Oxford Climate Policy Monitor 2024 Survey

Jurisdiction Brazil

Law firm Pinheiro Neto

Authors

Paula Susanna Amaral Mello (lead), Natalia Azevedo de Carvalho, Heloísa Figueiredo Ferraz, Raíssa Lilavati Barbosa Abbas Campelo, Ana Beatriz Barbosa Casolaro, Alice Galande



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Policy Tool Name: Brazilian Private Insurance Authority's Circular No. 666

3. Source material link(s): https://web.archive.org/web/*/https://www2.susep.gov.br/safe/scripts/bnweb/bnmapi.exe?router=upl oad/26128
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
Climate-related disclosure
□ Transition planning
□ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
☑ Head of state and/or government
□ Independent regulatory or supervisory body
□ Legislature
☐ Ministry/Department/Agency
□ Other (Please describe)
7. Status of the policy tool
Approved, in force
o Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication 2023

10. Does the policy tool have an end date?
No No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Resolution addresses the preparation and disclosure of financial information reports related to sustainability by investment funds and securitization companies, on a voluntary basis starting in 2024, and by publicly traded companies, on a voluntary basis starting in 2024 and on a mandatory basis starting in 2026.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
o 1.
o 2.
o 3.
o 4 .
o 5.

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			
3. Financial institutions	✓		
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is	
mandatory.	

	Private companies	Financial institutions
Minimum number of employees (Enter min number of full-time employees - FTEs)		
Minimum revenue (Enter minimum revenue)		
Minimum assets (Enter minimum assets)		
Minimum contract value (Enter minimum contract value)		
Entity is headquartered in the jurisdiction		
Entities are subjected to disclosure or reporting requirements	Insurance companies, open private pension entities, capitalization societies and local reinsures are obligated to comply with the norm.	Insurance companies, open private pension entities, capitalization societies and local reinsures are obligated to comply with the norm.

minimum revenue)		
Minimum assets (Enter		
minimum assets)		
Minimum contract value (Enter		
minimum contract value)		
Entity is headquartered in the		
jurisdiction		
Entities are subjected to	Insurance companies, open	Insurance companies, open
disclosure or reporting	private pension entities,	private pension entities,
requirements	capitalization societies and	capitalization societies and
	local reinsures are obligated to comply with the norm.	local reinsures are obligated to comply with the norm.
	comply with the norm.	comply with the norm.
28. Can entities for whom complic comply or explain)?	ance with the policy tool is mandat	cory opt out of the obligation (e.g.
No		
∘ Yes		
30. Does the policy tool exclusively entities' operations beyond the jur		tions, or does it also apply to
Operations within jurisdiction of	nly	
o Operations beyond the jurisdicti	on	
o Not applicable		
32. What are the sanctions for no	n-compliance? Select all that appl	y and describe in the text field.
Monetary fine Fines up to BRL	<u>1 million</u>	
□ Restriction on husiness activitie	oc.	

- ☐ Restriction on business activities

□ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other Warnings and orders to implement plans to comply with the regulations.
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
o Not applicable
• Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
o Above average
o Not applicable
Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?

o No (If relevant, explain)
Yes
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Circular SUSEP 666/2022 is in force since august/2022 and the supervised companies must comply with that regulation. So far, there is no information regarding its non-compliance by of SUSEP's supervised entities.
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
SUSEP is the regulatory body in charge to oversee supervised companies (insurers, local reinsurers, capitalization companies and private pension funds) and their compliance with the sustainability regulations. Within SUSEP there are specific areas responsible for (i) drafting and reviewing regulations about sustainability and (i) overseeing supervised companies' compliance.
41. Does the policy tool recommend or require periodic impact assessments?
∘ No
○ Recommended
Required

42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
o 0-2 years
● 2-5 years
o 5-10 years
○ 10 or more years
○ Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
○ No
○ Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
● 2-5 years
o 5-10 years
○ 10 or more years
○ Not specified
○ Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No No

∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
∘ No
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
SUSEP has engaged in a variety of events to discuss the sustainability matter and also hosted different webinars and debates of this relevant matter.
https://web.archive.org/web/*/https://www.gov.br/susep/pt-br/central-de-conteudos/noticias/2022/novembro/susep-trabalha-na-evolucao-do-open-insurance-e-no-incentivo-a-sustentabilidade
https://web.archive.org/web/*/https:/www.gov.br/susep/pt-br/central-de-conteudos/noticias/2023/abril/susep-participa-de-paineis-na-oficina-fides
https://web.archive.org/web/*/https:/www.gov.br/susep/pt-br/central-de-conteudos/noticias/2023/junho/susep-participa-de-audiencia-na-camara-dos-deputados-sobre-taxonomia-verde
https://web.archive.org/web/*/https://www.gov.br/susep/pt-br/central-de-conteudos/noticias/2023/junho/susep-participa-de-painel-sobre-201catualidades-regulatorias-esustentabilidade201d
The Regulatory Body also creates a specific working group to debate "agrobusiness, innovation and sustainability" within its initiative to debate the new government plan.
https://www.gov.br/susep/pt-br/central-de-conteudos/noticias/2024/marco/susep-publica-relatorio-final-do-grupo-de-trabalho-201cseguros-novo-pac-e-neoindustrializacao201d

Domain-Specific Questions: Disclosure Questions	
What is being disclosed?	

52. Are targeted entities recommended or required to disclose any of the following climate-related information? Select all that apply.

	Danamananalad	Danisirad	Niaith an na agus na agus de al
	Recommended	Required	Neither recommended
1.0			nor required
 Greenhouse gas (GHG) emissions 			
2. GHG emissions			
offsets or removals			
3. GHG emissions			
reduction targets			
4. Other climate-		✓	
related targets	_		_
5. Physical climate risk			
6. Transition risk			
7. Transition plan			
7. Transition plan	<u> </u>		Ц
Disclosure of other climate-related targets 34. Which of the following other climate-related targets does the policy tool recommend or require entities disclose? Select all that apply. 35. Targets for renewable energy procurement (Please reference the section/subsection/paragraph of the policy tool relevant to renewable energy procurement targets) 36. Targets for fossil fuel phase down/phase out (Please reference the section/subsection/paragraph of the policy tool relevant to fossil fuel phase down/phase out) 36. Targets or goals related to climate adaptation (Please reference the section/subsection/paragraph of the policy tool relevant to climate adaptation) 36. Targets or goals related to nature and/or biodiversity (Please reference the section/subsection/paragraph of the policy tool relevant to nature and/or biodiversity) 36. Targets or goals related to just transition (Please reference the section/subsection/paragraph of the policy tool relevant to just transition) 37. Other targets (Please reference the section/subsection/paragraph of the policy tool relevant to other targets). Chapter III: Management of Sustainability Risks 38. Chapter IV: Sustainability Policy			

Disclosure of Transition Plans
98. What is the recommended or required frequency of transition plan disclosures?
o Yearly
o Every two years
o Every four years
o Every five years
o Every ten years or more
○ Other
○ Not specified
99. Does the policy tool recommend or require audited accuracy and/or third-party verification of the transition plan?
No No
○ Recommended
∘ Required
100. Does the policy tool recommend or require entities to disclose progress in implementing transition plans?
No No
○ Recommended
o Required

102. Does the policy tool recommend or require targeted entities to disclose their financial plans for

implementing transition plans?

