

The background image shows a modern stock exchange floor with a large digital display on the right side showing various stock tickers and prices. The display is tilted and shows a mix of green and red text, indicating market movements. The floor is polished and reflects the overhead lights. There are some people visible in the distance, and the overall atmosphere is professional and high-tech.

[B]<sup>3</sup>

# 2022 Annual Report

B3 – Brasil, Bolsa, Balcão



We endeavor to connect, develop and enable the financial and capital markets. Together with our customers and society, we aim to boost the growth of Brazil.





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# 1. Getting started

- ABOUT THE REPORT
- MATERIALITY
- CHAIR'S AND CHIEF EXECUTIVE OFFICER'S LETTERS
- HIGHLIGHTS AND RECOGNITION



## ABOUT THE REPORT

[GRI 2-1; 2-3; 2-4; 2-5]

Our annual report is intended to be an instrument of transparency and accountability for all stakeholders with whom we relate.

In the document, we seek to present a complete view of our activity, going beyond financial performance.

For this purpose, we deal with business and ESG (acronym for “Environmental, Social and Corporate Governance”) aspects in an integrated manner.

Throughout the document, we address topics such as:

- Our value generation model;
- Positive and negative impacts of the operation;
- Management of these impacts; and
- Our approach to the biggest contemporary challenges, such as social imbalances and climate change.

## COMPLIANCE WITH RULES, PRINCIPLES AND COMMITMENTS

To give consistency and comparability to the report, we have structured its contents based on five main references:

- The new **Global Reporting Initiative (GRI)** standards;
- **Sustainability Accounting Standards Board (SASB)** indicators for “Security & Commodity Exchanges – Financials Sector;”
- The principles of the **International Integrated Reporting Council (IIRC)**;
- The **Sustainable Development Goals (SDGs)**, indicators for “Security & Commodity Exchanges – Financials Sector;”
- The recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)**.





## HOW TO BROWSE THROUGH THE REPORT

To facilitate the reading and analysis of information, we provide a series of visual and editorial features.

For example, we identify, by means of icons, (see on the side) which IIRC capitals are being considered in a given chapter of the report.

We also show, throughout the document, the GRI indicators that are met by each page or paragraph.

We have also prepared a GRI and SASB Summary at the end, which not only informs in which part of the report an indicator is addressed, but also correlates the content with the SDGs and the Global Compact.

**Finally, for those looking for ESG Performance Tables and broader historical series, we provide additional contents that can be accessed [here](#).**



**Financial Capital**



**Manufactured Capital**



**Natural Capital**



**Social and Relationship Capital**



**Human Capital**



**Intellectual Capital**

### Good practices adopted in the 2022 Report

- Prepared based on the materiality study;
- Compliance with the main Corporate Reporting norms and principles;
- Prepared with the participation of senior leadership;
- External assurance;
- Published in the first quarter of 2023.

### WE ARE ALL EARS!

The changes shown<sup>1</sup> in this report are part of our continuous improvement effort. If you have suggestions and comments or are looking for additional information, please contact us at [sustentabilidade@b3.com.br](mailto:sustentabilidade@b3.com.br).

<sup>1</sup> Other reformulations were inserted and justified together alongside their respective indicators or in the ESG Performance Tables



# MATERIALITY

[GRI 2-29; 3-1; 3-2; 3-3]

At B3, we update our materiality survey every two years. The purpose is to identify, from the point of view of management and stakeholders, the most material topics for sustainability of the business.

In line with this frequency, we reviewed our materiality in 2022. In this process, we consulted six groups of strategic stakeholders, defined according to our sphere of relationships and internal policies: Customers, Suppliers, Employees, Investors, Regulators and Society.

To carry out the process, we used a methodology that follows the recommendations of GRI and SASB.

The work was divided into three stages:

Stage 1: mapping of potentially material topics, based on global, domestic and industry trends; benchmarking with other stock exchanges; and our previous materiality matrix (from 2020).

Stage 2: identification of the importance of each subject through online surveys, and secondary surveys to capture spontaneous mentions to environmental, social and governance issues in the routine of our dialog and engagement with stakeholders, in addition to interviews with B3 and B3 Bank executives, for in-depth analyses.

Stage 3: hierarchy of topics by materiality, based on the application of a mathematical classification to the data obtained in the previous stages.

After completing this process, the result of the survey was considered and approved by the leadership, in a meeting of the Joint Board, with participation of the CEO.

Understanding the issues that matter to our stakeholders is a challenge that helps us identify risks and opportunities, adjust our strategies, promote improvements in services and processes, and map the most material SDGs for the business.



Our stakeholders and examples of engagement and dialogue channels and practices<sup>2</sup>

Stakeholders	Channels and practices of engagement and dialogue	Frequency
Customers	Holding of Events	Continuous
	Atende B3	Continuous
	Advisory Committees	Annual, monthly, bimonthly or quarterly, depending on the committee
		On demand
		Annual
	Social Networks	Continuous
Investors	Service to ESG rating agencies and market indices	Continuous
	B3 Day	Annual
	Conference calls	Quarterly
	Annual General Meeting	Annual
Employees	Engagement Survey	Annual
	Volunteering Actions	Continuous
	Intranet	Continuous
	Internal Communications ( <i>Comunica</i> )	Weekly
Society	Participation in forums and working groups	Continuous
	Education Hub	Continuous
	Social Networks	Continuous
	Minuto B3	Monday to Friday
Regulators	Participation in public consultations	On demand
	Participation in forums and working groups	Continuous
Suppliers	ESG Good Practice Questionnaires	Continuous
	ESG Newsletter	Weekly



<sup>2</sup> Our Whistleblower Channel, *Alô, Compliance*, can be used continuously by all audiences.



MATERIAL TOPICS

Our materiality includes four highly material topics. Check these topics below and how they relate to the SDGs, our [sustainability strategy](#) and potential externalities.

Material Topic	Definition	Correlation with the Sustainability Strategy	SDG Impacts	Examples of potential externalities
ESG management and induction of good practices among our stakeholders	It addresses the company's dual role in seeking to engage the market on its ESG journey while, at the same time, promoting responsible internal management of its own activities. It includes topics such as stakeholder relations, environmental and climate management; corporate governance; diversity and inclusion; effective and accurate disclosure of financial and non-financial information; and disclosure and transparency of ESG information. It also covers the promotion of financial education and the search for bringing Individual investors closer to B3, enabling a more accessible capital market.	Pillar I. To be a company aligned with the best sustainability practices  Pillar II. To induce good ESG practices in the Brazilian market  Pillar III. To strengthen the product portfolio and open new ESG market fronts	   	<b>Negative:</b> inefficient use of natural resources or polluting sources (e.g. source of energy consumed by the company)  <b>Positive:</b> governance bodies being involved in the strategic decisions on the topic, impacting the entire company and contributing for ESG issues to be dealt with in a strategic way.
Responsible market infrastructure	It deals with internal practices, rules and procedures that strengthen the company's responsible management. It covers risk management; acting with integrity (which includes managing conflicts of interest, ensuring compliance with local regulations and anti-corruption practices); business continuity; resilience of platforms and operational infrastructure; information security; individual data integrity and compliance; prevention of cyber attacks; supply chain management.	Pillar I. To be a company aligned with the best sustainability practices	 	<b>Negative:</b> failures in supplier management processes can directly impact B3's image and operations.  <b>Positive:</b> solid and robust anti-corruption practices; information security; risks; operating controls adopted by the company contribute to responsible internal management and mitigation of negative impacts arising from risks that may materialize.
People management and impacts on society	Refers to contribution for the development of employees and society. Under the internal point of view, it covers human capital, in matters of attraction and retention; provision of professional development opportunities; health and safety; and building a diverse and inclusive company. From an external perspective, it relates to our impact on society through the voluntary and planned transfer of private or incentive resources for social and cultural projects.	Pillar I. To be a company aligned with the best sustainability practices	     	<b>Negative:</b> market development can contribute to a greater voluntary turnover of our people.  <b>Positive:</b> financial contribution coordinated by B3 Social for support and education and emergency situations; and empowerment of women through diversity actions.
Products and services for a more sustainable market	It concerns the integrated management of customer demands, operational improvements, innovation and the development of new products, including those related to ESG and climate issues. It also deals with the offer of products and services that promote sustainable development in the capital and financial markets, in the core business and in adjacent businesses, with a view to promoting best practices and encouraging transparency.	Pillar II. To induce good ESG practices in the Brazilian market  Pillar III. To strengthen the product portfolio and open new ESG market fronts	   	<b>Negative:</b> individual investors may not properly understand the products, which may end impacting their financial health.  <b>Positive:</b> sustainability indices (ISE B3 and ICO2) and platforms for registering CBIOS and Themed Bonds can contribute to engagement and increased market maturity in relation to the issue and consequently with the SDGs in question.

External pacts and commitments related to B3's materiality are listed in chapter 5 (Supporting the market on its ESG Journey). The Social, Environmental and Climate Responsibility Policy (PRSAC) has guidelines that cover all the issues present in the materiality study and can be accessed on the [Investor Relations website](#). To prevent and mitigate impacts we have a risk management procedure described in the chapter "Internal ESG Management: alignment with the best practices".

Actual and potential impacts, as well as negative and positive impacts, when identified, are listed throughout this report. Monthly we monitor a dashboard with key ESG indicators to monitor the topic's performance in the organization. The indicators are correlated with the sustainability strategy, materiality and PRSAC guidelines.

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# CHAIR'S AND CHIEF EXECUTIVE OFFICER'S LETTERS

[GRI 2-22]

Over the last year, the global economic landscape was marked by uncertainty, volatility and important changes. In circumstances such as this, we believe that it is necessary to clearly set and communicate B3's medium- and long-term strategic plan. Therefore, we believe that it is possible to tackle short-term challenges with initiatives aimed to support innovation and sustainable growth, fostering the Company's longevity.

In 2022, we sought to move forward with this vision. We took important steps in this journey by executing the investment plans we had outlined in previous cycles. Thus, we were able to make progress with our ambidextrous business model approach, which seeks to strengthen the activities linked to our core business and expand our business in adjacent areas.

We brought novelties to our traditional areas of activity, stimulating innovation, fostering agility and investing in new platforms and modularization. On this front, we expanded our products and services both for the listed market (with new options of BDRs, ETFs and indices), as well as for the organized over-the-counter market and infrastructure for financing.



**Antonio Quintella**  
Chair



We have also made progress toward our objectives of getting closer to our customers and attracting potential customers to our business environments by improving our relationship tools and delivering new solutions to all market segments and participants – such as investors, issuers and financial institutions.

Our expansion strategy for activities related to our core business continues at a strong pace. In 2022, we created B3 Digital Assets (called “B3 Digitas”), which will have the mission to offer specialized market infrastructure to the digital assets sector. In addition, we announced the launch of L4 Venture Builder, a fund for investments in the entrepreneurship innovation ecosystem, aiming at accelerating our expansion in businesses with high-growth potential.

We also took important steps on our growth front relating to data and analytics. After the acquisition of Neoway<sup>3</sup> in 2021, we announced the purchase of Neurotech, a company known for developing artificial intelligence, machine learning and big data systems and solutions.

We believe that these inorganic initiatives will allow the development of products and services based on our unique and proprietary data bases. By acquiring two companies recognized for their expertise in data solutions, we created the conditions to rapidly expand our business portfolio, increase customer capillarity and capture growth opportunities in this segment much faster than we would have done organically.

It is also important to highlight that this business evolution is only possible with a careful look at our people. At B3, we believe in each person’s own way and in the diversity of the group of talented professionals that make up our team. Different views make us discover new paths, always based on respect and joint construction. We believe in individual potential, driven by collaboration. We seek to offer all our talent opportunities for professional development. We understand that in addition to diversity, learning drives us towards innovation. For this purpose, we encourage continuous learning and develop several actions to reinforce the engagement of our teams. In our view, those who learn more today will work better tomorrow and support us in building the changes in the world we want to see and experience. That’s the B3 way.

<sup>3</sup> The conclusion of the operation depends on the verification of the usual conditions for this type of transaction, including regulatory approval.



We have made important progresses in this respect, which are helping us build the company's future. In this context, we have notably evolved in diversity, equity and inclusion. We assumed public commitments and, throughout the year, developed numerous initiatives related to these topics that involved all levels of our organization. As a result of our practices, we were recognized as the Best Company to Work For in the Financial Services category, and one of the best in the Technology sector, according to the Great Place to Work (GPTW) ranking.

In 2022, we took still another step in our market induction strategy with the presentation of the *Anexo ASG* [ESG Annex], a proposal aimed at encouraging companies to increase gender diversity and the representativeness of underrepresented groups in senior leadership positions. The idea, which was discussed in a public hearing with all stakeholders, is to shed more light and transparency on the issue, without interfering in the independence of companies. In other words, companies listed on B3 may or may not adopt the practices, reporting or explaining their decisions. It is also worth highlighting the advances we have promoted in our social agenda. Through B3 Social, we invested more than R\$ 56 million in 256 social projects across the country. Following our strategy, we support structuring education projects and work to tackle emergency problems, such as fighting hunger and supporting families living in areas affected by extreme rainfall. It is estimated that, in this way, we have benefited 13.3 million people.

Finally, it is important to highlight the financial results and distribution of earnings in the period. Even under more demanding conditions, we maintained our performance at a level close to the previous year (when record volumes were observed) and above pre-pandemic levels. In the year, gross revenue reached R\$ 10.1 billion; recurring EBITDA amounted to R\$ 6.7 billion; and recurring net income reached R\$ 4.2 billion. In addition, we distributed R\$ 5.3 billion in dividends to shareholders.

Looking back to 2022, we believe that, in a complex and challenging environment, we managed to take relevant steps to strengthen our position in the areas in which we operate. In 2023, we will continue our strategic journey with prudence and firmness. As such, we will be able to face new challenges and continue to generate value for all stakeholders and society with responsibility, ethics and transparency.

**Antonio Quintella**  
Chair



2022 had a special meaning for us: it marked the consolidation of the initial cycle of growth and cultural transformations at B3 and the beginning of a new period of evolution.

In 2017, when the merger of BM&FBovespa and Cetip took place and created our organization as it is today, we had a peculiar set of challenges ahead of us.

It was necessary to integrate the operations of the two companies, but, above all, to build a new culture and a new operating model consistent with the horizons we envisioned for the company.

At the closing of 2022, and in hindsight, we realize that the company reached higher maturity levels in relation to these matters. Now, as it naturally happens in an evolution process, we have new challenges ahead.

B3 enters this cycle as a stronger, more diverse company, closer to its customers, and wants to play an increasingly important role in the economy and society.

To that end, we chose to be an ambidextrous company. That is: on the one hand, we will work to maintain and deepen the level of excellence of our core businesses; on the other hand, we will focus on innovating in order to open growth frontiers in new segments.

In an environment of growing global and local competition, the aim of our strategy is to always be our customers' first choice. The vision of an agile company responds to this challenge, and the concrete advances we observed in 2022 indicate that we are on the way to strengthening our performance regardless of the economic scenario.



**Gilson Finkelsztain**  
CEO



Regarding our core business, our performance is constantly changing to keep pace with and accelerate the sophistication of the market, should it be the stock market, the over-the-counter market, or in infrastructure for financing.

This movement occurs, for example, in the segment of Individuals, who are increasingly willing to diversify their investments through the capital market – in 2022, the number of individual accounts on our fixed income and variable income platforms reached 17.2 million.

To keep up with this new reality, we created solutions that make the experience of new investors more fluid and efficient. Among other actions, we made new products available to this audience, such as non-sponsored BDRs; created increasingly friendly interfaces, such as the new investor area; and communicated in a more accessible language, to translate what once seemed complicated.

This evolution, however, is not limited to individuals: it is present in all businesses and segments. Other highlights of the year included the launch of “Indices on Demand”, a platform for creation of indices intended for market participants; the authorization for four new classes of listed funds that provide more convenience to managers and investors; and the debut in activities such as the registration of card receivables, on the over-the-counter market, and insurance operations registration.

By deepening our relationship with different types of customers and strengthening all our core business activities, we enhanced the resilience of our operations – which contributed to maintaining a good volume of business in the last year.

Despite a demanding scenario, with a significant increase in the basic interest rate, we were able to sustain the revenue generation capacity observed in the previous year, when the environment was much more favorable.

Thus, we were able to remain at a distinctive level after a major capital market growth cycle, which began in 2019 and lasted until 2021.

We will also be ready to contribute to the maturation of the market, within the positive context of the regulatory renewal expressed by CVM 135 Resolution - which lays the foundations for the future of the investment ecosystem.

On the new business front, we have also evolved rapidly. Our revenues from Data & Analytics services have already exceeded half a billion *reais*, almost twice as much as two years earlier.

This scenario should continue with the impetus of our two recent acquisitions: Neoway, a Big Data specialist, at the end of 2021; and Neurotech, an artificial intelligence provider, at the end of 2022.

The conclusion of the operation depends on the verification of the usual conditions for this type of transaction, including regulatory approval.

There are also other important initiatives underway, such as the creation of B3 Digital Assets, an infrastructure for digital assets; L4 Venture Builder, an independent fund for investments in the innovation ecosystem; and the services derived from our platforms and information technology.

Our ambition to be an important agent for economy and society does not end with a solid and efficient business. As a market infrastructure, we also play the role of inducing good market practices.

In 2022, this role materialized in several ways. One of them, which gained great prominence, was the *Anexo ASG* [ESG Annex], a proposal for a document that is part of the regulations pertaining to the listing of issuers and the admission of securities to trading.

The text, prepared by us and optimized after a public hearing, suggests the adoption of ESG practices by listed companies, in particular diversity.

With this initiative, we reinforce our commitment to being a responsible market infrastructure that assumes the role of inducing different audiences to adopt good management practices.

Another important fact in the management and induction of good practices was the activity of B3 Social. With a robust methodology and R\$ 56 million in contributions to education and urgent issues, the organization consolidated itself as one of the largest social investors in the country and helped build paths for Private Social Investment by other companies.

In 2023, I believe that we can go even further in all our activities. Our company is increasingly lighter, more productive, and closer to customers, with engaged talents and a clear strategy, to move forward.

I invite everyone to join us on this journey!

**Gilson Finkelsztain**  
CEO



## HIGHLIGHTS AND RECOGNITIONS



### Intellectual Capital

In 2022, we advanced in the social, environmental and governance areas, in addition to business. Thus, we strengthened our leadership role in best practices in the market. Check out some highlights:

- Record number of different CPFs for individual investors in fixed and variable income, with 17.2 million accounts.18 secondary offerings, totaling R\$58 billion.
- 50 auctions held, with a turnover of R\$ 90 billion.
- Proposal for new listing rules to increase diversity in listed companies (*Anexo ASC* [ESG Annex]).
- Record number of companies listed and included in the Corporate Sustainability Index (ISE B3).
- Launch of B3 *Bora Investir* program.
- More than R\$ 77 million allocated to social and cultural projects, R\$ 39 million of which related to direct funds.
- Opening of MUB3 - *Museu da Bolsa do Brasil* [Brazilian Stock Exchange Museum].
- Adhesion to the Forum of Companies and LGBTI+ Rights.
- ISO 14001 Certification for the Rua XV de Novembro and Praça Antônio Prado buildings, in São Paulo.



These and other highlights helped us earn the following recognitions:

- Elected by Guia Exame ESG 2022 as one of the “Best of ESG” companies, in the Financial Services category.
- Ranked 1<sup>st</sup> in the Financial Services category of Anuário Época NEGÓCIOS 360o.
- Best Financial Institution to Work For, in the Great Place to Work (GPTW) ranking, for the second year in a row.
- Elected as the 10<sup>th</sup> best company to work for in the State of São Paulo, by GPTW.
- Elected as one of the best companies to work for in the Technology industry, by GPTW.
- Ranked 1<sup>st</sup> in Financial Services of *Melhores da Dinheiro* 2022 award.
- For the second year in a row, winner in the “Specialized Services” category of Valor 1000 yearbook, by Valor Econômico newspaper.

- Ranked 4<sup>th</sup> among the most innovative companies in Brazil in the financial services category, in the Valor Inovação ranking.
- Elected as one of the 10 best companies in the TOP 100 Open Startups 2022 ranking, in the Financial Services category.
- Presence in the ranking of the 100+ Innovators in the Use of IT in 2022, by IT Forum.
- Ranked 1<sup>st</sup> in the Transformation category, of *Premiação Agilidade Brasil* 2022, by Agile Trends.
- Winner in the Financial Services category of *Empresa +Digital* Award, by Plus Digital Institute.
- Winner, for the 12<sup>th</sup> time, of *Troféu de Transparência* ANEFAC, which assesses good governance and transparency practices in accounting information, among companies with net revenue from R\$ 5 to R\$ 20 billion.
- Presence among the top 100 in *Estadão Empresas Mais* 2022 ranking.



Regarding indices and ESG rating agencies, which support investors in companies’ risk and performance analysis in terms of sustainability, we achieved the following results in 2022:

Institution	Score/Ranking	Reference
CDP Climate Change	General score: B	A to D- (the closer to A, the better)
Sustainalytics	Rating: 15,2 Risk Rating: Low	Negligible (0-10); Low (10-20); Medium (20-30); High (30-40); Severe (40 +). The lower, the better.
FTSE Russel	General score: 3.5 B3 selected for the sixth consecutive year in a row to make up the FTSE4Good Index Series	0 to 5 points. The higher, the better.
MSCI	General score: A	AAA (best) to CCC
S&P Global Corporate Sustainability Assessment (CSA)	General score: 52 Percentile: 93	0 to 100 (the closer to 100, the better)
ISS ESG	C Prime	A+ (best) to D-
ISE B3	Present in the portfolio ISE B3 Score: 75.27 Ranking: 41 <sup>st</sup>	ISE B3 Score: the closer to 100, the better Ranking: 3 <sup>rd</sup> quartile, among 69 companies in the portfolio
ICO2 B3	Present in the portfolio for the 13 <sup>th</sup> year in a row	Present or not in the portfolio
IGPTW B3	Present in the portfolio for the 2 <sup>nd</sup> year in a row	Present or not in the portfolio
IGCT B3	Present in the portfolio	Present or not in the portfolio
IGC-NM B3	Present in the portfolio	Present or not in the portfolio
ITAG B3	Present in the portfolio	Present or not in the portfolio
S&P/B3 Brazil ESG Index	Present in the portfolio	Present or not in the portfolio
Teva Index Women in Leadership	Present in the portfolio for the 2 <sup>nd</sup> year in a row	Present or not in the portfolio

## 2. The Brazilian Exchange

- PROFILE
- OUR VALUES
- STRATEGY AND INVESTMENT



# PROFILE

[GRI 2-1; 2-6; 2-23]

We are B3 – Brasil, Bolsa, Balcão, also known as the Brazilian exchange.

We have a history of over 100 years, which is intertwined with the development of the financial and capital market in the country.

Although our operation covers a wide range of activities, we can summarize the role and essence of the organization as a *market infrastructure*.

In other words: we offer a technology platform to which companies and investors can connect, safely and efficiently, to trade financial assets.

We believe that this activity generates great value for society. With our operation, we offer companies an affordable and efficient source of financing. Concurrently, we provide those who want to expand their wealth with safe alternatives to diversify their investments.

And this applies to all types of investors, even those with small amounts and who are still taking their first steps on the stock exchange.

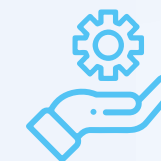
The value generated by our activity directly affects people's lives. On the one hand, it helps boost the real economy and create more jobs. On the other hand, it helps improve families' private savings and bring financial security.

This is the reason why we say that our cause is “to connect and develop the financial and capital markets” and that “together, with customers and society, we aim to boost the growth of Brazil.”.

## OUR CORPORATE STRUCTURE

We are a publicly-held corporation, with capital widespread among thousands of shareholders. Currently, approximately 97% of our shares are traded on the stock exchange, on *Novo Mercado* – a segment in which listed companies commit themselves to spontaneously adhere to the best Corporate Governance practices. The other 3% are held in treasury.

## WHERE WE ARE



**Manufactured Capital**

**Headquarters:** São Paulo (SP)

**Other Units:** Rio de Janeiro (RJ) and Alphaville (SP)

**Representation Offices:** London, Shanghai, Singapore, and Chicago

**Ownership interest in international stock exchanges:** Chile, Colombia and Peru



## WHAT WE DO

We are a complete market infrastructure. This means that our activity covers stages before, during and after the trading of financial assets.

The main services we provide include accreditation of market players; registration and custody of assets; organization of purchase and sale orders; calculation of the net rights and obligations of each party to a transaction; and execution and settlement of transactions, among others.

To provide better security and flow to the market, in some trading environments, such as the Exchange, we also operate as Central Counterparty (or CCP).

A CCP's role is to act as a mediator in all transactions to assume the credit risk. Accordingly, it guarantees that sellers will receive the money and buyers of the asset will receive it.

## A FÓRMULA DO BRASIL [BRAZIL'S FORMULA]

*To enhance the role of the capital market and the stock exchange in the development of the Country's economy and to strengthen financial education, in 2022 we disseminated the "Brazil's Formula" campaign.*

*During the action, which took 3 months, the advertisements brought examples of how B3 acts to support companies that seek growth, in the security of capital market transactions and in the provision of content that helps people better understand the universe of investments. It was part of a series of B3 initiatives to come closer to individual investors, at a time when the market was maturing with the arrival of millions of new investors.*

*The campaign started with the B3 logo, which resembles a mathematical formula, so as to create a connection between the services and products offered by the stock exchange, the market and society. The purpose was to show how the stock exchange has played an important role in the development of the market and how this impacts millions of Brazilians.*

*As stated in the campaign movie, our organization "adds together companies that want to grow with investors looking for opportunities" and "subtracts risks, increasing market security". In this way, "it multiplies the chances of someone getting the job of his/her dreams or investing in the future".*

*With this and other initiatives, such as the launch of the B3 Bora Investir website, in addition to the use of uncomplicated language on social media, we increased our brand recognition by 25% this year in the general audience.*

Our infrastructure and competences enable us to carry out a wide range of activities, which vary according to the market in which we operate. Today, we are focused on four main segments:

*Listed Market:*

This is where shares, BDRs, ETFs, real estate funds, interest rate derivatives and others are traded. In this environment, transactions take place in an organized and standardized way, in an electronic auction with predetermined rules.



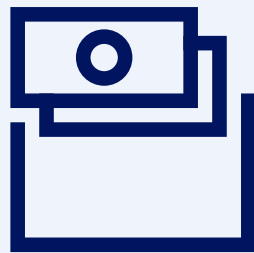
*Over-the-counter Market:*

In this environment, we provide infrastructure for registration, custody and other transactions with products that are not on the listed market. This is where, for example, the purchase and sale of CDBs, corporate debt securities and transactions with over-the-counter derivatives are carried out. Trading occurs between the parties, without standardized rules (but consummated by the Securities and Exchange Commission of Brazil - CVM).



*Infrastructure for financing:*

On this work front, we support the financial market with a structure for financing transactions. In the automotive market, for example, we offer an electronic system to register vehicle financing liens. In the real estate market, we provide services such as registration of agreements and guarantees.



*Technology, Data and Services:*

Comprises services for market players and issuers, which are based on the data that pass through our environments. This includes Analytics solutions (analysis of large volumes of data and statistics to increase the efficiency of the decision-making process), availability of our Market Data in real time, technology for auctions & biddings and much more.





## CULTURE AND CAUSE

Every year, we further consolidate our cause and values, which are the bedrock of our corporate culture. Based on them we define our priorities, select talents, and establish our performance and reward metrics.

With the engagement of our employees with these principles, we have evolved on this journey, aligned with the company's business strategy.

### Our Cause:

We endeavor to connect, develop and enable the financial and capital markets.

Together with our customers and society, we aim to boost the growth of Brazil.

## OUR VALUES

Our culture results from corporate beliefs and principles. Learn about the five pillars that summarize our values and how they relate to our corporate purpose.

### OPENNESS AND COLLABORATION:

We listen with empathy, we value the diversity of opinions and we are available to collaborate.

### THE RIGHT ATTITUDE FOR TODAY, TOMORROW, AND ALWAYS:

We act in line with our cause and our values and against unethical attitudes or misconduct. We make decisions with a view to the long term and considering impacts on stakeholders

### AN ENVIRONMENT CONDUCIVE FOR PEOPLE TO GROW:

We have professionals who are protagonists of their own careers and also create a network of knowledge multipliers.

### SOLIDITY AND OPERATIONAL CREDIBILITY:

We guarantee the best deliveries with decisions based on relevant data and information. We always map, assess and manage risks.

### CUSTOMER SATISFACTION AND PROXIMITY:

We put ourselves in the customer's place to understand their needs and anticipate solutions that generate value.

## STRATEGY AND INVESTMENT

In March 2017, BM&FBOVESPA and Cetip joined together with a common purpose: to work to connect, develop and make the Brazilian financial and capital market viable and, together with our clients and society, boost the country’s growth.

Since then, under the B3 brand, we have started our journey of strategic and cultural transformation, guided by a vision of the opportunities and risks related to the evolution of our business environments.

A long-term vision is one of the characteristics that make up our identity. We constantly seek to implement new practices that help the company to grow with quality, credibility, operational robustness and security; to make the business increasingly sustainable and resilient; and to foster the evolution of the core markets where we operate, given the enormous growth potential of the local capital market.

One of our strategic pillars is customer centrality. For this reason, we are concerned with listening to the demands of an increasingly agile, disruptive and competitive market, and thus use all our experience and credibility to build, alongside regulators, customers and partners, solutions and products that market will demand in the coming years.

Additionally, through its B2C and B2B2C positioning, B3 aims to strengthen its relationship with the different links in the business environment. Thus, it contributes to the growth of its clients’ businesses and promotes the market. Products for individuals, financial education, information platforms, among others, are some of the related initiatives.

Throughout our growth journey, we have evaluated opportunities for business expansion and diversification. Data and technology solutions are businesses with high synergy with the core businesses and will be the main avenue of opportunity to increase the company’s non-transactional revenues in the coming years.

Additionally, through Digital Assets, we aim to position ourselves as a technological infrastructure for digital assets. We want to support customers and everyone in the market who demand security, robustness, simplicity and efficient integration with traditional instruments from regulated markets.

In strategic planning, we act as an “ambidextrous” company. That is: on the one hand, we are dedicated to strengthening the core business; on the other hand, we invest to expand and diversify our operations into

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We define stock exchange activities, organized over-the-counter market and financing infrastructure as core business. Adjacent businesses are those that are born out of this expertise, but move into complementary territories, leveraging synergies and results. This is the case of Data & Analytics, Digital Assets, Middle and Back office solutions, and much more.

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The strategic priorities for each work front are presented below.



## STRENGTHENING CORE

To advance in our core business, we have established four priorities:

- **Innovation**, to continue advancing in the market’s sophistication process and in the product development agenda, in order to anticipate and meet customer expectations;
- **Agility**, to deliver more and more quickly;
- **Platforms**, focused on cloud, to increase growth capacity and to facilitate integrations;
- And **modularization**, to give more flexibility to our activities and to explore them in new ways.

### CORE BUSINESS

STRENGTHEN AND MAXIMIZE EXCHANGE AND OTC BUSINESS

## EXPANDING PRESENCE

In adjacent businesses, we decided to focus on the following segments:

- **Data & Analytics**: using the data that transits in our platforms, the knowledge of the modeling teams and our network of partnerships, we can create analytics solutions, help other companies to monetize their databases and much more.
- **Technology Services and Platforms**: with investments in new technologies for the core business and strategic partnerships, we have the ability to leverage our competencies to expand services and create new technology platforms. Thus, we enable innovation and development of the financial market with efficiency and resilience.

### EXPANSION AND DIVERSIFICATION

EXPAND PRESENCE TO NEW ECOSYSTEM ACTIVITIES

## CULTURE AND PEOPLE

To successfully execute our strategy, the teams rely on five pillars, which we call strategy enablers. Are they:

- Focus on the Customer — to assertively meet the needs of our audiences and continue to grow;
- Organizational Culture — to attract and retain talent and support the evolution of the company’s business and sustainability;
- Agility and Innovation — to deliver more and with more impact;
- Operational Robustness — to deliver reliable, resilient and world-class performance;
- M&A and Strategic Partnerships — to accelerate solutions or business plans in specific activities.

Finally, all this is supported by a strong culture, which creates foundations for the execution of our strategy.

## INVESTING TO GROW

Mergers, acquisitions and partnerships play a highly relevant role in our growth strategy: these initiatives help us get where we want faster and more efficiently – especially in businesses that are adjacent to our core activities and involve a steeper learning curve. demanding.

To accelerate our trajectory and continue growing with quality, we seek to associate with companies and people that can bring knowledge, talent and credibility in the markets where we seek to be present.

In 2021, we took important steps in our inorganic growth agenda, with the purchase of Neoway and investments in Pismo and Dimensa. The purpose of these operations is to accelerate our access and growth in new business, particularly in the Data & Analytics area.

In 2022, we proceeded with this agenda, where three transactions were outstanding:

### **Neurotech:**

It is a technology company specialized in the creation of artificial intelligence, machine learning and big data systems and solutions.

