Investor CDP 2014 Information Request
BM&F Bovespa

Module: Introduction

Page: Introduction

CC0.1

Introduction
Please give a general description and introduction to your organization.
Bolsa de Valores, Mercadorias e Futuros S.A. – BM&FBOVESPA S.A. has its stocks offered and traded publicly and under ticker symbol BVMF3 on Novo Mercado, a special listing segment for companies committed to best practice in corporate governance. BVMF3 is also tracked by the Ibovespa, IBrX-50, IBrX and ITAG indexes, among others. Headquartered in the city of São Paulo, the company has representative offices in the United States (New York), United Kingdom (London) and China (Shanghai) to support local market participants and prospect for potential investor.
BM&FBOVESPA's prime objectives are managing organized markets for the trading of stocks, bonds and derivatives, as well as providing registration, clearing and settlement services, and above all acting as central counterparty to guarantee cash settlement of all transactions performed in its environments. The company offers a range of products and services, including environments for trading in stocks, bonds, spot foreign exchange, equity derivatives, financial assets, indexes, rates, agricultural commodities and spot currencies, among others. It lists companies and other issuers of securities, acts as a central securities depository, manages securities lending transactions, and licenses software.
BM&FBOVESPA has a diversified and integrated business model, offering a complete custody system. Transactions are processed in an exclusively electronic environment, enabling clients to buy and sell stocks, transfer market risk via hedging, arbitrage prices between markets and/or assets, diversify and allocate investments, and leverage positions.
The company's globalization strategy to expand market access is implemented via a partnership with CME Group and permanent dialogue with exchanges in Asia and other Latin American countries.
By sharing and disseminating values such as corporate governance, a commitment to business sustainability and management excellence, which differentiate Brazilian companies and attract investors from all parts of the world, the Exchange strives to increase the liquidity of the stock issued by listed companies.
The launch of the Exchange's new electronic platform has increased its technological and trading capacity. Together with other initiatives, this significant enhancement will contribute to the growth of its market participants and the expansion of investment in the Brazilian economy.
The company maintains its commitment to the principles of transparency and ethics consolidated by its special listing segments for issuers with high standards of corporate governance (Novo Mercado, Level 1, and Level 2).
Once sustainability is a priority to BM&FBOVESPA on community development, it is a signatory to the Principle for Responsible Investment and the United Nations Global Compact, a strategic policy initiative for businesses around the world to promote sustainable global economic growth by supporting ten internationally accepted principles in the areas of human rights, labor relations, the environment and anti-corruption.
In line with this strong commitment, BM&FBOVESPA seeks to embed the concept of sustainability in its products and services, involving all business areas of the company and being guided by a policy structured by the Board. The climate change theme is considered in the environmental pillar of this policy. Examples of such initiatives are the Corporate Sustainability Index (ISE), which contains a unique dimension of Climate Change, and the Carbon Efficient Index (ICO2).
As a self-regulator and heart of capital market, BM&FBOVESPA recognizes its duty to raise public awareness of the importance of saving and investing for the long term. Its financial education programs serve this purpose by encouraging greater self-provision.
BM&FBOVESPA had 1,430 employees and 89 trainees in 2013. The company's market value was R$21.8 billion on December 31.

CC0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.
The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.
We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.
Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Tue 01 Jan 2013 - Tue 31 Dec 2013

CC0.3

Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response.

Select country
Brazil
United States of America
United Kingdom
China

CC0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

BRL(R$)

CC0.6

Modules
As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors, companies in the oil and gas industry, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco sectors should complete supplementary questions in addition to the main questionnaire.
If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.
If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx.

Further Information

Module: Management

Page: CC1. Governance

CC1.1

Where is the highest level of direct responsibility for climate change within your organization?

Individual/Sub-set of the Board or other committee appointed by the Board

CC1.1a

Please identify the position of the individual or name of the committee with this responsibility

i)The highest body responsible for dealing with climate change issues at BM&FBOVESPA is the Sustainability Committee.

ii)The Committee's mission is focused on strategic guidance and approval of the Company's macro planning and initiatives. The Committee is chaired by the BM&FBOVESPA CEO and consists of executive members of the Company and two external members. The Committee meetings are held bimonthly with reporting to the Board of Directors. It is important to mention that the minutes of the sustainability committee's regular meetings are circulated to all directors, in order to engage them and seek their support on the issue.

Created, among other goals, to provide support to the Sustainability Committee, the BM&FBOVESPA Sustainability Commission (Sustainability Task Force) is in charge of proposing and conducting the Company's sustainability agenda, as well as reporting the actions undertaken for the Committee. The Sustainability Commission is made up of members at management level and meetings are held on a monthly basis. This internal governance practice was created in 2009 (one year after the integration between BM&F and BOVESPA), when, in addition to its social and environmental responsibility activities, BM&FBOVESPA began the structured dissemination of the sustainability concept within the new organization through the creation of a Sustainability Area linked to the CEO.

The Press and Sustainability Area is responsible for incorporating this approach into the Exchange business. Furthermore, the Area serves as an internal consultancy, whose duties are to mobilize, encourage and guide the construction of strategies and actions grounded in the sustainability concept. BM&FBOVESPA Sustainability Policy is based on four pillars which group together relevant themes – Market, Environmental, Social, and Corporate Governance.

The Commercial and Market Development Direction, through the Environmental, Energy and Metal Products Department, is responsible for coordinating the development and management of products geared to environmental issues, including climate change, carbon efficient index and the carbon market, as further detailed in the following pages. The strategic discussion of climate change issues (risks, opportunities, strategies, accounting and reporting of emissions) is also the responsibility of these two bodies, which act in an integrated manner.

BM&FBOVESPA examined the need to create an exclusive area for the discussion of climate changes within the organization. However, after detailed analysis of the projected targets and the results achieved in 2010 with the present model (as described above), the Company concluded that the actual model is aligned with the goals of the Exchange.

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

No

Further Information

Page: CC2. Strategy

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported	Geographical areas considered	How far into the future are risks considered?	Comment
Annually	Individual/Sub-set of the Board or committee appointed by the Board	It is considered all the units and countries where BM&FBOVESPA has activities.	Up to 1 year	Risks and opportunities management procedures related to climate change on BM&FBOVESPA are carried out in an integrated manner, namely, there is not an exclusive process directed at the topic. BM&FBOVESPA has implemented two different approaches for identifying, monitoring, and managing its general business risks. First, in its top-down approach, and the second is the bottom-up approach. Until now, a specific climate change risk was not listed as a main risk, and consequently, is not under a corporate periodical monitor process. However, in our last reassessment (March of 2014) a sustainability risk was evaluated by the directors but was not considered a main risk due to the nature of our activity as a service provider and considering that the residual risk is very low once we have in our structure a department with the specific mission to keep the company in high standard on every sustainability matter that might involve our business.

CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

BM&FBOVESPA has implemented two different approaches for identifying, monitoring, and managing its general business risks. First, in its top-down approach (company level), the information about the risk profile is obtained directly from department directors and consolidated to produce a list of all the risks of the BM&FBOVESPA so that the subset of critical risks can be monitored and evaluated.
BM&FBOVESPA has formed an internal committee named Risk Advisory Committee composed by a representative group of directors with the mission to discuss the company´s risk profile in a monthly basis and address actions to mitigate them and to disseminate the risk culture. Regarding sustainability issues the representativeness of this committee counts with the opinion and contribution of our Sustainability Director.
Second, in its bottom-up approach (asset level), the risk profile of the BM&FBOVESPA is created from the information on operational details of the processes. This level of detail provides a better definition of the

response to the risk, risk rating metrics, and allows for a continuous oversight of risk management through a list of indicators.
In addition to that, BM&FBOVESPA has in place a group of policies related to internal controls, general business risks and operational risks.

CC2.1c

How do you prioritize the risks and opportunities identified?
BM&FBOVESPA has implemented two different approaches for identifying, monitoring, and managing its general business risks. First, in its top-down approach (company level), the information about the risk profile is obtained directly from department directors and consolidated in a list of all the risks of BM&FBOVESPA so that the subset of critical risks can be monitored and evaluated. This analysis result in a comprehensive risk profile and an executive view of the risks of BM&FBOVESPA. The assessments are re-performed every year and the risk environment is updated with the same interval, while the risks monitoring reports are issued every semester.
BM&FBOVESPA has a Risk Advisory Committee, composed by a representative group of directors that aims to discuss the company´s risk profile in a monthly basis and address actions to mitigate them, in addition to disseminate the risk culture. Regarding sustainability issues this committee counts with the opinion and contribution of our Sustainability Director.
Using this approach, the Corporate Risk, Internal Controls and Compliance department has identified on the report issued on March of 2014, 32 main risks forthe company. These risks are classified according to its impact and probability, and a risk level is stated according to an internal methodology, its mitigating actions are set and addressed as well. The reports issued every semester are assessed by the executive office and reported to the Audit Committee, Board Risk Committee and the board of directors.
Second, in its bottom-up approach (asset level), the risk profile of the BM&FBOVESPA is created from detailed operational information. This level of detail provides a better definition of the response to risks andrisk rating metrics, allowing a continuous oversight of risk management through a list of indicators.
In addition to that, BM&FBOVESPA has in place a group of policies related to internal controls, general business risks and operational risks.

CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

By taking a responsible attitude towards Climate Change, the Company contributes to a positive change of values, while shifting to a more sustainable path both in the environmental and social and economic realms. Due to the existence of a Sustainability Committee and a Press and Sustainability Area, Climate Change integration to the Company's strategy is constantly under discussion. Furthermore, the Sustainability officer in charge participates in the Exchange's strategic planning by addressing this topic. However, as previously emphasized, sustainability risks exert an indirect impact on the Company.
Since 2011, the Exchange's CEO take part in the Honorary Council of the Carbon Disclosure Project (CDP) South America, while the Sustainability officer joined the Technical Advisory Council for the CDP South America. Among internal sustainability actions, the Exchange reports their GHG emissions to the CDP annually and in 2012 and 2013 had a budget approved to develop its GHG emissions inventory with the assistance of an specialized third party consultancy company and with a third party assurance. In 2013, BM&FBOVESPA adopts greenhouse gas emissions compensation and start annual compensation of its greenhouse gas emissions that cannot be reduced. The emissions from 2011 and 2012 were compensated by carbon credits purchased from small-scale renewable energy projects registered with the United Nations (UN).This initiative is line with the Exchange's Sustainability Policy – approved by the Board of Directors in 2013 – and cements the commitment to business initiatives related to climate change.
Furthermore, BM&FBOVESPA has a list of energy efficiency projects implemented that will contribute to the mitigation of GHG emissions. An important decision undertaken by BM&FBOVESPA with regard to the Climate Change strategy was the creation of a Carbon Efficient Index (ICO2). The initiative was announced at a workshop held at the COP 15 meeting in Copenhagen, and the Exchange's first portfolio was launched at the COP 16 meeting held in Cancun in late 2010. The ICO2 Index is the result of a partnership between BM&FBOVESPA and the Brazilian Development Bank (BNDES) and its creation

relied on the support of an international consulting firm specialized in sustainability. Before this initiative been launched, only 30% of IBrX-50 public reported their emissions, today almost 80% reports its emission. This means a great progress by the companies with regard to the internal carbon management. Nowadays, the ICO2 is technically supported by Center for Sustainability Studies from Getulio Vargas Foundation (GVCes), which has a department specialized in climate change issues, and is responsible for the “Programa Brasileiro GHG Protocol”. The main goal of the ICO2 Index is to measure the return of a theoretical portfolio consisting of shares from IBrX-50 companies which adhere to the ICO2 weighted by its free float factor and by those companies’ emissions ratio. In 2013, 40 companies participated in the ICO2 process. With regard to the methodology for calculating the ICO2 Index, it is worth mentioning that BM&FBOVESPA held a public hearing before its official launch. It should be noted that this methodology is not a static process and each year the Company will assess, together with BNDES, the minimum requirements related to GHG emissions inventories to be provided by participating companies. The minimum emission sources comprised by the initiative are gradually expanded, inducing participating companies to upgrade the quality and completeness of their inventories. ICO2 is managed by the BlackRock company in the iShares Carbon Efficient Index Brasil Index Fund, an Exchange Traded Funds (ETS), which seeks to obtain returns on investments that correspond, in general, to the performance, before fees and expenses, of the Carbon Efficient Index. By using this approach BM&FBOVESPA hopes to prepare the companies participating for the competitive environment in a low carbon economy and the Climate Change Dimension of the Corporate Sustainability Index (ISE) and the ICO2 are encouraging the emissions inventories’ development and disclosure. BM&FBOVESPA also hopes to provide the market with transparent information on emissions from Brazilian companies by creating investment opportunities for investors who are sensitive to climate issues.
Moreover, in 2013, BM&FBOVESPA’s Sustainability Policy was approved by the Board and it is under implementation at all company´s levels following the Board of Directors’ approval. Environmental is one of the four sustainability’s pillars, in which the company commits itself (in long and short term of its strategy) to adopt eco-efficiency programs in its facilities, optimize energy and manage its greenhouse gas emissions. The Exchange is also committed to promote, induce and assure the sustainability best practice. The opportunities from sustainability (including climate change) to generate new businesses and to promote the best practice are the main aspects of climate change that have influenced the Exchange’s Business Strategy, in short and long terms. The complete text of BM&FBOVESPA’s Sustainability Policy is available at http://ri.bmfbovespa.com.br, in Corporate Governance, Bylaws, Codes and Policies.

In line of promoting best practice, it is important to mention that BM&FBOVESPA ranked seventh among companies in emerging countries that best report carbon emissions, according to a study by the Environmental Investment Organization, a UK-based climate change and finance think tank.

