



ITAÚSA

**Report on the 2018 Brazilian
Corporate Governance Code –
Version 1**

Base date: Jan 01, 2017 to Dec 31, 2017

Attachment 29-A to
CVM Instruction 480/09

Chapter 1 – Stockholders

Item 1.1.1 The company’s capital stock should be composed of common shares only.

Response: Not comply

Explanation:

Itaúsa is a holding company represented by common and preferred shares, at the approximate proportion of 1/3 and 2/3, respectively.

The controlling group holds approximately 64% of common shares and 20% of preferred shares of the Company, as described in items 15.1/15.2 and 15.5 of Itaúsa’s Reference Form disclosed on June 25, 2018 (“Reference Form”).

In accordance with Itaúsa’s Bylaws, preferred shares are entitled to priority in the receipt of a minimum annual dividend and the right to tag along, in the event of a sale of Itaúsa’s control, at a price equal to eighty percent (80%) of the price paid for each common share held by the controlling group, even though with no voting right.

Controlling stockholders understand that this structure complies with the Company’s social purposes and also contributes to create value for Itaúsa and its stockholders.

Furthermore, Itaúsa has increasingly endeavored to create more value to its stockholders by implementing actions to strengthen its corporate governance. Accordingly, in 2018 Itaúsa was chosen for the 15th year to make up the Dow Jones Sustainability World Index (DJSI) and for the 11th year, the Business Sustainability Index (ISE) of B3. It also made up the Special Corporate Governance Stock Index (IGC) of B3. These indices nominate companies of recognized corporate sustainability, including corporate governance practices.

For further information, see the Bylaws available on Itaúsa’s website (<http://static.itausa.aatb.com.br/Pagina/EN ITS%202018-04-12%20ES.pdf>).

Item 1.2.1: Stockholders’ agreements should not bind the exercising of the right to vote of any member of management or supervisory and control bodies.

Response: Partially adopted

Explanation:

As described in item 15.5 of the Reference Form, the Stockholders’ Agreement of Companhia ESA provides for the exercise of the stockholding control of Itaúsa and its main subsidiaries.

In accordance with this Stockholders’ Agreement, subscribers are responsible for discussing matters of interest of Itaúsa, in compliance with the procedures defined therein, with respect to decisions on strategic issues for the Company and its main subsidiaries. Regarding the composition of the Board of Directors of these companies, the controlling group nominates four representatives who are instructed to vote alike at meetings, in conformity with item 6.6 of this Stockholders’ Agreement, available on the websites of the Company and the CVM.

It is worth mentioning, however, that the binding to the Stockholders’ Agreement should not be perceived as an impediment for management members to carry out their responsibilities and fiduciary duties, as these activities are not incompatible. Law No. 6,404, of December 15, 1976, as amended (“Law No. 6,404/76”) provides for the duty of loyalty in its Article 154, stating that the interests of the Company are a priority, even if the management member has been elected by the controlling stockholder (and the latter

must not use the Stockholders' Agreement to avoid the responsibility for exercising the voting right and for any abuse of control, in accordance with Articles 115 and 117 of said Law).

Regarding the supervisory and control bodies, there is no binding upon the exercising of the right to vote. Itaúsa's Fiscal Council operates permanently and is composed of three to five members, one of whom elected by preferred stockholders, one by minority stockholders, and the remaining members are elected by other common stockholders.

For further information, see the Stockholders' Agreement of Companhia ESA, available on the websites of Itaúsa (http://static.itausa.aatb.com.br/Imagens/acordo_acionistas_01092015.pdf) and the CVM.

Item 1.3.1: The executive board should use the stockholders' meeting to communicate how the company's business is being conducted, for which reason management should publish a manual aimed at facilitating and encouraging attendance to general stockholders' meetings.

Response: Yes

Explanation: No justification is required when responding "Yes" to this item.

Item 1.3.2: Minutes of these minutes should ensure the full understanding of the discussions held at the meetings, even if recorded in summary form, and identify the votes cast by stockholders.

Response: Yes

Explanation: No justification is required when responding "Yes" to this item.

Item 1.4.1: The board of directors should carry out a critical analysis of the advantages and disadvantages of anti-takeover mechanism and its characteristics, especially triggers and price parameters, if applicable, providing any related explanation.

Response: Not applicable.

Explanation: No justification is required when responding "Not applicable" to this item.

Item 1.4.2: Provisions that prevent the removal of the measure from the bylaws, the so-called "entrenched clauses", should not be used.

Response: Not applicable.

Explanation: No justification is required when responding "Not applicable" to this item.

Item 1.4.3: If the bylaws determine that a tender offer should be carried out, whenever a stockholder or group of stockholders directly or indirectly achieves significant interest in the voting capital, the rule for determining the offer price should not impose the addition of premiums substantially greater than the economic or market value of shares.

Response: Not applicable.

Explanation: No justification is required when responding "Not applicable" to this item.

Item 1.5.1: The company's bylaws should establish that: (i) transactions with a direct or indirect disposal of stockholding control be followed by a tender offer intended to all stockholders, at the same price and in the same conditions obtained by the selling stockholder; and (ii) management should state an opinion on the terms and conditions of corporate reorganizations, capital increases and other transactions leading to change of control, and also whether these terms and conditions ensure fair and equitable treatment to the company's stockholders.

Response: Not comply

Explanation:

Regarding item (i), the Company's Bylaws does not provide for the need to carry out a tender offer intended to all stockholders, at the same price and in the same conditions obtained by the selling stockholder, as it is not required by law. Accordingly, Article 254-A of Law No. 6,404/76 provides for the disposal of a publicly-held company to be carried out only in the condition that the buyer commits itself to carry out a tender offer of the voting rights held by the other stockholders of the company, so as to assure the latter a price at least equal to 80% of the value paid per voting share that is part of the controlling group. However, Itaúsa's Bylaws also assure this tag-along right to preferred stockholders, so that B3 has listed the Company at ITAG (Brazil Special Tag-Along Index).

Regarding item (ii), the Company's Bylaws does not provide for the management's opinion on the terms and conditions of corporate reorganizations, capital increases, and other transactions that result in change of control, stating whether they ensure fair and equitable treatment to the company's stockholders. It is worth mentioning that Law No. 6,404/76 already sets forth management members' duties and responsibilities in carrying out their duties, among them the duties of diligence, loyalty, and carrying out any functions assigned by law or by the company's bylaws to achieve the financial purposes in the interest of the company.

