



# VINCI COMPASS

**Disclosure Statement**  
**Operating Principles for Impact Management**  
Mar / 2025

## Disclosure Statement

Vinci Partners Investimentos Ltda. (the “Signatory” or “Vinci Compass”) hereby affirms its status as a Signatory to the Operating Principles for Impact Management (the “Impact Principles”) and announces its third year as a member of the Impact Principles, as well as the third year of Vinci Impact and Return IV (the “Fund” or “VIR IV”), managed by Vinci GGN Gestão de Recursos Ltda. (the “Manager” or “Management Team”) a Vinci Compass subsidiary, in accordance with the Impact Principles – Vinci Compass’s first impact-focused strategy.

This Disclosure Statement applies to the following assets or business lines (the “Assets Under Management”):

- Vinci Impacto e Retorno IV – FIP Multiestratégia<sup>1</sup>, and
- Vinci Impacto e Retorno IV Master P – FIP Multiestratégia

In 2024, the Fund closed one new investment (‘Repet’) and signed two new investments, ‘O Varejão’ and ‘DRS’, further expanding its portfolio in alignment with its impact-driven investment thesis. Considering these additions, the Fund concluded the year of 2024 with 8 investments currently managed (excluding Pro Infusion, its first exit concluded in late 2022), in line with its strategy of investing in priority sectors (healthcare, business services, and specialized retail) through minority stakes in Small and Medium-Sized Enterprises - SMEs. The Fund continues to partner with experienced entrepreneurs, seeking to provide its investors with good risk-adjusted market returns while also generating positive impact to stakeholders and the communities.

The value of Assets Under Management in alignment with the Impact Principles is US\$ 86,5<sup>2</sup> million as of December 31, 2024.

Jose Pano  
Partner and Head of Impact & Return Strategy  
Vinci Partners Investimentos Ltda.

March 28<sup>th</sup>, 2025

<sup>1</sup> Considering all feeder funds in the structure

<sup>2</sup> Exchange rate as of 31/12/2024, of R\$/US\$ 6,1923

**Principle 1 - Define strategic impact objective(s), consistent with the investment strategy.**

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social or environmental effects, which are aligned with the Sustainable Development Goals (SDGs), or other widely accepted goals. The impact intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is a credible basis for achieving the impact objectives through the investment strategy; and that the scale and/or intensity of the intended portfolio impact is proportionate to the size of the investment portfolio.

VIR IV’s impact strategy seeks to invest in a diversified portfolio of SMEs that generate both risk-adjusted financial returns and measurable positive social and environmental impact in Brazil. These investments target companies with business models inherently aligned with sustainable development, yet facing limited access to capital and strategic expertise.

By equally prioritizing financial performance and impact outcomes, the Fund integrates these objectives into its investment approach, ensuring that investments contribute meaningfully to sustainable development while maintaining market-based returns. The strategy focuses on sectors such as healthcare, specialized retail, and business services, which are closely aligned with the Sustainable Development Goals (SDGs).

To support this approach, the investment team applies the **VIR IV Impact Framework** that ensures potential investments align with the Fund’s impact objectives. This framework includes:

- **Eligibility and Prioritization Tool:** Used during the screening phase, this tool assesses whether a company aligns with the Fund’s impact strategy by evaluating its capacity to generate positive social and environmental outcomes and identifying its access to capital and know-how.

