

15. ANTI-MONEY LAUNDERING POLICY

15.1. Introduction

The purpose of this Anti-Money Laundering Policy (“**AML Policy**”) is to establish internal mechanisms and procedures for VELT Partners and all of its Employees to know and have parameters to better meet the rules for combating money laundering, financing terrorism and financing the proliferation of weapons of mass destruction (“**AML/TFPW**”), when we mention the criminal practices themselves). Such rules require service providers operating in the financial and capital markets, including asset managers such as VELT Partners, to prevent, detect and adopt measures that prevent the involvement of VELT Partners (here also including its Employees, partners, investors, among others), and the market as a whole, in criminal practices.

15.2. AML Program

In compliance with the provisions of the ANBIMA AML Guide (“**ANBIMA Guide**”), the AML program adopted by VELT Partners, transcribed herein in the form of a AML Policy, can be separated into the following topics: (i) governance and responsibilities; (ii) internal risk assessment (“**IRA**”) and risk-based approach (“**RBA**”); (iii) monitoring of operations; (iv) procedures aimed at getting to know Customers, Employees and service providers; (v) evaluation of the effectiveness of this program; (vi) communications of operations to the Financial Activities Control Council (“**Brazilian COAF**”); and (vii) compliance with the Foreign Corrupt Practices Act.

15.3. Governança e Responsabilidades

VELT Partners' AML governance structure is composed of the following: (A) Executive Committee and (B) Compliance and Risk Committee. In addition to them, the CCO is the officer responsible for ensuring compliance with the rules established by CVM Resolution 50, in order to ensure the effective management of AML/TFPW risks, under the terms of said resolution.

(A) Executive Committee: the senior management of VELT Partners is represented by its Board of Executive Officers, composed of the Investment Officer, the Compliance and Risk Officer and other officers without specific designation, appointed under the terms of the articles of association, for an indefinite period. VELT Partners' Board of Directors is responsible for approving this AML Policy, and its meetings may include questions to the CCO about monitoring any violations of this AML Policy, analyzing any complaints from Employees and improvement proposals.

(B) Compliance and Risk Committee: as defined in the Compliance Manual, the Compliance and Risk Committee is composed of a lawyer, a risk analyst and the CCO, the latter being responsible for its coordination. The Compliance Committee may rely on the support of other Employees that such committee deems necessary, and its attributions include, for the purposes of this AML Policy:

- (i) analysis and monitoring of operations and situations with potential AML/TFPW risk;
- (ii) dissemination of the AML/TFPW culture to Employees, promoting training and/or periodic communications to raise awareness, in addition to helping the CCO to keep this AML Policy updated and in compliance with the legislation in force;
- (iii) analysis of eventual operations or situations that involve activities and routines related to AML/TFPW;

(iv) review of existing control methodologies and parameters, for eventual adaptation to the regulations in force;

(v) interaction with regulatory and self-regulatory bodies; and

(vi) analysis of non-compliance with the terms of this AML Policy by Employees, service providers, partners, investors, among others, as well as determination of the investigation and repair procedure, if applicable.

(C) Chief Compliance Officer: Officer appointed under the terms of the articles of association of VELT Partners, who performs her duties independently, and has broad and unrestricted access to information related to VELT Partners, its activities and its Employees. The CCO and, also, the AML Director, must actively investigate possible and eventual violations of this AML Policy and supervise its compliance by all Employees, being able to examine, with the support of the Compliance and Risk Committee, operations and situations that present (even if potentially) evidence of money laundering or terrorist financing, observing the parameters set forth in this AML Policy and in the governing laws.

15.4. Internal Risk Assessment (IRA) and Risk-Based Approach (RBA)

VELT Partners, within the limits of its attributions, identifies, analyses, understands and mitigates the risks of materialization of any irregularity related to AML/TFPW, according to the exposure of its activity in the securities market. In this regard, VELT Partners considers the following elements for its internal risk assessment (hereinafter defined as “IRA Categories”):

(i) the nature of the services provided –i.e., asset management;

(ii) the results of the due diligence for the selection of service providers for the Investment Vehicles, within the limits of their attributions;

(iii) the profile of its investors, especially in cases where there is a presumption that VELT Partners has a direct relationship with investors (for example, in exclusive funds);

(iv) the asset trading environment;

(v) the financial assets that make up the Investment Vehicle portfolios – mostly shares issued by Brazilian companies and listed on the stock exchange; and

(vi) the economic sector in which issuers of financial assets operate.

In order for the AML/TFPW risk to be efficiently monitored, VELT Patners implements prevention and mitigation measures proportional to the probability of materialization of an illegal activity based on the IRA Categories.