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No No
∘ Recommended
∘ Required
103. Does the policy tool recommend or require targeted entities to disclose their methodology for scenario analysis related to transition planning?
No No
∘ Recommended
∘ Required
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
Climate-related opportunities			
2. Remuneration based on achieving climate-related goals			lacksquare
3. Taxonomies			
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			
6. Assumptions and Dependencies			
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate-related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			
13. Climate-related lobbying and/or policy engagement			
14. Locked-in emissions or information on			

emissive assets with long lifespans			
15. Dirty asset divestiture			
16. Nature-related impacts			
17. Just transition indicators			
106. Is third-party verifica	ition of climate-related op	pportunities recommended	l or required?
● No			
o Recommended			
o Required			
115. Describe and reference the section/subsection/paragraph of the policy tool relevant to ESG-related disclosures.			
Chapter III: Management of Sustainability Risks Chapter IV: Sustainability Policy Chapter V: Sustainability Reporting			
Standards, Frameworks, and Guidelines			

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			\checkmark
2. IFRS S2			\checkmark
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			~
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			✓

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197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>

Policy Tool Name: BCB Resolution No. 139; Resolution CMN No. 4945; Normative Instruction BCB No. 153; Resolution CMN No. 4.943

3. Source material link(s):

https://web.archive.org/web/*/https://www.bcb.gov.br/estabilidadefinanceira/exibenormativo?tipo=Resolu%C3%A7%C3%A30%20CMNN°=4943

 $https://web.archive.org/web/*/https://www.bcb.gov.br/estabilidadefinanceira/exibenormativo?tipo=Instru\%C3\%A7\%C3\%A30\%20Normativa\%20BCBN$^{2}153$

https://web.archive.org/web/*/Exibe Normativo (bcb.gov.br)

https://web.archive.org/web/*/Exibe Normativo (bcb.gov.br)

Which of the following governance domains does this policy tool relate to? Select all that apply.				
Climate-related disclosure				
☐ Transition planning				
☐ Public procurement				
6. Select the category which best describes the author/issuer of the policy tool.				
☐ Head of state and/or government				
Independent regulatory or supervisory body				
□ Legislature				
☐ Ministry/Department/Agency				
□ Other (Please describe)				
7. Status of the policy tool				
• Approved, in force				
Approved, not yet in force				
Other (Please describe)				

9. Year of (planned) entry into force or year of publication 2021
10. Does the policy tool have an end date?
● No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The four policies are being reported together because they are all interconnected.
BCB Resolution No.139 requires financial institutions to disclose a risk and opportunities report focused on social, environmental, and climate-related factors. The purpose of this resolution is to promote transparency and accountability, ensuring that these institutions consider and communicate the impact of these factors on their operations and decision-making processes
Resolution CMN No. 4.945 establishes guidelines for financial institutions and other entities regulated by the Central Bank to implement socio-environmental responsibility policies. The resolution's primary goal is to ensure that these institutions integrate socio-environmental considerations into their business activities and decision-making processes, thereby addressing and mitigating related risks.
CMN Resolution No. 4.943 addresses environmental, climate, and social risks that must be managed through the risk management framework, the capital management framework, and the information disclosure policy of financial institutions and other institutions authorized to operate by the Central Bank of Brazil.
Normative Instruction BCB No. 153 establishes standardized tables for the purposes of disclosing the Social, Environmental, and Climate Risk and Opportunity Report

applicable, leave blank.	
● 1. <u>Brazilian Central Bank</u>	
∘ 2.	
∘ 3.	
o 4.	
∘ 5.	
15. To provide contextual information, rate the capacity of Brazilian Central Bank to undertake the policy tool's implementation and/or enforcement.	
o 0- No Capacity (Please explain)	
o 1- Low Capacity (Please explain)	
o 2- Medium Capacity (Please explain)	
3- High Capacity (Please explain) The Brazilian Central Bank has been undertaking a Sustainable Agenda for several years, with growing development of regulation, established via public consultations with the sector and interested parties, while also developing its own policy and reporting measures, evidencing that the entity has had a growing concern with the topic and seeks have its regulated entities closely monitored for the policy's implementation	
o Prefer not to answer	
o Not Applicable	

13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region) 10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			
13. 3016	<u> </u>	<u> </u>	

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Financial institutions
Minimum number of employees (Enter min	
number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum	
contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	Institutions classified under Segment 1 (S1), Segment 2 (S2), Segment 3 (S3), and Segment 4 (S4), in accordance with Resolution No. 4,553, dated January 30, 2017, or in accordance with BCB Resolution No. 197, dated March 11, 2022, for Type 3 conglomerates, must disclose the Report. The institutions authorized by the Central Bank and the prudential conglomerates that make up the National Financial System (SFN) are classified into five segments, according to their size, relevance of international activity and risk profile. Essentially, S1 are institutions with a size equal to or greater than 10% of GDP or which carry out relevant international activity. S2 are institutions between 1% and 10% of GDP. S3 are institutions and non-banking institutions between 0.1% and 1% of GDP. S4 and S5 are organizations less than 0.1% in size.

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?

No

Yes

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

- Operations within jurisdiction only
- o Operations beyond the jurisdiction
- Not applicable

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
□ Restriction on business activities
□ Voiding or setting aside of contract
□ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
Not specified There is no specific provision in the Resolution concerning sanctions for non-compliance. The Central Bank of Brazil has the discretion to impose appropriate measures as it deems fit. The potential penalties are outlined in Resolution BCB No. 131 of August 20, 2021 and include fines, prohibition from providing certain services, prohibition from conducting certain activities or types of operations, and disqualification.
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
○ Average
Above average
o Not applicable
• Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average

○ Average
Above average
o Not applicable
o Unknown or prefer not to answer
36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Experience with our clients and market discussions
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
Yes
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Upon the resolution's effective date, every institution subject to its provisions must adhere to the
obligations outlined therein.
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
o No
40. Describe the monitoring systems in place. Please reference the relevant

section/subsection/paragraph of the policy tool where monitoring systems are set.

compliance with the sustainability regulations
41. Does the policy tool recommend or require periodic impact assessments?
∘ No
∘ Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
● 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
 Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
∘ No
o Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
● 0-2 years
o 2-5 years

Domain-Specific Questions: Disclosure Questions			
Vhat is being disclosed?			

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas (GHG) emissions			w leading a
2. GHG emissions			\checkmark
offsets or removals 3. GHG emissions			✓
reduction targets			
4. Other climate- related targets			\
5. Physical climate risk		✓	
6. Transition risk			
7. Transition plan	<u> </u>		
86. What types of physic	al risk must be disclos	ed?	
✓ To company			
□ To society (double mat	eriality)		
87. What is the materialit	ry standard for the dis	closure of physical risk	ς?
Self-assessed material	risk		
o Externally-defined mate	erial risk		
o Other (Describe)			
88. Are entities recomme that are related to physic	•	sclose the results of cli	mate risk-related stress tests
∘ No			
 Recommended 			

Required
89. Are entities recommended or required to disclose their methodology for scenario analysis with relation to physical risk?
∘ No
o Recommended
Required
90. Are risk assessments of physical risk recommended or required to be third-party verified?
No No
∘ Recommended
○ Required
Disclosure of Transition Risk
92. What types of transition risk must be disclosed? Select all that apply
Risks that societal transitions may pose to the disclosing entity
☐ Risks that the disclosing entity's transition may pose to society (double materiality)
93. What is the materiality standard for the disclosure of transition risk?
● Self-assessed material risk
o Externally-defined material risk
o Other (Describe)

94. Are entities recommended or required to disclose the results of climate-related risk stress tests that are related to transition risk?
∘ No
○ Recommended
Required
95. Are transition risk assessments recommended or required to be third-party verified?
No
o Recommended
o Required
96. Are entities recommended or required to disclose their methodology for scenario analysis related to transition risk?
∘ No
o Recommended
Required
Disclosure of Transition Plans
98. What is the recommended or required frequency of transition plan disclosures?
o Yearly
o Every two years
o Every three years
Every four years
• Every five years
Every ten years or more

