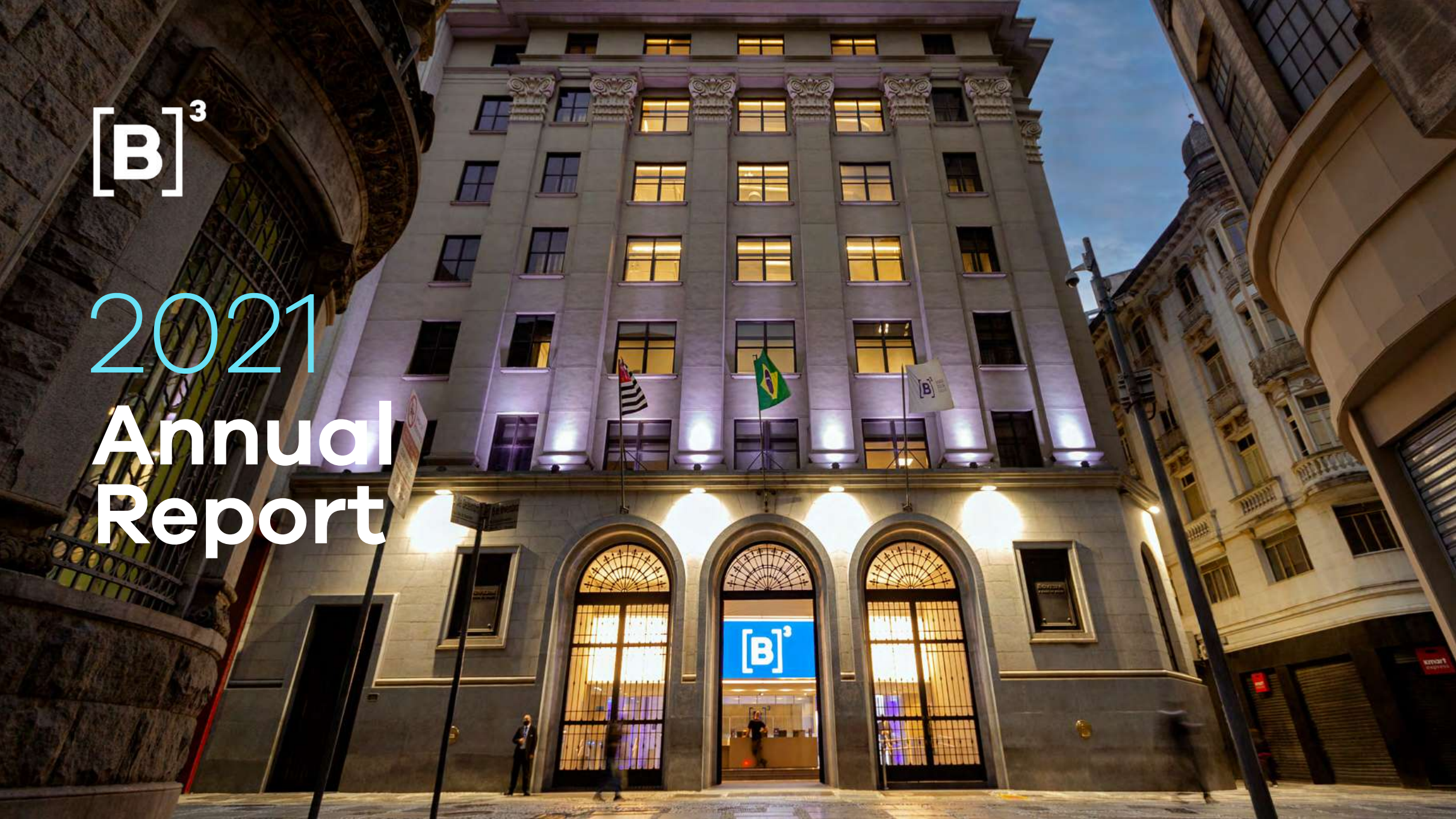


[B]³

2021

Annual
Report





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.



Contents

01 To begin the conversation	4	04 B3 on the Move	45	06 For You to Consult	123
About the Report	5	Closer to Customers	46	Further Knowledge Tables	124
Materiality	6	Culture and People Management	51	GRI and SASB Content Index	141
Message from the Management	9	Agility and Innovation	72	Assurance Report	153
Highlights & Acknowledgments	13	Operational Solidity	74	Credits	155
02 We Are B3	15	M&A and Strategic Partnerships	76		
Profile	16	Products and Services	78		
Strategy	20	Operating Performance	83		
03 Governance and Responsible Market Infrastructure	22	05 Socioenvironmental Practices And Businesses	92		
Our Corporate Governance	24	Fostering ESG Good Practices	93		
Responsible Market Infrastructure	33	ESG Product Portfolio	103		
		Sustainability-Linked Bond (SLB)	109		
		Social Responsibility	111		
		Management of Natural Resource	114		
		Climate Change	118		

01 To begin the conversation

- About the Report
- Materiality
- Message from the Management
- Highlights & Acknowledgments

About the Report

This document presents a complete overview of the main events and indicators of the year 2021. The content covers everything necessary to dive into our operation and how we deliver our purpose and have contributed to society and the country. [\[102-50\]](#)

The objective is to be accountable to our stakeholders. The scope goes beyond financial results and also deals with ESG (environmental, social and corporate governance) aspects.

To give consistency and comparability to the report, we structured the content based on the main international reporting and sustainability protocols:

- We followed the guidelines of the [Global Reporting Initiative \(GRI\)](#), in its “Standards” version, “Core” reporting option. [\[102-54\]](#)

- We reported the [Sustainability Accounting Standards Board \(SASB\)](#), indicators for “Security & Commodity Exchanges – Financials Sector”.
- We incorporated elements recommended by the [International Integrated Reporting Council \(IIRC\)](#). The icons below are used throughout the report to indicate which capitals are being worked on in each chapter:



**Financial
Capital**



**Social and
Relationship Capital**



**Manufactured
Capital**



**Human
Capital**



**Natural
Capital**



**Intellectual
Capital**

- We contemplated the [Sustainable Development Goals \(SDGs\)](#), a global movement led by the United Nations (UN) that addresses the main challenges for development in Brazil and in the world. In the materiality study and in the GRI content index, we point out the connection with and contribution of our business to the SDGs.
- And, for the first time, we aligned our report with the recommendations of the [Task Force on Climate Related Financial Disclosures \(TCFD\)](#), a task force related to the mitigation of climate change risks.

The Report is assured by an external auditor, Ernst & Young *Auditor Independente* – which is also responsible for verifying the Financial Statements. [\[102-56\]](#)

The changes made in this report are part of our continuous improvement effort. If you have suggestions and comments or seek additional information, just contact us at sustentabilidade@b3.com.br. [\[102-53\]](#)

Materiality

[102-40; 102-42; 102-43; 102-44; 102-46]

In preparing this report, we prioritized the topics according to our latest materiality study, carried out in 2020.

The objective of this type of study is to identify the most relevant topics for business sustainability from the corporate and stakeholders' point of view.

To build our materiality matrix, we used a process that included consultation with six priority groups, defined based on our sphere of relationships and internal policies: Customers, Suppliers, Employees, Investors, Regulators and Society.

The work was divided into two main stages.

IN THE INITIAL STAGE

We mapped potentially material topics based on global, national and sector trends; benchmarking with other stock exchanges; and our previous materiality matrix (from 2019).

IN THE NEXT STAGE

We sought to identify the level of relevance of the items identified in the initial stage, through four work fronts:

- Online research with different audiences;
 - Secondary research, to capture the spontaneous mention of subjects in our dialogue and engagement routine;
 - Cross-referencing themes with the Strategy and Sustainability Strategic Plan; and
 - Comparison with the subjects discussed at the Board of Directors' meetings.
-

The data obtained at this stage underwent a mathematical categorization, which made it possible to list the themes by relevance. The result of the study was then analyzed and approved by leadership, in a meeting of our Executive Board, with participation of the CEO.

Understanding the issues that matter to our stakeholders is a challenge that goes beyond preparation of this report: it helps us identify risks and opportunities, calibrate strategies, promote improvements in services and processes and map the Sustainable Development Goals (SDGs) that are most significant for our business.

Our stakeholders and examples of engagement and dialogue channels and practices ¹

Stakeholders	Channels and practices of engagement and dialogue	Frequency
Customers	Holding of Events	Continuous
	<i>Atende B3</i>	Continuous
	Advisory Committees	Annual, monthly, bimonthly or quarterly, depending on the committee
	Public consultations	On demand
	NPS	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
	<i>Minuto B3</i>	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



¹Our Whistleblower Channel, *Alô, Compliance*, can be used continuously by all audiences. Learn more on [page 35](#).

Material themes

[102-47; 103-1]

Our materiality has four highly significant themes. Check out what they are and how they relate to the SDGs and our [sustainability strategy](#).



To be a company aligned with the best sustainability practices



Foster ESG good practices in the Brazilian market



Strengthen the product portfolio and open new ESG market fronts

Customer Centricity

This deals with the quality of our deliveries and the experience offered to customers. It includes the integrated management of user demands; operational improvements; innovation; and development of new products, including those related to ESG. It also involves fosters Financial Education and transparency in communications about our services.



Corporate Social Responsibility and People Management

This refers to our contribution to the development of employees and society in general. In the internal view, it addresses issues of attraction and retention; respect for labor laws; offering professional development opportunities; and building a diverse and inclusive company. In the external view, it concerns the voluntary and planned transfer of private or government funds to social and cultural projects.



Corporate Governance and Fostering ESG good practices in the Market

This refers to the adoption of robust management practices, capable at the same time of boosting our ESG performance and inducing the market to insert good practices in its routine. Covers governance structures, policies and processes.



Responsible Market Infrastructure

This refers to internal rules and procedures that strengthen responsible management. It includes acting with integrity (management of conflicts of interest, ensuring compliance with local regulations and anti-corruption practices); resilience of platforms and operational infrastructure (information and cyber security and data integrity and confidentiality); effective and accurate disclosure of financial and non-financial information; and promotion of best market practices for accountability.



Message from the Management

[102-14]

2021 was a year full of challenges and opportunities for B3. We also had a largely favourable environment in the capital markets, with strong demand for our products and services and relevant regulatory developments. Nevertheless, it was necessary to deal with the lengthening of the pandemic and a challenging scenario in the economy, which included the beginning of a cycle of high interest rates in Brazil in the second half of the year.

Hence, this complex environment represented yet another test of B3's business model, which aims to enable the company to navigate a considerable number of different business environments safely and efficiently.

Moreover, we have implemented our capital allocation strategy and managed business performance in line with a rigorous and disciplined planning process which takes into account alternatives and scenarios as well as define priorities,

steering the organization towards its long-term goals and objectives.

Throughout 2021, we focused on two main fronts of our business: getting closer to our customers, with innovation in products and services that meet the demands, needs and expectations of an increasingly sophisticated Brazilian market, and consolidating an already very relevant position in our core business activities, combined with an ambitious growth agenda.

This process led to three important investments in data and technology that will support the expansion of our operations into markets that are adjacent to our core business and present great opportunities for the Company. We are confident that these initiatives will strengthen our business model and accelerate our growth.



Antonio Quintella
Chairman

In 2021, we intensified our focus, in addition to our business, on another relevant front: strengthening the company's social performance and its role as an inducer of the best governance and sustainability practices in the market. We are aware that our responsibilities include the relationship with our employees, customers, shareholders, regulators and society in general.

We believe that ESG (Environmental, Social and Governance) aspects are not peripheral elements of our business. Rather they are at the very heart of everything we do. They are intrinsically woven into our operations, business model and corporate responsibility.

With that in mind, it is worth mentioning the role of B3 Social, which coordinated social

investments of approximately R\$ 50 million in 2021. These investments were focused on some short-term goals and addressed one of 2021's most urgent topics i.e., the crisis caused by the resurgence of the pandemic, underpinning initiatives to support communities across the country with food aid, health care, et cetera.

With a long-term view, B3 Social invested in projects focused on structural improvements to public education and contribution to reducing inequalities in Brazil.

In order to promote ESG best practices, the Company has supported several initiatives and it is worthwhile to highlight its role as the first stock exchange in the world to issue a Sustainability-Linked Bond (SLB) with social goals as well as the improvement and expansion of its portfolio of ESG indexes.

As a result of these initiatives, including advances on the diversity front, B3 received several recognitions in 2021 eg it joined the GPTW Best Workplaces list.

In the year, net revenues grew by 10.3% compared to 2020; recurring EBITDA grew by 14%; and recurring net income reached R\$ 5.1 billion, which means an increase of 13.8% compared to the previous year. Earnings reached R\$ 4.7 billion.

In 2022, we believe that we will be able to continue expanding our operations and, above all, to create value for all stakeholders and society in an organized, sustainable and ethical manner. Lastly, I would like to take this opportunity to invite everyone to join us on our journey.

Antonio Quintella
Chairman



**Gilson
Finkelsztain**
Chief Executive
Officer B3

We could describe 2021 as the year in which B3 came of age as a company. Four years after the merger that gave life to the B3 brand, we have reached a high level of maturity in cultural integration and evolution, in addition to an excellent performance in our core activities.

We have consolidated our culture, which is now much more focused on diversity, collaboration and customer experience. In addition, we have advanced in a new work model, which is guided by agile thinking and happens in a hybrid way, balancing the benefits of in-person and remote working models.

These developments have directly contributed to intensifying internal engagement and belonging – which led us to become one of the best companies to work for in the country. This year, we were recognised in this regard by the main organizations specialized in the subject. This is the case of Great Place To Work (GPTW), Top Employers and LinkedIn Top Companies

Naturally, the benefits of cultural evolution are not restricted to the internal sphere: they reach, with the same intensity, the relationship with customers. In 2021, this translated into concrete deliveries across all lines of business. For example, with a new logged-in area for individual investors, which facilitates the monitoring of investments; new service channels on WhatsApp and Telegram; and other process improvements

that affect customer experience arising from *Simplifica* B3, our collaborative innovation program.

We also presented major novelties in the Listed Market, such as the listing of Fiagros, the automatic exercise of options and the new pricing policy, which reduces fees based on gains of scale and operational leverage; in the Over-the-Counter Market, with the registration of CPR (Rural Product Certificate) and our Receivables Platform; and in the Financing Infrastructure Unit (UIF), with registration for insurance operations and analytics products.

In our evolution journey, we also made important investments in technology and operational solidity so that the capacity of our systems is always ahead of the level of demands. And that makes a difference: in 2021, despite the large increase in the daily volume of transactions, we managed to deliver a secure platform, with 99.980% annual availability for the trading systems and 99.911% for the Clearing systems.

With the company being more mature, and efficient in its core business, last year we reached a moment of reflection on business expansion. It was natural to look outside and accelerate our growth strategy to the surroundings of our business. This included a M&A strategy which led to the acquisition of Neoway and investments in Dimensa and Pismo – which will accelerate our business growth.

The year, therefore, was one of significant growth in results, but mainly of expansion of the perimeter of our operation. And that's great news for all of our stakeholders. As we strengthen and expand our operations, we will be able to further unleash the growth potential and increase the resilience of the Brazilian capital market, supporting companies and investors.

This dynamic isn't something new. The history of B3 and the Brazilian capital markets go hand in hand: one party always benefits from the progress of the other. And so it was again. As we have moved forward, the investment environment in the country has also taken important steps, such as the regulatory development of the plural voting and the consolidation of the BDRs for Retail, which help local investors diversify their portfolio without having to operate outside the country.

Another notable progress in the year was the growth in the number of individual investors on the stock exchange, which reached more than 4 million in December. The creation of a more diversified and sophisticated investment culture is important both for the country's economic foundations and for individual investors' finances as it facilitates the construction of long-term savings.

One more highlight was that we greatly deepened our performance in ESG (Environmental, Social and

Governance), both in internal practices and in the relationship with customers and communities.

In line with the objective of offering products and services that advance and enable the adoption of sustainable solutions, we launched initiatives such as the first index in the world focused on the best companies to work for; and the improvements in ISE (B3 Corporate Sustainability Index) and ICO2 B3 (Carbon Efficient Index), which helped both of them to break participant records.

Still within the ESG space, in 2021 we evolved in our alignment with the best market practices. This has especially translated into actions that promote Diversity. Among other initiatives, we issued a Sustainability-Linked Bond (SLB) with social goals; we adhered to the Pact for the Promotion of Racial Equity; we increased the participation of women in leadership positions; and we achieved a YoY increase of 57.4% of black people in the workforce.

Finally, it is worth noting that we remained attentive to the demands of society and once again we came together to fight the pandemic. With the worsening of the health crisis in the first half of the year, we supported institutions and communities with food aid and health care assistance, which involved the donation of food parcels and oxygen concentrators.

In addition, we invested heavily in one of the fundamental aspects for the country's development: education. Through B3 Social, we supported 24 projects that work on this topic. We contributed R\$ 16.5 million and started to accompany social organizations to contribute to the improvement of activities.

With these and other initiatives, we reaffirmed our commitment to the UN Global Compact (whose agenda supports human rights, decent work, the environment and the fight against corruption) and to the economic and social development of the country.

Now it's time to look ahead. In 2022, Brazil will seek to boost production and economic activity, which is essential to fast-track the economic and social development of the country. And this involves an increasingly resilient and efficient capital market, which connects economic agents and facilitates good investments. B3 plays a vital role at the heart of the Brazilian economy in allowing the local capital market to work properly. Therefore, we aim to offer one of the best market infrastructures in the world and are committed to accelerating this strategy, building together with our stakeholders another great year.

Gilson Finkelsztain
Chief Executive Officer B3

Highlights & Acknowledgments



Despite the challenges imposed by the current situation, in 2021 we advanced with our cause of contributing to the strengthening of the financial and capital markets and society. Here are some of the highlights of the year:

Record number of individual investors on the Exchange, with more than **4 million**



Record 46 IPOs, with a total volume raised of **BRL 65 billion**

First exchange in the world to issue a Sustainability-Linked Bond, with Diversity targets



62% growth in the number of companies that participated in the process for the Corporate Sustainability Index (ISE B3)

More than 70% growth in the number of users registered in the Financial Education Hub

Launch of **cryptocurrency ETFs** and structuring of the Digital Assets area



Adherence to the Pact for the Promotion of **Racial Equity**

Creation of the **Best Companies to Work** index in partnership with Great Place To Work (GPTW).



Expansion of 18% in the number of employees, with an increase of 1 percentage point of women in leadership positions, **reaching 28.2%**

Donation of more than **BRL 66 million** to social and cultural projects



Growth of around 20% in the average daily traded volume on the equity spot market

More than **30 years** of promoting partnerships between the public and private sectors to support infrastructure projects in the country. In 2021 alone, there were 49 concession and privatization auctions

Increased diversification options, with more than **800 BDRs** available at year-end (of which 723 were equities and 87 ETFs) and **five new Fiagro**



Acquisitions of **Neoway** and investments in **Pismo and Dimensa** to accelerate the adjacent businesses

These and other highlights helped us earn the following recognitions:

- First time on the list of Best Companies to Work For, by GPTW.
- Best Financial Institution to Work For and one of the Best Companies for Women to Work For, also by GPTW.
- Top Employers Brasil certification for the 4th time.
- Presence on LinkedIn's Top Companies, which identifies the 25 best companies to develop a career.
- Winner of *Valor 1000* Award in the "Financial Services" category.
- First place in the "Financial Sustainability Management" and "Financial Services" categories in "As Melhores da Dinheiro 2021" award.
- Winner in the "Financial Services" category of *Época NEGÓCIOS 360* yearbook, which evaluated companies on criteria such as innovation, vision of the future and sustainability.
- Winner of *Broadcast Empresas 2021* Award.
- #1 in the "Financial Services" category by *MELHORES E MAIORES da Exame*.
- Elected Best Technology Innovation by an Exchange by FOW International Awards 2021 with the case about the new investor logged-in area.
- 5th place in the financial services category of *Valor Inovação* Award.
- Top 5 in the "Financial Services" category in the 2021 TOP Open Corps Ranking, which evaluates leading companies in open innovation with startups.
- Among the 5 finalists of the 23rd ABRASCA Award for Annual Report, in addition to an Honorable Mention in Economic-Financial Analysis.
- 2nd place in the Best Practice and IR Initiative category ("Large Caps" category) of the APIMEC IBRI award.
- For the fifth consecutive year, we were selected to integrate the FTSE4Good Latin America index, which assesses the performance of companies in relation to environmental, social and corporate governance policies and practices.





02 We Are B3

- Profile
- Strategy



Profile

[102-1; 102-2; 102-3; 102-4; 102-5; 102-6; 102-7; 102-16]

We are B3 - Brasil, Bolsa, Balcão, also known as the Brazilian Exchange.

Our role in society is to be a market infrastructure. This means that our main activity is to offer a safe and efficient way for all types of economic agents to connect with each other and carry out different types of business.

Here, we believe that a reliable and dynamic business environment, such as the one we provide, is essential for the country's economic development. After all, this facilitates investments and fund-raising and boosts the real economy - which directly touches people's lives.

It is for this reason that we say that our cause is "to connect and develop the financial and capital markets" and that "together, with customers and society, we boost Brazil's growth".

We are a publicly-traded joint-stock company, with more than 99% of shares traded on our stock exchange, in the listing segment known as Novo Mercado, in which participating Companies undertake to spontaneously adhere to the best Corporate Governance practices.



A bit of history

The beginning of our company dates back to the distant year of 1890, when Bolsa Livre, the predecessor of Bovespa, was founded. It was a non-profit association, formed on the initiative of market agents (such as banks and brokers).

The company underwent several changes over time, but it was from the year 2000 that the pace of transformation accelerated remarkably and converged to our current configuration.

That same year, the São Paulo, Rio de Janeiro and other smaller stock exchanges merged into a single organization and began to operate

under the name of Bovespa, focusing on the stock market.

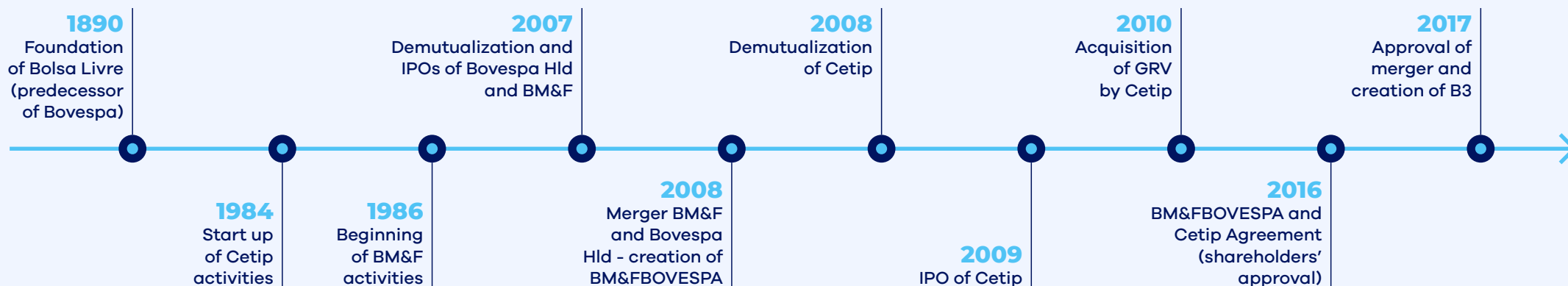
In 2007, an important change took place. Following the international trend, Bovespa went public and changed its nature, from an association to a for-profit joint-stock company with dispersed shareholder base.

In the following year, more news: the company merged with BM&F, founded in 1986 and where commodities, dollars and other futures contracts were traded. BM&FBOVESPA was born.

Then, 2017 saw the merger of Cetip, a custody and

settlement center founded in 1984 that operated with fixed income securities. This merger resulted in what we are today: B3 — one of the largest stock exchanges and clearing houses in the world.

Currently, we are headquartered in São Paulo city with units in Rio de Janeiro (RJ) and Alphaville (SP). Overseas, we have representative offices in London (United Kingdom), Shanghai (China), Singapore and Chicago (United States), dedicated to supporting customers with activities in these markets and disclosing products and services to potential investors. We also have stakes in stock exchanges in Chile, Colombia and Peru.



What we do

In our role as an Exchange and Clearing House, we have a complete operation in the capital markets - in order to cover the stages that happen before, during and after trades.

Among the services we provide are the registration and accreditation of market participants; custody of securities; organization of purchase and sale orders; calculation of the net rights and obligations of each party in an operation; execution and settlement of transactions, among others.

To provide more security and fluidity to the market, we also act as a Central Counterparty (or CCP). The role of a CCP is to intervene in all transactions in order to assume the credit risk. Thus, we guarantee that sellers will receive the money and buyers will receive the asset.

With these skills, we currently operate in four main segments:



Listed:

Products registered and traded on an exchange, such as equities, and derivatives in interest rate, foreign exchange, commodities, Real Estate Investment Funds, ETFs and BDRs.



OTC:

We act as infrastructure for registration, custody and other over-the-counter transactions, including products such as CDBs (Bank Deposit Certificates), corporate debt securities; government bonds (Treasury Direct) and OTC derivatives.



Financing infrastructure:

We offer an electronic system for entering liens related to vehicle financing operations (SNG), in addition to other solutions for this chain and also services for the real estate market such as property appraisal services and registration of contracts and guarantees.



Technology, Data and Services:

Comprises access to the OTC platform, in addition to products and services for market participants and issuers, using data that passes through our environments.



To know the products and services in detail, visit our [website](#).

Values and culture

2021 marked the fourth year of our latest major merger. Over this period, it was possible to develop and consolidate a new culture, consistent with the company's horizons after integration and with the evolution of society.

With this cultural transformation at an advanced stage of maturity, we can say that we have advanced especially in three aspects: we are a company that is much closer to our customers, more collaborative and more diverse.

In the process, we also ended up incorporating agile thinking as a central element in everything we do. It was something natural, since it shares great convergence with our values. Its nature, after all, is to articulate people in work methodologies that are more collaborative, less bureaucratic and driven by the customer's needs.

Our values can be summarized in five pillars:

OPENNESS AND COLLABORATION:

We listen empathically, value diversity of opinion and are available to collaborate.

THE RIGHT ATTITUDE TODAY, TOMORROW AND ALWAYS:

We operate in alignment with our cause and our values and act upon unethical attitudes or misconduct. We make decisions looking at the long term and consider impacts on stakeholders.

AN ENVIRONMENT CONDUCIVE FOR PEOPLE TO GROW:

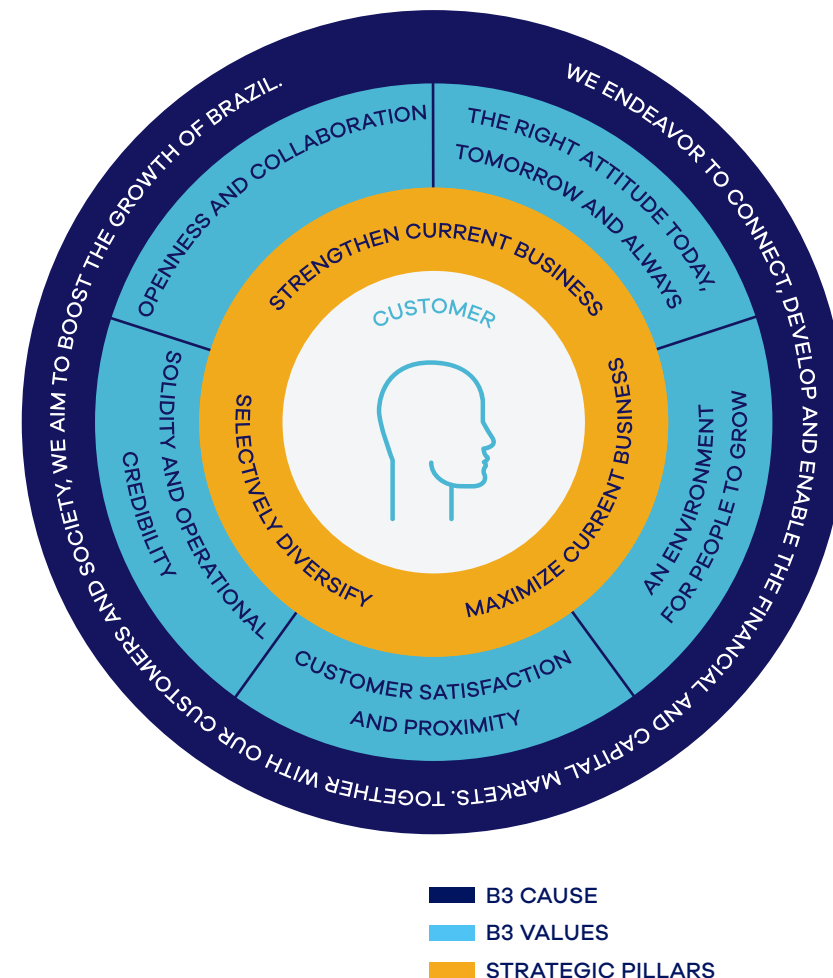
We have professionals who are the protagonists of their own careers and also create a network of knowledge multipliers.

SOLIDITY AND OPERATIONAL CREDIBILITY:

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

CUSTOMER SATISFACTION AND PROXIMITY:

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



Strategy

Here at B3, we are always looking for new ways to create value. That's why we are constantly on the move: on the one hand, we work to strengthen and maximize our core business; on the other hand, we seek to expand the business to its surroundings.

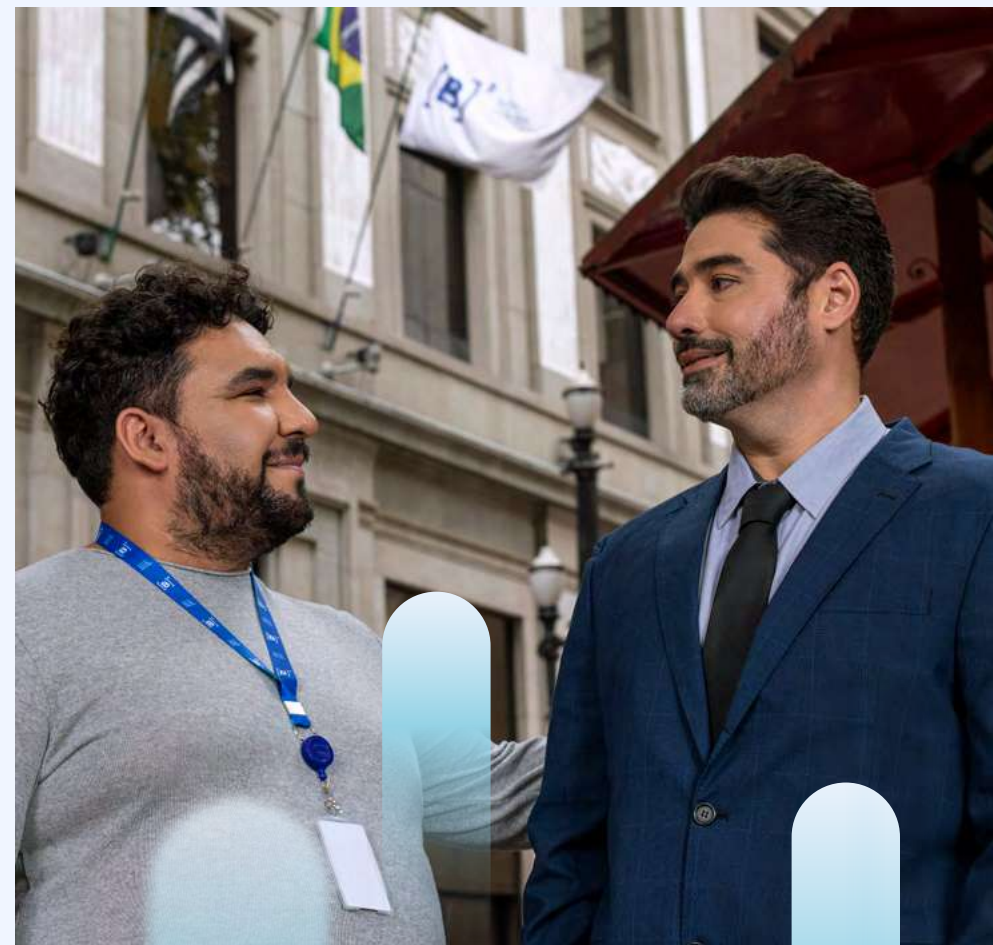
We classify as core business all activities related to stock exchange, organized over-the-counter and infrastructure for financing functions. Adjacent businesses, in turn, are those that are born from this expertise, but advance to other territories. This is the case with Digital Assets, Venture Builder, and much more.