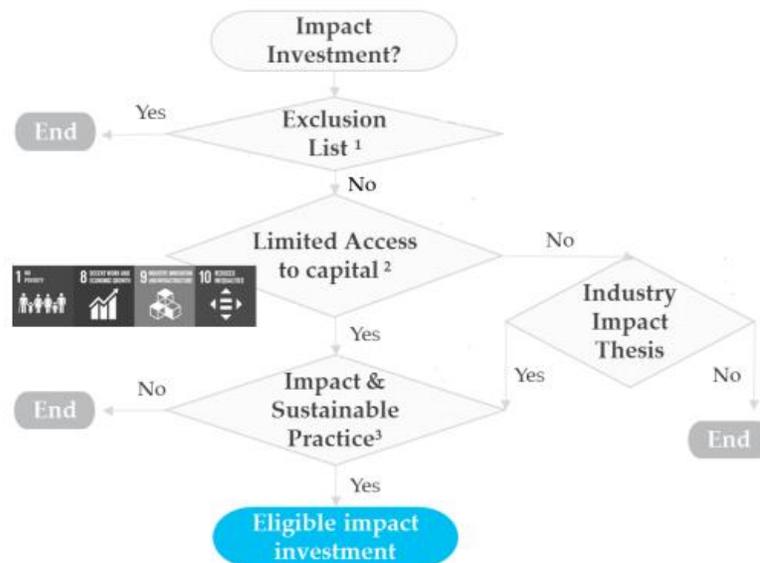


Figure 1: VIR IV’s Eligibility and Prioritization Tool

- **Exclusion List:** Ensures that the Fund does not invest in sectors or activities that pose significant environmental or social risks, such as weapons manufacturing, deforestation-related industries, or businesses that do not adhere to labor rights standards.
- **Impact & ESG Due Diligence:** Conducted before investment approval, this process helps identify ESG risks and opportunities, classify investments according to risk levels, and develop impact monitoring systems based on IFC Performance Standards.

By integrating these tools into the investment process, the Fund strengthens its ability to select and manage companies that align with its impact mission.

#### **VIR IV Focus Sectors**

##### **Healthcare – Expanding Access and Improving Well-Being**

Investments in the healthcare sector contribute to expanding access to quality medical services, particularly in underserved regions. By supporting companies that provide affordable healthcare solutions, innovative treatments, and preventive care, VIR IV helps improve public health outcomes, reduce inequalities, and align with SDG 3: Good Health and Well-Being. Additionally, investments in this sector often drive operational efficiencies, making healthcare services more effective and accessible to broader populations.

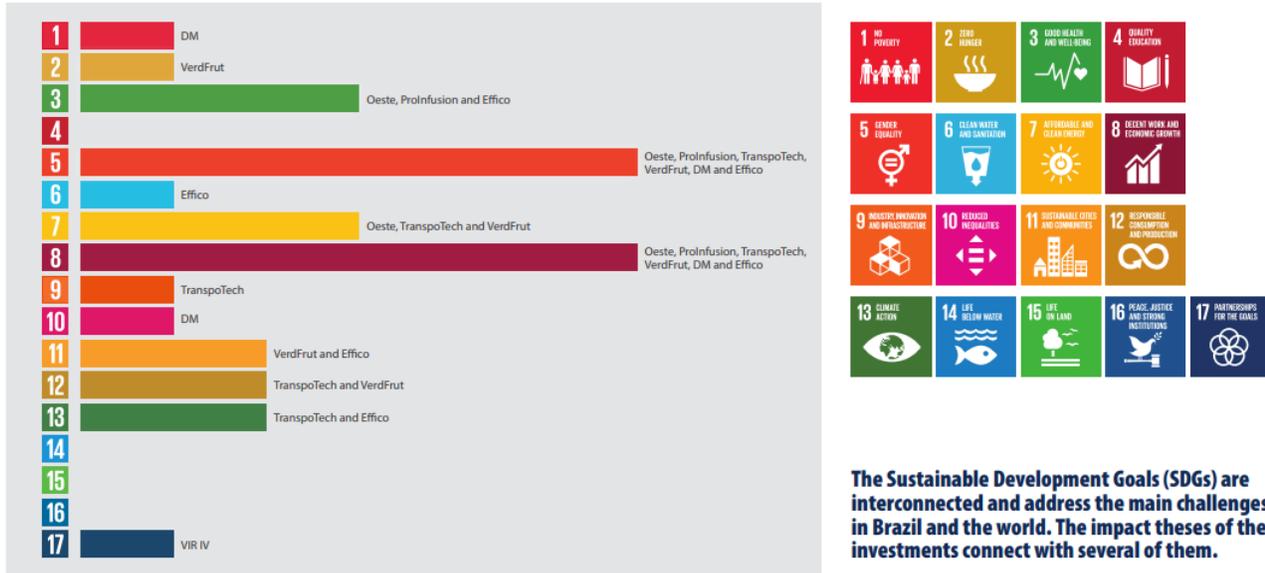
##### **Specialized Retail – Promoting Inclusive Economic Growth**

The specialized retail sector plays a fundamental role in job creation and economic inclusion, particularly for vulnerable and disadvantaged groups. VIR IV intends to invest in businesses that provide quality employment opportunities, fair working conditions, and training programs that foster social mobility. Furthermore, investments in companies that offer affordable and high-quality consumer products contribute to improving living standards and align with SDG 8: Decent Work and Economic Growth.

