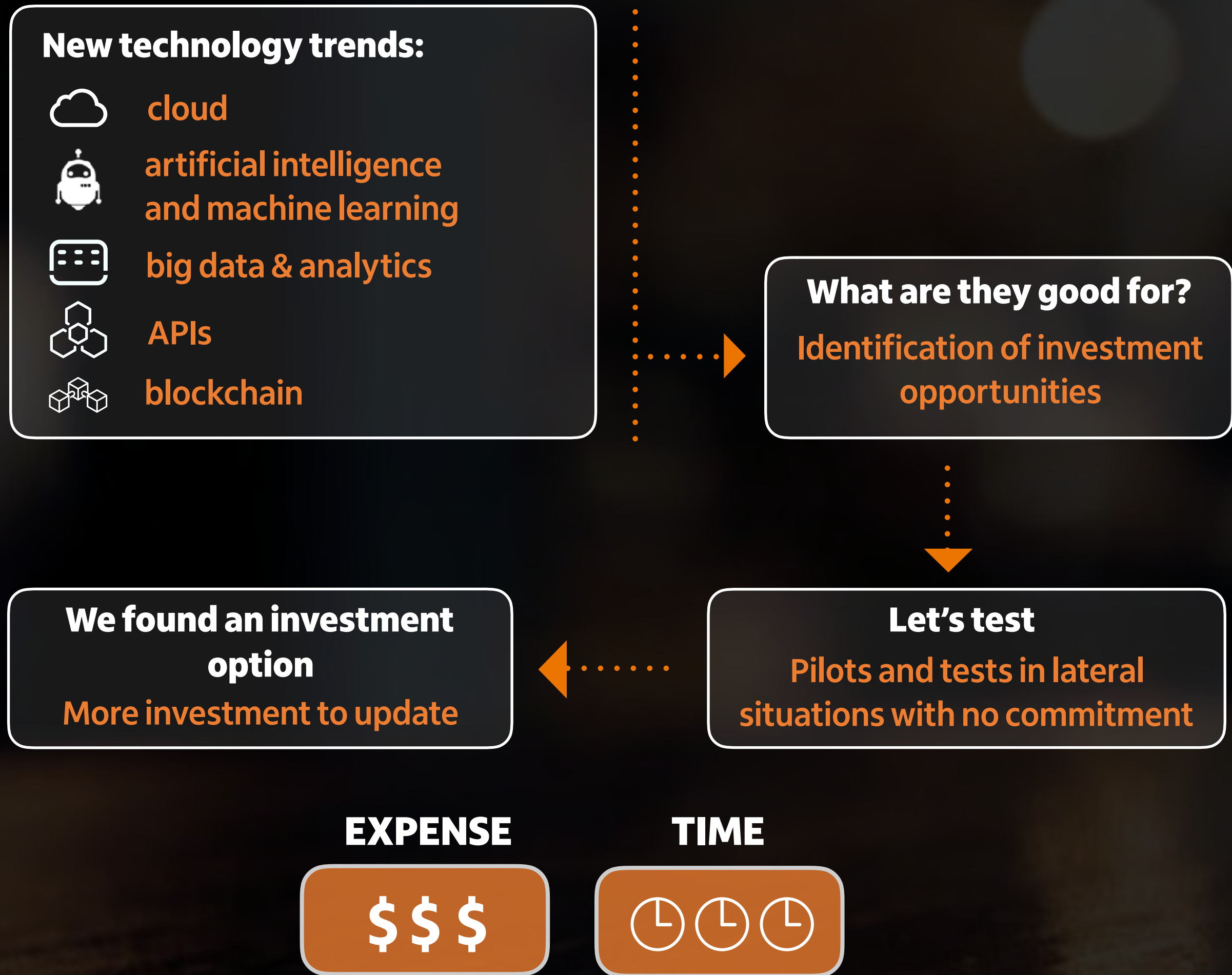
10X

more return for the bank

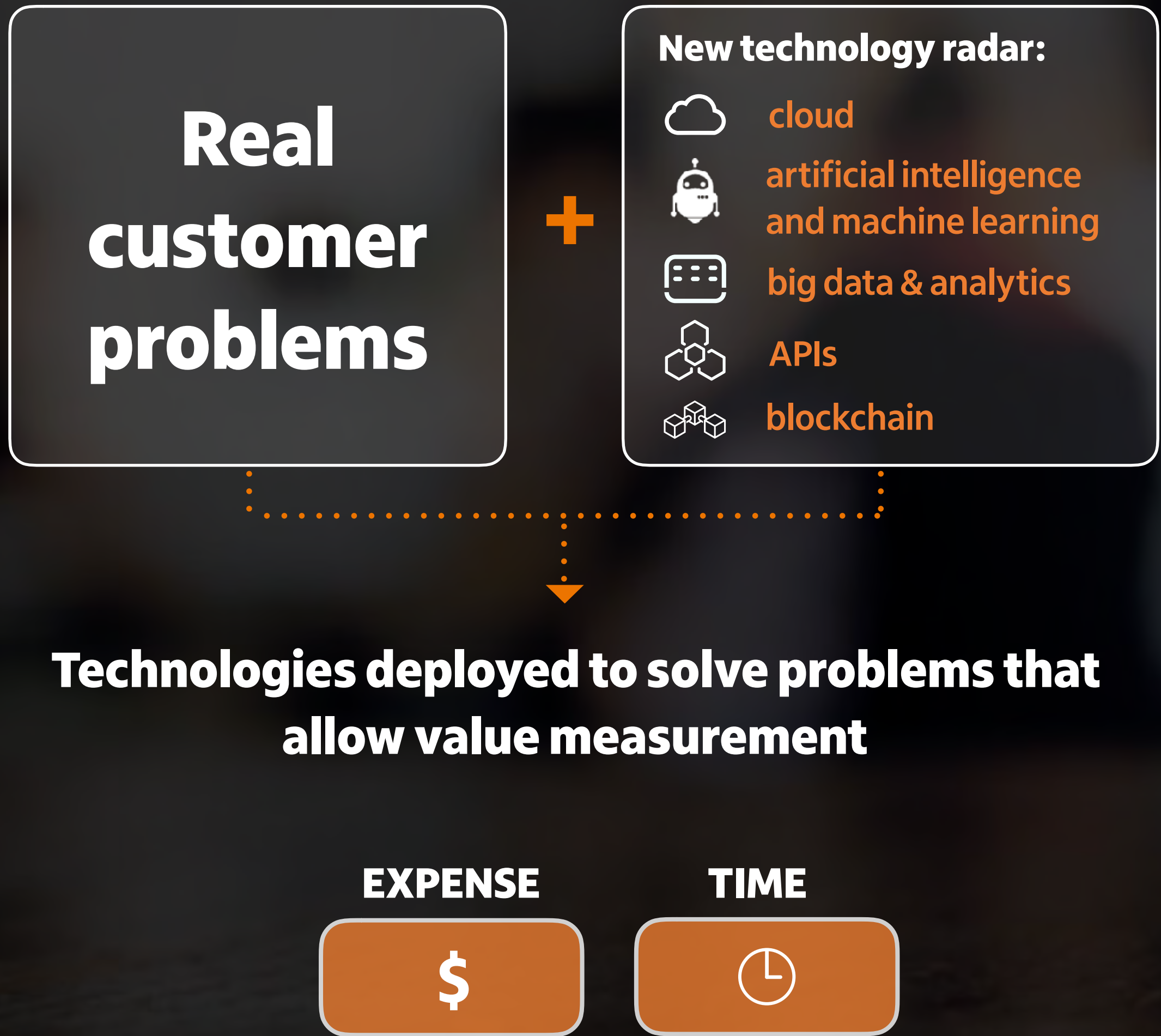


DIGITAL IN ESSENCE
continuous investment in technology

TRADITIONAL THINKING: **SUPPLY VISION**



MODERN THINKING: **DEMAND VISION**

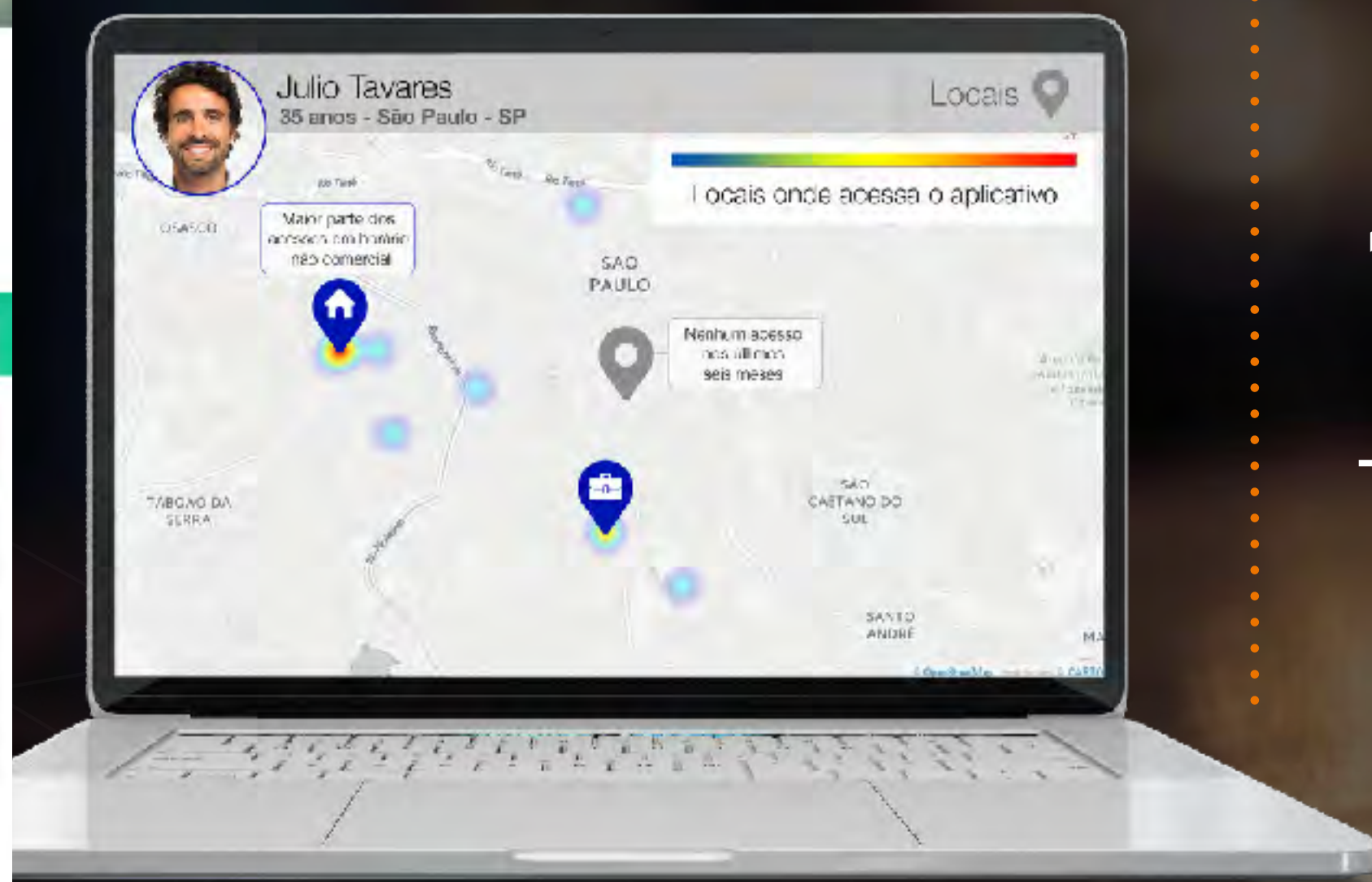
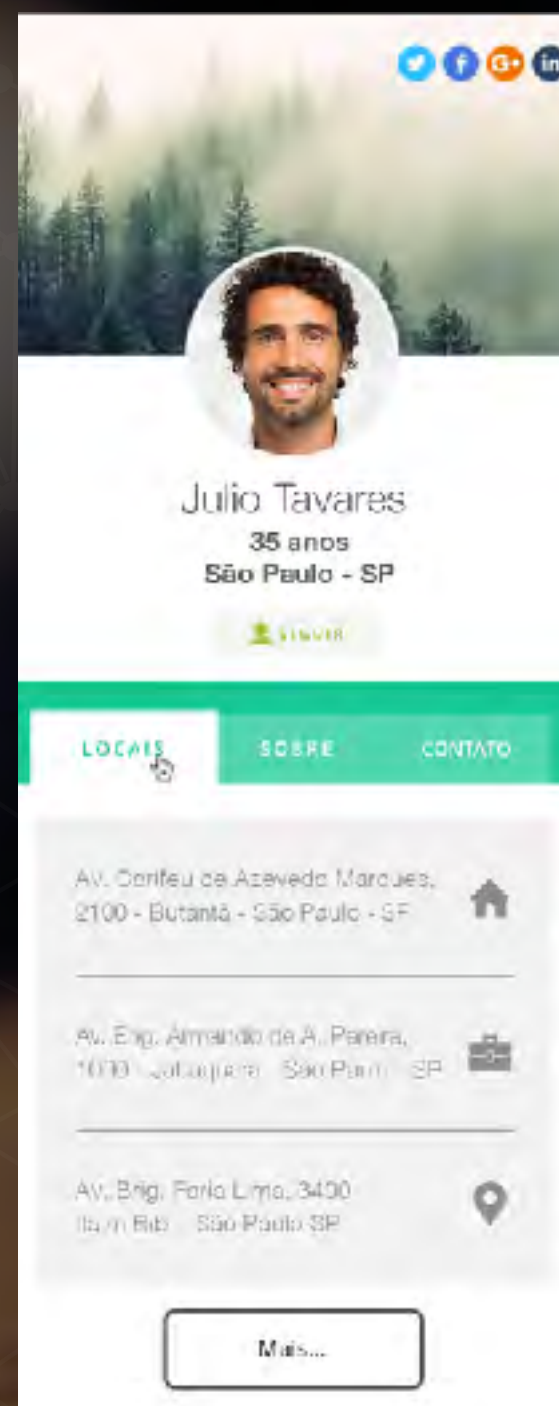


DIGITAL IN ESSENCE continuous investment in technology

MODERN THINKING: DEMAND VISION

REAL PROBLEM_

how to process complex artificial intelligence models in fractions of a second?



SOLUTION_

significant increase in the speed of image model analysis, using processing units employed by the video game industry

100x more
Processing speed

From 0.5 s to 0.001 s
In some cases



Inspired by the
video game
industry



DIGITAL IN ESSENCE

data: new capital for the bank

HOW TO FIND OUT WHAT CUSTOMERS FEEL WITHOUT ASKING THEM?

REAL PROBLEM_

Traditional survey:



“are you satisfied?”



COLLABORATION TO ENHANCE DATA UTILIZATION_



Itaú: founding member and the only Latin America institution of Fintech to be part of Fintech @CSAIL/MIT

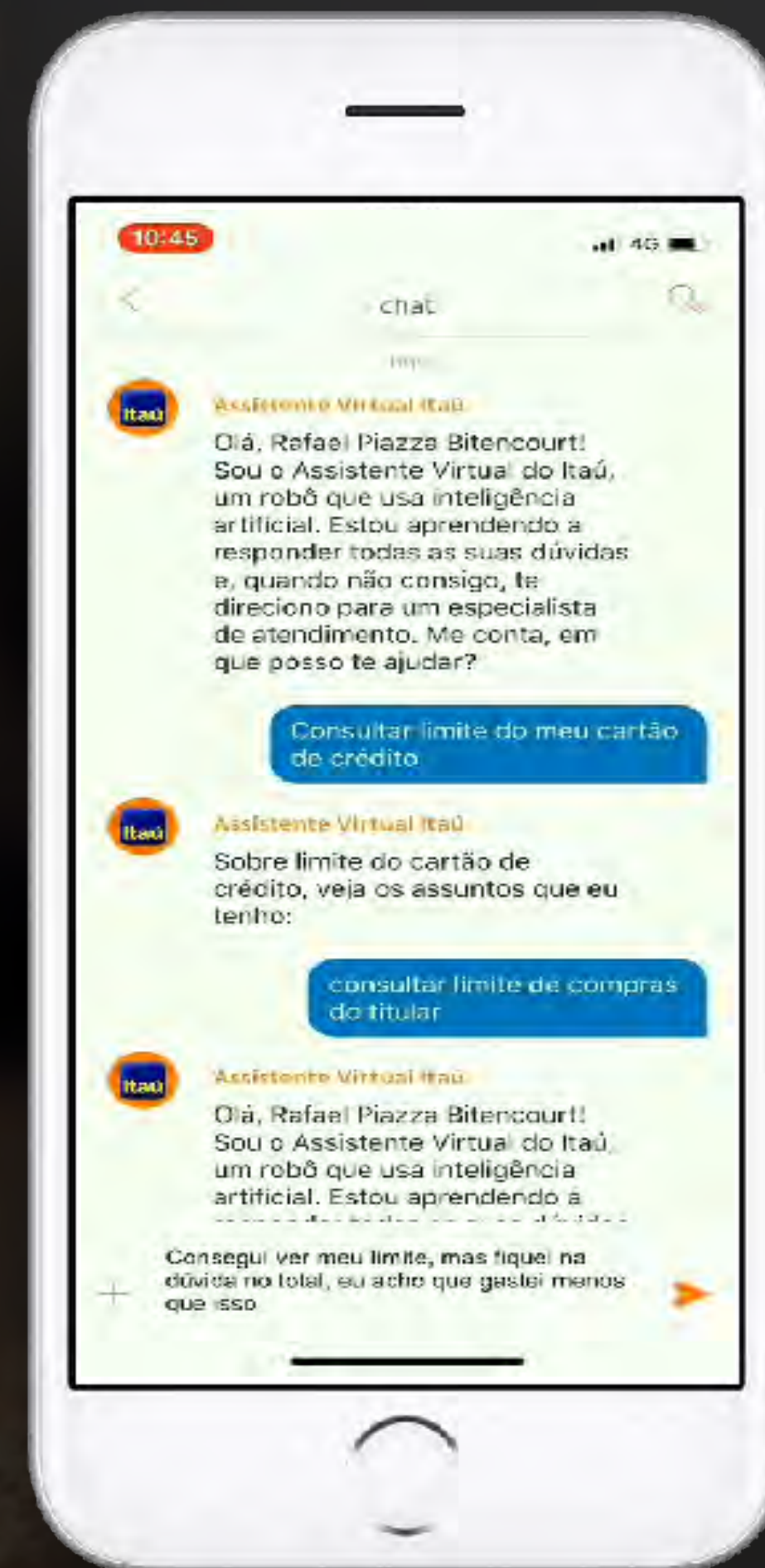
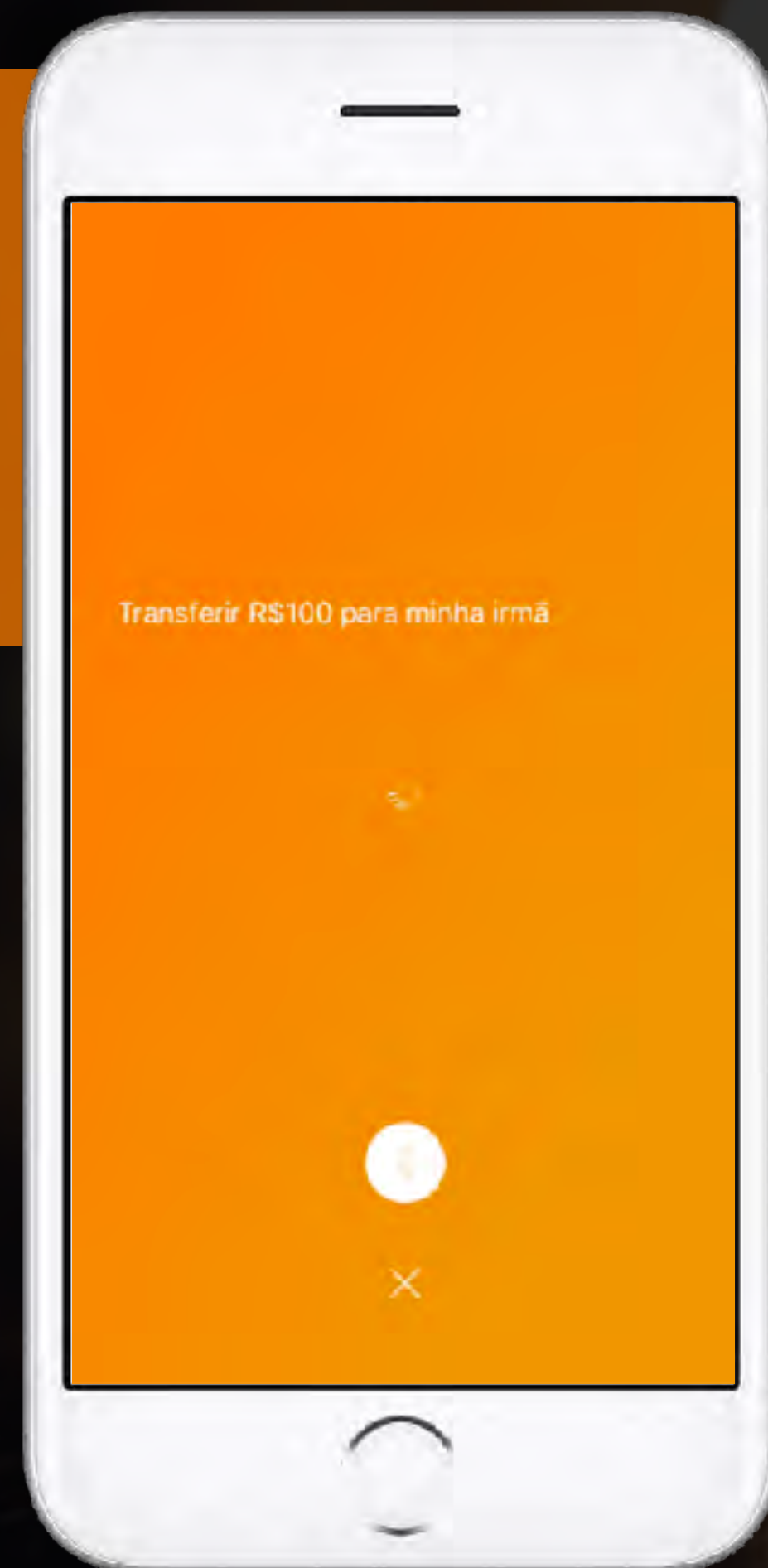
CSAIL (Computer Science & Artificial Intelligence Lab): largest MIT lab and AI reference

DIGITAL IN ESSENCE

data: new capital for the bank

With artificial intelligence, we are developing proprietary solutions to provide flawless customer experience

Technology that goes beyond solving questions: executes transactions for customers based on integration of their financial information



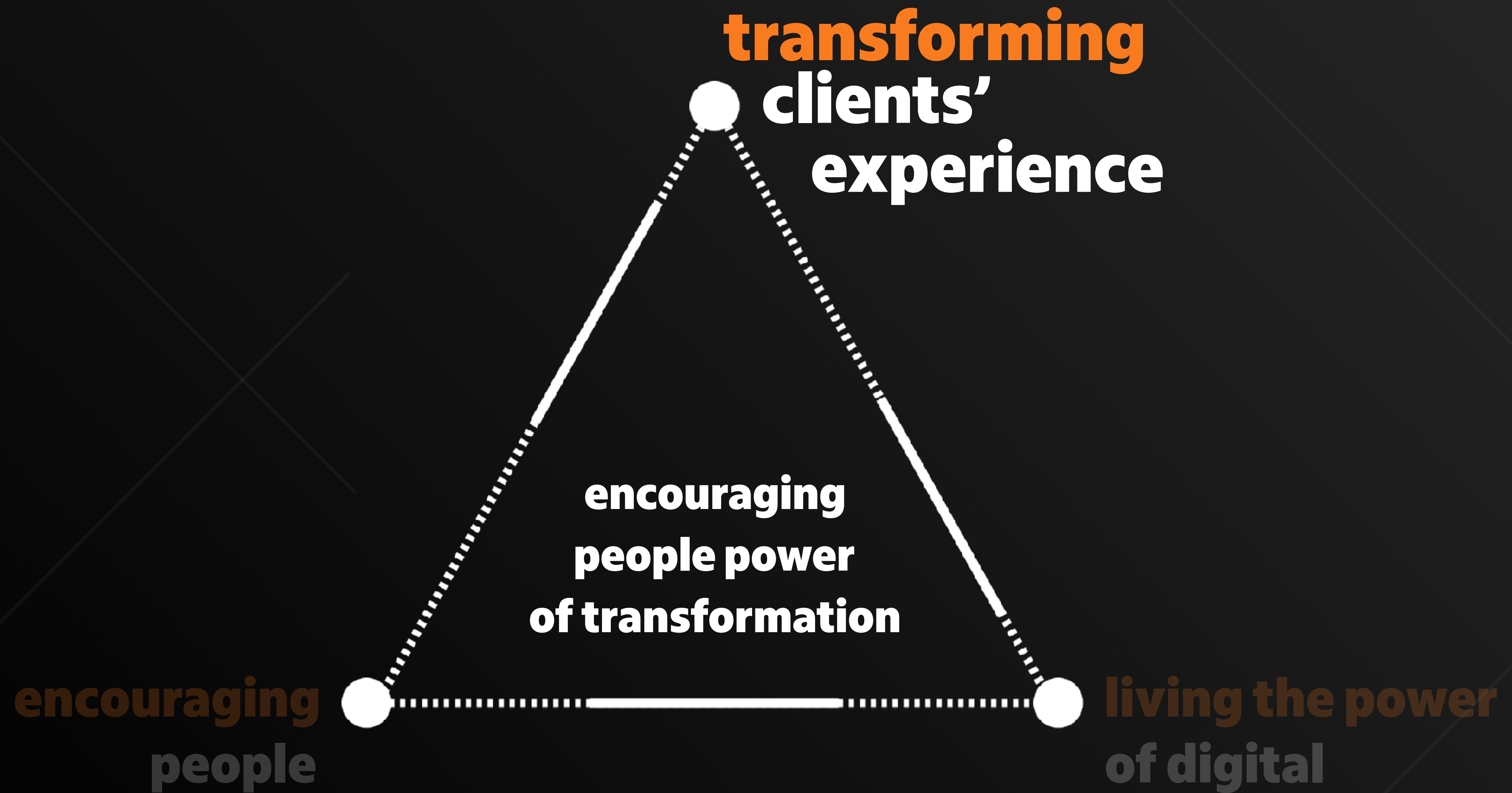
98%
of questions answered

85%
accuracy in answers

93%
of customers had no need to seek another form of service

In the same chat box, customer may call a specialist, who will have access to conversation history

DIGITAL TRANSFORMATION
our strategic cornerstones





**transforming
clients'
experience**

| deep customer
knowledge

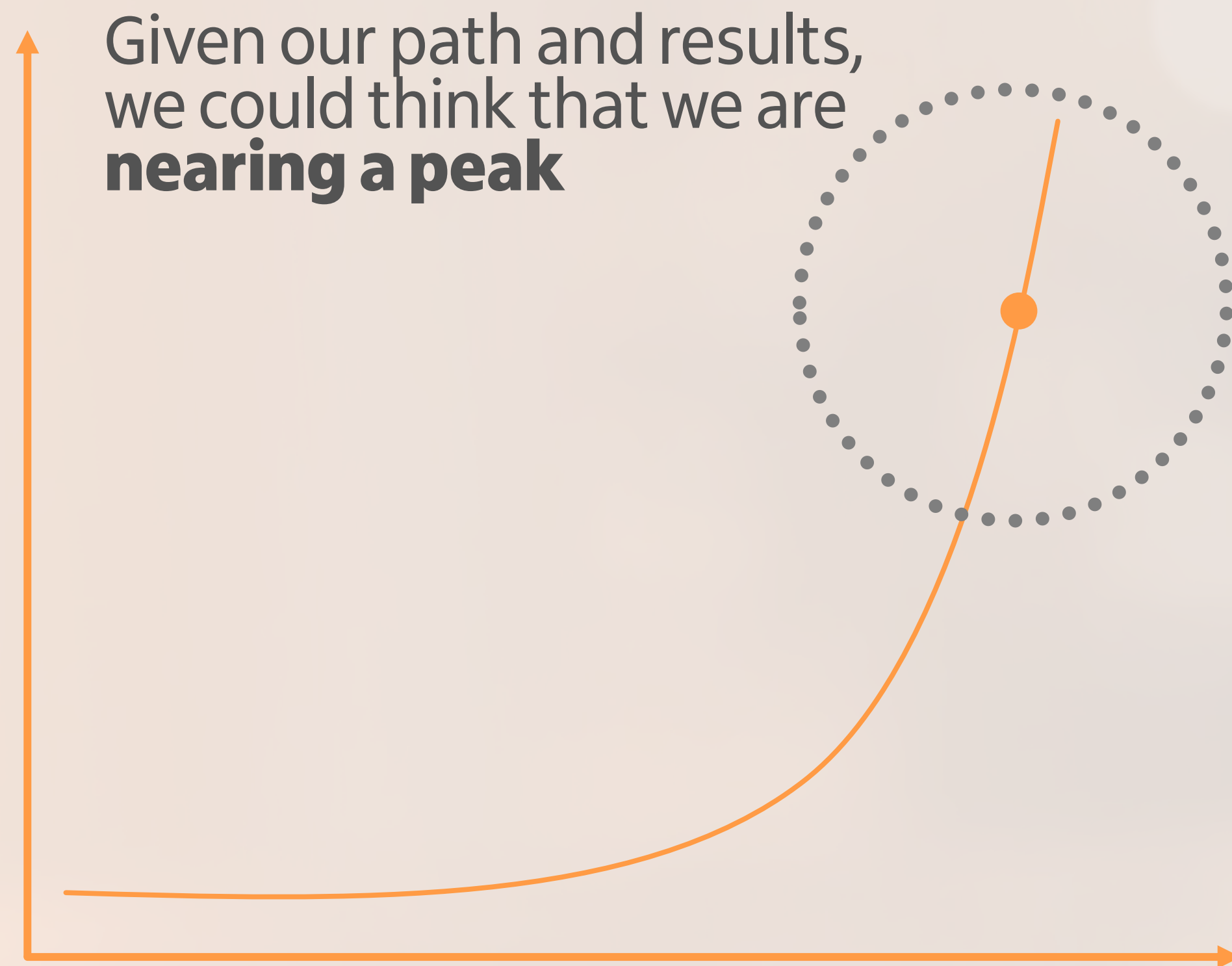
| relationship
expansion

| commitment to
enchantment

WE KNOW THAT THE EVOLUTION CURVE IS EXPONENTIAL



WE KNOW THAT THE EVOLUTION CURVE IS EXPONENTIAL



WE KNOW THAT THE EVOLUTION CURVE IS EXPONENTIAL

But we choose to believe that our transformation journey is **just beginning**



WE KNOW THAT THE EVOLUTION CURVE IS EXPONENTIAL

But we choose to believe that our transformation journey is **just beginning**



We face the challenge of transforming and re-transforming the bank for continuous growth.

**AFTER ALL, OUR SIZE
WILL BE WHAT OUR
CUSTOMERS WANT.**



Apimec cycle 2018_SP

Itaú Unibanco Holding S.A.

Retail Banking (DGV)

Márcio Schettini

General Director



 www.itaú.com.br/investor-relations

Retail Bank

Transforming customer experience

ITAÚ UNIBANCO'S VISION:

“Be the leader bank in **SUSTAINABLE PERFORMANCE**
and in **CUSTOMER SATISFACTION**”

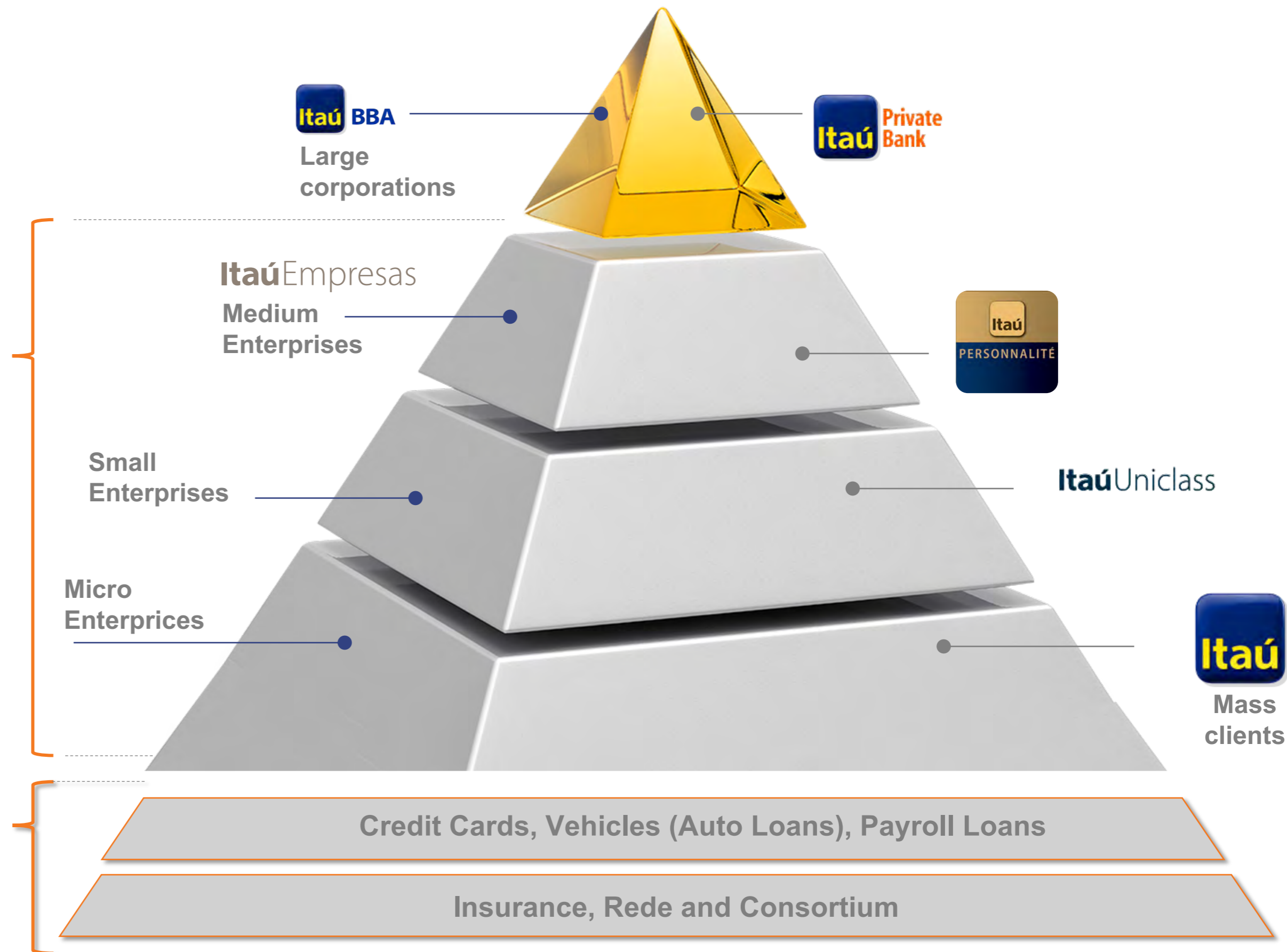
Retail Bank

Big figures

28 MM Checking and savings accounts
26,5 MM Individuals
1,5 MM Enterprises
4.371 Branches
R\$ 224 Bi Loans
R\$ 622 Bi Investments

20 MM Credit card¹
4,2 MM Payroll loan²
0,8 MM Auto loan²
14,0 MM Insurance²
0,3 MM Consortium²
0,7 MM Rede³

¹ Active accounts, ²Agreements, ³Points of sale



Evolution of the Client Base

Checking Accounts: focus on account opening brings long-term effect on the client base

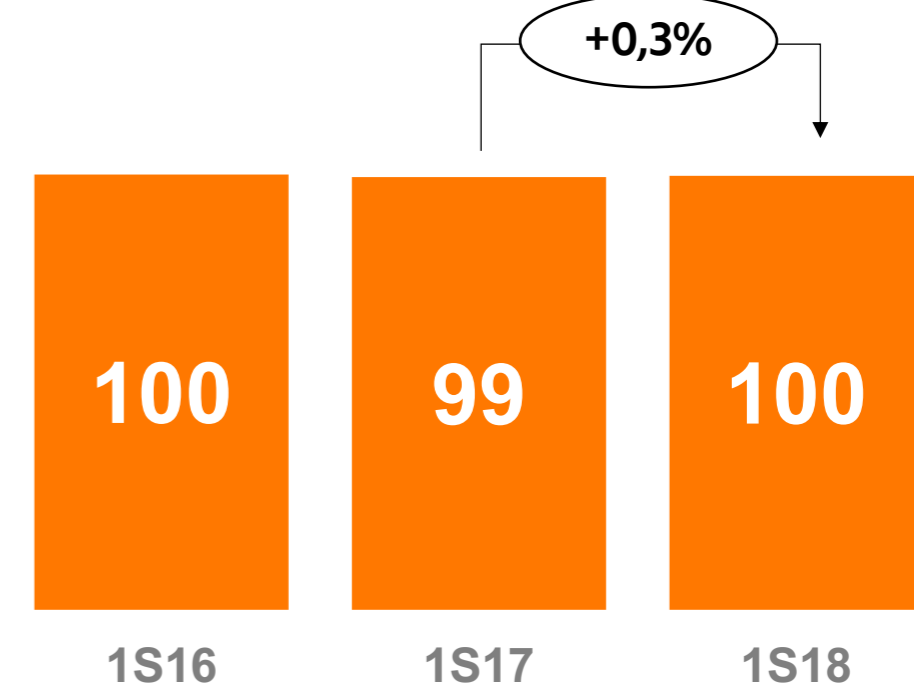
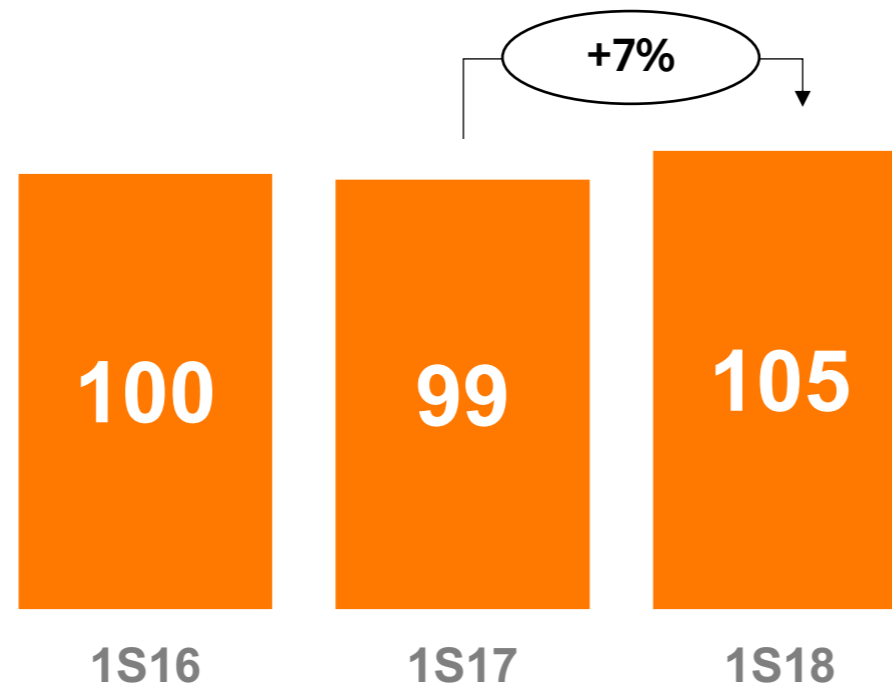
Individuals

