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**RISK MANAGEMENT AND LIQUIDITY MANAGEMENT POLICY**

**OF**

**LIGHTROCK GESTORA DE RECURSOS LTDA.**

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**APRIL 17, 2023**

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# 1. RISK MANAGEMENT AND LIQUIDITY MANAGEMENT POLICY

## 1.1. INTRODUCTION

**LIGHTROCK GESTORA DE RECURSOS LTDA.** is a limited liability business company with its principal place of business in the city of São Paulo, state of São Paulo, at Avenida Brigadeiro Faria Lima, No. 3477, suite 42-A, Postal Code (CEP) 04.538-133, Itaim Bibi, enrolled with the National Corporate Taxpayers' Register of the Ministry of Economy ("CNPJ/ME") under No. 27.927.837/0001-37 ("Manager"), accredited by the Securities Commission ("CVM") for the professional exercise of securities portfolio management activities, in the asset manager category, pursuant to CVM Resolution No. 21 of February 25, 2021, as amended ("CVM Resolution 21").

The Manager is a member of the Lightrock group ("Lightrock Group"), a global asset and securities management group, which acts as a manager of specialized investment funds and other investment vehicles, which invest in a wide range of sectors, geographic locations, classes of assets, and investment strategies.

In view of the nature of the management activities in which it engages, the Manager is subject to extensive legislation, regulations, and self-regulations in the Brazilian market. In order to fully meet the requirements of the applicable laws, regulations, and self-regulations, as well as adapt its activities to the best market practices, the Manager adopts the following internal policies: (i) code of ethics and conduct; (ii) securities trading policy; (iii) risk management and liquidity management policy; (iv) business plan; (v) information security policy; (vi) order division and sharing policy; (vii) compliance and internal controls policy; and (viii) policy on the prevention of money laundering and terrorism financing and financing of the proliferation of weapons of mass destruction ("PLD/FTP"); (ix) third-party contracting policy; and (x) private credit management policy (collectively, the "Internal Policies").

All members, officers, managers, and employees of the Manager directly involved in securities portfolio management activities ("Collaborators"), linked to the Manager on the date of preparation of the Internal Policies and/or who become part of the Manager's team in the future shall receive a copy (in printed and digital versions) of the Internal Policies.

The Manager has this risk management and liquidity management policy, prepared based on Art. 26 of CVM Resolution 21, with the aim of establishing mechanisms for monitoring, measuring, and permanently adjusting the risks inherent in each of the securities portfolios managed by the institution ("Risk Management and Liquidity Management Policy").

This Risk Management and Liquidity Management Policy shall be reviewed, evaluated, and updated from time to time by the Compliance, Risk, and PLD/FTP Officer (as defined below), in order to ensure the efficient monitoring, measurement, and adjustment of permanent risks inherent in each of the securities portfolios managed by the institution (Art. 26, paragraph 1, item VI of CVM Resolution 21).

Upon receiving a copy of this Risk Management and Liquidity Management Policy, the Collaborators shall sign an instrument of adhesion, according to the form in Exhibit I to the Manager's Compliance and Internal Controls Policy.

The provisions of the Risk Management and Liquidity Management Policy shall be construed in an integrated manner by the Collaborators, who shall consider the group of internal policies of the Manager, as well as the applicable laws, regulations, self-regulations, and best market practices.

Collaborators may also consult this Risk Management and Liquidity Management Policy at the Manager's electronic address: [www.lightrock.com](http://www.lightrock.com).

#### Organizational Structure of the Manager

The Manager was organized to act in securities portfolio management and its organizational structure is divided into two (2) distinct areas, namely: (i) fund management, and (ii) compliance, risk management, and PLD/FTP. The Manager establishes and develops mechanisms to guarantee the independent performance of all areas.