##### **Business Services – Enhancing Efficiency and Sustainability**

Investments in business services drive greater efficiency, innovation, and sustainability across various industries. VIR IV focuses on companies that improve access to essential services such as sanitation, safety, and environmental solutions, which directly impact public well-being and urban development. Investing in businesses that optimize resources and introduce sustainable business practices aligns with SDG 9: Industry, Innovation, and Infrastructure and SDG 6: Clean Water and Sanitation.

Figure 2: VIR IV's portfolio companies' alignment with the SDGs<sup>1</sup>



<sup>1</sup> Analysis conducted for the 2023 Annual Impact Report – considers alignment beyond the core activities of each company.

A key component to define the impact strategy for each investment is the Vinci Impact Index (VII), which serves as a tool to assess, compare, and guide the impact performance of the portfolio companies. The VII establishes a baseline impact assessment at the time of investment and projects expected impact evolution throughout the holding period. Built upon the five dimensions of the Impact Management Project (IMP)—What, Who, How Much, Contribution, and Risk—the index helps define strategic impact objectives by setting measurable impact targets aligned with the Fund’s investment thesis. The VII also supports ongoing impact monitoring, enabling the Fund to track progress, identify gaps, and refine strategies to optimize impact outcomes.

Impact dimensions	Description	Sub-dimensions
WHAT	What outcomes the enterprise is contributing to and how important the outcomes are to stakeholders.	Type of impact (environmental, social and economic)
WHO	Which stakeholders are experiencing the outcome and how underserved they were prior to the enterprise's effect.	Groups reached by core activities (i.e., related to products or services)
		Groups reached by the value chain (i.e., suppliers and distributors)
		Groups reached by good management practices
HOW MUCH	How many stakeholders experienced the outcome ('scale'), what degree of change they experienced ('depth'), and how long they experienced the outcome for ('durability')	Depth
		Scale
		Durability
CONTRIBUTION	Whether the company's and Fund's efforts resulted in outcomes that were likely better than what would have occurred otherwise.	Company's contribution (according to potential industry transformation)
		Investment's Contribution
RISK	Whether the positive impact will not be achieved or that it is different than expectation	Risks to not achieving expected impact
		Peripheral negative S&E impacts

Figure 3: The 5 Dimensions of the IMP adapted to the VII

The VII calculation is a result of the scores on each dimension, obtained by the sum of its respective sub-dimension's scores, ranging from 1-5. Risk, the only subtractor dimension, is the arithmetic mean of its subdimensions. The index structure is illustrated below:



By integrating the VII into its investment framework, VIR IV strengthens its ability to drive meaningful social and environmental change while maintaining a disciplined investment approach.

## Principle 2 - Manage strategic impact on a portfolio basis.

The Manager shall have a process to manage impact achievement on a portfolio basis. The objective of the process is to establish and monitor impact performance for the whole portfolio, while recognizing that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.

The Manager applies a structured approach to managing impact at the portfolio level, ensuring that impact performance is monitored across all investments. Recognizing that impact may vary across investments, the Fund employs a portfolio-wide impact management system, allowing for systematic measurement, reporting, and alignment.

- The Impact & ESG Plan, developed in collaboration with portfolio companies' founders, establishes targets and indicators to assess impact performance. It is a binding obligation outlined in the shareholders' agreement, ensuring the company's commitment to its implementation. The plan is monitored periodically by the Impact Committee and/or the Board of Directors, with an appointed individual responsible for execution. This process reinforces alignment between impact objectives and business operations.
- The Manager tracks and reports impact performance to its investors, ensuring transparency in impact measurement.
- The Management Team conducts an annual analysis to assess the VII of each portfolio company and, if necessary, update the score. This process ensures that the index reflects the latest impact outcomes and evolving business strategies, supporting continuous improvement in impact management.
- Vinci Compass has not yet incorporated incentives structures linked to impact performance for the team but values and recognizes those who adopt best impact practices.

By implementing these measures, the Fund integrates impact management into its investment strategy, optimizing its approach to maximize social and environmental outcomes.