Enterprises



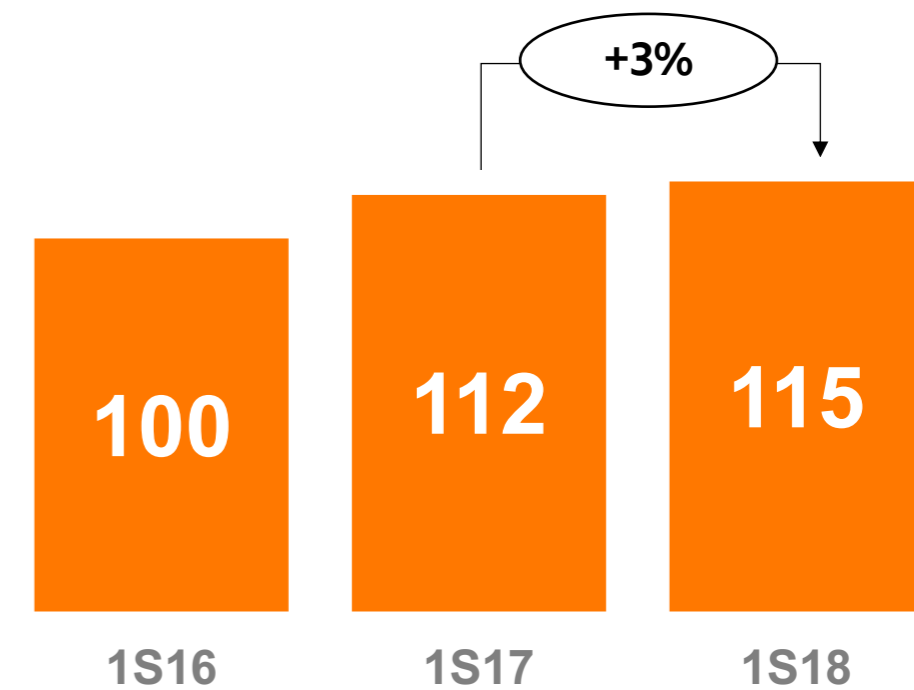
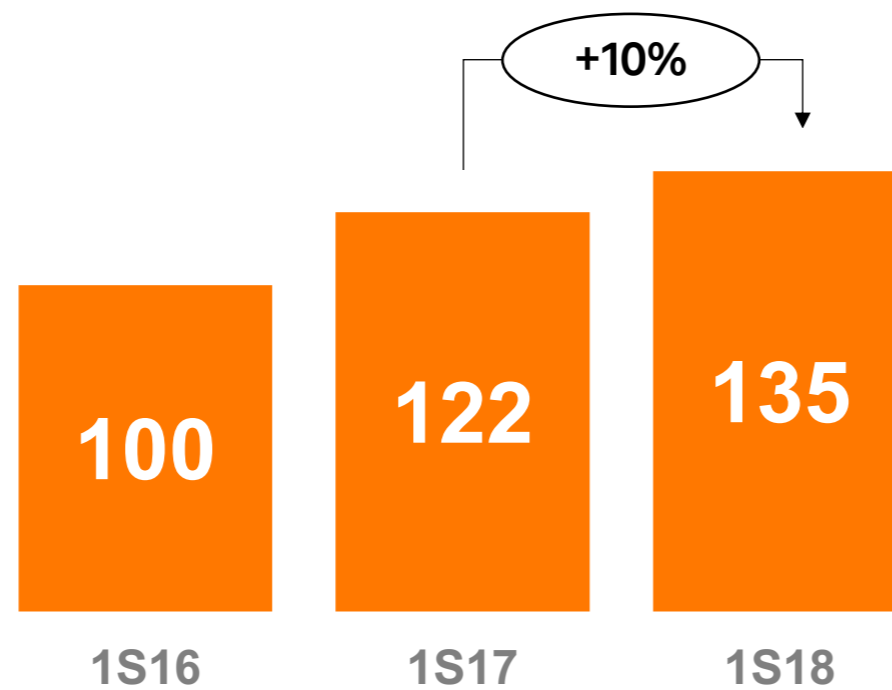
Client base

(base 100)



Account Openings

(base 100)



Evolution of the Client Base

New credit card and acquiring clients

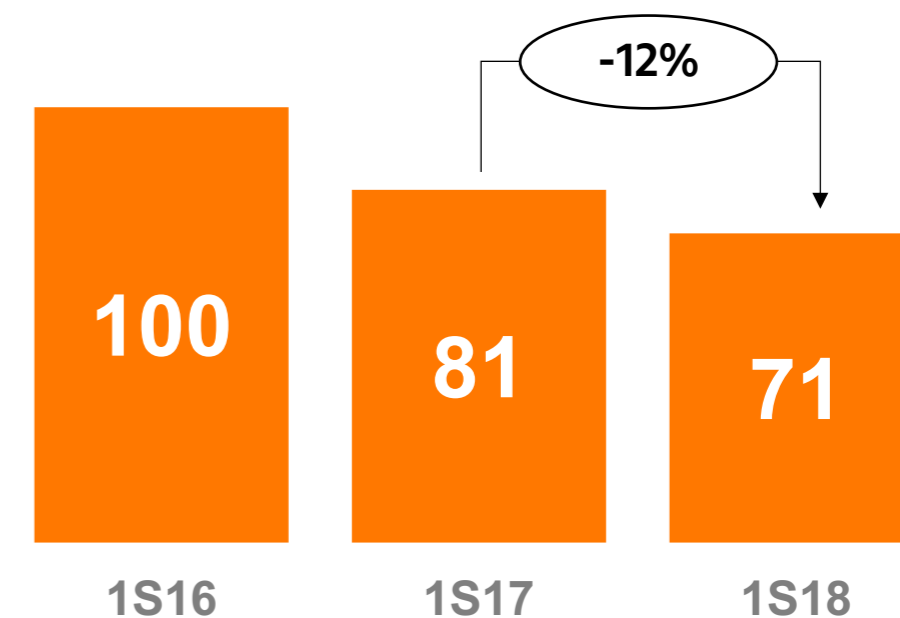
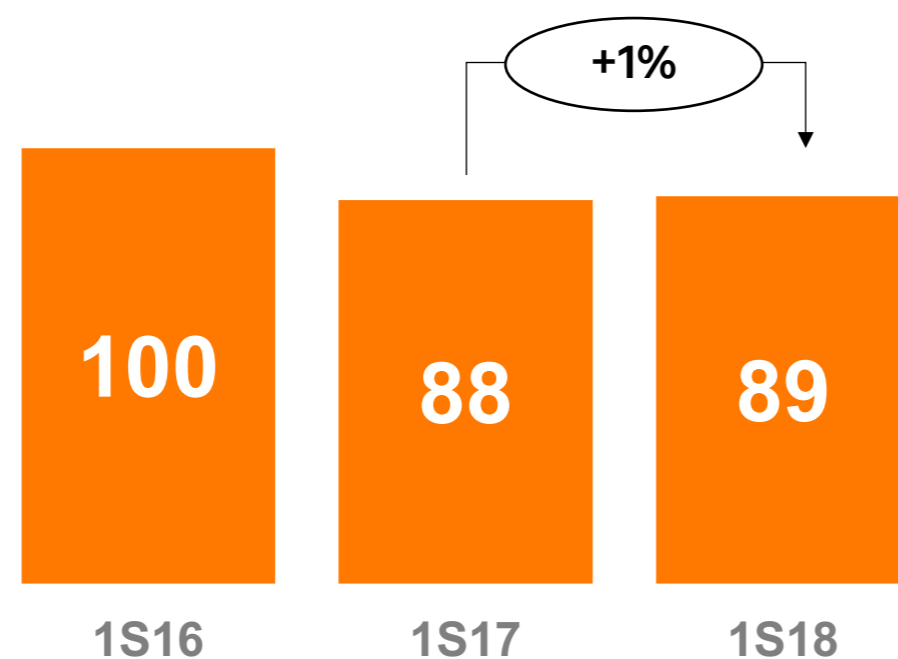
Cards

Rede (acquirer)



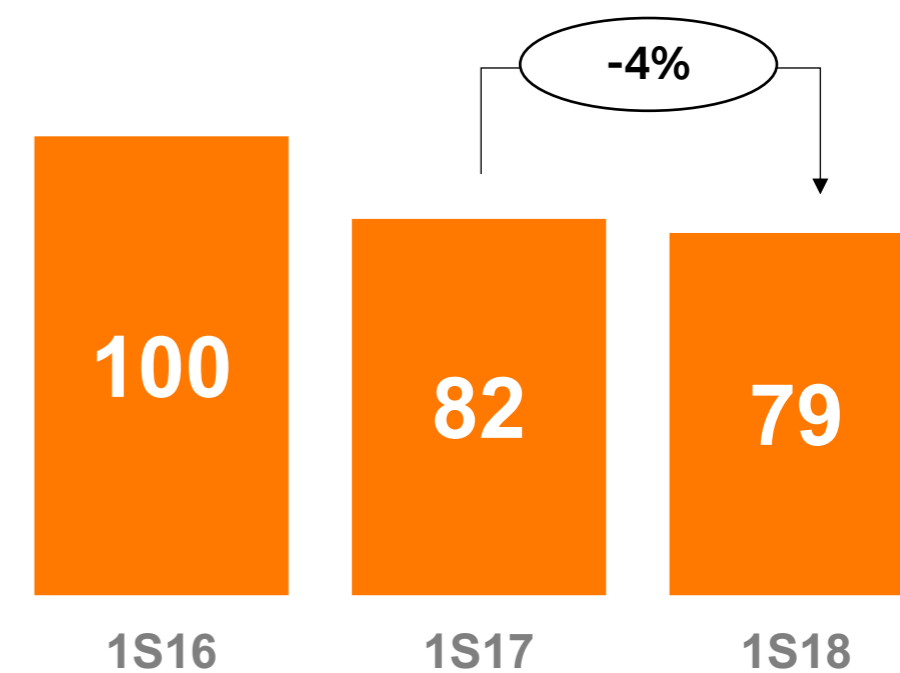
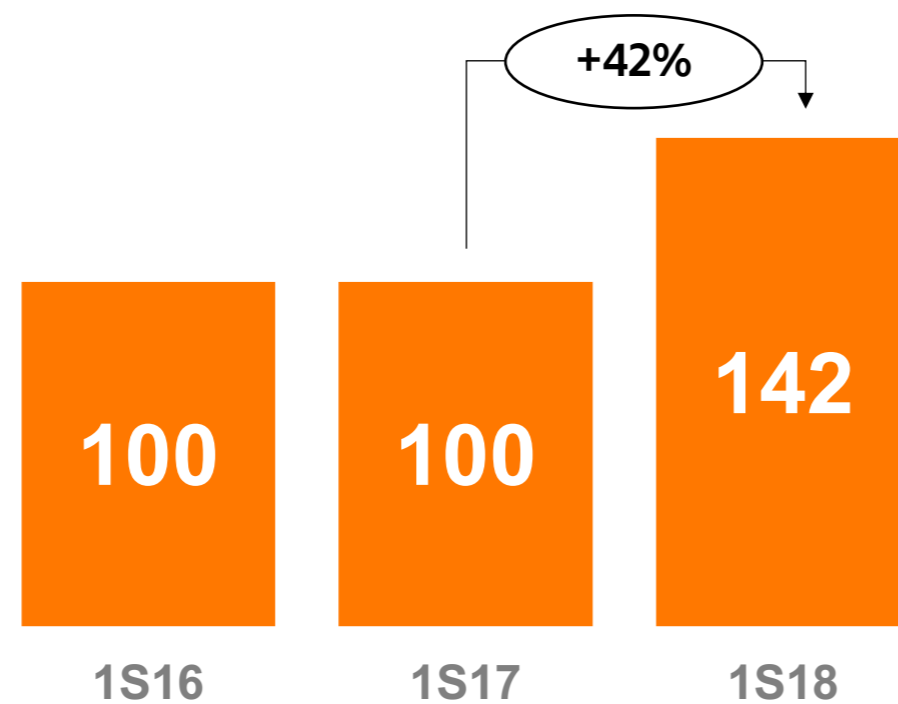
Client base

(base 100)



Sales

(base 100)

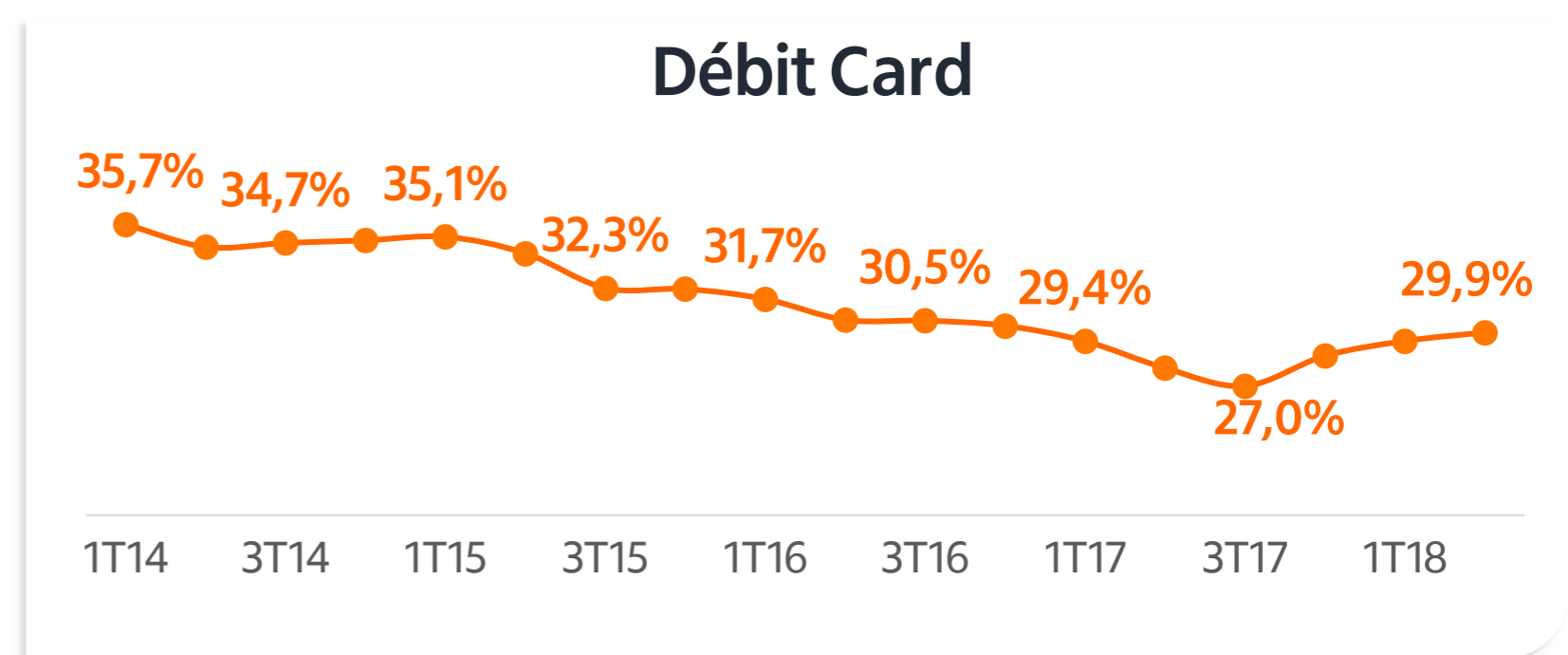
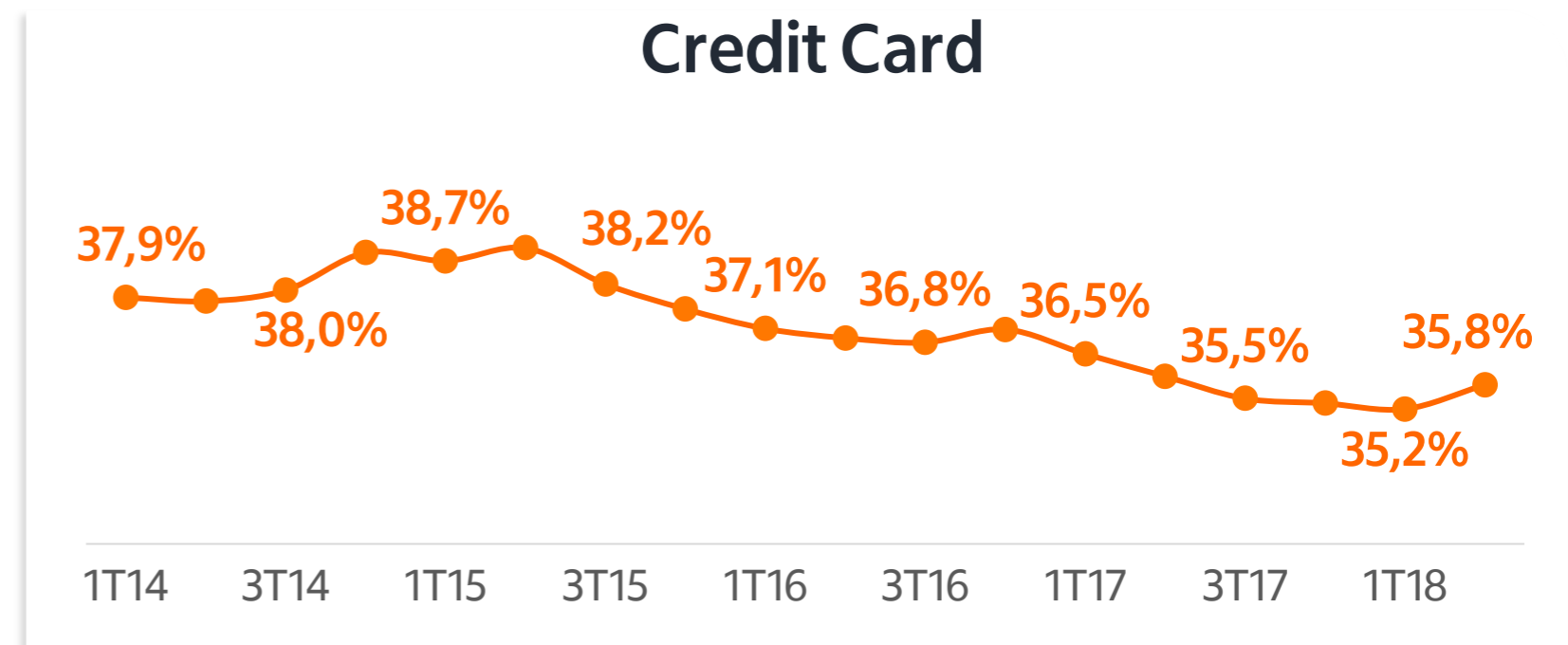
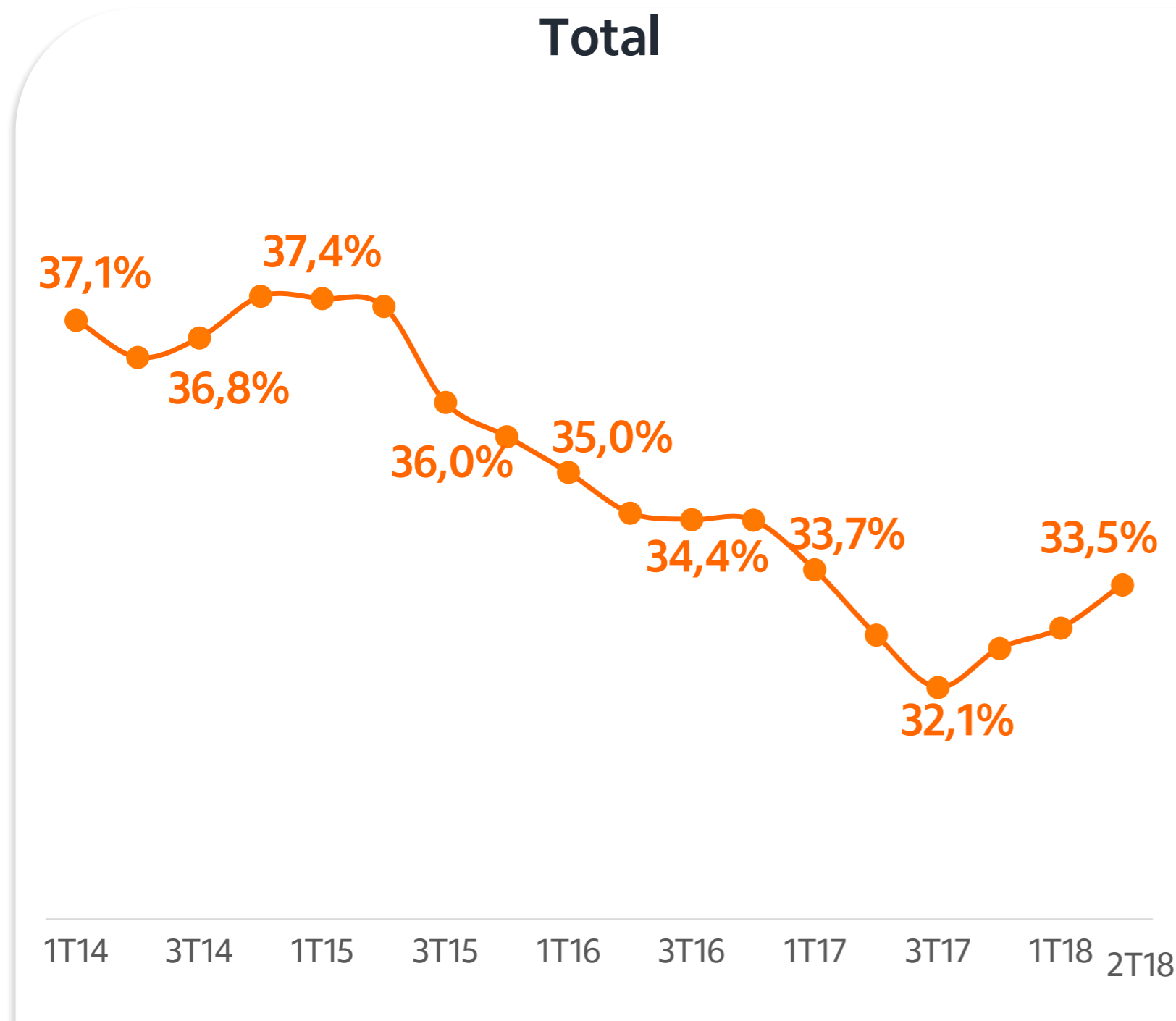


Rede

Regained market share in 2018



Market Share | Market Abecs (Internal view)⁽¹⁾



(1)Source: Market data based on **Abecs** (Rede, Cielo, Getnet, Vero, Amex and SafraPay) . **REDE** (published without On Us); **Cielo** (published without Agroc card), Getnet and Vero (published). Rest of the market includes Amex credit and SafraPay debit starting on 2Q17.

Loans

Increasing credit sales in all segments

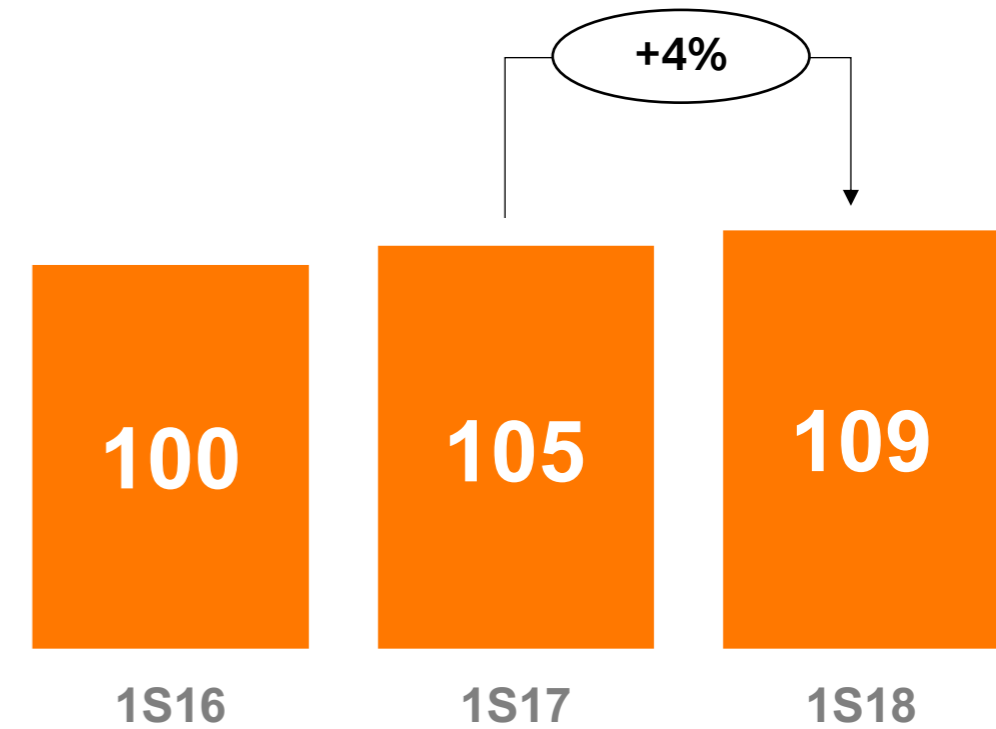
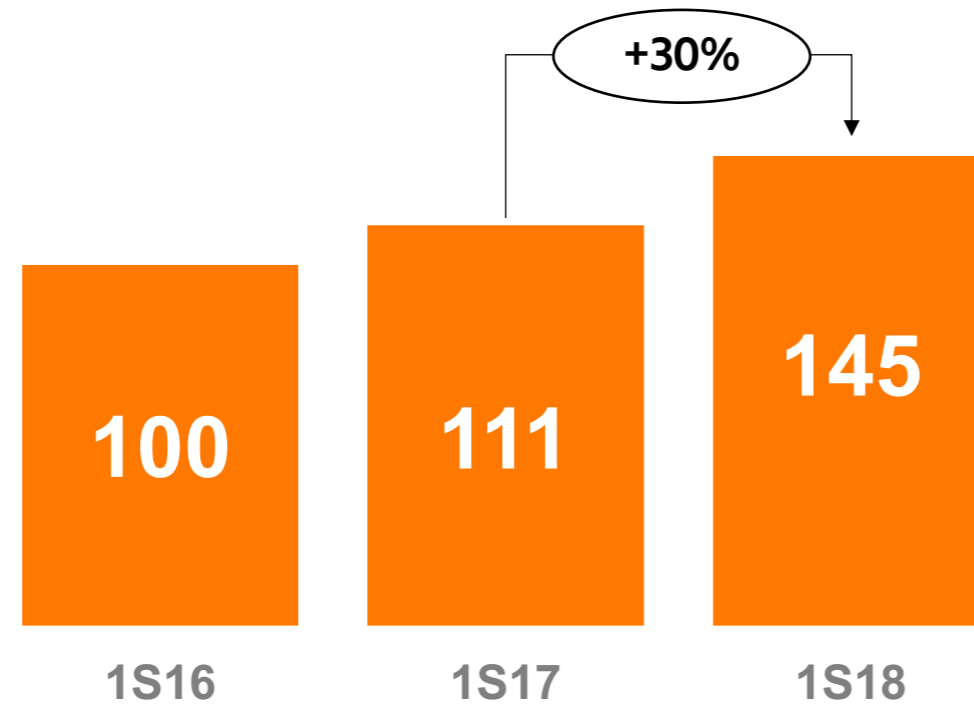
Individuals

Enterprises



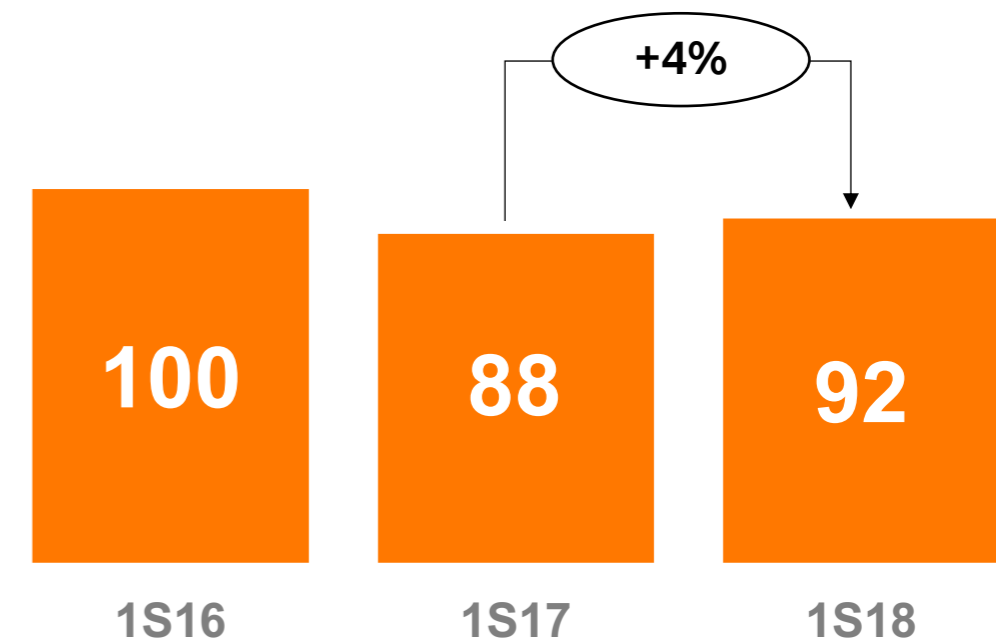
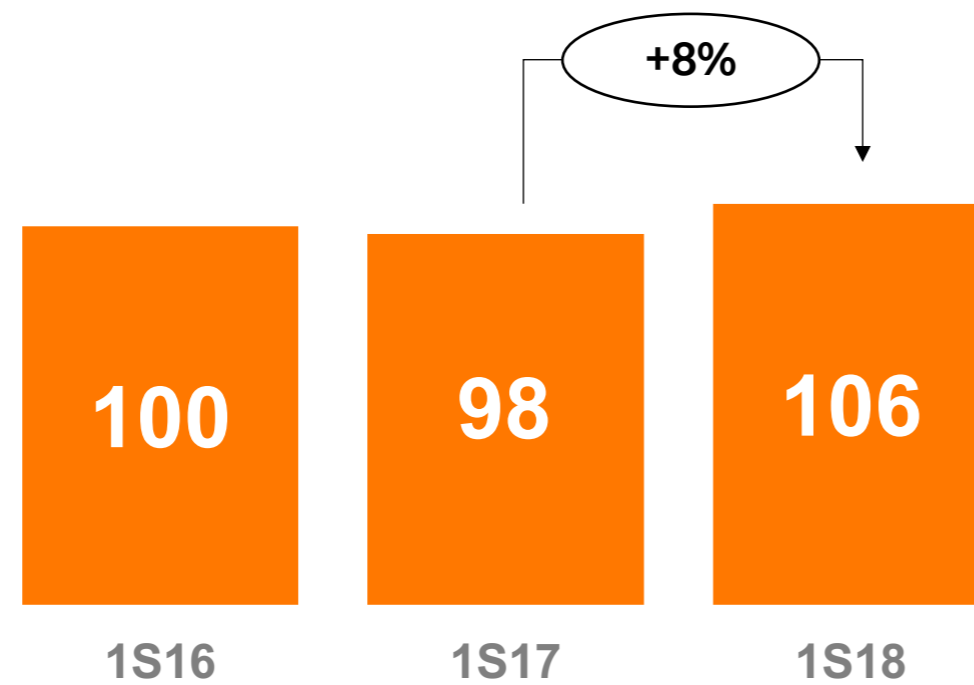
Sales

(base 100)



Portfolio

(base 100)



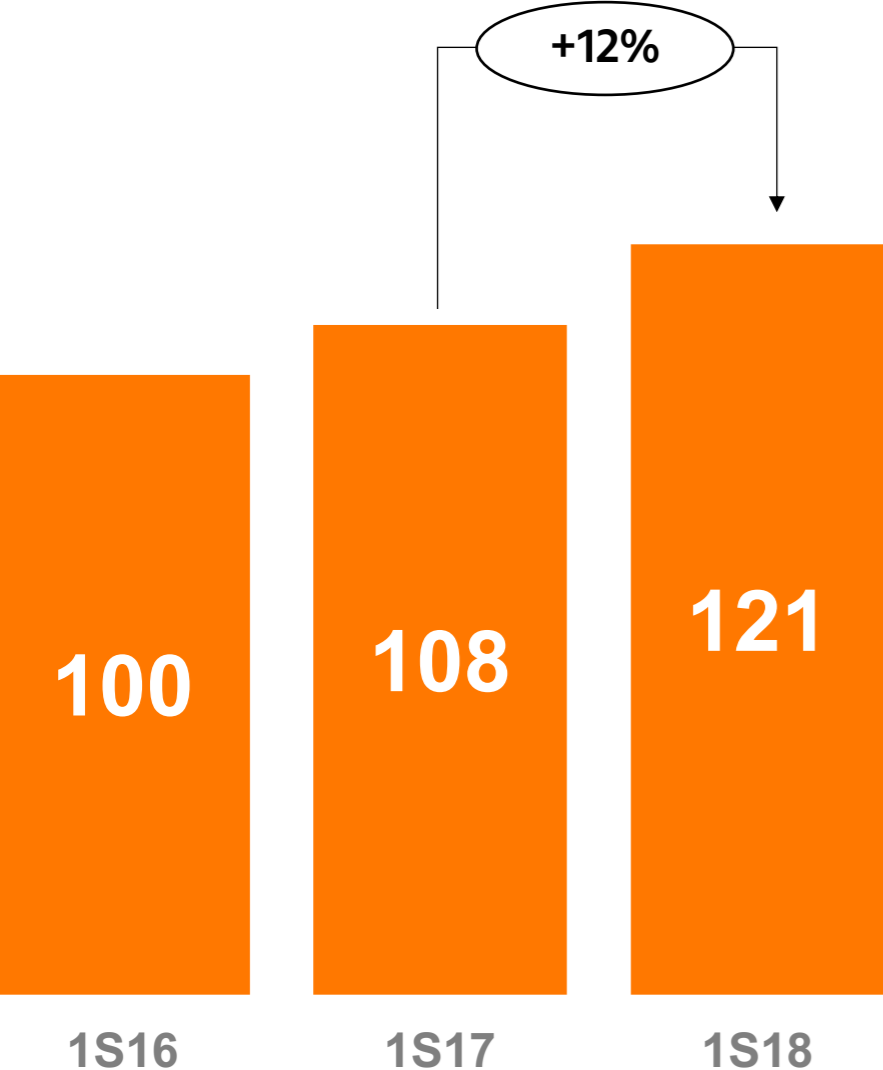
Credit Cards and Vehicles (Auto Loans)

Growth in client spend volume and in credit card portfolio balance, as well as in auto loans sales

Credit Cards

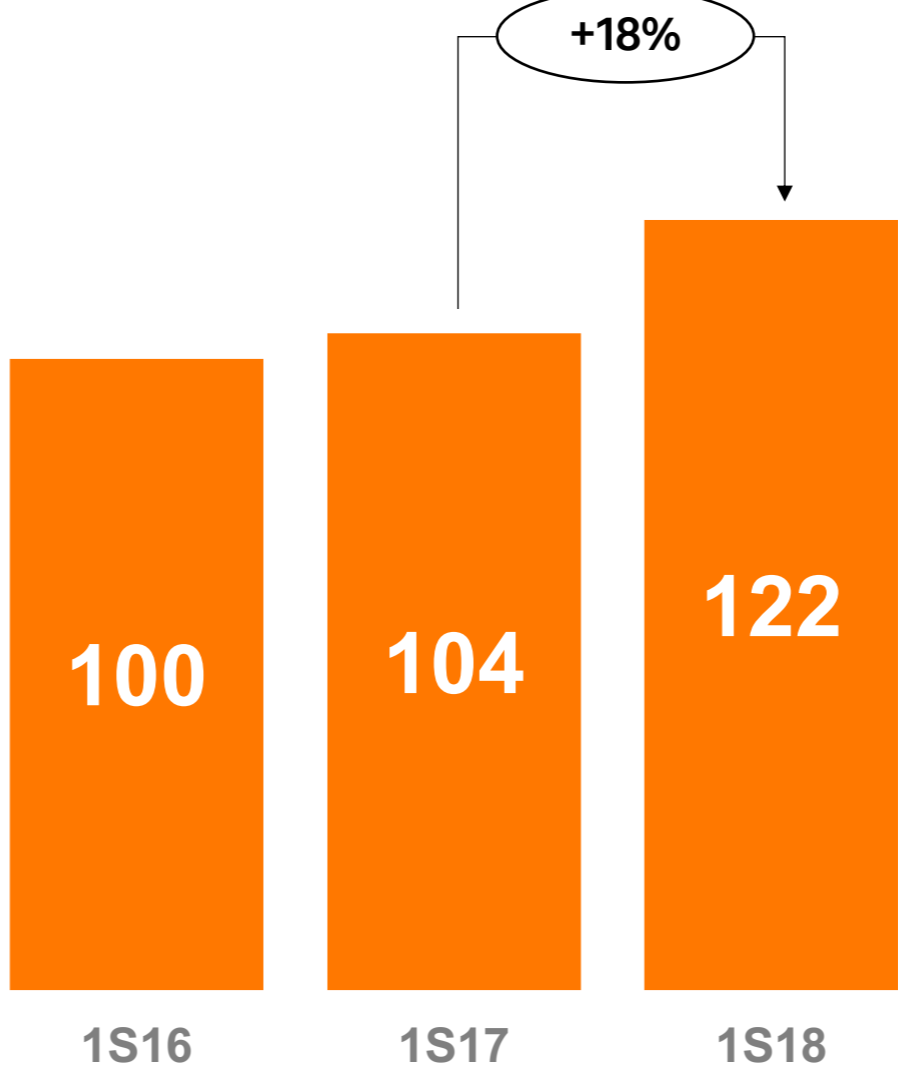
Client spend

Base 100



Portfolio balance

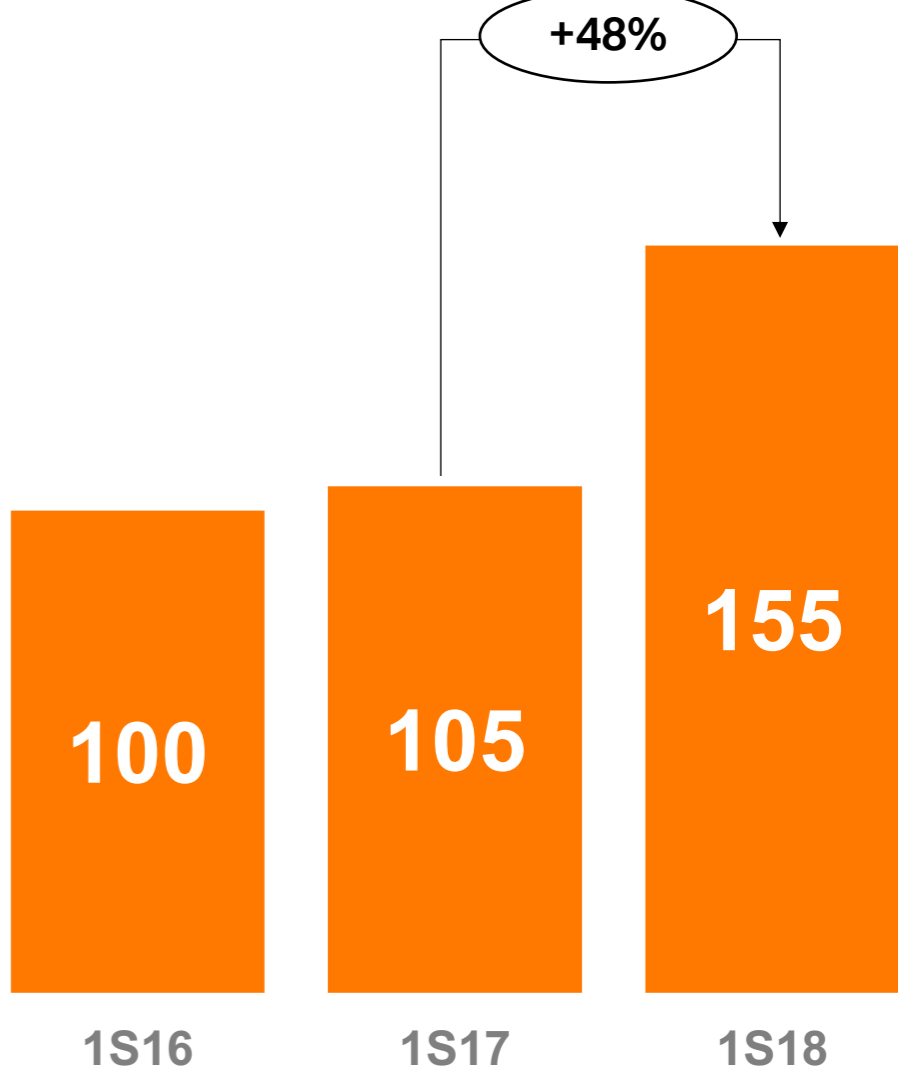
Base 100



Vehicles (Auto Loans)

