Annual Stewardship Report

Fama Re.Capital

2025



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CÓDIGO BRASILEIRO DE STEWARDSHIP

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About us

Founded in 1993, Fama Re.Capital is an independent Brazilian asset manager that seeks to generate consistent long-term returns by analyzing material socio-environmental challenges, treated as economic factors relevant to risk, competitiveness and return generation for investors.

Our role goes beyond capital allocation. We work actively with investee companies and other stakeholders, using engagement to support the evolution of their strategies, strengthen governance and transparency practices, and contribute to long-term value creation.

For us, financial returns and positive impact are interdependent. We seek to contribute to a new generation of responsible investing by developing pioneering, proprietary strategies capable of capturing opportunities associated with the transition to more resilient, sustainable and inclusive economic models.

Investment Philosophy

We combine financial rigor, a systemic perspective and active engagement to identify asymmetries and anticipate how environmental, social and regulatory transformations will be reflected in asset valuations.

Our investment discipline expands traditional fundamentals by incorporating structural variables that increasingly shape economic outcomes. This broader perspective strengthens our ability to allocate capital to efficient and resilient transition pathways, where the ability to navigate these contemporary complexities creates opportunities for repricing, competitive advantage and long-term value.

We build investment theses from an understanding of how climate change, natural capital, social inequality and institutional quality affect corporate competitiveness, market dynamics and returns to investors.

Our approach rests on the premise that these factors are not external to the economy. They influence revenues, costs, access to capital, regulation, productivity, resilience and growth. Understanding them in a deep and integrated manner is an essential part of our investment process and of how we build our fund portfolio.



What is stewardship?

We define stewardship as the proactive and constructive exercise of influence by investors, with the aim of maximizing sustainable value creation for all stakeholders. This understanding is aligned with the definition of the Principles for Responsible Investment (PRI), for which stewardship is the use of investor rights and influence to protect and enhance overall long-term value for clients and beneficiaries, including the common economic, social and environmental assets on which their interests depend. Our approach is also guided by the PRI's Active Ownership 2.0 framework, which calls for stewardship focused on concrete sustainability outcomes, the prioritization of systemic risks and the use of investor collaboration to overcome collective action problems.

In practice, stewardship is carried out through a range of individual and collaborative tools, most notably strategic engagement and the exercise of voting rights. The strategies considered include interactions with representatives of portfolio companies, active participation in shareholder meetings, board involvement, monitoring of investees' stewardship actions across their supply chains, dialogue with policymakers and standard setters, as well as contributions to science and research and public positioning.

Engagement, in particular, refers to interactions with current or prospective investee companies aimed at deepening or validating information, clarifying controversies or suggesting improvements to strategic socio-environmental and governance practices and processes. Depending on the complexity of the topic, these interactions may vary in duration, intensity and approach.

Voting at shareholder meetings is a formal instrument for expressing support for (or opposition to) relevant matters. This includes both voting on management proposals and filing shareholder resolutions (where permitted by the jurisdiction), whether in person or by proxy.



Brazilian Stewardship Code

Stewardship codes emerged internationally in response to the 2008 financial crisis, marking a turning point in the understanding of the role of institutional investors in promoting market stability and integrity.

The first national stewardship code was launched in 2010 by the *Financial Reporting Council (FRC)* in the United Kingdom. It incorporated the 2009 code of the *Institutional Shareholders' Committee*, issued on the recommendation of the Walker Review in the wake of the financial crisis, and built on the corporate governance tradition that began with the 1992 Cadbury Report. Since then, the British model has inspired guidelines in many jurisdictions, including Brazil, where AMEC (the Brazilian Association of Capital Market Investors) launched the AMEC Code of Principles and Duties of Institutional Investors in 2016. The code was revised in 2021 in partnership with *CFA Society Brazil* and renamed the Brazilian Stewardship Code.

The British code continues to set the pace internationally: in June 2025, the FRC published the UK Stewardship Code 2026, in force since January 1, 2026, which redefines *stewardship* as the responsible allocation, management and oversight of capital to create long-term sustainable value for clients and beneficiaries. The new wording removed from the definition the express reference to benefits for the economy, the environment and society found in the 2020 version (on which the 2021 Brazilian code's definition was based), but the accompanying guidance maintains the expectation that environmental and social factors be considered whenever relevant to beneficiaries' long-term interests. Likewise, the fourth edition of the ICGN *Global Stewardship Principles*, published in 2024, strengthened the guidance on reporting engagement outcomes and on escalation techniques.