**Principle 3 - Establish the Manager's contribution to the achievement of impact.**

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and/or non-financial channels. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

The Vinci Impact Index (VII) plays a central role to establish and document the Fund contribution to the achievement of impact for each investment, particularly through its "Contribution" dimension, which evaluates the extent to which the Fund's investment enhances impact outcomes beyond what would have happened otherwise.

The Contribution assessment within the VII helps the management team determine how the Fund adds value to each investment. This includes financial support, strategic guidance, ESG improvements, and operational enhancements that strengthen the company's ability to deliver meaningful social and environmental impact. The baseline and expected VII scores incorporate this evaluation, ensuring that each investment's impact potential is clearly defined and aligned with the Fund's objectives.

**Principle 4 – Assess the expected impact of each investment, based on a systematic approach.**

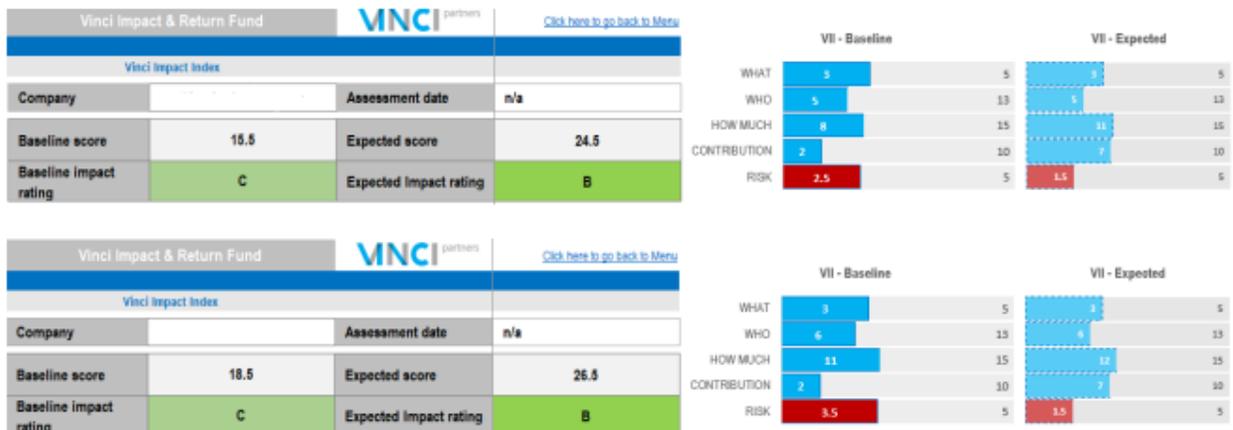
For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer these fundamental questions: (1) What is the intended impact? (2) Who experiences the intended impact? (3) How significant is the intended impact? The Manager shall also seek to assess the likelihood of achieving the investment’s expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact varying from ex-ante expectations. In assessing the impact potential, the Manager shall seek evidence to assess the relative size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager’s strategic intent, the Manager may also consider indirect and systemic impacts. Indicators shall, to the extent possible, be aligned with industry standards and follow best practice.

Vinci Compass defines the expected impact of each investment by establishing a baseline VII score at entry and an expected VII score that projects impact evolution throughout the holding period. Each year, the management team reviews the VII to assess whether the company’s impact is progressing as anticipated. This process helps:

- Identify areas where impact performance aligns with or exceeds projections.
- Detect gaps or underperformance in relation to initial expectations.
- Adjust the Impact & ESG Plan and refine impact indicators to ensure continuous improvement and alignment with the Fund’s objectives.

When necessary, this analysis results in new KPIs or refining existing ones to better capture meaningful impact outcomes.

Figure 4: Examples of VII’s results based on two hypothetical companies:



**Principle 5 - Assess, address, monitor, and manage potential negative impacts of each investment.**

For each investment the Manager shall seek, as part of a systematic and documented process, to identify and avoid, and if avoidance is not possible, mitigate and manage negative impact risks. Where appropriate, the Manager shall engage with the investee to seek its commitment to take action to address potential gaps in current investee systems, processes, and standards, using an approach aligned with good international industry practice. As part of portfolio management, the Manager shall monitor investees' negative impact risk and performance, and where appropriate, engage with the investee to address gaps and unexpected events.

