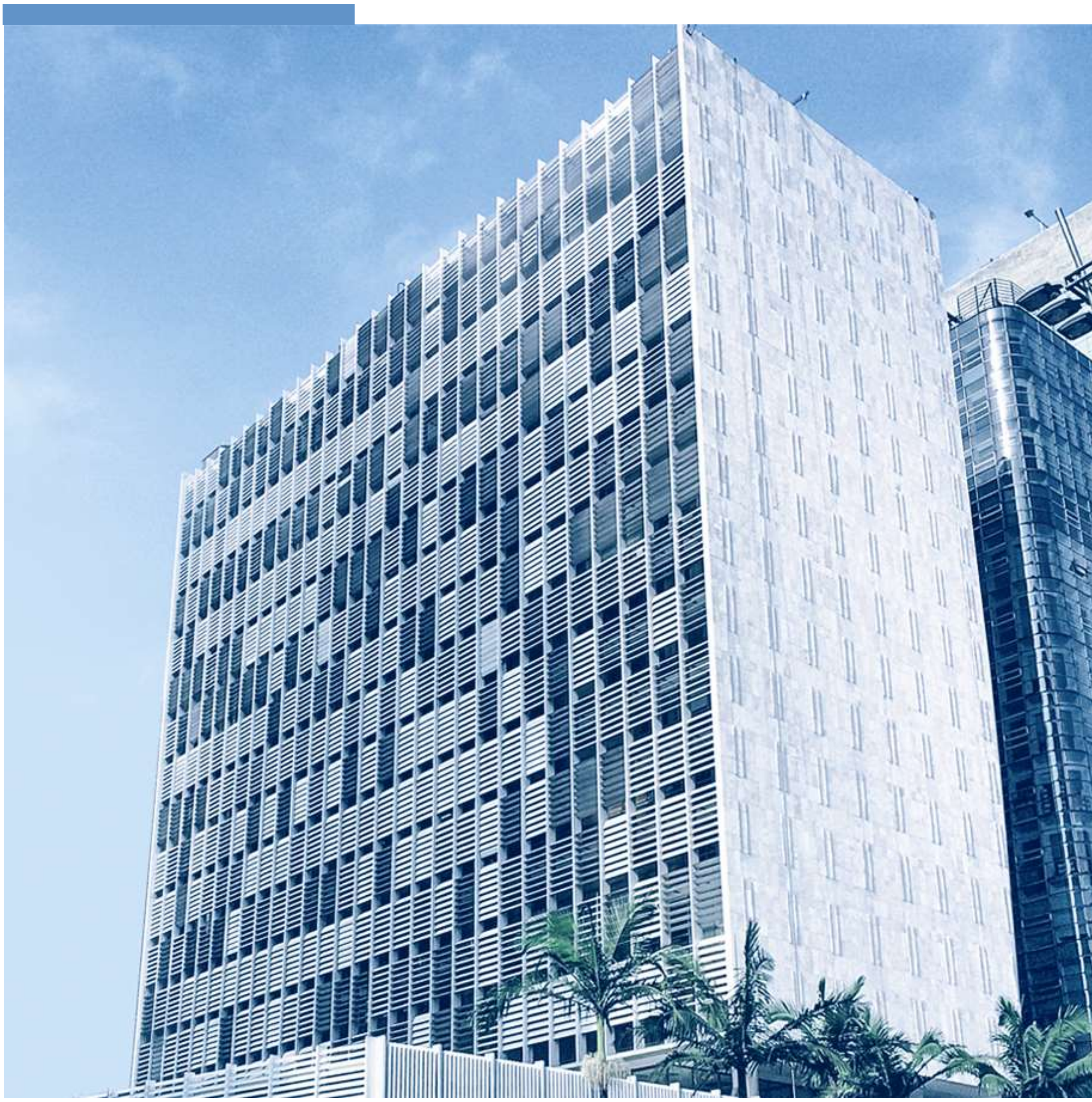
ITAÚSA



Itaúsa Headquarters | Paulista Avenue - São Paulo/Brazil

Financial Statements

December 31, 2021

Management Report

4th quarter of 2021

ITAÚSA

São Paulo, February 14, 2022 – We present the Management Report of Itaúsa S.A. (Itaúsa or Company) for the fourth quarter of 2021 (4Q21) and the fiscal year 2021. These Financial Statements have been prepared in accordance with the standards established by the Accounting Pronouncement Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM), as well as the International Financial Reporting Standards (IFRS).

Executive Summary

Recurring Net Income
R$ 12.1 billion
▲68% vs. 2020

Net Asset Value
R$ 100 billion
▼21% vs. 12.31.2020

Recurring ROE
19.9% p.y.
▲6.6 p.p. vs. 2020

Itaúsa's highlights

- Record, sound and consistent results, driven by all business segments outperforming.
- R$3.3 billion paid/payable in gross earnings (R$0.394165/share) to shareholders who remained in the base in the last 12 months.
- Payment of R$2.5 billion as interest on capital declared in 4Q21 to be made on March 11, 2022.
- A 5% bonus share carried out in December 2021, creating stockholders value as additional earnings to dividends and interest on capital.
- Investments made in the year (Aegea and increased equity interest in NTS), as well as partial divestiture in XP Inc., are major steps in Itaúsa's efficient capital allocation strategy.
- Improvements in governance, risk management and communications resulted in Itaúsa's ongoing presence in top international and domestic ESG indexes.
- Itaúsa is rated as an ESG-low risk company by Sustainalytics, a top global ESG rating agency.

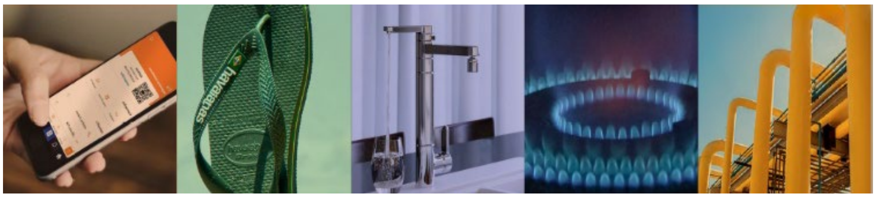
R$ million	4Q21	4Q20	Change	2021	2020	Change
PROFITABILITY AND RETURN[1]						
Net Income	4,117	3,663	12.4%	12,200	7,056	72.9%
Recurring Net Income	4,185	2,732	53.2%	12,136	7,219	68.1%
Return on Equity (%)[2]	25.6%	26.2%	-0.6 p.p.	20.1%	13.0%	7.1 p.p.
Recurring Return on Equity (%)[2]	26.0%	19.5%	6.4 p.p.	19.9%	13.3%	6.6 p.p.
BALANCE SHEET						
Total Assets	74,602	62,985	18.4%	74,602	62,985	18.4%
Net Debt[3]	3,793	1,402	171%	3,793	1,402	171%
Stockholders' Equity	65,886	57,343	14.9%	65,886	57,343	14.9%
CAPITAL MARKET						
Market Value[4]	78,789	98,659	-20.1%	78,789	98,659	-20.1%
Average Daily traded Volume (ADTV)[5]	294	328	-10.5%	333	313	6.4%

(1) Attributable to controlling stockholders.
(2) ROE annualized.
(3) On December 31, 2021. it excludes R$1,176 million of the cash position for interest on capital declared in December 2021 (to be paid on March 11, 2022).
(4) Calculated based on the closing price of preferred shares on December 30, 2021 and does not include treasury shares .
(5) It includes Itaúsa's preferred shares (ITSA4) traded on B3.

ITSA B3 LISTED N1 · ISE B3 · ICO2 B3 · CDP · Dow Jones Sustainability Indices · FTSE4Good

Message from Management

"Focus and discipline will continue to guide our business strategy, aimed at maximizing value creation to both stockholders and society in the long term"
Alfredo Setubal
Itaúsa's CEO



Macroeconomic Scenario

The international scenario, marked by monetary stimulus packages and major economies bouncing back over 2021, is now getting anxious about the potential risk of new variants of Covid-19 outbreaks and their impacts on the resumption of global economic performance, including Brazil. Furthermore, in the local market, recent expectations for Brazil's GDP, combined with exchange rate volatility and still high levels of inflation and interest rates, have made players cautious about the performance of the economy and the business environment in the short term.

Portfolio Performance

Investees have reported sound improved performance of operations. In the banking segment, profit was driven by the growth of loan portfolio, which exceeded R$1 trillion, better financial margin and lower volume of expected loan losses, combined with the efficient control of general and administrative expenses. In consumer goods and civil construction materials, Alpargatas and Dexco took advantage of their efficient structures and the good market momentum to leverage sales, as well as net revenue and EBITDA, despite pressures on the cost of some inputs. It is worth noting that this has been the best year in Dexco's history in terms of EBITDA performance and profitability, and also the highest historical EBITDA of Alpargatas. The gas distribution and transportation segments, represented by NTS and Copa Energia, also recorded higher revenues. Aegea, a company of the basic sanitation segment, whose results started to be recognized by Itaúsa from the third quarter on, has recorded expressive gains from EBITDA and net income. Furthermore, XP Inc.'s results have also positively contributed to the holding company's results.

Governance

In 2021, Itaúsa made important moves to improve its governance structure, by appointing independent members to the Board of Directors, setting up new Committees to support the Board of Directors and reframing the Board of Officers' Advisory Councils. Furthermore, it revisited some of its main policies, in addition to completing its Crisis Management plan and complying with the Brazilian General Personal Data Protection Act (LGDP). It is also worth mentioning the attention given to information technology, with investments aimed at defending against cyber risks and protecting Itaúsa's own and third-party data. In line with the ongoing search for broadening dialogue with the market, several efforts were made to improve Itaúsa's communication, with the launch of a new website, an unprecedented institutional campaign, entitled "Big brands, big history, big future", aired in the mainstream media nationwide, a greater presence on social media, the holding of the annual public meeting in a digital format (expanding the audience to over 10,000 people and ranked among the best of the year, according to a survey conducted by APIMEC) and a monthly newsletter (@Itaúsa) bringing about the hottest news about Itaúsa and its investees. Such breakthroughs reaffirm the commitment of management and controlling stockholders to the best practices of running managing business in the Brazilian business environment.

Portfolio Management

Proceeding with its efficient capital allocation and long-term value creation strategies, Itaúsa carried out important transactions throughout the year. We announced the completion of the investment in Aegea, with the purchase of 12.88% of its total capital, and the increase in equity interest in NTS to 8.50%. We became the holders of 15.07% of XP Inc.'s capital after the spin-off of assets from Itaú Unibanco, with the set-up of XPart and its merger into XP Inc. in October 2021. Subsequently, we carried out the divestiture of 1.39% of XP Inc.'s total capital, whose proceeds were allocated to Itaúsa's stockholders through distribution of interest on capital.

1. Portfolio Management

Efficient capital allocation

Commitment to invest in Alpargatas' Follow On

On February 10, 2022, Itaúsa and other controlling shareholders of Alpargatas expressed their commitment to (i) fully exercise the Priority Rights by subscribing and paying for Shares which they are entitled to in their respective Proportional Subscription Limits, and (ii) subscribe and pay for all Common Shares that may remain within the scope of the Institutional Offering. In this way, Itaúsa undertook the commitment to, within the scope of the Priority Offering, subscribe and pay for, with its own resources, 27,720,403 shares issued by Alpargatas (16,083,306 common and 11,637,097 preferred), at the price per share to be established by the Board of Directors of Alpargatas. Additionally, Itaúsa may, depending on market conditions, subscribe for preferred shares within the scope of the Institutional Offering. The net proceeds from the Restricted Offer will be used to finance the payment of the acquisition, by Alpargatas, of equity interest in Rothy's Inc. This investment reinforces Itaúsa's confidence in Alpargatas's strategy and long-term value creation.

For more information about the follow on, access the Material Fact of Alpargatas at: https://ri.alpargatas.com.br

Merger of XPart into XP Inc.

On October 1, 2021, the General Extraordinary Stockholders' Meetings (ESMs) called by XPart and XP Inc. approved the proposal to merger XPart into XP Inc. and the resulting dissolution of the former. Accordingly, Itaúsa now holds, directly and indirectly (via IUPAR), 15.07% of total capital and 4.74% of voting capital of XP Inc., which then has become the holding company's largest investee.

Merger of the IUPAR's spun-off portion into Itaúsa S.A.

On December 8, 2021, the General Extraordinary Stockholders' Meeting (ESM) called by Itaúsa approved the merger of the spun-off portion of IUPAR – Itaú Unibanco Participações S.A. ("IUPAR") related to the investment held in XP Inc. and corresponding to Itaúsa's equity interest in IUPAR's capital.

With this spin-off, IUPAR holds again equity interest only in Itaú Unibanco Holding; therefore, Itaúsa now directly holds 84,270,985 Class A shares issued by XP, corresponding to 15.07% of XP Inc.'s total capital.

It is worth mentioning that with the conclusion of the spin-off, IUPAR ceased to be part of the Stockholders' Agreement between Itaúsa, IUPAR, XP and controlling stockholders. The rights and obligations under the Stockholders' Agreement remained with Itaúsa.

Partial sale of XP Inc.'s shares

On December 14, 2021, Itaúsa announced to the general market the sale of 7.8 million Class A in XP Inc., corresponding to 1.39% of the latter's capital for the net amount of R$1.2 billion. Therefore, Itaúsa now directly holds 13.67% of XP's total capital and 4.30% of its voting capital.

It is worth mentioning that in spite of the sale of 1.39% of XP 's capital by Itaúsa, the latter holds on to its rights and obligations as set forth in XP's Stockholders' Agreement, including the right to appoint members to XP's Board of Directors and Audit Committee.

This sale is in line with Itaúsa's strategy to diversify its portfolio into non-financial companies, under which the equity interest in XP Inc. is not deemed as a long-time strategy. Furthermore, Itaúsa continues to operate in the search for the best capital allocation, with the overall purpose of stockholder value creation.

Event Timeline

01.31.2021
- Merger of XP at Itaú Unibanco's ESM approved.
- A new Stockholders' Agreement of XP negotiated.

05.31.2021
- Spin-off of XP portion and incorporation of XPart.
- Itaúsa becomes the holder of 37.32% of XPart.
- New Stockholders' Agreement with XP comes into force.

10.01.2021
- XP's and XPart's ESMs approve the Merger of XPart into XP and resulting dissolution of XPart.
- Itaúsa becomes the direct and indirect (via IUPAR) holder of 15.07% of XP's capital.

12.08.2021
- IUPAR spins off its investment in XP Inc. and withdraws from the Stockholders' Agreement.
- Itaúsa becomes the direct holder of 15.07% of XP's capital.

12.14.2021
- Itaúsa sells 7.8 million XP's shares, corresponding to 1.39% of XP's capital.
- Itaúsa becomes the holder of 13.67% of XP's total capital.

For further information on the aforementioned transactions, please access the Material Facts and Announcements and Minutes at www.itausa.com.br/material-facts-and-notices.

2. Environmental, Social and Governance (ESG) Performance

Itaúsa makes up top main domestic and international sustainability indexes once again

The Company's management of environmental, social and governance (ESG) aspects has featured prominently in a number of segments of the economy. Itaúsa has a long history of commitment to corporate sustainability, and considers the analysis of ESG impacts a priority in portfolio management and its strategy.

Itaúsa drives its corporate social responsibility efforts through its three strategic pillars. Through **Shared Culture** Itaúsa seeks to influence investees by sharing the best corporate governance and efficient management practices, as well as by encouraging E&S responsibility initiatives. With respect to **Efficient Capital Allocation**, the Company seeks to create value in a sustainable way and factors in both ESG impacts and risks when assessing opportunities. Finally, **Business Continuity** is in the spotlight while monitoring investees, seeking to ensure long-term financial sustainability of assets and the companies making headway in ESG issues.

Itaúsa's commitment, as well as of its investees, to business ethics, transparency and the ongoing improvement of its sustainable performance is recognized by different awards and their participation in major domestic and international sustainability indexes, such as those highlighted below:

- **Dow Jones Sustainability Index:** Itaúsa was selected, for the **18th time**, to make up the portfolio of the top global ESG index, the Dow Jones Sustainability World Index (DJSI). Itaú Unibanco, our main investee, was also selected and has been part of the index's portfolio since its creation in 1999. Furthermore, both companies were also selected for another major portfolio, the Dow Jones Sustainability Emerging Markets.

- **Business Sustainability Index (B3):** Itaúsa makes up, for the **15th year**, B3's main ESG Index. Dexco and Itaú Unibanco were also selected for the 14th and 17th consecutive years, respectively.

- **London Stock Exchange Sustainability Index (FTSE4Good):** Itaúsa returns, for the **2nd consecutive time**, to the FTSE4Good portfolio, the London Stock Exchange Sustainability Index (LSE). This index, reviewed every six months, tracks companies featuring outstanding ESG practices.

- **Carbon Efficient Index (ICO2):** Itaúsa, Itaú Unibanco and Dexco were selected to make up the Carbon Efficient Index portfolio from January to April 2022, the main index measuring the level of emissions of B3's listed companies.

- **Carbon Disclosure Project (CDP) and Sustainalytics:** in addition to the foregoing acknowledgments, Itaúsa has joined CDP, the main global GHG initiative, being rated as a low-risk company from an ESG perspective by one of the top global rating agencies for ESG issues.

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA | ISE B3 | FTSE4Good | ICO2 B3 | CDP

For further information about socioenvironmental and governance management, access: www.itausa.com.br/sustainability.

3. Itaúsa's Operational and Financial Performance

3.1. Pro-Forma Individual Result of Itaúsa

Itaúsa S.A. is an investment holding company with equity interests in other operating companies, with its results basically derived from its Equity in the Earnings of Investees, determined based on the net income of its investees and revenues from investments in financial assets.

The equity in the earnings of investees and the individual result of Itaúsa are presented in the table below, including recurring events (non-recurring events are presented in detail in table Reconciliation of Recurring Net Income).

Managerial Individual Result of Itaúsa[1]						
R$ million	**4Q21**	**4Q20**	**Δ%**	**2021**	**2020**	**Δ%**
Investees recurring results	**3,549**	**2,918**	**22%**	**11,816**	**7,706**	**53%**
Financial Sector	**2,725**	**2,371**	**15%**	**10,515**	**7,023**	**50%**
Itaú Unibanco	2,581	2.371	9%	10.228	7.023	46%
XP Inc.[2]	143	n.a.	n.a.	286	n.a.	n.a.
Non-financial Sector	**859**	**553**	**55%**	**1,355**	**710**	**91%**
Alpargatas	45	60	-25%	166	131	27%
Dexco	161	103	56%	434	193	125%
Aegea Saneamento[3]	26	n.a.	n.a.	37	n.a.	n.a.
Copa Energia	25	n.a.	n.a.	40	n.a.	n.a.
NTS[4]	608	386	58%	692	385	80%
Other companies	(7)	4	-275%	(14)	1	n.a.
Other Results	**(35)**	**(6)**	**-483%**	**(53)**	**(27)**	**-97%**
Results of Itaúsa	**634**	**(82)**	**878%**	**296**	**(383)**	**177%**
Financial Income/Expenses	(101)	(4)	n.a.	(209)	(26)	-706%
Administrative Expenses	(39)	(33)	-17%	(142)	(128)	-11%
Tax Expenses	(98)	(46)	-113%	(240)	(236)	-2%
Other Operating Revenues	872	2	n.a.	888	7	n.a.
Income before Income Tax/Social Contribution	**4,183**	**2,837**	**47%**	**12,113**	**7,323**	**65%**
Income Tax/Social Contribution[5]	2	(105)	102%	23	(104)	122%
Recurring Net Income	**4,185**	**2,731**	**53%**	**12,136**	**7,219**	**68%**
Non-recurring Result	**(68)**	**931**	**-107%**	**64**	**(163)**	**139%**
Itaúsa's Results	32	(2)	n.a.	32	(56)	157%
Financial Sector	(153)	970	-116%	(223)	63	-456%
Non-Financial Sector	53	(37)	243%	255	(170)	250%
Net Income	**4,117**	**3,662**	**12%**	**12,200**	**7,056**	**73%**
Return on Equity (%)	**25.6%**	**26.2%**	**-0.6 p.p.**	**20.1%**	**13.0%**	**7.1 p.p.**
Recurring Return on Equity (%)	**26.0%**	**19.5%**	**6.4 p.p.**	**19.9%**	**13.3%**	**6.6 p.p.**

(1) Attributable to controlling stockholders.
(2) For XP Inc., results for the year-to-date refer to June to December 2021.
(3) For Aegea Saneamento, results for the year-to-date refer to July to December 2021.
(4) It includes dividends/interest on capital received, adjustments to fair value of shares and expenses on time instalment in US dollar of the invested amount and corresponding exchange variation.
(5) Itaúsa recognized in 4Q21 tax credits on tax losses and temporary differences.

3.2. Results of investees, as recorded by Itaúsa

Recurring equity in the earnings of investees, recorded in Itaúsa in 2021, totaled R$11,816 million, up 53% on a year-on-year basis, mainly driven by **Itaú Unibanco** outperforming as a result of the growth in loan portfolio, exceeding R$1 trillion, improved financial margin and lower expected loan losses, in addition to the efficient management of non-interest expenses.

The consumer goods and civil construction material segments posted a very favorable performance, taking advantage of the good market momentum combined with its efficient structures. **Alpargatas** posted a record net revenue and EBTIDA, driven by the strong performance in volume, and initiatives such as Revenue Growth Management (RGM), making up for the rise in global costs of certain inputs. **Dexco** also posted higher revenues in all Divisions, productivity gains and greater plant efficiency, which have led to the best year ever in EBTIDA performance of the investee's 70-year history.

Regarding the **natural gas transportation and distribution** segment, the results recorded at Itaúsa, driven by the investment in **NTS**, were positively impacted by the review of the macroeconomic assumptions adopted in the periodic review of the fair value of the asset, in addition to the higher amounts of dividends received and lower effect of negative foreign exchange on the debt arising from purchase of interest in the company. **Copa Energia,** which has become an integral part of the portfolio as from late December 2020, also recorded increased revenues and improved margins, but it closed 2021 with results yet under pressure, mainly driven by back-to-back LPG price rises passed on by Petrobras over the year and higher finance costs on leverage in connection with the purchase of Liquigás.

In the **basic sanitation** segment, the highlight is that **Aegea**'s results started to be recognized by Itaúsa as of 3Q21 under the equity method to reflect the agreement to share results entered into by the parties. The company recorded consistent gains from revenues, EBITDA and net income for the year, as a result of the higher volume billed, revenue from consideration from PPPs and periodic tariff rises, with highlights to concessionaires Ambiental Metrosul, Ambiental Cariacica, and Ambiental MS Pantanal, as well as to SPEs Águas do Rio 1 and 4, which started operating in 4Q21.

Furthermore, as of 2Q21, the results of **XP Inc.** started to be recognized by Itaúsa under the equity method, which has also positively contributed to the holding company's results.

Further information on the performance of each investee and Itaúsa's ownership interest is available in Section 9.1 ("Operational and financial performance of investees").

3.3. Itaúsa's Results

Administrative expenses totaled R$39 million and R$142 million in 4Q21 and 2021, respectively, the increase of 11% on a year-on-year basis, mainly due to expenses on the institutional campaign of Itaúsa brand positioning in the period, in addition to information security IT-related initiatives, and M&A project expenses, partially offset by lower share bookkeeping expenses.

Tax expenses totaled R$98 million and R$240 million in 4Q21 and 2021, respectively, a R$4 million increase on a year-on-year basis. These expenses are mainly driven by PIS/COFINS (taxes on income) due to interest on income declared by investees in the year, mainly by Itaú Unibanco and Dexco.

Finance result totaled R$101 million and R$209 million in 4Q21 and 2021, respectively. The R$183 million increase on a year-on-year basis was mainly driven by the new debentures issued to finance the purchase of equity interests in Copa Energia and Aegea Saneamento, in addition to higher interest expenses due to higher basic interest rate in the period, partially offset by higher cash profitability.

Other Operating Revenues of R$ 888 million in 2021, refers, mostly, to the gain from the sale of shares of XP Inc. held on December 14, 2021.

Profit totaled R$12.2 billion in 2021, up 73% on a year-on-year basis, mainly driven by higher equity in the earnings of basically all investees and of the gain from the sale of XP Inc. shares by Itaúsa, partially offset by the higher cost of the holding company, as explained above, and by the non-recurring effects highlighted below. **Recurring net income** was R$12.1 billion, up 68% year-on-year.

3.4. Recurring net income

Profit was impacted by non-recurring events that totaled negative effect of R$68 million in 4Q21 and positive of R$64 million in 2021. At **Itaú Unibanco**, main effect for the quarter were the negative impact of the provision for restructuring. At **Dexco**, main non-recurring events were deferred tax assets arising from lawsuits. At last, at **Copa Energia** there was the positive non-recurring effect related to the swap of assets to Nacional Gás and the sale of assets to Fogás, as well as Copagaz-Liquigás business integration expenses.

Reconciliation of Recurring Net Income				
R$ million	**4Q21**	**4Q20**	**2021**	**2020**
Recurring Net Income	**4,185**	**2,732**	**12,136**	**7,219**
Addition/(Exclusion) of non-recurring effects	**(68)**	**931**	**64**	**(163)**
Own	**32**	**(2)**	**32**	**(56)**
Arising from ownership interest in the Financial Sector	**(153)**	**970**	**(223)**	**63**
Itaú Unibanco	**(151)**	**970**	**(221)**	**63**
Treasury shares	(71)	2	116	132
Provision for structural adjustment	-	-	(348)	-
Impairment of software	(3)	-	(91)	-
Others	(77)	968	102	(69)
XP Inc.	**(2)**	**n.a.**	**(2)**	**n.a.**
Arising from ownership interest in the Non-Financial Sector	**53**	**(37)**	**255**	**(170)**
Alpargatas	40	(44)	34	(90)
Dexco	53	7	201	(27)
Copa Energia	(3)	n.a.	57	n.a.
Others[1]	(37)	-	(37)	(53)
Net Income	**4,117**	**3,663**	**12,200**	**7,056**

(1) It refers to PPAs of Alpargatas and Copa Energia, and to other non-recurring items of Itautec.

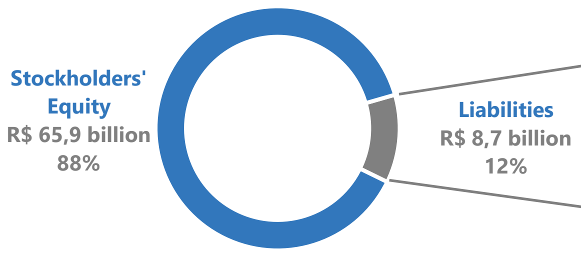
4. Capital Structure and Debt

Itaúsa has a conservative cash management approach and the maintenance of proper debt ratios among its practices, subject to the proper level of liquidity of cash and cash equivalents and the focus on capital preservation at Itaúsa.

On December 31, 2021, the Company's leverage ratio, as measured by adjusted net debt[1] (R$3,793 million) to total liabilities (liabilities plus stockholders' equity) (R$74,602 million), was 5.1%, with liabilities accounting for 11.7% of total liabilities (liabilities plus stockholders' equity).

Itaúsa's financial and equity positions are sufficient for the continuity of its business plan and meeting short-, medium- and long-term obligations, the payment of third-party loans included, on the grounds of its liquidity buffer, if one includes its cash flows, current cash position, liquidity of assets and capital call capacity, if required.

Breakdown of Capital on 12.31.2021



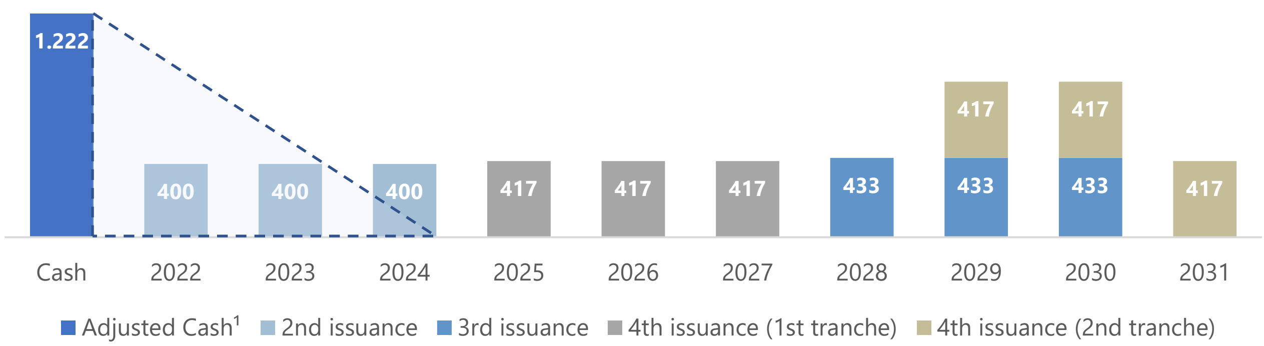
Breakdown of Liabilities (R$ million)

Total Liabilities	8,716	11.7%
Debentures	5,015	6.7%
Dividends and IOC payable	1,882	2.5%
Provisions	1,663	2.2%
Other liabilities	156	0.2%

Note: amounts related to balance sheet of Itaúsa.

Please see below the adjusted cash position, the instruments that account for over 90% of the Company's total debt, and its repayment schedule. On December 31, 2021, the Company's average term of debt was 5 years and 7 months, with average cost[2] of CDI + 1.56% p.y.

Adjusted Cash Position[1] and Principal Repayment Schedule on 12.31.2021 (in R$ million)



Notes:
- 2nd issuance of debentures, with cost of 106.9% of CDI and a 7-year maturity term
- 3rd issuance of debentures, with cost of CDI + 2.4% p.y. and a 10-year maturity term.
- 4th issuance of debentures (1st tranche), with cost of CDI + 1.4% p.y. and a 6-year maturity term.
- 4th issuance of debentures (2nd tranche), with cost of CDI + 2.0% p.y. and a 10-year maturity term.

On September 6, 2021, Moody's reaffirmed the credit rating of Itaúsa at AA.br (national scale) with a stable outlook, the same rating assigned to the 3rd and 4th issuances of the Company's debentures, which considers, according to its methodology, the subordination to investee Itaú Unibanco.

For further information on the issuance of debentures, please see Note 20 or access: www.itausa.com.br/debt-and-rating.

[1] It excludes R$1,176 million of the cash position for interest on capital declared in December 2021 (to be paid on March 11, 2022). Proceeds arose from the sale of XP Inc.'s shares
[2] It includes CDI for the last 12 months ended December 31, 2021 at 4.40% p.y.

5. Asset Value

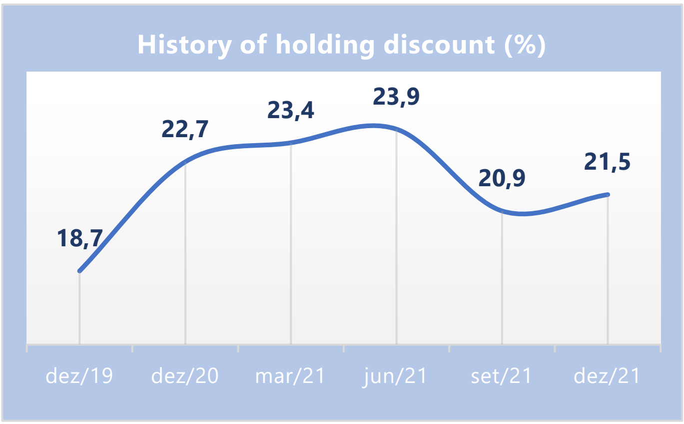
Itaúsa is a holding company that manages a portfolio of companies operating in different segments. On December 31, 2021, market capitalization, based on the price of the most liquid share (ITSA4), was **R$78.8 billion**, whereas the sum of interests in investees at market value totaled **R$100.4 billion**, resulting in a 21.5% discount, down 1.2 p.p. on a year-on-year basis.

Portfolio Companies	Price of most liquid share (R$) (A)	Total shares (million) (B)	Market Value (R$ million)	Itaúsa's stake (%) (C)	Market Value of the Stake (R$ million)
Itaú	20.95	9,780	204,889	37.3%	76,468
XP Inc. (D)	US$28.74	559	89,626	13.7%	12,265
ALPARGATAS	37.02	579	21,438	29.2%	6,255
Dexco	14.96	754	11,287	36.9%	4,160
aegea (E)	n/a	n/a	n/a	12.9%	2,602
nts (F)	n/a	n/a	n/a	8.5%	1,516
COPA energia (E)	n/a	n/a	n/a	48.9%	1,191
Other Net Assets and Liabilities (G)					-4,053
Market Value of the Sum of the Parts					**100,404**
ITAÚSA	**8.93**	**8,823**	**78,789**		**78,789**
Discount					**-21.5%**

(A) Closing prices of the last business day of the period of the most liquid shares of Itaú (ITUB4), XP Inc. (Nasdaq: XP), Alpargatas (ALPA4), Dexco (DXCO3), and Itaúsa (ITSA4). | (B) Total shares issued less treasury shares. | (C) Itaúsa's direct and indirect equity interest in the total capital of companies, according to Note 1 to the Financial Statements of Itaúsa as of December 31, 2021. | (D) it includes the foreign exchange rate of R$5.58/US$. | (E) It includes the investment value recorded in the Balance Sheet as of December 31, 2021. | (F) It includes the fair value recorded in the Balance Sheet as of December 31, 2021. | (G) Data from the individual balance sheet as of December 31, 2021.

Discount is an indicator resulting from the difference between the market price ascertained for Itaúsa's shares and the theoretical value obtained through the sum of the market (for listed companies) or at fair or investment value (for non-listed companies) ("sum of the parts").

Part of this discount can be justified in view of the holding company's maintenance expenses, taxes levied on a fraction of the earnings received (tax inefficiency), and risk assessment, among other factors. Taking into account the foundations that justify it, Itaúsa's management believes that the current level is overstated and does not reflect the proper indicator level.



The Investor Relations department discloses information about the discount on a monthly basis, which is available on: www.itausa.com.br/net-asset-value.

6. Capital Markets

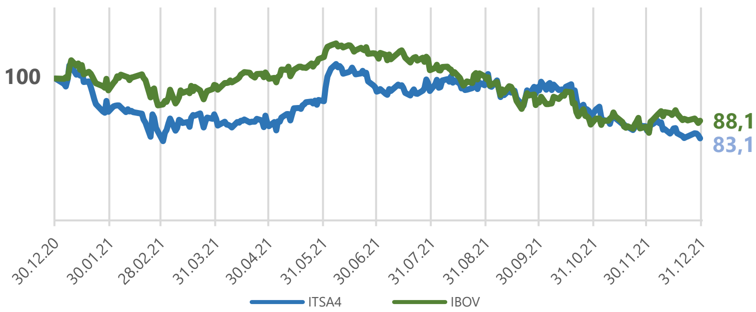
6.1. Share Performance

Itaúsa's preferred shares (traded on B3 under ticker ITSA4) closed the fourth quarter of 2021 at R$8.93, down 14.1% in the period, when adjusted by payment of dividends and interest on capital, whereas Ibovespa, B3's main index, depreciated by 5.5% in the same period. In 2021, Itaúsa's share prices adjusted by earnings and the Ibovespa index depreciated by 16.9% and 11.9%, respectively.