Item 1.6.1: The bylaws should set forth that the board of directors issue an opinion on any tender offer related to shares and securities convertible into or exchangeable for shares issued by the company, which should include, among other relevant information, the board of directors' opinion on any possible acceptance of the tender offer and the company's economic value.

Response: Yes

Explanation: No justification is required when responding "Yes" to this item.

Item 1.7.1: The company should prepare and disclose a policy on the appropriation of income to be defined by the board of directors. Among other aspects, this policy should provide for the frequency of payments of dividends and the reference parameter to be used to define the related amount (such as percentages of adjusted net income and free cash flows).

Response: Partially adopted

Explanation:

The Company does not have a policy on the appropriation of income formally approved by the Board of Directors. However, in addition to the provisions in item 3.4 (Policy on the Appropriation of Income) of the Reference Form, Articles 10 to 12.5 of the Company's Bylaws sets forth the practices adopted for appropriation of net income, dividends and statutory reserves.

Furthermore, the Company has a System for the Payout of Quarterly Profits to the Stockholders, formalized and approved by the Board of Directors on November 10, 2008, and the Dividend Reinvestment Program, available on the Company's website (<http://www.itausa.com.br/> > Corporate Governance).

Item 1.8.1: The bylaws should clearly and accurately identify, in a specified chapter, the public interest that has justified the creation of the mixed-capital company.

Response: Not applicable.

Explanation: No justification is required when responding “Not applicable” to this item.

Item 1.8.2: The board of directors should monitor the company’s activities and establish policies, mechanisms and internal controls to verify any costs of serving the public interest and any refunds to the company or other stockholders and investors by the controlling stockholder.

Response: Not applicable.

Explanation: No justification is required when responding “Not applicable” to this item.

Chapter 2 - Board of Directors

Item 2.1.1: Without prejudice to other legal, statutory powers and to other practices set forth in the Code, the Board of Directors should: (i) define business strategies, taking into account the impacts of the company's activities on society and the environment, aiming at the continuity of the company and the creation of long-term value; (ii) periodically assess the company's risk exposure and the effectiveness of risk management systems, internal controls, and compliance system, and approve a risk management policy in line with these business strategies; (iii) define the company's values and ethical principles and ensure the company's transparency in its relationship with all stakeholders; (iv) annually revise the corporate governance system to improve it.

Response: Yes

Explanation:

Response to sub item (i): The Company's Board of Directors is responsible for defining overall business guidelines and decide on strategic issues, aiming at carrying out certain guidelines, such as ensuring the continuity of the company, within a long-term and sustainability perspective that incorporates economic, social, environmental and good corporate governance issues when defining business and operations.

As a result of this commitment, the Board of Directors instructs the Company and subsidiaries to engage in initiatives promoted by organizations recognized in Brazil and abroad.

Itaúsa has made up the Business Sustainability Index (ISE) of B3 since 2006, and the Dow Jones Sustainability World Index since 2003.

Furthermore, as mentioned in the Company's annual report 2017, worth mentioning is Itaúsa's involvement in the Carbon Disclosure Project (CDP), which, since 2011, has featured an evolution of the disclosure as a result of implementing the best practices and CO2 emission reduction targets at Itaúsa and its subsidiaries.

Moreover, Itaúsa's representatives in the boards of directors and advisory committees of subsidiaries disseminate their care with the assessment of environmental and social aspects when defining its business strategies.

Response to sub item (ii): The Company has a Risk Management Policy approved by the Board of Directors on May 4, 2017, updated on May 14, 2018, which provides for the guidelines to be followed in the Company's risk management process. For further information on the risk management policy of Itaúsa and the group companies, see items 5.1 and 5.2 of the Reference Form.

As described in item 5.1 of the Reference Form, the Board of directors is the Company's top risk management body and responsible for, among others, opining on the assessment of the effectiveness of policies, risk management systems, internal controls, and compliance system, and approve any suggestions to change them, if deemed necessary.

Furthermore, the Compliance and Corporate Risk Department periodically prepares reports on the consolidation of the Company's risks, which are reported from time to time to the Sustainability and Risks Commission and the Board of Directors, so that Itaúsa's risk exposure level is monitored.

Response to sub item (iii): Itaúsa's Code of Ethics was approved by the Board of Directors on December 19, 2011, and updated on May 14, 2018, when it became known as Itaúsa's Code of Conduct. Available on the websites of Itaúsa and the CVM, Itaúsa's Code of Conduct is aimed at addressing the principles, values and commitments guiding Itaúsa's actions, and its relationship with society and the market; it also reports on the Company's expectations about the conduct of each and every employee and management member in the performance of professional activities and relationships at Itaúsa.

Itaúsa's Code of Conduct also values the principle of transparency in a number of scenarios, such as when interacting with public agents, entering into related-party transactions, managing people and engaging suppliers.

Therefore, it is absolutely clear Itaúsa's Board of Directors' commitment to clearly establishing the company's values and ethical principles, ensuring transparency in its relationship with its diverse stakeholders.

Response to sub item (iv): On May 14, 2018, the Company's Board of Directors approved its Corporate Governance Policy, consolidating the Corporate Governance principles and practices it adopts.

As set forth in this Corporate Governance Policy, it is the responsibility of the Corporate Affairs Department and the Legal, Compliance and Corporate Risk Department to annually revise the Company's Corporate Governance system for improving it and recommending any amendments thereto to the Sustainability and Risks Commission or the Executive Board, as the case may be.

After such revision, the Board of Directors is responsible for opining on the corporate governance system and approving any recommendations to amend it.

Item 2.2.1: The bylaws should establish that: (i) the board of directors be composed of a majority of external members, where at least one third should be independent; (ii) the board of directors annually assess and disclose the independent members of the board of directors, and indicate and justify any circumstances that might compromise their independence.

Response: Partially adopted

Explanation:

Regarding item (i), Itaúsa's Board of Directors is composed of a majority of external members, as described in item 12.5/6 of the Reference Form. However, the Bylaws do not expressly establish that the Board of Directors be composed of a majority of external members and have at least one-third of independent members.

Additionally, Itaúsa has a Nomination Policy for the Members of the Board of Directors, approved at the Board of Directors' meeting held on May 14, 2018, addressing nomination principles, rules and procedures.

Regarding item (ii), Article 6.5, item XIII, of the Company's Bylaws, the Board of Directors is responsible for annually assessing and disclosing the independent members and indicating and justifying any circumstances that might compromise their independence.