Its acquisition is an important driver of the strategy in the data and analytics business, which complements the offering of data solutions in the credit, risk and insurance verticals.

Additionally, the joint operation with Neurotech and Neoway brings us levers of revenue synergies and will allow us to increase the product mix and the development of combined solutions with greater added value, in addition to greater customer capillarity.

The Neurotech acquisition agreement provides for the disbursement of R\$ 620 million at the closing of the transaction, in addition to earnout amounts linked to the achievement of certain performance targets for the company over the next four years. The acquisition is expected to be completed after due approval from regulatory bodies.



**Datastock:**

It is a technology company specialized in managing and integrating the inventory of new and used vehicle stores. The company has developed and operates a cloud processing system for vehicle transaction information, with integration with the federal system Renave (National Registry of Vehicles in Stock).

The acquisition, in addition to being part of the strategy to seek growth opportunities in businesses outside the core business, expands our operations in other links in the value chain of the automotive segment and expands the potential of data & analytics solutions.

The expected investment is up to R\$ 80 million, of which R\$ 50 million at the closing of the transaction and up to R\$ 30 million in earnout, depending on the achievement of certain targets.

**Turn2C:**

It is a startup that offers solutions to the consortium market through artificial intelligence, mathematical and statistical models.

We made an investment of BRL 8.5 million in the company, in partnership with the Honey Island by 4UM fund and Urca Angels. The transaction marks our entry into Consortia, a segment that has been growing significantly as an alternative to credit.





SUSTAINABILITY STRATEGY

[GRI 2-12; 2-13; 2-19; 2-22; 3-3]

Our corporate strategy encompasses strengthening ESG practices. Accordingly, we have a sustainability strategy approved by the Executive Board.

Implementation is a responsibility of the entire organization. Leadership is incumbent upon the Governance and Nomination Committee (which reports to the Board of Directors), the Internal Sustainability Committee and the Sustainability Superintendence, which is subordinated to the People, Marketing, Communication, Sustainability and Social Investment Executive Office, which reports directly to the CEO.

In line with the collective effort to implement the sustainability strategy, the Board of Directors and the Compensation Committee approved, for 2022, an ESG corporate target.

The target had an impact on the CEO's variable compensation and required the development and implementation of actions to improve B3's performance regarding indices and rating agencies that assess the company. The target was largely achieved.

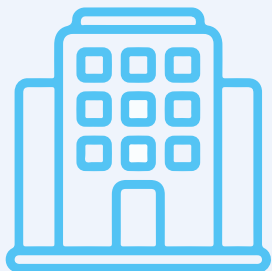
The three pillars that guide our sustainability strategy and that are related to the dual role we have to responsibly manage our in-house activities while we engage and support the market on its ESG journey, are:



1. To be a company aligned with the best sustainability practices



2. To induce good ESG practices in the Brazilian market



3. To strengthen the product portfolio and to open new ESG market fronts



### 3. B3 in movement

- CUSTOMERS IN THE CENTER
- B3 CULTURE
- AGILITY AND INNOVATION
- PLATFORMS
- NEW PRODUCTS AND SERVICES
- NEW BUSINESS
- OPERATING PERFORMANCE







CUSTOMERS AT THE CENTER

Social and Relationship Capital

[GRI 203-2]

One of the pillars of our strategy is to build a close relationship with customers. We want to understand their demands and propose innovative solutions – so as to develop the financial and capital markets in a shared manner.

In view of this challenge, in recent years we have created and consolidated mechanisms to listen to our stakeholders. This is the case, for example, of the Advisory Chambers with market participants to discuss opportunities for improvement; creation of relationship teams based on customer profile to understand specific demands; dialogues with startups and fintechs; and much more.

Another important initiative to get closer to customers is the application of the NPS (Net Promoter Score). Since 2018, we have measured customer trust and satisfaction through NPS, a methodology that measures people’s propensity to recommend a company’s services.

In 2022, we are working with three types of surveys using this method, which consists of subtracting the percentage of detractor customers (scores from 0 to 6) from the percentage of promoters (scores 9 and 10):

- Service, which deals with everyday interactions;
- Relational, which listens to our customers’ leadership; and
- Transactional, which addresses the benefits generated by specific deliverables.

In 2022, there was an increase of around 40% in the base of respondents, reaching 1,888 responses, which brought greater reliability to the results.

By listening to customers, we have been able to make more frequently and timely deliveries, aligned with their expectations.



# CULTURA B3



Human Capital



Intellectual Capital

2022 marked the beginning of a new cycle in the evolution of our corporate culture, which reflects maturation of our growth journey in recent years.

Between 2017 and 2021, the challenge was to develop and consolidate a culture consistent with the company’s horizons after the merger of BM&FBOVESPA and Cetip, which brought the B3 brand to life.

Over this initial five-year period, we made progress particularly in three areas: we became a company that is closer to its customers, more collaborative and more diverse.

With these well consolidated elements, we are now entering the stage we call Culture B3 2.0.

This new period is mainly characterized by the commitment we assumed to being an organization with:

- Less hierarchy;
- More agility;
- More autonomy;
- More capability to deliver.

To achieve these goals, we rely on corporate behaviors that we consider crucial in our daily lives: courage, candor and delegation of tasks and responsibilities.

## IN PRACTICE

With the purpose of speeding up the incorporation of these attributes into our corporate culture, we have been seeking to change the rites and symbols present in the company, to develop our leadership for the future and to strengthen our teams’ engagement and relationship.

*Caça-Fantasmas* [Ghost Hunters] was one of the initiatives created in 2022 that helped us identify and eliminate “ghosts” that still live in the organization and that refer to symbols we no longer want – whether the excessive levels of approval authority, the intense volume of meetings, the lack of prioritization and even the way we acknowledge and celebrate our achievements.



# AGILITY AND INNOVATION

**Intellectual  
Capital**

Since the merger that gave rise to B3 brand in 2017, we have been seeking to be an organization more in tune with customers and, concurrently, faster in responses to their demands.

One of the effects was our adoption of agile methods to provide a timely and effective respond to market demands. Gradually, we became more collaborative, integrated, and focused on the needs and expectations of our stakeholders.

This grew to such a proportion that the concept of Agile is no longer merely a work methodology and has become an element of our culture.

In 2022, when Culture 2.0 was developed, the theme gained even more strength in our priorities and practices. At the end of the year, more than a thousand people were already working on agile frameworks. Now, all 29 new business have already been born this way.

We are also gradually migrating our core business. In 2021, we transformed the over-the-counter operation. Last year, we started preparing the most ambitious step: the turnaround of the Listed team.

## MORE THAN SPEED

Our approach to the agility challenge does not end when we are able to perform activities more quickly. For us, the concept of agile starts with listening to customers’ demands to prioritize the improvements that will make a difference for them.

In practice, this means that the work of the squads is fed and guided by the various NPS measurements that we conduct with the audiences that use our services.

In 2022, we deepened this vision of customer centricity in the management model and started to guide the conduction of projects through OKRs (Objectives and Key Results), a system of targets that enables us to focus directly and clearly on the creation of value for users of our products and services.

The adoption of OKRs materializes the vision that success is not the production or delivery of a new functionality, but rather its effectiveness and ability to benefit the target audience.



## IN-HOUSE INNOVATION

In 2022, our *Simplifica* collaborative program to optimize processes and improve customer experience, continued to advance and reached its 11<sup>th</sup> wave of project implementation.

Since its emergence in 2020, we have already received more than 800 ideas and carried out more than 200 implementations on topics that make our operation more fluid, such as eliminating physical documents, reducing steps in processes, self-services, among others.

In this program, all employees are invited to think about our customers' pains and give ideas about implementations that can streamline processes and make the experience with our products and services more user-friendly.

The condition is that the suggestions can be applied within three months and have low reliance on technology. All of them are analyzed by a multidisciplinary group and part of them is chosen based on criteria of relevance and positive transformation in customers' experience.

See in the next topic, "**Platforms**," how cloud technology and investment are also boosting innovation and delivering value to customers.

## PLATFORMS

We know that our organization plays a central role in the financial and capital markets in Brazil and that this strengthens the importance of having robust, stable platforms capable of assuring the permanent availability of services.

To deal with this scenario, we have a permanent investment and innovation agenda. This strategy enables us to always be ahead of demands and to build a secure business environment which is trusted by all market players.

In 2022, our model proved once again to be effective, and all systems worked in compliance with the corporate target. The platforms' annual availability (fraction of time the system was active and operational) reached 99.999% for trading systems and 99.991% for Clearing houses systems - a service that provides registration, clearance and settlement of financial transactions on the stock exchange.





## INVESTMENT IN THE CLOUD

In recent years, our platform modernization strategy has been based on investment in the cloud. In our vision, this is the natural path of evolution for companies, particularly those for which software systems are used intensively.

We have identified three major advantages of having technology infrastructure in the cloud:

- Agility, because it enables quick availability of the technological resources required to update and prepare platforms for new demands;
- Connectivity, because it promotes the integration with partners, enabling the company to have access to data that enable the development of new services; and
- Innovation, that can be accelerated on a more open, flexible and agile platform.

## 2022 HIGHLIGHTS

Learn about some of the technology-focused initiatives that help ensure our operational robustness:

### *Partnership with giants*

In May, we announced the execution of 10-year strategic partnership agreements with Microsoft and Oracle to migrate our systems to the cloud.

The purpose is to speed up the modernization of platforms, to make new products and services feasible and to develop technologies that currently are not available for financial market transactions.

The work will be carried out in two major steps:

**Step 1:** In the first five years, migration to the cloud will include systems that are more adaptable to this environment, such as vehicle liens, the exchange Clearing house, B3 Bank, insurance and over-the-counter, among others.

**Step 2:** After the first five years, the focus will be on the development of technologies for migrating systems for which there are currently no off-the-shelf solutions on the market. Additionally, the partnership will change the way B3 develops new systems, starting to prioritize the cloud first model, where the cloud computing strategy comes first.

### *Making innovation easier with APIs*

Another novelty announced in May was the availability to the market of a series of interfaces (APIs).

The purpose of this initiative is that financial institutions and fintechs can plug into our systems and be able to offer products and services that make the individual investor's journey easier.

The novelty continues with our agenda of opening up platforms to make innovation easier and to get closer to the startup ecosystem, always aiming at accelerating the feasibility of improvements for investors.

An example that clearly shows how shared innovation can benefit the customer happened in 2021, with the launch of the investor's new logged-in Area to replace the CEI (Investor's Electronic Channel).

This new environment was born on the cloud, with more than 10 fintechs connected, offering solutions such as portfolio consolidation, portfolio profitability calculation and even income tax calculation for stock exchange transactions.

### *Modernizing network infrastructure*

One of our priorities was to streamline our platform's hardware infrastructure, seeking to modernize and significantly reduce latency (the time it takes for an information package to be sent from the original computer and reach its destination).

This contributes to increase the predictability of our platform, which is critical for some customer segments such as HFT (High Frequency Trader).

### *Synergy with Neoway*

During 2022, we also made progress in the connection of Neoway's infrastructure with our data ecosystem. This allowed us to implement a new business vertical in the affiliate, focusing on data products designed for the capital markets.

### *Boosting accessibility*

We also completed the implementation of accessibility in all our portals, including Treasury Direct website and app. Since then, all these online environments have been compatible with tools that enable reading and navigation by persons with visual impairment.

This update of our internet channels has directly contributed to our becoming the first company to earn the seal of 100% adherence to the accessibility rules of the City Administration of São Paulo.



# NEW PRODUCTS AND SERVICES



## Intellectual Capital

At B3, we serve a wide variety of customers, such as individuals, banks, broker dealers, companies, asset managers, high-frequency traders (HFTs) and pension funds.

During 2022, we worked to listen to these audiences and meet their expectations through innovative and effective solutions. Check the highlights of the year.

### LISTED

#### Expansion of BDRs

**BDRs** are certificates that represent shares issued by companies in other countries, but that are traded on the stock exchange in Brazil. In the past two years, these assets have gained strength as they have helped local investors to diversify their investments without having to operate abroad.

In 2022, one of the novelties was the launch of **ETFs BDRs** and fixed income BDRs. At the end of the year, we already had more than one thousand BDRs, of which more than 800 are backed by shares and more than 100 by ETFs

The launch of new BDRs contributed to the increase by **380%** in one year in the number of people investing in this group of products and a **23%** growth in custody.

#### New ETFs options

Speaking of **ETFs** (Exchange Traded Funds), these assets are also a simple way to diversify the portfolio. They are equivalent to a basket of assets that seeks to reproduce the performance of an index.

In 2021, we took an important step and launched cryptocurrency ETFs. In the past year, we continued to advance and made available two more innovations:

- ETFs that follow International Fixed Income indices;
- ETFs that follow currency indices (whose theoretical portfolios are mostly made up of foreign exchange assets or derivatives).

## Listed funds

Investment funds listed on the stock exchange show a series of conveniences:

- For managers, they offer more predictability in liquidity management, since the trading of shares in the secondary market does not require disposing of positions;
- For investors, they bring more agility and easier management, with the possibility of selling their shares at the day rate.

In 2022, we started to permit launches of four new classes of listed funds: Fixed Income, Fixed Income Multimarket, Variable Income Multimarket and Infrastructure Multimarket.

## RLP in the stock market

Last year, we extended the RLP (Retail Liquidity Provider) product to the stock market, for a set of 20 securities. Until then, the initiative was only available for mini-index and dollar agreements, still on an experimental basis.

The RLP offer can be used exclusively to close deals with retail customers and one of its benefits is to bring higher liquidity to the market.

For investors to have access to trades via RLP, they should first choose (“opt in”) to use this functionality with their broker dealer. By doing so, they obtain a higher liquidity offered by the broker dealer, in addition to access to a price equal to or better than that available in the central order book.

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The RLP system has a number of benefits, such as increasing market and investor liquidity and contributing to the efficient pricing process.

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## Indices on Demand

In September, we launched a novelty that speeds up the creation of indices – and therefore makes it easier to create ETFs and other products. This is the **Indices on Demand**.

On this platform, market players can demand the development of indices, which are prepared with the expertise accumulated by us, in a process guided by agile methodologies and the most advanced big data tools.

The first index made available on the Indices on Demand platform was ICBIO B3, which follows the Decarbonization Credit (CBIOs) market.



## High Frequency Trading (HFT)

For customers with a High Frequency Trading (HFT) strategy, we offer a program with differentiated discounts on trading fees linked to a minimum volume and percentage of day trades (prerequisites), thus fostering more competitive conditions in these investors' transactions, in line with the growing demand of the market for higher yield.

In this regard, thinking about promoting the practice in a safe way and in order to offer equal access to business activities, we have the Commercial Policy of Co-Location Services, whose objective is to describe the rules regarding the Co-location Services provided at Data Center B3, covering any technical requirements, rights and obligations and business conditions for those who contract these services.

Currently, co-location services are provided at our datacenter, and we apply the same policies and rules to all customers to avoid any discriminatory effect. Now we serve different types of institutions, from service providers (telecom operators, direct and indirect market access infrastructure providers, content providers, etc.), investors of different profiles (HFTs, buy & hold, funds, treasuries etc.), broker dealers, banks, among others.

Monitoring for high-frequency trades (HFT) is carried out on a comprehensive basis, always observing the dynamics of trading and the flow of order records. Any non-equitable behavior or market practice is forwarded to the regulatory bodies in a report describing the practice.

We have also implemented preventive measures, such as order-to-trade ratios, according to the calculation in Circular Letter 050-2013 and following the parameters updated by Notice 929/2022.

Additionally, to identify and prohibit possible negative trading strategies related to high-frequency trading, players sponsoring direct and indirect investor access are constantly monitored and audited. The transactions carried out on the B3 platform are monitored in real time and there are procedures to be taken in case of violation of rules.

## More visibility for agribusiness

The agribusiness industry was subject to several innovations during the year, with new indices, ETFs and **FIAGRO**.

Launched at the end of 2021, Investment Funds in Agroindustrial Productive Chains (FIAGROs) have increasingly grabbed the attention of retail investors, mainly due to their similarity to **FII**s (Real Estate Investment Funds) and tax exemption, in addition to being considered a product with high potential to stimulate agrobusiness.

Over 2022, 16 new funds were listed. Consequently, the investor base skyrocketed by more than 400% in the period from January to September, reaching 116 thousand investors.

ADTV (average daily traded volume) also posted a considerable evolution, from a R\$ 3 million level in January 2022 to R\$ 20 million in November 2022, an increase of over 660%.

In May, we also launched the IAGRO B3, an index that tracks the performance of shares in companies listed on B3 and classified as Agribusiness. Soon after, product linked to it hit the market: ETF AGR111, which turned over R\$ 110 million in 2022.

Four months later, in September, IFMILHO B3 was launched. It is linked to one of the most important agricultural commodities in the Brazilian economy. The index tracks the performance of a theoretical portfolio of corn futures contracts (CCM), which are the top traded derivatives on B3. Just like IAGRO B3, it did not take long for an ETF to be created to track IFMILHO B3: the CORN11.

In November, we launched the B3 Live Cattle Futures Index (IFBOI B3), the result of a theoretical portfolio of Live Cattle futures contracts (BGI). Soon after, BBO111, an ETF that tracks IFBOI3, was made available.

Together, Corn and Live Cattle ETFs, launched in partnership with BB Asset, accounted for total funding of over R\$ 115 million, with the participation of 3,511 customers.

## OTC

### Registration of Card Receivables

In March, we announced to the market the beginning of our operations in the card receivables registration market.

The system has been operating under new Central Bank of Brazil rules since June 2021. With the purpose of enabling access to cheaper credit for merchants, such rules establish that all card receivables are to be registered with authorized companies, such as B3. From then on, they can be traded, either on a pre-payment basis or in a credit transaction backed by the receivables.

The first transaction registered on B3 was made by payments fintech Marvin. With this initiative, B3 enriches its product portfolio and strengthens its mission to connect, develop and make the financial and capital markets feasible.



## INFRASTRUCTURE FOR FINANCING UNIT

### *Open Insurance*

SUSEP (Superintendence of Private Insurance) has determined that until September 2023 all stages of Open Insurance should be in place. Open Insurance is an initiative that will enable customers to authorize the sharing of their data between insurance companies and insurtechs.

As the companies in this sector need to comply with the resulting regulatory standards, we developed, in partnership with Lina Infratech startup, a proprietary platform that promotes data traffic and management between companies that take part in Open Insurance.

Our platform receives information from insurers in a file or API and the data are made available for sharing with other companies within or outside the B3 environment.

In April, we announced the first customer to hire our solution.

### *Homeowners' insurance*

In January 2022, the first insurance policy of the Named and Operational Risks line of the Property group, an operation of Allianz insurance company, was registered.

The initiative complied with SUSEP's regulatory requirements, which determined that, as from the beginning of March 2022, insurance companies would have to register policies, certificates and simplified policies classified in the Property line group.

B3 is accredited and approved by SUSEP to operate the Operations Registration System (SRO) through its InsurConnect system. The platform's role is to ensure the integrity and uniqueness of registered operations, in addition to providing transparency and data processing in accordance with the General Data Protection Law (LGPD).

## TECHNOLOGY, DATA AND SERVICES

### *Auctions and biddings*

In line with the purpose of enhancing Brazil's growth, we are proud to have made feasible, for more than 30 years, partnerships between the public and private sectors and to support projects that seek to improve our Country's infrastructure.

In 2022, we supported the holding of 50 auctions, with total investments of about R\$ 90 billion and which are expected to generate approximately 50,000 direct and indirect jobs throughout the national territory.



# NEW BUSINESS



## Intellectual Capital

In the last two years, we have made progress in our purpose of expanding and diversifying our presence in markets around our core business. This movement makes the organization more versatile and the results more resilient.

Check out the main initiatives.

### DATA

In an increasingly digital world, companies that have the skill to capture, organize and use data to their advantage gain efficiency and competitiveness.

At B3, we have a natural proximity to this topic, as our core business is heavily technology-based and generates a large volume of data.

Accordingly, we noticed the opportunity to model the information that passes through our platforms and transform it into **solutions** for companies in a number of sectors.

For example, based on our transactions on the stock exchange, over-the-counter, vehicle financing, real estate financing and insurance markets, we can analyze the evolution of a customer’s wealth. This vision, in turn, can be used by financial and non-financial institutions for different applications, such as credit assessment, all under the strictest rules of compliance and personal data protection.

This is just one example of the possibilities for our operations.

Our data strategy gained momentum with the acquisitions of **Neoway** and **Neurotech**, since both companies show high performance and features that are complementary to ours, as shown in the table below Regarding Neurotech, the completion of the operation depends on the verification of the usual conditions for this type of transaction, including the approval of regulatory bodies.

- **B3:** exclusive data, robust technology platform, soundness and credibility;
- **Neoway:** capillarity of data collection, agility in product development and good distribution platform;
- **Neurotech:** advanced in artificial intelligence and machine learning and acknowledged as a decision engine for credit, fraud and pricing solutions.



Priority areas

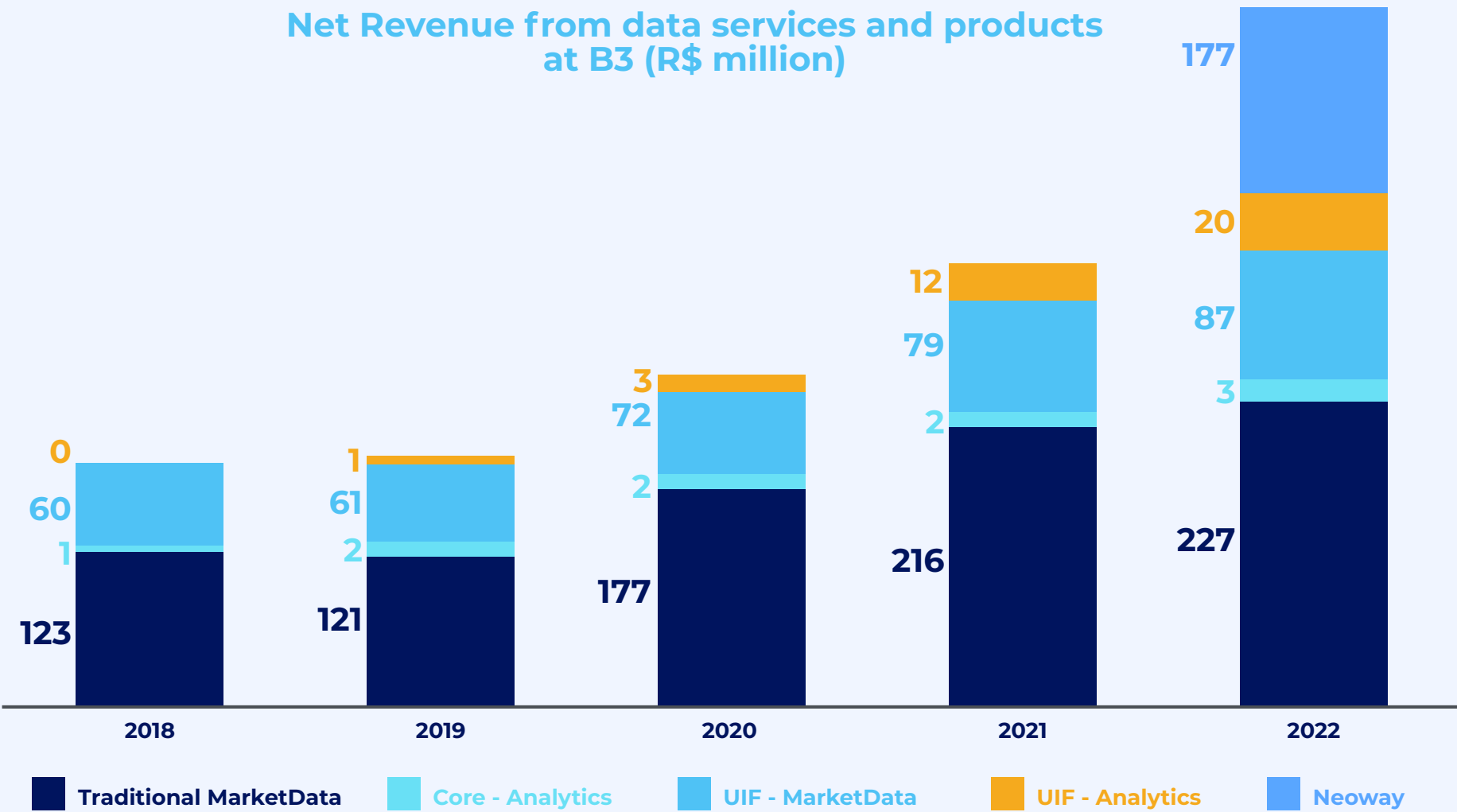
In the coming years, we will explore opportunities for Data & Analytics solutions mainly in six pillars:

- Sales & Marketing;
- Risk & Compliance;
- Legal Analysis;
- Fraud Prevention;
- Credit Management;
- Capital Market.

Revenues on the rise

In 2022, our revenues from the data segment accelerated up even more and exceeded the R\$500 million milestone in 12 months for the first time.

In the coming years, we expect this business to continue to grow at a pace faster than the core business, so that it can grab a greater share in the company’s results.



## Data innovation in practice

In 2022, we launched, in partnership with Neoway, CX.1 (Connecting Experiences in one place), whose mission is to speed up the development of data and analytics solutions based on a collaborative ecosystem.

In this environment, member companies can work together to increase their capacity and agility, delivering solutions to customers that were not within their reach individually. At the end of December, CX.1 already had more than one hundred partners.

Among the main advantages that the ecosystem offers to customer companies are easy access to a selection of experts; data security; and ease of approval.

## B3 DIGITAL ASSETS

In June, we were authorized by CVM (Securities and Exchange Commission of Brazil) to create **B3 Digital Assets**: a new company in the B3 group, which purpose will be the offering of specialized market infrastructure for the digital assets sector.

The company will prioritize two action fronts:

### *Cripto as a service*

Usually, a financial institution that offers crypto assets to its customers needs to deal with a complex operating chain, which involves establishing business relationships with crypto exchanges (intermediaries between sellers and buyers of digital assets) and OTC cryptocurrency desks, sending dollars abroad frequently and managing risk.

B3 Digital Assets can streamline and reduce the costs of this operation. To do so, it will be supported by B3’s technology, knowledge and relationship with the financial market and will provide an automated service through an API.

### *Institutional infrastructure for digital assets:*

B3 Digital Assets will offer a complete infrastructure for the digital asset market, which includes tokenization, with the generation of smart contracts; custody; trading platform; settlement facilitation; and risk management

Although the transaction comprises the value chain of digital assets on an integral basis, the services will be offered in a modular way, to be more flexible and deliver to customers exactly what they need.





## IT PLATFORMS

Over time, we have identified the opportunity to use our infrastructure and knowledge to provide technology services to companies that operate around our core business.

In the capital market, the intermediate link of the value chain is extremely fragmented. That is: between us and the investor, there are several players who take part in the offer or distribution of investment opportunities, such as broker dealers, independent agents, banks, and custodians.

In our daily lives, we realize that many of these companies need technology services that we can offer in an agile, efficient, and personalized way, based on the experience we have acquired in the core business.

These potential services include “broker as a service” solutions (providing structure for companies that want to offer investment services to customers), white label solutions (providing and customizing a platform with the customer’s identity) and microservices (such as orders and billing).

## L4 VENTURE BUILDER

In April, we announced the launch of L4 Venture Builder, a R\$ 600 million fund to invest in the innovation and entrepreneurship ecosystem.

We, at B3, will provide resources for the fund to select the projects in which we will hold an equity interest. The purpose is to speed up our expansion in business with high growth potential.

# OPERATING PERFORMANCE

[GRI 2-6; 3-3; 201-1]



**Financial Capital**

The year 2022 was marked by a hike in interest rates in Brazil and uncertainties in the global financial markets, especially due to the war in Eastern Europe and its effects on the geopolitical and economic scenario.

Inflationary pressures worldwide and the measures taken by monetary authorities in response to them also contributed to increased risk aversion among investors.

Despite this backdrop, we were able to deliver a solid operating performance during the year. The impact on the most cyclical businesses was offset by the performance achieved by the other segments, reinforcing the efficiency of B3’s business model. Consequently, we were able to continue the Company’s growth trajectory.

Information on the performance of each of our four lines of business is presented below. All comparisons included in this section relate to 2021 unless otherwise stated.

Statement of Value Added (DVA)

In 2022, the value added by B3 totaled R\$10.2 billion. It is worth mentioning that R\$2.3 billion was allocated to the distribution of dividends and interest on equity to shareholders, R\$1.3 billion to personnel and payroll charges, and R\$1.9 billion to the reserves required by the bylaws. The distribution of value added among our various stakeholders is presented below:

Statement of Value Added (DVA) (in thousands of reais)		
	2022	2021
Revenues	R\$ 10,181,334	R\$ 10,435,032
Distribution of value added	R\$ 9,748,025	R\$ 9,369,759
Taxes	R\$ 2,597,420	R\$ 2,852,140
Employees	R\$ 1,315,180	R\$ 1,057,271
Shareholders	R\$ 2,282,604	R\$ 4,717,097
Third parties	R\$ 1,608,827	R\$ 743,259
Statutory reserves	R\$ 1,943,453	-



## Economic Value Generated and Distributed

In 2022, the economic value generated and distributed by B3 was R\$-1.1 billion. The amount distributed to shareholders was R\$5.3 billion, representing 125% of Net Income. This amount is in line with the projected dividend distributions proposed by B3 (from 110% to 140% of Net Income), of which R\$3.0 billion refers to the share buyback program in effect in 2022. The economic value generated and distributed is presented in the table below:

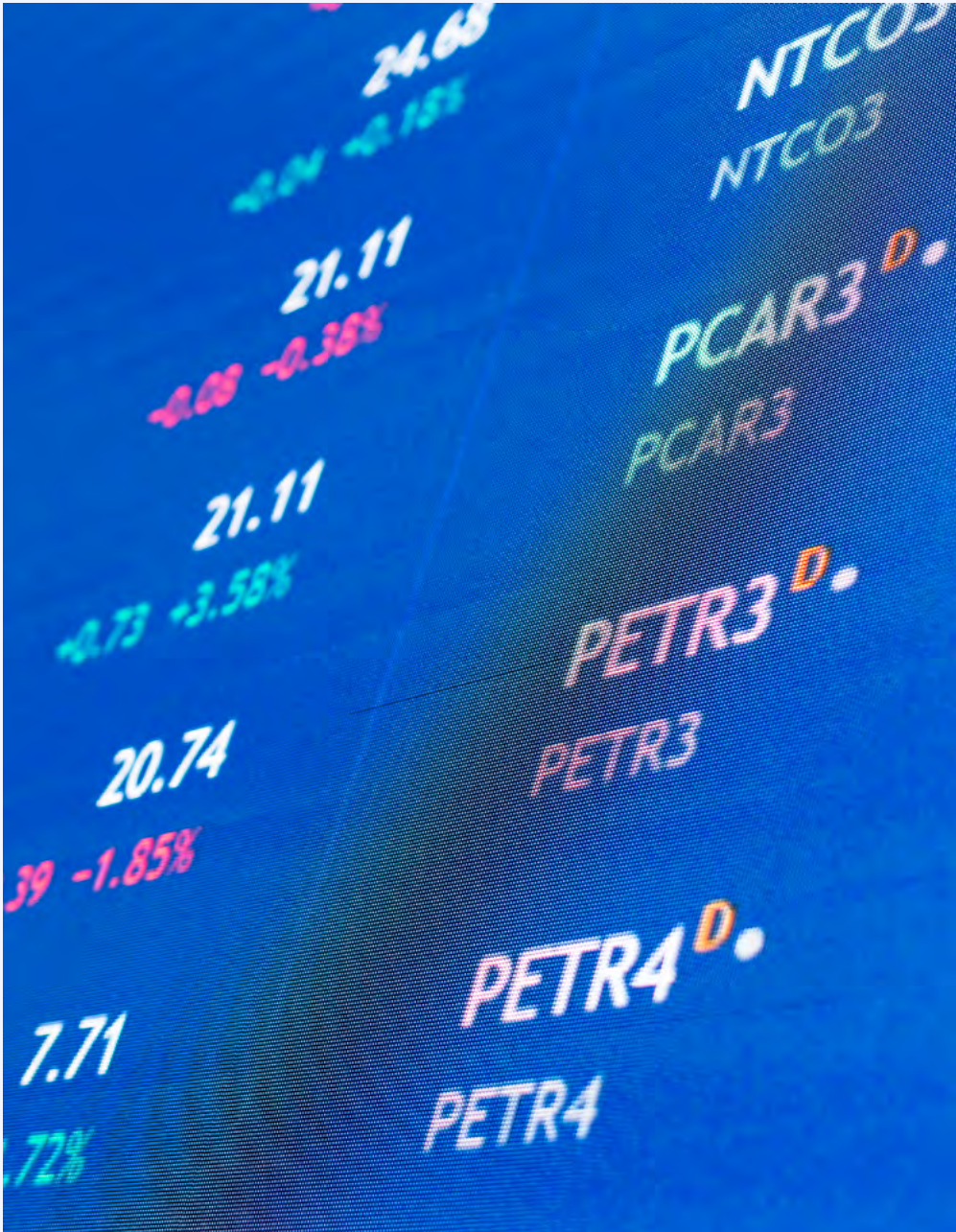
Economic Value Generated and Distributed (in thousands of reais)	2022	2021	2020	2019
<b>Economic Value Generated</b>	<b>11,885,261</b>	<b>11,217,457</b>	<b>9,702,872</b>	<b>7,132,063</b>
Operating Revenue	10,116,244	10,292,535	9,329,760	6,579,657
Financial Revenue	1,769,018	924,922	373,112	552,406
<b>Economic Value Distributed</b>	<b>12,941,235</b>	<b>12,506,167</b>	<b>11,780,613</b>	<b>7,956,527</b>
Operating Costs	2,220,898	1,917,499	1,916,605	1,839,321
Personnel	1,298,504	1,014,170	865,927	843,404
Payments to the Government	2,582,521	2,839,123	2,309,954	1,290,636
Payments to Shareholders	5,282,571	6,005,799	6,228,456	3,537,666
Payments to Creditors	1,556,740	729,575	459,671	445,501
<b>Economic Value Generated and Distributed</b>	<b>-1,055,973</b>	<b>-1,288,710</b>	<b>-2,077,741</b>	<b>-824,464</b>

Listed Segment

Equities and variable-income securities

		2022	2021	2022/2021 (%)
Cash equities market	ADTV (millions of R\$)	29,552.2	33,221.1	-11.0%
	Margin (bps)	3,377	3,652	-0.275 bps
Average market capitalization	(billions of R\$)	4,494.4	5,211.2	-13.8%
Turnover velocity	Annualized (%)	164.4%	157.5%	692 bps
Options market (stock/indices)	ADTV (millions of R\$)	823.9	795.0	3.6%
	Margin (bps)	12,493	12,577	-0.084 bps
Forward market	ADTV (millions of R\$)	282.3	361.3	-21.9%
	Margin (bps)	7,765	9,744	-1.979 bps
Stock indices futures	ADV (thousands of contracts)	3,511.1	3,971.3	-11.6%
	RPC (R\$)	0.912	0.902	1.1%
Number of individual investors (CPFs)	Average (thousand)	4,463.2	3,255.8	37.1%
Number of accounts in depository (total)	Average (thousand)	5,287.7	3,903.7	35.5%
Securities lending	Average outstanding balance (in R\$ billions)	112.4	105.1	6.9%

Note: ADTV stands for Average Daily Traded Volume; ADV for Average Daily Volume; RPC for Revenue per Contract; and bps for basis points. Turnover velocity is obtained by dividing the ADTV in the cash equities market in the period by the average market capitalization for the period.