In addition, under the terms of CVM Resolution 50 and supported by the Compliance and Risk Committee, the CCO must prepare, by the last business day of April of each year, a report on the internal risk assessment, with analysis details of the aspects described above. Said report will integrate the compliance assessment required by the CVM and will be delivered to the Executive Committee of VELT Partners.

15.5. Monitoring of Operations

From the perspective of monitoring the investments made by its Investment Vehicles, the Company is responsible for the process of identifying the counterparty, aiming to prevent said counterparties from using the Company or its Investment Vehicles for illegal or improper activities.

In this sense, the Company, as the asset manager of the Investment Vehicles, adopts the following measures with a view to inhibiting practices linked to money laundering through Investment Vehicles:

- (i) formalization in the mandates of its Investment Vehicles (i.e. by express insertion on the CVM Funds and offering memoranda of Hedge Funds) of complete prohibition of day-trade operations by the Investment Vehicles;
- (ii) insertion of the day trade ban in the order management system used by the Company - Alphatools - in order to restrict the realization by the Investment Vehicles, in practice, of sequential operations involving the same asset on the same day, so that if any transaction in this format is entered into the Company's order management system, its remittance to brokerages is barred and a real time alert is sent to the CCO, key-user of the system in question and without the approval of which any transactions barred by the system do not proceed;
- (iii) limitation in the order management system used by the Company - Alphatools - of carrying out transactions by the Investment Vehicles exclusively through the brokers included in the List of Brokers Approved by the CCO, which only includes top-tier institutions and which, in prior diligence, it was verified that they meet the parameters of internal controls of VELT Partners, thus inhibiting the structuring of operations harmful to Investment Vehicles or liable to cover up money laundering practices; and
- (iv) prohibition of transactions between Investment Vehicles managed by VELT Partners.

In addition, VELT Partners invests the funds of the Investment Vehicles mainly in securities listed on the stock exchange (primarily shares traded on B3 – Brasil, Bolsa, Balcão), and the remaining cash balance of the Investment Vehicles is directed to securities, federal public funds or repo operations backed by them, always with daily liquidity.

Due to the high market liquidity of the assets mostly traded by the Investment Vehicles, and the fact that the other assets and securities traded by the Investment Vehicles have first-line financial institutions and equivalents as counterparties, the Company, supported by the ANBIMA Guide understands that the procedures and internal controls listed in this Manual are adequate and guarantee compliance with the standards for combating AML/ TFPW required by the regulations in force.

If, however, the Company incorporates into its investment strategy the acquisition of securities subject to private distribution, credit rights, real estate projects, among others, it will be the CCO responsibility to previously adjust the Company's policy, with a view to contemplate procedures that allow the due control and monitoring of counterparties, as well as the price ranges of the assets traded on behalf of the Investment Vehicles under their management.

15.6. Know your Client

In view of the concept of "direct business relationship" derived from CVM Resolution 50 and supported by the ANBIMA Guide, from the perspective of monitoring its customers (or investors), VELT Partners adopts certain levels of diligence depending on whether the shareholder of the Investment Vehicle is a "direct business relationship" or not.

Nevertheless, VELT Partners will maintain agreements with the managers and distributors of the Investment Vehicles that ensure that the aforementioned institutions adopt measures and precautions to correctly identify investors and the origin of their funds for AML/ TFPW purposes. In the case of non-exclusive Investment Vehicles, VELT will only be responsible for obtaining, through the distributors engaged by such Investment Vehicles, the registration data of said Vehicles, pursuant to CVM Resolution 50.

The managers and distributors of Investment Vehicles must, continuously and within their attributions, monitor and analyze operations and atypical situations, as well as observe the atypicalities that may, after detection and respective analysis, configure signs of AML/ TFPW.

In this sense, providers will be engaged for which VELT Partners verifies that they adopt practices compatible with the prevention of AML/ TFPW, such as, but not limited to:

- (i) adopt ongoing rules, procedures and internal controls to confirm investor registration information, keeping such records duly updated;
- (ii) monitor the regularity of transactions carried out by investors in order to identify any evidence of AML/ TFPW practices;
- (iii) to identify the final beneficiaries of the operations (adopting KYC policies), as well as to guarantee the maintenance of the registers of investors duly updated;
- (iv) identify persons considered politically exposed ("PEPs")¹, maintaining rules, procedures and internal controls that identify Investors who become PEPs and the source of funds involved in the transactions of Investors and beneficiaries identified as PEPs;