○ Other
Not specified
99. Does the policy tool recommend or require audited accuracy and/or third-party verification of the transition plan?
No No
○ Recommended
o Required
100. Does the policy tool recommend or require entities to disclose progress in implementing transition plans?
○ No
Recommended
○ Required
101. What is the recommended or required frequency of disclosures related to transition plan implementation progress?
∘ Yearly
o Every two years
o Every three years
o Every four years
o Every five years
o Every ten years or more
o Other
No prescribed frequency

implementing transition plans?
No No
o Recommended
o Required
103. Does the policy tool recommend or require targeted entities to disclose their methodology for scenario analysis related to transition planning?
No No
o Recommended
o Required
Other disclosures

102. Does the policy tool recommend or require targeted entities to disclose their financial plans for

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related		~	
opportunities			
2. Remuneration			\checkmark
based on achieving			
climate-related goals 3. Taxonomies			✓
			_
4. Capital allocation			
and/or expenditure plans (in the context of			
climate change)			
5. Due diligence	✓		
6. Assumptions and	V		
Dependencies			
7. Data limitations of			
scenario analyses			
8. Financial	✓		
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures			
into financial			
accounting standards)			
9. Stewardship (e.g.,			\checkmark
whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.) 10. ESG	✓		
methodologies and			
criteria (in the case of			
service providers)			
11. Asset planning or	✓		
ownership in the			
context of climate			
change			
12. Sectoral	✓		
investment policies			
13. Climate-related			\checkmark
lobbying and/or policy			
engagement			
14. Locked-in			
emissions or			
information on			

emissive assets with long lifespans			
15. Dirty asset	✓		
divestiture			
16. Nature-related			
impacts			✓
17. Just transition indicators			
106. Is third-party verifica	ition of climate-related op	pportunities recommended	l or required?
∘ No			
Recommended			
o Required			
109. Describe and referen allocation and/or expendi		/paragraph of the policy t	ool relevant to capital
Art. 39, IV, c.c. Art. 41 of F	Res. 4557. indicating the r	need to draft a capital plai	n with the strategic
planning of the institution	=		-
used to consider social, er		•	
processes of such capital			<u> </u>
			
110. Describe and referen	use the section/subsection	Ingragraph of the policy t	and relevant to due
diligence disclosures.	ice the section/subsection	paragraph of the policy t	oorrelevant to due
Art. 38-E of Res. 4557 wh	nich foresees the need to i	nclude, within the mechar	nisms for the considering
aspects related to the soc			n, the due diligence in
the identification of the in	stitutions' counterparties.		

111. Describe and reference the section/subsection/paragraph of the policy tool relevant to assumptions and dependencies disclosures.

Annex II of IN BCB 153, which requires the identification of social risk, environmental risk and climate risk events that generate the possibility of significant losses for the institution over different time horizons, c.c. Art. 38-E, II, b, which requires the definition of indicators for the qualification and periodic classification of the counterparty according to social risk, environmental risk and climate risk.

112. Describe and reference the section/subsection/paragraph of the policy tool relevant to data limitation disclosures.
Annex II of IN BCB 153, which requires the description of the assumptions of changes in climate patterns and transition to a low carbon economy used in the scenario analysis, within the scope of
the stress test program referred to in article 7, item VII, of Resolution No. 4,557, of 2017, c.c. Section I of such Res. 4557, which determines the requisites for such stress tests, including scenario analyses, and requiring the documenting of methodological limitations of stress tests, including those related to the selection of models, their assumptions and the databases used.
113. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosures regarding the financial implications of climate-related matters.
Art. 6 of Res. 4557, which includes the identification, measurement, assessment, monitoring, reporting, control and mitigation of climate-related risks as requisites of the institutions' risk management structure, c.c. art. 34 of the same resolution, which establishes that operational losses associated with climate risks must be included in the operational risk database, regardless of whether they are also included in other databases.
115. Describe and reference the section/subsection/paragraph of the policy tool relevant to ESG-related disclosures.
Article 5 of Res. BCB 139 states that the following content must be presented mandatorily in the report:
(i) Governance of the management of social risk, environmental risk, and climate risk, related to the topic mentioned in Article 3, subsection I of the Resolution
(ii) Strategies used in the treatment of social risk, environmental risk, and climate risk, related to the topic mentioned in Article 3, subsection II; and
(iii) Processes for managing social risk, environmental risk, and climate risk, related to the topic mentioned in Article 3, subsection III.
C.c. Annex II of IN BCB 153, which requires the description and detailing of the processes for identifying, measuring, evaluating, monitoring, reporting, controlling and mitigating social risk, environmental risk and climate risk.

116. Describe and reference the section/subsection/paragraph of the policy tool relevant to asset planning disclosures.
Art. 38-D of Res. 4557, which requires, within the risk management structure of the institution, the establishing of mechanisms for the identification and monitoring of social risk, environmental risk and climate risk incurred by the institution as a result of its products, services, activities or processes and the activities carried out by counterparties of the institution, as well as the monitoring of concentrations of exposures to economic sectors or geographical regions, defined on the basis of consistent and verifiable criteria, which are more likely to suffer or cause social, environmental or climate damage, and, where appropriate, the establishment of limits for these exposures. Annex II of IN BCB 153 also requires this, detailing them as items of the applicable reporting tables.
117. In which of the following sectors are entities recommended or required to disclose information regarding sectoral investment policies? Select all that apply.
□ Oil and gas
□ Renewable energy
□ Land-use and deforestation
□ Other
✓ None specified

121. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure of dirty asset divestiture.

Art. 38-D of Res. 4557, which requires, within the risk management structure of the institution, the establishing of mechanisms for the identification and monitoring of social risk, environmental risk and climate risk incurred by the institution as a result of its products, services, activities or processes and the activities carried out by counterparties of the institution, as well as the monitoring of concentrations of exposures to economic sectors or geographical regions, defined on the basis of consistent and verifiable criteria, which are more likely to suffer or cause social, environmental or climate damage, and, where appropriate, the establishment of limits for these exposures. Annex II of IN BCB 153 also requires this, detailing them as items of the applicable reporting tables.

122. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure of nature-related impacts.
Art. 3, II, of Res. BCB 139 establishes that the Report must contain information on the actual and potential impacts, when considered relevant, of the social risk, environmental risk and climate risk on the strategies adopted by the institution in business and in risk and capital management in the short, medium and long term horizons, considering different scenarios, according to documented criteria
Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			\checkmark
2. IFRS S2			✓
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			✓
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other		✓	

126. List any other standards, frameworks or guidelines integrated into or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed.

Although it does not require or make reference, the regulations were enacted with the indication by the Central Bank that they were drafted in alignment with the TCFD, as well as that processes arising from currently undergoing public consultation procedures will further incorporate TCFD recommendations into the rules:

https://web.archive.org/web/*/BC publica relatório e regras sobre política de responsabilidade e gerenciamento de riscos sociais, ambientais e climáticos (bcb.gov.br)

https://web.archive.org/web/*/Agenda BC#: Consulta pública aprimorará as regras que tratam da divulgação de informações relativas aos riscos sociais, ambientais e climáticos das instituições
financeiras (bcb.gov.br)
Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Additional Important Information
197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
None

Policy Tool Name: Bidding Law (Lei de Licitações e Contratos Administrativos)

3. Source material link(s): https://web.archive.org/web/*/https://www.planalto.gov.br/ccivil_03/_ato2019- 2022/2021/lei/l14133.htm
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
□ Climate-related disclosure
□ Transition planning
✓ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
☐ Head of state and/or government
□ Independent regulatory or supervisory body
✓ Legislature
☐ Ministry/Department/Agency
□ Other (Please describe)
7 6 1 6 1 1
7. Status of the policy tool
Approved, in force
Approved, not yet in force Other (Places describe)
o Other (Please describe)
9. Year of (planned) entry into force or year of publication
<u>2021</u>

10. Does the policy tool have an end date?
No No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Bidding Law, when establishing the general rules for bidding and contracting carried out by the Public Administration, mandates the criteria for sustainability and environmental impact, as well as national sustainable development, that must be followed by the Public Administration throughout the entire bidding process.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
o 1.
○ 2.
○ 3.
o 4.
o 5.