Access to the Bylaws and the Nomination Policy for the Members of the Board of Directors is available on the websites of the Company and the CVM. (<http://static.itausa.aatb.com.br/Pagina/EN ITS%202018-04-12%20ES.pdf> and <http://www.itausa.com.br/pt/governanca-corporativa/politica-de-indicacao-dos-membros-do-conselho-de-administracao>).

Item 2.2.2: The board of directors should approve a nomination policy establishing: (i)

Response: Yes

Explanation:

On May 14, 2018, Itaúsa's Board of Directors approved the Nomination Policy for the Members of the Board of Directors ("Policy"), addressing the nomination procedures for members of the Board of Directors and the responsibilities of other corporate bodies in this process.

This Policy provides for that the members nominated to the Board of Directors must be highly qualified professionals, with outstanding experience (technical, professional, academic) and aligned with Itaúsa's values and the culture, in addition to the ethical and behavioral aspects set forth in Itaúsa's Code of

Conduct. Other criteria should be considered, such as unblemished reputation, time available for carrying out the duties of the function, complementing competencies and, whenever possible, diversity, allowing Itaúsa to benefit from the plurality of arguments and a decision-making process of the greatest quality and security.

The nomination process for the members of the Board of Directors is described in item 12.3 of the Reference Form, which, in line with the Policy, establishes that the Company's Corporate Affairs Department is responsible for checking whether the nomination of the members of the Board of Directors is in compliance with the Policy.

Access to the full text of this Policy is available on the websites of Itaúsa and the CVM (<http://www.itausa.com.br/pt/governanca-corporativa/politica-de-indicacao-dos-membros-do-conselho-de-administracao>).

Item 2.3.1: The CEO should not also hold the position of chairman of the board of directors at the same time.

Response: Yes

Explanation: No justification is required when responding “Yes” to this item.

Item 2.4.1: The company should implement an annual performance evaluation process for the board of directors and its committees, as joint committees, and for the chairman of the board of directors and board members, individually considered, and the governance department, if any.

Response: Not comply

Explanation:

The Company does not have a formal performance evaluation mechanism, as stated in item 12.1(d) of the Reference Form.

However, in conformity with the Company's Nomination Policy for the Members of the Board of Directors, the process to lead back management members to their posts take into account their experience, based on how they contributed to debates on issues discussed, effective contribution in the decision-making process, commitment to carrying out their duties, and regular attendance at meetings during the previous term of office.

Item 2.5.1: The board of directors should approve and keep updated a CEO succession plan, the preparation of which should be coordinated by the chairman of the board of directors.

Response: Not comply

Explanation:

Itaúsa does not have a formal CEO succession plan. However, discussions and decisions at the Company are shared and count on the engagement not only of the CEO but also by the other members of the Executive Board and the Board of Directors, which contributes to the continuity of the Company's management, in the event of any need of succession.

Furthermore, the Company's main subsidiaries have and maintain updated a succession plan for their respective CEOs.

Item 2.6.1: The company should have program to integrate the new members of the board of directors, prepared in advance, so that these members are introduced to the key people of the company and its subsidiaries and facilities, and this program should address key topics for understanding the company's business.

Response: Yes

Explanation:

Itaúsa has a practice to integrate the new members of the Board of Directors, which involves introducing them to the key people of the Company and main subsidiaries, visiting the head office of the Company and subsidiaries, having talks to top executives and presenting the composition of the management bodies and results.

This process also comprises field visits to the administrative and manufacturing facilities of the subsidiaries and presentation of the shareholding and corporate structures, as well as the main financial indicators, aiming at better understanding of the business.

Item 2.7.1: The compensation of the members of the board of directors should be proportional to their duties, responsibilities and time demands. Compensation should not be based on meeting attendance, and any variable compensation of the board members should not be bound to short-term results.

Response: Partially adopted

Explanation:

When defining the Company's compensation policy, the alignment of values with the strategy and appropriate risk management over time are taken into account.

Pursuant to Article 5.3 of the Company's Bylaws, management members will earn fixed and variable (profit sharing) compensation. The Annual General Stockholders' Meeting will set the annual and overall amount for payment of compensation (fixed and variable, and any types of benefits), and the Board of Directors will be responsible for resolving on the partial distribution of this amount into fixed compensation. The Board of Directors will also be responsible for regulating the apportionments of the profit sharing due to the members of the Board of Directors and the Executive Board, which must not exceed the sum of the fixed compensation amount assigned to the management members in the period.

The Company believes that its compensation practice makes the board members' interests become aligned with those of Itaúsa's, in addition to benefit them in the same proportion that the Company and its stockholders benefit from the results achieved.

For further information on the compensation practice of the Company's Board of Directors, see item 13.1 of the Reference Form.

Item 2.8.1: The board of directors should have an internal charter regulating its responsibilities, duties and rules of operation, including: (i) the duties of the chairman of the board of directors; (II) rules for replacing the chairman of the board of directors in the event of absence or vacancy; (iii) measures to be adopted in the event of conflicts of interest; and (iv) definition of a deadline with enough time in advance to receive materials for discussion at meetings, in appropriate detail.

Response: Yes

Explanation: No justification is required when responding "Yes" to this item.

Item 2.9.1: The board of directors should establish an annual calendar with the dates of ordinary meetings, which should not be fewer than six or over twelve, in addition to calling extraordinary meetings, whenever necessary. This calendar should set forth an annual thematic agenda with relevant issues and dates for discussion.

Response: Yes

Explanation: No justification is required when responding “Yes” to this item.

Item 2.9.2: The meetings of the board of directors should provide for regular exclusive sessions for external board members, without the presence of the executives and other guests, to align the external board members and discuss topics that could cause embarrassment.

Response: Partially adopted

Explanation:

The Board of Directors’ internal charter provides for the attendance of officers and guests at the meetings of the Board of Directors, exclusively for comments or additional information on matters of interest to the Company.

Whenever the discussion of an issue could cause embarrassment, exclusive sessions will be held for external members. However, these sessions are optional, rather than events held regularly.

For further information, see the Internal Charter of the Board of Directors, which can be accessed on Itaúsa’s website (<http://www.itausa.com.br/pt/governanca-corporativa/regimento-do-conselho-de-administracao>).

Item 2.9.3: The minutes of the board of directors’ meetings should be clearly drafted and include the decisions made, the names of attendees, and any dissenting votes and abstentions.

Response: Yes

Explanation:

In compliance with the best corporate governance practices, the minutes of the board of directors’ meetings are clearly drafted and include the decisions made, the names of attendees, and any dissenting votes and abstentions, if applicable.

