

ITAÚSA



**ANNUAL
REPORT**

2015



TABLE OF CONTENTS

| | | | |
|----|---|----|---|
| 03 | ABOUT THIS REPORT | 23 | STRATEGY AND INVESTMENTS 25 Intangible assets |
| 06 | MESSAGE FROM THE CHAIRMAN OF THE BOARD | 30 | ECONOMIC PERFORMANCE 30 Market context 31 Results 37 Capital markets |
| 08 | MESSAGE FROM THE CEO | 41 | SOCIAL AND ENVIRONMENTAL PERFORMANCE 42 People 44 Society 45 Environment |
| 10 | ITAÚSA 10 Profile 11 Subsidiary companies 14 Itaúsa Presence 15 Ownership structure | 47 | GRI G4 SUMMARY |
| 17 | CORPORATE GOVERNANCE 20 Risk management 21 Ethical behavior | 60 | INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT |
| | | 63 | CORPORATE INFORMATION |

01



ABOUT
THIS REPORT

REPORT PROFILE

As a way of maintaining a transparent relationship with its stakeholders, Itaúsa – Investimentos Itaú S.A. (Itaúsa) presents its Annual Report 2015, which covers the period between January 1 and December 31, 2015. The report contains the initiatives and achievements for the year and includes information about the economic, social and environmental performance of the four major subsidiaries that make up the holding: Itaú Unibanco Holding S.A. (Itaú Unibanco), Duratex S.A. (Duratex), Elekeiroz S.A. (Elekeiroz) and Itaotec S.A. – Grupo Itaotec (Itaotec), the results of which are reflected in Itaúsa's Financial Statements. **|GRI G4-28, G4-29, G4-30, G4-17|**

As from 2009, the report complies with the guidelines of the Global Reporting Initiative (GRI) and, for the third time, uses the G4 version, Comprehensive option, that includes the management approach related to the most relevant aspects and with greater impact from the perspective of the Company and its stakeholders. **|GRI G4-25|**

The economic and financial data was prepared in accordance with the accounting practices adopted in Brazil, including the pronouncements issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities Commission (CVM), and with the International Financial Reporting Standards (IFRS). The social and environmental information was compiled by the main departments of the subsidiaries and were approved by the Itaúsa's CEO. The document was verified by PwC independent auditors (Pricewaterhousecoopers Auditores Independentes), that issued an assurance report. **|GRI G4-33|**

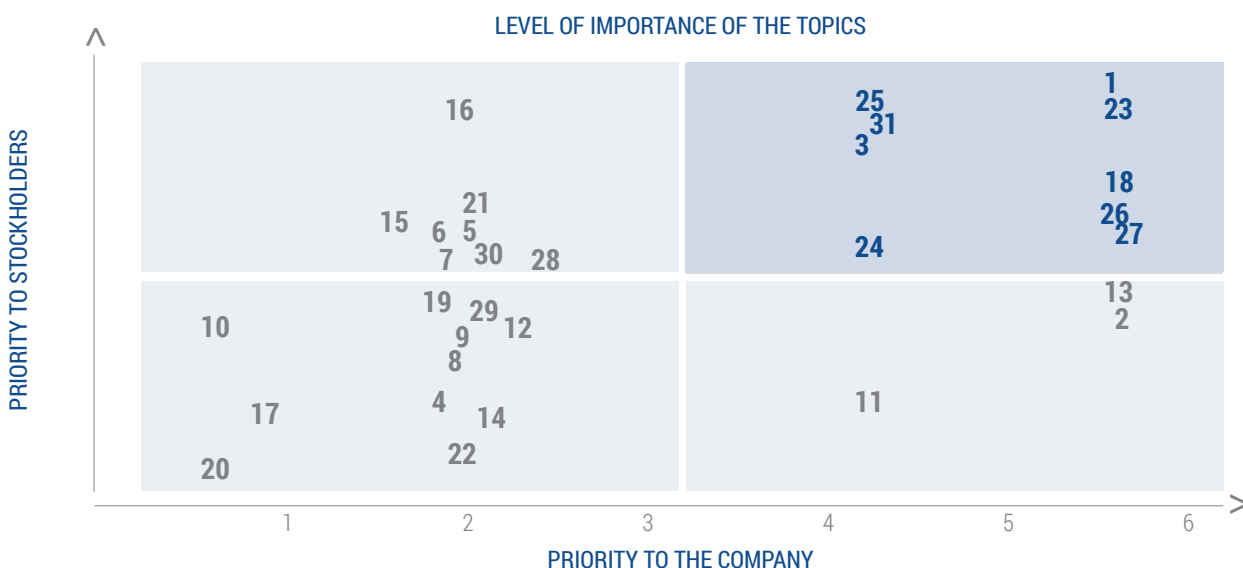
**DETAILED INFORMATION IS
PRESENTED IN THE ANNUAL
AND/OR MANAGEMENT
REPORTS AVAILABLE ON THE
WEBSITES OF EACH COMPANY:
WWW.ITAUI.COM.BR,
WWW.DURATEX.COM.BR,
WWW.ELEKEIROZ.COM.BR AND
WWW.ITAUTEC.COM.BR**

MATERIAL ASPECTS | GRI G4-18, G4-24

The content of the document was prepared considering the highly relevant topics for the Company's sustainability, based on a consultation with stakeholders carried out in 2014, where nine out of 31 aspects related to the performance categories listed by the GRI were prioritized.

Conducted by an external consulting firm (TheMediaGroup), the process considered the perceptions of specialists from the private sector, media, market analysts, civil society, non-governmental organizations and academia, as well as the view of Itaúsa's executives. Based on a cross referencing of the assessments, the materiality matrix below was prepared and validated by Itaúsa's senior management.

MATERIALITY MATRIX



RELEVANT TOPICS

| | Material aspect GRI G4-19, G4-27 | Aspect boundaries inside the Company GRI G4-20 | Aspect boundaries outside the Company GRI G4-21 | Related GRI indicators |
|-----------|---|--|--|---------------------------------------|
| 1 | Economic performance | All the companies | Stockholders, clients, suppliers, society | G4-EC1, G4-EC2, G4-EC3, G4-EC4 |
| 3 | Indirect economic impacts | All the companies | Society | G4-EC7, G4-EC8 |
| 18 | Child labor and forced or compulsory labor | All the companies | Suppliers, society | G4-HR5, G4-HR6 |
| 23 | Anti-corruption | All the companies | Stockholders, clients, suppliers, society | G4-S03, G4-S04, G4-S05 |
| 24 | Position in relation to public policies | All the companies | Stockholders, society | G4-S06 |
| 25 | Grievance mechanisms | All the companies | Stockholders, clients, suppliers, society | G4-EN34, G4-HR12, G4-S011, G4-LA16 |
| 26 | Compliance | All the companies | Stockholders, clients, suppliers, society | G4-S08, G4-EN29, G4-PR9 |
| 27 | Anti-competitive behavior | All the companies | Stockholders, society | G4-S07 |
| 31 | Customer privacy | All the companies | Clients | G4-PR8 |

02



MESSAGE FROM
THE CHAIRMAN
OF THE BOARD

IGRI G4-1

The complex and adverse scenario we face in Brazil in 2015 has demanded much planning and discipline for the Itaúsa Conglomerate companies to honor their commitments on the creation of value to stockholders, development of business ethics and value of human capital. Operational efficiency, long-term strategic vision, including the ongoing improvement of operational efficiency, innovation and leading-edge governance are factors ensuring that the main Conglomerate companies will achieve a better result for the year and strengthen a sound financial and leading position in many of the segments in which they operate.

Recurring net income of individual companies, in the amount of R\$8,416 million, provided a recurring return of 20.1% on average equity. Consolidated value added reached R\$11.1 billion, up 8.5% in the wealth shared with employees, government, society, capital providers and stockholders.

In the financial services area, Itaú Unibanco has increasingly pursued its vocation as a service provider of wealth management, means of payment and insurance products – while concurrently reducing its exposure to higher-risk assets and enforcing a strong operational discipline, thus being able to achieve its strategic drivers.

Reaffirming its commitment on the creation of value in the long term to its stockholders, and counting on quality services provided to our clients, Itaú Unibanco acquired two companies that represent new operation fronts and good performance trends: 50% of the capital of ConectCar, a provider of intermediation services for automatic payment of tolls, fuels and parking lots, and 89.08% of the capital of Recovery, a manager of overdue receivables portfolios, with both transactions already approved by the Brazilian antitrust agency (CADE). With its geographic expansion strategy in Latin America, Itaú Unibanco managed to obtain the required approvals from the regulatory bodies of Chile and Colombia for the merger with CorpBanca, consummated on April 1, 2016. The incorporation of one of the most robust financial institutions in Latin America has thus paved the way for achieving the desired growth in operations in this region.

In the industrial area, in line with the strategic pillar of growth in correlated products, Duratex has consummated a significant acquisition in 2015, that of Corona. With this business, Duratex now holds an expressive share in the segment of electric showers. However, as the fall in sales has led to the suspension of expansion investments scheduled for 2016, the company maintained the funds intended for maintenance expenses only, temporarily reducing part of the activities in the Itapetininga unit.

This austerity in investment management has nevertheless not impacted the funds intended for technology and innovation in products and processes, a relevant distinguishing factor in all Conglomerate companies. Itaú Unibanco has completed the build-up of a new data center, increasing 25-fold the processing capacity, thus ensuring the growth and performance of operations up to 2050. Acknowledged by its diversified portfolio of high-quality products, Duratex, with a state-of-the-art design and differentiated solutions, launched water-saving products of the Deca line of bathroom fixtures. Elekeiroz launched new high-performance plasticizers that feature a wide range of applications.

This innovative profile of the companies led to important recognition in 2015. Itaú Unibanco and Duratex stood out among the 100 most innovative Brazilian companies, in a ranking developed by *Valor Econômico* newspaper and consulting company Strategy&.

As a benchmark for corporate governance and sustainability, the Itaúsa Conglomerate has reaffirmed its presence in the Dow Jones Sustainability World Index and in the Corporate Sustainability Index (ISE), and the Carbon Disclosure Project (CPD).

With these commitments in mind, we highlight the changes in the composition of the Itaúsa's and Itaú Unibanco Holding's governance bodies, in line with the succession process and changes in the companies' structures.

A new Executive Committee was created in Itaú Unibanco, composed of three directors-general and two executive vice-presidents, and, in two years, Roberto Setúbal will provide exclusive dedication to the company's Board of Directors.

At Itaúsa, with the retirement of Carlos da Camara Pestana after 40 years of valuable contribution to the Conglomerate, Alfredo Setúbal and I assumed new responsibilities as the CEO and Chairman of the Board of Directors. This work has the support of a statutory Ethics, Disclosure and Trading committee, composed of directors, and of three commissions that help the Board of Officers to assess and discuss themes of importance to our performance: People, Sustainability and Risks, and Strategy and Investments.

Together, we take upon ourselves to ensure the business sustainability in a challenging scenario in the short term. A sound financial structure, a diligent management and a well-designed strategy for the companies lay down all the conditions required to achieve this purpose.

Alfredo Egydio Arruda Villela Filho
Chairman of the Board of Directors

03



MESSAGE
FROM THE CEO

IGRI G4-1

Efficiency is the word that best translates the efforts of the Itaúsa Conglomerate companies to ensure a better performance in a difficult year ahead, characterized by the worsening of the economic downturn experienced by Brazil since 2014. Discipline in cost management and projects for operational improvement are the focus of both the financial services and the industrial areas.

The consistent results recorded in the year enabled us to increase by 27.1%, net of the capital increase in 2014, the distribution of dividends and interest on capital to stockholders, which totaled R\$2,717 million, net of income tax.

The most significant part of our performance is thanks to Itaú Unibanco, which has reaped the benefits from diversifying business by reducing the share of the credit segment in total results. Accordingly, in a year in which the loan portfolio recorded a modest 4.2% growth, this more conservative management approach was fundamental to the achievement of sound results. In the year, domestic expenses increased approximately 6%, less than the inflation rate. However, these expenses recorded a consolidated increase similar to that of the inflation rate, as a result of the effect of the foreign exchange variation on international operations.

In the industrial segment, the internal agenda in search of efficiency also commanded Duratex's operations, which adopted over 600 plans throughout its areas, revised processes, and acted in the cost control to become a more expeditious, efficient and competitive company. Towards this end, it developed the Duratex's Management System and implemented the Zero Base Budget as a way to wisely and efficiently reduce expenses. In 2015, these projects led to savings of R\$45 million. Another pivotal result was the growth of 48.1% in exports, which accounted for 15.2% of total revenues, compared to 10.2% in the previous year. As a contributor to this performance, the foreign exchange variation reflects, above all, the development of lines of products and logistics solutions to meet the specific demands of different regions in the world. This is the

reason why Duratex has decided to bring forward to 2018 from 2020 the achievement of the goal of having 20% of its revenues coming from the foreign market.

Elekeiroz has also focused on adjusting costs, and in 2015 it completed the interconnection of the industrial gas plant in the Camaçari Complex (State of Bahia), thus ensuring the supply of raw materials, the expansion of the products offering, and the improvement in competitiveness. Additionally, Elekeiroz increased the sulfuric acid production capacity in the Várzea Paulista unit, with the modernization and improvement of the line of products.

In relation to Itaútec, we completed the delivery of equipment and decided to exercise the put option in connection with the remaining 30% of interest held in Oki Brasil, which is scheduled for January 2017.

In addition to having discipline in search of efficiency, utmost caution should be exercised in the short term as a fundamental tool to keep our profitability levels. The outlook is for a worsening in the domestic scenario, with rise in inflation, interest, unemployment and default levels. Nevertheless, as the economy resumes its upward trajectory, we will be well positioned, both from the operational and the capital structure standpoints, to ensure sustainable results for all those we relate with – stockholders, clients, employees, suppliers, and society.

In the social and environmental arena, 2015 was a year of major achievements. In the industrial area, Duratex and Elekeiroz focused their performances on boosting the social development of the communities surrounding the operational units, on protecting the biodiversity, increasing the consumption of natural resources – water, electricity, and inputs – generating less waste, and finally, on controlling and reducing atmospheric emissions. In the financial services area, Itaú Unibanco provided support and developed initiatives focused on improving education, health, culture, sports, and urban mobility. Our companies therefore fulfill those commitments in line with the controlling stockholders' vision to ensure the sustainable development of our business.

Alfredo Egydio Setubal
CEO

04



ITAÚSA

PROFILE

Established to centralize the strategic decisions of the Conglomerate, Itaúsa is a non-operating holding company. As a holding, it determines, centralizes and aligns the vision for business development and management with the corporate values that guide its operations and the strategies of Itaú Unibanco, in the financial segment, and of Duratex, Elekeiroz and Itautec, in the industrial segment. **|GRI G4-3, G4-4|**

The model ensures the sharing of assumptions, such as the appreciation of human capital, ethics and creation of value for stockholders, whereas it preserves the operational autonomy of each company, that require specific strategies to operate in their corresponding segments.

With headquarters in the city of São Paulo, Itaúsa shares are listed in the special listing segment denominated Level 1 Corporate Governance of the São Paulo Stock Exchange (BM&FBOVESPA), under the ticker symbols ITSA4 (preferred shares) and ITSA3 (common shares) and its total market value at the end of the year was R\$46.5 billion, based on the value of the most liquid shares (ITSA4). **|GRI G4-5, G4-9|**

At the end of 2015, its shares were included in the Dow Jones Sustainability World Index (DJSI), for the 12th year, and in the Corporate Sustainability Index of the BM&FBOVESPA (ISE), for the ninth year, both of which are corporate sustainability benchmarks. **|GRI G4-7|**

Operating in more than 20 countries outside Brazil, at the end of 2015, the companies of the Itaúsa Conglomerate had 103,000 employees, 7,400 of which working in subsidiaries abroad. **|GRI G4-6|**

With a governance structure in line with the best market practices, Itaúsa has a statutory committee for supporting the Board of Directors, that had, at the end of 2015, eight effective members, one of which is independent and two are alternates. At the end of the year, the Company recorded consolidated net income of R\$9.0 billion, total assets of R\$54.8 billion and stockholders' equity of R\$47.9 billion. **|GRI G4-9|**

ORIGIN OF THE CONGLOMERATE



MAIN INDICATORS |GRI G4-9|

| | Parent company | | | Consolidated | | |
|---|----------------|--------|--------|--------------|--------|--------|
| | 2015 | 2014 | 2013 | 2015 | 2014 | 2013 |
| Net income (R\$ million) | 8,868 | 7,911 | 5,698 | 8,994 | 8,161 | 6,011 |
| Recurring net income (R\$ million) ¹ | 8,416 | 7,573 | 6,199 | 8,561 | 7,799 | 6,561 |
| Stockholders' equity (R\$ million) | 44,847 | 39,226 | 33,131 | 47,871 | 42,239 | 35,974 |
| Annualized return on average equity (%) | 21.2 | 22.1 | 18.2 | 20.0 | 21.1 | 17.6 |
| Recurring annualized return on average equity (%) | 20.1 | 21.2 | 19.8 | 19.1 | 20.1 | 19.2 |

1. Data published in the Annual Report 2014 was adjusted for better comparability. |GRI G4-22|

SUBSIDIARY COMPANIES |GRI G4-8|

ITAÚ UNIBANCO HOLDING S.A.

With more than 90 years of history, Itaú Unibanco is the result of the merger of two financial institutions, Itaú and Unibanco, carried out in 2008. It is currently the largest private Brazilian bank, with assets totaling R\$1.3 trillion and a market value of R\$155.7 billion at the end of 2015.