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			✓
entities			
2. Private companies			\checkmark
3. Financial institutions			\checkmark
4. Small and medium-			✓
sized enterprises			
5. State-owned			\checkmark
companies			
6. Not-for-profit			\checkmark
organizations			
7. Government	✓		
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government	✓		
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government	✓		
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city) 11. Government	✓		
agencies and/or departments			
(unspecified)			
12. Sectoral actors			✓
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

45

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Government agencies and/or departments (supranational)
Minimum number of employees (Enter min number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	All entities of direct and indirect administration, autarchies, and foundations at the federal, state, municipal, and Federal District levels that carry out the following activities are subject to the Bidding Law: (i) sale and granting of real rights of use of assets; (ii) purchasing, including by order; (iii) leasing; (iv) granting and permission for the use of public goods; (v) provision of services, including specialized technical-professional services; (vi) architectural and engineering works and services; and (vii) information technology and communication contracts.

	information technology and communication contracts.
28. Can entities for whom compliance with the comply or explain)?	ne policy tool is mandatory opt out of the obligation (e.g.
No	
∘ Yes	
30. Does the policy tool exclusively apply to entities' operations beyond the jurisdiction?	entities' domestic operations, or does it also apply to
o Operations within jurisdiction only	
Operations beyond the jurisdiction	
o Not applicable	

31. What are the specific obligations and conditions for entities' operations beyond the jurisdiction? Please reference the relevant section/subsection/paragraph of the policy tool.
Government entities with a presence outside of Brazil are also subject to the Bidding Law
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
✓ Monetary fine
□ Restriction on business activities
□ Voiding or setting aside of contract
Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
✓ Other <u>Warning</u>
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
Not applicable
o Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average

o Average
o Above average
o Not applicable
Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
Yes
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
From the time the Law comes into effect, every bidding process conducted by the Brazilian Public Administration must follow these environmental requirements.
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
∘ No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
Oversight in the Bidding Law consists of verifying whether the entire process, from initial analysis to purchase and contract, is executed according to the predetermined specifications. This oversight is carried out by especially designated representatives of the Administration – Articles 11 and 117, as well as by Courts of Accounts of the specific jurisdiction be it Federal, State or Municipal (existing in the Municipalities of São Paulo and Rio de Janeiro only)

41. Does the policy tool recommend or require periodic impact assessments?
No No
∘ Recommended
o Required
43. Does the policy tool recommend or require periodic reviews?
No
• Recommended
○ Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No No
o Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No No
∘ Yes
Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
<u>None</u>

Domain-Specific Questions: Public Procurement Questions
200. Does the policy tool allow, recommend, or require the alignment of public procurement spending with national and/or subnational climate targets?
∘ No
Allowed and/or recommended
∘ Required
201. Describe the obligation to align public procurement spending with national and/or subnational climate targets, referencing the relevant section/subsection/paragraph of the policy tool.
One of the objectives of the bidding process is to respect sustainable national development. Therefore, in the price analysis for the bidding, the costs of the potential environmental impact caused by the purchase must be considered, as they are important for determining the final price. Articles 4 and 34.

202. Does the poli	cv tool set tard	aets in relation t	to climate-alianed	procurement?	Select all that	/laap	/.

	Allowed/recommended	Required	Not applicable
A minimum percentage of tenders/contracts which must include climate-related criteria			
A minimum number of climate-related criteria to be included in purchases/tenders			
A minimum value of procurement spend which must include climate-related criteria			
A maximum amount of greenhouse gas emissions associated with tenders/contracts (i.e. a carbon ceiling/envelope)			
Targets for the reduction of fossil fuel energy consumption associated with tenders/contracts			
Targets for the procurement of products which have a third-party sustainability certification/ ecolabel/ voluntary sustainability standard			
Other (Please describe and reference the section/subsection/paragraph of the policy tool relevant to other climate-aligned procurement targets)			
Other Text: Procurement Cycle			

204. Does the policy tool make recommendations or allowances or set requirements related to climate change mitigation at the procurement planning stage? Select all that apply.

	Allowed/	Required	Not applicable
	recommended		
Procuring entities			\checkmark
consider climate			
change mitigation			
and/or GHG emissions			
reductions goals when			
defining their			
procurement needs			
Procuring entities have			
a strategy, plan, or			
policy regarding the			
alignment of			
procurement practices			
with climate objectives			
Procuring entities set			
aside a portion of their			
procurement budgets			
for climate-aligned			
procurement			
Procuring entities			
include emissions from			
procurement in their			
carbon budget			
Procuring entities			
follow guidance on			
calculating			
procurement-related			
emissions			
Procuring entities			
inform and/or consult			
with market actors in			
advance of publishing			
the formal call for			
tenders, in relation to			
climate considerations			
(i.e. pre-procurement			
consultation,			
engagement, or dialogue)			
Other allowances,			✓
recommendations or			
requirements related			
to climate change			
mitigation or GHG			
emissions at the			
procurement planning			
stage			

Life-cycle or Whole-life Costing
217. Does the policy tool recommend or require the use of life-cycle costing or whole-life costing to capture climate-related impacts (e.g. energy or fuel consumption, monetized emissions or other environmental costs, end-of-life costs, etc)?
○ No
o Allow and/or recommend
218. Describe the obligation to use life-cycle costing or whole-life costing to capture climate-related impacts, referencing the relevant section/subsection/paragraph of the policy tool.
Requirements include low energy consumption and other resources, as well as reverse logistics for disposal and recycling of goods, when applicable, in addition to environmental sustainability criteria. Article 18, XII and 144.
219. Does the allowance, recommendation, and/or requirement to apply life-cycle costing or whole-life costing only apply to certain types of contract/tender?
No No
o Yes (Describe and reference the relevant section/subsection/paragraph of the policy tool)
220. Does the policy tool allow, recommend, or require a methodology or tool for calculating life-cycle/whole-life costs? If so, describe and reference the relevant section/subsection/paragraph of the policy tool.
No No
o Allow/recommend
∘ Require

Τe	nc	de	rin	g	or	So	lic	ita	tioı	n S	tag	je												

222. Does the policy tool make allowances, recommendations or set requirements at the tendering or solicitation stage? Select all that apply.