Chapter 3 – Executive Board

Item 3.1.1: Without prejudice to its legal and statutory powers and to other practices set forth in this Code, the executive board should: (i) carry out the risk management policy and, whenever necessary, propose to the board of directors any necessary revision of such policy, in view of changes to the risks to which the company is exposed; and (ii) implement and maintain effective mechanisms, processes and programs to monitor and disclose the financial and operating performance and the impacts of the company’s activities on society and the environment.

Response: Yes

Explanation: No justification is required when responding “Yes” to this item.

Item 3.1.2: The executive board should have a dedicated charter establishing its structure, operation and roles and responsibilities.

Response: Yes

Explanation: No justification is required when responding “Yes” to this item.

Item 3.2.1: No executive board or managerial positions should be reserved for direct appointment by stockholders.

Response: Yes

Explanation: No justification is required when responding “Yes” to this item.

Item 3.3.1: The CEO should be evaluated, on an annual basis, in a formal process conducted by the board of directors, based on his/her achieving the financial and non-financial performance goals established by the board of directors for the company.

Response: Not comply

Explanation:

The Company does not have a formal performance evaluation mechanism for the members of the executive board conducted by the Board of Directors. However, in compliance with the best corporate governance practices, the process to lead back executive board members to their posts take into account their experience, based on: how they contributed to debates on issues discussed, effective contribution in the decision-making process, commitment to carrying out their duties, and regular attendance at meetings during the previous term of office, in accordance with item 12.1 (d) of the Reference Form.

Item 3.3.2: The results of the evaluation of other executive board members, including the CEO’s proposals of goals to be agreed and whether the executives should continue, be promoted or dismissed from their respective positions, should be submitted to, reviewed, discussed and approved at meetings of the board of directors.

Response: Not comply

Explanation:

The Company does not have a formal performance evaluation mechanism for executive board members conducted by the Board of Directors. However, in compliance with the best corporate governance practices, the process to lead back executive board members to their posts take into account their experience, based on: how they contributed to debates on issues discussed, effective contribution in the decision-making process, commitment to carrying out their duties, and regular attendance at meetings during the previous term of office, in accordance with item 12.1 (d) of the Reference Form.

Item 3.4.1: The compensation of the executive board should be defined through a compensation policy approved by the board of directors based on a formal transparent procedure that takes into account the costs and risks involved.

Response: Partially adopted

Explanation:

The Company does not have a compensation policy for the executive board formally approved by the Board of Directors. However, the compensation practices adopted by the Company related to compensation of executive board members are described in sub items “a” to “h” of item 13.1 of the Reference Form.

It is worth mentioning that the Company adopts certain compensation guidelines, as follows: attracting, rewarding, retaining and encouraging management members while conducting business, in consideration for the achievement of sustainable results, always in line with the interests of stockholders, taking into account the values aligned with the Company’s strategy and appropriate risk management over time.

Furthermore, the adequacy of the Company’s compensation practice is annually revised by the Board of Directors.

Item 3.4.2: The compensation of the executive board should be bound to results, with medium- and long-term goals clearly and objectively related to the creation of long-term economic value for the company.

Response: Partially adopted

Explanation:

Sub items “c” to “e” of item 13.1 of the Reference Form describe the main performance indicators taken into account to determine each compensation element for management members. Annual variable compensation may be directly impacted by the Company’s performance indicators. However, the annual variable compensation amount for management members may not exceed (i) the total annual fixed compensation amount, or (ii) 0.06 of the profit for members of the Board of Directors and 0.04 of the profit for members of the Executive Board, whichever is lower.

Fixed and variable compensation take into account three factors: management member’s performance and contribution, the result of the applicable business area, and the result of the overall performance of the company and subsidiaries.

Taking into account that the overall compensation for the management members ends up being impacted by the Company’s results, including risks assumed, Itaúsa believes that this practice aligns the interests of management members with those of the Company.

Item 3.4.3: The incentive structure should be in line with the risk limits established by the board of directors and bar a single person from controlling the decision-making process and its respective supervision. No one should resolve on their own compensation.

Response: Yes

Explanation:

As described in item 5.1 of Itaúsa's Risk Management Policy, the Board of Directors is responsible for defining the company's risk appetite level for achieving its goals and creating value for stockholders.

Accordingly, the overall amount intended for compensation of management members is annually set by the General Stockholders' Meeting, and the Board of Directors is responsible for resolving on the partial distribution of this amount into fixed compensation, as well as regulating the apportioning of profit sharing to the members of this Board of Directors and Executive Board.

In order to set the individual compensation, the Board of Directors takes into account the overall annual amount approved by the General Meeting and the market practices, in line with the Company's strategy and appropriate risk management over time.

For further information, see item 13.1 of the Reference Form and the Company's Risk Management Policy, available on Itaúsa's website (<http://www.itausa.com.br/pt/governanca-corporativa/politica-de-gerenciamento-de-riscos>).

Chapter 4 – Supervisory and Control Bodies

Item 4.1.1: Among other duties, the statutory audit committee should: (i) assist the board of directors in the monitoring and control of the quality of financial statements, internal controls, and risk management and compliance; (ii) be made up mostly by independent members coordinated by an independent member; (iii) have at least one of its independent members with proven experience in the accounting-corporate, internal controls, financial and auditing areas, in the aggregate, and (iv) have its own budget to engage advisors on accounting, legal and other topics, when the opinion of an external expert is required.

Response: Not comply

Explanation:

Itaúsa is a holding company and does not have a statutory audit committee. However, the Company's Board of Directors is duly assisted with respect to the monitoring and control of the quality of financial statements, internal controls and risk management and compliance by way of other internal structures.

The Company has a Fiscal Council operating without interruption since 1995, which became permanent as from April 2018. At the request of any of its members, the Fiscal Council may request clarification, information or the investigation of specific facts from the independent auditors.

It is also worth mentioning that Itaúsa's main subsidiaries, Duratex S.A. and Alpargatas S.A., companies from the industrial area, and Itaú Unibanco Holding S.A., a company directly controlling Itaú Unibanco S.A., have their own audit committees reporting directly to the Board of Directors, and are responsible for overseeing the independent auditors' activities, as follows:

- (i) Duratex S.A.: Audit and Risk Management Committee (created in November 2009 – non statutory);
- (ii) Itaú Unibanco Holding S.A.: Audit Committee (created in April 2004 – statutory); and
- (iii) Alpargatas S.A.: Audit Committee (created in 2018 – statutory).

