

Second-Party Opinion

B3 - Brasil, Bolsa, Balcão Sustainability-Linked Financing Framework

Evaluation Summary

Sustainalytics is of the opinion that the B3 - Brasil, Bolsa, Balcão Sustainability-Linked Financing Framework aligns with the Sustainability-Linked Bond Principles 2020 and the Sustainability-Linked Loan Principles 2021. This assessment is based on the following:

- Selection of Key Performance Indicators (KPIs)** The B3 - Brasil, Bolsa, Balcão Sustainability-Linked Financing Framework includes two KPIs: (i) Percentage of women in leadership positions, and (ii) Creation of a diversity index (see Table 1). Sustainalytics considers KPI 1 to be strong given that it is a direct measure of B3's performance on a material ESG issue and follows a clear and consistent methodology. KPI 2 is considered adequate given that it is directly connected to B3's business performance on a material issue but does not follow a clear methodology.
- Calibration of Sustainability Performance Targets (SPTs)** Sustainalytics considers the SPTs to be aligned with the issuer's sustainability strategy. Sustainalytics considers SPT 1 to be ambitious as it represents an improvement over past performance and is aligned with peer performance and targets. SPT 2 is considered moderately ambitious as it does not have a direct comparison to any peer performance and targets.
- Bond Characteristics** B3 will link the financial characteristics of its sustainability-linked debt instruments to the achievement of the SPTs, which may take the form of both a coupon margin increase and decrease tied to the achievement of each of the SPTs.
- Reporting** B3 commits to report on an annual basis on its performance on the KPIs on both, its website and in a separate report, and also commits to disclose relevant information that affects the KPI performance. The reporting commitments are aligned with the SLBP and the SLLP.
- Verification** B3 commits to have external limited assurance conducted on its KPI performance at the communicated SPT deadline, which is aligned with market expectations.

Evaluation Date	September 9, 2021
Issuer Location	São Paulo, Brazil

The SPTs contribute to the following SDGs:



Overview of KPIs and SPTs

KPI	Baseline	SPT	Strength of the KPI	Ambitiousness of SPT
Percentage of women in leadership positions	27.2%	Achieve at least 35.0% women representation in management and leadership positions by December 31, 2026	Strong	Ambitious
Creation of a diversity index	N/A	Create and offer a diversity index by December 31, 2024	Adequate	Moderately Ambitious

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Scope of Work and Limitations

B3 S.A. has engaged Sustainalytics to review the Framework (as defined below) and provide an opinion on the alignment of the Framework with the Sustainability-Linked Bond Principles (SLBP)¹ and the Sustainability-Linked Loan Principles (SLLP).² Sustainalytics' Second-Party Opinion reflects Sustainalytics' independent³ opinion on the alignment of the reviewed Framework with the SLBP and SLLP. As part of this engagement, Sustainalytics exchanges information with various members of B3 S.A.'s management team to understand the sustainability impact of their business processes and SPTs, as well as reporting and verification processes of aspects of the Framework. B3 S.A.'s representatives have confirmed that:

- (1) They understand it is the sole responsibility of issuer to ensure that the information provided is complete, accurate or up to date;
- (2) They have provided Sustainalytics with all relevant information; and
- (3) Any provided material information has been duly disclosed in a timely manner.

Sustainalytics also reviewed relevant public documents and non-public information. This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with the Framework. Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and B3 S.A. Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated SPTs of KPIs but does not measure the KPIs' performance. The measurement and reporting of the KPIs is the responsibility of B3 S.A.. No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument either in favor or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that B3 S.A. has made available to Sustainalytics for the purpose of this Second-Party Opinion.

The Second-Party Opinion is valid for issuances aligned with the respective Framework for which the Second-Party Opinion was written and aligned with the methodology to calculate the KPI performance outlined in the Second-Party Opinion up to 24 months or until one of the following occurs:

- (1) A material change to the external benchmarks⁴ against which targets were set;
- (2) A material corporate action (such as material M&A or change in business activity) which has a bearing on the achievement of the SPTs or the materiality of the KPI.

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¹ The Sustainability-Linked Bond Principles (SLBP) were launched by ICMA in June 2020. They are administered by the ICMA and are available at: <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2020/Sustainability-Linked-Bond-PrinciplesJune-2020-100620.pdf>

² The Sustainability-Linked Loan Principles (SLLP) are administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association and are available at: https://www.lsta.org/content/?_industry_sector=guidelines-memos-primary-market

³ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

⁴ Benchmarks refers to science based benchmarks

Introduction

B3 S.A. - Brasil, Bolsa, Balcão ("B3", or the "Company", or the "Issuer") is a financial market infrastructure company. Established in 2017 through a merger between BM&FBOVESPA and CETIP, B3 is the largest stock exchange in Brazil. The Company's activities include the development and management of trading systems, clearing, settlement, deposit and registration for various asset classes such as equities, fixed income securities, currency derivatives, federal government securities, structured transactions and agricultural commodities. B3 also offers a listing service for publicly held companies.

B3 has developed the B3 - Brasil, Bolsa, Balcão Sustainability-Linked Financing Framework (the "Framework") under which it intends to issue sustainability-linked debt instruments where the coupon rate is tied to the achievement of the SPTs for two KPIs: (i) percentage of women in leadership positions, and (ii) creation of a diversity index.

B3 engaged Sustainalytics to review the Framework and provide an opinion on the alignment of the Framework with the Sustainability-Linked Bond Principles (SLBP)¹ and Sustainability-Linked Loan Principles (SLLP).²

The KPIs and SPTs used by B3 are defined in Tables 1 and 2 below.

Table 1: KPI Definitions

KPI	Definition
Percentage of women in leadership positions	<p>The KPI measures the number of women in leadership and management roles divided by the total headcount of all leaders in B3 S.A.</p> <p>B3 defines "leaders and managers" as employees who fulfill the roles of managers, superintendents, officers and the Chief Executive Officer (CEO). Additionally, manager roles include general managers as well as specialists in Tier 1. Superintendent roles include superintendents and specialists in Tier 2. The officer definition includes officers, executive officers and vice-presidents of B3.</p>
Creation of a diversity index	<p>B3 intends to create an index of companies listed on the exchange that meet certain criteria with respect to gender diversity, including criteria related to women in leadership roles.</p> <p>B3 has not yet defined a methodology for the development of the index. The Company intends to follow market standards, as well as its Corporate Sustainability Index (ISE) methodology, and align with Brazilian demographic data.</p>

Table 2: SPTs and Past Performance

KPI	2017	2018	2019	2020 (baseline)	SPT 2025
Percentage of women in leadership positions	24.5%	26.6%	28.0%	27.2%	Achieve at least 35.0% women representation in management and leadership positions by December 31, 2026
Creation of a diversity index	N/A	N/A	N/A	N/A	Create and offer a diversity index by December 31, 2024

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Alignment of B3 - Brasil, Bolsa, Balcão Sustainability-Linked Financing Framework with the Sustainability-Linked Bond Principles and the Sustainability-Linked Loan Principles

Sustainalytics is of the opinion that the Sustainability-Linked Bond Framework align with the five core components of the Sustainability-Linked Bond Principles 2020 (SLBP) and the Sustainability-Linked Loan Principles 2021 (SLLP).



Selection of Key Performance Indicators (KPIs)

Relevance and Materiality of KPIs

In its assessment of materiality and relevance, Sustainalytics considers i) whether an indicator speaks to a material impact of the issuer's business on environment or social issues, and ii) to what portion of impact the KPI is applicable.

KPI 1 - Percentage of women in leadership positions

Sustainalytics considers KPI 1 to be material and relevant in the context of the gender gap in leadership roles globally and in the Brazilian financial services industry specifically. As of 2020, only 29% of the senior management roles globally were fulfilled by women while the proportion of women in executive roles stood even lower at 23%.⁵⁶

Specifically in Brazil, the gender gap issue is more accentuated compared to the global landscape, with only 16% of executive roles in financial services are fulfilled by women.⁷ In its materiality analysis for 2020, B3 identified gender diversity as a material issue for the Company.⁸ B3 tracks its performance on this subject and is committed to increasing women's representation in leadership and management roles through targets set forth in this Framework. Additionally, Sustainalytics' ESG Risk Ratings identified "Human Capital" as a material ESG issue (MEI) for the Company.⁹

With regards to the applicability, the KPI includes employees who fulfill the roles of managers, superintendents, officers and the CEO at the Company and speaks to approximately 17% of B3's total employee base in Brazil. However, Sustainalytics notes that the positions covered under the KPI include those employees who have the potential to influence operational and strategic decisions within the Company, and therefore considers the KPI to have an elevated scope of influence within its workforce

KPI 2 – Creation of a diversity index

Sustainalytics considers KPI 2 to be material and relevant due to the role that stock exchanges such as B3 can play in advancing the representation of women in decision-making positions. Sustainalytics' ESG Risk Ratings

⁵ Grant Thornton, "Women in Business report 2020", (2020), at: <https://www.grantthornton.global/en/insights/women-in-business-2020/women-in-business-2020-report/>.

⁶ Mercer, "Let's Get Real About Equality: When Women Thrive 2020 Global Report", (2020), at:

<https://www.mercer.com/content/dam/mercer/attachments/private/gi-2020-wwt-global-research-report-2020.pdf>.

⁷ Oliver Wyman, "The Gender Gap Lifecycle", (2021), at: <https://www.oliverwyman.com/our-expertise/insights/2018/aug/the-gender-gap-lifecycle.html>.