BUSINESS SEGMENTS

The **Retail Banking** segment offers services to a diversified base of current account and non-current account holders, both individuals and companies, including retail clients, high-income clients (Itaú Uniclass e Personnalité) and corporate clients (very small and small companies). It encompasses financing and loan operations carried out in units outside the branch network and offers credit cards and Itaú BMG Consignado operations. The Retail Banking represents an important funding source for the operations and generates significant interest income and fees.

The **Wholesale Banking** segment is responsible for the private banking clients and the operations of Latin American units, banking business with medium-sized companies and Itaú BBA, which is in charge of corporate and investment banking activities. The wholesale banking management model is based on the establishment of close relationships with clients through an in-depth knowledge of their needs and the offer of customized solutions. The activities related to large companies include the provision of both banking and investment banking services, which include financing offered to this segment by means of fixed- and variable-income instruments.

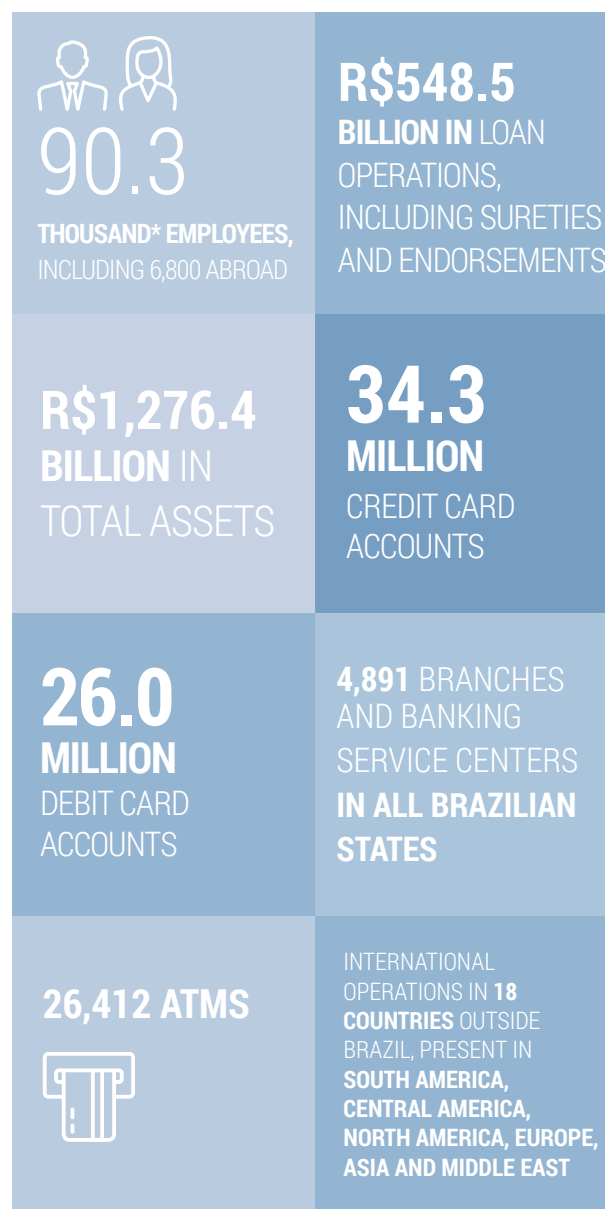
The **Activities with the Market + Corporation** segment manages the financial result associated with capital surplus, subordinated debt surplus and the net balance of tax credits and debits, as well as the financial margin arising from the trading of financial assets via proprietary positions (desks), the management of currency and interest rate swaps and other risk

factors and arbitration opportunities in the foreign and domestic markets, as well as mark-to-market of financial assets. This segment also includes Itaú Unibanco's interest in Porto Seguro.

The merger carried out in 2015 between Banco Itaú Chile and CorpBanca resulted in the Itaú CorpBanca, on April 1, 2016, which will operate under the "Itaú" brand and be controlled by Itaú Unibanco through a 33.58% ownership interest in its capital. Also in that year, Rede, one of the leaders in the Brazilian market for electronic payment means, entered into an agreement for the acquisition of 50% of the capital stock of ConectCar Soluções de Mobilidade Eletrônica S.A., by paying R\$170 million. ConectCar is an institution engaged in own payment arrangements and a provider of intermediation services for automatic payment of tolls, fuels and parking lots.

ITAÚ UNIBANCO IS THE LARGEST PRIVATE BRAZILIAN BANK, WITH R\$1.3 TRILLION IN ASSETS, AND THE SECOND HIGHEST MARKET VALUE COMPANY TRADED ON BM&FBOVESPA, ESTIMATED AT R\$155.7 BILLION IN THE END OF 2015

X-RAY: ITAÚ UNIBANCO IN 2015



(*) Does not include the Young Apprentice program.

DURATEX S.A.

As a leading company in the Brazilian construction market with a 65-year history, Duratex operates in two business divisions, manufacturing and selling products to the civil construction and furniture sectors in Brazil and abroad. In the Wood Division, the company manufactures MDF (Medium Density Fiber Board) and MDP (Medium Density Particle Board) panels, fiberboards, laminated floors and other products under the Durafloor and Duratex brands. In its turn, the Deca Division manufactures bathroom fixtures and fittings, as well as accessories and electric showers and taps that are sold under the Deca and Hydra and Hydra|Corona brands. **[GRI G4-4]**

In 2015, Duratex acquired Ducha Corona Ltda. and became the vice-leader in the electric shower and tap sector, with 30% of the market share. The transition is in line with the company's plan to increase its share in synergic sectors related to civil construction.

ELEKEIROZ S.A.

Elekeiroz is a pioneer in the manufacturing of several chemical products in Brazil operating in the second and third generations of the chemical processing chain and its products are used in the civil construction, footwear and clothing, paints and varnishes, automotive, agro-industrial and food industry, among others. It was incorporated in 1894 and completed 121 years of existence in 2015.

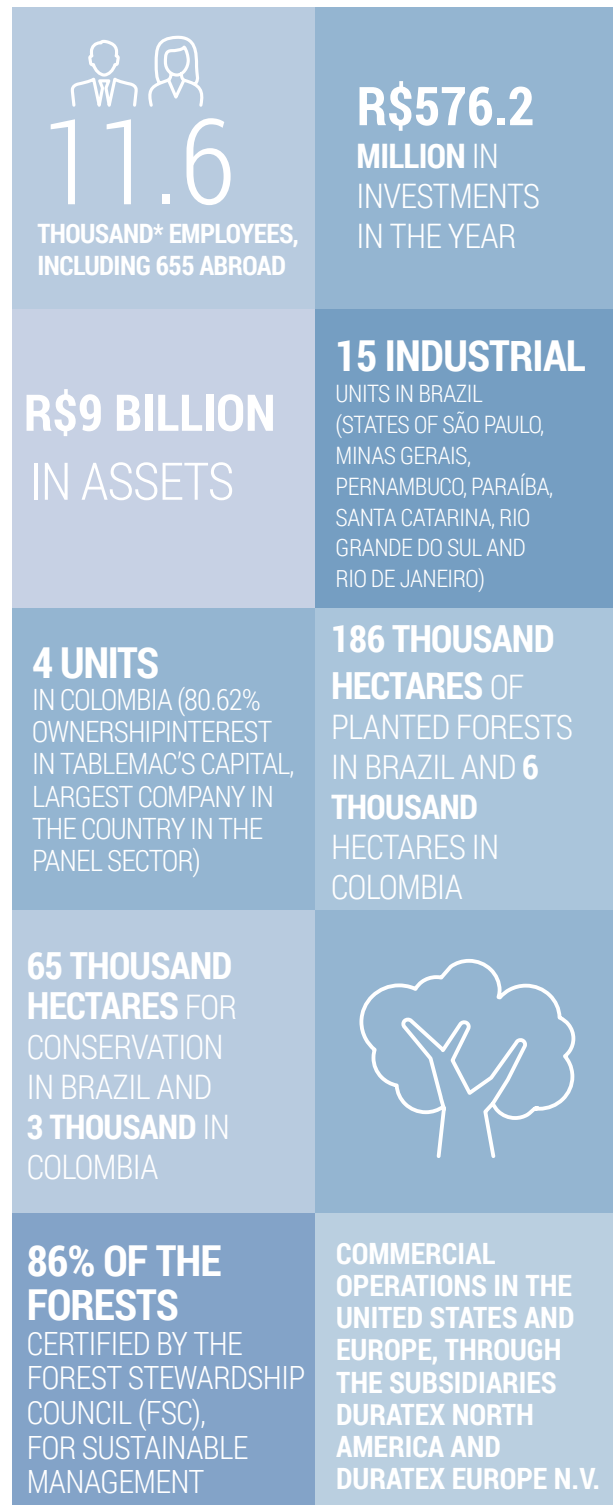
It is the only company in South America to produce, on an integrated basis, oxo chemicals (octane, butane, isobutane and 2-ethylhexanoic acid), phthalic and maleic anhydride, and many types of plasticizers, and is also the leader in some product segments. Its diversified range of products is completed by lines of unsaturated polyester resins, some of which using raw materials from renewable sources, as well as by formaldehyde, formalin-urea concentrate and sulfuric acid.

Its production capacity surpasses 500 thousand tons per year, in three strategically well located units, one in Várzea Paulista (State of São Paulo) and two in the Industrial Complex of Camaçari (State of Bahia), close to the consumer markets and with easy access to roads, railroads and ports.

ITAUTEC S.A.


Continuing with its strategic repositioning process in the IT market started in 2013, which included the sale of 70% of its operations in the Automation and Services segments and the gradual discontinuation of the IT segment, the company's Board of Directors approved, in the meeting held on February 25, 2015, Itautec's intention to exercise the put option of the 30% interest it holds in Okí Brasil Indústria e Comércio de Produtos e Tecnologia em Automação S.A., which will take place in January 2017, as provided for in the Stockholders' Agreement.

X-RAY: DURATEX IN 2015



(*) Includes 922 employees of Corona.

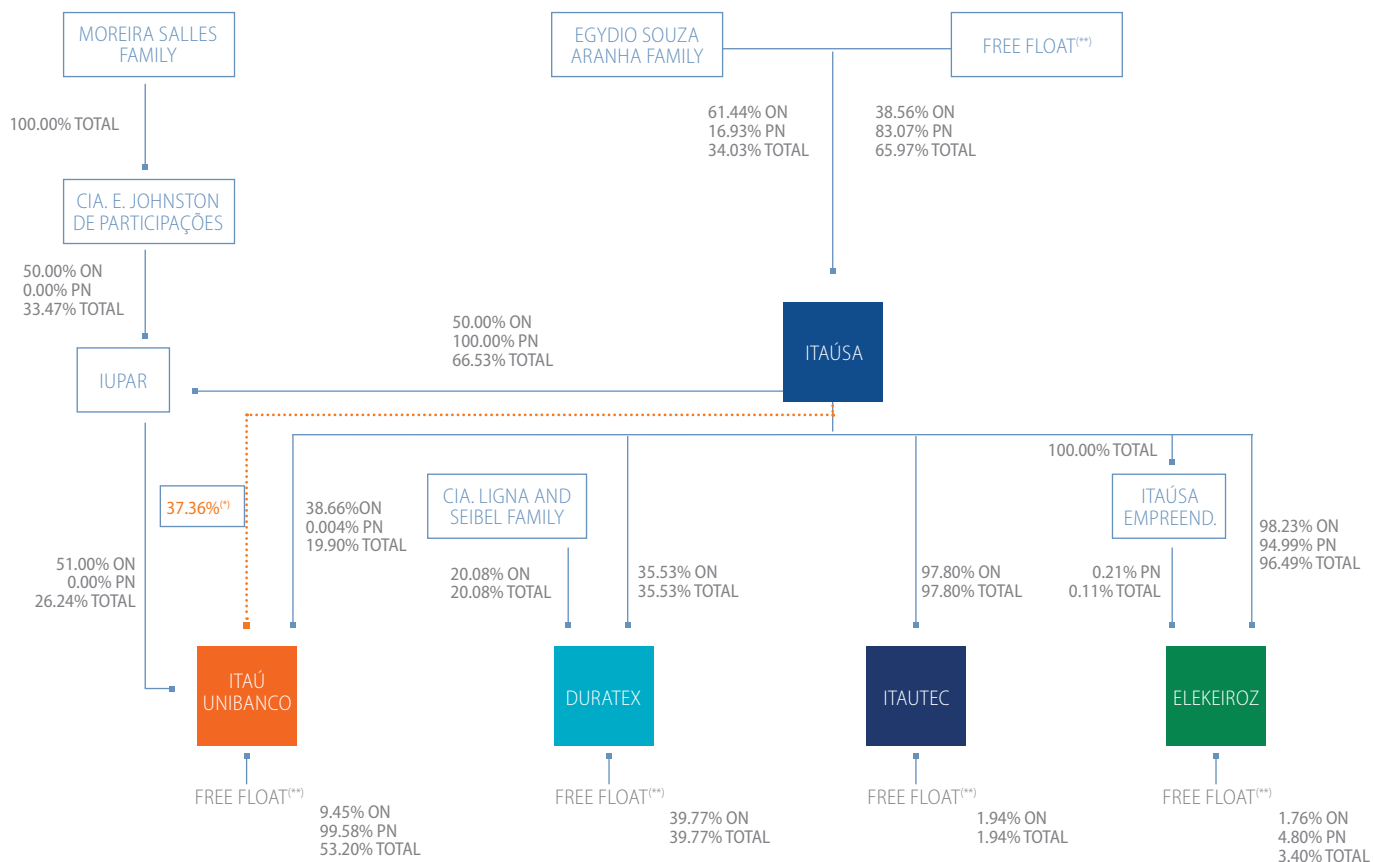
X-RAY: ELEKEIROZ IN 2015

| | | |
|---|---|--|
| <h1>658</h1> <p>EMPLOYEES</p> |  | <h3>STRATEGIC LOCATION</h3> <p>INDUSTRIAL COMPLEX OF CAMAÇARI (STATE OF BAHIA): TWO UNITS CONNECTED BY PIPELINES TO THE PETROCHEMICAL CENTER, ENSURING A WIDE AVAILABILITY OF RAW MATERIALS AND UTILITIES</p> <p>VÁRZEA PAULISTA (STATE OF SÃO PAULO): THE UNIT IS LOCATED 65 KILOMETERS FROM THE CITY OF SÃO PAULO AND HAS A RAILROAD LINE CONNECTED TO THE PORT OF SANTOS, WHICH ENABLES THE RECEIPT OF RAW MATERIALS AND SHIPMENT OF PRODUCTS</p> |
| <h1>R\$762.6</h1> <p>MILLION IN CONSOLIDATED ASSETS</p> | <h1>500</h1> <p>THOUSAND TONS/YEAR CAPACITY</p> | |

PRESENCE OF ITAÚSA (GRI G4-4)



OWNERSHIP STRUCTURE IN DECEMBER 31, 2015



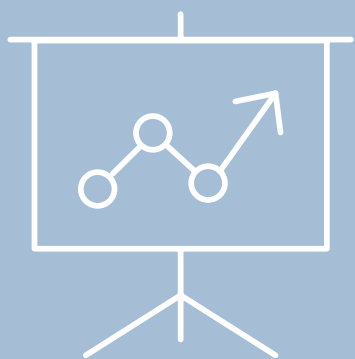
(*) Corresponds to the direct and indirect interest in Itaú Unibanco Holding's capital.
 (**) Excluding the shares held by controlling stockholders and treasury shares.

OWNERSHIP STRUCTURE – IN DECEMBER 31, 2015 |GRI G4-7|

(In thousands)

| Stockholders | Common shares | | Preferred shares | | Total shares | |
|---------------------------------|------------------|----------------|------------------|----------------|------------------|----------------|
| | Quantity | Percentage | Quantity | Percentage | Quantity | Percentage |
| Controlling stockholders | 1,594,620 | 61.44% | 704,037 | 16.93% | 2,298,657 | 34.03% |
| Free Float | 1,000,772 | 38.56% | 3,455,214 | 83.07% | 4,455,986 | 65.97% |
| Total outstanding shares | 2,595,392 | 100.00% | 4,159,251 | 100.00% | 6,754,643 | 100.00% |
| Treasury shares | 2,155 | | 2,000 | | 4,155 | |
| Total shares issued | 2,597,547 | | 4,161,251 | | 6,758,799 | |

05



CORPORATE
GOVERNANCE

Adopting policies and procedures for the constant improvement of the financial and operating management, Itaúsa draws the vision and the strategic planning of the companies of the Conglomerate based on the best corporate governance practices. Accordingly, focused on transparency and creation of value for its stakeholders, that are fundamental for the business sustainability, the Company is signatory to the Abrasca (Brazilian Association of Listed Companies) Code of Self-Regulation and Good Practices for Listed Companies, to ensure equality among capital partners and their stakeholders and an

accountability that considers the economic, social and environmental aspects. **|GRI G4-DMA|**

GOVERNANCE STRUCTURE |GRI G4-34|

Itaúsa's governance structure is composed of the Annual Stockholders' Meeting, the Board of Directors, the Fiscal Council, the Executive Board and the Ethics, Disclosure and Trading Committee. In 2015, three more committees were created to support the Executive Board: Personnel Committee, Sustainability and Risk Committee and Strategy and Investment Committee.