The Fund applies a risk management approach to identify, mitigate, and monitor environmental, social, and governance (ESG) risks throughout the investment cycle. The Manager integrates risk assessment tools and ongoing monitoring mechanisms to address potential negative impacts effectively.

- **Impact & ESG Due Diligence (IEDD):** Before investing, the Management Team conducts an in-depth ESG and impact risk assessment in collaboration with specialized consultants. The IEDD follows the IFC Performance Standards and categorizes investments into different risk levels based on their potential environmental and social (E&S) impacts. This categorization is defined as follows:
  - **Category A (High Risk):** Investments with significant adverse environmental or social risks that are complex, irreversible, or unprecedented. These investments require enhanced due diligence, risk mitigation plans, and close monitoring.
  - **Category B (Medium Risk):** Investments with potential adverse E&S risks that are limited, generally reversible, and can be managed through appropriate mitigation measures.
  - **Category C (Low Risk):** Investments with minimal or no negative E&S impacts, typically involving activities that do not require additional mitigation actions. High-risk investments undergo additional scrutiny, and specific mitigation measures are incorporated into Impact & ESG Action Plans to address identified risks.
- **Exclusion List:** The Fund adheres to a strict Exclusion List based on international ESG best practices and Development Finance Institutions (DFIs) standards. This ensures that Vinci Compass does not invest in sectors or activities with significant negative social or environmental impacts, such as deforestation-related industries, harmful labor practices, or weapons manufacturing.
- **Risk Mitigation Action Plans:** For investments with identified risks, the Management Team works with investees to develop and implement tailored Impact & ESG Action Plans. These plans define corrective actions, timelines, and responsible parties to mitigate risks effectively.
- **Monthly Monitoring and Governance Oversight:** Portfolio companies, manage periodic Board and/or Impact Committee meetings, where ESG risks and impact performance are reviewed. This ongoing assessment allows for early identification of risks and timely corrective actions.
- **Annual Portfolio Review and Adjustments:** The Vinci Impact Index (VII) is reviewed annually to track the evolution of impact and identify any ESG risks that may require further mitigation efforts. If deviations are detected, the Manager engages directly with the company to reassess impact strategies and refine risk management measures.

**Principle 6 - Monitor the progress of each investment in achieving impact against expectations and respond appropriately.**

The Manager shall use the results framework (referenced in Impact Principle 4) to monitor progress toward the achievement of positive impacts in comparison to the expected impact for each investment. Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate action. The Manager shall also seek to use the results framework to capture investment outcomes.

The Manager applies continuous monitoring process to track impact performance, compare it with predefined objectives, and take corrective actions when necessary. This monitoring framework includes:

- Periodic Reviews in Board and/or Impact Committee Meetings: Portfolio companies' impact & ESG plans are reviewed regularly to assess progress against expected goals. If any discrepancies arise, the Management Team collaborates with the investee to develop corrective action plans and improve impact performance.
- Internal Management Team Meetings: The team holds monthly discussions to analyze impact and ESG concerns, share insights, adjust strategies, and document lessons learned.
- Key Performance Indicator (KPI) Tracking: Each portfolio company is monitored through ESG and impact KPIs defined during the investment process. Updates to the Vinci Impact Index (VII) reflect impact performance throughout the investment cycle.
- Quarterly LP's updates on Impact Performance: The management teams manages quarterly calls with investors, covering specific impact indicators, challenges and action plans/projects in course.
- Annual Impact Report: The Manager publishes an annual impact report to investors, consolidating impact and ESG performance, tracking progress across the portfolio, and identifying areas for improvement. The 1st Annual Impact Report was published in April 2022 considering the impact plans and indicators measured during 2021, and the Management Team is currently working on the Annual Impact Report for 2024, is intended to be published in May 2025. The 2023 Annual Impact Report is published in Vinci Compass website in the following link: <https://shorturl.at/Thfxl>.
- Corrective Measures and Continuous Improvement: When monitoring indicates that an investment is not meeting its intended impact, the Management Team works directly with the investee to diagnose causes and implement action plans.

Through these mechanisms, the Manager strengthens its approach to impact tracking, helping portfolio companies stay aligned with their social and environmental objectives.

**Principle 7 - Conduct exits considering the effect on sustained impact.**

When conducting an exit, the Manager shall, in good faith and consistent with its fiduciary concerns, consider the effect which the timing, structure, and process of its exit will have on the sustainability of the impact.