⁸ B3, "Annual Report 2020", (2020), at: <https://api.mziq.com/mzfilemanager/v2/d/5fd7b7d8-54a1-472d-8426-eb896ad8a3c4/63f665ae-787f-b8e2-d5b1-de3bed77c0e5?origin=1>

⁹ Sustainalytics, ESG Risk Rating Report – B3 SA-Brasil, Bolsa, Balcão, accessed on September 03, 2021, at: <https://www.sustainalytics.com/esg-rating/b3-sa-brasil-bolsa-balco/1029831472>

methodology identified "ESG Integration – Financials" as an MEI for the Company.¹⁰ In fact, stock exchanges can play a significant role in promoting sustainable capital markets by providing sustainability frameworks to listed companies on addressing and reporting on ESG-related activities. Sustainalytics considers that this offering of a diversity index in the Brazilian financial markets is innovative, positively advancing gender equality by influencing listed companies to publicly disclose gender-related data, such as women in leadership positions, and to report on progress. Sustainalytics, therefore, assesses the KPI to be a highly material issue.

KPI Characteristics

In its assessment of the KPI characteristics, Sustainalytics considers i) whether a clear and consistent methodology is used, ii) whether the issuer follows an externally recognized definition, iii) whether the KPIs are a direct measure of the performance of the issuer on the material environmental or social issue, and iv) if applicable, whether the methodology can be benchmarked to an external contextual benchmark.¹¹

KPI 1 - Percentage of women in leadership positions

Sustainalytics considers B3's definition and methodology to calculate the performance of KPI 1 to be clear and consistent based on the ease of calculation and replicability. In addition, the KPI follows a methodology that is in line with the one suggested by the Global Reporting Initiative (GRI) for calculating management diversity.¹² The KPI is also a direct measure of B3's performance on key sustainability parameters related to its workforce. Sustainalytics notes that there are no external benchmarks available for assessing performance against KPI 1.

KPI 2 – Creation of a diversity index

Sustainalytics notes that B3 does not yet have a clear methodology for the development of the Diversity Index and that there are no external benchmarks available for assessing performance against KPI 2. However, B3 communicated to Sustainalytics that the index would, at least, address women in leadership roles, in line with Brazilian demographic data, when possible. Furthermore, B3 intends to follow market standards and the methodology for B3's Corporate Sustainability Index (ISE). Sustainalytics notes that other stock exchanges have developed social indexes and encourages B3 to consider approaches that reflect as best as possible the Brazilian context, in alignment with national demographic data, and capture the ethical aspects of diversity where possible.

Overall Assessment

Sustainalytics overall considers KPI 1 to be strong as it addresses a material ESG issue globally and for the Company. Additionally, the KPI is a direct measure of B3's sustainability performance and follows a clear and consistent methodology in line with the one suggested by the GRI for calculating management diversity.

Sustainalytics considers B3's KPI 2 to be adequate given that it is a direct measure of the performance of the Company and addresses relevant and material issues but does not have a clear methodology at this moment.

Percentage of women in leadership positions	Not Aligned	Adequate	Strong	Very strong
Creation of a diversity index	Not Aligned	Adequate	Strong	Very strong

¹⁰ The MEI "ESG Integration – Financials" identified by the Sustainalytics ESG Risk Rating methodology includes all ESG integration activities by financial institutions that are either driven by financial downside risk considerations or by business opportunities.

¹¹ External contextual benchmarks provide guidance on the alignment with ecological system boundaries. This criterion is not applied to social KPIs or impact areas for which such contextual benchmarks are not available.

¹² GRI 405: Diversity and Equal Opportunity (2016) at: <https://www.globalreporting.org/standards/media/1020/gri-405-diversity-and-equal-opportunity-2016.pdf>



Calibration of Sustainability Performance Targets (SPTs)

Alignment with Issuer's Sustainability Strategy

B3 has set the following SPTs for its KPIs:

- Achieve at least 35.0% women representation in management and leadership positions by December 31, 2026, from a 2020 baseline.
- Creation of a diversity index by December 31, 2024.

Sustainalytics considers the SPTs to be aligned with B3's sustainability strategy (please refer to Section 2 for analysis of the credibility of the Company's sustainability strategy).

In its most recent materiality analysis for 2020, B3 identified gender diversity as a material issue for the Company and considers increasing gender diversity a key element of its strategy.¹³ B3 started tracking its performance on this subject in 2017 and is committed to increasing women's representation in leadership and management roles through its diversity targets, including increasing women's leadership representation to 35.0% by 2026 and creating a diversity index by 2024. Additionally, the Company has also tied executive compensation to the achievement of these goals to ensure accountability. B3 has been a signatory to UN Women's Empowerment Principles since 2017, as well as a participant of the UN Global Compact since 2005. The Company has also undertaken other initiatives focused on increasing the presence of women at the Board of Directors' level.

Strategy to Achieve the SPTs

SPT 1: Achieve at least 35.0% women representation in management and leadership positions by December 31, 2026, compared to a 2020 baseline

B3 intends to achieve the SPT through the following strategy:

- B3 provides a structured diversity and inclusion (D&I) training module as part of its leadership program to help minimize bias as well as enhance the perception of leaders on the subject. The Company also provides mentoring opportunities and accelerated development programs to its female employees intending to develop and retain them.
- The Company has also undertaken various initiatives which are focused on hiring more women through the following (i) developing and strengthening B3's brand in the hiring market, (ii) ensuring that 70% of the candidates during the selection process are women, (iii) hiding gender information during the selection process to minimize bias, (iv) recognizing employees that nominate profiles of women in leadership roles, and (v) maintaining relationships with high-performing alumni with the goal of rehiring them.
- B3 partners with and invests in organizations that work towards the professional development and introduction of women in the labour market in Brazil. Some of the projects undertaken by these organizations are focused on providing scholarships to low-income youth to study IT programming languages, increasing the employability of minorities, and supporting schools to develop more inclusive admission practices. The individuals selected for the projects also undergo mentoring from employees at B3 and are subsequently considered for positions at the Company.
- Other initiatives by the Company include conducting studies on gender payment equity and those aimed at improving working conditions for pregnant women.

¹³ B3, "Annual Report 2020", (2020), at: <https://api.mziq.com/mzfilemanager/v2/d/5fd7b7d8-54a1-472d-8426-eb896ad8a3c4/63f665ae-787f-b8e2-d5b1-de3bed77c0e5?origin=1>

SPT 2: Creation of a diversity index by December 31, 2024

B3 intends to achieve the SPT through the following strategy:

- B3 encourages transparency and recommends that listed companies report their ESG practices through item 7.8 "Social and Environmental Policies and Transparency" of the Reference Form of the Regulator, CVM (Securities and Exchange Commission of Brazil). To reinforce the importance of ESG disclosure, B3 coordinates the Transparency Subgroup of CVM's Laboratory of Financial Innovation (LAB).¹⁴
- B3 has written guidance on ESG reporting, including "Sustainability Guidance for Companies" and Sustainability Guidance and Business Opportunities in the Intermediation Industry".
- B3 offers ESG mentoring to its clients through a Customer Experience Program. Furthermore, the Company promotes training, workshops, events, and opportunities to exchange of experiences among listed companies and investors to foster this agenda in the Brazilian Capital Market. The initiative is led by the Client's Relationship Department in partnership with the Sustainability area.¹⁵
- B3 aims to bring together multidisciplinary and agile teams to develop the diversity index. The Company plans to invite all listed companies to complete a form with questions on women in leadership and ethnic diversity, which will then be benchmarked against national Brazilian demographic data to ensure the data reflects the national context. B3 intends to share performance reports with low-performing companies, including comparisons with other peers in the same industry and information on the company's progress, to close performance gaps.

Ambitiousness, Baseline and Benchmarks

To determine the ambitiousness of the SPTs, Sustainalytics considers whether the SPTs go beyond business-as-usual trajectory, ii) how the SPTs compare to targets set by peers, iii) and how the SPTs compare with science.¹⁶

SPT 1: Achieve at least 35.0% women representation in management and leadership positions by December 31, 2026, compared to a 2020 baseline

B3 has set the baseline for SPT 1 at 2020 to reflect the most recent data available for the performance of KPI 1.

Sustainalytics was able to use the following benchmarks to assess ambitiousness: past performance and peer performance. At the baseline year 2020, 27.2% of the leadership and management positions at B3 comprised female representation, up from 24.5% in 2017. Therefore, Sustainalytics considers the targeted increase to 35.0% by 2026 to go above the Company's historical performance.

With regards to comparison against peers, Sustainalytics considers the SPT to be broadly aligned with targets set forth by B3's peers and their performance. Sustainalytics notes that while the SPT is slightly lower than similar targets set by global industry peers, the majority of B3's peers in Brazil do not report on female representation and have not set corresponding targets to increase gender diversity.

SPT 2: Creation of a diversity index by December 31, 2024

Sustainalytics considers SPT 2 to be aligned with its global peers and to represent an improvement on past performance.

In comparison to its global peers in the Financial Exchanges and Data Services sub-industry, B3's SPT 2 is aligned with respect to the creation of ESG Indexes. Five of the six companies in a peer group analyzed by Sustainalytics have formally launched ESG related indexes.

Given the creation of a diversity index is a new initiative undertaken by B3, Sustainalytics considers SPT 2 to demonstrate continued improvement on the companies' efforts to advancing ESG issues designed to inform investors and support listed companies in implementing and reporting on ESG-related activities.