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Other

CC2.3g

Please provide details of the other engagement activities that you undertake

To BM&FBOVESPA, sustainability is a new management model that inspires conducting business in synergy with the current and future interests, such as the society and the planet, and tries to incorporate the concept of sustainability to its products and services, involving all areas of the company's business. As already mentioned, examples of this induction of good practice’s policy, is the development of "green" stock indexes, such as the Corporate Sustainability Index (ISE) and the Carbon Efficient Index (ICO2), and the initiative "Report or Explain", where the Exchange requires information about the existence of Sustainability Report by the participants – If so, the information about where it is available is followed while an explanation is requested, in case response is negative.
Since 2009 BM&FBOVESPA participated of COP Brazilian Delegation in the United Nations Climate Change Conference and in 2012 the exchange became founding signatory of Sustainable Stock Exchange with other exchange companies an agreement to promote long-term responsible investments and the report of related information of the companies listed. In 2013, BM&FBOVESPA participates in the 19th UN Climate Change Conference, COP-19, at Warsaw, Poland, on November 18-22, as an observer with the Brazilian delegation led by the Ministry of Foreign Affairs.
Besides that, BM&FBOVESPA operate under the World Federation of Exchanges (WFE) integrating its Sustainability Working Group. The company is also a member of the following initiatives, among others:
- Member of the Advisory Board and member of EPC - Business Program for Climate / FGV;
- Member of the Honorary Council of the CDP - Carbon Disclosure Project - Latin America; and

- Member of the Technical Advisory Board of the Carbon Disclosure Project CDP
Influence Public Policy is the continuous commitment of BM&FBOVESPA to encourage environmental impacts mitigation in aligned to cost reduction, both internally and externally and induce the companies to measure its impacts on climate change and constantly improve its management in the theme.

CC2.3h

What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

In 2013, BM&FBOVESPA's Sustainability Policy was approved by the Board and it is under implementation at all company´s levels following the Board of Directors' approval. Environmental is one of the four sustainability's pillars, in which the company commits itself to adopt eco-efficiency programs in its facilities, optimize energy and manage its greenhouse gas emissions. The Exchange is also committed to promote, induce and assure the sustainability best practice. The opportunities from sustainability (including climate change) to generate new businesses and to promote the best practice are the main aspects of climate change that have influenced the Exchange's Business Strategy, in short and long terms. The complete text of BM&FBOVESPA's Sustainability Policy is available at http://ri.bmfbovespa.com.br, in Corporate Governance, Bylaws, Codes and Policies.

The existence of a Sustainability Committee and a Press and Sustainability Area, which are acting Climate Change integration to the Company's strategy is constantly under discussion. Furthermore, the Sustainability officer in charge participates in the Exchange's strategic planning by addressing this topic.

Further Information

Currently, the main risks related to climate change are in the process of identification through meetings of both the Sustainability Committee and Commission. Risks and opportunities related to potential laws, company reputation and consumer habit changes are being considered. However, except for the reputation risk, in a preliminary analysis, BM&FBOVESPA's climate change risks are largely regarded as indirect risks, since they affect companies that use its service platform and do not directly affect the organization's activities, which are related to the financial services industry. The magnitude of these risks, as well as their impacts, continues under review by the organization. Therefore, the possibility that both the risks and their impacts are minimal and/or positive is not ruled out. With regard to opportunities, BM&FBOVESPA has identified several ways of enabling business through sustainability and GHG emissions indexes (e.g. Corporate Sustainability Index (ISE) and Carbon Efficient Index (ICO2) and through the Company's position as an engagement mechanism. The engagement strategy via the institutionalization of indexes repeats a previously successful experience obtained by BM&FBOVESPA in 2001, when it created the IGC - Stock Index with Differentiated Corporate Governance. Some other strategic decisions involving these two instances enabled studies on the topic of Sustainability in partnership with the World Bank and some projects and programs that have been implemented by the Exchange's Sustainability and Commodities areas. Such projects will be further discussed under the Risks and Opportunities section.

Attachments

https://www.cdp.net/sites/2014/35/22735/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC2.Strategy/BMFBOVESPA-Sustainability-policy.pdf

Page: CC3. Targets and Initiatives

CC3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

No

CC3.1e

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

i) BM&FBOVESPA's activities and services are not as carbon intensive as construction or power generation companies, since their main emissions are indirect and related to commuting, business travel and electricity purchased in its offices. Therefore, the low amount of annual emissions makes it harder for BM&FBOVESPA to establish both absolute and intensity targets over these emissions due to their high vulnerability to unexpected events. In terms of indirect emissions from purchased electricity, Brazilian interconnected grid has a significant contribution from hydro power plants, which makes it vulnerable to droughts and other climate events that might double, or reduce by half, the national emission factor from one year to another. BM&FBOVESPA has no control over this factor and for this reason the company monitor and manage its energy consumption, regardless of GHG emissions associated to the electricity generation. Even though there are no specific targets to reach, the company has been implementing energy efficiency measures, such as modernization of the lifts and refrigeration systems, reducing its business travel by installing video conference call meeting rooms, using the “bike boy” option for short distance transportation services instead of moto boy services, installing a bicycle parking, developing a carpool project – called Carona Solidária –, restricting the use of taxis by employees – named Política de Táxi, so they can reduce their emissions during commuting. In addition to these measures, information about sustainability is shared on BM&FBOVESPA’s intranet, leading to the adoption of best practices, especially related to climate change, contributing to reduce the environmental impact of BM&FBOVESPA’s activities.

ii) For the next five years, BM&FBOVESPA believes that their GHG emissions may increase at the following sources:
- Scope 1: Increased consumption and combustion of fossil fuels by BM&FBOVESPA’s own fleet of vehicles due to an increase in business activities, however it may be reduced by the initiatives mentioned above;
- Scope 1: Increase in emissions from the release of refrigerant gases due to an increase in the number of staff and facilities;
- Scope 2: increased electricity consumption due to an increase in staff and facilities;
- Scope 2: Increase in the emission factor for consumption of electricity purchased from the national power grid due to long drought periods and greater thermal power plant activity.
It is not possible to predict the increase mentioned expressed as a % or an emissions mass figure, due the uncertainties on the business activities development and due the results expected on the reduction initiatives implemented.

CC3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

No

CC3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and implementation phases)

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*	1	

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Implemented*	15	13.06
Not to be implemented		

CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative, years	Comment
Transportation: use	Reducing commuting emissions by creating bike parking spots in one of the company's buildings. Voluntary initiative impacting emissions from scope 3.			50000		Over 5 years	Payback period not applicable
Transportation: use	Reducing commuting emissions by carpool incentives through an online tool. Voluntary initiative impacting emissions from scope 3.			0	<1 year	Over 5 years	
Energy efficiency: Building services	Deactivating unnecessary lamps in the stairs of 2 buildings Voluntary initiative impacting emissions from scope 2.	5.6	13909	0	<1 year	Over 5 years	
Energy efficiency: Building services	Deactivating one elevator during less active or busy periods of the day -	0.56	1391	0	<1 year	Over 5 years	

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative, years	Comment
	Voluntary initiative impacting emissions from scope 2						
Behavioral change	New rules for usage of air conditioning during weekends. Voluntary initiative impacting emissions from scope 2.	2.45	6093	0	<1 year	Over 5 years	
Transportation: use	Reducing indirect emissions by hiring a company specialized in bike transportation instead of motorcycles. Voluntary initiative impacting emissions from scope 3.	0.53		0	<1 year	Over 5 years	The service is paid monthly to the specialized company.
Transportation: use	Introduction of a policy that restrict the use of taxis for commuting.	0.29		0	<1 year	Over 5 years	
Other	Withdrawal of old printers and replacement of new ones in 3 buildings.			0	<1 year	Over 5 years	68 old printers were withdrawal and replaced by only 34 in the building of the Praça Antonio Prado in April 2013. 10 old printers were