To advance on these major business fronts, our teams rely on five pillars, which we call strategy enablers. They are:

- **Focus on the Customer** — to meet the needs of our audiences in an assertive manner and continue to grow;
- **Organizational Culture** — to attract and retain talents and support the evolution of the company's business and sustainability;
- **Agility and Innovation** — to deliver more and with more impact;
- **Operational Solidity** — to offer a reliable, resilient and excellent performance;
- **M&A and Strategic Partnerships** — to accelerate solutions or business plans in specific activities.



To learn about the advances we have made in each of these enablers throughout 2021, go to chapter **B3 on the Move**.



Sustainability Strategy

[102-15; 102-20; 103-2]

To leverage our strategic objectives and promote a business environment in line with the best environmental, social and corporate governance (ESG) practices, we have a Sustainability Strategy, approved by the Executive Board and based on three pillars:

1. Be a company aligned with sustainability best practices

In this pillar, we focus on ourselves, seeking to identify opportunities for continuous improvement in ESG aspects. To advance in this direction, we have promoted actions that seek to build responsible management of our own activities and generate value for society.

The actions belonging to this pillar are related to employee engagement, environmental management, climate change, operational solidity, social investment, ESG rules, corporate governance and the promotion of transparency. Check out the advances we have made in this pillar in the items [Our Corporate Governance](#), [Responsible Market Infrastructure](#), [Culture and People Management](#) and in the chapter on [Socio-Environmental Practices and Businesses](#).

2. Foster good ESG practices in the Brazilian market

Playing the role of market infrastructure includes fostering best sustainability practices among our stakeholders. Thus, in partnership with several players, we promote financial education and opportunities to support our clients in advancing their practices, in addition to highlighting those that are already consolidated, thus fostering a broad exchange of experiences in the market.

We are also represented at national and international forums on ESG issues. Furthermore, are also signatories to voluntary commitments that seek generation of positive impact. Learn more about the practices related to this pillar in the items [Fostering Good ESG Practices](#) and [B3 Educação](#).

3. Strengthen the portfolio of product products and open new ESG market fronts

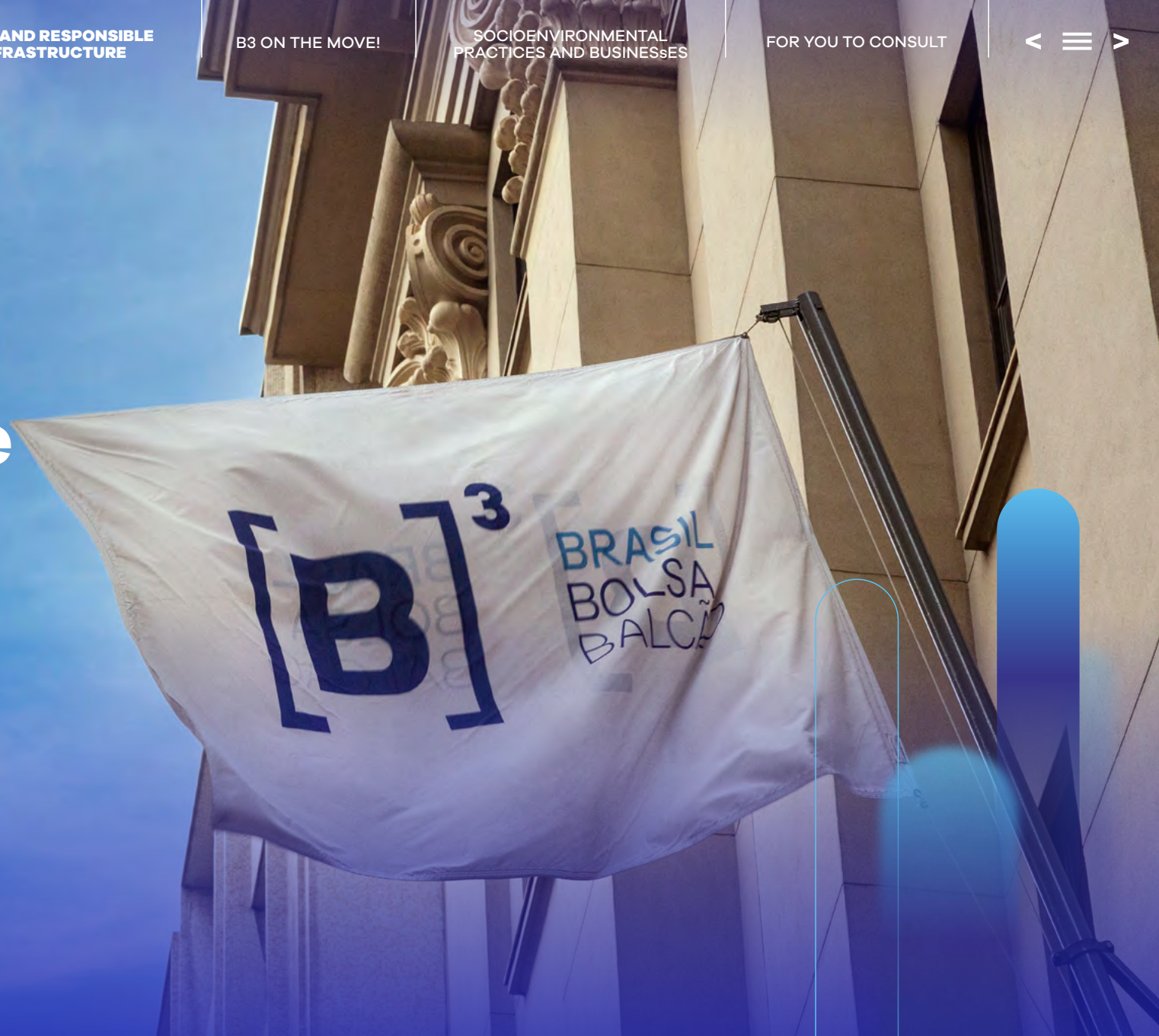
We want to strengthen products that are already available and identify new opportunities for action. To this end, we promote the development and launch of alternatives that boost the ESG agenda of companies and investors. Learn more in the items [Climate Change](#) and [ESG Product Portfolio](#).

The execution of the strategy is the responsibility of the entire organization, but leadership is incumbent on the Internal Sustainability Committee and the Sustainability Superintendence, which is subordinated to the People, Marketing, Communication and Sustainability Executive Director, which reports directly to the CEO.

In line with the collective effort towards the Sustainability Strategy, the Board of Directors and the Compensation Committee approved a corporate ESG target for 2021, which impacted the CEO's variable compensation (related to sustainability), and consisted of the implementation of a Strategic Plan. By the end of the year, 100% of the plan's actions had been implemented. [102-35]

03 Governance and responsible market infrastructure

-
- Our Corporate Governance
 - Responsible Market Infrastructure



Main highlights:

Our Corporate Governance

Here at B3, we have long-term goals and vision. Therefore, we always seek to improve the governance model, our processes and risk management, in order to continue growing safely, always within ethical parameters.

Find out in this chapter the progress we have made towards building a Corporate Governance guided by the best market practices and the fronts for offering a Responsible Market Infrastructure to our stakeholders.

Board of Directors and Advisory Committees:

100%
independent members

27%
of women on the
Board of Directors

Internal Sustainability Committee:

responsible for ESG and climate change issues

Socio-Environmental Responsibility and Governance Policy

approved by the Board of Directors

Responsible Market Infrastructure

Whistleblower Channel
fully independent and segregated from the Company

97.4%
of our People carried out the mandatory training on the Code of Conduct and Ethics

Information and Cyber Security procedures based on **NIST framework**

ESG themes are also part of our risk assessments

Our Corporate Governance

[102-18; 103-2; 103-3]

We believe that the adoption of good Corporate Governance practices is an essential instrument for the evolution and perpetuity of a company, as well as a sign of respect for shareholders, regulators and the market.



Human
Capital



Intellectual
Capital

This vision is directly connected to what we do every day. We have a robust Governance model that exceeds legal requirements.

Our Governance model is based on three pillars:

- The shareholder forum;
- The governing, inspection and control bodies; and
- The Executive Board.

The essence of our Governance is the very effective participation of all entities in the process, with a strong presence of the Board of Directors and the areas directly involved in risk management.



Additional information can be found in the in-depth tables on [page 124](#). The details of the roles and profiles of the members of the governance bodies can be accessed on the [Investor Relations website](#) or on the Company's [Reference Form](#).

Shareholder Forum

The Shareholder Forum comprises the Annual and/or Extraordinary General Meetings. On these occasions, we have the opportunity to inform the shareholders about a variety of topics, such as strategy, deliveries and results, and at the same time provide a space for them to express themselves and participate in the Company's decisions.

In April 2021, we held our Annual General Meeting, exclusively in digital format, in line with the instructions of the Brazilian Securities Commission (CVM). In doing so, we sought to allow all investors interested in participating to be present.

Governing, inspection and control bodies [\[102-18; 102-22; 102-23; 102-24\]](#)

The Board of Directors (BoD) is a governance body whose mission is to protect and increase the value of our equity, in addition to ensuring our perpetuity. To this end, it guides the business and decides on strategic issues.

The BoD's responsibilities include:

- Determining business goals and guidelines, which includes annually reviewing and updating our Strategic Plan, in conjunction with the Executive Board;
- Resolve on calling the General Meeting;
- Proposing the allocation of income;
- Electing, removing and monitoring Vice-Presidents and Executive Officers;
- Selecting independent auditors;
- Supervising internal control systems, especially those used in risk management;
- And approving and controlling the annual budget.

ESG issues are brought to the Board, on demand. In 2021, the topic was taken to six of the ten regular meetings of the BoD.

At the end of 2021, we had 11 members in our BoD, all of whom were independent, seven of whom were unbound. This format reflects our widely spread capital structure, in which there is no controlling shareholder.

The directors were elected at the Annual General Meeting held in April 2021, for a unified term of office of two years, with the possibility of reelection.

The composition of our Board of Directors reflects the diversity of competences that we consider adequate and complementary for the conduction and strategic direction of the business. The members of the board have in common the representation of the Company's values and commitment to the shareholders' long-term interests.

Given the dynamism of our market, the Governance and Nomination Committee assesses the alignment between the composition of the Board of Directors and the Company's strategy on a recurring basis. Any adjustments are recommended in the slate to be set up for the Board of Directors elections, which take place

every two years. The next election of the Board of Directors will take place at the Annual General Meeting of 2023.

The professional experience of each member is disclosed on the [Further Knowledge Tables](#) chapter and the [Investor Relations website](#).

Differentiated Corporate Governance Practices:

- 100% of the board members are independent.
- All directors are market experts.
- Of the 11 members, three are women, in line with the commitment we assumed when we became signatories to the *Woman on Board* (“WOB”), an initiative aimed at engaging the Board of Directors in the discussion of diversity issues.
- Annual assessment of the Board of Directors and compensation policy with a long-term component.

Practices against Conflicts of Interest

[102-25] [FN-EX-510a.2]

In line with our Code of Conduct and Ethics, we do not enter into partnerships or support organizations or entities due to personal relationships (of employees, interns and managers) that may characterize a conflict of interest or that do not comply with the legislation and regulations and internal policies and rules.

The conduct we expect from everyone internally is that any potential case conflict of interest be properly reported. Omission of possible cases, therefore, characterizes a violation of our Code of Conduct and Ethics.

For us, potential cases of conflict of interest are those in which a person has the power to influence the outcome of a decision and, at the same time, can act on the matter in question motivated by private interests, even if convergent with the interests of the Company.

The same happens when the person involved in the decision-making process may obtain, as a result of the resolution, a gain themselves directly or for a third party with whom they are related.

In order to complete a transaction where a potential conflict of interest has been identified, market and other conditions established in our [Policy on Related Party Transactions and Other Potential Conflicts of Interests](#), which contain all these definitions, must be complied with.

The document also provides for procedures in specific cases. For example, if a member of the BoD, a member of an Advisory Committee to the BoD or a Statutory Officer is involved in a decision-making involving on a transaction that puts them in a situation of potential conflict of interest, they must make a statement in this regard, withdraw from discussions on the topic and abstain from voting in the respective decision-making process.

The statement must be included in the minutes of the meeting. If the potential conflict of interest is not reported by the member, any other person who has knowledge of or identifies the situation may report it.

Our Bylaws also define preventive measures. Among other aspects, people whose interests conflict with those of the Company cannot be elected to hold a position on the Board of Directors, Advisory Committees to the Board of Directors and Presidency.



With regard to governance bodies, no member of the Board of Directors is allowed, in the face of issues that conflict with the interests of B3, to participate in resolutions of the BoD itself, in other management bodies or in subsidiaries. This requirement also prohibits the exercise of voting or the intervention of professionals on these occasions, directly or indirectly.

In addition, in our Governance model, none of the directors accumulates executive functions in the company nor can be appointed to management positions in the subsidiaries.

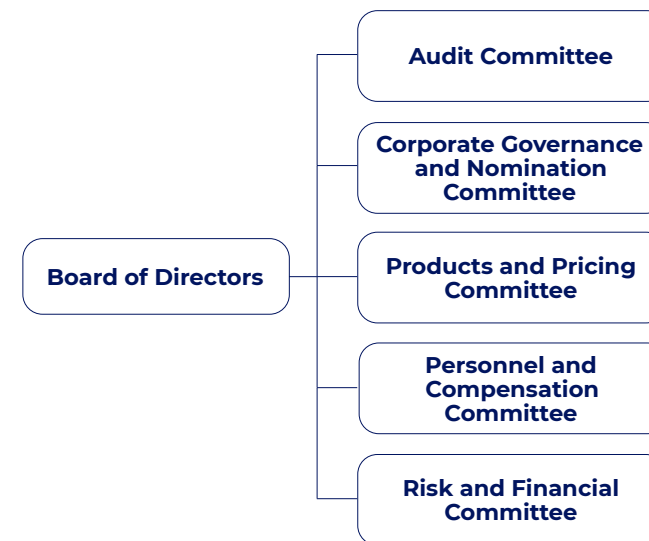
Finally, shareholders are also prohibited from intervening in decisions in which they have or represent an interest that conflicts with the Company's. Shareholders who find themselves in this position must make a statement in this regard, abstaining from voting on the specific matter. Abstention will be considered in the calculation of votes by the presiding officers and the statement will be registered and filed at the Company's headquarters.

These and other situations of potential conflict of interest are also addressed in our [Code of Conduct](#) and in the [Policy on Related Party Transactions](#).

Advisory Committees [102-18; 102-22]

Our BoD is supported by five advisory committees for specific topics. They support decision making in the following dimensions: Audit; Governance and Nomination; Products and Pricing; People and Compensation; and Risks and Finance.

The composition, functioning and remuneration of the Committees are regulated by the BoD.



- **Audit Committee:** responsible for monitoring and evaluating the quality of the performance of the internal audit and of the independent audit, both in the Company and in its subsidiaries. It is composed of up to six members, with up to two independent directors and at least three and at most four external members.
- **Corporate Governance and Nomination Committee:** its main functions include promoting, changes in the Company's governance, evaluating the adoption of good practices, selecting and appointing members for the Board and Executive Board. It is composed of four directors, at least two of which are independent. Annually, the Internal Sustainability Committee takes discussions on the ESG topic to the Governance and Nomination Committee.
- **Products and Pricing Committee:** its main functions include monitoring, investment and product development plans in the markets managed by the Company, monitoring the implementation of the commercial discount policies adopted by the Company, evaluates the Company's price structure, comparing it with the prices charged by the main stock exchanges. It is composed of two directors and seven external members.

- **Personnel and Compensation Committee:** reviews, proposes and monitors adjustments to parameters, guidelines and compensation and benefits policy, as well as the people management model. It is composed of three directors, at least two of which are independent.
- **Risk and Financial Committee:** monitors and evaluates market, liquidity, credit and systemic risks of the markets managed by the Exchange, with a strategic and structural focus. It is composed of at least four directors, of which at least two are independent.

Learn more about the composition of the Advisory Committees in the [Further Knowledge Tables](#) and on the [Investor Relations website](#).

Fiscal Council

Another governance body is the Fiscal Council, installed in 2021, as decided by the General Meeting in April.

Its responsibility is to control the accounts and independently supervise the acts of management and the fulfillment of legal and statutory duties.



Executive Board and executive bodies

The main body of our executive structure is the Executive Board. Its role is to ensure the proper functioning of our business, comply with and monitor the strategic guidelines defined by the Board of Directors and establish guidelines for operational, socio-economic and sustainability activities.

[102-18]

The activities of the Executive Board, in general, are supported by Internal Advisory Committees. These groups provide support on matters relevant to the business, based on specific norms and rules.

Their activity is divided among seven internal committees, which deal with the following matters:

- Prevention and Combat to the Financing of Terrorism, Money Laundering and Concealment of Assets, Rights and Valuables;

- Corporate Risks;
- Conduct and Ethics;
- Certification of the Operational Qualification Program (PQO);
- Pricing;
- Sustainability; and
- Central Counterparty (CCP) Risk.

In addition to regulating the internal functioning, Governance connects us to the external environment. This happens, for example, through the [Advisory Committees](#), a space for discussion with market participants about opportunities for improvements to the products and services we offer, thus allowing us to keep close to them.

In total, we have nine advisory committees, divided by business themes: Commodities; Interest and Currencies; Issuers and Offer Structuring; Risk analysis; Standards; Operations; Post-Trading; Over-the-Counter Post-Trading and Financing.

Internal Sustainability Committee [102-20]

The main duties of this committee are to guide the strategy of sustainability themes and the approval of the planning and macro initiatives related to the theme.

Its members are :

- President;
- Financial, Corporate and Investor Relations Vice-President;
- Vice-President for Products and Customers;
- Executive Director of People, Marketing, Communication and Sustainability;
- Two members of the Board of Directors.

In 2021, the Committee held two meetings in which the initiatives related to the year's strategic plan were presented. In addition, in one of them, training was held on the Carbon Market and opportunities for B3's businesses related to the topic were discussed.

Board of Directors Compensation [102-35; 102-36]

All directors receive monthly fees, in addition to an amount, in the same frequency, for their participation in the Advisory Committees - regardless of the number of meetings that take place during the period.

Also as part of the fixed compensation, we grant shares issued by B3. The practice is not linked to performance metrics of the Company, and has a vesting period of two years after the end of the term of office.

Below is a table with a description of the components of the compensation model for B3's Board of Directors.

The People and Compensation Committee's main duties are:

- Review and analyze the parameters, guidelines, compensation policy and other benefits to be attributed to managers, Committee members and other advisory bodies to the Board of Directors;

- And promote and monitor the adoption by the Company of practices that adhere to the value of promoting Diversity.

The body annually assesses the compensation of the Board of Directors and of the Statutory Executive Board.

In accordance with its attributions, it presents a compensation recommendation to be applied to the BoD - which, in turn, proposes the global amount to the Annual General Meeting.

Given the guidelines of the Personnel and Compensation Committee and the global amount proposed to the Annual General Meeting, the Board of Directors defines the individual compensation of its members and of the Company's President. The latter, in turn, establishes the individual compensation of the members of the Statutory Executive Board.

PILLAR		DESCRIPTION
Short-term component	Honorary Board of directors	Fees paid monthly (12 times a year), as a result of participation in the BoD, established according to the role of each member.
	Honorary Advisory committees	Fees paid monthly, according to the role and committees the director may participate in, regardless of the frequency of meetings.
Long-term component (LTC)		Share-based compensation, granted annually at the beginning of each term of office, vesting in two years after the end of the term of office.



More details, such as the proportion of compensation components, can be found in item 13 of the [Reference Form](#).



Annual assessment of the Board of Directors [102-28]

Our Board of Directors is subject to an annual evaluation process, which is formal and structured. It is conducted by the chairman of the Board, with the support of the Corporate Governance and Nomination Committee. The process can also rely on external consultants or be carried out internally with the help of the Governance Department.

The Assessment includes two dimensions:

- Overall Board Activity;
- Individual Assessment among Members.

Regarding overall activity, the evaluation criteria are grouped into the following categories: Strategic Focus of the Board; Knowledge and Information about the Business; Independence of the Board; and Organization and Operation.

In the Individual Assessment among Members, assessment items include questions related to exemption, effective contribution to the decision-making

process, assertiveness, preparation for meetings and availability of time.

The purpose of the process is to facilitate reflection and a structured discussion on actions for the continuous improvement of the Board of Directors' activities, in order to systematically enhance the efficiency of this body.

The first step of the process is an individual reflection of each member on the aforementioned dimensions, through a questionnaire. Then, the individual notes are consolidated, and a conversation is held between each member of the Board of Directors with its Chairman, who conducts interviews and provides feedback, sometimes supported by external consultants.

The results are consolidated and discussed at a meeting of the Corporate Governance and Nomination Committee and also the Board of Directors - which then establishes an action plan for possible improvements.

Policies [103-2]

Our Corporate Governance practices and processes are guided by policies and standards, whose guidelines and guidance must be observed by all managers, employees, interns and, where applicable, suppliers, service providers and partners.

In addition to B3, the policies cover our subsidiaries abroad, as well as *Banco B3* ("B3 Bank"), BSM Market Supervision, *Cetip Info Tecnologia S.A.*, *B3 Social* and other associations.

We have a [Disclosure Policy](#), which aims to establish guidelines and procedures to be observed in relation to the use and disclosure of information that may be considered a material act or fact; and maintaining the confidentiality of such information not yet disclosed to the market, under the terms of current legislation and regulations, in particular CVM Resolution N°. 44, of August 23, 2021. The objective is to assure investors of the availability, in a timely, efficient and reasonable way, of the material information [\[FN-EX-410a.3\]](#).

Another example is the [Socio-Environmental Responsibility and Governance Policy](#)². The document seeks to establish principles and guidelines and express corporate practices that guide the Company's social, environmental and climate change actions, as well as describe B3's processes that aim to encourage the market to adopt good ESG practices. In this way, it reaffirms the importance of sustainability to the strategy, culture, business and relationships with stakeholders.

In 2021, this policy was revised in order to align it with materiality, B3's Sustainability strategy and best market practices. After the process, it was approved by the Board of Directors. [\[FN-EX-410a.4\]](#)

For 2022, as a policy action plan, controls will be implemented to monitor and evaluate the processes described in the document.

² B3 Bank's Risk Department is responsible for replicating this Policy to B3 Bank, a wholly-owned subsidiary of the Company, ensuring the execution, application and insertion of the Policy guidelines in the scope of B3 Bank, particularly with a view to complying with CMN Resolution N°. 4.327/2014. B3 Bank's Risk Officer is designated as the officer responsible for complying with the Policy within the scope of B3 Bank.

Additionally, we have policies for the other subsidiaries whose characteristics justify specific governance.

Find out about the policies on IR [website](#).

Subsidiaries and affiliates

In addition to B3 S.A., we have subsidiaries and affiliates in our group. Therefore, we face with the challenge of adapting each company's Governance to its risk level and appetite.

We address this issue through a Management Committee model, which we take to each company, with the aim of disseminating good practices, in line with their needs and reality.

Another initiative was the preparation of a regulatory framework, which became a standard to be applied to subsidiaries and affiliates.



Responsible Market Infrastructure

[103-2; 103-3]

We are committed to offering the market and society reliable and safe services, conducted in an ethical and responsible manner.

To put this vision into practice, we have a detailed framework of procedures and policies that guide all our teams and activities.

Ethical Conduct

[102-16; 103-2; 103-3; 205-1; 205-2; 205-3; 415-1]

We want to help the market grow responsibly. For this purpose, it is necessary that our activities take place in an ethical manner, in order to prevent the occurrence of illegal acts. Therefore, we have adopted the best practices on prevention, remediation and punishment of acts of corruption and fraud.

The [Code of Conduct and Ethics](#) is the document that instructs managers, employees and interns on the expected standards

and rules of behavior, both in the work environment and in the relationship with customers and other audiences. The content is based on our cause and values, which drive the organizational culture.

At B3, we understand that all people who are part of our organization need to know and practice the assumptions established by the Code. Therefore, as soon as they join the organization, new employees are introduced to the material – and formally declare, by signing an instrument, that they are aware of its content and that they undertake to observe its guidelines.

New hires also undergo onboarding training, in which the Code is addressed. In addition to these initiatives, other awareness mechanisms are added, such as training, periodic internal campaigns, lectures and online training on the Code of Conduct and Ethics, mandatory for all employees, executive officers and interns.

The mandatory training on the Code of Conduct and Ethics and Anti-Corruption reinforces the use of the whistleblower channel and is applicable to all B3 employees, both full-time and part-time employees.

See more on [page 66](#),
in **Mandatory Training**.



One of the topics addressed in the Code of Conduct and Ethics is contributions to candidates or political parties. This practice is forbidden for the Company, in line with the legislation in force, and to for members of senior management, but allowed for employees and interns, provided that the legal provisions on the subject are observed. In 2021, there was no report to the Internal Conduct and Ethics Committee related to this issue.

The promotion of a fair and ethical environment also includes mechanisms to prevent the occurrence of illicit acts. We do this with assumptions aligned with both legislation and local and international best practices on combating corruption and fraud.

The principles and actions we have adopted in this regard are included in two documents:

- Anti-Corruption and Fraud Prevention Policy;
- Anti-Corruption Standard, which includes, among other topics, guidelines regarding our relationship with public agents.

The topics are the subject of mandatory online training for all executive officers, employees and interns.

The training program presents the attitudes that must be taken in the case of situations that are in disagreement with these two documents.

By December 2021, 96.8%³ of executive officers, employees and interns had completed the training.

Additionally, we have a Corporate Policy on Combating Money Laundering, Concealment of Assets, Rights and Property, and Financing

³ The percentages were calculated based on active employees for the month, considering the "normal activity" status.

To ensure a healthy environment, we invested in measures such as the Whistleblower Channel and training on codes of Conduct and Ethics and Anti-corruption.

of Terrorism and Proliferation of Weapons of Mass Destruction ([AML/CFT](#)). The document establishes the program for prevention of all these issues (AML/FTP program).

In 2021, we were not the subject of any legal proceedings related to corruption. There were also no confirmed cases of corruption nor were disciplinary and contractual measures taken involving employees and business partners.

Regarding B3's subsidiaries, it is worth mentioning that, on 01/28/22, Neoway (a company recently acquired by B3) entered into a leniency agreement with the Controller General of the State of Santa Catarina regarding misconduct involving public contracts of the former management and the people involved are no longer part of the company.

The signing of the agreement was the result of a rigorous audit process that had been taking place at the company since 2019, the year that also marked the beginning of the improvement of Neoway's Corporate Governance, Risk Management and Compliance structure. As one of the main results of this work, in August 2021, Neoway obtained the ISO 37001 standard, an internationally recognized standard on anti-bribery management systems.

In addition, since September 2019, Neoway has been working continuously to improve its Corporate Governance, Risk Management and Compliance structure by reviewing its internal procedures and practices, with the support of its employees, at all levels and areas, in addition to specialized external consultancy (e.g., EY, KPMG, Demarest, FTI Consulting, T4 Consultoria and ABP Advogados).

In 2020, the GRC – Governance, Risk and Compliance structure was created and implemented. The result of this work was the creation of policies and procedures and the implementation of internal controls. Policies are approved by the GRC Committee and undergo revisions as part of ongoing company monitoring.

Whistleblower Channels

[102-17; 102-33; 205-1]

Alô, Compliance! [Hello, Compliance!] is our formal whistleblower channel with legal protection. Through it, it is possible to report, in an identified or anonymous way (at the discretion of the complainant), conducts of managers, employees, interns or legal representatives that do not comply with the Code of Conduct and Ethics⁴, legal and regulatory provisions or internal rules and policies. The Channel also allows identifying occurrences of internal fraud.

The information recorded by *Alô, Compliance!* is received by a specialized outsourced company, 100% independent and segregated from B3. This company analyzes the report in advance and then makes it available to our Compliance team.

It is important to highlight that the outsourced company follows the best national and international practices and earned the title of “Pro-Ethics Company” for five consecutive periods.

⁴ This includes, in addition to other matters, moral harassment, sexual harassment, discrimination of race, color, gender, affective-sexual orientation and other forms of prejudice against minority groups, including our own employees and outsourced workers.

***Alô, Compliance!* is a formal whistleblower channel, in an identified or anonymous way, at the discretion of the complainant, and which has legal protection.**

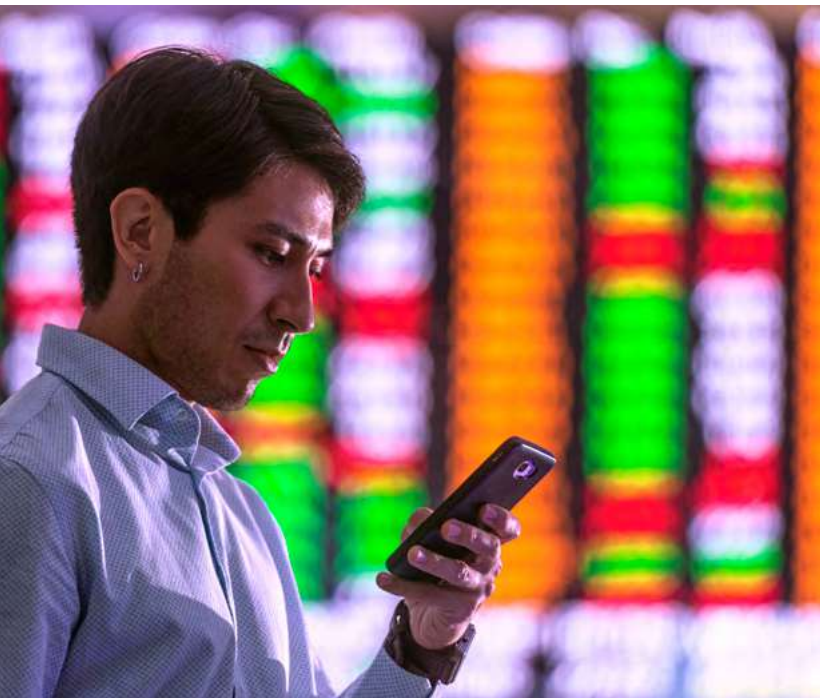
Subsequently, the Audit and People teams are called upon and undertake, as applicable, verification of the information reported in the event.