¹⁴ B3, "Transparency", at: http://www.b3.com.br/en_us/b3/sustainability/at-b3/transparency/reports.htm

¹⁵ Sustainable Stock Exchanges Initiative, "B3", at: <https://sseinitiative.org/stock-exchange/b3/>

¹⁶ We refer here to contextual benchmarks, that indicate the alignment of targets with ecosystem boundaries.

Overall Assessment

Sustainalytics considers SPT 1 to be aligned with the B3's sustainability strategy and considers SPT 1 to be ambitious as it is above B3's past performance and it's aligned with targets set by peers.

Sustainalytics considers SPT 2 to be aligned with the B3's sustainability strategy and considers SPT 2 to be moderately ambitious as it's aligned with its global peers and represents an improvement on past performance.

Achieve at least 35.0% women representation in management and leadership positions by December 31,2026 (Percentage of women in leadership positions)	Not Aligned	Moderately Ambitious	Ambitious	Highly Ambitious
Creation of a diversity index by December 31, 2024	Not Aligned	Moderately Ambitious	Ambitious	Highly Ambitious



Instrument Characteristics

B3 has disclosed that the financial characteristics of the debt instruments issued under the Framework are intended to be tied to the achievement of the SPTs. The financial characteristics may include both an increase and decrease in the coupon margin by an amount that will be specified in the instruments' documentation as a result of the issuer achieving or not achieving the SPTs at the target observation dates.

Sustainalytics positively notes that all SPTs need to be met to avoid an increase in the coupon rate.



Reporting

B3 commits to report on its KPI performance annually and expects to include the relevant figures in an accessible format on its website as well as via a separate report, which is aligned with the SLBP and SLLP. B3 further commits to disclose annually, when feasible, qualitative and quantitative data related to the progress toward the achievement of the SPTs, as well as any re-assessments or adjustments of the KPIs, their baselines or scopes.



Verification

B3 commits to having an external verifier provide limited assurance on the KPI performance at any relevant deadline for the assessment of SPT performance, which is aligned with the SLBP and SLLP on verification.

Section 2: Assessment of B3's Sustainability Strategy

Credibility of B3 Sustainability Strategy

B3's sustainability strategy is based on three key pillars: (i) aligning with sustainability best practices, (ii) advancing ESG best practices in the Brazilian market, and (iii) strengthening product portfolio and developing new ESG market fronts.¹⁷ In 2005, B3 became the first stock exchange globally to join the UN Global Compact as a signatory.¹⁸ Since 2008, B3 has reported on its sustainability performance and has linked variable remuneration for executive-level management to the achievement of diversity

¹⁷ B3, "Investor Relations – Sustainability", accessed on September 2, 2021, at: <https://ri.b3.com.br/en/b3/sustainability/>

¹⁸ United Nations Global Compact, "B3", accessed on September 2, 2021, at: <https://www.unglobalcompact.org/what-is-gc/participants/1367-B3>

and inclusions targets since 2020. In 2010, B3 became the first stock exchange across emerging markets committing to commit to the Principles of Responsible Investment (PRI).¹⁹ B3 is also a founding signatory of the Sustainable Stock Exchanges initiative (SSE) and a member of the Sustainability Working Group of the World Federation of Exchanges (WFE) since 2014,²⁰ showing active engagement to ESG issues relevant to the industry for over 15 years.

In addition, B3 has demonstrated its commitment to broadly promoting sustainability within the Brazilian market through its ongoing maintenance of ESG related indices and guidelines for listed companies. In 2011, B3 released the first edition of its sustainability guidance for companies on its exchange and, in 2016, published a sustainability business opportunity guide for the intermediation industry.^{21,22} Launched in 2005, B3's Corporate Sustainability Index (ISE B3) aims to track the stock prices of Brazilian companies recognized for their commitment to sustainability. ISE was only the 4th such market index in the world at the time of its launch.^{23,24}

B3's overall ESG-related disclosure follows best practice, signalling strong accountability to investors and the public. Based on the above mentioned, Sustainalytics considers B3 to have a strong sustainability strategy and considers that the Framework will further support B3 efforts.

B3's Environmental and Social Risk Management

While Sustainalytics recognizes that B3's defined targets are impactful, it is acknowledged that the achievement of the SPTs bears broader environmental and social risks. According to Sustainalytics' ESG Risk Ratings on B3, these risks are primarily related to "Business Ethics", "Human Capital" and "Data Privacy and Security."²⁵ Sustainalytics comments below on B3's ability to mitigate these potential risks.

B3 has in place a governance structure that incorporates numerous ethical and sustainability-related practices and principles. B3's governance structure includes a Sustainability Committee that is chaired by the Company's CEO and is responsible for steering all sustainability-related strategies.²⁶ Such strategies are set forth to influence the Company's direction around social and environmental risks management and promote its social and environmental agenda.²⁷ Within this governance structure is also a set of policies related to anti-corruption and fraud, anti-money laundering, corporate risk, and a code of conduct and ethics that all B3 employees must follow.²⁸

Related to data privacy and security risks, B3 has in place policies for the governance of personal data protection and for information security which Sustainalytics notes as being adequate for the management of such risks.²⁹ It is also acknowledged that per Sustainalytics' controversies assessment, B3 has not been engaged in any significant controversies.³⁰

In addition to the above, Sustainalytics notes that it has found no evidence of any major environmental or social controversies related to B3.

Overall, Sustainalytics' ESG Risk Rating of B3 indicates that the Company's overall management of MEIs is strong³¹ and considers that B3 has strong management programs and policies to mitigate risks that could materialize as a result of the pursuance of the targets set forth in the Framework.

¹⁹ *Ibid.*

²⁰ *Ibid.*

²¹ B3, "New Value – Corporate Sustainability" (2016), accessed on September 2, 2021, at:

http://www.b3.com.br/data/files/96/D0/37/3C/0F07751035EA4575790D8AA8/GuiaNovoValor_SustentabilidadeNasEmpresas_EN.PDF

²² B3, "Sustainability Business Opportunity in the Intermediation Industry" (2016), accessed on September 2, 2021, at:

http://www.bmf.com.br/portal/pages/newsletter/bmfbovespa/Folheto_ESG_B3_Bi.pdf

²³ Market Screener, "BM&F Bovespa: Sustainability", accessed on September 2, 2021, at: <https://www.marketscreener.com/quote/stock/B3-BRASIL-BOLSA-BALCA-6500305/news/BM-F-Bovespa-Sustainability-24016972/>

²⁴ B3, "ISE B3 Experience with the 2030 Agenda and its SDGs", accessed on September 2, 2021, at: https://iseb3-site.s3.amazonaws.com/eng-ISEB3_e_Agenda2030-pdf.pdf

²⁵ *Ibid.*

²⁶ B3, "Governance", accessed on September 2, 2021, at: http://www.b3.com.br/en_us/b3/sustainability/at-b3/governance/governance.htm

²⁷ B3, "Socio-Environmental Responsibility Policy" (2020), accessed on September 2, 2021, available at: <https://ri.b3.com.br/en/corporate-governance/bylaws-codes-and-policies/>

²⁸ *Ibid.*

²⁹ *Ibid.*

³⁰ *Ibid.*

³¹ Sustainalytics, "Company ESH Risk Ratings - B3 SA-Brasil, Bolsa, Balcão", accessed on September 2, 2021, at: <https://www.sustainalytics.com/esg-rating/b3-sa-brasil-bolsa-balco/1029831472>

Section 3: Impact of the SPTs Chosen

Importance of gender equality, diversity and inclusion

As per the United Nations - “gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous and sustainable world”.³² In 2020, 47% of working-age women participated in the labor market, compared to 74% of men – a gender gap that has remained relatively constant since 1995.³³ The proportion of women in managerial decision-making positions has remained relatively constant at 28% between 1995 and 2019.³³ Gender parity is fundamental to how economies and societies thrive. Ensuring the full development and appropriate deployment of half of the world’s total talent pool has a vast bearing on the growth, competitiveness and future-readiness of economies and businesses worldwide.³⁴

According to the World Economic Forum Gender Gap Report, Brazil ranks 93 out of 156 countries in 2021³⁴ based on economic, education, health and political criteria. Additionally, in the Latin American context, Brazil has one of the largest gender gaps, ranking 22 out of 25 countries in the region. In 2021, around 62% of the working-age women in Brazil are reported to be a part of the labor force as opposed to 81% of the working-age men. Specifically for management positions, only around 39% of the total managerial roles in Brazil are fulfilled by women.³⁴

In addition, companies also need to promote diversity to become inclusive organizations. The benefits of introducing diversity and inclusion within the workforce include improved resourcing of talented personnel, enhancement of corporate image, improved creativity and problem-solving, better decision making, innovation and improved organizational performance, among others.³⁵ A study by McKinsey & Company highlights that companies in the top quartile for gender diversity on executive teams were 25 percent more likely to have above-average profitability than companies in the fourth quartile.³⁶

Based on the above, Sustainalytics is of the opinion that B3’s efforts to increase women representation in leadership and management roles in Brazil while also incentivizing companies listed on the index to disclose corresponding data are aligned with its efforts towards diversity and inclusion and will help further the UN Sustainable Development Goals.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. These sustainability-linked bonds advance the following SDG goals and targets:

KPI	SDG	SDG Target
Percentage of women in leadership positions	5. Gender Equality	5.5 Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
	8. Decent Work and Economic Growth	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
	10. Reduced Inequalities	10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

³² Sustainable Development Goals, “Gender Equality and Women’s Empowerment”, accessed on September 2, 2021, at: <https://www.un.org/sustainabledevelopment/gender-equality/>

³³ United Nations, Department of Social and Economic Development, “The World’s Women 2020: Trends and Statistics” (2020), accessed on September 2, 2021, at: <https://www.un.org/en/desa/world%E2%80%99s-women-2020>

³⁴ World Economic Forum, “Gender Gap Report”, (2021), accessed on September 2, 2021, at: http://www3.weforum.org/docs/WEF_GGGR_2021.pdf

³⁵ Rohwerder, B. (2017), “Impact of diversity and inclusion within organisations”, Institute of Development Studies, at: https://assets.publishing.service.gov.uk/media/5ba51175e5274a54d5c39c19/109_Diversity_and_inclusion_within_organisations.pdf

³⁶ Fyle, D. (2020), “Diversity wins- how inclusion matters”, McKinsey & Company, at: <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters> These findings emerge from data collected from 15 countries and more than 1,000 large companies.

