

VINCI COMPASS

Lacan ESG Policy

March 2025

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Approval of this Policy

This Policy, as well as the functional and organizational structure described below, were approved by the Regulatory Board, as defined below, at a meeting held on 19/Dec/2024, with minutes drawn up and filed in summary form at the headquarters of Lacan Investimentos e Participações Ltda. ("Lacan"), a subsidiary of the Vinci Compass Group.

Purpose

Lacan acknowledges its role in addressing global sustainability challenges, as well as its commitment to investors and the importance of a consistent risk management approach.

Fully aware of this commitment, we ensure that our investment management is oriented towards minimizing impacts, mitigating risks and generating value.

Approach

The sustainability of Lacan's business is anchored in a long-term vision and in actions based on ethics, transparency, and value creation, always considering:

- *the definition of Exclusion Criteria for non-acceptable activities;*
- *the performance of ESG (Environmental, Social, Governance) Indicators.*

Scope

Lacan's ESG Policy applies to funds classified as sustainable investment funds ("IS Funds") or investment funds that integrate ESG Factors ("Funds that Integrate ESG").

Our commitment

For IS Funds, we are committed to directing investment flows towards activities that have a positive environmental and social impact, and that contribute to restoring the landscape, reducing GHG emissions and improving human development.

We commit to promoting transparency and long-term financial returns, following international guidelines for responsible investment, through:

- Engagement in collaborative platforms (ESG / Responsible Investment / Climate etc.), such as investors' Associations and topic-specific platforms;
- Annual ESG Performance Reports;
- Adherence to international standards, specifically for forest management and asset management activities.

Lacan is a private equity fund manager in the forestry sector. As a way of disseminating and facilitating the proper management of its forests according to principles and criteria that reconcile ecological safeguards with social benefits and economic viability, Lacan aims to have 100% of its forests certified by an international system such as FSC®. Lacan is currently FSC® certified under the license code FSC - C136965. Alternatively, forest land can be certified by PEFC (Programme for the Endorsement of Forest Certification).

The Lacan Management Plan formalizes the principles of responsible forest management and, among other things, take into account the following premises:

- COMPLIANCE WITH THE LAWS - All Brazilian laws and applicable international treaties and agreements must be complied with.
- POSSESSION AND USE RIGHTS AND RESPONSIBILITIES - Long-term possessions and long-term rights to use land and forest resources must be clearly defined, documented, and legally established.
- RIGHTS OF INDIGENOUS PEOPLES - The legal rights of indigenous peoples to own, use, and manage their lands and resources must be recognized and respected.
- COMMUNITY RELATIONS AND WORKERS' RIGHTS - Forest management operations should maintain or enhance the long-term social and economic well-being of forest workers and local communities.
- FOREST BENEFITS - The efficient and optimal use of the forest's diverse products and services must be encouraged to ensure economic viability and a wide range of environmental and social benefits.

- *ENVIRONMENTAL IMPACT* - Ecological diversity and its associated values, water resources, soils, fragile and unique ecosystems, and landscapes must be conserved to maintain the ecological functions and integrity of forests.
- *MANAGEMENT PLAN* - A management plan appropriate to the scale and intensity of operations must be drawn up, updated and disseminated.
- *MONITORING AND EVALUATION* - A monitoring system appropriate to the scale and intensity of forest management must be kept in place so that the condition of the forest, the yield of forest products, the chain of custody, management activities, and their environmental and social impacts can be assessed.
- *MAINTAINING FORESTS OF HIGH CONSERVATION VALUE* - The attributes related to areas of high conservation value must be maintained or enhanced, always taking a precautionary approach.
- *PLANTATIONS* - The objectives of plantation management, including conservation and restoration of natural forests, must be explicitly outlined in the management plan and clearly demonstrated in the implementation of the plan.

Standards and Guidelines

This Policy was drawn up on the basis of best market practices and the letters, resolutions and guidelines issued by the Brazilian Securities and Exchange Commission ("CVM") and the Brazilian Association of Financial and Capital Market Entities ("ANBIMA") with the objective of formalizing the methodology and criteria to be followed by Lacan in the analysis and evaluation of environmental, social, and corporate governance aspects ("ESG Aspects"), especially in relation to funds considered IS Funds or Funds that Integrate ESG.

Lacan adheres to the ANBIMA Code for the Administration and Management of Third-Party Resources ("AGRT Code"), as well as to the Rules and Procedures for the Administration and Management of Third-Party Resources ("AGRT RP").

