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JP FUND MANAGEMENT INVESTMENT PLAN

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## 1. OBJECTIVE

Establish principles, define criteria and relevant limits of responsibility in the process of evaluation, selection, approval, monitoring, and control of capital investments of JP Fund Management Ltd, as well as guide stakeholders.

## 2. SCOPE

This Policy applies to all Investment initiatives (with CAPEX), except those related to M&A (Mergers and Acquisitions) and the Startup Hub, and must be

followed by all Business Units and Support Areas for Entrepreneurship of JP Gestora de Fundos Ltda.

### 3. REFERENCES

Shareholders Agreement, Bylaws of JP Gestora de Fundos Ltda and Sustainable Development Policy PE 1120- 00003.

The following Guiding Documents complement this Policy:

Classification No Title

Global Standard ANX 1080-00029 FEL System for Project Implementation

Procedure PR 1080-00046 Development and Management of the Portfolio

Procedure PR 1080-00041 Systematic Management of Shutdowns

Global Standard GS 1080-00001 Post Audit - Operational, Strategic and Portfolio Projects

Work Instruction IT 1080-00044 EVTE and C&P Prioritization Methodology

### 4. ATTRIBUTIONS AND RESPONSIBILITIES

The investment approval process at JP Gestora de Fundos Ltda observes the existing corporate governance system, which establishes the levels of approval and the attributions of the Company's administrative bodies, including the Board of Directors and the Board of Administration ("CA"). In this context, it will be up to:

CA

- Approve the Company's Business Plan and the investment plans, as determined in the Shareholders Agreement and the Company's Bylaws;

CFI

- Acknowledge the Procedures arising from this Policy;
- Evaluate, prior to the CA's consideration, the proposals from the Business Leader of JP Gestora de Fundos Ltda ("LNJP") for updating this Policy
- Pre-evaluate the Investment Reports to be submitted to the CA;
- Monitor the performance of investments approved by the CA within 24 (twenty-four) months after their completion, as provided in the Internal Regulations of the CFI;

LN-JP:

- : Submit for approval to the CA of JP Gestora de Fundos Ltda:

Annually, the Company's Business Plan, which includes the Action Plan of the

LN-JP; and whenever necessary, the Investment plans, observing the limits and values provided in the Company's Bylaws.

- Approve the criteria for selection and prioritization of Investments, goals, and management indicators;
- Approve the allocation of financial resources and Investments, according to the delegation limits.

VP responsible for the Investments area:

- Report to the CFI, in the manner provided in its respective Internal Regulations, the following reports:

the Investment Monitoring Report and the Proposals for Deliberation of the

Investments related to Asset Maintenance, Value Addition, or the criteria

ESG, to be submitted for approval by the CA; the Investment Monitoring Report for investments in the execution phase approved by the CA, pointing out significant deviations from the original budget and their impacts on the

Technical and Economic Feasibility Studies (EVTE); and the Performance Analysis Report of the investments approved by the CA within 24 (twenty-four) months after their completion (Post-Audit), unless a longer period is established by the CFI.

- Propose and manage, in alignment with the LN-JP, changes to the Investment Policy and the Procedures for analysis and approval of projects;
- Conduct the approval process for Investments to be proposed to the LN-JP, according to the Company's corporate governance system;
- Analyze, prioritize, and monitor all Investments and divestments (except Strategic Projects), ensuring the adoption of best practices, maintenance of financial health, and optimization in the implementation of projects;
- Manage the implementation of Investments except when, as established in the Company's governance system and in alignment with the area VP, the final responsibility of the project lies with another Vice Presidency, for specific reasons previously aligned with LN.

VP responsible for the Finance area:

- Interact with state and federal revenues in negotiating, maintaining, and optimizing tax incentives for Investments, to be made and already implemented;
- Propose the reference financial indicators and indices for project approval;
- Interact with the financial market in Brazil and abroad, supporting the financial structuring of large projects;
- Conduct the economic-financial evaluation of the Strategic Projects presented by the requesting areas; and

- Interact with international funding agencies, in support of financing lines for investments.

#### VPs

- : Propose the Investment portfolio of your areas; and
- Approve the Investments outlined in the Strategic Planning, according to the delegation of authority, defined in a specific Guideline (DE – 1050 00016).