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative, years	Comment
							withdrawal and replaced by 06 in Libero Badaró building and 09 old printers were withdrawal and replaced by 03 in the building FA in December 2013. Before the initiative there were 198 printers, today there are only 70. Results: energy consumption savings. The printers are outsourced and are paid monthly to rental.
Energy efficiency: Building services	Replacing halogen bulbs with LED model in one building. Voluntary initiative impacting emissions from scope 2.	1.41	3510	0	<1 year	Over 5 years	Costs already included in routine building operation
Energy efficiency: Building services	Installation of photocells for lighting stairs in 2 buildings. Voluntary initiative impacting emissions	0.29	729	0	<1 year	Over 5 years	Costs already included in routine building operation

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative, years	Comment
	from scope 2.						
Energy efficiency: Building services	Shutdown extra bulbs facade. Voluntary initiative impacting emissions from scope 2.	1.92	4769	0	<1 year	Over 5 years	
Transportation: use	Reducing commuting emissions by creating bike parking spots in one of the company's buildings. Voluntary initiative impacting emissions from scope 3.			50000		Over 5 years	Payback period not applicable

CC3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for low carbon product R&D	Funds come from the Product Area through annual budget allocations.
Dedicated budget for other emissions reduction activities	Funds come from the Sustainability, Administrative and IT areas through annual budget allocations.

Further Information

Page: CC4. Communication

CC4.1

Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Page/Section reference	Attach the document
In mainstream financial reports (underway) – previous year attached	Pages 68 to 72 / http://ri.bmfbovespa.com.br/ptb/s-20-ptb-2013.html	https://www.cdp.net/sites/2014/35/22735/Investor CDP 2014/Shared Documents/Attachments/CC4.1/RELATORIOWEBINGLESFINAL.pdf
In voluntary communications (underway) – previous year attached	The whole document related to climate change / http://sistema.registropublicodeemissoes.com.br/index.php?r=inventory/public_pdf&cid=MTE=&t=Simple&y=MjAxMg==	https://www.cdp.net/sites/2014/35/22735/Investor CDP 2014/Shared Documents/Attachments/CC4.1/Inventario GHG protocol Brasil 2012.pdf
In voluntary communications (complete)	The whole document related to climate change	https://www.cdp.net/sites/2014/35/22735/Investor CDP 2014/Shared Documents/Attachments/CC4.1/Inventario GEE 2013 BMFBOVESPA.pdf

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation
Risks driven by changes in physical climate parameters
Risks driven by changes in other climate-related developments

CC5.1a

Please describe your risks driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
International agreements	This consideration is based on risk analysis of BM&FBOVESPA's trades in congruence with the likely political and regulatory developments of impacts of climate change on the global market, if a new commitment period under the Kyoto Protocol is agreed upon between the parties whereby the Annex II countries set goals to reduce GHG emissions and are under commitment. An eventual imposition of regulatory targets for emissions reduction may result in changing the competitiveness of the domestic market against the international market, as such	Reduced demand for goods/services	>6 years	Indirect (Client)	About as likely as not	Medium	In this preliminary analysis, regulatory risks from climate change are considered indirect. Given this, there is a complexity in anticipating the potential financial implications of the risk listed.	Through an analysis of the companies listed on the Exchange, we could identify companies in critical sectors as regards climate change i.e. agribusiness, energy, mining, steel and oil and gas. Therefore, one of the regulatory risk management methods focuses on monitoring of laws and national and international agreements involving regulatory measures that might eventually focus on two main issues: emissions taxation and/or creation of a cap-and-trade market which might or might not be tied to	The methods for managing regulatory risks described entail a cost to the company. However, since they were not developed exclusively for risk mitigation, they are still difficult to quantify.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	measures would lead to higher costs in the operations of the companies affected, and could eventually have some sort of impact on the value and liquidity of their shares.							binding reduction targets. Another method used by the Exchange is the development of products, events and availability of materials related to climate change to familiarize its customers and prepare them for possible laws and/or agreements. As an example of this, we can cite the ICO2 and ISE indexes, several published educational materials, workshops, and direct interaction with government agencies. Moreover, at the present moment, the Legal department is responsible for monitoring	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								the regulations that might affect the company and form work groups amongst the involved areas to define actions that might be needed to be compliant to the rules. The compliance department is responsible to assess in all the regulatory spheres those rules that might not have been identified as applicable for BM&FBOVESPA within the regulatory framework available, and take actions on those that the company is not adherent.	
Carbon taxes	This consideration is based on risk analysis of BM&FBOVESPA's	Reduced demand for goods/services	3 to 6 years	Indirect (Client)	About as likely as not	Medium	In this preliminary analysis, regulatory risks	Through an analysis of the companies listed on the	The methods for managing regulatory risks

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	trades in congruence with the likely political and regulatory developments of impacts of climate change on the global market. On a national scale, a trend is observed toward carbon pricing through various mechanisms, with a clearer interest in market pricing mechanisms either on a state or national level. However, in the case of São Paulo State, which boasts the largest concentration of companies in Brazil, public fees and taxes are mentioned as viable options for carbon pricing. Law No. 13.798 enacted in São Paulo State, which sets						from climate change are considered indirect. Given this, there is a complexity in anticipating the potential financial implications of the risk listed.	Exchange, we could identify companies in critical sectors as regards climate change i.e. agribusiness, energy, mining, steel and oil and gas. Therefore, one of the regulatory risk management methods focuses on monitoring of laws and national and international agreements involving regulatory measures that might eventually focus on two main issues: emissions taxation and/or creation of a cap-and-trade market which might or might not be tied to binding reduction targets. Another method used by the	described entail a cost to the company. However, since they were not developed exclusively for risk mitigation, they are still difficult to quantify.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	forth the State Policy on Climate Change, stipulates: Article 22 – For the purpose of this Act, the Executive Power shall: II - Set public fees, tariffs, taxes and other types of charges for business activities emitting greenhouse gases. An eventual imposition of regulatory government fees and taxes on GHG emissions may result in changing the competitiveness of the domestic market against the international market, as such measures would lead to higher costs in the operations of the companies affected, and could eventually have some sort of impact on the value and							Exchange is the development of products, events and availability of materials related to climate change to familiarize its customers and prepare them for possible laws and/or agreements. As an example of this, we can cite the ICO2 and ISE indexes, several published educational materials, workshops, and direct interaction with government agencies. Moreover, at the present moment, the Legal department is responsible for monitoring the regulations that might affect the company and form	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	liquidity of their shares. In addition, even not being a significant polluter, BM&FBOVESPA can also have targets under a scheme similar to the CRC (carbon reduction committee), from the UK, which is focused on service-based companies. These targets would unavoidably imply in direct increase of operational costs.							work groups amongst the involved areas to define actions that might be needed to be compliant to the rules. The compliance department is responsible to assess in all the regulatory spheres those rules that might not have been identified as applicable for BM&FBOVESPA within the regulatory framework available, and take actions on those that the company is not adherent.	
Cap and trade schemes	This consideration is based on risk and trades in congruence with the likely political and regulatory developments of impacts of	Reduced demand for goods/services	3 to 6 years	Indirect (Client)	About as likely as not	Medium	In this preliminary analysis, regulatory risks from climate change are considered indirect.	Through an analysis of the companies listed on the Exchange, we could identify companies in critical sectors as regards	The methods for managing regulatory risks described entail a cost to the company. Howeve