Performance of Itaúsa's and Investees' shares

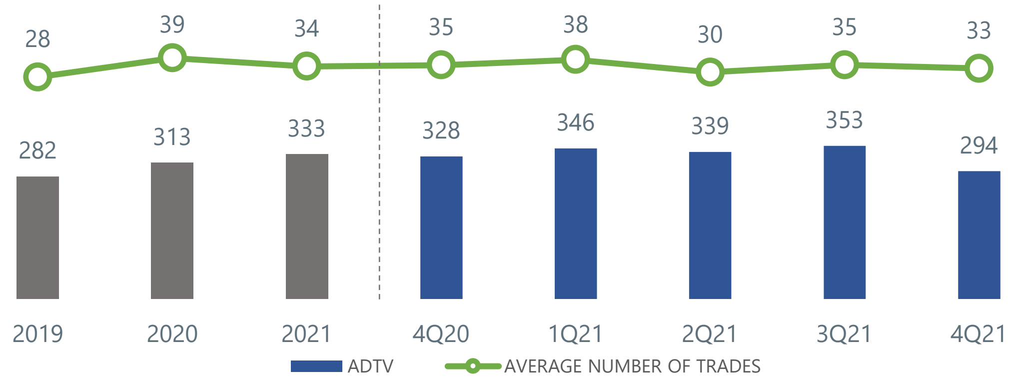
Company	Close	Δ 4Q21	Δ 2021
ITSA4	R$ 8.93	-14.1% ▼	-16.9% ▼
ITSA3	R$ 9.30	-11.7% ▼	-17.9% ▼
ITUB4	R$ 20.95	-10.9% ▼	-16.8% ▼
ALPA4	R$ 37.02	-29.4% ▼	-11.3% ▼
DXCO3	R$ 14.96	3.8% ▲	-5.8% ▼
XP	US$28.74	-28.5% ▼	-27.6% ▼
Ibovespa	104,822 pts	-5.5% ▼	-11.9% ▼

ITSA4 vs. Ibovespa (last 12 months)



The daily average trading volume of Itaúsa's preferred shares in 2021 was R$333 million, with 33,800 daily trades on average, up 6.4% and down 12.4%, respectively, on a year-on-year basis.

ITSA4 - Volume (R$ million) and average trading volume (number in thousands)



6.2. Share buybacks

ITSA
B3 LISTED N1

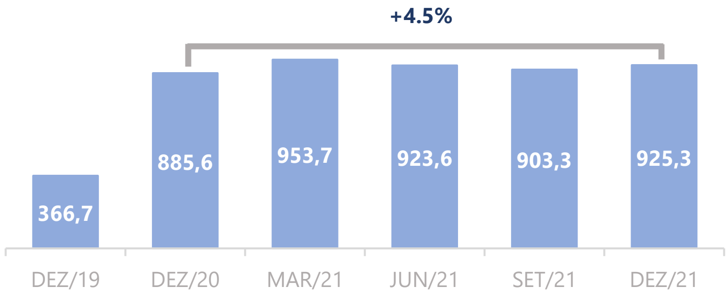
In July 2021, Itaúsa started trading shares under its proprietary Share Buyback Program. Since the start of the program, Itaúsa has bought back eight million preferred shares (3.2% of the total limit approved by the program) at the average price of R$11.22 per share. As a result of the 5% bonus shares announced on December 14, 2021, the number of preferred shares held in treasury increased to 8.4 million at that date.

The Share Buyback Program in connection with treasury shares has been approved up to the limit of 250 million shares (50 million common shares and 200 million preferred shares) and is in effect for 18 months as of its approval date (February 22, 2021). Responsible for the buyback program management, Itaúsa's Board of Officers will continue to monitor possible buyback opportunities for efficient capital allocation purposes, always having in mind the market momentum, any restrictions imposed by CVM Resolution No. 44 (former CVM Instruction No. 358), and the Company's current equity and liquidity positions.

6.3. Stockholder base

On December 31, 2021 Itaúsa had **925.300** direct **stockholders** (99.6% individual stockholders), up 4.5% from the 885.600 stockholders on a year-on-year basis, holding therefore one of the largest active base of investors on B3 among private companies.

Change in the number of stockholders (in thousands)



7. Return to stockholders

7.1. Earnings and dividend yield (last 12 months)

The investors who remain as stockholders during the last 12 months ended on December 31, 2021 were entitled to receive the total gross amount of R$ 3,3 billion, that is, R$0.394165 (gross) per share which, adjusted by the 5% bonus share granted in December 2021 totaled R$0.375395 per share, and, divided by the preferred share quoted on December 31, 2021, resulted in a 4.2% dividend yield.

Base Year	Earnings Declared	Stockholding position	Payment date	Gross amount declared	Gross amount per share[2]
2020	IOC[1]	01.22.2021	03.12.2021	R$ 174.9 million	R$ 0.020800
	Quarterly dividends	02.26.2021	04.01.2021	R$ 168.2 million	R$ 0.020000
2021	IOC[1]	03.09.2021	08.26.2021	R$ 130.0 million	R$ 0.015456
	IOC[1]	03.25.2021	08.26.2021	R$ 160.5 million	R$ 0.019080
	IOC[1]	04.27.2021	08.26.2021	R$ 179.2 million	R$ 0.021310
	IOC[1]	05.24.2021	08.26.2021	R$ 154.8 million	R$ 0.018400
	Quarterly dividends	05.31.2021	07.01.2021	R$ 168.1 million	R$ 0.020000
	IOC[1]	08.13.2021	08.26.2021	R$ 313.9 million	R$ 0.037340
	Quarterly dividends	08.31.2021	10.01.2021	R$ 168.1 million	R$ 0.020000
	IOC[1]	11.23.2021	03.11.2022	R$ 1,300.1 million	R$ 0.154720
	IOC[1]	11.30.2021	01.03.2022	R$ 197.7 million	R$ 0.023530
	IOC[1]	12.13.2021	04.01.2022	R$ 197.7 million	R$ 0.023530
Total earnings in the last 12 months					**R$ 0.394165**
Total earnings in the last 12 months adjusted by the 5% bonus share[3]				**R$ 3,313.4 million**	**R$ 0.375395**
Preferred share (ITSA4) value 12.31.2021					R$ 8.93
Dividend Yield					**4.2%**

(1) Interest on capital is subject to tax rate of 15% of withholding income tax according to legislation in force.
(2) Itaúsa's capital is represented by 8,831,355,677 shares (8.4 million treasury shares on December 31, 2021).
(3) According to market convention, dividend yield was calculated based on earnings per share adjusted by the 5% bonus shares in December 2021 divided by share value (ITSA4) on December 31, 2021 (Source: Economática).

On December 13, 2021, the Company's Board of Directors declared interest on capital in the amount of R$1,176.5 million (net of income tax: R$1,000 million) or R$0.13334 per share (net of income tax: R$0.113339 per share), based on the stockholding position at the end of January 14, 2022, to be paid on March 11, 2022.

In view of the investee's activities downturn at the onset of the pandemic and the temporary curbs on dividend payments imposed by the Central Bank of Brazil on financial institutions in 2020, the cash inflow received by Itaúsa in 2020 and 1Q21 decreased and led to a temporary reduction in dividends paid out by the Company in the last 12 months and consequently in dividend yield.

History of Itaúsa's Dividend Yield				
Base Year	2018	2019	2020	2021
Dividend Yield	7.4%	8.5%	5.5%	4.2%

The complete history of earnings paid and payable already announced is available on www.itausa.com.br/dividends-and-ioc.

7.2. Capital Increase with Share Bonus

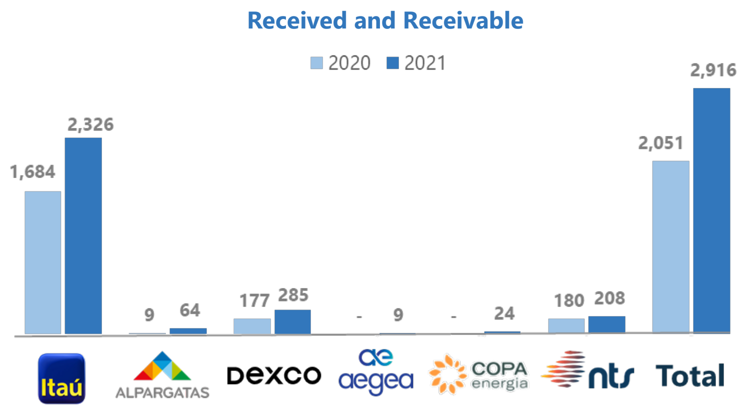
On December 13, 2021, Itaúsa's Board of Directors approved the increase in the Company's capital through capitalization of a revenue reserve worth R$7.9 billion, to a R$51.5 billion capital. Capitalization was carried out by issuing 420,540,747 new book-entry shares (144,491,889 common and 276,048,858 preferred shares), attributed free of charge to stockholders as bonus, at the proportion of 5 new shares for every 100 shares of same type held by stockholders at their final stockholding position on December 20, 2021.

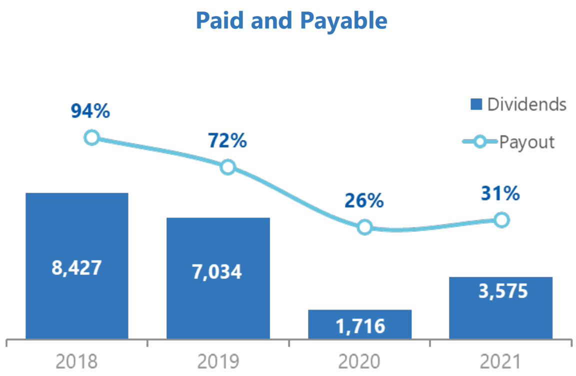
Bonus was made in whole numbers and new shares were included in the stockholders' position on December 23, 2021. Any surplus resulting from share fractions will be set apart, grouped in whole numbers and sold on the Stock Exchange, with the sale proceeds made available proportionally to the holders of these fractions on a date to be informed in due course.

Furthermore, we inform that the cost attributed to the bonus shares is R$18.891662 per share, attributed to maximize the tax benefit to stockholders, subject to the available revenue reserves. Cost was calculated based on the amount of revenue reserves available for the bonus (i.e., R$7.9 billion) divided by the number of new shares issued.

7.3. Flow of Dividends and Interest on Capital[1,2]

We present below the flow of dividends and interest on capital **under the accrual basis**, which is understood by Management as the most suitable for monitoring the Company's earnings pay-out practice, which has been to fully transfer the amounts received as earnings from its investee Itaú Unibanco.





(1) It refers to Balance sheet - Parent Company (in R$ million).
(2) Payout = Dividends and interest on capital, net, paid and payable / Net income deducted from legal reserve of 5%.

8. Independent Auditors –CVM Instruction No. 381

Procedures adopted by the Company

The policy adopted by Itaúsa, its subsidiaries and parent company, to engage non-audit services from our independent auditors is based on the applicable regulations and internationally accepted principles that preserve the auditors' independence. These principles include the following: (a) an auditor cannot audit their work; (b) an auditor cannot hold managerial positions at their client's; and (c) an auditor cannot promote the interests of their client.

In the January-December 2021 period, the independent auditors PricewaterhouseCoopers Auditores Independentes provided the following non-audit services, equivalent to 17.72% of total external audit fees due to the same auditors, as set forth in CVM Instruction No. 381:

Itaúsa S.A.: (i) assurance of price adjustment in the acquisition of Copagaz, engaged on January 20, 2021, in the amount of R$152,000; (ii) assurance of the Reference Form and the Integrated Report, engaged on September 17, 2021, in the amount of R$126,000; and (iii) other services, engaged on July 30, 2021, in the amount of R$5,000.

Investee Dexco: (i) project consulting services, engaged on July 1, 2021 and on November 25, 2021, in the amount of R$347,000.

Independent Auditors' Justification – PwC: The provision of the aforementioned non-audit services does not affect the independence or the objectivity of the external auditor of Itaúsa and its subsidiaries. The policy adopted for providing non-audit services to Itaúsa is based on principles that preserve the independence of the Independent Auditors, all of which were considered in the provision of the referred services.

9. Appendices

9.1. Operational and financial performance of investees

We present below the main highlights of the 4Q21 and 2021 results of the investees that make up Itaúsa's portfolio.

Investee Company	Sector	Itaúsa Stake[1]	Ticker
Itaú Unibanco Holding S.A.[2]	Financial Institution (Bank)	37.32%	B3: ITUB4
XP Inc.	Financial Products and Services	13.68%	Nasdaq: XP
Alpargatas S.A.	Footwear and Apparel	29.18%	B3: ALPA4
Dexco S.A.	Wood, Porcelain and Sanitary Metals	36.86%	B3: DXCO3
Aegea Saneamento e Participações S.A.	Basic Sanitation	12.88%	Closely held company
Copa Energia S.A.	Distribution of Gas (LPG)	48.93%	Closely held company
Nova Transportadora do Sudeste S.A. (NTS)[3]	Transportation of Natural Gas	8.50%	Closely held company

(1) It includes the percentage of direct and indirect interest held by Itaúsa on December 31, 2021, according to Note 1 (Operations).
(2) Itaúsa holds indirect interest in Itaú Unibanco Holding, as it holds a 66.53% interest in the capital of IUPAR – Itaú Unibanco Participações S.A., whose only investments are the equity interests in Itaú Unibanco.
(3) Itaúsa holds an 8.5% direct and indirect interest in NTS through Nova Infraestrutura Gasodutos Participações S.A.

Itaú Unibanco Holding S.A.

R$ million (except where indicated)	4Q21	4Q20	Δ%	2021	2020	Δ%
OPERATING RESULT						
Operating Revenues[1]	36,387	35,077	3.7%	129,212	117,900	9.6%
Expected Loss on Financial Assets and Claims	(6,169)	(4,210)	46.5%	(14,379)	(25,980)	-44.7%
General and Administrative Expenses	(16,785)	(16,991)	-1.2%	(62,549)	(64,207)	-2.6%
PROFITABILITY AND RETURN						
Net Income[2]	6,596	8,982	-26.6%	26,760	18,896	41.6%
Recurring Net Income[2]	7,000	6,390	9.5%	27,662	19,077	45.0%
ROE (annualized)	17.6%	25.8%	-8.2 p.p.	18.2%	14.2%	4.0 p.p.
Recurring ROE (annualized)	18.6%	18.3%	0.3 p.p.	18.8%	14.3%	4.5 p.p.
BALANCE SHEET						
Stockholders' Equity	152,864	142,993	6.9%	152,864	142,993	6.9%
Loan Portfolio[3]	1,030,674	873,083	18.1%	1,030,674	873,083	18.1%
Tier I capital ratio	13.0%	13.2%	-0.2 p.p.	13.0%	13.2%	-0.2 p.p.

(1) For better comparability, the tax effects of hedge on foreign investments were reclassified. (2) Attributable to controlling stockholders. (3) Loan Portfolio with Financial Guarantees Provided and Corporate Securities.

- **Client centricity** has remained a priority for the bank. In 2021 the bank launched **iVarejo 2030** project, aimed at transforming client experience by reframing the proposed business value through two major fronts: (i) the **Phygital** (bank relation in the digital or online channels) and (ii) **Omnichannel** (channel integration) approaches.
- **Digital bank iti:** it reached the milestone of 14.6 million clients, of whom 4.7 million were won over in 4Q21, thus showing the bank's strength in this segment of operation. In addition, 4.1 million clients were acquired through other digital channels.
- **Loan portfolio:** it totaled **R$1.0 trillion in 2021**, up 18.1% in 12 months, driven by the growth in main segments in Brazil (+30% in individuals, +23% in very small, small and middle-market companies, +16% in corporate) and up 3% in Latin America. The positive effect was followed by a 55.2% increase in interest income from loan operations.
- **Mortgage loans: R$46 billion originated in 2021 for individuals**, up 128% on a year-on-year basis, with the consolidation of Itaú Unibanco as the largest private bank in this market.
- **Commissions and fees and Result from insurance and pension plan operations were up 18.2%** on a year-on-year basis, driven by higher revenues from issuing and acquiring activities.
- **Expected loss on financial assets and claims in 4Q21 increased by R$2.0 billion** from 4Q20, mainly driven by increased loan losses. Taking into account provisions for operations without credit granting characteristics, expected loss on financial assets and claims were up 36.1%, or R$1.7 billion, on a year-on-year basis.
- **Net income:** down 26.6% from 4Q20, mainly driven by gain from the partial sale of equity interest in XP Inc. in 4Q20 and the negative impact of non-recurring R$765 million in 4Q21 related to a rise in CSLL rate. In the year, the **41.6% increase** was driven by the 9.6% rise in operating revenues, mainly driven by the 15.2% growth in net interest income, due to higher revenue from loan operations, the 10.8% increase in commissions and fees and result from insurance and pension plan operations, and the 44.7% decrease in expected loss of financial assets and claims.
- **Recurring net income:** up 9.5% from 4Q20, driven by the increases of 18.2% in net interest income, 12.1% in commissions and fees and a 1.2% fall in general and administrative expenses, partially offset by higher expected losses on financial assets and claims.
- Capital management is paramount, since it is used to optimize the investment of funds and ensure the bank's strength. At the end of December 2021, **Tier I capital ratio was at 13.0%**, above the minimum required by the Central Bank of Brazil (9.0%).

For further information on Itaú Unibanco's results, please access: www.itau.com.br/relacoes-com-investidores

XP Inc.

R$ million (except where indicated)	4Q21	4Q20	Δ%	2021	2020	Δ%
OPERATING RESULT						
Assets Under Custody	815	660	23.5%	815	660	23.5%
Net Revenue	3,260	2,395	36.1%	12,077	8,152	48.1%
Adjusted EBITDA	1,390	891	56.0%	4,848	2,918	66.1%
Adjusted EBITDA margin	42.7%	37.2%	5.5 p.p.	40.1%	35.8%	4.3 p.p.
PROFITABILITY AND RETURN						
Net Income[1]	991	602	64.6%	3,592	2,081	72.6%
ROE (annualized)[1]	28.5%	24.6%	3.9 p.p.	28.6%	24.5%	4.1%
BALANCE SHEET						
Credit Portfolio[2] (R$ billion)	10.2	3.9	161.5%	10.2	3.9	161.5%

(1) Attributable to controlling stockholders. (2) It does not include loans and receivables related to credit cards.

- **Credit portfolio:** totaled **R$10.2 billion** with a 3.3-year duration.
- **Assets under custody:** up 23.5% on a year-on-year basis, driven by R$230 billion in net funding and R$75 billion in market valuation.
- **Net revenue:** up 36.1% and 48.1% in 4Q21 and 2021, respectively, was mainly driven by the retail business, due to the higher demand from clients for fixed-income and structured products, in addition to higher revenue from new business (pension plans, cards, loans and insurance).
- **Net income:** up 65% in 4Q21 was driven by growth in revenue and operational leverage, even with the increase in headcount carried out to speed up the new business initiatives. In 2021, the 73% growth was driven by the increase in gross margin and the lower effective tax rate, as a result of a more favorable mix of income and expenses.
- **The offer of credit cards,** launched in March 2021, has already recorded accelerated increase in the period. The volume of transactions reached R$4.4 billion in 4Q21 (up 35% from the previous quarter), totaling over R$10 billion in the year.
- On October 4, 2021, with the merger of XPart completed, XP Inc. (company listed on Nasdaq, ticker XP) now holds **BDRs traded on the Brazilian stock exchange (B3),** under *ticker* XPBR31, thus increasing the share liquidity.
- In 4Q21, XP announced the **purchase of minority interest in AZ Quest and in Vista**, thus strengthening its strategy to boost and develop the market for wealth managers and distributors in Brazil.

For further information on XP Inc.'s results, please access: https://investors.xpinc.com/

ALPARGATAS

R$ million (except where indicated)	4Q21	4Q20	Δ%	2021	2020	Δ%
OPERATING RESULT						
Volume (thousand pairs/pieces)[1]	76,701	78,704	-2.5%	260,090	230,106	13.0%
Brazil	70,445	73,293	-3.9%	228,760	207,540	10.2%
International	6,257	5,411	15.6%	31,330	22,566	38.8%
Net Revenue	1,069	995	7.4%	3,949	3,143	25.6%
EBITDA	169	125	35.2%	750	425	76.3%
EBITDA margin	15.8%	12.6%	3.2 p.p.	19.0%	13.5%	5.5 p.p.
PROFITABILITY AND RETURN						
Net Income[2]	294	54	444.2%	690	140	391.9%
Recurring Net Income[3]	150	185	-18.9%	573	462	23.9%
ROE (annualized)[2]	28.9%	7.4%	21.5 p.p.	21.7%	5.0%	16.7 p.p.
Recurring ROE (annualized)[3]	16.2%	25.4%	-9.2 p.p.	18.0%	15.9%	2.1 p.p.
BALANCE SHEET						
CAPEX	159	95	67.6%	339	187	81.4%

(1) it includes Havaianas operations only. | (2) Attributable to controlling stockholder. | (3) Attributable to controlling stockholder (pro forma).

- **The acquisition of Ioasys expands** the company's **digital transformation capacity,** staffed today with over 430 employees in the technology and design departments.
- **Efficient capital management:** December 2021 witnessed the completion of the sale of 100% interest held in **Osklen** and the announced purchase of 49.9% in **Rothy's**, with a purchase option for the remaining company's capital at a later date, a major step for Alpargatas to become a **brand powerhouse**.
- A **R$600 million worth investment announced for 2022** to expand plant capacity, optimize the logistics network and new product and process technologies, to boost Havaianas in terms of production volume, cost reduction and improved level of services.
- **Net revenue:** up 7.4% in 4Q21, with highlight to the expansion in the international market and RGM initiatives in Havaianas Brazil, with the price/mix up 9.8%. In 2021, net revenue reached an all-time high, driven by volume growth in addition to RGM initiatives.
- **EBITDA 2021:** favored by **increased sales and revenues,** in addition to productivity gains and control of operating expenses in the last years under the Zero-Base Budget methodology, partially offset by the rise in cost of raw materials.
- **Sound net financial cash position**, totaling R$482 million at the end of 2021, mainly driven by strong operating cash generation and receivables from discontinued operations.
- **Earnings:** earnings declared as **interest on capital** in the amount of **R$240 million in 2021**, of which R$150 million were paid in November 2021 and R$90 million will be paid in 2022.

For further information on Alpargatas' results, please access: https://ri.alpargatas.com.br.

Dexco

R$ million (except where indicated)	4Q21	4Q20	Δ%	2021	2020	Δ%
OPERATING RESULT						
Net Revenue	2,251	1,894	18.9%	8,170	5,880	39.0%
Wood Division	1,302	1,056	23.3%	4,762	3,251	46.5%
Deca Division	630	549	14.8%	2,251	1,718	31.0%
Ceramic Tiles Division	319	289	10.4%	1,157	911	27.0%
Adjusted and Recurring EBITDA	588	516	13.9%	2,188	1,288	69.9%
Adjusted and Recurring EBTIDA Margin	26.1%	27.3%	-1.2 p.p.	26.8%	21.9%	4.9 p.p.
PROFITABILITY AND RETURN						
Net Income	581	302	92.6%	1,726	454	280.1%
Recurring Net Income	407	281	44.6%	1,148	528	117.4%
ROE (annualized)	39.6%	24.0%	15.6 p.p.	31.2%	9.3%	21.9 p.p.
Recurring ROE (annualized)	27.7%	22.4%	5.3 p.p.	20.8%	10.8%	10.0 p.p.
BALANCE SHEET						
CAPEX (Maintenance and Sustaining)	587	162	262.3%	1,173	996	17.8%
Net Debt/EBITDA	1.12x	1.15x	-0.03x	1.12x	1.15x	-0.03x

- With the robust recovery of the civil construction segment in 2021, Dexco has once again surpassed all its records and recorded **its best historical result ever**, with EBITDA of R$2.2 billion in the year (up 70% from 2020).
- **Strong cash generation** for the year in the amount of **R$900.5 million** and **41% cash conversion**.
- **DWP:** 93% construction completed and operations scheduled to kick off in March 2022.
- **Increased net revenue in all divisions,** driven by the better mix of products, aligned with the successful price rises, has boosted margins.
- **Deferred tax assets**, arising from the exclusion of ICMS from PIS and COFINS calculation basis, have resulted in non-recurring positive impacts (net of taxes) of approximately R$756 million in the year.
- **Earnings:** payment of dividends and interest on capital in the gross amount of **R$878 million**, equivalent to **51% of payout**.
- **Share Buyback Program** announced, with the potential to buy back 20 million shares.
- **Low leverage ratio** held on (1.12 times), even after record dividends.

For further information on Dexco's results, please access: www.dex.co/ri.

aegea

R$ million (except where indicated)	4Q21	4Q20	Δ%	2021	2020	Δ%
OPERATING RESULT						
Billed volume ('000 m³)	136	118	15.3%	517	448	15.4%
Net Revenue[1]	823	607	35.5%	2,939	2,312	27.1%
EBITDA	597	277	115.1%	1,822	1,337	36.3%
EBITDA margin	72.5%	45.7%	26.8 p.p.	62.0%	57.8%	4.2 p.p.
PROFITABILITY AND RETURN						
Net Income[2]	191	51	273.3%	501	504	-0.7%
Recurring Net Income[2]	191	51	273.3%	501	368	35.9%
BALANCE SHEET						
CAPEX	233	144	61.8%	776	522	48.7%
Net Debt/EBITDA	2.76x	3.06x	-0.30x	2.76x	3.06x	-0.30x

(1) Net operating revenue, less construction revenue with a margin close to zero and no cash effect. | (2) Attributable to controlling stockholders.

Note: Itaúsa holds 10.20% of the voting capital and 12.88% of the total capital of Aegea Saneamento. Furthermore, it holds 5.01% and 4.89% of total class A preferred shares in Águas do Rio SPEs 1 and 4, respectively. The table above shows information from Aegea Saneamento, including the results of Águas do Rio (SPEs 1 and 4) recognized by the equity method; in 2021 the latter posted two months of operation.

Disclaimer: The audited Financial Statements of Aegea for the year ended December 31, 2021 are scheduled to be disclosed on February 22, 2022. According to the Material Fact published by the Aegea on this date, the information reported herein is preliminary and is in final stage of review by its independent auditors, being, therefore, subject to adjustments.

- **Net revenue:** growth was driven by **increase in volume billed** mostly due to the kick-off of operations of new PPPs and expansion of the concession network, and **tariff readjustment**.
- **EBITDA and Net Income:** increase was mainly driven by the higher **volume billed**, **tariff rises** and the **results of Águas do Rio**, an Aegea's affiliate that started operating in November 1, 2021.
- **CAPEX:** increase driven by **resumption of investments**, in comparison to the previous year, when non-priority or mandatory projects had been postponed as a result of cash and liquidity maintenance measures, as well as the addition of new PPPs to the portfolio.

For further information on Aegea Saneamento's results, please access: https://ri.aegea.com.br/

COPA energia

R$ million (except where indicated)	4Q21	4Q20	Δ%	2021	2020	Δ%
OPERATIONG RESULT						
Volume ('000 tons)	441	477	-7.5%	1,856	1,927	-3.7%
Net Revenue	2,591	2,090	24,0%	10,240	7,906	29.5%
EBITDA	115	20	475.0%	580	1,125	-48.4%
EBITDA Margin	4.4%	0.9%	3.5 p.p.	5.7%	14.2%	-8.5 p.p.
PROFITABILITY AND RETURN						
Net Income (Loss)	43	-2	n.a.	198	140	41.4%
Recurring Net Income (Loss)	38	-2	n.a.	77	140	-45.0%
BALANCE SHEET						
CAPEX	56	41	36.6%	115	185	-37.8%

Unaudited figures. 4Q20 and 2020 are pro forma (simple sum of consolidated results of Copagaz and Liquigás for comparison purposes).

- In 4Q21, Copa Energia continued to made headway in the **implementation of its business integration plan,** holding on to its market share and improving its operating margin.
- **Volume of sales:** positively impacted by the good performance of the **business segment**, which was driven by the pace of commercial activities in Brazil bouncing back, as well as new contracts and clients. On the other hand, the **resale segment** slowed

down as a result of the drop in the purchasing power of Brazilian households, associated with rises in costs of raw materials passed on to consumers over the year.

- **EBITDA and Net Income:** increase from 2020, mainly driven by **price rises** and the **non-recurring effect** of the sale of assets to Fogás and the swap of assets with Nacional Gás, both under the scope of the Concentration Control Agreement (CCA) executed with CADE, the Brazilian antitrust agency.

For further information on Copa Energia's results, please access: https://www.copaenergia.com.br/

nts

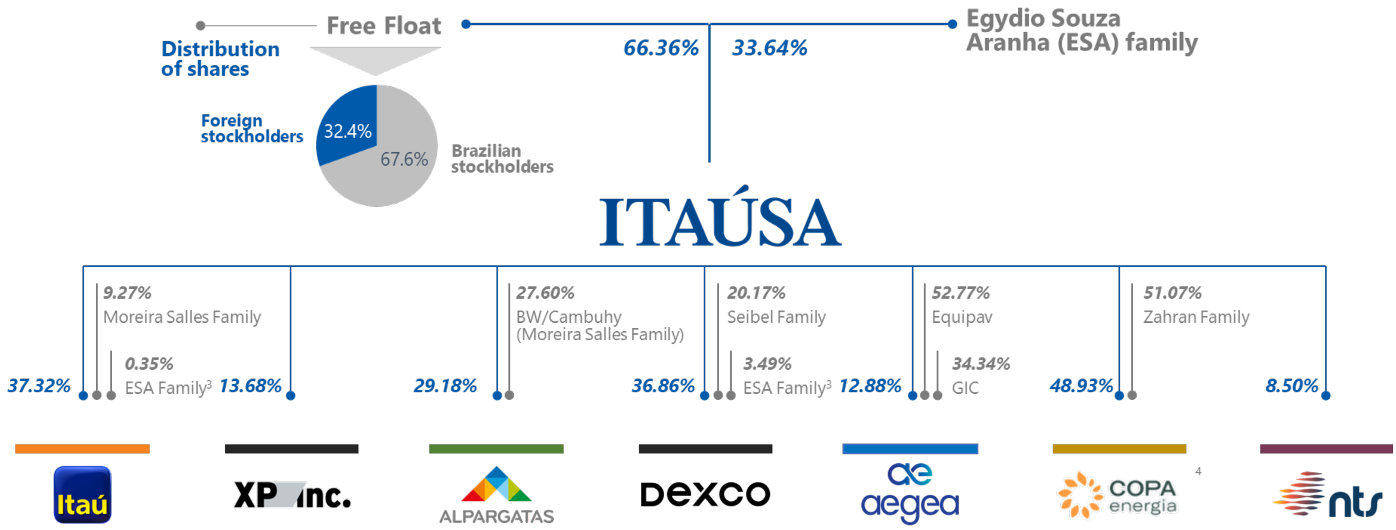
R$ million (except where indicated)	4Q21(3)	4Q20	Δ%	2021(3)	2020	Δ%
OPERATING RESULT						
Net Revenue	1,490	1,214	22.7%	5,766	4,671	23.4%
PROFITABILITY AND RETURN						
Net Income	777	682	13.8%	3,060	2,528	21.0%
Dividends[1] - Total	430	564	-23.8%	2,737	3,030	-9.7%
Dividends[1] - % Itaúsa[2]	33	43	-23.8%	209	232	-9.7%
BALANCE SHEET						
CAPEX	81	82	-0.7%	206	182	12.7%
Net Debt	3,107	4,322	-28.1%	3,107	4,322	-28.1%

(1) It includes dividends and interest on capital, gross. | (2) it includes only gross earnings directly received by Itaúsa. | (3) Early results not yet audited.

- **Milestone of 150 days of operation** reached in 4Q21, with no impact on or disruption to the gas transportation service. Since July 2021, NTS has directly run the operation and maintenance of its proprietary gas transportation pipelines, then carried out by Transpetro.
- **Net Revenue:** growth in 4Q21 and 2021, respectively, driven by **contractual adjustments**.
- **Net Income:** Improved in 4Q21 and 2021, respectively, as a result of **contractual adjustments**, partially offset by the negative impact of **finance cost** linked to CDI on debt.
- **Earnings directly paid to Itaúsa** in the amount of **R$33 million** in 4Q21 and **R$209 million** in 2021.
- Election of the **new CEO, Erick Portela Pettendorfer**, with term of office starting on January 1, 2022. Mr. Pettendorfer takes over from Wong Loon, the former CEO, elected in turn as a member of the Board of Directors, with term of office starting on February 1, 2022.

For further information on NTS's results, please access: https://ri.ntsbrasil.com

9.2. Ownership Structure on December 31, 2021[1,2]



(1) Interests exclude treasury shares,
(2) These correspond to direct and indirect interest in companies.
(3) Shares directly held by individuals or entities of the ESA Family.
(4) Increase in Itaúsa's interest (to 48.93% from 48.5%) resulted from the capital increase in Copa Energia, through the payment of debentures held by Itaúsa, in the amount of R$21 million.

9.3. Balance sheet (parent company) on December 31, 2021

(R$ million)

ASSETS	12.31.2021	12.31.2020	LIABILITIES AND STOCKHOLDERS' EQUITY	12.31.2021	12.31.2020
Financial assets	**4,863**	**3,570**	**Liabilities**	**8,716**	**5,642**
Cash and cash equivalents	2,398	1,092	Debentures	5,015	2,494
Financial Assets - FVTPL (NTS)	1,516	1,473	Dividends / Interest on Capital Payable	1,882	1,232
Financial Assets - Debenture of Copagaz	-	20	Liabilities payable (NTS acquisiton)	-	425
Dividends / Interest in Capital Receivable	949	985	Tax liabilities	80	29
			Tax contingencies	1,663	1,349
Tax assets	**1,030**	**852**	Lease liabilities	8	11
Income tax and social contribution - Current	73	179	Obligations to Staff	42	47
Income tax and social contribution - Deferred	957	673	Providers	19	34
			Other Liabilities	7	21
Investments	**68,520**	**58,347**			
Investments in controlled companies	68,515	58,342			
Other	5	5			
Fixed Assets (net)	**107**	**103**			
Other Assets	**82**	**113**	**Stockholders' equity**	**65,886**	**57,343**
Right-of-Use Assets	7	10	Capital	51,460	43,515
Prepaid Expenses	10	23	Reserves	16,891	15,131
Judicial Deposits	31	30	Equity Valuation Adjustments	(2,368)	(1,303)
Other Assets	34	50	Tresuary shares	(97)	-
TOTAL ASSETS	**74,602**	**62,985**	**TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY**	**74,602**	**62,985**

Notes:
- Balance Sheet attributable to controlling stockholders.
- Deferred income tax and social contribution, assets and liabilities, are presented already offset by the taxable entity.

9.4. Determination of Equity in the Earnings of Investees

Itaúsa's results are basically derived from its Equity in the Earnings of Investees, determined based on the net income of its subsidiaries and revenues from investments in financial assets.

