

ANTI-MONEY LAUNDERING AND COUNTER TERRORISM FINANCING POLICY

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1 INTRODUCTION

B3 is duty-bound to prevent and combat terrorism financing and the crimes of money laundering and the concealment of assets, rights and property, in compliance with Law 9.613/98, article 9, sole paragraph, item (I), as amended by Law 12.683/12, and with CVM Instruction 301/99, articles 2 and 3.

In accordance with best practice in anti-money laundering, counter terrorism and combatting the concealment of assets, rights and property, B3 has issued this Corporate Policy, which establishes the Anti-Money Laundering and Counter Terrorism Program.

To prevent and combat use of the financial system and especially the markets managed by B3 for terrorism financing, money laundering and/or concealment of assets, rights and property, the Company is disseminating this document to all staff and officers, who undertake to comply with its guidelines and determinations.

Through this Policy, which has been approved by its Board of Directors, B3 undertakes to develop and maintain processes and effective controls to prevent and combat terrorism financing, money laundering and property concealment that reflect local and global best practices for service providers with its characteristics.

2 PURPOSE

This Policy establishes the concepts, principles and guidelines of B3's Anti-Money Laundering and Counter Terrorism Program, based on the applicable legal and regulatory requirements and international best practice. The aim of the Program is to prevent use for unlawful purposes of the services offered by the Company and the markets it manages.

3 RELATED DOCUMENTS

This Policy should be read and construed in conjunction with the following documents:

- Law 9.613 (March 3, 1998) and its subsequent updates
- Law 13.810 (March 8, 2019)
- Decree 5.640 (December 26, 2005)
- Decree 9.825 (June 5, 2019)
- COAF Resolution 007 (September 15, 1999)
- COAF Resolution 015 (September 28, 2007)
- CVM Instruction 301 (April 16, 1999) and its subsequent updates
- Central Bank of Brazil (BACEN) Circular 3.461 (July 24, 2009) and its subsequent updates
- BACEN Circular 3.942 (May 21, 2019)
- BACEN Circular Letter 3.542 (March 12, 2012)
- CVM/SMI/SIN Circular Letter 03/2019 (June 04, 2019)
- CVM/SMI/SIN Circular Letter 01/2016 (January 18, 2016)
- CVM/SMI/SIN Circular Letter 02/2016 (January 19, 2016)
- List of Politically Exposed Persons – AML Reputacional
- Consolidated United Nations Security Council Sanctions List
- Wolfsberg Anti-Money Laundering Principles
- Recommendations of the Financial Action Task Force (FATF)

As an entity that manages organized markets in compliance with CVM Instruction 461 and as a clearinghouse considered systemically important by the Central Bank of Brazil, as stipulated by Law 10.214, National Monetary Council Resolution 2.882 and BACEN Circular 3.057, B3 regulates the workings of the

markets that it operates through rulebooks and operating procedures manuals, which establish rights and duties for B3 and its participants.

4 SCOPE

This Policy applies to B3 – Brasil, Bolsa, Balcão S.A and its subsidiaries and affiliates in Brazil and abroad, except the Banco B3 (B3 Bank), which has its own separate policy.

5 GUIDELINES

The following guidelines have been established:

- The Company shall develop knowledge regarding the prevention and combating of terrorism financing, money laundering and concealment of assets, rights and property, permanently disseminating the knowledge and culture in question to its staff and officers.
- The Company shall clearly define the roles and responsibilities of staff and officers in the prevention and combating of terrorism financing, money laundering and concealment of assets, rights and property.
- The Company shall permanently evaluate the products and services it offers from the perspective of the risk that such products and services could be misused for the purposes of terrorism financing, money laundering and/or concealment of assets, rights and property, and shall take the necessary action to mitigate this risk.
- The Company shall develop and maintain robust monitoring processes to detect unusual and/or suspicious transactions that may relate to terrorism financing, money laundering or property concealment and, whenever appropriate, report such transactions to the competent authorities in compliance with the applicable legal and regulatory requirements.

6 RESPONSIBILITIES

6.1 Anti-Money Laundering and Counter Terrorism Committee (“Committee”)

The Committee is a permanent non-statutory collegiate body with decision-making powers and governed by its own bylaws. Its members are professionals employed by B3 and appointed by the Chief Executive Officer.

The Committee is responsible for:

- Approving norms, procedures and measures relating to B3’s Anti–Money Laundering and Counter Terrorism Program, and assuring their compliance with the applicable legal and regulatory requirements
- Establishing roles and duties for areas of the Company whose activities are affected by the Program’s implementation
- Approving the models, criteria and parameters used by the Company to monitor and detect suspicious or unusual transactions that may relate to terrorism financing or money laundering, and evaluating the performance of such models, criteria and parameters in accordance with the applicable legal and regulatory requirements at least once a month.