COMPOSITION OF GOVERNANCE BODIES |GRI G4-38|

| BOARD OF DIRECTORS – elected on April 30, 2015 | | |
|--|-------------------------------------|---|
| Position | Member | Participations |
| Chairman | Alfredo Egydio Arruda Villela Filho | Also member of the Board of Directors of Itaú Unibanco Holding, Duratex and Itaotec. Officer of Instituto Alana since 1992 |
| Vice-Chairman | Alfredo Egydio Setubal | CEO and Investor Relations Officer of Itaúsa. Member of the Board of Directors of Itaú Unibanco Holding and Duratex and alternate member of the Board of Directors of Elekeiroz and Itaotec. Brazilian Association of Financial and Capital Markets (ANBIMA), Association of Broker-Dealers (ADEVAL), Brazilian Association of Listed Companies (Abrasca) and Brazilian Institute of Investor Relations (IBRI), and Financial Officer of the São Paulo Museum of Modern Art (MAM) |
| Effective member | Henri Penchas | Also member of the Board of Directors of Itaú Unibanco Holding, Duratex and Itaotec. Henri Penchas holds management positions in Fundação José Luiz Setubal, Instituto Alana and Instituto Itaú Cultural |
| Effective member | Lício da Costa Raimundo | Independent member. He holds management positions in: Fundação Petrobrás de Seguridade Social (Petros), Fundação de Previdência Complementar do Servidor Público Federal (Funpresp – up to February 2015), Facamp, Faculdades de Valinhos and Municipality of Campinas |
| Effective member | Paulo Setubal Neto | Member of the Fiscal Council of Fundação Tide Azevedo Setubal |
| Effective member | Rodolfo Villela Marino | Managing Vice-President of Itaúsa. Also member of the Board of Directors of Duratex, Elekeiroz and Itaotec. Officer of Cultura Artística; member of the Board of Directors of Instituto Itaú Cultural; member of the Advisor and Fiscal Council of Instituto PDR; member of the Association's Board of the São Paulo Companhia de Dança; and member of the Young Presidents Organization (YPO/WPO) |
| Alternate member | Ricardo Egydio Setubal | Also Chairman of the Board of Directors of Itaotec and member of the Board of Directors of Duratex and Elekeiroz. He is also member of the Board of Directors of Instituto Brasileiro de Governança Corporativa (IBGC – Brazilian Institute of Corporate) |
| Alternate member | Ricardo Villela Marino | Member of the Board of Directors of Itaú Unibanco Holding and alternate member of the Board of Directors of Duratex, Elekeiroz and Itaotec. Vice-President of Itaú Unibanco S.A. President of Federación Latino-Americana de Bancos (Felaban), Chairman of Comunitas and of MIT Sloan Latam, and founder of Instituto PDR |
| FISCAL COUNCIL | | |
| Chairman | Tereza Cristina Grossi Togni | Alternate: José Roberto Brant de Carvalho |
| Member | Alexandre Barenco Ribeiro | Alternate: Pedro Américo Herbst |
| Member | Flavio César Maia Luz | Alternate: Felício Cintra do Prado Júnior |
| Member | José Carlos de Brito e Cunha | Alternate: Augusto Carneiro de Oliveira Filho |
| Member | Paulo Ricardo Moraes Amaral | Alternate: João Costa |
| EXECUTIVE BOARD | | |
| CEO | Alfredo Egydio Setubal | |
| Managing Vice | Roberto Egydio Setubal | |
| Managing Vice | Rodolfo Villela Marino | |

BOARD OF DIRECTORS

The Board of Directors is the highest governance body and, among other duties, is responsible for establishing the overall direction of the business, electing, removing and inspecting the management of officers, appointing and removing independent auditors, resolving on the establishment of committees under the Board of Directors and determining the distribution of dividends and the payment of interest on capital.

The members of the Board of Directors are appointed by the controlling parties, in accordance with a decision of stockholders, and each party is responsible for 1/3 of the composition of the body. The other 1/3 is appointed by a consensus between the parties, taking into account the skills of the member. Minority stockholders, in a separate voting process at the Annual General Stockholders' Meeting held in April 2015, resolved to appoint a member to Itaúsa's Board of Directors. Since they are responsible for implementing the vision and strategic planning in the business conduction, the members of the Board of Directors undergo a rigorous assessment process to certify they have the necessary skills to perform the tasks required. **|GRI G4-40|**

Currently, the body is composed of eight members, elected at the Stockholders' Meeting, with a term of office of one year, one of which is an independent member and five do not perform executive activities. All members are male and white, 50.0% of which are between 30 and 50 years of age and 50.0% are over 50 years of age. The Chairman does not accumulate an executive position.

|GRI G4-38, G4-39|

THE MEMBERS OF ITAÚSA'S BOARD OF DIRECTORS SERVE ON THE BOARDS OF THE MAIN SUBSIDIARIES – ITAÚ UNIBANCO, DURATEX, ELEKEIROZ AND ITAUTEC – IN ORDER TO DISSEMINATE ITS BUSINESS VISION AND CULTURE

THE NUMBER OF INDEPENDENT MEMBERS IN THE MAIN SUBSIDIARIES EXCEEDS THE MINIMUM NUMBER REQUIRED BY THE HIGHEST GOVERNANCE STANDARDS OF PUBLICLY-HELD COMPANIES

COMMITTEE

The Ethics, Disclosure and Trading Committee supports the Board of Directors, managing the Policies for the Disclosure of Material Act of Fact, and for the Trading of Securities Issued by Itaúsa. Its scope covers a range of internal actions aimed at improving the flows of information and ensuring the ethical conduct of management members and employees who are signatories to these policies. This statutory committee is composed of at least two and no more than ten professionals annually appointed by the Board of Directors and it meets on a quarterly basis or whenever called by the Investor Relations Officer. Currently, it is composed of the Board members Alfredo Egydio Setubal, Henri Penchas, Ricardo Egydio Setubal and Rodolfo Villela Marino.

CONFLICTS OF INTERESTS **|GRI G4-41|**

A Stockholders' Agreement describes the rules and the exercise of power, regulates the stock trading transactions and the right of first refusal, at the controlling group level, and ensures conditions of balance and exercise of power to ensure the continuity of the businesses by respecting all stakeholders. In order to avoid conflicts of interests between the Villela and Setubal groups, the members of the Conglomerate's founding family, the Stockholders' Agreement aims at ensuring the transparency of their actions in the

management of the main strategic issues of the holding company. (For further information, see the Reference Form on the website www.itausa.com.br.)

The Internal Regulation of the Board of Directors reaffirms that the mission of its members is to protect and value the Company's net worth and maximize, by means of the work of the Executive Board, the return on its investments. The rules for the identification and management of conflicts of interests state that members of the Board of Directors shall not take part in resolutions on issues related to which their interests may conflict with those of the Company. Additionally, as a holding company, Itaúsa holds a controlling interest in several operating companies, which have their own rules for the identification and management of conflicts of interests.

MANAGEMENT

Management of the economic aspects is monitored by senior management and the related activities are submitted to the approval of the Board of Directors. Management of the social and environmental aspects, in its turn, is assigned to the professionals of each subsidiary, who are responsible for defining monitoring processes and performance evaluation. **|GRI G4-35, G4-36|**

For the professional development of its members, economists are invited to the Board of Directors' meetings to lecture on the prospects of the Brazilian economy. The social and environmental topics are analyzed in the Ethics, Disclosure and Trading Committee's meetings, including: performance of the Dow Jones Sustainability Index (DJSI), the Corporate Sustainability Index (ISE) and the Carbon Disclosure Project (CDP), as well as an analysis of the points to be developed. **|GRI G4-43|**

Itaúsa recommends its subsidiaries to adopt the self-assessment process of the Board of Directors. It is also considering the adoption of this procedure for its Board, which is composed of members in common with the subsidiaries. (For further information, see the Reference Forms of the subsidiaries) **|GRI G4-44|**

COMMITTEES

Three committees were created in 2015 to support the Executive Board in managing highly relevant topics for Itaúsa's performance. The committees are composed of members of the Board of Directors and Executive Board, who invite representatives of the companies to the meetings.

Personnel Committee – The Committee meets on a monthly basis to discuss and determine topics related to people management, such as training and development, compensation, internal policies and work environment.

Sustainability and Risk Committee – The Committee meets on a half-yearly basis to evaluate contingencies, risks and opportunities of the Conglomerate. **|GRI G4-2|**

Strategy and Investment Committee – It assesses the strategic drivers of the companies that are part of Itaúsa and the investment plans.

COMPENSATION

The purposes of Itaúsa's compensation policy, as well as of the subsidiaries' compensation policy, are to attract, reward, retain and stimulate managers to ensure sustainable results and create value to stockholders. Therefore, it considers the values adopted by the market, the Company's strategy and risk management. The general compensation parameters are set forth in the By-laws.

The annual compensation of the members of the Board of Directors and Executive Board is composed of monthly fixed fees, short-term variable compensation (profit sharing) and a benefit plan. It is resolved by the Annual General Stockholders' Meeting, which also stipulates the monthly fixed fees of the members of the Fiscal Council, which aims at rewarding the importance and responsibility required by the positions. The short-term variable compensation, which is semiannual, compensates the management members in accordance with their contribution to the achievement and surpassing of the previously established targets. **|GRI G4-51, G4-52|**

In addition, criticisms and suggestions of stakeholders on the compensation policy are taken into account and submitted to the Ethics, Disclosure and Trading Committee through a channel that ensures their right to anonymity and protection, and forwarded to the Board of Directors. **|GRI G4-53|**

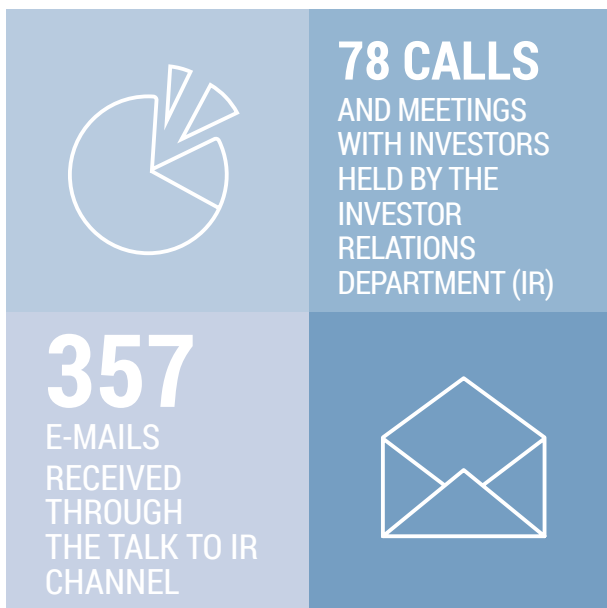
POLICIES

Itaúsa has a Disclosure Policy that determines the procedures for disseminating information on material acts or facts and ensuring the confidentiality of the information that is not yet public, in order to promote transparency with its stakeholders and the capital market culture.

For the trading of marketable securities issued by the holding company, the Company has a Trading Policy in order to ensure transparency and prevent the use of privileged information.

Results, strategies and prospects are also discussed in annual public meetings in partnership with the Association of Capital Market Investment Analysts and Professionals (Apimec) that have been held for fifteen years. Annual teleconferences are also held, at the end of each year, to present and discuss on the results, strategies and prospects. The main topics that raised issues in 2015 were: investments, capital increase, impact of the economic scenario on business and stockholders' remuneration. **[GRI G4-49, G4-50]**

DISCLOSURE OF INFORMATION IN 2015



RISK MANAGEMENT

[GRI G4-DMA, G4-2, G4-45, G4-46, G4-47]

Risk management in Itaúsa maps the internal and external factors that may impact business and contribute to optimize the funds and support for deciding on the best investment opportunities. In 2015, in order to reinforce the model, a Sustainability and Risk Committee was created to support the Executive Board in identifying these aspects for the holding company and subsidiaries.

The Company maintains a series of actions to ensure the development and efficient conduction of its business strategies:

- Its Stockholders' Agreement, reaffirmed on May 13, 2014, establishes the indebtedness and risk policies of the holding company and its subsidiaries, delimiting the exposure levels in accordance with the stockholders' equities;
- It counts on a risk management control structure shared with Itaú Unibanco and in line with the best market practices;
- It shares the risk management structure with its subsidiaries in the industrial area, if necessary;
- It controls the credit, market, liquidity, operational and underwriting risks on a centralized basis by an independent unit, conducted by a vice-president who reports to the Chief Executive Officer and Board of Directors, that meets every quarter or whenever necessary;
- It determines, through committees and higher committees, the overall objectives expressed in targets and limits for the business units.

The control and capital management units support management by means of monitoring and risk and capital analysis processes. The subsidiaries in the industrial area, in turn, manage their risks on an ongoing basis, periodically assessing the management processes and compliance with the rules and policies approved by management and other bodies.

The operating structure and internal controls cause the risk management processes to pervade the entire institution and they are in line with the guidelines of the Board of Directors and the executives. *(For further details on risk factors and management processes, see the Reference Form on www.itausa.com.br and on the Investor Relations websites of the subsidiaries)*

ETHICAL BEHAVIOR

|GRI G4-DMA, G4-56, G4-57, G4-58|

Itaúsa's culture is defined by a set of ethical and technical values and principles that guides the Company and fosters its behavior over time. All the subsidiaries have Codes of Ethics and Conduct that describe their commitments and values and align their employees with four key ideas, which help explain the culture and identity of the corporate institutions, and they are: ethics, transparency, social function and sustainability. Approved in 2011, Itaúsa's Code of Ethics and Conduct mitigates the risk of the institution using means that are incompatible with their values and purposes. It is an instrument that preserves the good reputation of the company, as well as of its management members and partners.

The document provides for a formal commitment to the human and labor rights contained in the conventions of the United Nations (UN) and the International Labor Organization (ILO), such as combating degrading child, forced or slave labor, discrimination in all of its forms and corruption, among other things.

The members of the Board of Directors and Executive Board are responsible for ensuring that the Code of Ethics is respected and must promptly report knowledge of any violation of its principles and guidelines. The companies develop regular programs to disseminate the content of the document, which is subscribed by the employees and attached to contracts with suppliers.

The Ethics, Disclosure and Trading Committee, a body bound to the Board of Directors, is responsible for receiving and investigating notifications on possible ethical violations. The recommendations addressed by this Committee are reported to the Board of Directors. Additionally, the companies maintain ethics channels, ombudsman's offices and customer service centers to receive complaints and suggestions related to ethical issues and the impacts of the operations in relation to society, environment, labor practices and human rights.

The Ethics, Disclosure and Trading Committee is composed of at least two and no more than ten professionals annually appointed by the Board of Directors and it meets on a quarterly basis or whenever called by the Investor Relations Officer. The

Committee has a specific channel to receive reports, doubts and questions on interpretation, complaints, suggestions, etc.

In order to protect those who contact us against retaliation, the investigations of the facts are carried out on a professional, unbiased and secret basis. Anonymous contacts are also welcome. In 2015, no reports were recorded through this channel. Contacts can be made by telephone +55 11 3543-4444/4443, facsimile +55 11 3543- 4939 or e-mail carlos.zanelato@itausa.com.br. **|GRI G4-S05|**

CODES OF ETHICS AND CONDUCT DESCRIBE THE COMMITMENTS AND VALUES BASED ON FOUR KEY IDEAS WHICH HELP EXPLAIN THE CULTURE AND IDENTITY OF THE ITAÚSA COMPANIES: ETHICS, TRANSPARENCY, SOCIAL FUNCTION AND SUSTAINABILITY

CODE OF CONDUCT OF INVESTOR RELATIONS

In October 2014, Itaúsa made its Code of Conduct of Investor Relations available to the market. The purpose of this document is to detail the appropriate behavior of the Investor Relations professional in everyday different situations, and it is complementary to the standards already in force in the organization, such as the Code of Ethics and Policies for the Disclosure of Material Information, and for the Trading of Marketable Securities. All teams that operate, directly and indirectly, with the Investor Relations department, have adhered to the Code of Conduct.

06



STRATEGY AND
INVESTMENTS

Itaúsa determines, centralizes and aligns the vision for business development and management, as well as the corporate values that guide the companies' operations and financial strategies. At the same time, the holding company preserves the operational autonomy of each company, allowing for the adoption of specific strategies in accordance with the requirements of the related operational segments. **[GRI G4-DMA, G4-42]**

ITAÚ UNIBANCO

Itaú Unibanco's strategy is supported on five pillars:

1. Working with assets with lower risk profile (maintaining the quality of assets in the credit portfolio), both in products and client base;
2. Expanding its vocation as service provider, including the increase in social security products;
3. Discipline in the search for operational efficiency;
4. Expanding operations in Brazil and abroad;
5. Developing sound relationships with clients, based on their segmentation.

The bank's movements over the last few years were in line with this position, and were strengthened in 2015 with the following operations:

Merger of Itaú Chile with CorpBanca – In 2015, the merger was approved in Chile. Therefore, Itaú Unibanco obtained all regulatory authorizations in Brazil, Chile, Colombia and Panamá. The bank resulting from the merger will be named Itaú CorpBanca, will operate under the "Itaú" brand and will be controlled by Itaú Unibanco through an ownership interest of 33.58% in its capital. The consummation of the merger occurred on April 1, 2016 and will bring the following benefits to the stockholders of Banco Itaú Chile and CorpBanca:

- Creation of one of the soundest financial institutions in Latin America;
- Larger customer service network;
- Lower funding costs and increased capability to leverage Tier I capital ; and
- Synergies of operating costs.

This operation consolidates Itaú Unibanco's strategy of expanding its presence in Latin America, putting the bank in a prominent position in Chile and Colombia, and diversifying its activities in the region.

ConectCar – In October, Rede entered into an Agreement for the Purchase and Sale of Shares and Other Covenants In October 2015, through which it agreed to acquire 50% of the capital of ConectCar Soluções de Mobilidade Eletrônica S.A., by paying R\$170 million. The remaining 50% of ConectCar's capital will be held by Ipiranga Produtos de Petróleo S.A., a company controlled by Ultrapar Participações S.A. The operation was approved by the Brazilian antitrust agency (Cade) and by the Central Bank at the end of 2015.