	Allowed/recommended	Required	Not applicable
Exclusion or			
debarment grounds			
based on compliance			
with climate			
obligations			
Qualification or			\checkmark
selection criteria			
related to climate			
change			
Including climate or			
environmental			
considerations when			
calculating value for			
money, including			
through the use of life-			
cycle or whole-life			
costing			
Technical	✓		
specifications (e.g.			
setting minimum levels			
of energy efficiency or			
maximum product			
carbon emissions)			
Contract award	✓		
criteria or value for			
money evaluation			
frameworks (e.g.			
minimum			
scores/performance			
levels under climate-			
related criteria,			
preferences for climate			
or sustainable			
products)			
Other procurement			✓
stage allowances,			
recommendations or			
requirements			
requirements	<u> </u>		l
Life evelo coeting an orbit	ala lifa castine		
Life-cycle costing or who	ne-me cosung		

Technical specifications
Contract Award Criteria
Contract Performance
249. Does the policy tool make allowances, recommendations or set requirements at the contract performance stage (e.g. contract clauses, key performance indicators or conditions which must be included to monitor and report on emissions or other metrics)?
No No
o Allowed and/or recommended
o Required
Monitoring and Reporting
252. Does the policy tool include allowances, recommendations or requirements to monitor and/or report upon climate-aligned procurement?
● No
o Allowed and/or recommended
o Required
Standards, Frameworks, and Guidelines

262. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. Paris Agreement			✓
2. The jurisdiction's			✓
Nationally Determined			
Contribution (NDC)			
3. IFRS S1			✓
4. IFRS S2			\checkmark
5. Task Force on Climate-			\checkmark
related Financial Disclosures			
(TCFD)			
6. GHG Protocol Corporate			
Accounting and Reporting			
Standard			
7. GHG Protocol Corporate			
Value Chain (Scope 3)			
Accounting and Reporting Standard			
8. CDP (formerly known as			✓
Climate Disclosure Project)			
reporting framework			
9. Science Based Targets			
initiative (SBTi)			
10. Science Based Targets			✓
initiative (SBTi) Net Zero			
Standard			
11. United Nations			
Sustainable Development			
Goals (SDGs)			
12. ISO 20400 Sustainable			
Procurement			
13. EU Green Public			
Procurement criteria and			
guidance 14. UNEP Sustainable Public			V
Procurement			
Implementation Guidelines			
15. OECD MAPS -			
Supplementary Module on			
Sustainable Public			
Procurement			
16. Asian Development			
Bank Guidelines for			
Sustainable Procurement			
17. African Development			
Bank Sustainable Public			
Procurement Guidance Note			

18. Inter-American		
Development Bank Green		
Procurement Guidelines		
19. EDBR Project		
Requirements/Environmental		
and Social Action Plan		
20. World Bank		
Environmental and Social		
Framework		
Trumework		
21. Other		✓
		✓
		$ \checkmark $
21. Other		
21. Other		

265. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Policy Tool Name: CVM Resolution No. 193

10. Does the policy tool have an end date?	
9. Year of (planned) entry into force or year of publication	
○ Other (Please describe)	
Approved, not yet in force	
Approved, in force	
7. Status of the policy tool	
□ Other (Please describe)	
□ Ministry/Department/Agency	
□ Judiciary	
□ Legislature	
□ Independent regulatory or supervisory body	
Head of state and/or government	
6. Select the category which best describes the author/issuer of the policy tool.	
□ Public procurement	
□ Transition planning	
Climate-related disclosure	
4. Which of the following governance domains does this policy tool relate to? Select all that apply	/ .
3. Source material link(s): https://web.archive.org/web/*/https://www.legisweb.com.br/legislacao/?id=451004	

● No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Resolution addresses the preparation and disclosure of financial information reports related to sustainability by investment funds and securitization companies, on a voluntary basis starting in 2024, and by publicly traded companies, on a voluntary basis starting in 2024 and on a mandatory basis starting in 2026.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
∘ 1 .
○ 2.
o 3.
o 4.
o 5.

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded	✓		
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned		✓	
companies			
6. Not-for-profit			\checkmark
organizations			
7. Government			>
agencies and/or			
departments			
(supranational)			
8. Government			\checkmark
agencies and/or			
departments (national)			
9. Government			>
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			✓
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city) 11. Government			✓
agencies and/or departments			
(unspecified)			
12. Sectoral actors			✓
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			✓
	ı –	<u> </u>	_

27.	Describe the th	reshold c	riteria to i	dentify	entities fo	or whom o	r instances	in which	complian	ice is
ma	ndatory.									

	Publicly-traded entities
Minimum number of employees (Enter min	
number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum contract value)	
Entity is headquartered in the jurisdiction	
Entities are subjected to disclosure or reporting requirements	All Publicly-traded entities
28. Can entities for whom compliance with the pol	icy tool is mandatory opt out of the obligation (e.g.
No No	
∘ Yes	
30. Does the policy tool exclusively apply to entitie entities' operations beyond the jurisdiction? Operations within jurisdiction only Operations beyond the jurisdiction Not applicable	s' domestic operations, or does it also apply to
32. What are the sanctions for non-compliance? S	elect all that apply and describe in the text field.
□ Monetary fine	
□ Restriction on business activities	
□ Voiding or setting aside of contract	
☐ Exclusion from government contracts	
☐ Award of damages or compensation	
☐ Penalty for senior managers	

☐ Criminal penalties
✓ Not specified
Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
Not applicable
o Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
○ Average
Above average
Not applicable
o Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
• No (If relevant, explain) The preparation of the report will only become mandatory for publicly traded companies in 2026.
∘ Yes

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
No No
∘ Yes
41. Does the policy tool recommend or require periodic impact assessments?
∘ No
o Recommended
Required
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
● 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
o Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
● No
o Recommended
o Required

subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No No
∘ Yes

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with

Oomain-Specific Questions: Disclosure Questions	
Vhat is being disclosed?	

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended nor required		
1. Greenhouse gas (GHG) emissions			>		
2. GHG emissions offsets or removals			\		
3. GHG emissions reduction targets			>		
4. Other climate- related targets			>		
5. Physical climate risk			\checkmark		
6. Transition risk			✓		
7. Transition plan			\checkmark		
Other disclosures					

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related			✓ V
opportunities			
2. Remuneration			
based on achieving			
climate-related goals			
3. Taxonomies			V
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change) 5. Due diligence			✓
			✓
6. Assumptions and Dependencies			
7. Data limitations of			✓
scenario analyses			
8. Financial			✓
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures			
into financial			
accounting standards)			✓
9. Stewardship (e.g., whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			✓
methodologies and			
criteria (in the case of			
service providers)			
11. Asset planning or			~
ownership in the			
context of climate			
change 12. Sectoral			✓
investment policies			
13. Climate-related			✓
lobbying and/or policy			
engagement			
14. Locked-in			✓
emissions or			
information on			

emissive assets with							
long lifespans							
15. Dirty asset							
divestiture							
16. Nature-related							
impacts							
17. Just transition							
indicators							
Standards, Frameworks, and Guidelines							

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1		✓	
2. IFRS S2		✓	
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other	✓		

126. List any other standards, frameworks or guidelines integrated into or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed. SSB (International Sustainability Standards Board) https://web.archive.org/web/*/https://www.ifrs.org/groups/international-sustainability-standardsboard/ Additional Important Information 128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material. Additional Important Information 197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in

Question 3), provide a web-archived link to the source material.

<u>None</u>

Policy Tool Name: CVM Resolution No. 59

3. Source material link(s): https://web.archive.org/web/*/https://conteudo.cvm.gov.br/export/sites/cvm/legislacao/resolucoes/ancxos/001/resol059consolid.pdf
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
Climate-related disclosure
☐ Transition planning
☐ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
✓ Head of state and/or government
☐ Independent regulatory or supervisory body
□ Legislature
□ Judiciary
☐ Ministry/Department/Agency
☐ Other (Please describe)
7. Status of the policy tool
• Approved, in force
o Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication
<u>2023</u>

10. Does the policy tool have an end date?
No No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Resolution requires listed companies to provide information on ESG practices and indicators in a reference form under a "comply or explain" basis.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
o 1 .
○ 2.
○ 3.
o 4.
o 5.

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded	✓		
entities			
2. Private companies	②		
3. Financial institutions	✓		
4. Small and medium-	✓		
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)	_	_	
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government			
agencies and/or			
departments			
(unspecified)	✓		
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)	✓		
13. Other			

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26. In cases where entities are targeted by sector, identify the sector to which the policy tool applies.