4th quarter of 2021 and 2020

(R$ million)

Calculation of Investees' Results	Financial Sector				Non-financial Sector												Holding	
	Itaú		XP Inc.		Alpargatas		Dexco		Aegea		Copa Energia		NTS		Other companies		ITAÚSA	
	4Q21	4Q20	4Q21	4Q20	4Q21	4Q20	4Q21	4Q20	4Q21	4Q20	4Q21	4Q20	4Q21	4Q20	4Q21	4Q20	4Q21	4Q20
Recurring Net Income of Investees	7,001	6,390	989	-	150	185	437	306	206	-	47	-	-	-	(7)	3		
(x) Direct/Indirect interest	37.32%	37.39%	14.61%	-	29.18%	29.19%	36.86%	36.61%	AEGEA: 11,21% Rio 1: 8,16% Rio 4: 1,45%	-	48.93%	-	8.50%	7.65%	100%	100%		
(=) Share in recurring net income	2,614	2,390	143	-	43	54	161	113	26	-	25	-	-	-	(7)	4	3,005	2,561
(+/-) Other Results	(34)	(20)	-	-	(4)	(5)	-	-	-	-	(129)	-	-	-	-	-	(167)	(25)
(=) Recurring share of income	2,580	2,370	143	-	39	49	161	113	26	-	(104)	-	-	-	(7)	4	2,838	2,536
(+/-) Non-recurring income	(151)	970	(2)	-	36	(38)	53	(3)	-	-	(3)	-	-	-	69	-	2	929
(=) Share of income	2,429	3,340	141	-	75	11	214	110	26	-	(107)	-	-	-	62	4	2,840	3,465
(+) Revenues from Investments in Financial Assets - FVTPL	-	-	-	-	-	-	-	-	-	-	-	-	608	386	-	-	608	386
(=) Investees' Results in Itaúsa	2,429	3,340	141	-	75	11	214	110	26	-	(107)	-	608	386	62	4	3,448	3,851
	70.4%	86.7%	4.1%	0.0%	2.2%	0.3%	6.2%	2.9%	0.8%	0.0%	-3.1%	0.0%	17.6%	10.0%	1.8%	0.1%	100.0%	100.0%

Notes:
- Interest (direct and indirect) in investees includes the average percentage of interest held by Itaúsa in the period.
- The investment in NTS is recognized as a financial asset, it is not accounted for under the equity method.
- For Aegea Saneamento, the interest shown in the table above includes equity on the results of Aegea Saneamento and Águas do Rio 1 and 4, in compliance with the apportionment of results agreed by the parties.
- "Other companies": include the investments in Itautec and ITH Zux Cayman (non-operating companies).

Accrued 12 months of 2021 and 2020

(R$ million)

Calculation of Investees' Results	Financial Sector				Non-financial Sector												Holding	
	Itaú		XP Inc.		Alpargatas		Dexco		Aegea		Copa Energia		NTS		Other companies		ITAÚSA	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Recurring Net Income of Investees	27,663	19,077	3,589	-	573	462	1,179	553	309	-	80	-	-	-	(14)	-		
(x) Direct/Indirect interest	37.33%	37.39%	14.90%	-	29.18%	29.13%	36.79%	36.63%	AEGEA: 11.21% Rio 1: 8.16% Rio 4: 145%	-	48.68%	-	8.50%	7.65%	100%	100%		
(=) Share in recurring net income	10,328	7,133	286	-	166	135	434	202	37	-	40	-	-	-	(14)	1	11,277	7,471
(+/-) Other Results	(102)	(113)	-	-	(23)	(24)	-	-	-	-	(129)	-	-	-	-	-	(254)	(137)
(=) Recurring share of income	10,226	7,020	286	-	143	111	434	202	37	-	(89)	-	-	-	(14)	1	11,023	7,334
(+/-) Non-recurring income	(221)	63	(2)	-	29	(147)	201	(36)	-	-	57	-	-	-	69	-	133	(120)
(=) Share of income	10,005	7,083	284	-	172	(36)	635	166	37	-	(32)	-	-	-	55	1	11,156	7,214
(+) Revenues from Investments in Financial Assets - FVTPL	-	-	-	-	-	-	-	-	-	-	-	-	692	385	-	-	692	385
(=) Investees' Results in Itaúsa	10,005	7,083	284	-	172	(36)	635	166	37	-	(32)	-	692	385	55	1	11,848	7,599
	84.4%	93.2%	2.4%	0.0%	1.5%	-0.5%	5.4%	2.2%	0.3%	0.0%	-0.3%	0.0%	5.8%	5.1%	0.5%	0.0%	100.0%	100.0%

Notes:
- Interest (direct and indirect) in investees includes the average percentage of interest held by Itaúsa in the period.
- The investment in NTS is recognized as a financial asset, it is not accounted for under the equity method.
- For Aegea Saneamento, the interest shown in the table above includes equity on the results of Aegea Saneamento and Águas do Rio 1 and 4, in compliance with the apportionment of results agreed by the parties.
- "Other companies" include the investments in Itautec and ITH Zux Cayman (non-operating companies).

ITAÚSA S.A.

BOARD OF DIRECTORS

Chairman
Henri Penchas

Vice-Chairman
Ana Lúcia de Mattos Barretto Villela
Roberto Egydio Setubal

Members
Alfredo Egydio Setubal
Edson Carlos De Marchi
Fernando Marques Oliveira (**)
Patrícia de Moraes (**)
Rodolfo Villela Marino
Vicente Furletti de Assis (**)

Alternative members
Ricardo Egydio Setubal
Ricardo Villela Marino
Victório Carlos De Marchi

FISCAL COUNCIL

President
Tereza Cristina Grossi Togni

Members
Eduardo Rogatto Luque
Guilherme Tadeu Pereira Júnior
Isaac Berensztejn
Marco Tulio Leite Rodrigues

Alternative members
Carlos Eduardo De Mori Luporini
Felício Cintra do Prado Junior
João Costa
Patrícia Valente Stierli
Rodolfo Latini Neto

EXECUTIVE BOARD

Chief Executive Officer
Alfredo Egydio Setubal (*)

Executive Vice-Presidents
Alfredo Egydio Arruda Villela Filho
Ricardo Egydio Setubal
Rodolfo Villela Marino

Managing Officers
Frederico de Souza Queiroz Pascowitch
Maria Fernanda Ribas Caramuru
Priscila Grecco Toledo

(*) *Investor Relations Officer*
(**) *Independent Board Members*

Accountant
Sandra Oliveira Ramos Medeiros
CRC 1SP 220.957/O-9

ITAÚSA S.A.
BALANCE SHEET – ASSETS
(In millions of Reais)

	Note	Parent company 12/31/2021	Parent company 12/31/2020	Consolidated 12/31/2021	Consolidated 12/31/2020
ASSETS					
Current assets					
Cash and cash equivalents	5	2,398	1,092	3,876	2,887
Marketable securities	6	1,516	1,473	1,516	1,473
Trade accounts receivable	7	-	-	1,430	1,239
Inventories	8	-	-	1,433	925
Dividends and interest on capital	9	949	985	949	951
Income tax and social contribution for offset		63	169	190	274
Other taxes for offset	10	2	2	89	78
Other assets	11	24	38	289	196
Total current assets		**4,952**	**3,759**	**9,772**	**8,023**
Non-current assets					
Long-term receivables		1,017	768	4,089	2,851
Marketable securities	6	-	20	40	20
Biological assets	12	-	-	1,269	1,143
Judicial deposits		31	30	120	100
Employee benefits	30.1.1	9	10	109	106
Deferred income tax and social contribution	13	957	673	1,252	958
Income tax and social contribution for offset		8	8	8	8
Other taxes for offset	10	-	-	801	18
Right-of-use assets	14	7	10	374	348
Other assets	11	5	17	116	150
Investments	15	68,520	58,347	67,628	57,371
Property, plant and equipment	16	107	103	3,736	3,616
Intangible assets	17	6	8	756	739
Total non-current assets		**69,650**	**59,226**	**76,209**	**64,577**
TOTAL ASSETS		**74,602**	**62,985**	**85,981**	**72,600**

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
BALANCE SHEET – LIABILITIES AND EQUITY
(In millions of Reais)

	Note	Parent company 12/31/2021	Parent company 12/31/2020	Consolidated 12/31/2021	Consolidated 12/31/2020
LIABILITIES AND EQUITY					
Current liabilities					
Trade accounts payable	18	19	27	1,674	1,119
Personnel expenses		42	47	269	254
Debts	19	-	-	836	571
Debentures	20	428	2	441	5
Income tax and social contribution payable		3	-	18	19
Other taxes payable	10	77	29	154	108
Dividends and interest on capital	22.4.2	1,882	1,232	1,885	1,325
Leases	14	3	3	28	25
Other liabilities	11	-	2	522	302
Total current liabilities		**2,454**	**1,342**	**5,827**	**3,728**
Non-current liabilities					
Trade accounts payable	18	-	7	-	7
Debts	19	-	-	1,822	1,434
Debentures	20	4,587	2,492	5,785	3,691
Leases	14	5	8	376	345
Provisions	21	1,663	1,349	2,040	1,813
Deferred income tax and social contribution	13	-	-	149	144
Deferred other taxes		7	19	8	19
Other taxes payable	10	-	-	68	87
Employee benefits	30.2	-	-	38	50
Other liabilities	11	-	425	360	649
Total non-current liabilities		**6,262**	**4,300**	**10,646**	**8,239**
TOTAL LIABILITIES		**8,716**	**5,642**	**16,473**	**11,967**
EQUITY					
Capital	22.1	51,460	43,515	51,460	43,515
Capital reserves	22.2.1	572	586	572	586
Revenue reserves	22.2.2	16,319	14,545	16,319	14,545
Carrying value adjustments	22.3	(2,368)	(1,303)	(2,368)	(1,303)
Treasury shares	22.5	(97)	-	(97)	-
Total equity attributable to controlling stockholders		**65,886**	**57,343**	**65,886**	**57,343**
Non-controlling interests		-	-	3,622	3,290
Total equity		**65,886**	**57,343**	**69,508**	**60,633**
TOTAL LIABILITIES AND EQUITY		**74,602**	**62,985**	**85,981**	**72,600**

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31
(In millions of Reais, unless otherwise indicated)

		Parent company		Consolidated	
	Note	2021	2020	2021	2020
Net revenue	23	-	-	8,170	5,880
Cost of products and services	24	-	-	(5,296)	(4,028)
Gross profit		**-**	**-**	**2,874**	**1,852**
Operating income and expenses					
Selling expenses	24	-	-	(1,006)	(781)
General and administrative expenses	24	(143)	(129)	(507)	(415)
Equity in the earnings of investees	15	11,156	7,214	10,397	6,980
Other income	25	822	132	1,339	88
Total Operating income and expenses		**11,835**	**7,217**	**10,223**	**5,872**
Profit before finance result and income tax and social contribution		**11,835**	**7,217**	**13,097**	**7,724**
Finance result					
Finance income	26	810	474	1,228	616
Finance costs	26	(776)	(531)	(1,085)	(805)
Total Financial Result		**34**	**(57)**	**143**	**(189)**
Profit before income tax and social contribution		**11,869**	**7,160**	**13,240**	**7,535**
Income tax and social contribution					
Current income tax and social contribution	27	(7)	-	(278)	(111)
Deferred income tax and social contribution	27	338	(104)	329	(80)
Total Income tax and social contribution		**331**	**(104)**	**51**	**(191)**
Profit for the year		**12,200**	**7,056**	**13,291**	**7,344**
Profit attributable to controlling stockholders		12,200	7,056	12,200	7,056
Profit attributable to non-controlling interests		-	-	1,091	288
Basic and diluted earnings per share (in Brazilian reais)					
Common	28	1.38201	0.79897	1.38201	0.79897
Preferred	28	1.38201	0.79897	1.38201	0.79897

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
STATEMENTS OF COMPREHENSIVE INCOME
(In millions of Reais)

	Parent company		Consolidated	
	2021	2020	2021	2020
Profit for the year	**12,200**	**7,056**	**13,291**	**7,344**
Other comprehensive income				
Items that will be reclassified to profit or loss (net of taxes)				
Equity in other comprehensive income	(1,102)	528	-	-
Adjustment to the fair value of financial assets	-	-	(1,293)	56
Hedge	-	-	392	(1,449)
Foreign exchange variation on foreign investments	-	-	(100)	1,957
Items that will not be reclassified to profit or loss (net of taxes)				
Equity in other comprehensive income	37	(69)	-	-
Remeasurement of post-employment benefits	-	-	43	(67)
Total Other comprehensive income	**(1,065)**	**459**	**(958)**	**497**
Total comprehensive income	**11,135**	**7,515**	**12,333**	**7,841**
Attributable to controlling stockholders	11,135	7,515	11,135	7,515
Attributable to non-controlling interests	-	-	1,198	326

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
STATEMENTS OF CHANGES IN EQUITY
(In millions of Reais)

	Attributable to controlling stockholders									
	Capital	Capital reserves	Revenue reserves		Treasury shares	Carrying value adjustments	Retained earnings	Total Parent Company	Non-controlling interests	Total Consolidated
Balance on December 31, 2019	**43,515**	**529**	**12,950**	**-**	**-**	**(1,762)**	**-**	**55,232**	**3,125**	**58,357**
Transactions with stockholders										
Disposal of treasury shares	-	-	-	-	-	-	-	-	6	6
Reversal of expired dividends	-	-	3	-	-	-	-	3	-	3
Dividends and interest on capital from previous year	-	-	(3,729)	-	-	-	-	(3,729)	-	(3,729)
Transactions with subsidiaries and jointly-controlled companies	-	57	88	-	-	-	-	145	3	148
Total comprehensive income										
Other comprehensive income	-	-	-	-	-	459	-	459	38	497
Profit for the year	-	-	-	-	-	-	7,056	7,056	288	7,344
Appropriation										
Legal reserve	-	-	353	-	-	-	(353)	-	-	-
Dividends and interest on capital for the year	-	-	-	-	-	-	(1,823)	(1,823)	(170)	(1,993)
Dividends and interest on capital proposed	-	-	48	-	-	-	(48)	-	-	-
Statutory reserves	-	-	4,832	-	-	-	(4,832)	-	-	-
Balance on December 31, 2020	**43,515**	**586**	**14,545**		**-**	**(1,303)**	**-**	**57,343**	**3,290**	**60,633**
Balance on December 31, 2020	**43,515**	**586**	**14,545**		**-**	**(1,303)**	**-**	**57,343**	**3,290**	**60,633**
Transactions with stockholders										
Purchase of treasury shares	-	-	-	-	(90)	-	-	(90)	(59)	(149)
Disposal of treasury shares	-	-	-	-	-	-	-	-	3	3
Capital increase with the payment of revenue reserves	7,945	-	(7,938)	-	(7)	-	-	-	-	-
Reversal of expired dividends	-	-	6	-	-	-	-	6	-	6
Dividends and interest on capital from previous year	-	-	(48)	-	-	-	-	(48)	(247)	(295)
Transactions with subsidiaries and jointly-controlled companies	-	(14)	904	-	-	-	-	890	(8)	882
Total comprehensive income										
Other comprehensive income	-	-	-	-	-	(1,065)	-	(1,065)	107	(958)
Profit for the year	-	-	-	-	-	-	12,200	12,200	1,091	13,291
Appropriation										
Legal reserve	-	-	610	-	-	-	(610)	-	-	-
Dividends and interest on capital for the year	-	-	-	-	-	-	(3,350)	(3,350)	(555)	(3,905)
Statutory reserves	-	-	8,240	-	-	-	(8,240)	-	-	-
Balance on December 31, 2021	**51,460**	**572**	**16,319**		**(97)**	**(2,368)**	**-**	**65,886**	**3,622**	**69,508**

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
STATEMENTS OF CASH FLOWS
(In millions of Reais)

	Note	Parent company 2021	Parent company 2020	Consolidated 2021	Consolidated 2020
Cash flows from operating activities					
Adjustments for reconciliation of profit					
Profit before income tax and social contribution		11,869	7,160	13,240	7,535
Equity in the earnings of investees		(11,156)	(7,214)	(10,397)	(6,980)
Provisions		282	1	443	96
Interest and foreign exchange and monetary variations, net		(250)	(148)	(63)	30
Depreciation, amortization and depletion		10	7	722	627
Changes in the fair value of biological assets		-	-	(129)	(117)
Allowance for estimated losses on doubtful accounts		-	-	21	25
Proceeds from the sale of investments, property, plant and equipment and intangible assets		(903)	-	(903)	69
Exclusion of ICMS from PIS/COFINS calculation basis		-	-	(597)	-
Reversal of provision – ICMS from PIS/COFINS calculation basis		-	-	(142)	-
Other		-	-	5	(63)
		(148)	**(194)**	**2,200**	**1,222**
Changes in assets and liabilities					
(Increase) decrease in trade accounts receivable		-	-	(216)	(116)
(Increase) decrease in inventories		-	-	(540)	(23)
(Increase) decrease in other taxes for offset		502	168	(313)	172
(Increase) decrease in other assets		(166)	171	341	83
Increase (decrease) in other taxes payable		(296)	40	(253)	129
Increase (decrease) in trade accounts payable		(15)	9	549	518
Increase (decrease) in personnel expenses		(4)	20	13	60
Increase (decrease) in other liabilities		25	(354)	279	(355)
		46	**54**	**(140)**	**468**
Cash from operations		**(102)**	**(140)**	**2,060**	**1,690**
Payment of income tax and social contribution		-	-	(345)	(194)
Interest paid on debts and debentures		(216)	(40)	(335)	(150)
Net cash (used in) provided by operating activities		**(318)**	**(180)**	**1,380**	**1,346**
Cash flows from investing activities					
Acquisition of investments	15.2	(2,572)	(1,260)	(2,674)	(1,260)
Disposal of investments	15.2.5.3	1,270	1	1,270	1
Investments in Corporate Venture Capital Fund		-	-	(39)	-
(Increase) Decrease of capital in investee companies		-	50	(98)	(472)
Acquisition of property, plant and equipment and intangible and biological assets		(14)	(8)	(870)	(496)
Disposal of property, plant and equipment and intangible and biological assets		4	-	34	64
Interest on capital and dividends received		2,939	4,520	2,476	4,436
Acquisition of debentures		-	(20)	-	(20)
Net cash provided by investing activities		**1,627**	**3,283**	**99**	**2,253**
Cash flows from financing activities					
(Acquisition) disposal of treasury shares	22.5	(90)	-	(179)	9
Interest on capital and dividends paid	22.4.2	(2,402)	(4,391)	(3,335)	(4,569)
Proceeds from debts and debentures	19.2 and 20.2	2,492	1,291	3,404	2,932
Amortization of debts and debentures	19.2 and 20.2	-	-	(309)	(1,405)
Amortization of lease liabilities	14.2	(3)	(2)	(67)	(60)
Net cash used in financing activities		**(3)**	**(3,102)**	**(486)**	**(3,093)**
Foreign exchange variation on cash and cash equivalents		-	-	(4)	12
Net increase in cash and cash equivalents		**1,306**	**1**	**989**	**518**
Cash and cash equivalents at the beginning of the year		1,092	1,091	2,887	2,369
Cash and cash equivalents at the end of the year		2,398	1,092	3,876	2,887
		1,306	**1**	**989**	**518**

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
STATEMENTS OF VALUE ADDED
(In millions of Reais)

	Parent company		Consolidated	
	2021	2020	2021	2020
Revenue	**-**	**-**	**10,480**	**7,305**
Sales of products and services	-	-	10,152	7,310
Allowance for estimated losses on doubtful accounts	-	-	(21)	(25)
Other revenue	-	-	349	20
Inputs acquired from third parties	**(716)**	**(147)**	**(6,843)**	**(4,685)**
Cost of products and services	-	-	(5,299)	(3,809)
Materials, electric energy, outsourced services and other	(716)	(147)	(1,544)	(863)
Impairment of assets	-	-	-	(13)
Gross value added	**(716)**	**(147)**	**3,637**	**2,620**
Depreciation, amortization and depletion	(10)	(7)	(722)	(627)
Value added generated, net	**(726)**	**(154)**	**2,915**	**1,993**
Value added received through transfer	**13,494**	**7,920**	**13,231**	**7,825**
Equity in the earnings of investees	11,156	7,214	10,397	6,980
Finance income	810	474	1,228	616
Other revenue	1,528	232	1,606	229
Total undistributed value added	**12,768**	**7,766**	**16,146**	**9,818**
Distribution of value added	**12,768**	**7,766**	**16,146**	**9,818**
Personnel	**65**	**64**	**1,110**	**924**
Direct compensation	59	58	893	747
Benefits	5	5	158	127
Government Severance Pay Fund (FGTS)	1	1	53	45
Other	-	-	6	5
Taxes, fees and contributions	**(34)**	**351**	**901**	**982**
Federal	(35)	350	825	887
State	-	-	65	81
Municipal	1	1	11	14
Return on third parties' capital	**537**	**295**	**844**	**568**
Interest	537	295	844	568
Return on capital	**12,200**	**7,056**	**13,291**	**7,344**
Dividends and interest on capital	3,350	1,871	3,905	1,871
Retained earnings	8,850	5,185	8,850	5,185
Non-controlling interests in retained earnings	-	-	536	288

The accompanying notes are an integral part of these financial statements.

ITAÚSA S.A.
NOTES TO THE FINANCIAL STATEMENTS
At December 31, 2021
(In millions of reais, unless otherwise stated)

1. OPERATIONS

Itaúsa S.A. ("ITAÚSA") is a publicly-held company, organized and existing under the laws of Brazil, and it is located at Av. Paulista, 1.938, 5th floor, Bela Vista, in the city of São Paulo, State of São Paulo (SP), Brazil.

The Annual and Extraordinary Stockholders' Meeting held on June 17, 2020 approved the change of the company's name to Itaúsa S.A. from Itaúsa – Investimentos Itaú S.A.

The shares of ITAÚSA are recorded at Level 1 of Corporate Governance of B3 S.A. – Brasil, Bolsa, Balcão, under the ticker symbols "ITSA3" for the common shares and "ITSA4" for the preferred shares.In addition to the Bovespa Index, Ibovespa, ITAÚSA shares are part of some segment portfolios at B3, including the Corporate Governance Index (IGC), the Brazil Special Tag-Along Index (ITAG), the Corporate Sustainability Index (ISE) and the Carbon Efficient Index (ICO2). Furthermore, in view of our recognized corporate sustainability, ITAÚSA also makes up other global indices, such as the FTSE4Good (London Stock Exchange) and the Dow Jones Sustainability World Index (DJSI), in addition to joining initiatives such as the Carbon Disclosure Project (CDP) and the Sustainalytics.

The corporate purpose of ITAÚSA is to hold equity interests in other companies, in Brazil or abroad, for investment in any sectors of the economy, including through investment funds, disseminating among its investees its principles of appreciation of human capital, governance, and ethics in business, and creation of value for its stockholders on a sustainable basis. ITAÚSA is a holding company controlled by the Egydio de Souza Aranha family, which holds 63.27% of the common shares and 18.08% of the preferred shares, making up 33.61% of total capital.

Through its controlled and jointly-controlled companies and other investments, ITAÚSA participates in the markets of financial services ("Itaú Unibanco"), wood panels, bathroom fixtures and fittings, ceramic tiles and electric showers ("Dexco"), footwear and apparel ("Alpargatas"), transportation of natural gas through pipelines ("NTS") and in distribution market of the liquid petroleum gas (LPG) ("Copa Energia").

As of April 30, 2021 ITAÚSA increased its equity interest in NTS to 8.5% through payment of shares in NISA (Note 6.1).

On May 31, 2021, after Itaú Unibanco's corporate restructuring aimed at segregating the business line related to the 40.52% interest it held in the capital of XP Inc. ("XP"), ITAÚSA became the holder of equity interest in XPART. Therefore, after the merger of XPART into XP, ITAÚSA now holds a direct interest in XP (Note 15.2.5).

In July 2021, ITAÚSA completed the purchase of equity interest in Aegea, Águas do Rio 1 and Águas do Rio 4, adding the basic sanitation segment to its investment portfolio (Note 15.2.6).

The investment portfolio of ITAÚSA is composed of the following entities:

	Country of incorporation	Activity	Holding % (Direct and Indirect) [2]	
			12/31/2021	12/31/2020
Joint ventures				
Itaú Unibanco Holding S.A. ("Itaú Unibanco")	Brazil	Holding company/Financial institution	37.32%	37.39%
IUPAR - Itaú Unibanco Participações S.A. ("IUPAR")	Brazil	Holding company	66.53%	66.53%
Alpargatas S.A. ("Alpargatas")	Brazil	Footwear and apparel	29.18%	29.19%
Controlled companies				
Dexco S.A. ("Dexco") [1]	Brazil	Wood panels and bathroom fixtures and fittings	36.86%	36.61%
Itautec S.A. ("Itautec")	Brazil	Holding company	100.00%	100.00%
ITH Zux Cayman Ltd. ("ITH Zux Cayman")	Cayman Islands	Holding company	100.00%	100.00%
Associates				
Copagaz – Distribuidora de Gás S.A. ("Copa Energia")	Brazil	LPG distribution	48.93%	48.50%
XP Inc. ("XP")	Cayman Islands	Holding company/Financial institution	13.68%	-
Aegea Saneamento e Participações S.A. ("Aegea")	Brazil	Sanitation	12.88%	-
Águas do Rio 1 SPE S.A. ("Águas do Rio 1")	Brazil	Sanitation	5.01%	-
Águas do Rio 4 SPE S.A. ("Águas do Rio 4")	Brazil	Sanitation	4.89%	-
Financial assets				
Nova Transportadora do Sudeste S.A. – NTS ("NTS")	Brazil	Transportation of natural gas	8.50%	7.65%
Nova Infraestrutura Gasodutos Participações S.A. ("NISA")	Brazil	Holding company	8.50%	-

[1] *On August 18, 2021, the change of the company's name from "Duratex S.A." to "Dexco S.A." was approved.*
[2] *It excludes treasury shares.*

These parent company and consolidated financial statements were approved by the Board of Directors on February 14, 2022.

2. BASIS OF PREPARATION AND PRESENTATION

2.1. Statement of compliance

The parent company and consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and with the accounting practices adopted in Brazil. The accounting practices adopted in Brazil comprise the Pronouncements, Interpretations and Guidance issued by the Accounting Pronouncements Committee (CPC), which were approved by the Brazilian Securities and Exchange Commission (CVM) and the Federal Accounting Council.

The presentation of the parent company and consolidated statements of value added is required by Brazilian Corporate Law and by the accounting practices adopted in Brazil that are applicable to publicly-held companies. The Statement of Value Added was prepared in accordance with the criteria defined in the Accounting Pronouncement CPC 09 – Statement of Value Added, however, the International Financial Reporting Standards - IFRS do not require the presentation of this statement. As a consequence, according to the IFRS, this statement is presented as additional information, without prejudice to the Financial Statements as a whole.

Management has assessed ITAÚSA's and its investees' capacity to keep on operating as a going concern and is convinced that, despite the impacts and uncertainties of the length of time and scope of the COVID-19 pandemic, these companies are able to remain in business for the foreseeable future. Furthermore, Management is not aware of any material uncertainty that might give rise to significant questions on its capacity to continue operating. Accordingly, these Financial Statements have been prepared based on the business continuity assumption.

All the relevant information to these Financial Statements, and only this information, is evidenced and is consistent with the information used by ITAÚSA in its activities.

2.2. Measurement basis

The parent company and consolidated financial statements have been prepared under the historical cost convention, except for: (i) certain financial assets and liabilities that were measured at fair value, as stated in note 4.1.1; (ii) liabilities of the defined benefit that are recognized at fair value limited to the recognized assets, as stated in note 30; and (iii) biological assets measured at fair value through profit or loss, as stated in note 12.

2.3. Functional currency and translation of balances and transactions in foreign currency

The parent company and consolidated financial statements have been prepared and are being presented in Brazilian reais (R$), which is functional and presentation currency, and all balances are rounded to millions of reais, unless otherwise stated.

The definition of the functional currency reflects the main economic environment where ITAÚSA and its controlled companies operate.

The assets and liabilities of subsidiaries with a functional currency that is different from the Brazilian real, when applicable, are translated as follows:

- Assets and liabilities are translated at the foreign exchange rate of the balance sheet date;
- Income and expenses are translated at the monthly average foreign exchange rate;
- Foreign currency translation gains and losses are recorded in the "Other comprehensive income" account.

Foreign currency transactions are translated into the functional currency using the foreign exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end foreign exchange rates are recognized in Finance result.

2.4. Use of estimates and judgments

In the preparation of the financial statements, the management of ITAÚSA and its controlled companies are required to use judgments, estimates and assumptions that affect the balances of assets, liabilities, income and expenses in the year-end presented and in subsequent year-end.

The judgments, estimates and assumptions are based on information available on the date of the preparation of the financial statements, in addition to the experience from past and/or current events, and also taking into consideration assumptions related to future events. Additionally, when necessary, the judgments and estimates are supported by opinions prepared by experts. These estimates are periodically reviewed and their results may differ from the originally estimated amounts.

The estimates and assumptions that have a significant risk that is likely to cause a material adjustment to the amounts in the Financial Statements within the coming years are as follows:

- Recognition of deferred taxes (Notes 3.10, 13 and 27);
- Determination of the fair value of financial instruments, including derivatives (Notes 3.1.4 and 4.1.2);
- Provisions, Contingent assets and liabilities (Notes 3.14 and 21);
- Determination of the fair value of biological assets (Notes 3.5 and 12);
- Recognition of assets and liabilities related to pension plans (Notes 3.11 and 30); and
- Analysis of impairment of assets (Notes 3.9, 15.5, 16.4 and 17.4).

2.5. Consolidation of the financial statements

The consolidated financial statements have been prepared in accordance with the standards established by CPC 36 (R3)/ IFRS 10 – Consolidated Financial Statements.

ITAÚSA consolidates its controlled companies from the moment it obtains the control over them. The financial statements of the controlled companies are prepared on the same base date as those of ITAÚSA using consistent accounting policies and practices. When necessary, adjustments are made to the financial statements of the controlled companies to adapt their accounting practices and policies to ITAÚSA's accounting policies.

Minority interests amounts, arising from subsidiaries whose ownership interest held by ITAÚSA does not correspond to total capital stock, are stated separately in the Balance Sheet under "Minority Interests", in the Statement of Income under "Net income attributable to non-controlling stockholders" and in the Statements of Comprehensive Income under "Total comprehensive income Attributable to non-controlling interests".

Intercompany transactions, balances and unrealized gains and losses on transactions between consolidated companies were eliminated.

2.6. Adoption of the new and revised accounting standards

Continuing the permanent process of revision of the accounting Standards, IASB and, consequently, the Accounting Pronouncements Committee (CPC) issued new standards and revisions of the existing standards.

2.6.1. Revised standards and interpretations that have been adopted by ITAÚSA and its controlled companies since January 1, 2021

CPC 06 (R2) / IFRS 16 – Leases

In May 2020, the International Accounting Standards Board (IASB) issued the "Covid 19-related rent concessions" standard which sets out practical measures for lessees when accounting for rent concessions occurring as a direct consequence of Covid-19 and introduced a practical expedient for CPC 06 (R2) / IFRS 16. This practical expedient permits lessee account for any change in lease payments as a consequence of rent concession related to Covid-19 as if this has not been a lease modification.

The practical expedient until then only applied to benefits granted for lease payments if originally due before June 30, 2021. However, as the economic challenges arising from the COVID-19 pandemic have persisted for longer than initially forecast, the IASB extended the practical expedient for another 12 month-period, that is, until June 30, 2022.

Upon adopting this standard, ITAÚSA and subsidiaries have reviewed their leases and, when applicable, have applied the practical expedient. No material impact occurred from the adoption of this standard on the Financial Statements.

2.6.2. Revised standards and interpretations not adopted by ITAÚSA and its subsidiaries

Although the standards below have already been issued, they were not effective on December 31, 2021. ITAÚSA and subsidiaries do not estimate significant impacts on their Financial Statements upon their adoption.

Standards applicable after January 1, 2022:

- Amendments to IFRS 3 / CPC 15(R1) – Business Combinations
- Amendments to IAS 16 / CPC 27 – – Property, plant and equipment
- Annual Improvements to the IFRS's 2018–2020 Cycle

Standards applicable after January 1, 2023:

- Amendments to IAS 1 / CPC 26 (R1) – Presentation of Financial statements
- Amendments to IAS 12 / CPC 32 – Income Taxes
- Amendments to IAS 8 / CPC 23 - Accounting Policies, Changes in Accounting Estimates and Errors

Standard with effective date of amendments not yet been defined by the IASB:

- Amendments to IFRS 10 / CPC 36 (R3) – Consolidated Financial Statements, and IAS 28 / CPC 18 (R2) – Investments in Associates and Joint Ventures

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Financial instruments

Financial instruments are recognized on the trading date, that is, when the obligation or the right becomes effective and they are initially recorded at fair value plus or minus any transaction costs that are directly attributed to them.

They are written off when the contractual rights to the cash flows expire, that is, when there is certainty of the termination of the right or the obligation of receipt, of the delivery of cash or security. In situations like this, management, based on consistent information, proceeds with the accounting entry for settlement.

Financial assets and liabilities are offset and the net amount is reported in the balance sheet only when there is a legal enforceable right to offset the recognized amounts and an intention to settle them or to realize the asset and settle the liability at the same time.

3.1.1. Financial assets

After the initial recognition at fair value, financial assets are classified and measured by means of: (i) the assessment of the business model for the management of financial assets; and (ii) the characteristics of their contractual cash flows. Financial assets are measure as follows:

- **Amortized cost:** Financial assets whose cash flows' characteristic corresponds, exclusively, to the payment of the principal amount and interest and that are managed under a business model for the obtainment of the contractual cash flows of the instrument. They are recognized using the effective interest method.

- **Fair value through other comprehensive income:** Financial assets whose cash flows' characteristic also corresponds to the payment of the principal amount and interest but that are managed under a business model that involves the obtainment of cash flows by both the maintenance of the contract and the sale of the asset. They are recognized as a contra-entry to "Other comprehensive income" in Equity.

- **Fair value through profit or loss:** Financial assets whose cash flows' characteristic does not correspond only to the payment of the principal amount and interest or that are managed under a business model for sale in the short term. They are recognized as a contra-entry to profit or loss.

ITAÚSA and its controlled companies regularly assess the need to recognize impairment losses for all financial assets measured at amortized cost. For the purpose of determining impairment losses, many elements are considered, such as the credit status of every financial asset, the analysis of the economic or sector environment, and the history of losses recognized in previous periods.

The amount of any impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate, recognized as a contra-entry to profit or loss. If a financial asset is subject to a variable interest rate, the discount rate to measure an impairment loss is the current effective interest rate determined in accordance with the contract.

A previously recognized impairment loss may be reversed if there is a change in the assumptions used to determine the asset's recoverable amount and it is also recognized in profit or loss.

3.1.2. Financial liabilities

After the initial recognition at fair value, as a general rule, the financial liabilities are classified and measured at amortized cost.

The financial liabilities will only be classified as fair value through profit or loss if they are: (i) derivatives; (ii) financial liabilities arising from transferred financial assets that did not qualify for derecognition; (iii) financial guarantee contracts; (iv) commitments to grant loans with interest rates that are lower than those adopted in the market; and (v) contingent consideration recognized by an acquirer in a business combination.

ITAÚSA and its controlled companies may also classify a financial liability as fair value through profit or loss when: (i) they wish to eliminate or significantly reduce a measurement or recognition inconsistency that, otherwise, may result from the measurement of assets or liabilities or from the recognition of gains and losses on these assets and liabilities on different bases; or (ii) the performance of a financial liability is assessed based on its fair value in accordance with a documented risk management or investment strategy internally provided by management.

3.1.3. Derivatives

A derivative financial instrument may be identified provided that: (i) its value is influenced by the fluctuation of the rate or price of a financial instrument; (ii) it does not need an initial investment or it is far lower than what it would be in similar contracts; and (iii) it will always be settled on a future date. Only if all these characteristics are met we can classify a financial instrument as a derivative.

They are recognized at fair value and the gains and losses resulting from this revaluation are recorded in profit or loss, except when the derivative is classified as a cash flow hedge and the gains and losses from the effective portion are recorded in "Other comprehensive income" in Equity.