Recovery – In December, Itaú Unibanco entered into an agreement with Banco BTG Pactual S.A. through which it agreed to acquire 81.94% of ownership interest in the capital of Recovery do Brasil Consultoria S.A., corresponding to BTG's total ownership interest in Recovery. After obtaining regulatory and governmental authorizations and complying with certain suspension conditions, it will pay R\$640 million to BTG by said interest.

Together with the acquisition of the ownership interest in Recovery's capital, it agreed to acquire approximately 70% of a portfolio of R\$38 billion in credit rights related to portfolio recovery activities, resulting from credits arising mainly from certain market banks. Subject to the same conditions precedent for acquiring the ownership interest in Recovery's capital, Itaú Unibanco will pay R\$570 million to BTG to take part in that portfolio.

In March 2016, the operation for acquisition of an 89.08% ownership in Recovery's capital was completed, of which 81.94% from Banco BTG and 7.14% from other stockholder, and approximately 70% of a portfolio of R\$38 billion (face value) in credit rights held by BTG.

DISCIPLINE IN COST MANAGEMENT AND OPERATING EFFICIENCY GAINS DRAW THE ATTENTION OF ITAÚSA CONGLOMERATE IN BUSINESS MANAGEMENT IN 2015

DURATEX

With a time horizon of five years, the company's strategic planning, named Duratex 2020, is structured in three axes: increase in sales in the foreign market (export); organic growth through the expansion of production capacity and acquisition of new business, identifying opportunities in related industries, such as showers and others.

Additionally, the main in-house projects – Base-Zero Budget (OBZ), Duratex Management System, IT Logistics and Development TI – are priorities in Duratex strategy for economy and efficiency gains. Duratex Management System (SGD), the main project developed in 2015, was started with the mapping of opportunities for efficiency gains, based on the analysis of activities and processes.

In line with the first strategic axis, the company posted a 48% increase in net revenue from exports. The performance reflects both the presence in Colombia, with the acquisition of Tablemac in 2014, and improvements in the product portfolio, logistics operations, production equipment and technology to meet the demand in each region or country.

In the pillar of new business in related industries, the acquisition of Corona, in 2015, ranked Duratex as the second in the electric shower segment, with capacity to meet up to 30% of the market. The business supplements the movement started in 2012 with the merger of manufacturer of electronic showers – Theromosystem – currently Hydra, and the copper valve manufacturer Mipel, from Lupatech.

In the scope of organic growth, one of the largest investments planned in Duratex 2020, is the installation of a new production unit of MDP (Medium Density Particle Board) and MDF (Medium Density Fiber Board) panels in the Triângulo Mineiro region. This project, as well as all investments to increase production capacity, has been postponed, due to the downturn in the economic scenario.

In 2015, Duratex's investments totaled R\$576.2 million, of which R\$116.2 million in the acquisition of Corona and R\$178 million for planting and protecting forest areas. Duratex forecasts to invest R\$420 million in 2016, focused on maintaining plants and protecting forests.

ELEKEIROZ

Elekeiroz focus its activities in three strategic purposes: becoming a solution provider, in which being innovative and market-oriented are now key factors in sustainable generation of value; searching for competitiveness taking advantage of Brazil's privileged access to natural resources to develop renewable chemistry; and maximizing efficiency to generate and consume energy, considering the current and future context of the Brazilian energy matrix, as well as water resources.

In 2015, Elekeiroz invested R\$82.8 million, with the highest volume of funds allocated to the completion of the project for interconnecting and adapting the industrial gases plant (PGE) to the Company's complex in Camaçari (State of Bahia) and to increase the production capacity of sulfuric acid in Várzea Paulista (State of São Paulo). The investment in Camaçari assures the supply of important input in competitive conditions, thus expanding the product offer in the local market.

In February 2016, the company announced the organization of a joint venture with Nexoleum, to manufacture plasticizers of vegetal origin patented in Brazil and to be sold in significant regions, such as the United States and Europe. With innovative technology, "green" plasticizers replace, with equal or even higher performance, fossil-based traditional plasticizers in a number of applications. The agreement sets forth the construction of an industrial unit in Várzea Paulista, with capacity for 24 thousand tons per year, and its start-up is scheduled for early 2017.

ITAUTEC

In a strategic repositioning process, Itautec has practically realized the remaining computer inventory designated for sale, so as to comply with the agreements entered into in previous periods. The Board of Directors approved the intent of exercising the sale option of the 30% interest we hold in Oki Brasil Indústria e Comércio de Produtos e Tecnologia em Automação S.A., which is scheduled for January 2017, as set forth in the Stockholders' Agreement.

INTANGIBLE ASSETS

BRANDS

Itaú Unibanco – Evaluated at R\$24.5 billion, the brand continues ranked first among the most valuable brands in the Brazilian market, in accordance with Interbrand, with a value higher than those of the last three years. The brand continued in the leadership for the 12th time, since the list was created in 2001. The survey analyzes the different ways a brand impacts an organization, from its influence on financial results to the satisfaction of clients' expectations.

Rede – 100% controlled by Itaú Unibanco, this is one of the two largest companies in the Brazilian market of electronic payment methods, responsible for capture, transmission, processing and financial settlement of debit and credit cards. In 2015, it was elected one of the 25 most valuable brands in Brazil in the survey conducted by Interbrand, evaluated at R\$430 million.

Deca – Duratex's brand for bathroom fixtures and fittings is the most remembered by consumers and the most recognized in the industry, particularly for its variety bold design and higher quality. In 2015, the company was granted the awards **Top 10** (Quality Category of *Anamaco* magazine award), **Top Brands 2015** and **Top Master** (*Projeto Design* magazine); **Outstanding Brands** (in *Hotelaria Profissional*, by publishing company *Nova Gestão – Hotelaria Profissional* magazine); **Healtharq** (most remembered finishing brand of the *Arquitetura da Saúde no Brasil* magazine, of the *Mídia* group); **Best in Show-Ceramics** of Brazil (*Revestir 2015*, by Apex Brasil).

Hydra|Corona – Both brands, which are synonyms in Brazil of the categories of flush valves and electric showers, are now presented together after the acquisition of Corona by Duratex, in the beginning of 2015. Hydra had already included showers, electric faucets and heaters in its portfolio, after the acquisition of ThermoSystem in 2012. It is the only brand in the Brazilian market of electric showers and faucets that received the RA1000 seal, of the *Reclame Aqui* (complain here) website, granted to companies with excellent levels of customer service.

Durafloor – The brand of panels and wood floors was recognized in 2015 by the **Top Marcas 2015** award (as the main supplier of floors in Brazil, an initiative of *Projeto e Design* magazine and Arcoweb portal, which identifies the brands consolidated in the memory of the publication's readers) and **Top Móbile** (most recognized brand of wood panel for the eight consecutive time, an award for those brands that don't get out of the minds of manufacturers of decorative furniture and industry suppliers).

Ekflex – Elekeiroz's plasticizers line, characterized by high performance level and application versatility.

ITAÚ UNIBANCO IS THE MOST VALUABLE BRAND, VALUED AT R\$24.5 BILLION IN 2015, ACCORDING TO THE INTERNATIONAL CONSULTING COMPANY INTERBRAND

PRESENCE IN THE MARKET

Itaú Unibanco is the largest private bank in the Brazilian market, with total assets of R\$1,276.4 billion, present in all states of Brazil and also in 18 countries, with 4,891 branches and banking service centers and 26,412 ATMs at the end of 2015. It closed the year as leader of the domestic market in amounts transacted in credit cards and payroll loans and mortgage loans among private banks. With Itaú CorpBanca, it offers an extensive banking network, with 217 branches in Chile and 172 in Colombia.

Duratex is the largest manufacturer of industrialized wood panels, and floors, bathroom fixtures and fittings of the South Hemisphere, and leader in the Brazilian market, with Durafloor, Duratex, Deca and Hydra brands. Duratex is also among the ten largest global companies in the industries it operates. It maintains 15 industrial units strategically located in the states of Minas Gerais, Paraíba, Pernambuco, Rio Grande do Sul, Rio de Janeiro, Sergipe, Santa Catarina and São Paulo, in addition to three panel plants in Colômbia, by means of its ownership interest of 80% in Tablemac.

In the chemical area, Elekeiroz is the South American leader in certain market segments, such as oxo-alcohols (applied, for example, in solvents in the paint industry), plasticizers (use in a number of plastic materials, such as PVC), organic anhydrides (used in the manufacturing of alkyd resins and unsaturated polyester) and butyric acid (use includes flavoring in industrialized food and fragrances for personal care and home industries) and fumaric (applications in pharmaceutical and food industries).

TECHNOLOGY AND INNOVATION

Two subsidiaries of Itaúsa, Itaú Unibanco and Duratex, are included in the ranking of the 100 most innovative companies in Brazil in 2015, prepared by *Valor Econômico* newspaper and Strategy& consulting company, responsible for one of the most important global studies on the topic.

ITAÚ UNIBANCO

By understanding that innovation should be found everywhere inside the bank, Itaú Unibanco was evaluated as the most innovative company in the financial services industry and one of the top ten in Brazil. The position was achieved because technology and business areas work together, in multidisciplinary teams, to ensure the best services to clients.

An important factor was the opening of the new data center, in March 2015, which will increase by 25 times the capacity to process and store the bank's operations, in addition to permitting the reduction of energy consumption by 43% in relation to current use. Located in the countryside of the state of São Paulo, the technology center was designed to support the growth and high performance of operations until 2050.

Investments in technology also go beyond the bank's business. In 2015, in partnership with Redpoint e.ventures, it launched Cubo, which consists in a large development center for technological entrepreneurship, to disseminate innovative and transforming initiatives.

In that year, 67% of the transactions carried out in the bank were originated from digital channels. As a reflex of the presence in social media, the bank continues as the largest channel of brand videos on Youtube in Brazil and the world's biggest one in the financial segment, reaching over 192 million views by December 31, 2015. With 7.2 million fans on Facebook, it has the largest community among all the world's banks and has one of the 15 biggest communities among the Brazilian brands, according to SocialBakers.

DURATEX

In Duratex, innovation and technology area also allied in the search for sustainable growth. To offer differentiated

products at competitive prices, it invests in research and development of products and solutions that make its operation more competitive. Technological improvement is constant in industrial processes, combining development of innovative products, increased productivity and reduced environmental impacts. The industrial complex is equipped with machinery, state-of-the-art software and hardware and robotized processes.

One of the main efforts of Duratex is the development of innovative products with the latest technology, to meet the end consumers' main demands and needs. In this category, noteworthy are Deca division's over 350 products with solutions to save water, and the MDF Fire wood panel, with advanced technology that prevents and slows the spread of flames. Duratex also invests in the continuous innovation in the design of its products, particularly Deca's fixtures and fittings.

ELEKEIROZ

As innovation is one of the vectors of the business plan, Elekeiroz promoted, in the last few years, a wide reorganization of the Research and Development area, so as to support the product renewal and portfolio diversification. Accordingly, it developed a new line of high performance non-phthalate plasticizers, following a global market trend. It also launched the butyric acid, a product that was totally imported by Brazil.

The relevance of the topic determines the existence of the Strategy and Innovation Committee, which monitors and analyzes the market and technology trends of the chemical industry in Brazil and in the world, being responsible for evaluating their impacts on business and identifying opportunities for acquisitions, mergers and development of products.

**ITAÚ UNIBANCO
AND DURATEX WERE
EVALUATED AMONG THE
100 MOST INNOVATIVE
COMPANIES IN BRAZIL, IN
THE RANKING PREPARED
BY *VALOR ECONÔMICO*
NEWSPAPER AND
STRATEGY& CONSULTING
COMPANY IN 2015**

RECOGNITIONS IN 2015

ITAÚ UNIBANCO

The Most Admired Companies in Brazil – Ranked first in "Retail Banking segment" in the 18th edition of the survey promoted by *Carta Capital* magazine. In the general classification, it reached the fifth position.

Aberje Award – Several acknowledgements were achieved in the 2015 edition of the Aberje award, of the Brazilian Association of Business Communication. In the national stage, the winning projects were "90 years of Itaú Unibanco", in the category "Historic Responsibility and Corporate Memory", and "Urban Mobility at Itaú: a cause beyond the orange bicycles", in the category "Communication and Relationship with Government Organizations". In the regional phase, noteworthy was the case "Graphic novel of memory – the history of 90 years of Itaú Unibanco told in a comics".

Advertiser of the Year – 2015 Caboré Award – Achievement, for the fifth time, of the award created in 1980 by *Meio & Mensagem* newspaper, continuing as the greatest winner in the category. This is considered the highest Brazilian advertising award. The prize recognizes the main professionals and companies that contributed to the development of the communication industry in Brazil.

DatacenterDynamics Awards – Best Transformation Project in a Data Center, with the case "Itaú Unibanco: Transforming a Data Center in a Power Density Environment". In its fifth edition in Brazil, the DatacenterDynamics Awards acknowledges innovation, leadership and differentiated way of thinking in the data center national industry.

Company Reporting IFRS Annual Report Benchmarking – For the third consecutive year, the bank led the ranking of the study named Company Reporting IFRS Annual Report Benchmarking, which analyzes on a technical, independent and in-depth basis, the financial statements disclosed by companies and their competitors. The report was outstanding due to the continuous presentation of financial information, in line with regulatory requirements, and which quality is considered higher when compared to local and international peers.

The Most Sustainable Financial Institution – In November 2015, it was elected by *Exame* magazine as the most sustainable financial institution of 2015. Also acknowledged as the outstanding company in the Human Rights category by virtue of the policy of respect for diversity and against discrimination in the work environment. This recognition is the most important for the industry in the Brazilian territory.

Most Sustainable Company – Recognition of the Most Sustainable Company of the year in the *Época 360° Award*, promoted by *Época Negócios* magazine, which assess the sustainable performance management of companies in Brazil. In the same month, it was outstanding among the companies that won the Euromoney Awards, one of the most important prizes of Europe, organized by *Euromoney* magazine, as an example of corporate and social responsibility in Latin America.

Brazil 2015 Innovation Award – Elected, July 2015, the innovative company in Brazil in the Financial Services segment. It was also in the ninth position in the general ranking of the study, which had the participation of 130 Brazilian companies with revenues exceeding R\$750 million and 5% participation of private capital. The ranking was prepared together with the Strategy & consulting company, which has published surveys on the topic for over ten years.

Brazilian Customer Satisfaction Index – In April 2015, the School of Communications and Arts of the University of São Paulo (USP) presented the result of the 2014 BCSI (Brazilian Customer Satisfaction Index) survey. Among retail banks, it was the most prestigious in the consumer's opinion. The evaluation was conducted through the ACSI (American Customer Satisfaction Index) methodology, which has been used in the United States for 21 years and applied in more than 15 countries.

The Most Valuable Brazilian Brands in 2015 (Interbrand) – With the brand valued at R\$24.5 billion, an amount higher than in the last three years, it was once again at the top of the Interbrand ranking that evaluated the Most Valuable Brazilian Brands of 2015. This was the 12th time that the brand was ranked first, since the list was created in 2001. The survey analyzes the different ways through which a brand impacts an organization, from its influence on financial results to the satisfaction of customers' expectations.

DURATEX

As Melhores da Dinheiro – Elected for the ninth time was the best company in the Construction Material and Decoration segment of the yearbook *As Melhores da Dinheiro 2015*, a special publication of *IstoÉ Dinheiro*. The yearbook evaluates five management criteria: financial sustainability, human resources, innovation and quality, social and environmental responsibility, and corporate governance.

Green Energy Seal – Recognition for using, in its operations, electric energy generated from biomass residue of sugarcane. Between May and November 2014, the company used this type of energy in the plants in Agudos, Botucatu, Itapetininga and Taquari. The Green Seal is the result of the Cooperation Agreement entered into by the Union of Sugarcane Industry (Unica) and the Electric Energy Trading Chamber (CCEE).

Industry Mover – included in the 2015 Sustainability Yearbook, organized by RobecoSAM. Only 12 Brazilian companies were listed in the publication. It was also

awarded in the Industry Mover category and received the Bronze seal, recognition of the companies that significantly improved their performance in sustainability as compared with the previous year.

LIDE Entrepreneurship Award – Awarded in the category Entrepreneurial Company in Sustainability, in recognition for its sustainable projects and initiatives. The LIDE Entrepreneurship Award certifies companies and personalities that stood out in the area during the year.

As Melhores da Dinheiro – Duratex Florestal was the winner in the category Direct Agribusiness Middle-Market Companies for the best Corporate Management, in the award *As Melhores da Dinheiro Rural 2015* magazine.

Healtharq Award – The most remembered finishing brand of Arquitetura da Saúde in Brazil, of the Media group.

Outstanding Brands – Winner in the category Professional Hospitality Outstanding Brands 2015, by Editora Nova Gestão – *Hotelaria Profissional* magazine, in Sanitary Fixtures and Fittings.

Top 10 – Ranked first in the award of *Anamaco* magazine, in the Quality category.

Projeto Design – Winner of the Top Marcas 2015 Award by *Projeto Design* magazine in the category Fixtures and Fittings and also as Top Master (most remembered brand).

Revestir 2015 – The best in the category Fixtures, ceramics and sink bowls, with the bowl L.131.C, in the award Best in Show–Ceramics of Brazil – *Revestir 2015*, by Apex Brasil.

07



ECONOMIC
PERFORMANCE

MARKET CONTEXT

In 2015, Brazil experienced an adverse scenario, which increased the economic stagnation of the previous year, as a result of macroeconomic conditions and unfavorable policies in the domestic environment. Additionally, these factors were driven by lower commodity prices in the foreign market and slowdown in the growth of the Chinese economy.

Developed countries continued to recover in 2015, in spite of some slowdown in the fourth quarter. In the United States, the GDP increased 2.4%. The unemployment rate dropped to 5.0% from the 5.7% observed at the end of 2014. In the Euro zone, the accumulated growth in the four quarters ended September was 1.3%, with an increase in employment rates.