In the cases on which it works, the Audit team carries out technical and forensic investigations to assess whether there is evidence that corroborates the reports received, and, together with the other teams involved in the process, it participates in the recommendations on how to handle the report for later resolution by the Conduct and Ethics Internal Committee.

Once the investigations are completed, the case is submitted to the Conduct and Ethics Internal Committee. Once in the possession of the reports produced for the occurrence, this committee resolves on the applicable measures to handle of the report. After completion of all the measures determined by the Committee, the occurrence is closed/filed with the communication to the complainant.

The report can be made through the following channels:

- 0800-202-2863, from Monday to Saturday, from 8:00 am to 8:00 pm (on other days and times, service is provided via answering machine);
- By the e-mail linhadiretab3@br.ictsglobal.com; or
- Through the form canalconfidencial.com.br/B3.



Regardless of their significance, any cases related to ethics, such as suspected internal fraud and acts of corruption identified by *Alô, Compliance!*, are forwarded to the Audit Committee, which reports them directly to the Board of Directors – and, when applicable, under the terms of applicable regulation, to the Central Bank of Brazil.

The volume of reports classified as high and/or extreme risk received monthly at *Alô, Compliance!* is part of B3's risk tolerance indicators report, which is reported to the Corporate Risk Internal Committee (CIRC) and to the Risk and Financial Committee (CRIF), which advises the Board of Directors.

In addition, the Conduct and Ethics Internal Committee annually reports, among other topics, the complaints received and their respective treatment to the Governance and Nomination Committee (CGI), an advisory body to the Company's Board of Directors.

It is important to highlight that the management processes of the *Alô, Compliance!* channel and the handling of reports are subject to internal

audit, according to the area's annual planning, which is prepared by the Audit Board and approved by the Audit Committee and by the Board of Directors.

In 2021, the English version of the whistleblower channel was made available, providing a telephone line with service in English for the United Kingdom, United States and Singapore.

In addition to *Alô, Compliance!*, the Audit Committee (comitedeauditoria@b3.com.br) also receives internal and external reports about, for example, the quality and integrity of the Company's financial statements, the adequacy of transactions with related parties and conflicts of interest, as well as any other fraud or suspected operational and/or administrative fraud. The cases will undergo a specific procedure in the Audit Department.

For clarifications, complaints, compliments, suggestions or other information about the products and services we provide, our stakeholders can access Other specialized contact channels through *Atende B3*.

Risk Management [102-11; FN-EX-550a.3]

Our governance is structured around the four lines of defense model:

1st Line – Business areas, as the main areas responsible for risk management and internal controls to ensure the fulfillment of operational and strategic objectives.

2nd Line – Corporate areas, Governance and Integrated Management Department, which determine directions and provide assessments of internal controls, risks and Compliance. Their activities work as a support to the business areas and management in decision-making.

3rd Line – Internal Audit, providing the Board of Directors, the Audit Committee and the Executive Board with independent, impartial and timely assessments, advice and insights on the effectiveness of risk management and governance processes, the adequacy of controls and compliance with rules and regulations associated with our operations.

4th Line – Independent External Audit, which reviews the financial statements to ensure that they are free from material misstatements and are prepared in accordance with an appropriate framework; and regulatory oversight bodies, notably the Central Bank of Brazil (BCB) and the Securities Commission (CVM), which assess whether we have an adequate infrastructure for carrying out systemic activities and complying with existing regulations.

The continuous improvement of the corporate governance structure and the improvement of the internal control environment are strategic objectives. Therefore, we make ongoing investments in people, infrastructure and technological solutions to implement the best internal controls practices.

With our strategic objectives as our guiding principle, corporate risk management is conducted by the Governance and Integrated Management Department, which reports directly to the CEO, based on the tolerance and appetite established by the Board of Directors. The guidelines, in turn, are determined in the [Corporate Risk Management Policy](#).



Corporate Risks

The corporate risks to which we are exposed are divided into four categories: [\[102-15\]](#)

- **Strategic:** possibility of implementing an unsuccessful or ineffective strategy that fails to achieve the intended returns.
- **Regulatory:** changes in regulations and actions by regulatory bodies, whether on an international or national level, which may result in increasing competitive pressure and affect the efficient management of the business.
- **Operational:** possibility of losses resulting from failure, deficiency or inadequacy of internal processes, people and technological environment - or even from external events.

ESG and Climate Risks

Environmental, social and governance issues are also assessed from the risk perspective of the Top down and Bottom up approaches. See more on the subject in the Climate Change chapter.

The legal risk associated with inadequacy or deficiency in contracts signed by us is included.

- **Financial:** possibility of issuing incomplete, inaccurate, or untimely financial, managerial, regulatory, tax, statutory, socio-environmental and sustainability reports, exposing us to fines, penalties and other sanctions.

To identify these corporate risks, we use two approaches:

- **Top down:** reflects the high-level risks that may impact us as a Company, according to the view of Senior Management – including the President, vice-presidents and officers - on the main exposures of the business model, the causes and consequences of each one of them.
- **Bottom up:** gathers the understanding on the subject based on the detailed context of the processes and controls. This step that is carried out with those responsible for its execution.

Internal Controls

The evaluation and monitoring of the internal control system is carried out by a specific team, which develops its work based on the [Compliance and Internal Controls Policy](#).

The area's activity is focused on operational efficiency and effectiveness; integrity of data and information records; and compliance and risk-based approach.

Its duties also include increasing the quality of accounting information, safeguarding compliance with legislation and regulations in force.

The team's main mission is to reduce the possibility of financial losses and erosion of the institutional image.

Tax Approach [207-1; 207-2]

We are committed to tax compliance and seek to faithfully comply with our main and ancillary obligations, in addition to building, with customers and partners, a relationship based on transparency and tax good standing.

In this sense, we adopt a preventive stance, which is materialized through constant monitoring of legislation and case law changes. This ensures that all tax obligations are duly complied with in line with prevailing tax laws, regulations and interpretations.

To address the issue, we have internal teams and legal and tax advisors, whose responsibility is to ensure compliance with tax legislation, in order to remove risks and ensure the sustainable development of the organization.

In its work aimed at mitigating risks, the internal teams keep a record of tax contingencies and provisions in a process management system. They take care to assign and monitor the risk prognosis in relation to each case or matter, as applicable, as well as control court deposits and

legal fees linked to all administrative and legal tax claims and proceedings.

Information on contingencies and provisions is sent to our Accounting Department for inclusion in the Financial Statements⁵, and is subject to validation by internal and external audits.

We recognize and disclose in the Financial Statements, which are verified by a third party, information related to the amounts of taxes paid, deferred tax assets and liabilities, as well as provisions and tax contingencies, in line with current accounting rules and standards.

All tax procedures adopted are always reassessed. When there is a need for improvement, we create action plans with the goals to be pursued and respective deadlines.

Topics involving Tax Law are analyzed by professionals specialized in this matter, who make

⁵Tax disclosures are subject to assurance by the Company's external auditors within the scope of the audit of its Financial Statements. Taxes on income and revenues are disclosed in notes 16 and 17, respectively.

up our Legal Department, which reports to the Vice-President for Finance, Corporate and Investor Relations, who reports directly to the CEO.

Thus, all inquiries, notices, administrative and legal tax proceedings, among other topics that require the application of tax legislation, are guided and monitored by the aforementioned Department, with the support of external tax legal advisors, ensuring adherence to tax laws and regulations in force.

The calculation of taxes owed by B3 and the control and submission of ancillary obligations are carried out by the Accounting Department, with legal guidance from the Legal Department.

Tax compliance is guaranteed by our preventive approach, based on compliance with the most current legislation and case law.

In order to prevent and combat unethical or illegal behavior and ensure integrity as an organization, we implement training for all employees and rely on internal standards, which are available to all employees.

As a result of these rules, we have the *Alô, Compliance!* whistleblower channel through which anonymous reports can be made, either by email or by telephone. In addition, in compliance with internal regulations, we indicate that suspicions and irregularities are reported to area managers or their superiors, as the case may be, so that measures can be taken.

Our Audit Committee, which advises the Board of Directors, also has a channel for receiving reports on compliance with legal or regulatory provisions.

Information and Cyber Security

[FN-EX-550a.3]

The management of large volumes of information is intrinsic to our work. Here at B3, the security and protection of personal data is priority. Therefore, to give customers increased peace of mind, we use tools and technologies aimed at maintaining the integrity and confidentiality of information.

For this work front, we have the Cyber Security Department, which has four teams (Architecture and Security Solutions Management, Cyber

Security; Operation Management; and Security Defense).

All these teams report to the Technology and Cyber Security Vice-President (which reports directly to the CEO). In addition, we have the Integrated Management Department (Governance and Security Risk Team).

The strategies are defined in the Security and Privacy Master Plan, submitted and approved by the Corporate Risk Internal Committee. This Committee is also responsible for monitoring security controls and data protection, besides directing and prioritizing security actions.

To manage this matter, we have monthly reports on the evolution of the cyber security program and an executive dashboard on that topic. Both present cyber risk indicators and provide metrics and statuses of improvement actions that address identified threats.

It is worth noting that the Cyber Security area operates based on the best market practices, such as the NIST framework.



Board participation

Information security and cyber security are topics that are also part of the Board of Directors' scope of activity. Among the BoD duties that cover these two topics are:

- Assessing and managing the company's risks;
- Establishing high-level guidelines for risk management activities;
- Approving the Corporate Risk Management Policy and the Risk Management Methodology; and
- Approving the risk appetite and tolerance of risk categories.

Additionally, the Board of Directors receives, on demand, a panel of indicators which allows monthly monitoring of the evolution of risks and threats on the subject.

Normative structure and routines

Our activities are developed based on a regulatory framework composed of the [Information Security Policy](#) and internal guidelines.

One of the principles that underpin our routines is the guarantee that information is accessed by and made available only to authorized persons, when necessary, and that these data remain intact, without unauthorized modification during their life cycle.

Among the actions developed in 2021 on this front, the following stand out:

- Engagement agenda and internal communication about safe behaviors, which included phishing campaigns. Mandatory training reached 96.8% of the Company in 2021 and must be held at least once, or whenever the content is updated;
- Acting on the mapped GAPs, as directed by the cyber assessment based on NIST best practices performed by a contracted partner;
- Acquisition of external monitoring, compliance and threat intelligence services;
- Expansion of the use of strong authentication in applications that are exposed on the internet;
- Implementation of the advanced threat protection platform with the aim of increasing visibility and protections against cyber-attacks.

Personal Data Protection

[103-2; 103-3; 418-1]

We are also committed to always maintaining the best market practices with regard to Protection of Personal Data processed in our environments.

In this respect, we have the [Personal Data Protection Governance Policy](#), which aims to present the principles and guidelines that guide the Personal Data Processing activities carried out by B3.

The topic is subordinated to the Vice-President for Information Technology and to the Governance and Integrated Management Department, who report directly to the CEO.

We are committed to:

- Providing a service channel for exercising the rights of data subjects, customers and regulators;
- In the case of B3 as the Parent Company, notifying the National Data Protection Authority (ANPD) and the data subject of the



occurrence of security incidents that may cause significant risk or damage to data subjects;

- Obtaining personal data through lawful and transparent means, with explicit consent of the data subject, when necessary;
- Limiting the collection and processing of personal data to the stated purpose.

Since 2018, we have been working on the process of adapting the General Data Protection Law (LGPD) with participation of a multidisciplinary team composed of the areas of Compliance, Legal, Data Governance, and Cyber Security.

In 2021, we restructured the Personal Data Protection area and the main deliveries were:

- Adjustment to contractual clauses for liability and data elimination in current contracts;
- Expansion of the mapping of personal data flows to identify risks regarding personal data processing;

- Raising the maturity of the incident management flow involving personal data with the review of incident response procedures;
- Definition of data protection models and standards for products and projects, incorporating Privacy and Personal Data Protection in projects and solutions since their conception;
- Adjustment to the Impact Report on Personal Data Protection (RIPD) and definition of criteria for its use, considering personal data processing that may generate risks to civil liberties and fundamental rights of the data subject, as well as measures to mitigate risks;
- Creation of the data protection executive dashboard to monitor the main activities and developments in the area;
- Redesign of the service channels to improve the data owner's experience;
- Preparation of the matrix for classifying privacy risks;
- Communications on the topic of data protection to the company through videos, comics, mandatory training and e-mail. Mandatory training reached 96.6% of the Company, and must be held annually.

We conduct regular annual internal security audits, periodic vulnerability assessments, and penetration testing for systems, products, and practices that affect user data.

During 2021, no incidents of violation of the General Data Protection Law were identified that resulted in leaks, theft or loss of data that impacted our customers, under the terms of the aforementioned legislation.

Supply Chain

[102-9; 102-10]

Our main suppliers are companies that operate in segments related to product and technology development. This is the case of hardware and software solution providers, such as servers, network equipment, mainframe, equipment maintenance, technical support and specialized labor for specific projects.

During the year, BRL 929 million was spent on contracts signed with 1,016 suppliers, of which 94.88% are local (operating in Brazil). During the year, there were no significant changes in the structure of the supply chain. However, with the continuing retrofit of the buildings located in downtown São Paulo, 213 companies were hired for this purpose.

At the time of contracting, suppliers are informed about the “General Conditions for Execution of the Work”. This document requires the company to be responsible for the organization and cleaning of work areas, as

well as for the management of solid waste generated, using disposal criteria within legal requirements.

Supplier relationship management comprises three main fronts:

- Code of conduct for suppliers, service providers and partners;
- Approval processes; and
- Periodic reassessments.

In addition, we have sought to advance with engagement actions related to inducing good ESG practices in our supply chain. These fronts seek to avoid and mitigate externalities and impacts that may arise from these contracts, as we know that failures in supplier management can directly impact our image and operation and even the market and society.

Code of Conduct for suppliers, service providers and partners [102-16]

This is the document that gives the guidelines to be complied with in the partnerships we enter into. Its content covers the following topics:

- Prohibition of child labor, forced labor, a situation similar to slavery or non-compliance with labor and social security obligations (any of these cases may imply immediate unilateral termination of the contract entered into with us);
- Diversity;
- Prejudice, discrimination and harassment;
- Environment and respect for environmental legislation;
- Incentive for the supplier to adopt sustainable practices;
- Combat and Prevention of Corruption, Money Laundering and Fraud;
- Information security.

Approval processes

[103-2; 103-3; 205-2; 308-1; 414-1]

The supplier approval process requires that companies formally commit to the Code of Conduct. The standard contract also includes specific clauses dealing with labor, socio-environmental and social security issues.

In the process, we also carry out a reputational check, in order to identify critical points regarding Politically Exposed Person (PEP), negative media, related parties and former employees.

According to the purchasing category in which the supplier falls, upon approval they answer a specific questionnaire on Compliance and adherence to good ESG practices, depending on the type of contract.

In 2021, 295 suppliers went through the approval, and all of them (100%) met the criteria for registration, reputational, economic, financial, labor and social security analysis. Among the 295 suppliers, new suppliers and contract renewals are included, and this number represents 51% of B3's total base of active suppliers. Neither negative impacts

were identified from a socio-environmental point of view.

Last year, we also started to send weekly newsletters to suppliers, with the main news and events circulating in the country and in the world regarding ESG. The objective is to engage this audience in the adoption of best sustainability practices.

In 2021, we started to hold the AMLFT (Anti-money Laundering and Counter Terrorism Financing) training for service providers classified as material.

Periodic Reassessments

[103-2; 103-3; 408-1; 409-1]

During the provision of services, the situation of contractors is periodically reassessed, using criteria such as registration status, financial and reputational health and negative media of suppliers during the contractual period.

In 2021, no suppliers exposed to the risk of incidents of child or slave labor were identified.

04 **B3 on the move**

- Closer to customers
- Culture and people management
- Agility and innovation
- Operational solidity
- M&A and strategic partnerships
- Products and services
- Operating performance

Closer to customers

[103-2; 103-3; 203-2]

In 2017, when the B3 brand emerged, we made important decisions about the company's future. And one of them would completely guide our activities from then on: we defined that the company would always put the customer first.

Since then, each year we have advanced further in this journey, building close relationships and partnerships with our main audiences. We can say that it is already part of our Culture to listen to what stakeholders have to say, truly understand their expectations and organize flows to deal with these demands as quickly and efficiently as possible

We have several initiatives to listen to and work in partnership with customers. This is the case, for example, of the [Advisory Committees](#) with market participants to discuss opportunities for improvement; creating relationship teams by product to understand specific demands; dialogues with new market participants, such as startups and fintechs; and much more.

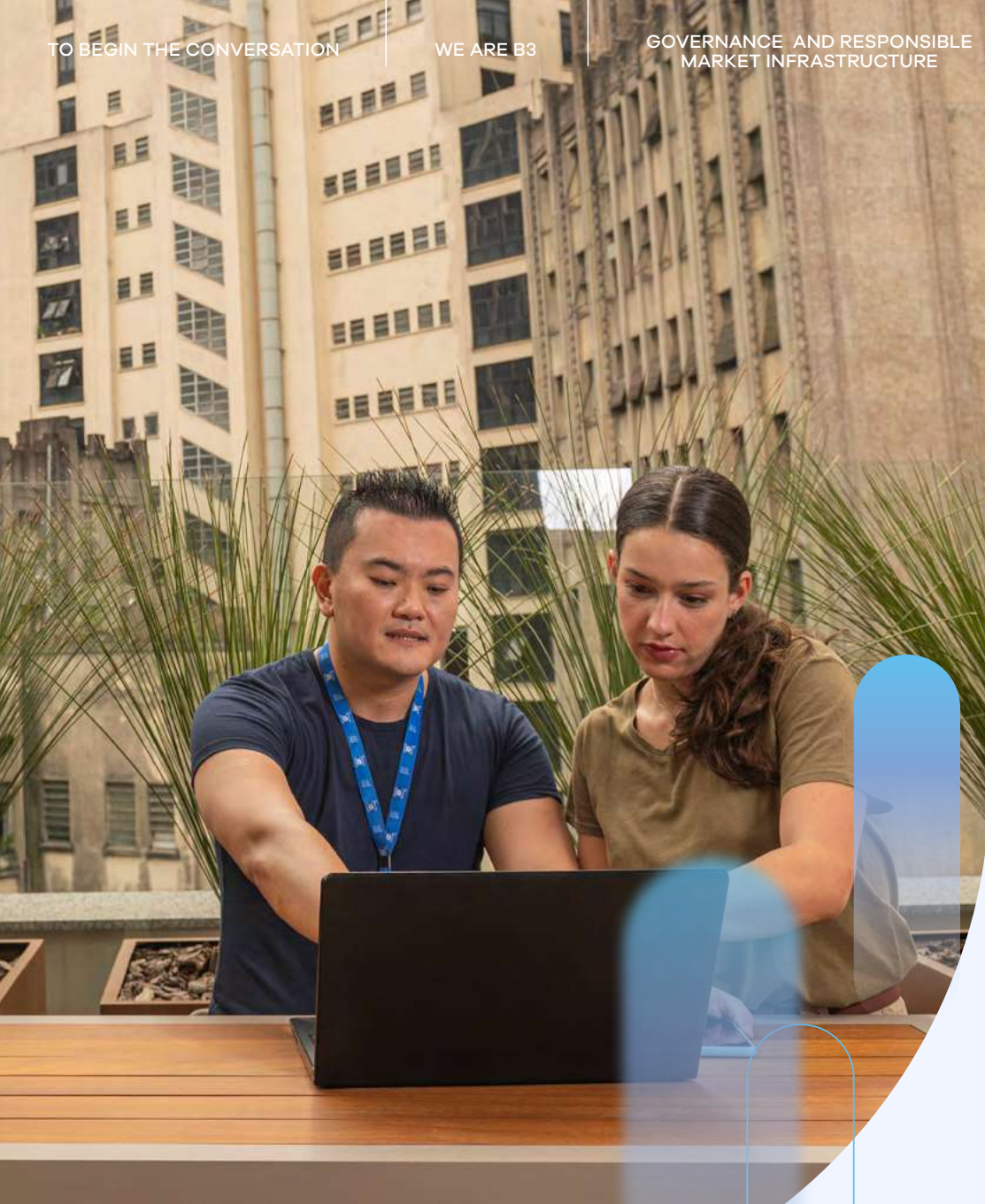
 Social and
Relationship Capital

The result of this customer-centric mindset is that every year the trust and satisfaction of our audiences increase. Since 2018, we have been measuring these feelings using the NPS (Net Promoter Score), a methodology that measures people's propensity to recommend a company's services.

In 2021, we worked with three types of NPS survey: the relational one, which once a year listens to the leadership of companies that participate in the capital markets; transactional, which deals with the customer journey during the development and delivery of specific projects and initiatives; and service, which measures day-to-day interactions with the market.

Here, customer
experience and
satisfaction is a
shared responsibility
of all teams in the
organization.





Individual

Another challenge has been to get closer to individual investors, who are increasingly present in the capital markets and have very specific demands and needs. To build this relationship, we work mainly on two fronts: simplifying and educating.

Check out some highlights:

New Logged-in Area:

One of the initiatives in 2021 was to make the user experience more friendly with the launch of the new Logged-in Area, which replaced the old CEI (Investor Electronic Channel). On this online environment, built entirely on the cloud, investors can track their investments in variable income and some fixed income securities in a single place, in a detailed and consolidated way, and receive relevant information for their financial life. From launch in June to the end of the year, more than 1 million investors accessed the system.

BDRs:

We have also been seeking to adapt our products to the reality of individuals. In 2020, after a rule change by the CVM (Brazilian Securities Commission), we made BDRs accessible to retail investors, and it was a great success.

The opening to individuals was a milestone for the product, as the numbers show. In 2021, the number of individual investors in BDRs grew by 994% compared to 2020. There were more than 1.4 million investors, which represented 22% of the stock.

In addition, BDRs accounted for BRL 493 million in average daily traded volume, an increase of 296% over the previous year and the highest number ever recorded for BDRs. Retail accounted for 20% of this volume, transacting BRL 95 million.

Treasury Direct:

In 2021, we followed the same path and jointly announced with the National Treasury Secretariat the reduction of the Treasury Direct custody fee by 20%, which also helps attract even more individual investors. This measure was added to others, implemented previously, that improved the individual investor experience. One of them was the redemption of bonds on D+0.

As a strategy to communicate with investors, we launched the Treasury Direct blog and the “Treasury Map” podcast, with topics relevant to the product and addressing investors’ main questions and educational content.

These changes had a positive impact in 2021, with the increase of 370 thousand investors, a BRL 7.5 billion increase in stock and 10 million accesses to the Treasury Direct website.

BOOK PF launches:

Since August 2021, we have provided analyses on the evolution of investors in our trading environments, with the aim of promoting discussions and data on retail investors, especially for product teams, investor relations

of companies listed on B3, academics and journalists, among others, and reinforce B3’s individuals agenda with the market and opinion makers, especially with regard to the behavior of retail investors.

In February 2022, we published our latest study along this line: “An analysis of the evolution of investors in B3”. The material shows updated data on retail investment behavior for 2021.

The quarterly analysis shows that the number of individuals in fixed income, Treasury Direct and variable income has grown and there is more diversification in investment portfolios.

We reached the historic milestone of 4,98 million individual accounts in variable income, with 3.4 million single investors in variable income. The highlights were ETFs and BDRs.

Financial Education Hub:

On the education front, we had a year with many innovations in our main initiative: the [Financial Education Hub](#). Among other actions, we started to make learning paths available by profiles, such as women and young people; and

we sought to address the public through influencers. The Hub already has more than 178 thousand registrations.

CVM and B3 Investor Week:

In partnership with the CVM, we held the first edition of the online event, live and free of charge, with educational content aimed at individual investors. It covered more than 12 hours of content in which a group of around 80 presenters (which included members of the academia, market experts and opinion makers) talked about more than 30 topics. The main subjects included financial organization, first steps to investment, financial education for children and alerts about fraud. This initiative impacted more than 2 million people across different media.

Customer Service

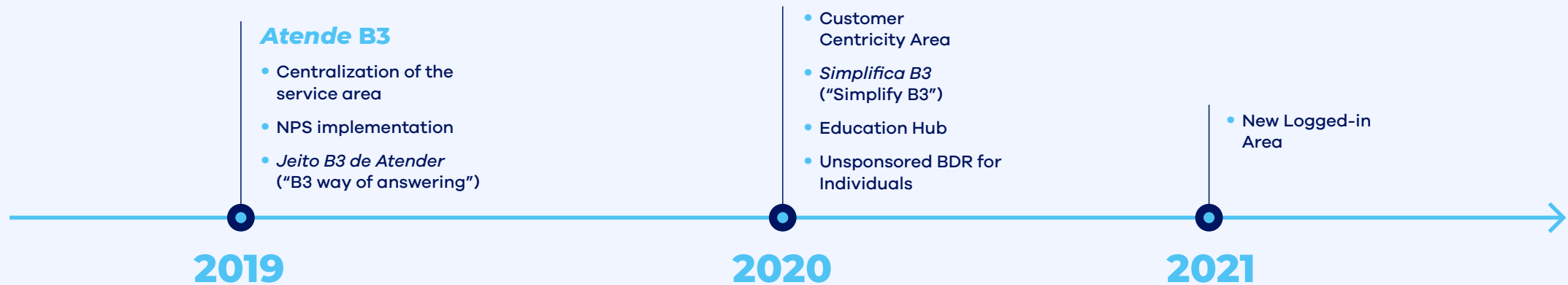
With each passing day, people expect faster and more multi-channel services. We know this and took this challenge to our operation.

In 2021, we created more channels to interact with customers. In addition to contact by phone, email, chat and [Atende B3](#) portal, which were already available, market participants also started to rely on services on WhatsApp and Telegram. Through these applications, stakeholders can send questions and receive information.



Timeline 2019-2021

Get to know some of the initiatives that marked our journey of getting closer to customers:



Culture and people management



Human
Capital

[103-2; 103-3]

After the 2017 merger, we decided to promote a cultural transformation in our organization. In the previous chapters, we told you how this change speaks to our [values](#) and how it is helping us be a more [agile and collaborative](#) company, and closer to our [customers](#).

The advances, however, go further. In the same context, we made the choice to become a more diverse and inclusive company. For us, these two elements are essential: they strengthen our team, give concreteness to our values and connect us to the evolution of society.

To reinforce our positioning on the topic, we undertook to increase the percentage of women in leadership positions to 35% by 2026.

In addition to ensuring advances in diversity and inclusion, we sought to build a work environment where people feel they can develop, contribute to a greater purpose and gain recognition.

28.2%
of women in leadership
positions

Our commitment:

35%
of women in
leadership positions
until 2026

100%
of our professionals
received training
in the year

100%
of employees received
performance and
career development analysis

Increase of
57.4%
of black people
in staff compared
to 2020

New hires
rate of
34%:
19 p.p above
2020

For the first time
included
in the list of
**Best Companies
to Work For by Great
Place To Work**



To this end, we invested heavily in the evolution of our people management and career development model. We worked on topics such as training managers, frequency of feedback, evaluation and compensation model, meritocracy, transparency in processes, among many others.

Year after year, these improvements have resulted in increasing scores in surveys on employee engagement and pride in our organization. In 2021, we climbed still another step and for the first time were included in the list of Best Companies to Work For by Great Place To Work.

In addition, we received two other recognitions from GPTW – we were the Best Financial Institution to Work for and one of the Best Companies for Women to Work For; for the 4th time we were recognized by the Top Employers Brazil Certification; and we are present on LinkedIn's Top Companies.

Another evidence of employee engagement and the strength of our culture is that, according to our surveys, the main motivation for people to stay with the company is no longer the salary, but the bond with the values of the organization.

See our advances in relation to Human Capital beginning on [page 54](#).



B3 Brand Role

In the process of consolidating the new culture, we also defined the role of our brand, which we summarized with the concept of “Catalyst Credibility”. We have followed more than 130 years of economic development in the country and today we are the largest exchange in Latin America.

We seek day by day transform the confidence that we have with the market and investors into power of action and development, accelerating changes.

With tradition, exemption and suitability, we created the infrastructure for the development of the financial and capital markets in Brazil. From the beginning until today, there is in our essence the need to provide security to the market, supporting its growth. Therefore, the market and society trust B3 to be the daily meeting place for doing business.

Based on our role, we also defined brand territories, which seek to bring the essence of the organization to different audiences, at all points of contact – from the day-to-day business to the relationship with the surrounding community.

Diversity, Equity and Inclusion (DEI)

[103-2; 103-3; 405-1]


We approach the topic of Diversity, Equity and Inclusion through a strategy and a positioning of its own, after being carefully constructed with data and market studies, in addition to the participation of external experts.

The positioning and strategy were approved by the Executive Board, with the purpose of making us a company increasingly aligned with the theme and, at the same time, to induce the market to do the same.

Internally, the matter is led by the People, Marketing, Communication and Sustainability Department, which reports directly to the CEO.

One of the practices that we have 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 areas of action: gender; race and ethnicity; LGBTQIA+; people with disabilities; and generations. At the end of December, there were more than 300 people involved.

We have been advancing with consistency and perennial practices and in 2021 this trend gained even more strength, with the disclosure of goals related to the topic.



In recent years we have experienced a cultural transformation that is entirely intentional. We seek to get closer to customers, to be more agile, more collaborative and more diverse and inclusive. And we advanced in that direction.

Find out more about
our practices:

Women in Leadership and Diversity Index

Last year, we publicly assumed two goals within the scope of the issuance of a Sustainability-Linked Bond: the creation of a diversity index by 2024 and the achievement of 35% of women in leadership positions at B3 by 2026. At the end of 2021, we had 28.2% of women in leadership positions, which represents 80% of the goal - and 1 percentage point above the 2020 results. To sustain this strategy and continue developing this audience, in 2021 we launched our first Mentoring Program for Women aiming at developing the organization's future female leaders.

 To learn more about the bond and the evolution of the goals, go to page 109, by clicking [here](#).

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 CEO's variable compensation. The goal consists of increasing the internal representation of specific audiences, in addition to advancing on other fronts related to the topic. Our People and Compensation Committee and senior leadership engage in the topic, with guaranteed schedules for reporting and monitoring actions. The 2021 representativeness goal – consisting of the evolution of representation of women in leadership positions, black people and people with disabilities – was achieved.

Indicators and Monitoring

We have a Dashboard for monthly monitoring indicators related to the topic, which are also tracked by the leadership.

Financial Market Training

During the Ring the Bell for Racial Equity event, held in November, we announced an online and free of charge training program on the Financial Market aimed at black people. More than 4 thousand people had enrolled by the end of December. Participants go through a development track, with content on personal finance, economy, financial market and soft skills development. Upon completion, the best students will earn scholarships for courses preparing for important certifications, thus increasing even more their chances of employability, including here at B3.

Juntos pela Equidade Racial



Diversity, Equity and Inclusion (DEI) Training

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

Ring the Bell for Racial Equity

We have rung the bell for racial equity in financial and capital markets for the fifth consecutive year. The event was aimed at debating tangible behaviors and actions that may contribute to a culture change that increases representation and racial equity in society.

DEI Bootcamp

We have launched, during the 2021 Ring the Bell for Gender Equality, the DEI Bootcamp, a program that aims to support companies in building and carrying out a solid DEI strategy, besides sharing good market practices as well as monitoring and measuring tools. The program is online and free of charge and has technical partners and specialists in the subject. Its content is directed at leaderships in Human Resources, Diversity and Sustainability in banks, brokerage firms and companies listed on the stock exchange. Since May 2021, more than 60 companies have taken part in the program.