	Mandatory	Voluntary	Not applicable
All sectors			
Agriculture, forestry, and fishing			
Mining and quarrying			
Manufacturing			
Electricity, gas, steam, and air conditioning supply			
Water supply; sewerage; waste management and remediation activities			
Construction			
Wholesale and retail trade: repair of motor vehicles and motorcycles			
Transportation and storage			
Accommodation and food service activities			
Information and communication			
Financial and insurance activities			
Real estate activities			
Professional, scientific and technical activities			
Administrative and support service activities			
Public administration and defense; compulsory social security			
Education			
Human health and social work activities			
Arts, entertainment and recreation			
Other service activities			
Activities of households as employers; undifferentiated goods-and services-			
producing activities of			

households for own		
use		
Activities of extraterritorial organizations and bodies		

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Publicly-traded entities	Private companies	Financial institutions	Small and medium-sized enterprises
Minimum number of employees (Enter min number of full- time employees - FTEs)				Citerprises
Minimum revenue (Enter minimum revenue)				
Minimum assets (Enter minimum assets)				
Minimum contract value (Enter minimum contract value)				
Entity is headquartered in the jurisdiction				
Entities are subjected to disclosure or reporting requirements	Companies are publicly traded and listed on the stock exchange.	Companies are publicly traded and listed on the stock exchange.	Companies are publicly traded and listed on the stock exchange.	Companies are publicly traded and listed on the stock exchange.

	disclosure or reporting requirements	and listed on the stock exchange.					
		_					
	28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?						
	o No						
	Yes						
29. Describe the available opt-out provisions (e.g. "comply or explain"), referencing the relevant section/subsection/paragraph of the policy tool.							
	Annex C of the Resolution						
		_					

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?
Operations within jurisdiction only
o Operations beyond the jurisdiction
o Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
Monetary fine Financial penalties can be imposed on companies that fail to comply with the reporting and disclosure requirements
☐ Restriction on business activities
☐ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
□ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
Other <u>Legal Actions</u> , <u>Administrative Sanctions and Suspension of Activities</u>
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
Above average
o Not applicable
Unknown or prefer not to answer

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
o Above average
o Not applicable
Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
Yes
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
From the time the resolution comes into effect, all entities must comply with its requirements
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
o No
Yes
40. Describe the monitoring systems in place. Please reference the relevant
section/subsection/paragraph of the policy tool where monitoring systems are set.

With regular reporting requirements, audits and inspections, required public disclosure and CVM's authority to take enforcement actions, it is ensured that companies adhere to the requirements set forth in the Resolution.

41. Does the policy tool recommend or require periodic impact assessments?
No
○ Recommended
∘ Required
43. Does the policy tool recommend or require periodic reviews?
○ No
○ Recommended
Required
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
o 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
○ Not specified
● Other_ <u>Annually</u>
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No
∘ Yes

47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No No
∘ Yes

Domain-Specific Questions: Disclosure Questions	
What is being disclosed?	

52. Are targeted entities recommended or required to disclose any of the	following climate-related
information? Select all that apply.	

	Recommended	Required	Neither recommended
1 Croophausa	✓		nor required
1. Greenhouse gas (GHG) emissions			
2. GHG emissions			
offsets or removals			
3. GHG emissions			
reduction targets	_	_	
4. Other climate-			
related targets 5. Physical climate risk			✓
6. Transition risk			
7. Transition plan			
Disclosure of Greenhous	e Gas (GHG) Emission	าร	
54. Which GHG emission:	s must be disclosed? S	Select all that apply.	
Carbon dioxide (CO ₂)			
✓ Methane (CH₄)			
☑ Nitrous oxide (N₂O)			
☐ Hydrofluorocarbons (H	FCs)		
□ Perfluorocarbons (PFCs)			
□ Sulphur hexafluoride (SF6)			
□ Nitrogen trifluoride (NF3)			
☑ Carbon dioxide equivalent (CO2e)			
55. Are entities recommended or required to disclose gross emissions?			
○ No			
○ Recommended			
Required			

56. Are entities recommended or required to disclose net emissions?
No No
○ Recommended
• Required
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
○ No
○ Recommended
○ Required

Disclosure of Greenhouse Gas (GHG) Offsets or Removals

62. Does the policy tool recommend or require offsetting purchases be disclosed?
No No
 Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
63. Does the policy tool recommend or require entities disclose whether offsets are verified?
No
o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
64. Does the policy tool recommend or require any certification standards for the use of GHG offsetting or removals?
● No
o Recommended (Please list the certification standards, describe their use, and reference the relevant section/subsection/paragraph of the policy tool)
o Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
65. Does the policy tool include any other recommendations or requirements regarding the appropriate use of offsets?
No No
o Recommended (Please describe and reference the relevant section/subsection/paragraph of the policy tool)

 Required (Please describe and reference the relevant section/subsection/paragraph of the policy tool)
Disclosure of Greenhouse Gas (GHG) Emissions Reduction Targets

67. Which of the following targets, or data related to targets, does the policy tool request 6	entities
disclose? Select any of the following which apply:	

	Recommended	Required	Neither recommended nor required	
An absolute emissions				
reduction target				
An intensity-based emissions reduction				
target A net zero target	П	П		
	_	_		
Targets covering non- carbon GHG emissions				
A Scope 3 emissions target				
A target derived using				
a sectoral				
decarbonization				
approach				
Interim targets				
A target timeframe			✓	
(e.g. by 2040)				
A baseline year from				
which progress is				
measured				
A level of ambition for				
emissions reductions				
(e.g. 80% reduction)				
68. Does the policy tool re	ecommend or require enti	ties to disclose their progr	ess in achieving their	
emissions reductions targ	•	, 3	J	
emissions reductions targets:				
● No				
∘ Recommended				
o Required				
82. What is the recommended or required level of ambition for GHG emissions reductions targets?				

o Reduction between 1-25%

o Reduction between 26-50%

o Reduction between 51-75%

• Reduction between 75-85%
○ Reduction between 85-100%
o Reduction of more than 100%
● Other
Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related opportunities			
2. Remuneration based on achieving climate-related goals			
3. Taxonomies			
4. Capital allocation and/or expenditure plans (in the context of climate change)			
5. Due diligence			
6. Assumptions and Dependencies			
7. Data limitations of scenario analyses			
8. Financial implications of climate-related matters (e.g., integration of climate-related disclosures into financial accounting standards)			
9. Stewardship (e.g., whether stewardship codes are in place, how entities vote in shareholder meetings, etc.)			
10. ESG methodologies and criteria (in the case of service providers)			
11. Asset planning or ownership in the context of climate change			
12. Sectoral investment policies			
13. Climate-related lobbying and/or policy engagement			
14. Locked-in emissions or information on			

y ESG related topics requinublish their ESG matters; the adoption of any (and vis; (v) business opportuniticompany investors; (vii) t	ring the company to explo (ii) if such publications are which) ESG key performan ies related to ESG; (vi) ESC the role of managing bodi	ain their practices, e audited by any nce indicators; (iv) G risk factors potentially es in ESG matters; (viii)	
the existence of internal channels permitting the flow of ESG information/complaints; and (ix) ESG			
elements affecting management compensation			
and Guidelines			
	ESG related topics requiublish their ESG matters; the adoption of any (and s; (v) business opportunit company investors; (vii) thannels permitting the flagement compensation	ESG related topics requiring the company to exploublish their ESG matters; (ii) if such publications are the adoption of any (and which) ESG key performants; (v) business opportunities related to ESG; (vi) ESG company investors; (vii) the role of managing bodishannels permitting the flow of ESG information/corgement compensation	

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			
2. IFRS S2			
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other	\checkmark		

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Policy Tool Name: Federal Law No. 14.948

10	Does the policy tool have an end date?
9. 1 202	Year of (planned) entry into force or year of publication 24
	/ogr of (planned) entry into force or year of publication
∘ C	Other (Please describe)
ο Δ	approved, not yet in force
A	Approved, in force
7.	Status of the policy tool
	Other (Please describe)
	Ministry/Department/Agency
□J	udiciary
	Legislature
	ndependent regulatory or supervisory body
✓ I	Head of state and/or government
	Select the category which best describes the author/issuer of the policy tool.
□ F	Public procurement
~	Transition planning
	Climate-related disclosure
4.	Which of the following governance domains does this policy tool relate to? Select all that apply.
	Source material link(s): https://web.archive.org/web/*/https://planalto.gov.br/ccivil_03/_ato2023- 26/2024/lei/l14948.htm

● No
o Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Law establishes the legal framework for low-carbon hydrogen; creates the National Policy for Low-Carbon Hydrogen; establishes incentives for the low-carbon hydrogen industry; creates the Special Incentive Regime for Low-Carbon Hydrogen Production; and creates the Low-Carbon Hydrogen Development Program.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
o 1 .
○ 2.
○ 3.
o 4.
○ 5.

