




Updates

 All publicly-held companies have already had to update their reference forms in 2023 according to the provisions of CVM Resolution No. 59, which took effect in January.

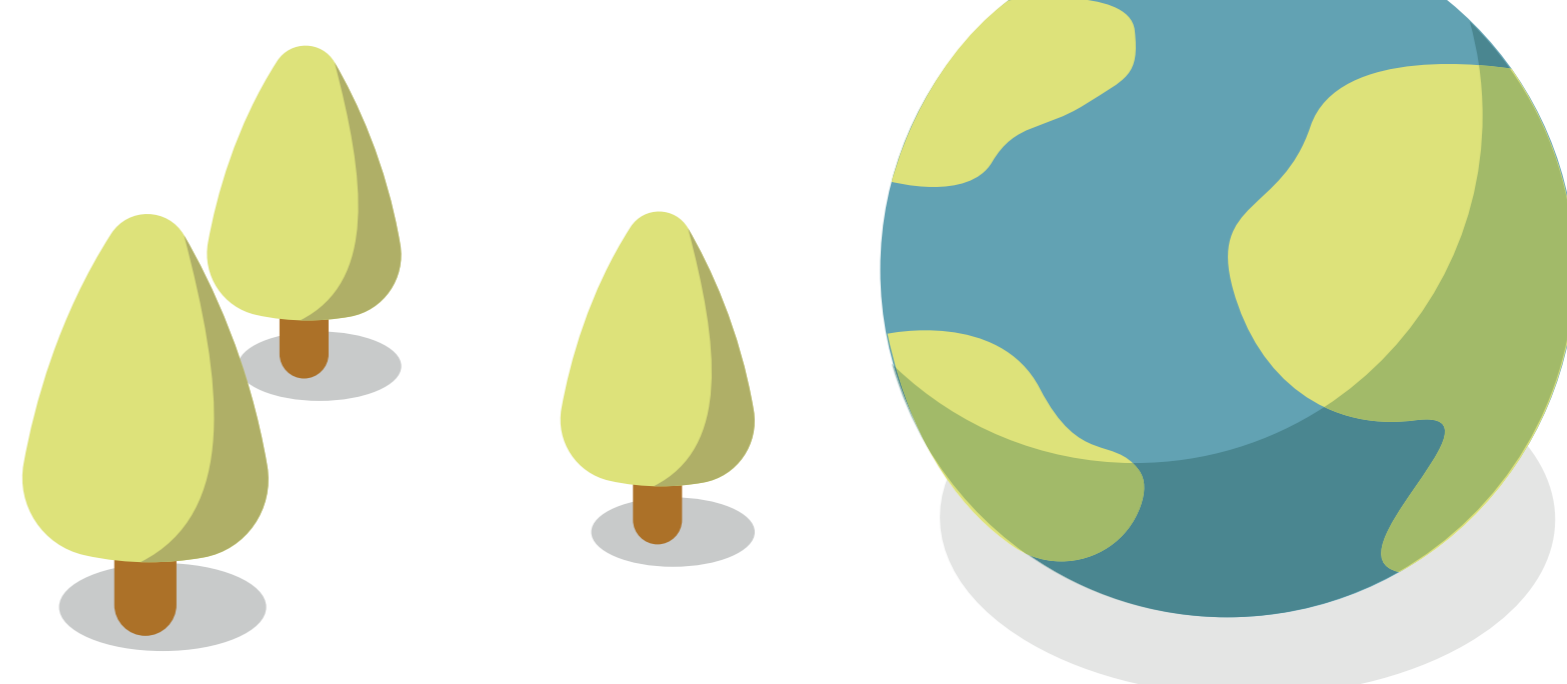
 How have the new ESG-related obligations been addressed?

Scope

 Our survey considered companies that met all of the following criteria:

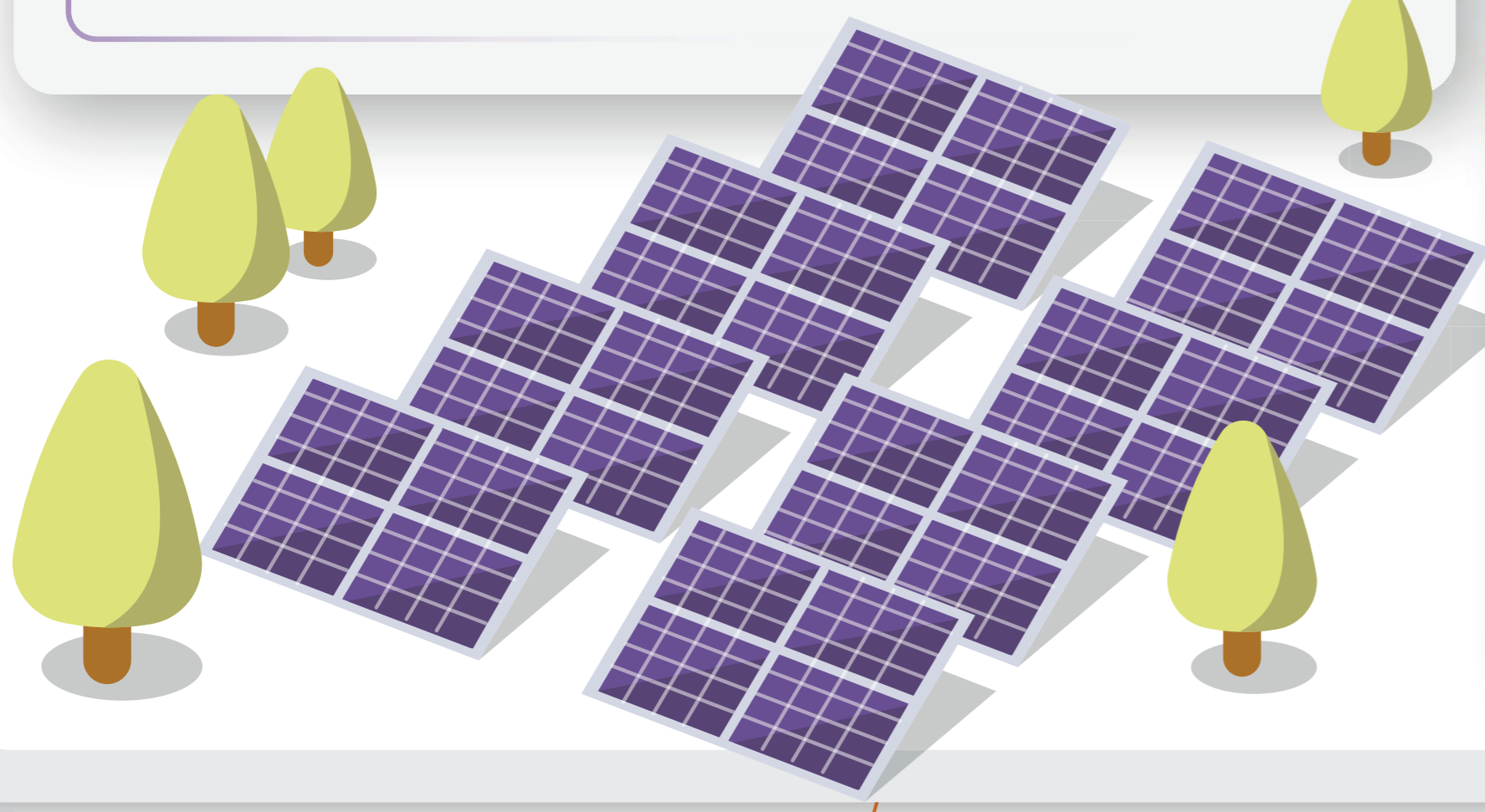
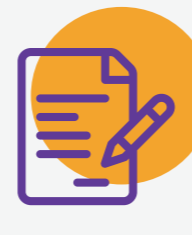
- Companies listed on B3's Novo Mercado;
- Companies whose last fiscal year ended on December 31, 2022;
- Companies included in the Ibovespa portfolio from May to August 2023.

Of the 98 companies in the Ibovespa portfolio, **55 were analyzed** - 67% of which were also part of the ISE-B3 portfolio.



Annual Sustainability Reports

89% of companies published one **80%** of the reports were audited by independent entities



Report Characteristics

- Disclosure of materiality matrix **98%**
- Disclosure of key ESG performance indicators **98%**
- Consideration of UN Sustainable Development Goals **98%**
- Consideration of TCFD recommendations **71%**

Climate

 **Greenhouse Gas Emissions (GHG)**

87% of companies carried out GHG emission inventories

Management-level involvement: 76%
Companies with specific management-level roles for climate-related risk and opportunity assessment and management

Inventory Scope:

- Scope 1:** Direct emissions stemming from the company's own sources – **100%**
- Scope 2:** Indirect emissions stemming from the company's energy use – **100%**
- Scope 3:** Indirect emissions over which the company has no control – **90%**

Risk Factors

Companies reported exposure to:

- Social risks** **82%**
- Environmental risks** **84%**
- Climate risks** **78%**

Key issues:

- Company failures and/or workplace accidents
- Non-compliance with environmental legislation, directly or indirectly
- Physical and transition-related risks

Diversity & Inclusion

Diversity indicators

Companies must provide information about their employees' gender and ethnicity. Furthermore, CVM Resolution No. 59 encourages companies to identify the number of employees and administrators according to other optional (yet relevant) diversity indicators.



Management

Only **24%** disclosed optional indicators, the most common one being:



Age brackets

Inclusion goals


Only **34%** of companies disclosed management-level diversity targets. The most common theme related to:


Employees

Only **16%** disclosed optional indicators, the most common ones being:



Gender identity

 Geographic origin

 People with disabilities

Remuneration

ESG goals

40% of companies consider ESG criteria in management remuneration policies.
Prominent criteria include:
Climate and diversity-related targets

Average remuneration

Companies must disclose the ratio between:


$$\begin{matrix} \text{Highest individual salary} \\ \& \\ \text{Median individual employee salary in Brazil} \\ = \\ \text{Average ratio} \end{matrix}$$

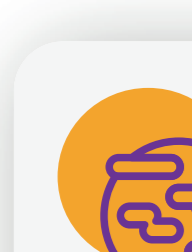
The overall average ratio was 342:1 in 2022, varying across different sectors:

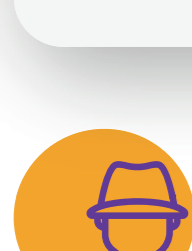
- Consumer – **581:1**
- Basic materials – **412:1**
- Healthcare – **308:1**
- Industrial goods – **212:1**
- Oil and fuels – **78:1**
- IT – **68:1**
- Public utilities – **62:1**
- Financial – **43:1**



Other ESG Information

 **Business plans**
When commenting on the main aspects of their business plan, only **58%** of companies explored concrete opportunities related to ESG matters.

 **ESG reporting channel**
Dedicated channels for making the board of directors aware of critical ESG-related issues and compliance practices. **73%**

 **Integrity**
Only **3.6%** of companies confirmed cases of embezzlement, fraud, irregularities, and illicit acts against Brazil's public administration in the last three years.

For further information on ESG-related matters, please visit our [Único news portal](#).