For further information, see items 5.1, 5.3 and 5.4 of the Reference Form.

Item 4.2.1: The fiscal council should have a dedicated charter describing its structure, operation, work program, roles and responsibilities, without hindering the performance of its individual members.

Response: Yes

Explanation: No justification is required when responding “Yes” to this item.

Item 4.2.2: The minutes of the fiscal council's meetings should follow the same disclosure rules applicable to the board of directors' minutes.

Response: Yes

Explanation: No justification is required when responding “Yes” to this item.

Item 4.3.1: The company should establish a policy to engage non-audit services from its independent auditors, approved by the board of directors, to bar the engagement of non-audit services that might compromise the auditors' independence. The company must not engage independent auditors who have provided internal audit services for the company for the last three years.

Response: Partially adopted

Explanation:

In compliance with the best corporate governance practices, Itaúsa has an Independent Auditor Engagement Policy, approved by the Executive Board at the meeting held on June 8, 2015, and updated and approved by the Board of Directors at the meeting held on May 14, 2018. This policy establishes that engaging non-audit services, other than auditing the financial statements of Itaúsa, cannot raise threats to the independent auditor's independence and should be reviewed and approved by Itaúsa's Compliance and Corporate Risk Department, so as to ensure the objectivity and independence required from the independent external auditor. The company currently in charge of the independent audit of Itaúsa has not provided internal audit services in the last three years.

Furthermore, in compliance with CVM Instruction No. 381/03, Itaúsa adopts the formal procedure of consulting with the independent auditors to ensure that the provision of other services does not affect their independence and objectivity necessary for the performance of independent audit services.

Additionally, specific rules are in place regulating independent auditors' performance, which require the compliance with ethical, including independence, requirements.

The Company understands that the procedures established in the Independent Auditor Engagement Policy, together with the dedicated rules of the independent auditors' profession, are appropriate to prevent any potential conflicts of interest.

Item 4.3.2: The independent audit team should report to the board of directors, through the audit committee, if any. The audit committee should monitor the effectiveness of the independent auditors' work, as well as its independence. It should also assess and discuss the independent auditor's annual work plan and submit it for appreciation of the board of directors.

Response: Partially adopted

Explanation:

The independent audit team reports directly to the Company's Board of Directors.

The independent auditors attended the meetings of the Board of Directors, held together with the Executive Board, that approve the financial statements, clarifying doubts and reporting any deficiencies in the Company's internal controls.

Itaúsa has a Controller's department, responsible for preparing and disclosing the Financial Statements. After being prepared, financial statements are submitted to the independent auditors, and are later presented, discussed and appreciated by the Executive Board and the Finance Committee. Ultimately, the financial statements are then forwarded for resolution by the Fiscal Council and Board of Directors.

As described in item 12.1 of the Reference Form, the Board of Directors is responsible for opining on the engagement and removal of the independent auditors, supervising the quality of services provided, assessing the auditors' independence and registering any differences between Management and auditors.

Furthermore, in compliance with CVM Instruction No. 381/03, Itaúsa adopts the formal procedure of consulting with the independent auditors to ensure that the provision of other services does not affect their independence and objectivity necessary for the performance of independent audit services.

The Fiscal Council assists Itaúsa's Board of Directors in overseeing the preparation of the individual and consolidated financial statements of the Company.

Item 4.4.1: The company should have an internal audit function reporting directly to the board of directors.

Response: Partially adopted

Explanation:

Itaúsa's internal audit, carried out by an international renowned consulting firm specialized in corporate risk projects, reports to the Company's Sustainability and Risks Commission, an Executive Board advisory body, and is responsible for identifying any potential risks that may affect Itaúsa, taking into account business, management, and information technology aspects.

As described in item 5.4 of the Reference Form, after the initial phase of mapping potential risks, which involve interviews with Company's professionals, officers and management members, action plans are designed for mitigation purposes. The internal audit work helps the Company develop the overall risk map, define the annual internal audit plan, improve its risk management practice and prepare and/or revise its internal rules.

The Company's general corporate risk analysis is appreciated by the Sustainability and Risks Commission to define risk exposure acceptance levels, based on the guidelines defined by the Board of Directors.

The outcome of the internal audit work and the most significant issues are reported annually to the Company's Board of Directors.

Ultimately, notwithstanding the foregoing, it is worth mentioning that the risks that may affect the investment decision making to invest in the securities of Itaúsa, as a holding company, are essentially those arising from risks to which the subsidiaries are subject, as operational companies, in addition to the risks to which the Company itself is exposed.

Item 4.4.2: If this activity is outsourced, the internal audit services must not be provided by the same firm that audits the financial statements of the company. The company must not engage internal audit services from any independent auditors who have provided independent audit services for the company for the last three years.

Response: Partially adopted

Explanation:

In compliance with the best corporate governance practices, the Company has an Independent Auditor Engagement Policy, approved by the Executive Board at the meeting held on June 8, 2015, and updated and approved by the Board of Directors at the meeting held on May 14, 2018. This policy establishes that no service that may cause loss of objectivity or independence of the independent auditor may be provided by the latter to the audited company, among them, internal audit services are listed accordingly. The company currently in charge of the independent audit of Itaúsa has not provided internal audit services in the last three years.

Furthermore, in compliance with CVM Instruction No. 381/03, Itaúsa adopts the formal procedure of consulting with the independent auditors to ensure that the provision of other services does not affect their independence and objectivity necessary for the performance of independent audit services.

Additionally, specific rules are in place regulating the performance of independent auditors, which require the compliance with ethical, including independence, requirements.

The Company understands that the procedures established in the Independent Auditor Engagement Policy, together with the dedicated rules of the independent auditors' profession, are appropriate to prevent any potential conflicts of interest.

Item 4.5.1: The company should adopt a risk management policy, approved by the board of directors, that includes a definition of the risks for which a protection is sought, the instruments used accordingly, the organizational structure for risk management, the assessment of the adequacy of the operational structure and internal controls when checking its effectiveness, and also define guidelines for acceptable limits for the company's exposure to these risks.

Response: Yes

Explanation:

On May 4, 2017, Itaúsa's Board of Directors approved its Risk Management Policy (“Policy”); on May 14, 2018, it approved the new version of this Policy, which establishes the guidelines to be followed in the Company's risk management process.

This Policy sets forth that the risks to which the Company is exposed should be identified from time to time, documented and formalized on a structured way so these are known and adequately addressed. These risks should be classified based on their nature and origin, as follows: (a) strategic, (b) financial, (c) operational, and (d) regulatory.