Fama Re.Capital has had its own stewardship policy since 2020 and, in 2022, formalized its institutional support for the Brazilian Stewardship Code of AMEC and CFA Society Brazil. We recognize its relevance as an instrument for strengthening Responsible

Investment in Brazil and as an important benchmark for raising the quality of investors' conduct towards companies and society.

These are the Principles of the Brazilian Stewardship Code, which guide the firm's practices and are addressed in this Report:

- Implement and disclose a *stewardship* program;
- Implement and disclose mechanisms for managing conflicts of interest;
- Consider ESG factors in investment processes and *stewardship* activities;
- Monitor investee issuers;
- Be active and diligent in exercising voting rights;
- Define collective engagement criteria;
- Provide transparency on stewardship activities.

Report focus: LatAm Climate Turnaround

This stewardship report focuses primarily on FAMA LatAm Climate Turnaround FIF em Ações IS ("CTF"), a Fama Re.Capital fund launched in 2023 to accelerate the climate transition of large greenhouse gas (GHG) emitters in Latin America through investment and structured engagement.

We start from the premise that it is impossible to tackle the climate crisis while ignoring the highest-emitting sectors and companies. Rather than avoiding them, we choose to engage with them strategically, applying an approach grounded in science, economic value creation and the collaborative development of solutions.

The CTF strategy is anchored in the following elements:

- **Focus on relevant GHG emitters in Latin America**: we select companies with real transformation potential in carbon-intensive sectors.

- **Constructive engagement**: we work with investee companies to support their decarbonization journey, while maintaining an escalation path for cases in which constructive dialogue does not lead to adequate progress.
- **Ongoing monitoring**: we monitor plan implementation and investee performance, in frequent dialogue with the companies and their governance bodies.
- **Structured governance**: we maintain internal oversight with clear documentation and a structured decision-making process involving specialized committees.

Throughout this report, we show how this climate stewardship model is being implemented in the context of the CTF, reinforcing our commitment to measurable impact, technical integrity and structural transformation from within.



Principle 1: Implement and disclose a stewardship program

Our stewardship program was formalized in 2022 and has been continuously enhanced since then. In the context of the CTF, it is fully integrated into the investment thesis and is a structural part of the fund's value creation strategy.

Engagement with CTF investee companies is not an activity parallel to the investment process: it is a central tool for guiding and monitoring the companies' climate transition.

Implementation of the program at the CTF is led by Caroline Prolo, Head of Climate *Stewardship* at Fama Re.Capital. A lawyer with more than two decades of experience, Caroline has extensive experience advising Brazilian and multinational companies on compliance with environmental legislation, the adoption of sustainability best practices and the management of climate-related risks and opportunities. Her leadership ensures technical depth, policy coherence and a constructive approach in our engagements with companies that have significant potential to create economic value through decarbonization.

The program is supported by a set of formal policies, including:

- Responsible Investment and Stewardship Policy;
- Voting Policy, which sets out guidelines for the consistent and transparent exercise of voting rights.

Program governance includes collective decision-making bodies, systematic documentation and direct coordination with the investment committees, enabling well-founded technical decisions and process traceability.

The Responsible Investment and Stewardship Policy and the Voting Policy are publicly available on our website, where we also publish this report annually.

In addition, our website provides an Ethics & Ombudsman Channel for reporting misconduct, legal violations, socio-environmental issues or situations inconsistent with our principles and internal policies. The channel accepts both identified and anonymous reports, which are handled confidentially and independently, strengthening our governance framework and accountability

Principle 2: Implement and disclose mechanisms for managing conflicts of interest

We recognize that conflicts of interest may arise in a variety of situations involving Fama Re.Capital employees, clients, investee companies and other related parties. When not properly identified and addressed, such conflicts can compromise the integrity of decision-making, create reputational risks and undermine the trust of key stakeholders. We therefore take a proactive and transparent approach to identifying, mitigating and, whenever necessary, eliminating conflicts of interest, based on a robust set of formal policies and guidelines. The documents supporting this practice include:

- Voting Policy
- Personal Investment Policy
- Order Allocation and Splitting Policy
- Compliance and Internal Controls Policy
- Policy on the Distribution of Investment Fund Units
- Compliance, Ethics and Corporate Conduct Manual

These policies address, for example, situations in which immediate family members of employees work at investee companies, competing asset managers or related investment vehicles, or in which an employee or family member has some form of fiduciary relationship with the firm's clients.