¹ For purposes of CVM Resolution 50, the following persons are considered "political exposed persons" (PEPs): I – holders of elected mandates for the executive and legislative powers of the Union; II – the holders of positions, in the executive power of the Union, of: a) Minister of State or equivalent; b) special or equivalent nature; c) president, vice-president and director, or equivalent, of entities of the indirect public administration; and d) senior management and advisory group – DAS, level 6, or equivalent; III – the members of the Federal Supreme Court, the Superior Courts and the Federal, Labor and Electoral Regional Courts; IV – the Attorney General of the Republic, the Attorney General of Labor, the Attorney General of Military Justice and the Attorneys General of Justice of the States and the Federal District; V – the members of the Federal Court of Accounts and the Attorney General of the Public Ministry at the Federal Court of Accounts; VI – the national presidents and treasurers, or equivalent, of political parties; VII – the governors and secretaries of the State and the Federal District, the state and district deputies, the presidents, or equivalent, of entities of the state and district indirect public administration and the presidents of Courts of Justice, Military, of Accounts or equivalent of the State and the Federal District; VIII – the mayors, councilors, presidents of the courts of accounts or equivalent of the municipalities. Likewise, the Instruction also considers PEP those who, abroad, are I – heads of state or government; II – higher-ranking politicians; III – occupants of government positions at higher levels; IV – general officers and members of higher echelons of the judiciary; V – senior executives of public companies; or VI – leaders of political parties. Senior managers of public or private international law entities will also be considered PEPs.

- (v) strictly supervise the commercial relationship maintained with PEPs, paying special attention to the registration and operations carried out with PEPs;
- (vi) apply methodologies and systems that compare the registration information with the transactions carried out by said investors, with a view to detecting any evidence of money laundering;
- (vii) strictly supervise transactions with foreign investors, especially when organized in the form of trusts or companies with bearer securities, as well as transactions with private banking investors;
- (viii) ensure that the acceptance of new investors and the monitoring of transactions carried out by investors must be based on criteria that take into account the geographic location of the investor, the type of activity/profession of the client in question, origin of equity, sources of income and the products chosen by them for investment.
- (ix) verify the investor's total equity, including financial and non-financial assets;
- (x) upon acceptance of the investment, classify the investor in risk level; and
- (xi) report to the respective area responsible for internal controls the proposals or occurrences of the operations or situations provided for in Art. 20 of CVM Resolution 50.

In addition, the managers and distributors of Investment Vehicles, as the case may be, must pay special attention to certain categories of transactions, such as, but not limited to, transactions whose values are inappropriate with the professional occupation, earnings and/or investor's financial position, investments that represent a significant fluctuation in relation to the volume and/or frequency of trades usually carried out by such investor, investments carried out seeking to generate losses or gains without an objective, among others.

VELT Partners, in turn, will carry out due diligence with such administrators and distributors to ensure that these service providers have the human resources, IT tools (in particular, AML systems that allow them to compare investor information with operations in an automated and real-time manner) and adopt processes and routines that allow them to proper conduct of procedures pertinent to the prevention of AML/ TFPW crimes.

VELT Partners and its Employees are prohibited from contracting or providing securities portfolio management services to any individuals, entities, legal entities, vessels and countries included in the OFAC list of Specially Designated Nationals, Blocked Persons or List of Sanctioned Countries ("SDN List") or otherwise identified in connection with other economic sanctions programs that OFAC is charged with exercising.

If the periodic review of any of these service providers is not satisfactory, at the discretion of the CCO, she must immediately notify the Compliance and Risk Committee and ensure that the service provider in question implements the service properly or is promptly replaced.

15.6.1. Exclusive Investment Vehicles

According to the investors profile in the exclusive Investment Vehicles, and based upon the ANBIMA Guide, VELT Partners adopts procedures complementary to those provided for in the previous item for monitoring such vehicles.

This is because there is a presumption that there is a “direct commercial relationship” between the manager and such investor, which implies that the manager knows the investor (although without the required detail at the distributor level), VELT Partners mitigates the risk of AML/ TFPW through the following steps:

- (i) establishes mechanisms and procedures for exchanging information with the internal control areas of the distributors that provide services to the exclusive Investment Vehicles, in order to obtain the relevant registration data, including, but not limited to, the identification of the final beneficiary of the investor, observing any regimes of secrecy or restriction of access provided for in the legislation;
- (ii) assessment, at its discretion, of the relevance and opportunity to request additional information from investors or service providers of greater relevance;
- (iii) continuous monitoring of operations carried out by Investment Vehicles, paying special attention to transactions that represent evidence of AML/ TFPW crimes, such as those described in Circular Letter BCB nº 4.001/20; and
- (iv) use of background check tools that make it possible to compare the basic data of investors/final beneficiaries, natural persons of exclusive Investment Vehicles, with lists of terrorist activities and sanctions published by the main national and international governments, for example.