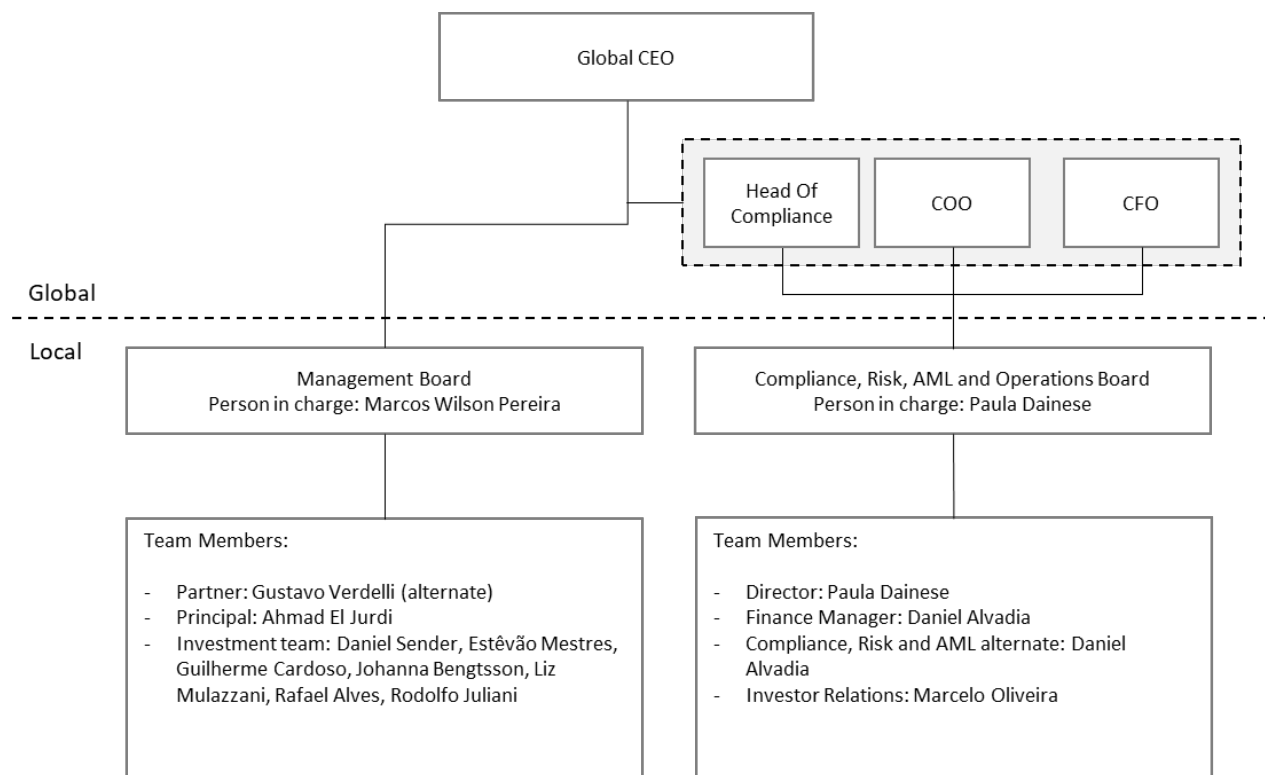
The main functions of each of the boards are described below:

- Fund Management Board: responsible for managing administrated portfolios, which should be carried out in accordance with strategies, sector analysis, and analysis of financial assets and private equity. The board is led by the "Management Officer"; designated directly in the Manager's articles of association, pursuant to art. 4, item III and paragraph 7 of CVM Resolution 21; and
- Compliance, Risk, and PLD/FTP Board: responsible (i) for risk management of the portfolios administrated by the Manager and risk monitoring of financial assets, as described in the Manager's Risk Management and Liquidity Management Policy, (ii) for developing, approving, implementing, and monitoring rules, policies, routines, and internal controls adequate to the operational standards and legal and regulatory conduct, and (iii) for compliance with policies, procedures, and internal controls related to the prevention of money laundering, terrorism financing, and financing of the proliferation of weapons of mass destruction. The board is led by the "Compliance, Risk, and PLD/FTP Officer";

designated directly in the Manager’s articles of association, pursuant to art. 4, items IV and V and paragraph 7 of CVM Resolution 21, CVM Resolution No. 50 of August 31, 2021 and Law 9.613.