Regarding the risk management process and the hedge instruments used by the Company, the Policy provides for the involvement of the following organizational structures: (i) Board of Directors, (ii) Executive Board, (iii) Sustainability and Risks Commission, (iv) Business Departments; and (v) Compliance and Corporate Risk Departments. Furthermore, the Policy sets forth that the process to assess the adequacy of the operational structure and internal controls when checking its effectiveness should be carried out by the Sustainability and Risks Commission, the Executive Board and, ultimately, by the Board of Directors.

Regarding the guidelines for setting limits acceptable for the Company's risk exposure, the Policy sets forth that any risks identified should be addressed based on their criticality. The Sustainability and Risks Commission should define the way to respond to risks and the instruments to hedge the Company, by considering the risk appetite level established by the Board of Directors.

For further information, see the Itaúsa's Risk Management Policy, available on its website (<http://www.itausa.com.br/> > Corporate Governance), and item 5 of the Reference Form.

Item 4.5.2: 2 The board of directors should ensure that the executive board have mechanisms and internal controls to get to know, assess and control risks, so as to keep these risks at levels consistent with limits set, including a compliance program aimed at complying with the laws, regulations, and external and internal rules.

Response: Yes

Explanation:

In accordance with Itaúsa's Risk Management Policy, available on the websites of the Company and the CVM, the Board of Directors is responsible for: (i) defining the level of the Company's risk appetite based on the principles and guidelines set forth in the policy; (ii) approving the Company's Risks Management Policy and its future revisions; (iii) opining on the efficacy of the policies, risk management and internal controls systems, as well as the Company's compliance program, and approving possible suggestions for amendments, if deemed necessary; and (iv) opining on suggestions for changing the operational structure of risk management and approving possible suggestions for changes, if deemed necessary. Taken as a whole, these activities ensure that the Executive Board have mechanisms and internal controls to get to know, assess and respond adequately to risks, so as to keep them at levels consistent with the limits set and in compliance with applicable laws and regulations.

The Company's Executive Board has the support of the Sustainability and Risks Commission in connection with the performance of its risk control and management activities.

Itaúsa's Executive Board is aware of the risks involving the Company by way of risk consolidation reports submitted periodically by the Sustainability and Risks Commission, among others.

In addition to the aforementioned reports, the Sustainability and Risks Commission submits to the Executive Board its assessment on the effectiveness of the Company's policies, risk management and internal control systems, and compliance program.

Taking into account the hard work carried out by the Sustainability and Risks Commission in the Company's risk management process, including its involvement in the internal audit work, the Executive Board has significant support and mechanisms to get to know, assess, and control the risks to which Itaúsa is exposed.

Item 4.5.3: The executive board should assess at least once a year the effectiveness of the risk management and internal control policies and systems, as well as the compliance program, and report this assessment to the board of directors.

Response: Yes

Explanation:

The Company's Executive Board has the support of the Sustainability and Risks Commission in connection with the performance of its risk control and management activities.

Among other duties, the Sustainability and Risks Commission assesses from time to time the effectiveness of the policies, risk management and internal control systems, as well as the Company's compliance program, and forwards this assessment to be appreciated by the Executive Board. Over fiscal year 2017, the Sustainability and Risks Commission met nine times to discuss ethics, risks, compliance, and internal control related topics.

The Executive Board, in turn, analyzes the assessment prepared by the commission and opines on it. Ultimately, the Executive Board forwards the assessment to be appreciated by the Board of Directors, which may approve suggestions to amend it, if deemed necessary.

On May 14, 2018, the specialized company in charge of the internal audit of Itaúsa carried out a presentation to the Board of Directors on the internal audit work and the outcome of the risk maps for 2018, highlighting the significant improvement in Itaúsa's internal control environment and its risk mitigation culture. Directors were satisfied with the clarifications provided by the specialized company's representatives.

Chapter 5 – Ethics and Conflicts of Interest

Item 5.1.1: The company should have an independent and self-governing conduct committee, reporting directly to the board of directors, and responsible for implementing, disclosing, training, reviewing and updating the code of conduct and reporting channel, as well as for carrying out inquiries and proposing corrective measures in connection with any violations of the code of conduct.

Response: Partially adopted

Explanation:

To strengthen the commitment to ethics and transparency with its stakeholders, Itaúsa's governance framework comprises a series of advisory bodies, such as the People and Ethics Commission.

As described in item 5.4 of the Reference Form and in Itaúsa's Code of Conduct, the Company's People and Ethics Commission, an Executive Board advisory body, is responsible for: (i) implementing and disseminating Itaúsa's Code of Conduct; (ii) preparing and providing training in integrity and ethics and running disclosure and awareness campaigns, jointly with the Compliance and Corporate Risk department; (iii) periodically revising and updating Itaúsa's Code of Conduct; (iv) investigating possible violations of Itaúsa's Code of Conduct, including those reported through the Itaúsa Reporting Channel or any other medium; and (v) proposing, as the case may be, corrective measures, except in cases involving the members of the Commission itself, the Executive Board or the Board of Directors of the Company, which will be analyzed by the Company's Board of Directors.

The People and Ethics Commission is one of four non-statutory commissions advising the Executive Board, and is composed of members of the Board of directors and the Executive Board of the Company and its subsidiaries, as well as external members and experts. This commission was created at the Executive Board's meeting held on April 19, 2017.

The commission itself defines, early in the year, a calendar with meeting dates. This commission currently meets every two months, and the topics discussed at meetings are defined by the members themselves.

Ultimately, it is worth mentioning that the new version of Itaúsa's Code of Conduct was approved by the Company's Board of Directors on May 14, 2018, and any amendment to this document should go under analysis and approval from this body.

Item 5.1.2: Prepared by the executive board, supported by the conduct committee and approved by the board of directors, the code of conduct should: (i) govern the internal and external relations of the company, by expressing the commitment expected from the company, its directors, officers, stockholders, employees, suppliers and stakeholders with the adoption of proper conduct standards; (ii) manage conflicts of interest and provide for the abstention of the member of the board of directors, the audit committee or the conduct committee, if any, who, as the case may be, is conflicted; (iii) clearly define the scope and reach of actions intended to identify any situations believed to have occurred with the use of inside information (e.g.: using inside information for business purposes or gaining the upper hand when trading securities); (iv) establish that ethical principles be the basis for negotiating contracts, agreements, proposals to amend bylaws, as well as policies guiding the entire company, and establish a maximum value for assets or services from third parties that management members and employees may accept on a gratuitous or favored basis.