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government	✓		
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region) 10. Government	✓		
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government	✓		
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			✓
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

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27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Government agencies and/or departments (national)	Government agencies and/or departments (regional - e.g. state, province, region, metropolitan region)	Government agencies and/or departments (local - e.g. county, district, municipality, city)	Government agencies and/or departments (unspecified)
Minimum number of employees (Enter min number of full- time employees - FTEs)				
Minimum revenue (Enter minimum revenue)				
Minimum assets (Enter minimum assets)				
Minimum contract value (Enter minimum contract value)				
Entity is headquartered in the jurisdiction				
Entities are subjected to disclosure or reporting requirements	Government Agencies	Government Agencies	Government Agencies	Government Agencies

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (e.g. comply or explain)?
No No
∘ Yes

30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction?

Operations within jurisdiction only
o Operations beyond the jurisdiction
o Not applicable
32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.
☐ Monetary fine
☐ Restriction on business activities
□ Voiding or setting aside of contract
☐ Exclusion from government contracts
☐ Award of damages or compensation
☐ Penalty for senior managers
☐ Criminal penalties
✓ Not specified
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
Above average
Not applicable
o Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated

entities have made compliance a priority.

o Below average
o Average
o Above average
Not applicable
o Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
No (If relevant, explain) The Law came into effect in early August 2024.
o Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
o No
Yes
40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.
The Law stipulates that authorities such as the National Petroleum Agency will be responsible for
overseeing the activity; however, the effective monitoring measures will still be defined and regulated in a subsequent regulation."
41. Does the policy tool recommend or require periodic impact assessments?
No No
o Recommended
o Required

43. Does the policy tool recommend or require periodic reviews?
No No
o Recommended
o Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No No
∘ Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
No No
o Yes

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
No No
∘ Recommended
o Required
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
∘ No
Recommended
∘ Required
136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?
○ No
Recommended
○ Required

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to monitoring progress in achieving targets.
Through the Risk Management Plan (PGR), a document that describes how the risk management of the enterprise will be executed, monitored, and controlled. Articles 4 and 10.
138. Does the policy tool recommend or require targeted entities to publicly report on progress in achieving their targets?
No No
o Recommended
o Required

140. Which of the following targets, or data related to targets, does the policy tool recommend or require entities have or develop? Select all that apply.

	Recommended	Required	No
An absolute emissions	⊘		
reduction target			
An intensity-based	✓		
emissions reduction			
target			
A net zero target	✓		
Interim targets (e.g. 2030, 2050)			
Targets covering non- carbon GHG emissions	>		
A Scope 3 emissions target			
A target derived using a sectoral decarbonization approach	>		
A level of ambition for emissions reductions (e.g. 80% reduction)			
A baseline year from which progress is measured			
A target timeframe (e.g. by 2040)			
Targets for renewable energy procurement			
Targets for fossil fuel phase down/phase up			
Separate targets for GHG offsets and/or removals			
Targets or goals related to climate adaptation			
Targets or goals related to nature and biodiversity			
Other targets related to sustainability			

141. What is the recommended or required scope of emissions for absolute emissions reduction targets? Select all that apply.
☐ Scope 1 emissions

☐ Scope 2 emissions						
☐ Scope 3 emissions, relevant or material						
□ Scope 3 emissions, a specified proportion of coverage (Please describe)						
□ Scope 3 emissions, all						
✓ Not specified						
142. What is the recommended or required scope of emissions for intensity-based reduction targets? Select all that apply.						
□ Scope 1 emissions						
☐ Scope 2 emissions						
☐ Scope 3 emissions, relevant or material						
□ Scope 3 emissions, a specified proportion of coverage (Please describe)						
□ Scope 3 emissions, all						
✓ Not specified						
143. Does the policy tool recommend or require a scope of emissions which should be covered by the net zero target? Select all that apply.						
☐ Scope 1 emissions						
☐ Scope 2 emissions						
☐ Scope 3 emissions, relevant or material						
□ Scope 3 emissions, a specified proportion of coverage (Please describe)						
□ Scope 3 emissions, all						
✓ Not specified						
144. What is the recommended or required year for the net zero target (e.g. net zero by)?						
○ Between 2030 and 2035						

o Between 2036 and 2040
o Between 2041 and 2045
o Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
o Other
Not specified
147. For which of the following non-carbon GHGs are entities recommended or required to develop emissions reduction targets? Select all that apply.
□ Methane (CH ₄)
□ Nitrous oxide (N₂O)
☐ Hydrofluorocarbons (HFCs)
□ Perfluorocarbons (PFCs)
□ Sulphur hexafluoride (SF6)
□ Nitrogen trifluoride (NF3)
Carbon dioxide equivalent (CO2e)
148. For which of the following sectors are entities recommended or required to develop targets derived using a sectoral decarbonization approach? Select all that apply.
Power generation
✓ Industry
✓ Transport Services
☐ Services/Commercial buildings
□ Other
□ None specified

149. Does the policy tool recommend or require targets derived using a sectoral decarbonization approach be validated by a third-party?
∘ No
∘ Recommended
Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
∘ No
o Required

165. Does the policy tool recommend or require any of the following elements or criteria for transition plans? Select all that apply.

	Recommended	Required	Neither recommended nor required			
A timeframe for the transition plan (e.g. 10 year plan, 20 year plan, etc.)						
Key Performance Indicators (KPIs) for monitoring transition plan implementation						
Updates to the transition plan						
Third-party verification and/or audited accuracy of the transition plan						
Identified methodology for scenario analysis			4			
Monitoring, Oversight, and Implementation						

176. Does the policy tool recommend or require entities undertake any of the following with regard to
monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No			
Monitor progress in						
implementing their						
transition plan						
Develop financial						
plans for the						
implementation of						
their transition plan						
Integrate climate-						
related matters into						
their financial						
accounting						
Incorporate climate						
change considerations						
into their investment						
decision making						
and/or asset planning						
Incorporate climate						
change considerations						
into their capital						
allocation and/or						
expenditure plans						
Any other mechanisms	\checkmark					
for enhancing the						
achievement of						
targets and/or the						
implementation of						
transition plans						
182. Describe the obligations related to other governance mechanisms for enhancing the						
-	•		•			
achievement of targets and/or implementation of transition plans, referencing the relevant						
section/subsection/paragraph of the policy tool.						
The governance rules established in the Brazilian Hydrogen Certification System (SBCH2) will be						
mandatory for all economic agents in the hydrogen value chain who wish to issue certification for						
hydrogen, or its derivatives produced in the national territory. Article 15.						
nyarogen, or its derivatives produced in the national territory. Article 15.						
Engagement, Lobbying, and Governance						

184. Does the policy tool recommend or require targeted entities align any of the follow	'ing
engagement and/or governance practices with their targets and/or transition plans?	