With respect to equities and variable-income securities, there was an 11.0% drop in the ADTV in the cash equities market, a result mainly attributed to:

- The hike in the benchmark interest rate in Brazil, which reached 13.75%;
- Increased concern with the global macroeconomic scenario, mainly due to the geopolitical conflict in Eastern Europe and its consequences;
- Inflation and monetary tightening policies implemented by the central banks of the major world economies, which caused higher risk aversion among investors.

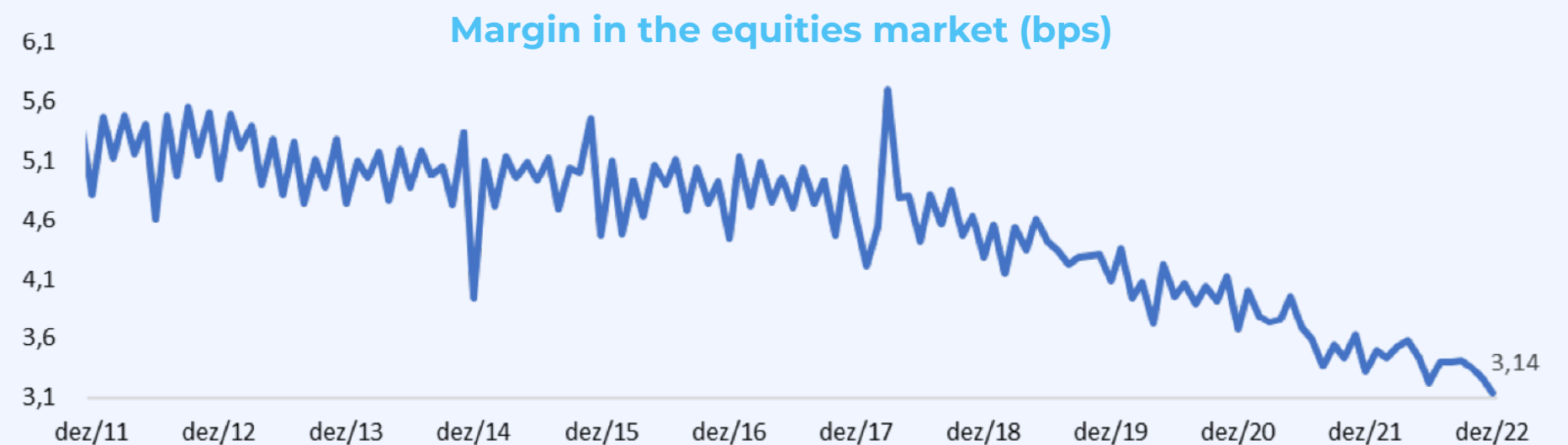
The lower average market capitalization due to the drop in the value of the stocks in listed in the segment was partially offset by the higher turnover velocity. In the case of indices futures, the 11.6% decrease in the number of contracts traded is explained by the lower trading volume of mini indices futures.

The trading/post-trading margin in the cash equities market was 3.377 bps. The decline of 0.275 bps is attributed primarily to liquidity improvement initiatives taken by B3, namely:

- Changes in fees implemented by the Company in February and June 2021, including a new price chart<sup>4</sup> and the inception of an incentive program aimed at large non-day traders<sup>5</sup>, given that 2022 was the first full year to reflect these changes; and
- Expansion of the market-maker programs.

The efficiency of these initiatives can be demonstrated by the increased participation of high-frequency investors and the resulting growth in day trade volume in the cash equities market, which helped to maintain our volumes.

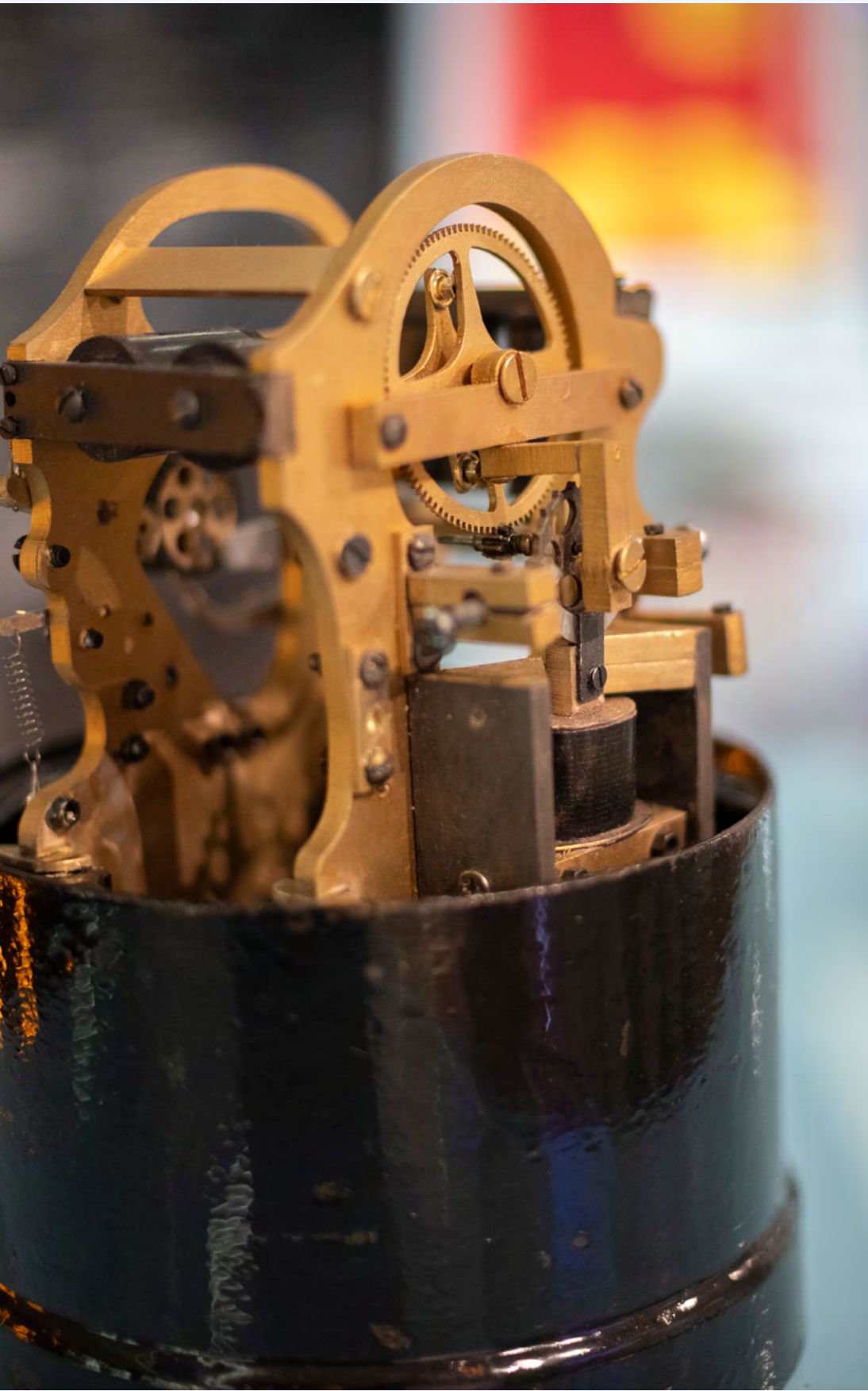
The average Revenue per Contract (RPC) for stock indices futures contracts increased by 1.1%, mainly due to the lower trade volumes.



Note: The margin in bps considers the fees on the two legs of the transaction (purchase + sale). 3.14 bps was the average margin for the last month of the reporting period (December 2022).

<sup>4</sup> Further information is available in the [Significant Event Notice dated 12/10/2020](#).

<sup>5</sup> Further information is available in the [Official Circular Letter dated 4/22/2021](#).



The average number of total accounts in the equities’ depository increased by 35.5%, reflecting the individual investors search for asset diversification. Finally, the volume of outstanding balance in the securities lending market grew 6.9% during the year.

FICC

		2022	2021	2022/2021 (%)
Interest rates in R\$	ADV (thousands of contracts)	3,067.7	3,263.2	-6.0%
	RPC (R\$)	1.033	0.931	11.0%
Interest rates in USD	ADV (thousands of contracts)	311.4	290.5	7.2%
	Average RPC (R\$)	2.232	2.702	-17.4%
FX rates	ADV (thousands of contracts)	1,060.8	1,047.4	1.3%
	Average RPC (R\$)	5.031	5.417	-7.1%
Commodities	ADV (thousands of contracts)	23.4	21.8	7.1%
	Average RPC (R\$)	1.780	1.994	-10.7%
General	Total ADV (thousands of contracts)	4,463.2	4,622.9	-3.5%
	Average RPC (R\$)	2.071	2.064	0.4%

The Average Daily Volume (ADV) reached 4.5 million contracts, down by 3.5%. The Company’s net income was impacted mainly by the decline in ADV for Interest Rates in *Reais*.

The average RPC remained stable in relation to 2021. The decline in the RPC for interest rates in U.S. dollars, FX rates and commodities, explained by the average 3.8% depreciation of the Brazilian real against the U.S. dollar, was offset by an 11.0% increase in the RPC for interest rates in *Reais*, driven by the larger concentration of long-term contracts and the lower volumes.



OTC

Fixed Income Instruments

		2022	2021	2022/2021 (%)
Issues	Bank funding (total in R\$ billions)	15,191.0	12,810.9	18.6%
	Other (total in R\$ billions)	1,161.0	716.7	62.0%
Outstanding balance	Bank funding (average in R\$ billions)	2,570.2	2,201.3	16.8%
	Corporate debt (average in R\$ billions)	918.1	734.4	25.0%
	Other (average in R\$ billions)	1,285.8	848.7	51.5%
Tesouro Direto (Treasury Direct)	Number of investors (average in thousands)	2,004.3	1,596.6	25.5%
	Outstanding balance (average in R\$ billions)	89.4	69.5	28.6%

Note: “Bank funding” includes DI, Bank Deposit Certificates (CDBs), Financial Bills (LFs), and other instruments such as RDBs, LC, and DPGE.

“Other” includes real estate notes (LCIs, CCIs, CRIs and LHs), agribusiness certificates (CRA, LCA and CDCA), and funding instruments (CCBs, CCCBs, NCEs, Export Notes, NCs).

Amid a scenario of higher interest rates, the volume of new issues and the average outstanding balance of bank funding instruments increased by 18.6% and 16.8%, respectively, mainly due to the higher volume of CDBs issued, which accounted for 77.0% of all new issues for the year. As regards other fixed-income instruments, there was a growth of 66.3% in the issues of agribusiness certificates compared to the previous year. The average outstanding balance of corporate debt increased by 25.0%, with lease debentures accounting for 17.7% of the average outstanding balance for 2022.

Another highlight in the fixed-income segment was the continued growth of *Tesouro Direto* (Treasury Direct - TD), which posted increases in the number of investors and in the outstanding balance of 25.5% and 28.6%, respectively.

We offer an incentive program for brokerage firms to increase the investor base for this product, which is reviewed on an annual basis. The program provides for two types of incentives, one linked to the broker’s outstanding balance in TD<sup>6</sup> and the other to investor base growth. This program is recognized as revenue-linked expenses.

<sup>6</sup> Brokers holding an outstanding balance in TD worth less than R\$4 billion fall into Model I, under which the incentive is a variable amount reflecting an increase in the investor base (R\$ 200 per new investor added). Brokers holding an outstanding balance in TD worth more than R\$4 billion fall into Model II, under which the incentive is calculated as a percentage of the average outstanding balance, which depends on investor base growth and may reach up to 0.20% for the highest range.

OTC Derivatives and Structured Transactions

		2022	2021	2022/2021 (%)
Issues	(total in R\$ billions)	12,187.5	10,903.4	11.8%
Outstanding balance	(average in R\$ billions)	5,581.5	5,060.5	10.3%

As regards OTC derivatives and structured transactions, there was an 11.8% growth in issues, with increases reported for virtually all securities. On the same basis of comparison, the average outstanding balance increased 10.3%, driven by volatility in the period.

Infrastructure for financing

		2022	2021	2022/2021 (%)
SNG	Number of vehicles sold (thousands)	16,960.9	18,632.4	-9.0%
	Number of vehicles financed (thousands)	5,420.4	5,904.4	-8.2%
	% Vehicles financed/ vehicles sold	32.0%	31.7%	0.3 pp

The number of vehicles sold dropped 9.0% in Brazil due to the economic instability that also affected the volume of financing. The increase in the prices of vehicles, higher benchmark interest rate, and limited credit access impacted the number of registrations in the National Liens System (SNG), which decreased by 8.2%.

Technology, Data & Services

		2022	2021	2022/2021 (%)
OTC utilization	Average number of customers	18,428	16,154	14.1%
Market data		146	153	-4.7%
Co-location		88	79	11.1%

The average number of customers paying a monthly fee to use OTC systems increased by 14.1%, mainly due to the growth of the investment fund industry in Brazil. There was also an 11.1% increase in the number of customers using co-location services, mainly due to the high-density energy racks and cross-connections procured last year to expand our service capacity.



## 4. Internal ESG management: Alignment with the best practices

- MANAGEMENT OF NATURAL RESOURCES
- TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)
- PEOPLE MANAGEMENT
- DIVERSITY, EQUITY AND INCLUSION
- SUSTAINABILITY LINKED BOND (SLB)
- SOCIAL RESPONSIBILITY
- CORPORATE GOVERNANCE
- RESPONSIBLE MARKET INFRASTRUCTURE



In this pillar of the sustainability strategy, we focus our attention on our own internal environment, seeking to identify opportunities to improve ESG aspects and to lead by example. We have a commitment to building responsible management at the same time as we add value to society, which is why we carry out actions that align our operations with the best industry practices.

#### Highlights:

We were granted the

## ISO 14001

Certification for the XV de Novembro and Praça Antonio Prado buildings in São Paulo;

We participated for the first time as an

## eligible company

for listing on the Corporate Sustainability Index (ISE B3), joining a portfolio of selected companies;

For the second consecutive year, we were elected the

## best financial institution

to work for in the “Financial Services” category, according to the GPTW ranking;

We donated approximately

## R\$ 77 million

to social and cultural projects;

We achieved

## 28% of women

in leadership positions;

## Variable compensation linked to Sustainability

for our CEO and teams;

We have set a target to **cut**  
**Scope 2 GHG emissions to zero** by 2030.





# MANAGEMENT OF NATURAL RESOURCES

[GRI 3-3]

We have taken up the commitment of making our operations increasingly efficient from an environmental standpoint, which requires investments in good practices and new technologies in our buildings, systems, and any other aspect involving the use of natural capital.

In 2022, with the aim of moving forward with the implementation of a robust environmental management system, we were granted the ISO 14001 certification for the XV de Novembro and Antonio Prado buildings. This certification establishes requirements that must be met by the Environmental Management System and allows the organization to develop a structure to protect the environment and rapidly respond to changing environmental conditions.

Through this process, we formally establish:

- Internal and external audits of the Environmental Management System;
- Corrective actions to foster continuous improvement;
- Goals, targets and deadlines;
- Environmental management programs for employee awareness, including training and communications;
- Roles and responsibilities for:
  - The Environmental Management Forum, whose purpose is to monitor, measure and report on the Company’s environmental performance;
  - Senior Leadership of the Environmental Management System, whose duties are to critically assess the system and manage environmental risks, with a view to improving B3’s environmental performance and legal environmental compliance, as well as to evaluate the availability of resources for maintenance and continuous improvement of the system.

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Through the Environmental Management System, we have more control over the consumption of natural resources, such as water, and we are able to monitor the evolution of key indicators, such as waste generation. As a result, we can promptly identify opportunities and take corrective measures.

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To support environmental management activities and attest to our commitment to the environment and the guidelines to be followed by the company, we have created the Environmental Management Standard, which reaffirms our commitment to mitigating environmental impacts in the management and operation life cycle of our buildings.



## Guidelines of the Environmental Management Standard:

- To maintain a commitment to protecting the environment, including the prevention of pollution, through the sustainable use of resources and continuous improvement of the Environmental Management System to improve the organization's environmental performance;
- To improve skills and disseminate Environmental Management concepts, practices and results to our internal target audience;
- To comply with legal and other applicable requirements in the operation and management of buildings;
- To promote environmental efficiency measures in the use of technology;
- To promote waste management; and
- To contribute to the fight against climate change.

Another innovation was the implementation of a legal requirement management platform, to monitor environmental legislation and resolutions related to our business. As a result, we can take prompt action to mitigate any non-compliance with regulations or negative impacts on the environment.

In 2022, no fines or sanctions were imposed on B3 for non-compliance with environmental legislation and/or regulations.



## SUSTAINABLE BUILDINGS

In 2022, we continued one of the most important initiatives for the consolidation of our culture: #MovimentoB3, an extensive project for retrofitting our main buildings in downtown São Paulo.

Through this action, we seek to advance in relation to three aspects: to meet the needs of our teams with more ease and comfort; to adapt spaces for new ways of working, in line with our agile culture; and to mitigate the impact of our operations on the environment.

This project's first deliverables became available in 2021, upon completion of the retrofit works in the B3 buildings located at Rua XV de Novembro and Praça Antonio Prado. The teams resumed working in these two buildings, under a hybrid work model. The João Brícola Building was delivered for use in October 2022, under the same concept applied to the other B3 buildings.

Some of the sustainable solutions implemented in the retrofits under the #MovimentoB3 project are listed below:

### *Rational use of water*

- Devices that limit the flow of water in valves and metals, thus reducing consumption;
- Low-flush valves to reduce water flow in toilets;
- Implementation of reclaimed water system for flushing toilets and urinals.

### *Energy efficiency*

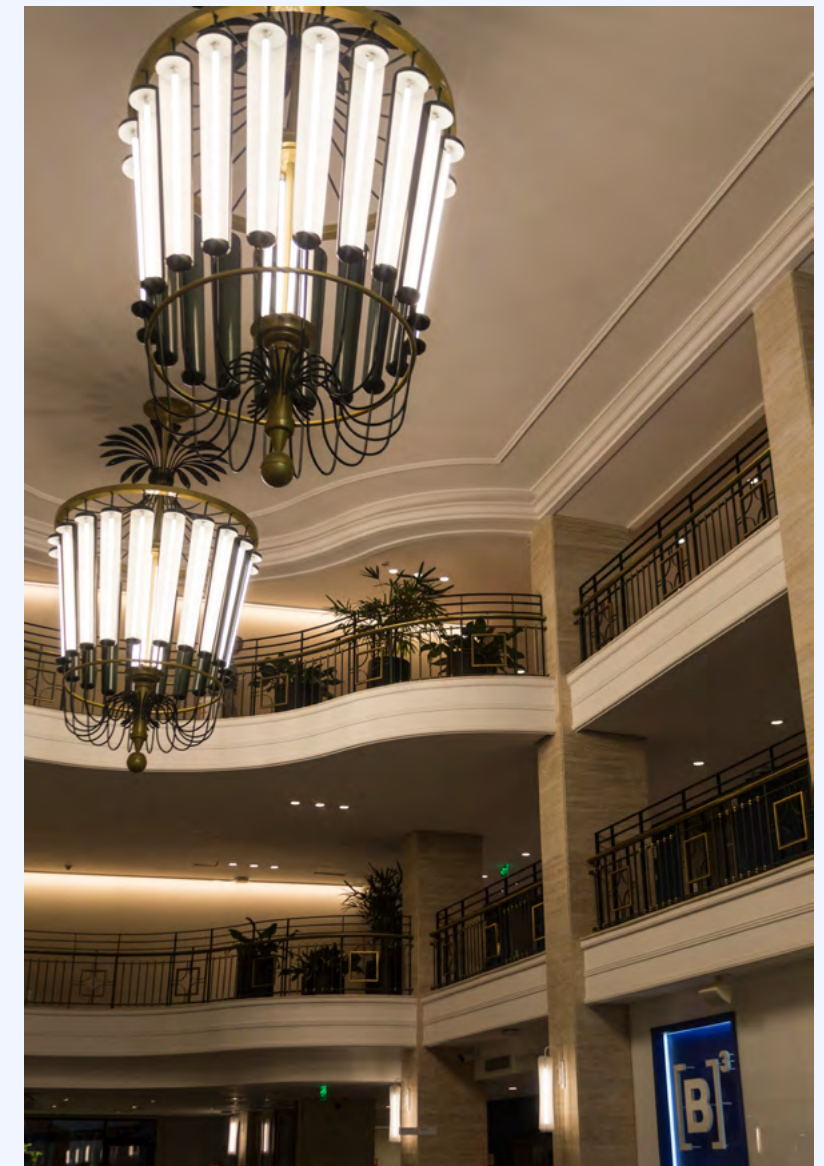
- Lighting fixtures with low-consumption (LED) bulbs;
- High efficiency air conditioning system (high COP);
- Automatic activation of lighting and air conditioning (hourly programming).

### *Greenhouse Gas (GHG) Emissions*

- Our headquarters are located in an area well served by public transport, which makes this alternative more attractive than the use of private cars;
- There are no parking spaces within the building, which is an incentive for our personnel to use alternative forms of transportation.

### *Waste*

- We have improved our communications on best disposal practices and increased the number of garbage bins available on the floors, to enable proper sorting of materials for recycling.



DATA CENTER

As we are a company that provides infrastructure services to the market, our main environmental impact is related to consumption of electricity, especially in the Data Center building located in Santana do Parnaíba, where more electricity is required for cooling the facilities and machines.

The Data Center, which was opened in 2014, accounts for approximately 62% of our total consumption of electricity, which ends up being reflected in Scope 2 emissions. We have been studying how to reduce this impact, and one of the alternatives found was the migration to the free energy market, which was carried out in January 2023.

**[GRI 302-4]**

Our Data Center already follows the best eco-efficiency practices. The building has a LEED (Leadership in Energy and Environmental Design) certification, which is granted to buildings that meet environmentally friendly criteria. This certification is granted by the NGO U.S. Green Building Council (USGBC).

ENERGY CONSUMPTION<sup>7</sup>

[GRI 3-3; 302-1; 302-4]

In our operations, energy consumption is managed based on monthly measurements and monitored through our Environmental Management System, via a computerized system, by the Facilities and Sustainability areas. The objective is to identify waste in a timely manner, suggest improvements and adjust the consumption levels.

In 2022, the total energy consumption was 112,207 GJ, an increase of 8.7% compared to the previous year. This variation is mainly due to the greater use of the buildings under the hybrid work model, considering a minimum employee occupancy rate of 60%, and the continued expansion of the Santana de Parnaíba Data Center. Another factor was the continuation of the refurbishment of the João Brícola building, completed only in October.

<sup>7</sup> Our power consumption relates to the following buildings: Ipiranga, Florêncio de Abreu, XV de Novembro, João Brícola, Praça Antonio Prado, Santana de Parnaíba, Brás (which still records minimum consumption despite its deactivation in November 2021), Líbero and Faria Lima.

The consumption of diesel oil increased by 12.7% compared to 2021, due to the completion of the retrofit works, in particular the implementation of the Bi-fuel kit in the mission-critical motor-generator sets of the XV de Novembro building, and automation of all the equipment.

Committed to using energy more efficiently and reducing GHG emissions by purchasing energy from sustainable sources (incentivized sources), B3 opted to migrate its main administrative buildings to the Free Energy Market, effective from 2023. This action will also allow us to choose our energy supplier and freely negotiate prices and terms, avoiding tariff flags.



## WATER CONSUMPTION<sup>8</sup>

[GRI 3-3; 303-5]

In 2022, our water consumption was 31,356 m<sup>3</sup>, which represented a 2% reduction compared to the previous year.

This slight variation was influenced, for example, by lower consumption at the Florêncio de Abreu unit as this building was sold in 2022. On the other hand, the XV de Novembro and Praça Antonio Prado buildings increased their consumption by 41% and 10%, respectively, due to the higher building occupancy under the new hybrid work model, and the resumption of in-person events.

<sup>8</sup>Our water consumption relates to the following buildings: Ipiranga, Florêncio de Abreu, XV de Novembro, Praça Antonio Prado, João Brícola, Santana de Parnaíba and Brás (which still records minimum consumption despite its deactivation in November 2021).

## WASTE GENERATION<sup>9</sup>

[GRI 306-3]

We manage and monitor the organic and recyclable waste generated and have procedures and management plans in place. In 2022, the total amount of recyclable waste generated was 35,575 kg, which represents an increase of 102% compared to the previous year. Non-recyclable waste<sup>10</sup>, which is sent to landfills, totaled 49,869 kg<sup>11</sup>, up by 46% from the previous year.

The main reasons for weight variation are the gradual increase in building occupancy after the most critical period of the pandemic ended, under the new hybrid work model, considering an employee occupancy rate of at least 60%, and the resumption of in-person events in the spaces reserved for this purpose.

<sup>9</sup>Our waste generation relates to the following buildings: XV de Novembro, Praça Antônio Prado, João Brícola, Florêncio de Abreu and Santana de Parnaíba.

<sup>10</sup>Data on non-recyclable waste is calculated using the number of bags reported by the carrier, multiplied by the weight of 10.69 kilograms.

<sup>11</sup>The weight per bag was defined using an internal B3 premise, based on the average weight of bags from November/2021 to October/2022.

The company’s hazardous waste generation, albeit not significant, is also monitored. It refers to waste generated during maintenance on the company’s equipment and/or at the end of the useful lives of batteries. In 2022, we produced 100 kg of hazardous waste, which was sent for reprocessing. This type of waste accounts for approximately 0.1% of the total waste generated in the company.

Regarding the management of electronic waste generated by the Data Center, we have three work fronts:

- 1. HDs and Tapes:** All information is destroyed. The media are shredded and the components separated for recycling;
- 2. Electronic Equipment Auction:** We auction obsolete or damaged electronic equipment from the Data Center;
- 3. Structured network cabling:** Unserviceable items are sent to the manufacturer for copper recycling.

# TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)



The impacts of climate change in recent years show that urgent action is needed on the subject.

According to a report by the World Meteorological Organization (WMO), an entity under the United Nations (UN), the period between 2015 and 2022 is on track to be the hottest eight-year interval ever recorded in history.

The document, presented at the opening of the 27th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP27), points out that extreme heat waves, droughts and devastating floods affected millions of people around the world and generated costs in the order of billions of dollars in 2022.

We believe that the necessary actions to change this scenario involve global actions by governments, entities and organizations, as well as joint efforts of companies committed to generating value for society.

B3’s operations have a low impact on the environment. Nevertheless, given the importance of the topic and our ability to contribute to it, Climate Change was highlighted as one of the most relevant topics to our business in the materiality study carried out in 2022.

Therefore, we are committed to disclosing information in line with the recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)**, a business initiative created by the Financial Stability Board (FSB), which aims to establish recommendations for disclosing structured information on climate change.

B3 was involved in the **TCFD** discussions since the first draft and has been a signatory to its recommendations since 2017.

Each year, we work harder to improve our internal indicators and develop a series of external initiatives, both individually and in partnership with other players, to contribute to this agenda.

In November, we attended COP27 in Egypt. Together with other companies and institutions participating in the “Brazil’s Voluntary Carbon Market Initiative”, we presented proposals for key actions to develop the voluntary carbon market in Brazil and contribute to the global market of high integrity carbon credits.

On that occasion, we were able to follow discussions on the challenges faced by the carbon market around the world, as well as on other key topics, such as the transition to clean energy, efforts to reduce GHG emissions, and loss and damage financing for the most vulnerable nations.

Our actions are described in further detail below.



## CLIMATE GOVERNANCE

The Internal Sustainability Committee is our main governance body for ESG and climate change topics. This committee is responsible for bringing senior management together around the climate governance topic and reports to the Board of Directors and the CEO.

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**In 2022, the Internal Sustainability Committee held two meetings, in which its members discussed issues related to climate change.**

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The activities carried out by the Internal Sustainability Committee are periodically reported to the Board of Directors and/or the Governance and Nomination Committee, which is one of the advisory committees to the Board of Directors.

In order to connect the main sustainability themes to the business, our Climate Governance also relies on a Sustainability Superintendence and a People, Marketing, Communication, Sustainability and Social Investment Executive Board, which report directly to the CEO.

## STRATEGY

Acting as market infrastructure, we have the role of instilling the best ESG practices and offering products and services that support our customers in the transition to a more sustainable economy. In addition, we are committed to conducting our activities through responsible internal management.

This positioning is reflected in our sustainability strategy, which addresses climate change from each of its pillars. We have a Social, Environmental and Climate Responsibility Policy (PRSAC) in place with a clear commitment to climate change.

As regards voluntary commitments, since 2009 we have participated in the Climate Change Carbon Disclosure Project (CDP). In 2022, the responses presented led B3 to maintain, for the second consecutive year, a B score (on a scale ranging from D- to A).

In 2021, we identified new opportunities and developed a climate roadmap, in which we map actions in the short, medium and long terms, aiming, among other objectives, to maintain adherence to the TCFD guidelines. In 2022, the study underwent a new revision, with some practical consequences for us, requiring the implementation of actions.

These initiatives are directly related to our internal management in terms of infrastructure, stakeholder engagement and new ESG product fronts, influencing the strategic and financial planning (OPEX) for 2022.

The opportunities<sup>12</sup> translated into the following actions and results:

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<sup>12</sup> We defined the following time horizon scale: short term (from 0 to 6 months); medium term (from 6 months to 1 year); and long term (over 1 year).

### Acquisition of International Renewable Energy Certificates (I-REC) – short term

In line with best market practices, the transition economy and the promotion of renewable energies and with our strategy to mitigate GHG emissions, we offset part of our energy consumption with the purchase of 19,777 Certificates of Renewable Energy (I-REC), which represent 19,777 MWh backed by photovoltaic energy generation with an emission factor of 0.

Thus, we incorporated the Market-based approach in B3’s Greenhouse Gases (GHG) Inventory, which, with the purchase of these certificates, allowed a residual emission of 484,040 tCO2e (12% of the total value of scope 2 emissions reported in 2021). See more details below on B3’s Greenhouse Gas (GHG) Inventory.

### Stakeholder Engagement – short term

We made progress on our market engagement fronts, in line with our commitment to promote environmental and climate change awareness and training. We hosted a webinar to launch the ICO2 B3 2023 portfolio selection process, in which we discussed with the market the management of GHG emissions and climate resilience. This event was attended by 134 participants. In collaboration with the Sustainable Stock Exchanges Initiative (SSE), CDP and the International Finance Corporation (IFC), we have also offered a course on the TCFD recommendations for companies, with more than 200 enrollments.

The topic was also included in internal training initiatives for our employees.

### ESG Products and Services – short, medium and long term

In 2022 we also generated revenues related to ESG<sup>13</sup> products and services. R\$ 12,656,983 million were generated, which also include products related to the topic of climate change.

