Agenda Item 3.
Enhancing comparability of sustainability reporting: Selection of core indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals

Presented by

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Report or Explain for the Sustainable Development Goals (SDGs)

October 2018
B3 IN A NUTSHELL

HEADQUARTERS IN SÃO PAULO AND OFFICES IN RIO DE JANEIRO, LONDON AND SHANGHAI

LONG TRADITION IN INNOVATION OF PRODUCTS AND TECHNOLOGIES

SAFETY, SOUNDNESS AND EFFICIENCY FOR THE BRAZILIAN MARKET

BEST PRACTICES IN CORPORATE GOVERNANCE, RISK MANAGEMENT AND SUSTAINABILITY
B3’s sustainability agenda
Commitment to a sustainable market

**World**
Initiatives to advance the integration of ESG in the exchanges industry.

**Latin America**
Structuring the ESG agenda FIAB

**Brazil**
Induction of best practices: transparency and disclosure; mobilization; insertion of ESG issues into the mainstream through products and services

**B3**
As a listed company “walk the talk”

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**B3’s agenda**
- Annual Report aligned to the GRI guidelines and SDGs
- GHG Inventory / Third party assurance / Carbon offset
- Response to CDP Questionnaire
- Ring the Bell for Gender Equality 2018
- The first signatory in the Americas and the sixth in the world to join the Women’s Empowerment Principles (WEPs)

**Products and services**
- Corporate Sustainability Index – ISE
- Carbon Efficient Index – ICO2
- Corporate Governance Trade Index – IGCT
- Green bonds
- Sustainability mentorship for companies
- Sustainability in the intermediation sector

**Transparency**
- Report or Explain for the SDGs
- State-Owned Enterprise (SOE) Governance Program

**Education**
- B3’s sustainability guides aligned to the TCFD and the 2030 Agenda for listed companies, privately-held companies and Intermediation Industry

**Influence and partnerships**
- Member of the Sustainability Working Group (WFE)
- A founding signatory to SSE – Sustainable Stock Exchanges Initiative
- Working group’s coordination at Ibero-American Federation of Stock Exchanges and Securities Markets (FIAB)
- UN Global Compact Network Brazil: Board’s vice-chair
- 1st exchange from an emerging country to be signatory to the PRI – Principles for Responsible Investment
- Brazilian Commission for Monitoring Integrated Reporting (IIRC)
- Securities and Exchange Commission of Brazil (CVM) – Financial Innovation Laboratory
- Commission on Social Responsibility and Sustainability Febraban
- Member of the Advisory Board of CDP
- Member of the GRI Brazil Advisory Group
Quick access to information is a key strategy for doing good business.

Investors need socio-environmental information for complete decision making.

Without this information, investors follow the traditional resource allocation model, which prioritizes economics and finance.

Companies and sustainability experts, meanwhile, complain that investors fail to pay sufficient attention to socioenvironmental issues.
Report or Explain for the Sustainable Development Goals (SDGs) 2018

In partnership with GRI

Does your company elaborate Sustainability or Integrated Reports taking into account the Sustainable Development Goals (SDGs)?

**Total**
- Did not comment: 61%
- B3’s active search: 26%
- No, but explained: 13%
- Yes: 26%

**Ibovespa**
- Did not comment: 27%
- No, but explained: 7%
- B3’s active search: 17
- Yes: 66%

**Corporate Sustainability Index (ISE)**
- Yes: 100%
- B3’s active search: 3
- 30 COMPANIES IN THE PORTFOLIO

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1. *Ibovespa* is the main performance indicator of the stocks traded in B3 and lists major companies in the Brazilian capital market.

2. The ISE is a tool for comparative analysis of the performance of the companies listed on B3 from the standpoint of corporate sustainability, based on economic efficiency, environmental equilibrium, social justice and corporate governance.
Report or Explain for the Sustainable Development Goals (SDGs) 2018 
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**Breakdown of explanations of the general answers**

- **49%** Not yet, but we intend to or are studying the possibility
- **45%** We do not, due to cost
- **15%** It is not our company’s priority at the moment
- **13%** We do not know the SDGs
- **11%** We know what are the SDGs but we do not see value in including them in our report
- **5%** Other
- **2%** We do not, due to cost

Total: 55
Does your company elaborate Sustainability or Integrated Reports taking into account the Sustainable Development Goals (SDGs)?

2017: 443 listed companies
2018: 437 listed companies
Thank you!