As applicable, local specialists and the global support team shall offer full support to the boards autonomously, performing tasks and operational procedures, as well as developing back office tasks essential to the development of the Manager’s activities.

The organization chart of the organizational structure to be adopted by the Manager can be displayed as follows:



Without prejudice to the provisions of this Risk Management and Liquidity Management Policy, as an entity part of the Lightrock Group, the Manager is subject to the provisions of the Lightrock Group’s policies and codes of conduct that establish risk management guidelines and rules applicable to all employees of the Lightrock Group and its affiliates.

## 1.2. RISK MANAGEMENT AND LIQUIDITY MANAGEMENT STRUCTURE

The Manager shall act in the management of investment funds regulated by CVM Instruction No. 555 of December 17, 2014 (“CVM Instruction 555” and “555 Funds”, respectively), private equity

investment funds regulated by CVM Instruction No. 578 of August 30, 2016 (“CVM Instruction 578”), and administrated portfolios.

The Compliance, Risk, and PLD/FTP Board has complete independence and autonomy – including in relation to the Manager’s fund management area – to fully exercise its activities. It is responsible for creating and conducting the Manager’s risk management and liquidity management policy, in order to enable permanent monitoring, measurement, and adjustment of the risks inherent in the managed securities portfolios, pursuant to Art. 26 of CVM Resolution 21.

In compliance with Art. 4, V and paragraph 7 of CVM Resolution 21, the Manager assigns responsibility for risk management to an officer expressly designated in its articles of association, called Compliance, Risk and PLD/FTP Officer.

The Compliance, Risk, and PLD/FTP Officer shall be responsible for the continuous establishment and review of criteria, procedures, techniques, and instruments to be used for risk assessment, monitoring and control, which are described in the following items of this Risk Management Policy and Liquidity Management. In addition, the Compliance, Risk, and PLD/FTP Officer shall be responsible for reporting to the Management Officer any noncompliance with verified risk exposure.

The Compliance, Risk, and PLD/FTP Board of the Manager, with the support of the global legal, risk, and compliance department of the Lightrock Group, executes the orders and strategies aimed mainly at collecting and analyzing data involved in monitoring the risk profiles and exposure to the various types of risk described in the subsequent items.

### **1.3. OBJECTIVE OF THE RISK MANAGEMENT POLICY**

The objective of the Manager’s risk assessment process is to identify, evaluate, and manage risks that may affect the ability of the funds and/or the Manager in general to achieve its objectives. The Compliance, Risk, and PLD/FTP Officer has the primary responsibility for supervising and coordinating risk management.

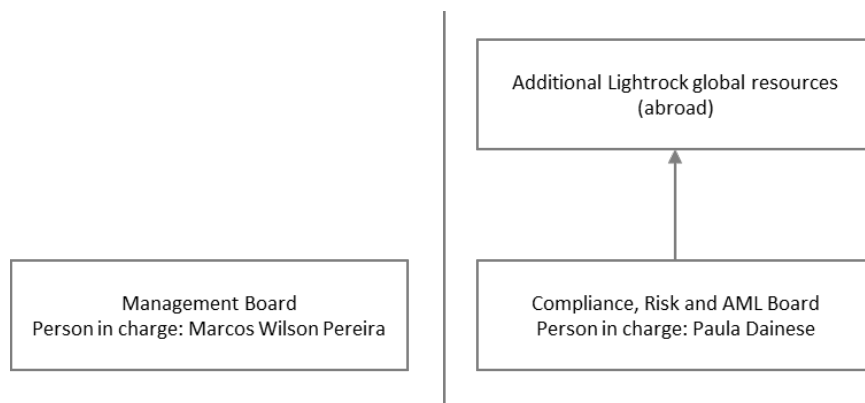
Some risk management duties are performed by the Compliance, Risk, and PLD/FTP Officer acting jointly with global Lightrock Group departments such as the legal department, the global compliance and risk department, and the accounting department. In addition, the global compliance and risk team of the Lightrock Group, as necessary, complements the Manager’s risk management functions by, among other things, supervising and monitoring Lightrock Group’s compliance with all applicable legal and regulatory requirements.