In addition, all of Fama Re.Capital's investment decisions are made collectively within the Investment Committee. This governance structure helps mitigate potential conflicts of interest by ensuring that decisions are subject to the joint analysis and deliberation of different professionals, reducing the influence of individual interests and strengthening the independence and consistency of the decision-making process.

Beyond formal mechanisms, we foster an organizational culture based on ethics, individual responsibility and sound judgment. We recognize that not every conflict can



be anticipated in writing, and we therefore continuously reinforce with the team the importance of identifying and reporting actual or potential situations. All employees are instructed to immediately report any conflicts they perceive or suspect, especially those involving the firm and its clients or investee companies. Reporting channels include the CEO and the Chief Risk and Compliance Officer directly.

As a practical example, in deliberations related to shareholder meetings of investee companies, members of the Investment Committee are expected to disclose in advance any relevant personal or professional ties to the company or its representatives. In such situations, the committee assesses whether abstention, formal justifications or other safeguards are appropriate to ensure the integrity of the decision. Although we have not faced any actual conflict situations to date, we believe this also reflects the characteristics of the reporting period, in which no specific events occurred that required deliberations potentially susceptible to conflicts of interest. Even so, the preventive measures described above remain an integral part of our governance framework, reinforcing our commitment to transparency, the integrity of the decision-making process and the alignment of interests.

The Voting Policy complements these practices by providing specific mechanisms to prevent undue influence at shareholder meetings, ensuring that any conflicts are handled transparently and in line with the firm's fiduciary interests.

We remain committed to continuously strengthening our internal governance and ethical culture, ensuring that decision-making on investments, engagement and voting reflects the best interests of our clients and society.



Principle 3 - Consider ESG factors in investment processes and stewardship activities

Our Investment Process

The CTF seeks to identify economic value creation opportunities associated with the climate transition among incumbent companies in Latin America. We believe that transition-related factors – such as decarbonization, climate adaptation, operational resilience, traceability, efficient use of natural resources and natural capital – can be important levers of long-term value creation when integrated into high-quality businesses.

The selection process combines traditional financial analysis with an assessment of the materiality of the climate transition for each company. Before any investment decision, the team develops a structured analysis covering the investment thesis, financial fundamentals, risks, opportunities associated with the climate transition and the firm's potential to act through stewardship.

Within the CTF, investee companies are selected by the Investment team based on the following criteria:

- **High-quality companies**: Companies with durable competitive advantages, strong cash generation, disciplined capital allocation, qualified management and a consistent potential to create value for shareholders over time.
- **Climate transition materiality**: Companies for which climate transition-related factors are financially relevant to their competitiveness, risk profile or growth prospects. This materiality may be associated with, among other aspects, decarbonization, climate adaptation, operational resilience, traceability, natural resource efficiency, circularity or natural capital. These are companies with concrete opportunities to capture economic benefits from the climate transition,



whether through efficiency gains, a stronger competitive position, access to new markets, greater operational resilience or improved market perception.

- **Stewardship potential**: Companies in which the Fund can play an active role in accelerating these value creation opportunities through a constructive relationship with management, based on technical dialogue, scientific knowledge and long-term collaboration.

Following this initial screening, the investment team conducts an in-depth analysis of the company, integrating the financial thesis, risks, material climate transition factors and a preliminary engagement plan. This plan identifies the key initiatives capable of simultaneously strengthening the company's competitiveness and its readiness for the low-carbon economy. At the same time, the Fund seeks to establish a dialogue with the company to understand its strategic vision and assess the potential for building a joint value creation agenda.