The derivative financial instruments are held to protect the exposures to risks of variation in foreign currency and interest rates. ITAÚSA and its controlled companies do not contract derivatives of a speculative nature. The results obtained from these operations are consistent with the policies and strategies defined by management.

3.1.4. Fair value

Fair value is the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in an arm's length transaction between market players on the measurement date.

The fair value of financial instruments, including derivatives, is determined through the use of evaluation techniques, based on assumptions, that take into consideration management's judgment and the conditions existing in the market on the date of the financial statements. These evaluation techniques include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and options pricing models that preferentially use information from market sources rather than information from the management of ITAÚSA and its controlled companies.

ITAÚSA and its controlled companies classify the measurements of fair value using the fair value hierarchy, which reflects the importance of the data used in the measurement process, as shown below:

- Level 1: prices (unadjusted) quoted for identical assets and liabilities in active markets;
- Level 2: different prices from those traded in active markets included in Level 1 but that are directly or indirectly observable for assets and liabilities; and
- Level 3: prices based on variables that are non-observable in the market, usually obtained internally or from other sources that are not considered market sources.

ITAÚSA and its controlled companies understand that the methodologies adopted are appropriate and consistent with those of other market players, however, the adoption of other methodologies or the use of different assumptions to determine the fair value may result in different estimates of fair values.

3.2. Cash and cash equivalents

They correspond to resources used in the management of short-term commitments and include cash in hand, bank accounts and highly-liquid financial investments with maturities of three months or less and with immaterial risk of change in market value. Cash in hand and bank accounts are stated at amortized costs. Highly-liquid financial investments are recorded at the amount invested plus earnings earned and have no significant difference from its market value, as it corresponds to its fair value.

3.3. Trade accounts receivable

They correspond to the amounts receivable in the ordinary course of the activities of the controlled companies. They are initially recorded at the fair value of the consideration to be received plus, when applicable, the foreign exchange variation. Subsequently, they are measured at amortized cost less the allowance for estimated losses on doubtful accounts. They refer, in their totality, to short-term transactions and, therefore, they are not adjusted to present value because they do not represent significant adjustments to the financial statements. The fair value of these accounts receivable is estimated to be substantially similar to their carrying amount.

The allowance for estimated losses on doubtful accounts is recognized based on an individual analysis of amounts receivable, taking into consideration mainly: (i) significant financial difficulty of the issuer or debtor; and (ii) a breach of a contract, such as default or arrears in the payment of interest or the principal amount.

Since receivables have no significant financing components, based on a simplified approach, the allowance for estimated losses on doubtful accounts is recorded over the entire life of the receivable by applying a percentage calculated based on a study of the history of default segregated in parameters, as follows: (i) segment; (ii) billing date; and (iii) maturity date.

Although the risk matrix is to be reviewed on a yearly basis, this study may be reassessed if the behavior of the allowance for estimated losses on doubtful accounts is different from expected results.

Allowance for estimated losses on doubtful accounts is recognized based on the analysis of realization risks of credit in an amount deemed sufficient by Management to cover possible losses upon realization of these assets. The subsequent recoveries of amounts that had previously been written off are credited to the "Other income and expenses" account in the statement of income.

3.4. Inventories

These are measured at the lowest of cost and net realizable value. Cost corresponds to the average cost of acquisition or production, calculated based on the moving weighted average, which does not exceed the replacement or realization amounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated conclusion costs and selling expenses.

The controlled company Dexco has a policy to recognize a provision for losses on slow-moving or obsolete inventories. Management believes that the provisions for losses on inventories were recognized at sufficient amounts.

3.5. Biological assets

Forest reserves are recognized at fair value, less the estimated selling costs at the time of harvest. For immature plantations (up to one year of life for eucalyptus forests and four years for pine forests), their cost is considered to approximate their fair value. Biological assets are measured every three months or as cycle counts are completed, and the gains or losses arising from the recognition of the fair value are recorded in the statement of income in the "Cost of products and services" account. Depletion, which is also allocated to the "Cost of products and services" account, arises from the assets harvested in the year and it is composed of the formation cost and the portion related to the fair value difference.

Many estimates were adopted to measure the forest reserves in accordance with the methodology established by CPC 29 / IAS 41 – "Biological asset and agricultural produce". These estimates were based on market benchmarks, which are subject to changes in the scenario that may impact the financial statements. The methodologies used to measure the fair value of biological assets and a sensitivity analysis of them are described in Note 12.

3.6. Investments

These are represented by investments in controlled companies, associates and jointly-controlled companies arising from ITAÚSA's equity interest in these companies. They are initially recognized at cost of acquisition and subsequently stated using the equity method of accounting. Additionally, these investments include the amount of goodwill identified upon acquisition, net of any accumulated impairment loss.

Every year, ITAÚSA assesses if there is objective evidence that the investments in controlled companies, associates and jointly controlled companies are impaired. If so, ITAÚSA calculates the amount of the impairment loss and recognizes the amount in the statement of income.

ITAÚSA does not recognize additional losses on its investments at amounts that exceed its equity interest unless it has incurred obligations or made payments on behalf of investees.

3.6.1. Investments in directly and indirectly-controlled companies

Investments in controlled companies are those in which ITAÚSA is exposed or entitled to variable returns based on its involvement with the investee in addition to having the ability to affect these returns by means of the power exercised.

These investments are fully consolidated for the purpose of the presentation of the consolidated financial statements.

3.6.2. Investments in associates and jointly-controlled companies

Associates are the investees on which the investor has a significant influence but over which it does not have control.

Jointly-controlled companies are the investees over which ITAÚSA and one or more investors have the shared control of the operational and financial activities of the entity. They can be classified as joint operations or joint ventures, depending on the contractual rights and obligations of investors.

ITAÚSA's interest in the profit or loss of its jointly-controlled companies and associates is recognized in the "Equity in the earnings of subsidiaries" account in the statement of income. Meanwhile, the share of the changes in Equity of the jointly-controlled companies and associates are also recognized in equivalent accounts in ITAÚSA's Equity.

3.6.3. Business combination

Business combination is the method used to recognize acquisitions of control of investments, whose characteristic is defined as an integrated set of activities and assets conducted and managed with the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities.

This method requires identifiable acquired assets and liabilities assumed to be measured at their fair value. In the acquiring company, the difference between the amount paid and the carrying amount of the company's equity is recognized in the Investment account separated by: (i) surplus value, when the economic fundamentals are substantially related to the fair value of the net assets of the acquiree; and (ii) goodwill, when the amount paid exceeds the fair value of the net assets and represents the expectation of value creation in the future.

In the business combination of controlled companies, goodwill is classified in the "Investments" account in the parent company financial statements and in the "Intangible assets" account in the consolidated financial statements.

If the cost of acquisition is lower than the fair value of the identifiable acquired net assets, the difference is directly recognized in profit or loss.

The costs directly attributable to the acquisition must be directly allocated to profit or loss as they are not incurred.

3.7. Property, plant and equipment

These are stated at their cost of acquisition, formation or construction plus any costs that are directly attributable to placing the asset in the location and condition necessary for its operation, less accumulated depreciation and, when applicable, accumulated impairment losses. Interest related to loans and financing obtained from third parties and capitalized during the phase of formation/construction of the property, plant and equipment is also part of their cost.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset only when it is probable that future economic benefits will flow to the company and the costs can be reliably measured.

The carrying amount of the replaced assets is written off and the expenditures with repairs and maintenance are fully recorded as a contra-entry to profit or loss.

Gains and losses on the sale of property, plant and equipment items are recognized in profit or loss in the "Other income and expenses" account.

The calculation basis of depreciation is the depreciable amount (cost of acquisition less the residual value) of the asset. Land is not depreciated. Depreciation is recognized in profit or loss using the straight-line method in accordance with the useful life of each item. The useful life estimates of the respective items are revised at the end of every year.

3.8. Intangible assets

They comprise all intangible assets and are recognized when: (i) they arise from legal or contractual rights; (ii) their cost can be reliably measured; and (iii) it is probable that future economic benefits arise from their use.

They refer to acquired or internally produced assets and their useful lives can be definite or indefinite. Intangible assets with a definite useful life are amortized using the straight-line method over their estimated useful lives. Intangible assets with an indefinite useful life are not amortized, but they are tested at least once a year to identify any impairment losses or when there is evidence of losses.

3.8.1. Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire the software and make it ready for use. Software is amortized over its estimated useful life using the straight-line method.

3.8.2. Trademarks and patentes

Separately acquired trademarks and licenses are initially stated at historical cost. Trademarks and licenses acquired in a business combination are recognized at fair value on the date of acquisition. They are not amortized as their useful life is indefinite.

3.8.3. Customer portfolio

It is recognized only in a business combination at fair value on the date of acquisition. The useful life of the relationships with customers is definite and, therefore, they are amortized. Amortization is calculated using the straight-line method over the expected life of the customer relationship.

3.8.4. Ágio (Goodwill)

As described in Note 3.6.3, goodwill represents the excess of the cost of an acquisition over the fair value of the investment of the buyer in the identifiable assets and liabilities of the entity acquired on the date of acquisition. Goodwill is not amortized but its recoverable amount is assessed every year or when there is an evidence of an impairment loss with the use of an approach that involves the identification of the cash generating units and the estimate of its fair value less selling costs and/or value in use.

3.9. Assessment of impairment of non-financial assets – Investments, Property, plant and equipment and Intangible assets

The recoverable amount of an asset is the highest of its value in use and its fair value net of the costs necessary for sale. The value in use is calculated by means of assessment methodologies, supported by discounted cash flows techniques, market conditions and business risks.

For the purpose of assessing any impairment, assets are grouped at the minimum level for which independent cash flows can be identified (cash generating units).

Assets with a definite useful life, which are subject to depreciation or amortization, are assessed only if there is objective evidence (events or changes in circumstances) that the carrying amount may not be recoverable. Accordingly, the effects of obsolescence, demand, competition and other economic factors are taken into consideration.

For the assets with indefinite useful lives, ITAÚSA and its controlled companies assess their assets for impairment at least once a year or when significant events or changes indicate that their carrying amounts may not be recoverable. If it is identified that the carrying amount of the asset exceeds its recoverable amount, a provision for impairment is recognized in profit or loss.

A previously recognized impairment loss may be reversed, excepted an impairment loss on goodwill, if there is a change in the assumptions used to determine the asset's recoverable amount and it is also recognized in profit or loss.

3.10. Income tax and social contribution

Corporate Income Tax and Social Contribution on Profit are determined in accordance with tax legislation in force related to each tax. Taxable profit is subject to the rates of 15%, plus an additional 10% on the surplus that exceeds R$240 thousands for income tax, and 9% for social contribution. Any changes in tax legislation related to tax rates are recognized in the year they come into effect.

Income taxes are recognized in the statement of income in the "Income tax and social contribution" account, except to the extent that they relate to items recognized directly in Equity or in Comprehensive income.

Current income tax and social contribution are presented net in the balance sheet, per taxpaying entity, and they approximate the amounts to be paid or recovered, and they may be separated into current and non-current in accordance with the expectation of offset/settlement. Deferred income tax and social contribution are recognized on income tax and social contribution loss carryforwards and temporary differences on the tax bases of assets and liabilities only to the extent of the probability of determining taxable profit and possibility of using the realized temporary differences, and they are presented in non-current at their net amount when there is the legal right and the intention to offset them, in general, with the same legal entity and the same tax authority.

When determining deferred taxes, ITAÚSA and its controlled companies assess the impact of the uncertainties on the tax positions assumed. This assessment is based on estimates and assumptions and involve a number of judgments on future events, such as economic and financial projections, macroeconomic scenarios and tax legislation in force. New information may be made available, which could cause ITAÚSA and its controlled companies to change their judgment with respect to the taxes that have already been recognized, recording these impacts in the year they were realized.

3.11. Employee benefits (Private pension and Health care plans)

ITAÚSA and its controlled companies sponsor private pension and health care plans for their employees with the characteristics of defined benefit and defined contribution.

3.11.1. Defined benefit plans

ITAÚSA and its controlled companies recognize the obligations of the defined benefit plans if the present value of the obligation on the date of the financial statements is higher than the fair value of the plan's assets. The present value of the commitments is determined based on an actuarial assessment prepared on an annual basis by independent actuaries based on the Projected Unit Credit Method. Net assets are composed mainly of investments that compose the benefit plan portfolio, which are measured at their fair value.

Actuarial gains and losses generated by adjustments and changes in the actuarial assumptions of the defined benefit plans are directly recognized in Equity in the "Carrying value adjustment" account. Past service costs and interest on actuarial deficit/surplus are recognized in profit or loss for the year in which they are incurred.

In the cases in which the plan presents a surplus and there is the need to recognize an asset as a contra-entry to profit or loss, this recognition is limited to the present value of the economic benefits available in the form of reimbursements or future reductions in the plan's contributions, in accordance with legislation in force and the plan's regulation.

The sponsors and participants are equally responsible for the coverage of the actuarial deficiencies of this plan.

3.11.2. Defined contribution plan

Contributions are recognized as employee benefit expenses when they become due. Contributions made in advance are recognized as an asset to the extent they generate an effective reduction in future payments.

3.12. Share-based compensation plan

The controlled company Dexco offers to some executives a share-based compensation plan (stock options) according to it receives the services provided by the executives as a consideration for the stock options granted. The fair value of the options granted is recognized as an expense as a contra-entry to Equity over the year in which the services are provided by the executives and the right is obtained. The plan will be settled exclusively upon the delivery of the shares.

The fair value of the options granted is calculated on the date the options are granted using option pricing models that take into consideration the option exercise price, the current price, the interest rate free of risk and the volatility expected from the share price over the option's life.

At the end of every year, the estimates of the number of shares are reviewed that are expected to be issued based on the conditions for the obtainment of rights.

3.13. Debts and debentures

These are initially recognized at fair value upon the receipt of resources, net of transaction costs. Subsequently, they are measured at amortized cost, that is, added by charges and interest in proportion to the period incurred using the effective interest method. Debts that have hedging derivative instruments are measured at fair value.

The costs of debts and debentures that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset when it is probable that they will result in future economic benefits for the entity and that these costs can be reliably measured. When they are not related to a qualifying asset, the costs are recognized as an expense for the year in which they are incurred.

3.14. Provisions and Contingent assets and liabilities

Provisions are recognized when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. They are measured at the best estimate of the present value of the expenditures that should be necessary to settle the obligation and that reflect their specific risks. Provisions are not recognized for future operating losses.

The analysis of the probability of loss by the legal advisors of ITAÚSA and its controlled companies includes the analysis of the evidence available, the hierarchy of laws, case law, the most recent court decisions and their relevance in the legal system. The estimates and assumptions used in the recognition of provisions are periodically reviewed.

Contingent liabilities for which the risk of loss is considered possible or remote are not recognized in a provision and only the amounts classified as possible are disclosed in a note to the financial statements.

In the case of an administrative proceeding that involves a legal obligation, the amount involved is recorded in a provision regardless of the probability of loss since the success in the proceeding depends on the recognition of the unconstitutionality of the Law in force. In other cases, the provision is recognized whenever loss is considered probable.

Contingent assets are not recognized in the financial statements, except when there are secured guarantees or favorable judicial decisions for which appeals are no longer available, characterizing the victory as practically certain and as a result of the confirmation of their possible recovery due to receipt or offset with another liability. Contingent assets for which the expectation of success is probable are disclosed in the notes to the financial statements.

Adjustments to provisions, as well as of adjustments to judicial deposits made to secure lawsuits under progress are taken to Financial result in accordance with contractual provisions or based on indices set forth in applicable legislation.

3.15. Capital and Treasury shares

3.15.1. Capital

Common and preferred shares are classified in equity and any costs attributable to their issue are deducted.

3.15.2. Treasury shares

The repurchase of own shares are recognized at the average cost of acquisition and classified as a deduction in Equity in the "Treasury shares" account. When these shares are available for sale, they are written off at the average cost on the date of the sale and the gain or loss is recognized in the "Revenue reserves" account. The cancellation of treasury shares is recognized also as a reduction in the "Revenue reserves" at the average price of the treasury shares on the date of cancellation.

3.16. Dividends and Interest on capital

According to the Bylaws, stockholders are assured minimum mandatory dividends of 25% of profit for each year, adjusted as provided for in Article 202 of Law No. 6,404/76, by means of quarterly payments, or in shorter intervals, in the same year and until the Annual General Stockholders' Meeting that approves the respective financial statements. The minimum dividend amounts established in the Bylaws are recognized as a liability, net of the payments already made, as a contra-entry to Equity. Any amount that exceeds the minimum mandatory dividend is only recognized as a liability when it is approved by stockholders at a General Meeting.

Regarding quarterly payments in advance of minimum mandatory dividends the stockholding position on the last day of the previous month is used as a calculation basis, and the actual payment is made in the first day of the subsequent month.

The Board of Directors may resolve upon the payment of interest on capital. For the purpose of meeting tax regulations, interest on capital is recognized as a contra-entry to the "Finance costs" account. For the purpose of preparing the above mentioned financial statements, it is reversed from profit or loss as a contra-entry to Equity and included in the balance of dividends for the year.

The dividends receivable from the controlled companies, associates and jointly-controlled companies are recognized as an asset in the financial statements upon the resolution of their Board of Directors or General Meeting as a contra-entry to the "Investments" account.

For interest on capital receivable, when resolved upon by the Board of Directors of the controlled companies, associates and jointly-controlled companies, it is recorded initially in the "Finance income" account for tax purposes and, at the same time, reversed from this account as a contra-entry to the "Investments" account.

Dividends and interest on capital receivable from investees classified as "Securities" are recorded as a contra entry to "Other income" in statement of income.

3.17. Earnings per share

Basic earnings per share are calculated by the division of profit attributable to the controlling stockholders by the weighted average number of outstanding common and preferred shares every year. Diluted earnings per share are calculated using the same indicators, adjusted by instruments that are potentially convertible into shares and have a diluting effect.

3.18. Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the activities of ITAÚSA and its controlled companies. Revenue is shown net of taxes, returns, discounts, bonuses and rebates and after eliminating sales between the group companies.

It is recognized when the amount is reliably measured, when it is probable that future economic benefits will flow to the entity and when specific criteria, described for each type of revenue, have been met.

3.18.1. Service and sales revenue

These are recorded in income when all performance obligations are met, that is, upon delivery of products or provision of services, as well as upon transfer of risks and benefits to the buyer /taker, thus basically charactering the recognition of income over a specific period of time. Subsidiaries operate as a main party to the agreements with clients, and income do not have a significant financing component.

The consolidated net revenue is fully made up of by controlled company Dexco. For further information on its business segments and products sold and services provided, please see note 31 "Segment information".

3.18.2. Interest income

It is recognized on the accrual basis using the effective interest method and it is represented mainly by earnings from financial investments, monetary adjustments and discounts obtained.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

4.1. Financial instruments

ITAÚSA and its controlled companies maintain operations with financial instruments. These instruments are managed by means of operational and internal control strategies aimed at ensuring credit, liquidity, security and profitability.

4.1.1. Classification of financial instruments

We present below the classification and measurement of financial assets and liabilities:

			Parent company				Consolidated			
			12/31/2021		12/31/2020		12/31/2021		12/31/2020	
	Note	Levels	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount
Financial assets										
Fair value through profit or loss										
Upon initial or subsequent recognition										
Cash and cash equivalents	5									
Financial investments		2	2,398	2,398	1,092	1,092	3,682	3,682	2,620	2,620
Marketable securities	6	3	1,516	1,516	1,473	1,473	1,556	1,556	1,473	1,473
Other assets	11									
Derivatives receivable		2	-	-	-	-	7	7	-	-
			3,914	**3,914**	**2,565**	**2,565**	**5,245**	**5,245**	**4,093**	**4,093**
Amortized cost										
Cash and cash equivalents	5									
Cash in kind and bank deposits		2	-	-	-	-	194	194	267	267
Marketable securities	6	2	-	-	28	20	-	-	28	20
Customers	7	2	-	-	-	-	1,430	1,430	1,239	1,239
Dividends and interest on capital	9	2	949	949	985	985	949	949	951	951
Judicial deposits		2	31	31	30	30	120	120	100	100
Other assets	11	2	29	29	55	55	398	398	346	346
			1,009	**1,009**	**1,098**	**1,090**	**3,091**	**3,091**	**2,931**	**2,923**
Total of Financial assets			**4,923**	**4,923**	**3,663**	**3,655**	**8,336**	**8,336**	**7,024**	**7,016**

	Note	Levels	Parent company 12/31/2021 Fair value	Parent company 12/31/2021 Carrying amount	Parent company 12/31/2020 Fair value	Parent company 12/31/2020 Carrying amount	Consolidated 12/31/2021 Fair value	Consolidated 12/31/2021 Carrying amount	Consolidated 12/31/2020 Fair value	Consolidated 12/31/2020 Carrying amount
Financial liabilities										
Fair value through profit or loss										
Upon initial or subsequent recognition										
Debts	19	2	-	-	-	-	75	75	83	83
Other liabilities	11									
Derivatives payable		2	-	-	-	-	5	5	-	-
			-	**-**	**-**	**-**	**80**	**80**	**83**	**83**
Amortized cost										
Trade accounts payable	18	2	19	19	34	34	1,674	1,674	1,126	1,126
Personnel expenses		2	42	42	47	47	269	269	254	254
Debts	19	2	-	-	-	-	2,583	2,583	1,922	1,922
Debentures	20	2	5,406	5,015	2,731	2,494	6,617	6,226	3,933	3,696
Leases	14	2	8	8	11	11	404	404	370	370
Dividends and interest on capital	22.4.2	2	1,882	1,882	1,232	1,232	1,885	1,885	1,325	1,325
Other debts	11	2	-	-	441	427	877	877	965	951
			7,357	**6,966**	**4,496**	**4,245**	**14,309**	**13,918**	**9,895**	**9,644**
Total of Financial liabilities			**7,357**	**6,966**	**4,496**	**4,245**	**14,389**	**13,998**	**9,978**	**9,727**

4.1.2. Fair value of financial instruments

For determining fair value, ITAÚSA and its controlled companies project the discounted cash flows of the financial instruments until the termination of the operations according to contractual rules, also taking into consideration their own credit risk in accordance with CPC 46 / IFRS 13 – Fair Value Measurement. This procedure may result in a carrying amount that is different from its fair value mainly because the period for the settlement of the instruments is long and their costs are different with respect to the interest rates that are currently adopted for similar contracts, as well as the daily change in interest rates of futures traded in on B3.

The operations with financial instruments that present a carrying amount that is equivalent to the fair value arise from the fact that these financial instruments have characteristics that are substantially similar to those that would be obtained if they were traded in the market.

Management decided to record certain loans and financing as liabilities at fair value through profit or loss. The adoption of fair value is justified by the need for preventing the accounting mismatch between the debt instrument and the hedging instrument contracted, which is also measured at fair value through profit or loss.

The additional information on the assumptions used in the determination of the fair value of relevant financial instruments, which differ from the carrying amount or that are subsequently measured at fair value, are disclosed below taking into consideration the terms and the relevance of each financial instrument:

- Securities (hierarchical level 2): are measured taking into account future flows of receipts, based on contract terms and conditions, discounted to present value at interest rates based on market interest rate curves.

- Other assets and Other liabilities (Derivatives): (i) the fair value of the interest rate swap and cash flow hedge is calculated at the present value of the estimated future cash flows based on the yield curves adopted by the market; and (ii) the fair value of the swap and Non-Deliverable Forward (NDF) related to future foreign exchange contracts are determined based on the foreign exchange rates discounted at present value.

- Debts and debentures: they are measured by means of a pricing model that is individually applied to each transaction, taking into consideration the future flows of payment, based on contractual conditions, discounted to present value at rates obtained by means of market interest rate curves. Accordingly, the market value of a security corresponds to its payment amount (redemption amount) carried to present value by the discount fator.

- Other liabilities (NTS acquisition): they were measured by means of a pricing model, taking into consideration the future flows of payment, based on contractual conditions, discounted to present value at rates obtained by means of future market interest rate curves.

Additionally, the 8.5% direct and indirect interest in NTS (Note 6.1) is recorded in the "Marketable securities" account, measured at fair value through profit or loss and whose hierarchy level is three. The fair value of the investment is calculated based on the cash flows related to ITAÚSA discounted to present value at a rate that corresponds to the cost of equity that, on December 31, 2021, is 13.6% (12.1% on December 31, 2020). The assumptions considered for the calculation of the cost of equity take into consideration: (i) country risk; (ii) US treasury bill risk-free rate (maturing in 10 years); (iii) market risk premium; (iv) leverage beta including companies with similar business models; and (v) inflation differences between foreign (US) and domestic markets.

4.1.3. Derivatives

In operations with derivatives, there are no checks, monthly settlements or margin calls, and all contracts are settled upon their maturities and measured at fair value through profit or loss, taking into consideration market conditions regarding terms and interest rates. On December 21, 2021 and 2020 only Dexco record derivative operations.

We present below the types of the contracts in effect:

- Broad Consumer Price Index (IPCA) swap + Fixed rate x CDI rate: contracts whose purpose is to turn debts indexed to the IPCA + fixed interest rates into debts indexed to the CDI rate and maturing in December, 2028; and

- NDF (Non Deliverable Forward): contract whose purpose is to Mitigate the foreign exchange exposure and maturing in March, 2028. In this operation, the contract is settled upon its respective maturity date, taking into consideration the difference between the forward foreign exchange rate (NDF) and the foreign exchange rate at the year-end (Ptax).

- Cash flow hedge: the effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualified as cash flow hedges is recognized in other comprehensive income and accumulated in the cash flow hedge reserve, limited to the accumulated change in the fair value of the hedged item since the beginning of the hedge. The gain or loss related to the ineffective portion is recognized immediately in profit or loss.

We present below a table containing the main information regarding the derivatives:

		Consolidated					
		Notional (R$)		Fair value		Profit or loss	
Derivatives	Position	12/31/2021	12/31/2020	12/31/2021	12/31/2020	2021	2020
Cash Flow Hedge (Swap)							
IPCA + Fixed rate	Asset	510	-	511	-	2	-
CDI	Liability	(510)	-	(509)	-	-	-
Swaps							
IPCA + Fixed rate	Asset	73	84	74	94	(1)	10
CDI	Liability	(73)	(84)	(75)	(84)	-	-
NDF							
R$ x US$	-	144	174	146	173	1	5

4.2. Risk Management

Because the results of ITAÚSA are directly related to the operations, the activities and the results of its investees, ITAÚSA is exposed mainly to the risks of the companies in its portfolio.

Through its senior management, ITAÚSA participate on board of directors and supporting committees of the investees, in addition to the presence of independent members with experience in the respective markets in which they work, good risk management and compliance practices are stimulated, including integrity. Examples of this work are the participation of ITAÚSA's management members: (i) on the Risk and Capital Management Committee of Itaú Unibanco; (ii) on the Audit and Risk Management Committee of Dexco; (iii) on the Statutory Audit Committee of Alpargatas; (iv) on the Audit, Risk and Integrity Committee of Aegea; and (v) on the Audit Committee of Copa Energia.

ITAÚSA follows the guidelines contained in the Risk Management Policy approved by the Board of Directors where the following is defined: (i) the main management and risk control guidelines, in line with the risk appetite established by the Board of Directors; (ii) the methodology of the risk management process; (iii) the guidelines and guidance to the Compliance and Corporate Risks Department in the implementation of the integrity program; and (iv) the reviews of ITAÚSA's rules, forwarding them, when necessary, for the analysis and approval of the Board of Directors.

ITAÚSA has a Sustainability and Risk Committee mains aimed: (i) at advising on risk management, including proposals on appetite and tolerance; (ii) review and propose risk prioritization and response plans; and (ii) expressing an opinion on the assessment of regulatory compliance, the Integrity Program and risk management systems and internal controls.

4.2.1. Market risks

Market risks involve mainly the possibility of variations in interest and foreign exchange rates. These risks may result in the reduction of the value of assets and in the increase of their liabilities due to the rates negotiated in the market.

With respect to foreign exchange rate risks, the controlled company Dexco has an Indebtedness Policy that establishes the maximum foreign currency-denominated amount that may be exposed to variations in the foreign exchange rate. Due to the risk management procedures, management carries out periodical assessments of foreign exchange exposures for the purpose of mitigating them, in addition to maintaining economic hedge mechanisms aimed at protecting most of its foreign exchange exposure.

With respect to interest rate risks, they are those that can cause ITAÚSA and controlled companies to undergo economic losses due to adverse changes in these rates. This risk is continuously monitored by management for the purpose of assessing any need to contract derivative operations to protect ITAÚSA against the volatility in interest rates. With respect to financial investments, the earnings are indexed to the variation in the CDI rate and redemption assured by issuing banks, based on contractually agreed rates agreed for investments in CDBs, or on the value of the quota on the redemption date for investment funds.

4.2.1.1. Sensitivity analysis

The purpose of the sensitivity analysis is to measure how companies may be impacted by changes in market variables to each representative financial instrument. However, the settlement of these transactions may result in amounts that differ from those estimated given the subjectivity inherent in the preparation of these analyses.

The information in the table below measures, based on the exposure of the accounting balances as of December 31, 2021, possible impacts on the results of ITAÚSA and subsidiaries due to the changes in each risk for the next 12 months or, if less, until the maturity date these operations. The projected rates were defined based on assumptions available in the market (B3 and Focus Market Readout – Central Bank of Brazil).

	Parent company			
	Index/ Currency	Risk	Projected rates	Probable scenario
Assets				
Cash and cash equivalents				
Financial investments	CDI	Decrease of CDI	14.63% p.y.	236
Liabilities				
Debentures	CDI	Increase of CDI	12.29% p.y. at 14.12% p.y.	(668)
Total				**(432)**

	Consolidated			
	Index/ Currency	Risk	Projected rates	Probable scenario
Assets				
Cash and cash equivalents				
Financial investments	CDI	Decrease of CDI	11.41% p.y. at 14.63% p.y.	336
Liabilities				
Loans, financing and debentures	CDI	Increase of CDI	11,58% p.y. at 14.12% p.y.	(1,064)
Loans and financing - with Swap (IPCA to CDI)	CDI	Increase of CDI	11.66% p.y.	(67)
Import/ export surplus	US$	Increase of the U.S. dollar	R$5.71	4
Total				**(791)**

4.2.2. Credit risk

Credit risk is the possibility of ITAÚSA and its controlled companies not exercising their rights. This description is related mainly to the accounts below and the maximum exposure to credit risk is reflected by their accounting balances:

(a) Customers

The controlled company Dexco has a formalized credit granting policy for the purpose of establishing the procedures to be followed upon the granting of credit in commercial operations of sale of products and service in both domestic and foreign markets. For the granting of credit, customers are classified taking into consideration the length of time of registration and their payment histories and, among other matters, their Financial Statements are assessed for the purpose of identifying their payment ability associated with a default probability.

The credit limit may be defined based on a percentage of net revenue, equity or a combination of both, also taking into consideration the average volume of the monthly purchases, but always supported by the assessment of the economic and financial, documental, restrictive and behavioral situation of the customer. In accordance with the credit limit, financial guarantees are established and the credit limits are periodically assessed in order to maintain the diversification of its portfolio and reduce its risk exposure. There is no significant risk of concentration of customer credit.

(b) Cash and cash equivalents

ITAÚSA and its controlled companies have formalized policies for the management of funds with financial institutions that are aimed at ensuring liquidity, security and profitability for the funds. Internal policies determine that the financial investments must be made with fist-class financial institutions and with no concentration of funds in specific investments, in order to maintain a balanced proportion that is less subject to losses. Management understands that the financial investment operations contracted do not expose ITAÚSA and its controlled companies to significant credit risks that may generate material losses in the future.

4.2.3. Liquidity risk

This is the risk that ITAÚSA and its controlled companies will not have sufficient liquid funds to honor their financial commitments due to the mismatch of terms or volumes of expected receipts and payments.

The controlled company Dexco has an indebtedness policy whose purpose is to define the limits and parameters of indebtedness and the minimum available funds, which is the highest of the following two amounts: (i) sum equivalent to 60 days of consolidated net revenue for the past quarter; or (ii) debt service plus dividends and/or interest on capital expected for the following six months.

Additionally, management monitors the continuous expectations of liquidity requirements to ensure that it has sufficient cash to meet the operational needs, particularly the payment of dividends, interest on capital and other obligations assumed.

ITAÚSA and its controlled companies invest the cash surplus by choosing instruments with appropriate maturities or adequate liquidity to provide sufficient margin with respect to the expectations of the outflow of funds.

For the purpose of maintaining investments at acceptable risk levels, any new investments or increases or reductions in equity interests are discussed at joint meetings attended by ITAÚSA's Board of Officers, Strategy and New Business Committee, and Board of Directors.

The table below shows the maturities of financial liabilities in accordance with the undiscounted cash flows:

	Parent company				
	Less than one year	**Between one and two years**	**Between three and five years**	**Over five years**	**Total**
Debentures	428	794	829	2,964	5,015
Trade accounts payable	19	-	-	-	19
Personnel expenses	42	-	-	-	42
Leases	3	3	2	-	8
Dividends and interest on capital	1,882	-	-	-	1,882
	2,374	**797**	**831**	**2,964**	**6,966**

	Consolidated				
	Less than one year	**Between one and two years**	**Between three and five years**	**Over five years**	**Total**
Debts	836	901	560	361	2,658
Debentures	441	1,393	1,428	2,964	6,226
Trade accounts payable	1,674	-	-	-	1,674
Personnel expenses	269	-	-	-	269
Leases	28	23	48	305	404
Dividends and interest on capital	1,885	-	-	-	1,885
Other debts	522	360	-	-	882
	5,655	**2,677**	**2,036**	**3,630**	**13,998**

The forecast budget, which was approved by management, shows the ability and cash generation for meeting obligations.

4.2.3.1. Covenants

The controlled company Dexco has some Debt and debenture contracts that are subject to some covenants in accordance with the usual market practices and which, when they are not complied with, may result in an immediate disbursement or early maturity of an obligation with defined flow and frequency. We present below a description of the financial covenants of the controlled company:

(a) Debts

Contracts with BNDES

- EBITDA (*) / Net finance cost: equal to or higher than 3.00;
- EBITDA (*) / Net operating income: equal to or higher than 0.20;
- Equity / Total assets: equal to or higher than 0.45.

Agreement with Caixa Econômica Federal (Export Credit Note)

- Net debt / EBITDA (*): lower or equal to 4.0

(b) Debentures

- Net debt / EBITDA (*) lower than or equal to 4.0

(*) EBITDA (Earning Before Interest, Taxes, Depreciation and Amortization).

The maintenance of the covenants is based on the financial statements of the controlled company Dexco and, should the above mentioned contractual obligations be not complied with, Dexco must offers additional guarantees.

On December 31, 2021, the covenants of the agreement with BNDES "Stockholders' Equity / Total Assets: equal to or greater than 0.45", were not met. This, however, did not characterize default or early maturity of the obligation. All other contractual obligations above were fully met.

4.3. Capital management

ITAÚSA and its controlled companies manage their capital so as to ensure the continuity of their operations, as well as to offer a return to their stockholders, including by optimizing the cost of capital and controlling the indebtedness level, and by monitoring the financial gearing ratio, which corresponds to the net debt-equity ratio.