Presence of a diversity index	5. Gender Equality	5.5 Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
	10. Reduced Inequalities	10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

Conclusion

B3 S.A. intends to issue Sustainability-Linked Debt Instruments which will tie the coupon rate of the bonds to the achievements of the following SPTs:

- (1) Achieve at least 35.0% women representation in management and leadership positions by December 31, 2026
- (2) Creation of a diversity index by December 31, 2024.

Sustainalytics performed a review of B3’s Framework and considered the KPIs to be relevant and material and aligned with the Company’s sustainability strategy.

Sustainalytics considers KPI 1 – Percentage of women in leadership positions – to be strong given that it is a direct measure of B3’s performance on a material ESG issue, and it follows a clear and consistent methodology. The SPT 1 is considered ambitious as it is above the Company’s historical performance on leadership diversity and is aligned with its peers. Sustainalytics considers KPI 2 – Creation of a diversity index – to be adequate given that it is directly connected to B3’s business performance on a material ESG issue but it does not follow a clear and consistent methodology. The SPT 2 is considered moderately ambitious as it is aligned with its peers but lacks a clear methodology. Furthermore, Sustainalytics considers reporting and verification commitments to be aligned with market expectations.

Based on the above, Sustainalytics considers B3 S.A.’s Framework to be in alignment with the five core components of the Sustainability-Linked Bond Principles 2020, the Sustainability-Linked Loan Principles 2021 and the prospective of achievement of the SPTs to be impactful.

Appendix 1: Sustainability-Linked Bonds - External Review Form

Section 1. Basic Information

Issuer name: B3 S.A.

Sustainability-Linked Bond ISIN:

Independent External Review provider's name for second party opinion pre-issuance (sections 2 & 3): Sustainalytics

Completion date of second party opinion pre-issuance: September 9, 2021

Independent External Review provider's name for post-issuance verification (section 4): not known at the time of publication

Completion date of post issuance verification: not known at the time of publication

At the launch of the bond, the structure is:

- a step-up structure a variable redemption structure

Section 2. Pre-Issuance Review

2-1 SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarize the scope of the review.

The review:

- assessed all the following elements (complete review) only some of them (partial review):
- | | |
|--|--|
| <input checked="" type="checkbox"/> Selection of Key Performance Indicators (KPIs) | <input checked="" type="checkbox"/> Bond characteristics (acknowledgment of) |
| <input checked="" type="checkbox"/> Calibration of Sustainability Performance Targets (SPTs) | <input checked="" type="checkbox"/> Reporting |
| <input checked="" type="checkbox"/> Verification | |
- and confirmed their alignment with the SLBP.

2-2 ROLE(S) OF INDEPENDENT EXTERNAL REVIEW PROVIDER

- | | |
|--|---|
| <input checked="" type="checkbox"/> Second Party Opinion | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Scoring/Rating |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

2-3 EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (if applicable)

B3 S.A. intends to issue Sustainability-Linked Instruments which will tie the coupon rate of the bonds to the achievements of the following SPTs:

- (1) Achieve at least 35.0% women representation in management and leadership positions by December 31, 2026
- (2) Creation of a diversity index by December 31, 2024.

Sustainalytics performed a review of B3’s Framework and considered the KPIs to be relevant and material and aligned with the Company’s sustainability strategy.

Sustainalytics considers KPI 1 – Percentage of women in leadership positions – to be strong given that it is a direct measure of B3’s performance on a material ESG issue, and it follows a clear and consistent methodology. The SPT 1 is considered ambitious as it is above the Company’s historical performance on leadership diversity and is aligned with its peers. Sustainalytics considers KPI 2 – Creation of a diversity index – to be adequate given that it is directly connected to B3’s business performance on a material ESG issue but it does not follow a clear and consistent methodology. The SPT 2 is considered moderately ambitious as it is aligned with its peers but lacks a clear methodology. Furthermore, Sustainalytics considers reporting and verification commitments to be aligned with market expectations.

Based on the above, Sustainalytics considers B3 S.A.’s Framework to be in alignment with the five core components of the Sustainability-Linked Bond Principles 2020, the Sustainability-Linked Loan Principles 2021 and the prospective of achievement of the SPTs to be impactful.

Section 3. Detailed pre-issuance review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

3-1 SELECTION OF KEY PERFORMANCE INDICATORS (KPIs)

Overall comment on the section (if applicable): The B3 - Brasil, Bolsa, Balcão Sustainability-Linked Financing Framework includes 2 KPIs: (i) Percentage of women in leadership positions, and (ii) Creation of a diversity index (see Table 1). Sustainalytics considers KPI 1 to be strong given that it is a direct measure of B3’s performance on a material ESG issue and it follows a clear and consistent methodology. KPI 2 is considered adequate given that it is directly connected to B3’s business performance on a material issue but does not follow a clear methodology.

List of selected KPIs:

- Percentage of women in leadership positions
- Creation of a diversity index

Definition, Scope, and parameters

- Clear definition of each selected KPIs Clear calculation methodology
- Other (please specify):

Relevance, robustness, and reliability of the selected KPIs

- Credentials that the selected KPIs are relevant, core and material to the issuer’s sustainability and business strategy. Evidence that the KPIs are externally verifiable

- | | |
|--|--|
| <input type="checkbox"/> Credentials that the KPIs are measurable or quantifiable on a consistent methodological basis | <input type="checkbox"/> Evidence that the KPIs can be benchmarked |
| | <input type="checkbox"/> Other (<i>please specify</i>): |

3-2 CALIBRATION OF SUSTAINABILITY PERFORMANCE TARGETS (SPTs)

Overall comment on the section (*if applicable*): Sustainalytics considers the SPTs to be aligned with the issuer's sustainability strategy. Sustainalytics considers SPT 1 to be ambitious as it represents an improvement over past performance and is aligned with peer performance and targets. SPT 2 is considered moderately ambitious as it does not have a direct comparison to any peer performance and targets.

Rationale and level of ambition

- | | |
|--|--|
| <input checked="" type="checkbox"/> Evidence that the SPTs represent a material improvement | <input type="checkbox"/> Credentials on the relevance and reliability of selected benchmarks and baselines |
| <input checked="" type="checkbox"/> Evidence that SPTs are consistent with the issuer's sustainability and business strategy | <input checked="" type="checkbox"/> Credentials that the SPTs are determined on a predefined timeline |
| | <input type="checkbox"/> Other (<i>please specify</i>): |

Benchmarking approach

- | | |
|--|---|
| <input checked="" type="checkbox"/> Issuer own performance | <input checked="" type="checkbox"/> Issuer's peers |
| <input type="checkbox"/> reference to the science | <input type="checkbox"/> Other (<i>please specify</i>): |

Additional disclosure

- | | |
|--|--|
| <input type="checkbox"/> potential recalculations or adjustments description | <input checked="" type="checkbox"/> issuer's strategy to achieve description |
| <input type="checkbox"/> identification of key factors that may affect the achievement of the SPTs | <input type="checkbox"/> Other (<i>please specify</i>): |

3-3 BOND CHARACTERISTICS

Overall comment on the section (*if applicable*): B3 will link the bond's financial characteristics to the achievement of the SPTs, which may take the form of both a coupon margin increase and decrease tied to the achievement of each of the SPTs.

Financial impact:

- variation of the coupon
- ...
- Other (*please specify*):

Structural characteristic:

- ...
- ...
- Other (*please specify*):

3-4 REPORTING

Overall comment on the section (if applicable): B3 commits to report on an annual basis on its performance on the KPIs on both its website and in a separate report, and commits to disclose relevant information that affect the KPI performance. The reporting commitments are aligned with the SLBP and the SLLP.

Information reported:

- performance of the selected KPIs
- verification assurance report
- level of ambition of the SPTs
- Other (*please specify*):

Frequency:

- Annual
- Semi-annual
- Other (*please specify*):

Means of Disclosure

- Information published in financial report
- Information published in sustainability report
- Information published in ad hoc documents
- Other (*please specify*):
- Reporting reviewed (*if yes, please specify which parts of the reporting are subject to external review*).

Where appropriate, please specify name and date of publication in the “useful links” section.

Level of Assurance on Reporting

- limited assurance
- reasonable assurance
- Other (*please specify*):

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer’s documentation, etc.)