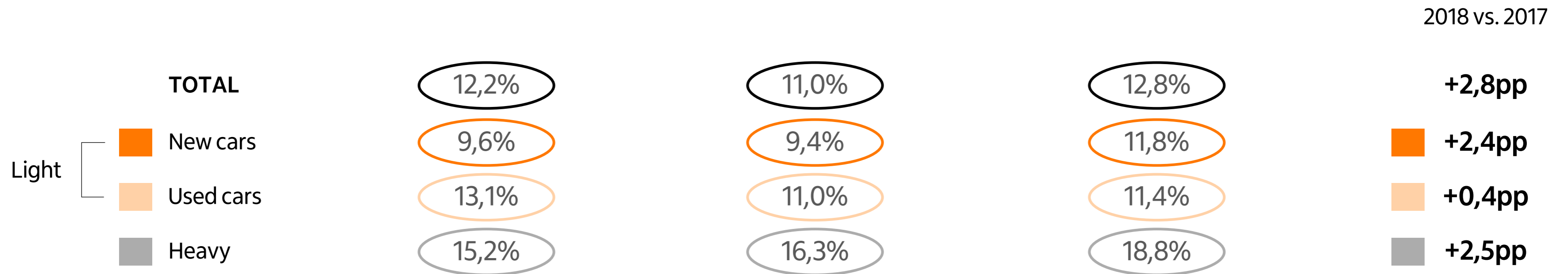
Sales

Base 100



Vehicles (Auto Loans) | Production

Consistent growth in market share in all segmentsEvolução consistente do market share em todos os segmentos

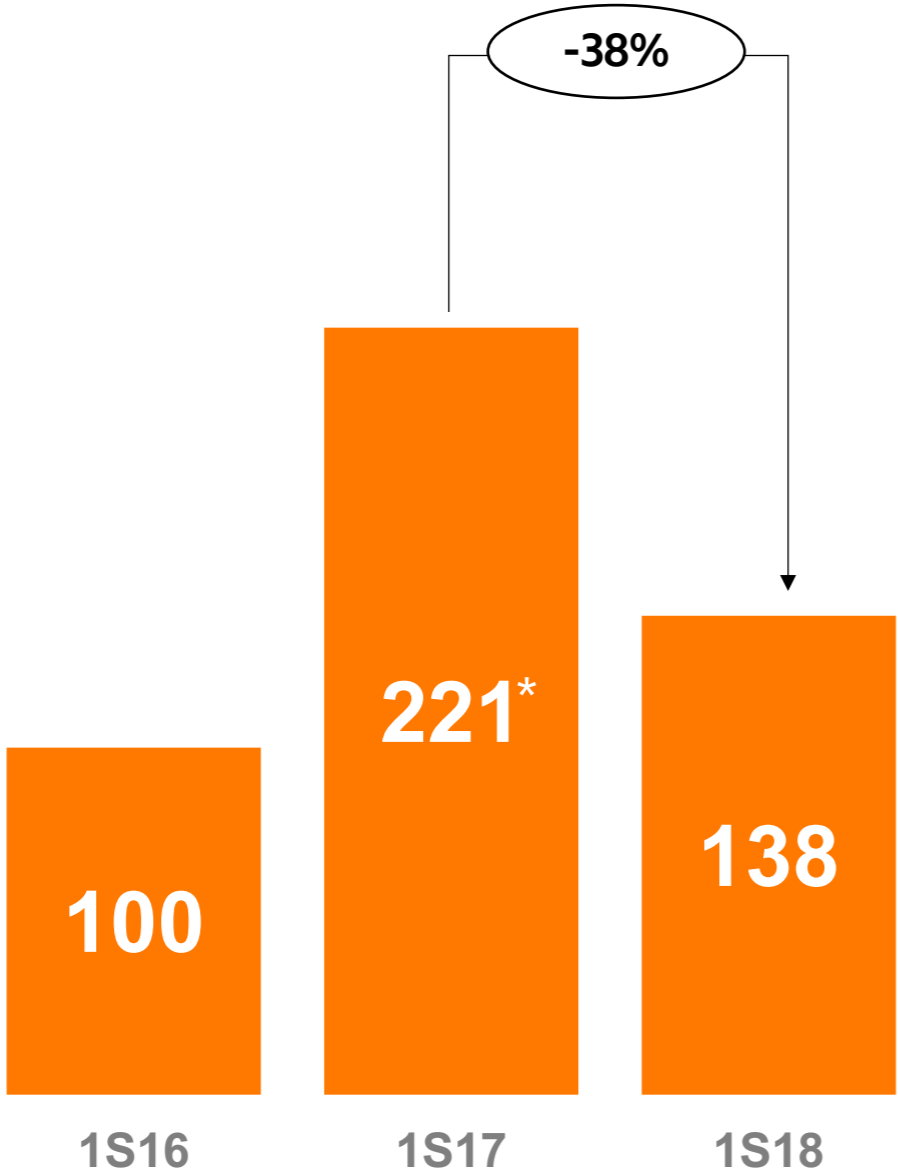


Investments

Positive net investment flow and consequent growth in total assets under management

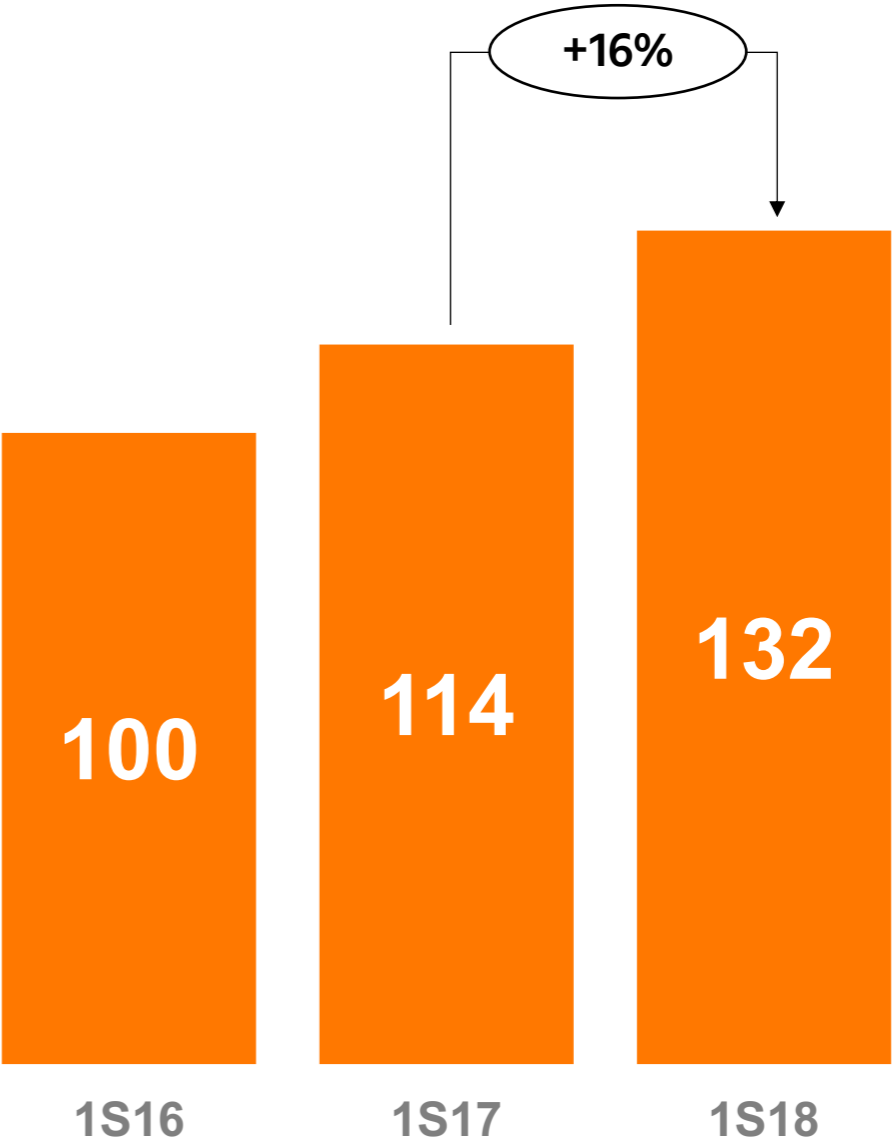
Net investment flow¹

Base 100



Portfolio (AUM)

Base 100



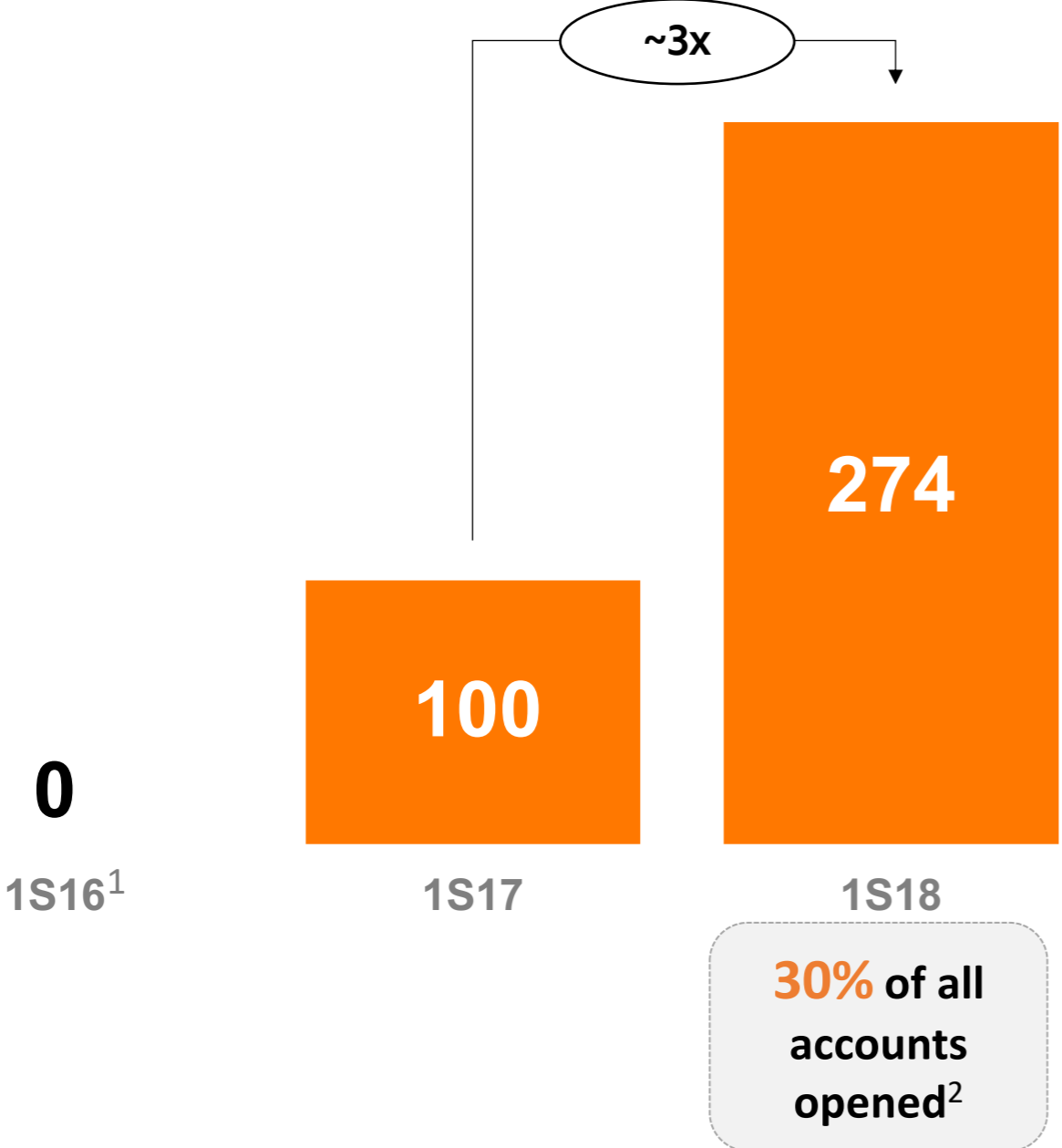
¹ It does not include short term deposits and Aplic Aut (sweep accounts). * It includes the effect of release of inactive FGTS (employee-security programs) accounts by the Brazilian government.

Digital Account Openings

Growth in both checking and credit card accounts acquired online

Checking Accounts

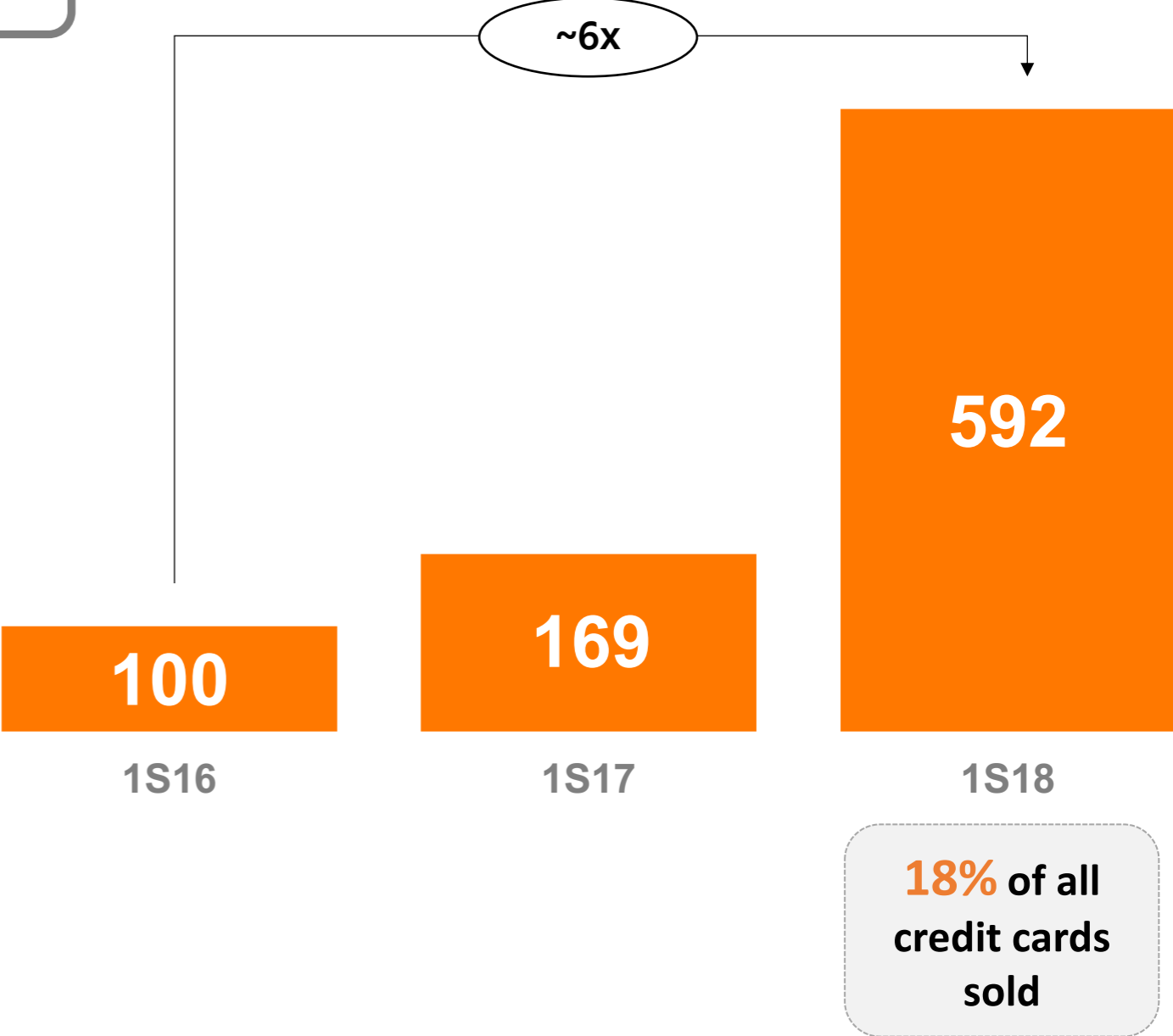
Quantity of accounts opened using our app (base 100)



Use of Analytics

Credit Cards

Quantity of digital sales (base 100)



¹ App AbreConta launched in August 2016.

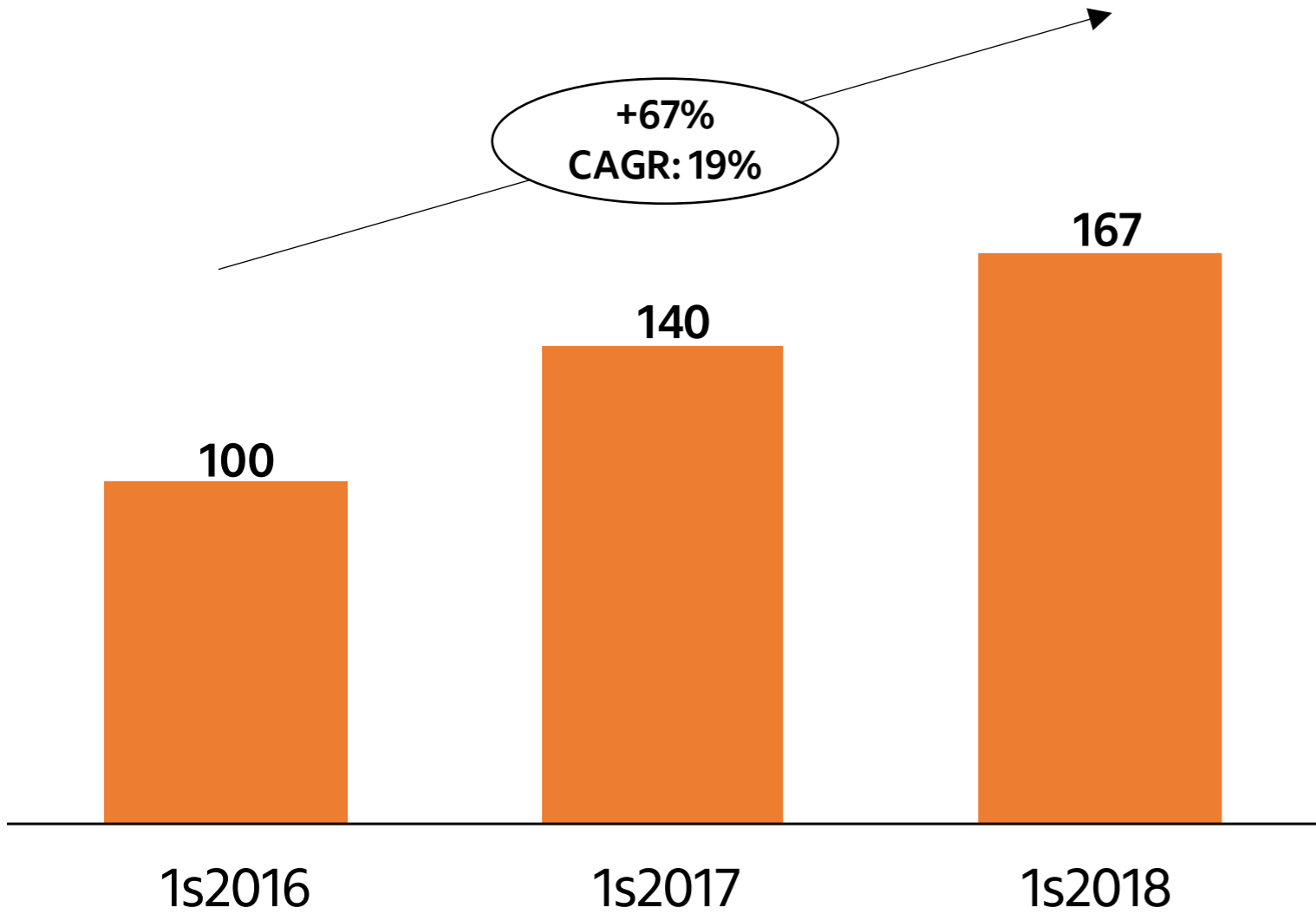
² Considering non-payroll accounts only. If payroll accounts are taken into consideration, AbreConta would represent 14% of all accounts opened.

Digital Sales

Consistent growth in sales through Internet Banking and Mobile Banking

Individuals

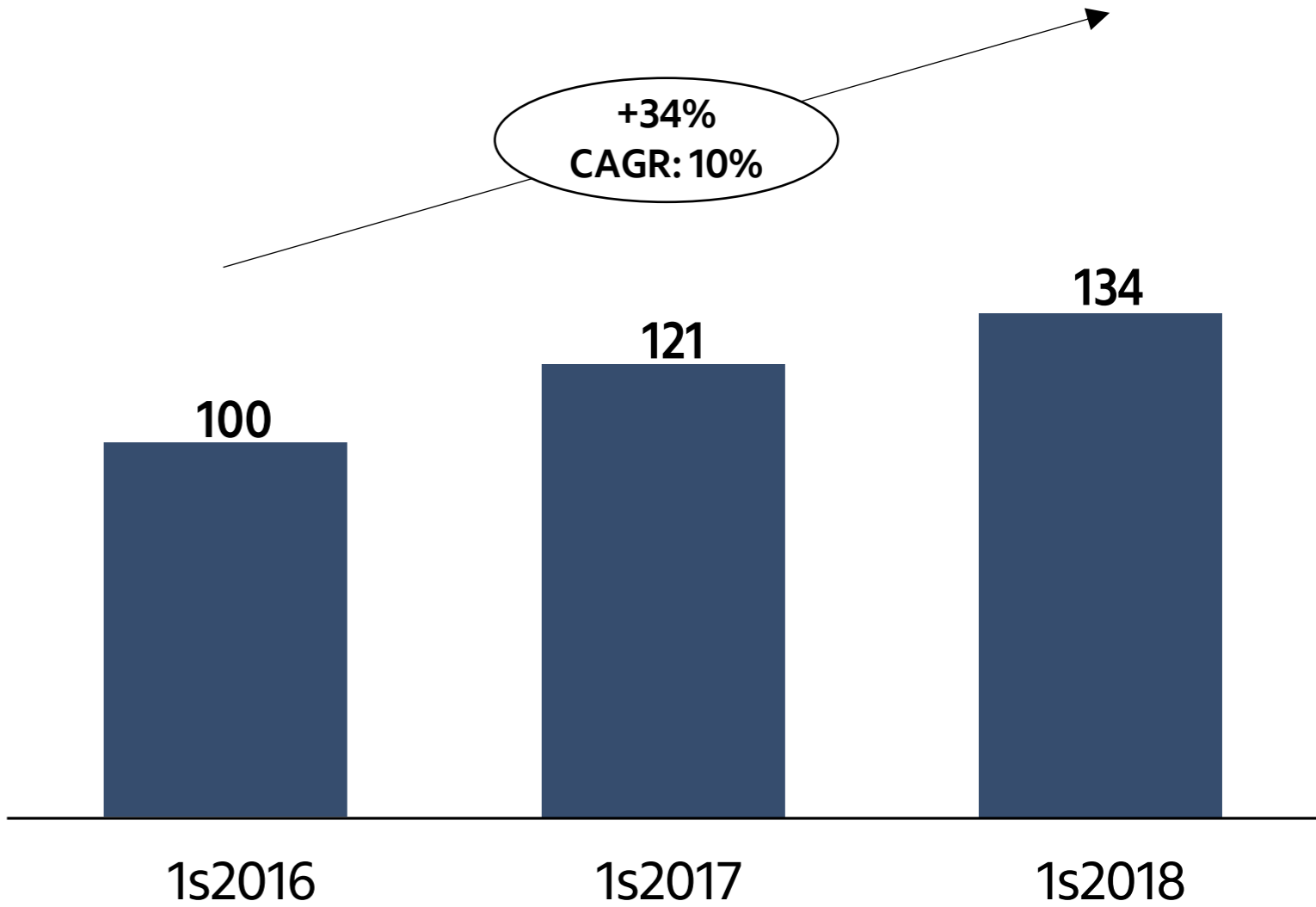
Financial volume of sales to checking account holders (base 100)



Use of Analytics

Enterprises

Financial volume of sales to checking account holders (base 100)



Share of Result

29%

31%

33%

59%

56%

57%

Retail Bank

Transforming customer experience

ITAÚ UNIBANCO'S VISION:

“Be the leader bank in **SUSTAINABLE PERFORMANCE**
and in **CUSTOMER SATISFACTION**”

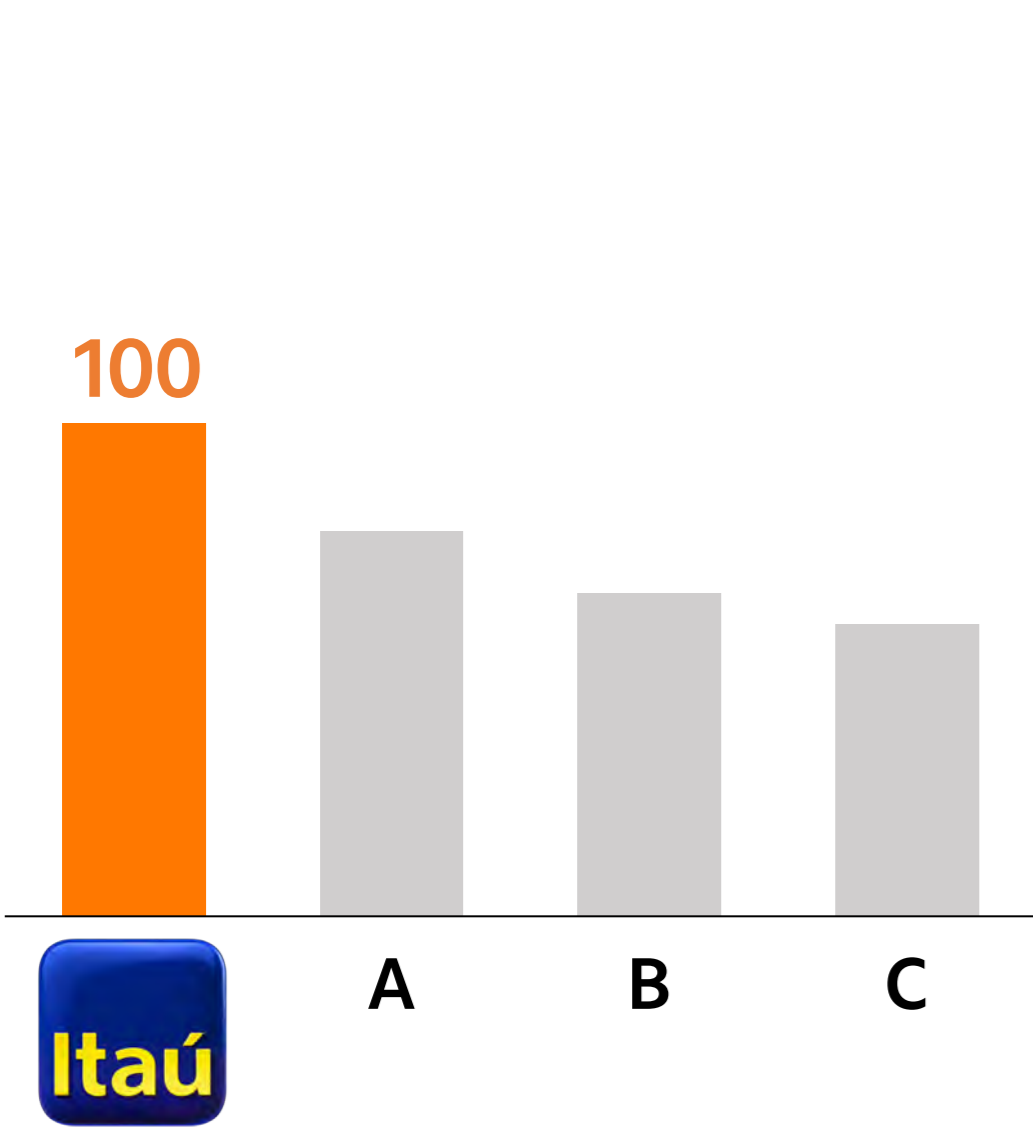
Changing leagues

Retail Bank - Customer Satisfaction

In general, we have been having good results compared to our main competitors, but we want to change leagues

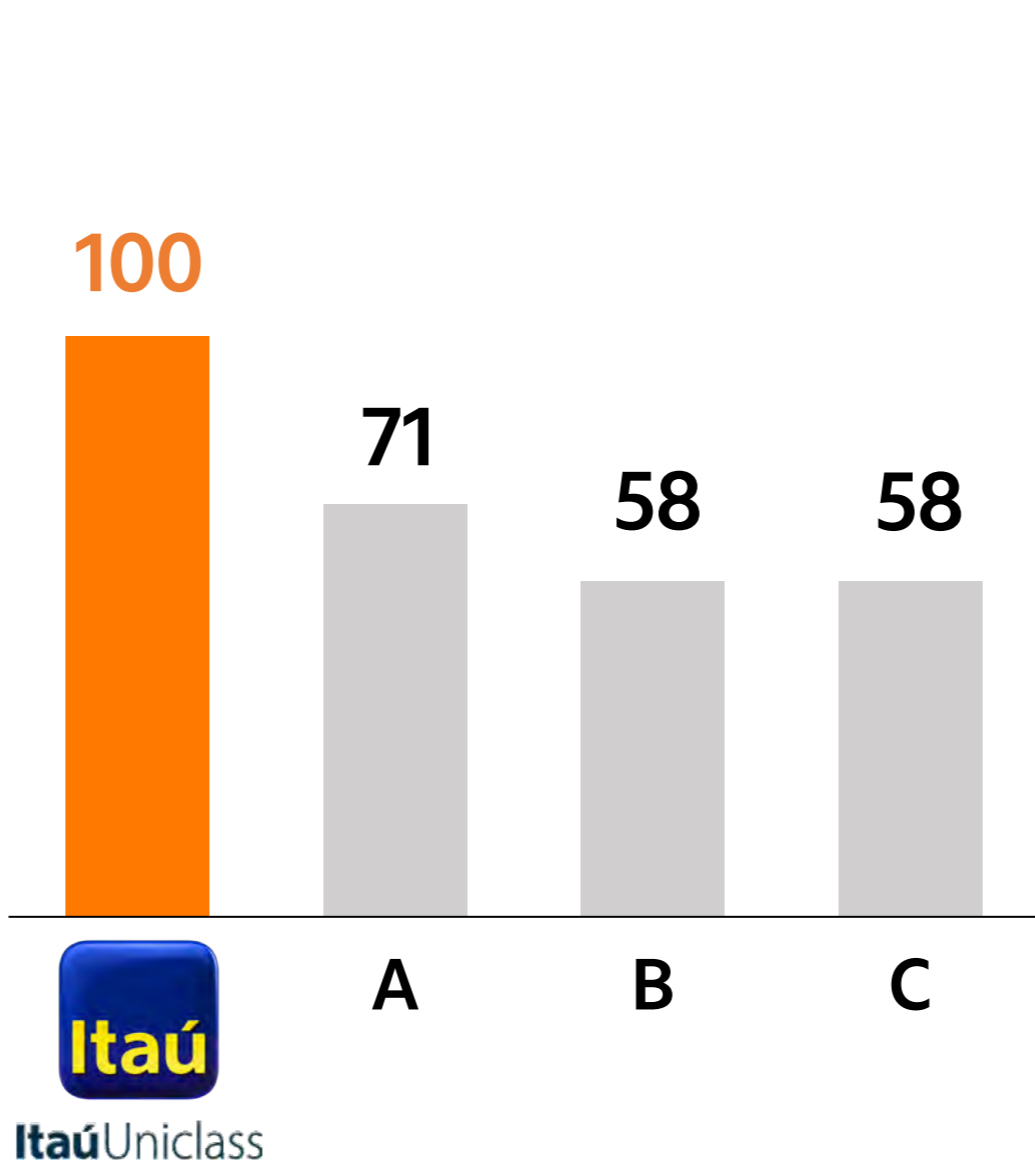
ITAÚ (MASS)

Competitive NPS
(base 100)



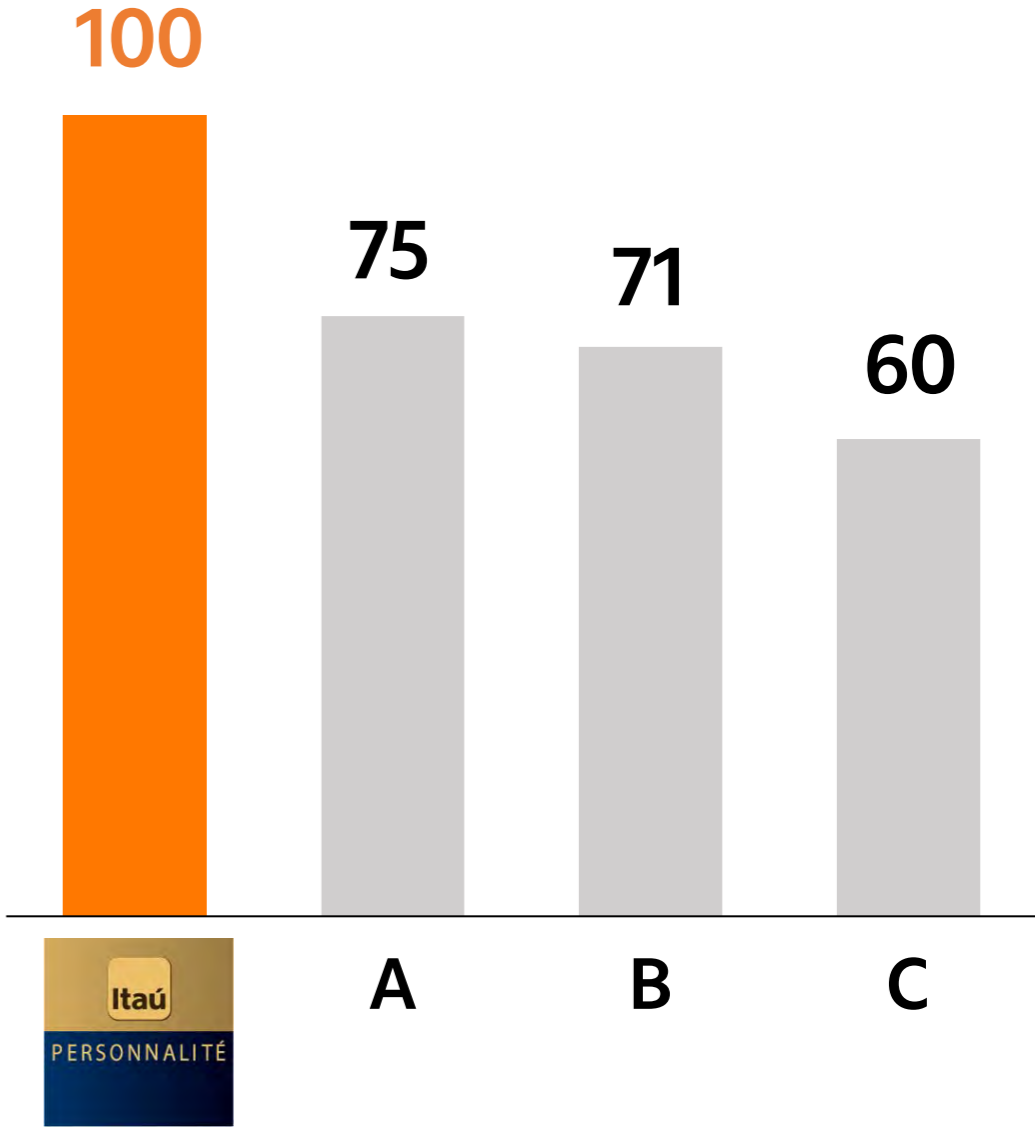
ITAÚ UNICLASS

Competitive NPS
(base 100)



ITAÚ PERSONNALITÉ

Competitive NPS
(base 100)



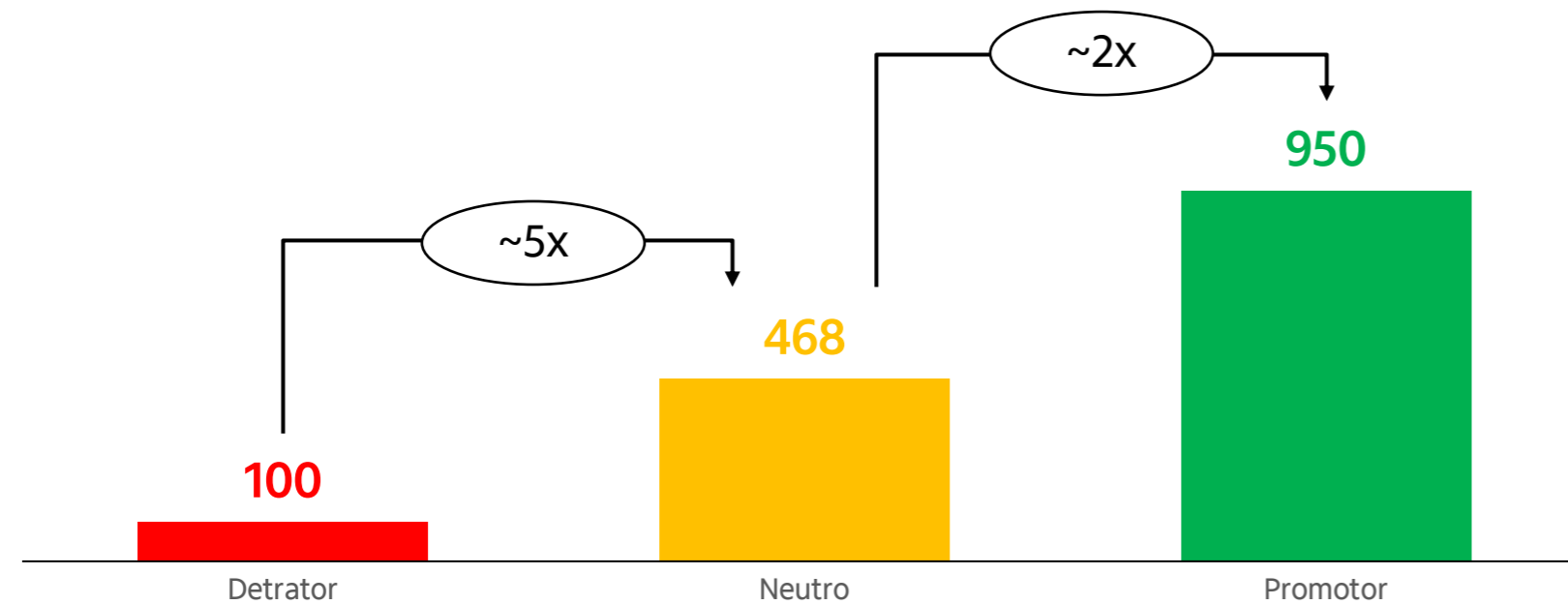
Source: Satisfaction survey 2018. Competitive NPS of each client's main bank.