Tracking the latest developments in the carbon market, we have identified opportunities alongside with Brazil’s Voluntary Carbon Market Initiative.

#### Brazil’s Voluntary Carbon Market Initiative

We know that the carbon market plays a key role in the decarbonization of the global economy and that Brazil has enormous potential in this area. Therefore, we actively work to develop “Brazil’s Voluntary Carbon Market Initiative”, which brings together companies and institutions from various sectors in the country.

Created in 2022, this initiative works on different fronts to position Brazil at the forefront of the global high integrity carbon market.

Through this work, we want to establish conditions for the voluntary carbon market to flourish and fulfill its main purposes: firstly, to mitigate GHG emissions on the path to net-zero emissions; and, secondly, to pave the way for carbon credits to fulfill the role of offsetting hard-to-abate emissions, helping companies to carry out their carbon offsets.

<sup>13</sup> Covers OTC products and environmentally themed indices.



## Free Energy Market – short, medium and long term



Committed to using energy more efficiently and reducing GHG emissions, by purchasing energy from sustainable sources (sources that receive incentives), B3 opted to migrate its main administrative buildings to the Free Energy Market, effective from 2023.

This action will also allow us to choose our energy supplier and freely negotiate prices and terms, avoiding tariff flags.

## CLIMATE RISK MANAGEMENT

The ESG theme, which includes issues related to climate change, is also assessed from the perspective of B3's two risk approaches – top down and bottom up.

In 2021, we conducted a survey to identify bottom-up risks related to ESG and climate change that could be inherent to our activities, as we recognize that the topic can generate risks and opportunities that are relevant to the business. In the following year, the result of the survey was integrated into the corporate risk report using a top-down approach.

As a result, the risk “inadequate practices by B3 in terms of social, environmental, climate and governance responsibility” began to be monitored in relation to both its past events and potential future events.

Another change was that the risk began to be reported on a semi-annual basis to B3's senior management and its governance bodies (Risk and Financial Committee and Board of Directors). On our corporate scale, this risk is classified as strategic, below the image risk category. Its assessment in 2022 with respect to impact and likelihood was moderate and low, respectively, with a time horizon for risk materialization within a range of over one year.

In terms of impact, this assessment represents damage to the image before the specialized market, legal and regulatory non-compliance that generates formal warnings or warning letters or financial implications between 1% and 3% of B3's EBITDA.

## METRICS AND TARGETS

[GRI 3-3; 305-1; 305-2; 305-3; 305-5]

### *Greenhouse Gas (GHG) Inventory*

In order to manage our environmental impact, since 2009, we have been preparing and publishing, annually, our Greenhouse Gas (GHG) Emissions Inventory. The document is prepared based on the monthly monitoring and measurement of environmental indicators, and its coverage encompasses all of B3's subsidiaries. This document is audited by a third party and integrated into the Public Registry of Emissions of the Brazilian GHG Protocol Program.

In 2022, our total emissions dropped by 60.38%, going from 5,220.64 tCO<sub>2</sub>e in 2021 to 2,068.37 tCO<sub>2</sub>e in 2022. In the continuous work of evolving our greenhouse gas inventory, we incorporated data from scope 1, 2 and 3 not only of the buildings and units that are under the company's management, but the information of the subsidiaries BLK, PDTEC and Neoway. This drop was leveraged mainly due to the developments of the company's scope 2, such as the reduction of the emission factor from 2021 to 2022 and the incorporation Market-based purchase. These changes and other relevant factors are reported below.

In Scope 1, we had an increase from 60.20 tCO<sub>2</sub>e in 2021 to 345.7 tCO<sub>2</sub>e in 2022, which was mainly influenced by the replacement of refrigerant gases. Around 80% of these emissions came from fugitive sources, related to the consumption of R-404A, R-410a and HFC-134a gases.

Regarding scope 2, on the other hand, there was a 67.91% drop in total gross emissions considering the location-based approach (Location-Based), mainly given the drop in the emission factor of the National Interconnected System (SIN) which, in 2021, had been impacted by the unavailability of hydroelectric power, increasing the use of thermoelectric sources for power generation. Thus, B3 had emissions of 1,328.48 tCO<sub>2</sub>e on this front. This figure also includes emissions from B3's international offices, of which 2.43 tCO<sub>2</sub>e for B3 UK and 3.76 tCO<sub>2</sub>e for B3's office in Chicago.

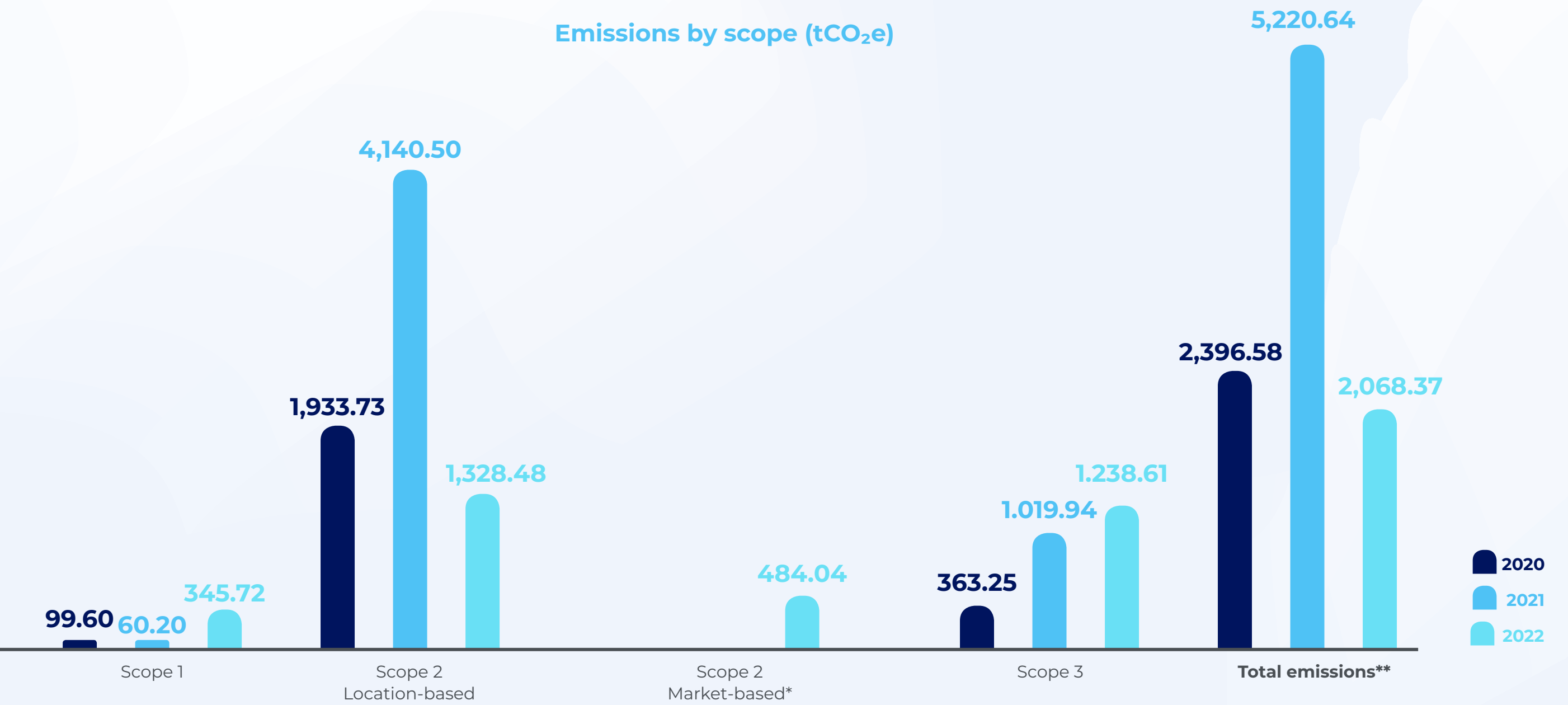
Finally, of the 31,041.78 MWh consumed in the year at the offices in Brazil, B3 offset 19,777 MWh through the purchase of I-RECs. This meant a residual emission in Scope 2 of 484.04 tCO<sub>2</sub>e in the Market-based purchase approach.

As for scope 3, we had a 21.44% increase in total emissions on this front, mainly impacted by the significant increase in emissions from business travel, which went from 20.10 tCO<sub>2</sub>e in 2021 to 446.43 tCO<sub>2</sub>e in 2022. This increase was due to the growth in the number of company trips in addition to the incorporation of data from subsidiaries.

Also as a highlight of scope 3, we had commuting to work, which represented 61.45% of total emissions in this scope. To account for emissions from this source, we carried out a survey with employees: "How do you go to B3?".



We also evolved in the incorporation of data to the corporate inventory and included the Generated Effluents category. This source represented only 0.64 tCO<sub>2</sub>e, coming from the subsidiary PDTec. With this advance, we plan to gradually incorporate information from the B3 Ecosystem on this new front. Inventories are available in full on our [website](#).



\*For the previous years, B3 did not consider the Market-Based approach. This possibility began to be mapped in the base year 2022.  
\*\* Considering Market-Based approach.

## GHG emissions offset

We have been a carbon neutral company since 2011. To achieve this position, we offset our GHG emissions that are not subject to reduction. This work has been performed since 2013, based on the years 2011 and 2012.

In 2022, we offset a total of 5,221 Verified Emission Reduction (VERs) / tCo2e (total offset – Scopes 1, 2 and 3), referring to 2021 emissions (5,221 tCO<sub>2</sub>e).

We chose the BT Geradora de Energia Elétrica S.A. Project - Ferradura Small Hydro Power Plant, located in the city of Erval Seco, in the State of Rio Grande do Sul. The initiative seeks to generate renewable electricity through the construction of Small Hydroelectric Power Plants (SHP) and the project is certified by the UNFCCC under the Clean Development Mechanism (CDM).



## Corporate Goal

In 2022, the Board of Directors approved an ESG corporate goal that had an impact on compensation of the CEO and B3 teams. The goal required the development and implementation of actions, including on the topic of climate change, seeking to improve B3’s performance in relation to indices and rating agencies that rate the company. The goal was fully achieved.

Additionally, in 2021, we set a target<sup>14</sup> to reduce, by 2026, 15% of our Scope 2 emissions, based on 2021 emissions.

Aiming at the resilience of our operations and in line with the best market practices, we decided to revise this target. Also using insights from the Science Based Targets initiative (SBTi) calculation tool, we will cut our scope 2 emissions to zero by 2030, with the base year as 2021.

To meet this goal, we began migrating B3 S.A.’s operations to the free energy market, using the incentive electricity from these suppliers, in addition to reducing other residual emissions from the B3 Ecosystem through the purchase of I-RECs annually from 2023.

<sup>14</sup> All the Company's subsidiaries that are part of the perimeter of the greenhouse gas inventory are part of the coverage of emission reductions.



## PEOPLE MANAGEMENT



### Human Capital

Here at B3, we endeavor to make our work environment increasingly collaborative, diverse, inclusive, with opportunities for development, growth, and recognition for all.

Our strategy involves end-to-end initiatives, from the onboarding of new employees to their departure. We clearly communicate all processes, as a result of which we are recognized as “best in class” in people management practices.

In 2022, we were elected, for the second consecutive year, as the best financial institution to work for in the Financial Services category, according to the Great Place to Work (GPTW) ranking.

Our operating model also earned us for the first time, the award of as one of the best companies to work for in the Technology sector by the GPTW ranking. In addition, we were recognized by GPTW as the 10th best company to work for in the State of São Paulo.

For us, these achievements reflect our care to offer an excellent work environment to all employees who work with us.



## ATTRACTION AND RETENTION

[GRI 2-7; 401-1]

We develop a wide range of actions aimed at attracting, recruiting and retaining talents in the market. Our initiatives involve compensation practices; training and development; internal mobility programs; individual monitoring of employees through performance and career management; flexible work; and promotion of occupational health and safety, among others.

Every year, we also conduct an employee engagement survey, developed by GPTW. Based on the results, action plans are drawn up that involve the entire company.

The survey is considered a strategic indicator of corporate goals and the results of each leader are reported in their Performance Dossier.

We also carry out an intensive work on communication, so that all employees have a very clear vision of our strategy. Therefore, we create a link between what people do in their daily lives and the organization's objectives, strengthening everyone's engagement.

Check out some of the main indicators for 2022 below:

- Our workforce expanded by 2.5% and ended the year with 2,735 professionals<sup>15</sup>;
- Women account for 35.7% of this total, while men represent 64.3%;

- In terms of age group, the largest share – 63.4% – falls between 30 and 50 years old;
- Our turnover rate was 18.0%, 1.2 percentage points above the previous year<sup>16</sup>. The increase in the turnover ratio was influenced by the combination of a reduction in terminations on the initiative of employees by 1.0 percentage points and an increase in terminations on the initiative of the company by 2.1 percentage points.

<sup>15</sup> Considers only employees of B3 S.A.

<sup>16</sup> The percentage of voluntary dismissals, in 2022, was 10.93%.



## FLEXIBLE WORK, BALANCE, AND QUALITY OF LIFE

### *Work Regime*

Our employees are subject to the CLT (Brazil's Labor Code) regime, working 40 hours a week, with a 24-hour break every seven days and a maximum of two hours of overtime per day.

We also have external service providers that serve B3 in different areas.

Currently, 68.7% of our workforce is internal (including apprentices and interns) and 31.3% is external.

### *Hybrid Work*

In 2022, with the gradual return of face-to-face activities in various sectors of the economy, we were able to take another step in the evolution of our hybrid work model.

In this new phase, our employees now work remotely two days per week and in person three days per week. Accordingly, we managed to maintain the flexibility and balance that our teams achieved with remote work while increasing proximity across our teams.

We believe that this evolution provides great value for strengthening our corporate culture. In addition, with the balance between in-person and remote work, we can further improve the development of our products and services, and our customer service.

### *B3 Balance Program*

[GRI 3-3; 401-3; 403-6]

We are committed to encouraging our people to adopt a more balanced lifestyle. To this end, we offer our employees more than 40 benefit options – a range that goes beyond what is guaranteed by law.

Our initiatives are developed through the B3 Balance | Quality of Life Program.

Get to know some of the actions of the program:

- **Encouraging physical activity:** Through Gympass, which allows access to gyms and other services related to health and well-being. In 2022, we had around 756 enrollments;



- **Dress Code:** Clothing according to the personality of the employees;
- **Birthday day off:** One day as a gift, in the month of the birthday;
- **Social security sick leave:** Advance and supplementation of sick pay;
- **Personal Support Program:** Psychological, social, legal and financial guidance. In 2022, the percentage of use of this program was 10.9% (market average is 5.8%);
- **Emergency loan:** Easy access to funds, in case of unforeseen events or unexpected situations. Six emergency loans were granted during the year;
- **Comp time:** Overtime hours worked converted into rest;
- **Retirement Plan:** Membership is voluntary and open to all employees. The participants contribute between 1% and 7% of their monthly salary, against our match of 100%. The assets to cover the plan are totally segregated from the Company and managed by Itajubá Fundo Multipatrocinado (IFM);
- **Advantage Club:** 904 people generated discount coupons;



- **Labor Exercises and quick massage:** More than 4 thousand participations per month;
- **Flu vaccine:** Via Bradesco Saúde reimbursement and Beep partnership for vaccines at home;
- **Recognition for Length of Service:** Honoring of 218 quinquennials and recognition dinner;
- **B3 Bazaar:** 11 days of event and 255 indications of small entrepreneurs;
- **Preventive campaigns:** Pink October and Blue November;
- **Decompression space:** On the 13th floor of João Brícola building we have an entire area for decompression with video games, arcades, space for reading, and “mini-arena,” all of which help with the integration of our people;
- **B3 Balance Space:** A beauty salon for our people to take care of themselves in a quick and uncomplicated way;
- **Food:** We have two snack bars and a restaurant, besides two cafeterias with storage and heating structure for those who prefer to bring their meals from home;

- **Baby on the Way:** It aims to monitor and connect mothers and fathers with the parenting process, through an online course, booklets, virtual conversation circles, a support guide and counselling. In 2022, 12 meetings were held with 223 participants. We offer exemption from co-participation for prenatal medical visits. We also have a breastfeeding support room.

Here at B3, we joined the *Empresa Cidadã* (Corporate Citizen) program, which allows the extension of the period of maternity leave from 120 to 180 days, in accordance with Law 11.770/08, as long as it is an option of the employee. The extension also applies to mothers who adopt or obtain legal custody for adoption purposes.

For the father, paid leave is five days after the birth, adoption of the child, or obtaining judicial custody. The period can be extended for another 15 days, totaling 20 days, by taking a specific course on paternity.

In 2021, we also changed the payment method for the Profit Sharing (PLR) program, which now considers the entire maternity/paternity leave period when counting the fractional payments. That is, without proportionality for the months actually worked.

Through the actions of the Baby on the Way Program and changes to the PLR program, we managed to improve parental leave indicators. In 2022, the parental leave return rate was 100% for women and 96% for men. The retention rates were 85% for women and 75% for men.

## OCCUPATIONAL HEALTH AND SAFETY

[GRI 3-3; 403-6; 403-10]

Here at B3, health and safety are a priority. Therefore, we seek to strictly comply with all occupational health and safety legislation.

We permanently improve our facilities. As such, we maintain rigorous periodic inspections to always promote safer work environments.

To ensure the health and safety of employees and interns, we comply with regulatory standards applicable to occupational health and safety. We also improve our facilities permanently, aiming to promote healthy and wholesome work environments.

The theme is managed by the Safety and Occupational Medicine team, which reports to the People Office. This team seeks to identify and prevent environmental risks, suggesting actions for continuous improvement.

We also have an infrastructure of medical outpatient clinics in the XV de Novembro and Praça Antônio Prado buildings, from Monday to Friday, from 9:00 am to 6:45 pm, and ambulance support in cases of removal.

Find out below other initiatives related to the topic:

- *Internal Commission for Accident Prevention (CIPA)*: Set up to observe and report accident risk conditions in the workplace and request measures to minimize them. Its duties also include providing guidance to employees on preventive measures. In 2022, CIPA was made up of 26 members, 13 of which were elected by employees and 13 were appointed by B3.
- *Emergency Brigade*: It is made up of a group of professionals who are organized and prepared to respond to any type of dangerous event that poses a risk to the company's people and buildings. This group is made up of employees of the organization itself and providers who perform this function on a voluntary basis. The operations of the B3 brigade are supported by three basic pillars: first aid, evacuation and firefighting.
- *Civil Firefighter*: Qualified professional under the terms of the legislation that performs activity aimed at preventing and fighting fire 24 hours a day, in addition to preventive actions, such as knowing the plant's fire emergency plan. Under to their duties, they identify hazards and assess existing risks; periodically inspect fire-fighting and related equipment; participate in drills; record daily activities and formally report the irregularities found, with appropriate proposals and corrective measures and subsequent verification of execution.
- *Committees*: All people who work at B3 are represented by formal committees.
- *Guidance and training*: Our employees have access to the "Best Practices Booklet", a document prepared by CIPA to make them aware of the influence of individual attitudes on work routines. Online training is also available on topics such as ergonomics, fire prevention and fighting, among others required by the NRs.
- *Workplace exercise*: We hold daily sessions on all floors, open to employees, interns and service providers. In 2022, we had a total of 29,742 participations.



## Preventive approach

Most of the activities carried out at our organization are administrative. Even so, we perform a detailed risk analysis to identify new situations.

In 2022, we registered two accidents requiring CAT (Communication of Occupational Accidents). As they were caused by specific factors, we prepared investigations and addressed improvements internally with targeted actions. Leaves related to occupational diseases were not recorded in the period.

According to our Social, Environmental and Climate Responsibility Policy (PRSAC), we are committed to encouraging development and quality of life actions for managers, employees and interns, offering a safe environment with opportunities for growth, which includes the search for continuous improvement in occupational health and safety, with a preventive approach to hazards and risks.

We also have practices such as:

- Frequent review of health issues/risks, with on-site monitoring of activities by technically trained professionals, and occupational health examinations;
- Adoption of an Occupational Health and Safety Management System, which includes emergency procedures, procedures for working at heights, confined spaces, hot work, work with flammable and combustibles, work with electricity and inventory of chemical products, as well as their proper signage;

- Quantitative risk assessments to identify what can cause damages in the workplace. This includes acquisition of a noise dosimeter and quantitative assessment of all identified functions (we have a dosimetry report). The information is dealt with at the Occupational Safety PGR. In 2022, no assessment was above the tolerance limit. The control will be carried out annually;
- Prioritization and integration of action plans with quantified targets to address these risks. In the Occupational Safety area, we have a safety inspection and accident analysis where we deal with all situations with an action plan integrated in these forms. Similarly, CIPA also has its Action Plan, which is revised monthly;
- Integration of emergency preparedness and response actions determined within the Emergency Response Plan.

## CAREER DEVELOPMENT AND TRAINING

[GRI 3-3; 404-1; 404-2]

We are committed to providing training and capacity building for the development of our people on an ongoing basis. In 2022, our goal was to have more than 60,000 hours dedicated to the development of human capital. We surpassed this goal by a large margin and reached 107.9 thousand hours in the year. For 2023, we want to increase this result by another 10%.

In 2022, 100%<sup>17</sup> of our professionals received some type of training. There were more than 56 thousand participations in development actions and more than 111 thousand hours of training, corresponding to 445 days, within more than 1,115 contents made available in the year.

The average hours of training that employees and interns took increased by 12.7% compared to the previous year. This expansion is due to the following factors:

- Growth of 2.4% in the number of employees;
- Implementation of the new training platform;
- Offer of new online courses, which increases the reach and ease of access to content;
- Implementation of new leadership programs and career acceleration programs.

See in the **ESG Performance Tables** the results of the last three years on the average hours of training attended by employees and interns by gender and functional category.

### *Development Journey*

In 2022, we worked on several different fronts to provide training to our employees. We worked with external suppliers, internal facilitators, online course platforms, in addition to a recognition program, in which employees exchange miles for training of their own interest.

We want our people to have opportunities to develop to their full potential. To this end, we take into account the skills related to the company's strategy, the knowledge necessary to operate in the area in which the employee works and also their own individual planning.

<sup>17</sup> Includes full-time employees as well as part-time employees (interns).



Find out details of the three pillars of our development strategy:

- **What B3 wants**

Institutional knowledge programs related to business, communication and processes, with content available for employees to watch whenever they want. In this pillar, the main objective is to train employees in topics that are directly linked to the company’s strategy and current market skills.

- **What the area wants**

Technical and specific training, offered within the budget of each area through the Development Needs Survey (LND). Training is defined annually by the area manager and the Training and Development team. The chosen topics are made available to employees through partner supplier platforms or through internal facilitation.

- **What you want**

Our soft and hard skills development catalog, available to all employees. Employees have complete freedom to choose the training they want, according to their individual development plan.

### Programs

In addition to the pillars above, we also work with various development programs for specific audiences. Among them, we can mention:

- Internship program: career acceleration for interns, so that as from nine months of internship and last year of college, the intern is hired on a permanent basis at B3. In December 2022, we had 162 interns.
- Career Acceleration Program: seeks to form an internal pipeline focused on entry-level positions, aiming to reduce vacant chair time, turnover costs and increase talent bond and retention. There will be 30 vacancies for Analysts I.

- Young Apprentice Program: aims to prepare a pipeline of Assistants, Internships and Analysts I. We have 10 apprentices in the program.
- Expertise Program: maps people with potential for development with a focus on career acceleration. The program is divided by positions, from Analyst I to Manager/Specialist, with specific development tracks for each audience, preparing for the challenges of the next position. In 2022, around 250 people were mapped, representing 10% of the organization. Part of the program also consists of monitoring the performance and movement of talents.
- Partnership with Microsoft and Oracle in Cloud, offering our team important certifications in technology, mainly in Cloud.

Leadership Development

In 2022, we continued advancing in our Leadership Development Program, with initiatives aimed at the different hierarchical levels of the organization. In 2022, 755 leaders participated in actions, which included:

- Successor Development Program (senior leadership): we annually update the mapping of the organization’s successors, which assesses the readiness and aptitude of leaders for Executive positions and above. For each person indicated in the mapping, a development plan is designed, which seeks to evolve the readiness of the indicated person for the next year, forming a more sustainable and future-ready pipeline. The development plan is individualized and co-built with the direct leader, the executive board and with the persons themselves.

- Training focused on the evolution of B3 culture for coordinators, managers, and superintendents; international eTraining in disruptive innovation for Vice Presidents and CEO.
- We also complement all these trainings through Masterclasses, a specific Mentoring Program for women leaders, a channel with videos and exclusive content related to the People and Offsite Management cycle for dissemination and joint construction of the organization’s strategy and guidelines.

Throughout the year, 13,300 participations in training were accounted for by our leadership, totaling 27,700 hours of training and 686 participating leaders.

#MinhaCarreira [#MyCareer]

This program seeks to develop people according to the challenges of the current position or for the next career step (internal, vertical or horizontal mobility). #MyCareer offers a catalog with development actions intended for the business, culture and core of the function, so that employees themselves can plan their path of evolution. In 2022, 578 employees prepared their career plan.



Mandatory Training

We maintain a constant agenda of mandatory training, which addresses topics related to safe conduct within the company, in order to reinforce the principles established in our codes and internal manuals and the guidelines of regulatory bodies.

With this initiative, we seek to mitigate possible risks in unusual or suspicious situations, and we remain in compliance with market guidelines.

Topics covered include Codes of Conduct, Anti-Corruption, Anti-Money Laundering, Information Security and Data Privacy, among others.

All managers, employees and interns are required to complete these online trainings at least once or whenever there is any content update. Regarding training on Anti-Corruption and the Code of Conduct and Ethics, it is mandatory that managers, employees and interns take them again whenever there is a new version is released.

The call for new training usually takes place every 2 years, on an alternated basis, depending on the need for dissemination or recycling of subjects.

By December 2022, the percentage of managers, employees and interns who completed the training was<sup>18</sup>:

Employees who attended the Anti-Corruption training	98.7%
Employees who attended the Information Security training	95.9%
Employees who attended the Anti-Money Laundering training	98.4%
Employees who attended the Data Privacy training	96.2%
Employees who attended the Code of Conduct and Ethics training	99.0%

<sup>18</sup> The percentages were calculated based on active employees in the month, considering the “normal activity” status. Some percentages do not total 100%, as there may be newly hired employees, who have up to 30 days to complete training, in addition to those on leave and on vacation.

## Training on the ESG theme

In line with our commitment to environmental awareness, since 2021, we have been conducting training in ESG for leadership and B3 teams, which includes employees, interns and apprentices.

In 2022, there were 2,461 participations, which represents a growth of 174% compared to the previous year.

The theme has also been part of the onboarding of new employees since 2020.

The topics covered include:

- Sustainability concepts;
- Environmental awareness;
- UN Sustainable Development Goals (SDGs);
- Sustainability Strategy; and
- Our practices related to the ESG theme, which also includes issues related to climate change.

## PERFORMANCE MANAGEMENT

[GRI 3-3; 404-3]

Our current Performance Management model involves defining, monitoring and evaluating each employee’s performance on an individual basis. The process is carried out annually and is based on the assessment of three dimensions:

- **Goals and objectives:** comprise the combined deliveries for the period, with cycles that can be monthly, quarterly, half-yearly or annual;
- **Core of the function:** what is expected from each function in terms of what must be delivered, in terms of impact, communication, innovation, knowledge and management (management level and above);
- **Values and Behaviors:** they are the aspects aligned with our Culture that generate positive impacts and apply to all job levels.

The contracting and validation of individual goals occurs once a year. These objectives can be reviewed at any time, making the cycle alive and aligned with the dynamics of the organization.

The performance management model is also aligned with the context of agile teams, allowing the definition of objectives per teams. This enables all participants to share the same goals; the offer continuous feedback from any level to any level; and recording om the system the accomplishments aligned with the agreed goals.



Feedback and Engagement

Our engagement survey has shown that there is a positive correlation between frequency of feedback and engagement.

People who had three or more feedbacks in the year have a better perception of the company’s climate and are more engaged.

To support this practice, we have two feedback models:

- **Intermediate Feedback:** This is a required step. In the middle of the year, managers register the intermediate feedback on the system with their assessment of the first half-year and the progress of the goals, core of the function and values and behaviors.
- **Continuous Feedback:** Through this resource, our people can request or register feedback at any time. This feedback can be linked to a specific goal. In addition, it is possible for both the manager and the employee to have a record of all feedback received throughout the year.

Over the last year, 100% of employees received performance and career development reviews<sup>19</sup>. **[GRI 404-3]**

<sup>19</sup> B3 does not conduct performance assessments for employees who worked less than 15 days in 2022.

Goals

Our structure of goals is made up of three dimensions, which aim to integrate the Company’s objectives with areas and individuals. See below:

- **Area Goals:** Impact the entire area or office. They can be project deliveries, new products, process improvement, among others.
- **Individual Goals:** They are defined with each person. They are related to the position and assignment and consider the expected competencies.
- **Corporate Goals:** They are established with the Board of Directors and Compensation Committee. These goals represent the Company’s main challenges and directly impact CEO compensation.

For 2022, the Corporate Goals were divided into topics considered important for the growth and sustainability of the business, among which we can mention:

- **Financial:** revenue growth and financial health;
- **Customer Centricity:** customer satisfaction at key moments;
- **Projects:** monitoring of the Company's priority projects and their respective benefits;
- **Operational Resilience:** availability of platforms and operational credibility with customers and regulators and cybersecurity tests; reguladores e testes de segurança cibernética;
- **People & ESG:** engagement of our people, increased representation and diversity, culture and ESG initiatives.

In 2022, most metrics met or exceeded expected results. It is assessed that the Company, as a whole, consistently met the goals for the year.

Dimension	Target	Output	Did not reach	Reached	Exceeded
Customers	Customer Satisfaction	Provide a B3 experience by achieving quality zone of NPS methodology in several touchpoints with customers, focusing on measuring proximity and customer satisfaction.		<div></div>	
Financial	Revenue	Achieve revenue target from market movements and B3 directions.		<div></div>	
	Expenses	Expenses tied to revenue and aligned with market guidance	<div></div>		
Operational Resilience	Stability, Availability and Cyber Security	Availability, capacity and security of B3 systems and processes, which guarantee solidity and operational credibility.		<div></div>	
Projects	Projects	Benefits and value generated from projects prioritized by B3 with an impact on customers and the market.		<div></div>	
People and ESG	Engagement, DEI and ESG	Monitoring leadership, processes and practices to be one of the best companies to work for in Brazil and a reference in ESG practices.			<div></div>



# COMPENSATION

[GRI 2-20; 3-3]

Performance management is directly related to our compensation strategy. The objective is to recognize, engage and retain talents in a clear and transparent manner, with the best market practices, internal consistency and external competitiveness.

Here at B3, we work with the concept of Total Compensation, which covers five major compensation pillars (see below), in line with the company’s strategy.

Pillar	Objective	Eligibility
Fixed compensation	Recognize and reflect the value of the position internally (company) and externally (market)	All
Short-term incentive	Reward the fulfillment and surpassing of goals by the company, an area or an individual, in line with the budget and strategic planning	Except Interns
Long-term incentive	Reinforcing key employees' retention and aligning shareholders' interests with the creation of value for the business in a sustainable and long-term manner	Managers and Above
Benefits	Complementing Social Assistance benefits	All
Intangible	Culture and Organizational Climate	All

We use the concept of “3P’s of Total Compensation” to manage the compensation of our people in an integrated manner. The model works together with three variables: Performance, People and Position.

We believe that compensation is an important factor in retaining our professionals. To ensure and maintain best practices, we participate annually in a total compensation survey. Survey information is analyzed role-by-role to ensure the consistency of our strategy.

Another factor observed is the composition of direct compensation. In this analysis, we verify the balance of the components between fixed compensation, short-term variable and long-term variable.

In recent years, the percentage variations between short-term and long-term incentives have been in line with the strategy defined by the company and reflect the performance and potential of individuals:

Composition of total direct compensation<sup>20</sup>  
– CEO and Vice Presidents

Position	Year	% Fixed	% STI	% LTI
CEO	2019	10%	29%	61%
	2020	11%	30%	61%
	2021	9%	22%	67%
	2022	13%	22%	65%

Position	Year	% Fixed	% STI	% LTI
Vice-President	2019	18%	32%	50%
	2020	18%	37%	45%
	2021	20%	27%	53%
	2022	25%	30%	45%

Fixed Compensation

We manage fixed compensation through salary ranges defined for each hierarchical level. The salary table is revised periodically, in order to guarantee that the amounts are in line with our strategy and with the market.

<sup>20</sup> Unlike the composition of the compensation informed in the Reference Form, the table above shows only the positions of CEO and Vice President, with the amounts granted to those who performed their function during full year.

This table also guides the internal promotion and merits processes, which are usually conducted twice a year. On these occasions, the Compensation area supports managers, providing indicators and materials with inputs for decision-making.

In our management model, we also pay special attention to salary equity between genders. In the position-by-position comparison, we found that, in 2022, the average difference between positions with people management<sup>21</sup> was less than 1%, both in annual salary and in total compensation.