Basically, the main steps adopted by the Manager in the risk management process are the following:

- (i) When analyzing an investment opportunity, prior to submitting the transaction to the relevant investment committee, the investment professionals responsible for the transaction (with third-party assistance, if applicable) shall identify potential risks;
- (ii) These investment professionals shall analyze such risks, assess the potential consequences, and present their conclusions for consideration by the investment committee; and
- (iii) The Compliance, Risk, and PLD/FTP Officer shall monitor the effectiveness of these risk management and control measures (as per the “Periodic Monitoring” section below), and shall amend this Policy, as necessary.

In Brazil, the Manager’s risk management division works together with the compliance division, and its main objective is to track exposure to risk factors related to investments before an investment or divestment by a fund managed by the Manager, acting with the objective of (a) ensuring compliance of the Manager’s operations with the provisions of the regulations and self-regulations applicable to its activities; and (b) monitor exposure to risk factors inherent to investments made by managed funds, analyzing information on managed funds, their limits, and volatility of assets in relation to exposure to markets, considering their relationship with the scenarios presented, seeking to identify potential events that may affect the results of the funds managed by the Manager.

Those responsible for the Manager’s risk management have full autonomy to perform their duties, especially in relation to the Manager’s fund management area, according to the organization chart shown below:



Whenever necessary, the Manager may use other professionals from Lightrock Group to collect information and carry out a better reasoned risk assessment in relation to a transaction, and the Compliance, Risk, and PLD/FTP Officer may rely on other professionals associated with the Manager to monitor and measure the risk related to each investment managed by the Manager.

## **1.4. SCOPE OF THE RISK MANAGEMENT POLICY AND LIQUIDITY MANAGEMENT**

This Risk Management and Liquidity Management Policy seeks to meet requirements of the following standards:

- CVM Resolution 21;
- CVM Instruction 555;
- CVM Instruction 578;
- ANBIMA Code for Management of Third-Party Funds;
- ANBIMA Code of Liquidity Risk Rules and Procedures for 555 Funds;
- ANBIMA Code of Regulation and Best Practices for Investment Funds; and
- Applicable guidelines of the Board for Regulation and Best Practices for Investment Funds.

The Manager wishes to manage (i) private equity funds, the portfolio of which is composed of: (i.1) mainly, highly illiquid assets, such as shares and other securities issued by unlisted companies, as well as shares issued by listed companies, provided that they have been acquired as part of a private equity strategy; (i.2) to a lesser extent, by liquid assets acquired by these FIPs, which are the assets used to manage the fund's cash; and (ii) investment funds, the portfolio of which is composed mainly of more liquid assets, according to each definition established in CVM Instruction 555. Among the funds described above, there are funds organized as open-end condominiums and closed-end condominiums.

## **1.5. COMPLIANCE, RISK, AND PLD/FTP OFFICER**

The Compliance, Risk, and PLD/FTP Officer is responsible for (a) verifying compliance with this Risk Management and Liquidity Management Policy; (b) ensure permanent adequacy and compliance with the provisions of this Risk Management and Liquidity Management Policy, as well as the taking of all necessary measures to continuously adjust the risk exposure of the funds managed by the Manager; (c) periodically prepare a risk exposure report for each of the funds managed by the Manager; (d) report matters involving risk management to the Manager's Management Officer; (e) diligently supervise, if applicable, third parties contracted in special situations to measure the risks related to each of the transactions; (f) determine audits, document

requirements, accounting, inquiries, investigations, corrective measures, and sanctions; and (g) approve new versions of this Risk Management and Liquidity Management Policy.