As the activity in the domestic market slowed down, GDP reduced 3.8% in 2015, according to the Brazilian Institute of Geography and Statistics (IBGE). The unemployment rate reached 6.9% in December 2015 when compared to 4.3% of the same month of the previous year, and the average real income decreased 3.7%, the first drop since 2004, according to IBGE. Inflation totaled 10.67% in 2015. The Central Bank raised interest rates to 14.25% in July, which was maintained stable over the year. In 2014, the Selic interest rate was 11.8% at the end of the year. The consolidated primary deficit of the public sector reached a record R\$111.2 billion, or 1.88% of GDP (0.57% in December 2015). The current account deficit, in turn, decreased due to the depreciated exchange rate and reduced economic activities. The foreign account deficit decreased from 4.3% of GDP in 2014 to 3.3% of GDP in 2015. The U.S. dollar appreciated 47% in relation to the Brazilian real, and reached R\$3.90 at the end of the year. International reserves totaled US\$370 billion.

Business were directly impacted by this scenario, resulting in a lower growth in credit (6.2% in 12 months, when compared to 11.3% in 2014), and a decrease in the credit to GDP ratio from 54.3% to 53.7%. The default rate was 3.5%, a 70 basis point increase, and reached 4.3% in the individuals segment.

Retail sales decreased 4.3%, according to IBGE, with reductions of 17.8% in vehicles and 2.5% in supermarkets. In the segments in which Duratex operates, the Brazilian Tree Industry (IBA) recorded an 11.3% drop in the panel market and the Brazilian Construction Material Industry Association (Abramat) identified a reduction of 12,5% in the sector sales.

Data from the Brazilian Association of the Chemical Industry (Abiquim) showed that the domestic demand for chemical products, measured by the national apparent consumption, dropped 6.8% from 2014. The depreciation of the Brazilian real and the slowdown of the internal activities caused the volume of imports to decrease 21.6% and of domestic sales to decrease 5.4%. Exports grew 10.6%, due to the foreign exchange and the effort of the chemical industries to maintain production levels.

BUSINESS WERE DIRECTLY IMPACTED BY THE ADVERSE SCENARIO FACED BY BRAZIL IN 2015, WITH SLOWDOWN IN ECONOMIC ACTIVITY AND GROWTH IN INFLATION AND UNEMPLOYMENT RATES

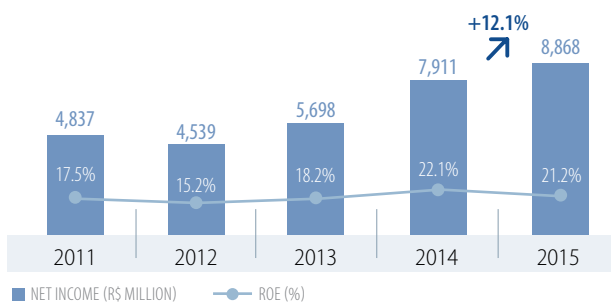
RESULTS

MAIN INDICATORS – ITAÚSA

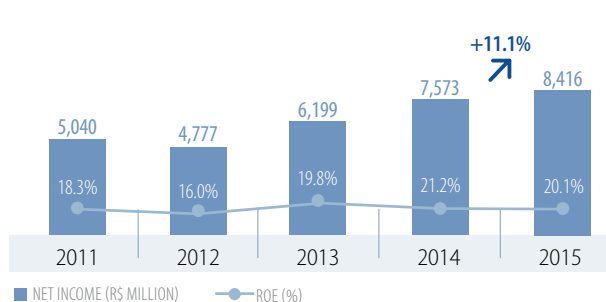
Focused on the creation of value and guided by ethics in business and appreciation of human capital, the operations of Itaúsa in 2015 were underpinned by its good performance. As a holding company, Itaúsa's results basically arise from the equity in the earnings of its subsidiaries.

Net income – Recurring individual net income reached R\$8,416 million in the 12 months of 2015, an increase of 11.1% when compared to the same period of 2014. This performance resulted in a recurring annualized return on average equity (ROE) of 20.1%. Net income was R\$8,868 million and the return on average equity was 21.2%.

INDIVIDUAL NET INCOME AND RETURN ON AVERAGE EQUITY (ROE)



RECURRING INDIVIDUAL NET INCOME AND RETURN ON AVERAGE EQUITY (ROE)



EQUITY IN THE EARNINGS OF SUBSIDIARIES BY AREA

(R\$ Million)

| | 2015 | % | 2014 | % | Increase (%) |
|--|-------|-------|-------|--------|--------------|
| Financial Services Area | 8,482 | 99.8% | 7,696 | 99.2% | 10.2% |
| Industrial Area | 16 | 0.2% | 61 | 0.8% | -73.8% |
| Duratex | 76 | 0.9% | 125 | 1.6% | -39.2% |
| Elekeiroz | (29) | -0.3% | (19) | -0.2% | 52.6% |
| Itautec | (31) | -0.4% | (45) | -0.6% | -31.1% |
| Other | - | 0.0% | 2 | 0.0% | - |
| Total recurring equity in the earnings of subsidiaries | 8,498 | 100% | 7,759 | 100.0% | 9.5% |
| Itaúsa's own net income (loss) | (82) | | (186) | | -55.9% |
| Recurring net income | 8,416 | | 7,573 | | 11.1% |
| Non-recurring net income (loss) | 452 | | 338 | | 33.7% |
| Net income | 8,868 | | 7,911 | | 12.1% |

General and Administrative Expenses – These expenses totaled R\$40.0 million in 2015, 17.6% higher than in 2014. As a proportion of net income, general and administrative expenses were 0.45% in 2015, whereas in 2014 they were 0.43%.

Financial Income/Expenses – In 2015, Itaúsa recorded positive net financial result of R\$98.0 million, a 44.1% increase from 2014, mainly due to the return on financial investments.

Tax Expenses – In the year, tax expenses totaled R\$227.0 million. These expenses are mainly comprised of PIS and Cofins (9.25%) on financial

income and revenues from interest on capital received and receivable from investees.

Liquidity – Total cash, cash equivalents and held-for-trading financial assets reached R\$1.1 billion in the end of December 2015, an increase of 16.2% when compared to 2014, which indicates a sound liquidity position.

The Company's indebtedness on December 31, 2015 was 4.6% based on the ratio of current and non-current liabilities to total assets and, out of the total liabilities of R\$2.2 billion, R\$1.4 billion refers to dividends and interest on capital payable.

MAIN INDICATORS PER SHARE |GRI G4-9|

| Indicators per shares – in R\$ | 12/31/2015 | 12/31/2014 ¹ | 12/31/2013 ¹ | Variation 2014-2015 (%) |
|--|------------|-------------------------|-------------------------|-------------------------|
| Net income of the parent company | 1.31 | 1.18 | 0.87 | 11.2% |
| Recurring net income of the parent company | 1.25 | 1.13 | 0.95 | 10.2% |
| Book value of the parent company | 6.64 | 5.85 | 5.01 | 13.6% |
| Dividends/Interest on capital net of income tax | 0.40 | 0.36 | 0.28 | 10.7% |
| Preferred share price ² | 6.89 | 8.58 | 7.36 | -19.7% |
| Market capitalization ³ (R\$ million) | 46,539 | 57,585 | 48,744 | -19.2% |

1. Data published in the Annual Report 2014 and 2013 was adjusted for better comparability. |GRI G4-22|

2. Average price of preferred shares on the last day of the period.

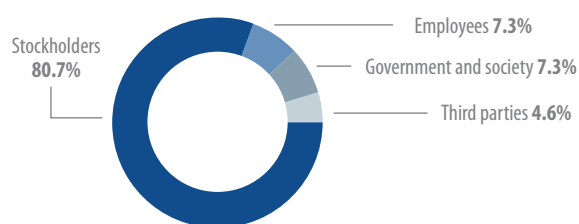
3. Calculated based on the average price of preferred shares on the last day of the period (average price of preferred shares multiplied by the number of outstanding shares at the end of the period).

Note: The number of outstanding shares and the share price of 2013 and 2014 were adjusted to reflect the share bonus of the period.

CONSOLIDATED VALUE ADDED

Itaúsa's consolidated value added amounted to R\$11,140 million, compared with R\$10,270 million in 2014, an increase of 8.5%, and was distributed as follows: 7.3% for personnel; 7.3% for taxes and contributions; 4.6% as interest on third parties' capitals and 80.7% as interest on capital. **|GRI G4-EC1|**

DISTRIBUTION OF CONSOLIDATED VALUE ADDED |GRI G4-EC1|



DISTRIBUTION OF CONSOLIDATED VALUE ADDED |GRI G4-EC1|

(R\$ million)

| | 2015 | 2014 ¹ | Increase (%) |
|--|---------------|-------------------|--------------|
| Revenues | 6,190 | 6,637 | -6.7% |
| Sales of products and services | 6,165 | 6,352 | -2.9% |
| Result of allowance for loan losses | (18) | (14) | 28.6% |
| Other revenues | 43 | 299 | -85.6% |
| Inputs acquired from third parties | (3,936) | (3,924) | 0.3% |
| Costs of products and services | (3,280) | (3,240) | 1.2% |
| Materials, energy, outsourced services and other | (645) | (674) | -4.3% |
| Other | (11) | (10) | 10.0% |
| Gross value added | 2,254 | 2,713 | -16.9% |
| Depreciation, amortization and depletion | (631) | (651) | -3.1% |
| Net value added produced | 1,623 | 2,062 | -21.3% |
| Value added received in transfer | 9,517 | 8,208 | 15.9% |
| Equity in the earnings of associates and joint-controlled entities | 9,057 | 7,908 | 14.5% |
| Financial income | 446 | 288 | 54.9% |
| Other revenues | 14 | 12 | 16.7% |
| Total undistributed value added | 11,140 | 10,270 | 8.5% |
| DISTRIBUTION OF VALUE ADDED | 11,140 | 10,270 | 8.5% |
| Personnel | 813 | 851 | -4.5% |
| Direct compensation | 650 | 696 | -6.6% |
| Benefits | 117 | 109 | 7.3% |
| Government Severance Pay Fund (FGTS) | 44 | 42 | 4.8% |
| Other | 2 | 4 | -50.0% |
| Taxes and contributions | 818 | 888 | -7.9% |
| Federal | 601 | 677 | -11.2% |
| State | 211 | 205 | 2.9% |
| Municipal | 6 | 6 | 0.0% |
| Interest on third parties' capital | 515 | 370 | 39.2% |
| Interest on capital | 8,994 | 8,161 | 10.2% |
| Dividends and interest on capital paid/provided for | 3,035 | 2,546 | 19.2% |
| Retained earnings for the period | 5,833 | 5,365 | 8.7% |
| Non-controlling interest on retained earnings | 126 | 250 | -49.6% |

1. Data published in the Annual Report 2014 was adjusted for better comparability. **|GRI G4-22|**

ITAÚ UNIBANCO HOLDING

Net income was R\$26,156 million, a 19.6% growth in relation to the previous year. Net income attributable to the controlling stockholders totaled R\$25,740 million in 2015, an increase of 19.4% from 2014, which resulted a return on average equity of 24.8% (24.3% in 2014). As an indicator of soundness of capital, the BIS ratio of the bank in the end of the year was 17.8%. This result is mainly due to the expansion of the business related to banking services (11.8% increase) and insurance (insurance, pension plan and capitalization operations), and the constant discipline in search of operating efficiency. Income from interest and earnings grew 23.0%. The 35% increase in losses on loans and claims is due to higher expenses for allowance for loan losses, whereas the increase of the Social Contribution tax rate represented a positive impact of R\$3.9 billion in the period.

Loans – In the year, the loan portfolio, including sureties and endorsements, increased 4.2%, and the highlight was the increase of 12.1% in payroll loans, of 19.5% in mortgage loans and of 34.9% in loan operations in Latin America. Loans to large companies were up 1.9% and to very small, small and middle-market companies decreased 1.8%. Total default rate (operations overdue for over 90 days) reached 3.5% in December 2015, a 40 basis point increase in relation to the end of 2014. For individuals, the ratio was 5.4% (70 basis points higher) and for companies 1.9% (20 basis points higher).

Asset management – Assets under administration totaled R\$473.1 billion, accounting for 15.9% of the market (ANBIMA ranking), an increase of 18.1% when compared to the previous year.

Custody and bookkeeping services – Assets under custody amounted to R\$1.0 trillion, according to the ANBIMA ranking in November 2015, a 5.6% growth from 2014.

Private Banking – The operations in the segment was acknowledged by the main publications in the private banking market as the best in Brazil, according to the *Global Finance*, *Euromoney* and *PWM/The Banker* magazines. Itaú Unibanco Holding was considered by the *Global Finance* magazine "Best Private Bank in Latin America" and was acknowledged "Outstanding Global Private Bank – Latin America" by the *Private Banker International* magazine.

Investment Banking – The Merger and Acquisition operation provided financial advisory on 54 transactions in Latin America, totaling US\$11.1 billion and topping the Thomson Reuters ranking. In local fixed income, it took part in transactions that totaled R\$14.2 billion in the period from January to November 2015, and originated US\$1.8 billion in international issues of fixed income of Latin American companies.

Electronic Payment Means – Itaú Unibanco Holding reached 4,028.1 million debit and credit card transactions, a 4.4% from the same period of the previous year. Credit card transactions amounted to R\$249.7 billion in the period from January to December, a 7.8% increase, accounting for 65.2% of total transactions arising from acquiring business.

Insurance – The gross total funding from pension plans totaled R\$20.5 billion in 2015, a 17.0% increase from 2014. Insurance operations (not considering the interest in Porto Seguro) increased 0.8%, and premiums earned dropped 6.4%, totaling R\$5.6 billion. In capitalization, we reached 14.0 million certificates in force at December 31, 2015, a reduction of 5.8% as compared to the previous year.

DURATEX

Net revenues amounted to R\$3,963 million in 2015, a 0.5% reduction from 2014. The increase in exports combined with the positive performance of Tablemac (Colombia) allowed for an increase of 48.1% of the revenue from the domestic market, representing 15% of total revenue (10% in 2014). The Wood Division decreased 10.4% in volume sold and 1.7% in net revenues. In the Deca Division, the volume dropped 2.3% and net revenues increased 1.7%.

Adjusted recurring EBITDA was R\$836.7 million, a 12.1% reduction when compared to 2014, with a margin of 21.1%, lower than the 23.9% of 2014. Recurring net income in 2015 was R\$221.9 million, a drop of 38.2% mainly due to: statement of the maximum limit for interest on capital, with an additional value of R\$37.8 million, in order to generate income tax credit for the next years; non repetition of the positive effect of the biological assets in 2014, arising from the acquisition of forests and the increase in wood prices (September 2014); and increase in interest rates, which impacted net income by R\$22.5 million.

The Wood Division showed a 10.4% drop in volume in 2015 when compared to the performance in 2014. Nevertheless, exports, that have already significantly increased in volume, over 50% from 2014, are expected to maintain the growth pace in 2016, minimizing the decrease in consolidated volume.

In the year, Deca posted a 2.3% reduction in volume compared to 2014 (6.9% excluding Corona). The drop in volume was similar for each quarter of 2015, showing a downturn trend in the market due to the slowdown of the real estate sector and the impact of lower consumption on the economy in general.

ELEKEIROZ

Maintenance shut-offs in the synthesis gas, alcohols and phthalic anhydride plants in Camaçari and sulfur acid plant in Várzea Paulista affected the shipped volume decrease of 8% in 2015. Net revenues totaled R\$894.3 million, 4% lower than in 2014, decreases of 2% in the domestic market and of 24% in exports.

Accumulated gross profit for 2015 was 34% higher than in the previous year, mainly due to improvement and cost reduction projects completed in the first half and to better results in the third quarter of the year. The final result was net loss of R\$11.0 million, a decrease from the R\$32.3 million in 2014. EBITDA reached R\$45.5 million, considerably higher than the negative R\$6.7 million in 2014. At the end of 2015, net debt totaled R\$157.0 million, corresponding to 35% of stockholders' equity.

ITAUTEC

In 2015, Itautec realized practically all the remaining held-for-trading inventories and maintained the equipment warranty and maintenance contracts related to the Itautec/Infoway brand, without causing any inconvenience to its customers.

The consolidated net revenue from sales and services for 2015 was R\$28.4 million. Gross loss for the period amounted to R\$5.7 million and net loss in 2015 was R\$19.3 million.

MAIN INDICATORS OF THE COMPANIES*

(R\$ MILLION)

| | Year | Financial Services Area | Industrial Area | | | ITAÚSA CONSOLIDATED ¹ |
|--|------|-------------------------|-----------------|--------------|---------------|----------------------------------|
| | | Itaú Unibanco Holding | Duratex | Elekeiroz | Itautec | |
| Total Assets | 2015 | 1,276,415 | 9,008 | 763 | 219 | 54,830 |
| | 2014 | 1,127,203 | 8,797 | 703 | 290 | 48,594 |
| Operating Income ² | 2015 | 173,428 | 3,963 | 894 | 28 | 13,942 |
| | 2014 | 154,990 | 3,985 | 935 | 102 | 12,929 |
| Net Income | 2015 | 25,740 | 192 | (11) | (19) | 8,994 |
| | 2014 | 21,555 | 394 | (32) | (39) | 8,161 |
| Recurring Net Income | 2015 | 22,892 | 222 | (30) | (19) | 8,561 |
| | 2014 | 21,083 | 359 | (20) | (46) | 7,799 |
| Stockholders' Equity | 2015 | 112,252 | 4,616 | 455 | 77 | 47,871 |
| | 2014 | 99,260 | 4,609 | 465 | 109 | 42,239 |
| Annualized Return on Average Equity (%) ³ | 2015 | 24.8% | 4.1% | -2.4% | -21.1% | 20.0% |
| | 2014 | 24.3% | 8.7% | -6.6% | -28.9% | 21.1% |
| Recurring Annualized Return on Average Equity (%) ³ | 2015 | 22.0% | 4.8% | -6.5% | -21.1% | 19.1% |
| | 2014 | 23.8% | 7.9% | -4.1% | -34.2% | 20.1% |
| Internal Fund Raising ⁴ | 2015 | 56,881 | 919 | 31 | 1 | 932 |
| | 2014 | 58,231 | 1,030 | 16 | (65) | 1,105 |

1. Itaúsa Consolidated includes the consolidation of 100% of subsidiaries and presents amounts net of the eliminations from consolidation and of the unrealized results from intercompany transactions. The amounts for Itaú Unibanco were not consolidated and are now being accounted for under the equity method.