Lacan, within the scope of its operations and as applicable, will comply with the provisions of ANBIMA's AGRT RP, in particular the chapter that outlines the rules, criteria, and procedures for the Management of Resources of IS Investment Funds and Funds that Integrate ESG, including, but not limited to:

- (i) making this Policy available for consultation on its website, via the link: <https://www.vincipartners.com/Home/informacoes>
- (ii) properly identifying IS Funds or Funds that Integrate ESG, ensuring consistency between the name and the objective of the fund;
- (iii) differentiating between the various funds that already incorporate ESG risks and opportunities, even if they do not have sustainability as an objective, and those that do not;
- (iv) establishing requirements for these funds to demonstrate their commitment to sustainability and

ongoing actions in this regard, and to disclose reporting information to investors.

In the case of funds not identified as IS Funds, Lacan will not use the suffixes “IS”, “ESG”, “ASG”, “social”, “environmental”, “green”, “sustainable” or any other terms related to sustainable finance that could lead to the perception that it is an IS Fund or Fund that integrates ESG, both of which are governed by the AGRT RP, or employ a sales strategy that would have the same effects.

In addition, the Vinci Compass Group is a signatory of PRI (Principles for Responsible Investment). In this context, Lacan recognizes that applying these six principles may better align investors with broader objectives of society. Therefore, in line with our fiduciary duty, we undertake to:

- Incorporate ESG (environmental, social and governance) aspects into investment analysis and decision-making process;
- Incorporate ESG aspects into our asset management policies and practices;
- Seek appropriate disclosure on ESG issues of investee companies;
- Promote acceptance and implementation of the principles within the investment industry;
- Constantly enhance our effectiveness in implementing the principles;
- Report on our progress in implementing the principles.

Lacan undertakes, as part of its activity as an investment manager and asset holder, to incorporate the Ten Principles of the UN Global Compact into its investment strategy, policies, and procedures with a view to its long-term success. These principles are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention against Corruption. They are:

HUMAN RIGHTS

- Companies must support and respect the protection of human rights;
- Ensure that they are not complicit in human rights abuses.

LABOR

- Companies must safeguard freedom of association and the effective recognition of the right to collective bargaining;
- Eliminate all forms of forced and compulsory labor;
- Ensure the abolition of child labor; and
- Eliminate the discrimination in employment and occupation.

ENVIRONMENT

- Companies should support a precautionary approach to environmental challenges;
- Carry out initiatives to promote greater environmental responsibility;
- Encourage the development and dissemination of environmentally friendly technologies.

CORRUPTION

- Companies must take action against corruption in all its forms, including extortion and bribery.

Lacan commits to and uses its best efforts to ensure that the Portfolio Companies commit to continuously improving their management of health, safety, security, social and environmental matters as well as corporate governance and work over time to apply relevant good international industry practices.

Finally, Lacan commits to acting and uses its best efforts to ensure that the Portfolio Companies act in accordance with the following principles:

- i. IFC Performance Standards (2012);
- ii. World Bank Group EHS General Guidelines;
- iii. World Bank Group EHS Sector Specific Guidelines (Forestry);
- iv. UN Guiding Principles on Business and Human Rights;
- v. ILO Declaration on Fundamental Principles and Rights at Work;
- vi. ILO Core Conventions on Terms and Conditions of Employment;
- vii. EDFI Principles for Responsible Financing.

Investment Exclusion List

In addition to the rules outlined in the Vinci Compass Group's Policy on Know Your Customer Practices, Registration, and Prevention of Money Laundering, Terrorism Financing, and the Financing of the Proliferation of Weapons of Mass Destruction, Lacan does not promote investment in any production, use, trade, or distribution involving:

- Illegally logged areas and/or timber;
- Areas and/or timber exploited in violation of traditional and human rights;
- Wood from forests in which high conservation values (HCV) are threatened by management activities;
- Removal of secondary forest (as defined in the Brazilian legislation) if it can be restored for biodiversity preservation;
- Forced labor or child labor;
- Activities or materials deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase-outs or bans, such as:
 - a) Ozone-depleting substances, PCB's (Polychlorinated Biphenyl's) and other specific, hazardous pharmaceuticals, pesticides/herbicides or chemicals;
 - b) Wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES); or
 - c) Unsustainable fishing methods (e.g. blast fishing and drift net fishing in the marine environment using nets in excess of 2.5 km in length).

- Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations;
- Destruction of High Conservation Value areas;
- Radioactive materials and unbounded asbestos fibers;
- Prospecting, exploration, mining and processing of mineral coal;
- Transport and related infrastructure primarily used for mineral coal intended for power generation;
- Construction of new and extension of any existing power plants, heating stations and cogeneration facilities essentially fired with mineral coal, as well as associated stub lines;
- Oil exploration or production;
- Standalone fossil gas exploration and/or production;
- Crude oil pipelines;
- Oil refineries;
- Construction of new or refurbishment of any existing mineral coal-fired power plant (including dual);
- Construction of new or refurbishment of any existing HFO-only or diesel-only power plant producing energy for the public grid and leading to an increase of absolute CO2 emissions;
- Any business with planned expansion of captive coal used for power and/or heat generation;
- Pornography and/or prostitution;
- Racist and/or anti-democratic media;
- In the event that any of these following products form a substantial part of a project's primary financed business activities:
 - a) Alcohol beverages (except beer and wine)
 - b) Tobacco
 - c) Weapons and munitions; or
 - d) Gambling, casinos and equivalent enterprises

Governance and Responsibility for Implementing Lacan 's ESG Policy

Lacan will ensure the effective implementation of this Policy in its activities as follows:

Regulatory Board: Composed of the Portfolio Management Director, the Compliance and AML/CTF Director, and the Risk Management Director, the Regulatory Board is responsible for:

- approving this Policy and its amendments;
- ensuring that the professionals involved in the investment process and/or ESG analysis have sufficient technical knowledge to fully carry out their duties, as well as full access to all the information they deem necessary for assessing ESG risks;
- ensuring that sufficient human and financial resources have been effectively allocated to comply with the points described above;
- keeping this Policy duly updated, at least once every 24 (twenty-four) months, taking into account the nature, size, complexity, structure, risk profile and business model of Vinci Compass Lacan, or whenever there is a change in the applicable regulations and self-regulation.

ESG Officer: The ESG Officer is the Portfolio Management Director, who will be responsible for supervising the implementation of the methodology and defining ESG aspects. The appointment of an additional ESG Officer for a specific fund is allowed, as applicable. The ESG Officer must perform the duties outlined in the fund documents, as applicable, and ensure compliance with this Policy, with responsibilities including:

- analyzing assets in relation to ESG aspects, including the implementation of the methodology and criteria defined in this policy and in the specific policies of each fund, if any;
- defining and supervising actions aimed at incorporating the principles and guidelines related to ESG aspects into investments, as well as determining and supervising the implementation of actions aimed at ensuring their effectiveness; and
- evaluating the need to implement new criteria for evaluating ESG aspects when selecting and monitoring assets.

Investment Committee: The Investment Committee is responsible for discussing and conducting an in-depth analysis of the investments, including the ESG aspects identified by the investment team and the ESG Officer during the due diligence process, and considered critical prior to each investment in target assets and during the monitoring of invested assets. The Committee is responsible for approving investments in accordance with this Policy.

External Consultants: Lacan may engage experts to support the development and implementation of this Policy and the implementation and monitoring of ESG aspects in evaluated and invested assets and companies.

Legal and Compliance Teams: The Legal and Compliance teams are responsible for providing advice on legal and compliance matters, including ESG issues, whenever consulted by the investment team.

Environmental and Social Working Groups: The governance of each fund may also include an Environmental and Social Working Group, which may be established to enhance the industry and address environmental and social aspects relying on the expertise of its members. This group will assist the manager in various environmental and social matters related to the respective fund's portfolio.

Any such working groups will consist of Lacan employees involved in the project, members of the investment team, and, if applicable, investors with expertise in the subject.

ESG Integration in the Evaluation and Decision-Making Process

Initial screening addresses the eligibility of target investments and the decision-making process. The ESG Officer must check whether the project is in line with the principles and guidelines set out in this Policy, and

may apply, for example, tools provided for in the documents of each fund, to determine whether the opportunity meets the investment criteria in terms of ESG aspects.

Once the potential investment is considered eligible, the preliminary assessment phase begins, when an ESG due diligence will be conducted (i) to identify potential risks and ESG risk management requirements and (ii) to develop the systems, controls, and metrics for the investments, in addition to traditional due diligence related to accounting, legal, tax, regulatory and environmental aspects.

Based on the information obtained during this phase of the process, the opportunity is submitted to the Investment Committee for approval.

Once the investment has been made, implementation and monitoring are carried out, according to the topics selected during the due diligence. The means for conducting the monitoring phase and its frequency will be defined as part of the project's due diligence, and may include: self-assessment, document review, face-to-face review or independent review by a consulting firm.

Disclosure and Reporting

Lacan believes that transparency is key to disseminating ESG best practices.

For IS Funds or those that integrate ESG aspects, under the AGRT PR, Lacan must annually disclose to shareholders the indicators of resource allocation as well as the environmental and social impact of the invested assets, in accordance with the Continuous Action Form, using the template published by ANBIMA.

Specific Policies

Without prejudice to the provisions of this Policy, each fund may have a specific Policy to address specific ESG guidelines, containing tools, indicators, and procedures specific to that fund.

Disclosure of this Policy

This Policy will be available for consultation on the Vinci Compass Lacan website, via the following link: <https://www.vincipartners.com/Home/informacoes>.

This publication seeks to provide transparency to investors and any third parties that may contract with Vinci Compass Lacan, as well as other business partners, about the adopted ESG practices.



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