Promoters vs. Detractors

Differences in net present value of customer lifetime cycle

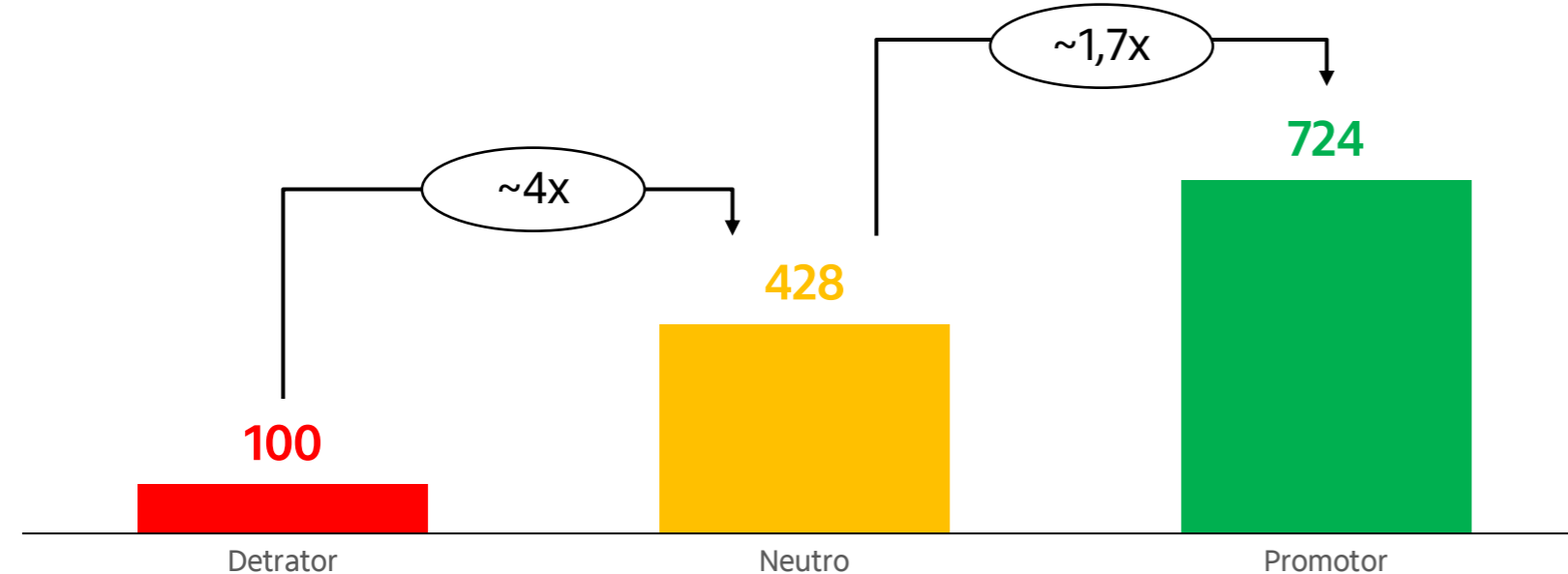
Generating more value to Itaú Unibanco....

NPV of Net Profits (base 100)
(R\$/client, 5-year projection)



~10x

Diference between the net presente value generated by a promoter of **Itaú's mass segment** compared to the value generated by a detractor



~7x

Diference between the net present value generated by a promoter of **Itaú Uniclass** compared to the value generated by a detractor

ITAÚ (MASS)

ITAÚ UNICLASS

Notes: Based on 2017 EBIT; correlation of results and Relationship NPS measured between October 2017 and February 2018; Values weighted by digital scale, credit scores and access to loans.

Performance of Different Client-Types

Comparison between digital and traditional clients

Digital Clients

Most transactions done in digital channels
(internet banking and mobile)

Traditional Clients

Most transactions done in
traditional channels (ATMs, tellers, etc.)

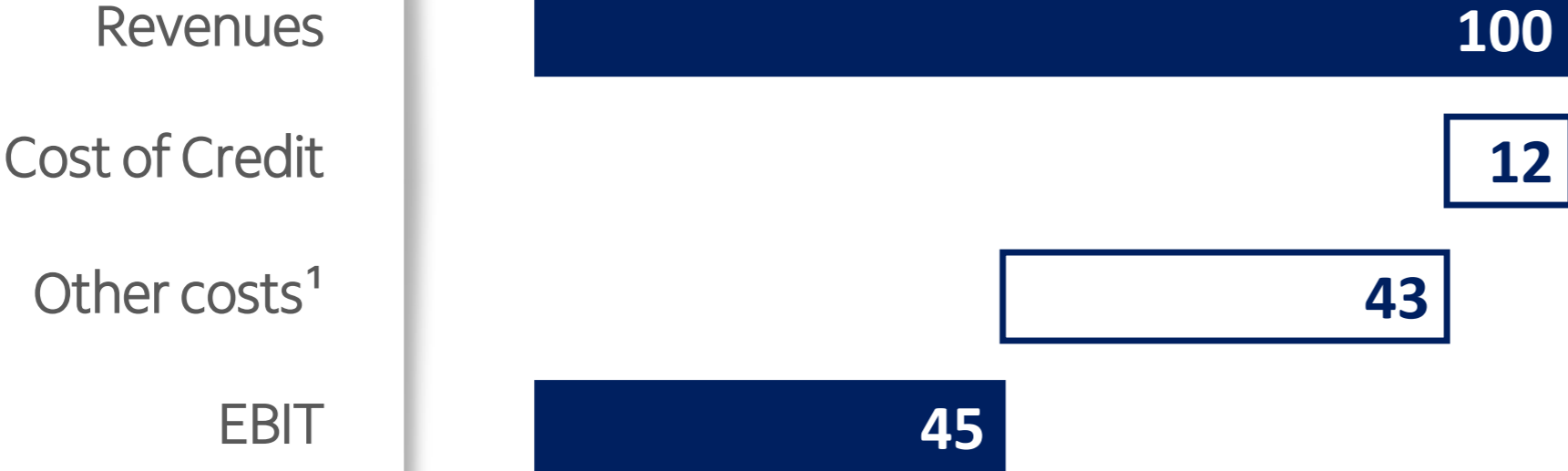
Revenues

1,75x

1x

P&L

Base 100



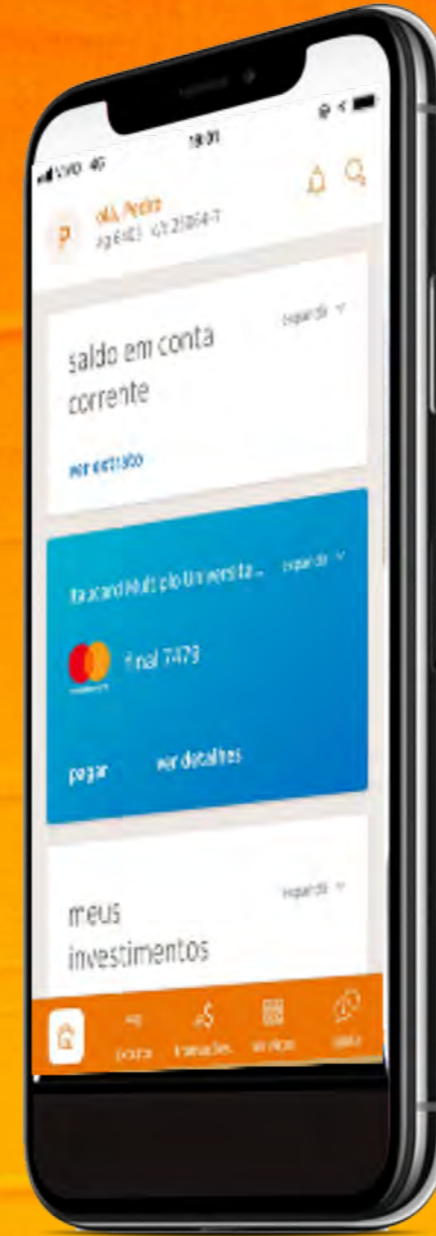
ROE

66%

18%

1. It includes SG&A costs, insurance claims and taxes.

Excellence in customer experience



Traditional Branch



Mobile App



Digital Branch



Account openings



Transactions



Inquiries



Sales

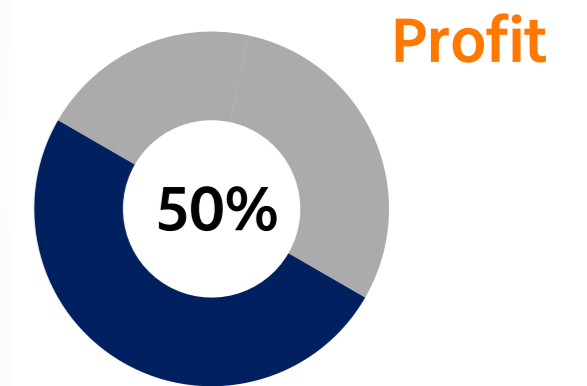
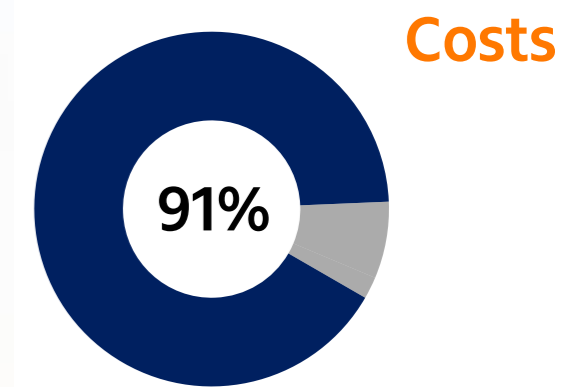
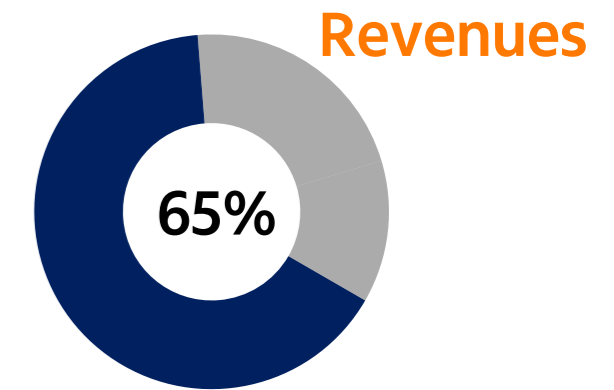


Customer Service

Traditional Branch

The role of traditional branches in helping the digital transformation of the retail bank

building the branch of the future



Account openings

Transactions

Inquiries

Sales

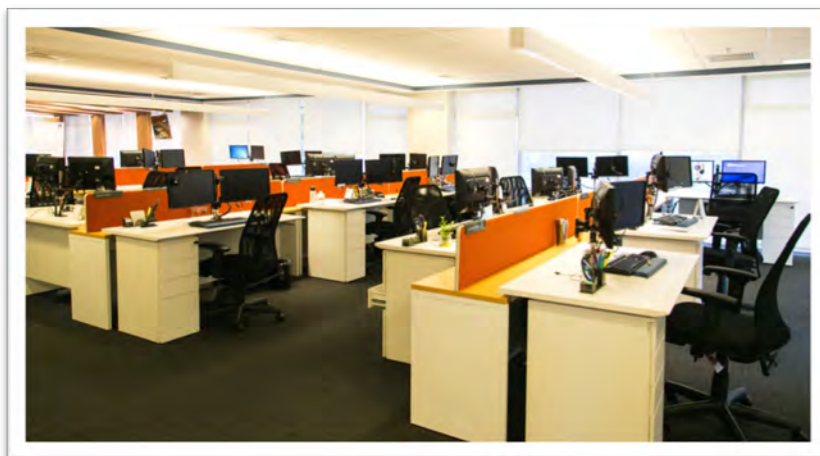
Customer Service

Digital Education

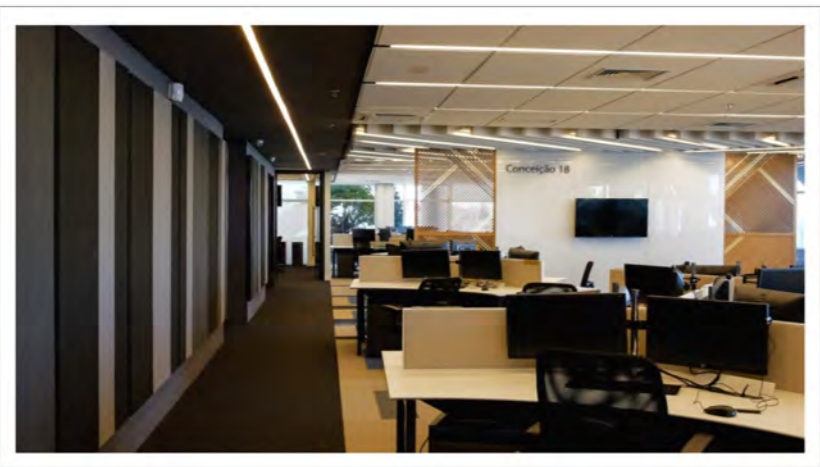
Digital Branch

Convenience, customer service and digital relationship with clients

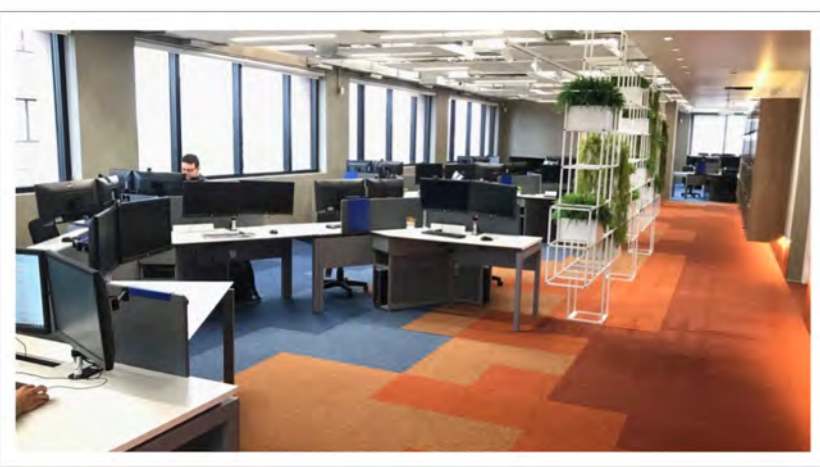
Itaú Uniclass



Itaú Personalité



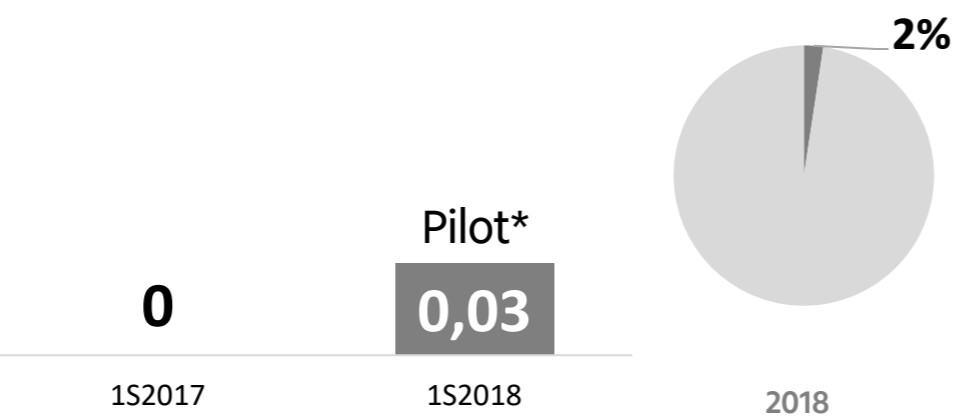
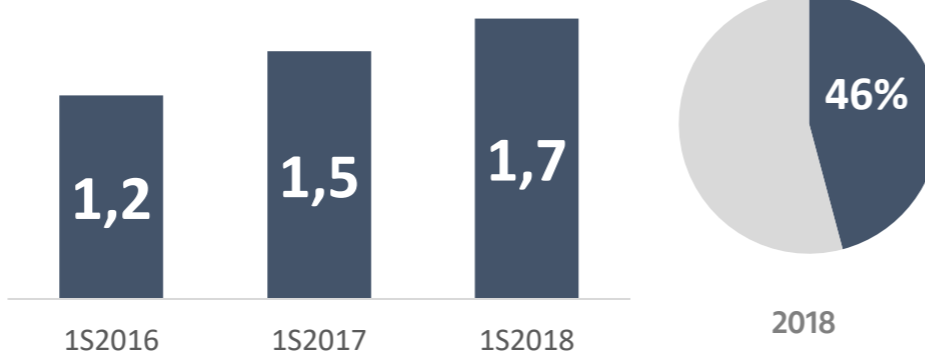
Itaú Empresas 4



Clients

Quantity of clients (in millions)

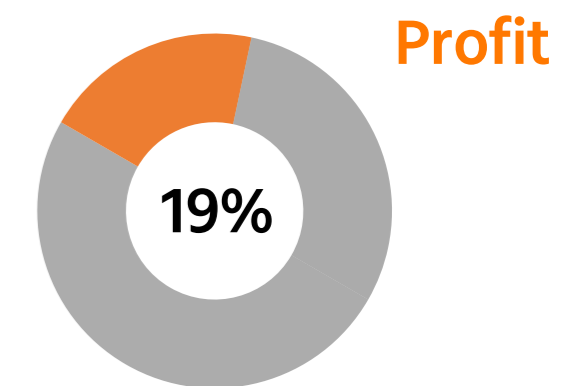
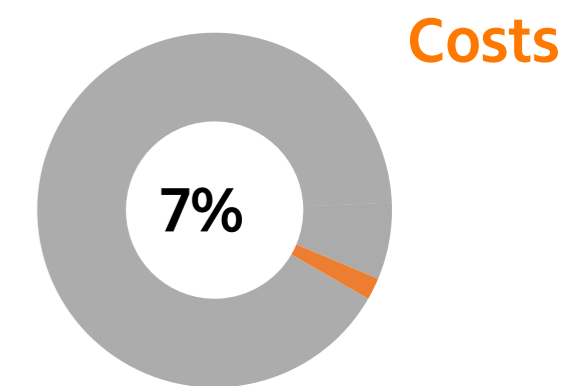
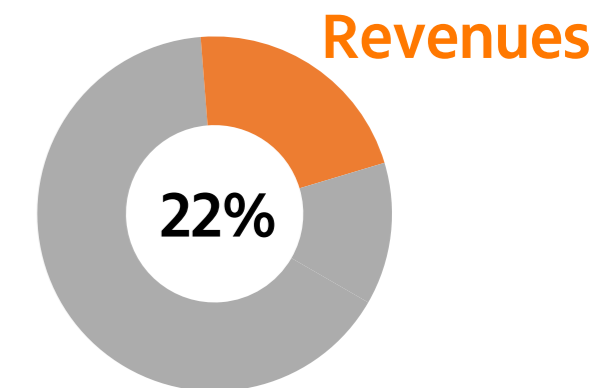
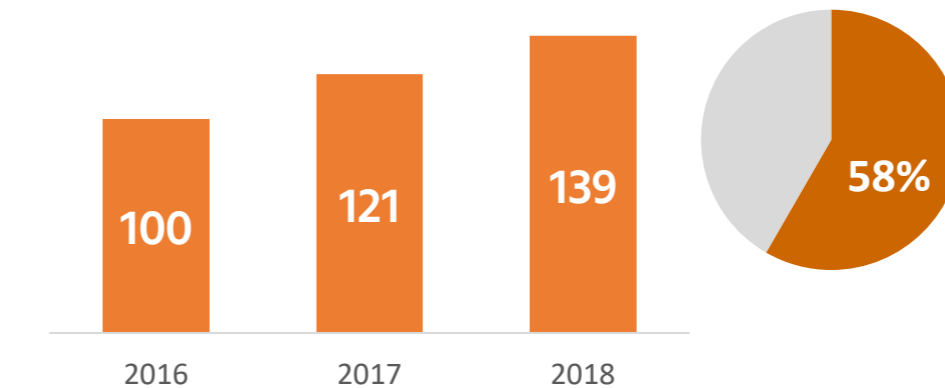
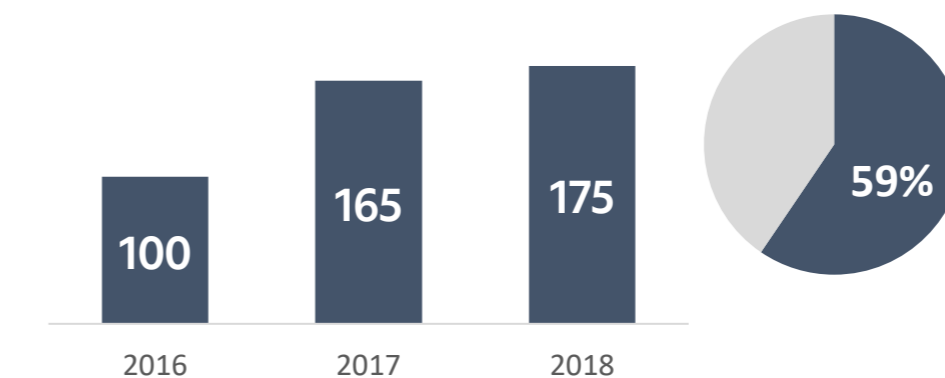
% of Segment



Performance

Profit (base 100)

% of Segment



*Expansão ocorrerá em setembro de 2018

Mobile Apps

Excellence in digital channels play a fundamental role in the customer experience

APP ITAÚ for Individuals

1st Place
customer satisfaction

 4,1  4,6

APP LIGHT

1st bank
to launch app to
low-income clients

 4,5

APP Rede

full control of credit
card receivables via
smartphones

 3,8  3,2



APP ABRECONTA

1st bank
to open accounts
using smartphones



 4,5  4,7

APP Cards

1st Place
customer satisfaction

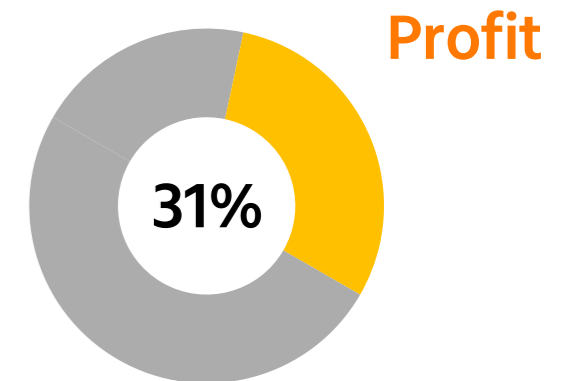
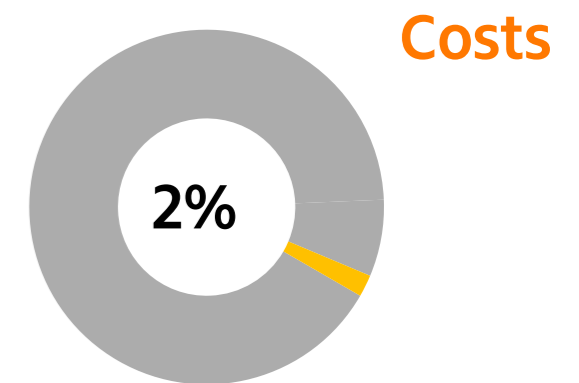
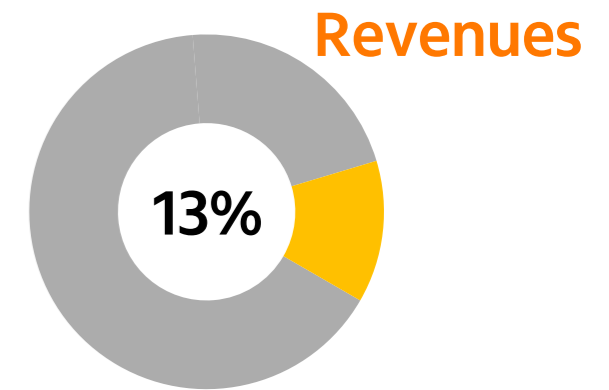
 4,4  3,7

APP ITAÚ Empresas

1st Place
customer satisfaction



 4,1  3,6



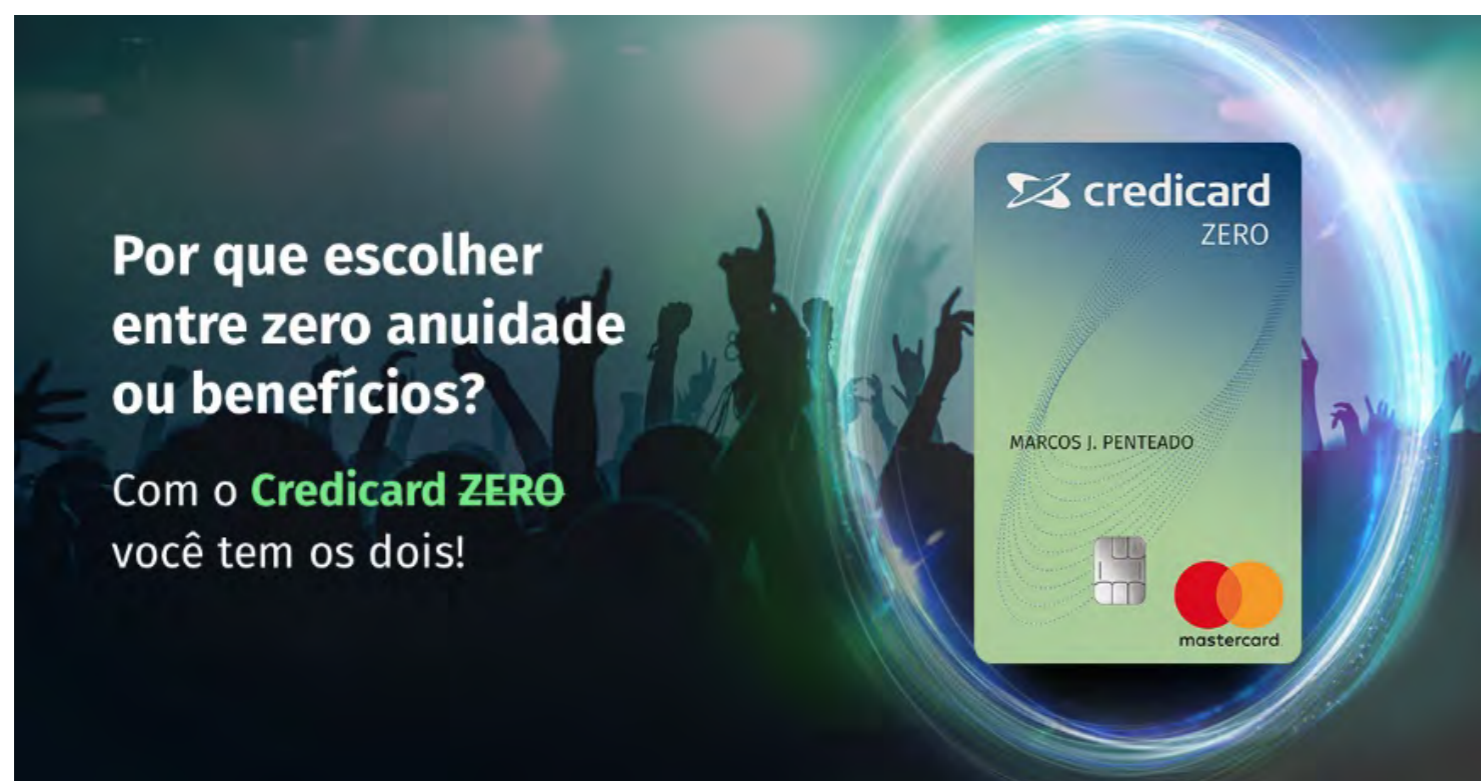
Credicard

Smart e uncomplicated

Credicard Zero

launch November 2017

- 320 thousand new clients
- Operational costs 45% lower
- Acquisition costs 69% lower
- Better credit profile
(30% improvement in PDDL/R/SM)



Credicard Black

launch June 2018

- 90 thousand proposals
- Operational costs 27% lower
- Acquisition costs 45% lower



Digital Experience



Paperless



Value For Money
(+spend; - churn)



Digital Benefits



Launched in July 20th



Pricing: one of the **lowest fees** available in the market

MDR:	POP <small>credicard</small>	Competitor A	Competitor B
Debit	1,99%	2,39%	2,38%
Credit	3,98%	4,99%	4,95%
Credit installments*	1,99%	2,99%	2,99%



Expected volume of sales **100 to 150 thousand** in 2018.

* Added for each installment

Apple Pay

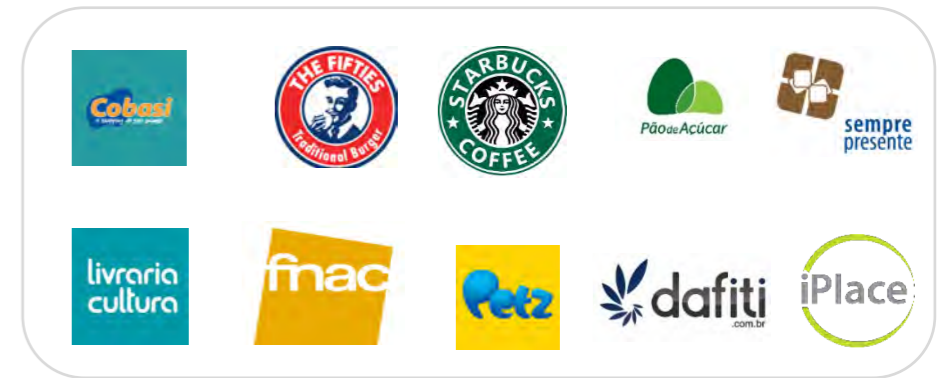
The client's wallet on its iPhone



PIONEERS IN PARTNERING WITH APPLE

exclusive Apple Pay bank in Brazil for 3 months

We have strategic partnerships to offer **exclusive benefits** to our clients



LARGER

Digital wallet in Brazil in the **1st month after launch**

We changed



the **NFC payments market** in Brazil



17%

of **spend** coming from partner stores

30%

of our Apple Pay clients **used** the benefits



35%

of potential Itaú already **signed up**

Samsung Pay

The client's wallet on its Samsung Smartphone



SAMSUNG
pay



SAMSUNG, AN IMPOTANT BRANDO FOR ITAÚ'S CLIENTS

80% of all downloads of Itaú's apps are made using Samsung devices



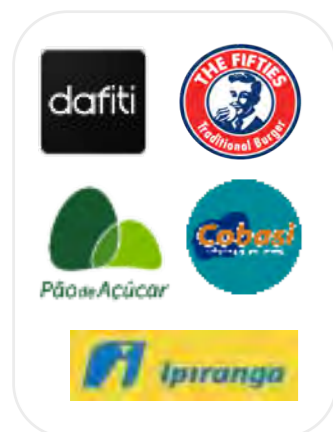
Current pace of sign up **3 times faster** than the average

Benefit: **20% discount** or up to **20 installments** (zero interest rate) to purchase Samsung smartphones



WITH SAMSUNG PAY, Itaú reaches **LARGER SHARE** in NFC payments in Brazil with **44% of the market**

WALLET WITH LARGER TRANSACTION PER USER in the first 3 months after launch with usage rate of **11 transactions per month per client**



PayPal

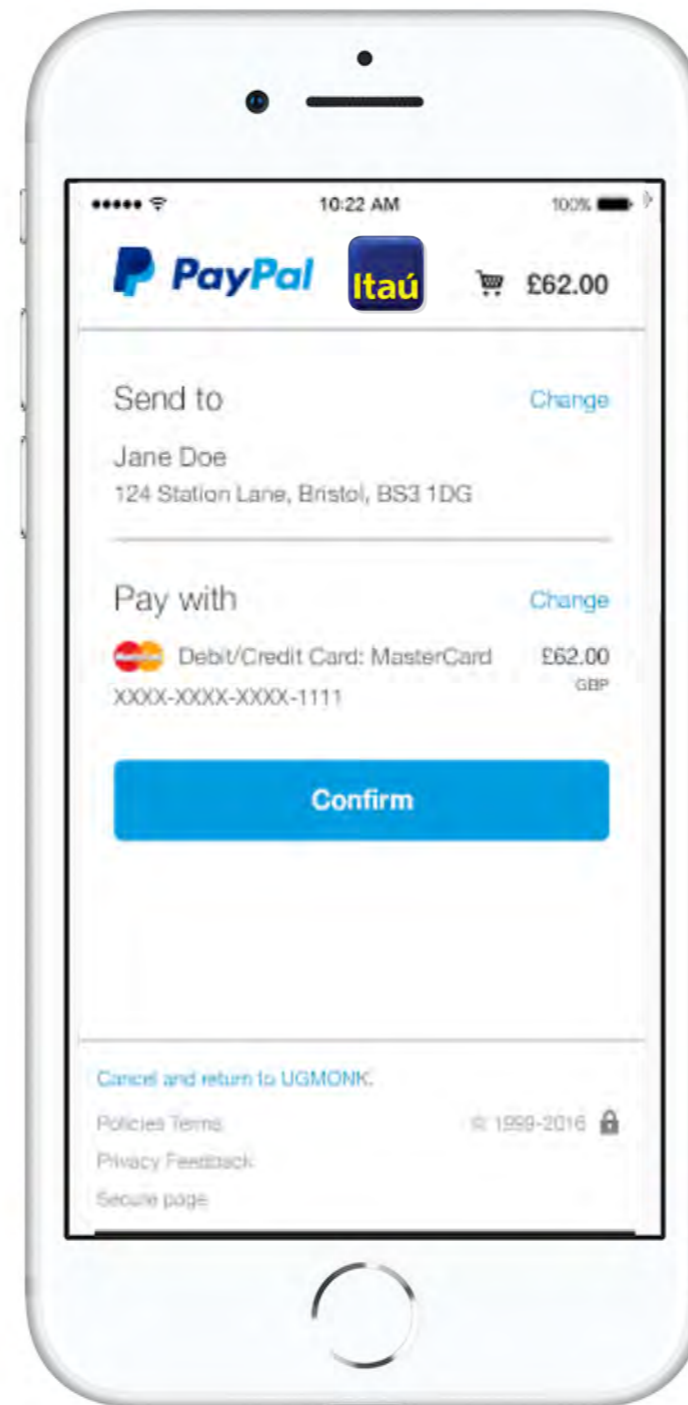
The client's wallet on e-commerce



PIONEERS IN PARTNERING WITH PAYPAL

Better checkout and digital onboarding experience to Itaú credit card holders

Partnership with the **largest** e-commerce in the world, with **179 million users**



REDE as preferred acquirer and increases in product offering, such as **gateway and guaranteed-chargeback checkout**

New Insurance Platform

Insurance



_multichannel distribution strategy, focused on *fee business*



_specialized sales force, client-centered



_new products: open architecture



_excellence in customer service

Sales force

Internal channels



Insurance specialists



Life Planner



Insurance store



Relationship Manager



Teller



Internet Banking/Mobile



ATM

External channels



Call center



Partners

Multichannel Insurance Broker



CHUBB®



Retention



Service



Analytics



Satisfaction



Marketing



Contact Center

Offered Products



Auto



Life



Health



Whole Life



Payroll



Dental



Card protection



Premium bonds



Home



Trip



Smartphone



Mortgage



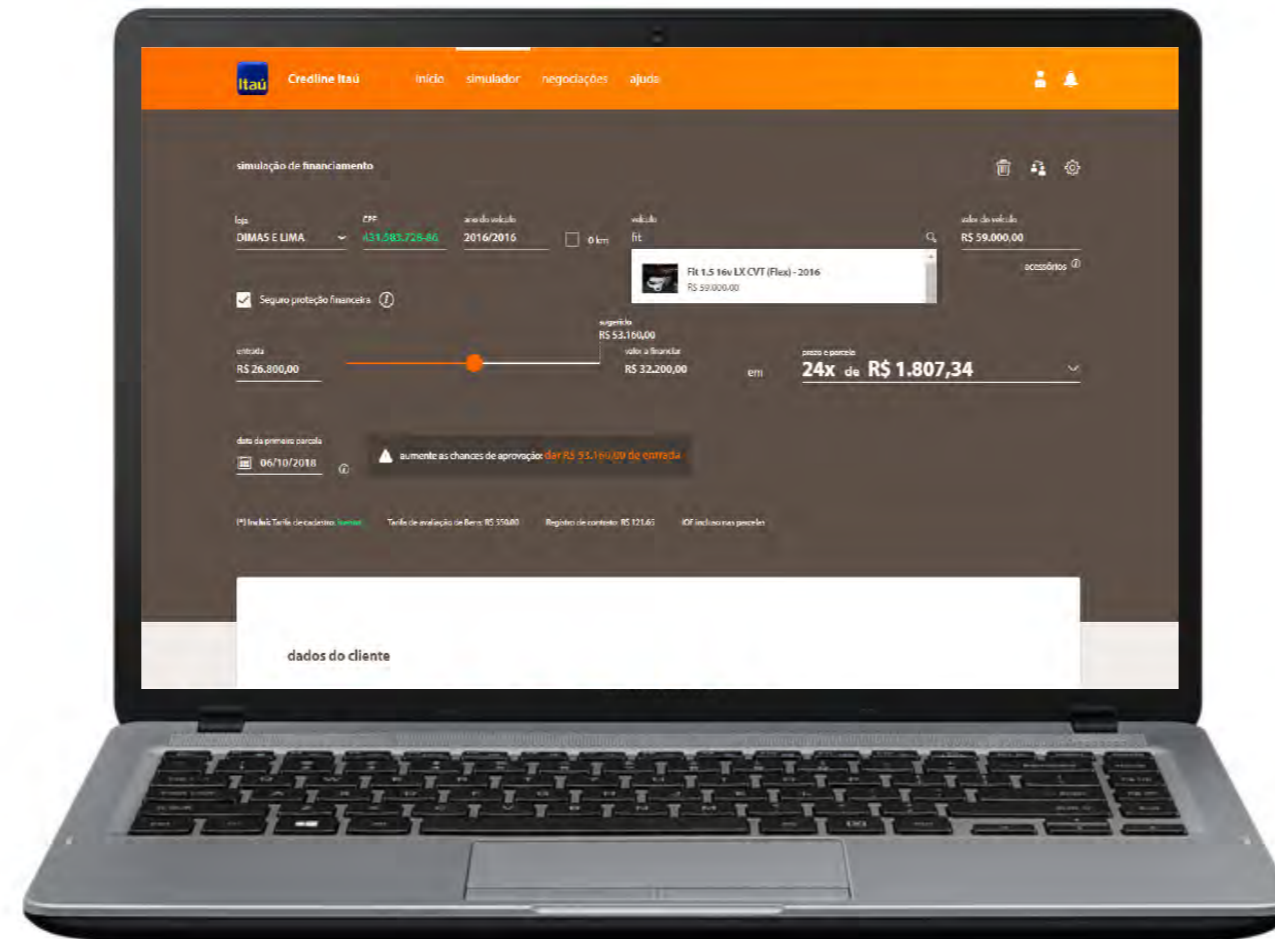
Corporate

Client Relationship

Vehicles (Auto Loans) | Digital Platform

Increasing efficiency in sales channels

#Credline 2.0_



 <1h

To perform payments
(including weekends)

84%

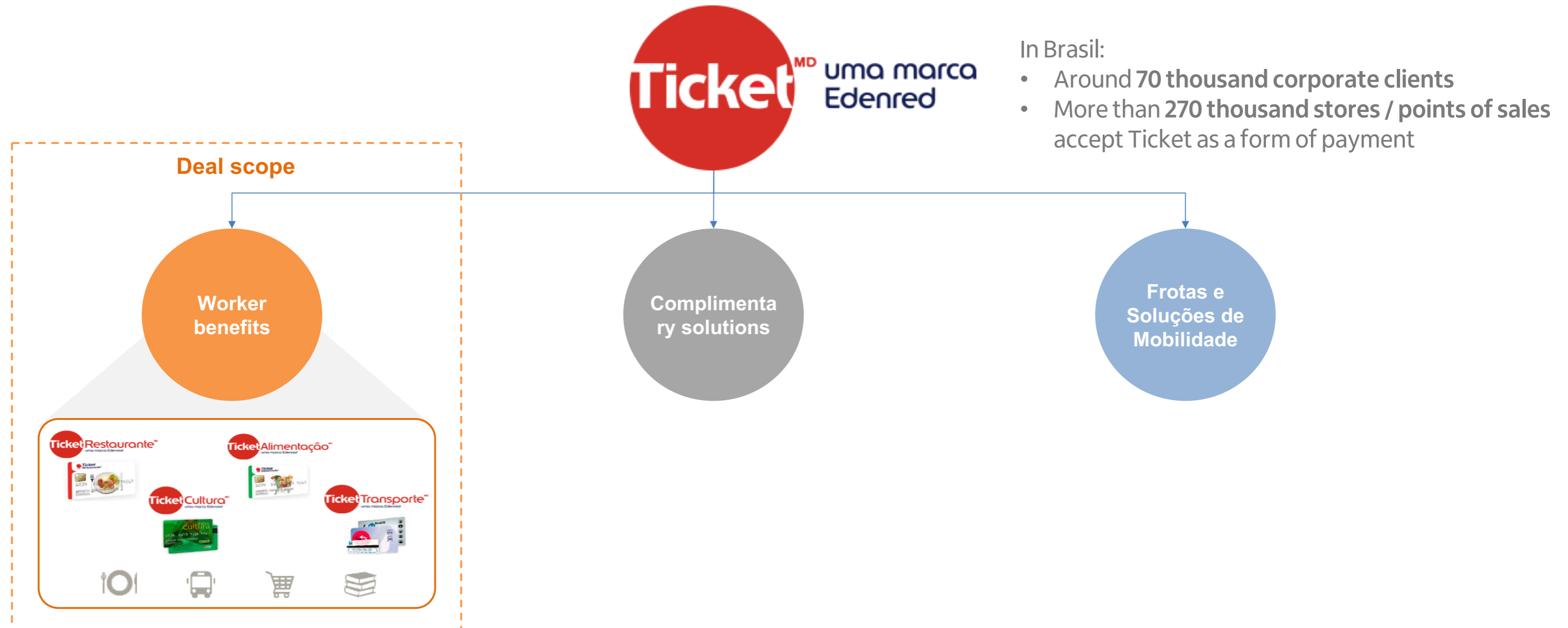
of proposals through APIs

+8 mil

Stores with the new tool already working

Ticket (Edenred)

New market for Itaú Unibanco



Even more complete portfolio of products and services to our corporate clients

Exclusive distribution of Ticket¹ products to Itaú's clients

1. Ticket Supermarket, Restaurant, Culture and Transportation

Note: The conclusion of the deal depends on the approvals of Brazilian Central Bank and CADE.



