Mr. João Accioly
Chairman, Comissão de Valores Mobiliários (CVM)
Rua Sete de Setembro, 111
Centro - Rio de Janeiro/RJ

19 February 2026

Dear Mr. Accioly,

Subject: Maintaining Alignment with IFRS-Based Sustainability Disclosure Standards

The International Corporate Governance Network (ICGN) welcomes the opportunity to contribute to the ongoing discussion regarding the future of sustainability-related disclosure requirements in Brazil, particularly in relation to the continued application of global standards developed by the International Sustainability Standards Board (ISSB).

ICGN is a global investor-led organisation representing asset owners, asset managers and advisers responsible for assets under management exceeding USD 90 trillion, across more than 40 jurisdictions. Our mandate is to promote high standards of corporate governance and investor stewardship, with a particular focus on the quality, comparability, and reliability of corporate reporting as a foundation for efficient capital allocation and long-term value creation.

ICGN members have reported that the Comissão de Valores Mobiliários (CVM) has been seeking technical input from market participants regarding the continuity and calibration of Resolution No. 193, particularly in relation to the disclosure of sustainability-related information.

We view this outreach as a constructive step in the regulatory process and welcome the opportunity to contribute investor perspectives to this discussion, drawing on ICGN's international experience.

Investors need material sustainability-related information

Companies' exposure to sustainability-related risks - and opportunities - and their ability to manage these can affect value creation. When these impacts are financially material, we believe that it should be reported on appropriately. Investors have been calling for many years for high quality, reliable and timely sustainability related financial reporting from their investee companies.

Investors rely on these disclosures to make informed investment and stewardship decisions, manage portfolio risks effectively, fulfil their fiduciary duties to clients and beneficiaries, and meet their legal responsibilities.

Global adoption of ISSB standards is key

To support investors' needs, sustainability related financial disclosures must be comparable, complete, and verifiable. Investors need to be able to draw comparisons - across companies, markets, sectors and over time - for their analyses. Fragmented, selective or non-comparable disclosure limits the usefulness of sustainability-related information and increases information asymmetries, particularly for investors operating across multiple markets.

Ensuring comparability requires the use of global standards, which is why the investment community strongly supports the International Sustainability Standards Board (ISSB)'s mission to develop a global baseline for financially material sustainability related financial reporting.

The ISSB standards, developed within the IFRS architecture and informed by extensive global consultation, represent a significant step toward reducing fragmentation in sustainability-related financial reporting. For global investors, the emergence of a common disclosure baseline supports comparability, reduces analytical complexity and enhances confidence in the consistency of reported information.

We believe the adoption of the ISSB standards will contribute to greater transparency on companies' exposure to and management of sustainability risks and opportunities. This is an important step for efficient capital markets and sustainable economies.

Brazil's leadership and market signalling effects

Brazil has played a constructive and forward-looking role in the international adoption of the ISSB standards. By moving early to implement a disclosure framework aligned with international standards, Brazil showed strong leadership and a clear commitment to high-quality corporate reporting.

For investors, this leadership has been an important signal. It has reinforced perceptions of market maturity, regulatory credibility and openness to long-term capital, while helping Brazilian issuers achieve greater comparability with peers in other major markets. Such signals matter in practice, as they influence how global investors assess jurisdictional risk, regulatory stability and the reliability of market infrastructure.

Considerations regarding regulatory flexibility and market perception

In this context, any proposal that could be perceived as a relaxation or dilution of the existing disclosure framework warrants careful consideration. While proportionality and implementation challenges are legitimate topics for discussion, investors are attentive to the broader implications of regulatory change, particularly where it may affect international alignment.

A move away from IFRS-based sustainability disclosures could send an unintended signal regarding regulatory consistency and long-term commitment to internationally comparable reporting. Beyond its domestic implications, such a shift may also influence debates in other jurisdictions that look to early adopters for guidance when shaping their own approaches to sustainability-related disclosure.

Areas where further clarity would be helpful to investors

To support informed engagement, investors would welcome greater clarity from the Comissão de Valores Mobiliários on how any contemplated adjustments would preserve the core attributes of the current framework. In particular, it would be helpful to understand:

- how continued interoperability with the ISSB standards would be ensured;

- if flexibility mechanisms are introduced, which safeguards would be put in place to avoid fragmentation or selective reporting; and
- how the integrity, consistency and credibility of sustainability-related information would be maintained over time, including its connectivity with financial reporting.

Clear articulation of these points would help investors assess the implications of regulatory change and maintain confidence in the stability of the disclosure environment.

Concluding observations

Investors appreciate regulatory frameworks that guarantee high quality corporate reporting from investee companies. Experience across jurisdictions suggests that disclosure regimes evolve most effectively through incremental refinement, supported by guidance and dialogue, rather than through material recalibration that risks undermining comparability and confidence.

ICGN would therefore encourage Brazil to continue building on its early leadership by maintaining alignment with the ISSB standards. Doing so would reinforce Brazil's standing in global capital markets, support informed investment and stewardship decisions, and contribute positively to international efforts to enhance the quality and consistency of financially-material corporate sustainability reporting.

Thank you again for the opportunity to share our perspective. If you would like to follow up with questions or comments, please contact Severine Neervoort, Global Policy Director, (policy@icgn.org).

Yours faithfully,

Jen Sisson

Jen Sisson

Chief Executive Officer, ICGN