Once this stage is complete, the opportunity is submitted to the Investment Committee, which deliberates on the thesis in accordance with the firm's governance process.

Once the investment is made, an ongoing engagement and monitoring process begins. The engagement plan is a living document, continuously refined as new opportunities are identified and the company's priorities evolve. Depending on the characteristics of each investment, initiatives may address topics such as decarbonization, climate adaptation, operational resilience, traceability, productive efficiency, natural resource management, technological innovation, governance or other factors material to the investment thesis.

Throughout the investment cycle, the Fund tracks the evolution of both the financial and impact theses, continuously assessing whether the company continues to capture the opportunities arising from the climate transition.

Engagement through constructive dialogue is the primary stewardship tool used by the Fund. If, at any point, the Investment team perceives that the company is not making



progress toward one or more of the agreed objectives, engagement efforts may be escalated in stages: deepening the dialogue at more senior levels of the company, collective engagement and the exercise of voting rights. If difficulties persist and the fundamentals of the investment thesis no longer hold, or the value creation potential is significantly impaired, the Investment Committee may reassess the position, including a potential divestment.

Although not specifically central to the CTF's stewardship approaches, Fama Re.Capital regards the promotion of gender equality as an essential component of sustainable development. In this context, we seek to align our practices with international best practices, including the criteria of the 2X Challenge, a global initiative that mobilizes capital to expand women's participation and economic empowerment.

As a first step toward this alignment, we collect and monitor gender diversity data, both within the firm and across investee companies. We believe that the availability of consistent information is essential to understand challenges, identify opportunities and track progress over time.

At Fama Re.Capital, women represent 59% of the workforce and hold 43% of leadership positions. In addition to monitoring our own indicators, we track equivalent metrics at investee companies through the analysis of corporate reports, public documents and due diligence questionnaires. The indicators monitored include the share of women in the workforce and in leadership positions, providing a broader view of female representation and its evolution over time.

For listed companies that publish reports with gender information, women hold, on average, 29% of leadership positions.

This approach strengthens our ability to incorporate gender considerations into investment, engagement and monitoring processes,

contributing to a better understanding of companies' practices and their potential impact on promoting equal opportunities.

Fama Re.Capital	43% women in leadership positions 59% of the workforce are women
Portfolio companies (average)	29% women in leadership positions 22% of the workforce are women

The Investment Committee

At Fama Re.Capital, investment decisions result from a structured, multidisciplinary and participatory process. The Investment Committee is the main governance body responsible for ensuring that every capital allocation decision is made with analytical rigor, procedural discipline and alignment with the fund's strategy, integrating financial returns, risk management and socio-environmental value creation.

Before an opportunity is submitted to the Committee, it goes through a structured screening process, the preparation of an Investment Memo and internal validation. The analysis covers the investment thesis, financial fundamentals, risks, socio-environmental materiality and the value creation strategy through stewardship. Only opportunities that meet the established criteria proceed to the Committee for deliberation.

The Committee is composed of the firm's most senior members, including the CIO, senior partners, the Chief Risk & Compliance Officer and an impact representative, and may include invited external experts depending on the characteristics of each investment. Decisions are made collectively, by sociocratic consent, encouraging constructive

challenge and the documentation of the investment rationale, ensuring transparency, intellectual independence and consistency in the decision-making process.

Once an investment is approved, an ongoing stewardship and monitoring process begins. Stewardship, and bilateral engagement in particular, seeks to support the company in implementing initiatives capable of simultaneously strengthening financial value creation and the progress of its climate transition plan. In parallel, the Committee periodically reviews the evolution of the investment thesis, financial performance, impact indicators and any changes in the environment that may warrant a review of the thesis or the engagement strategy.

Our research contributions

Contributing to the scientific body of data on corporate GHG emissions in Brazil, the CTF team co-authored the study "Corporate Emissions and Climate Targets: Insights from High-Emitting Firms in Brazil's Transition to Sustainability", published in PLOS Sustainability and Transformation, which analyzed financial and emissions data of Brazilian companies listed on B3 from 2019 to 2023. The study showed that, between 2019 and 2023, profitability was the most consistent factor explaining operational emissions. Reductions were limited to energy consumption, benefiting from Brazil's power mix, while indirect value chain emissions rose steadily. The study also highlights that recent macroeconomic shocks had uneven effects: emissions plunged in retail (-35%) and transportation (-29%) during the pandemic but rose 28% in food and agriculture, precisely the sectors most exposed to global pressures on deforestation and supply chains.