Diversity on the Board Program

The main initiative of the Program, created in 2014, is to favor the exposure of women to the ecosystem of boards of directors, fiscal councils and committees of public, private or third sector organizations.

This occurs through the exchange of experiences, learning and strengthening of the network with support of experienced professionals working on boards, who act as mentors. It is a joint initiative of B3, the Brazilian Institute of Corporate Governance (IBGC), International Finance Corporation (IFC) and Spencer Stuart and WomenCorporateDirectors (WCD).

Hiring black professionals and interns

We kept on accelerating our Internship Program aimed at Young Black People, which has been taking place since 2020. In 2021, the number of participants increased fivefold, both in applications and conversions. After being hired, the young people take part in a specific development track built with the Race and Ethnicity Diversity Nucleus, which includes a mentoring program with our leaders. With this initiative, besides increasing representation of black people threefold in internship positions (from 10% in 2018 to 35% in 2021), we have also speeded up the development of these young professionals (46% of the mentees have already been hired).

We understand that the advance in representation is not limited to internship positions. Compared with 2020, we have had an increase of 57.4% in the number of black people among our employees.

People with Disabilities

Launched in 2020, the PlurAll program has finished training of the third and fourth classes, totaling more than 20 hired professionals. The program aims to hire and train professionals with disabilities, beginning with a three-month immersive experience.

The fourth class was a one-off and specific initiative for IT talents focused on training professionals in specific programming languages.

Recruitment and Selection

Since 2020, we have adopted more inclusive tools in our recruitment and selection process, such as the submission of more diverse short-lists and joint operations with partners and consultancy agencies specialized in the subject. Since August 2021, we have adopted a “blind CV” process, which consists of submitting profiles to managers concealing 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 step of the managers’ selection process, focusing the analysis on the applicant’s technical knowledge and experience. In the second half of 2021, 72.7% of the selection processes were conducted with “blind CVs”.

External DEI initiatives we support:



Ring the Bell for Gender Equality

Global action by Sustainable Stock Exchanges (SSE) of which we are founding signatories. This initiative aims to raise awareness about the role the private sector plays in advancing gender equality in the market and in society. This action has been carried out since 2017 in our trading floor and has partnerships with the Global Pact, UN Women, the International Finance Corporation (IFC), Women in ETFs (WE) and the World Federation of Exchanges (WFE).



Pact for the Promotion of Racial Equity

In November, we became institutional supporters of this initiative, which proposes the implementation of a Racial Protocol in the country, to bring the racial issue to the center of the economic debate in Brazil and catch the attention of companies and civil

society. The goal is to compile a racial representation index in Brazilian companies that creates a benchmark reference and directions so the companies can evolve.



Women's Empowerment Principles (WEPs)

Helps the private sector promote gender equality in the work environment, in the market and in the community, and carried out by UN Women and the Global Pact. We have been signatories to the WEPs since 2017, which makes us the first signatory stock exchange in the Americas and the sixth in the world.



Be Together

In 2019, we created Be Together, an initiative that brings together women in the financial market representing customer companies of B3 and aims at mutual learning and the exchange of good practices in companies to promote female presence in the financial market and contribute to a fairer, more diverse, egalitarian and attractive environment for women.



OUTstand

Since 2019, we have been a part of OUTstand, a network of professionals in the financial market that encourages and mobilizes reflection on the LGBTQIA+ issue in companies in this sector.



Diversity on the Board Program

Spearheaded by Brazilian Institute of Corporate Governance (IBGC), Women Corporate Directors (WCD) and IFC, this action aims to increase the presence of women in companies' Boards of Directors.



WOB - Woman on Board

Aims to engage companies' senior management in the diversity agenda. As signatories, we must ensure at least two chairs for women on our Board of Directors. In 2020, we were certified by WOB, in recognition of our commitment with the agenda. We currently have three women on our Board.

Other qualitative DEI indexes can be found in the chapter [Further Knowledge Tables](#).



People Management

Attention and Retention

[102-7; 401-1]

Our staff numbers grew by 18%, and ended the year at 2,669 professionals⁶. The majority were men, at 66.2%. The largest age group was between 30 and 50, at 63.8%.

In 2021, our turnover rate was 16.8%, 6 percentage points higher than the previous year⁷. This is a result of market rebound, especially in IT. At B3 the greater impact is due to the large number of professionals of this area in the company.

In contrast, we implemented a restructuring strategy that reflected on a 34% rate of new hires, which

⁶ Taking into account only B3 S.A. employees.

⁷ The percentage of voluntary terminations in 2021 was 11.9%.

means 19 percentage points above the rate for 2020.

This strategy is coupled with actions that aim to attract and retain talents and involve compensation, training and development practices, internal mobility programs, individualized monitoring of employees through performance and career management, flexible work and promotion of health and safety at work.

Furthermore, we conduct a yearly employment engagement survey, developed by Great Place to Work (GPTW). The results for each year are worked on in institutional actions that cover the entire company. The areas make an action plan based on their own results.

We consider the survey as a strategic indicator, making it one of our corporate goals. The results of each leader are reported in their Performance Dossier, a stage in the performance management cycle.

In 2021, we were recognized as one of the best companies to work for in Brazil, by GPTW, based on the results of the GPTW 2020 survey and our good cultural practices.

Flexible work, balance and quality of life Remote Work

The COVID-19 pandemic presented a new scenario that made us realize we will not go back to the way we used to work before.

We therefore advanced into a new work contract model which we call hybrid work. It is aimed at upholding the flexibility and balance our teams obtained with remote work while reinforcing our culture and our in-person relationships.

The new model includes:

- Autonomy, flexibility, high performance and collaboration;
- Increasing remote work to up to five days a week;
- Rotation between the office, home and coworking spaces according not only to individual but also each area or team needs.

By complementing all work spaces, we know we can adapt formats and initiatives to bring more comfort, flexibility and balance to our people.

The employee can choose the workplace, but the office is always available for use and we hope that our employees take advantage of our facilities.

Equilíbrio B3 Program [B3 Balance Program] [103-2; 103-3; 401-3; 403-6]

Our employees have more than 40 benefits – a set that is beyond legal requirements. This large array of alternatives is in line with

our commitment to provide for people's well-being. This principle is part of the B3 Balance Program | Quality of life, which is built on three pillars: +Balance, +Health and +Leisure and Culture.

Get to know some of the program's actions:

- **Incentive to physical activity** through Gympass. In 2021, we had about 432 adhesions;
- **Dress Code:** Clothes fitting the employees' personality;
- **Birthday off:** A day gifted in the birthday's month;
- **Social security medical leave:** Early payment and topping up of sickness allowance;
- **Personal Support Program:** Psychological, social, legal and financial guidance. In 2021, 237 cases were treated with 1,290 interactions;
- **Emergency loan:** Access made easier to funds in the case of unforeseen circumstances. Three emergency loans were granted in the year;
- **Comp time:** Rest for overtime worked;

- **Pension Plan:** Voluntary and open to all employees. Participants contribute 1% to 7% of their monthly salary, which we match 100%. Equity to cover the plan is completely segregated from the Company and managed by *Itaú Fundo Multipatrocinado* (IFM) fund;



- **Bebê a caminho [“Baby on the Way”] (biological or not):** aims to monitor and connect mothers and fathers in the process of becoming parents through online courses, booklets, virtual conversations, support and orientation guide as well as exemption on cost-sharing for prenatal medical appointments. We also have a breastfeeding room.

In addition, we have adhered more than five years ago to the *Empresa Cidadã* (“Citizen Company”) program, which allows maternity leave extension from 120 to 180 days, pursuant to Law 11.770/08, provided that this is the employee’s choice. The extension is also valid for mothers who adopt or gain legal custody for adoption purposes.

In the case of paternity leave, we offer a five-days’ paid leave after birth, adoption or legal custody, extendable for another 15 days, adding up to 20 days, upon completion of a specific paternity course.

In 2021, we also changed the method for payment of the Profit Sharing (PLR) program, taking into consideration the period of maternity/paternity leave when calculating the percentage to be paid, that is, not paying employees in proportion to the months actually worked.

Actions within the Baby on the Way program and changes in our PLR program have contributed to improving the performance of paternity leave indexes. In 2021, parental leave return rate was 100% for both women and men, repeating 2019 and 2020. Retention rates were 81% for men and 87% for women, a 21 percentage points increase compared to 2020.



See our historical data in regard to these indexes in the **Further Knowledge Tables**.

Health and Safety at Work

[103-2; 103-3; 403-6; 403-10]

To care for the health and safety of our employees and interns, we comply with the occupational health and safety regulations. In addition, we constantly adapt our facilities in order to create healthy and clean work environments.

The topic is managed by the Occupational Safety and Medicine team, which reports to the People, Marketing, Communication and Sustainability Department. The team seeks to identify and prevent environmental risks, suggests actions to make the workplace safer and assure compliance with the applicable internal rules.

We also have an infrastructure for emergencies, with a 24-hour ambulance service and mobile ICU, in addition to outpatient units at our XV and Praça buildings and medical

service rooms at our Florêncio and Libero buildings.

Another way to act on the issue is through the Internal Accidents Prevention Committee (CIPA) to observe and report workplace accident risks and request measures to minimize them. Its duties include offering guidance to employees about prevention measures. In 2021, CIPA had 26 members, 13 of whom elected by the employees, and 13 appointed by B3.

Everyone who works at B3 is represented by formal health and safety committees. Employees have access to the “Best Practices Booklet” drawn up by CIPA to raise awareness about the influence of individual attitudes on work routines. We also provide online training that covers subjects such as ergonomics, firefighting and fire prevention.

Additionally, we offer workplace exercises on Mondays, Wednesdays and Fridays, open to employees, interns and service providers. In 2021, we had an average monthly participation rate of 1,279.

Nearly all our activities are administrative, which cuts the rate of workplace accidents or occupational diseases. In 2021, We only registered accidents on route to work. As they were caused by external factors, we took no specific measures. There were no leave-of-absences due do psychological disorders registered in the period.



Career development and training actions [103-2; 103-3; 404-1; 404-2]

We are committed to providing training and qualification for the continuous development of our people. To achieve this, employees and interns⁸ have a wide range of development opportunities. In 2021, 100% of our employees attended a training program during the year. There were more than 23 thousand participations and more than 66 thousand hours of training in the more than 400 training sessions held throughout the year.

The average number of hours of training employees and interns received increased by 13% in regard to the previous year.

This expansion is due to reasons like:

- 18% staff growth;
- Creation of a new training platform;

- Strategy of offering new courses online, which increases reach and eases access to the content;
- Implementation of new programs for leadership and career acceleration program.

See in the section [Further Knowledge Tables](#) the results for the past three years on the average training hours that employees and interns attended, by gender and job category.

Throughout the year we have worked with different fronts aimed at providing qualification to our people. Among them, partnerships with teaching institutions to develop or offer joint training programs; internal facilitators; online course platforms; and an acknowledgement program, in which employees exchange miles for training in which they are interested.



⁸ Interns are hired on a part-time contract.

This development strategy is divided into three pillars:

O que a B3 quer (“What B3 wants”):

Knowledge programs related to business, communication and processes made available for employees to watch at their convenience. In this development pillar, the main goal is to qualify employees on matters that are directly linked to the company’s strategy and to current market competencies.

O que a área quer (“What the team wants”):

Technical and specific training hired using the earmarked budget in each team through a Mapping of Development Needs (LND). Training actions are established yearly through a process carried out in partnership between the team manager and the Training and Development team. The subject matters chosen for training are made available

to employees via platforms of partner suppliers of internal facilitation.

O que você quer (“What you want”):

Our catalog of soft and hard skills development, available to all our employees. Employees are completely free to choose the qualification they wish according to their individual development plan.

Programs:

We also have development programs for specific audiences. This is the case of the Internship Program; Career Acceleration Program; Young Apprentice; Development of People with Disabilities; and Leadership Program.

Internal Facilitation

This is an initiative that values and encourages the internal reproduction of knowledge by allowing professionals themselves to take charge of training in subjects at which they are experts. In 2021, the initiative totaled 1,613 participants, 14% more than in the previous year. Of this number, 23 were new facilitators who began sharing training with colleagues in technical, behavioral and knowledge management issues.

Leadership Development Program

As is the case every year, in 2021 we continued our Leadership Development Program: This time, we chose to create development tracks divided by position levels, since each of them has different needs and demands different capabilities. Accordingly:

Coordination levels

attended seven training modules focused on People Management.

Management levels

had four modules on team management capabilities and strategic issues for the organization – such as mindset and decision-making.

Superintendency levels

had five training modules focused on organizational strategy.

The leadership groups also attended training sessions focused on attraction and selection to

increase their abilities in regard to the cycle of people management.

There was also a complement through Masterclasses; Mentorship Programs for women leaders; a channel with videos and exclusive content regarding the cycle of people management; and a strategic meeting of the leadership to disclose the joint creation of the Organization's strategy and guidelines.

All of this added up to 3,376 training participations, totaling 10,548 hours and 686 participating leaders.

#MinhaCarreira [“#MyCareer”]

A program that seeks to develop people in accordance with the challenges of their current jobs or onto the next step of their career ladder (internal, vertical and/or horizontal mobility). #MinhaCarreira brought in a new catalog of development actions aimed at the business, culture and core of the function, so that employees can plan their own development track. In 2021, 418 employees concluded their career plans.



Mandatory training

We have a permanent mandatory training agenda, which also addresses topics related to fostering safe conducts within the company in order to reinforce the principles established in our internal codes and manuals and in the directives of the regulatory bodies.

We thus seek to mitigate any risks in atypical and/or suspicious situations and to comply with the market guidelines. [103-2; 103-3]

Among the topics we addressed are the Code of Conduct, Anticorruption, Anti-Money Laundering, Information Security and Data Privacy.

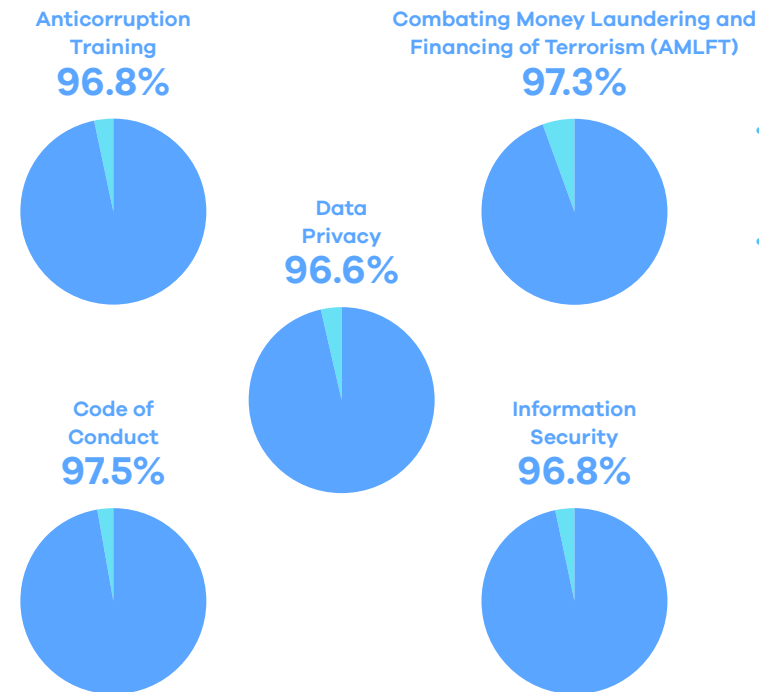
All managers, employees and interns are required to take part in these online training sessions at least once or whenever there is a content update.

In regard to Anticorruption and Code of Conduct and Ethics training, all managers, employees and interns are required to attend them whenever a new version is released.

The call for new training usually occurs every two years, each of them on alternate years, in

accordance with the need to release or recycle topics.

As of December 2021, the percentage of managers, employees and interns who completed the training was⁹: [205-2]



⁹ The percentages were calculated based on active employees for the month, considering the "normal activity" status.

Training sessions regarding ethical conduct were coupled with internal communication campaigns on the subject. For example:

- In the months of January, July and September when we released weekly bulletins (*Comunica B3*) with the main guidelines on how to interact with regulators, agencies and public bodies.
- In March, we had another release reinforcing anticorruption and antifraud training.
- And, in October, we held an Anticorruption panel at *Atitude B3*, an event conducted by the Compliance and Information Security areas, mainly aimed at reinforcing correct behaviors at B3 – today, tomorrow and always.

Training on the ESG agenda

In 2021, we began training and qualification on the ESG agenda for B3 leadership and teams which includes employees, interns and apprentices. In total, there were around 900 participations.

This has also been part of our onboarding program for new employees since 2020.

It involves information on concepts of sustainability; environmental awareness; the UN Sustainable Development Goals; Sustainability Strategy; and our practices related to the ESG agenda, which also includes issues regarding climate change.

Performance Management

[103-2; 103-3; 404-3]

Our Performance Management is the process to define, monitor and assess each employee's performance individually. The current Performance Management model was launched in 2020, occurs with annual cycles and is based on the assessment of three dimensions:

- **Targets and objectives:** include the period's combined deliveries with cycles that may be monthly, quarterly, half-yearly or yearly.

- **Function core:** the expected delivery from each position in terms of impact, communication, innovation, knowledge and management (management level and above).
- **Values and Behavior:** the values and behavior expected at every job level, in line with our Culture, and which generate positive impacts.

The contracting and validation of individual goals occurs once a year. After contracting, the goals can be revised at any time, making the cycle live and aligned with the organization's dynamics.

The performance management model is also in line with a context of agile teams, by enabling targets to be established for each team. This allows participants to share the same targets, offer continuous feedback from any level to any other level, and register in the system achievements that are in line with the agreed targets.

The results of our engagement survey showed that there is a positive correlation between feedback frequency and engagement. People who received three or more feedbacks throughout the year have a better perception of

the company's climate and are more engaged. Therefore, we rely on intermediary and continuous feedback:

- **Intermediary Feedback:** from now on, this step is mandatory. In the middle of the year, managers must register intermediary feedback on the system with their assessment of the first half-year and the progress of goals, function core and value, as well as behavior.
- **Continuous Feedback:** the new system of people has a continuous feedback functionality. Through this feature it is possible to request and register feedback from "a" to "b" at any time. This feedback can be associated with a specific target and it will be possible for the manager and the employee to register all feedbacks received throughout the year.

In the period, 100% of employees received performance and career development analyses.

[404-3]

The structure of targets has three dimensions, which seek integration of the Company's objectives with those of the areas and individuals:

Area targets

They impact an entire area or department. May be delivered in projects, new products, and process improvements, among others.

Individual Targets

Agreed with each individual. Related to position and responsibilities. Competencies are considered.

Corporate Targets

Agreed with the Board of Directors and Compensation Committee, these are the Company's main challenges and impact CEO compensation. For 2021, the targets in this dimension were divided into subjects that are considered important for the growth and sustainability of business, including:

- **Financial:** revenue growth and budget discipline;
- **Customer centricity:** Customer satisfaction in key moments;

- **Projects:** monitoring of the Company's priority projects and their respective benefits;
- **Operational Resilience:** platform availability and operating credibility before customers and regulators as well as cyber security tests;
- **People & ESG:** engagement, diversity, turnover (employee retention) and ESG initiatives.

In 2021, most metrics met or exceeded expected results. It is estimated that the company as a whole has consistently achieved its 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.			●
Financial	Revenues	Achieve revenue target from market movements and company directions.		●	
	Expenses	Expenses tied to revenue and aligned with market guidance	●		
Operational resilience	Stability, availability and cyber security	Availability, capacity and security of B3 systems and processes, which guarantee solidity and operational credibility.		●	
Projects	Projects	Benefits and value generated from projects prioritized by the company with impact on customers and the market.		●	
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.			●

Compensation [102-36; 103-2; 103-3]

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

Here, we work with the concept of Total Compensation, which involves five great compensation pillars (see below). Each one of them is responsible for retaining and attracting talents, in line with the Company's strategy.

We use the "3P's Total Compensation" concept for integrated management of our people's

compensation. This model aligns three variables: Performance, People and Position.

Compensation is an important factor for the retention of our employees. To ensure and uphold the best practices, we take part in an annual total compensation survey. The survey's information is analyzed on a function-by-function basis to ensure the consistency of our compensation strategy.

Another factor that permeates the compensation strategy is the composition of direct compensation, where we verify the balance of the components between fixed compensation,

short-term variable and long-term variable.

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

Composition of Total Direct Compensation¹⁰ – CEO and Vice-Presidents

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

Position	Year	% Fixed	% STI	% LTI
VICE-PRESIDENTS	2019	18%	32%	50%
	2020	18%	37%	45%
	2021	20%	27%	53%

¹⁰ Differently from the composition of the compensation informed in the Reference Form, the table above only presents the functions of CEO and Vice-President, with the values granted to the occupants who performed a full year in the position.

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 the goals by the company, an area or an individual, in line with the budget, 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 Security benefits;	All
Intangible	Culture and Organizational Climate	All

Fixed Compensation

We manage fixed compensation through salary ranges established for each hierarchy level. The salary table is revised periodically in order to ensure the amounts are in line with our strategy and with the values practiced in the market.

This table also guides internal promotion and merit processes, which are usually carried out twice a year. For this process to be successful, the Compensation area supports managers during the cycle, providing indexes and material with inputs to help decision making.

Another point we monitor is salary equity between genders. When comparing positions, we observed that in 2021 the average gender gap between positions with people management¹¹ was less than 1% both in annual salary and in total compensation.

The ratio between Overall Compensation of the highest paid individual and the average of all employees (excluding the highest paid) was 15.¹²

¹¹ Includes all positions with people management, from Coordinator level all the way to CEO.

¹² Total remuneration in December 2021, considering employees registered under the CLT regime (excluding young apprentices and employees who were hired during 2021).

Short-Term Incentive (STI)

Except interns, all employees are eligible to the variable compensation portion (PLR) [Profit and Results Sharing Program]. The goal is to acknowledge and reward the fulfillment and surpassing of goals in line with the Company's short-term results.

The target PLR/PPR (Profit and Results Sharing / Results Sharing Program) amounts are preset and vary according to the employee's position and performance (in relation to fulfilling the target [what] and behavior [how], through the final performance review).

As of 2021, all employees who have been on leave during the review period, for reasons of maternity, paternity, or sick leave, will not receive a PLR amount in proportion to the months they actually worked. This reinforces our culture and strengthens diversity and inclusion.

The total amount to be distributed is reconciled with the results achieved by B3 in the period, and the minimum distribution of variable compensation is 70% of the company's performance indexes (limited to 120%).

In addition, the PLR Pool will only be available if the Company fulfills the target of 70% of the expected results for the period. For this calculation, 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 the "Performance Management" item:

- Financial: revenue growth and budget discipline;
- 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;
- People & ESG: engagement, diversity, turnover (employee retention) and ESG initiatives.

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

Long-Term Incentive (LTI)

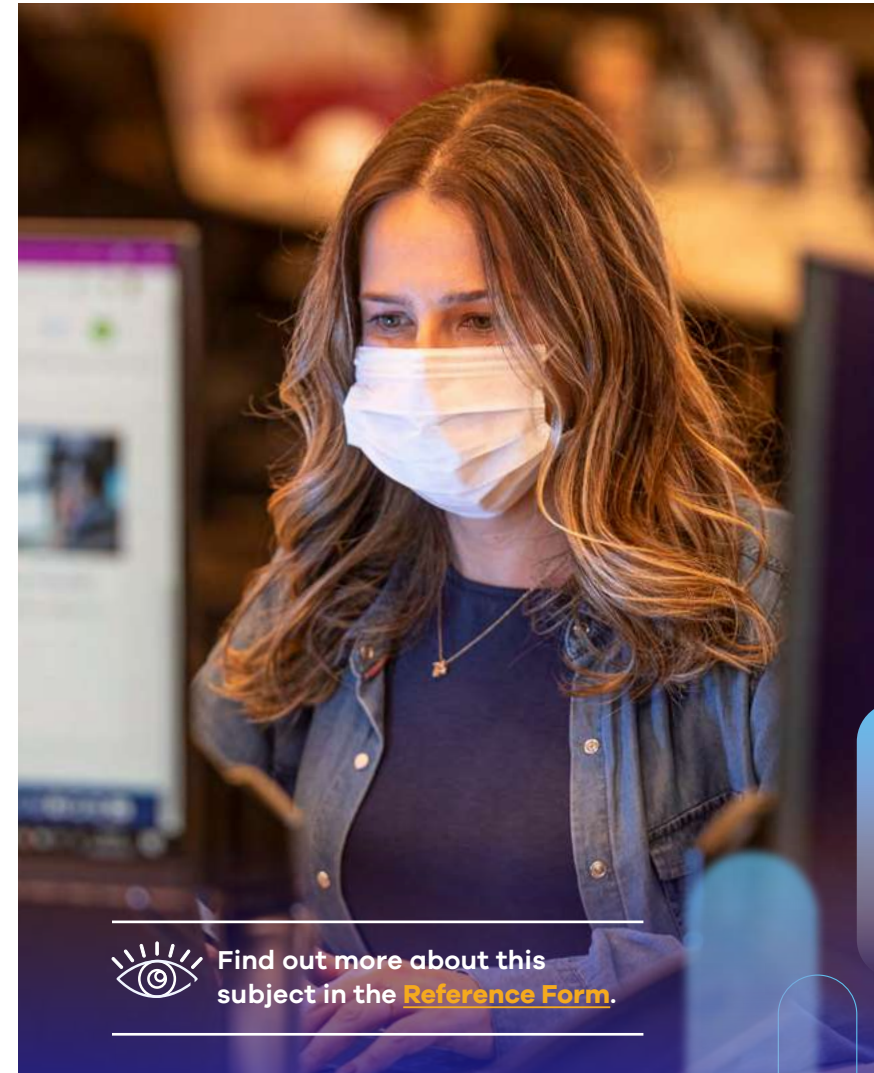
Long-term incentive (LTI) programs seek, through the granting of restricted shares of B3, to reinforce and retain key employees, align stakeholder interests in creating value for the business and encourage responsible and sustainable long-term decision-making. There are two programs:

- **Matching:** In this initiative, managers and above may contribute a percentage of their PLR to buy B3 stocks and the company will match this amount. The vesting period is four years (vesting: 1/4 each year).
- **Grant:** In this program, we set the individual amount for Superintendents and above, observing the interval of amounts set for each level and based on the respective

performances. The amounts are converted and granted as shares with a vesting period of four years (vesting: 1/4 each year) provided that the employee remains with the company upon maturity.

We are proposing the inclusion of a Malus clause, contemplating a partial or total decrease in long-term compensation portions there are still in the vesting period, due to non-compliance with the provisions of the Company's Code of Conduct and Ethics. To this end, the Board of Directors approved the amendment to the Company's Share Concession Plan ("Plan"), which will be the subject of the agenda of the General Shareholders' Meeting to be held on April 28, 2022. If the amendment of the Plan is approved by the shareholders, the Company will internally initiate the implementation of the clause.

Our compensation strategy aims to uphold the best market practices, acknowledging, engaging and retaining talents. For this purpose, we are always mindful of opportunities that improve the experience of our people and our culture.



Find out more about this subject in the **Reference Form**.

Agility and innovation



Coming ever closer to our customers has led to a series of changes in our day to day, including how we organize internally.

One of the main effects was that we adopted agile methods to respond in a timely and effective manner to market demands. We have been working collaboratively, in a way that is integrated and focused on the needs and expectations of our audiences.

This has grown to such a degree that the Agile concept became not only a work methodology, but one of the elements of our culture.

The concept has been incorporated with such maturity that our new businesses are already born agile. Furthermore, the more traditional businesses are being gradually turned into this methodology. In 2021, it was OTC's turn.

By the end of 2021, we already had more than 120 squads (which is how working teams are called in agile methods), totaling approximately 700 people.

By advancing agile thinking in the organization, we became a company that is capable of more frequent deliveries, more customer-centered and with gains in productivity and innovation.



For us, Agile is not just a methodology, but a mental model that became part of our culture.

Internal innovation: *Simplifica*

In such context, one idea that emerged in 2020 and gained momentum in 2021 was *Simplifica*. It is a collaborative program to improve customer experience.

In this initiative, all employees are invited to bring in the pains of users of our products and services and present ideas about actions that may simplify processes and benefit them. The only conditions are that these suggestions can be implemented in up to three months and are not very technology dependent.

In the past two years, we have received more than 700 ideas. All of them were analyzed by a multidisciplinary group and a part of them was picked up, based on significance and positive transformation of customer experience.

In two years, more than 130 suggestions have been implemented in topics such as elimination of physical documents, speedy deliveries, NPS increase, reduction of process stages, self-service, among others.





Operational solidity



It is crucial that our platforms be prepared for operating and technological challenges. Each year the market becomes more sophisticated and the volume of transactions hits new records. This requires a solid technology infrastructure to support demand and provide security.

In 2021, the average daily traded volume in the Listed segment reached 10.2 million – a considerable increase if compared to the 8 million in the previous year, but even more significant if seen through a medium-term perspective. In 2017, the average was 1.6 million.

In order to meet this expectation of capital market expansion, we have a permanent investment and innovation agenda. This allows us to always be ahead of the curve.

This was the case in the past year. All systems worked with resilience and in compliance with the corporate target. Platform availability (a fraction of time in which the system was up and running) was preserved, with 99.980% annual availability for trading systems and 99.911% for Clearinghouse's systems.

99.980%
of annual availability for
our trading systems

99.911%
for Clearinghouse's
systems

Our attitude toward technology
is based on three pillars:

1. security
2. capacity & resilience
3. innovation

Get to know some of the main technology initiatives of 2021 that help ensure our operational solidity:

Modernizing the Clearinghouse's technology

In the past year we finished the full modernization of the Clearinghouse's technology, which took more than a year and included the replacement of all equipment. This action brought significant gains to processes, besides an improved performance of around 30%.

Disruption in the OTC Market

In April we began to work on a new registration platform for the OTC market in partnership with Pismo. The goal is to facilitate Bank Deposit Certificates (CDBs) registration for FinTechs and digital banks. This took only 90 days. With cloud technology and APIs, we could deliver simplified interface and usability. The platform has high processing

capacity and low cost, it is scalable and meets a very important demand for market sophistication.

Investment in the Cloud

At B3, we have an increasing number of cloud initiatives. One such case is the new Logged-in Area for individual investors, which has been hosted 100% in this environment since it was born. Besides specific projects, we began approaching hyperscales aiming for a long-term strategic partnership. This partnership will help plan the evolution strategy - to scale cloud investments, develop technology and internalize knowledge. In 2021, we operated with two providers: Amazon AWS from Amazon, and MS Azure from Microsoft. Additionally, we have homologated Oracle for connectivity via RCB.

Blockchain

Just like other stock markets in the world, we have been trying to find ways to use blockchain technology in business, especially with our depositaries. One such example during the first half-year was the testing of a platform to raise funds for startups. The system brings fluidity to the submission of documents for investors and investment proposals - and all of this uses blockchain.

Security

Another front where there is constant evolution is cyber security. We always strive to add layers of protection to stay ahead of the increasing sophistication of cyberattacks. Our operation is in line with the main cybersecurity frameworks, such as NIST (National Institute of Standards and Technology). Find out more on [page 40](#).

M&A and strategic partnerships



Financial
Capital



Social and
Relationship
Capital



Mergers, acquisitions and partnerships play a 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 main activity and impose a more demanding learning curve.

In order to accelerate our trajectory and continue growing with quality, we strive to associate with companies and people who can bring knowledge, talent and credibility in the markets where we want to operate.