It is also incumbent upon the Compliance, Risk, and PLD/FTP Officer to ensure the rules of this Risk Management and Liquidity Management Policy, continuously train Collaborators, organize evidence of compliance with fundamental obligations and processes, periodically collect certificates and instruments of commitment, and communicate any amendments to this Risk Management and Liquidity Management Policy to all Collaborators.

The Compliance, Risk, and PLD/FTP Officer shall not act, under any circumstances, in duties related to the management of securities portfolios, securities intermediation and distribution or consultancy, or in any activity that limits her independence, inside or outside the Manager.

The other professionals available to the Manager to act in the identification and monitoring of risks related to investments managed by the Manager: (a) perform their duties independently; (b) do not perform duties related to the management of securities portfolios, securities intermediation and distribution or consulting, or any other activity that limits their independence, inside or outside the Manager; and (c) may perform the same or similar activities or assume the same duties or similar duties in the controlling or controlled entities, affiliates, or entities or under common control with the Manager.

## **1.6. FLOW OF INFORMATION**

Any and all exchanges of information between the Compliance, Risk, and PLD/FTP Officer and any Collaborators or other officers of the Manager and/or the Lightrock Group it shall be carried out, preferably, in writing, and shall occur whenever relevant information related to this Risk Management and Liquidity Management Policy and its provisions is identified.

Any violation of the policies and procedures set forth herein shall be reported, analyzed and, as the case may be, subject to the appropriate sanction.

If any type of disqualification of managed funds is detected, it is the duty of the Compliance, Risk, and PLD/FTP Officer to call the Manager's Management Officer so that the necessary measures be taken for the due requalification.

## **1.7. LIQUIDITY RISK MANAGEMENT POLICY**

This Liquidity Risk Management Policy aims to establish liquidity risk control and management procedures in relation to the 555 Funds, in order to avoid potential significant losses or affect its daily operations.



The liquidity risk can be mitigated in view of the asset's trading capacity without substantial price variations. With regard to the closed-end 555 Funds (redemption of shares permitted only at the end of the 555 Fund's term of duration), shareholders who wish to redeem their shares before the permitted period or trade in illiquid assets may face difficulties in the sale of their shares in the secondary market and in maintaining the desired price, which differently affects the liquidity of the asset.

In relation to the risk of lack of funds necessary for compliance with financial obligations, the Manager performs daily short- and long-term cash control, projecting the cash flow of the Fund's obligations and expenses. A daily report is generated with current cash and future settlements up to D+7, from which the Management team shall provide, when necessary, the generation of cash to meet such needs through the sale of assets contained in the 555 Fund portfolios.

The Manager adopts a system of stages, in order to identify, evaluate, monitor, and control exposure to liquidity risk. The activities involve tools that help create processes to measure risks and their impacts, in addition to verifying the effectiveness of mitigation measures.

Through the system mentioned above, the Manager performs preventive and detective analyses, in which the following indicators are used to assess occupancy levels and extrapolation of liquidity limits: soft limits (values close to established limits) and hard limits (extrapolation of established limits). If the 555 Funds present soft limits or hard limits, the Management Officer shall immediately take actions to control or adjust the limits of the 555 Fund.

In addition to the above, for preventive evaluations, the Manager performs periodic stress tests with scenarios that consider, at least, the transfers of liabilities, the liquidity of assets and their obligations.

In the event of market closures and/or in exceptional cases of illiquidity of the assets comprising the portfolio that may influence the liquidity of the 555 Funds, the Management Officer shall assess the available alternatives for reclassifying the portfolios and the possible need to close the 555 Funds for investment and redemption.

The methodology used for liquidity management involves classifying the 555 Funds in a risk profile, which includes analyzing (i) the size of the position; (ii) the liquidity and trading characteristics of financial assets; (iii) asset availability; (iv) the deadline for releasing expected margin deposits and deposited guarantees; (v) the regulatory term for fund quotation in cases of redemption requests; (vi) the degree of dispersion of ownership of the shares; (vii) the historical behavior of the fund's liabilities and obligations; and (viii) the concentration of liabilities.