		Parent company		Consolidated	
	Note	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Debts	19	-	-	2,658	2,005
Debentures	20	5,015	2,494	6,226	3,696
(-) Cash and cash equivalents	5	(2,398)	(1,092)	(3,876)	(2,887)
Net debt		**2,617**	**1,402**	**5,008**	**2,814**
Equity	22	65,886	57,343	69,508	60,633
Gearing ratio		**4.0%**	**2.4%**	**7.2%**	**4.6%**

5. CASH AND CASH EQUIVALENTS

	Parent company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Cash and banks	**-**	**-**	**194**	**267**
Financial investments	**2,398**	**1,092**	**3,682**	**2,620**
Fixed income	-	-	37	80
Bank Deposit Certificate - CDB	-	-	1,193	1,384
Investment funds	2,398	1,092	2,452	1,156
Total	**2,398**	**1,092**	**3,876**	**2,887**

6. MARKETABLE SECURITIES

		Parent Company			Consolidated			
		Current		Non-Current	Current		Non-Current	
	Notes	12/31/2021	12/31/2020	12/31/2020	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Investments in shares	6.1	1,516	1,473	-	1,516	1,473	-	-
Investments in debentures	6.2	-	-	20	-	-	-	20
Corporate Venture Capital Fund	6.3	-	-	-	-	-	40	-
Total		**1,516**	**1,473**	**20**	**1,516**	**1,473**	**40**	**20**

6.1. Investments in shares

		Parent company and Consolidated		
	Note	NTS (a)	NISA (b)	Total
Balance on 12/31/2019		**1,213**	**-**	**1,213**
Fair value		310	-	310
Reduction of share capital		(50)	-	(50)
Balance on 12/31/2020		**1,473**	**-**	**1,473**
Fair value	26	(114)	638	524
Contribution of NTS's shares to NISA (c)		(481)	481	-
Contribution to NISA – Debt with FIP (c)		-	(481)	(481)
Balance on 12/31/2021		**878**	**638**	**1,516**

(a) NTS

This refers to the 4.92% (7.65% in December 31, 2020) interest of ITAÚSA in the capital of NTS acquired on April 4, 2017. Since ITAÚSA does not have a significant influence over the decisions on the financial and operational policies of NTS, the investment is classified as a financial asset in accordance with CPC 48 / IFRS 9 – Financial instruments, and measured at fair value through profit or loss in Finance result. For further information on the assumptions used in fair value calculation, please see Note 4.1.2.

In 2021, ITAÚSA recorded dividends and interest on capital from NTS, in contra-entry to income under "Other income and expenses" in the amount of R$209 (R$181 in 2020) (Note 25).

Management periodically monitors any risks of impairment of Marketable securities. Taking into consideration the nature of these assets and the history of loss, ITAÚSA did not recognize any impairment losses on the above mentioned assets.

(b) NISA

This refers to the 8.5% interest of ITAÚSA in the capital of NISA. On April 30, 2021, ITAÚSA, Nova Infraestrutura Fundo de Investimento em Participações Multiestratégia, managed by Brookfield Brasil Asset Management Investimentos Ltda. ("FIP"), and Petróleo Brasileiro S.A. – Petrobras ("Petrobras") completed the negotiations for Petrobras' sale of its full 10% equity interest in NTS's capital.

This equity interest was acquired exclusively by NISA, a company fully held by FIP and ITAÚSA, in the proportion of 91.5% and 8.5% of equity interest of its capital, respectively.

To establish NISA's capital, ITAÚSA paid in the amount of R$0.2, with this equity interest also classified as a financial asset measured at fair value through profit or loss.

The Transaction value was R$1.8 billion and, including the adjustments set forth in agreement, NISA paid to Petrobras the total amount of R$1.5 billion with funds fully raised through NISA'S issuance of long-term debt bonds.

With this acquisition, ITAÚSA's total direct and indirect equity interest in NTS increased to 8.5% from 7.65%, with no change in ITAÚSA's rights set forth in NTS's Stockholders' Agreement.

(c) Corporate restructuring – NISA

On December 16, 2021, ITAÚSA and FIP carried out a corporate restructuring at NISA, resulting in the following contributions:

- part of the equity interest held in NTS (equal proportion among stockholders, with no change in equity interest in NISA); and
- total debt denominated in US dollars held related to the initial purchase of NTS (Note 11.1).

As a result of such restructuring, NISA now holds 42.08% of NTS's capital, whereas ITAÚSA's direct and indirect equity interest in NTS remains at 8.5%.

6.2. Investments in Debentures

Refers to simple, non-convertible debentures issued by associate Copa Energia, acquired by ITAÚSA on December 23, 2020 and maturing on December 23, 2030. Interest paid is CDI + 5% p.y., to be received at the maturity date and it is measured by using amortized cost.

On August 9, 2021, these debentures were fully paid up with capital increase in Copa Energia by its updated balance of R$21 (Note 15.2.4).

6.3. Corporate Venture Capital Fund

Investee Dexco has set up a Corporate Venture Capital ("CVC") fund, named DX Ventures Fundo de Investimento em Participações Multiestratégia ("DX Ventures"), aimed at investing in start-ups and scale-ups, at multiple investment stages, with the first contribution scheduled at R$100.

Although being the only unit holder of this fund, Dexco will count on the assistance of Valetec, an expert venture capital manager. Through this fund, it will be able to keep up to date with macro trends in transformation and innovation of the construction, refurbishment and decoration segment, by developing relevant business in the long term.

On December 31, 2021 the amount contributed was R$39, which corresponds at fair value of R$40.

7. TRADE ACCOUNTS RECEIVABLE

	Consolidated							
	12/31/2021							
		Overdue						
	To fall due	Within 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 180 days	Over 180 days	(-) Allowance for estimated losses on doubtful accounts	Net balance
Local customers	1,078	89	24	12	15	60	(80)	1,198
Foreign customers	160	35	10	3	1	5	(5)	209
Related parties	16	5	2	-	-	-	-	23
Total	**1,254**	**129**	**36**	**15**	**16**	**65**	**(85)**	**1,430**

	12/31/2020							
		Overdue						
	To fall due	Within 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 180 days	Over 180 days	(-) Allowance for estimated losses on doubtful accounts	Net balance
Local customers	1,011	30	5	5	7	69	(78)	1,049
Foreign customers	109	54	9	3	5	7	(6)	181
Related parties	8	1	-	-	-	-	-	9
Total	**1,128**	**85**	**14**	**8**	**12**	**76**	**(84)**	**1,239**

There are no real encumbrances, guarantees offered and/or restrictions to the trade accounts receivable amounts. No customer individually represents more than 10% of trade accounts receivable or revenue.

The exposure of ITAÚSA and its controlled companies to credit risks related to trade accounts receivable are disclosed in Note 4.2.2.

7.1. Allowance for estimated losses on doubtful accounts

As required by CPC 48 / IFRS 9 – Financial instruments, a detailed analysis of the balance of trade accounts receivable must be made and, in accordance with the simplified approach, an allowance for estimated losses on doubtful accounts is recognized to cover any losses on the realization of these assets.

Risks are rated based on external credit bureau models, both for domestic and foreign markets, being rated between "A" and "D", where "A" means low-risk clients and "D", high-risk clients. Clients recorded in allowance for estimated losses on doubtful accounts (PECLD) are rated separately.

Rating	12/31/2021	12/31/2020
A	28%	20%
B	17%	16%
C	49%	58%
D	1%	1%
Customers in PECLD	5%	5%

We present below the changes in the allowance for estimated losses on doubtful accounts:

	Consolidated	
	12/31/2021	12/31/2020
Opening balance	**(84)**	**(83)**
Recognitions	(21)	(25)
Write-offs	20	24
Closing balance	**(85)**	**(84)**

8. INVENTORIES

	Consolidated	
	12/31/2021	12/31/2020
Finished products	576	324
Raw materials	563	366
Work in progress	205	165
General storeroom	141	118
Advance to suppliers	14	10
(-) Estimated loss on the realization of inventories	(66)	(58)
Total	**1,433**	**925**

Total inventories come from subsidiary Dexco. On December 31, 2021 and 2020 the controlled companies had no inventories offered in guarantee.

The changes in the allowance for estimated losses on doubtful accounts on the realization of inventories are presented below:

	Consolidated	
	12/31/2021	12/31/2020
Opening balance	**(58)**	**(107)**
Recognitions	(54)	(53)
Reversals	20	44
Write-offs	25	60
Foreign exchange	1	(2)
Closing balance	**(66)**	**(58)**

9. DIVIDENDS AND INTEREST ON CAPITAL RECEIVABLE

	Parent company								
	Investments							Marketable securities	
	Subsidiaries		Jointly-controlled entities			Associates			
	Dexco	Itautec	Itaú Unibanco	IUPAR	Alpargatas	Aegea	Copa Energia	NTS	Total
Balance on 12/31/2019	**29**	**1**	**91**	**50**	**-**	**-**	**-**	**-**	**171**
Dividends	-	2	1,608	1,373	9	-	-	173	3,165
Interest on capital	86	-	1,156	920	-	-	-	7	2,169
Receipts	(81)	(3)	(2,304)	(1,943)	(9)	-	-	(180)	(4,520)
Balance on 12/31/2020	**34**	**-**	**551**	**400**	**-**	**-**	**-**	**-**	**985**
Dividends	172	-	259	162	39	5	24	203	864
Interest on capital	256	1	922	829	25	-	-	6	2,039
Receipts	(462)	(1)	(1,239)	(980)	(42)	(5)	(1)	(209)	(2,939)
Balance on 12/31/2021	**-**	**-**	**493**	**411**	**22**	**-**	**23**	**-**	**949**

	Consolidated						
	Investments					Marketable securities	
	Jointly-controlled entities			Associates			
	Itaú Unibanco	IUPAR	Alpargatas	Aegea	Copa Energia	NTS	Total
Balance on 12/31/2019	**91**	**50**	**-**	**-**	**-**	**-**	**141**
Dividends	1,608	1,373	9	-	-	173	3,163
Interest on capital	1,156	920	-	-	-	7	2,083
Receipts	(2,304)	(1,943)	(9)	-	-	(180)	(4,436)
Balance on 12/31/2020	**551**	**400**	**-**	**-**	**-**	**-**	**951**
Dividends	259	162	39	5	24	203	692
Interest on capital	922	829	25	-	-	6	1,782
Receipts	(1,239)	(980)	(42)	(5)	(1)	(209)	(2,476)
Balance on 12/31/2021	**493**	**411**	**22**	**-**	**23**	**-**	**949**

10. OTHER TAXES FOR OFFSET AND PAYABLE

	Parent company		Consolidated			
	Current		Current		Non-current	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Other taxes for offset						
ICMS/PIS/COFINS on acquisition of property, plant and equipment [(1)]	-	-	16	12	19	18
PIS and COFINS [(2)]	2	2	16	10	792	10
ICMS and IPI	-	-	55	54	-	-
Other	-	-	6	13	1	1
Subtotal	**2**	**2**	**93**	**89**	**812**	**29**
(-) Allowance for estimated losses on doubtful accounts [(3)]	-	-	(4)	(11)	(11)	(11)
Total	**2**	**2**	**89**	**78**	**801**	**18**
Other taxes payable						
PIS and COFINS	77	29	84	33	-	-
ICMS and IPI	-	-	51	49	-	-
Tax installment payment [(4)]	-	-	15	22	68	87
INSS	-	-	3	3	-	-
Other	-	-	1	1	-	-
Total	**77**	**29**	**154**	**108**	**68**	**87**

[(1)] This refers to investee Dexco: ICMS and Pis/Cofins for offset were mainly generated by the acquisition of fixed assets for industrial plants.In accordance with legislation in force, PIS and COFINS deferred tax assets will be offset within 12 to 24 months and ICMS deferred tax assets will be offset within 48 months.

[(2)] See Note 21.3.1 to the financial statements.

[(3)] At investee Itautec, as federal, state and local taxes are not expected to be realized, management has decided to recognize losses.

[(4)] At investee Dexco, this refers to tax installment payments of its subsidiary Cecrisa.

11. OTHER ASSETS AND LIABILITIES

		Parent company				Consolidated			
		Current		Non-current		Current		Non-current	
	Note	12/31/2021	12/31/2020	12/31/2021	12/31/2020	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Other assets									
Prepaid expenses		10	10	5	12	32	26	5	12
Pension plan assets (DB Plan)	30.1.2	1	1	-	1	13	11	5	15
Disposal of PPE		-	-	-	-	45	49	16	29
Disposal of investments		-	-	-	-	-	-	13	18
Disposal of investment property		-	-	-	-	-	2	-	-
Development of forest operations		-	-	-	-	-	-	11	10
Advance to employees		-	7	-	-	10	15	-	-
Indemnifiable assets		-	-	-	-	-	-	18	17
Amounts withheld in acquisitions of companies		-	-	-	-	2	2	48	34
Sale of electricity		-	-	-	-	4	4	-	-
Held-for-sale assets		-	-	-	-	58	48	-	-
Agreement – Surcharge on purchase of kinescopes	11.2	-	-	-	-	82	-	-	-
Other assets		13	20	-	4	43	39	-	15
Total		**24**	**38**	**5**	**17**	**289**	**196**	**116**	**150**
Other liabilities									
Advances from customers		-	-	-	-	81	83	11	8
Profits to be distributed to stockholders in special partnerships		-	-	-	-	7	7	-	-
Acquisition of reforestation areas		-	-	-	-	28	21	-	-
Trade accounts payable to stockholders in special partnerships		-	-	-	-	84	-	-	89
Acquisitions of companies		-	-	-	-	28	28	231	32
Freight and insurance payable		-	-	-	-	66	42	-	-
Commissions payable		-	-	-	-	19	17	-	-
Warranties, technical assistance and maintenance		-	-	-	-	98	45	7	6
Joint operation liabilities		-	-	-	-	-	-	60	50
Provision for restructuring costs		-	-	-	-	2	3	-	-
Payroll loans		-	-	-	-	3	2	-	-
Sales for future delivery		-	-	-	-	20	17	-	-
Acquisition - NTS	11.1	-	-	-	425	-	-	-	425
Acquisitions of farms		-	-	-	-	-	-	38	33
Other liabilities		-	2	-	-	86	37	13	6
Total		**-**	**2**	**-**	**425**	**522**	**302**	**360**	**649**

11.1. Acquisition of NTS

It referred to payment obligation due to "Nova Infraestrutura Fundo de Investimento em Participações e Multiestratégia", arising from the acquisition of a 7.65% interest in the capital of NTS, originally amounting to US$72 million, adjusted based on a fixed interest rate of 3.35% a year, capitalized on an annual basis in the principal amount, to be paid in a single installment in April 2022.

On December 16, 2021, the restated debt amount, corresponding to R$481, was transferred to NISA as part of the corporate restructuring (Note 6.1).

11.2. Agreement – Surcharge on purchase of kinescopes

In December 2015, subsidiary Itautec filed a claim for damages in the Netherlands for the reimbursement of surcharge paid on the purchase of kinescopes and Cathode Ray Tubes (CRTs) used by Itautec in the manufacture of televisions and computer monitors, on the grounds of cartel behavior, in Brazil and abroad, of the respective manufacturers between 1995 and 2007.

In November 2021, subsidiary Itautec executed an agreement with Philips and Technicolor (and their affiliates) and recorded the amount of R$82 (without deducting other costs on the lawsuit and taxes levied) in the statement of income under "Other Income and Expenses".

This agreement was subject to the judge's approving the withdrawal of both companies from the defendant's position, which took place in January 2022.

12. BIOLOGICAL ASSETS

The indirectly-controlled companies Dexco S.A. (Colombia), Duratex Florestal Ltda. and Caetex Florestal S.A. have eucalyptus and pine tree forest reserves that are used, primarily, as raw material in the production of wood panels, floorings and, secondarily, for sale to third parties.

The forest reserves serve as a guarantee of supply to the factories, as well as a protection against risks regarding future increases in the price of wood. This is a sustainable operation that is integrated with its industrial complexes, which, together with a supply network, provides a high level of self-sufficiency in the supply of wood.

On December 31, 2021 the companies had, approximately, 101.4 thousands hectares in effectively planted areas (101.9 thousands hectares on December 31, 2020) that are cultivated in the states of São Paulo, Minas Gerais, Rio Grande do Sul, Alagoas and in Colombia.

The forests are free of any encumbrances or guarantees to third parties, including financial institutions. Additionally, there are no forests for which the ownership is restricted.

The balance of the biological assets is composed of the cost of formation of the forests and the fair value difference over the cost of formation, as presented below:

	Consolidated	
	12/31/2021	12/31/2020
Cost of formation of biological assets	939	1,117
Difference between cost of formation and fair value	330	512
Capital increase - indirect investee LD Celulose	-	(486)
Total	**1,269**	**1,143**

The changes in the year are as follows:

		Consolidated	
	Note	12/31/2021	12/31/2020
Opening balance		**1,143**	**1,544**
Changes in fair value			
Price/Volume	24	129	117
Depletion		(116)	(104)
Changes in the cost of formation			
Planting costs		302	199
Depletion		(189)	(127)
Capital increase - indirect investee LD Celulose	15.2.3	-	(486)
Closing balance		**1,269**	**1,143**

12.1. Fair value and sensitivity analysis

Fair value is determined based on the estimate of volume of wood that is ready to be harvested, at the current prices of standing wood, except for the eucalyptus forests that are up to one year old and the pine forests that are up to four year old, which are maintained at cost, due to the belief that these amounts approximate their fair value.

Fair value was determined by the valuation of the expected volumes that are ready to be harvested at current market prices based on estimates of volumes. The main assumptions used were:

- Discounted cash flows expected wood volume that is ready to be harvested, taking into consideration current market prices, net of the unrealized planting costs and the costs of capital of the land used in the plantation, measured at present value at the discount rate of December 31, 2021 of 7.12% p.y. (7.05% p.y. on December 31, 2020), which corresponds to the average weighted cost of capital of the controlled company Dexco, which is reviewed on an annual basis by its management.

- Wood prices: they are obtained in R$/cubic meter by means of surveys on market prices disclosed by specialized companies for regions and products that are similar to those of the controlled company Dexco, in addition to the prices adopted in transactions with third parties, also in active markets.

- Difference: the volumes of harvests that were separated and valued according to the species: pine and eucalyptus; (ii) region; and (iii) destination (sawmill and process).

- Volumes: estimate of the volumes to be harvested (6th year for eucalyptus and 12th year for pine) based on the projected average productivity for each region and species. The average productivity may vary according to age, rotation, climate conditions, quality of seedlings, fire and other natural risks. For the forests that have already been formed, the current volumes of wood are used. The volume estimates are supported by cycle counts made by specialized technicians as from the second year of the forests and their effects are incorporated into the financial statements.

Among the variables that affect the calculation of the fair value of biological assets are the changes in the price of wood and the discount rate used in cash flows.

The average price on December 31, 2021 was R$53.22/cubic meter (R$47.8/cubic meter on December 31, 2020). Increases in prices result in the increase of the fair value of forests. Every change of 5% in price would have an impact of R$56 (R$47 on December 31, 2020) on the fair value of forests.

On December 31, 2021, a discount rate of 7.12% a year (7.05% a year on December 31, 2020) was used. Increases in the rate result in a reduction in the fair value of the forest. Every change of 0.5% a year in the rate would have an impact of around R$7 (R$8 on December 31, 2020) on the fair value of forests.

13. DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION

The balance of and changes in deferred income tax and social contribution are presented below:

	Parent company						
	12/31/2019	Recognition	Realization/ Reversal	12/31/2020	Recognition	Realization/ Reversal	12/31/2021
Assets							
Recognized in profit or loss							
Income tax and social contribution loss carryforwards	**382**	**-**	**-**	**382**	**245**	**(6)**	**621**
Temporary differences	**534**	**-**	**-**	**534**	**314**	**(22)**	**826**
Contingencies	505	-	-	505	186	-	691
Interest on Capital	-	-	-	-	112	-	112
Other	29	-	-	29	16	(22)	23
Total (*)	**916**	**-**	**-**	**916**	**559**	**(28)**	**1,447**
Liabilities							
Recognized in profit or loss							
Temporary differences	**(139)**	**(106)**	**2**	**(243)**	**(247)**	**-**	**(490)**
Fair value of financial instruments	(130)	(106)	-	(236)	(212)	-	(448)
Other	(9)	-	2	(7)	(35)	-	(42)
Total (*)	**(139)**	**(106)**	**2**	**(243)**	**(247)**	**-**	**(490)**

(*) Deferred income tax and social contribution assets and liabilities are recorded in the Balance Sheet, as offset by the taxable entity, totaling in the deferred assets on December 31,2021 the amount of R$957 (R$673 on December 31, 2020) .

	Consolidated						
	12/31/2019	Recognition	Realization/ Reversal	12/31/2020	Recognition	Realization/ Reversal	12/31/2021
Assets							
Recognized in profit or loss							
Income tax and social contribution loss carryforwards	**569**	**-**	**(14)**	**555**	**245**	**(76)**	**724**
Temporary differences	**857**	**65**	**(46)**	**876**	**374**	**(48)**	**1,202**
Provision for impairment of trade accounts receivable	**10**	-	(3)	**7**	3	-	**10**
Interest on capital	**-**	-	-	**-**	112	-	**112**
Contingencies	**613**	37	-	**650**	186	(21)	**815**
Inventory losses	**32**	-	(16)	**16**	4	-	**20**
Profit abroad	**35**	9	-	**44**	12	-	**56**
Impairment of property, plant and equipment	**71**	-	(21)	**50**	7	-	**57**
Post-employment benefit	**11**	-	(4)	**7**	1	-	**8**
Other	**85**	19	(2)	**102**	49	(27)	**124**
Recognized in equity							
Post-employment benefit	**13**	-	(4)	**9**	-	(4)	**5**
Total (*)	**1,439**	**65**	**(64)**	**1,440**	**619**	**(128)**	**1,931**
Liabilities							
Recognized in profit or loss							
Temporary differences	**(539)**	**(108)**	**32**	**(615)**	**(297)**	**92**	**(820)**
Revaluation reserve	**(66)**	-	3	**(63)**	-	9	**(54)**
Fair value of financial instruments and derivatives	**(130)**	(106)	-	**(236)**	(212)	-	**(448)**
Depreciation	**(28)**	-	2	**(26)**	(5)	-	**(31)**
Biological assets	**(172)**	-	4	**(168)**	-	55	**(113)**
Client Portfolio	**(39)**	-	7	**(32)**	-	9	**(23)**
Pension plans	**(41)**	-	5	**(36)**	(1)	1	**(36)**
Goodwill on assets	**(24)**	(1)	-	**(25)**	-	1	**(24)**
Other	**(39)**	(1)	11	**(29)**	(79)	17	**(91)**
Recognized in equity							
Exchange variation on translation of balance sheet from foreign companies	**(5)**	(5)	-	**(10)**	-	3	**(7)**
Revaluation reserve	**-**	(1)	-	**(1)**	-	-	**(1)**
Total (*)	**(544)**	**(114)**	**32**	**(626)**	**(297)**	**95**	**(828)**

(*) *Deferred income tax and social contribution assets and liabilities are recorded in the Balance Sheet, as offset by the taxable entities, totaling in the deferred assets the amount of R$1,252 on December 31, 2021 (R$958 on December 31, 2020) and in the deferred liabilities the amount of R$149 on December 31, 2021 (R$144 on December 31, 2020).*

13.1. Deferred assets

13.1.1. Expectation of realization

Deferred tax assets are recognized taking into consideration the probable realization of these credits, based on projections of future results, prepared based on internal assumptions and economic scenarios approved by management that may change. We present below the expectation of realization of deferred assets:

	Parent company	Consolidated
2022	816	990
2023	-	81
2024	1	52
2025	-	57
2026	620	679
2027 - 2028	10	72
Total	**1,447**	**1,931**

On December 31, 2021, Itaúsa recorded deferred tax assets in the amount of R$559, considering the prospective generation of future taxable income.

13.1.2. Unrecognized tax credits

Subsidiaries have deferred tax assets related to tax loss carryforwards and temporary differences, not recorded in the Financial Statements on the grounds of their uncertain realization. In the consolidated of ITAÚSA, these correspond to the amount of R$143 on December 31, 2021 (R$519 on December 31, 2020). Said assets may be subject to future recognition, according to annual revisions of projected generation of taxable income, with no limitation period for their use.

ITAÚSA has no unrecognized deferred tax assets.

14. RIGHT-OF-USE AND LEASES

For the lease contract of ITAÚSA, Management did not consider the possibility of a contract renewal (total 48 months), as it believes that renewal conditions at the maturity date may be significantly different from the current ones, which may be construed as a new contract. Meanwhile, due to the long-term nature of contracts, controlled company Dexco has opted not to renew the land lease contracts too. For the other contracts, when applicable, a renewal was considered.

With respect to payments, these basically refer to fixed amounts agreed in agreements annually adjusted based on an inflation-linked index.

14.1. Right-of-use assets

	Parent company	Consolidated					
	IT equipment	Land	Buildings	Vehicles	IT equipment	Other	Total
Balance on 12/31/2019	**12**	**536**	**10**	**1**	**12**	**8**	**567**
New contracts / adjustments	-	24	11	3	-	17	55
Depreciation for the year (profit or loss)	(2)	(1)	(6)	(2)	(2)	(4)	(15)
Depreciation for the year (*)	-	(21)	-	-	-	-	(21)
Foreign exchange variation	-	2	-	-	-	1	3
Write-off of contracts	-	(240)	(1)	-	-	-	(241)
Balance on 12/31/2020	**10**	**300**	**14**	**2**	**10**	**22**	**348**
New contracts / adjustments	-	56	8	-	-	4	68
Depreciation for the year (profit or loss)	(3)	(1)	(7)	(2)	(4)	(7)	(21)
Depreciation for the year (*)	-	(18)	-	-	-	-	(18)
Foreign exchange variation	-	(1)	-	-	-	-	(1)
Write-off of contracts	-	-	(2)	-	-	-	(2)
Balance on 12/31/2021	**7**	**336**	**13**	**-**	**6**	**19**	**374**

(*) Stated at cost of formation of forest reserves in "Biological Asset" line.

14.2. Lease liabilities

	Parent company	Consolidated					
	IT equipment	Land	Buildings	Vehicles	IT equipment	Other	Total
Balance on 12/31/2019	**12**	**551**	**12**	**1**	**12**	**8**	**584**
New contracts / adjustments	-	24	11	3	-	17	55
Interest allocated in the year (profit or loss)	1	2	1	-	1	1	5
Interest allocated in the year (*)	-	30	-	-	-	-	30
Payments	(2)	(43)	(7)	(2)	(3)	(5)	(60)
Write-off of contracts	-	(246)	(1)	-	-	-	(247)
Foreign exchange variation	-	2	-	-	-	1	3
Balance on 12/31/2020	**11**	**320**	**16**	**2**	**10**	**22**	**370**
New contracts / adjustments	-	56	8	-	-	4	68
Interest allocated in the year (profit or loss)	-	2	2	-	-	2	6
Interest allocated in the year (*)	-	30	-	-	-	-	30
Payments	(3)	(44)	(9)	(2)	(3)	(9)	(67)
Write-off of contracts	-	-	(2)	-	-	-	(2)
Foreign exchange variation	-	(1)	-	-	-	-	(1)
Balance on 12/31/2021	**8**	**363**	**15**	**-**	**7**	**19**	**404**
Current	**3**						**28**
Non-current	**5**						**376**

(*) Stated at cost of formation of forest reserves in "Biological Asset" line.

Discount rates are as follows:

	Parent company	Consolidated
Contractual terms		
Up to 5 years	5.85% p.y.	From 5.85% to 7.37% p.y.
From 6 to 10 years	-	10.72% p.y.
Longer than 10 years	-	11.94% p.y.

The maturities of the lease liabilities take into consideration the following future flow of payments:

	Parent company	Consolidated
	12/31/2021	12/31/2021
Current		
2022	3	28
Total	**3**	**28**
Non-current		
2023	3	23
2024	2	18
2025	-	15
2026	-	15
2027	-	16
2028 - 2032	-	53
2033 - 2037	-	33
2038 - 2047	-	93
2048 onwards	-	110
Total	**5**	**376**

14.3. Inflation effects

Please find below the inflation effects on balances, compared to the balances in the financial statements:

	Parent company			
	12/31/2021		12/31/2020	
	Accounting scenario	Inflation scenario	Accounting scenario	Inflation scenario
Right-of-use assets	11	12	11	12
Depreciation	(4)	(5)	(1)	(1)
Total	**7**	**7**	**10**	**11**
Leases	10	9	12	11
Interest to be appropriated	(2)	-	(1)	(1)
Total	**8**	**9**	**11**	**10**

	Consolidated			
	12/31/2021		12/31/2020	
	Accounting scenario	Inflation scenario	Accounting scenario	Inflation scenario
Right-of-use assets	478	1,786	413	1,005
Depreciation	(104)	(199)	(65)	(108)
Total	**374**	**1,587**	**348**	**897**
Leases	1,075	3,810	1,011	2,323
Interest to be appropriated	(671)	(2,088)	(641)	(1,364)
Total	**404**	**1,722**	**370**	**959**

15. INVESTMENTS

15.1. Investment balance

	Note	Parent company 12/31/2021	Parent company 12/31/2020	Consolidated 12/31/2021	Consolidated 12/31/2020
Jointly-controlled companies					
Jointly-controlled companies		58,852	55,183	58,852	55,183
Indirect Jointly-controlled company		-	-	105	107
Controlled companies					
Controlled companies		2,206	1,940	-	-
Indirect controlled company		-	-	-	1
Associates					
Associates		7,458	1,219	7,458	1,219
Indirect associates		-	-	1,206	852
	15.2	**68,516**	**58,342**	**67,621**	**57,362**
Other investments		4	5	7	9
Total investments		**68,520**	**58,347**	**67,628**	**57,371**

15.2. Changes in investments

	Parent company												
	Jointly-controlled companies				Controlled companies			Associates					
	Itaú Unibanco (Note 15.2.5)	IUPAR (Note 15.2.5)	XPART (Note 15.2.5)	Alpargatas (Note 15.2.1)	Dexco (Note 15.2.3)	Itautec	ITH Zux Cayman	XP (Note 15.2.5)	AEGEA (Note 15.2.6)	Águas do Rio 1 (Note 15.2.6)	Águas do Rio 4 (Note 15.2.6)	Copa Energia (Note 15.2.4)	Total
Balance on 12/31/2019	**27,812**	**23,185**	**-**	**1,921**	**1,807**	**39**	**2**	**-**	**-**	**-**	**-**	**-**	**54,766**
Equity in the earnings of investees	3,830	3,253	-	(36)	166	-	1	-	-	-	-	-	7,214
Dividends and interest on capital	(2,951)	(2,442)	-	(9)	(97)	(1)	-	-	-	-	-	-	(5,500)
Acquisition of shares	-	-	-	41	-	-	-	-	-	-	-	1,212	1,253
Other comprehensive income	205	180	-	52	22	-	-	-	-	-	-	-	459
Other	75	65	-	2	1	-	-	-	-	-	-	7	150
Balance on 12/31/2020	**28,971**	**24,241**	**-**	**1,971**	**1,899**	**38**	**3**	**-**	**-**	**-**	**-**	**1,219**	**58,342**
Equity in the earnings of investees	5,380	4,735	75	173	635	55	-	98	35	(1)	3	(32)	11,156
Dividends and interest on capital	(1,375)	(1,149)	-	(68)	(467)	(1)	-	-	(5)	-	-	(23)	(3,088)
Acquisition of shares	-	-	-	-	-	-	-	-	2,471	52	49	21	2,593
Disposal of shares	-	-	-	-	-	-	-	(367)	-	-	-	-	(367)
Other comprehensive income	(578)	(537)	(19)	(6)	63	-	-	(2)	(2)	-	-	16	(1,065)
Itaú Unibanco Spin-Off	(2,018)	-	2,018	-	-	-	-	-	-	-	-	-	-
Merger of XPART into XP	-	-	(2,088)	-	-	-	-	2,088	-	-	-	-	-
IUPAR Spin-Off	-	(1,783)	-	-	-	-	-	1,838	-	-	-	-	55
Other	467	423	14	5	(17)	(2)	-	10	-	-	-	(10)	890
Balance on 12/31/2021	**30,847**	**25,930**	**-**	**2,075**	**2,113**	**90**	**3**	**3,665**	**2,499**	**51**	**52**	**1,191**	**68,516**
Market value on 12/31/2020 (*)	**115,450**	**-**	**-**	**7,097**	**4,839**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Market value on 12/31/2021 (*)	**76,468**	**-**	**-**	**6,255**	**4,160**	**-**	**-**	**12,265 -**	**- -**	**- -**	**- -**	**-**	

(*) Market value is presented for investees with shares traded in on B3 stock exchange only and represent the percentage of ITAÚSA's interest.

	Consolidated													
	Jointly-controlled companies				Indirect controlled company	Indirect associates	Indirect associates	Indirect Jointly-controlled company	Associates					
	Itaú Unibanco (Note 15.2.5)	IUPAR (Note 15.2.5)	XPART (Note 15.2.5)	Alpargatas (Note 15.2.1)	Viva Decora (Note 15.2.2)	LD Celulose	ABC da Construção (Note 15.2.7)	LD Florestal	XP (Note 15.2.5)	AEGEA (Note 15.2.6)	Águas do Rio 1 (Note 15.2.6)	Águas do Rio 4 (Note 15.2.6)	Copa Energia (Note 15.2.4)	Total
Balance on 12/31/2019	**27,812**	**23,185**	**-**	**1,921**	**14**	**-**	**-**	**108**	**-**	**-**	**-**	**-**	**-**	**53,040**
Equity in the earnings of investees	3,830	3,253	-	(36)	(2)	(65)	-	-	-	-	-	-	-	6,980
Dividends and interest on capital	(2,951)	(2,442)	-	(9)	-	-	-	-	-	-	-	-	-	(5,402)
Acquisition of shares	-	-	-	41	-	-	-	-	-	-	-	-	1,212	1,253
Capital increase (decrease)	-	-	-	-	-	1,018	-	-	-	-	-	-	-	1,018
Other comprehensive income	205	180	-	52	-	(102)	-	-	-	-	-	-	-	335
Other	75	65	-	2	(11)	1	-	(1)	-	-	-	-	7	138
Balance on 12/31/2020	**28,971**	**24,241**	**-**	**1,971**	**1**	**852**	**-**	**107**	**-**	**-**	**-**	**-**	**1,219**	**57,362**
Equity in the earnings of investees	5,380	4,735	75	173	-	(66)	-	(3)	98	35	(1)	3	(32)	10,397
Dividends and interest on capital	(1,375)	(1,149)	-	(68)	-	-	-	-	-	(5)	-	-	(23)	(2,620)
Acquisition of shares	-	-	-	-	-	-	102	-	-	2,471	52	49	21	2,695
Disposal of shares	-	-	-	-	-	-	-	-	(367)	-	-	-	-	(367)
Capital increase (decrease)	-	-	-	-	-	98	-	-	-	-	-	-	-	98
Other comprehensive income	(578)	(537)	(19)	(6)	-	70	-	-	(2)	(2)	-	-	16	(1,058)
Itaú Unibanco Spin-Off	(2,018)	-	2,018	-	-	-	-	-	-	-	-	-	-	-
Merger of XPART into XP	-	-	(2,088)	-	-	-	-	-	2,088	-	-	-	-	-
IUPAR Spin-Off	-	(1,783)	-	-	-	-	-	-	1,838	-	-	-	-	55
Other	467	423	14	5	(1)	150	-	1	10	-	-	-	(10)	1,059
Balance on 12/31/2021	**30,847**	**25,930**	**-**	**2,075**	**-**	**1,104**	**102**	**105**	**3,665**	**2,499**	**51**	**52**	**1,191**	**67,621**
Market value on 12/31/2020 (*)	**115,450**	**-**	**-**	**7,097**	**-**	**- -**	**- -**	**- -**	**- -**	**- -**	**- -**	**- -**	**-**	
Market value on 12/31/2021 (*)	**76,468**	**-**	**-**	**6,255**	**-**	**- -**	**- -**	**- -**	**12,265 -**	**- -**	**- -**	**- -**	**-**	

(*) Market value is presented for investees with shares traded in on B3 stock exchange only and represent the percentage of ITAÚSA's interest.

