

# **RULES, PROCEDURES AND INTERNAL CONTROLS – CVM 161**



**BANCO SUMITOMO MITSUI BRASILEIRO S.A.**

Level I

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Version 2.0

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## I. Introduction

### I.A. Objective

BANCO SUMITOMO MITSUI BRASILEIRO S.A., with office located at Avenida Paulista, 37, 11th floor, Paraíso, CEP 01311-902, São Paulo - SP, registered under the CNPJ/MF no. 60.518.222/0001-22 (hereinafter “SMBCB” or “Bank”), in accordance with the provisions of the Resolution no. 161/22 from the Securities and Exchange Commission (“CVM”) (“Resolution 161”) and with a view to act as coordinator in public offers for the distribution of securities (“Offer Coordinator”), defines on this manual the rules, principles, procedures and structure of internal controls (“Manual”) developed by SMBCB, multiple bank with commercial and investments portfolios, related to the Offer Coordinator activity, as regulated by Resolution CVM 160/22 (“Resolution 160”).

### I.B. Scope

This Manual is applicable to SMBCB in conducting activities related to Offer Coordinator regulated by CVM Resolution 160/22.

## II. Principles

Aiming high standards of integrity and ethical values and seeking the involvement of all its Employees in the internal control process (including senior management/board members and other employees, on a temporary or permanent basis, trainees, etc.), SMBCB works to establish, maintain, and enhance a control culture by aiming the understanding and proactiveness in the processes and environment of internal controls.

SMBCB adopts the Code of Conduct of the Americas Division (“Code” or “Code of Conduct”) of Sumitomo Mitsui Banking Corporation (“SMBC”) Group, which, together with other policies of SMBC and SMBCB, sets professional and personal conduct standards for all personnel working on behalf of the SMBC Group. The Code is available on our page on the worldwide computer network.

Amongst other values, our Code establishes four basic principles of business ethics, establishing the duty of all people who work for the Group to maintain a high moral standard in all actions and decisions: (i) compliance with laws, regulations and policies; (ii) fair treatment to customers; (iii) sound management; and (iv) contribution to social development.

In line with the Code, SMBCB is committed to conducting its activities as the Offer Coordinator with the highest ethical principles and standards, including but not limited to:

- Act with probity, good faith, diligence and loyalty towards investors, and ensure the integrity and proper functioning of the market;
- Diligence in acting as the Offer Coordinator, including in providing real, consistent, correct and sufficient information to investors and the market;
- Effectively manage and disseminate conflicts of interest;
- Ensure that the investment is appropriate to the level of sophistication and risk profile of investors, in accordance with the specific regulations of the CVM on the subject;

- Ensure that the methods of communication, advertising and language used in its dialog with investors are appropriate and in line with the complexity of the offer and with the level of sophistication of investors;
- Ensure that the information disclosed and the allocation of the offer does not privilege connected persons to the detriment of unconnected persons; and
- Diligence in the management of confidential information in accordance with applicable banking secrecy and data protection laws and regulations.

In order to ensure compliance with the above principles, SMBCB has established a governance structure through policies, rules and procedures that include, in addition to the Code of Conduct, rules relating to the management of conflicts of interest, information barriers, prevention of insider trading, monitoring of personal investments, information security, records management, among others, as further described in the following sections.

### III. Roles and Responsibilities

SMBCB's responsibilities in acting as Offer Coordinator are as follows

- Take all due care and act with high due diligence standards, ensuring that the information provided is true, consistent, correct and sufficient, allowing investors to make a reasoned decision on the Offer, in accordance with Resolutions 160 and 161;
- Make the Offers publicly available in accordance with the applicable regulations in force;
- Disclose to investors any conflicts of interest;
- Ensure that the investment is appropriate to the level of sophistication and risk profile of investors in accordance with the relevant regulations;
- Ensure that the forms of communication, advertising and language used in the interaction with investors are appropriate and in line with the complexity of the offering and with the level of sophistication of investors; and
- Keep up to date, in full order, in the form and time limits laid down in its internal rules and in the regulation, all documentation relating to offers of public securities.

As an Offer Coordinator, SMBCB is **FORBIDDEN** to:

- Ensure or suggest the existence of a guarantee of future performance or risk-free treatment for the investor; and
- Make profitability projections in disagreement with the Offer documents.

### IV. Internal Controls System

In line with the expectations of supervisory bodies of the national financial system, SMBCB established a continuous and effective internal control system, integrating the activities of the relevant SMBCB areas, which is reviewed and updated on a regular basis.

The internal control systems are based on the culture of controls; risk identification and assessment; activities of control and segregation of duties; monitoring and communication.

SMBCB adopts principles of corporate governance that include the three lines of defense as recommended by the Basel Committee on Banking Supervision, establishing clear lines of roles and responsibilities for each area. Specifically, SMBCB defined Business Units as the first line of defense, Compliance and Risk Management Units as the second lines of defense and Internal Audit as the third line of defense.

## **V. Risk Identification and Assessment Process**

In line with the requests of SMBC Group and with local banking supervisory rules for risk management and regulatory compliance, the Compliance area has a program to test and assess the Bank's adherence to the legal and regulatory frameworks, recommendations of the supervisory bodies, as well as ethical and conduct codes.