The ratio between the Total Compensation of the highest paid individual and the average of all employees (excluding the highest paid) was 16.6<sup>22</sup>.

<sup>21</sup> Covers all positions with people management, from the level of Coordinator to the President (CEO).

<sup>22</sup> Total compensation in December 2022, considering employees registered under the CLT regime (excluding Young Apprentices and employees who were hired during 2022).

Short-Term Incentive (STI)

All of our employees, with the exception of interns, are eligible for variable compensation (PLR) [Profit and Results Sharing Program]. The objective is to recognize and reward goals achieved and exceeded, in line with the company’s short-term results.

The PLR/PPR [Profit Sharing Program] target amounts are predefined and vary according to the role and the employee’s performance in relation to two aspects: achievement of goals (what) and behavior (how), through the final performance evaluation.

Since 2021, we have changed the PLR calculation for all employees who had social security leave due to maternity, paternity or health issues. With the change, we no longer apply the PLR only to the months actually worked. This reinforces our culture and strengthens diversity and inclusion.



The total amount to be distributed is compatible with the result achieved by B3 in the period. Under this policy, the minimum for distribution of variable compensation is 70% of achievement of the Company's performance indicators (limited to 120% of achievement).

Additionally, the PLR Pool will only be available if the Company reaches at least 70% of the budgeted result for the year. For this purpose, adjusted Earnings Before Interest and Taxes (EBIT) is used.

In this way, the Pool is linked to the company's performance indicators, which are divided into topics considered important for the growth and sustainability of the business, as mentioned in topic "Performance Management".

If the Company's overall performance indicators are exceeded, the amount to be distributed will be greater than what was initially estimated as necessary to pay employees "on a market basis", in a scenario where the established goals are achieved. On the other hand, if performance is below expectations, there will be a reduction in the Pool to be distributed.

## Long-Term Incentive (LTI)

The long-term incentive (LTI) programs seek, through granting of B3's restricted shares, to reinforce the retention of key employees, align the interests of shareholders in creating value for the business and encourage responsible and sustainable decision-making. Check the details below:

- Matching:** Under this initiative, managers and above can invest a certain percentage of their profit sharing to buy B3 shares, and the company will make a matching contribution in this amount. The grace period is four years (vesting: ¼ each year).
- Granting:** In this program, we determine the individual amount for superintendents and above, respecting the range of amounts determined for each hierarchical level and based on the respective performances. The amounts are converted and granted in shares for a grace period of four years (vesting: ¼ each year), as long as the employee remains with the company on the maturity dates.

In August 2022, the BoD approved the inclusion of the Malus clause, considering the partial or total reduction of long-term compensation installments that are still unvested due to non-compliance with provisions of the Company's Code of Conduct and Ethics.

To this end, the Company's Share Concession Plan was amended at the General Shareholders' Meeting held on April 28, 2022. With the amendment to the Plan approved by the shareholders, the Company's management internally initiated the implementation of the clause. We had no case in 2022 where the Malus clause was applied.

Our compensation strategy aims to maintain the best market practices, recognizing, engaging and retaining talents. Therefore, we are always on the lookout for opportunities that enhance our people's experience and our culture.

## DIVERSITY, EQUITY AND INCLUSION



Human  
Capital

After the 2017 merger, we decided that the new organization that was then emerging would have a solid commitment to Diversity, Equity and Inclusion (DEI).

We approached the theme through our own strategy and positioning, which were carefully built with data and market studies, in addition to the participation of external specialists.

These documents were approved by the Executive Board, with the objective of becoming a company increasingly aligned with the theme and, at the same time, induce the market to do the same.

Internally, the subject is led by the People, Marketing, Communication, Sustainability and Social Investment Office, which reports directly to the CEO. Diversity-related programs are applicable to all employees of B3 and its subsidiaries, covering 100% of our operations.





Our commitment to the DEI agenda is present in our **HR and Compensation Policy<sup>23</sup>**, where we set out guidelines for:

- Ensuring an environment safe and free from harassment, combating any type of prejudice and discrimination (color, race, creed, gender, sexual orientation or age group);
- Ensuring practices and processes with the aim of having a more diverse, inclusive and representative Company, acting throughout the people management cycle, from attraction, development, engagement and retention of underrepresented audiences;
- Promoting a work environment with psychological safety, where everyone can be who they are, providing conditions for a better relationship with the team, knowledge of the business and performance;
- Constantly improving practices and processes, in favor of organizational change, in order to encourage the engagement and personal identification of employees covered by this Policy with the Company's values.

In 2022, we continued to deepen our work on the subject, both in the internal management of people and in initiatives aimed at society. Check out some of the actions.

<sup>23</sup> Scope of the HR and Compensation Policy: Managers, employees and interns of B3 S.A. – Brasil, Bolsa, Balcão, its subsidiaries abroad, as well as BSM, Cetip Info Tecnologia S.A., B3 Social and other associations (Company).

## GOVERNANCE OF DEI THEME

### *Diversity, Equity and Inclusion (DEI) Corporate Goal*

Since 2020, we have defined, with the participation of the Board of Directors, an organizational and corporate goal related to DEI, which impacts the variable compensation of the CEO and the entire company. The goal is to increase the internal representation of specific audiences, in addition to advancing on other fronts related to the theme.

Our People and Compensation Committee and the senior leadership are engaged in the theme, with guaranteed frequency of agendas for reporting and monitoring actions. The representativeness goal for 2022 – comprising the evolution of representation of women in leadership positions, of black people and people with disabilities – was achieved.

In December 2022, we had 28% participation of women in leadership positions in the Company. Check out more details about our DEI indicators below.

Diversity and Inclusion Census

In 2022, we carried out the third edition of our Diversity and Inclusion Census. The objective of this initiative is to understand in depth the evolution of the topic in the company and make informed decisions. One of the most important findings of the survey was the growth from 18% to 23.5% in the company’s black population. This shows that affirmative actions (see some of them below) effectively build a more diverse team.

Indicators and Monitoring

We have a Dashboard for monthly monitoring of indicators related to the topic, which are also monitored by leadership. Part of these indicators are reported in our Annual Reports, which undergo an external assurance.

Commitment on Women in Leadership and Diversity Index

In 2021, we publicly assumed two goals within the scope of issuing a Sustainability Linked Bond: the creation of a diversity index by 2024 and reaching 35% of women in leadership positions at B3 by 2026. At the end of 2022, we had 28% of women in leadership positions, which represents 80% of the goal.

To support this strategy and continue to develop this audience, in 2021 we launched our first Mentoring Program for Women, aimed at developing the organization’s future female leaders.

PROGRAMS AND PRACTICES

Recruitment and Selection Techniques

Since 2020, we have adopted more inclusive tools in the recruitment and selection routine, such as the presentation of more diverse short-lists and working together with partners and consulting firms specializing in this area.

Since August 2021, we have also adopted the practice of “hidden CV”, which consists of presenting profiles to managers, hiding information such as name, gender, age, disability, home address, and in some cases academic background.

This practice aims to minimize the impact of biases in the first stage of selection on the part of managers, focusing the analysis on the technical knowledge and experiences of the candidates.

Diversity Nucleuses

One of the practices we adopted to involve and give voice to employees was the creation of five Diversity Nucleuses in 2019. These groups are made up of people from different areas and positions and represent our five priority action fronts: gender; race and ethnicity; LGBTQIA+; people with disabilities; and generations.

Training in DEI

Since 2020, we have implemented mandatory DEI training covering 100% of the organization. Employees must complete the training at least once. The theme is also part of the onboarding agenda for new employees and in specific and recurring development actions.



*Manas da Tech [“Tech Sis”]*

With a focus on attracting more diversity to the technology area, in May we launched an internship program focused on women, with 20 vacancies. In addition to the internship, the selected young women take training courses to develop their skills and increase their chances of being hired.

The initiative works on soft and hard skills through mentoring, training and volunteering projects.

*Hiring black professionals and interns*

CWe reached the third year of the Internship Program with an Emphasis on the Black Youth. Once hired, those young people participate in a specific development path built with the Race and Ethnicity Diversity Center, which includes a mentoring program with our leaders.

*Preventing and combating cases of discriminatory behavior or harassment*

**Whistleblowing channel:** the entire process of handling and resolving on complaints of discriminatory behavior or harassment is performed through Alô Compliance (“Hello Compliance”), in a confidential and impartial manner, ensuring greater confidence for the complainant to trust the channel and report any situation.

According to our own **Code of Conduct**, it is up to the Internal Committee of Conduct and Ethics to adopt measures that ensure the prompt interruption of the practice of violations of the Code of Conduct, policies, Bylaws or legislation, or that anticipate such practices, in addition to correcting the damage generated, which may even imply the removal of the employee or trainee from their functions temporarily, until investigations are concluded. At the end of the investigations, if the violation is proven, the Company may apply the appropriate penalties, which, depending on the seriousness of the violation, may be: (i) warning; (ii) suspension; or (iii) termination of the contractual relationship. Without prejudice to the above punishments, considering the Company’s commitment to always acting in cooperation with national or foreign public authorities, if the violation committed represents a civil, administrative or criminal offense, it may be taken to the regulatory bodies and competent public authorities. Instances of discriminatory behavior or harassment are subject to the applicable penalties mentioned above.

**Training:** The Harassment-Free Environment training is considered mandatory and is applied to all B3 managers, employees and interns. The scope of the training is to bring elements of the law that deal with the subject, frequently asked questions by employees (which were collected in a previous survey) and answer possible questions. Finally, we provide guidance on how to act in certain situations and make the Compliance and the People team available to all employees.

## Board Diversity Program

The Program, created in 2014, has as its main initiative to favor the exposure of women to the ecosystem of boards of directors, supervisory boards and committees of public, private or third sector organizations. This occurs through the exchange of experiences, learning and strengthening of the network, with the support of professionals experienced in acting on boards, who act as mentors. This is a joint initiative of B3, Brazilian Institute of Corporate Governance (IBGC), International Finance Corporation (IFC), Spencer Stuart and Women Corporate Directors (WCD).

## Racial Equity Program in Boards

In October, we launched the Racial Equity Program in Boards, in partnership with IBGC and the Business Initiative for Racial Equity. The initiative seeks to increase the presence of black people in the highest decision-making bodies of companies. A survey among the 73 companies that participated in the ISE B3 (Corporate Sustainability Index) selection process in 2021 shows how it is necessary to move forward: about 80% of these companies responded that they have between 0 and 11% of black people in board and C-level positions. The first class of the course was made up of 30 students, who participated in 13 classes, in person and online, given by instructors from IBGC and the Business Initiative. Graduation took place in November, with a bell ringing at our headquarters.

## Ring the Bell for Racial Equity

For the sixth consecutive year, we rang a bell for racial equity in the financial and capital markets. The event aimed to discuss behaviors and concrete actions that can contribute to a cultural transformation that increases representativeness and racial equity in society.

## EXTERNAL DEI INITIATIVES SUPPORTED BY US

### Companies and LGBTI+ Rights Forum

Last year, we joined the Companies and LGBTI+ Rights Forum, created to mobilize companies around the recognition, promotion and protection of the human rights of the LGBTQIA+ population. The goal is pursued by improving business management practices and combating homophobia and LGBTphobia, which have harmful effects on people, businesses and society itself.

### Ring the Bell for Gender Equality

Worldwide action of the Sustainable Stock Exchanges (SSE), of which we are founding signatories. This initiative seeks to raise awareness about the role of the private sector in advancing gender equality in the market and society. Held since 2017 on our trading floor, it has a partnership with the Global Compact, UN Women, International Finance Corporation (IFC), Women in ETFs (WE) and World Federation of Exchanges (WFE).



### *Pact for the Promotion of Racial Equity*

At the end of 2021, we became institutional supporters of this initiative, which proposes to implement a Racial Protocol for the country, in order to bring the racial issue to the center of the Brazilian economic debate and draw the attention of companies and civil society. The objective is to compose an indicator of racial representation in Brazilian companies, which may bring the benchmark and direction reference for companies to evolve.

### *Women's Empowerment Principles (WEPs)*

Helps the private sector to promote gender equality in the workplace, marketplace and community. It is held by UN Women and the Global Compact. We have been a signatory to the WEPs since 2017, making us the first signatory exchange in the Americas and the sixth in the world.

### *Be Together*

In 2019, we created Be Together, an initiative that brings together women from the financial market representing B3 client companies, and whose objective is mutual learning and the exchange of good practices in companies to promote the female presence in the financial market and contribute to a more fair, diverse, egalitarian and attractive to women.

### *OUTstand*

Since 2019, we have participated in OUTstand, a network of financial market professionals that encourages and mobilizes reflections on the LGBTQIA+ theme in companies in this segment.

### *WOB - Woman on Board*

It aims to engage the top management of companies in the diversity agenda. As signatories, we must ensure the presence of at least two women on our Board of Directors. In 2020, we were recognized with the WOB seal, for our commitment to the agenda. Our Board currently has three women. Other quantitative indicators on DEI can be checked in the **ESG Performance Table**.

# SUSTAINABILITY-LINKED BOND (SLB)



In September 2021, when we issued a **Sustainability Linked Bond (SLB)**, we made important commitments to investors and, at the same time, to society.

At the time, we were the first stock exchange in the world to issue an SLB. This is a special category of debt security, as it allows the company to raise funds with an interest rate linked to the fulfillment of sustainability goals.

Our bond sets two goals<sup>24</sup>:

- Create, by 2024, a market index to measure the performance of companies that have good diversity indicators;
- Achieve, by 2026, the percentage of 35% of women in leadership positions at B3 (managers, superintendents and officers)<sup>25</sup>.

The operation was assessed by an independent second party (Sustainalytics), aimed at certifying its compliance with the guidelines established by the Sustainability-Linked Bond Principles (SLBP) and the Sustainability-Linked Loan Principles (SLLP).

In 2022, we worked in search of progress towards meeting the established goals. The evolution is published regularly in the Annual Report, as it is a public document, which gathers financial and ESG information and also relies on external audit assurance.



<sup>24</sup> In the case of the creation of the diversity index, if the goal is not met, interests will be raised by 0.125% counted as from coupon payment in September 2025. In regard to the women in leadership positions goal, if the 35% target is not met, interests will be raised by 0.125% counted as from coupon payment in September 2027.

<sup>25</sup> The definition of Manager includes general managers and first-level (I) specialists. Likewise, the definition of Superintendent includes superintendents and second-level (II) specialists. Finally, the definition of Officer includes officers, executive officers, vice presidents and the position of CEO of B3.



## EVOLUTION OF GOALS

Check the evolution of initiatives implemented year by year in the tables below.

### CREATION OF A DIVERSITY INDEX BY 2024

2021	2022	2023
<p>Organization of a working group, involving the areas of Sustainability, Diversity &amp; Inclusion and Products;</p> <p>Preparation of study and research with information about: market demand, regulator and society; benchmarking with other exchanges and index providers;</p> <p>Survey of indicators and metrics, connected to standards and market instruments related to Diversity &amp; Inclusion, which can be considered in the construction of the methodology;</p> <p>Prioritization of index development on our Indices On Demand platform.</p>	<p>Continuation of the activities of the Working Group, involving the areas of Sustainability, Diversity &amp; Inclusion and Products;</p> <p>Definition of indicators for building the index in line with the Reference Form (CVM 59);</p> <p>To build the methodology of an index it is necessary to have data. As a result, we started a search for public data on diversity, equity and inclusion in listed companies. Throughout this action, a lack of standardization and availability of information by the market was observed.</p> <p>As a result, we invited all companies listed on B3 to respond, voluntarily, to a form to obtain quantitative data on gender, race-color, people with disabilities, LGBTQIA+.</p>	<p>Based on the data collected, we will begin, in 2023, the backtest and structuring of the Index Methodology and Guidelines.</p> <p>We will validate the methodology with market players.</p>

WOMEN IN LEADERSHIP POSITIONS

2021	2022	2023
<p>Review of Recruitment &amp; Selection partners and practices;</p> <p>Closer and more intentional action in the cycle of merits and promotions;</p> <p>Design of a specific action plan for each area with follow-up by Vice Presidents and directors;</p> <p>Launch of a Mentoring Program for Women specifically for coordinators, consultants and managers;</p> <p>Increase of 1 percentage point in female representation in leadership positions, closing the year at 28.2%.</p>	<p>Review of partners and R&amp;S practices, for closer and more intentional action in the cycle of merits and promotions;</p> <p>Design of a specific action plan for each area, monitored by Vice Presidents and Officers;</p> <p>Launch of the Mentoring Program for Women; Definition of the goal of women in leadership positions in all areas that showed a deficit, being monitored monthly by the DEI area;</p> <p>Launch of the second wave of the Mentoring Program for Women with the inclusion of analysts III in addition to consultants, coordinators and managers with the aim of preparing them for the next career step.</p>	<p>We have a structured action plan for the coming years so that we can reach 35% by 2026, which will include:</p> <p>Individual goals for senior leadership (Vice Presidents and Officers) linked to percentage growth in female leaders with periodic monitoring by the Diversity and Inclusion area;</p> <p>Support in the design and execution of specific action plans for each area with a women leaders goal;</p> <p>Development programs focused on women promoting upcoming talents for career progression to leadership positions;</p> <p>Continuity of the Mentorship Program for Women with analysts III, consultants, coordinators and managers with the aim of preparing them for the next career step, working soft and hard skills;</p> <p>Female empowerment programs: “One goes up and pulls the other up” – every woman promoted to a leadership position will mentor another woman on her team who will be next in line for that position.</p>



# SOCIAL RESPONSIBILITY



As a company that seeks to be in line with the best sustainability practices and encourage other market participants to adopt them, we also invest in social responsibility initiatives.

In 2022 alone, we directed more than R\$ 77 million to social and cultural projects, of which R\$ 39 million through direct funding and about R\$ 38 million through incentives.

The entity responsible for this strategy and for managing the resources for social projects is B3 Social, a non-profit association, founded in 2007, responsible for B3's Private Social Investment (PSI) and volunteer work fronts.

B3 Social has the purpose of contributing to the reduction of social inequalities in Brazil. To this end, it adopts as its main strategy the financing of organizations and projects that act in a structuring way to improve Brazilian public education.

At the same time, faced with the urgent needs of vulnerable people and communities, B3 Social also supports emergency and assistance initiatives throughout Brazil.

In 2022, B3 Social invested more than R\$ 56 million in 256 social projects in all Brazilian states, with an estimated impact of 13.3 million people (of which 5.1 million were direct beneficiaries and 8.2 million were indirect beneficiaries). This means a significant expansion compared to 2021.

# PROJECT FINANCE

Since 2020, B3 Social has been active in Private Social Investment as a funding agency for projects, using its knowledge in management and results metrics to support high-performance social initiatives – either through direct donations or through tax incentive laws.

The activities are guided by the Strategic Philanthropy model, in which, besides financial support, there is non-financial support, based on a personalized partnership, with periodic follow-up, constant feedback, training, and sharing of content and connections, in order to strengthen the structure, management, and results of the supported organizations.





## Priority for Education

In 2022, B3 Social approved its second portfolio of social projects in education, with 37 projects supported, reaching more than 5.2 million public school students.

The strategy continued the path started in 2021: to support structuring projects in public education, prioritizing those with evidence-based performance, potential to influence public policies, national scope, and that are focused on issues of diversity and inclusion.

The portfolio, in the last year, was marked by new projects in STEM (science, technology, engineering and mathematics), such as the launch of the Brazilian Junior Mathematics Olympiad (OBMEP Mirim), which impacted over 2.7 million children in around 18,000 public schools.

The organization also supported projects that seek to recover learning losses resulting from the pandemic, such as the programs Educar pra Valer from Associação Bem Comum, which increased by 13% the number of literate children in the 48 municipalities where it operates throughout the year, and the UNICEF Active Search, which re-enrolled more than 146,000 children who had dropped school.





## Emergency Donations

In 2022, B3 Social also continued on the emergency front, with donations on the food, health and income fronts. In response to the significant increase in people experiencing food insecurity in Brazil, the focus was on fighting hunger, with approximately R\$ 10 million donated on this front.

Overall, 162 emergency projects were supported, 148 of which were small and medium-sized organizations indicated by B3 employees, indirectly impacting 385,000 people in 58 municipalities in 15 states.

Through this mechanism, the association:

- Directed resources to fight hunger in the most vulnerable states of the Country;
- Supported communities affected by extreme rainfall, such as regions of Alagoas, Rio de Janeiro and Pernambuco states; and
- In a preventive move, it contributed to Fiocruz’s vaccine factory, which is adapting its facilities to work with messenger RNA technology.

## Fighting Hunger

Throughout the year, B3 Social joined important campaigns to combat hunger. One of them was the *Pacto pelos 15% com Fome* [Pact for the 15% with Hunger], launched by Ação da Cidadania, which brings together companies, communication groups, civil society organizations and workers to help the 15% of Brazilians who are experiencing hunger, which represents a total of 33 million people. Another highlight was the campaign to fight hunger of the G10 from the slums, supported with R\$ 1 million for the donation of basic food baskets.

## Investment via incentive laws

In addition to allocating resources with direct funding, B3 Social also manages the Incentive Laws of B3 S.A. and affiliates<sup>26</sup>. In 2022, R\$ 17.3 million were allocated to 47 social projects, in 3 federal laws and one municipal law: the Sports Incentive Law, the Child and Adolescent Fund, the Elderly Fund and the Municipal Support Program for Cultural Projects (PROMAC)

These projects were selected based on their potential impact, operational capacity and geographic scope and include activities such as training in technology for young and old people, sports activities after school hours and assistance and care actions in regions of extreme social vulnerability.

The supported projects will be implemented and monitored throughout 2023 and are expected to benefit more than 14,000 people in 17 states

<sup>26</sup> Except for the National Culture Law, managed by B3's Marketing Superintendence.

## VOLUNTEERING

B3 Social is also responsible for the volunteer program, whose objective is to encourage social engagement and individual philanthropy among B3 S.A. employees.

In 2022, the program was highly engaged. Throughout the year, 52%<sup>27</sup> of our employees participated in at least one voluntary action or made a donation – an internal record. In total, the program had 1,498 volunteers and donors (an increase of 30% over the previous year) and a total of 2,710 hours of activities.

With the resumption of in-person work, it was possible to perform more “hands-on” actions than in previous years, with an increase in the frequency of distribution of items to the street population, greater distribution of staple baskets, in addition to visits to social organizations and collection for blood donation within B3.

Overall, there were 25 actions, including opportunities with different types of participation and levels of engagement, from a one-time donation to recurring mentoring.

## INVESTMENT IN CULTURE

In addition to the work to reduce inequalities, which is led by B3 Social, we contribute to society through cultural investments. In 2022, we prioritized initiatives that promote the art and history of Brazil.

We continued with sponsorships signed in previous years, such as MASP (São Paulo Museum of Art), OSESP (São Paulo State Symphony Orchestra), Museu do Amanhã [Museum of Tomorrow], Jewish Museum and Bienal [Biennial].

We supported the renovation of the Ipiranga Museum, which was reopened in the bicentennial year of the proclamation of Independence, and we sponsored the Pinacoteca de São Paulo, with emphasis on the exhibition “Suturas, fissuras, ruínas”, by Adriana Varejão.

Other initiatives supported were the Broadway musical “Chicago”; “Vozes Negras” [Black Voices], musical series about black female voices in the history of Brazilian Popular Music; and the immersive exhibition “Monet à Beira D’Água” [Monet by the Water].

In total, we invested more than R\$ 21 million in Culture.

*In the Memory Center topic, find out about MUB3, a museum about the history of the capital market in Brazil, which we launched in 2022.*

<sup>27</sup> Based on the number of employees in January 2022.



# CORPORATE GOVERNANCE



Human  
Capital

Our long-term vision is supported by a solid corporate governance model, which is constantly being improved here at B3, accompanying the Company's growth. We are always looking for opportunities to improve our processes, risk management, internal controls and the very structure of our organization.

This continuous evolution process is incorporated into our Culture. This allows us to grow safely and quickly. This way we can deliver consistent results, with ethical and responsible action, in line with our strategy.

We pioneered the transformations adopted in recent years. We base our work on the best practices in the market, but we do not limit ourselves to following already established models. With this, we built a journey that makes us confident to face the challenges of the future.

In this chapter, we present the main advances in our Corporate Governance and initiatives to offer a responsible Market Infrastructure.

## GOVERNANCE MODEL

[GRI 2-9; 2-10; 2-11; 2-12; 2-13; 2-17; 3-3]

Here at B3, we are committed to continuously evolving our internal Governance practices and to also being a reference for the market, inducing other companies to advance in their own journeys.

We believe that the best way to encourage this movement is to lead by example. For this reason, we have a robust Governance model that exceeds legal requirements.

Our Corporate Governance model is supported by three pillars:

- General Shareholders' Meetings;
- Management Bodies;
- Inspection and Control Body.

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In 2022, we also validated the Governance models (as applicable) of our subsidiaries and affiliates. With this advance, we ensured that companies can meet the desired requirements and maintain the operational agility necessary for business evolution.

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## GENERAL SHAREHOLDERS' MEETINGS

These are opportunities in which the Company's shareholders meet to discuss relevant issues. On these occasions, Management has the opportunity, for example, to report on its results, giving space for this public to also voice themselves.

In this forum, the members of the Board of Directors and, if installed, of the Company's Fiscal Council, are also elected.

In April 2022, the Company's Annual General Meeting (AGM) was held exclusively digitally, in line with the regulations of the Securities and Exchange Commission of Brazil (CVM).

In addition to this AGM, we held a Special General Meeting in December, which unanimously approved the acquisition of Neurotech.

The Company has a dispersed capital structure, in which there is no controlling shareholder.

## MANAGEMENT BODIES

The management bodies are composed of the Board of Directors and the Executive Board. The Policy for Nominating Managers aims to establish the applicable guidelines for nominating, selecting and hiring candidates for the positions of members of these two instances and also of advisory committees to the BoD.

### *Board of Directors*

The Board of Directors (BoD) is the governance body whose mission is to protect and maximize the value of the Company's assets, in addition to the responsibility of ensuring our perpetuity. That is, its role is to take care of the company today and in the long term. To this end, it guides the business and decides on strategic issues.

The duties of the BoD include, among others:

- Determining business goals and guidelines, which includes annually reviewing and updating the Company's Strategic Planning, together with the Executive Board;
- Resolving on convening the General Meeting;
- Proposing the allocation of profits;
- Electing and dismissing the President (CEO), Vice Presidents and Executive Officers, in addition to supervising their management, evaluating the performance of the President (CEO) and monitoring the evaluation process of the other members of the Executive Board;
- Choosing the independent auditors;
- Monitoring the Company's internal control system and deliberating on its annual report;
- And approving and ensuring the proper execution of the annual budget.



Issues related to ESG and climate change are also dealt with at the Board with considerable frequency. In 2022, the theme was taken to 7 of the 9 ordinary meetings of the BoD.

At the end of 2022, we had 11 members on our BoD, all independent under the terms of Novo Mercado Regulations. In addition, out of the total number of members, seven are “Non-Connected Directors”, in line with CVM (Securities and Exchange Commission of Brazil) regulations applicable to market infrastructures, under the terms defined by our Bylaws.

Also at the end of 2022, our BoD had three women, in line with the commitment we assumed when we became signatories to the Women on Board (WOB), an initiative that aims to engage boards of directors in the discussion of diversity issues.

None of the BoD members accumulates executive functions in the Company. Directors also cannot be appointed to management positions in our subsidiaries.

As a general rule, the election of our board members is based on a slate system, as currently provided for in our Bylaws, and the term of office is unified for two years, with the possibility of reelection. The current directors made up the slate proposed by management at the General Shareholders’ Meeting held in April 2021, when they were elected. The next election of the Board of Directors will take place at the 2023 Annual General Meeting, when the terms of office of the current directors will expire.

All members have relevant technical knowledge in their area of expertise, and diversity of experience is sought in this composition. In this sense, in line with the best corporate governance practices, the Governance and Nomination Committee evaluates the alignment between the composition of the Board of Directors and the Company’s strategy on a recurring basis.

To this end, the minimum set of skills and experience for our BoD is specified and a diversity matrix is prepared that considers whether the Board has members with such skills, which includes topics such as corporate governance and human capital, in addition to aspects of gender diversity, among others considered relevant by the BoD.

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The composition of our Board of Directors reflects the diversity of skills that we consider adequate and complementary for conducting and strategically directing the business.

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In addition to these skills, the BoD and the Governance and Nomination Committee seek to ensure that candidates represent the Company’s values and commitment to the long-term interests of shareholders.

Check the skills of each of the current members of our BoD in the **ESG Performance Tables**.

Advisory Committees to the Board of Directors

Our BoD has the support of Advisory Committees for in-depth analysis of technical and specific topics, providing more dynamism and quality to its decision-making process. The activities performed by each of these committees are directly or indirectly related to the supervision and management of the Company’s impacts on the economy, the environment, and people. The composition, operation and compensation of the Committees are disciplined by the BoD, which decides on their respective Internal Regulations. Check out more details about each of them below:

- **Audit Committee (COAUD):** It is responsible for monitoring the quality and integrity of the Company’s financial statements, as well as the internal control and risk monitoring systems.
- **Governance and Nomination Committee (CGI):** Its objective is to support the BoD and the Chairman of the BoD in the process of selection, nomination and evaluation of Directors, members of Advisory Committees, and in the selection and nomination of the President (CEO), Vice Presidents and Executive Officers, including with regard to potential conflicts of interest at the time of nomination and throughout the term of office, if elected.

In addition, this Committee is responsible for monitoring the adoption of good corporate governance practices, as well as the effectiveness of its processes, proposing updates and improvements when necessary, including through the review of the organization’s governance documents. It is also the responsibility of the CGI to monitor the adoption of practices for the preservation of ethical and democratic values, ensuring transparency, visibility and access to the markets managed by the Company and its subsidiaries.

The CGI is also responsible for proposing to the BoD the succession plan for the Company’s President (CEO) and for monitoring matters related to sustainability, the adoption of practices that seek the Company’s perpetuity, considering the regulatory, economic, social and environmental aspects involved.

- **Products and Pricing Committee:** Among other matters, it is responsible for evaluating the Company’s pricing structure, comparing them to the prices charged by the main international exchanges. This committee is made up mostly of external members appointed among people with notable knowledge of treasury products, credit transactions and asset management, and who represent national and international financial institutions
- **People and Compensation Committee:** It is responsible for monitoring actions related to the Company’s people management strategy. It also monitors the adoption of practices aimed at disseminating the values of human rights and diversity to all of the Company’s stakeholders. It is also responsible for proposing, reviewing and monitoring the parameters, guidelines and compensation policy and other benefits to be attributed to the Company’s managers and members of the Board’s advisory bodies. In addition, the Committee supports the BoD in the process of evaluating the CEO’s performance and in monitoring the evaluations of the Vice Presidents and Executive Officers.
- **Risk and Financial Committee:** This committee is responsible for monitoring and evaluating the risks inherent to the Company’s activities in its various modalities, with a strategic and structural focus, among other issues.

**Learn more about the composition of the Advisory Committees in the ESG Performance Tables and on the Investor Relations website.**



Executive Board

The Executive Board is the body representing the Company and is tasked, subject to the guidelines issued by the Board of Directors, with conducting the management of the business—which includes the duty to issue guidelines for the Company’s operating, social, economic and sustainability activities as well.

The Executive Board consists of the Company’s President (CEO), Vice Presidents and Officers. There is within the Executive Board a Joint Board, which necessarily comprises the Company’s President (CEO) and Vice Presidents and may include other Officers, as designated by the Board of Directors.

Under the Bylaws, the Joint Board can appoint committees to advise it on activities under its purview. Currently, there are 6 internal committees advising the Joint Board:

- Conduct and Ethics;
- Corporate Risks;
- Monitoring of Transactions and Anti-Money Laundering, Concealment of Assets, Rights and Valuables, Terrorism Financing and Financing for the Proliferation of Weapons of Mass Destruction;
- Sustainability;
- Central Counterparty Risk;
- Information Security and Cybersecurity

Internal Sustainability Committee:

The primary duties of the Sustainability Committee are to guide the Company’s sustainability strategy and to approve its planning and initiatives in connection with sustainability. Its activities are periodically reported to the Board of Directors and/or the Governance and Nomination Committee, which reports to the Board of Directors. This committee is composed of the President (CEO), the Vice President of Products and Customers, the People, Marketing, Communication, Sustainability and Social Investment Executive Officer, and two members of the Board of Directors.

The Sustainability Committee held two meetings in 2022:

- 1<sup>st</sup> meeting (January): ESG megatrends, information on the transaction involving the Sustainability-Linked Bond issued by B3 in September 2021 and the results achieved to date, results relative to the corporate target for 2021, and planning for 2022.
- 2<sup>nd</sup> meeting (December): Developments from COP27, key actions delivered on the issue of inducing ESG best practices in the Brazilian market and in internal management, the new materiality matrix, and planning for 2023.

## INSPECTION AND CONTROL BODY

Another governance body is our Fiscal Council. It is responsible for controlling accounts and independently inspecting the actions of managers and our compliance with our legal and statutory duties.

The Company set up its Fiscal Council in 2022, as resolved at the annual shareholders’ meeting held in April.