15.2.1 Acquisition of additional equity interest in Alpargatas

Between the months of March and April 2020, ITAÚSA once again purchased on B3 over 1,789,900 preferred shares from Alpargatas for a total amount of R$41. These purchased shares account for 0.31% of the total shares of Alpargatas, with ITAÚSA now holding a total 29.19% stake (excluding treasury shares).

In April 2021, ITAÚSA completed the purchase price allocation process taking into consideration the interest in the net assets and liabilities measured at fair value, the consideration paid by ITAÚSA and the goodwill from the expectation of future profitability.

15.2.2. Full acquisition of Viva Decora by subsidiary Dexco

At the Notice to the Market published on August 5, 2020, subsidiary Dexco announced that on July 31, 2020 it entered into an agreement for the full acquisition of the then affiliate Viva Decora Internet Ltda. ("Viva Decora"), in which it already held a 44.16% ownership interest.

No financial disbursement was required by Dexco for such acquisition, as the payment to other stockholders was made by using the cash available at Viva Decora.

During 2021 subsidiary Dexco made contributions to Viva Decora in the amount of R$3.

15.2.3. Corporate operations in investee Dexco

In January 2020, investee Dexco completed the partial spin-off of its wholly-owned subsidiary Duratex Florestal Ltda., thus incorporating the following amounts:

Description	Amount
Inventories	2
PPE	6
Biological asset	486
Personnel liabilities	(1)
Deferred taxes	(65)
Total	**428**

After the takeover, between January and February 2020, investee Dexco contributed capital in its affiliate LD Celulose S.A., in the following amounts:

Description	Note	Amount
Inventories		2
PPE	16.2	9
Biological asset	12	486
Personnel liabilities		(1)
Total		**496**

In addition to the contributions above, investee Dexco has also made capital contributions, in the amount of R$522, totaling R$1,018 in contributions to its affiliate LD Celulose S.A. in 2020.

15.2.4. Investment in Copa Energia completed with acquisition of Liquigás

On December 23, 2020, ITAÚSA informed the market through a Material Fact that, as of that date, the acquisition of total shares of Liquigás Distribuidora S.A. ("Liquigás") was completed by the group composed of ITAÚSA, Copa Energia, and Nacional Gás Butano Distribuidora Ltda. ("Nacional Gás"). Also at that date ITAÚSA's contribution to Copa Energia was completed, thus making ITAÚSA a material minority stockholder (associate).

ITAÚSA'S investment in this transaction was carried out by subscribing 48.5% of voting and total capital, in the amount of R$1,212, and also by acquiring the debentures issued by Copa Energia in the amount of R$20. The remaining capital will be held by current stockholder of Copa Energia, the holding company of the Ueze Zahran family, which, in turn, will retain the control of the company.

To finance this transaction, on December 15, 2020 ITAÚSA issued non-convertible debentures in the amount of R$1,300, maturing in 10 years and interest paid based on Interbank Deposit Certificate (CDI) rate plus 2.4% per year.

Nacional Gás was acquired a minority stake in Liquigás and it became the holder of assets in certain locations. The consolidation of Liquigás operations will enable Copa Energia to capture significant synergies over the coming years and create the leading player in the LPG distribution segment in Brazil.

On August 9, 2021, Copa Energia approved a capital increase with payment of debentures held by ITAÚSA in the amount of R$21. This operation has resulted in the increase of Copa Energia's equity interest by 0.43%, to 48.93% from 48.5%.

In December 2021, ITAÚSA completed the purchase price allocation process, considering the equity interest in net assets and liabilities at fair value, the consideration paid by ITAÚSA and goodwill on expected future profitability.

The price paid in the transaction is broken down as follows:

Amount paid on purchase date	1,212
Payment of debentures acquired on purchase date	21
Total consideration transferred	**1,233**

The appraisal report, prepared by independent consultants, presented the following goodwill amounts attributed to the Balance Sheet of Copa Energia, which were recorded at ITAÚSA by the percentage of equity interest acquired on the transaction date:

	Copa Energia	Itaúsa (48.93%)
Goodwill attributed		
Intangible assets	159	78
Brand	*132*	*65*
Customer relationship	*26*	*13*
Use license	*1*	*1*
Property, plant and equipment	236	115
Held-for-trading assets	208	102
Other assets and liabilities	25	12
Total	**628**	**307**
Stockholders 'equity - Copagaz	**1,486**	**727**
Goodwill	**408**	**199**
Price paid on acquisition	**-**	**1,233**

The impact related to amortization and write-offs of goodwill for fiscal year 2021 was R$129 and is recorded as a contra entry to "Equity in the earnings of investees".

15.2.5. Corporate restructuring involving Itaú Unibanco's investment in XP Inc. and incorporation of XPART

Itaú Unibanco's General Stockholders' Meeting of January 31, 2021 approved the proposal for a corporate restructuring aimed at segregating the business line related to 40.52% interest held by Itaú Unibanco in XP's capital, which was pending the favorable opinion of the US Federal Reserve Board ("FED") for implementation.

On May 31, 2021, the FED came out in favor for such corporate restructuring which then led to the partial spin-off of Itaú Unibanco and the resulting formation of XPART, whose exclusive corporate purpose is to hold equity interest in XP's capital.

Headquartered in the Cayman Islands, XP is a leading publicly-held technology company with shares traded on US Nasdaq, and features a platform of financial services focused on: (i) financial consulting services; and (ii) financial products providing access to investments in equities and fixed-income securities, mutual and hedge funds, structured products, life insurance, pension plans, and real estate investment funds, among others.

As a result of this corporate restructuring, Itaú Unibanco's stockholders were entitled to receive equity interest in XPART in the same number, type and proportion of the shares they held in Itaú Unibanco and the shares in Itaú Unibanco and American Depositary Receipts (ADRs) continued to be traded with the referred right to receive XPART's securities up to the cut-off date ("ex-rights" to receive XPART's securities), considered on October 1, 2021.

With the corporate restructuring, ITAÚSA has become entitled to hold direct and indirect equity interest in XPART through IUPAR, and this interest is equal to the one it holds in Itaú Unibanco, that is, 37.32%, which corresponds to a 15.12% equity interest in XP.

15.2.5.1. Merger of XPART on XP

On January 31, 2021 and May 28, 2021, ITAÚSA, IUPAR, controlling stockholders of XP, and XP entered into an agreement governing the main terms and conditions in connection with the proposed merger of XPART into XP and the parties' other rights and obligations.

On October 1, 2021, the XPART's and XP's General Stockholders' Meetings approved the merger of XPART into XP and the resulting dissolution of XPART.

With the merger of XPART on XP, the Itaú Unibanco' stockholders, who, up to the cut-off date were entitled to receive securities issued by XPART, received: (i) Itaú Unibanco 's controlling stockholders (IUPAR and ITAÚSA) and holders of ADRs: Class A shares issued by XP; and (ii) other stockholders: Level I-sponsored Brazilian Depositary Receipts (BDRs).

As a result of the Merger, ITAÚSA has become the holder, directly and indirectly, of Class A shares issued by XP equivalent to 15.07% of XP's capital and 4.74% of its voting capital.

Also as of that date, ITAÚSA and IUPAR have become parties to XP's Stockholders' Agreement, and it is worth mentioning that both companies are entitled to appoint members to XP's Board of Directors and Audit Committee.

15.2.5.2. Merger of investment held in XP – Jointly- Jointly-owned subsidiary IUPAR

On December 8, 2021, IUPAR 's Extraordinary General Stockholders' Meeting approved the partial spin-off of its equity, in favor of its stockholders, corresponding to its 10.58% equity interest in XP, less the liability amount related to deferred taxes.

With the merger of the spun-off portion, ITAÚSA has become the direct holder of 15.06% of XP's total capital.

15.2.5.3. Sale of XP's shares

On December 14, 2021, ITAÚSA announced, through a Material Fact, that it had sold 7.8 million class A shares in XP, corresponding to 1.39% of XP's total capital, for the gross amount of R$1,270. The equivalent cost of these shares corresponded to R$367, resulting in an income of R$903 recorded in "Other income and expenses" (Note 25).

With this sale, ITAÚSA has become the holder of 13.67% of XP's total capital and 4.30% of its voting capital, with ITAÚSA's rights, previously signed in the XP Stockholders' Agreement, remaining unchanged.

15.2.6. Investment in Aegea, Águas do Rio 1 and Águas do Rio 4 completed

On July 1, 2021, through a Material Fact, ITAÚSA announced that, supplementing the Material Facts disclosed on April 27, 2021 and May 31, 2021, it had completed the investment in Aegea, as set forth in the Investment Agreement executed by ITAÚSA and other stockholders of Aegea.

ITAÚSA's interest was carried out through subscription and purchase of Aegea's common shares, with the payment of the total approximate amount of R$1,344 on July 1, 2021, and subscription of preferred Class D shares issued by Aegea in the total approximate amount of R$1,110, paid on July 27, 2021. Consequently, ITAÚSA now holds 10.20% of voting capital, 19.05% of preferred shares, and 12.88% of total capital of Aegea. The remaining capital continues to be held by current controlling stockholders of Aegea and Singapore's Sovereign Fund GIC.

Also on July 1, 2021, ITAÚSA entered into a Stockholders' Agreement with other stockholders of Aegea and became entitled to appoint one member for each of the following bodies of the latter: Board of Directors, Audit Committee, Risks and Integrity Committee, and Finance and Project Assessment Committee, in addition to appointing, together with GIC, one independent member to the Board of Directors. Moreover, it will be entitled to other rights assigned to material stockholders.

As stated in Note 20, on June 15, 2021 ITAÚSA issued non-convertible debentures in the amount of R$2,500 to fund this transaction.

On July 19, 2021, the amount of R$102 was contributed to SPCs (Special Purpose Companies), represented by preferred Class A voting shares, of which R$52 to Águas do Rio 1 and R$50 to Águas do Rio 4, resulting in interests of 8.16% in voting capital and of 5.54% in total capital of each SPC. These funds will be allocated for granting concessions for the regional provision of public water supply and wastewater treatment and supplementary services in the municipalities of Rio de Janeiro state, previously provided by CEDAE – Companhia Estadual de Águas e Esgotos do Rio de Janeiro.

With the kick-off of operations on November 1, 2021, these SPEs now serve a population of approximately 10 million people in 124 districts of the capital and other 26 municipalities of the Rio de Janeiro state. These SPEs will start operational improvement and infrastructure works that will benefit the population assisted.

The preferred shares held by ITAÚSA, both in Aegea and Águas do Rio 1 and 4, have specific features stated in the stockholders' agreement and, accordingly, the equity in the earnings of investees does not reflect the percentage of total interest to yield. Class D preferred shares in Aegea are entitled to dividend of 12.5% of adjusted income for the year (equivalent to 4.11% for shares held by ITAÚSA), but are not included in the remaining distribution and accumulated deficit. In the case of a profit, Class A preferred shares in the SPCs, in turn, are entitled to a 15% dividend of adjusted profit for the year (equivalent to 1.45% for shares held by ITAÚSA) and, in the case of a loss, these are included at 8.16%, which correspond to the percentage of interest of voting capital.

The purchase price allocation (segregating the fair value of assets and liabilities and goodwill) is presented earlier and represents the Management's best estimate by the end of these Financial Statements and it will be completed over the next few months after the independent evaluator's appraisal report.

15.2.7. Acquisition of minority interest in ABC da Construção – Subsidiary Dexco

On December 30, 2021, subsidiary Dexco completed the purchase of 10% of the voting capital of ABC – Atacado Brasileiro da Construção S.A. ("ABC da Construção") for R$102. With over 150 stores in the states of Minas Gerais, São Paulo, and Rio de Janeiro, ABC da Construção has pioneered digital implementation in the retail finishing segment, and is recognized as one of the top so-called construtechs in Brazil. The operation was approved, without restrictions, by CADE, the Brazilian antitrust agency.

15.3. Reconciliation of investments

	Parent company							
	12/31/2021							
	Jointly-controlled companies			Controlled companies			Associates	
	Itaú Unibanco	IUPAR	Alpargatas	Dexco	Itautec	ITH Zux Cayman	XP	Copa Energia
Equity of the investee	152,864	39,004	3,396	5,734	90	3	14,417	1,685
Holding %	19.88%	66.53%	29.18%	36.86%	100.00%	100.00%	13.68%	48.93%
Interest in the investment	**30,387**	**25,951**	**991**	**2,113**	**90**	**3**	**1,973**	**825**
Unrealized profit or loss	(13)	-	-	-	-	-	-	-
Other	-	(21)	-	-	-	-	-	-
Adjustments arising from business combinations								
Surplus value	44	-	410	-	-	-	3	175
Goodwill	429	-	674	-	-	-	1,689	191
Accounting balance of the investment in the parent company	**30,847**	**25,930**	**2,075**	**2,113**	**90**	**3**	**3,665**	**1,191**

	Parent company						
	12/31/2020						
	Jointly-controlled companies			Controlled companies			Associates
	Itaú Unibanco	IUPAR	Alpargatas	Dexco	Itautec	ITH Zux Cayman	Copa Energia
Equity of the investee	142,993	36,910	2,949	5,187	38	3	1,537
Holding %	19.91%	66.53%	29.19%	36.61%	100.00%	100.00%	48.50%
Interest in the investment	**28,474**	**24,557**	**860**	**1,899**	**38**	**3**	**745**
Unrealized profit or loss	(10)	-	-	-	-	-	-
Other	-	(316)	-	-	-	-	-
Adjustments arising from business combinations							
Surplus value	47	-	418	-	-	-	-
Goodwill	460	-	693	-	-	-	474
Accounting balance of the investment in the parent company	**28,971**	**24,241**	**1,971**	**1,899**	**38**	**3**	**1,219**

15.4. Summarized consolidated information of the relevant investes

	Jointly-controlled companies				Associates
	Itaú Unibanco		IUPAR		XP
Non-financial segment	12/31/2021	12/31/2020	12/31/2021	12/31/2020	12/31/2021
Number of outstanding shares of investees	**9,779,890,623**	**9,762,456,896**	**1,061,396,457**	**1,061,396,457**	**558,821,948**
Common	4,958,290,359	4,958,290,359	710,454,184	710,454,184	558,821,948
Preferred	4,821,600,264	4,804,166,537	350,942,273	350,942,273	-
Number of shares owned by ITAÚSA	**1,944,075,900**	**1,944,075,803**	**706,169,365**	**706,169,365**	**76,470,985**
Common	1,943,906,577	1,943,906,480	355,227,092	355,227,092	76,470,985
Preferred	169,323	169,323	350,942,273	350,942,273	-
Holding % [(1)]	**19.88%**	**19.91%**	**66.53%**	**66.53%**	**13.68%**
Holding % in voting capital [(2)]	**39.21%**	**39.21%**	**50.00%**	**50.00%**	**13.68%**
Information on the balance sheet	12/31/2021	12/31/2020	12/31/2021	12/31/2020	12/31/2021
Cash and cash equivalents	44,512	46,224	15	-	2,486
Financial assets	1,915,573	1,851,322	650	727	127,745
Non-financial assets	109,121	121,705	40,087	37,565	9,109
Financial liabilities	1,621,786	1,579,686	587	126	91,358
Non-financial liabilities	282,944	285,040	1,161	1,256	33,563
Equity attributable to controlling stockholders	152,864	142,993	39,004	36,910	14,417
Information on the statement of income	2021	2020	2021	2020	2021
Profit from banking products	126,374	100,199	-	-	12,077
Income tax and social contribution	(13,847)	9,834	(1)	-	(223)
Profit attributable to controlling stockholders	26,760	18,896	7,114	4,889	3,589
Other comprehensive income	(2,827)	1,029	(807)	508	(547)
Information on the statement of cash flows	2021	2020	2021	2020	2021
Increase (decrease) in cash and cash equivalents	23,805	46,689	15	-	1,468

[(1)] ITAÚSA has a direct interest in Itaú Unibanco of 19.88% and an indirect interest of 17.44%, by means of the investment in IUPAR, which holds a 26.22% direct interest in Itaú Unibanco, totaling a 37.32% interest in total capital.

[(2)] The direct interest in the common shares of Itaú Unibanco is 39.21% and the indirect interest is 25.86%, by means of the investment in IUPAR, which holds a 51.71% direct interest in the common shares of Itaú Unibanco, totaling a 65.06% interest in total capital.

Non-financial segment	Controlled company		Jointly-controlled company		Associate	
	Dexco		Alpargatas		AEGEA [1]	Copa Energia
	12/31/2021	12/31/2020	12/31/2021	12/31/2020	12/31/2021	12/31/2021
Number of outstanding shares of investees	**754,473,546**	**690,560,802**	**579,082,028**	**578,937,992**	**1,019,114,238**	**352,429,884**
Common	754,473,546	690,560,802	302,010,657	302,010,657	709,956,474	352,429,884
Preferred	-	-	277,071,371	276,927,335	309,157,764	-
Number of shares owned by ITAÚSA	**278,088,476**	**252,807,715**	**168,972,496**	**168,972,496**	**131,300,084**	**172,430,018**
Common	278,088,476	252,807,715	129,528,793	129,528,793	72,415,560	172,430,018
Preferred	-	-	39,443,703	39,443,703	58,884,524	-
Holding %	**36.86%**	**36.61%**	**29.18%**	**29.19%**	**12.88%**	**48.93%**
Holding % in voting capital	**36.86%**	**36.61%**	**42.89%**	**42.89%**	**10.20%**	**48.93%**
Information on the balance sheet	12/31/2021	12/31/2020	12/31/2021	12/31/2020	12/31/2021	12/31/2021
Current assets	4,661	4,220	3,224	2,680	3,642	799
Non-current assets	8,759	7,278	4,807	2,135	12,459	4,170
Current liabilities	3,372	2,412	4,291	1,277	1,056	669
Non-current liabilities	4,314	3,898	273	519	8,641	2,614
Equity attributable to controlling stockholders	5,734	5,187	3,396	2,949	5,994	1,685
Cash and cash equivalents	1,421	1,728	583	693	106	71
Debts and debentures	3,870	3,206	111	244	8,569	2,227
Information on the statement of income	2021	2020	2021	2020	2021	2021
Net revenue	8,170	5,880	3,949	3,143	3,711	10,172
Finance income	404	132	146	149	1,151	27
Finance costs	(307)	(269)	(51)	(217)	(1,750)	(192)
Income tax and social contribution	(263)	(81)	(52)	9	(311)	(43)
Profit attributable to controlling stockholders	1,726	454	690	140	501	198
Other comprehensive income	170	58	(23)	171	(94)	34
Information on the statement of cash flows	2021	2020	2021	2020	2021	2021
Increase (decrease) in cash and cash equivalents	(307)	485	(110)	127	24	(40)

[1] *Unaudited information.*

15.5. Impairment test

Parent company

ITAÚSA tested its investments for impairment and did not identify the need to recognize a provision for impairment losses on these investments.

For the investees Itaú Unibanco, Alpargatas, Dexco and XP, whose shares are traded in an active market (B3), the assessment of the recoverable amount took into consideration the value of the shares of the above mentioned companies, multiplied by the number of shares held by ITAÚSA on the date of the financial statements. For the investee IUPAR whose only investment is the equity interest in Itaú Unibanco, the assessment of the recoverable amount took into consideration the same procedure mentioned above, however, the value of Itaú Unibanco shares was used instead.

For the investees Itautec, ITH Zux Cayman, Copa Energia, Aegea, Águas do Rio 1 e Águas do Rio 4, the recoverable amount was determined based on the value in use of the assets, calculated in accordance with assessment methodologies.

16. PROPERTY, PLANT AND EQUIPMENT (PPE)

16.1. Breakdown

	Parent company							
	12/31/2021				12/31/2020			
	Depreciation rates (% p.a.)	Cost	Accumulated depreciation	Net balance	Depreciation rates (% p.a.)	Cost	Accumulated depreciation	Net balance
Property, plant and equipment in use								
Land	-	18	-	18	-	18	-	18
Buildings and improvements	2.5%	86	(18)	68	2.5%	89	(21)	68
Machinery, installations and equipment	10.0% at 20.0%	18	(5)	13	10.0% at 20.0%	20	(6)	14
Furniture and fixtures	10.0%	4	(2)	2	10.0%	4	(2)	2
Subtotal		**126**	**(25)**	**101**		**131**	**(29)**	**102**
Construction in progress		**6**	**-**	**6**		**1**	**-**	**1**
Total		**132**	**(25)**	**107**		**132**	**(29)**	**103**

	Consolidated							
	12/31/2021				12/31/2020			
	Depreciation rates (% p.a.)	Cost	Accumulated depreciation	Net balance	Depreciation rates (% p.a.)	Cost	Accumulated depreciation	Net balance
Property, plant and equipment in use								
Land	-	715	-	715	-	738	-	738
Buildings and improvements	2.5% at 4.0%	1,373	(618)	755	2.5% at 4.0%	1,386	(583)	803
Machinery, installations and equipment	6.4% at 20.0%	5,472	(3,662)	1,810	6.5% at 20.0%	5,208	(3,383)	1,825
Furniture and fixtures	10.0%	81	(57)	24	10.0%	77	(54)	23
Vehicles	20.0% at 25.0%	73	(64)	9	20.0% at 25.0%	73	(61)	12
Other	10.0% at 20.0%	321	(244)	77	10.0% at 20.0%	304	(225)	79
Subtotal		**8,035**	**(4,645)**	**3,390**		**7,786**	**(4,306)**	**3,480**
Construction in progress		**346**	**-**	**346**		**136**	**-**	**136**
Total		**8,381**	**(4,645)**	**3,736**		**7,922**	**(4,306)**	**3,616**

16.2. Changes

	Parent company							
	Land	Buildings and improvements	Machinery, installations and equipment	Furniture and fixtures	Vehicles	Others	Construction in progress	Total
Balance on 12/31/2019	**18**	**69**	**13**	**3**	**-**	**-**	**-**	**103**
Acquisitions	-	3	1	-	-	-	1	5
Depreciation	-	(2)	(1)	-	-	-	-	(3)
Transfers	-	(2)	1	(1)	-	-	-	(2)
Balance on 12/31/2020	**18**	**68**	**14**	**2**	**-**	**-**	**1**	**103**
Acquisitions	-	3	2	-	-	-	9	14
Write-offs	-	-	-	-	-	-	(4)	(4)
Depreciation	-	(3)	(3)	-	-	-	-	(6)
Balance on 12/31/2021	**18**	**68**	**13**	**2**	**-**	**-**	**6**	**107**

	Consolidated							
	Land	Buildings and improvements	Machinery, installations and equipment	Furniture and fixtures	Vehicles	Others	Construction in progress	Total
Balance on 12/31/2019	**704**	**832**	**1,828**	**21**	**13**	**79**	**192**	**3,669**
Acquisitions	53	4	38	3	-	12	176	286
Write-offs	(24)	(11)	(5)	-	-	(1)	(10)	(51)
Depreciation	-	(36)	(270)	(4)	(3)	(20)	-	(333)
Transfers	-	10	199	3	3	10	(224)	1
Capital increase - indirect investee LD Celulose	(3)	(2)	(2)	-	(1)	(1)	-	(9)
Others	8	6	37	-	-	-	2	53
Balance on 12/31/2020	**738**	**803**	**1,825**	**23**	**12**	**79**	**136**	**3,616**
Acquisitions	16	8	96	5	-	14	427	566
Write-offs	(1)	-	(2)	-	-	(1)	(5)	(9)
Depreciation	-	(41)	(285)	(4)	(3)	(20)	-	(353)
Transfers	-	8	196	2	-	5	(212)	(1)
Transfer to held-for-sale assets	(35)	(14)	(1)	-	-	-	-	(50)
Others	(3)	(9)	(19)	(2)	-	-	-	(33)
Balance on 12/31/2021	**715**	**755**	**1,810**	**24**	**9**	**77**	**346**	**3,736**

16.3. Property, plant and equipment in guarantee

On December 31, 2021, subsidiary Dexco recorded in its PPE some plots of land pledged in guarantee of lawsuits totaling R$2 (R$2 on December 31, 2020).

16.4. Assessment of the recoverable amount

For the years ended December 31, 2021 and 2020 there was no indication, whether by means of external sources or internal sources of information that any asset had been impaired. Accordingly, management believes that the carrying amount of assets recorded is recoverable and, therefore, the recognition of a provision for impairment losses was not necessary.

16.5. Revision of the useful life of assets

Controlled company Dexco and its controlled companies revisited the estimated useful life of the property, plant and equipment items. Among the assumptions used to revise depreciation rates, we may highlight: (i) internal and external antecedents; (ii) benchmarking and recommendations from manufacturer's manuals; (iii) condition of preservation and operation of the assets; (iv) history of maintenance and use of assets until allocation for scrap purposes; and (v) alignment to overall business planning.

After revision, depreciation rates basically remained unchanged.

17. INTANGIBLE ASSETS

17.1. Breakdown

	Parent company							
	12/31/2021				12/31/2020			
	Amortization rates (% p.y.)	Cost	Accumulated amortization	Net balance	Amortization rates (% p.y.)	Cost	Accumulated amortization	Net balance
Software	20.0%	10	(4)	6	20.0%	6	(2)	4
Subtotal		**10**	**(4)**	**6**		**6**	**(2)**	**4**
Intangible assets in progress		-	-	**-**		**4**	**-**	**4**
Total		**10**	**(4)**	**6**		**10**	**(2)**	**8**

	Consolidated							
	12/31/2021				12/31/2020			
	Amortization rates (% p.y.)	Cost	Accumulated amortization	Net balance	Amortization rates (% p.y.)	Cost	Accumulated amortization	Net balance
Software	20.0%	262	(120)	142	20.0%	199	(106)	93
Trademarks and patents	-	209	-	209	-	209	-	209
Goodwill from the expectation of future profitability	-	324	-	324	-	324	-	324
Customer portfolio	6.7%	403	(322)	81	6.7%	404	(295)	109
Subtotal		**1,198**	**(442)**	**756**		**1,136**	**(401)**	**735**
Intangible assets in progress		**-**	**-**	**-**		**4**	**-**	**4**
Total		**1,198**	**(442)**	**756**		**1,140**	**(401)**	**739**

17.2. Changes

	Parent company					
	Software	Trademarks and patents	Goodwill from the expectation of future profitability	Customer portfolio	Intangible assets in progress	Total
Balance on 12/31/2019	**4**	**-**	**-**	**-**	**-**	**4**
Acquisitions	1	-	-	-	4	5
Amortization	(1)	-	-	-	-	(1)
Balance on 12/31/2020	**4**	**-**	**-**	**-**	**4**	**8**
Amortization	(2)	-	-	-	-	(2)
Transfers	4	-	-	-	(4)	-
Balance on 12/31/2021	**6**	**-**	**-**	**-**	**-**	**6**

	Consolidated					
	Software	Trademarks and patents	Goodwill from the expectation of future profitability	Customer portfolio	Intangible assets in progress	Total
Balance on 12/31/2019	**64**	**209**	**319**	**131**	**-**	**723**
Acquisitions	55	-	-	-	4	59
Write-offs	(13)	-	-	-	-	(13)
Amortization	(13)	-	-	(26)	-	(39)
Impairment	-	-	(13)	-	-	(13)
Acquisition of companies	-	-	18	-	-	18
Other	-	-	-	4	-	4
Balance on 12/31/2020	**93**	**209**	**324**	**109**	**4**	**739**
Acquisitions	62	-	-	-	-	62
Write-offs	(3)	-	-	-	-	(3)
Amortization	(14)	-	-	(26)	-	(40)
Transfers	4	-	-	-	(4)	-
Other	-	-	-	(2)	-	(2)
Balance on 12/31/2021	**142**	**209**	**324**	**81**	**-**	**756**

17.3. Goodwill from the expectation of future profitability

The controlled company Dexco recognized goodwill from the expectation of future profitability in the process of acquisition of the following investments:

	Consolidated	
	12/31/2021	12/31/2020
Satipel	46	46
Metalúrgica Jacareí	2	2
Caetex Florestal	9	9
Cerâmica Urussanga	93	93
Massima	6	6
Cecrisa	168	168
Total	**324**	**324**

17.4. Impairment test

The controlled company Dexco tested for impairment its intangible assets with indefinite useful lives that are allocated to the cash generating units that produce wood panels, bathroom fixtures and fittings, showers and ceramic tiles. On December 31, 2021, and 2020, cash flow amounts of cash generation units were higher than the accounting amounts, and therefore there was no need to record impairment.

Projections adopted by controlled company Dexco for impairment valuation, approved by the Board of Directors, were based on macroeconomic growth and inflation projections, as well as its operational conditions. Additionally, the assumptions fairly represent the reality of its business also taking into consideration important restructuring processes.

The main assumptions used were:

Description	12/31/2021	12/31/2020
Cash flow term	5 years	5 years
Discount rate (Weighted Average Cost of Capital (WACC) measured using the Capital Asset Pricing Model (CAPM)	10.01% p.y. (*)	8.85% p.y. (*)
Growth rate (gross margin)	Panels: (1.8% p.y.) Bathroom fixtures: 7.9% p.y. Bathroom fittings: 3.5% p.y. Showers: 4.7% p.y. Ceramic tiles: 2.4% p.y.	Panels: 1.4% p.y. Bathroom fixtures: 2.2% p.y. Bathroom fittings: 1.2% p.y. Showers: 1.0% p.y. Ceramic tiles: 1.3% p.y.
Growth rate (perpetuity)	3.00% p.y.	3.00% p.y.

(*) Discount rate before income tax of 16.67% in 2021 and 13.71% in 2020.

18. TRADE ACCOUNTS PAYABLE

	Parent company			Consolidated		
	Current		Non-current	Current		Non-current
	12/31/2021	12/31/2020	12/31/2020	12/31/2021	12/31/2020	12/31/2020
Local	19	27	7	1,517	1,032	7
Foreign	-	-	-	152	87	-
Related parties	-	-	-	5	-	-
Total	**19**	**27**	**7**	**1,674**	**1,119**	**7**

19. DEBTS

19.1. Breakdown

				Consolidated			
				12/31/2021		12/31/2020	
Type	Charges	Form of amortization	Guarantees	Current	Non-current	Current	Non-current
Local currency							
BNDES (with swap)	103.89% of CDI	Monthly	Endorsement (70% Itaúsa / 30% Individuals)	12	60	10	70
BNDES (with swap)	117.51% of CDI	Monthly	Endorsement (70% Itaúsa / 30% Individuals)	-	3	-	3
Agribusiness receivables certificates (CRA)	98.0% of CDI	Semi-annually	Surety Dexco S.A	699	-	-	695
Export credit note	104.8% of CDI	Until January 2021	--	-	-	28	-
FINAME	Fixed up to 3.5% p.y.	Monthly	Secured fiduciary sale	3	-	3	4
Constitutional Fund for the Northeastern Region Financing (FNE)	Fixed 4.71% p.y. up to 7.53% p.y.	Annually	Surety Duratex Florestal Ltda + land mortgage	2	12	1	11
Export credit note	104.9% of CDI	Until January 2021	Endorsement - Dexco S.A.	-	-	36	-
Export credit note	CDI + 1.45% p.y.	March 2023	--	-	546	-	515
FINEX 4131	CDI + 0.80% p.y.	December 2021	--	-	-	138	-
Export credit card	CDI + 1.81% p.y.	May 2023	30% assignment of credit rights on financial investments	96	40	96	135
GIRO	CDI + 1.88% p.y.	October 2021	--	5	250	258	-
FINAME DIRECT	Up to 97.45% of CDI	Until November 2035	Mortgage and partner's collateral signature	17	510	-	-
FINEX 4131	CDI + 0.85% p.y.	November 2026	--	2	400	-	-
Total in local currency				**836**	**1,821**	**570**	**1,433**
Foreign currency							
Leasing	IBR up to + 2%	Mensal	Promissory Note	-	1	1	1
Total in foreign currency				**-**	**1**	**1**	**1**
Total debts				**836**	**1,822**	**571**	**1,434**

Debts identified in the table above as "with swap" are measured at fair value through profit or loss so as to avoid the accounting mismatch between the debt instrument and the contracted hedging instrument.

The covenants related to Debt contracts are presented in Note 4.2.3.1.

19.2. Changes

	Consolidated
Balance on 12/31/2019	**1,685**
Inflows	1,641
Interest and monetary adjustment	96
Repayment - Principal amount	(1,345)
Amortization - Interest and monetary adjustment	(72)
Balance on 12/31/2020	**2,005**
Inflows	913
Interest and monetary adjustment	121
Repayment - Principal amount	(309)
Amortization - Interest and monetary adjustment	(72)
Balance on 12/31/2021	**2,658**
Current	**836**
Non-current	**1,822**

19.3. Maturity

	Consolidated		
	12/31/2021		
	Local currency	Foreign currency	Total
Current			
2022	836	-	836
Total	**836**	**-**	**836**
Non-current			
2023	599	1	600
2024	301	-	301
2025	80	-	80
2026	480	-	480
2027 - 2031	248	-	248
2032 onwards	113	-	113
Total	**1,821**	**1**	**1,822**

20. DEBENTURES

20.1. Breakdown

Issuance	Issuer	Type of issuance	Effectiveness	Number of debentures	Unit value (R$)	Issuance amount (R$ milhões)	Charges	Form of amortization	12/31/2021 Current	12/31/2021 Non-current	12/31/2020 Current	12/31/2020 Non-current
Parent company												
2nd	ITAÚSA	Single series ICVM No. 476/09	05/2017 to 05/2024	12,000	100,000	1,200	106.9% of CDI	Semiannual interest and principal amount in three annual and successive installments (05/2022, 05/2023 and 05/2024)	411	800	2	1,200
3rd	ITAÚSA	Single series - CVM Instruction No. 476/09	12/2020 to 12/2030	1,300,000	1,000	1,300	CDI + 2.40%	Semiannual interest and principal amounts in three annual consecutive installments (12/2028, 12/2029 and 12/2030)	7	1,300	1	1,300
4th	ITAÚSA	1st tranche – under CVM Instruction No. 476/09	06/2021 to 06/2027	1,250,000	1,000	1,250	CDI + 1.40%	Semiannual interest and principal amounts in three annual consecutive installments (06/2025, 06/2026 and 06/2027)	6	1,250	-	-
4th	ITAÚSA	2nd tranche CVM Instruction No. 476/09	06/2021 to 06/2031	1,250,000	1,000	1,250	CDI + 2.00%	Semiannual interest and principal amounts in three annual consecutive installments (06/2029, 06/2030 and 06/2031)	6	1,250	-	-
Subtotal Debentures									**430**	**4,600**	**3**	**2,500**
3rd	ITAÚSA	Transaction cost	12/2020 to 12/2030	-	-	(9)	-	Monthly amortization	(1)	(6)	(1)	(8)
4th	ITAÚSA	Transaction cost	06/2021 to 06/2031	-	-	(9)	-	Monthly amortization	(1)	(7)	-	-
Subtotal Transaction costs									**(2)**	**(13)**	**(1)**	**(8)**
Total Parent Company									**428**	**4,587**	**2**	**2,492**
Consolidated												
2nd	Dexco	Single series ICVM No. 476/09	05/2019 to 05/2026	120,000	10,000	1,200	108.0% of CDI	Semiannual interest and principal amounts in two equal installments (May 2024 and May 2026)	13	1,198	3	1,199
Total Consolidated									**441**	**5,785**	**5**	**3,691**

Debentures do not have guarantees and are not convertible into shares.