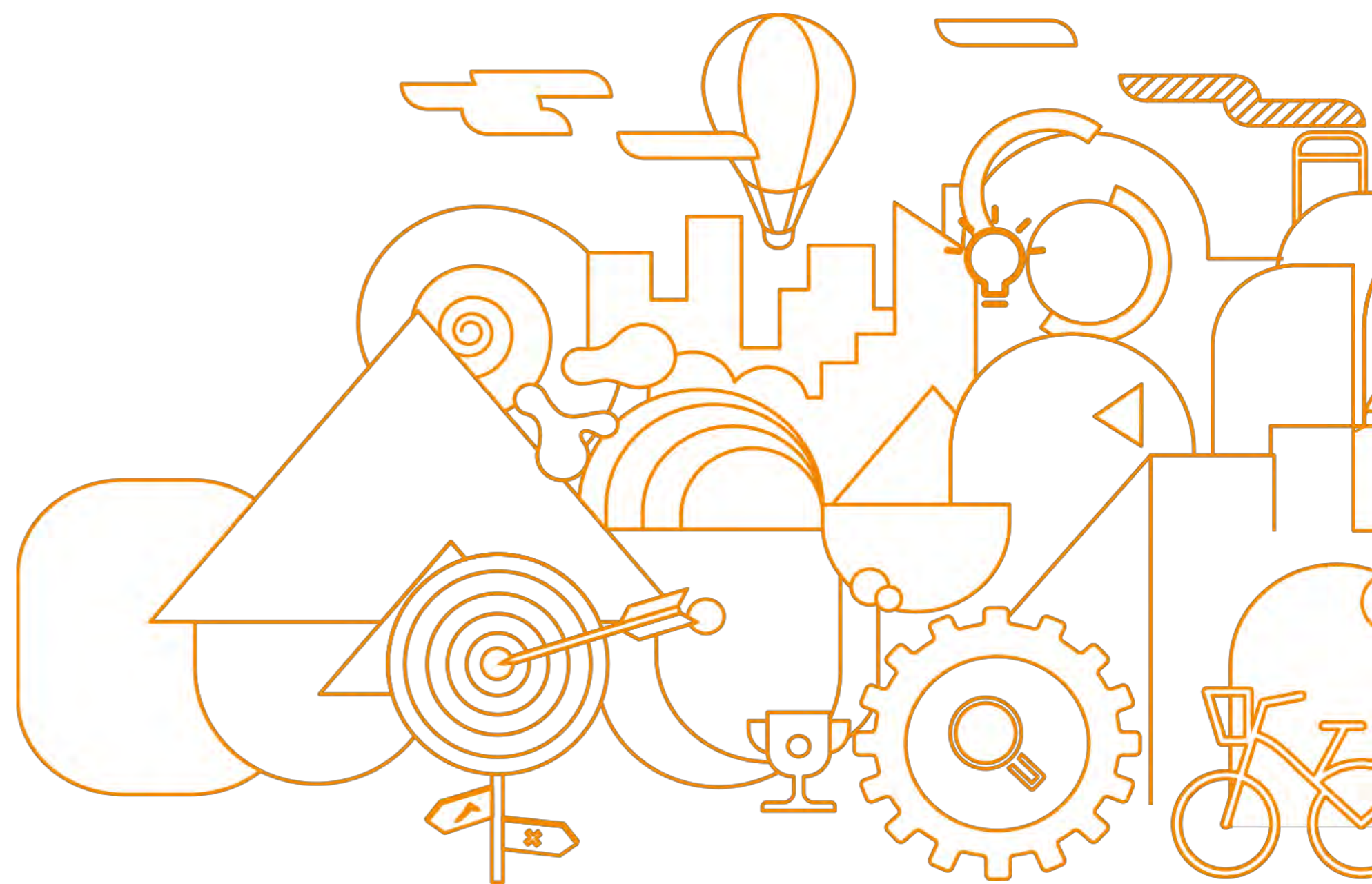
Apimec cycle 2018_SP

Itaú Unibanco Holding S.A.

Wholesale Banking (DGA)

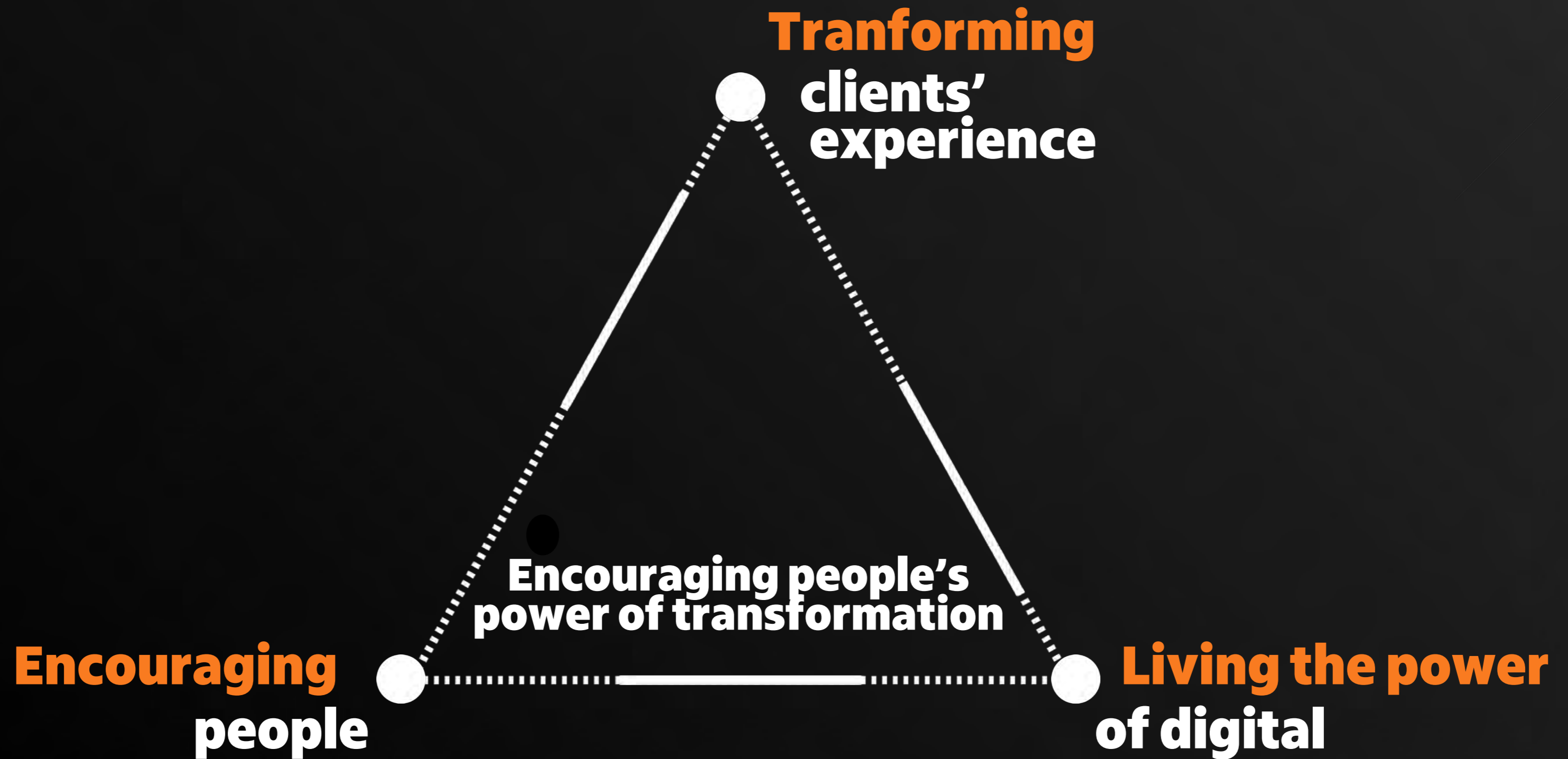
Eduardo Vassimon

General Director



 www.itaú.com.br/investor-relations

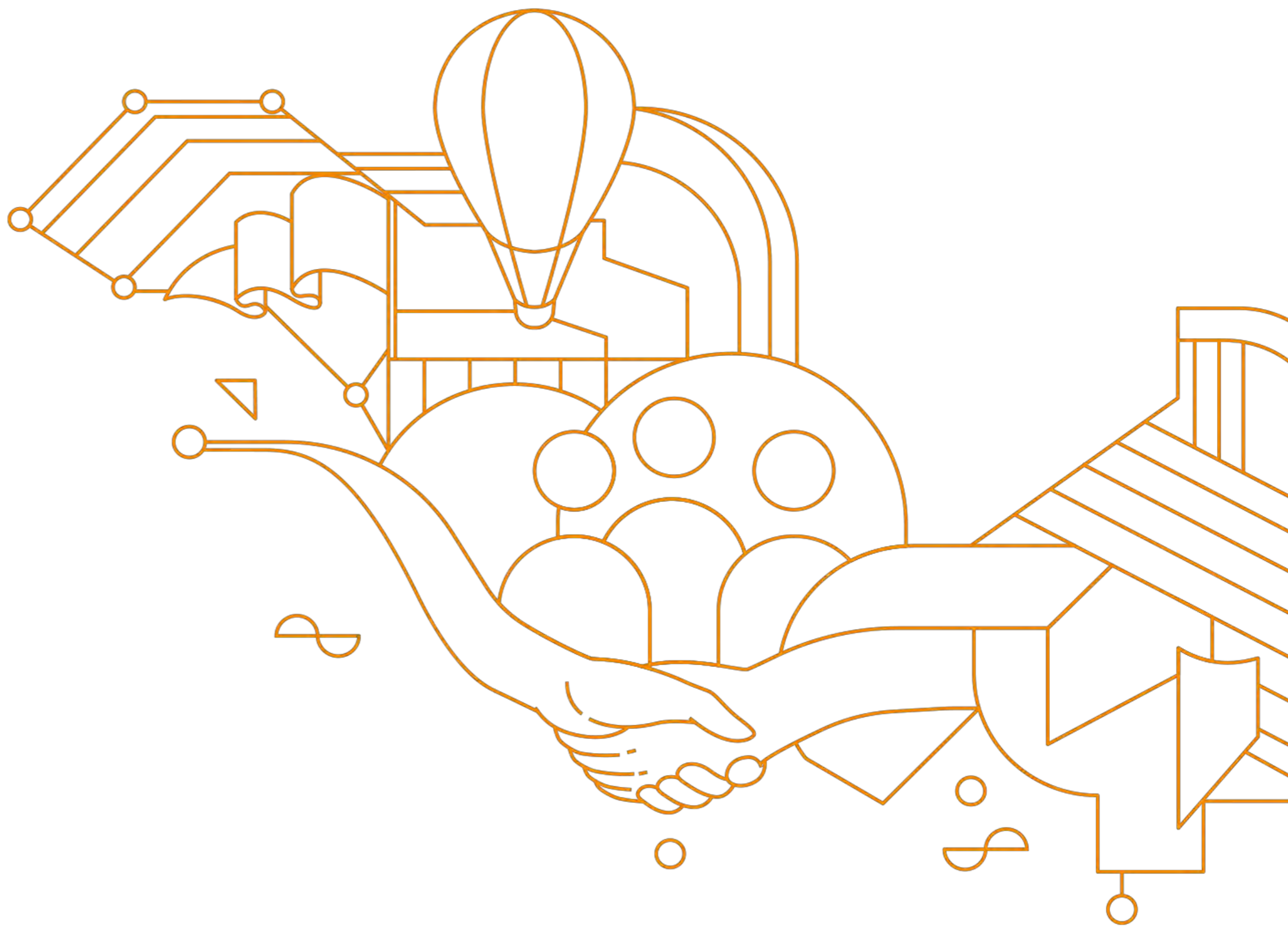
ESSENCE OF OUR
transformation process





transforming
clients' experience

Client Experience
DGA



Transforming client experience - Wholesale banking

Overview

1 Comprehensive and complex portfolio of products and services

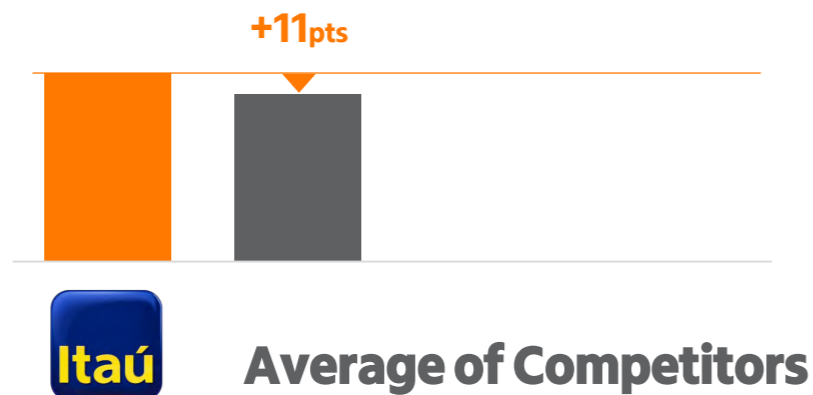
2 Sophisticated clients with wide access to alternatives in the market

3 Multiple competitors with a high level of specialization

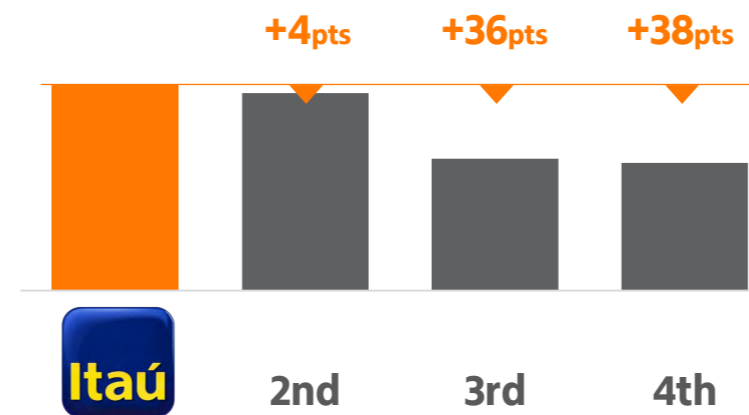
Well positioned on target market

Net Promoter Score (NPS) - Basis 100
Difference between Itaú and Competitors

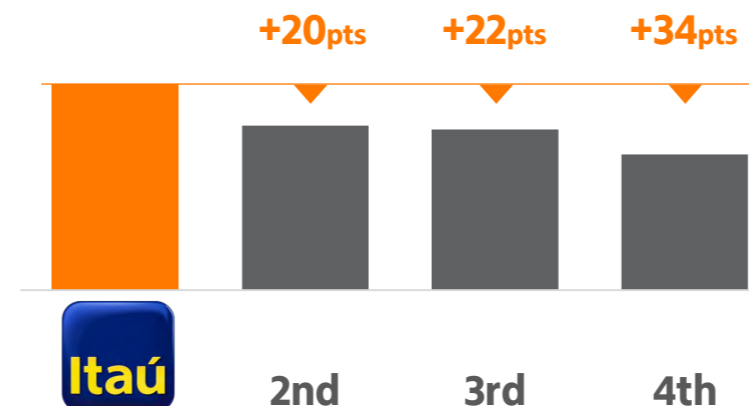
Individuals – Private Bank
(Net Assets > R\$5 Million)



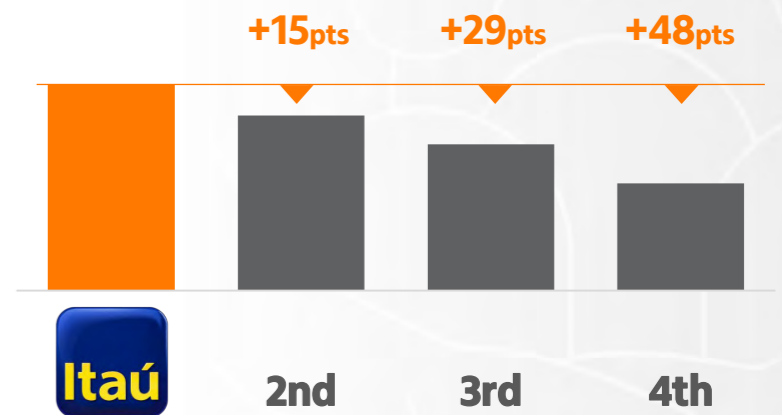
Companies – CIB
(Revenues > R\$4 Billion)



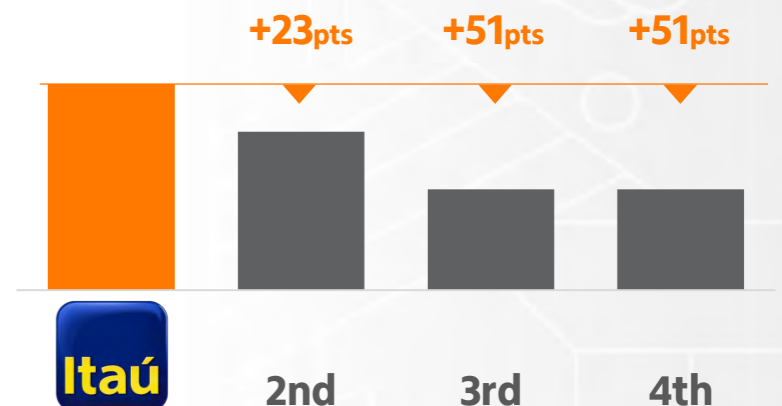
Companies – Corporate
(Revenues: R\$200 Million – R\$400 Million)



Companies – Large
(Revenues: R\$400 Million – R\$4 Billion)



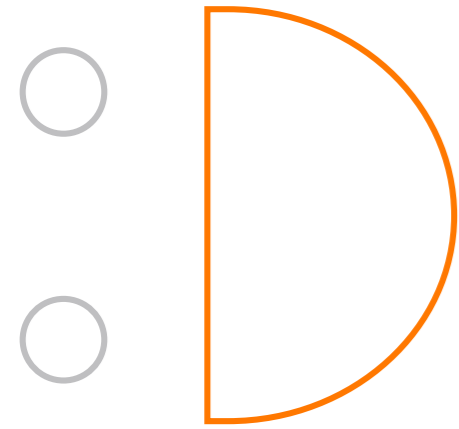
Companies – Middle Market
(Revenues: R\$30 Million – R\$200 Million)



Customer satisfaction is mandatory, not an option!

Transforming client experience - Wholesale banking

In 2018, DGA has implemented



Aiming to have higher levels

of customer satisfaction

1 NPS metrics across all segments

2 Global measurements and during client's journey

3 Satisfaction survey to multiple client's points of contact

4 Intensify the timely processing of customer feedbacks

5 Process in which the senior management will contact their clients

6 Redefinition of product journey focusing on client experience

Six priority fonts:

transformation

- + People management**
- + Digital transformation**
- + Customer satisfaction**

continuous improvement

- + Internationalization**
- + Risk management**
- + Profitability**

Six priority fonts:

Continuous improvement

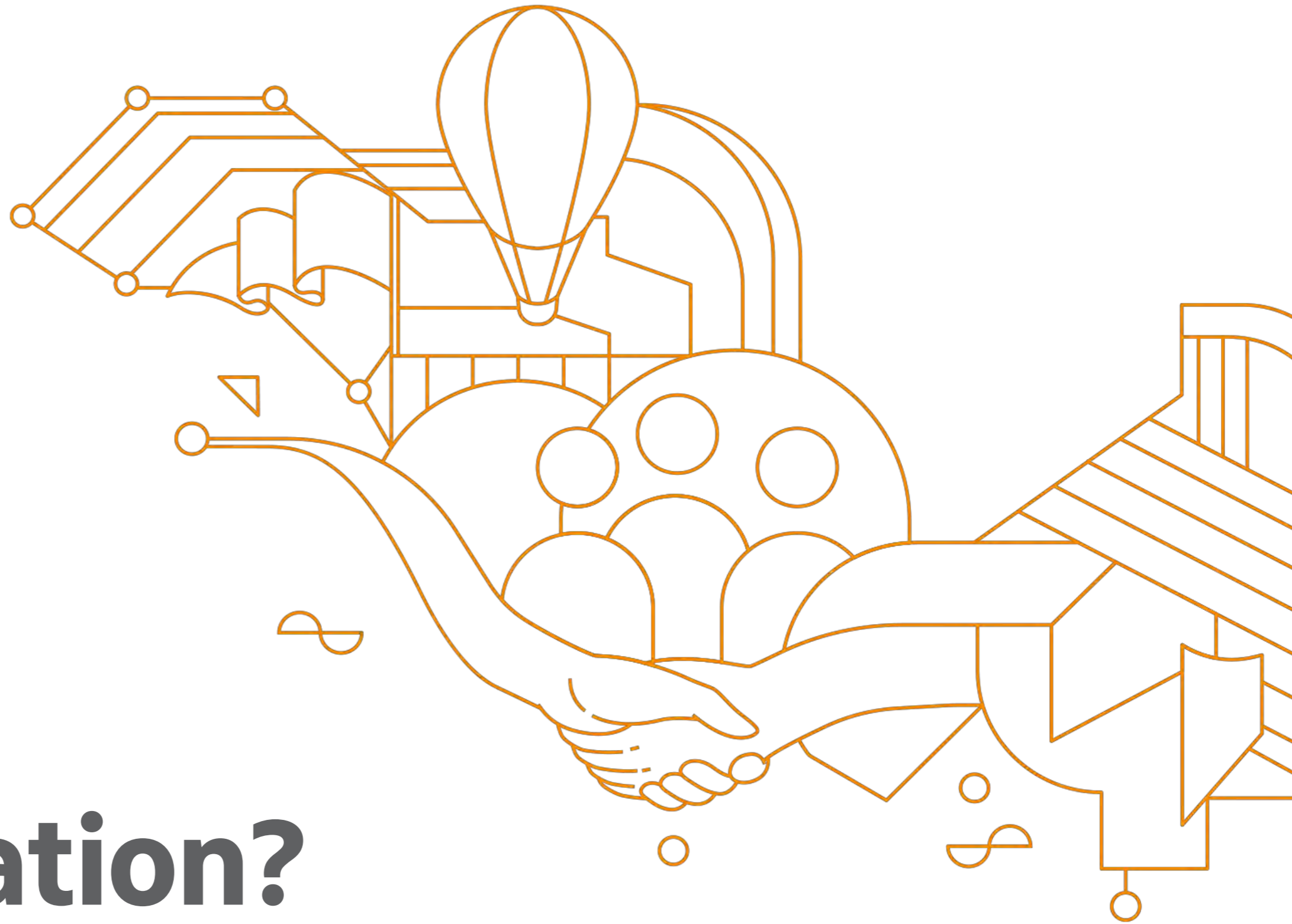
- **Internationalization**
- **Risk management**
- **Profitability**

Goal

Having the same level of:

- **Customer satisfaction**
- **Management quality**
- **Profitability**

Why
internationalization?



Why internationalization?



Main reasons:

- 1_ Access to new markets
- 2_ Ability to reproduce the management model
- 3_ Scale up
- 4_ Offering complementarity

Two different models:

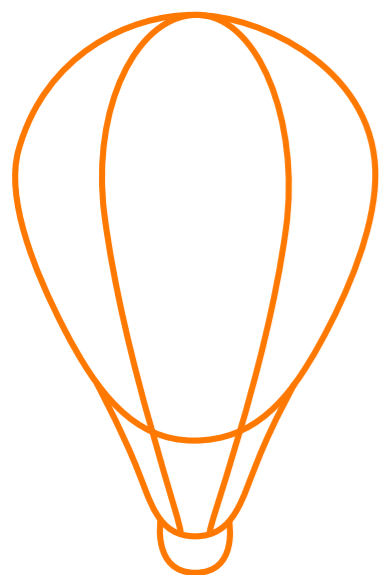
Southern Cone and Itaú CorpBanca

Universal banks

North Hemisphere

Units that provide products and services to expand our offering

Access to new markets



"We are a universal bank, predominantly operating in Latin America"



Market size

GDP 2017 **Brazil**

US\$ **2.1** Tri



GDP 2017 **Latam**

(countries below)

US\$ **1.5** Tri



ARG



CHL



PAR



URU



COL



PER



551 Branches and CSBs



13.2 k Employees



US\$ 57 Bi in Assets

	ARG	CHL	PAR	URU	COL	PER
📍 Branches and ATMs	87	199	40	62	163	REP. OFFICE
👤 Employees	1,720	5,973	837	1,112	3,536	15
💰 Assets (US\$)	2.5 bi	35.7 bi	3.4 bi	4.5 bi	10.8 bi	0.1 bi

Source: Itaú Unibanco Holding / June 2018

Ability to reproduce the management model

1 Business Management

“Franchises” (Individuals and Companies)

ItaúNaranja
ItaúPersonalBank
ItaúEmpresas



Digital Branch



2 People Management

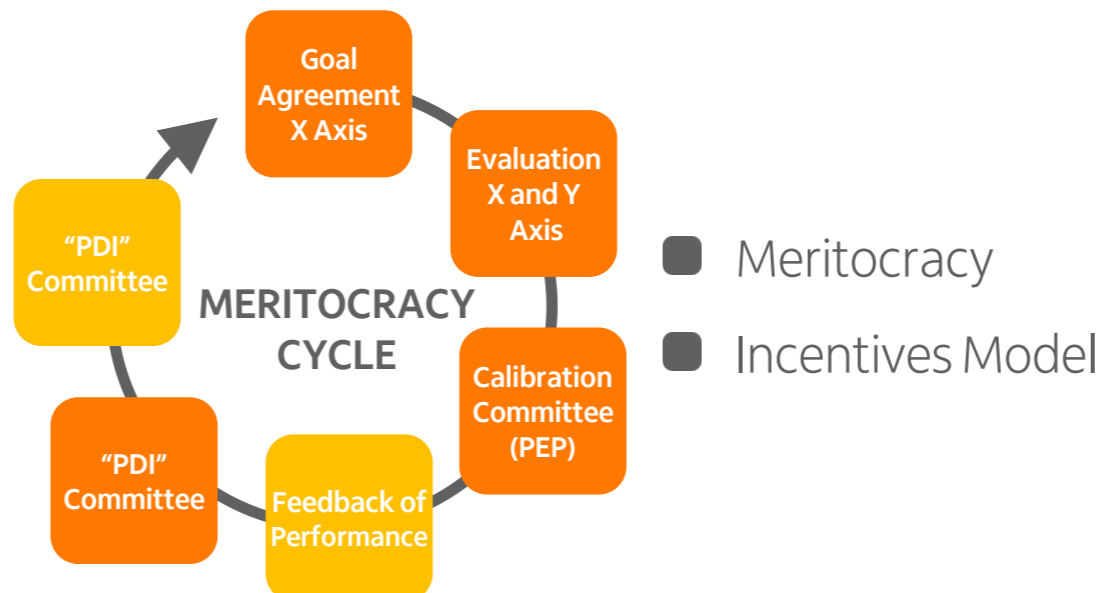
Culture and Purpose

Nuestra Manera

1. Solo es bueno para nosotros si es bueno para el cliente.
2. Fanáticos de la performance
3. Las personas lo es todo para nosotros.
4. El mejor argumento es lo que vale.
5. Simple. Siempre.
6. Pensamos y actuamos como dueños.
7. La ética es innegociable.



People Management



3 Risk Management

Risk Management Culture

Itaú

Pilares de la Cultura de Riesgo

Los riesgos forman parte de nuestro negocio y se presentan de diversas formas. Pero los gestionamos a través de acciones de mitigación efectiva.

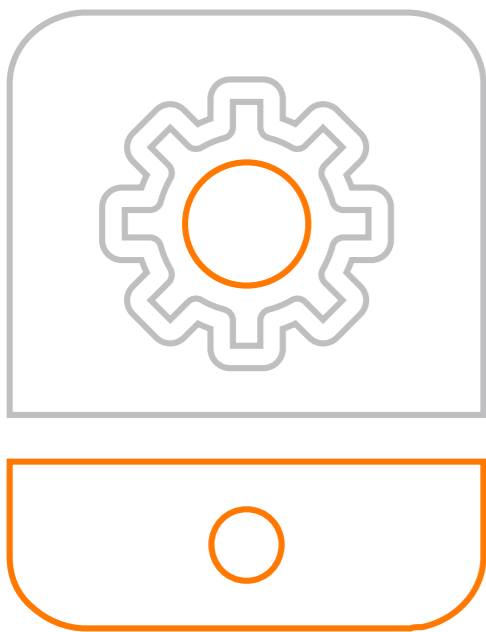
Todos somos responsables de gestionar algún tipo de riesgo en nuestras actividades diarias.

#CulturaDeRiesgo Asumir, difundir, evaluar y gestionar

Itaú Unibanco **Itaú**

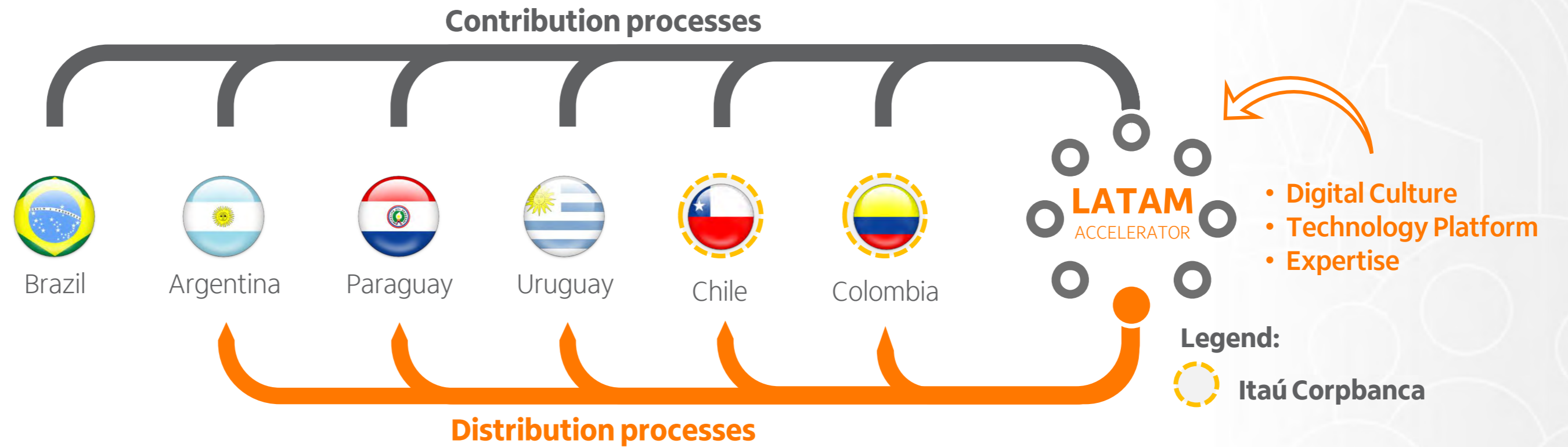
Scale up

Digital Accelerator



Accelerates digital business,

boosting the businesses and generating a competitive advantage for local operations



Example:



20 features



Several hours invested in developing the features and its functionalities

Months developing the app



APP **Tarjetas**

Less Financial investment and developing time

Regional Use



Argentina



Paraguay



Uruguay



Chile



Colombia

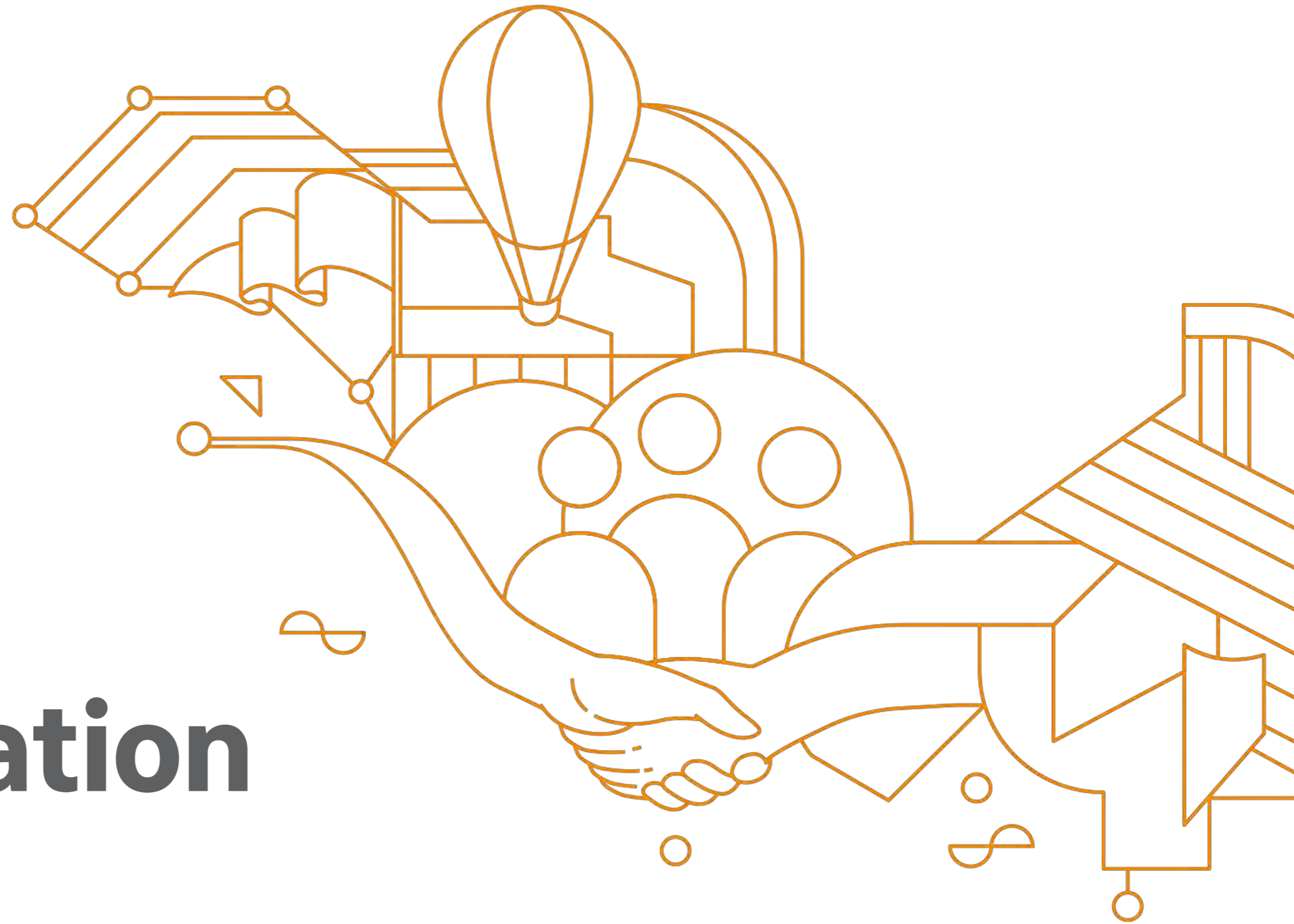
Financial investment **75% lower**

Savings of 68% in development hours
Savings of 33% in development months

76% OF REUSING CONTRACTS
90% OF REUSING COMPONENTS

Internationalization

Where are we



Paraguay and Uruguay | Well positioned



1st Place in
customer satisfaction

Itaú Personal Bank
Itaú Empresas



(1)

1st in Deposits

Market share of **17.2%**

1st in Total Assets

Market share of **16.3%**

1st in Net Profit

Market share of **26.3%**



(2)

2nd in Deposits

Market share of **12.2%**

2nd in Total Assets

Market share of **11.9%**

1st in Net Profit

Market share of **15.8%**

⁽¹⁾Base date: May 2019 | Considers public banks and private banks

⁽²⁾Base date: May 2019 | Considers only private banks

Argentina | Relevant player in wholesale banking and potential for growth in retail



Today we are a relevant player in wholesale banking...