Learn about the operations that marked 2021:

Neoway

In December, we announced the conclusion of our largest operation since 2017: the acquisition of Neoway, valued at BRL 1.8 billion. Founded in 2002, the company launched its Big Data platform in 2012 and it is a leader in data, analytics and artificial intelligence in Brazil, with 450 employees, more than 500 B2B customers and an expected net income of approximately BRL 190 million for 2022.

This operation will allow us to unite Neoway's experience in collecting, analyzing and organizing data from different sources and the credibility and data on the capital, vehicle and real estate markets that are unique to our company.

The acquisition of Neoway boosts our business strategy based on data.

Dimensa

In July, we communicated another important operation: we joined Totvs to create Dimensa, a company focused on B2B technology for the financial market and FinTechs. The new company emerged from the TFS (Totvs Financial Services) carve-out. We made a primary contribution of BRL 600 million, thus owning 37.5% of the company. The transaction led the company to be valued at BRL 1.6 billion.

Our investment is in line with the search for more growth opportunities in SaaS (Software as a Service) businesses, especially in the financial sector. The choice of Totvs as a partner brings credibility and strengthens our capacity in a market that requires competencies that are complementary to our own.

Pismo

In October, we made a USD 10 million investment at Pismo, a TechFin (new technology companies aimed at providing financial solutions for other companies). Pismo's focus is to develop services for digital banks. The operation gave us a minority share and will allow us to accelerate important deliveries that were planned for the next months and years, for the benefit of our customers.

Neurotech

We made a strategic partnership with Neurotech for sharing and developing data services. The company is a pioneer in creating advanced AI solutions, machine learning and big data. According to the agreement, Neurotech now has access to Plug, our data hub, with the purpose of developing data and analytics products. The solutions are aimed at maximizing credit granting and adjustment, among other purposes.

Products and services

[102-2; 102-6]

At B3, we provide services to a large array of customers, like banks, brokerage firms, companies, managers of third-party funds, high frequency traders (HFTs), individuals and pension funds, among others.

The more we understand their needs and expectations, the more we can deliver good solutions that increase the audiences' satisfaction and help unlock the market's limiting potential.

In 2021, we made great strides toward this goal. Throughout the year, we launched a series of products and services that had positive reception among customers. See below the main examples:

Listed

BDRs Expansion

BDRs help local investors diversify their portfolio without the need to operate abroad. This year, we surpassed the milestone of 700 BDRs available on our platform. One novelty were BDRs backed by ETFs (index funds) - at the closing of the year, there were already 87 listed and 45 available for individuals.



+700
BDRs options available
to the investor in
our platforms

Furthermore, since the end of the year, B3 systems have been certified to list BDRs of new countries, besides the United States. The newly licensed Stock Exchanges are: London Stock Exchange (London), Toronto Stock Exchange (Canada) and Euronext (Amsterdam).

New ETFs portal

Due to the increased interest in ETFs, we participated in the creation of a portal dedicated to it. It is ETF.com.vc, an initiative launched in

August in partnership with BlackRock, Hashdex, Itaú Asset, Investo, QR Asset Management and XP. We propose to offer support to education targeted at ETFs as well as ETF BDRs investments..

Cryptocurrency ETFs

At the closing of the year, we already had five ETFs backed by cryptocurrency like Bitcoin, Ethereum and a mix of cryptocurrencies. This is a safe and regulated way to invest in the category.

Automatic option exercise

In a project being coordinated with the market since 2018, we automated the exercise of options on stocks, units and ETFs, which until May was a manual process for the investor. The implementation made the investor's life easier, mitigated operational risks and brought Brazil closer to international standards.

On-screen U.S. dollar tie trades

In April, we made on-screen U.S. dollar tie trades available. The new product has met a market demand by enabling dollar futures and dollar spot transactions to be completed in an integrated and automated way on the digital environment. Until then, those could only be carried out on the OTC environment. What we sought as we launched it was to offer an additional trading alternative and imparting greater operational efficiency to the foreign exchange market. To increase volumes, we provided a rate incentive to those opting for the on-screen product. A U.S. dollar tie trade (C2D2) is a structured transaction that combines two transactions: a BRL / commercial USD futures contract (US Dollar Futures Contract), and a reverse US Dollar Futures Contract transaction in the same amount at the Dollar spot rate (Spot)

Fiagro

In August, we expanded B3's fund portfolio and began receiving listing requests for Investment Funds in Agro-Industrial Production Chains, Fiagro. This new product aims to support and strengthen agribusiness in Brazil, but it is also an important investment alternative in this sector for individual investors, as the entry ticket is low. Three new categories were created: Credit Rights Investment Fund (Fiagro-FIDC); Private Equity Investment Fund (Fiagro-FIP); and Real Estate Investment Fund (Fiagro-FII), an option that is also being released for retail. In 2021, we began negotiations with five Fiagro-FII.

Soybean Futures

Brazil is a global leader in soybean production and export, which makes our regional price references increasingly important. Faced with that, we launched in November an alternative for risk management especially designed for this reality: Soybean FOB Santos Futures contract, as well as its options. Developed in partnership with the Chicago exchange, the CME Group, the contract uses as reference the price of export in dollars by ton at the Port of Santos and its financial settlement is calculated based on the S&P Global Platts index.

New Fee Structure

At B3 we are committed to sharing with the market the benefits of economies of scale and operating leverage through the reduction of fees. In 2021, we advanced part of these benefits by implementing a new fee policy for the variable income spot market, which brought the custody accounts' maintenance costs to zero for resident investors and reduced products' trading and post-trading fees.

OTC

CPR Registration

One matter that grew in importance during the year was the registration of Rural Product Certificates (CPR), a security representing a promise of future delivery of an agricultural

product and that can be issued by both rural producers and legal entities intending to produce, sell and process produce—including crop and livestock cooperatives.

This topic grew in importance due to the enactment of Law No. 13.986/2020, which has made it mandatory to register CPRs with a Registrar or Central Depository authorized by the Central Bank since January 2021, whereas for CPRs originating outside the financial market, the obligation that until then was for CPRs above BRL 1 million fell in 2022 to CPRs above BRL 250 thousand.

This regulatory agenda resulted in a quick increase in demand for registrations on our platform, with a focus on systemic improvements and on the creation of a new service structure dedicated to those customers. We finished the year with 92 billion in CPRs, more than 300% above 2020, and we are the market leader in registering this asset.

New Registration Platform

Learn more about it on [page 74](#) (Operational Solidity chapter).



Technology, data and service

Auctions and bidding processes

In line with our goal to boost Brazilian growth, one front that kept on gaining momentum in 2021 was that of auctions and bidding processes. We are proud of our thirty years' experience facilitating partnerships between the public and private sectors and supporting projects that improve our country's infrastructure.

In 2021 alone, there were 49 auctions for public concessions and privatizations, carried out in 32 sessions, with total investments of more than BRL 90 billion here at B3. These auctions involved, among others, highways, airports, energy and basic sanitation.

Data

We reorganized in 2021 our data structure, unifying the internal and external analyses and seeking to produce and distribute more content for the market based on our previous analyses.

In the restructuring we created the Advanced Analytics area to enhance our data through predicting models that allow us to become a reference company in techniques.

ESG¹³ Workspace

The performance of companies participating in the 2021-2022 ISE B3 selection process is now available on a new platform: [ESG Workspace](#). This new development aims to help users draw up a strategy from an environmental, social and corporate governance perspective, based on scores and data related to ISE B3. The platform is accessed via website upon registration. Information can be viewed in tables and dashboards (comparative panels).



Find out more about ISE B3 on [page 103](#).

¹³ ESG: acronym for Environmental, Social and Governance.

Financing Infrastructure Unit (UIF)

Although UIF is best known for its activity in the market for real estate and vehicle financing, other activities have been gaining importance in its business model. We highlight two of them, which advanced considerably in the past year.

Insurance registration

In 2020, UIF released a new service: registration of insurance operations, open-end private pension, savings bonds and reinsurance. The goal was to meet regulation demands approved by the National Council of Private Insurance (CNSP) and regulated by the Superintendence of Private Insurance (SUSEP).

According to the new regulation, effective as of November 2020, operations regarding insurance policies for insurance of insurance lines that guaranteed public sector and private sector that would have to be included in the Operations Registration System (SRO). Subsequently, in a schedule set by Susep, the same would apply to other insurance operations, open-end private pension, savings bonds and reinsurance.



With the experience of an institution that has been playing the role of financial market infrastructure for so many years, we were accredited and certified by Susep to offer this service to insurance companies through a system we call InsurConnect.

Backed by our credibility, we have already gained a significant position during the first year this new regulation was in force. By the end of 2021, we already had a market share of around 70% of the insurance registration market.

Analytics

Another activity that gained traction in 2021 was that of analytics-based products. This is a big trend: we want to quickly expand the business so that UIF becomes the main hub for credit and retail in Brazil.

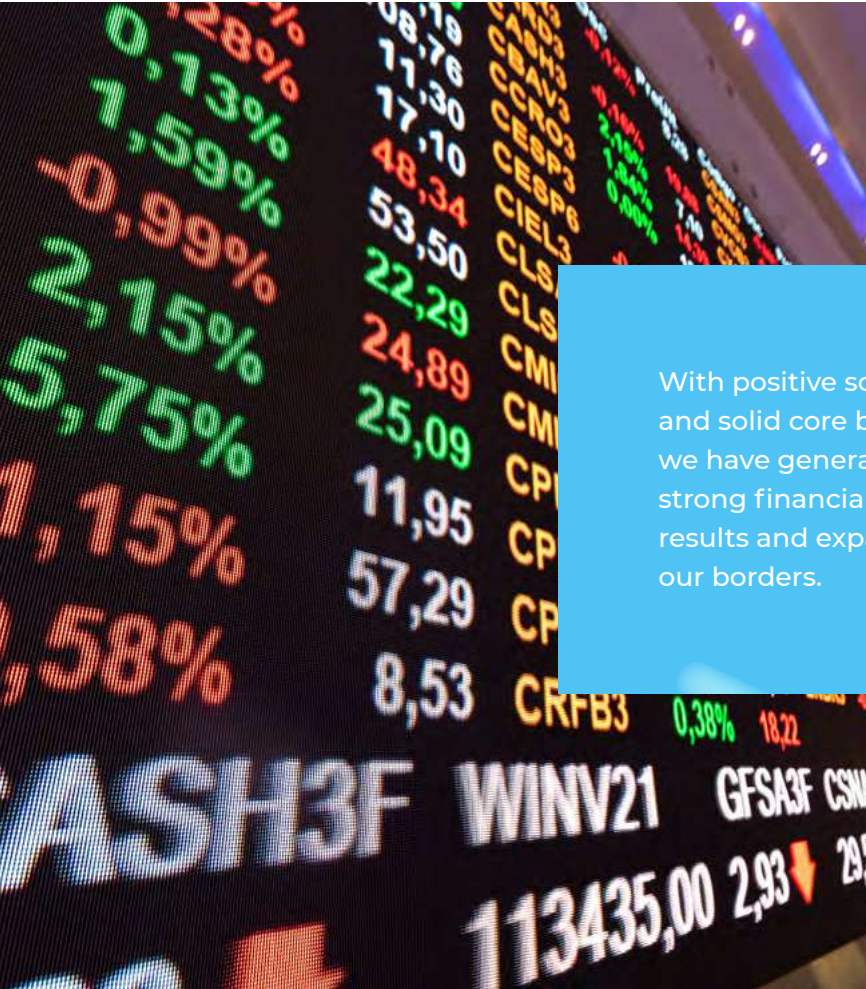
On this work front, we use data from markets where we operate to help other companies make good sales or credit decisions. The development of all analytics solutions goes through a

thorough process of legal assessment that is compatible with our governance.

Since we have big data from both the financial and the capital markets, we have a broad view of the customers' financial life. This allows us to create models and combine data to improve understanding of each individual profile.

In 2021, we focused our efforts especially on the creation and sale of ability-to-pay scores built from B3's positive data combined with data from the hub's partners.

Therefore, we offered a value proposition that is unique in the market: the possibility to add multiple data for an analytics solution combined with B3's governance and solidity.



With positive scenario and solid core business, we have generated strong financial results and expanded our borders.

Operational performance

[102-7; 201-1; 103-2; 103-3]



The year 2021 presented a favorable scenario in the capital market, marked by aspects such as the expressive increase in the number of individual investors in the Stock Exchange and the record number of IPOs.

This conjuncture was added to other positive factors, such as regulatory developments and the improvement of our products and services, which gained strength both in the core business as well as adjacent businesses.

The combination contributed to continue the robust growth trajectory of financial results, started in the second half of 2020 (with the resumption of market after the first months of the pandemic).

See below for more information about our performance, separated by the four main lines of business. All comparisons in this chapter are in relation to the year 2020, unless otherwise indicated.



The Financial Statements
can be accessed [here](#).

Statement of Value-Added (DVA)

[102-7; 201-1; 103-2; 103-3]

In 2021, the value-added by us amounted to R\$ 10.4 billion. It is worth mentioning R\$ 4.7 billion went on to the payment of Interest on Equity Capital to shareholders and R\$ 1.0 billion went on staff and related costs. The tax line also increased, reflecting higher revenue in 2021.

The distribution of the value-added among our diverse stakeholders is shown in the table below.

STATEMENT OF VALUE-ADDED (in thousands of Reais)

	2020	2021
Revenues	R\$ 9,463,674	R\$ 10,435,032
Distribution of added value	R\$ 7,850,848	R\$ 9,369,759
Taxes	R\$ 2,321,028	R\$ 2,852,140
Personnel	R\$ 906,332	R\$ 1,057,271
Shareholders	R\$ 4,152,304	R\$ 4,717,097
Third Parties	R\$ 472,773	R\$ 743,259

Listed

EQUITIES

		2021	2020	2021/2020 (%)
Cash market	ADTV (R\$ million)	33,221.1	29,112.7	14.1%
	Margin (bps)	3.652	3.988	-0.335 bps
Average market capitalization	(R\$ billion)	5,211.2	4,167.4	25.0%
Turnover velocity	Annualized (%)	157.5%	173.9%	-1,649 bps
Options market (stock/indices)	ADTV (R\$ million)	795.0	703.8	13.0%
	Margin (bps)	12.577	11.527	1.050 bps
Forward market	ADTV (R\$ million)	361.3	212.2	70.2%
	Margin (bps)	9.744	12.999	-3.255 bps
Stock indices futures	ADV (thousands of contracts)	3,971.3	2,538.9	56.4%
	Average RPC (R\$)	0.902	1.001	-9.9%
Number of individual investors (CPFs)	Average (thousand)	3,255.8	2,249.5	44.7%
Number of investors (accounts)	Average (thousand)	3,903.7	2,690.8	45.1%
Securities lending	Average open positions (R\$ billion)	105.1	74.0	42.1%

Note: "ADTV" stands for Average Daily Traded Volume; "ADV" stands for Average Daily Volume; "RPC" stands for Revenue per Contract; "bps" stands for basis points; "turnover velocity" results from dividing the volume traded on the spot market in the period by the average market capitalization for the period.

In the equities segment, the highlights were the 14.1% growth in the average daily traded volume (ADTV) in the cash equities market, and the 56.4% in the volume of stock indices futures contracts.

In the cash equities market, the increase reflects the greater market capitalization, influenced by the public offerings held in the last twelve months, and the recovery in the value of shares listed in the segment, which depreciated in 2020 mainly due to the pandemic.

Turnover velocity was 157.5%, down against the previous year, but still above historic levels. The positive performance of futures contracts is explained by the growth in trading of the "mini" version of these contracts, particularly, by individuals and High Frequency Traders (HFT).

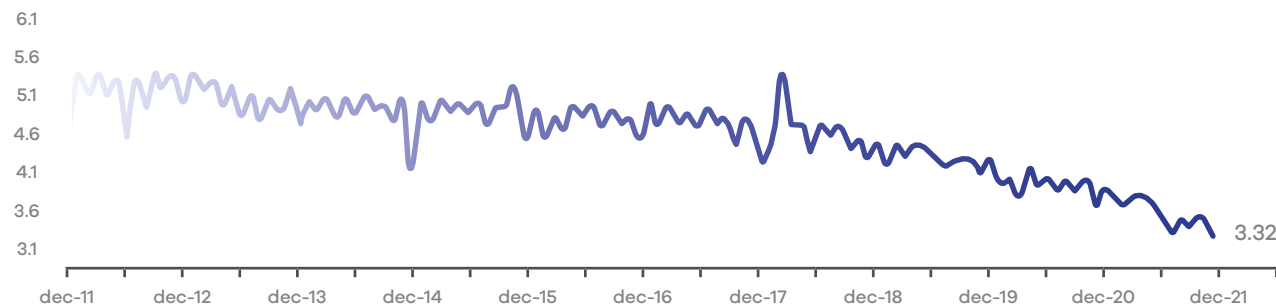
The trading/post-trading margin in cash equities market was 3.652 bps. The 0.335 bps decrease was mainly due to:

- the new pricing policy for the equities market, in effect since February¹⁴, which replaced the progressive discount model based on global ADTV by lower prices for all investors and larger

- discounts for day traders; and
- the effectiveness, in June 2021, of the incentive program for large non-day traders¹⁵, an initiative that offers a differentiated table of fee discounts for clients who fit specific levels of monthly trading volume. The average RPC of stock indices future contracts was R\$ 0.902, down 9.9%, particularly due to the increase in volumes.

The average number of accounts in the equities' depository was up by 44.7%, reflecting the continuous search by individual investors for asset diversification. Finally, the volume of outstanding positions for securities lending grew 42.1% year, influenced by the appreciation of assets in the stock market.

Margin in the equities market (bps)



Note: Margin in bps includes fees at both ends of trades (buy + sell).

¹⁴ In February 2021, the intermediate model for the new price policy for cash equities came into effect, as announced in December 2020. The main changes introduced in this intermediate model were a) replacement of the discount model based on global ADTV for reduced fees, b) adjustments in day trade fees and c) review

of custody fees for local investors, with exemption for accounts with balance of up to R\$20 thousand, in addition to eliminating monthly maintenance fees. Further details available in the [Material Fact](#) dated 12/10/2020.

¹⁵ Further information in [Circular Letter 040/2021-PRE](#).

FICC

		2021	2020	2021/2020 (%)
Interest rates in BRL	ADV (thousands of contracts)	3,263.2	3,058.1	6.7%
	Average RPC (R\$)	0.931	0.891	4.4%
Interest rates in USD	ADV (thousands of contracts)	290.5	288.5	0.7%
	Average RPC (R\$)	2.702	2.291	17.9%
FX rate	ADV (thousands of contracts)	1,047.4	953.9	9.8%
	Average RPC (R\$)	5.417	5.207	4.0%
Commodities	ADV (thousands of contracts)	21.8	14.1	54.8%
	Average RPC (R\$)	1.994	2.187	-8.9%
Total	ADV total (thousands of contracts)	4,622.9	4,314.6	7.1%
	Average RPC (R\$)	2.064	1.943	6.2%

The average daily volume was 4.6 million contracts, up by 7.1%, reflecting higher volumes traded in all contracts. Average Revenue per Contract (RPC) was up by 6.2% in the period, primarily influenced by:

- the 4.5% appreciation of the USD against the R\$ in the monthly closings, which had a positive impact on the RPC of the FX Rates and Interest Rates contracts in USD, since these contracts are pegged to the U.S. currency and
- the increase in longer futures contracts of Interest Rates in R\$, which have higher RPC.

OTC

FIXED INCOME INSTRUMENTS

		2021	2020	2021/2020 (%)
Issues	Bank funding (total in R\$ billions)	12,810.9	12,195.9	5.0%
	Other (total in R\$ billions)	716.7	704.8	1.7%
Outstanding balance	Bank funding (average in R\$ billions)	2,201.3	1,927.1	14.2%
	Corporate debt (average in R\$ billions)	734.4	689.6	6.5%
	Other (average in R\$ billions)	848.7	714.5	18.8%
Treasury Direct	Number of investors (average in thousands)	1,596.6	1,305.6	22.3%
	Stock (average in R\$ billions)	69.5	66.3	4.7%

Note: "Bank funding" includes DI, CDB, Letras Financeiras and other instruments such as RDB, LC, and DPGE.

"Other" includes real estate notes (LCI, CCI, CRI and LH), agribusiness certificates (CRA, LCA and CDCA) and funding instruments (CCB, CCCB, NCE, CCE, Export Notes, and NC).

The volume of issuances and outstanding positions of bank funding instruments increased by 5.0% and 14.2%, respectively, mainly due to:

- the increase in issuances of certificates of deposit by banks, which represented 75.4% of new bank funding during 2021; and
- of the consecutive hikes in the basic interest rate, which contributed to the increase in the outstanding financial volume.

The average outstanding balance of corporate debt instruments increased by 6.5%, with debentures of leasing accounting for 21.3% of the outstanding balance of corporate debt in 2021 (versus 29.0% in 2020).

Another highlight in the fixed-income market was the continuous growth in Treasury Direct (TD), where number of investors and outstanding balance showed an increase of 22.3% and 4.7%, respectively.

B3 offers an incentive program for brokerage firms to increase the number of investors in this product, which is reviewed on a yearly basis. In 2021, in order to adjust the program to different customer sizes, we announced a new format with two incentive models, depending on the broker's outstanding balance¹⁶ in TD, and is recognized as a revenue-linked expense.

¹⁶ Brokers holding outstanding balances of Treasury Direct (TDs) that are worth less than R\$4 billion are covered by Model I, in which case the incentive is a variable amount depending on investor base (R\$200 per customer added); Brokerage firms holding an outstanding balance of more than R\$4 billion in TDs are covered by Model II, in which incentive is calculated as a percentage of the outstanding balance and its amount depends on growing the investor base and may reach up to 0.25% for the highest range.

DERIVATIVES

		2021	2020	2021/2020 (%)
Issues	(total in R\$ billion)	10,903.4	12,989.1	-16.1%
Stock	(average in R\$ billion)	5,060.5	4,039.4	25.3%

Registrations of new issuances on the OTC derivatives and structured notes market decreased by 16.1%, mainly due to lower volumes of issuances of swaps and other derivatives¹⁷, due to the high comparison base in 2020, a period that was influenced by volatility resulting from the beginning of the pandemic in Brazil, when

there was a large number of early terminations of swaps and forward contracts ("Issues" accounts for both new registrations and early terminations). In the same comparison, the average outstanding balance was up by 25.3%, driven by the depreciation of the BRL against the USD.

¹⁷ Other derivatives include BOX, Flexible Options, Derivatives Contracted Abroad and Derivatives Linked to Loans.

Infrastructure for Financing

		2021	2020	2021/2020 (%)
SNG	Number of vehicles sold (thousands)	18,632.4	15,919.8	17.0%
	Number of vehicles financed (thousands)	5,904.4	5,529.2	6.8%
	% Vehicles financed / vehicles sold	31.7%	34.7%	-3.0 pp
Contracts System	Contracts added (thousands)	2,987.3	3,186.8	-6.3%
	% Contracts added / vehicles financed	50.6%	57.6%	-7.0 pp

In 2021, the number of vehicles sold increased by 17.0% in Brazil, reflecting market recovery after the impacts caused by the pandemic in 2020. The number of additions to the National Liens System (SNG) increased by 6.8%, despite lower credit penetration due to a macroeconomic scenario less favorable to financing. However, despite the increase observed in relation to 2020, the levels remain below the pre-pandemic scenario in 2019.

The number of transactions in the Contracts System decreased by 6.3% in the year. It is worth noting that, aiming at complying with Contran Resolution 807, in February 2021, we replaced Integra + by SEND – Data Sending System, a new product that changed our price and contract data availability models.

Technology, data and services

		2021	2020	2021/2020 (%)
Monthly Utilization	Average number of customers	16,154	14,124	14.4%
CIP	Number of electronic cash transfers (TEDs) processed (thousands)	893,452	1,331,734	-32.9%

The average number of customers that pay for the monthly use of OTC segment systems increased by 14.4%, mainly due to the fund industry's growth in Brazil. The number of TEDs [electronic transfers] processed was down by 32.9%, due to growing use of instant payment (PIX) during the year.

05

Socioenvironmental practices and businesses

- Fostering ESG good practices
- ESG product portfolio
- Sustainability-Linked Bond (SLB)
- Social responsibility
- Management of natural resources
- Climate change

Fostering ESG good practices

[102-15; 103-2; 103-3]

The role of market infrastructure gives us a strategic position. In this position, we are able to dialogue, interact and provide service to a set of highly significant economic agents, which includes companies, investors and market participants.

We believe that this brings us possibilities beyond business. We have for example the opportunity to encourage our audiences to adopt good environmental, social and corporate governance practices, thus making a positive impact of a structural nature on society.

Find out more below about our main actions on the subject.

Historic milestone of

4.98 million
individual accounts

Education Hub:

178 thousand
registered users and

1.7 million
registered accesses;
content on the ESG agenda
totaled

6.8 thousand
accesses

87%

of the new IPOs
carried out in
Novo Mercado

First stock exchange
signatory to the
**UN Global
Compact,**
in 2005. Members of
the Advisory Board of
the Brazil Network



Listing

One of the ways we can encourage companies to adopt good practices is creating differentiated segments for share listing, like *Novo Mercado*.

This segment gathers companies that spontaneously commit to complying with more rigorous governance practices than those required by current legislation.

In this initiative, we establish norms that democratize access to information and prioritize structures that aim to mitigate risks for shareholders.

Launched in 2000, *Novo Mercado* finished 2021 with 204 listed companies. This trading environment has also been standing out because it is the preferred trading segment for companies joining the Stock Exchange.

In 2021, of the 46 companies that went public, no less than 40 involved this differentiated segment.

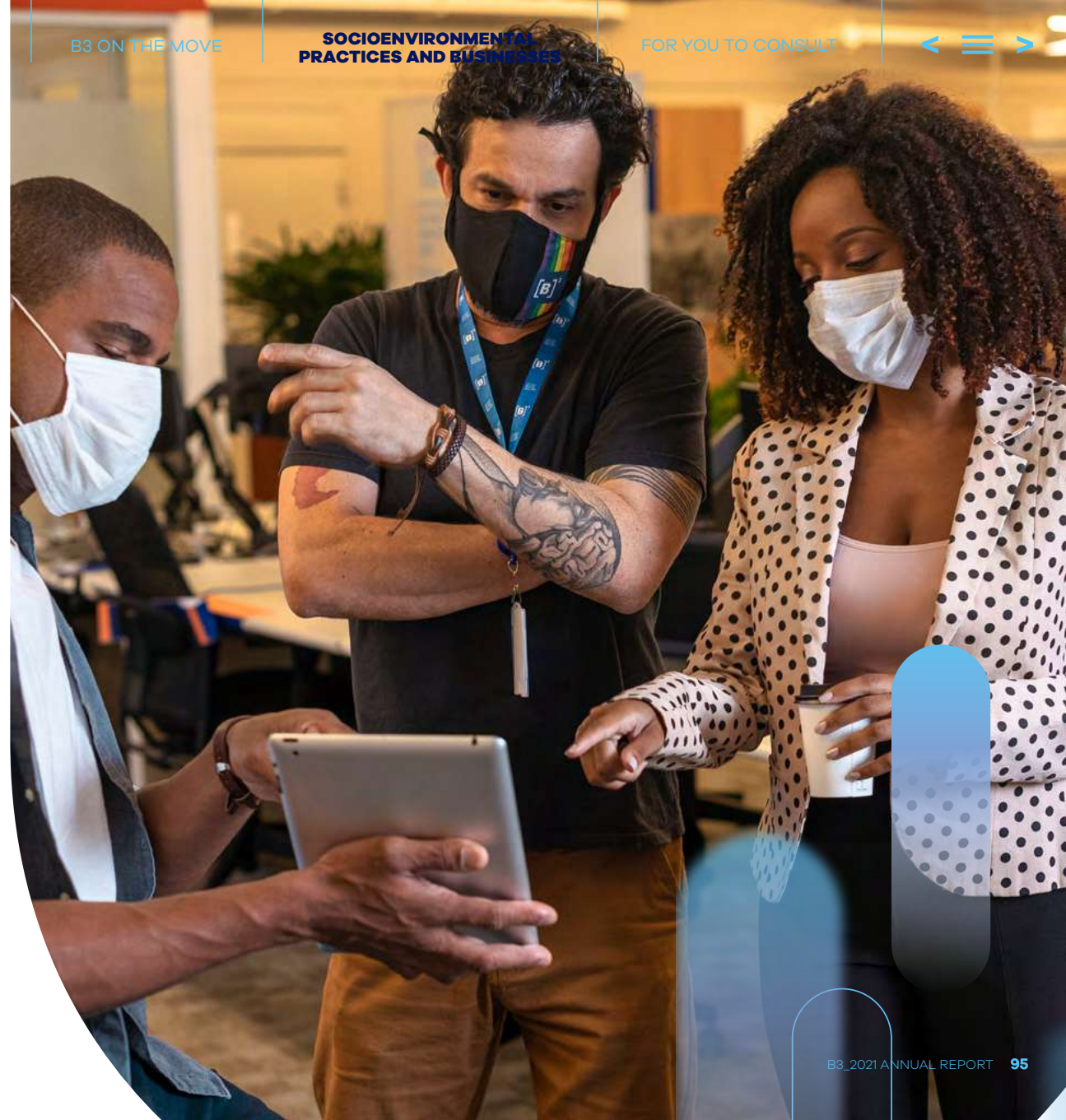
Market and Regulators

Aiming to contribute to the development of financial and capital markets, our teams actively take part in joint discussions and works with regulators and other participants.

One of the issues we have been following in these forums is the evolution and maturation of companies until they go public. We aim to enable a series of measures to foster companies' listing on B3.

One such example was the offering, provided that certain conditions were met, of an additional 12 months after listing for newcomers to Novo Mercado to meet certain segment requirements – among them, the creation of an internal audit area and the establishment of compliance, internal control and corporate risk functions.

It is also worth mentioning the public meeting we conducted to listen to market participants on the adjustment of rules that regulate minimum liquidity levels in Novo Mercado, Level 2 and Level 1 segments. The proposal was prepared based on international practices and took into consideration the current size of the capital markets in Brazil.





Furthermore, we strive to understand the current scenario and promote diversity in the senior management of companies listed on B3. Therefore, we released a report in October called [Mulheres em Ações](#), (“Women in Action”), with data on the presence of women in Boards of Directors and Senior Leadership, broken down by listing segment.

The report also presented national and international initiatives to foster gender diversity in companies, actions by B3 itself on issues of diversity and inclusion and the recent reformulation of ISE B3, our sustainability index.

We also make contributions through the [Market Chamber](#).

Created in 2001, it offers a specialized environment for the resolution of disputes regarding the capital markets, especially those involving corporate conflicts. The Chamber manages conflicts arising in companies listed on B3’s special listing segments (*Novo Mercado* and Level 2). Throughout its 21 years of activity, it has already managed more than 200 arbitration proceedings and transacted more than BRL 40 billion.

Together with regulators, we have been contributing to creating important measures for the development of the capital markets, by reducing barriers and costs so that more companies can access it. Some of the initiatives carried out in 2021 include:

Plural vote

Law No. 14.195/2021 amended part of the Brazilian Corporations Law (Law No. 6.404/1976) and allowed businesses to adopt plural voting in Brazil. Until then, each common share would only carry one right at shareholders meetings. However, the amendment to the law made it possible for shares to be created in one or more share classes with up to 10 votes per share.