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	climate change on the global market. On a national scale, a trend is observed toward carbon pricing through various mechanisms, with a clear interest in evaluating the feasibility of market pricing mechanisms either on a state or national level. These markets are necessarily tied to a binding target, as stipulated in São Paulo State laws and in the national Law No. 12.187/2009 - National Policy on Climate Change (PNMC), although the obligatoriness of a national target is still under debate. An eventual imposition of regulatory targets for emissions						Given this, there is a complexity in anticipating the potential financial implications of the risk listed.	climate change i.e. agribusiness, energy, mining, steel and oil and gas. Therefore, one of the regulatory risk management methods focuses on monitoring of laws and national and international agreements involving regulatory measures that might eventually focus on two main issues: emissions taxation and/or creation of a cap-and-trade market which might or might not be tied to binding reduction targets. Another method used by the Exchange is the development of products, events and	r, since they were not developed exclusively for risk mitigation, they are still difficult to quantify.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	reduction may result in changing the competitiveness of the domestic market against the international market, if not well implemented. In that case, measures could lead to higher costs in the operations of the companies affected, and could eventually have some sort of impact on the value and liquidity of their shares.							availability of materials related to climate change to familiarize its customers and prepare them for possible laws and/or agreements. As an example of this, we can cite the ICO2 and ISE indexes, several published educational materials, workshops, and direct interaction with government agencies. Moreover, at the present moment, the Legal department is responsible for monitoring the regulations that might affect the company and form work groups amongst the involved areas to define	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								actions that might be needed to be compliant to the rules. The compliance department is responsible to assess in all the regulatory spheres those rules that might not have been identified as applicable for BM&FBOVESPA within the regulatory framework available, and take actions on those that the company is not adherent.	

CC5.1b

Please describe your risks that are driven by change in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in mean (average) temperature	This consideration is based on risk analysis of BM&FBOVESPA's trades regarding	Reduced demand for goods/services	Unknown	Indirect (Client)	About as likely as not	Medium-high	Since this is an indirect risk and the uncertainties involved are large, it becomes very	Among the tools the agribusiness sector, that participate in the Exchange	The risk management methods for climate events described above

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	the physical impacts of a change in the average temperature in Brazil on the country's agriculture and consequently on the commodities trading market. The main agricultural commodities traded on BM&FBOVESPA are Coffee, Corn, Soybean, Live Cattle and Ethanol. It should be noted that these commodities are from the agricultural sector, which is very likely to be affected by physical events of climate change. Therefore, the impacts may influence the price of such commodities and eventually increase the demand for the risk management						difficult to estimate quantitatively the potential financial implications for the company. This consideration is based on risk analysis of BM&FBOVESPA's trades regarding the possible physical impacts of a climate change on the commodities trading market.	, could use to mitigate or adapt to the risks related to price fluctuation are the hedging transactions (i.e. price setting) through derivatives contracts. In this respect, BM&FBOVESPA offers agribusiness market participants the possibility to trade futures and options contracts.	entail a cost to the company, but it is very difficult to estimate.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	instruments traded on the Exchange.								
Change in mean (average) precipitation	This consideration is based on risk analysis of BM&FBOVESPA's trades regarding the physical impacts of a change in the average rainfall in Brazil on the country's agriculture and consequently on the commodities trading market. The main agricultural commodities traded on BM&FBOVESPA are Coffee, Corn, Soybean, Live Cattle and Ethanol. It should be noted that these commodities are from the agricultural sector, which is very likely to be affected by physical events of climate change. Therefore,	Reduced demand for goods/services	Unknown	Indirect (Client)	About as likely as not	Medium-high	Since this is an indirect risk and the uncertainties involved are large, it becomes very difficult to estimate quantitatively the potential financial implications for the company. This consideration is based on risk analysis of BM&FBOVESPA's trades regarding the possible physical impacts of a climate change on the commodities trading market.	Among the tools the agribusiness sector, that participate in the Exchange, could use to mitigate or adapt to the risks related to price fluctuation are the hedging transactions (i.e. price setting) through derivatives contracts. In this respect, BM&FBOVESPA offers agribusiness market participants the possibility to trade futures and options contracts.	The risk management methods for climate events described above entail a cost to the company, but it is very difficult to estimate.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	the impacts may influence the price of such commodities and eventually increase the demand for the risk management instruments traded on the Exchange.								
Change in precipitation pattern	This consideration is based on risk analysis of BM&FBOVESPA's trades regarding the physical impacts of a change in the average rainfall in Brazil on the country's agriculture and consequently on the commodities trading market. The main agricultural commodities traded on BM&FBOVESPA are Coffee, Corn, Soybean, Live Cattle and Ethanol. It should be noted that	Reduced demand for goods/services	Unknown	Indirect (Client)	About as likely as not	Medium-high	Since this is an indirect risk and the uncertainties involved are large, it becomes very difficult to estimate quantitatively the potential financial implications for the company. This consideration is based on risk analysis of BM&FBOVESPA's trades regarding the possible physical impacts of a climate change on the commodities trading market.	mong the tools the agribusiness sector, that participate in the Exchange, could use to mitigate or adapt to the risks related to price fluctuation are the hedging transactions (i.e. price setting) through derivatives contracts. In this respect, BM&FBOVESPA offers agribusiness market participants the possibility to trade futures and	The risk management methods for climate events described above entail a cost to the company, but it is very difficult to estimate.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	these commodities are from the agricultural sector, which is very likely to be affected by physical events of climate change. Therefore, the impacts may influence the price of such commodities and eventually increase the demand for the risk management instruments traded on the Exchange.							options contracts.	