2. Operating Income by area of operation was obtained as follows:

- Itaú Unibanco Holding: Revenue from Interest and Investments, Dividend Income, Net Gains (Losses) on Investment Securities and Derivatives, Banking Service Fees, Revenue from Insurance, Pension Plan and Capitalization Operations before Expenses for Claims and Selling Expenses, and Other Income;

- Duratex, Elekeiroz and Itautec: Sales of Products and Services;

- Itaúsa Consolidated: Sales of Products and Services and Equity in the Earnings of Associates and Jointly-controlled Entities.

3. This represents the ratio between Net Income for the period and average equity ((Dec/2014 + March + June + Sept + Dec)/5).

4. Refers to funds provided by operations under the Statement of Cash Flows.

*Data published in the Annual Report 2014 was adjusted for better comparability. **[GRI G4-22]**

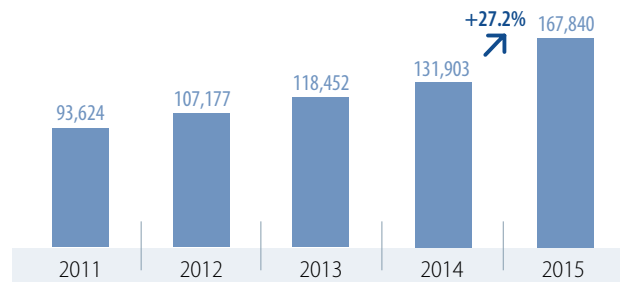
CAPITAL MARKETS

Itaúsa preferred shares (ITSA4 ticker symbol) were quoted at R\$6.88 at the end of 2015 on the São Paulo Stock Exchange (BM&FBOVESPA), a depreciation of 19.2% from the end of the previous year. In the same period, the main index of the São Paulo Stock Exchange, the Ibovespa, was 43,349, a 13.3% drop. Common shares (ITSA3) were traded at R\$7.03 at the end of the year, a 20.1% depreciation when compared to the end of the previous year.

In the 12 months of the year, the average daily financial volume traded was R\$167.9 million, with 7,325,000 transactions in the year. In 2014, the average daily financial volume traded was R\$131.9 million, with 5,689,000 transactions. The increase from one year to the other was 27.3% in volume and 28.8% in number of transactions.

Market capitalization, based on the price of the most liquid shares (ITSA4), was R\$46,539 million on December 31, 2015, whereas total market value of the sum of interests in subsidiaries reached R\$60,975 million.

AVERAGE DAILY FINANCIAL VOLUME (R\$ THOUSAND) (TRANSACTIONS ON BM&FBOVESPA)



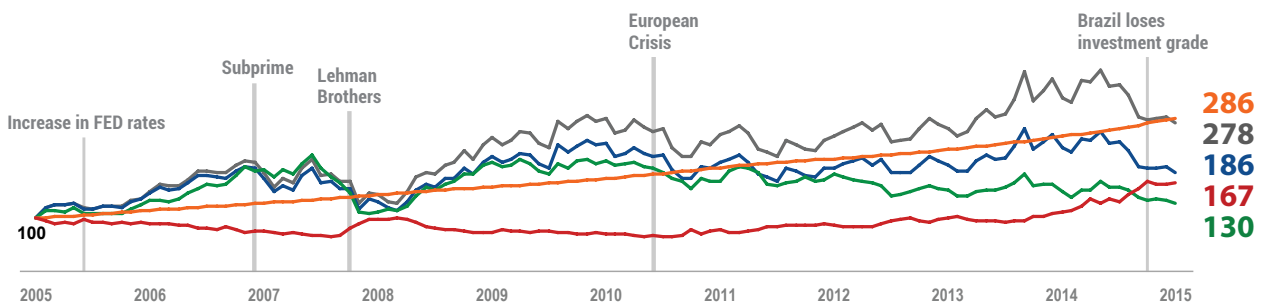
Appreciation – In the long-term prospect (ten years), Itaúsa shares appreciated above the return of Ibovespa and the U.S. dollar, both in the case with and without dividend reinvestment. The annual average appreciation, in Brazilian reais, of R\$100 invested on December 30, 2005, was 10.76% and 6.42%, respectively.

APPRECIATION OF PREFERRED SHARES

EVOLUTION OF R\$100 INVESTED ON DECEMBER 30, 2005 UNTIL DECEMBER 30, 2015
Annual Average in Brazilian Reais

| | Itaúsa(1) | Itaúsa(2) | Ibov.(3) | CDI(4) | U.S. dollar(5) |
|-----------|-----------|-----------|----------|--------|----------------|
| 10 years | 10.76% | 6.42% | 2.62% | 11.07% | 5.25% |
| 5 years | -0.62% | -4.97% | -8.96% | 10.39% | 18.57% |
| 12 months | -14.08% | -19.23% | -13.31% | 13.17% | 47.01% |

- (1) With reinvestment of dividends
- (2) Without reinvestment of dividends
- (3) Ibovespa
- (4) Interbank Deposit Certificate
- (5) USD



TRANSPARENCY

ON AUGUST 20, 2015, ITAÚSA HELD THE 15TH CONSECUTIVE ANNUAL PUBLIC MEETING WITH INVESTORS, ANALYSTS AND THE MARKET, IN PARTNERSHIP WITH THE ASSOCIATION OF CAPITAL MARKET INVESTMENT ANALYSTS AND PROFESSIONALS (APIMEC), TO PRESENT THE RESULTS OF THE CONGLOMERATE. THE EVENT, HELD IN SÃO PAULO, WAS FOLLOWED BY APPROXIMATELY 260 PARTICIPANTS AND LIVE BROADCASTED VIA INTERNET.

RETURN TO STOCKHOLDERS

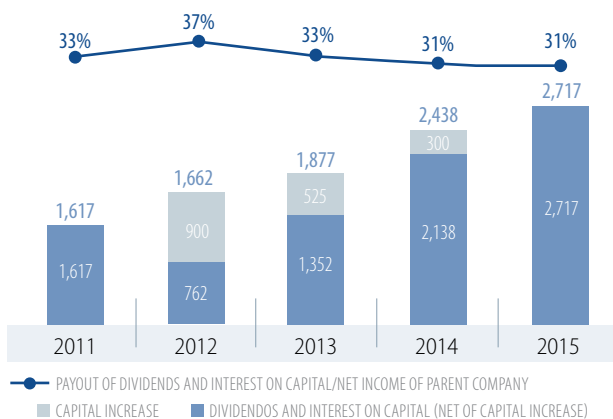
Based on the result obtained in 2015, stockholders' remuneration totaled R\$2,717 million in dividends/interest on capital, net of taxes. The payout (dividends and interest on capital/net income of the parent company) in 2015 was 31%, the same as in 2014.

At the end of December 2015, the return on investment in dividends/interest on capital (dividend yield) to stockholders was 4.82% in relation to the average price of the preferred share (ITSA4) in the year, net of taxes. The calculation considers total dividends/capital on interest distributed in the year and the 10% bonus approved on April 30, 2015.

Itaúsa's By-laws determines the distribution to stockholders of mandatory dividends equivalent to twenty-five percent (25%) of the net income computed in each year, adjusted by the addition or deduction of the amounts specified in letters "a" and "b" of Item I of Article 202 of Law No. 6,404/76 and in compliance with Items II and III of the same legal provision. The mandatory dividend has been distributed in four or more installments, quarterly or at shorter intervals throughout the year, and until the Annual General Stockholders' Meeting that approves the respective financial statements.

Based on a proposal from the Board of Directors, an additional dividend may be distributed as well as the mandatory dividend. Whenever justified, interim dividends may also be declared as provided for in Article 204 of Law No. 6,404/76.

STOCKHOLDERS' REMUNERATION

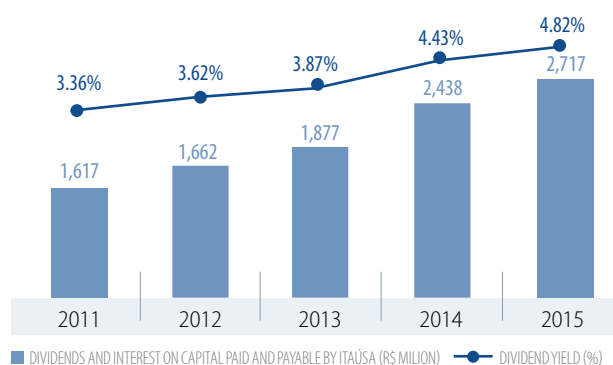


DIVIDENDS/INTEREST ON CAPITAL YEAR OF 2015

| Accrual | Payment date | Payment (R\$ per thousand shares) | |
|-------------------------------------|--------------|-----------------------------------|------------------|
| | | Par value | Net ¹ |
| Dividends – 4 th quarter | 04.01.2016 | 15.00 | 15.00 |
| Additional dividends | 02.29.2016 | 75.50 | 75.50 |
| Interest on capital | 02.29.2016 | 106.30 | 90.36 |
| Interest on capital | 02.29.2016 | 120.90 | 102.77 |
| Dividends – 3 rd quarter | 01.04.2016 | 15.00 | 15.00 |
| Dividends – 2 nd quarter | 10.01.2015 | 15.00 | 15.00 |
| Interest on capital | 08.25.2015 | 86.50 | 73.53 |
| Dividends – 1 st quarter | 07.01.2015 | 15.00 | 15.00 |

1. Retention of 15% income tax, except for stockholders that are proven immune or exempt.

RETURN ON INVESTMENT – DIVIDEND YIELD



■ DIVIDENDS AND INTEREST ON CAPITAL PAID AND PAYABLE BY ITAÚSA (R\$ MILLION) ● DIVIDEND YIELD (%)
 - Dividends and interest on capital net of income tax. Accrual basis of accounting.
 - Dividend Yield: Dividend/Net interest on capital per share related to the base year (x) – adjusted by bonuses, splits and reverse splits.
 Average price of preferred shares in the year adjusted by proceeds, except dividends: Dividend/Net interest on capital per share related to the base year (x).

REPURCHASE OF SHARES

In 2015, Itaúsa acquired^(a) the total of 4.6 million shares, 2.6 million of which are common shares and 2.0 million are preferred shares of own issue, in the total amount of R\$38.2 million. At the end of the year, the balance of treasury shares reached 2.1 million common shares and 2.0 million preferred shares.

In November 2015, Itaúsa's Board of Directors resolved to renew the Stock Repurchase Program and authorized

(a) All amounts were adjusted by 10% bonus in shares, as approved at the Annual General Stockholders' Meeting held on April 30, 2015. The new shares were credited to stockholders on May 8, 2015.

the acquisition of up to 25 million common shares and 50 million preferred shares of own issue. Acquisitions must be carried out in the 18-month period, until May 2017.

CAPITAL INCREASE

Itaúsa's capital stock was increased by R\$300 million in 2015, by means of private subscription of shares approved by the Board of Directors. The subscription price, R\$6.70 per common or preferred share, is based on the weighted average price of the preferred shares in the period from October 6, 2014 to February 2, 2015, adjusted by negative goodwill of 30%. The subscribed shares were credited to the stockholders' accounts on April 30, 2015.

As it happened in the last two years, the Annual General Stockholders' Meeting held in April 2015 approved 10% bonus in shares, through the capitalization of the revenue reserves, in the amount of R\$5.0 billion, granting to stockholders one (1) new share for each ten (10) shares of the same type held at the end of May 4, 2015. The cost attributed to the bonus shares was R\$8.137540972 per share, that impacted the average price of the stockholders' portfolio.

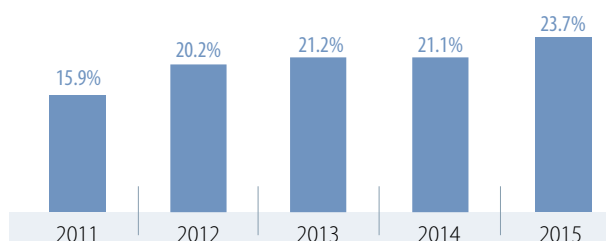
The same meeting resolved on the cancellation of 10,547,800 preferred book-entry shares of own issue held in treasury on March 31, 2015, 8,227,800 of which are common shares and 2,320,000 are preferred shares, acquired by R\$96.5 million.

ITAÚSA DISCOUNT

The discount is one of the indicators that are most used by analysts, stockholders and investors in the capital market to assess the investment in Itaúsa. It reflects the difference between the market value verified to the Company and the theoretical market value, which is obtained by adding up the parties that compose it.

On December 30, 2015, Itaúsa's shares were traded with a 23.67% discount in relation to the market value of the sum of its interests in the companies, as compared to a 21.13% discount at the end of 2014. The market value is calculated considering the price of the most liquid shares (average price on the last day of the period) multiplied by the number of outstanding shares.

ITAÚSA DISCOUNT HISTORY



CALCULATION OF THE DISCOUNT IN ITAÚSA SHARE PRICE ON 12/30/2015

| Listed Companies | Total Shares (thousand) (A) | Average Price of Most Liquid Share (R\$) (B) | Market Value of the Companies (R\$ million) (C) = (A) x (B) | Itaúsa's stake in the companies (%) (D) | Market Value of the Stake (R\$ million) (E) = (C) x (D) |
|--|-----------------------------|--|---|---|---|
| Itaú Unibanco Holding S.A. | 5,921,351 | 26.30 | 155,732 | 37.36% | 58,179 |
| Duratex S.A. | 663,080 | 5.92 | 3,925 | 35.53% | 1,395 |
| Itautec S.A. | 11,199 | 15.00 | 168 | 97.80% | 164 |
| Elekeiroz S.A. | 31,485 | 6.05 | 190 | 96.60% | 184 |
| Other Net Assets and Liabilities (F) | | | | | 1,053 |
| Market Value of the Sum of the Parts of Itaúsa on 12/30/2015 (G) | | | | | 60,975 |
| Market Value of Itaúsa on 12/30/2015 (H) | 6,754,643 | 6.89 | 46,539 | | 46,539 |
| Discount (%) (I) = (H)/(G)-1 | | | | | -23.67% |

Where:

- A. Total outstanding shares representing the capital stock of the listed companies (based on most recent financial statements for each company available on the CVM – Brazilian Securities and Exchange Commission website).
 B. The most liquid shares of Itaú Unibanco, Duratex, Itautec, Elekeiroz and Itaúsa are, respectively: ITUB4 (preferred), DTEX3 (common), ITEC3 (common), ELEK4 (preferred) and ITSA4 (preferred). Average prices for the last day of the period available from the BM&FBOVESPA website (www.bmfbovespa.com.br).
 C. Corresponds to the stock exchange value of the listed companies.
 D. Itaúsa's direct and indirect stake in the companies' total capital according to Note 2.4.a to the Financial Statements of Itaúsa, available on the website www.itausa.com.br.
 E. Market value, that is, the stake held by Itaúsa in each controlled listed company.
 F. Net value of other assets and liabilities. Individual balance sheet.
 G. Itaúsa's theoretical market value, calculated on the basis of the sum of the market value of the stakes held by Itaúsa in the listed companies.
 H. The effective market value, or in other word, the value calculated based on Itaúsa share price on the stock exchange.
 I. The resulting value of the discount. The discount is valid for the base date on which it was calculated, since it varies from day to day according to the variation in the prices of the listed companies.

08



SOCIAL AND
ENVIRONMENTAL
PERFORMANCE

The companies of the Itaúsa Conglomerate incorporate sustainability into business strategies, with social and environmental issues integrated into everyday operations. The vision makes these aspects as relevant as the economic ones in risk management and identification of opportunities to create shared value, development of people and the country and achievement of long-term results. **[GRI G4-DMA, G4-2]**

Actions take place in two clearly established fronts. One is directly linked to the business model, and it is expressed in policies and practices of relationship with employees, clients and stockholders, the society and suppliers, as well as in environmental management. The other is private social investment, supporting initiatives particularly in education, health, culture, sports, and urban mobility areas.

Itaúsa, Itaú Unibanco and Duratex are included in the most important sustainability indexes in the market, such as the Dow Jones Sustainability (DJSI) and the Corporate Sustainability Index (ISE), of BM&FBovespa (for further information, see chapter Profile). In 2015, Itaú Unibanco was also included in the Euronext Vigeo Sustainability Index – Emerging 70, selected among 900 companies in developing countries.

In the financial services area, Itaú Unibanco's activities are supported by three strategic focuses: financial education, dialogue and transparency and social and environmental risks and opportunities. In 2015, it revised the Policy for Sustainability and Social Environmental Responsibility based on criteria established in Resolution No. 4,327 of the Central Bank of Brazil. The regulatory demand was identified as an opportunity to improve the management processes of social and environmental risks in credit, investment and insurance operations that have been carried out for 15 years, in addition to identifying opportunities and strengthening volunteer commitments to sustainability previously assumed. The main progress was the inclusion of the topic in the bank's risk management on a more integrated way.