Section 4. Post-issuance verification

Overall comment on the section (*if applicable*):

Information reported:

- | | |
|--|--|
| <input type="checkbox"/> limited assurance | <input type="checkbox"/> reasonable assurance |
| | <input type="checkbox"/> Other (please specify): |

Frequency:

- | | |
|--|--------------------------------------|
| <input type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other (please specify): | |

Material change:

- | | |
|---|--|
| <input type="checkbox"/> Perimeter | <input type="checkbox"/> KPI methodology |
| <input type="checkbox"/> SPTs calibration | |

Appendix 2: B3 Sustainability-Linked Financing Framework



BRASIL
BOLSA
BALCÃO

SUSTAINABILITY-LINKED FINANCING FRAMEWORK

[September, 2021]

INFORMAÇÃO INTERNA – INT

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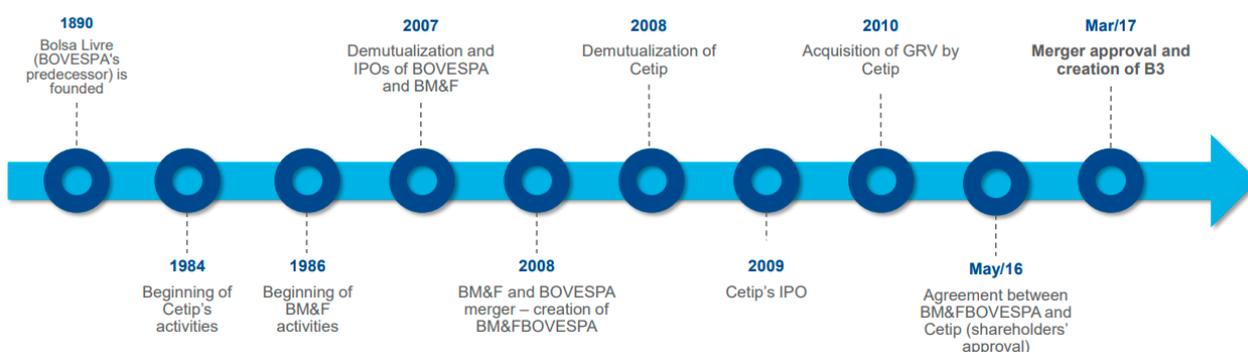
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1. About B3

Brasil, Bolsa, Balcão (“B3” or “the Company”) is Brazil’s stock exchange and one of the world’s largest financial market infrastructure companies. Our infrastructure enables the country’s financial market to function by organizing and providing services of trading, post-trading, registration and vehicle and property financing.

Leveraging a diverse portfolio of products and services, we connect, develop and facilitate the markets where we operate, and we are always mindful of corporate governance, managing risks and returning value to shareholders. In this way, we have turned B3 into one of the world’s largest market infrastructure providers.

We have always been a part of Brazil’s financial market, but in March 2017, we embarked on a new stage: the business combination between BM&FBOVESPA and CETIP united the securities, commodities and futures market with financial services to the over-the-counter market.



With this combination, we now offer solutions for systems and services for the equities, derivatives, financial and commodities markets, for fixed income securities, investment fund shares, federal government securities and spot currencies. For publicly held companies, we also offer a listing service, a central depository for shares traded in our markets, and a market information distribution service.

We also operate in the over-the-counter market, providing infrastructure for banks to register financial instruments, for the registration of customized derivatives, and for the registration and deposit of corporate debt securities. For the vehicle and property financing chains, we provide products and services to speed up the process of credit analysis and domestic loan approval.

[B]³ BRASIL BOLSA BALCÃO

- Diversified and vertically integrated model
- Single infrastructure integrated to the financial system
- Broadly held corporation with solid governance
- R\$111.5 billion in market capitalization*
- Revenue of R\$9.3 billion in 2020
- More than R\$19.0 billion distributed to shareholders in 10 years

2. Approach to Sustainability

Our ambition is to connect sustainability with the business, leveraging B3's strategic objectives, and promoting a resilient business environment aligned with the best ESG practices. For the company, sustainability is an essential market practice, which generates long-term value for our stakeholders.

As an organization that is at the center of the financial and capital markets, we have the role of inducing the best ESG (Environmental, Social and Governance) practices among our stakeholders, offering products and services that support our clients in the transition for a resilient, low-carbon economy and conduct our activities through responsible internal management.

To reinforce this commitment, our Sustainability Strategy, approved by Executive Board, is based on 3 pillars:

- 1. To be a company aligned with the best sustainability practices:** with this pillar we focus on ourselves, seeking to identify opportunities for improvement so that we can move forward with our ESG practices. To be a company aligned with sustainability best practices, we promote solid internal actions that aim for responsible management of our activities and to generate value for society.
- 2. Induce ESG best practices in the Brazilian market:** the role of market infrastructure includes fostering sustainability best practice among our stakeholders. In this way, in partnership with several players, we have promoted opportunities to support our customers in advancing their practices and to highlight those that are already consolidated, thus fostering a broad exchange of experiences in the market.
- 3. Strengthen the product portfolio and develop new ESG market fronts:** we want to strengthen products that are already available and identify new activity opportunities, promoting the development and launch of alternatives that underpin the ESG agenda with companies and investors.

Considering the importance of the ESG agenda, we have the Social and Environmental Responsibility Policy, approved by the Board of Directors, which is aligned with the company's strategic principles and aims to formalize and guide actions on the subject.

Believing in the value of partnership, we act as an associate, member and/or signatory of several institutions and commitments with an ESG focus. Thus, we seek to monitor trends and possible regulations that may impact operations and stakeholders, and subsidies for the creation of new products and services.

We were the first stock exchange in the world to become a signatory to the UN Global Compact in 2005 and the first stock exchange in an emerging country to commit to the Principles for Responsible Investment (PRI) in 2010. In 2012, we became a signatory founder of the Sustainable Stock Exchanges initiative (SSE) within the UN and, since 2014, we are a member of the Sustainability Working Group of the World Federation of Exchanges (WFE). In the climate agenda are member of the Advisory Board of the CDP Latin America.

We also seek to engage companies in sustainability issues and, at the same time, prepare them for this new business context, in which ESG factors are as important as economic-financial ones. As an example of promoting the agenda, we have the Corporate Sustainability Index (ISE B3),

which, since 2005, seeks to create an investment environment compatible with the demands for sustainable development of contemporary society and encourage ethical responsibility of corporations, among other initiatives.

Actions related to our sustainability strategy:

Environmental

Our activities have a low environmental impact due to the nature of the activities, however, considering our commitment to be aligned with the sustainability best practices and encourage other companies to do the same, we monitor our environmental impacts and implement management, mitigation and transparency initiatives, among which we highlight:

- Preparation of the [greenhouse gas emissions inventory](#) since 2009;
- Carbon neutral since 2011, through the neutralization of greenhouse gas emissions;
- Part of the Carbon Efficient Index (ICO2 B3) portfolio since its launch in 2010;
- Implementation of internal selective collection, eco-efficiency, and incentive to conscientious consumption programs.

Social

As a responsible company, we strive to attract and retain talent, promote quality of life and develop our employees. In addition, we encourage diversity, inclusion, gender equality and volunteering agendas. We are also committed to inducing social practices in our value chain and promoting private social investment through B3 Social. Among these initiatives, we highlight:

- Diversity & Inclusion: we have 5 diversity groups (gender, race and ethnicity, LGBTQIA+, people with disability, and generations) to discuss proposals and initiatives that promote the topic. In 2020, we carried out more than 80 actions on this front.
- WOB (Women on Board): seal that recognizes the commitment to the diversity agenda, materialized with the participation of three women on the Company's Board of Directors;
- Ring the Bell for Gender Equality in partnership with the Sustainable Stock Exchange, World Federation of Exchanges and IFC;
- B3 Social: is a non-profit association, founded in 2007, responsible for integrating and coordinating our private social investment projects. In 2020, we contributed approximately R\$54,2 million¹ to 148 civil society projects on several topics, including youth training projects, combating the impacts of the pandemic on food, health and income fronts and projects supported through incentive laws on the fronts of health and sport.
- [B3 Education](#): space in which the Company acts as curator of knowledge already developed by the market, organizing content produced by partners, clients and academia, together with authored content, in the form of knowledge trails. Launched in 2020, it had 45 courses at the end of the year, more than 400 contents and 100,000 registered users, in addition to 420,000 registered accesses.

¹ R\$8.1 million were also allocated to projects via the Culture Incentive Law and the Memory Center, which are not managed by B3 Social, but by B3 SA.

Governance

Transparency, accountability, appropriate processes, and controls are essential for a Company's growth.

- We ensure the best corporate governance practices through:
 - Board of Directors (CA) with independent members, market experts and gender diversity;
 - Executive Board: proposes and executes the strategic plan defined by the board of directors. It also sets guidelines for operations and for socio-economic and sustainable activities;
 - Internal Sustainability Committee: responsible for strategic guidance on B3's sustainability issues and approval of the planning and macro initiatives related to sustainability. It is composed by CEO, two members of the Board of Directors, Chief Financial, Corporate and Investors Relations Officer, Chief Client and Products Officer, and the Managing Director of People, Marketing, Communication and Sustainability;
 - Managing Director of People, Marketing, Communication and Sustainability: responsible for connecting the main sustainability themes with the business, leveraging B3's strategic objectives and promoting a resilient business environment aligned with the best ESG practices.
- [Policy for Transactions with Related Parties and Other Situations of Conflict of Interest](#);
- ESG Policies and [Code of Conduct and Ethics](#);
- Corporate risk management with four lines of defense;
- Clear [rules, policies](#) and responsibilities for IT incidents;
- Adoption of global [data security](#) accountability practices;
- Listed on the *Novo Mercado*.