Principle 4 - Monitor investee issuers

Engagement is truly at the core of the CTF's approach. Unlike common market practice for engagement with listed companies, our engagement begins in the pre-investment phase, when we seek to establish a partnership with the company.

Our strategy is to adopt a collaborative tone from the outset, through a process of active listening to understand how the company is addressing decarbonization, recognize the positive initiatives under way and value the company's own technical staff. This dialogue is constructive but demanding: we set clear objectives, track concrete outcomes and, where progress is inadequate, apply the escalation path described under Principle 3.

Engagement is therefore bilateral and deepens over time: we start with the most relevant and mature topics within the company and progressively move on to more complex and strategic agendas. Legal compliance, however, is not a later stage of the relationship but a baseline requirement, assessed from pre-investment due diligence and monitored on an ongoing basis. We seek to build a relationship of trust with the company that allows us to gradually deepen discussions internally.

When proposing improvements and a decarbonization action plan, we always consider a cost-benefit analysis to justify the need and urgency behind each action.

We also believe we add significant value by addressing climate risk prevention within the company, quantifying and measuring these risks and bringing them to management's attention. We understand that most target companies have some plan to reduce the climate impact of their operations, but that it may be insufficient to achieve the intended purpose within the required timeframe and/or to capture the economic value associated with decarbonization measures.

It is worth emphasizing that our role is not only to identify problems, but also to propose perspectives that can create long-term value for the company. This approach supports the process of persuasion, particularly of the company's finance team, which is not persuaded by climate emergency arguments alone, but rather by solutions that deliver a



financial benefit to the company. If adopted, these solutions will deliver an internal rate of return (IRR) above the company's cost of capital. Our approach, therefore, is that the company will adopt the proposed measures because they are, first and foremost, "good business", in addition to their climate mitigation and adaptation co-benefits. This persuasion process is ongoing. Part of the value we add is being present within the company, helping to monitor the implementation of this climate transition and value creation plan.

Regarding the form of engagement, board seats are not the CTF's priority engagement tool. For the fund's strategy, direct and ongoing dialogue with the company is better suited, as it allows for the more dynamic and frequent interaction needed to deliver the outcomes sought by the Fund. This choice is consistent with the practice of international climate engagement leaders, which prioritize direct dialogue with the board and senior management without taking board seats. We therefore believe the best approach begins with buy-in from the company's controlling shareholder, board members and senior management, together with interaction with the CFO, which can then be cascaded into ongoing follow-up with specific departments and managers, including finance, IR, sustainability, communications, legal and technical operations, with participation in and interaction with sustainability committees as needed.

We consider engagement successful when the company becomes aware of the magnitude of the risk it faces and the related opportunities, so that together we can chart a path to its decarbonization. Our investment horizon does not require us to remain invested until the full implementation of the solutions: we seek to exit the position once the decarbonization trajectory is consolidated and embedded in the company's governance and management.

In early 2026, as part of the program's continuous improvement, we carried out a benchmarking exercise against international climate stewardship references, including asset managers and specialized engagement service providers. Based on this exercise, we developed a framework of engagement indicators organized into three categories (process, progress and impact), which will guide investee monitoring and the reporting of engagement activities from the next cycle onward.



Our methodology: constructive dialogue to influence

A common thread between international stewardship standards and the practice of leading responsible investors is the framing of engagement with investee companies as a constructive, two-way process aimed at working with the company to drive change, rather than as an adversarial or confrontational approach. The established industry term is “constructive dialogue”.

Formal stewardship standards reinforce this framing. The UK Stewardship Code defines engagement as “purposeful dialogue”; the ICGN Global Stewardship Principles (2024) advise investors to engage constructively, with good-faith cooperation from companies; and the OECD characterizes effective engagement as constructive rather than confrontational, built on aligned interests and mutual benefit.