With regard to asset management of the 555 Funds, the Manager uses parameters to estimate liquidity, such as:

- (i) Committed transactions: immediate liquidity;
- (ii) Public instruments: immediate liquidity of up to 15% of the daily volume traded per security;
- (iii) Fund Shares: according to the fund's redemption settlement date;
- (iv) CDB's: are considered as 100% liquid only at maturity, except if there is an early settlement clause;
- (v) Debentures: the maturity of these assets is deemed a liquidity criterion;
- (vi) Financial Instruments: the maturity of these assets is deemed a liquidity criterion.

In the analysis of the composition and behavior of the liabilities of 555 Funds, the Manager considers:

- (i) Expected redemption amounts under ordinary conditions, calculated using consistent and verifiable criteria;
- (ii) The degree of concentration of shares per shareholder;
- (iii) Deadlines for settlement of redemptions; and
- (iv) Information on the liabilities of 555 Funds managed by the Manager;

In addition, for the analysis of liabilities, the Manager studies possible mitigating, aggravating impacts and other characteristics that may influence the liabilities of Funds 555, such as:

- (i) Quotation period;
- (ii) Grace period for redemption;
- (iii) Exit fee;
- (iv) Gates (limiters of the total volume of redemptions);
- (v) Limit established in the regulations of 555 Funds on concentration per shareholder;
- (vi) Performance of the 555 Fund;
- (vii) Closed-end funds for funding;
- (viii) Relevant negative net funding;
- (ix) Possible influences of the strategies followed by the 555 Fund on the behavior of liabilities; and
- (x) Other specific characteristics of the product that influence the investment and redemption dynamics.

## **1.8. PERIODIC MONITORING**

In the context of portfolio management activities, the manager adopts a risk monitoring matrix, segregated by type of risk and event, with monitoring at different intervals, as follows:

<b>Risk category</b>	<b>Risk sub-category</b>	<b>Description</b>	<b>Frequency</b>
<b>Market</b>	Economic Market Conditions	Monitoring of relevant macroeconomic and microeconomic indicators, as applicable.	Yearly
<b>Market</b>	Due diligence	Thorough due diligence on potential investments	<i>Ad hoc</i> for investment activities
<b>Market</b>	Valuation	Appropriate valuation / fair value of assets	Yearly
<b>Credit</b>	Rating	Credit profile monitoring for debt investments, if applicable.	N/A
<b>Concentration</b>	Investment strategy	New investments are consistent with investment strategy or guidelines (e.g. investment size, exposure, concentration, industry, geography, etc., as applicable)	<i>Ad hoc</i> for investment activities
<b>Counterparty</b>	Debts	Monitoring of third parties that may have funds, securities, or other assets, if applicable	N/A
<b>Liquidity</b>	Unused capital commitments	Funds, where applicable, maintain unused equity commitment balances sufficient to manage future funding obligations and are monitored for capital call and investor distribution activity	N/A
<b>Liquidity</b>	Investor default	Fund investor is at risk of default	Yearly
<b>Operational</b>	Compliance	Monitoring regulatory compliance, including amendments to applicable regulations	Yearly

<b>Operational</b>	Business execution	Data loss or cyber security risk regarding data and servers, mail, remote connection	Yearly
<b>Operational</b>	Conflicts of interest	Delegating the monitoring of certain risks to other Lightrock Group teams that are not based in Brazil creates a risk of not performing the delegated functions effectively and in compliance with the applicable law and regulatory requirements.	Yearly
<b>Operational</b>	Information security	Screening of emails sent by employees to third parties, based on criteria such as attachment size, sending emails to personal accounts and selection by sampling, verification of file transfers outside the internal network, and other mechanisms provided for in the information security policy.	Yearly

Verification of each of the above risks is carried out by the Compliance, Risk, and PLD/FTP Officer in conjunction with the global compliance and risk department of the Lightrock Group , as well as in conjunction with other service providers (such as law firms in the context of auditing transactions and other specific demands).