## BOARD OF DIRECTORS PERFORMANCE ASSESSMENT AND COMPENSATION

[GRI 2-18; 2-19; 2-20; 2-21]

### *Performance Assessment*

The Board of Directors has its own assessment process, which is carried out annually in a formal, structured manner, led by its Chairman, with support from the Governance and Nomination Committee and the Corporate Governance team.

This process contemplates two components:

- Overall Performance Assessment of the Board; and
- Individual Assessment among Members (Self-Assessment and Peer Assessment).

Regarding overall performance, the assessment criteria are grouped into seven categories: The Board’s Strategic Focus; Knowledge of and Information on the Business; Independence of the Board; Organization and Operation; Culture and Dynamic of the Group; Involvement in the Long-Term Strategic Agenda; and Quality and Efficiency of Committees Advising the Board (there are committees advising the Board of Directors that are tasked with providing oversight of risks, as well as corporate governance and sustainability best practices (according to GRI 2-9 of the Annual Report)).

For the Individual Assessment among Members, assessment items include questions about recusal in cases involving potential conflicts of interest, actual contributions to decision-making, assertiveness, preparedness for meetings, and availability of time.

The goal of the process is to facilitate reflection and a structured discussion on continuous improvement actions focused on the performance of the Board of Directors, thereby systematically enhancing this body’s efficiency.

The first step in the process involves each member individually reflecting on the aforementioned issues, through a questionnaire.



The list of questions on the overall component of the procedures of the Board of Directors is sent to all members of the Joint Board, so they can conduct that assessment.

Completed questionnaires are sent to the Corporate Governance team, which processes the data on a confidential and restricted basis. Consolidated results are shared with the Chairman of the Board, who holds interviews and feedback discussions with each director. In addition, the consolidated results are put forward for discussion at meetings of the Governance and Nomination Committee and the Board of Directors.

The Board of Directors’ annual assessment can be conducted with the support of external advisors, which they historically have every two years in a period that coincides with the definition of the slate to be proposed by Management for the shareholders’ meeting. Accordingly, the results of the work done by external advisors can also factor into the composition of the Board of Directors.

It is worth pointing out that, from May 2022 to the end of the year, the Board of Directors carried out, with the support of an external advisory firm, the “Board of the Future” project. Besides the future of governance and organizations, the circumstances impacting the Company’s future and the challenges facing it were discussed.

Thereupon, the effects of that scenario on the Board of Directors were assessed in various respects—such as strategy, dynamic, makeup, skills of directors, etc. Finally, action plans were devised to address the opportunities mapped. The results of this project will also factor into the definition of the ticket to be proposed by Management on occasion on the 2023 annual shareholders’ meeting, when the terms of the current directors are set to expire.

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**The Board of Directors and the People and Compensation Committee approved an ESG corporate target for 2022 that impacted the variable compensation of the President (CEO) and the entire Company. The target has been fully met.**

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Still concerning the annual assessment of the Board of Directors, when the consolidated results are discussed by the Board itself and the Governance and Nomination Committee, a determination is made as to the convenience of setting up action plans for potential improvements. In the assessments conducted by external advisors, for the most part, the advisors themselves propose action plans as a result of their assessment, which are then examined by the Board of Directors and the Governance and Nomination Committee.

The goal of those plans is to address any issues that do not properly meet the expectations of the Board’s, such as improvements in the dynamic of meetings, in how the bodies interact, in the communications among members of the management team and in other respects. Issues to be addressed can also include the composition of the Board, gender diversity, knowledge and experience, etc.

Once the action plans have been devised, their implementation and the effectiveness of measures taken are tracked by the Chairman of the Board, with the support of the Corporate Governance area.

Compensation for the Board of Directors

The compensation model for the Board of Directors comprises fixed fees, as well as short and long-term components, according to the following table:

PILLAR	DESCRIPTION	
Fixed Fees	Board of Directors' Fees	Fees paid monthly (12 time per year) according to the job of each member.
	Advisory Committees' Fees	Fees paid monthly, according to the job and the committees in which a director may participate, regardless of the frequency of their meetings.
Long-term component (CLP)		Share-based compensation granted annually, at the beginning of each term, and vesting two years after the end of the term.

The compensation for the Board of Directors and the Executive Board is annually assessed by the People and Compensation Committee, consistent with its duties, as summed up in section above.

Upon completion of its annual assessment of the compensation for the Board of Directors and the Executive Board, the Committee submits a recommendation to the Board of Directors, which in turn proposes the overall amount to the shareholders' meeting.

Given the guidelines of the People and Compensation Committee and the overall amount proposed to the shareholders' meeting, the Board of Directors will set the individual compensation for its members and the CEO. In turn, the CEO determines the individual compensation for members of the Executive Board.

*More details, such as proportions of compensation components, can be found in section 8 of the **Reference Form**.*

## GOVERNANCE OF SUBSIDIARIES AND AFFILIATES

In addition to B3 S.A., our group includes subsidiaries and affiliates. For that reason, we take on the challenge of adjusting the Governance of each those entities for their risk appetite level.

We address this issue through a Management Committee model that we bring to each company in order to spread best practices, according to its needs and reality.

We took an important step in 2022 with the validation of the governance models prepared for those group companies. The process took into account the degree of control exerted by B3 over each of those companies and the level of connection between operations and systems.

The goal was to ensure that the companies adhere to best market practices and meet the requirements stipulated by B3, giving greater autonomy to the Subsidiaries and agility in business operations.

## POLICIES

[GRI 2-12; 2-23; 3-3; SASB FN-EX-410a.4]

Our corporate governance practices and processes are underpinned by policies and regulations, whose provisions and guidelines are to be observed by all managers, employees, interns and, to the extent applicable, suppliers, service providers and partners.

We have specific policies in place covering key topics in the organization, including corporate risk management, compliance and internal controls, reporting, information security, anticorruption and antifraud, among others. In addition, we have policies for other subsidiaries whose characteristics justify a specific governance framework.

Among the highlights, we can name our **Social, Environmental and Climate Responsibility Policy (PRSAC)**<sup>28</sup>. The document sets forth the principles, guidelines and corporate practices underpinning the Company’s social, environmental and climate-related actions.

<sup>28</sup> B3 Bank Risks Office is tasked with replicating this Policy at Banco B3, a wholly-owned subsidiary of the Company, ensuring the implementation, enforcement and addition of guidelines from the Policy at B3 Bank level, particularly with a view to complying with CMN Resolution No. 4.945/2021. B3 Bank’s Chief Risks Officer is designated as the officer in charge of compliance with the Policy at B3 Bank level.



Our PRSAC also lays out the processes in place at B3 aimed at encouraging the market to adhere to best ESG practices. That way, we reaffirm the importance of sustainability to our strategy, culture, business and relationships with stakeholders.

Among the subsidiaries subject to this policy is B3 Bank. In this regard, the PRSAC follows the guidelines provided by the Central Bank of Brazil (BCB) through the new CMN Resolution No. 4.945/2021<sup>29</sup>.

In 2022, we took major steps forward on this issue. See below:

- The PRSAC was put through a new review for alignment with new resolutions from BCB. The document has been approved by the Board of Directors and is available on the Investor Relations website.
- As part of the PRSAC action plan for the year, controls and indicators were implemented on a dashboard for monitoring and assessing the processes set forth in the document. The material is tracked on quarterly basis by the People, Brand, Communication, Sustainability and Social Investment Office and is brought to the attention of the Sustainability Committee.

<sup>29</sup> Provides for the establishment of the PRSAC by the financial institutions and other institutions authorized to operate by the Central Bank of Brazil.

## B3 BANK

Authorized to operate by the Central Bank of Brazil in January 2004, B3 Bank has been an important tool of providing operational support to B3 and its participants.

Since its creation, the bank has been doing business with its customers in an efficient, transparent and integrated way, so each has a solution specifically designed for their business and trading strategy.

Its activities ensure flexibility for the business of participants and are consistently focused on simplifying access to financial and capital markets, assuring the services provided are automated and efficient.

Among the products and services from its portfolio are settlement bank services provided to participants in markets administered by B3, issue and bookkeeping of non-sponsored BDRs, representation and custody for non-resident investors, and custody and controllership services provided to investment clubs and funds. It is worth noting that the institution does not raise funds from the public, does not engage in any transactions requiring collateral, sureties or guarantees to be posted in favor of any third parties, and does not provide credit.

Because it falls into segment 4 (S4), B3 Bank is subject to the obligations set forth by BCB Resolution No 139/2021 and BCB Normative Instruction No. 153/2021, concerning the publication of a Report on Social, Environmental and Climate-related Risks and Opportunities. Information on the resolution and normative instruction can be viewed in the **ESG Performance Tables**.

View all policies on our [Investor Relations website](#).

# RESPONSIBLE MARKET INFRASTRUCTURE



We are committed to providing the market and society with secure and reliable services, conducted in an ethical and responsible manner. To put this vision into action, we have procedures and policies in place that guide all our teams and activities

## ETHICAL CONDUCT

[GRI 2-15; 2-16; 2-23; 2-24; 2-25; 2-26; 3-3; 205-1; 205-2; 205-3; 415-1; SASB FN-EX-510a.2]

One of the key tools used in our day-to-day business to prevent, redress and punish any acts of corruption, fraud and other wrongdoing is our **Code of Conduct and Ethics**<sup>30</sup>. This document advises managers, employees and interns on the standards and rules of behavior expected from them both at the workplace and in their relationships with customers and other publics. Its contents are based on our cause and our values.

At B3, we understand that everybody who is part of our organization needs to know and live up to the expectations laid out in the Code. For this reason, we have practices in place to spread and value its contents. For example:

- As soon as they start working here, new employees are introduced to the material—and formally declare, by signing a document, that they are aware of its contents and commit to observing its guidelines.
- New hires are also given onboarding training, during which the Code is addressed.
- We also promote various awareness actions and initiatives, such as providing mandatory training in the Code of Conduct and Ethics.

<sup>30</sup> The scope of this code comprises all managers, employees and interns of B3 and its subsidiaries abroad, as well as B3 Bank, BSM, Cetip Info Tecnologia, B3 Social and its other entities, and all persons or businesses representing the Company or supplying it with goods or providing it with services, even if on a temporary basis, or otherwise having partnerships with the Company.

## ANTICORRUPTION AND ANTIFRAUD

Fostering a compliant and ethical environment also includes prevention mechanisms.

The principles and actions we take in this regard are reflected in the following documents<sup>31</sup>:

- **Anticorruption and Fraud Prevention Policy;**
- **Corporate Risk Management Policy;**
- Standard for Assessing Partner Risks and Governance Process for Reputational Checks of Suppliers and Service Providers;
- Anticorruption Standard, which includes, but is not limited to, guidelines concerning our relationship with government officials;

- Additionally, we have our **Corporate Policy on Combating Money Laundering, Concealment of Assets, Rights and Property, and Financing of Terrorism and Proliferation of Weapons of Mass Destruction (AML/CFT)**. The document sets forth the prevention program for all those issues (AML/CFT program).

As for the processes used to assess corruption-related risks in the Company’s operations, we can highlight four internal processes: reputational analysis during the process of contracting with suppliers and service providers for B3; partner certification analysis; monitoring of potential conflicts of interest and reputational risks involving members of the Company’s senior management; and guidelines for interactions with government officials.

These assessments are conducted on operations with suppliers, service providers and partners and with all members of the senior management team, on interactions between Company employees and government officials, and on donations and sponsorships, among other topics.

Assessments of corruption-related risks are submitted to the Corporate Risks Committee. The process is tracked and reported to the Board of Directors in the form of risk indicators.

We also provide online training in the Code of Conduct and Ethics and in Anticorruption themes, which reinforces the use of our whistleblower channel and introduces the actions to be taken for situations that conflict with B3 policies, standards and processes, as well as training in anti-money laundering and financing of terrorism.

<sup>31</sup> The scope of these documents comprises all managers, employees, interns, suppliers, service providers and partners of B3 S.A. – Brasil, Bolsa, Balcão and its subsidiaries abroad, as well as B3 Bank, BSM, Cetip Info Tecnologia S.A., B3 Social and other entities (Company).



Taking training in these issues is mandatory for all employees, officers and interns (whether full-time or part-time, for interns).

By December 2022, 98%<sup>32</sup> of all officers, employees and interns had taken Anticorruption training, and 99% had taken mandatory training in the Code of Conduct and Ethics.

Over the course of the year, we also engaged in various internal actions and communications providing advice on how to interact with regulators, government officials and agencies, on fraud and on accepting gifts, as well as information on the International Anticorruption Day.

We also set up a panel on fraud on the B3 Attitude event, held by the Compliance and Information Security teams to reinforce safe and proper practices, attitudes and behaviors at B3.

According to our governance framework, if any signs of corruption and bribery are ascertained by the investigation of a complaint, then the case will be submitted to the Conduct and Ethics Committee and the Audit Committee, and all appropriate actions will be taken. In addition, where applicable, the Audit Committee has a duty to report the case the Central Bank of Brazil and devise a strategy to disclose any case so identified, with a view to mitigating image risks.

In 2022, B3 was not a target of any legal proceedings in connection with corruption. Also, no confirmed corruption cases were recorded, nor were any disciplinary or contractual actions taken involving employees or business partners.

Neoway has been continuously at work since December 2019 on improving its corporate governance, risk management and compliance structure by reviewing its internal procedures and practices, with the support of its employees across the board, as well as specialized advisory firms.

The Governance, Risk and Compliance (GRC) structure was reviewed in 2021, with increased autonomy given to the relevant teams for managing their policies and internal processes. Currently, the GRC team monitors 55 procedural risks and 8 strategic risks through a total of 110 internal controls, including specific controls of the antibribery management system (ISO 37001 certification).

All policies are approved by the GRC Committee, while other regulating documents are approved by the focal point or the person in charge of the process.

The Compliance team directly takes care of this issue and makes a 24/7 whistleblower channel available to all employees. In addition, it makes communications and provides periodic training in compliance issues, always with the support of the GRC Committee, which consists of C-level executives and the CEO.

<sup>32</sup> Rates calculated based on active employees for the month, considering the “regular activity” status.

## WHISTLEBLOWER CHANNELS

*Alô, Compliance!* [Hello, Compliance!] is our whistleblower channel. Through it, anyone can report, either identifying themselves or anonymously (at the whistleblower’s choice), any conducts on the part of managers, employees, interns or legal representatives that are in breach of the Code of Conduct and Ethics, the Bylaws or any applicable legal or regulatory provisions or internal rules and policies.

It can also be used to manage complaints about sexual harassment, moral harassment, racism, homophobia, transphobia, and other forms of discrimination against underrepresented groups, including Company employees and outsourced personnel<sup>33</sup>.

<sup>33</sup> *Alô, Compliance!* also supports us in mapping transactions to identify material risks of moral harassment, sexual harassment, racism, homophobia, transphobia and other forms of discrimination against underrepresented groups.

The channel allows users to report cases of internal fraud and can be used by any stakeholder, which includes suppliers, customers and other third parties. In addition to the version in Portuguese (“*Alô, Compliance!*”), the English version (“Hello, Compliance!”) has been available since 2021, including a telephone line for answering calls in English from the United Kingdom, the United States and Singapore.

Learn below how those complaints are handled in our organization:

- The information recorded by Hello, Compliance! is received by a third-party firm specializing in the whistleblower channel business, 100% independent and apart from B3, which ensures the channel is unbiased. That firm will review the report in advance, and will then make it available to our Compliance team.
- Subsequently, the Audit and People teams are deployed and take over, where applicable, the investigation into the information reported in the complaint.

- When called upon, the Audit team conducts technical and forensic investigations to determine if there is evidence to support the complaint received. Together with the other teams involved in the process, Audit also takes part in making recommendations on how to handle the complaint for subsequent resolution by the Conduct and Ethics Committee.
- Upon completion of investigations, the case is submitted to the Conduct and Ethics Committee. Knowing the outcome of the investigation, the committee decides on the appropriate measures to handle the complaint.
- Upon conclusion of all steps decided by the committee, the case is closed/ shelved, with the whistleblower notified accordingly.

It is important to point out that the applicable measures concerning these reports are decided by the Conduct and Ethics Committee. Our guidelines contemplate punishment for measures amounting to retaliation against the employee having filed the report.

Any cases involving ethics, such as suspected internal fraud and acts of corruption identified by Hello, Compliance!, are referred to the Audit Committee, which will report them directly to the Board of Directors and, where appropriate under the applicable regulations, the Central Bank of Brazil.

The volume of complaints rated as high risk and/or extreme risk received monthly on Hello, Compliance! goes into B3’s risk tolerance indicators report. The data is reported to the Corporate Risks Committee and the Risks and Financial Committee.

In addition, the Conduct and Ethics Committee annually reports to the Governance and Nomination Committee (CGI) issues that include, but are not limited to, complaints received and their respective handling.

The Risks and Financial Committee and the Governance and Nomination Committee directly advise the Board of Directors.

The management processes used for the Hello, Compliance! channel and the handling of complaints are also subject to the internal audit, according to the annual planning for auditing, which is prepared by the Audit Office and approved by the Audit Committee and the Board of Directors.

In 2022, the channel received 60 complaints.

### Complaints can be filed through the following channels:

- 0800-202-2863, Monday through Friday, from 8 a.m. to 8 p.m. (calls on other days and at other times will be taken by an answer machine); or
- By e-mail to [linhadiretab3@br.ictsglobal.com](mailto:linhadiretab3@br.ictsglobal.com); or
- By filling the form at [canalconfidencial.com.br/B3](https://canalconfidencial.com.br/B3).

One of the improvement actions carried out in 2022 was a satisfaction survey conducted with our employees. This initiative assists the Compliance team in continuously developing the channel and investigating complaints, as well as in devising action strategies for the issue. It also helps us generate disaggregated and anonymous data that allows specific issues and improvements to be mapped for the channel.

We also have an e-mail address for questions about the Code of Conduct ([codigodeconduta@b3.com.br](mailto:codigodeconduta@b3.com.br)) and one for communication with the Audit Committee ([auditoria.interna@b3.com.br](mailto:auditoria.interna@b3.com.br)), the latter being set up to received internal and external complaints about the quality and integrity of the Company’s financial statements, the adequacy of transactions with related parties, conflicts of interests and any other fraud or suspected operational and/or administrative fraud. For questions, complaints or any other information on products and services related to market oversight, our stakeholders can access the specialized channels of the Customer Service team and BSM (Market Oversight).

Whichever means or channel is used, B3 ensures the secrecy of all information provided, which will only be accessed by the persons involved in the investigation process.



## CONTRIBUTION TO CANDIDATES OR POLITICAL PARTIES

The Company’s Code of Conduct and Ethics provides that B3 is not allowed to make any financial contribution to candidates for office or political parties, in line with the applicable law (Law No. 9.504/1997).

Any contributions made by our employees or interns must observe the limits and procedures provided for in the law.

We should stress that the President (CEO), the Vice Presidents, the Officers and the Chairman of the Board of Directors are not allowed to make financial contributions to any candidates or political parties.

Nothing was reported on this issue in 2022 to the Conduct and Ethics Committee.

## CONFLICT OF INTEREST SITUATIONS

The Code of Conduct and Ethics clearly states that we do not enter into partnerships with, or provide any support to, any organizations or entities by reason of personal relationships (of employees, interns and managers) that could characterize conflicts of interest or otherwise be in conflict with the law and our internal policies and rules.

The conduct we expect from everyone internally is that any potential case of conflict of interest be duly reported. Accordingly, anyone’s silence about potential cases is deemed a breach of our Code of Conduct and Ethics.

### *Definition of conflict of interest*

To us, potential cases of conflict of interest are those where a person has the power to influence the result of a decision, while at the same time having the ability to act on the matter at issue motivated by personal interests, notwithstanding that they may converge with the Company’s interest.

The same goes for a person involved in the decision-making process who obtains, as a result of the decision, a benefit for themselves directly or for a third party with whom they may be related.

## Preventive Measures

We follow all provisions of the Corporation Law (Law No. 6.404/1976), which requires our Directors to declare prior to their election that they have met all eligibility requirements, which includes not having any interests in conflict with those of the Company.

Our Bylaws also define preventive measures. Among other prohibitions, any persons having interests in conflict with those of the Company and/or its subsidiaries are not allowed to be elected to hold office on the Board of Directors or any of the Board of Directors' advisory committees or as President.

The Governance and Nomination Committee is responsible for assessing potential situations involving conflicts of interest at the selection of persons who can be candidates for members of the Board of Directors or its advisory committees, as well as over the course of their terms, if elected.

With regard to our governance bodies, no member of the Board of Directors having an interest in any matter that is in conflict with B3's interests is allowed to take part in any related resolutions of the Board itself, of any other management bodies or at any subsidiaries. This prohibition also extends to the casting of votes or any intervention by the professionals concerned on such occasions, whether directly or indirectly.



## Conditions and Procedures

We have not only our Code of Conduct and Ethics, but also our Policy for Transactions with Related Parties and Other Potential Situations of Conflict of Interest.

This document sets out the processes in place for preventing and mitigating potential conflicts of interest at the upper management bodies, especially concerning members of the Board of Directors, members of any advisory committees of the Board of Directors, the President, Vice Presidents, and other Officers.

The policy applies to the managers, employees, interns, suppliers, service providers and partners of B3 and its subsidiaries in Brazil and abroad, and it can be viewed in full on the Company’s Investor Relations website.

The document also sets forth procedures for specific cases. For example, if a member of the Board of Directors or any of the Board of Directors’ advisory committees or an officer is involved in the decision-making process

regarding a transaction that places them in a potential situation of conflict of interest, then they are required to disclose the situation, withdraw from the discussions on the transaction and abstain from voting on such decision-making process.

The situation disclosed must be reflected in the minutes of the meeting. If the potential conflict of interest is not reported by the member, any other person who knows or may have identified the situation must report it. Any failure to disclose voluntarily is deemed a breach of Company Policy and may lead to sanctions being imposed as set forth in the document.

Finally, shareholders are also not allowed to intervene in any decision in which they may have or represent any interest in conflict with those of the Company. In such situations, shareholders are required to disclose their interest and abstain from voting on the specific matter. Their abstention will be considered in the computation of votes by the presiding officers, and the disclosure will be recorded and filed at the Company’s headquarters.

Those and other situations of potential conflicts of interest are also addressed by our Bylaws, the internal regulations of the Board of Directors and the advisory committees to the Board of Directors, the Code of Conduct and Ethics, and the Policy for Transactions with Related Parties and Other Situations of Potential Conflicts of Interest.

## LOBBYING

Lobbying is an unregulated business under the laws of Brazil. In view of the Brazilian legal environment and our commitment to the principles of ethics, honesty and transparency, all direct and indirect interactions with the national or any foreign government, at any hierarchical level and position, are required to observe the procedures and principles set forth in the Company’s Code of Conduct and Ethics and Anticorruption Rules.



## RISK MANAGEMENT

[GRI 2-23; 2-25; 201-2; 3-3; SASB FN-EX-550a.3]

To ensure the security and continuity of business, we have a robust risk governance structure built around the “four lines of defense” model:

### 1<sup>st</sup> Line - Business areas

Those ultimately responsible for managing risks and internal controls to ensure operational and strategic goals are met.

### 2<sup>nd</sup> Line – Corporate areas, Governance and Integrated Management Office

They determine the directions and provide assessments for internal controls, risks and compliance. Their action serves as support for the business areas and managers in decision-making.

### 3<sup>rd</sup> Line - Internal Audit

It provides to the Board of Directors, the Audit Committee and the Joint Board independent, impartial and timely assessments, advice and insights concerning the effectiveness of the risk management activity and governance processes, the adequacy of controls, and compliance with laws and regulations applicable to our operations.

### 4<sup>th</sup> Line - Independent External Audit and regulatory oversight agencies

External Audit reviews the financial statements to ensure they are free of material misstatements and are prepared with a suitable structure. Regulatory oversight agencies, in turn, such as the Central Bank of Brazil (BCB) and the Securities and Exchange Commission of Brazil (CVM), determine if we have suitable infrastructure to carry out systemic activities and comply with existing regulations.

## *Permanent Evolution*

The continuous improvement of our corporate governance structure and our internal controls environment is treated as a strategic goal. For this reason, investments are permanently made in people, infrastructure and technological solutions, so we can implement best practices in internal controls.

Having our strategic goals as our guide, our corporate risk management is conducted by the Governance and Integrated Management Office, which reports directly to the CEO, based on the risk tolerance and appetite set by the Board of Directors.

Our guidelines are laid down in the **Corporate Risk Management Policy**.

## Corporate Risks

The corporate risks to which we are exposed are divided into four categories:

- **Strategic:** The possibility that a strategy pursued by the Company may be unsuccessful or ineffective, failing to deliver the intended returns. Also considered strategic are risk related to the Company’s business goals, image, social, environmental and climate management, human capital, and standards of ethics and conduct.
- **Regulatory:** Changes in regulations and actions of regulators, at the domestic or international level, that can result in increased competitive pressure and affect the management of business.
- **Operational:** The possibility that losses may occur as a result of a failure, flaw or inadequacy of internal procedures, people and the technology environment—or even external events. It includes the legal risk related to inadequacies or flaws in any contracts signed.
- **Financial:** The possibility that incomplete, inaccurate or untimely financial, managerial, regulatory, tax, statutory, social and environmental and sustainability reports may be issued, exposing us to fines, penalties and other sanctions.

We use two approaches to identify corporate risks:

- **Top down:** This approach reflects high-level risks that can impact the Company in the senior management’s view—including the President (CEO), Vice Presidents and Officers. It considers the main exposures of the business model and the causes and consequences of each.
- **Bottom up:** By this approach, an issue is analyzed based on the detailed context of processes and controls. This step is taken with the participation of those responsible for executing it.

## ESG and Climate Risks

Environmental, social, governance and climate-related issues are also assessed from the risk perspective of the top-down and bottom-up approaches. In 2022, the Company added to its top-down corporate risks report a risk related to ESG and climate change issues that could be inherent in the business. Accordingly, that risk began to tracked and periodically reported to B3’s senior management.

***Learn more in the Climate Change chapter.***

## Internal Controls

The assessment and monitoring of the internal controls system are performed by a specific management position that does the job based on the **Compliance and Internal Controls Policy**. The internal controls area works together with the business areas, especially on mapping and assessing control activities to ensure they are sufficient, effective and efficient at mitigating risks, as well as compliant with the rules and procedures stipulated by regulators and B3’s Management, in line with best practices. The area also works on assessing action plans in order to ensure they are effectively implemented. In addition, they prepare the report on B3’s internal controls system and make it available to the Central Bank of Brazil and the Brazilian Securities Commission.

## *Business Continuity Management and Crisis Management*

Solidity and operational credibility are non-negotiable values at B3. Accordingly, we invest in strategies and best practices to assure our customers of the resilience of our operations and structured responses to unexpected events.

As a financial market infrastructure, B3 cannot stop. With that as a mantra, the Business Continuity and Crisis Management work is performed to minimize the financial, operational, legal and regulatory impacts of any unavailability of critical resources, whether material, human or technological resources.

In order for us to keep up our operational excellence, the Business Continuity Superintendence, based on the **Business Continuity and Crisis Management Policy**, is divided into two areas: Business Continuity Management (GCN) and Crisis Management (GC).

The main goal of the GCN is to keep the continuity of B3's business even in adverse scenarios, allowing risks to be identified and impacts on markets served to be reduced. Accordingly, the team constantly reviews processes that are critical to operating B3, as well as its requirements and the strategies implemented to keep its Business Continuity Plan (PCN), thereby ensuring its processes are recovered and the impacts caused by a crisis are reduced. To ensure that the strategies used and the plans prepared are appropriate for continuity requirements to be understood, tests and drills are continuously done to enable the Company to understand its maturity and readiness to act in such situations.

The primary mission of the GC, in turn, is to assess and reduce impacts, keep stakeholders posted and avoid compromising the Company's institutional image. Its work is focused on developing action plans, monitoring events that can have severe impacts on B3, providing governance of any events having materialized and tracking action plans for completion, so there are no recurring impacts. When a crisis strikes, the management flow of these events is triggered. It comprises a previously prepared response framework that determines which persons should work at the technical, tactical and operational levels.



*Tax Approach*  
[GRI 207-1; 207-2]

Here at B3, we are committed to tax compliance. We seek to meet all our principal and ancillary obligations in full, while building along with our customers and partners a relationship underpinned by transparency and tax compliance.

We take a preventive approach to our activities, with changes to laws and case law constantly monitored. That ensures all tax obligations are duly met, in accordance with the applicable tax laws, regulations and interpretations.

To that end, we rely on internal teams and on legal and tax advisors, who are responsible for ensuring compliance with the law, so as to ward off risks and ensure the sustainable development of the organization.

Contingencies and Provisions

As part of our risk-mitigating actions, our internal teams keep records of tax contingencies and provisions in a process management system.

Our teams will assign a risk prognosis to each case or matter and track it, as applicable. In addition, they control the court deposits and attorney’s fees related to all legal and administrative proceedings on tax matters.

Information on contingencies and provisions is sent to our Accounting office, so it is added to the financial statements<sup>34</sup>, and is subject to validation by the internal and external audits.

We recognize and disclose in our financial statements, which are verified by a third party, information on amounts of taxes paid, deferred tax assets and liabilities, and tax contingencies and provisions, all in line with the applicable accounting rules and standards.

<sup>34</sup> Tax disclosures are subject to assurance by the Company’s external auditors, within the scope of the auditing of its financial statements. Taxes on profits and revenues are disclosed in notes 16 and 17, respectively.

Issues Monitored

All tax procedures in use are always reassessed. When improvements are needed, we devise action plans with targets and related timeframes.

Issues involving tax law are submitted for analysis to the specialized professions making up our Legal Office, which reports directly to the CEO.

Accordingly, all inquiries, summons, administrative and legal proceedings on tax matters and other issues requiring the application of tax laws are guided and tracked by Legal, with the support of external tax law advisors, ensuring compliance with the applicable laws and regulations.

The calculation of taxes payable by B3 and the control and sending of ancillary obligations are conducted by the Accounting Office, with legal advice from the Legal Office.

Integrity

In order to prevent and combat unethical or illegal behaviors, ensuring the compliance of our operations, we provide training to all employees and have internal policies and rules in place that are available and apply to all employees.

We have a whistleblower channel known as *Alô, Compliance!* [Hello, Compliance!], on which anonymous complaints can be filed by e-mail or telephone. In addition, we indicate that any suspicions and irregularities should be reported to the managers or the departments involved or their superiors, if appropriate, so that applicable steps are taken.

Our Audit Committee, which advises the Board of Directors, also has a channel set up to receive whistleblower reports on compliance with legal or regulatory requirements.

INFORMATION SECURITY AND CYBERSECURITY

[GRI 3-3; 418-1; SASB FN-EX-550a.3]

Our operation involves the daily management of large volumes of data and information. We play a fundamental role in the financial and capital markets, which presents us with challenges and gives us unique and very particular responsibilities. For that reason, information security and personal data protection are a priority to us.

We, at B3, are committed to ensuring the constant availability of our systems, at the same time as we ensure the integrity of all processed data. That leads us to make investments in training and in upgrading our platforms.

To ensure the efficiency of these efforts, we have our Cybersecurity office, consisting of four management teams: Cybersecurity Engineering and Architecture; Cyber Defense; Security Defenses Operation Management.

All those teams report to the Vice President of Technology and Cybersecurity (who reports directly to the CEO). In addition, we have the Security Governance and Risks Management team, which reports to the Governance and Integrated Management Office (which also reports to the CEO).

Planning and Management

Strategies are laid out in a Security and Privacy Master Plan, as submitted to and approved by the Cybersecurity Committee, which is also responsible for monitoring data protection and security controls and for directing and prioritizing security actions.

The monthly progress reports of the Cybersecurity Directors program and the Cybersecurity dashboards provide metrics and status information on the improvement actions addressing threats.

The Cybersecurity team works based on best market practices, such as the NIST framework

## Board Participation

Information security and cybersecurity are issues handled by the Board of Directors as well. The duties of the Board of Directors comprising these issues include:

- Assessing and managing the Company’s risks;
- Issuing high-level guidelines for risk management activities;
- Approving the Risk Management Corporate Policy and the Risk Management Methodology; and
- Approving the risk appetite and tolerance of the risk categories.

Additionally, the Board of Directors is provided on demand with a dashboard showing indicators that enable it to track the evolution of risks and threats related to these issues.

## Regulatory Framework and Routines

Our business is conducted based on a regulatory framework consisting of the **Information Security Policy** and rules providing specific guidelines for the security domain, to wit: Information Classification and Ownership; Information Systems Security; Information Security Incident Handling; Credentials and Logins; Protection and Use of IT Assets; Sensitive Digital Spreadsheet Management; and Data Protection Governance.

One of the principles we apply to our routines is ensuring that information is only accessed by and available to authorized persons, on a need-to-know basis, and that such data are complete and free of unauthorized changes throughout their life cycle.

We have an internal communication and engagement agenda on secure behaviors, which includes monthly phishing campaigns. Additionally, we provide mandatory training in the issue to all our employees. This training is required to be provided at least once a year or whenever its contents are updated. In 2022, this initiative reached 96% of the Company.