The coexistence of different governance structures is a sign of maturity in the Brazilian market, as it allows businesses to pursue their strategies by opting for a governance structure that gives the owner or founder a special role in a company pricing process. It is a key milestone in the process of modernizing the access of businesses to funding instruments on the stock exchange in Brazil.

Aware of how important an issue this is, we have been promoting and

actively participating in discussions since 2019.

That year, we initially hired a survey and promoted debates among specialists. Throughout 2020, we were able to contribute profusely to IMK, an initiative from the Ministry of the Economy, and undertook reporting responsibility regarding the subject.

After interacting with many market agents, a draft bill was prepared and used as the basis for the legislative process responsible for turning provisional measure No 1.040/2021 into Law.

The law aims to grant more flexibility for companies seeking organization and capitalization.

On the other side, in recognition of the inherent risks to leveraged structures, the rule requires a series of safeguards aimed at protecting minority shareholders' rights.

Book-entry commercial paper

The same law No 14.195/2021 also regulated the book-entry commercial paper. Once again, we took active part in the IMK working group that discussed the issue.

According to this law, book-entry commercial papers may be issued by joint-stock companies, limited liability companies, and cooperatives.

In due time, CVM may establish regulations with additional requirements for papers that are publicly offered or admitted for trading.

We must also highlight that privately offered book-entry commercial papers can contain a clause for convertibility in equity interest, except in the case of joint-stock companies.

Small and medium-sized companies (PMEs)

Complementary Law 182/2021 introduced articles 294-A and 294-B to the Brazilian Corporations Law, defining the concept of “smaller companies” and setting guidelines for CVM to regulate easier conditions for their access to the capital markets.

Our organization was responsible for reporting on the theme during IMK 2019, which later was used as the basis to include these provisions on Legal Framework for Startups.

This law acknowledges that PMEs play a remarkable role in the country's economic and social development - which is why it aims to deal with the lack of adequate mechanisms to finance their long-term investments.

With this purpose, the law allows CVM to give PMEs regulatory

discounts, either exempting or adjusting the need to comply with certain rules. This is the case for the obligation to set up a fiscal council and make publications on newspapers.

Public Hearings – In this process of joint construction, we took part in many public hearings conducted by CVM, which proposed a debate on new rules for different aspects of the capital markets in Brazil:

Reference Form (FRE)

It had two main objectives: to reduce the company's compliance costs (consisting of costs incurred as a result of filling in and publishing the Reference Form); and include information in the FRE that reflect practices regarding the issuers' ESG agenda.

In our intervention, which was based on innovation, development and competitiveness without

compromising our market's safety, we debated issues like management compensation, human resources and risk factors, among others.

BDRs

This proposal was aimed at perfecting regulation on depositary receipts issued in Brazil backed by shares or securities representing debt issued abroad (BDRs).

We took a stance for the loosening of regulations to obtain registration as an issuer, in line with a recent decision by the CVM's Board, and reducing compliance costs.

Public offerings

A hearing aimed at altering CVM Instructions Nos. 400 and 476 to unify and reshape the legal framework that regulates the public offering for distribution of securities.

Our participation addressed issues like quiet period, offering fact sheets, registration for intermediaries of small-scale offerings and special purpose acquisition companies (SPACs).

Investment Funds

Aiming to unify the regulatory framework for the preparation, operation and disclosure of information of investment funds, CVM's proposal included normative attachments regarding financial investment funds and credit rights investment funds, starting a process that should in the future reach other kinds of structured investment funds.

In our comments, we addressed issues regarding how the changes proposed in current flows and systems will come into effect, as well as the standardization of new definitions, concepts and documents created in the draft.

B3 Educação [203-2]

We consider that the population's financial education is a very important issue for the Country's development. With initiatives along these lines, we can promote knowledge and create benefits for society and for investors.

Given more access to information, people will naturally acquire a better understanding of investments and the correlation between risk and return, while being enabled to create purposeful investment strategies.

Conversely, lack of financial education can generate risks and have undesired effects on the investor's relationship with the financial and capital markets.

We know that we can advance better and faster if more organizations join forces in this cause.

Given this situation, we are not working alone. In addition to our own initiatives, we use our strategic position of market infrastructure to establish partnerships and boost the work of other organizations.

B3 Educação is currently divided into four pillars: Financial Education Hub; Customers and Partnerships; Knowledge about Products and Services; and Memory Center.

Get to know them better below.

Financial Education Hub [203-2]

In April 2020 we launched the Financial Education Hub, an online platform designed to help individuals learn about the world of investments.

By the end of 2021 we had more than 400 pieces of content, 178 thousand registered users, as well as 1.7 million registered accesses.

In this space, we make two types of content available: our own original content, developed by B3; and those previously produced by partners, customers and the academia, which we have curated and organized.

Visitors can easily access courses and informational material on subjects like the operation of a stock exchange, the stock market, financial organization and ESG issues, all free of charge.

In 2021, we launched the course "ESG: a new way to invest" in partnership with Black Rock and XP Inc. This initiative is available free of charge at the Hub and aims to educate investors and individuals on what ESG is and how good practices can be assessed as an investment criterion.

In 2021, content on the ESG agenda totaled 6.8 thousand accesses.



Find out more on
<https://edu.b3.com.br/>.

Customers and Partnerships

Another way to increase the impact of financial education initiatives is to act in partnership with customers and other institutions to reach a wider audience. We did this on four different fronts:

- Joint actions with Anbima, Ancord, the Central Bank and CVM, with whom we engaged the market in mobilization activities for Financial Education and professional development. This is the case of the ENEF (National Strategy of Financial Education), the World Investor Week, the TOP Program for Teacher Qualification, among others. In 2021, in partnership with CVM we developed a series of three videos that integrated the #seliganacilada campaign. Those were humorous videos that addressed issues like financial scams, pyramid schemes, miracle promises, warning the public of the precautions they should take before making an investment. The videos reached more than 3 million people and were viewed 147 thousand times.
- Offering a grid of courses with partner schools. We are always in touch with the academia to identify opportunities to produce knowledge collectively. In 2021, we launched

the Broker Training program in partnership with *Fundação Instituto de Administração* (“FIA”), which also offers a PQQ Operations Certificate. It has qualified 57 professionals. We also offered free qualification to approximately 70 journalists in partnership with Saint Paul *Escola de Negócios*.

- Encouraging professional qualification of our customers’ teams by offering training on demand, including on our systems. With the same purpose, we established the knowledge to be assessed in the PQQ (Operating Qualification Program) professional certification, which is carried out by the National Association of Brokers and Dealers of Securities, Foreign Exchange & Commodities (Ancord).
- Financial Education Incentive Program, in which part of the revenue from trading on the cash equity market is destined to educational initiatives developed in partnership with customers, offering broader and more relevant content, as well as a more meaningful experience, more in sync with the knowledge needs of different audiences. The program’s first edition took place in 2020

and, since then, we have had more than 40 projects and around 50 participating institutions (among them banks, asset management companies, brokerage firms, listed companies, Autonomous Investment Agent (AIA) firms, etc.). The issues addressed included basic financial concepts, Fixed and Variable Income, Minicontracts, Day Trading, BDRs, ETFs, Investment Funds, Shares, Crypto assets, Derivatives, Agribusiness, Technology and data, FinTech and much more. The projects are presented in multiformat and explore experiences like courses, teaching platforms, events, games and competitions. Both editions reached approximately 160 thousand people, and the 2021 edition still has 23 ongoing projects that are expected to be concluded by the end of 2022.

One of the initiatives developed in 2021 within the Education Incentive Program was the launch of the [ETF.com.vc](#) portal, which gathers information on ETFs and listed ETF BDRs (see more on [page 78](#), under Listed Products). The website has had more than 100 thousand accesses since its launch on August 23 and had the support of six important product managers.

Knowledge about products and services

Under our vision, educating people on the workings of the capital markets in general, and on our products and services in particular, is the way to support market development.

That is why we produce educational content in different formats for one-off use or use in knowledge tracks. We also offer white label material and training focusing on launching and sustaining products.

One example of a project designed for our customers and partners' teams was the course on DAP (IPCA coupon futures contract). In a scenario of price instability where pension funds need to meet targets, the DAP is an alternative for protection that broadens these participants' possibilities. Based on a deep analysis of these partners' value chain, we developed educational pieces, a full course and an eBook for consultation. The DAP recorded a leap in the quantity of contracts traded in 2021, and demand for the course grew accordingly. We changed our distribution format to reach a wider audience: while we required previous registration before, now all interested parties can freely access the content.

Memory Center

Our institution is more than 100 years old and we are proud to be able to help tell the story of financial markets in Brazil. For this purpose, we have a collection of more than 100,000 items including documents, videos, photos and objects.

In 2020, we made an inventory of the entire collection of the Memory Center and established an action plan to include items from the Rio de Janeiro Stock Exchange.

In 2021, we donated space in one of our buildings and sponsored the creation of a museum with resources from the Federal Law for the Promotion of Culture, which will be part of the tourist itinerary of Downtown São Paulo.

In this space, which will be called MUB3 - *Museu da Bolsa do Brasil* (Brazilian Exchange Museum) will tell the story of the market, a story that is able to reach the widest range of audiences.





Find out more on [page 58](#)
and on our [website](#).



Sustainability commitments

[102-12; 102-13]

We know that building a more sustainable world is a challenge that needs to be faced by all layers of society. Being part of commitments and movements for sustainability is one of the ways we can strengthen this cause and encourage others to take part.

Not surprisingly, we at B3 act as associates, members and/or signatories to many institutions and commitments focusing on the ESG agenda. We want to contribute and monitor trends and possible regulations that can impact our operations and stakeholders, as well as use these debates as an input to create responsible products and services.

These are some of the commitments in which we take part:

- First signatory stock exchange to the UN Global Compact, in 2005. We are also members of the initiative's Board (*Conselho Orientador da Rede Brasil - CORB* [Advisory Board of the Brazil Network]) and the local committee.
- Signatories to the Principles for Responsible Investment (PRI) since 2010.
- Founding signatories to the Sustainable Stock Exchanges (SSE), in 2012.
- Member of the World Federation of Exchanges' (WFE) Sustainability Working Group since 2014.
- Member of the Advisory Board at CDP Latin America since 2011.
- Member of the Intersector Commission for Sustainability and Environment of the Brazilian Federation of Banks (Febraban).
- Member of the Working Groups for Financial Instruments and Impact Investments, FinTech, Green Finance, ESG Risk Management and Transparency of CVM's Financial Innovation Lab since 2020.
- Member of the Capital Markets Initiative (IMK) of the Ministry of the Economy since 2019.
- Supporter of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), a task force of the Financial Stability Board (FSB), since 2017.

ESG product portfolio

[102-2; 102-15]

 Social and
Relationship Capital

One of the pillars of our sustainability strategy is to strengthen the portfolio and open new ESG fronts in the market. In the past year, we continued to make progress in this direction. Both in the listed and the OTC markets we have made our set of products and services more solid and diversified.

ESG indices

[103-2; 103-3][FN-EX-410a.4]

One of the incentive mechanisms for good practices are the indices that gather in one portfolio all issuing companies considering ESG aspects and that can be replicated by funds or ETFs, thus also reaching investors who are interested in bringing this issue into their investment portfolio.

ISE B3: Number of companies that signed up to the process outperforms in

62%

the previous year's total

Release of
ESG Workspace

Release of
IGPTW B3 index,
in partnership with Great
Place to Work

72%
of the companies
invited participated
in the ICO2 B3
process

More than
30 million
CBIOs issued

We finished 2021 with eight indices of this nature in the Listed market:

Corporate Sustainability Index (ISE B3)

Launched in 2005, ISE B3 was the fourth sustainability index in the world. Its goal is to gather in a hypothetical portfolio of companies with the best corporate sustainability practices.

For this purpose, we assess the practices of each company through a process involving questionnaires and the submission of evidence. In 2021, we finished reshaping the methodology, after a listening and dialogue process that included public hearings.

The new ISE B3 simplified and reduced questions in order to encourage eligible companies to participate. At the same time, it created forms specific to each sector so the companies can assess and act in light of the materiality of their activities.

Another novelty was the publication of all participants' answers and performances by the end of the process, as well as a partnership with CDP to provide data on climate change and with RepRisk, a global leader in ESG risk data and metrics.

In 2021, we hit a new record number of companies that signed up to the process: 133, of which 73 were eligible and 60 answered the *Simulado* ISE B3 [Simulated Test] (public and free access alternative for public or privately held companies so they can use the questionnaire as a reference for good practices). The number of participating companies is 62% higher than in the previous year.



Find out more about ISE B3 at:
<http://iseb3.com.br/> **and access**
the participating companies'
performance in the 2021 process at:
<https://esgworkspace.b3.com.br/>.





IGPTW B3

In October 2021, we officially announced the creation of a new index, the first in the world assessing the performance of certified companies according to the Great Place to Work survey.

The index takes into account GPTW-certified companies and the best companies to work based on the national ranking prepared by SAD consultancy firm.

The first composition of the portfolio was announced in January 2022 and included companies certified and acknowledged in the national ranking for the 2021 cycle.

Carbon Efficient Index (ICO2 B3)

Created in 2010, ICO2 B3 aims to show the market companies that have already taken the first step in the climate change agenda, preparing their greenhouse gas inventory. The index also previews how companies in the portfolio are preparing for a resilient and low-carbon economy.

In 2021, the second year the companies who hold the 100 most liquid assets in the Exchange are invited to be part of the portfolio, ICO2 B3 hit a new record number of participants, with 72 companies disclosing information, compared to 60 in 2020.

S&P/B3 Brazil ESG Index

Launched in September 2020, in partnership with S&P, S&P/ B3 Brazil ESG uses criteria based on environmental, social and governance practices to select Brazilian companies for the portfolio. The methodology takes into account all of the companies listed in our exchange environment and that are part of S&P Brazil BMI (Broad Market Index), except for those that do not adhere to the principles of the Global Pact or that are part of specific sectors (arms, tobacco and thermal coal, for example).

Special Corporate Governance Stock Index (IGC B3)

Its portfolio comprises shares of companies listed on Level 1, Level 2 and Novo Mercado. All of these segments adhere to differentiated corporate governance rules that go beyond obligations companies must comply with according to the Brazilian Corporations Law. The goal is to improve assessment of those that decide to adhere voluntarily to these listing segments.

In addition, such rules attract investors. By ensuring rights to shareholders, as well as establishing rules on the disclosure of information to market participants, these regulations aim to mitigate the risks of information asymmetry.

Novo Mercado Corporate Governance Equity Index (IGC-NM B3)

Its portfolio comprises companies whose shares are traded on Novo Mercado, a listing segment including companies that voluntarily commit to adopting higher corporate governance practices than required by law.

Corporate Governance Trade Index (IGCT B3)

This comprises companies listed on Novo Mercado, Level 1, or Level 2. In addition to considering the governance levels of listed companies, it has even stricter liquidity criteria, to guarantee their replicability. One of such criteria, for example, is being among the eligible assets that, during the effectiveness

of the three previous portfolios, in descending order of Tradeability Index (IN), jointly represent 99% of the total amount of these indicators.

Special Tag-Along Stock Index (ITAG B3)

Comprises shares of companies that provide better conditions for minority shareholders, in the case of ownership transfer.



Find out more about the family of ESG Indices and their respective portfolios at the B3 website.

OTC market [201-2]

We also advanced in this segment in 2021 by offering services and solutions for ESG products:

COEs (Structured Transaction Certificates)

Bank funding instruments that combine elements of fixed and variable income elements in a single product and can be backed by assets or indices that track ESG principles. In 2021, we issued 245 COEs with social, environmental and governance themes, totaling BRL 645 million invested. Compared with 2020, the figures surpassed by 60% the number of certificates issued and 80% of the volume raised.

ESG Thematic Bonds (green, social, or sustainable)

In the past years, the market has developed many financial instruments that facilitate fund raising for sustainable economic activities. This is the case of Green, Social

and Sustainability Bonds and Sustainability-Linked Bonds.

Green, Social and Sustainability Bonds are debt instruments issued by companies, governments and multilateral entities traded in the capital markets with the purpose of attracting capital for projects that aim to create a positive socioenvironmental impact. Brazil is especially sought after as a destination of financial investments in ESG Thematic Bonds.

The issuance of these securities in our trading environment dates back to November 2018. By the end of 2021, there were 115 instruments – 76 debentures, 26 Agribusiness Receivables Certificates (CRAs), 9 Real Estate Receivables Certificates (CRIs) and 4 Closed-end fund shares (CFFs) – in our systems, totaling an issuance amount of BRL 30 billion.





In order to foster more local issuances, we are promoting debates and initiatives on this issue in partnership with market organizations specialized in the subject.

In October 2021, we conducted the webinar “Risks and Opportunities on the issuance of Green Bonds in Brazil”, which involved both the CBI (Climate Bonds Initiative), an international organization responsible for the Climate Bonds Standard, and ICMA (International Capital Market Association), responsible for the development of the Green Bond Principles, as well as other market participants who shared their experiences on the issue.

CBIOs

This instrument was created by RenovaBio, the National Biofuel Policy, through Law No 13.576 and aims to contribute to the decarbonization targets taken on by Brazil in the 2015 Paris Accord. These targets include an increase in the biofuel share of the Brazilian energy matrix to approximately 18% by 2030.

In 2020, Decarbonization Credits (CBIOs) were granted the possibility to register emissions and a specific trading platform, reaffirming our engagement with and contribution to climate questions. In 2021, more than 30 million CBIOs were issued, 24 million of which were retired to meet the year’s decarbonization target.

Sustainability-Linked Bond (SLB)

[102-15]



Financial
Capital



Human
Capital

In September 2021, we made another announcement to the market: we became the first stock exchange in the world to issue a Sustainability-Linked Bond (SLB).

This is a fund-raising instrument in which the company issues debt securities with interests tied to the fulfilment of sustainability commitments.

In our case, the SLB totaled USD 700 million, with a ten-year period, an initial rate of 4.125% per year and targeted at qualified investors living abroad.

This allowed us to access a wider investor base, so as to diversify our long-term financing source and make commitments that are focused on sustainability, while reinforcing the institutional commitment to the ESG agenda.

When issuing bonds, we are committed to two goals¹⁸:

Creating by 2024 a market index that measures the performance of companies with good diversity indexes; and

Reaching the target of 35% of women in leadership positions at B3 (managers, superintendents and executive board)¹⁹ by 2026.

¹⁸ 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.

¹⁹ The definition of Manager includes general managers and first level (I) specialists. Similarly, the definition of Superintendents includes superintendents and second level (II) specialists. Finally, the definition of Executive Officers includes officers, executive officers, vice-presidents and CEO of B3.

The operation was assessed by an independent second party, aimed at certifying its compliance with the guidelines established by the Sustainability-Linked Bond Principles (SLBP) and the Sustainability-Linked Loan Principles (SLLP). Furthermore, it aims to ensure investors that the use of funds is reliable and effective and that the goals and indexes tied to operations are material and relevant to us.

The evolution of goals will be regularly published at our Annual Report, as this is a public document that gathers financial and ESG information which is also assured by an external audit.

Evolution of goals

What we did in 2021:

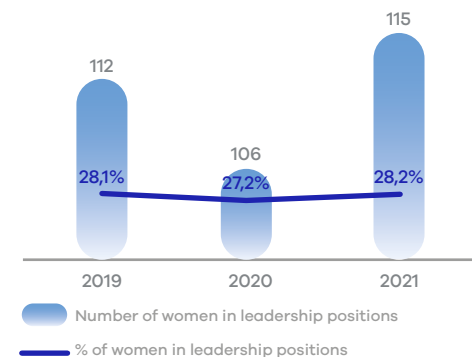
Diversity Index [103-2; 103-3]

- Creation of a working group involving the areas of Sustainability, Diversity & Inclusion and Products.
- Conduction of a study and a survey with information on:
 - » Market, regulator and society demands;
 - » Benchmarking with other exchanges.
- Mapping of indicators and metrics related to standards and market instruments related to Diversity & Inclusion that can be taken into consideration when developing the methodology.
- Prioritizing the index in our index lab for methodology development.

Women in leadership positions [103-2; 103-3]

- Revision of partners and Recruitment & Selection practices;
- Closer and more intentional actions in the merit and promotion cycle;
- Drafting of a specific action plan for each area with monitoring of the vice presidents and executive officers.
- Launching of a Mentorship Program for Women targeted at coordinators, consultants and managers;
- 1% increase in female representation in leadership positions, ending the year with 28.2%.

Evolution of Female Representativeness in Leadership



Social responsibility

[103-2; 103-3; 413-1]



Social and
Relationship Capital

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

The main way we contribute is through B3 Social, a non-profit association founded in 2007 that strategically directs funds from B3 S.A. and Associação Bovespa to social projects.

In 2020, B3 Social established a new strategy: acting as a grantmaker. This means using the knowledge in management, impact and assessment of results to make Private Social Investments (PSI) in high performance social projects, whether by direct donation or through fiscal incentive laws.

Besides PSI, B3 has another priority front: volunteering. Through a well-structured program, B3 employees have many opportunities to contribute and exercise individual philanthropy for social actions.



If you wish to see the full table of social and cultural investments we made this year, either directly or through incentive laws, [click here](#).

About

74 thousand
public schools impacted

Social investment of approximately

BRL 50 million

2.7 million

people benefitted by social
investments and mobilization

About

50 thousand
staple baskets financed

Private Social Investment in 2021 [103-2; 103-3]

When B3 adopted the grantmaking strategy, it used the concept of Venture Philanthropy as a model, in which besides financial support there is a process to monitor and assess results in each project based on data and evidence.

Another important resolution was on focus: from then on, investments would be targeted at initiatives that focused on the structural transformation of Brazilian public education

In 2020, however, there was an emergency change to the plan: because of the pandemic, the organization decided to target efforts to combat the health crisis and its repercussions.

The original plan was reinstated in 2021 and B3 Social put together its first portfolio of direct investment in education, totaling BRL 16.5 million in 24 projects.

The initiatives include actions focused on literacy, combating school dropout rates,

socio-emotional skills, financial education in public schools and education for life and work.

The selection took into consideration whether the projects had a structuring nature, their potential for impact, compliance with the principles of diversity and inclusion; the geographic scope of the portfolio and other criteria stipulated in the organization's strategic matrix.

With the continuation of the pandemic, combating its repercussions has remained a priority. In 2021, B3 Social committed BRL 12 million to it, focusing on food security and health. The investments include donation of staple baskets and oxygen concentrators, besides support to large public hospitals.

When combining directly supported actions for education and against the pandemic, B3 Social's PSI agenda benefited 2.7 million people in 24 states.

Investment by incentive laws

B3 Social manages B3's tax incentive laws and in 2021 sought initiatives that contributed to the reduction of inequalities in Brazil and that demonstrated education as a priority or transversal topic. More than 300 proposals were evaluated, directing approximately BRL 20 million to social actions in 18 states.



Volunteering in 2021

In 2021, B3 Social's volunteering program kept focusing on remote activities, aiming to provide safe and flexible ways our employees could participate.

Engagement was still high: approximately 48%²⁰ of our employees took part in at least one volunteer action or made one donation proposed by B3 Social.

In total, the program had 1,153 volunteers and donors, 14 actions and a total 2,264 hours of activities.

Among the main initiatives are interview simulations and mentorship for youths looking to get into the job market, campaigns in which

B3 employees appointed NGOs to receive financial support and actions with B3 experts sharing their knowledge for social purposes.

One more impacting action was the second edition of the campaign to raise donation of staple basket launched in 2020, during the pandemic, which continued in 2021. Each donation made by an employee is matched fivefold by B3 Social.

In the last edition, the campaign raised approximately 36 thousand staple basket donations and benefited 144 thousand people suffering from food insecurity in the states of São Paulo and Rio de Janeiro.

²⁰ Relative to the total employees in January 2021.

Management of natural resources

[103-2; 103-3]



Natural
Capital



Manufactured
Capital

Here at B3, we face the challenge of making our operation increasingly efficient from an environmental point of view.

Our way of continuing to advance is to continually invest in good practices and new technologies – whether in buildings, systems or any aspect that has an impact on the use of natural capital.

Another way of dealing with the challenge is the adoption of an Environmental Management System, which allows us to control the consumption of natural resources and waste generation and identify opportunities and corrective actions to stimulate continuous improvement.

We also have annual and quarterly procedures to monitor bills, legislation and environmental resolutions inherent in our business, with the aim of mitigating any breach of rules or negative impacts on the environment.

In 2021, considering the environmental aspects relevant to the reality of B3, as a result of the monitoring procedures, which involve the analysis of documents, information and clarifications, we did not identify any

non-compliance with environmental laws and/or regulations.

See below the main deliveries and advances in the year.

More sustainable buildings

Despite the pandemic, in 2020 and 2021 we made rapid progress in one of the most important initiatives for the consolidation of our culture: *#MovimentoB3*, a comprehensive project for retrofitting of our main buildings in downtown São Paulo.

Through this action, we seek to advance above all in three aspects: meeting the needs of teams with more comfort; adapt spaces for new ways of working, in line with the agile culture; and minimizing the impact of operations on the environment.

Last year, the works on Praça and XV sites were completed. Both were once again used by the teams, but with a hybrid work dynamic. Now, the focus is on the work of the João Brícola site, whose estimated delivery date is mid-2022.



Discover some of the sustainable solutions implemented by *#MovimentoB3*:

Rational use of water

- Devices that limit the flow of water in valves and metals, reducing consumption.
- Low-flush valves to reduce water flow in basins.
- Reuse water to supply basins and urinals.

Energy efficiency

- Lighting fixtures with energy saving lamps (LED).
- High efficiency air conditioning (high COP).
- Automatic activation of lighting and air conditioning (time programming).

Greenhouse Gas Emissions (GHG)

- Location of the headquarters with a wide range of public transport, which makes this alternative more attractive than the use of private cars.
- Lack of parking spaces within the company, which encourages travel by means other than cars.

Waste

- Reinforcement of disclosures on best disposal practices and availability of more containers on the floors, for the proper separation of materials that can be recycled.
- 1,304 tons recycled in the works.
- 3.5 tons of confidential documents shredded and sent for recycling

Data Center

As a company that offers infrastructure services to the market, our main environmental impact is related to the consumption of electricity, mainly in the Data Center building, located in Santana do Parnaíba, where part of this consumption is directed to the cooling of buildings and machines.

Opened in 2014, the Data Center represents about 60% of our total electricity consumption, which ends up reflecting in scope 2 of our emissions.

We are analyzing how we can reduce this impact. Measures are under study and will be discussed over the course of 2022. **[302-4]**

The principle of adopting the best eco-efficiency practices in our facilities includes our Data Center. The building has LEED (Leadership in Energy and Environmental Design) certification, a kind of sustainable construction seal, which identifies buildings that meet environmentally correct criteria, such as the rational use of water and energy. The certification is granted by the U.S. Green Building Council (USGBC).

Energy Consumption

[103-2; 103-3; 302-1; 302-4]

In our operation, 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, propose improvements and adjust consumption levels.

In 2021, the total energy consumed was 103,268 GJ, an increase of 9.9% compared to the previous

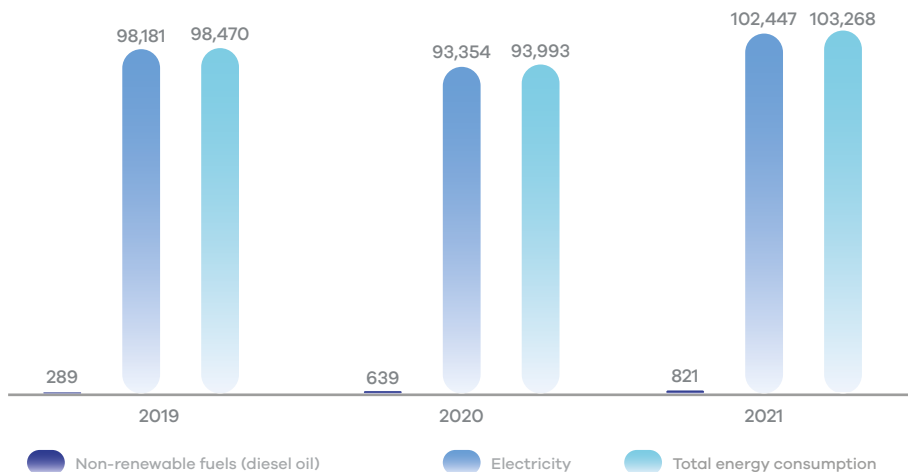
year. The variation is due to the increased use of buildings by employees in the second half of the year, with the implementation of the hybrid work model and the expansion of the Data Center. The consumption of diesel fuel increased by 28.5% relative to 2020, with diesel used to run tests on the generators for our data centers to ensure the equipment works in the event of a water crisis. The purchase was made to supply the Data Center generator.

Water consumption

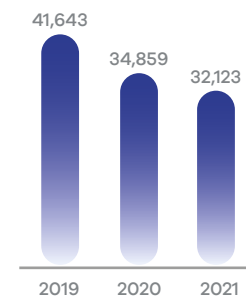
[103-2; 103-3; 303-5]

Our water consumption in 2021 was 32,123 m³. This means a decrease of around 8% compared to the previous year, mainly due to the reduced use of buildings, either due to retrofit works or remote work. Despite the reduction in total consumption, two buildings had an increase in their bills: the Data Center, given that part of the water consumption goes to the cooling system, and the Praça building, due to a leak in December, which has already been fixed.

Energy consumption (GJ)



Water consumption (m³)



Waste Generation

[306-3]

Due to the nature of our activities, the waste produced in our facilities is not classified as hazardous, as it comprises office supplies.

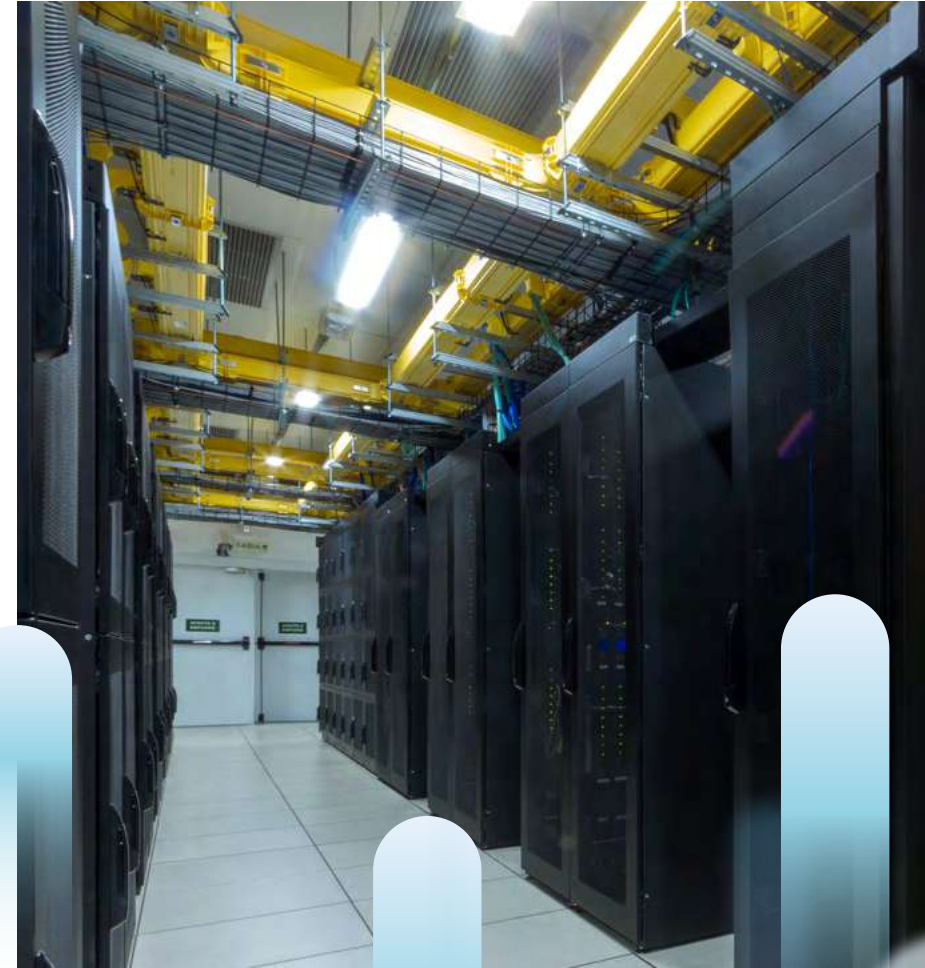
Regarding the management of electronic waste in the Data Center, we have three work fronts:

1. HDs and Tapes: All information is destroyed. The media is shredded and the components are separated for recycling.

2. Electronic Equipment Auction: We auction obsolete or damaged electronic equipment from the Data Center.

3. Structured network cabling: The waste products are sent to the manufacturer for copper recycling.

We also manage and monitor organic and recyclable waste. In 2021, the total amount of recyclable waste generated was 17,575 kg, which represents a decrease of 22.7% compared to the previous year. As with water consumption, there was less waste generation in the period, as our employees worked remotely for most of the year.