CC5.1c

Please describe your risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated Financial Implications	Management method	Cost of management
Changing consumer behaviour	This risk arises from the influence of climate change impacts on the cultural transformation of citizens and society.	Reduced demand for goods/services	3 to 6 years	Direct	About as likely as not	Medium-high	The financial impact of this risk is difficult to measure, since it is related to social behaviour,	In order to manage this risk, BM&FBOVESPA has an active and engaging position through the creation of sustainably focused	This risk arises from the influence of climate change impacts on the cultural transformation of citizens and

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated Financial Implications	Management method	Cost of management
	This perspective is reaffirmed through surveys and by popular demand from those participating in the last COP Meetings. Therefore, there are risks associated with certain aspects of the market through socially and environmentally responsible choices and attitudes of institutions.						namely, an intangible value. To make a quantitative estimate the adoption of several assumptions would be required and it would not accurately reflect the reality. In fact, changes in consumption pattern and behaviour should bring about – and this has already been taking place – an updating of listed companies as old businesses may disappear and new businesses may emerge and join the	products and services, such as the Corporate Sustainability Index (ISE) and the Carbon Efficient Index (ICO2). With regard to the ICO2 Index, the expected impacts on companies include their preparation for the competitive environment within a low carbon economy and creating incentives for implementation and dissemination of an emissions inventory. As to the market, the impacts include providing transparency on emissions by Brazilian companies and creating investment opportunities for investors concerned about	society. Risk management methods from changing customer habits as described above entail a cost to the company, but it is very difficult to estimate.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated Financial Implications	Management method	Cost of management
							Exchange.	environmental issues The questionnaire contains an exclusive field to climate change issues. BM&FBOVESPA believes in the development of a carbon credit market and building a low carbon economy in Brazil, and intends to continue to promote environmental asset market in future, including carbon credit auctions, as it did in April 2010.	

Further Information

Page: CC6. Climate Change Opportunities

CC6.1

Have you identified any climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation
Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
International agreements	BM&FBOVESPA identifies that its main opportunity arising from climate change regulations is available through the institutionalization of the Carbon Market and other environmental asset-related markets/instruments, which in the long term can bring financial gains to the institution, should Brazil and Brazilian companies set some kind of target for GHG emissions reduction.	New products/ business services	3 to 6 years	Direct	About as likely as not	Medium	BM&FBOVESPA saw opportunities on the institutionalization of the Carbon Market. Therefore, jointly with the Brazilian Ministry of Industry and Foreign Trade (MDIC) created the Brazilian Carbon Trading Market (MBRE) to establish a carbon credit market framework, providing an alternative for Brazilian companies to sell their reduction emission projects. BM&FBOVESPA identifies that the MBRE may bring profit in the long term, especiall	Within the Carbon Market institutionalization process, in 2010, BM&FBOVESPA, in partnership with the World Bank and FINEP - Brazilian Studies and Projects Financing Agency, organized a program involving studies on the carbon market as well as training seminars for market agents and dissemination of the carbon market. In 2011, BM&FBOVESPA in partnered with Interamerican Bank (IDB) in order to coordinate a study related to pre-	The methods identified to make use of the opportunities arising from climate change regulations do lead to an increase in the internal costs to the company, but it is very difficult to quantify.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							y if GHG emissions reduction targets were set.	compliance market in Brazil. Another initiative undertaken by BM&FBOVESPA is the creation of a carbon auction platform, which also includes the so-called voluntary or non-regulated market, in which the regulated market framework can be used to create and structure the market for buying and selling emission reduction certifications outside the Kyoto Protocol protocols.	
Cap and trade schemes	BM&FBOVESPA identifies that its main opportunity arising from climate change regulatory	New products/ business services	3 to 6 years	Direct	About as likely as not	Medium	BM&FBOVESPA saw opportunities on the institutionalization of the Carbon Market.	Within the Carbon Market institutionalization process, in 2010, BM&FBOVESPA, in	The methods identified to make use of the opportunities arising

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	measures is available through the institutionalization of the Carbon Market and other environmental asset-related markets/instruments, which in the long term can bring financial gains to the institution, should Brazil and Brazilian companies set some kind of target for GHG emissions reduction. On a national scale, a trend is observed toward carbon pricing through various mechanisms, with a clearer interest in market pricing mechanisms either on a state or national level. These markets are necessarily tied to a binding target, as stipulated in São						Therefore, jointly with the Brazilian Ministry of Industry and Foreign Trade (MDIC) created the Brazilian Carbon Trading Market (MBRE) to establish a carbon credit market framework, providing an alternative for Brazilian companies to sell their reduction emission projects. BM&FBOVESPA identifies that the MBRE may bring profit in the long term, especially if GHG emissions reduction targets were set.	partnership with the World Bank and FINEP - Brazilian Studies and Projects Financing Agency, organized a program involving studies on the carbon market as well as training seminars for market agents and dissemination of the carbon market. In 2011, BM&FBOVESPA in partnered with Interamerican Bank (IDB) in order to coordinate a study related to pre-compliance market in Brazil. Another initiative undertaken by BM&FBOVESPA is the creation of a carbon	from climate change regulations do lead to an increase in the internal costs to the company, but it is very difficult to quantify.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	Paulo State laws and in the National Policy on Climate Change (PNMC), although a mandatory national target is still under debate.							auction platform, which also includes the so-called voluntary or non-regulated market, in which the regulated market framework can be used to create and structure the market for buying and selling emission reduction certifications outside the Kyoto Protocol protocols.	

CC6.1c

Please describe the opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	BM&FBOVESPA identifies that another opportunity related to climate change stems from its reputation	New products/business services	3 to 6 years	Direct	About as likely as not	Medium	These are opportunities whose potential financial implications are difficult	BM&FBOVESPA identifies that an opportunity to address climate change stems from its position	The methods identified to make use of those opportunities do lead to an increase

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	, especially as regards its position and engagement role in the dissemination of concepts related to the climate change issue, involving companies and consequently the market.						to measure, since they are related to an intangible value, namely, social behaviour and a corporation's reputation. To make a quantitative estimate, the adoption of several assumptions would be required and it would not necessarily reflect the reality.	and engaging role in the dissemination of sustainable concepts involving companies and consequently the market. Underlining this commitment to sustainability, BM&FBOVESPA is a signatory of the PRI and the Global Compact. The environmental indexes created by BM&FBOVESPA are: Corporate Sustainability Index – ISE and Carbon Efficient Index - ICO2. These indexes are part of the Exchange's ongoing and successful process to encourage best social and environmental practices in	in the internal costs to the company, but it is very difficult to quantify.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								companies. This process began with the creation of the IGC – Differentiated Corporate Governance Stock Index. The key driver to this index, established in 2001, was the dissemination of best corporate governance practices in companies by encouraging more transparent processes and a clearer balance of rights among shareholders in listed companies. The goal of the ICO2 is to encourage companies to measure, disseminate and manage their emissions, thus increasing transparency (with	

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								regard to the impact of their activities on the environment) to their shareholders and the market, while creating investment opportunities for investors concerned about environmental issues. The ICO2 portfolio consists of shares from IBrX-50 companies which adhere to the ICO2 weighted by the market value of free float shares and by GHG emissions ratio of the companies.	
Changing consumer behaviour	This opportunity arises from the influence of climate change impacts on the cultural transformation of citizens	Increased demand for existing products/services	Unknown	Direct	About as likely as not	Medium-high	These are opportunities whose potential financial implications are difficult to	BM&FBOVESPA identifies that an opportunity to address climate change stems from its position and	The methods identified to make use of those opportunities do lead to an increase in the