The covenants related to the Debentures are presented in Note 4.2.3.1.

20.2. Changes

	Parent company	Consolidated
Balance on 12/31/2019	**1,206**	**2,470**
Inflows	1,300	1,300
Acquisition of companies	(9)	(9)
Interest and monetary adjustment	37	71
Repayment - Principal amount	-	(58)
Amortization - Interest and monetary adjustment	(40)	(78)
Balance on 12/31/2020	**2,494**	**3,696**
Inflows - Principal amount	2,500	2,500
Inflows - Transaction cost	(8)	(9)
Interest and monetary adjustment	243	300
Settlement - Transaction cost	2	2
Amortization - Interest and monetary adjustment	(216)	(263)
Balance on 12/31/2021	**5,015**	**6,226**
Current	**428**	**441**
Non-current	**4,587**	**5,785**

20.3. Maturity

	Parent company	Consolidated
Current		
2022	428	441
Total	**428**	**441**
Non-current		
2023	397	397
2024	397	996
2025	414	414
2026	415	1,014
2027 - 2031	2,964	2,964
Total	**4,587**	**5,785**

21. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES

ITAÚSA and its controlled companies are parties to lawsuits and administrative proceedings involving labor, civil, tax and social security claims arising from the ordinary course of their business.

Based on the opinion of its legal advisors, management believes that the provisions are sufficient to cover any losses arising from the lawsuits and administrative proceedings.

21.1. Provisions

We present below the changes in provisions for the years:

	Parent company	Consolidated			
	Tax	Tax	Labor	Civil	Total
Balance on 12/31/2019	**1,746**	**1,926**	**133**	**110**	**2,169**
Contingencies					
Recognition	1	120	24	6	150
Monetary adjustment	37	48	23	4	75
Reversal	-	(52)	(18)	(4)	(74)
Payments	-	-	(19)	(32)	(51)
Business combinations - Acquisition of companies	-	2	(2)	66	66
Subtotal	**1,784**	**2,044**	**141**	**150**	**2,335**
(-) Judicial deposits (*)	**(435)**	**(444)**	**(30)**	**(48)**	**(522)**
Balance on 12/31/2020 after the offset of judicial deposits	**1,349**	**1,600**	**111**	**102**	**1,813**

	Parent	Consolidated			
	Tax	Tax	Labor	Civil	Total
Balance on 12/31/2020	**1,784**	**2,044**	**141**	**150**	**2,335**
Contingencies					
Recognition	277	395	28	32	455
Monetary adjustment	51	52	18	5	75
Reversal	-	(174)	(27)	(3)	(204)
Payments	-	(17)	(22)	-	(39)
Business combinations - Acquisition of companies	-	1	-	(41)	(40)
Subtotal	**2,112**	**2,301**	**138**	**143**	**2,582**
(-) Judicial deposits (*)	**(449)**	**(461)**	**(31)**	**(50)**	**(542)**
Balance on 12/31/2021 after the offset of judicial deposits	**1,663**	**1,840**	**107**	**93**	**2,040**

(*) These correspond to the deposits linked to the above mentioned provisions. The deposits related to the proceedings that are not recognized in a provision, assessed as possible or remote, are presented in the balance sheet in the "Judicial deposits" amount.

21.1.1 Tax

The provisions are equivalent to the principal amount of the taxes involved in administrative or judicial disputes that are the subject matter of self-assessment or official assessment, plus interest and, when applicable, fines and charges.

Parent Company and Consolidated

Noteworthy is the lawsuit filed by ITAÚSA claiming the right to adopt the PIS and COFINS cumulative tax system at 3.65%, in view of the illegality and unconstitutionality of including holding companies in the non-cumulative tax system (9.25%). The challenged and unpaid 5.60% difference, for the April 2011 to October 2017 period, is being demanded through a Tax Enclosure pledged by a performance bond. The difference for the November 2017 to February 2020 period was deposited with the court and, as from March 2020 ITAÚSA has been paying the full PIS and COFINS amounts while it waits for the appeals it has filed to be tried by higher courts. The contingency corresponding to this lawsuit was recognized in previous periods as it involves a legal obligation, even though the chance of loss was assessed as possible. In November 2021, as a result of a ruling by Brazil's Federal Supreme Court (STF), a new appeal was filed and the chance of loss was changed to probable, which led the company to increase the provision due to legal charges from the Office of the General Counsel to the National Treasury.

On December 31, 2021, the amount provided for totals R$2,078 (R$1,758 on December 31, 2020), of which R$426 (R$412 on December 31, 2020) corresponds to judicial deposits and R$275 refers to fees for loss of suit in tax enforcement of PIS and COFINS, added to the ITAÚSA provision due to the change in risk to probable.

21.1.2. Labor

These refer to lawsuits that claim, substantially, alleged labor rights related to overtime, occupational disease, equal pay and joint liability.

21.1.3. Civil

These refer mainly to lawsuits for property damage and pain and suffering.

21.2. Contingent liabilities

ITAÚSA and its controlled companies are parties to labor, civil and tax claims that are in dispute and the losses arising from which were considered possible, not requiring the recognition of a provision, and they are presented below:

	Parent company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Tax	222	486	987	1,255
Labor	-	-	37	47
Civil	22	19	60	79
Total	**244**	**505**	**1,084**	**1,381**

21.2.1. Tax

Among the main disputes in tax proceedings for which the probability of loss is considered possible are the following proceedings:

- Income Tax Withheld at Source, Corporate Income Tax, Social Contribution on Profit, PIS and COFINS (rejection of the request to offset): Cases in which liquidity and the certainty of offsetting credit are considered whose adjusted balance on December 31, 2021 amounts to R$319 (R$343 on December 31, 2020) in ITAÚSA and its controlled companies.

- Taxation on the revaluation reserve of the controlled company Dexco: Dispute related to the taxation of the Revaluation reserve in corporate spin-off operations carried out in 2006 and 2009 whose adjusted balance on December 31, 2021 amounts to R$304 (R$302 on December 31, 2020) in the controlled company Dexco.

- PIS and COFINS (Disallowance of credits): Dispute over the restriction of the right to credit from certain inputs related to these taxes whose adjusted balance on December 31, 2021 amounts to R$71 (R$70 on December 31, 2020) in the controlled company Itautec;

- ICMS levy and credits: Litigation involving levy, recognition and use of ICMS credits, with updated balance on December 31, 2021 totaling R$64 (R$77 on December 31, 2020) at subsidiaries Dexco and Itautec;

- IRPJ and CSLL (taxes on income) tax assessments regarding installment payment under Law No. 11941/09: Litigation involving IRPJ and CSLL levy on the grounds of non-taxation of the revenue generated upon adoption of installment payment under Law No. 11941/09, and non-addition of finance costs to the 2009 calculation, with updated balance on December 31, 2021 totaling R$54 (R$52 on December 31, 2020) at subsidiary Dexco.

21.3. Contingent assets

ITAÚSA and its controlled companies are parties to a legal dispute for the reimbursement of taxes and contributions, as well as to civil lawsuits in which they have rights to receive or expectations of rights to receive.

The table below presents the main proceedings for which, in accordance with the assessment of the legal advisors, the chances of success are considered probable. As these are contingent assets, the amounts corresponding to these lawsuits and the recording will be carried out in the manner and to the extent of the favorable judgment when this becomes final and unappealable. Accordingly, these lawsuits are not recognized in the Financial Statements.

	Note	Consolidated 12/31/2021	12/31/2020
Tax and Civil			
IPI credit premium (1980 to 1985)		140	129
INSS – Social security contributions		23	44
PIS and COFINS	21.3.1	66	41
Collection/payment of extra judicially enforceable instruments		3	7
Monetary adjustment of credits with Eletrobras		102	17
Profits abroad (withdrawal of the deposit)		12	11
Others		18	19
Total		**364**	**268**

21.3.1. PIS/COFINS – ICMS excluded from calculation basis

Based on the ruling by the STF, which clarified, at the trial on March 15, 2017, that the ICMS amount to be excluded from the PIS and COFINS calculation basis is the one highlighted in the invoice, subsidiary Dexco and its subsidiaries recognized in 2021 the total cumulative credit of R$615 million, with positive impact on income before taxes.

Credits recognized refer to lawsuits filed by Dexo, Dexco Hydra Corona Sistemas de Heating de Água Ltda. and Dexco Revestimentos Cerâmicos S.A., all with final and unappealable decisions ruled.

Amounts were determined through the survey and analysis of physical and electronic documentation over the entire period covered by the lawsuits, carried out alongside external consultants.

Additionally, in the second quarter of 2021 the company reversed the previously recognized accounting provision due to the limitation imposed by COSIT Solution 13/2018, in the amount of R$142 million before taxes.

It should be noted that in order to use these credits, the amounts will be authorized through an administrative proceeding before the Federal Revenue Service, as already occurred with subsidiary Dexco and its subsidiary Dexco Hydra Corona Sistemas de Aquecimento de Água Ltda.

Until the disclosure of these financial statements, no final and unappealable decision has been issued on the remedy filed by subsidiary Dexco and its subsidiaries in connection with the extinct CNPJ of Duratex SA, after the association with Satipel and Duratex Florestal Ltda, which covers 2001 to 2015.

With respect to subsidiary Itautec, PIS and COFINS credits are being determined as a result of the judicial recognition provided by the Writ of Mandamus that claimed the right to exclude ICMS from the calculation basis of these contributions. The total credit amount is still pending the conclusive review of the proper documentation to ensure the credit right eligibility so that the execution of judgment may commence for the issue of the certificate of judgment debt of the government, upon which the credit will be recognized, if the Federal Government refrains from challenging the amount subject to execution.

21.3.2. Brazilian Treasury Bonds – (“BTN”)

In 2020, the ITAÚSA and investee Itautec were awarded a final and unappealable decision for the lawsuit claiming the recognition of credit due to the incorrect monetary adjustment applied by the Government for the redemption of the BTN, purchased under the scope of Law No. 7,777/89, which had set forth the adjustment based on either the Consumer Price Index (IPC) or foreign exchange variation, at the plaintiff’s discretion. However, with the introduction of the Collor Plan and Law No. 8,088/1990, the BTN adjustment index was changed to the Tax Adjustment Index (IRVF) and the exchange variation of the U.S. dollar, thus leading to an understated amount being redeemed. The credit amount is to be discussed upon execution of the judgment, which, after a final and unappealable decision is issued, will be paid through the issue of the certificate of judgment debt of the government.

22. EQUITY

22.1. Capital

Capital is R$51,460 on December 31, 2021 (R$43,515 on December 31, 2020), represented by book-entry shares with no par value.

On December 13, 2021, ITAÚSA's Board of Directors decided to increase capital by R$7,945, through capitalization of revenue reserves with bonus shares, in the proportion of 5 new shares for every 100 shares of the same type, attributed free of charge to stockholders. As a result of such bonus shares, 144,491,889 common and 276,048,858 preferred shares were issued.

Capital is broken down as follows:

	12/31/2021					
	Common	%	Preferred	%	Total	%
Controlling group (Egydio de Souza Aranha family)	1,919,910,655	63.27	1,047,918,892	18.08	2,967,829,547	33.61
Other shareholders	1,114,419,004	36.73	4,740,707,126	81.78	5,855,126,130	66.30
Treasury shares	-	-	8,400,000	0.14	8,400,000	0.10
Total	**3,034,329,659**	**100.00**	**5,797,026,018**	**100.00**	**8,831,355,677**	**100.00**
Residents in Brazil	3,031,669,932	99.91	3,908,670,409	67.43	6,940,340,341	78.59
Residents abroad	2,659,727	0.09	1,888,355,609	32.57	1,891,015,336	21.41

	12/31/2020					
	Common	%	Preferred	%	Total	%
Controlling group (Egydio de Souza Aranha family)	1,828,486,350	63.27	1,001,079,469	18.13	2,829,565,819	33.64
Other shareholders	1,061,351,420	36.73	4,519,897,691	81.87	5,581,249,111	66.36
Total	**2,889,837,770**	**100.00**	**5,520,977,160**	**100.00**	**8,410,814,930**	**100.00**
Residents in Brazil	2,886,568,858	99.89	3,779,660,755	68.46	6,666,229,613	79.26
Residents abroad	3,268,912	0.11	1,741,316,405	31.54	1,744,585,317	20.74

Preferred shares do not entitle their holders to vote, however, they provide the following advantages to their holders:

- Priority in the receipt of a non-cumulative annual minimum dividend of R$0.01 per share, ensuring a dividend at least equal to that of common shares; and

- The right, in a possible disposal of control, to be included in a public offering of shares so as to entitle them to a price equal to 80% of the amount paid for a share with voting rights, which is part of the controlling group, and dividends equal to those of the common shares.

By resolution of the Board of Directors the Capital may be increased by up to 12,000,000,000 shares, of which up to 4,000,000,000 are common shares and up to 8,000,000,000 are preferred shares.

22.2.2 Reserves

22.2.1. Capital reserves

	Parent company	
	12/31/2021	12/31/2020
Stock options granted	599	572
Goodwill on the issue of shares	4	4
Tax incentives	2	2
Revaluation reserve	6	6
Other	(39)	2
Total	**572**	**586**

22.2.2 Revenue reserves

	Parent company					
		Statutory reserves				
	Legal reserve	Dividend equalization	Increase in working capital	Increase in the capital of investees	Proposed dividends	Amount
Balance on 12/31/2019	**2.262**	**3.149**	**1.690**	**2.120**	**3.729**	**12.950**
Recognition	353	2.416	966	1.450	-	5.185
Dividends and interest on capital	-	-	-	-	(3.729)	(3.729)
Proposed dividends and interest on capital	-	-	-	-	48	48
Expired dividends	-	3	-	-	-	3
Equity in the earnings of investees	-	88	-	-	-	88
Balance on 12/31/2020	**2.615**	**5.656**	**2.656**	**3.570**	**48**	**14.545**
Recognition	610	4.120	1.648	2.472	-	8.850
Capitalization of Reserves (Bonus Shares)	-	(7.938)	-	-	-	(7.938)
Dividends and interest on capital	-	-	-	-	(48)	(48)
Proposed dividends and interest on capital (1)	-	(564)	(91)	(142)	797	-
Expired dividends	-	6	-	-	-	6
Equity in the earnings of investees	-	904	-	-	-	904
Balance on 12/31/2021	**3.225**	**2.184**	**4.213**	**5.900**	**797**	**16.319**

(1) It refers to interest on capital, as resolved by the Board of Directors on December 13, 2021 and February 14, 2022, debited from prior-year revenue reserves, to be credited to stockholders on January 31, 2022 and paid by March 11, 2022. As approval is required from ITAÚSA's General Stockholders' Meeting, it remains under stockholders' equity until said approval or payment.

(a) Legal reserve

The legal reserve is recognized at 5% of profit for the year, under the terms of Article 193 of Law No. 6,404/76, up to the limit of 20% of capital.

(b) Statutory reserves

- **Dividend equalization reserve**: it is aimed at ensuring funds for the payment of dividends, including in the form of interest on capital or their advance payment, to maintain the flow of stockholders' remuneration, limited to 40% of capital;

- **Reserve for working capital increase**: it is aimed at ensuring financial means for ITAÚSA's operations, limited to 30% of the capital; and

- **Reserve for the increase of capital of investees**: it is aimed at ensuring the preemptive right of subscription in capital increases of investees, limited to 30% of the capital.

The amount of the above mentioned statutory reserves will not exceed the limit of 95% of capital. Additionally, the balance of these reserves, together with that of the Legal reserve, may not exceed the total capital.

(c) Proposed dividends

These refer to Dividends and Interest on Capital, as approved by the Board of Directors, to be ratified by the Annual General Stockholders' Meeting, in the year following the Financial Statements.

22.3. Carrying value adjustment

	Parent company	
	12/31/2021	12/31/2020
Post-employment benefit	(537)	(574)
Fair value of financial assets	(912)	380
Translation/hyperinflation adjustment	2,282	2,392
Hedge accounting	(3,201)	(3,501)
Total	**(2,368)**	**(1,303)**

The balances refer, in its totality, to the equity method on the carrying value adjustments of associates and jointly-controlled companies.

22.4. Distribution of profit, Dividends and Interest on capital

22.4.1. Distribution of profit

	Parent company	
	2021	2020
Profit	12,200	7,056
(-) Legal reserve	(610)	(353)
Calculation basis of dividends/interest on capital	**11,590**	**6,703**
Mandatory minimum dividend (25%)	**2,898**	**1,676**
Appropriation:		
Distribution to stockholders		
Dividends	336	841
Interest on capital (gross)	3,014	982
Additional proposed dividends and Interest on capital (gross)	-	48
	3,350	**1,871**
Revenue reserves	**8,240**	**4,832**
	11,590	**6,703**
Gross % belonging to stockholders	**28.90%**	**27.91%**

Shares of both types are included in profits distributed in equal conditions, after common shares are assured dividends equal to the annual minimum mandatory of R$0.01 per share to be paid to preferred shares.

The amount per share of dividends and interest on income in 2021 is as follows:

	Date of payment (made or expected)	Amount per share Gross	Amount per share Net	Amount distributed Gross	Amount distributed Net
Paid/Recognized in a provision					
Quarterly dividend payments	07/01/2021	0.02000	0.02000	168	168
Interest on capital	08/26/2021	0.01546	0.01314	130	110
Interest on capital	08/26/2021	0.01908	0.01622	160	137
Interest on capital	08/26/2021	0.02131	0.01811	179	152
Interest on capital	08/26/2021	0.01840	0.01564	155	132
Quarterly dividend payments	10/01/2021	0.02000	0.02000	168	168
Interest on capital	08/26/2021	0.03734	0.03174	314	267
Quarterly Interest on capital	01/03/2022	0.02353	0.02000	198	168
Interest on capital	03/11/2022	0.15472	0.13151	1,301	1,106
Interest on capital	03/11/2022	0.04300	0.03655	379	322
Quarterly Interest on capital	04/01/2022	0.02353	0.02000	198	168
Total		**0.39636**	**0.34291**	**3,350**	**2,898**

22.4.2. Dividends and interest on income payable

Changes in dividends and interest on income is as follows:

	Parent company			Consolidated		
	Dividends	Interest on capital	Total	Dividends	Interest on capital	Total
Balance on 12/31/2019	**347**	**50**	**397**	**348**	**137**	**485**
Dividends and Interest on capital from previous years	1,901	1,608	3,509	1,901	1,698	3,599
Dividends for the year	841	-	841	841	-	841
Interest on capital	-	879	879	-	972	972
Expired dividends	-	(3)	(3)	-	(3)	(3)
Payments	(2,740)	(1,651)	(4,391)	(2,740)	(1,829)	(4,569)
Balance on 12/31/2020	**349**	**883**	**1,232**	**350**	**975**	**1,325**
Deliberated dividends and interest on capital	336	2,722	3,058	633	3,268	3,901
Expired dividends	(3)	(3)	(6)	(3)	(3)	(6)
Payments	(673)	(1,729)	(2,402)	(970)	(2,365)	(3,335)
Balance on 12/31/2021	**9**	**1,873**	**1,882**	**10**	**1,875**	**1,885**

22.5 Treasury Shares

On February 22, 2021, the Board of Directors approved a Share Buyback Program in connection with treasury shares, up to the limit of 250 million shares (50 million common shares and 200 million preferred shares), which represent 4.5% of ITAÚSA's outstanding shares.

Over this period, Management, by being attentive to the moment of the market and opportunities for efficient capital allocation, carried out the following initiatives:

	Parent company			
	Number of shares			
	Common	Preferred	Total	Value
Balance on 12/31/2020	**-**	**-**	**-**	**-**
Acquisition of shares	-	8,000,000	8,000,000	(90)
Bonus Shares	-	400,000	400,000	(7)
Balance on 12/31/2021	**-**	**8,400,000**	**8,400,000**	**(97)**

In 2021 the average purchase share price was R$11.22.

23. NET REVENUE

	Consolidated	
	2021	2020
Service and sales revenue		
Domestic market	8,584	6,161
Foreign market	1,568	1,149
	10,152	**7,310**
Deductions from revenue		
Taxes and contributions on sales	(1,982)	(1,430)
	(1,982)	**(1,430)**
Total	**8,170**	**5,880**

24. RESULT BY NATURE

		Parent company		Consolidated	
	Note	2021	2020	2021	2020
Personnel compensation and charges		(75)	(74)	(1,320)	(1,109)
Commission		-	-	(144)	(73)
Raw and consumption materials		-	-	(4,338)	(2,712)
Changes in inventories of finished products and work in process		-	-	857	217
Change in the fair value of biological assets	12	-	-	129	117
Depreciation and amortization		(10)	(7)	(686)	(589)
Estimated losses on allowance for doubtful accounts		-	-	(21)	(25)
Transportation expenses		-	-	(528)	(368)
Advertising expenses		(9)	-	(142)	(91)
Insurance		(16)	(8)	(23)	(13)
Other expenses	24.1	(33)	(40)	(593)	(578)
Total		**(143)**	**(129)**	**(6,809)**	**(5,224)**
Reconciliation with Statement of Income					
Cost of products and services		-	-	(5,296)	(4,028)
Selling expenses		-	-	(1,006)	(781)
General and administrative expenses		(143)	(129)	(507)	(415)
Total		**(143)**	**(129)**	**(6,809)**	**(5,224)**

24.1. Other expenses (Parent Company)

Of the amount of R$33 in 2021 (R$40 in 2020), R$26 (R$19 in 2020) refers to third-party services, such as consulting services and legal fees.

25. OTHER INCOME AND EXPENSES

	Note	Parent company 2021	Parent company 2020	Consolidated 2021	Consolidated 2020
Dividends and Interest on capital	6.1	209	181	209	181
Amortization of customer portfolio		-	-	(26)	(26)
Income from sale of PPE		-	-	(18)	6
Employee benefits		(2)	-	(2)	(15)
Rental revenue		7	6	5	2
Donations - COVID-19		-	(50)	(5)	(57)
Reversal of provision – ICMS from PIS/COFINS calculation basis	21.3.1	-	-	113	-
Exclusion of ICMS from PIS/COFINS calculation basis	21.3.1	-	-	392	-
Impairment		-	-	5	(13)
Gains/losses on sale of investments	15.2.5.3	903	-	903	-
Gains from contingencies	21.1	(277)	-	(315)	-
Others		(18)	(5)	78	10
		822	**132**	**1,339**	**88**

26. FINANCE RESULT

	Note	Parent company 2021	Parent company 2020	Consolidated 2021	Consolidated 2020
Finance income					
Interest income from financial investments		67	24	132	57
Fair value of marketable securities	6	648	357	648	357
Foreign exchange variation – assets	26.2	59	69	105	145
Interest and discounts obtained		-	-	-	14
Adjustment to judicial deposits		15	12	18	15
Other monetary adjustments		7	12	33	27
Restatement of PIS/COFINS credits	21.3.1	-	-	245	-
Other finance income		14	-	47	1
		810	**474**	**1,228**	**616**
Finance costs					
Debt charges		(260)	(51)	(472)	(194)
Fair value of marketable securities	6	(124)	(47)	(124)	(47)
PIS/COFINS on financial income	26.1	(235)	(235)	(249)	(237)
Interest on lease liability		-	-	(6)	(5)
Foreign exchange variation – liabilities	26.2	(101)	(161)	(147)	(198)
Adjustment to provisions for contingencies		(51)	(36)	(52)	-
Other monetary adjustments		-	(1)	-	(17)
Transactions with derivatives		-	-	(8)	(47)
Other finance costs		(5)	-	(27)	(60)
		(776)	**(531)**	**(1,085)**	**(805)**
		34	**(57)**	**143**	**(189)**

26.1. PIS/COFINS on financial income

This refers mainly to PIS/COFINS levied on the interest on capital received.

26.2. Foreign exchange variation – assets and liabilities (Parent company)

Total line items derive from the amount payable to Nova Infraestrutura Fundo de Investimento em Participações e Multiestratégia fund, due to the purchase of a 7.65% stake of NTS. On December 16, 2021, liabilities were fully contributed to NISA (Note 11.1).

27. INCOME TAX AND SOCIAL CONTRIBUTION

The amounts recorded as income tax and social contribution expenses in the financial statements are reconciled with the nominal rates provided for in legislation, as stated below:

	Parent company		Consolidated	
	2021	2020	2021	2020
Income before income taxes	**11,869**	**7,160**	**13,240**	**7,535**
Income tax and social contribution calculated at nominal rates (34%)	**(4,035)**	**(2,434)**	**(4,502)**	**(2,562)**
(Addition)/Reduction for calculation of effective income tax and social contribution				
Equity in the earnings of subsidiaries	3,793	2,453	3,535	2,373
Dividends on investments classified as financial assets	69	59	69	59
Interest on Capital	178	125	419	199
Profits earned abroad	(26)	-	(26)	-
Tax credits	309	(297)	344	(297)
Tax incentives	-	-	59	-
Difference in taxation of controlled company	-	-	20	14
Selic adjustment on ICMS-related amount at PIS/COFINS calculation basis	-	-	107	-
Other non-deductible adjustments	43	(10)	26	23
Income tax and social contribution calculated	**331**	**(104)**	**51**	**(191)**
Current	(7)	-	(278)	(111)
Deferred	338	(104)	329	(80)
Effective rate	**-2.8%**	**1.5%**	**-0.4%**	**2.5%**

27.1. IRPJ/CSLL not levied on amounts related to Selic rate received as recovery of overpayment on tax collection

On September 27, 2021, the Federal Supreme Court (STF) sitting en banc dismissed the extraordinary appeal No. 1.063.187/SC, with a matter of general repercussion, filed by the Federal Government, on the grounds of the following thesis: "The levy of corporate income tax/ social contribution on net income (IRPJ/ CSLL on amounts related to the Selic rate received as recovery of overpayment on tax collection shall be deemed unconstitutional". Itaúsa and subsidiary Dexco have lawsuits pending prior to the decision that judged on the merits of a matter of general repercussion. At subsidiary Dexco, the amounts related to Selic adjustment were not levied by corporate income tax or social contribution on net income (IRPJ or CSLL), and the positive effect on profit or loss was R$14, driven by the reversal of taxation of IRPJ and CSLL on IPI credit on exports, also known as "IPI premium credit", initially recorded in 2017 after the successful outcome of the lawsuit.

28. EARNINGS PER SHARE

	Parent company and Consolidated	
	2021	2020
Numerator		
Profit attributable to controlling stockholders		
Preferred	8,007	4,632
Common	4,193	2,424
	12,200	**7,056**
Denominator		
Weighted average number of outstanding shares		
Preferred	5,793,372,893	5,797,026,018
Common	3,034,329,659	3,034,329,659
	8,827,702,552	**8,831,355,677**
Basic and diluted earnings per share (in Brazilian Reais)		
Preferred	1.38201	0.79897
Common	1.38201	0.79897

29. SHARE-BASED PAYMENT

Sttock option plan – controlled company Dexco

As provided in the Bylaws, the controlled company Dexco has a stock option plan whose purpose is to integrate its executives into the company's development process in the medium and long terms, providing them with the option of benefiting from the value that their work and dedication has added to Dexco shares.

The options will entitle their holders to subscribe to the common shares of the controlled company Dexco's authorized capital, subject to the conditions established in the plan.

The rules and operating procedures related to the plan are proposed by the Personnel, Governance and Nomination Committee ("Committee"), appointed by Dexco's Board of Directors. This committee will periodically submit proposals regarding the application of the plan for the approval of the Board of Directors.

Options may only be granted in the years when there is sufficient profit to allow for the distribution of mandatory dividends to stockholders. The total number of options to be granted each year will not exceed the limit of 0.5% of the totality of the outstanding shares of Dexco on the date of the financial statements for that year.

Options will only be granted for the years in which sufficient earnings have been earned to enable the distribution of mandatory dividends to stockholders. The total number of options to be granted each year will not exceed the limit of one-half per cent (0.5%) of total shares in Dexco held by controlling and minority stockholders at the closing balance sheet date of the same year.

The strike price payable to Dexco will be set by the Personnel, Governance and Nomination Committee when the option is granted. To determine the strike price of options, the Personnel Committee will consider the average price of Dexco's common shares on B3's trading sessions in a period of at least five and at most ninety trading sessions prior to the option issuance date, at the discretion of this Committee, to be adjusted, either up or down, up to 30%. Prices thus set will be adjusted up to the month prior to exercise of option based on the IGP-M index or, in its absence, by the index indicated by the Personnel Committee.

We present below the characteristics of the shares granted and the main assumptions for the calculation of fair value:

	2013	2014	2016	2018	2019
Main characteristics					
Total stock options granted	1,561,061	1,966,869	1,002,550	1,046,595	1,976,673
Exercise price on the granting date	14.45	11.44	5.74	9.02	9.80
Fair value on the granting date	6.54	4.48	4.00	5.19	5.17
Option exercise deadline	8,9 years	8,1 years	8,9 years	8,8 years	8,8 years
Date of the grace period	3,9 years	3,10 years	3,9 years	3,8 years	3,7 years
Main assumptions for the calculation of fair value					
Volatility of the share price	34.13%	28.41%	39.82%	38.09%	38.49%
Dividend yield	2.00%	2.00%	2.00%	2.00%	2.00%
Return rate free of risk (IGP-M coupon)	3.58%	6.39%	6.95%	4.67%	4.05%
Effective exercise rate	96.63%	96.63%	94.90%	94.90%	94.90%

The controlled company Dexco carries out the settlement of this benefit plan by delivering its own shares held in treasury until the effective exercise of the options by the executives. In 2015, 2017,2020 and 2021, no stock options were granted.

We present below the appropriation of the stock options granted:

Granting year	To be exercised 12/31/2020	12/31/2021	Total amount	Periods Due	2013 to 2016	2017	2018	2019	2020	Next option exercise
Overdue in previous years				87	-	-	-	-	-	-
2014	1,091,511	842,495	9	-	8	-	-	-	-	-
2016	148,700	98,000	5	-	3	1	1	-	-	-
2018	780,671	759,695	5	-	-	1	2	1	1	-
2019	1,976,673	1,937,925	10	-	-	-	2	3	3	3
	3,997,555	**3,638,115**	**29**	**87**	**11**	**2**	**5**	**4**	**4**	**3**
Exercise effectiveness			**94.90%**	**96.63%**	**96.63%**	**96.63%**	**94.90%**	**94.90%**	**94.90%**	**94.90%**
Computed value			**28**	**84**	**11** (1)	**2** (2)	**5** (3)	**4** (4)	**4** (5)	**3** (6

(1) Amount charged to income from 2013 to 2017.
(2) Amount charged to income in 2018.
(3) Amount charged to income in 2019.
(4) Amount charged to income in 2020.
(5) Amount charged to income in 2021.
(6) Amount to be accounted for in the next fiscal year

On December, 31 2021 controlled company Dexco had 6,489,405 treasury shares (1,223,698 on December, 31 2020), which may be used to cover a possible option exercise.

30. EMPLOYEE BENEFITS

30.1. Private pension plans

ITAÚSA and its controlled companies in Brazil are part of a group of companies that sponsor Fundação Itaúsa Industrial ("Foundation"), a nonprofit entity whose purpose is to manage private plans for the concession of annuities or supplementary income or benefits similar to those conferred by social security. The Foundation is regulated in compliance with the rules established by the Ministry of Economy by means of the National Supplementary Pension Council (CNPC), the Department of Supplementary Pension Policies (SPPC) and the National Supplementary Pension Superintendency (Previc).

The Fundação manages the Defined Contribution Plan – PAI – CD ("CD Plan") and the Defined Benefit Plan – BD ("BD Plan") and the employees have the option to voluntarily participate in CD Plan.

30.1.1. Defined Contribution Plan – CD Plan

This plan is offered to all employees of the sponsoring companies and had 6,833 participants on December 31, 2021 (7,232 on December 31, 2020).

There is no actuarial risk for the sponsoring companies in the CD Plan, that is, there is no additional payment obligation after the contributions are made. The regulation of the plan provides for the contribution of the sponsoring companies between 50% and 100% of the amount contributed by the employees.

Due to the surplus position of the plan, presented in item (a) below, ITAÚSA and its controlled companies did not make any contributions in 2021 and 2020.

(a) Employer's Pension Fund

Contributions made by the sponsoring companies that remained in the plan because the participants had opted for redemption or early retirement, formed the Employer's Pension Fund, which, according to the plan's regulation, has been used to offset future contributions made by the sponsoring companies.

The present value of future regular contributions, using the average percentage of the regular contribution of the sponsoring companies, was calculated by actuaries and is presented below:

	Parent company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Present value of obligations	(106)	(55)	(1,756)	(1,762)
Fair value of assets	170	86	2,804	2,776
Restriction in the recognition of assets	(55)	(21)	(939)	(908)
Assets recognized (non-current)	**9**	**10**	**109**	**106**

The negative change in the balance receivable in ITAÚSA's financial statements, in the amount of R$1 and positive change in the consolidated financial statements, in the amount of R$3, was recorded in profit or loss as a contra-entry to the "Other income and expenses" account.

30.1.2. Defined Benefit Plan – BD Plan

The main purpose of this plan is the concession of benefits that, as a lifetime monthly income, are intended to supplement, under the terms of its regulation, the income paid by social security. This plan is considered extinguished because no new participants can be admitted to it.

The resources of the plan are converted into benefits in the event of retirement based on the time of contribution, special circumstances, age and disability, in addition to a retirement premium, lifetime monthly income and death annuity.

In December 2019, PREVIC approved the appropriation of the BD Plan special reserve for the year 2016 to be refunded to all sponsors in 36 monthly installments from January 2020, in the amounts of R$2 in ITAÚSA and R$18 in Consolidated.

In October 2020, PREVIC approved the appropriation of the BD Plan special reserve for the year 2017 to be refunded to all sponsors in 36 monthly installments from November 2020, in the amounts of R$1 in ITAÚSA and R$14 in Consolidated.

Both refunds were recorded in the Balance Sheet under "Other assets" (Note 11) as a contra-entry to income for the year under "Other income and expenses".

Due to the surplus position of the plan, presented in item (a) below, ITAÚSA and its controlled companies do not expect to make any contributions in 2022.

