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**RISK MANAGEMENT POLICY  
OF  
MIRADOURO ASSET MANAGEMENT LTDA.**

## 1. Introduction

In compliance with current regulations and in accordance with the ANBIMA Code, MIRADOURO ASSET MANAGEMENT LTDA. ('Miradouro') maintains this Risk Management Policy, with the objective of establishing the rules and procedures that allow for the monitoring, measurement, and adjustment, when applicable, of the market, liquidity, and credit risks inherent to the portfolios managed by it, including in stress situations.

## 2. Responsibility for Compliance with this Policy

The Risk and Compliance Department, as responsible for Miradouro's risk management and Compliance, must:

- (i) verify compliance with this Risk Management Policy;
- (ii) submit a report on the risk exposure of each securities portfolio under management pursuant to this Risk Management Policy; and
- (iii) diligently supervise any third party contracted to measure the risks inherent in each securities portfolio.

The managing partner Dimas Guilherme de Campos Funghi, responsible for management matters at Miradouro, must take the necessary measures to adjust the risk exposure of the portfolios, based on the limits set forth in this Risk Management Policy and in the managed portfolio contracts.

## 3. Risks and Management Policy

Risk is an event with a probability of occurring in the future that may negatively impact the business or operation. Accordingly, there are several risks associated with the nature of Miradouro, which are listed below along with their respective management policies.

### I. Market Risk:

a. Definition: market risk consists of the risk of variation in the value of assets in a given portfolio managed by Miradouro. The value of securities and negotiable instruments may increase or decrease according to fluctuations in market prices, interest rates, issuing companies' results, country results, macroeconomic data, among others. In this regard, we understand that situations can be classified as systematic risk and non-systematic risk, where the former occurs due to market-wide changes and the latter due to adverse and specific effects on the asset.

b. Management Policy: to measure this risk, Miradouro will use Value at Risk (VaR) methodologies for market situations that follow a normal distribution, based on historical averages calculated, as well as Stress Testing for the simulation of crisis situations in the markets.

Value at Risk (VaR) is a methodology widely used in the financial market whose main objective is to measure the expected value of the worst loss within a time horizon with a confidence interval, and consequently, to quantify portfolio risk.

By using the averages and standard deviations of market prices, VaR may not predict future market crisis situations. Therefore, Stress Testing, based on the scenario analysis method, will be used to measure the maximum loss of a portfolio in a crisis/market shock situation, also contributing to risk management.

To validate risk management models, validation tests, or Back Tests, will be carried out. In this way, Back Testing can compare the maximum projected loss by VaR and Stress Testing with what actually occurred in the market. Therefore, if the risk measurement models are not meeting their objectives, it will be possible to detect and implement the necessary corrections.

## **II. Credit Risk:**

a. Definition: credit risk is defined as the possibility of losses resulting from non-receipt of amounts contracted with issuers and/or counterparties due to their economic-financial incapacity, which may take various forms: deposit certificates, debentures, public and private securities, derivatives (futures, swaps, forwards, and options). Furthermore, credit risk can be broken down into two predominant factors: default risk (probability that the counterparty will not honor its payments) and market risk (external factors that are related and may negatively impact the asset).

b. Management Policy: assets classified within credit risk will be analyzed prior to acquisition and monitored regularly according to the following rationale: a) obtaining free cash flow, comparison with companies in the same sector, and expectation of future cash generation; b) analysis of leverage, indebtedness, capital structure, and cash generation ratios; c) consultation of risk ratings from one or more of the following agencies: Standard & Poor's (S&P); Fitch Ratings (Fitch); Moody's Investors Service; default probability and comparison with companies in the same sector.

## **III. Liquidity Risk:**

a. Definition: liquidity risk is the possibility of loss arising from the following situations: a) the possibility that Miradouro may not be able to honor its expected and unexpected, current and future obligations without significant impact on its operations and/or significant losses; b) the possibility that Miradouro may not be able to trade one or more positions at market price, due to the volume traded versus the size of such position or market discontinuity.

b. Management Policy: for purposes of analyzing and mitigating liquidity risk, Miradouro will observe the methods and techniques described in the Liquidity Manual.

## **IV. Counterparty Risk:**

a. Definition: counterparty risk seeks to reflect the estimated loss to the managed portfolios in the event of non-compliance with contractual terms by one (or more) of its counterparties.

b. Management Policy: counterparty risk is understood as low, not requiring assessment, when transactions in the Brazilian market are carried out in organized markets intermediated by clearing houses, such as SELIC and B3.

## **V. Operational Risk:**

Operational risk consists of the possibility of impact (loss) due to failures in processes, controls, or procedures executed by people or systems in Miradouro's daily activities. Some examples include: a) Internal fraud; b) External fraud; c) Inadequate workplace security; d) Absence or weakness of controls related to processes involving clients, products, and services; e) Damage or losses related to Miradouro's physical or technological assets; f) Business interruption; g) Failures in information technology systems; h) Loss of deadlines, payments, or execution of orders impacting Miradouro's activities. For the purpose of analyzing and mitigating operational risk, Miradouro has an internal controls environment

designed and monitored to manage operational risks, which will undergo periodic assessments by the Risk and Compliance Department to evaluate both design and operational effectiveness.

#### **VI. Concentration Risk:**

a. Definition: concentration risk is related to the concentration of investments in the same: country, region, issuer, type, and class of financial asset, which, associated with other risks, may increase the portfolio's exposure to the inherent risks of the concentration.

b. Management Policy: the limits of the portfolios managed by Miradouro will be established and formalized according to the clients and strategies, as formalized in each portfolio's respective investment policy and suitability.