6.2 Responsible Officer

In compliance with article 10 of CVM Instruction 301 (April 16, 1999), B3 hereby appoints its Chief Operating Officer as the party responsible for the implementation and enforcement of the measures established in this document.

6.3 Chief Operating Officer

The Chief Operating Officer heads the Operations, Clearinghouse & Central Depository Department, which is responsible for securities trading, registration, settlement and risk management in the environments managed by B3 and for centralized safekeeping of assets.

The activities for which this department is responsible are carried out by areas subordinated to it, as detailed below. All areas shall maintain processes and controls designed to prevent and combat terrorism financing, money laundering and concealment of assets, rights and property, within their respective spheres of competence and in accordance with the guidelines established by the Committee.

6.4 Electronic Trading Department

Responsible for implementing and managing (i) controls designed to mitigate the risk that B3 electronic trading platform could be used for terrorism financing or money laundering, and (ii) monitoring processes designed to detect suspicious or unusual transactions potentially involving terrorism financing or money laundering performed via the electronic trading platform.

The controls should be based on the related documents cited in 3, without prejudice to lists drawn up internally.

6.5 Settlement Department

Responsible for implementing and managing (i) controls designed to mitigate the risk that B3 settlement, open interest management and securities lending registration services could be used for terrorism financing or money laundering, and (ii) monitoring processes designed to detect suspicious or unusual transactions relating to settlement, open interest management and securities lending registration processes and potentially constituting evidence of terrorism financing or money laundering.

The controls should be based on the related documents cited in 3, without prejudice to lists drawn up internally.

6.6 Risk Management Department

Responsible for implementing and managing (i) controls designed to mitigate the risk that the central counterparty services provided by B3 could be used for terrorism financing or money laundering, and (ii) monitoring processes designed

to detect suspicious or unusual transactions relating to the collateral posting, withdrawal and execution processes and potentially constituting evidence of terrorism financing or money laundering.

The controls should be based on the related documents cited in 3, without prejudice to lists drawn up internally.

6.6.1 Credit Risk Unit

The Credit Risk Unit is responsible for (i) reporting to the Council for Financial Activities Control (COAF) and BM&FBOVESPA Market Supervision (BSM) any suspicious or unusual transactions that might suggest terrorism financing or money laundering, whenever such transactions are detected by the Company's monitoring processes, in compliance with the applicable laws and regulations, and for (ii) keeping a record of all such reports to COAF and BSM, as well as their justification; (iii) generation, control and supply of monitoring lists and (iv) timely and consolidated reporting to the Audit Committee and the Board of Directors of the communications made to COAF, immediately in cases of serious events.

6.7 Central Depository & OTC Department

Responsible for implementing and managing, in the BM&FBOVESPA e CETIP UTVM segments, (i) controls designed to mitigate the risk that the central depository and OTC registration services provided by B3 could be used for terrorism financing or money laundering, and (ii) monitoring processes designed to detect suspicious or unusual transactions relating to CSD and OTC registration systems and potentially constituting evidence of terrorism financing or money laundering.

It is also responsible for management and control of the participant and investor registration platforms of BM&FBOVESPA and CETIP UTVM pursuant to the provisions of the prevailing legislation.

The controls should be based on the related documents cited in 3, without prejudice to lists drawn up internally.

6.8 Product & Client Department

Responsible for Brazil Clients and Nonresident Investor Relations management, for onboarding of participants in the B3 environment. The Department focuses on meeting individual and structural needs of active clients at B3 and to prospect relevant clients, mapping prospects.

6.9 Governance & Integrated Management Department

Responsible for the Company's compliance processes and as such for assuring compliance with the legal and regulatory requirements relating to the prevention and combating of terrorism financing, money laundering and concealment of assets, rights and property, among others.

6.10 Financing Unit Department

Responsible for implementation and management, at the Financing Unit, of processes designed to detect suspicious or unusual transactions in the vehicle and real estate collateral registration system that could potentially involve terrorism financing or money laundering.

The controls should be based on the related documents cited in 3, without prejudice to lists drawn up internally.

6.11 People and Branding Department

Responsible for reputational analysis of candidates during the hiring process ("know your employee"), tracking employees' economic and financial situation, and developing and implementing training processes relating to the Anti-Money Laundering and Counter Terrorism Program in accordance with the guidelines established by the Committee.

6.12 Internal Audit Department

Responsible for verifying compliance with this Policy by the Company.