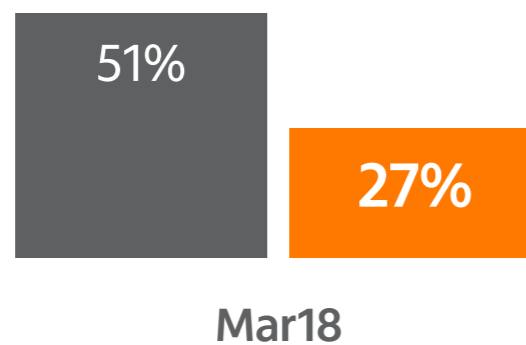
Well positioned
in Investment Banking

1st Player in Fixed Income since 2013

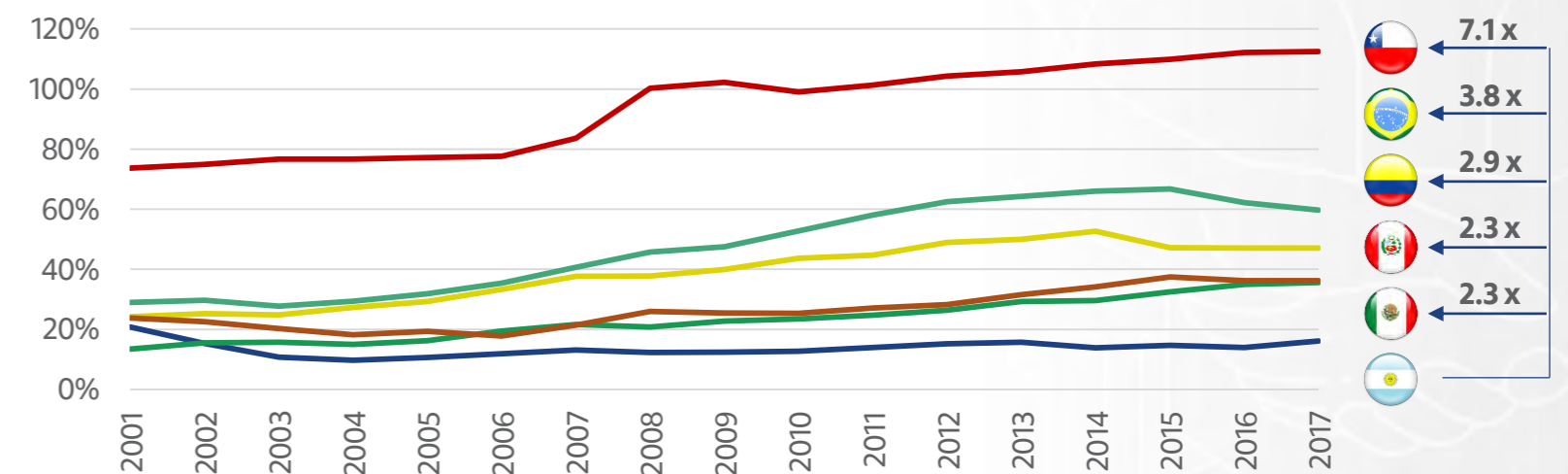
Source: BondRadar

... but retail banking still shows potential for growth ...

Loans % Individuals/Total
Itaú vs. Banks Peers¹



Loans / GDP²

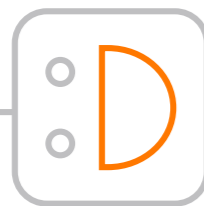


... therefore, we are working to build
a Digital Bank

(1) Information on Peers: Source ABA – March 18 (2) Last date Dec 2017 - Source World Bank

Itaú CorpBanca | Chile and Colombia

Completing the banks' consolidation



Customer enchantment

Customer enchantment through a consistently satisfying experience

New products to improve our value proposition:

- Ahorro Plus Fund
- Loyalty Programs
- Cash Management
- 18% reduction in customer complaints
- New value proposition and segmentation for retail customers
- Launching of Itaú Personal Bank



Talent attraction and culture/brand dissemination

We aspire to be the most attractive bank for talent at all levels

- Culture unification and increased awareness of "Our Way"
- Meritocracy
- Performance Management
- Constant feedbacks
- Trainee Program
- Brand launch reaching 12% of awareness in 1 year



Tech integration and digital transformation

Continuous improvement in our digital channels

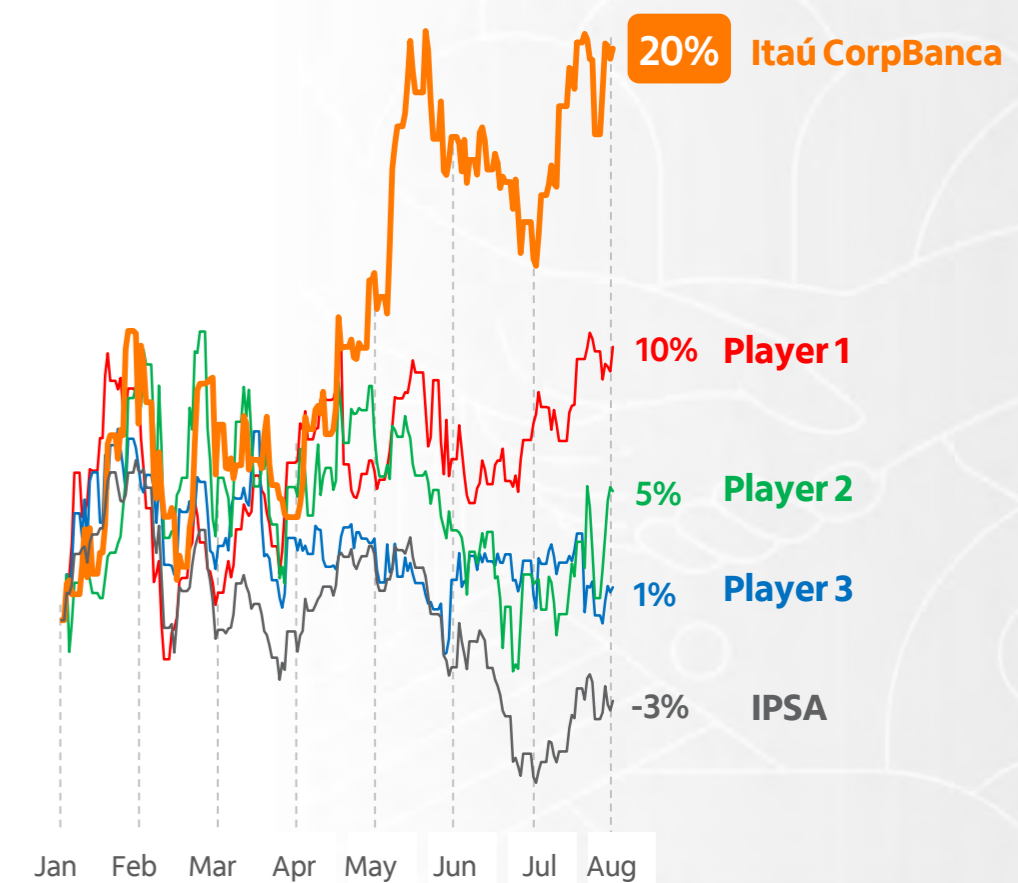
- Expansion on digital products and services
- We have reached 80% on consumer products sales in digital channels (9% before merger with Itaú Unibanco)
- 100% integrated platform in 10 months: all branches under Itau brand with no impact for customers (less than 0.5% of complaints)
- 40 new Internet Banking features and new app



Solid Results

Maximize return to shareholders, aiming sustainable growth

Stocks performance in 2018



Legend

Chile Colombia

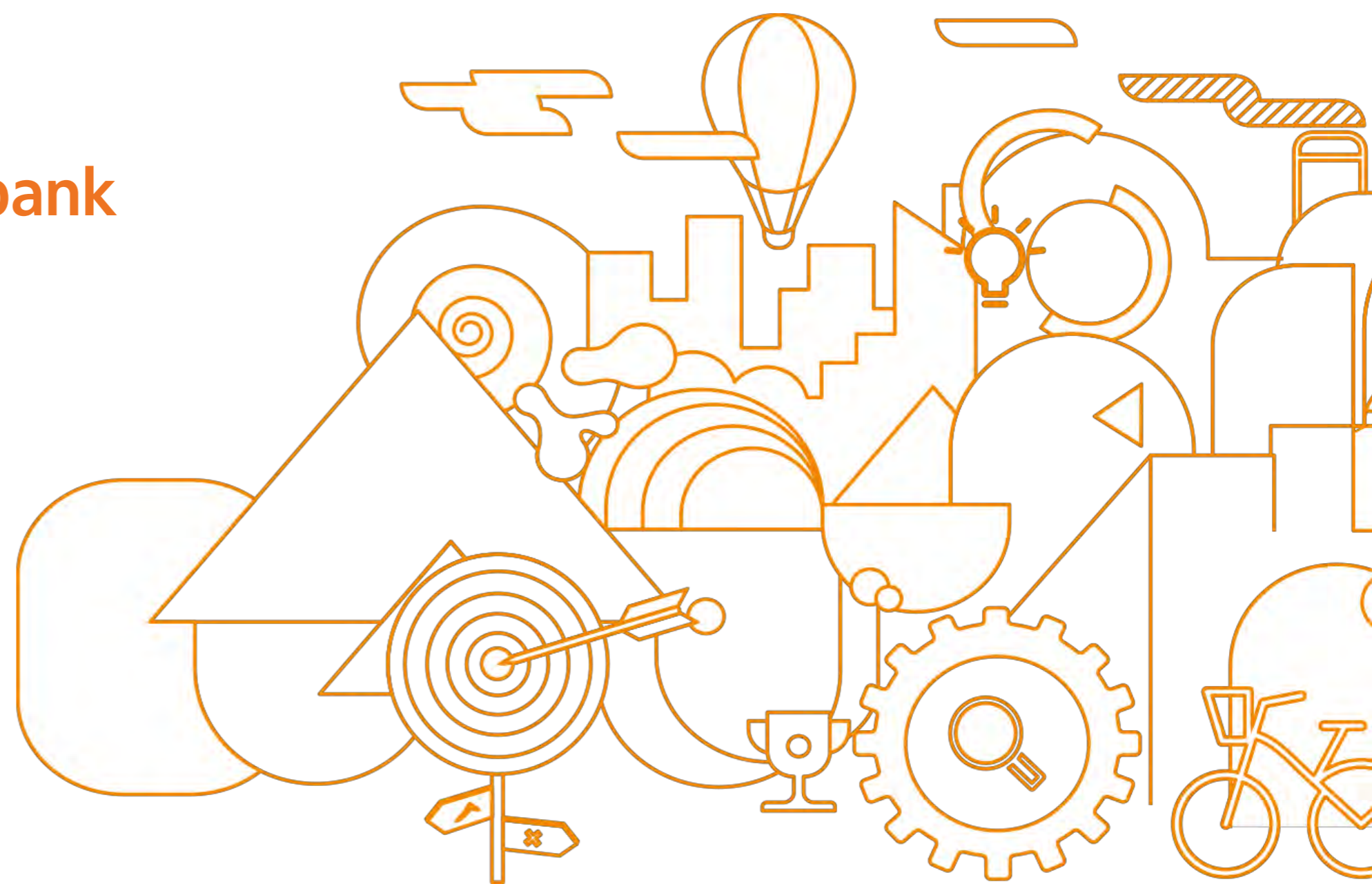


Apimec cycle 2018_SP

Itaú Unibanco Holding S.A.

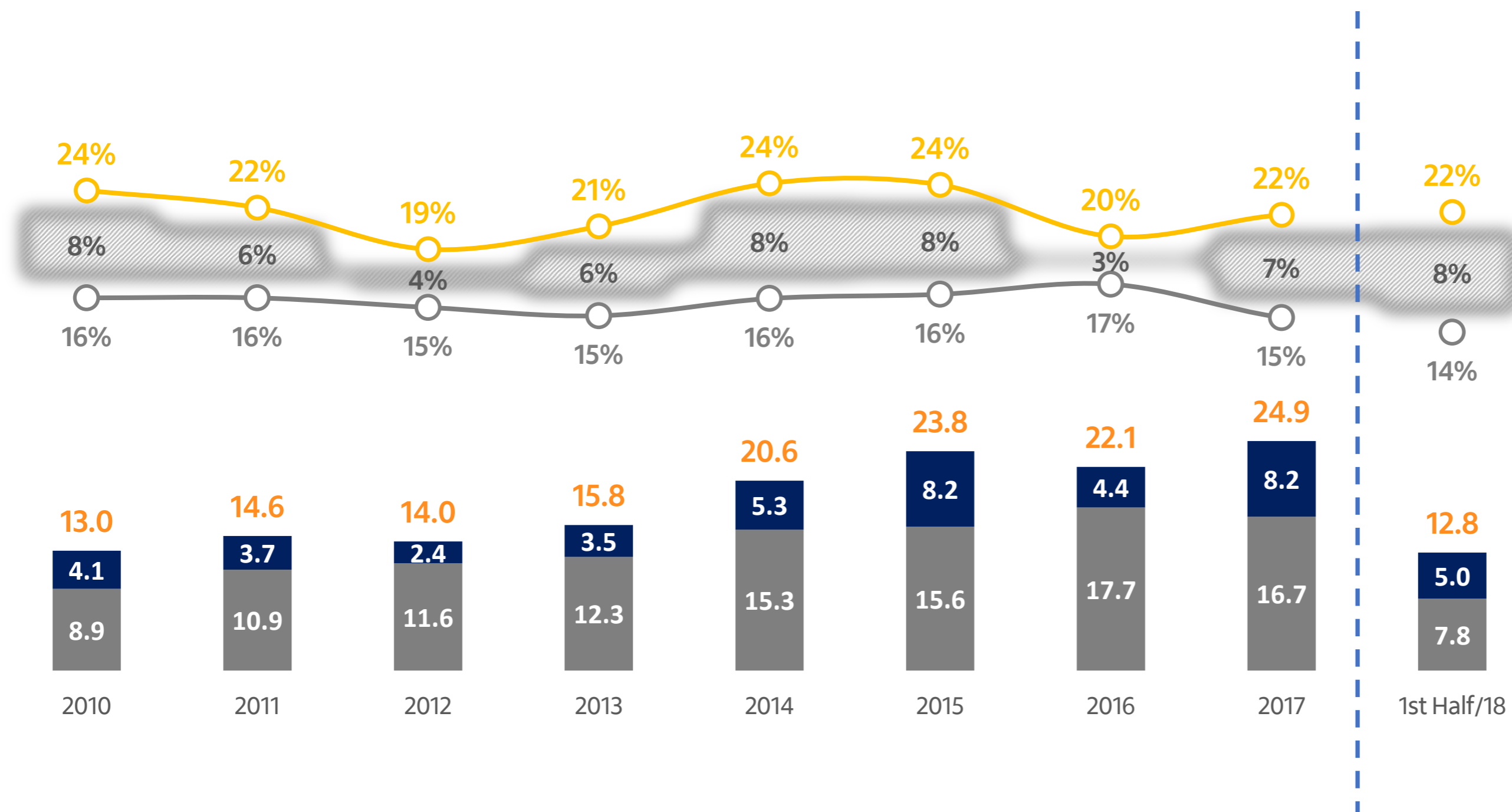
Caio Ibrahim David
Executive Vice President, CFO and CRO

Value Creation in a changing bank



 www.itaú.com.br/investor-relations

A bank that creates value for stockholders...



ROE

Value Creation

Average Cost of Capital

Recurring Net Income
(in R\$ billion)

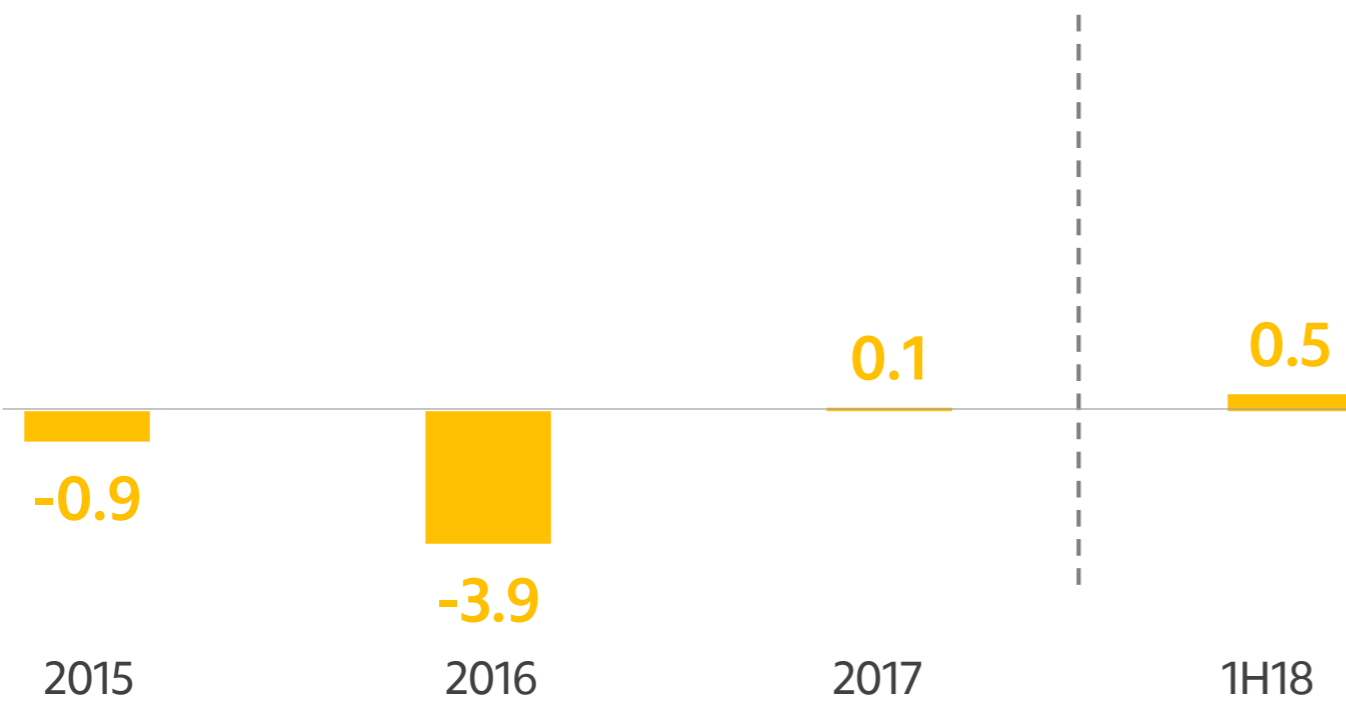
Value Creation
(in R\$ billion)

Cost of Capital
(in R\$ billion)

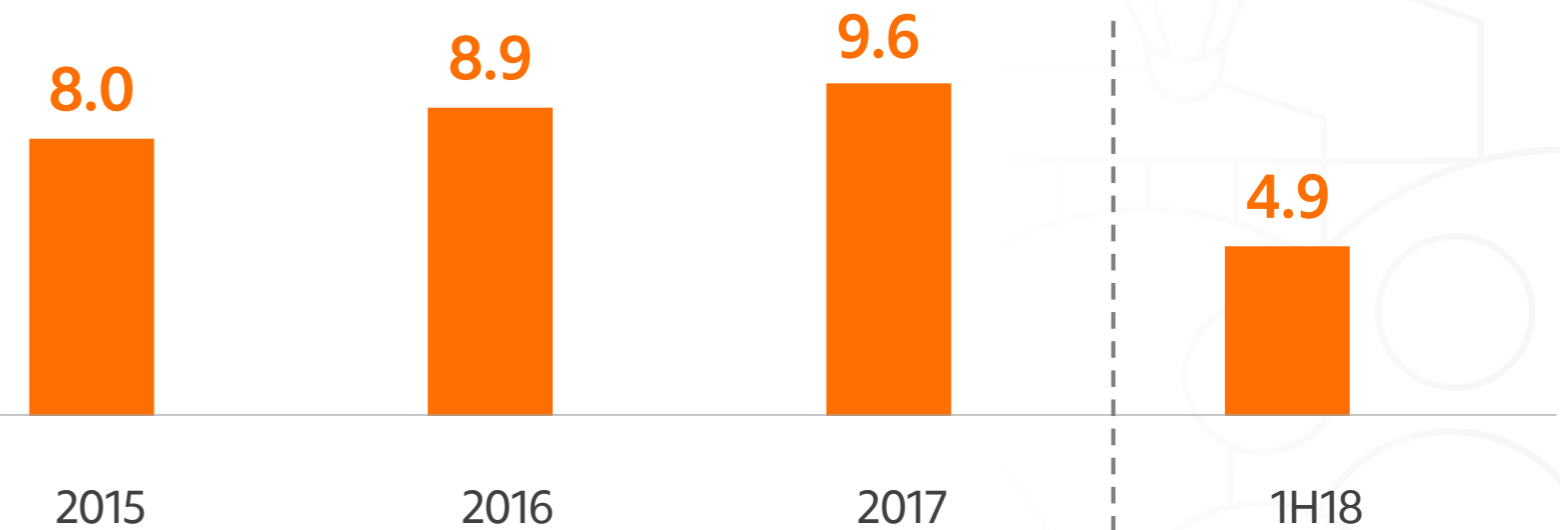
...reflecting our Business Model

VALUE CREATION

CREDIT



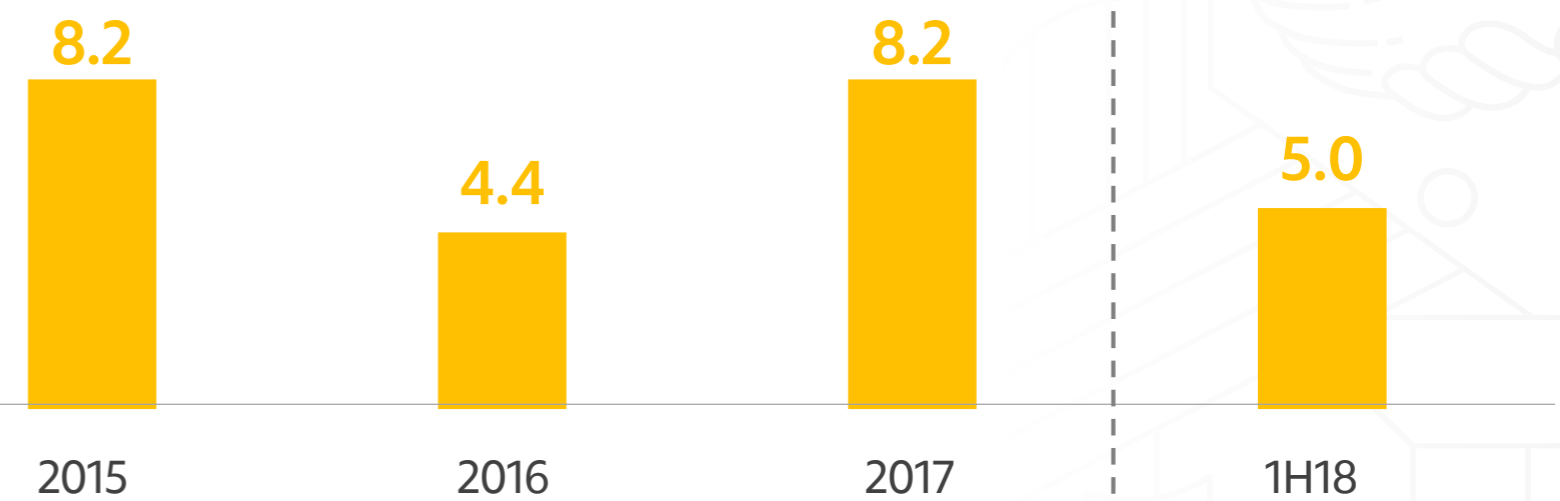
SERVICES AND INSURANCE



TRADING & EXCESS CAPITAL



TOTAL



How to keep creating value in the coming years in this changing environment...

6 priority fronts:

Transformation

People management

Digital transformation

Customer satisfaction

Continuous improvement

Internationalization

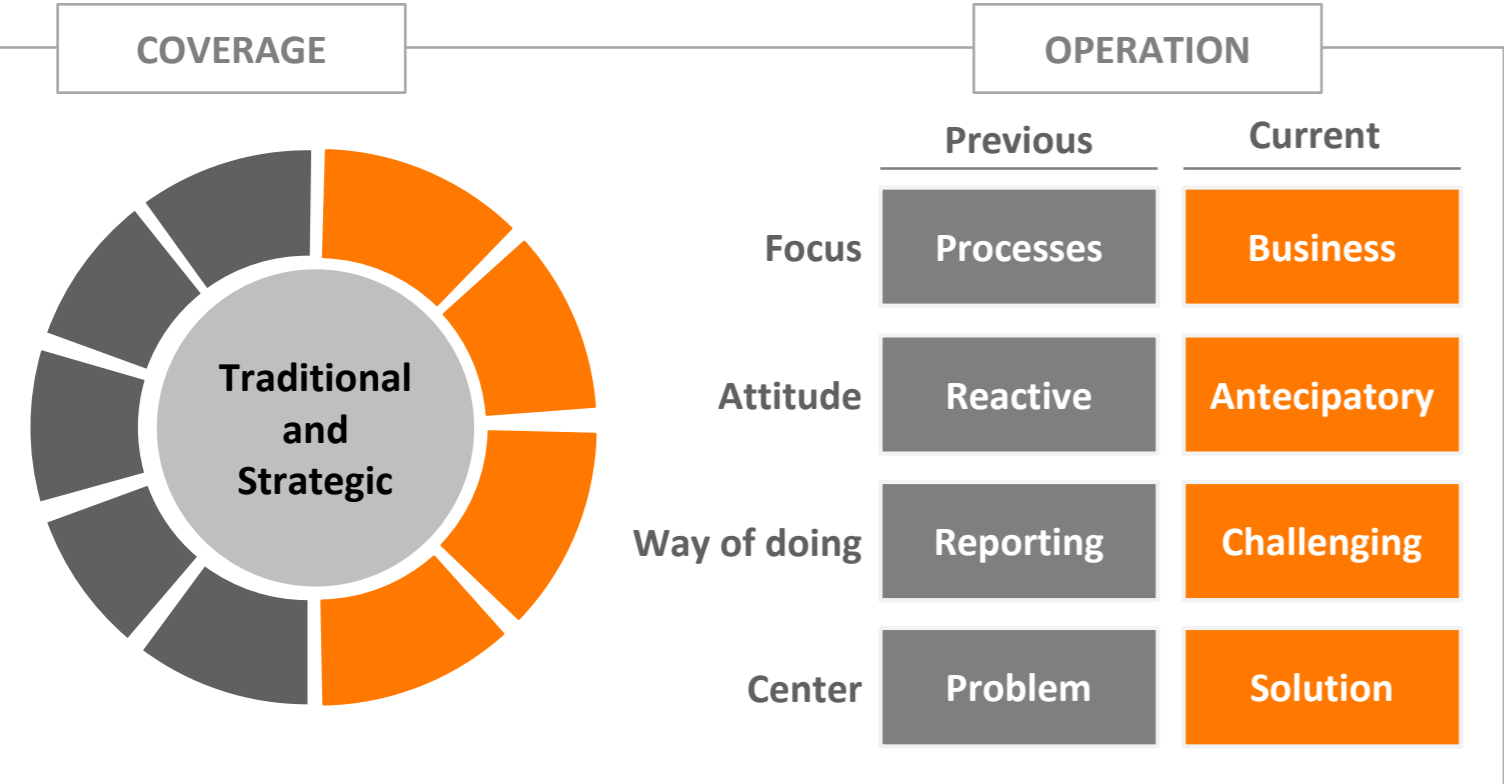
- **Risk management**
- **Profitability**

Priority Fronts | Risks and Profitability



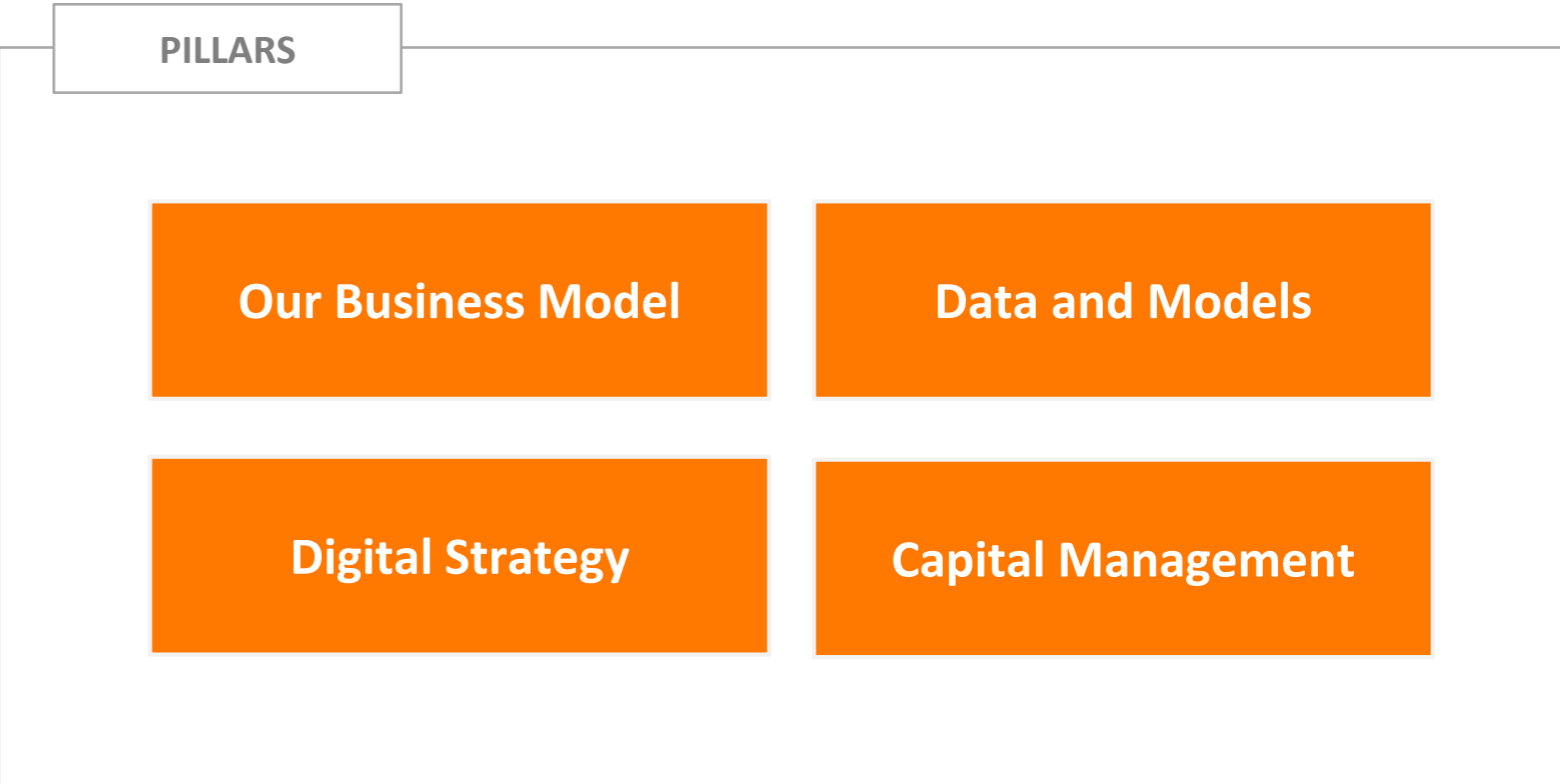
Risks

“A risk management **fully integrated** into **business performance**. **Timely** and **anticipatory** operation focused on **growing and sustainable value creation**.
Widely spread risk culture.”



Profitability

“Being the **leader in Sustainable Performance**, with a (much) higher profitability than **Cost of Equity and growing Value Creation.**”



Priority Risk Front | Risk Appetite

Board of Directors, 2016.

“We are a universal bank, operating predominantly in Latin America. Supported by our risk culture, we operate based on strict ethical and regulatory compliance standards, seeking increasingly higher results, with low volatility, by means of long-lasting client relations, adequate risk pricing, diversified funding and proper use of capital.”

Principles

- Customer satisfaction
- Diversification
- Operational excellence
- Risk pricing
- Risk Culture

understanding, identifying, measuring, managing and mitigating risks are essential practices for our activities.



CREDIT RISK

- Risk of losses associated with failure by a borrower, issuer or counterparty to fulfill their respective financial obligations as defined in the contracts.

MARKET RISK

- Risk of losses resulting from fluctuations in market values of positions held by the institution.

OPERATIONAL RISK

- Risk of losses arising from the failure, deficiency or inadequacy of internal processes, people and systems, or from external events.

REPUTATIONAL RISK

- Risk of losses arising from damage to the institution's reputation, including financial, potential or effective losses.

INFORMATION SECURITY RISK

- Risk of losses or damage arising from theft, fraud, leakage, compromise or improper use of proprietary or clients' information.



Priority Risk Front | Strategic Vision

CREDIT RISK

- Risk of losses associated with failure by a borrower, issuer or counterparty to fulfill their respective financial obligations as defined in the contracts .

MARKET RISK

- Risk of losses resulting from fluctuations in market values of positions held by the institution.

OPERATIONAL RISK

- Risk of losses arising from the failure, deficiency or inadequacy of internal processes, people and systems, or from external events.

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- Risk of losses arising from damage to the institution's reputation, including financial, potential or effective losses.

INFORMATION SECURITY RISK

- Risk of losses or damage arising from theft, fraud, leakage, compromise or improper use of proprietary or clients' information.