(a) Changes in actuarial assets and liabilities

	Note	Parent company 12/31/2021 Present value of the plan's obligations	Fair value of the plan's assets	Restriction in the recognition of the asset	Recognized net assets (liabilities)	Parent company 12/31/2020 Present value of the plan's obligations	Fair value of the plan's assets	Restriction in the recognition of the asset	Recognized net assets (liabilities)
Opening balance		**(16)**	**26**	**(8)**	**2**	**(18)**	**26**	**(7)**	**1**
Cost of interest		(1)	2	(1)	-	(1)	2	-	1
Return on the plan's assets		-	-	-	-	-	1	-	1
Actuarial gains (losses) arising from demographic assumptions		(1)	-	-	(1)	-	-	-	-
Actuarial gains (losses) arising from economic assumptions		1	-	-	1	1	-	-	1
Change in unrecoverable surplus		-	-	-	-	-	-	(1)	(1)
Contributions paid by the sponsoring companies		-	(1)	-	(1)	-	(1)	-	(1)
Benefits paid		2	(2)	-	-	2	(2)	-	-
Closing balance		**(15)**	**25**	**(9)**	**1**	**(16)**	**26**	**(8)**	**2**
Current	11				**1**				**1**
Non-current	11				**-**				**1**

	Note	Consolidated 12/31/2021 Present value of the plan's obligations	Fair value of the plan's assets	Restriction in the recognition of the asset	Recognized net assets (liabilities)	Consolidated 12/31/2020 Present value of the plan's obligations	Fair value of the plan's assets	Restriction in the recognition of the asset	Recognized net assets (liabilities)
Opening balance		**(156)**	**254**	**(72)**	**26**	**(180)**	**267**	**(69)**	**18**
Cost of past service		-	-	-	-	6	-	-	6
Cost of interest		(11)	18	(5)	2	(12)	18	(4)	2
Return on the plan's assets		-	(14)	-	(14)	-	(7)	-	(7)
Actuarial gains (losses) arising from demographic assumptions		(4)	-	-	(4)	1	-	-	1
Actuarial gains (losses) arising from economic assumptions		13	-	-	13	12	-	-	12
Change in unrecoverable surplus		-	-	7	7	-	-	1	1
Contributions paid by sponsors		-	(12)	-	(12)	-	(7)	-	(7)
Benefits paid		17	(17)	-	-	17	(17)	-	-
Closing balance		**(141)**	**229**	**(70)**	**18**	**(156)**	**254**	**(72)**	**26**
Current	11				**13**				**11**
Non-current	11				**5**				**15**

(b) Classes of assets

	Parent company 12/31/2021	Parent company 12/31/2020	Consolidated 12/31/2021	Consolidated 12/31/2020
Classes of assets	**%**	**%**	**%**	**%**
Fixed income	100	100	100	100
Total	**100**	**100**	**100**	**100**

(c) Main actuarial assumptions

	Parent company and Consolidated 12/31/2021	Parent company and Consolidated 12/31/2020
Economic assumptions		
Discount rate	9.13%	7.62%
Inflation rate	3.75%	3.50%
Salary growth rate	4.43%	3.50%
Increase of benefits	3.75%	3.50%
Demographic assumptions		
Mortality table	AT-2000 (rated down by 10%)	AT-2000 (rated down by 10%)
Mortality table of disabled people	RRB - 1983	RRB - 1983
Disability table	ARRB - 1944 (rated down by 70%)	ARRB - 1944 (rated down by 70%)
Turnover table	Actuary experience	Actuary experience
Retirement age	First age entitled to one of the benefits	First age entitled to one of the benefits

(d) Sensitivity analysis

We present below a sensitivity analysis that takes into consideration the effects arising from the changes in the main actuarial assumptions used to determine the result of the BD Plan:

	Parent company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Discount rate				
+1.0%	14	15	130	145
-1.0%	16	17	148	168

(e) Analysis of the maturity of benefits

	Parent company	Consolidated
	12/31/2021	12/31/2021
2022	2	18
2023	1	16
2024	1	15
2025	2	15
2026	2	15
2027 - 2031	8	71
Total	**16**	**150**

30.2. Health care plans

The controlled company Dexco offers two health care plans:

- **Post-employment health care plan:** Dexco offers plans that were contributory, which are currently co-participated with its employees and their respective dependents. On December 31, 2021 and 2020, 10 health care operators 28,299 and 24,889 participants, respectively (active, dismissed, retired and dependents), characterizing the obligation to extend the coverage to dismissed and retired employees, in accordance with Law No. 9,656/98.

- **Health care assistance to dismissed employees:** Dexco offers a healthy care assistance plan to dismissed employees.

Controlled company Dexco has engaged a number of independent actuaries to carry out an actuarial assessment of the plan liabilities on December 31, 2021 and 2020. The hypotheses and actuarial method used for the assessment adopted were in compliance with actuarial principles and CPC 33 (R1)/ IAS 19 - Employee Benefits

(a) Changes in actuarial liabilities

	Consolidated	
	12/31/2021	12/31/2020
Present value of the plan's obligations		
Opening balance	**50**	**72**
Cost of current service	-	1
Cost of past service	-	(10)
Cost of interest	4	5
Return/Losses on the plan's assets	(3)	(7)
Actuarial gains (losses) arising from economic assumptions	(13)	(10)
Benefits paid	-	(1)
Closing balance	**38**	**50**
Recognized in profit or loss	1	(12)
Recognized in other comprehensive income	(13)	(10)

30.3. Long Term Incentive Plan (LTIP)

Investee Dexco and its controlled companies approved the Long Term Incentive Plan (LTIP) on April 30, 2020.This plan aims at (i) fostering executive's long-term commitment by encouraging them to succeed in all their activities and achieve the Company's goals; (ii) attracting and retaining the best professionals by offering incentives in line with the Company's ongoing growth; and (iii) providing a competitive edge variable compensation wise compared to the market. The LTIP is broken down as follows:

- **Performance shares:** Shares issued by investee Dexco will be transferred to participants if performance target is met, based on Dexco's strategic planning, for a five-year period. Only non-employee officers (statutory officers) are eligible to these shares.

- **Matching:** Investee Dexco will invite beneficiaries to invest a percentage of their Short-Term Incentive (STI) to buy Company's shares and beneficiaries must hold these shares for the period covered by the program. After four years, Dexco will transfer an additional amount corresponding to 50% of the shares acquired by the beneficiary, and after five years elapse, Dexco will complete the contribution with the remaining 50%, thus totaling the 100% matching. Only non-employee officers (statutory officers) are eligible to these shares.

- **Restricted shares:** Investee Dexco will transfer shares to its employees, free of charge, provided that these have outperformed and ensured high impact on the Company's business in a one-year period. Employees hired under the Consolidation of Labor Laws (CLT) are eligible to this program. Shares will be transferred after a three-year vesting period.

With respect to the plans described above, the amounts of R$6 (R$2 in 2020) and R$6 (R$1 in 2020) were recognized in profit or loss and in equity, respectively, in 2021.

31. SEGMENT INFORMATION

The disclosed operating segments reflect, in a consistent manner, the management of decision-making processes and the monitoring of results by the Executive Committee, the main operational decision-maker at ITAÚSA.

Companies in which ITAÚSA invests are independent to define different and specific standards in management and segmentation of their respective business.

The accounting policies for each segment are in compliance with used by ITAÚSA, in all its material respects. Segments have a diversified customer portfolio, with no concentration on revenue.

ITAÚSA's operating segments were defined in accordance with the reports presented to the Executive Committee. Segments included in the consolidated financial statements of ITAÚSA are as follows:

- **Dexco:** It has 4 business segments: (i) Deca – manufactures and sells bathroom porcelains and metals, showers and electric taps, sold under Deca and Hydra brands, distinguished for a wide line of products, bold design and high quality; (ii) Ceramic tiles – manufactures and sells floor and wall coatings under Ceusa, Cecrisa, and Portinari brands, distinguished in the domestic market for its innovation, quality and cutting-edge technology; (iii) Wood – manufactures and sells wood panels from pine and eucalyptus from certified reforestation forests, largely used in the manufacture of furniture, mainly fiberboard, chipboard and medium, high and super-density fiberboards, better known as MDF, HDF and SDF, from which laminate and vinyl flooring, under Durafloor brand, and ceiling and wall coatings are manufactured; and (iv) Dissolving wood pulp (DWP) – a new DWP plant with annual production capacity of 500,000 tons is being constructed in the Triângulo Mineiro region (state of Minas Gerais), in partnership with Austrian company Lenzing. This is aimed to bring diversification and higher exposure to strong currencies in income.

- **Others:** These refer to the information on Itautec and ITH Zux Cayman.

	Dexco	ITAÚSA	Other	(-) Elimination	Consolidated	Dexco	ITAÚSA	Other	(-) Elimination	Consolidated
Balance sheet			12/31/2021					12/31/2020		
Total assets	13,420	74,602	165	(2,206)	85,981	11,498	62,985	91	(1,974)	72,600
Total liabilities	7,686	8,716	71	-	16,473	6,310	5,642	50	(35)	11,967
Total stockholders' equity	5,734	65,886	92	(5,826)	65,886	5,187	57,343	39	(5,226)	57,343
Statement of income			2021					2020		
Net revenue	8,170	-	-	-	8,170	5,880	-	-	-	5,880
Domestic market	6,742	-	-	-	6,742	4,822	-	-	-	4,822
Foreign market	1,428	-	-	-	1,428	1,058	-	-	-	1,058
Equity in the earnings of subsidiaries	(69)	11,156	-	(690)	10,397	(67)	7,214	-	(167)	6,980
Finance result	97	34	12	-	143	(137)	(57)	5	-	(189)
Depreciation and amortization	(680)	(10)	-	-	(690)	(582)	(7)	-	-	(589)
Income tax and social contribution	(263)	331	(17)	-	51	(81)	(104)	(6)	-	(191)
Profit	1,725	12,200	56	(690)	13,291	454	7,056	-	(166)	7,344
Performance analysis										
ROE [(1)]	31.3%	20.1%	-	-	-	9.3%	13.0%	-	-	-

[(1)] *Represents the ratio of net income to average stockholders' equity, both attributable to controlling stockholders.*

Even though Itaú Unibanco, Alpargatas, NTS, Copa Energia, XP and Aegea are not controlled companies and, therefore, are not included in the consolidated financial statements, Management reviews their information and consider them as a segment, as they are part of ITAÚSA's investment portfolio. Their activities are detailed as follows:

- **Itaú Unibanco:** it is a banking institution that offers, directly or by means of its subsidiaries, a broad range of credit products and other financial services to a diversified individual and corporate client base in Brazil and abroad.

- **Alpargatas:** its activities include the manufacturing and sale of footwear and its respective components, apparel, textile items and respective components, leather, resin and natural or artificial articles, and sports articles.

- **NTS:** a natural gas transporter, by means of gas pipelines, that operates in the states of Rio de Janeiro, Minas Gerais and São Paulo, which account for to approximately 50% of the consumption of gas in Brazil. This system has connections with the Brazil-Bolivia gas pipeline, with liquefied natural gas (LNG) terminals and with gas processing units.

- **Copa Energia**: It consolidates brands Copagaz and Liquigás that together account for 25% of LGP distribution in Brazil. They operate in 24 Brazilian states and the Federal District and have about 90,000 direct and indirect employees.

- **XP:** platform providing financial products and services in Brazil.

- **Aegea:** is Brazil's largest private sanitation services companies.

	Itaú (1)	XP Inc.	Alpargatas	NTS	Aegea (4)	Copa Energia	Itaú (1)	Alpargatas	NTS
Balance Sheet	12/31/2021						12/31/2020		
Total assets	2,069,206	139,340	8,031	11,410	16,101	4,969	2,019,251	4,815	10,200
Total liabilities	1,904,730	124,921	4,564	8,945	9,697	3,283	1,864,726	1,796	8,056
Total stockholders' equity	152,864	14,417	3,396	2,465	5,994	1,685	142,993	2,949	2,144
Statement of Income	2021						2020		
Net revenue (2)	192,192	12,077	3,949	5,766	3,711	10,172	166,656	3,364	4,671
Domestic market	150,708	11,724	2,693	5,766	3,711	10,172	141,037	2,484	4,671
Foreign market	41,484	353	1,256	-	-	-	25,619	880	-
Equity in the earnings of subsidiaries	1,164	(8)	-	-	64	2	1,399	-	-
Finance result (3)	-	-	95	(209)	(599)	(165)	-	(73)	(107)
Depreciation and amortization	(5,548)	(232)	(131)	(414)	(326)	(182)	(5,064)	(162)	(384)
Income tax and social contribution	(13,847)	(223)	(52)	(1,521)	(311)	(43)	9,834	8	(1,242)
Net income	26,760	3,589	690	3,060	501	198	18,896	140	2,527
Performance analysis									
ROE	18.2%	28.6%	21.7%	-	-	-	14.2%	5.0%	-

(1) This corresponds to the direct and indirect interest by means of IUPAR (please see Note 15.4)

(2) For Itaú Unibanco, this corresponds to: (i) Income from interest, yield and dividends; (ii) Adjustment to fair value of financial assets and liabilities; (iii) Income from foreign exchange operations and foreign exchange variations on transactions abroad; (iv) Service revenue; and (v) Income from insurance and pension plan operations.

(3) Since Itaú Unibanco and XP are part of the "Financial segment", finance income and costs are included in "Net revenue".

(4) Unaudited information.

32. RELATED PARTIES

Transactions between related parties arise from the ordinary course of business and are carried out based at amounts and usual market rates prevailing on the respective dates, as well as under reciprocal conditions.

ITAÚSA has a "Policy for Transactions with Related Parties" approved by the Board of Directors that is aimed at establishing rules and procedures to assure that the decisions involving transactions with related parties and other situations with potential conflicts of interest are made so as to ensure reciprocity and transparency, thus guaranteeing to stockholders, investors and other stakeholders that the transactions were based on the best corporate governance practices. On August 9, 2021 Related-Party Committee was created with the objective of assessing and resolving in advance the feasibility of related-party transactions according to the criteria set forth in the said policy.

In addition to the amounts of dividends receivable (Note 9), the other balances and transactions between related parties are presented below:

	Nature	Relationship	Parent company 12/31/2021	Parent company 12/31/2020	Consolidated 12/31/2021	Consolidated 12/31/2020
Assets						
Cash and cash equivalents			**-**	**-**	**15**	**49**
Itaú Unibanco	Financial investments	Jointly-controlled company	-	-	15	49
Marketable Securities			**-**	**20**	**-**	**20**
Copa Energia	Debentures	Associated	-	20	-	20
Customers			**-**	**1**	**23**	**9**
Dexco	Rent	Controlled company	-	1	-	-
Leo Madeiras Máquinas & Ferramentas Ltda.	Sales of goods	Non-controlling stockholder of controlled company Duratex	-	-	22	9
LD Celulose	Sales of goods	Non-controlling stockholder of controlled company Duratex	-	-	1	-
Ativo Biológico			**-**	**-**	**38**	**31**
LD Celulose		Indirect associated	-	-	38	31
Total			**-**	**21**	**76**	**109**
Liabilities						
Debts			**-**	**-**	**(546)**	**(515)**
Itaú Unibanco	Debts	Jointly-controlled company	-	-	(546)	(515)
Leases			**-**	**-**	**(32)**	**(30)**
Ligna Florestal Ltda.	Lease liabilities	Non-controlling stockholder of controlled company Duratex	-	-	(32)	(30)
Debentures			**(1,162)**	**(742)**	**(1,162)**	**(742)**
Itaú Unibanco	Debentures	Jointly-controlled company	(1,173)	(751)	(1,173)	(751)
Itaú Unibanco	Debenture issue costs	Jointly-controlled company	2	-	2	-
Itaú BBA	Debenture issue costs	Jointly-controlled company	9	9	9	9
Other liabilities			**(1)**	**(1)**	**(12)**	**(4)**
Itaú Unibanco	Provision of services	Jointly-controlled company	-	-	-	(3)
Itaú Corretora	Provision of services	Jointly-controlled company	(1)	(1)	(1)	(1)
LD Celulose	Accounts payable	Indirect associated	-	-	(7)	-
LD Celulose	Suppliers	Indirect associated	-	-	(4)	-
Total			**(1,163)**	**(743)**	**(1,752)**	**(1,291)**

Profit or loss	Nature	Relationship	Parent company 2021	Parent company 2020	Consolidated 2021	Consolidated 2020
Net Revenue			**-**	**-**	**190**	**124**
Leo Madeiras Máquinas & Ferramentas Ltda.	Sales of goods	Non-controlling stockholder of controlled company Duratex	-	-	188	124
LD Celulose	Sales of goods	Indirect associated	-	-	1	-
Itaú Unibanco	Sales of goods	Jointly-controlled company	-	-	1	-
Cost of products and services			**-**	**-**	**(7)**	**(6)**
Ligna Florestal Ltda.	Agricultural lease contracts	Non-controlling stockholder of controlled company	-	-	(3)	(3)
LD Florestal	Agricultural lease contracts	Indirect jointly-controlled company	-	-	-	(2)
LD Celulose	Product supply	Indirect associated	-	-	(1)	(1)
Liquigaz	Product supply		-	-	(3)	-
General and administrative expenses			**(8)**	**(11)**	**(9)**	**(12)**
Itaú Corretora	Provision of services	Jointly-controlled company	(8)	(11)	(9)	(12)
Other income and expenses			**7**	**(43)**	**3**	**(52)**
Itaú Unibanco	Other	Jointly-controlled company	-	1	-	1
Fundação Itaú para a Educação e Cultura	Donations - All for Health (Todos pela Saúde)	Others related parties	-	(50)	-	(55)
Dexco	Revenue from rental	Controlled company	4	4	-	-
Fundação Itaú para Educação e Cultura	Revenue from rental	Others related parties	3	2	3	2
Finance result			**(53)**	**-**	**(81)**	**(17)**
Itaú Unibanco	Financial investments	Jointly-controlled company	-	-	1	2
XP Investimentos	Financial investments	Associated	-	-	2	-
Copa Energia	Debentures	Associated	1	-	1	-
Itaú Unibanco	Finance costs	Jointly-controlled company	(68)	-	(99)	(19)
Itaú Unibanco	Finance costs	Jointly-controlled company	(1)	-	(1)	-
Itaú Unibanco	Derivative result	Jointly-controlled company	15	-	15	-
Total			**(54)**	**(54)**	**96**	**37**

32.1. Guarantees offerd

ITAÚSA is a guarantor of the following transactions:

Related party	Relationship	Type	Subject matter	Parent company 12/31/2021	Parent company 12/31/2020
Dexco	Controlled company	Surety	Loan	373	24
Duratex Florestal Ltda.	Indirectly-controlled company	Surety	Loan	30	34
Itautec	Controlled company	Surety	Surety - Collateral in lawsuits	40	36
Águas do Rio 1 [(1)]	Associate	Disposal of shares	Debentures	51	-
Águas do Rio 4 [(1)]	Associate	Disposal of shares	Debentures	53	-
Total				**547**	**94**

[(1)] *In July 2021, ITAÚSA granted a fiduciary lien of all shares, either existing or future, representing the capital of SPCs Águas do Rio 1 and Águas do Rio 4, owned by ITAÚSA, under the terms of the "Private Fiduciary Lien Agreement of Shares" executed by and between ITAÚSA and other stockholders of SPCs, in the capacity of fiduciary lien assignors, to ensure the fulfillment of all obligations, either principal or accessory, to be taken on by the SPCs in connection with the 1st simple debentures, non-convertible into shares, with real guarantee in the total contracted of R$8 billion.*

With the purpose of improving its liquidity and indebtedness profile, in March 2021 subsidiary Dexco entered into a financing agreement with the National Bank for Economic and Social Development (BNDES) worth R$697, with term of use (disbursement) of up to two years, with possible renewal for another year, and maturing in up to 16 years. Costs will be based on IPCA + variable spread according to the maturity of each disbursement. One Dexco's manufacturing plant has been pledged as collateral for this operation, with 100% endorsed by the controlling stockholders of Dexco, of which 67% by ITAÚSA. By December 31, 2021, subsidiary Dexco had received R$510 related to this financing.

32.2. Management compensation

	Parent company		Consolidated	
	2021	2020	2021	2020
Compensation	39	39	80	73
Payroll charges	6	5	10	9
Short-term benefits [1]	2	2	2	2
Share-based compensation plan	-	-	10	6
Other long-term incentives	-	1	-	1
Total	**47**	**47**	**102**	**91**

[1] Include: Medical and dental assistance, meal subsidy, and life insurance.

33. NON-CASH TRANSACTIONS

In conformity with CPC 03 (R2) / IAS 7 – Statement of Cash Flows, any investment and financing transactions not involving the use of cash or cash equivalents should not be included in the statement of cash flows.

The investment and financing activities not involving changes in cash and therefore are not recorded in any account in the Statement of Cash Flows, are shown as follows:

	Parent company		Consolidated	
	2021	2020	2021	2020
Dividends/Interest on capital resolved upon and not received	949	985	949	951
Dividends/Interest on capital resolved upon and not paid	(1,871)	(1,215)	(1,871)	-
Increase in investee's capital with payment of debentures	21	-	21	1,307
Total	**(901)**	**(230)**	**(901)**	**2,258**

34. ADDITIONAL INFORMATION

Covid-19 impacts

Together with its investees, ITAÚSA has undertaken efforts to minimize the impacts of the current Covid-19 pandemic on its operations and society, in addition to adopting a number of measures to protect the employees' health, wellbeing and safety.

ITAÚSA's Management has been constantly monitoring the economic and financial impacts of this pandemic that adversely impact its results and those of its investees.

There were no significant impacts on the financial statements of ITAÚSA and subsidiaries for the year of 2021. We highlight below some effects recorded by main investees:

- **ITAÚSA:** Aimed at supporting public health activities and contributing to the pandemic relief efforts, in 2020 ITAÚSA donated R$50 to the "Todos pela Saúde" (All for Health) alliance.

- **Itaú Unibanco:** (i) increase in loans and financing in 2020 and 2021, notably for very small, small and middle-market companies in the amount of R$21,492 on December 31, 2021; (ii) extension of grace periods, terms and lower interest rates to individuals and very small and small companies; (iii) decrease of 5.4% in the period in requests for renegotiation and extension of terms for loan operations; (iv) provision for loan losses of R$44,316 mainly driven by the risk and default levels caused by changes in the clients' financial prospects and significant worsening of macroeconomic variables. In December 2021, the coverage level of provisions for loan losses was at 193% from 255% in December 2020. Specifically for expected loss from loans with no indication of worsening so far (client default or rating downgrade), the provisioning fell by 8.3% in the period; (v) mark to market component of the securities portfolio was -1.3% in 1Q20, partially driven by rate fluctuations and high volatility in market prices at the onset of the pandemic, therefore influencing the measurement of items stated at fair value at its several levels. In the subsequent periods, the changes in mark-to-market component do not necessarily relate to the effects of the pandemic; (vi) instability in the variable income market in 2020 leading to migration to liquid fixed-income securities giving rise to an increase in the Bank Deposit Certificate (CDB) portfolio, however, over 2021, changes in the portfolio were under way, with transactions not necessarily made as a result of the effects of the pandemic; (vii) increase in funding, with operations taken out in the total amount of R$30,547; (viii) increase, in 2020, in the recognition of deferred taxes driven by a higher volume of deductible temporary differences recorded in the period, however, in 2021, there were no significant impacts; (ix) increase, in 2021, in Covid-19 related claim expenses in the amount of R$361, mainly related to life and credit insurance. Furthermore, in 2020 Itaú Unibanco set up the "Todos pela Saúde" (All for Health) initiative, with the donation of R$1 billion to fight the novel Coronavirus and its effects on Brazilian society. The "Todos pela Saúde" initiative is operated by way of four action axes: Informing, Protecting, Caring, and Resuming. In February 2021, the "Todos pela Saúde" initiative was formalized into an Institute, with all actions in progress being maintained. In April 2021, Itaú Unibanco worked together with competitors to combat hunger in the aftermath of the pandemic and economic crisis by contributing or the purchase and distribution of food staples.

- **Alpargatas:** Alpargatas has been monitoring the impact of the crisis on its receivables, given the rise in the credit risk involved and, in 2021, in view of the better prospects of the economic scenario as a result of the easing of the effects of the Covid-19 pandemic, the Company is adopting its usual portfolio management policy, by keeping just some extensions of securities. In 2021 the Company has been operating at its normal production capacity.

- **Dexco:** During the period of 2021 all industrial units operating capacity was above the one recorded in the pre-Covid 19 period. Terms for trade receivables and payables to suppliers are back to normal levels and there were no extended tax payment terms too.

It is noteworthy mentioning that ITAÚSA and investees keep on monitoring and assessing the impacts of the pandemic on their results, as well as the effects on estimates and critical judgments involving their Financial Statements.

35. SUBSEQUENT EVENTS

35.1. Merger of Banco Modal – XP's Associate

On January 7, 2022, XP announced to the market the execution of a binding agreement for the merger of up to 100% of Banco Modal S.A. ("Banco Modal"), to be paid with up to 19.5 million XP's new Class A shares or BDRs, with a 35% premium over the average price of Banco Modal of the last thirty days.

The parties have agreed to implement the transaction through a corporate restructuring that will result in the merger, into a XP's subsidiary, of up to 100% of Banco Modal's capital. If Banco Modal fails to obtain the approvals required to implement such restructuring, including the approval from its minority stockholders, XP will merger an interest equivalent to 55.7% of Banco Modal's capital held by its controlling stockholders in a share transaction and will ensure that all Banco Modal 's minority stockholders have the right to sell their stake under the same conditions.

The completion of this merger depends on certain conditions precedent, such as approvals from CADE, the Central Bank of Brazil, and Banco Modal's stockholders at a General Stockholders' Meeting.

35.2. Purchase of Ideal and its subsidiaries – Jointly-owned subsidiary Itaú Unibanco

On January 13, 2022, jointly-owned subsidiary Itaú Unibanco announced to the market that it had entered into a purchase and sale agreement for up to 100% of the capital of Ideal Holding Financeira S.A. and its subsidiaries ("Ideal"). This purchase will be carried out in two stages over a period of 5 years: (i) in the first stage, Itaú Unibanco purchases 50.1% of Ideal's capital and voting capital, totaling approximately R$650, and therefore will control Ideal; and (ii) in the second stage, 5 years on, Itaú Unibanco may exercise the right to purchase the remaining stake (49.9%) of capital.

Ideal is a 100% digital broker that currently offers electronic trading and DMA (Direct Market Access) solutions, within a flexible and cloud-based platform.

The management and running of Ideal's business will continue to be independent from Itaú Unibanco, in accordance with the terms and conditions of the Stockholders' Agreement for this transaction.

The completion of this transaction is subject to the required regulatory approvals.

35.3. Commitment to investing in a share offering of jointly-owned subsidiary Alpargatas

On February 10, 2022, ITAÚSA and other controlling stockholders of Alpargatas stated their commitment to: (i) fully exercising priority rights, subscribing for and paying shares to which they are entitled within their respective proportional subscription limits; and (ii) subscribing for and paying all common shares that might remain within the scope of the Institutional Offering.

In this way, ITAÚSA has undertaken, within the scope of the Priority Offer, to subscribe for and pay, with its own funds, 27,720,403 shares issued by Alpargatas (16,083,306 common and 11,637,097 preferred shares), at a price per share to be set by Alpargatas' Board of Directors. Furthermore, depending on market conditions, ITAÚSA may subscribe for preferred shares within the scope of the Institutional Offering.

Net proceeds from this Restricted Offer will be allocated to back up the payment of Alpargatas' purchasing some equity interest in Rothy's Inc.

This investment strengthens ITAÚSA's trust in Alpargatas' strategy and long-term value creation.

* * *

Independent Auditor's Report on the parent company and consolidated financial statements

To the Board of Directors and Stockholders
Itaúsa S.A.

Opinion

We have audited the accompanying parent company financial statements of Itaúsa S.A. (the "Company"), which comprise the balance sheet as at December 31, 2021 and the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, as well as the accompanying consolidated financial statements of Itaúsa S.A. and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at December 31, 2021 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including significant accounting policies and other explanatory information.

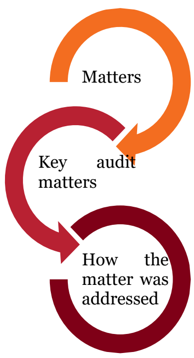
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Itaúsa S.A. and of Itaúsa S.A. and its subsidiaries as at December 31, 2021, and the financial performance and the cash flows for the year then ended, as well as the consolidated financial performance and cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the " Auditor's Responsibilities for the Audit of the Parent Company and Consolidated Financial Statements " section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and the Professional Standards issued by the Brazilian Federal Accounting Council (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters (KAM) are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current fiscal year.
Considering the holding activity carried out by the Company, its KAM are themes arising from investments in subsidiaries, jointly controlled entities and associates, as set out below. These matters were addressed in the context of the audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Why it is a Key Audit Matter	How the matter was addressed in the audit
Jointly-controlled subsidiaries – Itaú Unibanco Holding S.A. ("IUH") and Itaú Unibanco Participações S.A. (“IUPAR”) – (Note 15)	
Investments in IUH and IUPAR represent a substantial part of the Company's individual and consolidated assets, being recorded on the “Investments” accounting balance and accounted for under the equity method. IUPAR is a holding company created to control IUH, which is its main asset. The IUH, in turn, is a financial institution that operates in various banking business, as well as in insurance, pension plan and capitalization activities. IUH carries out an expressive number of transactions related to all areas and due to the size of its operations, its technology environment is composed of several different processes and segregated controls. As a result, IUH is highly dependent on its information technology environment to process these operations. In addition, IUH's financial statements present critical accounting estimates related to operations that require a high level of judgment, especially during the current moment of uncertainties arising from the COVID-19 pandemic and the economic environment, to record and measure transactions and to calculate accounting balances. These accounting estimates involve the following main areas: • provision for expected credit loss; • fair value of financial instruments, including derivatives; • provision for contingent liabilities. As a result of the foregoing, we continue to consider these accounting estimates as well as the information technology environment itself as areas of audit focus.	As part of our audit procedures, we performed tests on the calculation of the investments accounting balances accounted for under the equity method carried out by the Company's Management in relation to investments in IUH and IUPAR, comparing the results obtained with the accounting records. We also evaluated the disclosures in the Company's financial statements in accordance with the requirements of accounting standards. The results of our audit procedures are consistent with the disclosures in the notes. In addition, our audit procedures as IUH’s auditors included, among others, the following: - Regarding the information technology environment: With the support of our specialists, we updated our assessment around the information technology environment, including the automated controls of the application systems that are significant for the preparation of the financial statements. The procedures we performed were comprised of a combination of relevant control tests and performance of tests on certain aspects related to the information security, including access management and segregation of duties. The combination of tests on controls and other additional tests allowed us to establish an adequate level of audit confidence in the operation of IUH's automated systems and controls for the purpose of our work. - In relation to the critical accounting estimates: We tested the design and operation of the relevant controls used to measure, record, write-off and disclosure the operations, in accordance with IFRS 9 - Financial Instruments. With the support of our specialists, we analyzed, when applicable, the reasonableness of selected assumptions and judgements applied by IUH's management, also considering the current context of operations during the COVID-19 pandemic and the economic environment. We also tested the completeness of the databases and the models involved in the calculation of the balances. We performed tests of details to assess existence, correct and recoverable amount, integrity, and timely recording of the operations; also, we performed external confirmation procedures with lawyers of IUH to confirm the probability of loss on the judicial proceedings.

Why it is a Key Audit Matter	How the matter was addressed in the audit
	We consider that the criteria and assumptions adopted by management to determine these critical estimates lead to consistent amounts that remain within the acceptable intervals in relation to the accounting practices.
Other investments in Subsidiaries, Jointly Controlled Subsidiaries and Associates (Note 15) The other investments in subsidiaries, jointly controlled subsidiaries and associates ("Investees"), represent approximately 18% of the total assets in the Company's individual financial statements and are measured using the equity method in the individual financial statements. The financial statements of the Investees present critical accounting estimates related to operations that require a high level of judgment to record, measure transactions and determine accounting balances. Due to the uncertainties inherent to the critical estimates, the possible impacts on the financial statements of the Investees and, consequently, on the calculation of the Company's equity accounting, this was considered an area of focus in the audit.	In relation to the equity accounting of the investees, we performed tests on its calculation comparing the results obtained with the Company's accounting records. We also evaluate the disclosures in the financial statements in accordance with the requirements of accounting standards. The audit procedures in relation to the Investees' critical accounting estimates, as the case may be, included communication with the audit teams and/or other auditors in order to discuss the audit risks identified, the approach, scope and timing of the work. We also reviewed their working papers and discussed the results achieved. Specifically, in relation to critical accounting estimates of the investees, we considered: • The work performed and the conclusions of the auditors, including their specialists, when applicable, regarding the assessment of the assumptions and methodologies used by the management of the investees; and • The corresponding disclosures in Itaúsa's individual and consolidated financial statements. After applying these procedures, we consider that the assumptions and methodologies used for accounting estimates are adequate to mitigate the associated risks of material misstatements.

Other matters

Statements of Value Added

The parent company and consolidated Statements of Value Added for the year ended December 31, 2021, prepared under the responsibility of the Company's management and presented as supplementary information for IFRS purposes, were submitted to audit procedures performed in conjunction with the audit of the Company's financial statements. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, these Statements of Value Added have been properly prepared in all material respects, in accordance with the criteria established in the Technical Pronouncement, and are consistent with the parent company and consolidated financial statements taken as a whole.

Other information accompanying the parent company and consolidated financial statements and the auditor's report

The Company's Management is responsible for the other information that comprises the Management Report.

Our opinion on the parent company and consolidated financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.

In connection with the audit of the parent company and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the parent company and the consolidated financial statements

Management is responsible for the preparation and fair presentation of the parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance in the Company and its subsidiaries are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the parent company and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the parent company and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit and, consequently, for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and that we communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, February 14, 2022

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

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

ITAÚSA

CNPJ 61.532.644/0001-15
A Publicly Listed Company

OPINION OF THE FISCAL COUNCIL

The members of Fiscal Council of ITAÚSA S.A. ("Company") examined the management report and the individual and consolidated financial statements of Itaúsa as of December 31, 2021, which were audited by the independent auditor, PricewaterhouseCoopers Auditors Independents ("PwC").

The Fiscal Councilors verified the exactness of the elements examined and considering the unqualified report issued by PwC, understand that these documents adequately reflect the equity situation, the financial position and the activities of Itaúsa in the period and meet the required conditions to be submitted to the appreciation of the Stockholders at the 2022 Annual General Meeting. São Paulo (SP), February 14, 2022. (signed) Tereza Cristina Grossi Togni – President; Eduardo Rogatto Luque, Guilherme Tadeu Pereira Júnior, Isaac Berensztejn and Marco Tulio Leite Rodrigues – Councilors.

ALFREDO EGYDIO SETUBAL
Investor Relations Officer

ITAÚSA
CNPJ 61.532.644/0001-15
A Publicly Listed Company

SUMMARIZED MINUTES OF THE MEETING OF THE BOARD OF OFFICERS HELD ON FEBRUARY 14, 2022

DATE, TIME AND PLACE: on February 14, 2022 at 1:00 p.m., held at office the ITAÚSA S.A., located at Paulista Avenue, 1938, 5th floor, in the city and state of São Paulo.

CHAIR: Alfredo Egydio Setubal, CEO.

QUORUM: all members of the Executive Committee, with the presence of Managing Officers invited to participate in the meeting.

RESOLUTIONS ADOPTED: following due examination of the account statements for fiscal year ending December 31, 2021, receiving a favorable recommendation from the Finance Commission, pursuant to item 7.7 of the Corporate Bylaws, the Executive Committee decided unanimously, further to statutory requirements and according to the rules of the Brazilian Securities and Exchange Commission - CVM (subsection V and VI, Article 25 of CVM Instruction 480/09), to declare that:

(i) it has reviewed, discussed and agrees with the opinion expressed in the report issued by PricewaterhouseCoopers Auditores Independentes as independent auditors, referring to the financial statements as of December 31, 2021; and

(ii) it has reviewed, discussed and agrees with the financial statements for the fiscal year ending December 31, 2021.

CONCLUSION: there being no further matters to discuss, these minutes were read and approved by the Executive Committee. São Paulo (SP), February 14, 2022. (signed) Alfredo Egydio Setubal - CEO; Alfredo Egydio Arruda Villela Filho, Ricardo Egydio Setubal and Rodolfo Villela Marino - Vice Presidents.

ALFREDO EGYDIO SETUBAL
Investor Relations Officer