6.13 Legal Department

Responsible for the Company's legal and administrative processes, and for legal counsel regarding its decision-making, assuring compliance with legal and regulatory requirements relating to Anti Money Laundering and Counter Terrorism.

7 PENALTIES

Failure to comply with regulatory requirements subjects management and staff to administrative penalties and possible prosecution for money laundering and concealment of assets, rights and property.

Negligence and willful blindness (intentional or knowing involvement in illicit activities or transactions funded by illicit activities, such as structuring or advising others to structure transactions with the aim of bypassing the obligation to report them to the regulatory authorities) are considered violations of this Policy and B3's Code of Conduct. Any such offenders are subject to the disciplinary measures specified in the Company's normative documents, without prejudice to the communication of the conduct to the competent government authorities.

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8 FINAL PROVISIONS

The above provisions apply for the entire Company immediately upon publication of this Policy.

Validity: as of July 26,2019.

1st draft: October 23, 2013.

Areas responsible for this document:

Responsible for	Area
Drafting	Credit Risk Unit
Revision	Risk Management Department Governance and Integrated Management Department Anti-Money Laundering and Counter Terrorism Internal Committee
Approval	Board of Directors

Change log:

Version	Changed Item	Change	Reason	Date
1	NA	NA	NA	Oct. 23, 2013
2	4.2 Roles and Responsibilities	Responsibilities of CSD Dept. and OTC Registration Dept. combined	Adjustment to corporate structure	Feb.21, 2014
3	Inclusion of Anti Terrorism 4.2 Roles and Responsibilities	Combat of terrorism requirement included and the responsibilities of the Product Engineering and Legal Depts. included	Completion	Apr.30, 2015
4	2.2 Related documents	Legal provisions and mention of the Consolidated United Nations Security Council Sanctions List Risk, and Credit (name) and responsibilities altered	Update of references Adjustment to corporate structure.	Mar.15,2016

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	4.2 Roles and responsibilities	<p>Change to Risk and Credit Management (name) and responsibilities</p> <p>Inclusion of report, to the Audit Committee and Board of Directors, of communications made with COAF; and</p> <p>Inclusion of responsibilities of the operations department, settlement department, central depository & OTC registration department and risk management department for performing the controls using internal, national and international lists.</p>		
5	4.2.3.4 Central Depository & OTC Registration Department	Exclusion of mention of responsibility for participants' registration, which is now the responsibility Customer Relationship Area.	Adjustment to corporate structure.	
	4.2.3.5 Customer Relationship Area	Name of department changed and responsibility included for the register of participants.	Adjustment to corporate structure.	
	4.2.5 Operations Department (UTVM)	Section excluded.	Adjustment to corporate structure.	
6	4.2.3.5 Operations Department (UTVM) 4.2.6 Technology & Operations Department (UFIN)	Inclusion of responsibilities for the operations (UTVM) and technology and operations (UFIN) departments and corporate name change and corporate restructuring	Adjustment to corporate structure.	Aug. 11, 2017
7	6.4 Operations Department (BM&F and BOVESPA segments)	Department name change	Adjustment to corporate structure	Sep. 20, 2018

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	6.8 Central Depository & OTC Department	Department name and responsibilities change as this department now encompasses the activities of the CETIP UTVM segment and of participant and investor registration	Adjustment to corporate structure	
	6.9 Operations Department (CETIP – UTVM)	Exclusion of the section, as this department's responsibilities are now under the responsibility of the DDOB and thus described in section 6.8	Adjustment to corporate structure	
	6.10 Customer Relationship Area	Department name change and exclusion of responsibilities regarding participant and investor registration, as these have been transferred to the DDOB and thus described in section 6.8	Adjustment to corporate structure	
	6.11 International Clients Relationship Department	Inclusion of the section	Adjustment to corporate structure	
	6.12 Product Engineering Department	Exclusion of the section	Adjustment to corporate structure	
	6.13 Technology and Operations Department (CETIP – UFIN)	Department name change	Adjustment to corporate structure	
	Introduction	Reference to Law 12.683/12	Update to the reference to the Law	
	3 REFERENCES	Substitution of Law 13.170/15 by Law 13.810/19; Substitution of Circular Letter CVM/SMI/SIN 04/2015 and Circular Letter CVM/SMI/SIN 05/2015 by Circular Letter CVM/SMI/SIN 03/2019. Substitution of BACEN Circular 3.780/16 by BACEN Circular 3.942, of May 1, 2019.	Update of reference to the Law	July 26, 2019

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		Inclusion of Decree 9.825/ 2019		
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