Climate change



Global warming due to the greenhouse effect has intensified as a consequence of human activities. The main result of this phenomenon is the increase in extreme weather events, capable of impacting people's health, infrastructure and the economy.

It is already possible to observe effects on the planet such as changes in rainfall patterns; greater temperature variation; increase in agricultural productivity and in concentration of gases in the atmosphere, among other aspects.

We believe that action and integration of companies are essential elements for society to mitigate the effects of climate change.

It is necessary for companies to be prepared to think about their operations far beyond the financial scope and to link environmental issues to their commercial and strategic agendas.

Here at B3, our activities have a low environmental impact, given the nature of the business. Even so, we recognize the importance of being attentive to the topic, for two reasons:

We know that climate change can generate risks and opportunities for our business;

And we are committed to being in line with the best market practices and encouraging other companies to do the same.

Accordingly, we manage the matter: we monitor environmental impacts; we implement management, mitigation and transparency initiatives; we set goals; and we are signatories to voluntary commitments that aim to promote the climate agenda at the national and international levels.

**Our commitment:
to reduce, by 2026,**

15%

**of our scope 2
emissions**

**Carbon neutral
since 2011**

**B score
on CDP Climate Change**

**Support to
TCFD**



Among these voluntary commitments, we highlight:

- CDP Climate Change: Initiative aimed at providing transparency to information and establishing internal processes for identifying risks related to climate change. In 2021, the responses presented – both as a listed company and as a market driver – led B3 to remain, for the second consecutive year, with a B score (on a scale ranging from D- to A).
- Task Force on Climate-Related Financial Disclosures (TCFD) – We have been committed, since 2017, to following the voluntary recommendations of the TCFD. We will present below the report of our practices related to climate change in accordance with its guidelines.

Climate Governance

Our main governance body, responsible for issues related to ESG and climate change, is the Internal Sustainability Committee (see more about its composition and proposal in the Governance chapter), which brings together senior leadership on the topic and reports to the Executive Board and the CEO

In 2021, two Committee meetings were held in which the topic was addressed, which included training for members on the Carbon Market.

Our Climate Governance also has:

- The People, Marketing, Communication and Sustainability Department, which reports directly to the CEO, and the Sustainability Superintendence to connect the main sustainability issues to the business.
- The forwarding of ESG and climate change agendas to the Board of Directors and to the Executive Board meetings, upon demand.

Strategy

As a market infrastructure, we have the role of fostering best ESG practices among our stakeholders, offering products and services that support our customers in the transition to a more sustainable economy and conducting our activities through responsible internal management. These roles are made tangible in our sustainability strategy, where the climate change theme is present in each of the pillars that make up this strategy.

Over time, we have advanced in different ways on these strategic fronts. The main opportunities already addressed are related to the strengthening of ESG products and services, which can be seen on [page 103](#); and in various market-fostering actions – such as the development of two guides²¹ prepared within the scope of our participation as members of the Sustainable Stock Exchange Initiative.

²¹ They are: the “Action Plan to Make Markets Climate Resilient: How stock exchanges can integrate the TCFD recommendations” and “Model Guidance on Climate Disclosure: A template for stock exchanges to guide issuers on TCFD implementation”.

In 2021, we identified new opportunities in relation to climate change, which were correlated to a time horizon for their materialization, to the risks inherent to the business and to the sustainability strategy.

These opportunities are directly related to our internal management in terms of infrastructure, stakeholder engagement and new product fronts – and some of them influenced the 2022 strategic and financial planning (OPEX).

We also have a Socio-Environmental Responsibility and Governance Policy, which sets forth a clear commitment to climate change (learn more on [page 32](#)).

In addition, in 2021, we also developed a new climate roadmap in which we mapped medium and long-term actions aimed at maintaining adherence to the TCFD guidelines.

Risk Management

The ESG theme, which includes issues related to climate change, is also evaluated from the perspective of these two risk approaches. In 2021, the company carried out a survey to identify risks related to ESG and climate change that could be inherent to the business.

The result of this survey will be integrated, in 2022, into the corporate risk report in a top-down approach.

Targets and Metrics [103-2; 103-3; 305-1; 305-2; 305-3; 305-5]

Greenhouse Gas (GHG) Emissions Inventory

In order to manage our environmental impact, since 2010 we have prepared and published the Greenhouse Gas (GHG) Emissions Inventory, a document verified by a third party and integrated into the Public Emissions Registry of the Brazilian GHG Protocol Program.

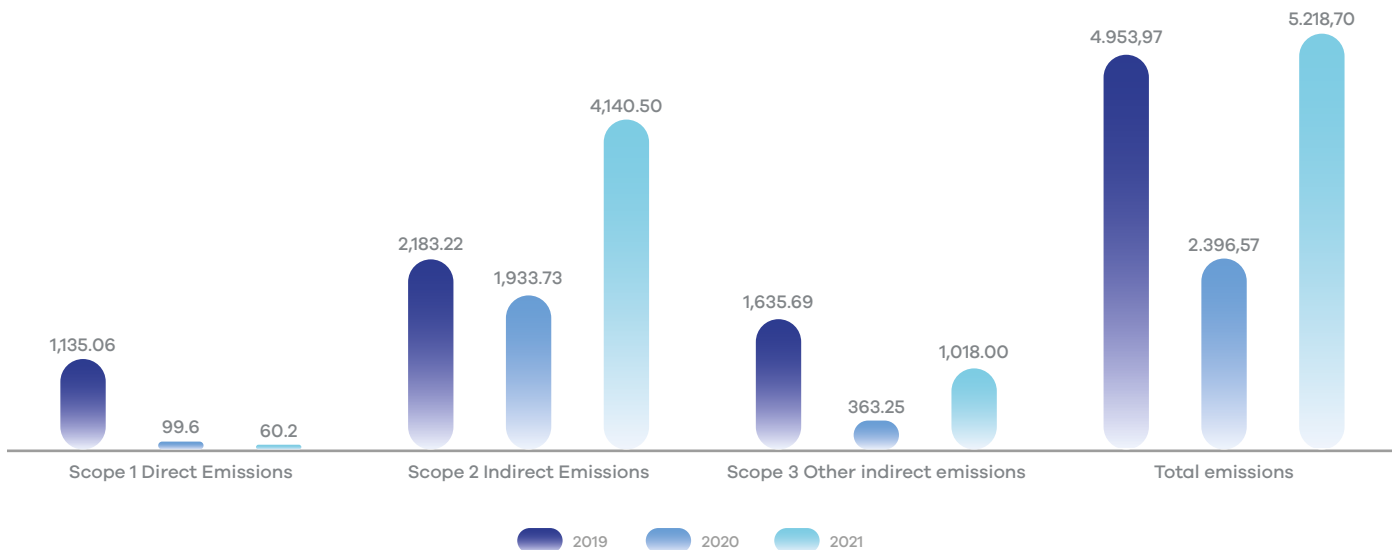
In 2021, our Scope 1 emissions were reduced by approximately 39%. This variation is due to a decrease in the amount of replacement of refrigerant gases. Approximately 93% of Scope 1 emissions came from stationary sources, related to the consumption of diesel used in tests on generators in the data centers.

Regarding scope 2, there was an increase of approximately 9.9% in electricity consumption, compared to 2020. However, the significant increase of 114% in this scope, compared to the previous year, is due to the increase in GRID emission factor, which was directly impacted by the water crisis that increased the use of thermoelectric plants during the year (when hydroelectric plants are not enough to meet the population's demand, more thermoelectric plants are activated to meet this demand) and consequently resulted in the variation of greenhouse gas emissions.

We had a 180,8% increase in Scope 3 emissions, with employee commuting category 7 (home - work) being the source with the highest emission, with approximately 95% of this scope. With the adoption of the hybrid work modality, the number of employees who went to work in person increased considerably. To account for 2021 Scope 3 emissions, we conducted the survey "How do you go to B3?" with employees. It is noteworthy that in 2020 the survey was not carried out and the year's emissions were calculated by extrapolation.

The inventories are available in full on our [website](#).

Emissions by scope (tCO₂e)



GHG emissions offsetting

Since 2013 (base years 2011 and 2012), we have offset our non-reducing GHG emissions, which makes us a carbon neutral company.

In 2021, we offset a total of 2,400 Verified Emission Reductions (VERs) / tCO₂ and (total offset – Scopes 1, 2 and 3), referring to 2020 emissions (2,396.57 tCO₂e).

The project chosen was the Lages Cogeneration Unit – Engie Brasil Energia, located in the city of Lages, in Santa Catarina. The initiative aims to produce clean and renewable energy using waste from the timber and forestry industry and is certified by the United Nations in the Clean Development Mechanism (CDM).

Targets

In 2021 we worked with a corporate ESG target, approved by the Board of Directors and which had an impact on CEO compensation. The target was related to the fulfillment of a total of 31 actions, five of which were related to climate change. By the end of the year, we had already achieved 100% of the objective.

Additionally, we have established a target of reducing, by 2026, 15% of our scope 2 emissions, based on 2021 emissions. To meet this target, we carried out surveys on, for example, renewable energy certification programs. The measures are under study and will be discussed throughout 2022.



06

For you to consult

- Further Knowledge Tables
- GRI and SASB Content Index
- Assurance Report
- Credits

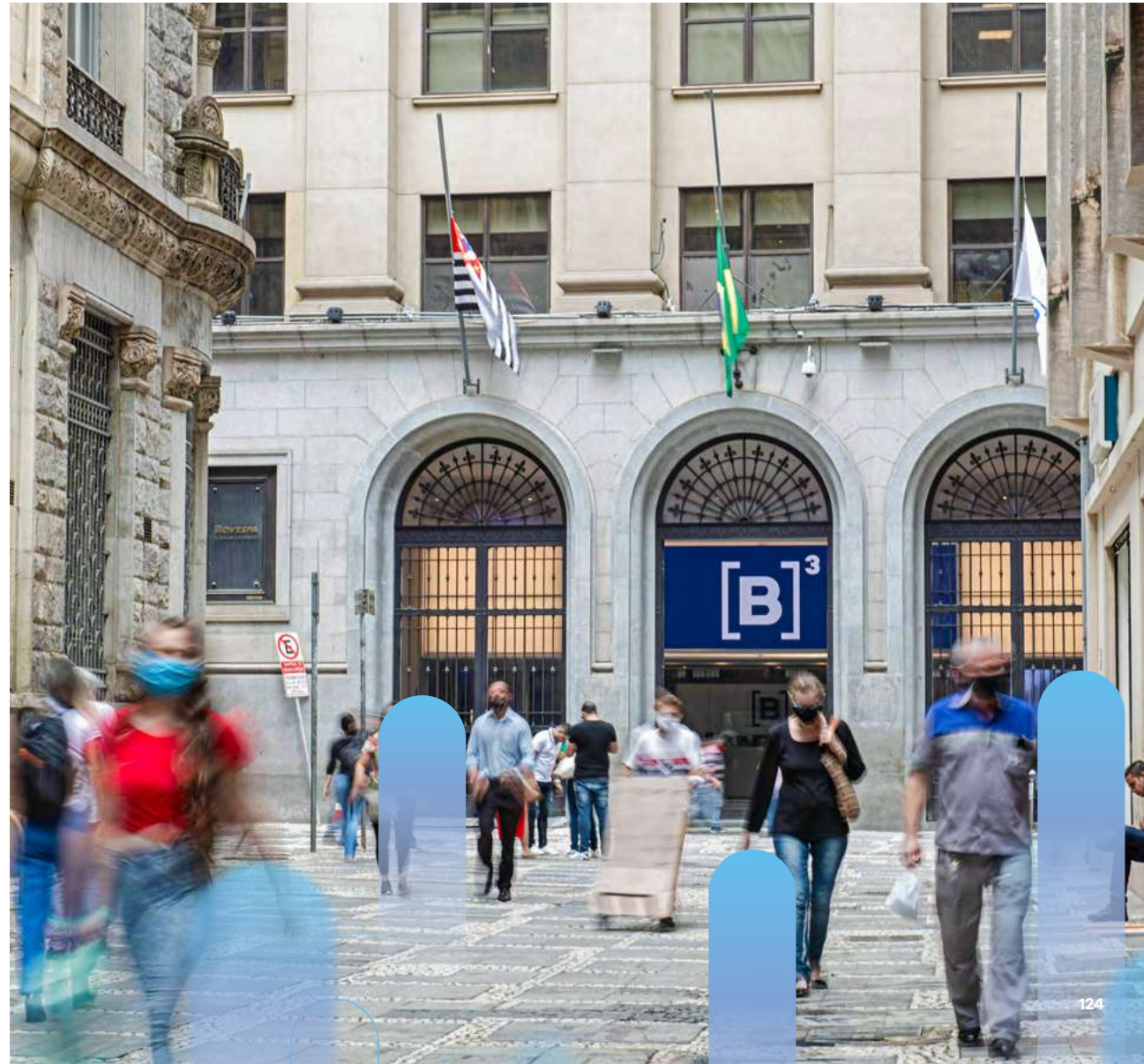


Further Knowledge Tables

Here you will find quantitative environmental, social and corporate governance indicators and their historical results. The Year over Year (YoY) column shows the comparison, in percentage (%) or percentage points (p.p.), of the results for 2021 with the previous year, 2020. Justifications for variations can be found throughout the chapters of this Annual Report.

We know that the market demand for ESG content has been growing rapidly and therefore disclosing information based on governance that guarantees data security and quality has become a requirement. For this reason, most of these indicators are collected and monitored by our ESG Indicator Management System, which was implemented in 2021.

The indicators are used to monitor B3's annual and quarterly ESG performance under the terms of the Sustainability Strategy and of the Socio-Environmental Responsibility and Governance Policy and provide us with inputs for external and internal reports to monitor teams and leadership.





Environmental Indicators

ENERGY CONSUMPTION* (GJ) [302-1]

	2019	2020	2021	YoY
Fuels from non-renewable sources (diesel oil)**	289	639	821	28.5%
Electricity	98,181	93,354	102,447	9.7%
Total energy consumed	98,470	93,993	103,268	9.9%

*Includes consumption in the buildings: Ipiranga, Florêncio de Abreu, XV de Novembro, Praça, Santana de Parnaíba, Brás (deactivated in November 2021), Líbero, Alphaville (deactivated floors in March 2021) and Faria Lima.

**Additionally, the amount of 86.16 GJ of renewable fuel was consumed referring to the portion of biodiesel in diesel (annual average of 11.16%).

WATER CONSUMPTION (M³) [303-5]

	2019	2020	2021	YoY
Water consumption (m³)*	41,643	34,859	32,123	-7,8%

*Includes consumption in the buildings: Ipiranga, Florêncio de Abreu, XV de Novembro, Praça, Santana de Parnaíba and Brás (deactivated in November 2021).

WASTE GENERATED* (KG) [306-3]

Type of waste	2019	2020	2021	YoY	
Recyclables	Paper	20,234	7,589	3,862	-49.1%
	Cardboard	11,413	7,785	6,820	-12.4%
	Plastic	15,590	6,707	6,366	-5.1%
	Metal	1,123	544	376	-30.9%
	Glass	668	116	146	25.9%
	Vegetable Oil	0	0	0	0.0%
	Cigarette butt	22	8	5	-37.5%

*Includes consumption in the buildings: Praça; XV de Novembro; Florêncio de Abreu and Santana de Parnaíba. The information on the amounts of organic waste is being restructured.

EMISSIONS BY SCOPE (TCO₂E)* [305-1; 305-2; 305-3; 305-5]

	2019	2020	2021	YoY
Scope 1 - Direct emissions	1,135.06	99.60	60.20	-39.6%
Scope 2 - Indirect emissions	2,183.22	1,933.73	4,140.50	114.1%
Scope 3 - Other indirect emissions	1,635.69	363.25	1,019.94	180.8%
Total emissions	4,953.97	2,396.57	5,220.64	117.8%

*Data were audited by the Totum Institute.

DECARBONIZATION CREDITS (CBIOs)*

	2020	2021	YoY%
Number of CBIO emission registrations	18,497,285	30,883,965	66.9%
Number of retired CBIOs	14,609,067	24,406,585	67.0%

*The Platform was launched in 2020.

CARBON EFFICIENT INDEX (ICO2 B3)

	2019	2020	2021	YoY
Companies invited	50	100	100	0%
Companies that participated in the process	32	60	72	20%
Engagement Rate (%)	64%	60%	72%	12 p.p.

Social Indicators²²

NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT AND GENDER [102-81]

Type of contract	2019			2020			2021			YoY
	Women	Men	Total	Women	Men	Total	Women	Men	Total	
Definite period*	47	84	131	43	85	128	67	78	145	13.3%
Indefinite period	665	1,363	2,028	703	1,416	2,119	835	1,689	2,524	19.1%
Total	712	1,447	2,159	746	1,501	2,247	902	1,767	2,669	18.8%

*Definite period to the positions of Young Apprentice and Interns.

NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE AND GENDER [102-81]

Type of Job	2019			2020			2021			YoY
	Women	Men	Total	Women	Men	Total	Women	Men	Total	
Part-time*	47	84	131	43	85	128	67	78	145	13.3%
Full-time	665	1,363	2,028	703	1,416	2,119	835	1,689	2,524	19.1%
Total	712	1,447	2,159	746	1,501	2,247	902	1,767	2,669	18.8%

*Part-time refers to the positions of Young Apprentice and Interns.

²² The People indicators, as of 2021, consider only the company B3 S.A. and disregarding international office staff, for this reason historical data has been revised. [102-48]

NUMBER OF EMPLOYEES BY AGE GROUP [405-1]

Age group	2019	2020	2021	YoY
Under 30 years	672	683	827	21.1%
Between 30 and 50 years	1,362	1,446	1,703	17.8%
Above 50 years	125	118	139	17.8%
Total	2,159	2,247	2,669	18.8%

NUMBER OF EMPLOYEES BY RACE [405-1]

Ethnicity	2019	2020	2021	YoY
Yellow	83	84	109	29.8%
White	1,828	1,823	1,998	9.6%
Indigenous	1	1	1	0.0%
Black	247	319	502	57.4%
Total*	2,159	2,227	2,610	17.2%

* From 2020 onwards, race information became self-declared, so in 2020 we had 20 employees who did not declare their race and in 2021, 59 employees who did not declare their race. [102-48]



NUMBER OF EMPLOYEES BY EMPLOYEE CATEGORY AND GENDER [405-1]

Functional category	2019			2020			2021			YoY
	Women	Men	Total	Women	Men	Total	Women	Men	Total	
Officers	7	28	35	6	26	32	6	29	35	9.4%
Superintendents	32	79	111	32	78	110	30	76	106	-3.6%
Managers	73	180	253	68	179	247	79	188	267	8.1%
Coordinators	32	134	166	47	167	214	82	250	332	55.1%
Teams	525	945	1,470	553	973	1,526	648	1,147	1,795	17.6%
Interns	43	81	124	40	78	118	57	77	134	13.6%
Total	712	1,447	2,159	746	1,501	2,247	902	1,767	2,669	18.8%

NUMBER OF EMPLOYEES IN LEADERSHIP POSITIONS* BY GENDER [405-1]

	2019			2020			2021			YoY
	Women	Men	Total	Women	Men	Total	Women	Men	Total	
Number of leaders	112	287	399	106	283	389	115	293	408	4.9 %
% in relation to the total number of leaders	28.1%	71.9%	100%	27.2%	72.8%	100%	28.2%	71.8%	100%	0 p.p.

*The manager definition includes both general managers and specialists of the first tier. The Superintendent definition includes superintendent and specialist of the second tier. The officer definition includes officers, executive officers and vice-presidents.

TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES, BY GENDER* [401-1]

Gender	2019		2020		2021			
	Total	Rate	Total	Rate	Total	YoY	Rate	YoY
Men	266	20.0%	207	14.7%	523	152.7%	33.7%	19.0 p.p.
Women	164	24.4%	103	14.8%	273	165.0%	35.5%	20.7 p.p.
Total	430	21.5%	310	14.7%	796	156.8%	34.3%	19.6 p.p.

TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES, BY AGE GROUP* [401-1]

Age group	2019		2020		2021			
	Total	Rate	Total	Rate	Total	YoY	Rate	YoY
Under 30 years	253	46.7%	173	32.1%	382	120.8%	59.5%	27.4 p.p.
Between 30 and 50 years	177	13.4%	135	9.4%	400	196.3%	25.8%	16.4 p.p.
Above 50 years	0	0.0%	2	1.6%	14	600.0%	11.1%	9.5 p.p.
Total	430	21.5%	310	14.7%	796	156.8%	34.3%	19.6 p.p.

* The rate of new employee hires is calculated considering the total number of hires in the year over the average headcount in the same period. Average headcount over the same period is the annual average of all active employees each month. They are considered employees of B3 S.A., excluding interns.

TOTAL NUMBER AND RATE OF EMPLOYEE TURNOVER, BY GENDER* [401-1]

Gender	2019		2020		2021			
	Total	Rate	Total	Rate	Total	YoY	Rate	YoY
Men	160	12.0%	155	11.0%	255	64.5%	16.4%	5.4 p.p.
Women	119	17.7%	68	9.8%	135	98.5%	17.6%	7.8 p.p.
Total	279	13.9%	223	10.6%	390	74.9%	16.8%	6.2 p.p.

TOTAL NUMBER AND RATE OF EMPLOYEE TURNOVER, BY AGE GROUP* [401-1]

Age group	2019		2020		2021			
	Total	Rate	Total	Rate	Total	YoY	Rate	YoY
Under 30 years	87	16.1%	79	14.6%	141	78.5%	22.0%	7.4 p.p.
Between 30 and 50 years	174	13.1%	127	8.9%	233	83.5%	15.0%	6.1 p.p.
Above 50 years	18	13.4%	17	13.4%	16	-5.9%	12.7%	-0.7 p.p.
Total	279	13.9%	223	10.6%	390	74.9%	16.8%	6.2 p.p.

*The rate of employee turnover is calculated considering the total number of dismissals in the year over the average headcount in the same period. Average headcount over the same period is the annual average of all active employees each month. Only employees of B3 S.A., are considered, excluding interns.

AVERAGE HOURS OF TRAINING THAT EMPLOYEES AND INTERNS COMPLETED BY GENDER AND EMPLOYEE CATEGORY* [404-1]

Gender	2019	2020	2021	YoY
Men	21.9	19.1	22.5	17.8%
Women	28.1	25.9	28.3	9.3%
Total	24.0	21.5	24.4	13.5%
Functional category	2019	2020	2021	YoY
Officers	24.3	5.1	29.6	480.4%
Superintendents	24.1	10.3	44.1	328.2%
Managers	42.1	17.3	39.1	126.0%
Coordinators	17.8	24.6	23.1	-6.1%
Teams	21.4	22.0	19.1	-13.2%
Interns	39.8	27.2	30.4	11.8%
Total	24.0	21.5	24.4	13.5%

*2020 data has been adjusted due to calculation criteria. For the calculation, the total number of hours of training for each functional category and gender is divided by the total number of training participants in the year, by category and gender. [102-48]

% OF EMPLOYEES WHO ATTENDED MANDATORY TRAINING*

Training	2019	2020	2021	YoY
Anti-corruption	98%	100%	97%	-3 p.p.
Business Continuity**	98%	98%	0%	-98 p.p.
Anti-Money Laundering	97%	98%	95%	-3.3 p.p.
Information Security	97%	98%	97%	-1.2 p.p.
Data Privacy***	-	97%	97%	-0.4 p.p.
Code of Conduct***	-	100%	97%	-2.6 p.p.
Diversity and Inclusion (D&I)***	-	100%	100%	0 p.p.

*Some percentages do not total 100%, as there may be newly hired employees, who have up to 30 days to attend the training, in addition to those on leave and on vacation.

**Business Continuity was not active in 2021, being re-launched in January 2022.

***Data Privacy, Code of Conduct and D&I trainings were launched in 2020.

MATERNITY/PATERNITY LEAVE* [401-3]

	2019	2020	2021	2019	2020	2021
	Women	Women	Women	Men	Men	Men
Total number of employees entitled to maternity/paternity leave**	895	856	1,061	1,687	1,729	2,087
Total number of employees that took maternity/paternity leave	22	33	24	28	39	20
Total number of employees that returned to work after the end of maternity/paternity leave	32	38	27	28	36	21
Total number of employees that returned to work after maternity/paternity leave and that were still employed 12 months after returning to work	22	21	33	28	27	29
Return to work rate (%)	100%	100%	100%	100%	100%	100%
Retention rate (%)***	69%	66%	87%	88%	96%	81%

*The 2019 and 2020 calculations have been adjusted in line with market benchmarks for this indicator. [102-48]

**For the first indicator, we consider that all employees who were active during the year were entitled to maternity/paternity leave, even those who already left the company.

***Retention rate calculation: The retention rate was calculated by dividing the total number of employees retained twelve months after they returned to work after maternity/paternity leave by the total number of employees who returned from maternity/paternity leave in the previous reporting period(s).

SOCIAL AND CULTURAL INVESTMENT BY TYPE OF ALLOWANCE * (R\$ THOUSAND)

Type of Allowance	2020	2021	YoY
Direct Allowance	R\$ 41,493	R\$ 28,742	-30.7%
Education	R\$ 958	R\$ 16,519	1,624.3%
Health	R\$ 21,730	R\$ 8,587	-60.5%
Food	R\$ 13,445	R\$ 3,542	-73.7%
Income	R\$ 5,030	-	-100.0%
Other	R\$ 330	R\$ 94	-71.5%
Incentivized allowance	R\$ 20,868	R\$ 37,285	78.7%
Child and Adolescent Fund	R\$ 2,263	R\$ 4,374	93.3%
Elderly Fund	R\$ 2,263	R\$ 4,394	94.2%
Sports Incentive Law	R\$ 2,266	R\$ 4,374	93.0%
Municipal Culture Incentive Program (SP)	R\$ 589	R\$ 346	-41.3%
National Culture Incentive Program	R\$ 9,064	R\$ 17,712	95.4%
National Oncology Support Program	R\$ 2,266	R\$ 4,374	93.0%
National Support Program for Persons with Disabilities	R\$ 2,157	R\$ 1,711	-20.7%
Grand Total	R\$ 62,361	R\$ 66,027	5.9%

*B3 Social manages the incentive laws of B3 S.A. (and subsidiaries, such as Banco B3) for all laws, except the National Cultural Incentive Program, which is the responsibility of the Brand & Marketing area. The table above: (i) contains only donation amounts, excluding B3 Social's institutional expenses line; (ii) details the amounts that were disbursed in 2021, not including future installments of projects already approved for support, for this reason there was a drop in the YoY column regarding the direct allowance for 2021; (iii) shows a decrease in donations for health, food and income in 2021 due to the deceleration of the pandemic, with the main focus on education being resumed.