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	and society. This perspective is reaffirmed through surveys and by popular demand from those participating in the last three COP Meetings (COP-15, COP-16, COP-17 and COP-18). Therefore, there are opportunities associated with certain aspects of the market through socially and environmentally responsible choices and attitudes of institutions.						measure, since they are related to an intangible value, namely, social behaviour and a corporation's reputation. To make a quantitative estimate, the adoption of several assumptions would be required and it would not necessarily reflect the reality.	engaging role in the dissemination of sustainable concepts involving companies and consequently the market. The environmental indexes created by BM&FBOVESPA are: Corporate Sustainability Index – ISE and Carbon Efficient Index - ICO2. These indexes are part of the Exchange's ongoing and successful process to encourage best social and environmental practices in companies. This process began with the creation of the IGC – Differentiated Corporate Governance Stock Index. The key driver to	internal costs to the company, but it is very difficult to quantify.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								this index, established in 2001, was the dissemination of best corporate governance practices in companies by encouraging more transparent processes and a clearer balance of rights among shareholders in listed companies. The goal of the ICO2 is to encourage companies to measure, disseminate and manage their emissions, thus increasing transparency (with regard to the impact of their activities on the environment) to their shareholders and the market, while creating investment	

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								opportunities for investors concerned about environmental issues. The ICO2 portfolio consists of shares from IBrX-50 companies which adhere to the ICO2 weighted by the market value of free float shares and by GHG emissions ratio of the companies.	

CC6.1e

Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

Climate events such as fluctuations in temperature, heavy rains and droughts are some of the factors that can jeopardize the harvesting each year and consequently the market price of agricultural commodities. The main agricultural commodities traded on BM&FBOVESPA are Coffee, Corn, Soybean, Live Cattle and Ethanol. It should be noted that these commodities are from the agricultural sector, which is very likely to be affected by physical events of climate change. Therefore, the negative impacts may influence the price of such commodities and eventually increase the demand for the risk management instruments traded on the Exchange. Furthermore, the Exchange launched the trading of hydrated ethanol and soybean contracts with cash settlement in May 2010 and January 2011 respectively.

BM&FBOVESPA do recognise that opportunities can also exist, since the expected changes in the climate could lead to an increase in productivity but they’re estimated to be minor for the mentioned commodities.

Among the tools that the agribusiness sector adopts to prevent risks related to price fluctuation, the hedging transactions (i.e. price setting) is an important one, through the derivatives contracts. In this respect, BM&FBOVESPA offers agribusiness market participants the possibility to trade futures and options contracts. This is not considered as an opportunity, but as a risk to be managed.

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)
Fri 01 Jan 2010 - Fri 31 Dec 2010	155.57	1024.1

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
Brazil GHG Protocol Programme
Defra Voluntary Reporting Guidelines
IPCC Guidelines for National Greenhouse Gas Inventories, 2006
ISO 14064-1
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CH4	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	IPCC Fourth Assessment Report (AR4 - 100 year)
CO2	IPCC Fourth Assessment Report (AR4 - 100 year)

CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference

Further Information

Attachments

https://www.cdp.net/sites/2014/35/22735/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC7.EmissionsMethodology/Emission Factors.xlsx

Page: CC8. Emissions Data - (1 Jan 2013 - 31 Dec 2013)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

282.34

CC8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

2438.47

CC8.4

Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope 1 emissions: Uncertainty range	Scope 1 emissions: Main sources of uncertainty	Scope 1 emissions: Please expand on the uncertainty in your data	Scope 2 emissions: Uncertainty range	Scope 2 emissions: Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
Less than or equal to 2%	Assumptions	Most activity data were obtained from accurate sources.	More than 2% but less than or equal to 5%	Data Gaps Extrapolation	Most activity data were obtained from accurate sources. There is no available data for the electricity consumption at the international offices. Therefore, the energy consumption was estimated.

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2014/35/22735/Investor CDP 2014/Shared Documents/Attachments/CC8.6a/CDP Verification statement 591 BMFBOVESPA_vf.pdf	Whole document	Other: ABNT NBR ISO14064-3:2007 / Brazil GHG Protocol Programme Specifications Verification - 2011 Edition / Brazil GHG Protocol Programme Specifications - 2º Edition.	100

CC8.7

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance complete

CC8.7a

Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 2 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2014/35/22735/Investor CDP 2014/Shared Documents/Attachments/CC8.7a/CDP Verification statement 591 BMFBOVESPA_vf.pdf	Whole document	Other: ABNT NBR ISO14064-3:2007 / Brazil GHG Protocol Programme Specifications Verification - 2011 Edition / Brazil GHG	100

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 2 emissions verified (%)
			Protocol Programme Specifications - 2º Edition.	

CC8.8

Please identify if any data points other than emissions figures have been verified as part of the third party verification work undertaken

Additional data points verified	Comment
No additional data verified	

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

Yes

CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

311.13

Further Information

Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2013 - 31 Dec 2013)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
Brazil	282.34
China	0
United Kingdom	0
United States of America	0

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By GHG type

CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)
CO2	40.17
CH4	0.01
N2O	0
HFCs	0.14

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2013 - 31 Dec 2013)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for CC8.3 (MWh)
Brazil	2421.85	24772.40	
China	3.20	4.19	
United Kingdom	4.18	9.24	
United States of America	9.30	18.49	

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

Further Information

Page: CC11. Energy

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

CC11.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	195.51
Electricity	24804.32
Heat	
Steam	
Cooling	

CC11.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Biodiesels	3.87
Diesel/Gas oil	78.72
Liquefied petroleum gas (LPG)	18.33
Motor gasoline	28.44
Natural gas	29.19
Other: Ethanol	36.96

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment
No purchases or generation of low carbon electricity, heat, steam or cooling accounted with a low carbon emissions factor		

Further Information

Page: CC12. Emissions Performance

CC12.1

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Increased

CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities			
Divestment			
Acquisitions			
Mergers			
Change in output			
Change in methodology			
Change in boundary			
Change in physical operating conditions	55	Decrease	Decrease in scope1. Comparing the year 2012 and 2013, emissions of scope 1 showed a significant decrease. This fact is directly linked to the reduction in replacement refrigerants in 2013, since the clearance of air conditioning and other cooling equipment is not constant and can vary between years depending on the demand for use of the equipment. It is important to mention that the GWP adopted to the 2013 GHG Inventory are different from the previous year.
Unidentified			
Other	49	Increase	Scope 2 increase. This significant increase in BM&FBOVESPA Scope 2 emissions was not caused by the increase in energy consumption, which remained very close to the consumption of the year 2012 (a difference of about 3%), but due to the increase of the Brazilian Electric System emission factor for the year 2013. This factor is related to the use of thermoelectric during the year (when the hydro plants are not sufficient to meet the demand, more thermal population are driven to meet this demand) and this consequently leads to increase in the emission of greenhouse gases.