BUSINESS RISK

- New players
- Traditional competition
- Changing client's habits
- Business models: New or disruptive

REGULATORY RISK

- Specific changes in laws and rules affecting certain business or products
- Encouraging competition and innovation
- New trends: open banking and data access law

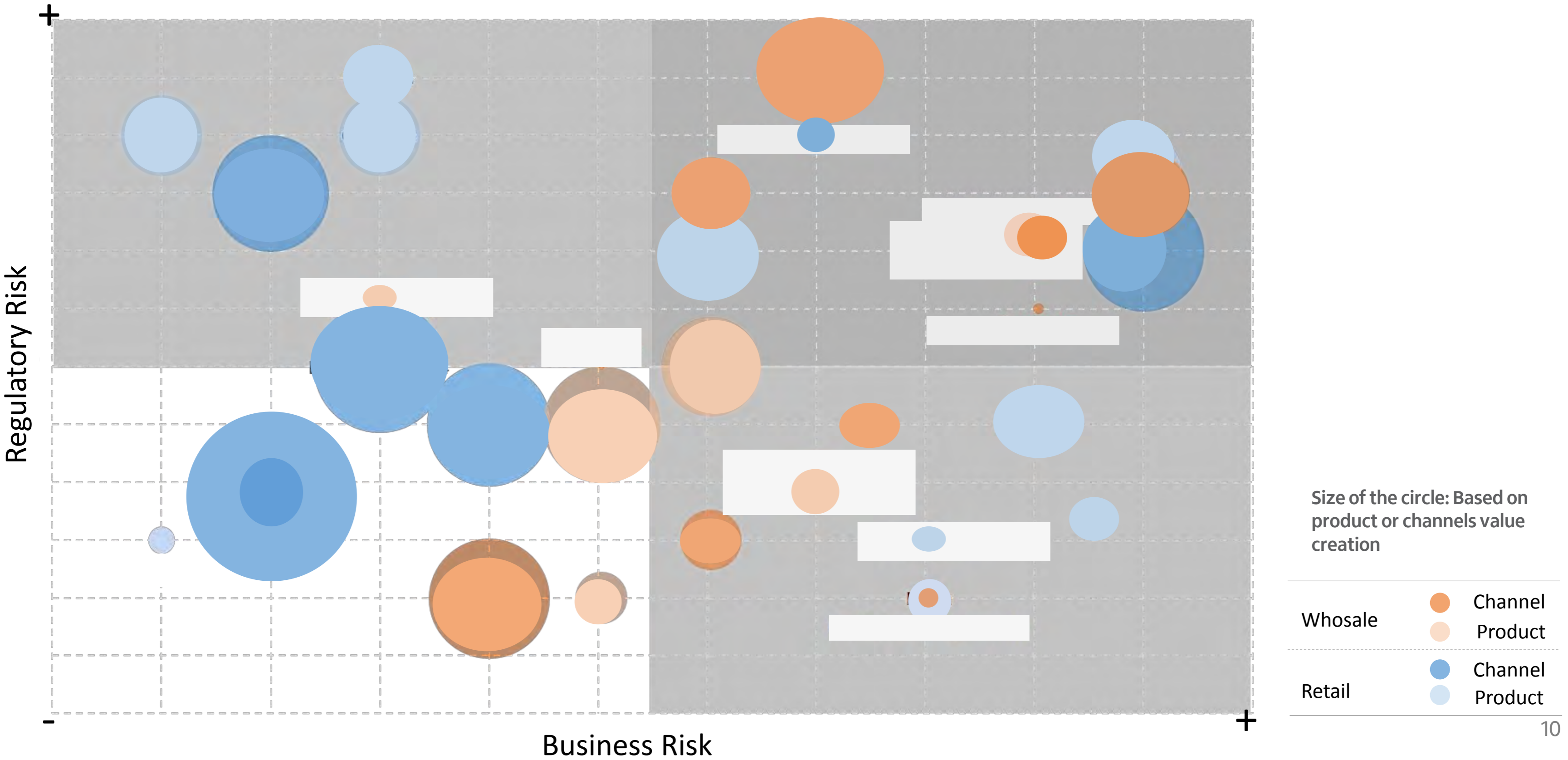
TECHNOLOGY RISK

- New potentially disruptive technologies
- Obsolescence of legacy systems
- Data and Models

PEOPLE RISK

- Talent attraction and retention capacity
- Knowledge concentration
- New ways of working

Priority Risk Front | Risk vs. Value Creation



PRIORITY PROFITABILITY FRONT|OUR BUSINESS MODEL



defining the risk appetite

INCREASE IN THE SHARE OF LOWER RISK PRODUCTS



focus on services

LESS CAPITAL ALLOCATION, LOWER VOLATILITY OF RESULTS IN RELATION TO ECONOMIC CYCLE



cost and efficiency control

CONTINUOUS SEARCH FOR OPPORTUNITIES TO IMPROVE EFFICIENCY AND PRODUCTIVITY

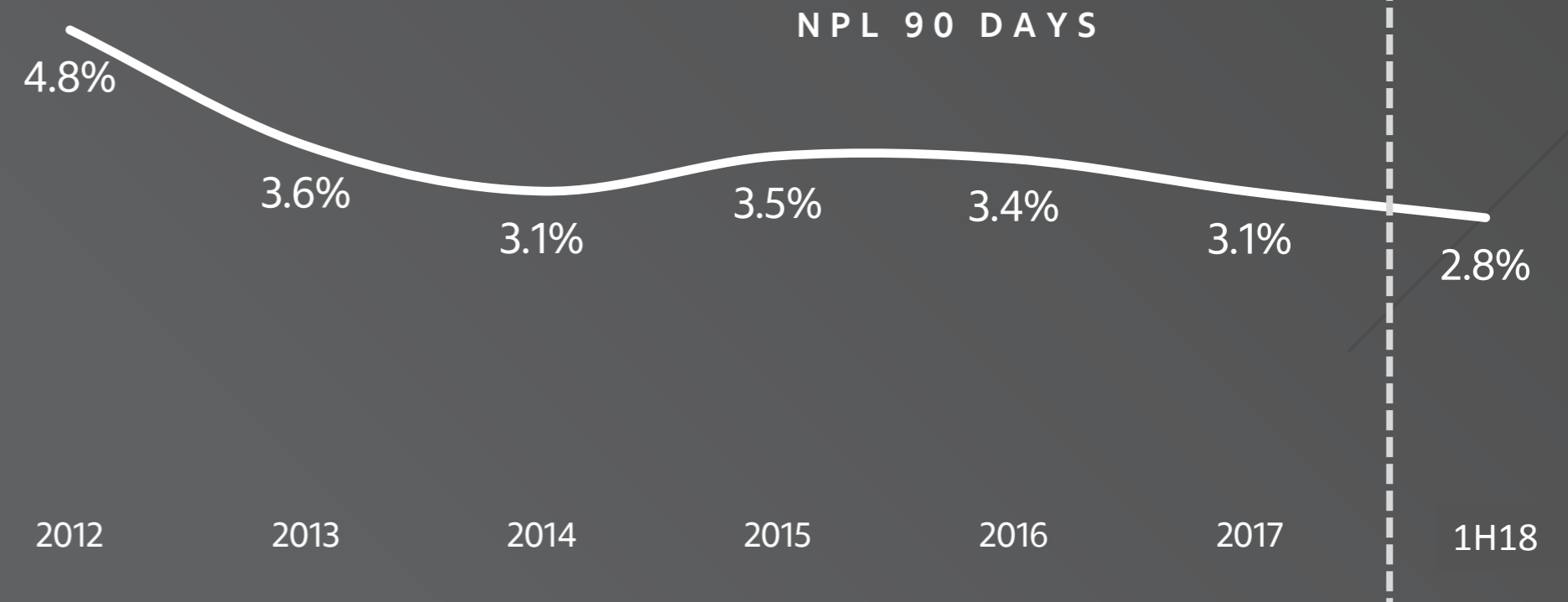
ALWAYS SEEKING TO MAXIMIZE
value creation for stockholders

PRIORITY PROFITABILITY FRONT | OUR BUSINESS MODEL



Defining the risk appetite

INCREASE IN THE SHARE OF LOWER RISK PRODUCTS



PRIORITY PROFITABILITY FRONT | OUR BUSINESS MODEL



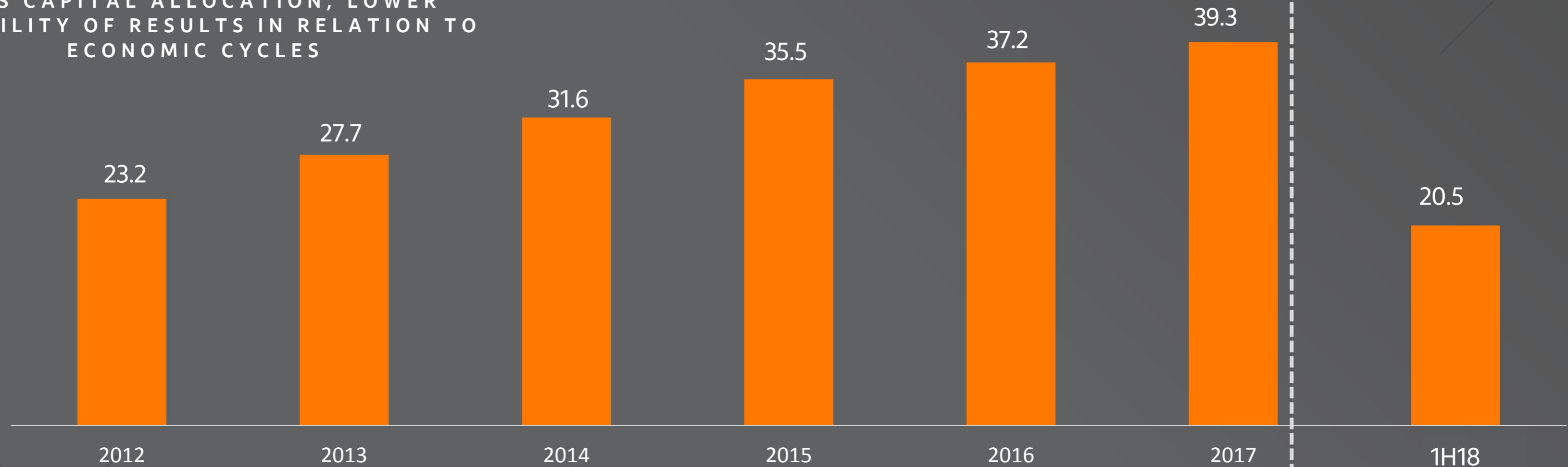
Focus on services

LESS CAPITAL ALLOCATION, LOWER VOLATILITY OF RESULTS IN RELATION TO ECONOMIC CYCLES

Commissions and Fees and Result from Insurance Operations¹

CAGR₂₀₁₂₋₂₀₁₇: 11.1%

In R\$ billion



1 – Net of claims and selling expenses.

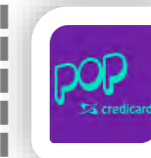
REDECARD

CREDICARD

citi

recovery

xp investimentos



Partnerships – Open Insurance Platform



CHUBB

Icatu

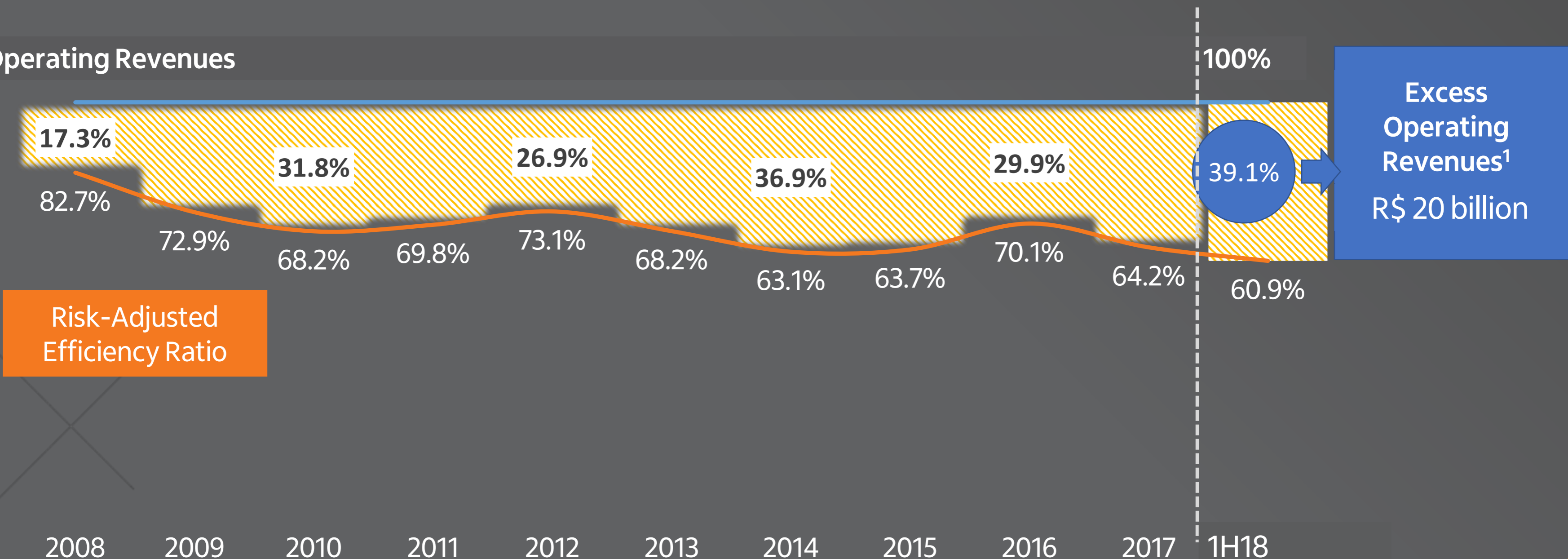




cost efficiency and control

CONTINUOUS SEARCH FOR OPPORTUNITIES TO IMPROVE EFFICIENCY AND PRODUCTIVITY

Operating Revenues

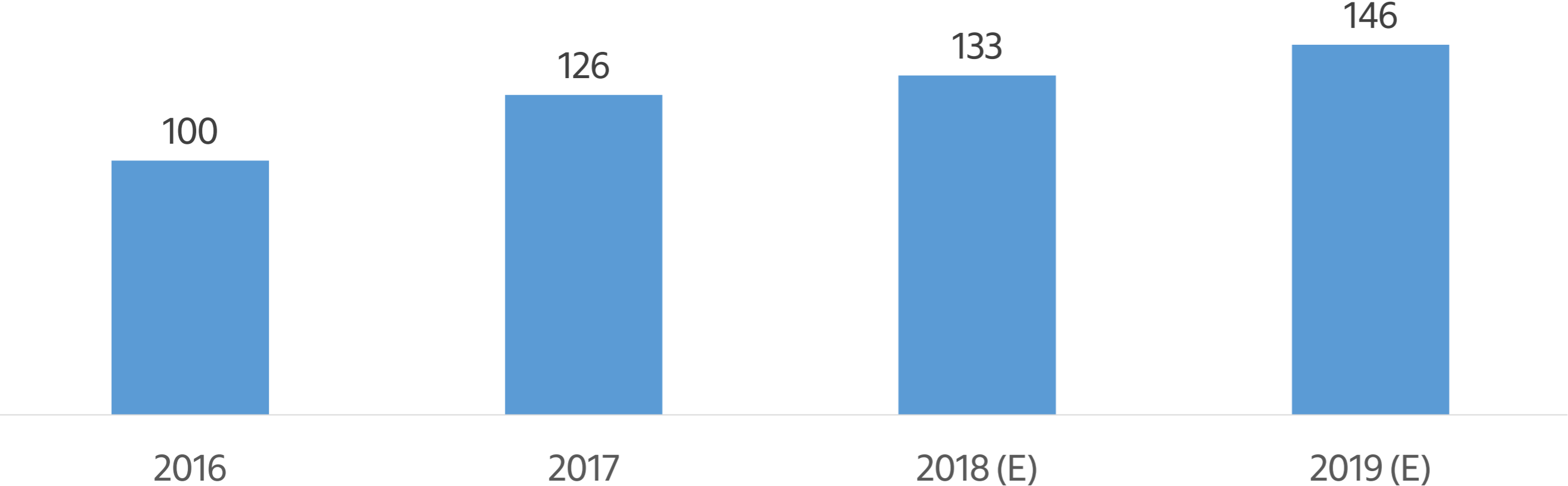


Risk-Adjusted Efficiency Ratio

Excess Operating Revenues¹
R\$ 20 billion

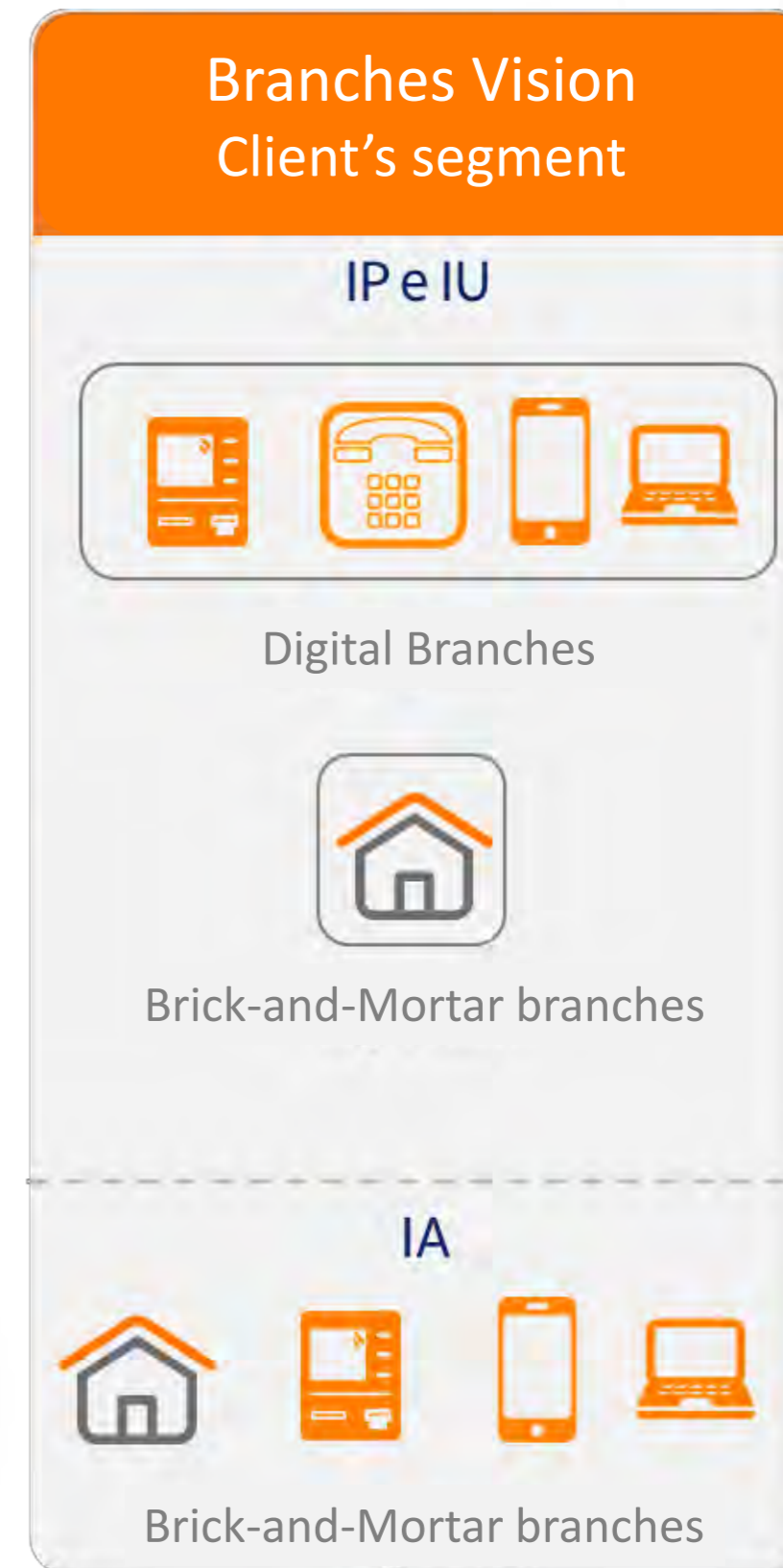
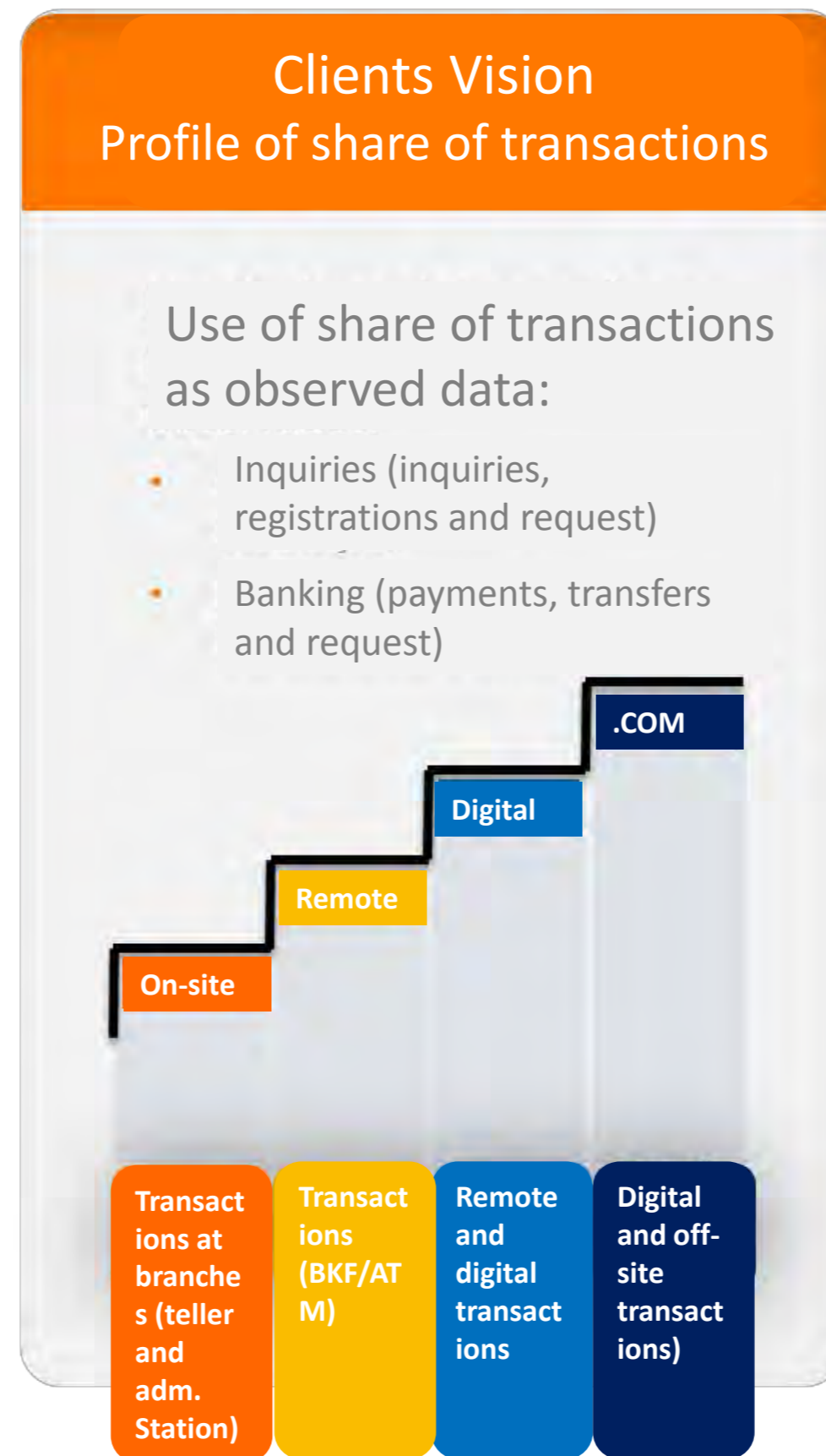
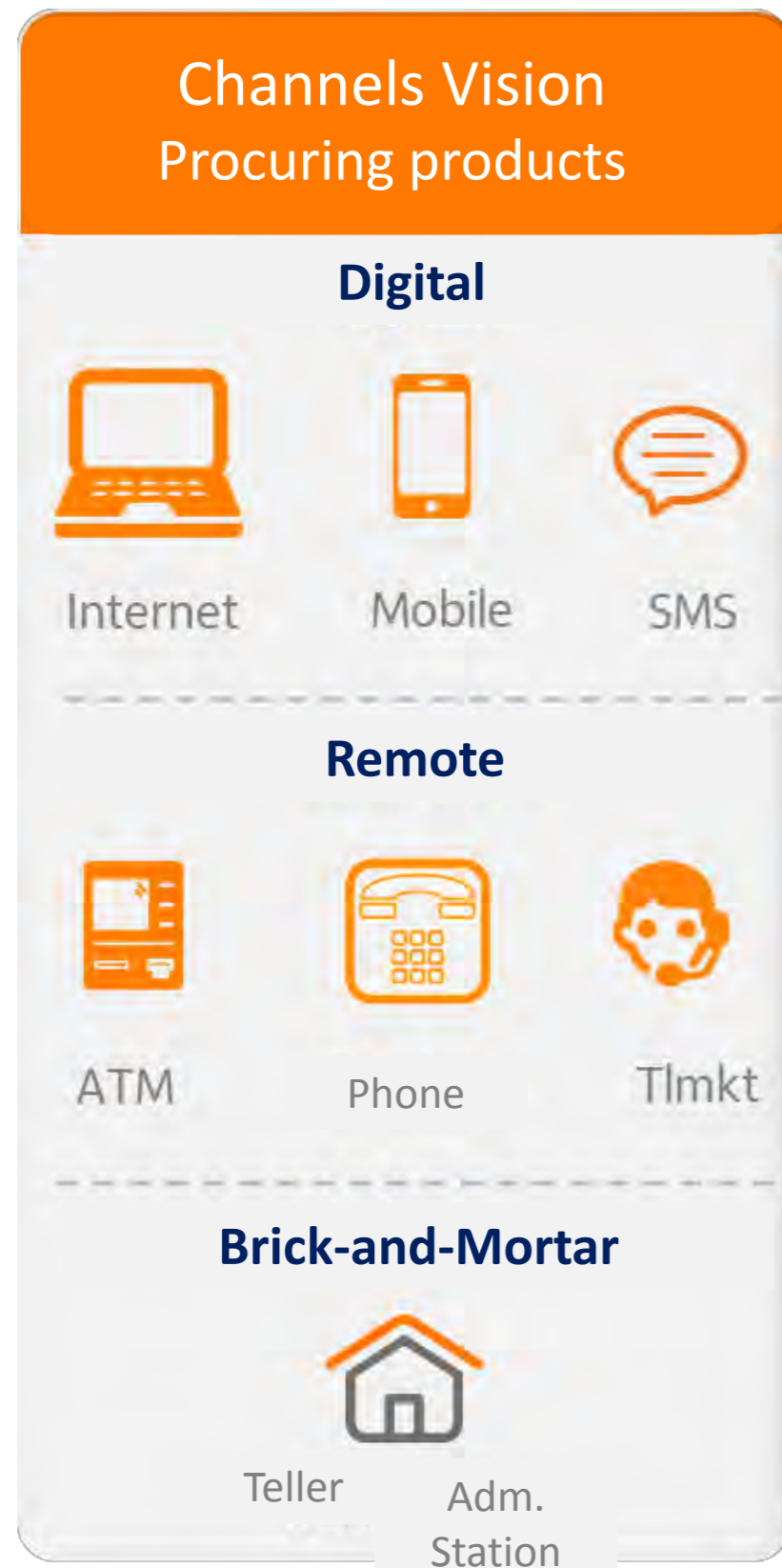
¹Total income less administrative and credit costs

Investments in Technology and System Development (Basis 100)

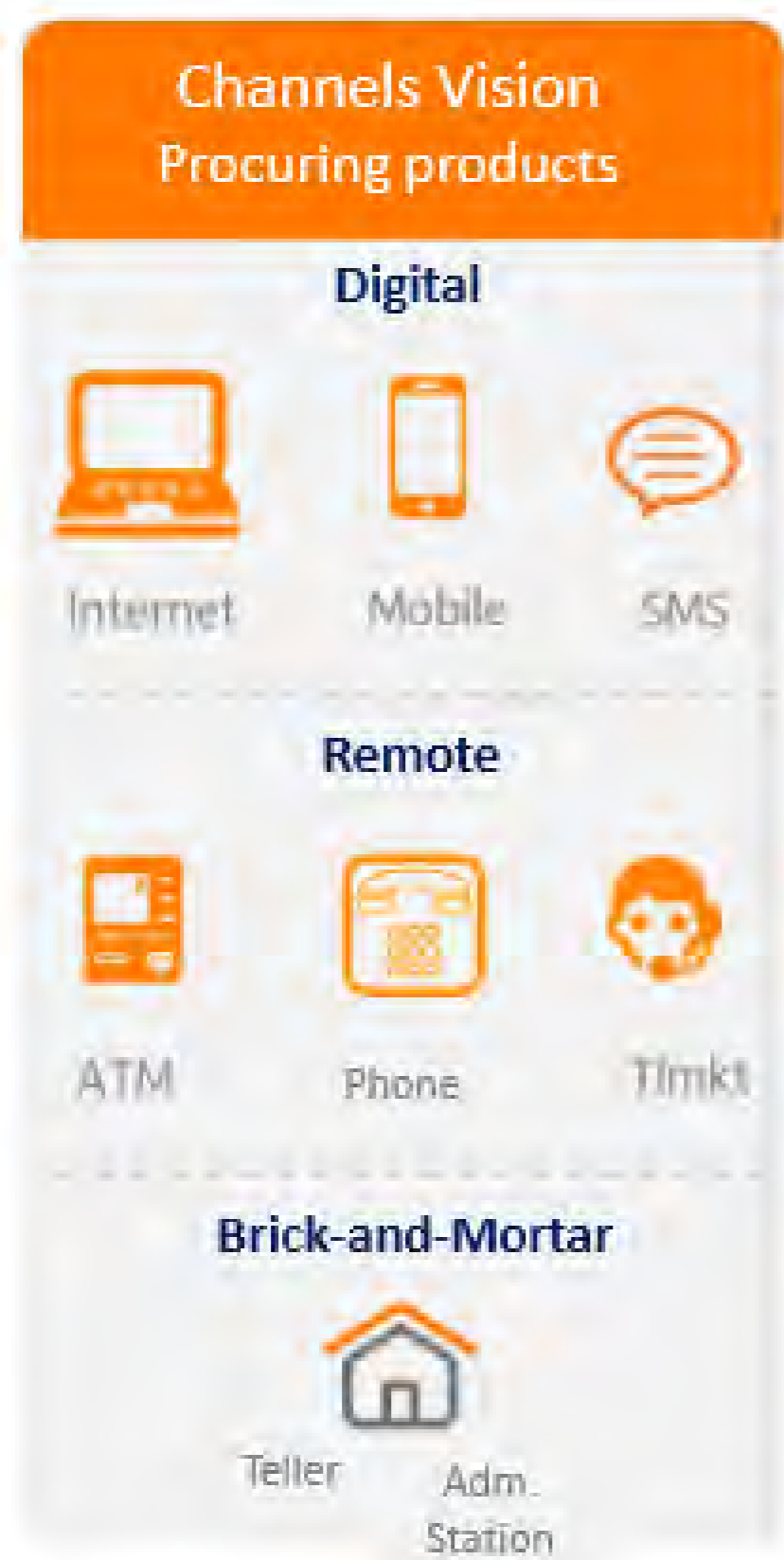


Prioritizing the single list based on the Return (Net Present Value) of each project or initiative, leading to the optimization of the Bank's Value Creation.

Priority Profitability Front | Digital Strategy | The Three Views



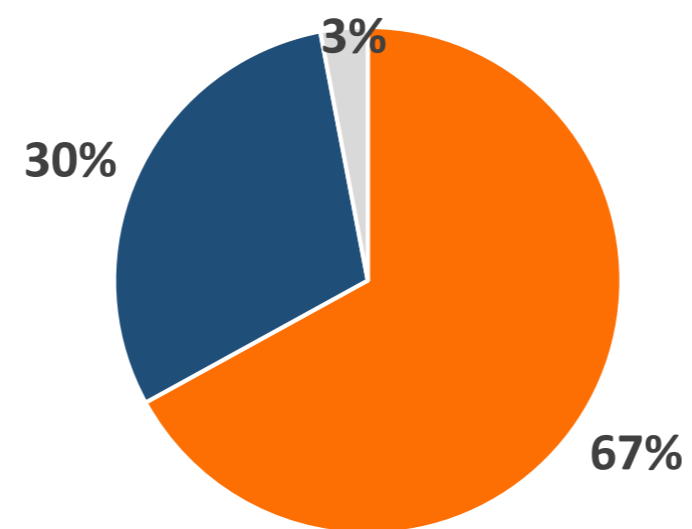
Priority Profitability Front | Digital Strategy | The Three Views



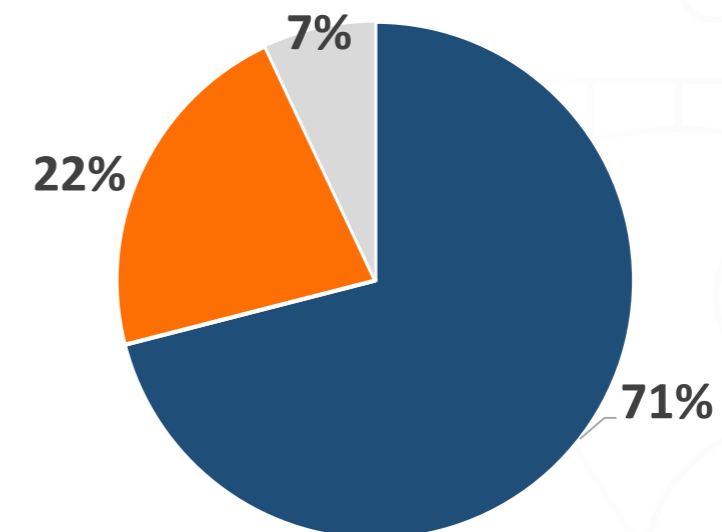
Value Creation in Retail banking -> R\$ 3.5 billion¹

Companies

Operating revenues

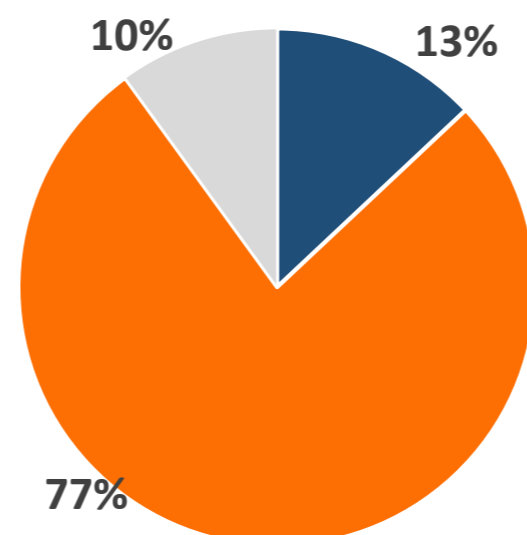


Value creation

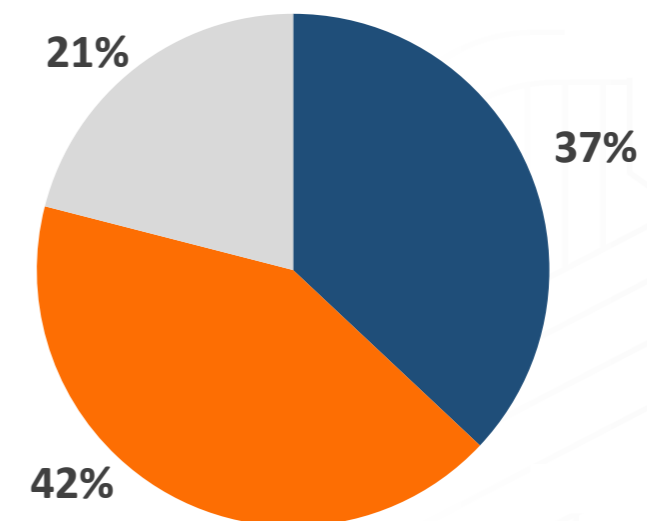


Individuals

Operating revenues



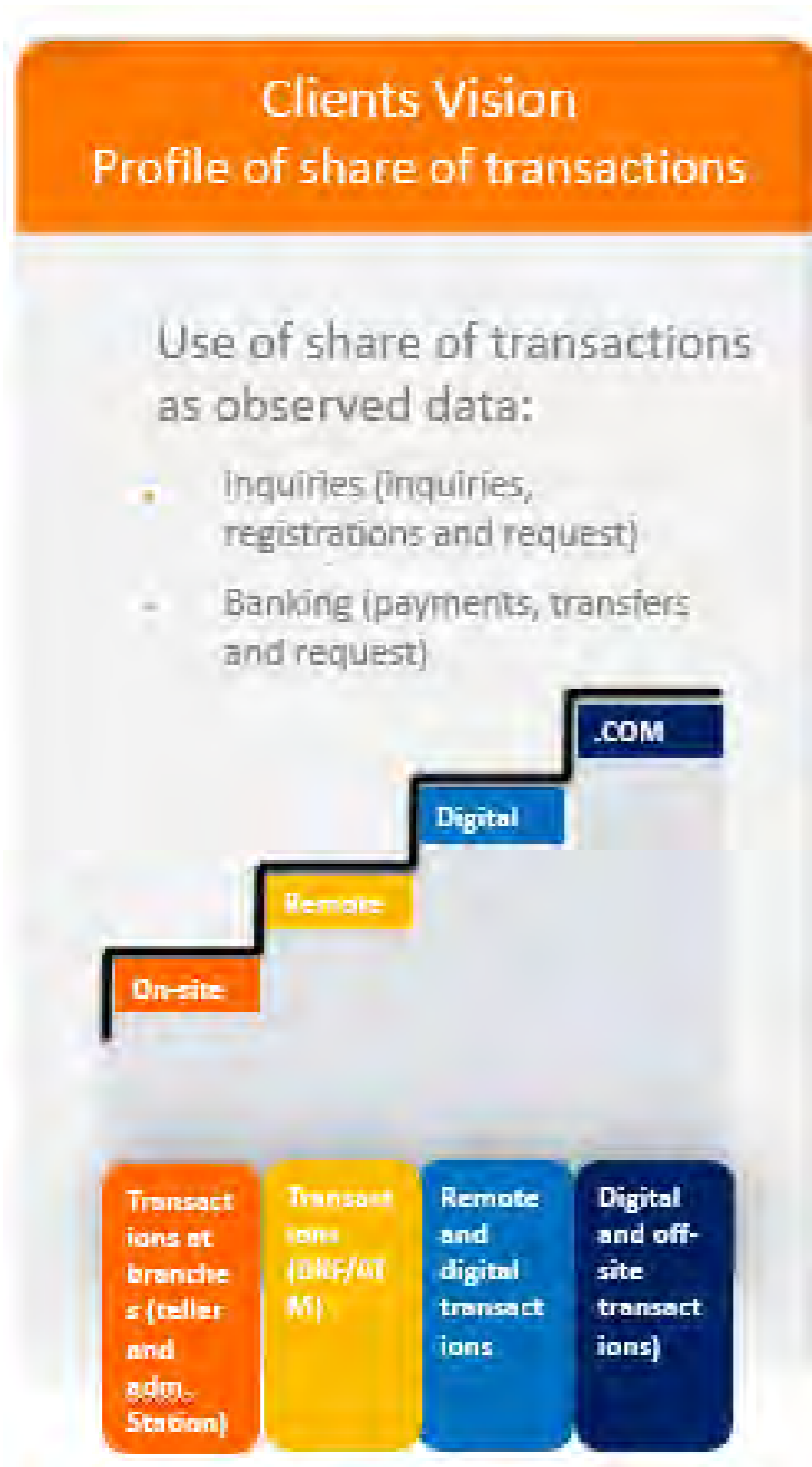
Value creation



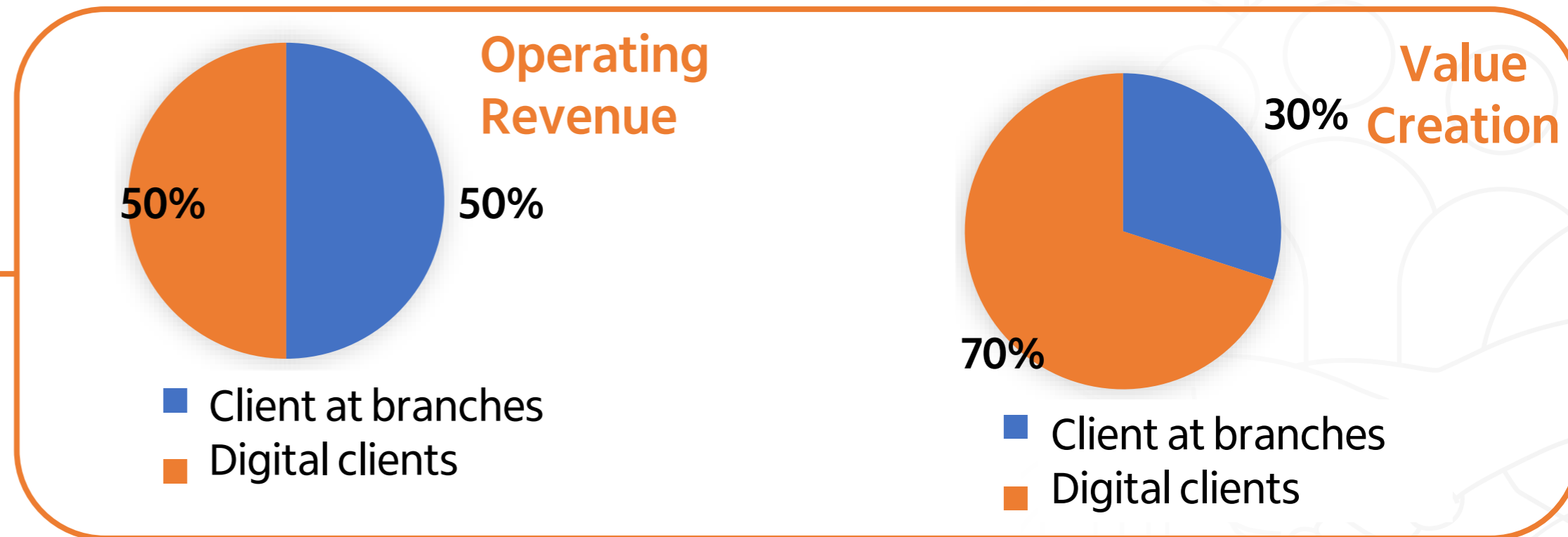
■ DIGITAL
 ■ REMOTE
 ■ BRICK-AND-MORTAR

¹Refers to the 1st semester of 2018 and are included in the R\$ 5.0 billion value creation of the bank for the same period.