Several institutions recognized our commitment to responsible management and our efforts to promote inclusive and sustainable growth. Here are some highlights:

2020:

- Global Exchange of the Year for the second consecutive year – FOW Awards 2020, organized by UK magazine Futures and Options World (FOW).
- 1st Place in the Financial Companies sector of the Melhores da Dinheiro 2020 yearbook.
- Top 10 financial sector companies in Innovation according to the Prêmio Valor Inovação Brasil award of the Valor Econômico financial daily.
- Top 10 in the GPTW – Melhores Empresas Para Pessoas Com Deficiência, for best practices for the disabled in companies.
- Among the 50 companies MOST LOVED by GLASSDOOR – out of a total of 100,000 Brazilian companies, based exclusively on the opinion of employees.
- 2020 Transparency Trophy 24th ANEFAC, FIPECAFI award in the category of companies with net revenue of up to BRL 8 billion. And it is the 11th time we have been recognized among the companies that publish financial reports in a clear and transparent way.

2021:

- For five consecutive year we were selected to be part of the FTSE4Good Latin America index, which assesses the performance of companies regarding environmental, social and corporate governance policies.

- Recognized as one of the best companies for women to work in Brazil by Great Place to Work (GPTW).
- Member of the CDP Climate Resilience Index.

Material topics and their relationship with the strategic pillars of the UN Sustainable Development Goals (SDG)

In 2020 we carried out a new materiality study for which we consulted our priority stakeholders. The group included our customers, suppliers, employees, investors, regulators and society. Senior management analyzed and approved the study's results at an Executive Board meeting comprised of our CEO and Vice-Presidents. Our material topics, and its correlation with the SDGs, that were selected during this process were:

Customer Centricity

Integrated management of customer demands, operating improvements, innovation, and development of new products, including those related to ESG. Promotion of Financial Education and of transparency in the dissemination of concepts and opportunities related to the use of our services. Quality and expertise in our deliveries and solutions.



Corporate Social Responsibility & People Management

Corporate Social Responsibility & People Management Contribution to the development of our people through respect for labor laws; programs and initiatives to value human capital; promotion of equal opportunities for professional development and a favorable environment; and building a diverse company. Contribution to society through voluntary and planned distribution of private or incentivized funds to social, environmental and cultural projects in the public interest.



Corporate Governance & Fostering ESG Best Practices in the Market

Adoption of robust management practices that encompass governance structures and policies. Adoption of policies and procedures to manage our activities, thus encouraging the market to include ESG best practices in its routines, generating a positive impact for itself and society.



Responsible Market Infrastructure

Internal practices, rules and procedures that strengthen responsible management, encompassing righteous operation; management of conflicts of interest; assurance of compliance with local regulations; and anticorruption practices. Resilience of platforms and operating infrastructure. Information security for company and customers. Integrity and confidentiality of individuals' data. Cyber-attack prevention. Effective and precise disclosure of financial and non-financial information, as well as promotion of best market practices in financial reporting.



We are committed to the Sustainable Development Goals (SDGs) as we understand that private sector engagement is essential to accelerate the fulfillment of the 2030 Agenda.

It is important to mention that the material topics selected during our process also align with MSCI and the Sustainability Accounting Standards Board (“SASB”). According to MSCI², Financial Exchange and Data Companies are most subject to Governance (60%) and Human Capital Development (35%) topics, being also concerned with Carbon Emissions (5%). That fully aligns with our business strategy, Materiality Map and what we have been practicing. In fact, we have been developing our human capital, investing in best corporate governance practices and, since 2011, we are carbon neutral³. SASB Materiality Map⁴ also corroborates this prognostic, as they list among the material topics applicable to Exchanges (i) Product Design & Lifecycle Management; (ii) Business Ethics and (iii) Systemic Risk Management, themes that are directly addressed by our responsible market infrastructure, customer focus and strong corporate governance.

3. Rationale for the Issuance

We are committed to the market’s development. With this in mind, we have adopted practices and procedures to strengthen the responsible management of our business. This includes assuring the integrity and security of company and customers’ information, compliance with local regulations, and resilience of our platforms and operating structure, among others. The inclusion of Sustainability-Linked financing to B3’s finance instruments is a natural step in the company’s constant and growing commitment to sustainability issues. It is important to mention that this Sustainability-Linked Financing only comes to formalize something that we have already been doing for a long time and is already embedded in our culture and way of doing business.

We are committed to create financial incentives for the company to fulfil its sustainable business to progress the evolution of sustainable capital markets. One example is the development and expansion of ESG products and services that can help our clients towards a more sustainable development.

We were responsible for creating ISE-B3, the fourth sustainability index launched in the world and one of the most relevant in the Brazilian market. Besides that, we also developed a Carbon Efficient Index (ICO2 B3) and provided the emissions trading and registration platform for Decarbonization Credits (CBIOS) to incentivize our clients to get more engaged with climate change topics. In fact, we have several indices aimed at providing ESG Data and helping our clients towards a sustainable path⁵.

This Sustainability-Linked Financing Framework will enable us to align our financing strategy with our mission, objectives and sustainability targets and contribute to the development of the sustainable finance market, underlining the importance of the exchanges sector in the implementation and

² <https://www.msci.com/our-solutions/esg-investing/esg-ratings/materiality-map#>

³ We have an internal work agenda that focuses on minimizing our operations’ impact on climate change. In addition to processes to manage consumption of natural resources, such as water and energy, we monitor our greenhouse gas emissions. Since 2013 (2011 and 2012 base years) we have offset our GHG emissions that we cannot reduce, making us a carbon neutral company. Our commitment to best practices in these matters also translates into #MovimentoB3, which is reformulating our physical facilities to favor solutions that reduce the consumption of natural resources.

⁴ <https://materiality.sasb.org/>

⁵ Those include the (1) Corporate Sustainability Index (ISE B3); (2) Carbon Efficient Index (ICO2 B3); (3) S&P/B3 Brasil ESG Index; (4) Differentiated Corporate Governance Equity Index (IGC B3); (5) Novo Mercado Corporate Governance Index (IGNM B3); (6) Corporate Governance Trade Index (IGCT B3); (7) Differentiated Tag-Along Stock Index (ITAG). More about those products can be found at http://www.b3.com.br/en_us/b3/sustainability/esg-products-and-services/sustainability-indices/

achievement of the UN's SDGs.

We intend to use this Sustainability-Linked Financing Framework as an umbrella to issue Sustainability-Linked Instruments ("SLIs"), which may include, but are not limited to bonds, local debentures and other capital markets instruments in Brazil and/or loans.

Our objective with this Framework and any eventual issuance of SLIs is to inspire other companies to follow the same sustainable path, integrating finance alternative with sustainable goals. For that, we will commit to specific ESG outcomes, setting ambitious timelines for achieving sustainability performance targets that are relevant, core and material to our business. Our Framework provides a high-level approach to our Sustainability-Linked Securities and investors should refer to the relevant documentation for any specific new issuance.

1. Alignment with the Sustainability-Linked Bond Principles and Sustainability-Linked Loan Principles

This Framework has been established in accordance with the (i) Sustainability-Linked Bond Principles 2020⁶ ("SLBP"), as administered by the International Capital Market Association ("ICMA") aiming to encompass future issuances in the capital markets and (ii) Sustainability-Linked Loan Principles 2020⁷ ("SLLP"), as administered by the Loan Markets Association ("LMA") aiming to encompass bilateral or syndicated loans with financial institutions and/or multilateral agencies.

The SLBP and the SLLP, or the Sustainability-Linked Principles ("SLP"), are voluntary process guidelines that outline best practices for financial instruments to incorporate forward-looking ESG outcomes and promote integrity in the development of the Sustainability-Linked financing by clarifying the approach for issuance of a SLIs. Our Sustainability Linked Securities Framework is in alignment with the five core components of the SLBP:

1. Selection of Targets and Key Performance Indicator (KPI)
2. Calibration of Sustainability Performance Targets (SPT)
3. Financial Characteristics
4. Reporting
5. Independent Verification of the components listed in points 1-4

SLIs can be any type of instrument in which the financial and/or structural characteristics may vary according to the achievement (or not) of predefined sustainability goals. In this sense, we are explicitly committing to future improvements in the targets of sustainability performance that are relevant, essential, and material to our business, within a predetermined schedule. As a result, SLIs are a forward-looking performance-based instrument. The proceeds of SLIs are intended to be used for general purposes; hence, the use of proceeds is not a determinant in our categorization. B3 will select one or more of the following SPTs and measure progress against our sustainability commitments.

⁶ Please check the SLB Principles at <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2020/Sustainability-Linked-Bond-Principles-June-2020-171120.pdf>

⁷ Please check the SLL Principles at <https://www.lsta.org/content/sustainability-linked-loan-principles-sllp/>

Selection of Key Performance Indicators

Success in service provision activities is closely linked to the ability to attract, develop, and maintain talent. We are developing an agile, responsible, collaborative, and open culture to engage our employees and face the growing competition in the markets in which we operate.

We recognize the need to increase diversity at all levels of the Company as an essential element of our strategy. Likewise, we also expect the companies listed in B3 to do the same. We progressed through 2020 knowing that this is a long-term journey and that we still have a lot to do towards greater inclusion and equality. As such, we selected for this Framework two indicators that encompasses our commitment with a more diverse and inclusive society, which is our view is core, material and relevant for our business and crucial for taking our country to the next step.