Governance Indicators

INDEPENDENCE OF THE BOARD OF DIRECTORS, ADVISORY COMMITTEES AND FISCAL COUNCIL [\[102-22\]](#)

Governance Body	% of independent members	% of non-independent members
Board of Directors	100%	0
Governance and Nomination Committee	100%	0
Audit Committee	100%	0
Products and Pricing Committee	100%	0
Personnel and Compensation Committee	100%	0
Risk and Financial Committee	100%	0
Fiscal Council	100%	0

COMPOSITION OF GOVERNANCE BODIES BY GENDER [\[102-22; 405-1\]](#)

Governance Body	Women	Men
Board of Directors	27.3%	72.7%
Governance and Nomination Committee	50%	50%
Audit Committee	25%	75%
Products and Pricing Committee	0%	100%
Personnel and Compensation Committee	33.3%	66.6%
Risk and Financial Committee	0%	100%
Fiscal Council	50%	50%

COMPOSITION, EXPERIENCE AND QUALIFICATIONS OF THE BOARD OF DIRECTORS

Name	Position	Experience	Key qualifications adhering to B3's strategy
Antonio Carlos Quintella	Chairman (Non-Connected Independent Director)	Founding partner and CEO of Canvas Capital. He was Chairman of Credit Suisse Hedging-Griffo, with head office in São Paulo (2012-14), CEO of Credit Suisse Americas, member of the Executive Board of the Credit Suisse Group (2010-12) and CEO of Credit Suisse Brazil (2003-10). He joined Credit Suisse in 1997 and was appointed CEO of Credit Suisse Brasil in 2003. As CEO of Credit Suisse Brasil, he supervised the expansion of the bank's presence in the market, including the 2007 acquisition of Hedging-Griffo. He holds a degree in Economics from the Pontifical Catholic University of Rio de Janeiro and an MBA from the London Business School (University of London).	<ul style="list-style-type: none"> • Key Leadership Position • Corporate Finance • Extensive knowledge of the market served • Corporate Strategy • Corporate Management
Florian Bartunek	Vice Chairman (Non-Connected Independent Director)	Founding partner and CIO (Chief Investment Officer) of Constellation Asset Management. He started up Constellation in 1998 through Utor Investimentos. Before founding Constellation, he was a partner at Banco Pactual, where he was head of research, proprietary trader, head of Asset Management and manager of the bank's funds and equity portfolios. While working for Pactual (1990-1998), he was manager of the Andrômeda fund, the Infinity fund and a segregated portfolio for George Soros. He started his career at Banco Nacional in 1989. He graduated in business administration from Pontifical Catholic University of Rio de Janeiro (PUC-RJ) in 1990, attended the Harvard Business School YPO program from 2010 to 2017, and completed Bruce Greenwald's Value Investing course at Columbia University in 2013, the Executive Program at Singularity University in 2015, and the Behavioral Finance Program at Harvard Kennedy School in 2016. He was a lecturer at the Value Investing course at IBMEC-SP (currently Insper), and was also president of the São Paulo Chapter of YPO (Young Presidents Organization). Florian is vice-president of ProA, a leading business educational NGO in Brazil, and a board member at Fundação Lemann of the São Paulo Museum of Modern Art ("MASP"), Fundação Estudar, Somos Educação and the Nova Escola magazine. He currently serves as member of the board of directors at Eleva Educação S.A.	<ul style="list-style-type: none"> • Key Leadership Position • Corporate Finance • Extensive knowledge of the market served • Customer Experience • Sustainability • Corporate Management
Alberto Monteiro de Queiroz Netto	Independent Director	He graduated in Business Administration from the School of Political and Economic Science of Rio de Janeiro. He also earned a graduate degree in financial institutions from the University of São Paulo School of Economics and Business Management and an MBA degree in Corporate Finance from Fundação Getúlio Vargas, in Rio de Janeiro. From 2006 to 2009, he served as CEO at BB DTVM, and from February 2007 to August 2009 as Vice President at the ANBID (currently ANBIMA). From 2009 to 2011, he served as Chief Financial and Investor Relations Officer at Companhia Siderúrgica Nacional (CSN). Between 2011 and 2014, he was Chief Financial and Investor Relations Officer at Suzano Papel e Celulose S.A. From 2014 to 2016, he served as Executive Vice President at Graninvestimentos S.A. In 2017, he worked as Executive Vice President at Banco do Brasil S.A., responsible for the Financial, Investor Relations and Mergers and Acquisitions (M&A) areas. Currently, he is Executive Vice-President, responsible for the Wealth Management segment at Banco Santander Brasil.	<ul style="list-style-type: none"> • Key Leadership Position • Corporate Finance • Public Sector • Customer Experience

COMPOSITION, EXPERIENCE AND QUALIFICATIONS OF THE BOARD OF DIRECTORS

Name	Position	Experience	Key qualifications adhering to B3's strategy
Ana Carla Abrão Costa*	Non-Connected Independent Director	Head of the Brazil offices of Oliver Wyman, a partner in the areas of Finance & Risk and Public Policies and member of the Global Executive Committee of said company. She has spent much of her career in the financial industry, boasting recognized expertise in financial services and regulations and in the public sector. With her extensive academic production in the fields of credit markets, bank runs, regulations and bank credit, real estate credit market and bank spreads, as well as her recognized contribution to public debate, Ana Carla holds a doctor's degree in Economics from the University of São Paulo, a master's degree from EPGE/FGV, and a bachelor's degree in Economics from the University of Brasília. She served as advisor to the Credit Guarantee Fund ("CGF") in Brazil, passed the competitive examination for the Central Bank of Brazil, working at the Banking Economy Research Department, as Chief Economist at Tendências Consultoria Integrada, Chief Risk Control Officer at Banco Itaú Unibanco, and Secretary to the Treasury for the State of Goiás, until joining Oliver Wyman as partner in May 2017. She is a columnist for the Economics section of the Estadão newspaper and Vice Chairperson of the Board of Directors of B3 S.A. – Brasil, Bolsa, Balcão, and she volunteers as a Director at Civic-Co, RenovaBR, SempreFEA, and the São Paulo Graded School.	<ul style="list-style-type: none"> • Key Leadership Position • Corporate Strategy • Public Sector • Extensive knowledge of the market served • Corporate Management
Claudia Farkouh Prado	Non-Connected Independent Director	She is a member of the Fiscal Council of Instituto de Responsabilidade Social Sírio-Libanês and a member of the Board of Directors of B3 S.A. – Brasil, Bolsa, Balcão. She was a member of the Board of Directors of Baker McKenzie Global Law Firm (2013-2017), President of the Global Financial Committee at Baker McKenzie Global Law Firm (2013-2017), President for Latin America at Baker McKenzie Global Law Firm (2013-2017), and member of the Advisory Board of TrustWomen (Thompson Reuters Foundation, 2014-2017). She was a managing partner at Trench Rossi Watanabe (cooperation with Baker Mckenzie, 2010-2013). She also served as Coordinator in Latin America of the M&A and Private Equity practice groups (2004-2011) and M&A Attorney in Brazil and the United States (1986-2011). She has a Law degree from the University of São Paulo, a master's degree in Comparative Law from Southern Methodist University, Dallas, a degree from Executive Management Program of Kellogg School of Management, Northwestern University, Chicago, a degree for the Executive Leadership Program of The Center for Creative Leadership, Colorado Springs, and a degree from the International Directors Program of The Business School of the World (INSEAD).	<ul style="list-style-type: none"> • Key Leadership Position • Law/Regulations • Corporate Strategy • International Experience • Sustainability
Cristina Anne Betts	Non-Connected Independent Director	CEO of Iguatemi Empresa de Shopping Centers S.A. since January 2022, which she joined in 2008 as Finance VP, responsible for the Strategic Planning, Innovation, Investor Relations, Accounting, Controllership and CSC, Treasury and Technology areas. She has recently led the roll-out of Iguatemi's e-commerce platform, which was launched in 2019. She graduated in Business Administration from Fundação Getulio Vargas (FGV) in 1991 and from CEAG in 1994, and she later earned an MBA degree from INSEAD, in France. Currently, she is a member of the Board of Directors of Fleury and Associação Umame and a Fiscal Council member of Rumo. She has worked for companies like PriceWaterhouse, Banco Credit Suisse First Boston Garantia, Bain & Company, and TAM Linhas Aéreas S.A. At TAM, she also served as Chief Strategic Planning and Controllership Officer and was responsible for the Investor Relations team.	<ul style="list-style-type: none"> • Key Leadership Position • Corporate Finance • Corporate Strategy • Innovation/Technology • Corporate Management

*Mrs. Ana Carla Abrão Costa requested the temporary absence of the Board of Directors of B3.

COMPOSITION, EXPERIENCE AND QUALIFICATIONS OF THE BOARD OF DIRECTORS

Name	Position	Experience	Key qualifications adhering to B3's strategy
Eduardo Mazzilli de Vassimon	Non-Connected Independent Director	Chairman of the Board of Directors of Votorantim S.A. (since 2019) and member of the Board of Directors of Totvs (since 2019) and B3 S.A. – Brasil, Bolsa, Balcão. He was General Officer of Itaú Unibanco Holding S.A. and Chief Executive Officer at Itaú BBA (2017-2018), and Executive Vice President of Itaú Unibanco S.A., where he also served as CRO (2013-2014) and CRO/CFO (2015-2016). He was also Executive Vice President (2015-2016) and Chief Executive Officer (2013-2015) of Itaú Unibanco Holding S.A. He also served as Executive Vice President at Banco Itaú BBA S.A. (2003-2008), Head of the International Area of Banco BBA Creditanstalt S.A. (1992-2003), Assistant Chief FX Officer of Banco BBA-Creditanstalt S.A. (1990-1991) and FX General Manager of Itaú Unibanco S.A. (1980-1990). He graduated in Economics from the University of São Paulo School of Economics and in Business Administration from Fundação Getulio Vargas. He holds graduate degrees from FGV and École des Hautes Études Commerciales. He also serves as a member of the Advisory Board of ACTC – Casa do Coração and as Director for Santos Futebol Clube.	<ul style="list-style-type: none"> • Key Leadership Position • Corporate Finance • Extensive knowledge of the market served • Corporate Strategy
Guilherme Affonso Ferreira	Non-Connected Independent Director	He holds a degree in Production Engineering from USP Polytechnic School, and also took the Economics and Politics programs at Macalester College, in St. Paul, Minneapolis. He is managing officer at MOS Capital (formerly Teorema Capital), having held an interest in it since its founding in 2003. He is a member of the Board of Directors of the following companies: Arezzo, B3, Bahema, M. Dias Branco, Valid, and Mitre S.A. On his professional background, we can add his participation in the Board of the charity Instituto de Cidadania Empresarial and in the Social Impact Investment Task Force. In recent years, he was a member of the Board of Directors of Petrobras (2015-2018), Unibanco (2007-2008), B2W / Submarino (2006-2009), Gafisa (2011-2018), SulAmérica (2010-2019), and Banco Indusval (2011-2014), among other entities.	<ul style="list-style-type: none"> • Key Leadership Position • Corporate Finance • Customer Experience • Corporate Strategy • Sustainability
João Vitor Nazareth Menin Teixeira de Souza	Independent Director	He graduated in Civil Engineering from FUMEC, in Belo Horizonte, Minas Gerais (2005), and holds an MBA degree in Finance from the IBMEC (2008). He joined Banco Inter in 2004 and was elected Executive Officer in April 2008 and Chief Executive Officer in December 2015. He has extensive experience in financial and capital markets, having collaborated with and/or led Banco Inter's major projects in the past ten years. Additionally, he held office as member of the Board of Directors of Banco Inter until 2019. Mr. João Vitor has also been a member of the Advisory Board of Associação Órbi Conecta since mid-2017, a non-profit association he runs in order to foster and support impacting entrepreneurship, innovation and technology in Brazil.	<ul style="list-style-type: none"> • Key Leadership Position • Innovation/Technology • Extensive knowledge of the market served • Corporate Finance

COMPOSITION, EXPERIENCE AND QUALIFICATIONS OF THE BOARD OF DIRECTORS

Name	Position	Experience	Key qualifications adhering to B3's strategy
Maurício Machado de Minas	Independent Director	<p>Member of the Board of Directors of Banco Bradesco S.A., where he served as Executive Vice President from January 2014 to January 2019. He is also a member of the Advisory Board of IBM Corporation, member of the Board of Directors of Bradespar S.A. and member of the Board of Directors Next Tecnologia e Serviços Digitais S.A. He was a member of the Board of Directors of the companies BBD Participações S.A., Cidade de Deus – Companhia Comercial de Participações (Holding), Bradesco Leasing S.A. – Arrendamento Mercantil, BSP Empreendimentos Imobiliários S.A., NCR Brasil – Indústria de Equipamentos para Automação S.A., and NCF Participações S.A., where he also served as Vice CEO from June 2016 to January 2019.</p> <p>Maurício was also chairman of the Board of Directors at Aquarius Participações S.A. and Vice Chairman of the Boards of Directors of BBC Processadora S.A. and Chain Serviços e Contact Center S.A. He was also CEO of Scopus Tecnologia Ltda.</p> <p>Until January 2019, he held positions at various companies, having been elected Managing Officer for Banco Bradesco BERJ S.A. and Bradesco Administradora de Consórcios Ltda. in April 2018 and Chief Executive at Scopus Soluções em TI S.A. on the same date. Previously, in April 2017, he was elected Managing Officer for the following companies: Banco Bradescard S.A., Banco Bradesco Cartões S.A., Banco Bradesco Financiamentos S.A., Banco Losango S.A. – Banco Múltiplo, BEM – Distribuidora de Títulos e Valores Mobiliários Ltda., Bradescard Elo Participações S.A., Kirton Bank S.A. – Banco Múltiplo, and Tempo Serviços Ltda. Since 2014, he also held positions as Officer at Banco Alvorada S.A. and Executive Vice President at Banco Bradesco BBI S.A., where he remained until early 2019.</p> <p>Maurício was an Officer at União Participações Ltda. between 2014 and 2018, an Officer at Banco CBSS S.A. between 2014 and 2016, and Managing Officer at Bradesco Seguros S.A. between 2015 and 2016.</p> <p>He graduated from the University of São Paulo Polytechnic School. He took the Executive Education Program in Finance at Wharton School, University of Pennsylvania, the General Management Program at Columbia University, New York, and the Corporate Board Director Program at Harvard Business School, Boston. He was a Strategic Partner of the World Economic Forum (WEF).</p> <p>He also serves as member of Governing Board and Managing Officer at Fundação Bradesco and as Officer at Nova Cidade de Deus Participações S.A.</p>	<ul style="list-style-type: none"> • Key Leadership Position • Innovation/Technology • Customer Experience • Extensive knowledge of the market served
Pedro Paulo Giubbina Lorenzini	Independent Director	<p>Currently serving as Executive Officer at Banco Itaú S.A. and member of the Executive Committee at Itau-Unibanco, he is responsible for the Global Markets & Treasury and LatAm teams (Argentina, Paraguay, Uruguay and Corpbanca). He started his career at Citibank Brasil as Management Associate in the trainee program. Over this 32 years' career at Citigroup, he gained experience in various areas, including Back-office, Middle-office, Financial Control, Product Management, Sales & Structuring, Balance Sheet Management, Trading, and Custody & Securities Services. In the past 13 years, he has led Markets & Securities Services group at Citi Brasil, a business unit that includes all activities related to Sales & Trading in products from Global Markets (Rates, Currencies, Commodities, Equities, Credit and Custody Services). He has been a member of the bank's Executive Committee since 2008, participating in and leading the bank's management committees. He participated as a mentor in several talent development and diversity programs (juniors and seniors). He was a member of the diversity committee at Citi Latam, Co-Head of Citi Women Brazil, and more recently the leader of the Generations Group. Citibank Representative on the Executive Board at Febraban since 2013 and Vice President of ANBIMA since 2010. He has been president of the treasury committee at Febraban (2010-2013) and ANBIMA (2010-2012). Officer at ANDIMA (2005-2007). He graduated in Business Administration from PUC São Paulo.</p>	<ul style="list-style-type: none"> • Key Leadership Position • Extensive knowledge of the market served • Corporate Finance • Customer Experience • Sustainability

REPORTS* FROM THE WHISTLEBLOWER CHANNEL *ALÔ, COMPLIANCE!*

	2019	2020	2021	YoY
Total reports received	41	33	38	15.2%
Total sanctions applied	26	21	18	-14.3%

*Four reports referring to the end of 2021 are still in progress to identify whether or not to apply a sanction.

NOVO MERCADO

	2019	2020	2021	YoY
Total Companies Listed on Novo Mercado	139	165	204	23.6%
% of IPOs held on Novo Mercado	80%	92.9%	87.0%	-5.9 p.p.

CORPORATE SUSTAINABILITY INDEX (ISE B3)

	2019	2020	2021	YoY
Number of companies invited	178	176	187	6.3%
Number of companies that participated in the process	34	45	73	62.2%
Engagement Rate (%)	19.1%	25.6%	39.0%	13.4 p.p.



GRI Content Index [\[102-55\]](#)

GRI 101: Foundation 2016

GRI Standards	Disclosure	Comments, pages, links and references	Global Compact	SDG
---------------	------------	---------------------------------------	----------------	-----

GRI 102: General Disclosures 2016

Organizational profile

102-1 - Name of the organization	16			
102-2 - Activities, brands, products, and services	16, 78, 103			8.3
102-3 - Location of headquarters	Praça Antonio Prado, 48 / Rua XV de Novembro, 275, Centro, São Paulo-SP.			
102-4 - Location of operations	16			
102-5 - Ownership and legal form	B3 is a publicly traded corporation, with more than 99% of its shares traded on our stock exchange, in the Novo Mercado listing segment.			
102-6 - Markets served	16, 78			
102-7 - Scale of the organization	16, 59, 83, 84			
102-8 - Information on employees and other workers	127			8.5, 8.6
102-9 - Supply chain	43		1	
102-10 - Significant changes to the organization and its supply chain	There were no significant changes.			
102-11 - Precautionary Principle or approach	37			16.6
102-12 - External initiatives	102			17.17
102-13 - Membership of associations	102			17.17

GRI Content Index [102-55]

GRI Standards	Disclosure	Comments, pages, links and references	Global Compact	SDG
GRI 102: General Disclosures 2016				
Strategy				
	102-14 - Statement from senior decision-maker	9		
	102-15 - Key impacts, risks, and opportunities	21, 38, 93, 103, 109		16.6
Ethics and integrity				
	102-16 - Values, principles, standards, and norms of behavior	16, 33, 44	4, 5, 10	16.5, 16.6
	102-17 - Mechanisms for advice and concerns about ethics	35	10	16.5, 16.6
Governance				
	102-18 - Governance structure	24, 25, 27, 29		
	102-20 - Executive-level responsibility for economic, environmental, and social topics	21, 29		
	102-22 - Composition of the highest governance body and its committees	25, 27, 135		5.5, 16.7
	102-25 - Conflicts of interest	26		
	102-28 - Evaluating the highest governance body's performance	31		16.5, 16.6
	102-35 - Remuneration policies	21, 30		16.6
	102-36 - Process for determining remuneration	30, 69		16.6

GRI Content Index [\[102-55\]](#)

GRI Standards	Disclosure	Comments, pages, links and references	Global Compact	SDG
---------------	------------	---------------------------------------	----------------	-----

GRI 102: General Disclosures 2016

Stakeholder engagement

	102-40 - List of stakeholder groups	6		
	102-41 - Collective bargaining agreements	All employees are covered by collective bargaining.	3	8.8
	102-42 - Identifying and selecting stakeholders	6		
	102-43 - Approach to stakeholder engagement	6		16.6
	102-44 - Key topics and concerns raised	6		

GRI Content Index [102-55]

GRI Standards	Disclosure	Comments, pages, links and references	Global Compact	SDG
GRI 102: General Disclosures 2016				
Reporting practice				
	102-45 - Entities included in the consolidated financial statements	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); Portal de Documentos S.A. (Portal de Documentos); 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 SA (NEOWAY).		
	102-46 - Defining report content and topic Boundaries	8		12.6, 16.6
	102-47 - List of material topics	5		
	102-48 - Restatements of information	All reformulated information is indicated along with their respective contents.		
	102-49 - Changes in reporting	There were no changes.		
	102-50 - Reporting period	5		
	102-51 - Date of most recent report	April 2021.		
	102-52 - Reporting cycle	Annual.		
	102-53 - Contact point for questions regarding the report	5		
	102-54 - Claims of reporting in accordance with the GRI Standards	5		
	102-55 - GRI content index	141		
	102-56 - External assurance	5		16.6

GRI Content Index [102-55]

Specific Content

Topic boundaries	Disclosure	Comments, pages, links and references	Global Compact	SGD
Internal and external	Material Topic: Customer Centricity			
	GRI 103: Management Approach 2016			
	103-1 - Explanation of the material topic and its Boundary	8	8	9.3, 10.2, 13.2, 16.6
	103-2 - The management approach and its components	21, 32, 35, 46, 68, 83, 102		
	103-3 - Evaluation of the management approach	46		
	GRI 201: Economic Performance 2016			
	201-1 - Direct economic value generated and distributed	83		
	201-2 - Financial implications and other risks and opportunities due to climate change	107	7,8	
	GRI 203: Indirect Economic Impacts 2016			
	203-2 - Significant indirect economic impacts	99		10.2, 16.6
Internal and external	Material Topic: Corporate Governance & Fostering ESG Best Practices in the Market			
	GRI 103: Management Approach 2016			
	103-1 - Explanation of the material topic and its Boundary	8	8, 10	12.2, 12.6, 12.8, 13.2, 16.6, 17.17
	103-2 - The management approach and its components	21, 24, 32, 35, 68, 83, 102, 122		
103-3 - Evaluation of the management approach	24			

GRI Content Index [102-55]

Specific Content

Topic boundaries	Disclosure	Comments, pages, links and references	Global Compact	SGD
	Material Topic: Corporate Governance & Fostering ESG Best Practices in the Market			
	GRI 201: Economic Performance 2016			
	201-1 - Direct economic value generated and distributed	83		16.6
	201-2 - Financial implications and other risks and opportunities due to climate change	120	7, 8	13.2
	GRI 207: Tax 2019			
	207-1 - Approach to tax	38		
	207-2 - Tax governance, control, and risk management	38		
	GRI 302: Energy 2016			
Internal and external	302-1 - Energy consumption within the organization	116, 125		12.2, 13.2
	302-4 - Reduction of energy consumption	115, 116	8	12.2, 13.2
	GRI 303: Water and Effluents 2018			
	303-5 Water consumption	116, 125	8	12.2
	GRI 305: Emissions 2016			
	305-1 - Direct (Scope 1) GHG emissions	121, 126	7, 8, 9	12.2, 13.2
	305-2 - Energy indirect (Scope 2) GHG emissions	121, 126	7, 8, 9	12.2, 13.2
	305-3 - Other indirect (Scope 3) GHG emissions	121, 126	7, 8, 9	12.2, 13.2
	305-5 - Reduction of GHG emissions	121, 126	7, 8, 9	12.2, 13.2

GRI Content Index [102-55]

Specific Content

Topic boundaries	Disclosure	Comments, pages, links and references	Global Compact	SGD
	Material Topic: Corporate Governance & Fostering ESG Best Practices in the Market			
Internal and external	GRI 306: Waste 2020			
	306-3 - Waste generated	117, 126	7, 8, 9	12.2, 13.2
	GRI 415: Public Policy 2016			
	415-1 - Political contributions	33		
	Material Topic: Responsible Market Infrastructure			
Internal	GRI 103: Management Approach 2016			
	103-1 - Explanation of the material topic and its Boundary	8	1, 8, 10	12.6, 12.7, 16.5, 16.6
	103-2 - The management approach and its components	21, 32, 33, 35, 68, 83, 102		
	103-3 - Evaluation of the management approach	33		
	GRI 205: Anti-corruption 2016			
	205-1 - Operations assessed for risks related to corruption	33, 35	10	16.5, 16.6
	205-2 - Communication and training about anti-corruption policies and procedures	33, 44, 66	10	16.5, 16.6
205-3 - Confirmed incidents of corruption and actions taken	33	10	16.5, 16.6	

GRI Content Index [102-55]

Specific Content

Topic boundaries	Disclosure	Comments, pages, links and references	Global Compact	SGD
	Material Topic: Responsible Market Infrastructure (cont.)			
	GRI 207: Tax 2019			
	207-1 - Approach to tax	38		
	207-2 - Tax governance, control, and risk management	38		
	GRI 308: Supplier Environmental Assessment 2016			
	308-1 - New suppliers that were screened using environmental criteria	44	8	12.7, 16.6
	GRI 408: Child Labor 2016			
Internal	408-1 - Operations and suppliers at significant risk for incidents of child labor	44	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	44	4	16.6
	GRI 413: Local Communities 2016			
	413-1 Operations with local community engagement, impact assessments, and development programs	44	2	12.7, 16.6
	GRI 418: Customer Privacy 2016			
	418-1 - Substantiated complaints concerning breaches of customer privacy and losses of customer data	There have not been any proven external complaints, breaches of privacy and loss of customer data.		16.6

GRI Content Index [102-55]

Specific Content

Topic boundaries	Disclosure	Comments, pages, links and references	Global Compact	SGD
Material Topic: Responsible Market Infrastructure (cont.)				
GRI 419: Socioeconomic Compliance 2016				
Internal	419-1 - Non-compliance with laws and regulations in the social and economic area	"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 link: https://ri.b3.com.br/en/regulatory-filings/		
Material Topic: Social Responsibility & People Management				
GRI 103: Management Approach 2016				
Internal and external	103-1 - Explanation of the material topic and its Boundary	8	1, 8, 10	"3.d, 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.b, 4.c, 5.5, 8.5, 10.2, 17.17"
	103-2 - The management approach and its components	21, 32, 35, 51, 68, 83, 102, 109		
	103-3 - Evaluation of the management approach	51		
GRI 203: Indirect Economic Impacts 2016				
	203-2 - Significant indirect economic impacts	99		17.17

GRI Content Index [102-55]

Specific Content

Topic boundaries	Disclosure	Comments, pages, links and references	Global Compact	SGD
	Material Topic: Social Responsibility & People Management (cont.)			
	GRI 401: Employment 2016			
	401-1 - New employee hires and employee turnover	59, 130		8.5, 8.6, 10.2
	401-3 - Parental leave	61, 133		8.5
	GRI 402: Labor/Management Relations 2016			
	402-1 - Minimum notice periods regarding operational changes	We communicate possible changes as much in advance as possible to minimize the impact and guarantee that the information is shared at every level. The Collective Agreement stipulates a minimum period of 60 days for disclosing data.		8.5
Internal and external	GRI 403: Occupational Health and Safety 2018			
	403-6 - Promotion of worker health	60, 62		3.d
	403-10 - Work-related ill health	62		3.d
	GRI 404: Training and Education 2016			
	404-1 - Average hours of training per year per employee	63, 132		8.5, 8.6
	404-2 - Programs for upgrading employee skills and transition assistance programs	63		8.5, 8.6
	404-3 - Percentage of employees receiving regular performance and career development reviews	67		8.5, 8.6

GRI Content Index [102-55]

Specific Content

Topic boundaries	Disclosure	Comments, pages, links and references	Global Compact	SGD
	Material Topic: Social Responsibility & People Management (cont.)			
	GRI 405: Diversity and Equal Opportunity 2016			
Internal and external	405-1 - Diversity of governance bodies and employees	54, 128, 129, 135	6	5.5, 8.5, 10.2
	GRI 413: Local Communities 2016			
	413-1 - Operations with local community engagement, impact assessments, and development programs	111		4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.b e 4.c

Sustainability Disclosure Topics & Accounting Metrics SASB - Financials Sector

Security & Commodity Exchanges

SUSTAINABILITY DISCLOSURE TOPICS

Content	Pages/ Comments
Promoting Transparent & Efficient Capital Markets	
FN-EX-410a.1 Number and average duration of stoppages related to public reporting, and of suspensions due to volatility	During the period of 2021, there were no activations of the circuit breaker mechanism.
FN-EX-410a.2 Percentage trades generated from by automated trading systems	In 2021, High-frequency traders (HFT) accounted for 29.1%* of ADTV, 3.2 p.p. higher than the 25.9% of 2020.
FN-EX-410a.3 Description of alert policy regarding timing and nature of public release of information	32
FN-EX-410a.4 Description of policy to encourage or require listed companies to publicly disclose environmental, social, and governance (ESG) information	32
Managing Conflicts of Interest	
FN-EX-510a.2 Discussion processes for identifying and assessing conflicts of interest	26
Managing Business Continuity & Technology Risks	
FN-EX-550a.1 Number of significant market disruptions and duration of downtime	Number of outages in negotiation: 14; Time of duration of all outages of the negotiation, in 2021: 11 hours and 30 minutes; Number of outages in clearing: 8; Time of duration of all outages of the clearing, in 2021: 150 hours and 3 minutes.
FN-EX-550a.3 Description of efforts to prevent technology errors, security breaches, and market disruptions	37, 40
Activity Metric	
FN-EX-000.A e B Average daily number and volume of trades executed, by product or asset class	Data base , Results Presentation

* Considers the trading volume of investors that trade in the exchange environment using Co-location services. Calculation is based on ADTV for the following products: Cash Market; Forward Market; and Options Market. This data does not include the participation of HFTs in index derivatives.

Independent Auditors' Limited Assurance Report on the B3's Annual Report based on GRI – Standards (In accordance – “Core) and Sustainability Accounting Standards Board (SASB).



São Paulo Corporate Towers
Av. Pres. Juscelino Kubitschek, 1909
Torre Norte - 9º andar – Itaim Bibi
São Paulo - SP - Brasil
Tel: +55 11 2573 3000
ey.com.br

To the Administrators and Shareholder of B3 S.A – Brasil, Bolsa, Balcão São Paulo – SP

Introduction

We were engaged by B3 S.A (“B3”) management to present our limited assurance report on the information contained in the Annual Report based on Global Reporting Initiative (“GRI”) – Standards and Sustainability Accounting Standards Board (SASB), for the twelve-month period ended December 31, 2021 (“Report”).

B3’s management responsibilities

B3’s management is responsible for preparing and presenting appropriately the information contained in Report in accordance with criteria, assumptions and requirements of the GRI guidelines (In accordance – “Core”), Sustainability Accounting Standards Board (SASB), and for the internal controls as management determines is necessary to enable the preparation of information free from material misstatement, whether due to fraud or error.

Independent auditors’ responsibility

Our responsibility is to express a conclusion on the B3’s Report information, based on the limited assurance work conducted in accordance with Technical Notice of Ibracon Nº 07/2012, approved by the Brazil’s National Association of State Boards of Accountancy (CFC) in light of NBC TO 3000 (Assurance Work Other Than Audit or Review), issued by the CFC, which is equivalent to international standard ISAE 3000, issued by the International Federation of Accountants, applicable to non-historical information. These standards call for compliance with ethic requirements, including independence and work carried out to obtain limited assurance that the Report is free of material misstatement.

A limited assurance work conducted in accordance with NBC TO 3000 (ISAE 3000) consists mainly of inquires of management and other professionals from B3 S.A who were involved in the preparation of the Report, as well as of the application of additional procedures deemed necessary to obtain

evidence which enables us to conclude on the limited assurance on the Report. A limited assurance work also requires additional procedures, as the independent auditor becomes aware of matters that lead him to believe that the Report information may contain material misstatement.

The selected procedures relied on our understanding of the aspects concerning the compilation and presentation of the Report information in accordance with criteria, assumptions and own methodologies from B3 S.A. The procedures comprised:

- (a) the planning of the work, considering the materiality, the volume of quantitative and qualitative information and the operating and internal control systems which supported the preparation of the Report;
- (b) the understanding of the calculation methodology and the procedures for preparation and compilation of the Report through interviews with management in charge of preparing the information;

- (c) the application of analytical procedures on quantitative information and sample verification of certain evidence supporting the data used for the preparation of the Report;
- (d) comparison of the financial indicators with the financial statements and/or accounting records.

The procedures applied in this limited assurance work also comprised compliance with the guidelines of the structure for development of the GRI Standards and Sustainability Accounting Standards Board (SASB), applicable in the preparation of the information contained in the Report.

We believe that the evidence obtained in our work was sufficient and appropriate to provide a basis for our limited conclusion.

Scope and limitations

The procedures applied in a limited assurance work are substantially less in scope than those applied in an assurance work aimed at issuing an opinion on the Report information. Consequently, we are not in a position to obtain assurance that we are aware of all matters which would be identified in an assurance work aimed at issuing an opinion. Had we carried out a work to issue an opinion, we could

have identified other matters or misstatements in the Report information. Accordingly, we did not express an opinion on this information. In addition, B3's internal controls were not part of our limited assurance scope.

The non-financial data is subject to further inherent limitations than financial data, given the nature and diversity of methods used to determine, calculate or estimate such data. Qualitative interpretations of materiality, significance and accuracy of data are subject to the individual assumptions and judgments. Also, we did not carry out any work on data reported for prior periods nor in relation to future projections and goals.

Conclusion

Based on the procedures performed and herein described, nothing came to our attention that makes us believe that the GRI and SASB KPIs presented on the Report, for the twelve-month period ended December 31, 2021, was not prepared, in all material respects, in accordance with criteria, assumptions and methodologies for the preparation of the KPI's based on requirements of the Global Reporting Initiative – Standards (In accordance – “Core”) and Sustainability Accounting Standards Board (SASB).

Emphasis

Additionally, our limited assurance procedures also contemplated the existence of B3 S.A.'s own methodologies, described in paragraphs “Diversity Index” and “Women in leadership positions” of page 110 of its report, for Diversity and Inclusion KPI's (“Percentage of Women in Leadership Positions” and “Creation of a Diversity Index for the Brazilian Market by 2024”).

São Paulo (SP), March 28th, 2022.

ERNST & YOUNG

Auditores Independentes S.S
CRC 2SP015199/O-6



Leonardo Masseli Dutra
Expert group: Technical Reviewer



Diego F. Pereira
Quality Review Partner – CRC 1SP 264.236/O-3



Credits

Coordination
Sustainability Department

Assistance
Communications Department
Investor Relations Department

Consulting
Key Associados

Text and editing
Otavio Maia

Revision
Paula Bosi

GRI Consulting
Sandra Nagano

Graphic design
Adesign

Photography
Banco de Imagens B3
Page 113: RicaLucas



$$[\mathbf{B}]^3$$