In addition, the Operational Risk Management area is responsible for the operational risk management process consisting of identification, assessment, risk response, monitoring, action plan, closure of operational risk events, risk-taking and communication to the senior management.

## **VI. Management of Conflicts of Interest**

In line with the Code, SMBCB must effectively and consistently manage potential conflicts of interest with its internal policies. One of the requirements set forth by such policies are issues related to acceptance or offering of gifts and entertainments, membership and external business activities, personal relations between staff, third parties, etc.

SMBCB has a specific conflict of interest management policy, which provides requirements to manage potential conflicts of interest related to the Offer Coordinator activity as a result of opposing interests between one or more clients/investors, SMBCB and its employees.

## **VII. Segregation of Duties**

Among the control methods for conflict of interest management that the previous section mentions, SMBCB has established policies, procedures and controls relating to information barriers and the need to know principle in order to segregate the flow of information and restrict access to relevant non-public information.

An information barrier is an appropriate combination of organizational, procedural, physical and electronic controls designed to help manage the flow of relevant non-public information between different businesses and business parties, in order to help the management of conflicts of interest, and to help prevent the improper dissemination or use of such information.

SMBCB has established information barriers to segregate Employees performing tasks related to the Offer Coordinator activity from other activities that may generate potential conflicts of interest. The controls ensure physical and logical segregation of information and include, but are not limited to:

- The definition of parameters for the segregation of information between areas established as public and private, in order to prevent relevant and non-public information from being used or circulated among those without authorization;

- The obligation to report to Compliance any relevant non-public information received by the Employee in the performance of the employment;
- Physical segregation: automated access control by facial identification for all restricted areas managed by Information Security department and monitored by Compliance;
- Logical segregation: network information and file systems and directories access delimitation.

## **VIII. Personal Account Dealing Monitoring**

In line with our Code of Conduct, personal investment must be executed in accordance with all applicable laws, regulations and policies of the SMBC Group. No Employee holding material non-public information about a company, whether or not the company is a client, may deal in securities of such company.

In accordance with our internal personal investments and brokerage account trading policy, all Employees and other covered persons must adhere to the requirements for trading in personal accounts. As part of the policy requirements, there is a requirement that the Employee and the covered persons must request pre-approval for trading certain securities, among other requirements.

## **IX. Public Offering of Securities**

Any operation involving public offerings of Securities conducted by the SMBCB must strictly follow the provisions of CVM Resolutions 160/22 and 161/22.

In general terms, without prejudice to other requirements of applicable law and regulation, the CVM rules determine the following in relation to the trading of securities subject to public offerings:

- SMBCB, when acting as an institution participating in the distribution consortium and the contracted people who are working with it or advising it in any way in the public offering, must refrain from trading in securities of the same issuer and of the same type as that object of the public offer, referenced therein, convertible or exchangeable, or with securities in which the security subject to the offer is convertible or exchangeable;
- SMBCB, when acting as a coordinator/ participating institution in public offers, is subject to prohibition on the date of contracting or engagement in the offer, which ends with the publication of the distribution closure announcement;
- The same prohibition also applies to SMBCB administrators as well as their employees, contractors and other SMBCB collaborators who are working or advising in any way, in relation to the making of the offer;
- Likewise, the prohibition also applies to controlled companies, controlling companies and companies under common control of the SMBCB that operate in the financial or capital markets.
- Among others, it is the duty of the coordinator of public offerings of securities: (i) to ensure that the information disclosed and the allocation of the offer do not favor related persons, to the detriment of unrelated persons; (ii) identify, manage and mitigate or, when possible, eliminate possible conflicts of interest that may affect its performance and fulfillment of obligations by people who perform functions linked to the public offering of securities; and

- (iii) ensure control of relevant and non-public information to which its administrators, employees and collaborators have access;
- The placement of securities for related parties is prohibited in the case of distribution with excess demand exceeding 1/3 (one third) of the quantity of securities initially offered, without taking into account the option of distributing a supplementary lot or placing of the additional batch, except in the case of exceptions provided for in the regulations.

Therefore, to ensure adherence to the rules set out above, all employees and personal investment accounts covered by the SMBCB policy mentioned in the previous section, in addition to the SMBCB and other companies of the SMBC Group within the scope of the regulation, are subject to the aforementioned prohibitions, being prohibited from trading with securities of the same issuer and of the same type as that subject of the public offer, referenced therein, convertible or exchangeable, or with securities in which the security subject of the offer is convertible or exchangeable.

Additionally, the Bank and its related parties must also observe (i) the provisions of CVM Resolution 35/21 and CVM Resolution 44/21, regarding the intermediation and disclosure of information relating to the negotiation of operations carried out with securities, respectively, as well as (ii) other applicable legal and regulatory requirements.

In order to comply with current regulations, the policy on personal investments and trading in brokerage accounts established by the SMBCB, described in section IV.D above, establishes the rules for subscribing and trading securities.

Securities subject to prohibitions are included in restricted lists and operations are monitored by the Compliance Department.

incluídos em listas restritas e as operações são monitoradas pelo Departamento de *Compliance*.