For the CTF, this framing is even more relevant: our stewardship approach with large Latin American emitters is centered on engagement, conceived entirely as constructive dialogue. We work with investee companies to support their decarbonization journey, while maintaining a clear and transparent escalation path for cases in which dialogue does not produce adequate progress.

We believe engagement is an art: the art of listening, engaging in dialogue and influencing through diplomacy, sound science and finance.

Our engagement in numbers

- In April 2025, we invested in SABESP, bringing our portfolio to four investee companies, all of which were the subject of bilateral engagement.
- During the period, we held 25 bilateral meetings with the companies, involving their Sustainability or Investor Relations teams.



- We also took part in 6 online and in-person events together with the sustainability teams of our investee companies.
- Our engagement with investee companies covered 16 topics, including, among others, regenerative agriculture; zero deforestation; carbon asset strategies; natural capital; methane emissions; climate commitments; governance and transparency; climate justice; and market positioning.
- We published a study in partnership with one of our investee companies, followed by an online launch event with around 300 participants.

2025 Engagement Case: SLC Agrícola

Context

As the CTF's first investment, our engagement with SLC Agrícola is the most mature. The company has been held since March 2024, with engagement having begun in October 2023.

Our engagement plan with the company addresses five pillars: regenerative agriculture; zero-deforestation policy; carbon asset strategy; climate commitments & transparency; and market positioning.

Progress

Over the period covered by this report, the Fund's relationship with the company improved substantially, strengthening mutual trust and the alignment of objectives. The company proved highly receptive to the Fund's feedback and recommendations, including by incorporating suggestions to improve its reporting instruments.

We were also able to facilitate timely connections between the company and relevant stakeholders, with the aim of enhancing its climate strategies and commitments.

In this context, the frequency of bilateral engagement meetings increased, with biweekly meetings to operationalize and monitor the planned objectives and activities.

Among these activities, we highlight the publication of the study "Regenerative Agriculture, Climate Resilience and Productivity: Lessons from the SLC Agrícola Case", in partnership with SLC Agrícola. Based on a review of scientific studies and public data on SLC Agrícola's financial and operating results, the paper sought to demonstrate that regenerative practices applied consistently and at scale strengthen soil health and reduce yield variability, making them an effective strategy to reduce climate risk. The study also aimed to provide evidence and concrete parameters so that investors and policymakers incorporate climate adaptation into their decisions and recognize it as an asset in agribusiness, capable of attracting investment and financial incentives.

Finally, through this study, we were able to strengthen our constructive dialogue with the company and deepen our engagement. The joint development process intensified the technical dialogue and consolidated the perception of the Fund as a partner capable of adding concrete value to the company's climate agenda.



Principle 5: Be active and diligent in exercising voting rights

In addition to engagement, we consider that voting at shareholder meetings allows us to formally express approval or disapproval on matters relevant to the fund. However, we believe it is a less effective forum for influencing companies on decarbonization. We believe that solid engagement with company management and more direct, closer influence on the company's governance structure, in a collaborative manner, are more productive in preventing these issues from evolving in undesirable ways. Moreover, we recognize that advancing socio-environmental and governance issues through voting is challenging, particularly given the prevalence of controlling shareholders in most Brazilian companies, which limits shareholder "activism".

Nonetheless, we remain committed to exercising our voting rights actively and diligently. Voting matters (including details of the companies that called the meeting, the type of meeting and the date), together with the voting decision, are recorded in internal tools and disclosed transparently to the public.