Noteworthy was also the launch of the papers "Social and Environmental Risks and Opportunities – the path of Itaú Unibanco" and "Choices and Money – A study on behavior and financial decisions". Both, in addition to reflecting the bank's position on these topics, since they are the result of a journey of activities with these themes, also strengthen future commitments through challenges and goals.

Because of this set of initiatives, the bank was considered the Most Sustainable Financial Institution in 2015, in the publication of *Exame* magazine, for the third consecutive year. It also stood out in the category Human Rights, as a recognition of the policy on respect to diversity and fight against discrimination in the work environment. Another important recognition was from *Yearbook Época 360°*, which elected Itaú Unibanco the company of the year, in 2015. In addition to the financial performance, the award analyzed HR practices, capacity to innovate, social and environmental responsibility, vision of future and corporate governance, which acknowledged Itaú Unibanco among the 250 best companies in Brazil.

In the industrial area, the sustainability strategy in business models is expressed mainly with initiatives in the environmental area. Accordingly, Duratex stood out as the first company in the forest sector in Latin America to get the certification Forest Stewardship Council® (FSC®), in 1995, a recognition of management based on the best social and environmental practices. At Elekeiroz, this commitment is indicated by adherence to the Responsible Action Program, of the Brazilian Chemical Industry Association (Abiquim), which stimulates the continuous improvement in health, safety and environment.

PEOPLE | GRI 4-DMA

Itaúsa and its subsidiaries directly employed 103 thousand* people at the end of 2015, including about 7.4 thousand employees in foreign units and 49 people dedicated to activities of Itaúsa itself. In compensation, social charges and benefits, the Conglomerate companies paid a total of R\$13.9 billion in the year.

O Itaú Unibanco achieved a number of acknowledgements in people management, being including in the following rankings: Best Companies to Work (third place in the survey by *Você S/A* and Fundação Instituto de Administração); The Best ones In People Management (*Valor Carreira* magazine and Aon consulting company), The Best Companies for Workers with Disabilities (Secretariat of the Rights of Persons with Disabilities, of the government of the State of São Paulo, and the Institute of Economic Research Foundation). The *Fale Francamente* (speak out) survey, which measures the employees' satisfaction, reached an index of 82% in Brazil and abroad, a growth of 2.0 percentage points in relation to 2014.

Itaú Unibanco invested more than R\$202.0 million in training programs, totaling about 1.5 million hours in the year. In the Career Opportunity Program (POC), that made openings available for internal movement between areas, 1,598 employees were allocated internally.

At Duratex, the main guidelines in people management area the recognition of employees for meritocracy and the construction of safe and motivating work environment. The Duraseg Program centralizes safety actions in operations, and supported by initiatives of the STOP Program (Safety Training by Observation), allowed to reduce by 31% the number of accidents as compared to the previous year. With the Somos Assim (we are like this) Program, the company made progress in strengthening and disseminating corporate culture and its Values. In 2015, seven units received the OHSAS 18001 certification for quality in health and safety management, recognition of the effort to improve this topic in business and operations.

*Not including Young Apprentices of Itaú Unibanco.

Elekeiroz underwent a transition in 2015, which covered from the product and solution portfolio to the way the company operates and works. To prepare and align the internal audience for this new reality, people management has prioritized the improvement of dialogue channels, with more integration among people an areas, in addition to training and development of leadership, and management by processes, following the Management Excellence Model (MEG), of the National Quality Foundation (FNQ), a entity to which the company became associated in 2015.

The company launched, in 2015, the e-learning project, offering programs such as the *Total Productive Maintenance* (TPM), Development of Leadership – Passion for performance and Six Sigma. The figure of the Business Partner, a Human Resources professional focused on supporting the business areas, was also established in 2015, when the Lunch with the Steering Committee was created to bring operating areas closer and to make dialogue easier between them and the company's executives.

Fale Francamente (speak out) Survey – A survey that measures the degree of employee satisfaction with the organizational environment and people management was conducted for the first time in 2015. All employees were invited to take part in the survey.

The results were disclosed to all managers that supported the action plans developed by focus groups, composed of employees of the company, with the main purpose of acting in relevant issues to build a healthy, participative and increasingly better work environment.

Further information on people management can be obtained in the companies' reports.

TOTAL EMPLOYEES UNDER THE CONSOLIDATION OF LABOR LAWS (CLT) – BRAZIL |GRI G4-10|

| Company/Region | 2015 | | | 2014 | | |
|----------------------------|---------------|---------------|-----------------------------------|---------------|---------------|-----------------------------------|
| | Own employees | | Outsourced employees ² | Own employees | | Outsourced employees ² |
| | Men | Women | | Men | Women | |
| SOUTHEAST | 34,631 | 41,101 | 35,874 | 34,380 | 40,387 | 25,466 |
| Itaú Unibanco ¹ | 27,945 | 40,091 | 32,958 | 26,840 | 39,280 | 22,630 |
| Duratex ³ | 6,360 | 919 | 2,752 | 7,164 | 1,001 | 2,690 |
| Elekeiroz | 282 | 71 | 164 | 320 | 78 | 144 |
| Itautec | 44 | 20 | 0 | 62 | 40 | 2 |
| SOUTH | 3,805 | 4,503 | 6,388 | 4,008 | 4,744 | 3,281 |
| Itaú Unibanco ¹ | 2,715 | 4,254 | 5,766 | 2,885 | 4,413 | 2,919 |
| Duratex ³ | 1,090 | 249 | 622 | 1,123 | 332 | 362 |
| NORTH | 399 | 677 | 754 | 429 | 710 | 503 |
| Itaú Unibanco ¹ | 399 | 677 | 754 | 429 | 710 | 503 |
| NORTHEAST | 3,011 | 2,674 | 4,674 | 3,159 | 2,752 | 2,939 |
| Itaú Unibanco ¹ | 1,593 | 2,594 | 4,341 | 1,674 | 2,672 | 2,428 |
| Duratex ³ | 1,161 | 47 | 178 | 1,207 | 43 | 185 |
| Elekeiroz | 257 | 33 | 155 | 278 | 37 | 326 |
| MIDWEST | 1,224 | 1,986 | 1,954 | 1,317 | 2,088 | 1,402 |
| Itaú Unibanco ¹ | 1,224 | 1,986 | 1,954 | 1,317 | 2,088 | 1,402 |
| TOTAL | 43,070 | 50,941 | 49,644 | 43,293 | 50,681 | 33,591 |
| GRAND TOTAL | 94,011 | | 49,644 | 93,974 | | 33,591 |

Note: It includes trainees as employees.

| Company | 2015 | | 2014 | |
|---------------|-----------|-----------|-----------|-----------|
| | Trainees | | Trainees | |
| | Men | Women | Men | Women |
| Itaú Unibanco | 74 | 24 | 32 | 21 |
| Duratex | 13 | 19 | 6 | 12 |
| Elekeiroz | 0 | 0 | 0 | 0 |
| Itautec | 0 | 0 | 0 | 0 |
| TOTAL | 87 | 43 | 38 | 33 |

| Company | 2015 | | 2014 | |
|---------------|-------------------|--------------|-------------------|--------------|
| | Young Apprentices | | Young Apprentices | |
| | Men | Women | Men | Women |
| Itaú Unibanco | 612 | 1,531 | 482 | 1,201 |
| Duratex | 181 | 62 | 191 | 70 |
| Elekeiroz | 13 | 2 | 11 | 0 |
| Itautec | 0 | 0 | 0 | 0 |
| TOTAL | 806 | 1,595 | 684 | 1,271 |

| Other types of agreements | 2015 | | 2014 | |
|---------------------------|--------------|--------------|--------------|--------------|
| | Interns | | Interns | |
| Company | Men | Women | Men | Women |
| Itaú Unibanco | 1,750 | 2,521 | 1,516 | 2,524 |
| Duratex | 34 | 23 | 34 | 35 |
| Elekeiroz | 15 | 5 | 14 | 7 |
| Itautec | 0 | 0 | 1 | 0 |
| TOTAL | 1,799 | 2,549 | 1,565 | 2,566 |

1. In 2015, there was an increase in the number of outsourced employees at Itaú Unibanco as compared to the previous year, due to a change in the methodology to gather information from the management areas, expanding the control over third parties hired for a number of operations. Additionally, Redecard's operation was included.
2. There is no control of outsourced employees by gender.
3. It does not include 922 employees of Corona.

SOCIETY | GRI G4-DMA | G4-EC7 | G4-EC8

Private social investments of Itaúsa Conglomerate are in line with the purpose of transforming the world for better, searching to stimulate the development of the communities in the areas it operates. The amounts allocated combine own funds and those arising from tax incentives, such as the Rouanet Law, Sports Incentive Law and Funds for Childhood and Adolescence (FIA), among others.

Itaú Unibanco applies its expertise and efficiency to business, in initiative mainly focused on the improvement of education, health, culture, sports and urban mobility. In 2015, investments totaled R\$566.3 million and were designated for 533 projects, most of them implemented by Fundação Itaú Social, Instituto Unibanco and Instituto Itaú Cultural.

In 2015, Duratex established three axes to act in its relationship with the community: professional qualification; education, research and environmental knowledge; and water management. The priority of the year was the first topic, with the expansion of the Formare Program, which offers professional education to young people in socially vulnerable situation. Three new schools were incorporated into the program, which was then developed in five units and benefited about 100 young people in the year. The courses are taught by Duratex's volunteer employees.

Elekeiroz strengthened its fight against sexual exploitation of children and adolescents on the Brazilian roads, as an ally of the World Childhood Foundation (WCF) Institute in the Mão Certa (in the right hands) Program. Other initiatives included:

- Volunteer actions, with donations of winter clothes and toys to charities;
- Portas Abertas (open doors) Program, that promotes periodical visits of students from universities and technical courses in chemical areas to industrial plants;
- Elekeiroz Comunidade (community): visit of students from high school Escola Estadual de Várzea Paulista, with the development of plans, by young people, with the theme "Elekeiroz 120 years of history, sustainability and innovation";
- Sponsorship of the event Citizenship Center, with health, education, culture, sports and leisure services in the city of Camaçari, State of Bahia (BA);
- Sponsorship of the project Empresas Amigas do Meio Ambiente (environmentally-friendly companies) of the city of Várzea Paulista, in partnership with the Brazilian Institute of Environment (Ibama), to promote, by means of an educational primer, the sustainable development of the community;
- Partnership with Cofic (private corporate association that represents the companies of the Industrial Center of Camaçari) in the Ver de Dentro (see from inside) Program which purpose is to maintain an open-door policy, bring neighboring communities closer and to promote the exchange of experiences with schools, universities and people interested in knowing Elekeiroz.

Further information on social projects can be obtained in the companies' reports.

ENVIRONMENT | GRI G4-DMA|

Focusing on ecoefficiency and minimizing environmental impacts, Itaúsa Conglomerate companies adopt the best practices in its operations. Accordingly, they privilege the efficient use of natural resources (water, raw materials and energy), the protection of biodiversity, the reduction of greenhouse gas emissions and less generation of waste, as well as proper disposal and reuse of effluents and discarded materials.

At Duratex, this topic is strategic and motivates an Economic Sensitivity Analysis project that analyzes five aspects (water, energy, emissions, effluents and waste) for assessment of risk scenarios for Duratex's operations in situations such as price increase or shortage of resources. Started as a pilot project for the energy aspect, the topic analyzed in 2015 was water.

The initiatives to improve the use of natural resources resulted in 7% water saving as compared to the previous year and a 17% increase in consumption of biomass to generate energy. This renewable source, with less greenhouse gas emissions than fossil fuels, accounted for 51% of Duratex's energy matrix.

In 2015, the company celebrated 20 years as the first one of the sector in Latin America to have its forest management certified by the Forest Stewardship Council® (FSC®) as environmentally correct, socially beneficial and economically feasible practices.

The companies assess, on a systematic basis, the impacts of climate changes, and Duratex, Elekeiroz and Itaú Unibanco make an annual inventory of emissions of greenhouse gases. At Duratex, rainfall and temperature variations have influence on forest productivity and aspects related to climate changes are assessed both from the point of view of risks and opportunities. **| GRI G4-EC2|**

At Itaú Unibanco, these issues are a variable analyzed in details in terms of investments, credit and insurance, and they lead to opportunities to develop new financial products. In 2015, Itaú Unibanco was recognized for the second consecutive time as one of the Brazilian companies Leaders in Transparency in the disclosure of atmospheric emissions, in accordance with the Carbon Disclosure Project (CDP). The project of the Effluent Treatment Plant of the Technology Center received the Brill Awards for Efficient IT, granted by Uptime Institute. The year was also marked by the opening of the Mogi Mirim Technology Center, in the State of São Paulo, a benchmark in innovation and use of alternative sources and ecoefficiency.

At Elekeiroz, all production lines are certified by ISO 9001. Additionally, the company takes part in the Responsible Care Program of the International Council of Chemical Association, managed in Brazil by Abiquim, an entity in which the company participates in several committees, aiming at the development and evolution of the chemical industry in Brazil.

In 2015, Elekeiroz created the Process Safety Area, which purpose is to carry studies in the existing units, assessing scenarios of control deviation in view of safety barriers installed. To minimize or eliminate the employees' exposure to risks related to health and safety, Elekeiroz adopts tools such as the Record of Behavioral Deviation, Unsafe Condition and Incident (RDCI), Behavioral Dialogue, Tree of Causes, Hazop (Hazard and Operability Studies) and Hierarchy Security Visits (VSH).

Further information on environment management and impact of climate changes can be obtained in the companies' reports.

09



GRI G4
SUMMARY

Comprehensive "In accordance" option |GRIG4-32|

GENERAL STANDARD DISCLOSURES

| General standard disclosures | Page | Omissions | External assurance |
|--|------------|-----------|--------------------|
| STRATEGY AND ANALYSIS | | | |
| G4-1 Statement by the organization's main decision maker (e.g. CEO, chairman of the board of directors or likewise) about the relevance of sustainability for the organization and its sustainability strategy | 6, 8 | - | Yes, page 60 |
| G4-2 Description of key impacts, risks and opportunities | 19, 20, 41 | - | Yes, page 60 |
| ORGANIZATIONAL PROFILE | | | |
| G4-3 Name of the organization | 10 | - | No |
| G4-4 Primary brands, products, and services | 10, 13, 14 | - | No |
| G4-5 Location of the organization's headquarters | 10 | - | No |
| G4-6 Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report | 10 | - | No |
| G4-7 Nature of ownership and legal form of the organization | 10, 15 | - | No |
| G4-8 Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries) | 11 | - | No |
| G4-9 Scale of the organization (total number of employees, total number of operations, net sales or net revenues, total capitalization broken down in terms of debt and equity, quantity of products or services provided) | 10, 11, 32 | - | No |
| G4-10 Total number of employees by employment contract and gender; total number of permanent employees by employment type and gender; total workforce by employees and supervised workers and by gender; total workforce by region and gender. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. Report any significant variations in employment numbers | 43 | - | Yes, page 60 |

GENERAL STANDARD DISCLOSURES

| General standard disclosures | Page | Omissions | External assurance |
|--|---|-----------|--------------------|
| ORGANIZATIONAL PROFILE | | | |
| G4-11 Total percentage of employees covered by collective bargaining agreements | The eligible employees of the Conglomerate are covered by collective bargaining agreements. In the relationship with the unions, the priority is to find creative solutions negotiated to minimize any differences and address issues that involve the employees. | - | Yes, page 60 |
| G4-12 Description of the organization's supply chain | Not applicable. Itaúsa is a holding company and does not have revenues from products and/or services. Therefore, there is no supply chain. | - | No |
| G4-13 Significant changes during the reporting period covered by the report regarding the organization's size, structure, ownership, or its supply chain, including changes in the location of, or changes in, operations, including facility openings, closings, and expansions; changes in the share capital structure and other capital formation, maintenance, and alteration operations, changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination | There were none. | - | No |
| G4-14 Report whether and how the precautionary approach or principle is addressed by the organization | Itaúsa and the companies of the Conglomerate apply this principle in the mapping and management of risks. | - | No |
| G4-15 Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses | The main commitments assumed by the subsidiaries include: United Nations Global Compact, Carbon Disclosure Project (CDP), Programa na Mão Certa (On the Right Track program) and Ethos Institute of Business and Social Responsibility, which are presented in detail in the reports of the companies. | - | Yes, page 60 |
| G4-16 Memberships of associations and national or international advocacy organizations in which the organization holds a position on the governance body; participates in projects or committees; provides substantive funding beyond routine membership dues; views membership as strategic | The companies actively participate in industry associations, including the Brazilian Federation of Banks (Febraban), Federation of Industries of the State of São Paulo (Fiesp) and the Brazilian Association of the Chemical Industry (Abiquim). Further information is presented in the individual reports. | - | Yes, page 60 |

GENERAL STANDARD DISCLOSURES

| General standard disclosures | Page | Omissions | External assurance |
|---|------------------|-----------|--------------------|
| IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES | | | |
| G4-17 Entities included in the organization's consolidated financial statements or equivalent documents. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report | 3 | - | No |
| G4-18 Process for defining the report content and the aspect boundaries. Explain how the organization has implemented the Reporting Principles for Defining Report Content | 4 | - | No |
| G4-19 Material aspects identified in the process for defining report content | 4 | - | No |
| G4-20 For each material aspect, report the aspect boundary within the organization, as follows: report whether the aspect is material within the organization; If the aspect is not material for all entities within the organization (as described in G4-17), select one of the following two approaches and report either: the list of entities or groups of entities included in G4-17 for which the aspect is not material or the list of entities or groups of entities for which the aspect is material. Report any specific limitation regarding the aspect boundary within the organization | 4 | - | No |
| G4-21 For each material aspect, report the aspect boundary outside the organization, as follows: report whether the aspect is material outside of the organization; If the aspect is material outside of the organization, identify the entities, groups of entities or elements for which the aspect is material. In addition, describe the geographical location where the aspect is material for the entities identified. Report any specific limitation regarding the aspect boundary outside the organization | 4 | - | No |
| G4-22 Effects of any restatements of information provided in previous reports, and the reasons for such restatements | 11, 32, 33, 36 | - | No |
| G4-23 Significant changes from previous reporting periods in the scope and aspect boundaries | There were none. | - | No |