- **Impact & ESG Plan Monitoring:** Before exit, the Management Team reviews the portfolio company's progress against its Impact & ESG Plan.
- **Impact Sustainability Assessment:** The Manager evaluates the potential buyer's alignment with the Fund's impact principles. Preference is given to buyers with clear ESG commitments or operational frameworks that support sustained impact.
- **Action Plans for Transition:** If risks to impact continuity are identified, the Management Team will try to work with the company and the potential buyer to develop mitigation strategies before exit.
- **Impact Case Studies:** After each exit, the Manager conducts case studies to analyze impact performance and document lessons learned. These findings inform future investment strategies and portfolio management improvements.

Through these practices, the Management Team considers impact contribution into its exit analysis, aiming to preserve and extend positive outcomes beyond the holding period, but the buyer Impact orientation is not a requirement to conclude the exit.

**Principle 8 - Review, document, and improve decisions and processes based on the achievement of impact and lessons learned.**

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

The Fund integrates impact management into its investment strategy by continuously assessing performance and incorporating lessons learned to refine its approach.

- **Impact performance review and corrective actions:** The Management Team periodically reviews the impact performance of each portfolio company, comparing expected versus actual results as outlined in the Impact & ESG Plans. These assessments are conducted during the Impact Committee and/or Board Meetings. When significant deviations are identified, the Management Team, together with the company's ESG executive, defines an action plan to address the gaps and prevent recurrence. The implementation of these measures is monitored in subsequent meetings.
- **Internal learning and strategy adjustment:** The Management Team holds dedicated internal monthly meetings focused on Impact and ESG matters. These sessions function as a forum to share challenges, reassess strategies for underperforming areas, and exchange lessons learned across the team. This ongoing dialogue reinforces the incorporation of impact insights into day-to-day decision-making.
- **Impact performance documentation and reporting:** The Fund consolidates and discloses impact performance across the portfolio through its Annual Impact Report. This document provides a structured overview of each company's progress toward their Impact & ESG goals, while also serving as a tool for identifying patterns, refining management approaches, and informing the Fund's strategic decisions. The 1st Annual Impact Report was published in April 2022 considering the impact plans and indicators measured during 2021, and the Management Team is currently working on the 4th Annual Impact Report (referring to 2024), which is intended to be published in May 2025.
- **Impact case studies and lessons learned:** Following divestments, the Management Team develops structured impact case studies that document key achievements, challenges, and lessons from the investment cycle. These analyses are used to improve internal processes and guide future investment decisions. In 2023, the first case study was completed after the Fund's initial exit from Pro Infusion, a healthcare company.
- **Third-party verification and continuous improvement:** An independent verification of the Fund's impact management practices is conducted annually. This review, carried out by a team separate from the Fund's advisory service providers, promotes transparency, strengthens the internal learning cycle, and supports the evolution of the Fund's methodologies. The next verification report is scheduled for publication by April 2025.

**Principle 9 - Publicly disclose alignment with the Impact Principles and provide regular independent verification of the alignment.**

The Manager shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns.

Vinci Compass is committed to transparency in impact management and publicly discloses its alignment with the Impact Principles annually.

- Annual Disclosure Statement: Vinci Compass became a signatory of the Impact Principles in 2021 and reaffirms its commitment to publish the disclosure statement on an annual basis.
- Independent Verification: Vinci Compass remains committed to contract the independent verification about the alignment between VIR's impact system and the Operating Principles of Impact Management. The process will be conducted by ERM - an independent third-party firm – and is scheduled to be completed by April 30<sup>st</sup>, 2025.
  - ERM: ERM (Environmental Resources Management) is a global consulting firm specialized in sustainability, impact, and ESG topics. Founded in the 1970s, the company operates in over 40 countries and advises clients across key sectors such as energy, finance, and infrastructure. In Brazil, ERM has been active since the early 1990s, with a team of over 400 professionals across five offices. The firm supports organizations in building robust environmental and social management practices through technical expertise and internationally recognized standards. ERM Brazil is located in Luis Carlos Berrini Avenue, num. 105, Thera Corporate 171, Cidade Monções, São Paulo – SP, Brazil.
- Public Disclosure of Conclusions: Vinci Compass will make the results of independent verification publicly available on its website to reinforce accountability and transparency in its impact management approach.