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.001148	metric tonnes CO2e	unit total revenue	21	Increase	Increase in scope 2 emissions Metric denominator = unit total revenue (thousand BRL)

CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.00048	metric tonnes CO2e	FTE employee	27	Increase	Increase in scope 2 emissions

CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.00147	metric tonnes CO2e	Other: Traded amount - BRL (Bovespa segment)	21	Increase	Increase in scope 2 emissions.
0.00385		Other: Traded amount - number of contracts (BM&F segment)	22	Increase	Increase in scope 2 emissions

Further Information

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

Yes

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
Credit Purchase	Hydro	BT Geradora de Energia Elétrica S.A –	CDM (Clean Development Mechanism)	2636	2636	Not relevant	Voluntary Offsetting

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
		Ferradura Small Hydro Power Plant					
Credit Purchase	Biomass energy	Central Energética do Rio Pardo - Cogeneration Project (Cerpa)	CDM (Clean Development Mechanism)	1337	1337	Not relevant	Voluntary Offsetting
Credit Purchase	Hydro	Araputanga Centrais Elétricas S.A. - Arapucel Small Hydroelectric Power Plants Project	CDM (Clean Development Mechanism)	2064	2064	Not relevant	Voluntary Offsetting
Credit Purchase	Hydro	Rialma Companhia Energética III S/A – Santa Edwiges III Small Hydro Power Plant	CDM (Clean Development Mechanism)	1111	1111	Not relevant	Voluntary Offsetting

Further Information

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
Purchased goods and services	Not relevant, calculated	2.64	Emission factors according to IPCC.	100.00%	Emissions related to the motorcycle services purchased for document transportation
Capital goods	Not relevant, explanation provided				BM&FBOVESPA did not purchased or acquire any relevant capital goods in 2013.
Fuel-and-energy-related	Not evaluated				

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
activities (not included in Scope 1 or 2)					
Upstream transportation and distribution	Not evaluated				
Waste generated in operations	Not relevant, calculated	62.2	Emission factors according to IPCC.	100.00%	Emissions from the solid waste disposal in third party landfill.
Business travel	Relevant, calculated	1118.79	Emission factors according to Defra, based on the number of airline tickets issued and the flight distances. For emissions from taxi, emission factors according to IPCC were used.	100.00%	Emissions from taxi use and air travel of BM&FBOVESPA employees.
Employee commuting	Relevant, calculated	893.79	All employees take a survey periodically to supply data regarding their commuting, such as distance, type of transportation used and frequency.	100.00%	Emissions from transport of employees from home to work.
Upstream leased assets	Not relevant, explanation provided				BM&FBOVESPA has not leased assets that can generate significant emissions.
Downstream transportation and distribution	Not relevant, explanation provided				Once BM&FBOVESPA is not a production unit (the exchange does not produce products or goods), there is no relevant emission related to the transportation of products sold.
Processing of sold products	Not relevant, explanation provided				Once BM&FBOVESPA is not a production unit (the exchange does not produce products or goods), there is no emission related to the process of sold products.
Use of sold products	Not relevant, explanation provided				Once BM&FBOVESPA is not a production unit (the exchange does not produce products or goods), there is no emission related to the use of sold products.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
End of life treatment of sold products	Not relevant, explanation provided				Once BM&FBOVESPA is not a production unit (the exchange does not produce products or goods), there is no emission related to the use of sold products.
Downstream leased assets	Not relevant, explanation provided				BM&FBOVESPA has not leased assets that can generate significant emissions.
Franchises	Not relevant, explanation provided				BM&FBOVESPA does not have franchise operations.
Investments	Not evaluated				
Other (upstream)	Not relevant, calculated	60.41	Emission factors according to IPCC.	100.00%	Fugitive emissions from air conditioning not controlled by BM&FBOVESPA.
Other (downstream)	Not relevant, explanation provided				No other downstream emissions were identified.

CC14.2

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance complete

CC14.2a

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 3 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2014/35/22735/Investor CDP 2014/Shared Documents/Attachments/CC14.2a/CDP Verification statement 591 BMFBOVESPA_vf.pdf	Whole document	Other: ABNT NBR ISO14064-3:2007 / Brazil GHG Protocol Programme Specifications Verification - 2011 Edition /	100

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 3 emissions verified (%)
			Brazil GHG Protocol Programme Specifications - 2º Edition.	

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?
Yes

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Business travel	Emissions reduction activities	20	Decrease	Reduction on air travel
Employee commuting	Other:	38	Increase	Increase on fossil fuel vehicles usage
Waste generated in operations	Change in methodology	89	Increase	Changes in the methodology for quantification, adopting the methodology of GHG Protocol Brazil Programme which accounts for all future emissions resulting from the disposal of waste generated in the year inventoried.

CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our customers
Yes, other partners in the value chain

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

BM&FBOVESPA maintains mechanisms not only to assure the proper functioning of its business but also to foster best practice in corporate governance among market participants and other stakeholders, especially shareholders, brokerage houses, listed companies, government, investors, analysts and suppliers. The company's stakeholder engagement initiatives include application of the AA1000 corporate responsibility management standard, focusing on accounting, auditing and social/ethical reporting; educational campaigns; actions to encourage companies and individuals to participate in socio-environmental initiatives such as the Environmental & Social Investment Exchange (BVSA) and the Em

Boa Companhia (“In Good Company”) website; and regular meetings of its Advisory Committees, set up to build closer ties with the markets with the participation of representatives of various industries.

More details related to those and others initiatives a related to the exchange’s value chain is presented below:

- Report or Explain initiative - In 2012 BM&FBOVESPA adopted Report or Explain guidance recommending that listed companies state in item 7.8 of the Reference Form (“Description of the company’s relevant long-term relationships not elsewhere described”) whether they publish a regular sustainability report and where it is available, or explain why not. The Report or Explain initiative enables growing numbers of companies to disclose social, environmental, governance-related and other non-financial information, for which there is growing demand from the general public as well as investors, in light of their understanding of the importance of sustainability in business and society.

- Carbon Efficient Index (ICO2) – Tracks the stocks of IBrX-50 companies that agree to participate and undertake to submit greenhouse gas inventory data for publication on the “In Good Company” website (www.bmfbovespa.com.br/emboacompanhia).

- Corporate Sustainability Index (ISE) – Tracks the return on a portfolio of stocks issued by companies with a recognized commitment to sustainability. Launched in 2005, the ISE has become a benchmark for sustainable management practices in Brazil and worldwide. Companies must complete a specific questionnaire in order to be included in the ISE’s portfolio (www.isebvmf.com.br). The questionnaire is composed by seven dimensions, which includes a specific one of Climate Change.

- The Novo Valor website (http://www.bmfbovespa.com.br/pt-br/a-bmfbovespa/sustentabilidade.aspx?idioma=pt-br): it offers information on the Exchange’s sustainability and social investment indicators and projects, engaging with investors, companies and brokerage houses to promote the sustainable development of the capital markets, and thereby contributing to the realization of projects. In 2013 it recorded more than 18,400 hits.

- Em Boa Companhia promotes permanent relationships with business organizations through a range of initiatives, including the sharing of information by means of publications and face-to-face meetings with experts in sustainability, among others. Eight events were held in 2013. Details of the sustainability projects implemented by companies listed on BM&FBOVESPA can be found at www.bmfbovespa.com.br/emboacompanhia.

Further Information

Attachments

https://webadmin.cdp.net/sites/2014/35/22735/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC14.Scope3Emissions/Atuação por Stakeholder - CDP 2014.pdf

Module: Sign Off

Page: CC15. Sign Off

CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Sonia Aparecida Consiglio Favaretto	Press and Sustainability Officer	Other: Press and Sustainability Officer