Our indicators touch in material topics related to social responsibility, people management and corporate governance and applies both to us but also to companies that are listed at B3. As a result, we decided to create this Framework and set diversity targets, to be measured by two key-performance indicators (“KPIs”), that will enable us to track our company's organic growth and commit to achieve a more diverse and sustainable scenario every and each year, in a broader sense.

KPI # 1: Women in Leadership Positions
<p>KPI: Percentage (%) of women in leadership positions.</p> <p>Medium-term goal: increase the percentage (%) of women in leadership positions to reach at least 35.0% by December 31, 2026.</p> <p>Long Term Goal: Achieve an equal split of women and men in leadership positions</p> <p>Baseline: December 31, 2020, when the percentage of women in leadership positions at B3 was 27.2%.</p> <p>KPI Boundary: Positions occupied by managers, superintendents, officers and the chief executive officer of B3. The manager definition includes both general managers and specialists of the first tier (I). Likewise, the Superintendent definition includes superintendent and specialist of the second tier (II). Finally, the officer definition includes officers (<i>diretores empregados</i>), executive officers and vice-presidents.</p> <p>Relevant Methodology: B3 reports annually the number of leadership positions⁸ at the company and will report the percentage of those positions filled by women. The percentage of women in leadership positions will be obtained by dividing the total number of women in leadership positions by the total number of leadership positions available and occupied. Data related to this indicator will be managed on a regular basis taking into consideration turnover, new hires and internal movements. Leadership for B3 means every position up to three levels below the chief executive officer. The scope of this KPI is the Brazilian B3 structure only ie just B3 SA Brazil, which covered over 90% of B3's total number of employees in 2020 (including B3 S.A. Brazil, offices outside Brazil, B3 Education, B3 Social and BSM, which have their payroll and human resources (HR) management systems linked to B3⁹).</p> <p>Women Definition: For the goal we considered women under the vision of gender identity: the internal and individual experience of gender deeply felt by each person, which may or may not correspond to the sex assigned at birth, including the personal sense of the body (which may involve, if chosen freely, modification of bodily appearance or function by medical, surgical or other means) and other expressions of gender, including dress, speech and mannerisms. Therefore, we refer to employees who identify themselves as women. Gender identity data is collected in the admission process and can be changed freely by employees in the internal system.</p>

⁸ For that, we divide our positions into six main categories: (1) interns, (2) teams, (3) coordinators, (4) managers, (5) superintendents and (6) officers.

⁹ Portal de Documentos and BLK are excluded form the calculation as they have their own management systems for human resources.

SDG Alignment: The KPI selected is aligned with the United Nations' Sustainable Development Goals, namely: (i) SDG 5: Gender Equality, (ii) SDG 8: Decent Work and Economic Growth and (iii) SDG 10: Reduced Inequality.

Rationale for the KPI Selection: B3 recognizes that human capital is a material topic for its business and central to its long-term success. As a result, the company believes that implementing strong diversity and inclusion ("D&I") programs can result in a competitive differential, not only to attract but also to retain the best talent.

Furthermore, we believe an increase in diversity provides greater capacity for innovation whereby ideas are generated from a broad group of well-rounded individuals. In addition, by becoming more diverse, B3 will reinforce its culture of inclusion and human capital appreciation, creating a better work environment for all its employees. It is important to mention that D&I principles were endorsed by B3's Executive Board and used to orient management in setting their business strategy. Since 2020, B3 D&I targets are linked to management's variable remuneration, including the C-level.

Diversity is a core principle of our corporate values. B3 used global data to support the selection of our target. In January 2020, Catalyst, a global nonprofit working around the world to help build workplaces that work for women, analyzed, and evaluated how S&P 500 companies performed in terms of women representation. The study concludes that, on average, 26.5% of executive and/or senior-level officials and managers are occupied by women, which is a percentage lower than what B3 current has (27.2%).

Although B3 was already performing better than the market average, the company decided to reach even further, and increase this number to at least 35.0% by December 31, 2026. That applies to all employees that have management roles, encompassing managers, superintendents, and officers (whereby all the C-level of the company is included).

For the goal we considered women under the vision of gender identity: the internal and individual experience of gender deeply felt by each person, which may or may not correspond to the sex assigned at birth, including the personal sense of the body (which may involve, if chosen freely, modification of bodily appearance or function by medical, surgical, or other means) and other expressions of gender, including dress, speech and mannerisms. Therefore, we refer to employees who identify themselves as women. Gender identity is considered in the admission process and can be changed freely by employees in the internal system.

Rationale for the Baseline Selection: 2020 was selected as the baseline year as it is the most recent one for which the company has the relevant data.

Examples of projects to support our goals: We plan to affect certain initiatives/programs that might help us to achieve our goals. Among those initiatives/programs we might (i) do the active hunting for female candidates for leadership position both internally (in the organization) and externally (from other companies), including the prioritization of women for replacement vacancies and turnover; (ii) map the organization's female talents and develop a career acceleration from day one (including internal or third-part mentor programs, professional development opportunities, empowerment and networking spaces) and (iii) develop affirmative actions, invest in the deconstruction of bias and prejudiced behaviors, and create corporate solutions for intersectional struggles in the work environment, including parental leave and caregiving. Below we included some projects we already have in that regard:

- "Marca empregadora" – To develop and foment B3's brand in the hiring market to attract more women.
- "Short-list diversa" – presentation of diverse profiles in more than 70% of selection processes to ensure greater hiring of women.
- "Hidden CV" - hide candidates' information to minimize bias in hiring women (100% of selection processes with hidden gender)
- "B3 Indica" - Program for recognition for people who nominate profiles of women in leadership
- "Mulheres em TI" – program to attract and develop more women in the IT market and consequently expand possibilities for hiring women
- "Alumni" – To keep in touch with talented, high-performance women we'd like to rehire into B3
- "Investidas B3 Social" – investment in entities and organizations that work with professional development and insertion of women in the labor Market
- Leadership Program – D&I module to minimize biases and increase B3 leader's perception on the subject
- Mentoring Program – mentoring talented women from B3 in a program that aims to develop and retain these women

- Successor mapping – to encourage conversation and more representative mapping of successors
- Mapping women talent and accelerating development – mapping women talent from B3 at all levels to accelerate development.
- Study of gender payment equity.
- Study to change Profits or Results for employees on leave to minimize impact on pregnant women
- Induction of good practices – initiatives aimed at developing clients and the market in initiatives that bring women closer to the financial market and foster exchange opportunities between institutions (“Ring the bell for gender equality”, “D&I Bootcamp”, “Be Together”)

KPI # 2 : Diversity Index

KPI: Create and offer a diversity index by December 2024.

Long Term Goal: Incentivize and promote companies that are listed at B3 to follow the Company in setting ambitious targets to expand diversity, including in leadership positions.

2020 Baseline: Currently, an index that details diversity of Brazilian companies does not exist.

KPI Boundary: B3 will create a new index with a set criteria focused on diversity. All companies listed at B3 will be invited to provide information on diversity topics and the data shared with B3 will be used to evaluate if the company is eligible for inclusion into the index. Those companies that respond to B3’s request will be eligible for the index and will be evaluated and benchmarked against each other. Among the companies that are eligible for the index, only those that present and maintain the best diversity performance will be included in the index. Companies that fail to or do not wish to provide the requested information, that do not present a good performance in terms of diversity or do not keep the performance of diversity in management public over time will not be eligible for the index.

SDG Alignment: The KPI selected is aligned with the United Nations’ Sustainable Development Goals, namely: (i) SDG 5: Gender Equality, (ii) SDG 8: Decent Work and Economic Growth and (iii) SDG 10: Reduced Inequality.

Rationale for the KPI Selection: B3 recognizes that as an exchange the Company must work towards promoting and enabling more transparency and disclosure in the market, providing market participants data to make informed decisions.

Brazil still has a long way to go in terms of diversity and likewise, Brazilian companies should be incentivized to work towards increasing diversity including in leadership roles and develop inclusive initiatives. With that in mind, and using its power to positively influence the market, B3 decided to create a new index that will be launched with the purpose of disclosing to market participants details about the companies’ approach to diversity.

As of today, diversity information is sparse, making it very difficult for investors, stakeholders, employees, and the market in general, to get this information and benchmark companies against each other. The index creation aims to close this gap. B3 will actively ask all its listed companies to disclose diversity data inducing its listed companies to adopt best ESG practices.

B3 believes that more than setting a target for ourselves (in KPI 1), we needed to proactively incentivize companies listed at B3 to discuss and disclose diversity in leadership positions in a more simple and direct fashion, thereby increasing the overall transparency in the market for this topic.

We aim to create an index that will enable market participants to evaluate companies based on the performance of their diversity while simultaneously promoting the expansion of diversity for the market overall. The index will target to provide a clearer picture of gender diversity, based on the available information submitted by companies listed at B3, including information about the percentage of women in leadership positions. Furthermore, the creation of the index is intended to promote more disclosure regarding diversity and incentivize companies listed in B3 to begin internal changes and/ or create targets to improve their diversity, including in management positions.

The index will use a scoring system based on a set criteria which would consider the information provided by the Companies wishing to be included in the index. B3 will then evaluate this data, rank the eligible companies based on the set criteria, and only include the best performers of the eligible companies into the index.

B3's intention is to both recognize the top performing companies while incentivizing the low performing listed companies to follow expand their diversity. It is important to mention that if diversity data sets are not available, B3 will endeavor to consider as much information as possible to devise its index and separate the top performers from the low performers.