We also held an annual event — *Atitude B3* [B3 Attitude] — whose main goal is to reinforce our proper practices, attitudes and behaviors at B3, which was attended by more than 2,000 people, which makes for a 90% increase relative to the 2021 attendance.

In the event of breach of any of the rules laid down in our policies and guidelines, we take the disciplinary actions contemplated for such cases. We also conduct periodic audits of compliance with the privacy policy.



Highlighted 2022 actions:

- Purchase of a server protection platform (micro segmentation) aiming to increase the resilience of critical environments against cyberattacks;
- Implementation of an advanced threat protection platform with the goal of increasing visibility into and protections from cyberattacks;
- Performance-testing in the environments with an external hacker’s view (i.e. with no information on the environments) and another test run with information of the environment simulating an internal attack;
- Review of security platform settings, as directed by the cyber assessment conducted by a contracted partner;
- Simulation of disaster recovery scenarios related to ransomware.

*Personal Data Protection*  
[GRI 418-1]

We have a commitment to always having best market practices in place for the protection of the personal data being processed in our environments.

To support and guide these efforts, we have a **Personal Data Protection Governance Policy** in place, as approved by the Board of Directors. The purpose of that document is to introduce the principles and guidelines underpinning the personal data processing activities carried out by B3.

Our governance structures to manage the issue comprise the Vice President of Information Technology and the Governance and Integrated Management Office, which report directly to the CEO.

Our commitments include:

- Making a customer service channel available for data subjects, customers and regulators to exercise their rights;

- For B3 as a Parent Company, notifying the National Data Protection Authority (ANPD) and the relevant data subject of any security incidents having occurred that can cause a material risk or damage to that data subject;
- Obtaining personal data exclusively by lawful and transparent means, and with the explicit consent of data subjects, where necessary;
- Collecting and processing personal data limited to the stated purpose;
- Notifying data subjects in a timely manner of any policy changes or data breaches;
- Implementing key data protection standards;
- Having clear terms governing the collection, use, sharing and retention of user data, including data transferred to third parties;
- Requiring any third parties with whom data is shared to comply with the Company’s policy;
- Respecting human rights in data management.

Adjustment to the LGPD

Since 2018, we have been adjusting to the General Data Protection Law (LGPD), with a multidisciplinary team involved consisting of people from the Compliance, Legal, Data Governance and Cybersecurity areas.

We hold recurring internal communications and make supporting data protection material available, so everybody keeps abreast of this issue.

Employees are refreshed annually by our mandatory training in data privacy. That training reached 96% of the Company in 2022.

Additionally, we provide eight training modules designed for privacy champions, who are those responsible for multiplying best practices in data protection across the board at B3, effectively assisting with the adjustments needed and the preparation of new products, lines of business or contract compliant with the General Data Protection Law (LGPD). In addition, the entire protection team have taken specialized training at external firms.

Other relevant initiatives include regular security internal audits, periodic vulnerability assessments and penetration testing of the systems, products and practices affecting user data.

We have an incident management procedure designed to advise our personnel on the Incident Management process in a production environment. In addition, we have a process in place for managing crises and corrective actions in which any critical incident (an unexpected event that can impact B3’s image, reputation or operating capacity or otherwise impact human rights) is assessed by the Business Continuity team, with the parties concerned notified if so decided.

We have clear and accessible mechanisms for data subjects to express their concerns about data privacy. If a company needs to contact us to notify us of an incident, we have a specific channel to handle that call ([incidente.seguranca@b3.com.br](mailto:incidente.seguranca@b3.com.br)). Also available to data subjects is a web-based communication channel, which can be accessed [here](#).



## Deliveries over the year:

- Redesigning of the data subject service channel, which is aimed at supporting data subjects in exercising their rights (even after reading the Personal Data Protection Statement, a data subject may need to communicate with us on issues involving their personal data);
- Adjustment of agreements in force with suppliers processing personal data and addition of a data protection addendum (DPA) to new agreements with suppliers contemplating personal data;
- Review of response process for cyber incidents involving personal data;
- Determination of data protection models and standards for products and projects;
- Creation of a data protection executive dashboard for monitoring key activities and team developments;

- Agreement synergy from the personal data life cycle management tool (One Trust) for use by the subsidiaries;
- Building of the privacy risk rating matrix;
- Website adjustment for best practices in accessibilities and best practices in cookie management, as mentioned by the ANPD;
- Independent assessment of our data protection with the advisory firm Deloitte, in which the maturity standard of the financial market averaged 3.3 (on a scale of 1 to 5), demonstrating our diligence concerning the issue.

During 2022, no incidents of violation of the LGPD that resulted in leaks, theft or loss of data that impacted our customers, under the terms of this legislation, were identified.



## SUPPLY CHAIN

[GRI 2-8; 3-3; 2-23; 205-2; 308-1; 408-1; 409-1; 414-1]



### Social and Relationship Capital

We believe that the development of a responsible market infrastructure should involve the entire value chain, with suppliers and partners playing an active part. Accordingly, we have implemented rules of conduct and strict processes to ensure everybody adheres to best practices in governance.

Our efforts on those fronts seek to prevent and mitigate any externalities and impacts that may arise from those agreements, as we know that management flaws at our suppliers can directly impact our image and operation, as well as the market and society.

We have been trying to move forward on inducing the embracement of ESG best practices in our supply chain. That includes compliance with key precepts related to human rights (such as valuing diversity and combatting discrimination and harassment) and broader issues involving environmental preservation and social factors.

In line with this vision, we have been sending weekly newsletters to our suppliers since 2021, featuring major news and events involving ESG, with circulation in Brazil and worldwide. The goal is to engage that audience in putting sustainability best practices in place.

Additionally, in our supplier certification process, certain suppliers are required to answer a questionnaire on social and environmental practices. That way, we can learn more about how those companies address the issue in their operations.

Our management of relationships with suppliers covers three key fronts:

- Certification processes;
- Code of Conduct for suppliers, service providers and partners;
- Periodic reassessments.

Learn more details on each of these fronts below.

#### Certification Processes

Our supplier certification process is predicated on the relevant companies formally committing to our Code of Conduct. The standard agreement also includes specific provisions on labor, social security, social and environmental issues.

Additionally, we run a reputational check with a view to identifying any critical points involving Politically Exposed Persons (PEP), negative media coverage, related parties and former employees.

According to the purchase category into which supplier falls, suppliers are to answer, as part of their certification, a specific questionnaire on compliance and adherence to best ESG practices, depending on the type of agreement.

In 2022, 420 suppliers underwent the certification process. They all met the registration, reputational, economic, financial, labor and social security analysis criteria. No negative social and environmental impacts were found.

We have been providing Anti-Money Laundering and Financing of Terrorism (AMLFT) training since 2021 to all service providers classified as material. Last year, 242 suppliers took this training. In addition, we advised all suppliers that they are required to have anticorruption policies and programs in place to verify the compliance of their operations.

Code of Conduct for Suppliers, Service Providers and Partners

This code is a document setting forth the guidelines to be observed in any partnerships agreement we sign that is applied in the certification process.

Its contents cover the following topics:

- Prohibition of child labor, forced labor, compulsory labor or breach of labor and social security obligations (any of these events can lead to immediate, unilateral termination of agreements signed with us);
- Compliance with collective bargaining and wage agreements;
- Overtime to be worked voluntarily and used responsibly towards employees;
- Salaries and benefits must be consistent with the standards set by the country and/or employees;
- Diversity;
- Prejudice, discrimination and harassment;
- Environment and compliance with environmental laws;

- Incentives for suppliers to adhere to sustainable practices;
- Combatting and preventing corruption, money laundering and fraud;
- Information security.

Periodic Reassessments

During the services they provide, the status of contractors is periodically reassessed. In this process, we use criteria such as registration status, financial and reputational health, and negative media coverage of suppliers for the duration of their agreements.

The service companies with personnel allocated at B3 buildings are also assessed with respect to their environmental management.

No suppliers were found to be exposed to risks of child or slave labor in 2022.

## PROFILE OF OUR SUPPLY CHAIN

[GRI 2-6]

At B3, our key suppliers are companies engaged in industries linked to the development of products and technologies. That is the case with providers of link, hardware and software solutions, such as servers, network equipment, mainframes, hardware maintenance, technical support, and specialized labor for specific projects.

Our suppliers totaled 952 in 2022, 95% of which are local (operating in Brazil), and we spent R\$ 948,534,135 on the agreements signed with them.

Without any material fluctuations relative to the previous year, we ended 2022 with 1,440 service providers, working either in person or remotely, and the most common types of providers are in the information technology and facilities industries.

However, as retrofitting construction on the buildings located in downtown São Paulo continued, agreements were signed with 260 companies that worked on the project.

Depending on the criticality of their services, at the time of signing their agreements, those partners are advised of the “General Terms of Services Provided and/or Project Construction,” a document whereby the service company is required to take responsibility for the organization and cleaning of workspaces and for the management of any solid waste generated using disposal criteria consistent with legal requirements.

## HUMAN RIGHTS

[GRI 2-23; 2-30]

Respecting and unconditionally preserving human rights is a non-negotiable principle here at B3.

We were the first exchange to subscribe to the UN Global Compact—a commitment we made in 2005. The initiative is aimed at mobilizing the international business community to have their companies align their business strategies and operations with the Ten Universal Principles in the fields of Human Rights, Labor, Environment and Anticorruption, while working at the development of actions to contribute to the tackling of these challenges.

As subscribers to the Global Compact, we are also committed to contributing to the achievement of the Sustainable Development Goals (SDGs). Learn more in the Materiality chapter and the GRI Content Index.

In addition, we work on various internal and external fronts to ensure our business and our partners are in full compliance with best practices concerning this topic.



Our commitment is reiterated in the following **corporate policies**, as approved by the Board of Directors<sup>35</sup>:

- Social, Environmental and Climate Responsibility Policy (PRSAC);
- HR and Compensation Policy (PPR);
- Purchasing of Goods and Services Policy (PABS);
- Code of Conduct and Ethics.

By these policies, we commit to:

- respecting the freedom of association and any collective bargaining agreements<sup>36</sup>;
- combatting any form of degrading labor (child labor, forced labor, work involving physical or psychological abuse, etc.);

- ensuring a safe and harassment-free environment, combatting any form of prejudice and discrimination (based on color, race, creed, gender, sexual orientation or age group);
- fostering a psychologically safe workplace;
- promoting an ethical and transparent supplier management activity, in compliance with the principles of the Global Compact.

***To learn more about our practices concerning this issue, read the “Responsible Market Infrastructure,” “People Management” and “Social Responsibility” chapters.***



<sup>35</sup> The scope can be checked in the relevant policies.

<sup>36</sup> 100% of the employees are covered by collective bargaining agreements.



## 5. Supporting the market on its ESG journey

- MARKET AND REGULATORS
- ACCESSIBLE CAPITAL MARKET
- EVENTS, CAPACITY-BUILDING AND GUIDES
- INSTITUTIONAL PACTS AND COMMITMENTS



We, at B3, play a double role: as a publicly-held company, we carry out initiatives in line with best environmental, social and governance practices, while as market benchmark, we seek to support listed companies and the market at large on their ESG journeys, while looking for ways of having more people enter the financial and capital markets to stimulate growth in investments in Brazil.

Below are our highlights in connection with this pillar for 2022:

- New Sustainability and ESG Management Guide launched, with more than 2,180 downloads for the year.
- ESG and climate change events promoted in partnership with market players, with participants reaching around 1,000.
- ESG contents at the Financial Education Hub were the second most viewed in 2022, with more than 20,000 views.
- Beginning of participation as a member in the Brazilian Initiative for the Voluntary Carbon Market.
- New listing rules proposed to increase diversity at listed companies (Anexo ASG [ESG Annex]).





## MARKET AND REGULATORS

With the goal of contributing to the development of the financial and capital markets, our teams play an active role in discussions and joint efforts with regulators and other players.

### LISTING

We have pioneered working on inducing companies to embrace best practices on their sustainable growth journey. A prominent initiative in this regard is *Novo Mercado*.

The companies in this special listing segment spontaneously agree to observe the most stringent governance practices required under the applicable laws.

Launched in 2000, the *Novo Mercado* listing segment ushered in standards that changed the management of business and, over the years, became a benchmark for all companies.

One example is the creation of rules protecting minority shareholder rights. Introduced by this segment in an innovative way, these practices were gradually incorporated by major companies in Brazil and are now being adopted even by those that are not part of *Novo Mercado*.

By taking initiatives like this, we also lay down the rules making access to information more democratic and prioritizing structures designed to mitigate risks for shareholders.

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*Novo Mercado currently boasts 203 listed companies.*

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It should be noted that this segment has stood out for being the choice of companies entering the stock exchange.

After a public hearing beginning in 2021, we held a closed meeting in 2022 with the companies participating in *Novo Mercado* to put forward our proposal to modernize the free-float rules for the segment (as well as Level 2 and Level 1).

In view of the approval of our proposal at the public hearing, the new rule was submitted to CVM (Securities and Exchange Commission of Brazil), and its approval was announced to the market on January 31, 2023.

**To learn more about the requirements of the listing rules, go to:**  
[https://www.b3.com.br/en\\_us/products-and-services/solutions-for-issuers/listing-segments/about-listing-segments/](https://www.b3.com.br/en_us/products-and-services/solutions-for-issuers/listing-segments/about-listing-segments/)

## Self-Regulation of Issuers and Participants

In order to ensure issuer adherence to the regulation, equalization of market practices and equal access to information, we work on the self-regulation of issuers listed on our market and on cooperation agreements signed with the CVM for the tracking of information released by issuers.

An additional way of moving forward on this front is incorporating ESG requirements into the rules and processes of the exchange market—thereby creating incentives for companies to adhere to best practices in ESG.

See a few examples below.

### *Anexo ASG* [ESG Annex]

In the course of 2022, we drafted the *Anexo ASG* [ESG Annex], a proposed set of social, environmental and governance measures to be taken by listed companies following the “practice or explain” model.

In this model, companies who fail to advance as proposed by the ESG Annex will need to indicate to the market and investors in general the reasons for their inability to advance.

To draw up the document, we gathered contributions from market players, companies, investors, regulators and associations regarding the proposal.

If approved by the regulatory agency, the ESG Annex will form an integral part of the regulations applicable to the listing of issuers and the admission of securities for trading, which is also undergoing a broader review process.

The proposal follows an international trend towards driving increased diversity in the financial market. In practice, it encourages companies to have more women and other underrepresented people, such as people of color and the LGBTQIA+ community, on boards of directors and executive boards.

The text also proposes setting diversity criteria for the procedure used for nomination of officers and members of the board of directors and adding performance indicators related to ESG issues or targets to the variable compensation policies for the management of listed companies (where this kind of compensation exists).

If approved by CVM (Securities and Exchange Commission of Brazil), the new rules will apply to companies listed in all segments on B3, including Basic, Level 1, Level 2, and *Novo Mercado*.

In preparing the ESG Annex, B3 studied the international experience of several countries, such as the United Kingdom, the United States, Australia, Hong Kong, Japan and Singapore.



A survey carried out by B3 in 2022 with 423 listed companies showed that:

**61%** of companies do not have any women on the statutory board;

**37%** have no women on the board of directors.

See the full study (in Portuguese) [here](#).

## Regulation of Issuers

In parallel with the preparation of the ESG Schedule, we conducted the process of reviewing the regulations applicable to the listing of issuers and the admission of securities for trading.

That effort resulted in the draft of a new regulation (Issuers Regulation), which consolidates the current Regulation for Listing of Issuers and Admission of Securities for Trading and the Issuers' Manual, by updating, simplifying and improving their rules.

The new Issuers Regulation also seeks to adjust for new regulations issued by CVM (Securities and Exchange Commission of Brazil), such as CVM Resolution No. 135/2022 and CVM Resolution No. 160/2022, and was submitted to the regulatory agency for analysis.

## Governance of SPACs

In line with our activities to induce adherence to best ESG practices, we introduced to the market an unprecedented report on **International Practices and Governance Aspects of SPACs** (Special Purpose Acquisition Companies).

The material was published with a view to providing information on international regulations for SPACs, foster discussions in the local market to enable SPACs to be set up more efficiently in Brazil, avoid any unreasonable increase in compliance costs, ensure protection for investors, and ensure compliance in the Brazilian securities market.

**SPACs** are companies that go public without having their own operations for the purpose of acquiring stakes in one or more operating companies.

The strategy consists of raising funds on the market through an IPO and setting them aside in a separate account, while the sponsor looks for a company having growth potential and willing to become a publicly-held company within a predetermined period.



## Public Hearings

In this joint construction process, we participate in public hearings held by CVM (Securities and Exchange Commission of Brazil) to propose the discussion of new rules for different aspects of the capital market in Brazil.

- We contributed comment to SDM Public Hearing No. 9/2021, concerning CVM Resolution No. 168/2022, which provides for the composition of management bodies in publicly-held companies.
- We also contributed comments to SDM Public Hearing No. 8/2021, concerning CVM Resolution No. 175/2022, which provides for the addition of an express prohibition of the use of insider information in the trading of shares in real estate investment funds.

## Self-Regulation

Lastly, as for self-regulation initiatives, we conducted the supervision of a sample of companies listed on Novo Mercado to assess their adaptation to the segment’s requirements.

Complementing the self-regulation applicable to issuers, BSM Market Supervision (BSM) provides oversight and inspection of markets administered by us and their participants, with the aim of fostering compliance, transparency and efficiency.

BSM publishes the result of its efforts on the website at [www.bsmsupervisao.com.br/](http://www.bsmsupervisao.com.br/).

## Market Chamber

We also play an active role through the Market Chamber. Created in June 2001, it provides a specialized environment for resolving disputes related to the capital market, particularly corporate conflicts.

The Chamber works on administering conflicts arising at companies listed on our special listing segments (*Novo Mercado* and Level 2). In the course of more than 20 years, it has administered over 240 arbitrations and turned over upwards of R\$45 billion.

We have collaborated with regulatory agencies to create other important measures, such as reducing hurdles or costs so that more companies can access the capital market.

## Advisory Chambers

The Advisory Chambers are spaces for discussion with market players that bring us insights into improvement opportunities for the products and services we provide and also enable us to stay close to them.

We currently have nine advisory chambers divided by business issues: Commodities, Interest and Currencies, Issuers and Structuring Offerings, Risk Analysis, Regulations, Operations, Post-Trading, Post-OTC Trading, and Financing.

# ACCESSIBLE CAPITAL MARKET

We remain engaged in getting closer to individual investors, who have a growing presence in the capital market and display very specific demands and needs.

To build that relationship, we work primarily on two fronts: simplifying, and educating. See below some of the highlights of 2022.

## BORA INVESTIR [LET’S INVEST]

Among the highlights of 2022 was the launch of “*Bora Investir*” [“Let’s Invest”], a website developed with adapted language to explain the market to readers in a gentle and didactic manner, using texts, infographics, videos and podcasts.

Visitors to the website will find information on types of investment, how to get started on investing and how to organize their finance, as well as market quotes and coverage of daily breaking news that can impact the investors’ pockets.

Among the news is an exclusive investment comparison tool developed using data from B3. Known as A Grana do Vizinho [The Neighbor’s Money], it allows anyone to view the composition of the average stock exchange portfolio of investors.

Let’s Invest was developed by B3 in partnership with the Estadão newspaper and Buildbox, a company specializing in digital solutions. Since it was launched in August, the website has logged more than 700,000 views.

# BSM GUIDEBOOK

One of the major issues for individual investors is understanding how to invest safely. With that in mind, we provide a complimentary guidebook prepared by BSM Market Supervision, the leading self-regulator in the Brazilian capital market, and part of the B3 Group.

The material provides clarifications on the market and the relationship with brokers and investment agents in order to contribute to the education and development of investors. Contents range from basic topics, such as tips on creating passwords and the importance of filling out the Investor Profile Analysis form, to technical concepts like compulsory zero-rating.

## INVESTORS’ AREA

In 2022, the investors’ logged-in area continued evolving rapidly. At the users’ request (we received more than 20,000 instances of feedback for the year), new functionalities were added to the platform.

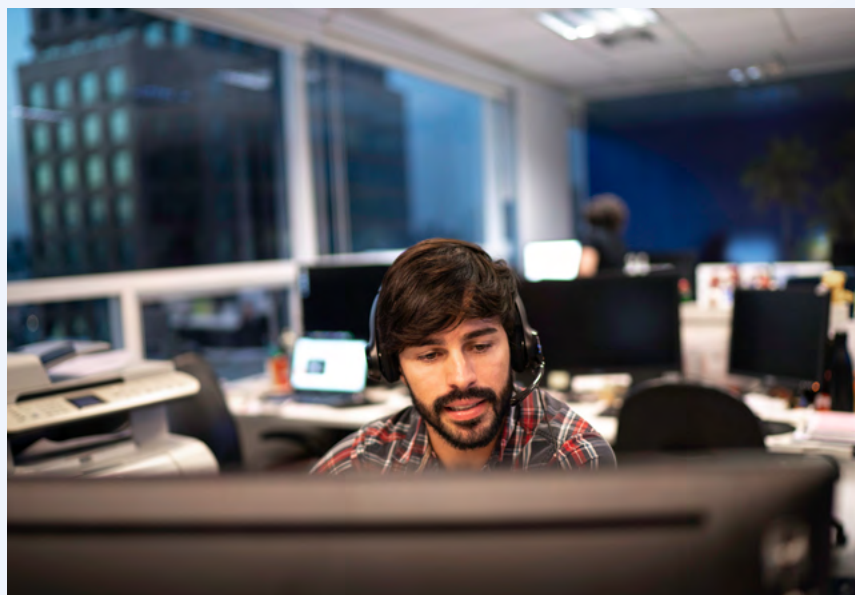
New functionalities include greater detailing of the investor’s allocation, a mobile browser, tracking of the evolution of the investor’s assets, and consolidated reports containing all key movements in the customer’s account.

In April, we also released to the market a series of interfaces (APIs) for financial institutions and fintechs to plug into the exchange and provide products and services to facilitate the journey for individual investors.

Secure and convenient connections were enabled by the process, giving the power of choice to investors at the time they consent to their data being sent to companies that will help them with any issues on their investment journey. We ended 2022 with more than 30 fintechs connected to the APIs of the investors' area. From its launch to December 2022, the investors' logged-in area reached 2 million logins.

## ATENDE B3

April saw us take one more important step in our individual customer relationship strategy: we internalized customer service, with the B3 starting to provide it directly.



And those changes weren't all. We delivered other advancements, such as restructuring the bot of the *Atende B3* platform, proactively producing content to anticipate movements that could lead to the service to peek, starting to respond to interactions from Complain Here and from the Apple and Google app stores on Treasury Direct, and reducing the overall response time from five to three days.

As a result of that set of initiatives, we have seen a consistent improvement in customer satisfaction. Our NPS doubled in five months, and on Reclame Aqui, we reached the top rate for the platform.

## TREASURY DIRECT

For the 20<sup>th</sup> anniversary of Treasury Direct, we achieved important results and introduced new features for our customers. In 2022, the product reached more than 2 million investors, with a balance amounting to R\$99.5 billion, with approximately 30% growth relative to the previous year.

Among the highlights are the delivery of Cad&Pag, Simplified Registration and Payments via Pix, a new service introduced by B3 and the Federal Treasury Department to make life easier for those intending to start investing in government securities through Treasury Direct's own portal.

Investors can now register through a simplified process, setting up an account with one of the integrated custodians and investing in Federal Government securities via Pix.

Another great news, announced in early 2023, was the launch of *Tesouro RendA+*, the newest security from Treasury Direct, intended for those seeking an extra income for retirement. Like other existing government securities in the Treasury Direct Program, the new security was based on building a simple and secure product for investors. The primary goal pursued by the new security is to democratize the planning of extra income at the time of retirement.



## FINANCIAL EDUCATION

We consider the education and financial inclusion of the population to be issues of great importance for the development of Brazil.

With them, it is possible to foster knowledge and therefore benefits for society and investors, since with greater access to information, they will have a better understanding about the investments and risk-return ratios, while being able to devise investment strategy for specific purposes.

On the other hand, lack of financial education can pose risks and even have undesired effects on the investors' relationship with financial and capital markets.

We know there will be greater and faster progress if more organizations work together on this cause. Therefore, we do not just act alone.

In addition to having our own initiatives, we use our strategic position as a market infrastructure to enter into partnerships and boost the work already being done by other organizations.

Currently, the development of financial education at B3 stands on four pillars: the Financial Education Hub; actions in partnership with customers and market institutions; knowledge of B3 Products and Services; and the Memory Center.

Learn more about them below.

### *Financial Education Hub*

The Financial Education Hub, our online platform thought out to help individual on their learning journey in the investment universe, ended 2022 with 90 courses, more than 500 pieces of content and more than 234,000 registered users, boasting more than 1,8 million logins.

Available in that space are copyrighted contents developed by B3 and contents created by more than 35 partners who had stints in our curatorship and organization. Helping to develop the market, curating and creating contents that meet the growing demand from new professionals who assist individuals on their financial journey.

Visitors can access easily and free of charge courses and informational materials concerning topics like the workings of a stock exchange, financial organization, types of investment and ESG issues.

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**In 2022, we launched a new version of the platform, advanced on the mobile experience and invested in user experience, making learning more intuitive through gamified tracking and interactive checkpoints.**

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Among the highlights of the Financial Education Hub are our Masterclasses, for which we invite professional experts to share their knowledge of different subjects, always with an eye on the world of investments.

Last year saw us double our offering and publish five new Masterclasses: Gustavo Cerbasi, talking about how to live off interest; Marília Fontes, unveiling the paths of fixed income; Paula Reis, explaining how a graphical analysis is made; Alice Porto, teaching how to declare stock exchange investments in tax returns; and Edu Lyra, introducing the relationship between investing and donating.

Additionally, we opened a section designed for financial market professionals, offering more than 20 specialized courses designed to meet the learning interests and characteristics of that audience. Helping to develop the market, curating and creating contents that meet the growing demand from new professionals who assist individuals on their financial journey.

Learn more at <https://edu.b3.com.br/>

We do not prioritize expanding the offering of financial education through digital media at the expense of in-person initiatives. In addition to MUB3 (see more in Memory Center), we reopened in 2022 the João Brícola building, after fifteen months' retrofit. Among the various restored spaces, we set three classrooms aside for courses and lectures to be provided in a safer way concerning the health of everyone attending. The three of them have a total of 84 seats.

### *Financial Education Actions in Partnership with Customers and Market Institutions*

Another way of increasing the impact of financial education initiatives is working in partnership with customers and other institutions to reach other audiences.

We do that on four fronts:

- Joint actions with Anbima, Ancord, the Central Bank and CVM through which we engage the market with financial education and professional development actions. Examples include the Global Money Week (focused on children, adolescents, college students, young adults and teachers), the ENEF Week (National Financial Education Strategy), the World Investor Week (aiming to raise awareness of the importance of educating and protecting investors), and the TOP Teacher Training Program, among others. We had in attendance influencers working in spaces that, at first glance, seem very different from the financial market, such as beauty, fashion and games. Entitled “Producing Your Dreams,” the action aimed to bring those worlds close together, showing that financial education is truly for everyone. In this campaign, we were viewed more than 53 million times (considering both media and influencers) and reached more than 2.8 million people. Another highlight was the action for the Investors Week—we developed an exclusive webpage with relevant information for those intending to start investing and launched the course “Starting to Invest from Scratch” at the Financial Education Hub. These two actions (Investors Week and ENEF) impacted more than 4 million people. Check out the page here: <https://edu.b3.com.br/produzindo-seu-sonho>

- A set of courses offered with partner schools. We are always in talks with the academia to find opportunities for jointly producing knowledge. In 2022, we launched a market surveillance course in partnership with Insper with the goal of training professionals to apply concepts of the risk-based approach methodology. We continue regularly offering training programs for market professionals in partnership with Saint Paul, Fipecafi, FIA and Insper, having trained over 660 students in the course of 2022.
- Incentive for professional development of our customers' teams by offering on-demand training, including about our systems. With the same goal, we stipulated the bodies of knowledge to be verified by the PQO (Operational Qualification Program) professional certification, provided by the National Association of Securities, Exchange and Commodities Brokers and Dealers (Ancord), which applied 3,811 PQO certification and recertification exams.
- Financial Education Incentive Program: Part of the revenue from stock trading on the spot market is allocated to educational initiatives carried out in partnership with customers with a view to offering broader, more relevant contents and a more significant experience that better meets the knowledge requirement of different audiences. In November 2022, we finalized the 2021 edition. It comprised 24 free projects carried out by banks, asset managers, educational institutions and listed companies in different sectors (financial market, real estate, agribusiness, retail, etc.). We covered various topics, from the financial market to stocks, BDRs, COEs, ETF and FIIs, to "mini" contracts to cryptocurrencies, technology and venture capital. The projects presented took different shapes, such as educational apps, competitions, online courses, educational platforms and web series. The impact of this edition was more than 3 million logins, registered users, participants and views. We started working on the 2022 edition in July, and it will be finished by March 2023. There are 22 projects approved and in progress for this edition. One of the initiatives developed within the scope of the Financial Education Incentive Program was the 2021 launch of the ETF.com.vc portal, which contains information on ETFs and ETF BDRs. We continue investing to improve it and get it up and running in 2022, with the website boasting more than 350,000 logins since it was launched. Currently, the website is supported by seven major product managers.



Knowledge of B3 Products and Services

In our view, educating people in the workings of the capital market, in general, and in our products and services, in particular, is a way of supporting the development of the market.

Accordingly, we produce educational contents in various forms for one-time use or for use on knowledge tracks. We also provide white label materials and training programs, with focus on launching and supporting product.

In 2022, we launched in conjunction with Anbima the MKBR22 event, which was held in a hybrid format and spanned three days. We brought executives, regulators, entrepreneurs, academics and journalists together to share the different perspectives from which the Brazilian capital market is governed and how it helps the country to grow. Attendees had the opportunity to hear about the impacts of regulatory, technological, political and behavioral changes. We think that this kind of event contributes to its attendees’ medium-term strategic planning since it is held every 2 years.

Still in 2022, we coordinated financial education efforts to promote the use of mini contracts in conjunction with CVM (Securities and Exchange Commission of Brazil) and participating brokers. We produced and offered a set of contents designed to advise investors, which will be distributed by brokers that would not develop their own materials. We also offer them directly to investors at our **Hub**.





Memory Center

We are a more than 130-year-old institution and we are proud to be able to help tell the history of financial and capital markets in Brazil. To that end, we have preserved a collection of more than 100,000 items, among them documents, videos, photos and objects.

In 2022, we worked on assessing, sanitizing, classifying and storing more than 29,000 documents of the Rio de Janeiro Stock Exchange (BVRJ) fund. We also digitized over 2022 more than 400 magnetic audiovisual documents, such as VHS, cassette and Betacam tapes, that also belong to the BVRJ fund.

In August, we opened the doors to the Brazil´s Stock Exchange Museum (MUB3), the first museum in Latin America dedicated to the history of the capital market and stock exchanges.

MUB3 is sponsored by B3 with funding obtained under the federal culture incentive law. Within only 5 months of being open for visitors, it received 19,640 people, 2,088 of whom were public school students, 1,941 were private school students, and 15,611 came spontaneously.

In addition to the regular public visitation hours, the museum offers extensive cultural programming for children on Saturdays and holidays, including an activity lab, meditation, reading and storytelling.

From its opening in August to the end 2022, the MUB3 received 19,640 visitors.





## EVENTS, CAPACITY-BUILDING AND GUIDES

Our capital stock and relationship capital give us a great opportunity to spread best practices and strengthen the ESG movement. We ventured into that realm in 2022 by bringing listed and non-listed companies together for capacity-building events and knowledge exchange conferences.

We also invested in the preparation and release of useful information for all companies intending to dive deeper into sustainability and ESG, in line with our commitment to social and environmental awareness. See details below.



## CONEXÕES DE VALOR [CONNECTIONS OF VALUE]

August saw us launch the **Conexões de Valor** [Connections of Value] program, which helps companies, whether publicly or privately held, on their journeys in the capital market. The program is free of charge and aims to be a connection and content hub designed for exchanging experiences, discussion trends and driving best practices.

Through Connections of Value, B3 brings companies closer to other market players, such as associations, investors, innovation hubs, law firms, audit and advisory firms, investment funds and other players that can support organizations in their decision-making.

For privately-held companies, the initiative is intended to clarify and demystify the workings of the capital market. Towards that end, it supports and advises companies as they prepare for an initial public offering (IPO), while setting up discussions on issues like corporate governance and adoption of ESG practices.

On the other hand, for those already listed on B3, the program provides day-to-day support through discussions on relevant issues, the search for best practices and the tracking of trends for evolving business.

The programming includes connection forums, events and initiatives organized into knowledge tracks, which are divided into five pillars: funding sources in the capital market, corporate governance, a listed company's day-to-day business, market value, and best practices.

In 2022, Connections of Value carried out more than 50 initiatives that impacted over 2,400 attendees from 520 different businesses. For example, September saw us hold the *Conexão ESG* [ESG Connection] event, where we had panels and introduced the new edition of our ESG guide, designed to advise companies that want to learn more about this subject.