15.7. Know your Service Provider

Service providers that have a relevant role to perform the management services performed by VELT Partners, and that are contracted by it, have a fundamental role in controlling the risk of AML/ TFPW, which is why, prior to their contracting, it is verified whether such providers meet the criteria considered by VELT Partners as best practices for the prevention of AML/ TFPW crimes.

In this sense, and considering the nature of the operations usually carried out by Investment Vehicles and the risks that the agents involved in these activities present for AML/ TFPW purposes, VELT Partners employs the following procedures:

- (i) hiring first-rate providers, who already have a good reputation and well-developed procedures for the provision of the service to be contracted;
- (ii) request for ANBIMA's due diligence questionnaire duly complete, as well as the AML policy, among others, and identification of the systems and main procedures adopted by administrators, distributors and brokerage firms, before initiating the commercial relationship;
- (iii) periodic reviews of the diligences, in order to verify if the processes and controls being implemented have the same rigor as this AML Policy or if they are even more rigorous; and
- (iv) if it deems necessary, VELT Partners can also reinforce its due diligence process through interviews/meetings aimed especially at the areas responsible for monitoring

from the perspective of AML, with a view to deepening its knowledge of the practices described in the providers' policies.

15.8. Know your Employee

VELT Partners guides and monitors its Employees with a view to mitigating AML risks, considering the position they occupy, the functions developed, their professional history and behavior.

When joining VELT Partners, Employees are informed about the AML policy and practices, as well as sign a term that declares and identifies if they have any previous activity or involvement with AML/ TFPW crimes. A continuous way of monitoring and raising awareness among Employees is through periodic training and awareness-raising communications, both prepared by the Compliance and Risk Committee of VELT Partners.

Suspicious behavior that leads to questions about the economic and financial situation of an Employee may be reported to the Compliance and Risk Committee, which in turn will adopt the necessary procedures.

15.9. Avaliação de Efetividade do Programa

VELT Partners undertakes to, at least once a year, and through the report that integrates the report on the supervision of rules, procedures and internal controls required by the CVM regulation, evaluate the effectiveness of this AML Policy and the procedures adopted to AML/ TFPW risk mitigation purposes. It is through the evaluation of effectiveness that the CCO, together with the members of the Compliance and Risk Committee, assess any failures and continuous improvements to be adopted with their respective action plans, as applicable.

15.10. Communication of operations

If VELT Partners identifies the occurrence of any transactions carried out by the Investment Vehicles or proposed transactions that may constitute serious indications of AML/ TFPW crimes, under the terms of Law 9.613/98, it will notify COAF, within 24 hours of its occurrence. The CCO has sovereignty and autonomy to communicate evidence of the occurrence of crimes provided for in Law 9.613/98 or related to them.

15.11. Foreign Corrupt Practices Act

15.11.1. Introduction

The U.S. Foreign Corrupt Practices Act ("**FCPA**") prohibits, under penalty of imprisonment, that any officer, agent or employee of the Company pays or gives, offers or promises to pay, gives or authorizes or approves the offer or payment, in a direct or indirect manner, of any funds, gifts, services, or any valuables, even if small or apparently insignificant (i) to any foreign employee or other person specified below (individually, a "**Covered Person**"), in order to obtain business, favorable treatment or other commercial benefits, whether by (a) influencing any action or decision of Covered Persons in their official capacity; (b) inducing a Covered Person to take or not to take any action in violation of his/her legal duties; or (c) inducing a Covered Person to use his/her influence on a foreign government entity for such purpose; or (ii) to any other agent, intermediary (including, for example, friends, relatives, or companies or law firms of Covered Persons) or other person, knowing that such benefit will be totally or partially, and directly or indirectly forwarded to a Covered Person for such purpose. (Note: Actually, the allegation of not "knowing," deliberately avoiding, or disregarding any facts or hints do not constitute a "defense").

15.11.2. Covered Persons

For purposes of this Manual, a “Covered Person” is any foreign employee, including, among others, any official or employee of any foreign government, or any government department, agency or body (for example, a central bank), or any company held or controlled by the government (for example, a sovereign fund), or any person acting in an official position to, or on behalf of, any government, department, agency, body or company. This also includes foreign political parties, party heads or candidates to political parties. For this purpose, the term “foreign” means “outside the United States.”

15.11.3. Exceptions

There are some exceptions to the general restrictions established in this section 15.4. However, these exceptions are very specific and must be discussed with the Compliance Officer before being considered. The employees should not discuss or consider the use of the practices mentioned above without previous approval by the Compliance Officer.