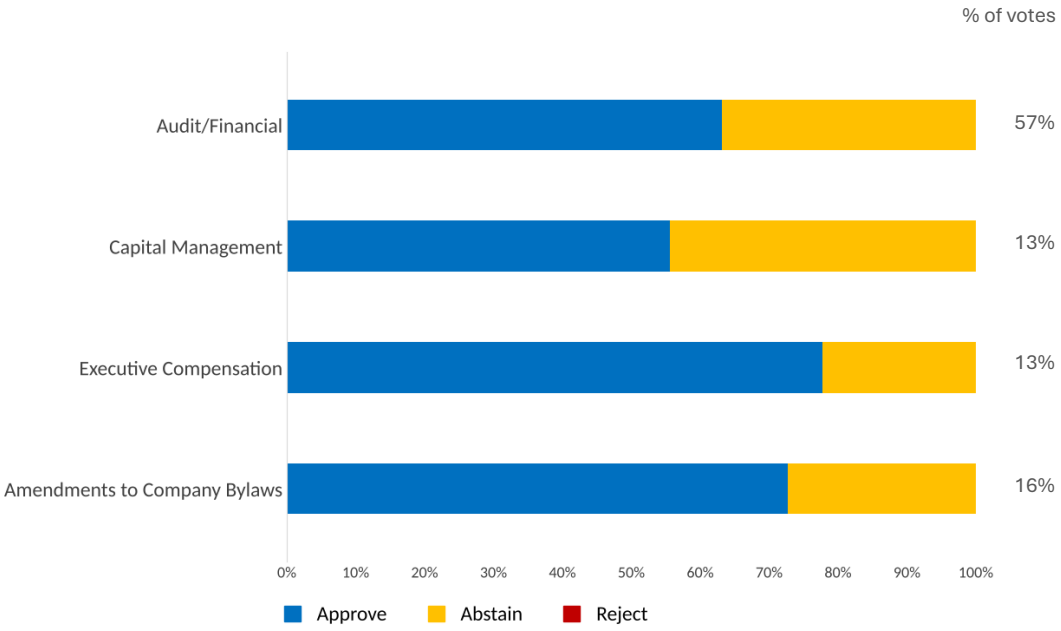
We consider it good practice, though not mandatory, to communicate our voting intentions privately and directly to the company when they differ from management's proposals. Likewise, ensuring that our votes are correctly recorded at the meetings in which we participate is crucial. We consider the use of remote voting ballots acceptable at meetings where this option is available.

During the reporting period, we did not identify any items on the agendas of investee companies' shareholder meetings that were particularly relevant to the CTF's climate stewardship objectives. Even so, we diligently monitored and assessed all agenda items, keeping our actions aligned with investors' long-term interests and our investment thesis.

In 2025, we voted at 100% of the general meetings (annual and extraordinary) at which we were entitled to vote, totaling seven (7) meetings and sixty-seven (67) proposals.



Votes by topic



Most of the proposals voted on related to “Audit/Financial”, with 57% of votes, followed by “Amendments to Company Bylaws” with 16% of votes and, finally, “Capital Management” and “Executive Compensation” with 13% of votes each.

We have a Voting Policy that sets out the general principles governing the exercise of voting rights and the resolution of potential conflicts of interest, available on the Fama Re.Capital website: www.famarecapital.com.

Principle 6: Define collective engagement criteria

We believe collaborative engagement is an essential tool to expand the reach and effectiveness of stewardship practices, especially in the face of systemic risks that require coordinated, multi-stakeholder responses. Although the Brazilian ecosystem is still developing in this field, we remain committed to strengthening this agenda and to actively participating in globally recognized initiatives.

We take part in collective engagement campaigns and programs led by recognized organizations, most notably the Principles for Responsible Investment (PRI) and its SPRING initiative, which we joined in 2023. SPRING is endorsed by more than 230 global investors representing around US$16 trillion in assets, of which nearly 90 participate directly in the engagements, with the aim of strengthening the role of investors in mitigating systemic risks related to nature, land use, climate and public governance.

Our participation in SPRING takes place at two distinct levels:

• At the institutional (firm) level: we sit on the initiative's Strategic Committee, the governance body responsible for setting SPRING's global guidelines and priorities. The firm's participation in this committee, represented by our Head of Stewardship, Caroline Prolo, ensures that the program's strategy reflects the perspectives of Latin American investors and is aligned with our integrated view of climate and nature.

• At the fund level: the CTF participates directly in the engagement groups for investee companies under SPRING. Our Head of Stewardship, Caroline Prolo, leads the dialogues with investee companies MBRF (the company resulting from the combination of Marfrig and BRF, completed in 2025) and Banco do Brasil, in coordination with other investors in the working group. These engagements are structured, ongoing and aimed at improving corporate practices related to biodiversity, nature-related risk management and the sustainable transition.

