



Order Allocation Policy

SPS Capital Gestão de Recursos

January 2023





1 Purpose

1.1 SPS Capital Gestão de Recursos Ltda. ("SPS Capital"), as manager of different investment funds with different investment strategies and policies (the "Fund" or "Funds"), in compliance with the sole paragraph of section 82 of the Brazilian Securities and Exchange Commission ("CVM") Instruction No. 555 ("CVM Instruction 555") and the ANBIMA's Code of Regulation and Best Practices for Asset Management ("ANBIMA Management Code"), hereby establishes this Order Allocation Policy ("Policy")

2 Subject Matter

2.1 The purpose of this Policy is to set the methodology and criteria to be used by SPS Capital in allocating orders with respect to the management of the corresponding portfolios of Funds, thus ensuring that such allocation process is precise, accurate and, more importantly, impartial. Such policies and criteria are equally applicable to all investment funds that will be managed by SPS Capital.

3 General Principles

3.1 The implementation of the Policy shall be monitored by SPS Capital as part of the duties assigned in CVM Instruction 555/14.

3.2 The main purpose of the Policy is to protect the best interest of the Funds' investors and ensure equitable results across the Funds through a specified order allocation system and in compliance with the parameters set out in the Policy. A Fund is not to make financial gain to the detriment of another Fund and no conflict of interest is allowed in allocating gaining or loser orders across the Funds managed by SPS Capital.

3.3 This Policy benefits the holders of the Funds' quotas in general, in so far as it ensures that any gains and losses that may be made or incurred with respect of any given Fund are a result of the management activities carried out by SPS Capital in connection with the management of that specific Fund, and not a result of any manhandling or any error in operational procedures which are not directly related to investment decisions. In discharging its fiduciary duties, SPS Capital is committed to strictly complying and must always make its best efforts to strictly comply with its obligations to clients.

4 Order Aggregation and Allocation

4.1 SPS Capital takes into account the strategy of each Fund to determine the eligibility of an asset for a particular Fund. To this end, SPS Capital evaluates: (i) the investment policy; (ii) the risk profile; (iii) the net assets; (iv) the amount of free cash available for new investments; and (v) the net funding of each of the portfolios of the Funds it manages.

4.2. In the event that a particular asset is eligible for more than one Fund, SPS Capital will make the allocation according to the cash availability of each Fund, subject to the exceptions in Section 4.3 of this Policy.

4.2.1. If orders are grouped, the allocation will be made in accordance with the investment policy of each Fund, in the same proportion of quantity and value (average price) for each portfolio.

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4.3. SPS Capital will not group or allocate orders if:

(a) the allocation in a given asset is likely to compromise the Fund's portfolio framework and risk limit;

(b) The Fund has a minimum amount to be allocated and the intended transaction is less than that minimum amount;

(c) The quantity traded is very small and/or the lot is indivisible, making it mathematically impossible to obtain the correct average price and proportionality;

(d) The portfolios must be adjusted;

(e) the order is predetermined for a particular portfolio; or

(f) the Fund's investment strategy and policy prohibits the aggregation or allocation of orders placed on the market. In these cases, SPS Capital will place each order separately.

4.4. Transactions made between SPS Capital and (i) counterparties or financial intermediates belonging to the same conglomerate or economic group as SPS Capital; or (ii) investment vehicles managed by SPS Capital are subject to the provisions applicable to such investments as set out in the regulations of the respective funds and in the Compliance Manual. In the event of a conflict of interest, the Chief Compliance Officer will be informed.

5 Update

5.1 This Policy may be updated by SPS Capital at any time, whenever necessary, according to the principles and guidelines set out in this Policy and to the applicable laws.



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