Relevant Methodology: The index will be the weighted average of a theoretical portfolio of stocks, compiled pursuant to a methodology, to be developed by us. The index will follow market's standard and certain methodology utilized by B3 in other indexes. Nevertheless, B3 assures that it will include, at least, information regarding gender diversity and specifically the percentage of women in leadership for those companies that will be part of the index. This will mirror and provide disclosure on the target B3 selected for themselves in KPI #1. In the future, the index can expand and incorporate other diversity data points, such as a representation of ethnic minorities in leadership positions of companies listed at B3. Once live, the methodology and composition of the index will be free and readily available on our website.

Rationale for Baseline Selection: Currently, an index that details diversity of Brazilian companies does not exist.

Calibration of the Sustainability Performance Target (SPT)

Aware of the significance of our commitments and the challenges we face to meet them, we have included the rationale for the calibration of our proposed target, as follows:

Calibration of KPI #1

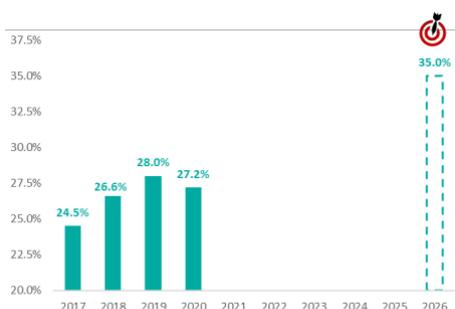
Sustainability Performance Target: achieve at least 35.0% of women in leadership positions by December 31, 2026.

Sustainability Performance Target Trigger: is calculated as the women in leadership as of December 31, 2026. Leadership positions are defined as positions occupied by managers, superintendents, officers and the chief executive officer.

Sustainability Performance Target Observation Date: December 31, 2026

Baseline Percentage: 27.2% of women in management and leadership roles in 2020.

B3's Historical Women in Leadership Positions



Peer Analysis

Peer	Baseline	%	Target year	%2
Peer1	2020	14.00%	2025	30%
Peer2	2017	19.50%	2025	40%
Peer3	2020	23%	-	-
Peer4	2020	23.80%	-	-
Peer5	2020	24.50%	2025	30%
Peer6	2020	26%	-	-
Peer7	2020	26%	2021	28%
Peer8	2020	29.70%	2024	32.50%
Peer9	2020	32%	-	-
Peer10	-	-	2025	30,0%
Peer11	-	-	2021	25%
Benchmark	2020	26.50%	-	-

Calibration of KPI # 2

Sustainability Performance Target: To create an index that incentivizes companies listed in B3's to improve their diversity and inclusion practices by formally disclosing, on an annual basis, the diversity of leadership positions.

Sustainability Performance Target Trigger: Having the index live and fully available for all market participants in our website.

Sustainability Performance Target Observation Date: December 31, 2024

Sustainability-Linked Instruments Characteristics

The proceeds of our SLIs will be used for general corporate purposes. In addition to that, our SLIs will have a sustainability-linked feature that can result in a coupon adjustment, that can be represented by, but is not limited to, coupon step-ups and/or step-downs if:

- KPIs have not achieved the associated SPT on the Target Observation Date;
- the verifications (as per the verification section of this Framework) of the SPTs have not been provided and made public by the time of the Notification Date, as defined in the bond documentation; or
- the Company fails to provide Satisfaction Notice as of the Notification Date related to achieving any of the SPTs, as defined in the bond documentation

The step-up and/or step-down adjustment, as applicable, will be specified in the relevant documentation of the specific transaction.

Our calculation of the relevant KPIs or SPTs may exclude the effects of certain material acquisitions and/or material changes in laws or regulations applicable or relating to our production activities, in each case to be set forth, if applicable, in further detail in the terms and conditions of each our Sustainability-Linked Securities.

Reporting

Annually, and in any case for any date/period relevant for assessing the trigger of the SPTs performance leading to a potential coupon adjustment, we will publish and keep readily available and easily accessible on our website an update report including:

- i. Up-to-date information on the performance of the selected KPI, including the baseline used where relevant;
- ii. A verification assurance report relative to the SPTs outlining the (i) performance against the SPTs, (ii) the related impact, (iii) timing of such impact, and (iv) impact on the instrument's characteristics (if any); and
- iii. Any relevant information enabling investors to monitor the progress of the SPTs.

Information may also include, when feasible and possible:

- iv. Qualitative or quantitative explanation of the contribution of the main factors, behind the evolution of the performance/KPIs on an annual basis;
- v. Illustration of the positive sustainability impacts of the performance improvement; and/or

- vi. Any re-assessments of the KPIs and/or restatement of the SPTs and/or pro-forma adjustments of baselines or KPI scope.

Since 2010, base year 2009, we have released B3's Annual Report drawn up based on the guidelines of the Global Reporting Initiative (GRI) and which, from 2020, started to also consider indicators of the Sustainability Accounting Standards Board (SASB) and some elements of the International Integrated Reporting Council (IIRC).

The Annual Report, which is audited by a third party (Ernst & Young), is also in line with the UN Sustainable Development Goals (SDGs), according to the company's materiality: 3 (Good health and well-being), 4 (Quality Education), 5 (Gender Equality), 8 (Decent Work and Economic Growth), 9 (Industry, innovation and infrastructure), 10 (Reduce inequalities), 12 (Responsible Consumption and Production), 13 (Climate Action), 16 (Peace, justice and strong institutions) and 17 (Partnerships to achieve the Goal).

Annual Verification

Annually, and in any case for any date/period relevant for assessing the SPTs performance leading to a potential coupon adjustment, we will seek independent and external verification of our performance level against the SPTs for the stated KPIs by a qualified external reviewer with relevant expertise. The verification of the performance against the SPTs will be made publicly available on our website.

We will also obtain and make publicly available a Second Party Opinion (SPO) and/or other external review from consultants with recognized environmental and social expertise to provide an opinion on the sustainability benefit of this Sustainability-Linked Securities Framework as well as the alignment to the SLPs. The SPO will also be available on the SPO provider's website.

Review

B3 will review this Framework from time to time, including its alignment to updated versions of the relevant principles as and when they are released, with the aim of adhering to best practices in the market. B3 will also review this Framework in case of material changes in the perimeter, methodology, KPIs and/or the SPTs' calibration. Such review may result in this Framework being updated and amended. The updates, if not minor in nature, will be subject to the prior approval of a qualified provider of second party opinion.

Any future updated version of this Framework that may exist will either keep or improve the current levels of transparency and reporting disclosures, including the corresponding review by an external verifier. The updated Framework, if any, will be published on B3's website and will replace this Framework.

Disclaimer

This Sustainability-Linked Securities Framework (the “Framework”) does not constitute a recommendation regarding any securities of B3 or any affiliate of B3. This Framework is not, does not contain and may not be deemed to constitute an offer to sell or a solicitation of any offer to buy any securities issued by B3 or any affiliate of B3. In particular, neither this document nor any other related material may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession such documents may come must inform themselves about and observe any applicable restrictions on distribution. Any bonds or other debt securities that may be issued by B3 or its affiliates from time to time, including any Sustainability-Linked Securities, shall be offered by means of a separate prospectus or offering document in accordance with all applicable laws, any decision to purchase any such securities should be made solely on the basis of the information contained in any such prospectus or offering document provided in connection with the offering of such securities, and not on the basis of this Framework.

The information and opinions contained in Framework are provided as of the date of this Framework and are subject to change without notice. None of B3 or any of our affiliates assume any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise. This Framework represents current B3 policy and intent, is subject to change and is not intended to, nor can it be relied on, to create legal relations, rights or obligations. This Framework is intended to provide non-exhaustive, general information. This Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by the B3 and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the B3 as to the fairness, accuracy, reasonableness or completeness of such information. This Framework may contain statements about future events and expectations that are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identified through the inclusion of words such as “aim,” “anticipate,” “believe,” “drive,” “estimate,” “expect,” “goal,” “intend,” “may,” “plan,” “project,” “strategy,” “target” and “will” or similar statements or variations of such terms and other similar expressions. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such statements. None of the future projections, expectations, estimates or prospects in this document should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of assumptions, fully stated in the Framework. No representation is made as to the suitability of any Sustainability-Linked securities to fulfil environmental and sustainability criteria required by prospective investors.

This Framework does not create any legally enforceable obligations against B3; any such legally enforceable obligations relating to any Sustainability-Linked Securities are limited to those expressly set forth in the legal documentation governing each such series of Sustainability-Linked Securities. Therefore, unless expressly set forth in such legal documentation, B3's failure to adhere or comply with any 13 terms of this Framework, including, without limitation, failure to achieve any sustainability targets or goals set forth herein, will not constitute an event of default or breach of contractual obligations under the terms and conditions of any such Sustainability-Linked Securities'. Factors that may affect B3's ability to achieve any sustainability goals or targets set forth herein include (but are not limited to) market, political and economic conditions, changes in government policy (whether with a continuity of the government or on a change in the composition of the government), changes in laws, rules or regulations, and other challenges.

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Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. For more than 25 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Sustainalytics works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. Sustainalytics also works with hundreds of companies and their financial intermediaries to help them consider sustainability in policies, practices and capital projects. With 17 offices globally, Sustainalytics has more than 800 staff members, including more than 300 analysts with varied multidisciplinary expertise across more than 40 industry groups.

For more information, visit www.sustainalytics.com

Or contact us contact@sustainalytics.com