## ESG GUIDE

The third version of the guide “**Sustainability and ESG Management at Companies: How to Start, Who to Involve, and What to Prioritize**” shares with companies knowledge, reflections and paths to adopting best practices on this agenda.

The publication is part of the support and guidance material on ESG practices and identifies 14 steps toward sustainability, including guidelines that can be followed by various types of businesses, according to their specific material issues.

Its contents also show the evolution of the sustainability and ESG concepts over time, demonstrating the importance of initiatives for adopting global reporting standards and the role of stock exchanges in shedding a light on these issues in the capital market.

## OTHER CAPACITY-BUILDING AND ESG TRAINING INITIATIVES

We held events monthly from June to September to promote best ESG practices. See below.

- **June:** In partnership with the Value Reporting Foundation, we held a public consultation event focused on the International Sustainability Standards Board (ISSB). During it, the guidelines for market consultation and for opening of the Brazilian financial market for collaboration in the development of the new reporting standard. The event was attended by more than 56 people from 35 companies.

- **July:** We launched the ISE B3 2023 Selection Process, with information provided and best practices adopted by companies that stood out in the previous cycle. The event had 280 attendees from 125 institutions.
- **August:** We held the launching event for the ICO2 B3 2023 Selection Process, where we discussed themes related to greenhouse gas emissions, climate risk management, and companies entering the carbon market. The forum brought together 134 attendees from 81 organizations.
- **September:** Together with the SSE, the CPD and the IFC, we promoted two modules of the course in the Task Force on Climate-related Financial Disclosure (TCFD). The initiative boasted an average of more than 200 attendees at each session.

# INSTITUTIONAL PACTS AND COMMITMENTS

[GRI 2-28]

At B3, we work as associates, partners, members of and/or signatories to various institutions and commitments with focus on ESG discussions.

We want to contribute and follow trends and potential regulations that can impact our operations and stakeholders, while using discussions as inputs for the creation of responsible products and services.

See below some of the commitments we have made:

- We were the first stock exchange to subscribe to the UN Global Compact in 2005. We are also members of the board of Rede Brasil Advisory Council (CORB) and the local committee;
- Signatory to the Principles for Responsible Investment (PRI) since 2010;
- Founding signatory to the Sustainable Stock Exchanges (SSE) initiative since 2012;
- Member of the Sustainability Work Group of the World Federation of Exchanges (WFE) since 2014;

- Member of the CPD Latin America Advisory Board since 2011;
- Member of the CVM Financial Innovation Work Groups (LAB) since 2020;
- Member of the Capital Market Initiative (IMK) of the Ministry of Economy since 2019;
- Supporter of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board (FSB) since 2017;
- Member of the Executive Committee and Working Committee of *Federación Iberoamericana de Bolsas* (FIAB);
- Founding member of the Brazilian Initiative for the Voluntary Carbon Market since 2022.



## 6. Strengthening our product portfolio and opening new fronts in the ESG market

- LISTED
- OTC



We want to strengthen the ESG products already available and find new business opportunities. To that end, we develop and launch alternatives that will boost the environmental, social and governance agenda of businesses and investors.

Key highlights on this pillar for 2022:

- Record number of companies participating in the ISE B3 process: 183 companies registered and 69 included in the index, up 38% considering the eligible and simulation modes.
- Revenues in excess of R\$12.6 million from ESG products and services.
- Issues of more than 31 million CBIOs registered on B3 over in the course of 2022.
- 10% increase in number of companies participating in the selection process for the ICO2 B3 portfolio.
- 67 ESG Thematic Bonds issued in our trading environment.
- Advancement in creating the methodology for the new Diversity Index.



## LISTED

The products and services we offer to the Listed market aim to encourage companies to follow environmental, social and governance best practices according to internationally recognized standards.

B3 had total revenues of R\$93,962.00 for 2022 from ESG products in this segment.

Check out our main initiatives below.

### ESG INDICES

[SASB FN-EX-410a.4]

One of the mechanisms for encouraging the adoption of best practices and fostering transparency is the development of indices gathering together in one portfolio companies that stand out for their performance on certain ESG issues.

Those indices can be replicated by funds or ETFs whose return keeps pace with the performance of those companies. That way, they also reach investors willing to bring the issue into their investment portfolios.

By 2024, we will expand our portfolio by launching the B3 Diversity Index, in line with the commitments made in our Sustainability-Linked Bond.

At the end 2022, we had eight ESG indices in the Listed market. See below

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By 2024, we will expand our portfolio by launching the B3 Diversity Index, in line with the commitments made in our Sustainability-Linked Bond.

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### *Corporate Sustainability Index (ISE B3)*

The ISE B3 is the primary ESG index in the Brazilian market. When it was created in 2005, it was the world's fourth sustainability index. Its goal is to usher sustainability best practices into publicly-held companies that voluntarily participate in a section process to have their performance assessed in various respects.

It is a best-in-class index (selecting companies with best practices in place) that considers the three letters in ESG. B3 conducts the annual selection process based on the answers given by the companies to ISE B3 Questionnaire, to the CPD Climate Change questionnaire and also considers the RepRisk ESG Risk Index, among other specific selection criteria. All answers to the ISE B3 Questionnaire are published on the ISE B3 website.

In the 2022 selection process, we set two historical records:

- We had the largest number of companies ever to register for participation in the process since the creation of the ISE B3. All told, 183 companies registered, up 38% relative to 2021. Out of that total, 83 were deemed eligible.
- For the first time, the new ISE B3 portfolio, launched in January 2023, reached the mark of 69 companies, representing 27 different sectors of our economy. They have a combined market value of R\$1.741 trillion, equivalent to 41.08% of the aggregate market value of all companies having shares traded on B3, based on the closing figures on January 23, 2023. The September 2022 portfolio comprised 46 companies.

The ISE B3 information helps companies (whether or not included in the index) assess their journeys regarding ESG issues. At the same time, the database helps the investors who use that agenda as an allocation criterion for their assets. The full methodology can be viewed on the [index's website](#).

### Crises Affecting the ISE B3 Portfolio

We use a **flow** that determines how B3 will respond to ESG events and crises arising in connection with participants that are in the index portfolio. To rate the severity level of an event, we look at such issues as ESG impact, the company's crisis management, the impact on its image, and the company's response to the event. The body responsible for analyzing the facts and deciding whether to remove a company based on such information is an internal group focused on indices.

## ESG Workspace

In 2021, we developed an online platform that allows registered users to access in an organized manner a broad ESG database built on information provided by companies participating as eligible entities in the ISE B3.

In this virtual environment we call **ESG Workspace**, users can search and view relevant information in tables and comparative dashboards that can be used to support in preparing ESG strategies.

The initiative as part of our strategy of developing products and services in the ESG data space, one of the key pillars of our sustainability agenda for the coming years.

Learn more about ISE B3 at <http://iseb3.com.br/> and view the performance of companies that participated in process in 2022 at <https://esgworkspace.b3.com.br/>.



*IGPTW B3*

IGPTW B3 is the world’s first index to provide a snapshot and performance assessment of companies certified as the best places to work at according to the Great Place to Work (GPTW) survey.

Created in 2021, IGPTW B3 considers companies that are certified by GPTW in the period valid for the previous year’s 150 Best Companies to Work for in Brazil, as ranked by consultancy firm SAD.

The composition of the portfolio announced in January 2023 includes 65 companies certified per the national ranking for 2022.

*Carbon Efficient Index (ICO2 B3)*

Created in 2010, the ICO2 B3 seeks to show to the market companies that already have taken the first step on the climate change agenda—taking their greenhouse gas inventories. The index also anticipates how the companies included in the portfolio are preparing for a resilient, low-carbon economy.

In 2022, we invited for the third year the companies holding the stock exchange’s 100 most liquid assets to be part of the portfolio. The result was a new record number of participants: 82 companies reported their information, against 72 for 2021.

*S&P/B3 Brazil ESG Index*

Launched in September 2020 in partnership with S&P, the S&P/B3 Brazil ESG index considers criteria based on environmental, social and governance practices to select Brazilian companies for its portfolio.

The methodology considers the universe of companies listed on our stock exchange environment and making up the S&P Brazil BMI (Broad Market Index), excluding those having not adhered to the Global Compact principles or that are not part of certain sectors (weapons, tobacco and coal, for example).

*Special Corporate Governance Stock Index (IGC B3)*

The IGC B3 combines companies listed on Level 1, Level 2 and Novo Mercado segments, where companies need to follow special corporate governance rules—exceeding the requirements under the Brazilian Corporation Law. The goal is to improve the assessment of those voluntarily deciding to adhere to one of these listing segments.



*Corporate Governance - Novo Mercado  
Index (IGC-NM B3*

It solely includes securities from companies trading shares on Novo Mercado, which is the listing segment for companies that spontaneously commit to adopting corporate governance practices that exceed those required by law.

*Trade Corporate Governance Index  
(IGCT B3)*

IGCT B3 is composed of companies listed on Novo Mercado, Level 1 or Level 2 segment. In addition to considering the governance levels of listed companies, it has more restrictive liquidity criteria.

*Special Tag-Along Stock Index (ITAG B3)*

The ITAG B3 comprises companies that offer better conditions for minority shareholders in the event of sale of control.e.

*Learn more about the ESG Index family and index portfolios on B3's [website](#).*





## OTC

[GRI 201-2]

We have consistently improved our offering of services and solutions for ESG products on the OTC market, actively contributing to the development of these instruments. In this segment, we also improved our offering of services and solutions for ESG products, which generated revenues of R\$ 12,563,021.00 in 2022.

See some of our key initiatives below.

### CBIOs

We actively contributed to the development of the market for Decarbonization Credits (CBIOs) in Brazil, reaffirming our engagement and our contributions to climate-related issues.

These instruments were created by the National Policy on Biofuels (RenovaBio), under Law No. 13.576, and seek to contribute to achieving the decarbonization targets assumed by Brazil under the Paris Agreement in 2015. Among those targets is increasing the share of bioenergy in Brazil's energy matrix to approximately 18% by 2030.

Since 2020, the CBIOs have had an issue registration and a specific trading platform on the B3 environment. In 2022, we registered issues of more than 31 million CBIOs, 16.8 million of which were retired to meet the decarbonation target for the year.

The deadline for meeting the decarbonization target assumed by Brazil under the Paris Agreement was extended to the 1st half of 2023. Accordingly, more than 19 million CBIOs are expected to be retired by the end of that period.

### DID YOU KNOW?

Aiming to develop the resilience of its operations, map their impacts and assist Brazil in meeting its decarbonation target, B3 provides a CBIO trading platform that enables these assets to be traded digitally and with low CO<sub>2</sub> emissions—on average, 0.0035 g per CBIO retired, equivalent to about 218.3 kgCO<sub>2</sub>e in 2022.

Learn how the CBIOs came up and how they work on B3's [website](#).

### Decarbonization Credit Index (ICBIO B3)

September 2022 saw us launch B3's first ESG index on the OTC market: the B3 Decarbonization Credit Index (**ICBIO B3**). The indicator tracks fluctuation in the weighted-average price of the Decarbonization Credit (CBIO) registered on B3.



## ESG THEMATIC BONDS

Issues of Green, Social or Sustainable (social and environmental) Bonds have been identified on our trading environment since November 2018. Since then, until the end of 2022, 183 instruments were issued —121 debentures, 42 certificates of agribusiness receivables (CRAs), 16 certificates of real estate receivables (CRIs), 4 shares in a closed-end fund (CFF), and 3 trade bills (NC)— totaling approximately R\$56.8 billion in issue value.

Additionally, we implemented in 2022 a functionality on our platforms for the ESG marking of certain bank funding products, such as CDBs and *Letra Financeira* (LF). At the end of the year, we had registered 99 LFs described as sustainable securities at their issues, totaling R\$3.74 billion in financial volume. Learn more about what sustainable securities are on page 16 of the **“Sustainability and ESG Management at Companies Guide.”**

## COEs (Certificates of Structured Transactions)

COEs are bank funding instruments with fixed-income and variable-income elements rolled into one product and can be indexed to assets or indicators based on ESG principles.

Regarded as one of the newest products in the Brazilian market and still little known by a large portion of the population, the COEs provide diversification and access to international markets and international trends.

Around 200 ESG-themed COEs were issued in 2022, adding up to R\$642 million invested. Compared to 2021, the figures were 26% below the number of certificates issued and 14% below the amount raised.

## Green CPR

Created by Law No. 8.929 of 1994, CPR is a security representing a promise of future delivery of an agribusiness product that can be issued by rural producers or their associations, including cooperatives.

Currently, this is the leading instrument for funding the agribusiness supply chain, with an inventory of approximately R\$190 billion at the end of 2022.

In addition to the physical and financial versions, the CPRs can also be available in a version focused on sustainability, known as Green CPR. It was created in mid-2021 by Decree No. 10,828, which sets forth activities that can be financed via CPRs related to the conservation and recovery of native biomes, forests and vegetation.

Generally speaking, it introduces an added channel whereby to allocate funds to environmental activities. From the publication of the Decree to the end of 2022, B3 counted 25 Green CPR registrations.



## 7. For reference

- GRI and SASB Content Index
- Letter of Assurance
- Credits



# GRI content index - Universal Standards

Declaration of use		B3 – Brasil, Bolsa, Balcão has eported in accordance with the GRI Standards for the period [01/01/2022 to 12/31/2022]		
GRI 1 Used		GRI 1: Foundation 2021		
GRI Standards	Standard/ Disclosure	Comments, pages, links and/or references	Global Compact	SDG
GRI 2: General Disclosures 2021				
1. The organization and its reporting practices	2-1: Organizational details	p. 5 and 20		
	2-2: Entities included in the organization's sustainability reporting	Banco B3 S.A. (Banco B3) Bolsa de Valores do Rio de Janeiro (BVRJ) B3 S.A. - Brasil, Bolsa, Balcão UK Ltd. (UK Ltd.) BM&FBOVESPA BRV LLC (BRV LLC) B3 Inova USA LLC (B3 Inova) CETIP Info Tecnologia S.A. (CETIP Info) CETIP Lux S.à.r.l. (CETIP Lux) PDtec S.A. (PDtec) BLK Sistemas Financeiros Ltda. (BLK) Central de Exposição a Derivativos (CED) B3 S.A. USA Chicago LLC (USA Chicago) Neoway Tecnologia Integrada Assessoria e Negócios S.A. (Neoway) B3 Digitas Ltda. (Digitas)		12.6
	2-3: Reporting period, frequency and contact point	p. 5  Reporting period: January 1 to December 31, 2022 Reporting frequency: annual Contact: if you have suggestions and comments or seekadditional information, just contact us at: sustentabilidade@b3.com.br”		
	2-4: Restatements of information	p. 5		
	2-5: External assurance	p. 5, 161 and ESG Performance Tables		16.6
2. Activities and workers	2-6 :Activities, value chain and other business relationships	p. 20, 46, 126 and ESG Performance Tables	1	8.3, 12.6
	2-7: Employees	p. 68 and ESG Performance Tables		8.5, 8.6
	2-8: Workers who are not employees	p. 124		8.5



Declaration of use	B3 – Brasil, Bolsa, Balcão has eported in accordance with the GRI Standards for the period [01/01/2022 to 12/31/2022]			
GRI 1 Used	GRI 1: Foundation 2021			
GRI Standards	Standard/ Disclosure	Comments, pages, links and/or references	Global Compact	SDG
3. Governance	2-9: Governance structure and composition	p. 97 and <a href="#">ESG Performance Tables</a>		5.5, 16.7
	2-10: Nomination and selection of the highest governance body	p. 97		5.5, 16.7
	2-11: Chair of the highest governance body	p. 97		
	2-12: Role of the highest governance body in overseeing the management of impacts	p. 28, 97 and 106		16.6, 16.7
	2-13: Delegation of responsibility for managing impacts	p. 28 and 97		16.6, 16.7
	2-14: Role of the highest governance body in sustainability reporting	Through meetings, the preparation of the Annual Report is made known to the members and the chairman of the Board of Directors. The People, Marketing, Communication, Sustainability and Social Investment Executive Office is responsible for approving the document. Within the scope of the Internal Sustainability Committee, the results of the materiality study are presented to the Board members.		
	2-15: Conflicts of interest	p. 107	10	16.5, 16.6, 16.b
	2-16: Communication of critical concerns	p. 107	6	16.5, 16.6, 16.b
	2-17: Collective knowledge of the highest governance body	p. 97		16.6
	2-18: Evaluation of the performance of the highest governance body	p. 102		16.6
	2-19: Remuneration policies	p. 28, 102 and <a href="#">ESG Performance Tables</a>		16.6
	2-20: Process to determine remuneration	p. 28, 102 and <a href="#">ESG Performance Tables</a>		16.6
	2-21: Annual total compensation ratio	p. 102		16.6

Declaration of use	B3 – Brasil, Bolsa, Balcão has eported in accordance with the GRI Standards for the period [01/01/2022 to 12/31/2022]			
GRI 1 Used	GRI 1: Foundation 2021			
GRI Standards	Standard/ Disclosure	Comments, pages, links and/or references	Global Compact	SDG
4. Strategy, policies and practices	2-22: Statement on sustainable development strategy	p. 10 and 22		
	2-23: Policy commitments	p. 20, 105, 107, 115, 124 and 126	1, 4, 5, 10	16.5, 16.6
	2-24: Embedding policy commitments	p. 107 and ESG Performance Tables	1	16.5, 16.6
	2-25: Processes to remediate negative impacts	p. 107 and 115		16.6
	2-26: Mechanisms for seeking advice and raising concerns	p. 107 and ESG Performance Tables	6, 10	16.5, 16.6
	2-27: Compliance with laws and regulations	B3 did not receive relevant fines or sanctions for non-compliance with legislation and/or regulations, referring to social, economic, environmental and corporate governance issues. Furthermore, no breaches were identified, or indications of breaches of legislation and/or regulations related to the same topics, which have not been remedied.  Information on relevant proceedings can be accessed in the B3 Reference Form, item 4.3 - Non-confidential and relevant judicial, administrative or arbitration proceedings, through the links: (i) <a href="https://ri.b3.com.br/en/regulatory-filings/">https://ri.b3.com.br/en/regulatory-filings/</a> ; (ii) <a href="https://api.mziq.com/mzfilemanager/v2/d/5fd7b7d8-54a1-472d-8426-eb896ad8a3c4/05a4fc2f-fa47-7d75-b386-4242152ecf03?origin=1">https://api.mziq.com/mzfilemanager/v2/d/5fd7b7d8-54a1-472d-8426-eb896ad8a3c4/05a4fc2f-fa47-7d75-b386-4242152ecf03?origin=1</a>	4, 5, 6, 10	16.5, 16.6 e 16.b
	2-28: Membership associations	p. 143 and ESG Performance Tables		17.17
5. Stakeholder engagement	2-29: Approach to stakeholder engagement	p. 7 and ESG Performance Tables		16.6, 16.7
	2-30: Collective bargaining agreements	p. 126 and ESG Performance Tables	3	8.8
GRI 3: Material Topics 2021				
	3-1: Process to determine material topics	p. 7 and ESG Performance Tables	1, 2	12.6, 16.6, 16.7
	3-2: List of material topics	p. 7 and ESG Performance Tables		
	3-3: Management of material topics	p. 7, 28, 46, 55, 58, 59, 64, 69, 72, 74, 78, 81, 97, 105, 107, 115, 119, 124 and ESG Performance Tables		16.6

# GRI content index - Topic Standards

Thematic contents				
Impact Boundaries	Standard / Disclosure		Comments, pages, links and/or references	Global Compact      SDG
Internal and External	Material Topic: ESG Management and Induction of good practices among our stakeholders			
	GRI 201: Economic Performance 2016	201-1: Direct economic value generated and distributed	p. 46	16.6
		201-2: Financial implications and other risks and opportunities due to climate change	p. 115, 150 and ESG Performance Tables	13.2
	GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	p. 31 and ESG Performance Tables	10.2, 16.6
	GRI 302: Energy 2016	302-1: Energy consumption within the organization	p. 58 and ESG Performance Tables	12.2, 13.2
		302-4: Reduction of energy consumption	p. 58 and ESG Performance Tables	8      12.2, 13.2
	GRI 303: Water and Effluents 2018	303-5: Water consumption	p. 59 and ESG Performance Tables	8, 9      12.2
	GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG emissions	p. 64 and ESG Performance Tables	7, 8, 9      12.2, 13.2
		305-2: Energy indirect (Scope 2) GHG emissions	p. 64 and ESG Performance Tables	7, 8, 9      12.2, 13.2
		305-3: Other indirect (Scope 3) GHG emissions	p. 64 and ESG Performance Tables	7, 8, 9      12.2, 13.2
		305-5: Reduction of GHG emissions	p. 64 and ESG Performance Tables	7, 8, 9      12.2, 13.2
	GRI 306: Waste 2020	306-3: Waste generated	p. 59 and ESG Performance Tables	7, 8, 9      12.2, 13.2
	GRI 415: Public Policy 2016	415-1: Political contributions	p. 107 and ESG Performance Tables	16.5



Thematic contents

Impact Boundaries	Standard / Disclosure		Comments, pages, links and/or references	Global Compact	SDG
Internal	Material Topic: Responsible market infrastructure				
	GRI 205: Anti-Corruption 2016	205-1: Operations assessed for risks related to corruption	p. 107	10	16.5, 16.6
		205-2: Communication and training about anti-corruption policies and procedures	p. 107, 124 and <a href="#">ESG Performance Tables</a>	10	16.5, 16.6
		205-3: Confirmed cases of corruption and actions taken	p. 107	10	16.5, 16.6
	GRI 207: Tax 2019	207-1: Approach to tax	p. 118		
		207-2: Tax governance, control and risk management	p. 118		
	GRI 308: Supplier Environmental Assessment 2016	308-1: New suppliers that were screened using environmental criteria	p. 124 and <a href="#">ESG Performance Tables</a>	8	12.7, 16.6
	GRI 408: Child Labor 2016	408-1: Operations and suppliers at significant risk for incidents of child labor	p. 124 and <a href="#">ESG Performance Tables</a>	5	16.6
	GRI 409: Forced or Compulsory Labor 2016	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 124 and <a href="#">ESG Performance Tables</a>	4	16.6
	GRI 414: Supplier Social Assessment 2016	414-1: New suppliers that were screened using social criteria	p. 124	2	12.7, 16.6
	GRI 418: Customer Privacy 2016	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 119, 121 and <a href="#">ESG Performance Tables</a>		16.6

Thematic contents					
Impact Boundaries	Standard / Disclosure		Comments, pages, links and/or references	Global Compact	SDG
Internal and External	Material Topic: People management and impacts on society				
	GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	p. 31 and ESG Performance Tables		10.2, 16.6
	GRI 401: Employment 2016	401-1: New employee hires and employee turnover	p. 68 and ESG Performance Tables		8.5, 8.6, 10.2
		401-3: Parental leave	p. 69 and ESG Performance Tables		8.5
	GRI 402: Labor/ Management Relations 2016	402-1: Minimum notice periods regarding operational changes	We notify possible changes as far in advance as possible to minimize impacts and ensure that information is shared at all levels. The Collective Agreement stipulates a minimum period of 60 days for disclosing data. All organizational changes are approved at a meeting by the company's Board of Directors.		8.5
	GRI 403: Occupational Health and Safety 2018	403-6: Promotion of worker health	p. 69 and 72		3.d
		403-10: Work-related ill health	p. 72 and ESG Performance Tables		3.d
	GRI 404: Training and Education 2016	404-1: Average hours of training per year per employee	p. 74 and ESG Performance Tables		8.5, 8.6
			p. 74		
		404-2: Programs for upgrading employee skills and transition assistance programs	Programs for career transition in the event of retirement or termination of employment contract: we pay an allowance provided for in a collective agreement, of 1.5 salary when the employee has worked for more than 8 years and has his/her retirement granted by the INSS and, in case of termination, for employees over 45 years of age and with more than 5 years with the company, we pay an indemnity of 1 salary.		8.5, 8.6
		404-3: Percentage of employees receiving regular performance and career development reviews	p. 78, 79 and ESG Performance Tables		8.5, 8.6
	GRI 405: Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	ESG Performance Tables	6	5.5, 8.5, 10.2
	GRI 413: Local Communities 2016	413-1: Operations with local community engagement, impact assessments, and development programs	ESG Performance Tables		4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.b e 4.c
Internal and External	Material Topic: Products and services for a more sustainable market				
	GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities related to climate change	p. 115, 150 and ESG Performance Tables		13.2

# SASB content index - FINANCIALS SECTOR

## SECURITY & COMMODITY EXCHANGES

Sustainability Disclosure Topics & Accounting Metrics	
Topic / Accounting Metric	Comments, pages, links and/or references
<b>Promoting Transparent and Efficient Capital Markets</b>	
FN-EX-410a.1: Number and average duration of halts related to public release of information and pauses related to volatility	During the period of 2022, there were no triggers of the circuit breaker mechanism <a href="#">ESG Performance Tables</a>
FN-EX-410a.2: Percentage trades generated from automated trading systems	<a href="#">ESG Performance Tables</a>
FN-EX-410a.3: Description of alert policy regarding timing and nature of public release of information	B3's Disclosure Policy aims to establish guidelines and procedures to be observed regarding the use and disclosure of information that may be considered a material act or fact and the maintenance of confidentiality of such information not yet disclosed to the market, under the terms of current legislation and regulations, in particular CVM Resolution No. 44, of August 23, 2021, aiming to ensure investors the availability of material information in a timely, efficient and reasonable manner.
FN-EX-410a.4: Description of policy to encourage or require listed companies to publicly disclose environmental, social and governance (ESG) information	p. 105 and 146
<b>Managing Conflicts of Interest</b>	
FN-EX-510a.1: Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	<a href="#">ESG Performance Tables</a>
FN-EX-510a.2: Discussion of processes for identifying and assessing conflicts of interest	p. 107
<b>Managing Business Continuity and Technology Risks</b>	
FN-EX-550a.1: Number of significant market disruptions and duration of downtime	<a href="#">ESG Performance Tables</a>
FN-EX-550a.3: Description of efforts to prevent technology errors, security breaches and market disruption	p. 115 and 119
<b>Métrica da Atividade</b>	
FN-EX-000.A: Average daily number of trades executed, by product or asset class	<a href="https://api.mziq.com/mzfilemanager/v2/d/5fd7b7d8-54a1-472d-8426-eb896ad8a3c4/6ed229e2-3716-e435-2c3e-834e275219e0?origin=2">https://api.mziq.com/mzfilemanager/v2/d/5fd7b7d8-54a1-472d-8426-eb896ad8a3c4/6ed229e2-3716-e435-2c3e-834e275219e0?origin=2</a>
FN-EX-000.B: Average daily volume traded by product or asset class	<a href="https://api.mziq.com/mzfilemanager/v2/d/5fd7b7d8-54a1-472d-8426-eb896ad8a3c4/6ed229e2-3716-e435-2c3e-834e275219e0?origin=2">https://api.mziq.com/mzfilemanager/v2/d/5fd7b7d8-54a1-472d-8426-eb896ad8a3c4/6ed229e2-3716-e435-2c3e-834e275219e0?origin=2</a>





## Independent auditors’ limited assurance report on sustainability indicators and certain commitments contained in B3’s Annual Sustainability Report, base year 2022

To  
Shareholders, Directors and Management of  
**B3 S.A. – Brasil, Bolsa, Balcão**  
São Paulo - SP

### Introduction

We have been engaged by B3 S.A. – Brasil, Bolsa, Balcão (“B3”) to present our limited assurance report on the sustainability indicators and certain commitments (“indicators and commitments”) contained in B3’s 2022 Annual Sustainability Report (“Report”), for the year ended December 31, 2022.

Our limited assurance does not extend to prior period information or any other information disclosed in conjunction with the Report, including any embedded images, audio files or videos.

### Responsibilities of B3’s management

B3’s management is responsible for:

- Select and establish appropriate criteria for preparing the information contained in the Report;

- Prepare information in accordance with the criteria and guidelines of the Global Reporting Initiative (“GRI Standards”), the Sustainability Accounting Standards Board - Financials Sector Security & Commodity Exchanges (“SASB”) and for the preparation of information associated with commitments in accordance with the Sustainability-Linked Financing Framework (“Framework”) prepared by B3, which is aligned with the principles of the Sustainability-Linked Bond Principles (2020) and Sustainability-Linked Loan Principles (2021);
- Design, implement and maintain internal control over the relevant information for the preparation of the indicators and commitments contained in the Report, which are free from material distortion, regardless of whether caused by fraud or error.

### Responsibility of the independent auditors

Our responsibility is to express a conclusion on the indicators and commitments contained in the Report, based on the limited assurance work carried out in accordance with Technical Communication CTO 07 - 2022 issued by the CFC, and based on NBC TO 3000 - Non-Audit Assurance Work 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). These standards require the auditor to comply with ethical requirements, independence and other responsibilities related to it, including the application of the Brazilian Quality Control Standard (NBC PA 01) and, therefore, the maintenance of a comprehensive quality control system, including documented policies and procedures on meeting ethical requirements, professional standards, and applicable legal and regulatory requirements.



Additionally, the aforementioned standards require that the work be planned and executed with the objective of obtaining limited assurance that the indicators and commitments contained in the Report, taken as a whole, are free of material distortions.

A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) consists primarily of inquiries to B3’s management and other B3’s professionals who are involved in preparing the information, as well as the application of analytical procedures to obtain evidence that make it possible to conclude, in the form of a limited assurance, on the information taken as a whole. A limited assurance work also requires the execution of additional procedures, when the independent auditor becomes aware of matters that lead him to believe that the indicators and commitments disclosed in the Report, taken as a whole, may present material distortions.

The selected procedures were based on our understanding of the aspects related to the compilation, materiality and presentation of the indicators and commitments contained in the Report, other circumstances of the work and our consideration of areas and processes associated with the material information disclosed in the Report, in what material misstatements could exist. The procedures comprised, among others:

- a. the planning of the work, considering the relevance, the volume of quantitative and qualitative information and the operational systems and internal controls that served as a basis for the preparation of indicators and commitments contained in the Report;
- b. understanding the calculation methodology and procedures for compiling indicators and commitments through inquiries with the managers responsible for preparing the information;
- c. the application of analytical procedures on the quantitative information and inquiries about the qualitative information and its correlation with the indicators and commitments contained in the Report;
- d. for cases in which the indicators and commitments correlate with indicators of a financial nature, the confrontation of these indicators with the financial statements and/or accounting records.

The limited assurance work also included adherence to the guidelines and criteria of the GRI Standards, SASB and the Framework applicable in the preparation of the indicators and commitments contained in the Report.

We believe that the evidence obtained in our work is sufficient and appropriate to support our limited conclusion.



## Scope and limitations

Procedures performed in limited assurance engagements vary in nature and timing and are less extensive than in reasonable assurance engagements. Consequently, the level of assurance obtained in a limited assurance engagement is substantially less than that which would have been obtained if a reasonable assurance engagement had been performed. If we had carried out a reasonable assurance work, we could have identified other matters and possible distortions that may exist in the indicators and commitments contained in the Report. Accordingly, we do not express an opinion on this information.

Non-financial data are subject to more inherent limitations than financial data, given the nature and diversity of methods used to determine, calculate or estimate such data. Qualitative interpretations of data materiality, relevance and accuracy are subject to individual assumptions and judgments. Additionally, we did not carry out any work on data reported for previous periods, nor in relation to future projections and targets.

The preparation and presentation of the indicators and commitments followed the GRI Standards, SASB and the Framework and, therefore, do not have the objective of ensuring compliance with social, economic, environmental or engineering laws and regulations. The aforementioned standards provide, however, for the presentation and disclosure of any non-compliance with such regulations when sanctions or significant fines occur. Our assurance report must be read and understood in this context, inherent to the selected criteria (GRI Standards, SASB and the Framework).

## Conclusion

Based on the procedures carried out, described in this report and on the evidence obtained, nothing has come to our attention that leads us to believe that the indicators and commitments contained in B3's Report for the year ended December 31, 2022, were not prepared, in all relevant aspects, in accordance with the criteria and guidelines of the GRI Standards, SASB and the Framework.

## Emphasis

Additionally, our limited assurance procedures also contemplated the sustainability commitments in accordance with the Sustainability-Linked Financing Framework prepared by B3, described in the paragraphs "Diversity Index" and "Women in leadership positions" on pages 91 and 92 of the Report, exclusively for the commitments Diversity and Inclusion ("Percentage of Women in Leadership Positions" and "Creation of a Diversity Index for the Brazilian Market by 2024").

São Paulo (SP), March 24, 2023.

## Ernst & Young

Auditores Independentes S/S Ltda.  
CRC SP- 034519/O

Leonardo Masseli Dutra  
Sustainability Partner

Diego de França Pereira  
Accountant CRC ISP - 264.236/O-3



# Credits

## Coordination

Sustainability Department

## Consulting

Key Associados

## Text and editing

Otávio Maia

Rafael Ribella

## Revision

Cesar Sacramento

Rejane Aguiar

## Graphic design

Bruno de Oliveira Santos

## Photography

Banco de Imagens B3

Biofílica Ambipar Environment

Cauê Diniz

Fernando Siqueira

Natália Tonda

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Associação Bem Comum (ABC)





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