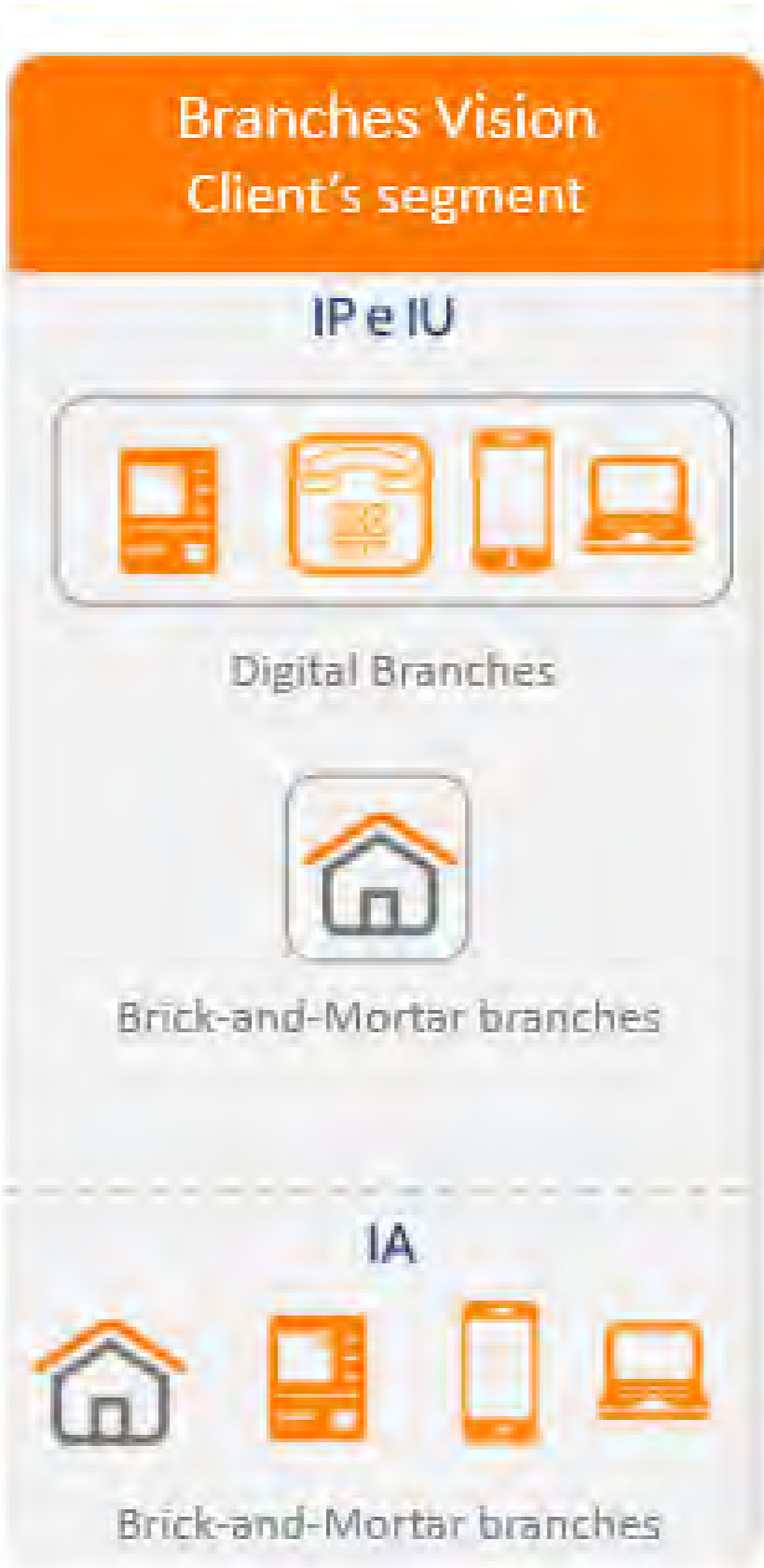
Priority Profitability Front | Digital Strategy | The Three Visions



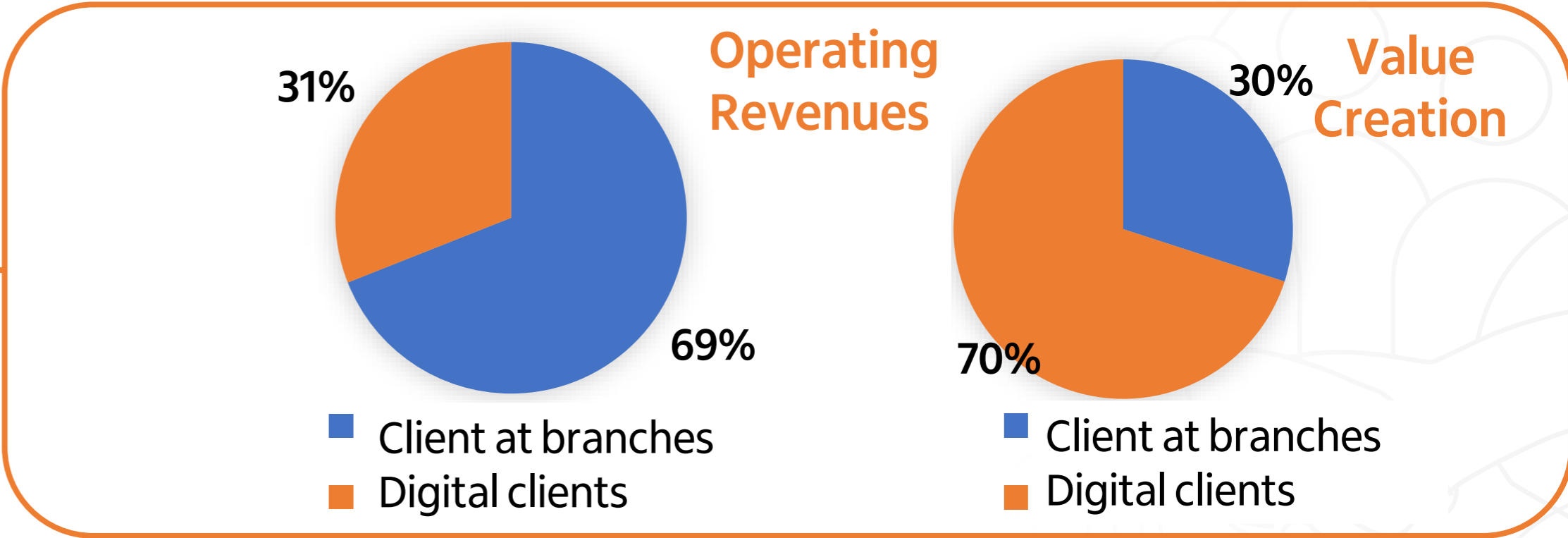
Individuals – 1st half of 2018



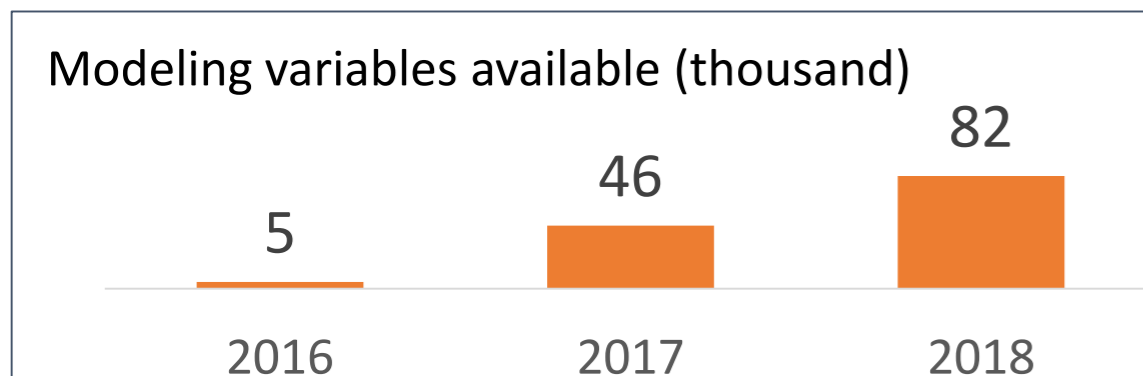
Priority Profitability Front | Digital Strategy | The Three Visions



Individuals – 1st half of 2018



Priority Profitability Front | Use of Data and Models



New credit models implemented (basis 100)

100

+R\$0.4Bi
a year¹

2016

309

+R\$1.6Bi
a year¹

2017

482

+R\$1.5Bi
a year¹

2018

¹ Income net of taxes.

65% of origination is based on new models

Main impacts:

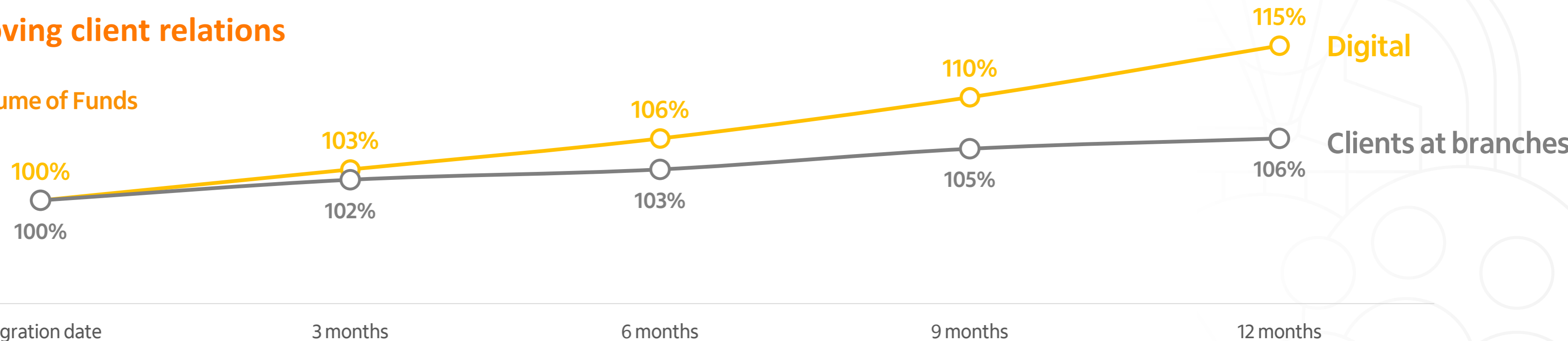
- Loan portfolio increase
- Client base increase
- Lower risk; lower delinquency rates
- Higher collection efficiency
- Improved client relation

Priority Profitability Front | Use of Data and Models

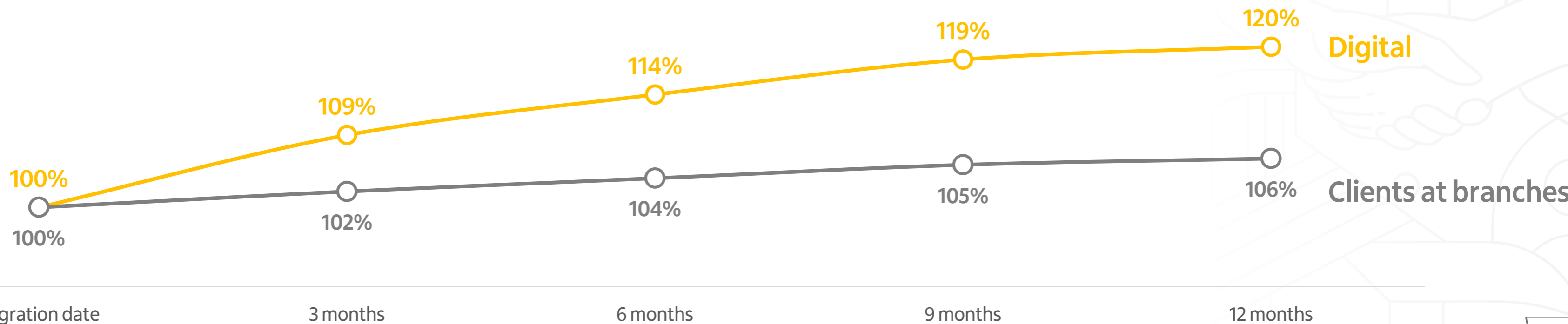
Itaú Personalité

Improving client relations

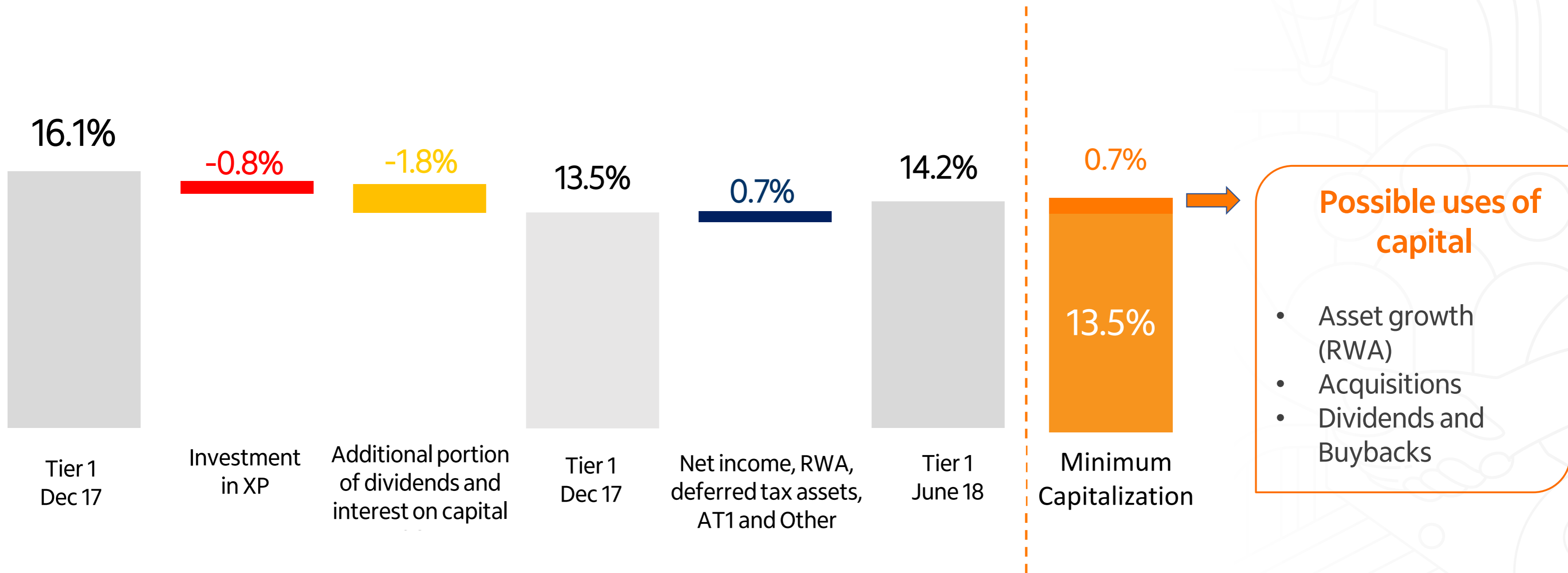
Volume of Funds



Total Operating Revenues



Priority Profitability Front | Capital Management

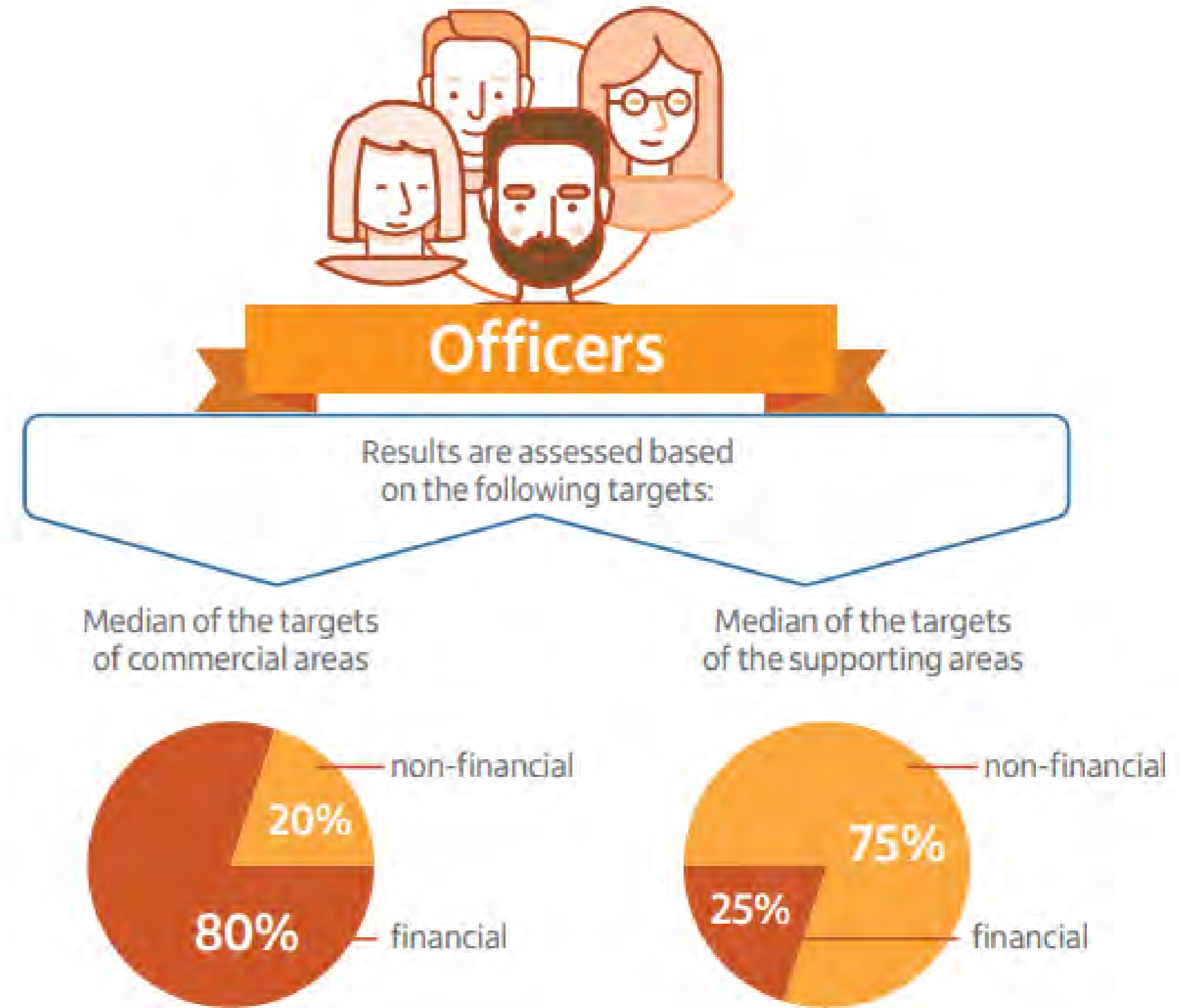


(1) The 0.6% impact represents information on additional Tier 1 capital issuance. (2) Includes goodwill deductions, intangible assets (generated before and after October 2013), deferred tax assets from temporary differences and tax loss, pension fund assets, investment in financial institutions, insurance and similar companies, increase of multiplier of portions of market and operational risks and certain credit accounts. This multiplier was 10.8 in 2017, is currently 11.6 and will be 12.5 in 2019. (3) Estimated based on preliminary information. (4) Includes the impact of 10 bps of foreign exchange variation on perpetual subordinated notes (AT1).

Priority Profitability Front | Capital Management

Alignment of incentives
Executives and Stockholders

Financial
metrics based
on results and
value creation



Priority Fronts | Risks and Profitability



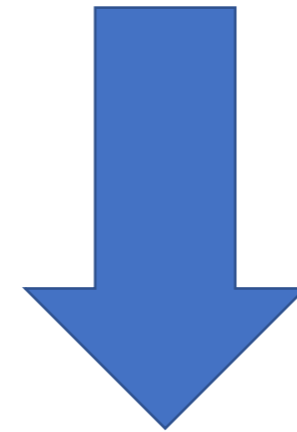
Risks

“A risk management **fully integrated** into **business performance**. **Timely** and **anticipatory** operation focused on **growing and sustainable value creation**.
Widely spread risk culture.”



Profitability

“Being the **leader in Sustainable Performance**, with a much higher profitability than **CoE** and **growing Value Creation.**”



Maximizing the Return and Value Creation for Stockholders, on a sustainable basis, in a big changing environment.



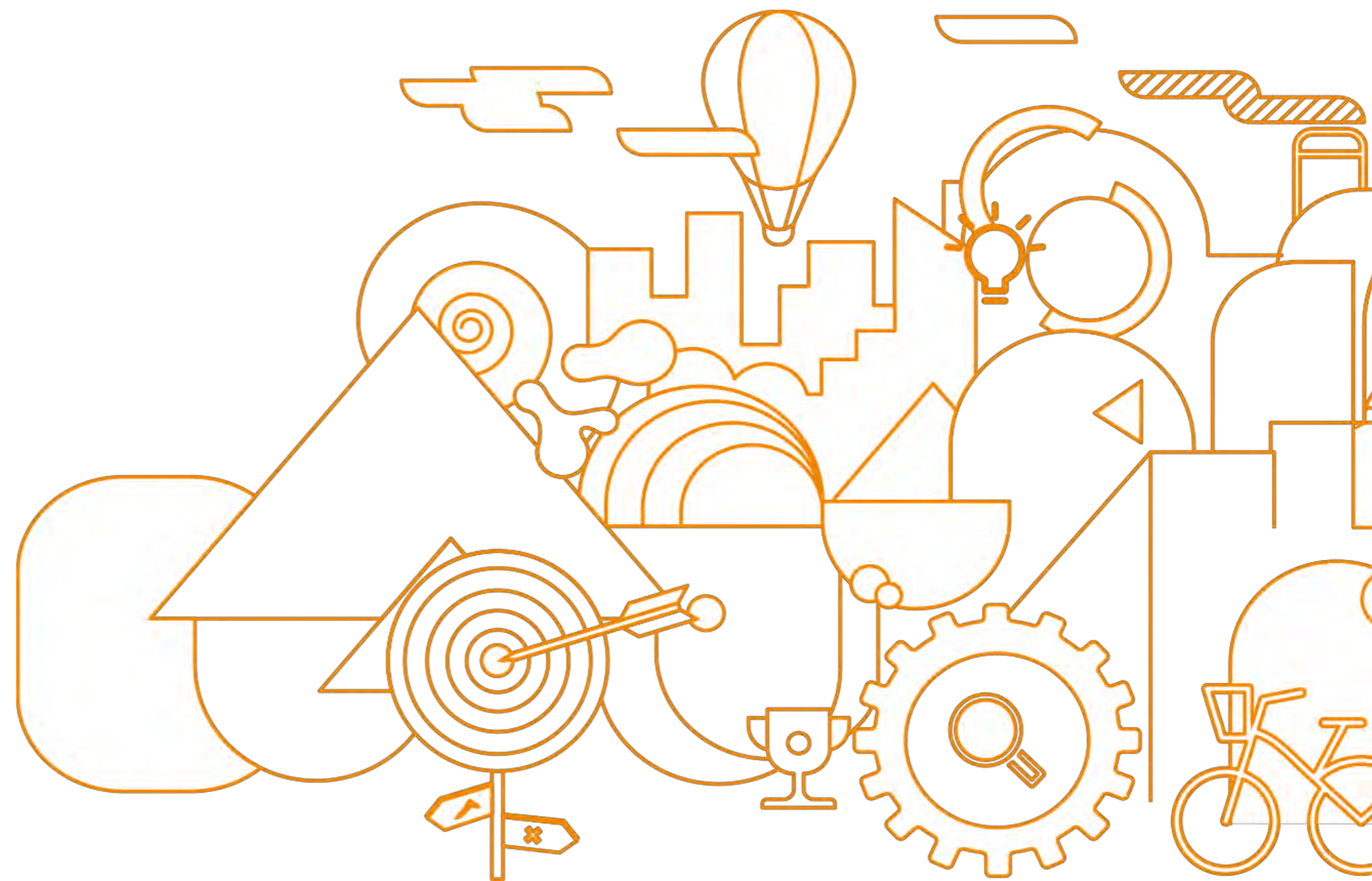
Apimec cycle 2018_SP

Itaú Unibanco Holding S.A.

APIMEC

Roberto Setubal

Co-chairman of the
Board of Directors



 www.itaú.com.br/investor-relations

Itaú Unibanco's Capital Management Goals

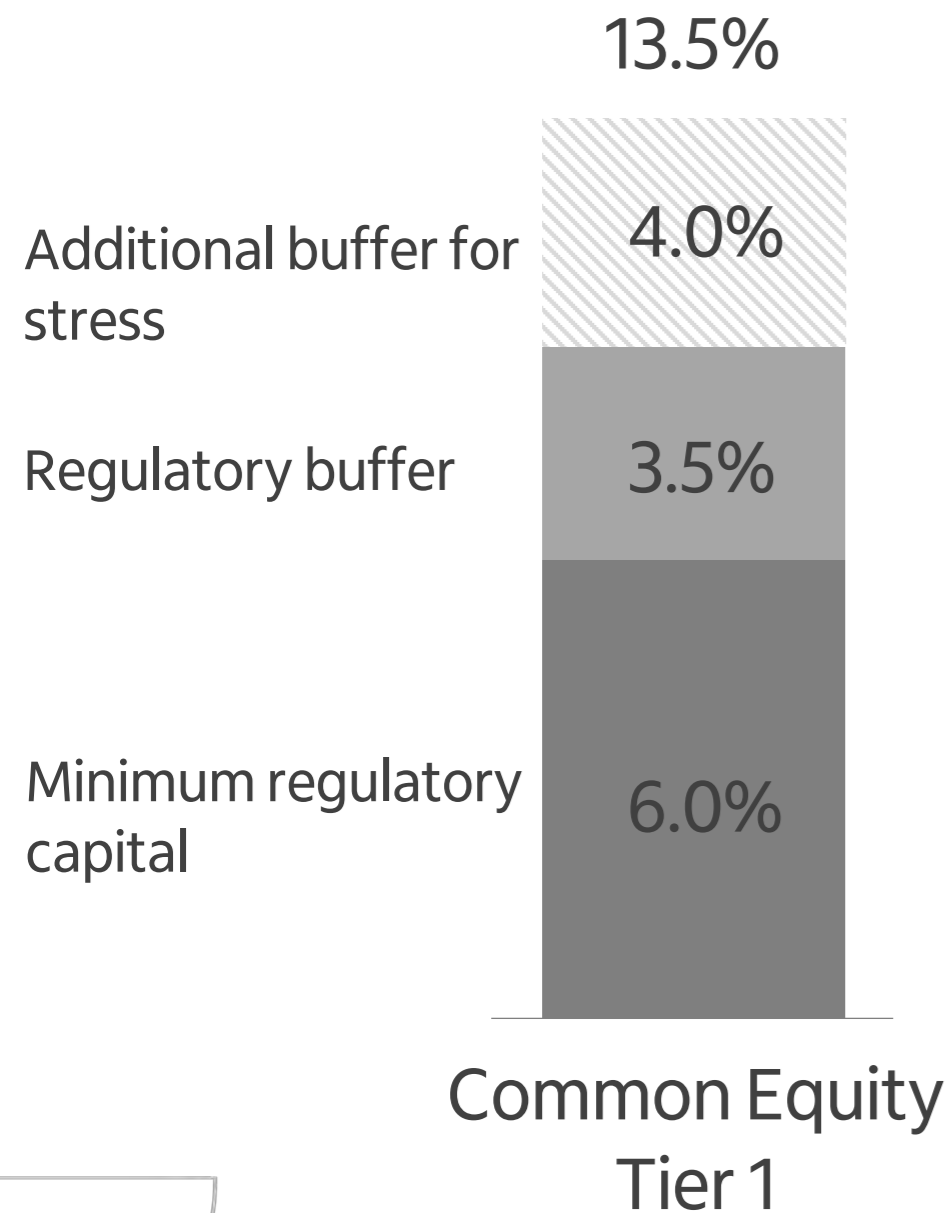
- Ensuring the bank's soundness in stress scenarios
- Optimizing the use of stockholders' capital

Itaú Unibanco's Capital Management Goals

- Ensuring the bank's soundness in stress scenarios
- Optimizing the use of stockholders' capital

Ensuring the bank's soundness in stress scenarios

- Keeping an adequate capitalization level



- We keep an additional capital buffer to ensure the bank's regular operation even in stress scenarios
- Sizing this buffer takes into account the stress simulations for the Conglomerate we have carried out since 2011

Factors taken into account in Capital Management

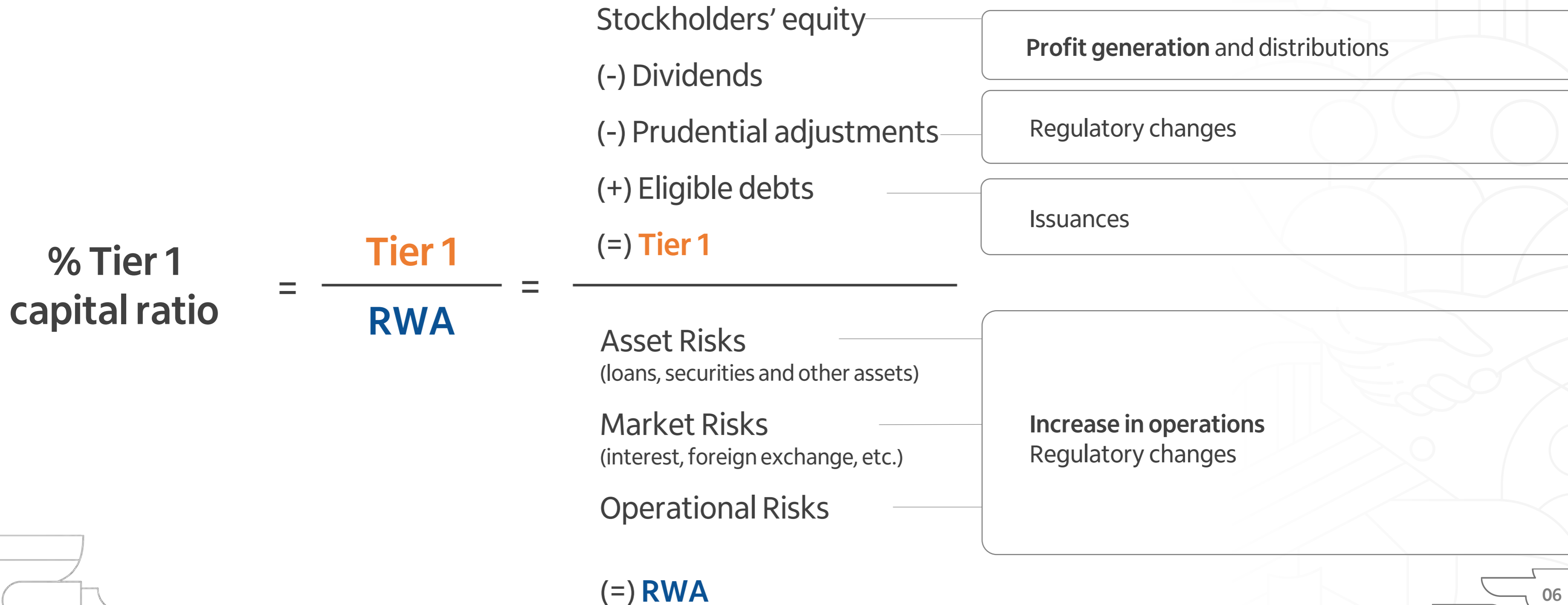
- We must have a **capital** % for all the **risks** taken by the bank

$$\begin{aligned} \text{\% Tier 1 capital ratio} &= \frac{\text{\textbf{Tier 1}}}{\text{\textbf{RWA}}} = \frac{\begin{aligned} &\text{Stockholders' equity} \\ &(-) \text{ Dividends} \\ &(-) \text{ Prudential adjustments} \\ &(+)\text{ Eligible debts} \\ &(\text{=}) \text{\textbf{Tier 1}} \end{aligned}}{\begin{aligned} &\text{Asset Risks} \\ &(\text{loans, securities and other assets}) \\ &\text{Market Risks} \\ &(\text{interest, foreign exchange, etc.}) \\ &\text{Operational Risks} \\ &(\text{=}) \text{\textbf{RWA}} \end{aligned}} \end{aligned}$$

Factors taken into account in Capital Management

- We must have a **capital** % for all the **risks** taken by the bank:

Determining factors in normal scenarios:
Profit generation and RWA growth are the main factors

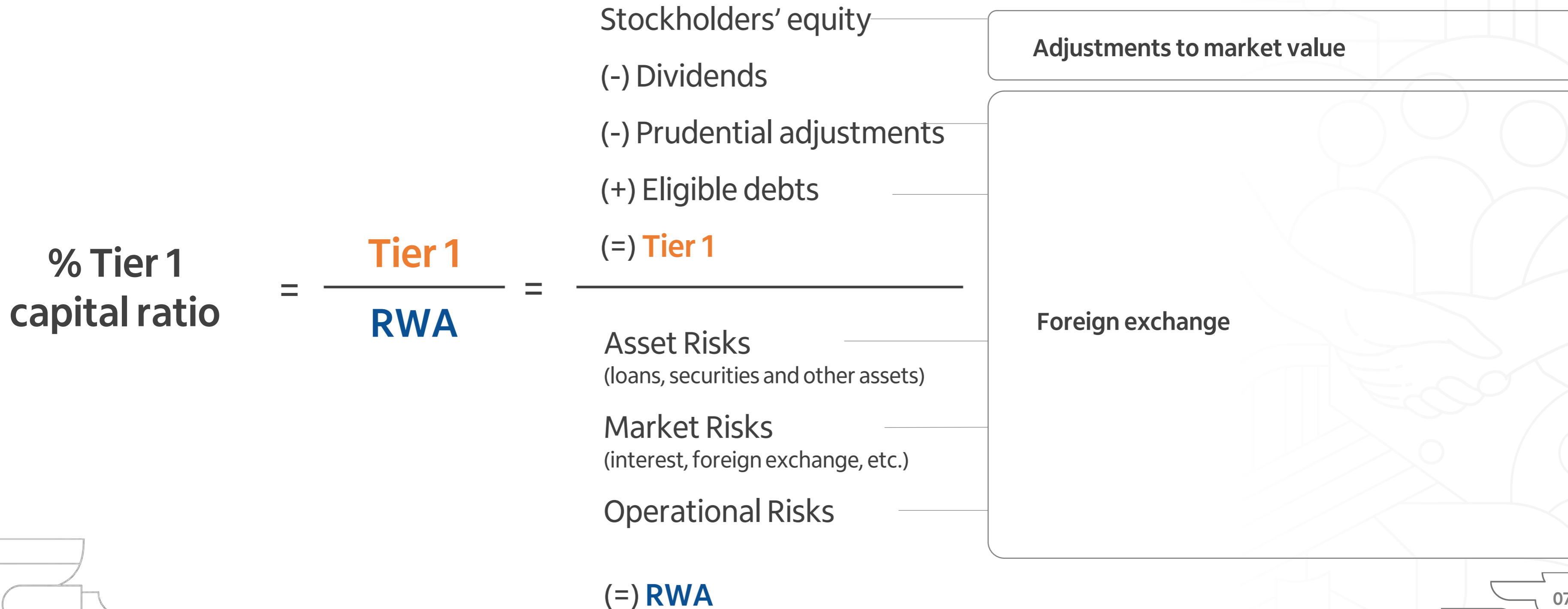


Factors taken into account in Capital Management

- We must have a **capital** % for all the **risks** taken by the bank:

Determining factors in stress scenarios:

Foreign exchange and adjustments to market value are the most impacted items



Some of our management actions to mitigate impacts on capital

Simulation at Tier 1

If the Real had reached R\$ 5.00 for 1 US\$

(Simulation for December 2018*)

Normal scenario (In June 2018*)

No capital management actions

Capital management actions +

USD
@3.86

$$\frac{\text{Tier I} = 112 \text{ billion}}{\text{RWA} = 786 \text{ billion}} = 14.2\%$$

USD
@5.00

$$\frac{118 \text{ billion}}{890 \text{ billion}} = 13.3\%$$

USD
@5.00

$$\frac{134 \text{ billion}}{927 \text{ billion}} = 14.5\%$$

*Including the prompt and full Basel III rules and the impact of the investment in XP.

Itaú Unibanco's Capital Management Goals

- Ensuring the bank's soundness in stress scenarios
- Optimizing the use of stockholders' capital

Optimized Use of Stockholders' Capital

- We measure capital consumption and return on investments of all our operations

	Credit	Trading	Insurance & Services	Capital Surplus
In R\$ billion	1H18	1H18	1H18	1H18
Operating revenues	28.4	0.9	25.2	1.0
Cost of credit	(7.4)	-	-	-
Claims expenses	-	-	(0.6)	-
Non-interest expenses and Other expenses ¹	(13.1)	(0.6)	(13.9)	(0.1)
Recurring net income	4.5	0.3	7.1	0.9
Average Regulatory Capital	61.6	1.7	35.1	22.8 ³
Value Creation²	0.5	0.2	4.9	(0.5)
Recurring ROE	14.5%	34.2%	40.5%	8.0%

¹ Includes Tax expenses (ISS, PIS, COFINS and other), Insurance selling expenses and Minority interests.

² The Consolidated cost of capital, respective for each period, was used to calculate the creation of value of the Consolidated and the parties.

³ Capital surplus does not include the effects of integrating the investment of XP Investimentos or the allocation to business of the total capital required by Itaú Corpbanca.

- We search for business that create value to our stockholders

Payout Policy

- In September 2017, we announced the payout policy with a minimum dividend of 35% of Net Income, with no maximum limit, taking into account:
 - Company's capitalization level, in accordance with the rules defined by the Central Bank of Brazil
 - Minimum capitalization level of 13.5% of Common Equity Tier I
 - Profitability for the year
 - The prospective use of capital based on the expected business growth, share buyback programs, mergers and acquisitions and regulatory changes that may change capital requirement
 - Tax changes
 - Significant changes in RWA (risk-weighted assets)

Simulated total payout to keep the Common Equity Tier 1 at 13.5% in different return and growth scenarios:

		ROE				
		15.0%	17.5%	20.0%	22.5%	25.0%
RWA growth	5.0%	65 – 70%	70 – 75%	75 – 80%	80 – 85%	85 - 90%
	10.0%	40 – 45%	45 – 50%	50 – 55%	55 – 60%	60 – 65%
	15.0%	35%	35%	35 – 40%	40 – 45%	45 – 50%

This matrix is for reference purposes only. Payout is conditioned on a prospective analysis of capital consumption and market condition.