GENERAL STANDARD DISCLOSURES

| General standard disclosures | Page | Omissions | External assurance |
|---|--|-----------|--------------------|
| STAKEHOLDER ENGAGEMENT | | | |
| G4-24 List of stakeholder groups engaged by the organization | 4 | - | No |
| G4-25 Basis for identification and selection of stakeholders with whom to engage | 3 | - | No |
| G4-26 The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process | There are specific relationship channels and engagement actions for each stakeholder group that are presented in detail in the reports of the companies. | | Yes, page 60 |
| G4-27 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns | 4 | - | No |
| REPORT PROFILE | | | |
| G4-28 Reporting period for information provided | 3 | - | No |
| G4-29 Date of most recent previous report | 2014. | | No |
| G4-30 Reporting cycle (such as annual, biennial) | 3 | - | No |
| G4-31 Contact point for questions regarding the report or its contents | 64 | - | No |
| G4-32 Report the 'in accordance' option the organization has chosen. Report the GRI Content Index for the chosen option. Report the reference to the External Assurance Report, if the report has been externally assured | 47 | - | No |
| G4-33 The organization's policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. Relationship between the organization and the assurance providers. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report | 3 | - | No |

GENERAL STANDARD DISCLOSURES

| General standard disclosures | Page | Omissions | External assurance |
|---|--------|---|--------------------|
| GOVERNANCE | | | |
| G4-34 Governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts | 17 | - | Yes, page 60 |
| G4-35 Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees | 19 | - | Yes, page 60 |
| G4-36 Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body | 19 | - | Yes, page 60 |
| G4-37 Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body | | A broad structured consultation is carried out as part of the process to prepare the Sustainability Report. The process involves the participation of the senior management. The most recent consultation was carried out in 2014. Additionally, general stockholders' meetings are arenas for assessment of such topics. | Yes, page 60 |
| G4-38 Composition of the highest governance body and its committees by executive or non-executive; independence; tenure on the members of the highest governance body; number of each individual's other significant positions and commitments, as well as the nature of the commitments (e.g., participation in other boards, committees, commissions, work groups); gender; membership of under-represented social groups; competences relating to economic, environmental and social impacts; and stakeholder representation | 17, 18 | - | Yes, page 60 |
| G4-39 Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement) | 18 | - | Yes, page 60 |
| G4-40 Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members, including whether and how diversity is considered; whether and how independence is considered; whether and how expertise and experience relating to economic, environmental and social topics are considered; whether and how stakeholders (including shareholders) are involved | 18 | - | Yes, page 60 |

GENERAL STANDARD DISCLOSURES

| General standard disclosures | Page | Omissions | External assurance |
|---|------|-----------|--------------------|
| GOVERNANCE | | | |
| G4-41 Processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders, including, as a minimum: cross-board membership (participation in other boards, participating, on a concurrent basis, in boards of officers and boards); significant cross-shareholding with suppliers and other stakeholders; existence of controlling shareholder and/or stockholders' agreement; related party disclosures | 18 | - | Yes, page 60 |
| G4-42 The highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts | 23 | - | Yes, page 60 |
| G4-43 Actions taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics | 19 | - | Yes, page 60 |
| G4-44 The processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment. Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice | 19 | - | Yes, page 60 |
| G4-45 The highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes. Report whether stakeholder consultation and relationship process is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities | 20 | - | Yes, page 60 |
| G4-46 The highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics | 20 | - | Yes, page 60 |
| G4-47 The frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities | 20 | - | Yes, page 60 |
| G4-48 The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material aspects are covered | CEO | | Yes, page 60 |

GENERAL STANDARD DISCLOSURES

| General standard disclosures | Page | Omissions | External assurance |
|---|------|---|--------------------|
| GOVERNANCE | | | |
| G4-49 The process for communicating critical concerns to the highest governance body | 21 | - | Yes, page 60 |
| G4-50 The nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them | 21 | - | Yes, page 60 |
| G4-51 The remuneration policies for the highest governance body and senior executives for the following types of remuneration: fixed pay and variable pay – performance-based pay; equity-based pay (stock or stock options); bonuses; deferred or vested shares; sign-on bonuses or recruitment incentive payments; termination payments; clawbacks; retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives | 20 | - | Yes, page 60 |
| G4-52 The process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization | 20 | - | Yes, page 60 |
| G4-53 How stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable | 20 | - | Yes, page 60 |
| G4-54 The ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country | | Itaúsa is a holding company and manages investments in its subsidiaries; therefore, it does not have employees. Each company has its own compensation policy, targets and measures. This information can also be checked in the respective reports of the subsidiaries. | No |
| G4-55 The ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country | | Itaúsa is a holding company and manages investments in its subsidiaries; therefore, it does not have employees. Each company has its own compensation policy, targets and measures. This information can also be checked in the respective reports of the subsidiaries. | No |

GENERAL STANDARD DISCLOSURES

| General standard disclosures | Page | Omissions | External assurance |
|---|------|-----------|--------------------|
| ETHICS AND INTEGRITY | | | |
| G4-56 The organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics | 22 | - | Yes, page 60 |
| G4-57 The internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines | 22 | - | Yes, page 60 |
| G4-58 The internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotline | 22 | - | Yes, page 60 |

SPECIFIC STANDARD DISCLOSURES

| Material aspects | Information on management approach and indicators | Page | Omissions | External assurance |
|-----------------------------|---|------------|---|--------------------|
| CATEGORY: ECONOMIC | | | | |
| ECONOMIC PERFORMANCE | G4-DMA Management approach | 18, 21, 24 | - | No |
| | G4-EC1 Direct economic value generated and distributed | 34 | - | Yes, page 60 |
| | G4-EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change | 46 | - | No |
| | G4-EC3 Coverage of the organization's defined benefit plan obligations | - | The standard disclosure or part of the standard disclosure is not applicable. Itaúsa is a holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. | No |

SPECIFIC STANDARD DISCLOSURES

| Material aspects | Information on management approach and indicators | Page | Omissions | External assurance |
|---------------------------|---|--|-----------|--------------------|
| CATEGORY: ECONOMIC | | | | |
| ECONOMIC PERFORMANCE | G4-EC4 Financial assistance received from government | Amounts refer to social investments subsidized, which, in Itaú Unibanco, totaled R\$206.2 million in 2015 (funds from the Rouanet Law and the Sports Incentive Law, among others). In Duratex the amount of R\$209 thousand refers to funds for projects "Água, Arte e Sustentabilidade" (water, arts and sustainability)", and the event "Natal Açoriano" (Açores-like Christmas time), in the municipality of Taquari, RS. | | No |
| INDIRECT ECONOMIC IMPACTS | G4-DMA Management approach | 42, 45 | - | No |
| | G4-EC7 Development and impact of investments in infrastructure and services offered | 45 | - | Yes, page 60 |
| | G4-EC8 Significant indirect economic impacts, including the extent of impacts | 45 | | Yes, page 60 |

| Material aspects | Information on management approach and indicators | Page | Omissions | External assurance |
|------------------------------------|---|---|-----------|--------------------|
| CATEGORY: ENVIRONMENTAL | | | | |
| COMPLIANCE | G4-DMA Management approach | 22, 46 | | No |
| | G4-EN29 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations | Information is presented in detail in the reports of the companies. | - | No |
| ENVIRONMENTAL GRIEVANCE MECHANISMS | G4-DMA Management approach | 22, 46 | - | No |
| | G4-EN34 Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms | Information is presented in detail in the reports of the companies. | | No |

SPECIFIC STANDARD DISCLOSURES

| Material aspects | Information on management approach and indicators | Page | Omissions | External assurance |
|---|---|------------|---|--------------------|
| CATEGORY: SOCIAL | | | | |
| SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK | | | | |
| LABOR PRACTICES GRIEVANCE MECHANISMS | G4-DMA Management approach | 21, 43 | | No |
| | G4-LA16 Number of labor practices grievances filed, addressed and resolved through formal grievance mechanisms | - | The standard disclosure or part of the standard disclosure is not applicable. Itaúsa is a holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. | No |
| SUB-CATEGORY: HUMAN RIGHTS | | | | |
| CHILD LABOR | G4-DMA Management approach | 22, 42, 43 | | No |
| | G4-HR5 Operations and suppliers identified as having significant risk for incidents of child labor, and actions taken to contribute to the effective abolition of child labor | - | The standard disclosure or part of the standard disclosure is not applicable. Itaúsa is a holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. | No |
| FORCED OR COMPULSORY LABOR | G4-DMA Management approach | 22, 42, 43 | | No |

SPECIFIC STANDARD DISCLOSURES

| Material aspects | Information on management approach and indicators | Page | Omissions | External assurance |
|---|---|---|---|--------------------|
| CATEGORY: SOCIAL | | | | |
| SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK | | | | |
| FORCED OR COMPULSORY WORK | G4-HR6 Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor | - | The standard disclosure or part of the standard disclosure is not applicable. Itaúsa is a holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. | No |
| HUMAN RIGHTS GRIEVANCE MECHANISMS | G4-DMA Management approach | 22, 43 | | No |
| | G4-HR12 Number of human rights grievances filed, addressed and resolved through formal grievance mechanisms | Information is presented in detail in the reports of the companies. | - | No |
| SUB-CATEGORY: SOCIETY | | | | |
| ANTI-CORRUPTION | G4-DMA Management approach | 22 | - | No |
| | G4-S03 Total number and percentage of operations assessed for risks related to corruption and the significant risks identified | - | The standard disclosure or part of the standard disclosure is not applicable. Itaúsa is a holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. | No |
| | G4-S04 Communication and training on anti-corruption policies and procedures | | The standard disclosure or part of the standard disclosure is not applicable. Itaúsa is a holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. | No |
| | G4-S05 Confirmed incidents of corruption and actions taken | 22 | - | Yes, page 60 |

SPECIFIC STANDARD DISCLOSURES

| Material aspects | Information on management approach and indicators | Page | Omissions | External assurance |
|---|--|---------------|---|--------------------|
| CATEGORY: SOCIAL | | | | |
| SUB-CATEGORY: SOCIETY | | | | |
| PUBLIC POLICY | G4-DMA Management approach | 22 | - | No |
| | G4-S06 Total amount of contributions to political parties and politicians, broken down by country and recipient/beneficiary | - | The standard disclosure or part of the standard disclosure is not applicable. Itaúsa is a holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. | No |
| ANTI-COMPETITIVE BEHAVIOR | G4-DMA Management approach | 22 | - | No |
| | G4-S07 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes | Not recorded. | - | No |
| COMPLIANCE | G4-DMA Management approach | 22 | - | No |
| | G4-S08 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations | - | The standard disclosure or part of the standard disclosure is not applicable. Itaúsa is a holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. | No |
| GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY | G4-DMA Management approach | 22 | - | No |
| | G4-S011 Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms | - | The standard disclosure or part of the standard disclosure is not applicable. Itaúsa is a holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. | No |

SPECIFIC STANDARD DISCLOSURES

| Material aspects | Information on management approach and indicators | Page | Omissions | External assurance |
|--------------------------------------|---|------|---|--------------------|
| CATEGORY: SOCIAL | | | | |
| SUB-CATEGORY: PRODUCT RESPONSIBILITY | | | | |
| CUSTOMER PRIVACY | G4-DMA Management approach | 22 | - | No |
| | G4-PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data | - | The standard disclosure or part of the standard disclosure is not applicable. Itaúsa is a holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. | No |
| COMPLIANCE | G4-DMA Management approach | 22 | | No |
| | G4-PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services | - | The standard disclosure or part of the standard disclosure is not applicable. Itaúsa is a holding company and does not have any operations. The economic, social and environmental performance indicators of its subsidiaries should be consulted in their respective annual reports. | No |

INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT ON INFORMATION RELATED TO SUSTAINABILITY INCLUDED IN THE ANNUAL REPORT FOR 2015

To the Board of Directors
Itaúsa – Investimentos Itaú S.A.
São Paulo – SP

INTRODUCTION

We have been engaged by Itaúsa – Investimentos Itaú S.A. ("Itaúsa") to present our limited assurance report on the compilation and fair presentation of the information related to sustainability included in the 2015 Annual Report of Itaúsa - Investimentos Itaú S.A. for the year ended December 31, 2015 ("Annual Report for 2015").

MANAGEMENT'S RESPONSIBILITY FOR THE ANNUAL REPORT FOR 2015

The management of Itaúsa is responsible for the preparation and fair presentation of the sustainability information included in the Annual Report for 2015, in accordance with the guidelines of the Global Reporting Initiative (GRI-G4) and for such internal control as it determines is necessary to enable the preparation of information free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S RESPONSIBILITY

Our responsibility is to express a conclusion on the information related to sustainability included in the Annual Report for 2015, based on our limited assurance engagement carried out in accordance with Technical Communication CTO 01, "Issuance of an Assurance Report related to Sustainability and Social Responsibility", issued by the Federal Accounting Council (CFC), based on the Brazilian standard NBC TO 3000, "Assurance Engagements Other than Audit and Review", also issued by the CFC, which is equivalent to the international standard ISAE 3000, "Assurance engagements other than audits or reviews of historical financial information", issued by the International Auditing and Assurance Standards Board (IAASB). Those standards require that we comply with ethical requirements, including independence requirements, and perform our engagement to obtain limited assurance that the information related to sustainability included in the Annual Report for 2015 taken as a whole is free from material misstatement.

A limited assurance engagement conducted in accordance with Brazilian standard NBC TO 3000 and ISAE 3000 mainly consists of making inquiries of management and other professionals of the entity involved in the preparation of the information, as well as applying analytical procedures to obtain evidence that allows us to issue a limited assurance conclusion on the information taken as a whole. A limited assurance engagement also requires the performance of additional procedures when the independent auditor becomes aware of matters that lead him to believe that the sustainability information taken as a whole might present significant misstatements.

MAIN PROCEDURES PERFORMED

The procedures selected are based on our understanding of the aspects related to the compilation and presentation of the information related to sustainability included in the Annual Report for 2015, other circumstances of the engagement and our analysis of the areas in which significant misstatements might exist. The following procedures were adopted:

- (a) planning the work, taking into consideration the materiality and the volume of quantitative and qualitative information and the operating and internal control systems that were used to prepare the information related to sustainability included in the Annual Report for 2015;
- (b) understanding the calculation methodology and the procedures adopted for the compilation of indicators through interviews with the managers responsible for the preparation of the information;
- (c) applying analytical procedures to quantitative information and making inquiries regarding the qualitative information and its correlation with the indicators disclosed in the information related to sustainability included in the Annual Report for 2015;
- (d) comparing the financial indicators with the financial statements and/or accounting records; and
- (e) obtaining evidence for the more significant GRI - G4 indicators included in the Annual Report for 2015 and presented in the "GRI Summary".

The limited assurance engagement also included the application of procedures to assess compliance with the guidelines of the Global Reporting Initiative (GRI-G4) applied in the preparation of the information related to sustainability included in the Annual Report for 2015.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

SCOPE AND LIMITATIONS

The procedures applied in a limited assurance engagement are substantially less detailed than those applied in a reasonable assurance engagement, the objective of which is the issuance of an opinion on the sustainability information. Consequently, we are not able to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement, the objective of which is the issuance of an opinion. Had we performed an engagement with the objective of issuing an opinion, we might have identified other matters and possible misstatements in the information related to sustainability included in the Annual Report for 2015. Therefore, we do not express an opinion.

Non-financial data are subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate and estimate such data. Qualitative interpretations of the relevance, materiality, and accuracy of the data are subject to individual assumptions and judgments. Furthermore, we did not consider in our engagement the data reported for prior years, nor future projections and goals.

CONCLUSION

Based on the procedures performed, as described herein, no matter has come to our attention that causes us to believe that the information related to sustainability included in the Annual Report for 2015 of Itaúsa - Investimentos Itaú S.A., for the year ended December 31, 2015, has not been compiled and fairly presented, in all material respects, in accordance with the guidelines of the Global Reporting Initiative (GRI-G4).

São Paulo, April 28, 2016.

PricewaterhouseCoopers

Audidores Independentes
CRC 2SP000160/O-5

Washington Luiz Pereira Cavalcanti

Accountant CRC1SP172940/O-6

10



CORPORATE
INFORMATION

BOARD OF DIRECTORS

(ON 12/31/2015)

Chairman

Alfredo Egydio Arruda Villela Filho

Vice-Chairman

Alfredo Egydio Setubal

Effective members

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Lício da Costa Raimundo (independent member)

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Ricardo Egydio Setubal

Ricardo Villela Marino

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(ON 12/31/2015)

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(alternate: Augusto Carneiro de Oliveira Filho)

Paulo Ricardo Moraes Amaral

(alternate: João Costa)

EXECUTIVE BOARD

(ON 12/31/2015)

CEO and Investor Relations Officer

Alfredo Egydio Setubal

Managing Vice-Presidents

Roberto Egydio Setubal

Rodolfo Villela Marino

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Editora Contadino

Graphic design and materiality process

TheMediaGroup

Further information can be obtained in the channel "Fale com RI" (talk to IR), at www.itausa.com.br or upon request by the email address relacoes.investidores@itausa.com.br. |GRI G4-31|