#### **VII. Risk arising from Foreign Markets:**

Asset portfolios will be exposed to political, economic, or social changes in the countries where they invest, which may negatively affect the price of their assets. Delays may occur in the transfer of interest, dividends, capital gains, or principal between countries where the invested portfolio and Brazil are located, which may interfere with the portfolio's liquidity and performance. Portfolio operations may be carried out on stock, commodities, and futures exchanges, or registered in registration, custody, or financial settlement systems in different countries, subject to different levels of regulation and supervision by recognized local authorities. However, there are no guarantees of equal access conditions to local markets. Miradouro will monitor the involved aspects daily to mitigate existing risks.

#### **VIII. Specific Risks:**

Miradouro will analyze the specific risks related to assets that may compose the managed portfolios in each particular case, considering the factors and peculiarities of each asset.

### **4. Maximum Exposure Limits in the Absence of Express Contractual Limits**

In situations where there are no express concentration limits in the managed portfolio contract, Miradouro will observe the following maximum exposure limits, as provided for in CVM Resolution No. 175:

#### **Limits per issuer:**

- (i) up to 20% of the portfolio's net assets when the issuer is a financial institution authorized to operate by the Central Bank of Brazil;
- (ii) up to 10% of the net assets when the issuer is a publicly held company, and, in the case of BDR – Equities investments, when the issuer is a publicly held company or equivalent;
- (iii) up to 10% of the net assets when the issuer is a special-purpose entity that is a wholly-owned subsidiary of a securitization company registered in category S2; and
- (iv) up to 5% of the net assets when the issuer is a natural person or a private legal entity that is not a publicly held company or a financial institution authorized to operate by the Central Bank of Brazil.
- (v) there will be no limits when the issuer is the Federal Government.

For the purpose of calculating the above limits, the provisions of Article 44 of CVM Resolution No. 175 will also be considered.

**Limits per financial asset class:**

- (i) up to 20% of the portfolio's net assets for the following assets as a whole: (a) shares of FIFs intended exclusively for qualified investors; (b) shares of real estate investment funds (FII); (c) shares of receivables investment funds (FIDC); (d) receivables certificates; (e) debt securities of unregistered issuers; (f) FIDC shares; (g) FIC-FIDC shares; (h) index fund shares; (i) Real Estate Receivables Certificates (CRI); and (j) other financial assets.
- (ii) up to 15% of the net assets for the following assets: (a) private equity fund shares (FIP); and (b) agribusiness investment fund shares (FIAGRO).
- (iii) up to 10% of the net assets for the following assets: (a) collective investment securities and contracts; (b) CBIO and carbon credits; (c) crypto-assets; (d) securities issued through equity crowdfunding platforms; and (e) other financial assets.
- (iv) there is no concentration limit per financial asset class for investments in: (a) federal government bonds and repo transactions backed by such bonds; (b) financial gold traded in organized markets; (c) securities issued or co-obligated by financial institutions authorized by the Central Bank; (d) promissory notes, debentures, commercial notes, equities, and depositary receipts of publicly traded companies subject to public offerings; (e) subscription bonuses and receipts, coupons, and other assets from listed securities; (f) FIF shares for the general public; (g) ETFs; (h) BDR-Equities, BDR-Corporate Debt, and BDR-ETF; (i) derivative contracts; and (j) perfectly fungible assets from a single securities issuance.

**5. Governance**

Risk management at Miradouro is carried out by the risk department, which is led by the Risk and Compliance Department. The risk department thus includes the Risk and Compliance Department and may also include risk analysts hired by Miradouro.

**6. Team involved in risk management and respective responsibilities**

The Miradouro team responsible for risk management is composed of the Risk and Compliance Directorate, as well as the Risk and Compliance Manager, as shown in the organizational chart below:

Risk and Compliance Directorate – Licério Tiburcio Pereira Campanati

Risk and Compliance Management – Antônio Hiroyuki Hyodo

Activities related to the management of operational, security, and other risks related to Miradouro's operations will be carried out by the Risk and Compliance Manager, with the supervision and coordination of the Risk and Compliance Director, in accordance with the guidelines set forth in Miradouro's internal policies.

**7. Autonomy**

The risk department has full autonomy to question the execution of operations and is not subordinate to the management department.

## **8. Risk Exposure Reports**

Members of Miradouro's risk department must prepare and deliver monthly to the Risk and Compliance Department, which is responsible for risk management, a report on the risk exposure of all portfolios under Miradouro's management.

In the event of portfolios that exceed their risk limits, the risk exposure report will be prepared bi-weekly until the limits return to the intended risk levels.

The Risk and Compliance Department is responsible for submitting the monthly risk exposure report to Miradouro's management officer.

## **9. Action Plan in Case of Non-Compliance**

In the event of non-compliance with exposure limits, the following measures will be taken:

- (i) The Risk and Compliance Department will meet with members of the management department to investigate the possible non-compliance, analyze the causes of its occurrence, and establish corrective measures; and
- (ii) After defining the necessary measures, the management department will take the steps necessary to restore the established exposure limits.

Finally, Miradouro's risk department will carry out an assessment of preventive measures to be taken to avoid new occurrences of the same nature.

## **10. Review and Assessment of this Policy**

This Policy will be reviewed and assessed annually by the Risk and Compliance Department together with the other employees designated for risk management, and adherence tests are also carried out at such intervals to test its effective applicability. Furthermore, this Policy may be reviewed earlier in the event of situations that reveal inconsistencies in its content.

After each review, if there are changes in limits and/or procedures to be followed, a new version of this Policy will be issued, which will be delivered and communicated to all Employees.

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