## **X. Confidentiality and Information Security**

As stated in our Code of Conduct, the nature of our business and the relationship between the Bank and our clients often requires the treatment of confidential, exclusive and non-public information generated internally or acquired from other sources. SMBCB, therefore, depends on the attention that all Employees need to take to protect such information at all times.

In line with the Code, SMBCB works to ensure that all Employees, within the scope of their responsibilities, maintain secrecy over all and any information and documents, whether from clients, potential clients or equivalent, other than public domain, obtained by any means, as a result of or in connection with their professional activities. To this end, it has established policies, rules and procedures for the handling of confidential information that aim to restrict access only to those who need to know.

SMBCB clarifies that it has sufficient internal controls for proper information security and business continuity, including the following controls:

- Logical access control regarding information and support systems in order to prevent unauthorized access, distortion, theft, tampering or leaking of information;
- Formal mechanisms for managing access and passwords (networks, systems and databases, including the electronic contact with Clients);

- Technology security solution to control external access to the internal environment (firewall), which protects information against malicious codes (antivirus);
- Periodic testing of information systems on their security, and timely correction of identified vulnerabilities;
- Measures to keep information with the same level of protection at all times of its use with reference to external activities, including remote work;
- Audit trails for critical systems, which allow us to identify source, date, time, responsible user, and to identify all queries and maintenance made on critical information;
- Preventive measures against the unplanned interruption or unavailability of information systems, identifying processes and persons that could negatively affect the most critical processes and establishing appropriate alternative and compensatory controls;
- Register of unavailability of systems, networks, communication channels (including voice recording and instant messaging); and
- Implementing definitive contouring solution and implementation solutions for proper incident and problem management.

## **XI. Anti-Money Laundering**

SMBCB recognizes the importance of Anti-Money Laundering and Counter Terrorism Financing (“AML/CTF”) and therefore makes every effort to prevent the Bank and its Employees from engaging in and/or assisting clients, third parties, partners and/or equivalent in activities and operations that can set up money laundering, terrorist financing and other financial crimes, including corruption and bribery.

The AML/CTF Program in SMBCB is implemented in line with SMBC Group policies as well as CVM and BACEN regulations. In addition to internal policies, the Bank publishes its AML/CTF foreign policy on the SMBCB page on the worldwide computer network, which can be consulted for further information on the subject.

## **XII. Training Program**

In order to satisfactorily perform its business and comply with regulatory requirements, SMBCB ensures that all Employees receive training and updating sessions at intervals determined by the control structure established depending on the theme, so that they are all aware of the current rules, policies and regulations applied to the Bank.

Completion of the mandatory trainings is monitored and trainings not completed within the specified time frame may result in disciplinary actions for the employee.

In relation specifically to the Offer Coordinator activity, SMBCB has established a continuous training program to meet CVM Resolution 161 requirements, which includes initial training for all Employees who have access to relevant and non-public information, which will be administered periodically thereafter, training for new employees and one-off guidance for each transaction as needed.



### XIII. Annual Report

In accordance with the current rules, SMBCB has to elaborate an annual Internal Controls Report, which shall be submitted to the Board as well as to the Internal and External Audits of SMBCB.

The Internal Controls Report required by Resolution CVM 161 shall be sent to SMBCB Board by the last day of April of each year and shall be sent to CVM via an electronic system and shall be available to CVM for consultation at SMBCB office.

In addition, as required by Resolution CVM 161, SMBCB shall, by 31 March each year, send to CVM, using an electronic system available on CVM's web page, a reference form which the contents shall reflect the Annex B of Resolution CVM 161 - Public Offer Coordinators' Reference Form.

### XIV. Recordkeeping

All documents and information related to the Offer Coordinator activity, as well as all internal and external correspondence, all working papers, reports and opinions related to the performance of the SMBCB's functions, whether physical or electronic, shall be archived for a minimum period of five (5) years or for a longer period as determined by the CVM, the Central Bank of Brazil and other competent authorities.

### XV. Communication Channels

Below are our main communication channels, available and accessible through our site:

- **SAC – Customer Service**  
Telephone: 0800-722-0248  
E-mail: [sac@smbcgroup.com.br](mailto:sac@smbcgroup.com.br)
- **Ombudsman**  
Telephone: 0800-722-2762 (das 10:00 às 16:00)  
E-mail: [ouvidoria@smbcgroup.com.br](mailto:ouvidoria@smbcgroup.com.br)
- **Speak Up (Whistleblower)**  
Telephone: 0800-591-1634  
Online Portal: [EthicsPoint - Sumitomo Mitsui Banking Corporation](#)

### XVI. Manual Administration

This Manual has been prepared by the Compliance area and approved by the Board of Officers of SMBCB, in accordance with the Policy and Related Documents Governance Structure of the SMBC Group.

#### XVI.A. Review Log

Version	Date	Changes
1.0	Sep/2023	Elaboration of the Manual.

1.1	Nov/2023	Update to align with CVM requirements regarding SMBCB's role as Public Offering Coordinator.
2.0	Sep/2024	Annual review, no material changes.