Response: Yes

Explanation: No justification is required when responding "Yes" to this item.

Item 5.1.3: The reporting channel should be independent, self-contained and unbiased, operating working guidelines defined by the executive board and approved by the board of directors. It should operate in an independent and unbiased way and preserve the anonymity of its users, in addition to timely investigate and take the measures required accordingly. This service may be carried out by a third party of reputed capacity.

Response: Yes

Explanation:

The Company counts on Itaúsa's Reporting Channel, through which employees, management members and third parties related to the Company may submit reports, request guidance on how to act in certain situations, clarify doubts, submit criticisms, complaints, and report misconducts, violations and conflicts of interest, always in a secure, professional, unbiased and confidential way, without fears of retaliation or reprisals. Anonymous reports are also accepted.

Itaúsa's Reporting Channel is an independent and unbiased tool and operated by an international renowned service provider, which ensures confidentiality of the information and reports received.

Employees, management members, members of the Fiscal Council, and third parties may contact Itaúsa's Reporting Channel by phone, WhatsApp, email or Internet, on an anonymous and confidential basis, if they so elect.

After a report is registered at the Reporting Channel, a file number and password are generated. With this data, the person submitting the report may follow it up at the channel itself on the Internet or by phone.

Item 5.2.1: The company's governance rules should watch over the clear segregation and definition of functions, roles and responsibilities associated with the mandates of all governance agents. The levels of authority for decision making of each level should also be defined to minimize possible sources of conflicts of interests.

Response: Yes

Explanation:

Itaúsa's Corporate Governance Policy consolidates the governance principles and practices adopted by the Company's senior management, referred in the Bylaws and Internal Charts, comprising the General Stockholders' Meeting and the following joint bodies: Board of Directors, Executive Board, Fiscal Council, as well as the Disclosure and Trading Committee, directly reporting to the Board of Directors, and the Executive Board advisory committees (Finance Committee, Investment Committee, Personnel and Ethics Commission, and Sustainability and Risks Commission).

Furthermore, the Stockholders' Agreement of Companhia ESA also sets forth indebtedness limits and the risks to which Itaúsa and its main subsidiaries are exposed, defining the level of authority for each decision. This agreement is available on Itaúsa's website (http://static.itausa.aatb.com.br/Imagens/acordo_acionistas_01092015.pdf).

For further information on Itaúsa's corporate governance framework, see item 12.1 of the Reference Form and the company's Corporate Governance Policy, available on Itaúsa's website (<http://www.itausa.com.br/> > Corporate Governance).

Item 5.2.2: The company's governance rules should be made public and determine that any person who is not independent regarding the issue under discussion or resolution in the company's management or supervisory bodies should state, on a timely basis, their conflict of interest or interest in particular. If they fail to do so, these rules should provide for that another knowing person may bring such conflict into light and that as soon as this conflict of interest regarding a specific topic is identified, the involved person

keeps away, even physically, from such discussions and resolutions. These rules should set forth that this temporary absence be registered in the minutes.

Response: Yes

Explanation:

Itaúsa's governance rules are included in different documents of the Company available to the public and consolidated in its Corporate Governance Policy, which can be accessed on the Company's website (<http://www.itausa.com.br/> > Corporate Governance).

This policy sets forth that in the event any person's conflict of interest or interest in particular is identified in connection with the topic under discussion or resolution at the Company's management or supervisory bodies, this conflicted person should state their conflict of interest or interest in particular on a timely basis. If they fail to do so, another knowing person may bring it to light.

As soon as this conflict of interest or interest in particular is identified, the involved person should keep away from discussions and resolutions, and leave the meeting, on a temporary basis, until the topic is sorted out. The conflict of interest or interest in particular brought into light, as described above, and the subsequent removal of the involved person, should be registered in the meeting minutes.

Moreover, the policy sets forth that conflicts of interest between the Company and its employees, management members and stockholders are governed by the Company's Related Parties Policy, aimed at ensuring that the Company is not harmed due to conflicting interests.

Ultimately, it is worth mentioning that the Internal Charters of the Company's Board of Directors and Fiscal Council also set forth that the member conflicted in a certain resolution should state their conflicting or particular interest in such topic, as well as abstain from voting.

Item 5.2.3: The company should have mechanisms to manage conflicts of interest in the voting submitted to the general meeting, so as to receive and deal with alleged conflicts of interest, and to annul votes cast in such conflicting situations, even if subsequently to the voting.

Response: Yes

Explanation:

In accordance with item 12.2 (d) of the Reference Form, and paragraphs 1, 2 and 4 of Article 115 of the Brazilian Corporate Law, stockholders cannot vote at meetings intended to resolve on the appraisal report of assets that contributed to the capital, approve their accounts as management members or any other resolution that could benefit them, under penalty of: (i) the resolution being cancelled; (ii) being held accountable for any damage caused; and (iii) having to transfer any advantages received to the Company.

During the General Meeting, as well as during the meetings of the Company's management and supervisory bodies, attending stockholders should bring to light any conflicts of interests or interest in particular on any topics under discussion or resolution, in which their independence may be compromised. Any attending stockholder should also bring to light any conflicting situation they may be aware of in connection with another stockholder and the topic subject to the resolution. When a conflict of interest is brought into light, the conflicted stockholder should abstain from voting regarding the related topic. If the conflicted stockholder refuses to abstain from voting, the chairman of the General Meeting must determine that the conflicted votes cast be annulled, even subsequently to the voting.

Moreover, in accordance with item 9 of Itaúsa's Corporate Governance Policy, the conflicts of interest between the Company and its employees, management members and stockholders are governed by the Company's Related Parties Policy, aimed at ensuring that Itaúsa is not harmed due to any conflicting interests.

Item 5.3.1: The bylaws should define which related-party transactions should be approved by the board of directors, with the exclusion of any members with potentially conflicting interests.

Response: Not comply

Explanation:

The Company's Bylaws do not define which related-party transactions should be approved by the Board of Directors. However, the Company has Transactions with Related Parties Policy, approved by the Board of Directors on February 19, 2018, which sets forth that significant related-party transactions involving Itaúsa should be previously approved by the Fiscal Council, in accordance with the criteria and procedures established therein.

According to this policy, the Fiscal Council is also responsible for assessing a quarterly report with information on related-party transactions related to Itaúsa and to the companies, the financial statements of which were reported on a consolidated basis with the Company's financial statements. Furthermore, the Fiscal Council should report any transactions it approves to the Company's Board of Directors.