Throughout 2025, the CTF team continued to lead the respective SPRING Engagement Groups for MBRF and Banco do Brasil, having conducted initial conversations between



the investors and the companies and developed and refined the respective engagement plans. The collective engagement work co-led by Fama Re.Capital with MBRF was also highlighted in the first progress report of the SPRING initiative, which noted the consolidation of MBRF's zero-deforestation commitments. According to the company, by the end of 2025 MBRF reached 100% territorial traceability (socio-environmental monitoring) of its direct and indirect cattle suppliers across all Brazilian biomes from which it sources animals.

In 2025, Fama Re.Capital also shared its engagement experience and best practices at an online SPRING event. Given the legal and regulatory context of deforestation control in Brazil, the CTF team was also able to contribute to capacity building and the sharing of up-to-date information with foreign investors in the respective engagement groups.

In addition, at the annual PRI in Person event in São Paulo, our CIO Fabio Alperowitch presented the firm's climate *stewardship* approach, highlighting the engagement cases with Marfrig and SLC Agrícola and the role of regenerative agriculture and decarbonization in creating long-term economic value at investee companies.

Although the CTF's focus is specifically climate change, synergies with biodiversity are inevitable, especially considering that deforestation and land use are the largest source of GHG emissions in Brazil. In this regard, the collective engagement through SPRING to strengthen the zero-deforestation and no-conversion policies of MBRF and Banco do Brasil is fully aligned with the CTF's bilateral engagement with these investee companies and the respective engagement plans developed with them in this context.

In our approach to participating in collaborative stewardship initiatives, we are guided by the following key principles:

1. **Assess the credibility of the coordinating entity**: we assess the reputation and track record of the organization leading the collaborative initiative to ensure it meets our standards of integrity and effectiveness.
2. **Assess the core objectives of the initiative**: we review the initiative's stated goals and objectives to confirm that they are aligned with our own values, strategies and commitments.

3. **Examine the entities and individuals invited to participate**: we carefully review the composition of participants to ensure they bring diverse perspectives and expertise relevant to the initiative's objectives, and to identify and avoid potential conflicts of interest or misalignment with the proposal.
4. **Confirm synergy with our strategies and commitments**: we ensure that our participation in the initiative contributes positively to advancing our investment strategies and commitments, and that it is relevant to sustainability and stakeholder engagement.
5. **Assess our ability to contribute**: we assess our ability to make valuable contributions to the initiative, considering factors such as our expertise, resources and availability.
6. **Consider the initiative's level of transparency**: we assess the transparency of the initiative's processes, decision-making mechanisms and reporting practices, as we believe these are crucial to maintaining its credibility and essential as an accountability tool for interested parties.

Principle 7: Provide transparency on stewardship activities

Promoting transparency is a core principle of our stewardship approach. All engagements are meticulously documented in our internal tools and continuously monitored, allowing for structured tracking of progress and lessons learned and the identification of adjustments when needed. This practice strengthens accountability, strategic consistency and continuous improvement — in line with the evolving needs of investee companies, the market and our own objectives.

This annual report, publicly available on our website, provides a comprehensive overview of our responsible investment process, stewardship perspectives and the main activities carried out during the fiscal year. For our clients, we provide additional information on bilateral engagements. Details of our votes at shareholder meetings, including all proposals and decisions, are also published annually on our website in an accessible and structured format.

In the context of the LatAm Climate Turnaround Fund (CTF), we seek to go beyond basic *disclosure* obligations and contribute to advancing knowledge on topics material to the climate transition. As part of this commitment, we published, in partnership with an investee company, a study analyzing the impacts of regenerative agriculture on productivity and climate resilience.

The study presents evidence that regenerative practices can contribute to productivity gains and lower operational volatility under adverse climate conditions. It provides objective parameters for investors to assess and direct capital to agricultural models that are more resilient and aligned with the challenges of the climate transition.

These initiatives strengthen the transparency of our stewardship process and broaden the dissemination of relevant knowledge to investors, companies and other stakeholders, contributing to a financial system better prepared to identify and capture opportunities associated with the transition to a low-carbon economy.

As part of the continuous improvement of our Responsible Investment Policy, we are developing more robust impact metrics to monitor and communicate the socio-environmental outcomes of our strategies. As a next step, we will publish an Impact Report consolidating the methodologies, evidence and results of each fund.

Important Information



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