In line with the matrix above, the Compliance, Risk, and PLD/FTP Officer shall prepare a periodic report, detailing:

- (i) Result of monitoring each of the risks indicated in the matrix above, indicating (if applicable) any events detected, their impacts on the respective managed fund, actions to be taken and other information that the Compliance, Risk, and PLD/FTP Officer deems relevant;
- (ii) In the event of investment and/or divestment transactions and other operations carried out during that monthly interval, information analyzed by the Compliance, Risk, and PLD/FTP Officer and/ or by the global risk and compliance team in the context of that transaction shall also be indicated, such as: (a) information on the target/invested companies involved, (b) whether a due diligence was carried out in the context of the transaction, (c) if an audit was carried out, which are the main red flags and other relevant information, (d) if any material risk arising from the transaction was detected

and, should this be the case, which measures were adopted to mitigate it, and (e) if the transaction differs in any aspect from the rules, procedures, and other policies adopted by the Manager, by the Lightrock Group and/or the fund's investment policy.

Said report shall be delivered monthly to the Management Officer, as well as to the companies that are part of the Lightrock Group, as applicable.

## 1.9. SPECIFIC RISKS

On the date hereof, the Manager invests in private equity directed at Professional and Qualified Investors, as defined in the applicable regulations, the portfolio of which is mainly composed of shares issued by closely-held companies, and it wishes to act in the management of investment funds governed by CVM Instruction 555.

The investment funds to be managed by the Manager are subject to a wide range of economic risks, risks related to foreign currency and exchange rate, political, legal, and financial risks. Investors should carefully review the relevant fund and any offering documents for a more complete description of the risks related to such funds.

The Compliance, Risk, and PLD/FTP Officer continuously monitors the effectiveness of the metrics adopted to control the risks applicable to the funds managed by the Manager. Adherence tests are carried out in order to identify and monitor exposure to risks and their consistency and compatibility with the funds' bylaws.

Below are certain specific risks managed by the Manager:

- (i) **Concentration Risk:** The Manager observes and monitors the concentration limits per issuer and per asset established in the organization documents of each of its funds.
- (ii) **Risk Associated with Counterparties/Credit:** Before any investment, the Manager performs or retains competent third parties to carry out a complete due diligence procedure of the counterparties of the transaction. This analysis may include analysis of the potential impacts of risks, credit risk, exposure to contingencies, and other factors. If necessary, legal advisors, accountants, auditors, and specialized consultants are retained for such transactions.
- (iii) **Market Risk:** When applicable, the Manager adopts monitoring methods based on the fair value of the assets that compose the portfolios of managed funds. Valuation reports for illiquid assets are prepared based on typical valuation metrics and consider methods that the team deems appropriate for the asset in question.

- (iv) **Liquidity Risk:** The minimum percentages of fund portfolios necessary to pay the respective commitments shall be established in the organization documents of each of the funds. The Manager adopts monitored metrics to ensure an accurate analysis of liquidity profiles.
- (v) **Operational Risk:** The Manager deals with operational risk through validation procedures for different systems, such as: computer programs, telephone system, internet, among others.

The operational control activities carried out consist of controlling and optimizing transaction billing costs, parallel calculation of shares of the managed funds, monitoring the valuation of assets and liabilities that compose the funds, effecting the financial settlement of transactions and control and maintenance of the individual positions of each investor.

The Manager has a Business Continuity Plan that defines the procedures to be observed by the Manager and its Collaborators, in case of contingency, in order to prevent operational discontinuity due to technical problems. Strategies and action plans were stipulated in order to ensure that essential services be duly identified and preserved after occurrence of an unforeseen event or a disaster.

- (vi) **Other Risks:** On a case-by-case basis, the Manager analyzes and faces certain other risks associated with investment or divestment opportunities.

## **1.10. TERM AND UPDATE**

This Risk Management and Liquidity Management Policy shall be reviewed annually and it shall be amended if there is a need to update its content. Any changes may also be made due to supervening circumstances that require such action.