The Transactions with Related Parties Policy also sets forth that in the case where a member of the Fiscal Council involved in the approval of a transaction is prevented from voting on the issue due to a potential conflict of interest, this conflicted member should declare himself ineligible and cannot have access to information or attend related meetings, and this member must also explain their involvement in the transaction and provide details of the transaction and any parties involved therein. This ineligibility should be registered in the minutes of the meeting where the transaction is resolved on.

For further information on the rules involving related-party transactions, see item 16.1 of the Reference Form. The Transactions with Related Parties Policy is available on Itaúsa's website (<http://www.itausa.com.br/> > Corporate Governance).

Item 5.3.2: The board of directors should approve and implement a transactions with related-parties policy, which includes, among other provisions: (i) that, previous to the approval of specific transactions or guidelines for entering into transactions, the board of directors should request to the executive board alternatives in the market to the related-party transaction, adjusted by the risk factors involved; (ii) bar any ways of remuneration to advisors, consultants or intermediaries giving rise to conflicts of interest with the company, management members, stockholders or classes of stockholders; (iii) bar the granting of any loans to the controlling party and management members; (iv) that any transactions with related-parties should be supported by independent appraisal reports prepared without the participation of any party involved in such operation, whether a bank, lawyer, specialized consulting company, among others, based on realistic assumptions and information supported by third parties; (v) that corporate restructuring involving related parties ensure equitable treatment for all stockholders.

Response: Partially adopted

Explanation:

On February 19, 2018, the Company's Board of Directors approved the Transactions with Related Parties Policy ("Policy"), aimed at establishing rules and consolidating procedures to be followed by Itaúsa in connection with related-party transactions, thus ensuring operations are transparent and carried out on an arms-length basis. Previously to the approval of this Policy, Itaúsa's Code of Ethics had already set forth guidelines to be followed for such transactions, including, for example, the provision that no operation or business between related parties should be carried out with the purpose of meeting the personal interests of stockholders, management members of third parties.

The Policy sets forth that the Company's Fiscal Council is the body responsible for previously approving related-party transactions, in accordance with the criteria established therein.

This Policy also sets forth that all related-party transactions, under the terms defined therein, should meet the following conditions: (a) be in accordance with market conditions and the provisions established in this Policy and also in conformity with other practices adopted by the Company's management and the guidelines in Itaúsa's Code of Conduct; and b) be entered into in writing, specifying their main characteristics and conditions such as: overall price, unit price, terms, collateral, conditions for rescission, payment of taxes and fees, licenses required, etc.

Moreover, aimed at ensuring that the execution of related-party transactions be always undertaken in the best interests of the Company and with full independence, this Policy bars the granting of loans to controlling shareholder and management members of the Company.

This Policy also sets forth that the Company's management must abide by the ordinary flow of negotiation, analysis and approval of related-party transactions, refraining from making interventions that might influence the engagement of Related Parties in disagreement with said flow.

The Company understands that the rules set forth in the Transactions with Related Parties Policy, together with Itaúsa's other policies, are adequate, sufficient and show the Company's commitment to the best corporate governance practices.

Item 5.4.1: As resolved by the board of directors, the company should adopt a policy for trading securities issued by the company, which, without prejudice to the compliance with CVM rules, establishes controls to achieve the monitoring of trades made, as well as the inquiry and sanctions against those responsible for noncompliance with such policy.

Response: Yes

Explanation:

As described in item 20.1 of the Reference Form, the Policy for Trading Company Securities establishes controls that enable the monitoring of trades made, as well as the duty of bound persons use exclusively the Itaúsa Conglomerate's securities brokers for the trading of securities under this Policy. These securities' brokers have a blocking system to avoid trading in blackout periods. To this end, the bound persons must transfer to these securities brokers any open positions involving securities issued by the Company that such bound persons may possess with other securities brokers, within a maximum period of 60 (sixty) days from the date of adherence to this Policy.

The Disclosure and Trading Committee is responsible for investigating any cases of violation of this policy, and any noncompliance will subject the offending party to disciplinary sanctions in accordance with the Company's internal rules and the rules set forth in this policy, without prejudice to any applicable administrative, civil or criminal sanctions, as provided for in item 10 of said policy.

For further information, see the Policy for Trading Company Securities, available on the websites of Itaúsa and CVM. (<http://www.itausa.com.br/en/corporate-governance/trading-policy>).

Item 5.5.1: In order to ensure greater transparency in the use of the company's resources, a policy should be prepared addressing its voluntary contributions, including those related to political activities, to be approved by the board of directors and followed by the executive board, including clear and objective principles and rules.

Response: Partially adopted

Explanation:

Currently the Company does not have a specific policy on voluntary contributions, but other policies include such principles and rules.

The Policy for Relationships With Private Entities and Public Authorities and For Corruption Prevention (“Anti-Corruption Policy”), approved by Itaúsa’s Board of Directors on February 19, 2018, sets forth, for example, that the promotion and financing of philanthropic, educational, artistic, health-related, cultural, social and environmental projects is permitted, subject to the terms hereof.

Accordingly, Itaúsa’s Code of Conduct sets forth that partnerships with civil society entities should seek the preservation and recovery of the environment and the social, economic and cultural development of the communities affected by the actions arising from these partnerships.

Itaúsa’s Code also sets forth that contributions (sponsorships, donations, etc.) to Non-Governmental Organizations (NGOs), Public Interest Civil Society Organizations (OSCIPs), philanthropic entities and other similar associations are conditioned on their compliance with applicable legislation and its corporate guidelines and as long as these organizations are proven legitimate, reputable and contribution is not made with the purpose of securing any business transaction or undue advantage (financial or otherwise) for Itaúsa or third parties.

The Anti-Corruption Policy sets forth that it is forbidden to accept, offer, promise, deliver, whether directly or through third parties, any undue economic benefits or advantages of any kind to public authorities and private entities as a means to expedite and/or obtain business, omit actions or obtain benefits, even indirectly, for Itaúsa, such as securing authorizations, licenses, permits or declarations.

Item 5.5.2: This policy should set forth that the board of directors is the body responsible for approving all political activity related expenditures.

Response: Yes

Explanation: No justification is required when responding “Yes” to this item.

Item 5.5.3: The policy on voluntary contributions of Government-controlled companies or companies with recurring, material business relations with the Government should bar any contributions or donations to political parties or persons bound to the latter, even if permitted by law.

Response: Not applicable.

Explanation: No justification is required when responding “Not applicable” to this item.