	Recommended	Required	No	
Value chain			\checkmark	
engagement				
Investor engagement			>	
Consumer			\checkmark	
engagement				
Policy engagement			✓	
and lobbying practices				
Corporate governance			\checkmark	
structure for transition				
and verification				
Climate-related				
financial incentives for				
employees and board				
members				
185. Does the policy tool diligence and/or stewards No Recommended Required	recommend or require tan	_	-	
192. Describe and reference the section/subsection/paragraph of the policy tool relevant to the use of due diligence and/or stewardship to achieve targets and/or implement transition plans.				
Standards, Frameworks, and Guidelines				

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1			\checkmark
IFRS S2			✓
Task Force on Climate-related			$ \checkmark $
Financial Disclosures			
(TCFD)			
CDP (formerly known			
as Climate Disclosure			
Project) Technical			
Note: Reporting on Climate Transition			
Plans			
International			✓
Integrated Reporting			
Framework			
Global Reporting			✓
Initiative (GRI)			
Sustainability			✓
Accounting Standards			
Board (SASB)			
Science Based Targets			✓
initiative (SBTi)			
Science Based Targets			✓
initiative (SBTi) Net			
Zero Standard			✓
European Sustainability			
Reporting Standards			
(ESRS)			
Other			
Additional Important Inf	ormation		

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Policy Tool Name: CVM Resolution No. 175

3. Source material link(s): https://web.archive.org/web/*/https://conteudo.cvm.gov.br/export/sites/cvm/legislacao/resolucoes/and xos/100/resol175_ParteGeral.pdf
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
Climate-related disclosure
□ Transition planning
□ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
Head of state and/or government
□ Independent regulatory or supervisory body
□ Legislature
□ Judiciary
□ Ministry/Department/Agency
□ Other (Please describe)
7. Status of the policy tool
Approved, in force
○ Approved, not yet in force
Other (Please describe)
9. Year of (planned) entry into force or year of publication
2022

10. Does the policy tool have an end date?
No No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Resolution stipulates that investment funds whose names reference environmental, social, and governance factors, such as "ESG," "environmental," or any other terms related to sustainable finance, must establish the benefits, methodologies, responsible parties, and specifications regarding the measures adopted.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
o 1.
○ 2.
○ 3.
o 4.
o 5.

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government			
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)	_	_	
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)	_	_	
11. Government			
agencies and/or			
departments			
(unspecified)	_	_	
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)		_	
13. Other			

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27. Describe the threshold criteria to identify	entities for	whom or	instances in	which	compliand	e is
mandatory.						

	Other
Minimum number of employees (Enter min	
number of full-time employees - FTEs)	
Minimum revenue (Enter minimum revenue)	
Minimum assets (Enter minimum assets)	
Minimum contract value (Enter minimum	
contract value)	
Entity is headquartered in the jurisdiction Entities are subjected to disclosure or reporting	
requirements	
28. Can entities for whom compliance with the policomply or explain)?	icy tool is mandatory opt out of the obligation (e.g.
No	
∘ Yes	
 30. Does the policy tool exclusively apply to entities entities' operations beyond the jurisdiction? Operations within jurisdiction only Operations beyond the jurisdiction Not applicable 	s' domestic operations, or does it also apply to
32. What are the sanctions for non-compliance? So	elect all that apply and describe in the text field.
□ Restriction on business activities	
□ Voiding or setting aside of contract	
□ Exclusion from government contracts	
☐ Award of damages or compensation	
☐ Penalty for senior managers	

☐ Criminal penalties
Not specified Although mandatory, no sanction is provided.
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
o Not applicable
Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
○ Average
Above average
Not applicable
o Unknown or prefer not to answer
37. Have the climate-specific provisions in this instrument ever been enforced?
■ No (If relevant, explain) There is no climate-specific provisions.
o Yes

39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
No
∘ Yes
41. Does the policy tool recommend or require periodic impact assessments?
No
o Recommended
o Required
43. Does the policy tool recommend or require periodic reviews?
● No
∘ Recommended
o Required
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
No
o Yes
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
o No

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
CVM promoted webinars and other working groups to discuss the implementation of the rule and to clarify doubts or the public.

Domain-Specific Questions: Disclos	sure Questions	
What is being disclosed?		

52. Are targeted entities recommended or required to disclose any of the following climate-related information? Select all that apply.

	Recommended	Required	Neither recommended nor required
1. Greenhouse gas			✓ V
(GHG) emissions			
2. GHG emissions			
offsets or removals		<u> </u>	
3. GHG emissions reduction targets			\
4. Other climate-	✓		
related targets			
5. Physical climate risk			✓
6. Transition risk			✓
7. Transition plan			\checkmark
84. Which of the following entities disclose? Select a	_	argets does the policy too	I recommend or require
□ Targets for renewable	energy procurement (Ple	ease reference the section/	/subsection/paragraph of
the policy tool relevant to	renewable energy procu	ırement targets)	
☐ Targets for fossil fuel p the policy tool relevant to	· · · · · · · · · · · · · · · · · · ·		n/subsection/paragraph of
☐ Targets or goals related of the policy tool relevant	=	Please reference the secti	on/subsection/paragraph
<u> </u>		rersity (Please reference th levant to nature and/or bio	
☐ Targets or goals related policy tool relevant to just	· ·	se reference the section/su	ıbsection/paragraph of the
Other targets (Please rother targets) ESG (article		section/paragraph of the	policy tool relevant to

Other disclosures

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related			
opportunities			
2. Remuneration			
based on achieving			
climate-related goals			
3. Taxonomies		V	
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change) 5. Due diligence			
6. Assumptions and		✓	_
Dependencies			
7. Data limitations of		✓	
scenario analyses			
8. Financial			
implications of			
climate-related			
matters (e.g.,			
integration of climate-			
related disclosures			
into financial			
accounting standards) 9. Stewardship (e.g.,			✓
whether stewardship			
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG	✓		
methodologies and			
criteria (in the case of			
service providers)			
11. Asset planning or			
ownership in the context of climate			
change			
12. Sectoral			
investment policies			
13. Climate-related			
lobbying and/or policy			
engagement			
14. Locked-in			
emissions or			
information on			

emissive assets with long lifespans			
15. Dirty asset			
divestiture	<u> </u>		_
16. Nature-related impacts			
17. Just transition			
indicators			
NoRecommendedRequired	cation of climate-related operation of climate-related operation.		·
No express reference is	muneration based on achi made in the relevant rule c closures and methodologic	on taxonomy, just general	references on information
information on the ESG		es. Endices subject to the r	ale shall provided
108. Describe and refere disclosures.	ence the section/subsection	n/paragraph of the policy t	ool relevant to taxonomy
	ence the section/subsection	n/paragraph of the policy t	ool relevant to capital
110. Describe and refere	ence the section/subsection	n/paragraph of the policy t	cool relevant to due

diligence disclosures.

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111. Describe and reference the section/subsection/paragraph of the policy tool relevant to assumptions and dependencies disclosures.
112. Describe and reference the section/subsection/paragraph of the policy tool relevant to data limitation disclosures.
113. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosures regarding the financial implications of climate-related matters.
115. Describe and reference the section/subsection/paragraph of the policy tool relevant to ESG-related disclosures. The investment fund must establish: (i) the expected ESG benefits and how the investment policy aims to achieve them; (ii) the methodologies, principles, or guidelines followed for the fund's qualification; (iii) the entity responsible for certifying or issuing a second opinion on the qualification; and (iv) the format, content, and frequency of disclosure of reports on the ESG results achieved.
122. Describe and reference the section/subsection/paragraph of the policy tool relevant to disclosure of nature-related impacts.

Standards, Frameworks, and Guidelines

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1			\checkmark
2. IFRS S2			\checkmark
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)			
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			✓

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Additional Important Information
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>