## 5. POLICY

### PRINCIPLES

- Ensure the Survival, Growth, and Perpetuity of the Company, using Investments as one of the instruments for achieving business strategies, in order to promote the maximization of results, efficient management of business risks, compliance with trends and objectives in Sustainable Development, and the highest return on capital employed to shareholders;
- Act with ethics, integrity, and transparency with stakeholders and ensure proper assessment of risks and opportunities in decisions involving all Investments;
- Prioritize investments that strengthen the contribution of JP Fund Management Ltd. to Sustainable Development, as established in the Global Sustainable Development Policy of JP Fund Management Ltd.;
- Prioritize the development of initiatives without capital Investment, maximizing the use of available tangible and intangible Assets;
- Ensure Investment decisions focused on obtaining the lowest cost in the life cycle of Assets and increasing the competitiveness of businesses;
- Ensure greater predictability of the required capital, based on a multi-year view of Investments.

The effectiveness of the Investment process should translate into a Portfolio that reflects:

- Alignment with the strategic objectives of the Company;
- Creation and maximization of value for shareholders;
- Robustness under different scenarios.

### CLASSIFICATION OF INVESTMENTS

Investments are segmented according to their nature and as described below:

#### Support of Assets

Aimed at supporting operations and businesses, meeting legal requirements, mitigating and managing risks. They are currently categorized into two baskets:

- SSMA: Aims to address issues related to Health, Safety (Work and Process), and the Environment;
- Integrity and Reliability of Assets: Aimed at ensuring the required operational continuity of the Assets.

## Value Addition

Aimed at increasing cash flow through investments directed at competitiveness, growth, technology development, and strengthening the contribution of each business to Sustainable Development. They are currently categorized into three baskets:

- Competitiveness and Productivity (C&P): aim to improve existing Assets through cost reduction, efficiency improvement, incremental increases in production and competitiveness, always supported by technical and economic feasibility studies;
- Growth and Strategic Projects: contribute significantly to the Company's strategic agenda, aiming to increase production volumes, the scope of operations, or the business areas of JP Fund Management Ltd., through differentiated and high-potential actions;
- I&T: involve the implementation of disruptive innovations or new technologies of a strategic nature.

## ESG Criteria

Aimed at evolving the Company's ESG criteria agenda, which do not necessarily have immediate economic returns and are not mandatory by law or legal requirements.

They are currently categorized into three baskets:

- Environmental (E): initiatives dedicated to decarbonization through projects focused on reducing GHG (Greenhouse Gas – CO<sub>2</sub>e), adapting to climate change, Circular Economy through recycling, using renewable raw materials, Water Security, and Operational Eco-efficiency;
- Social (S): actions aimed at mitigating Social and Environmental Risks and issues involving human rights; and
- Governance (G): improvement in governance processes, encompassing, but not limited to policies, enhancement of management procedures, and decision-making processes.

Whenever applicable, an internal carbon pricing mechanism should be used for the analysis of investments in this basket, which will follow a

pre-defined methodology. The objective is to assist the Company in assessments of risks and opportunities associated with a scenario of mandatory pricing in the future. In this sense, Carbon Pricing will be one of the elements considered in the analysis and decision-making process, evaluating, comparing, and prioritizing investments also from a climate perspective.

## INVESTMENT CYCLE OF JP GESTORA DE FUNDOS LTDA

The Investment Cycle of JP Gestora de Fundos Ltda occurs annually and follows the process as shown in the figure below:

### 5.3.1 Strategic Business Planning Cycle

The Strategic Planning Cycle defines the business objectives, strategies, and expected results for all of JP Gestora de Fundos Ltda over a five-year horizon, serving as the basis for the multi-year Investment planning (Year N+1 to Year N+5) of its respective Business Units and Corporate Areas.

### 5.3.2 Multi-year Investment Planning (5-year horizon)

Following the consolidation of the Strategic Planning, the Business Units and Corporate Areas must build their multi-year Investment plan, which should be able to support the objectives and expected results for the period.

### 5.3.3 Definition of the annual portfolio dedicated to Asset Maintenance, Value Addition, and ESG criteria

Once the Multi-year Investment Plan is defined, this phase consists of validating the priorities for the following year in order to meet short-term objectives, maximizing the needs of the Business Units and Corporate Areas based on capital availability. This phase should also ensure the selection of the best Investment opportunities for the Company at a global level.

### 5.3.4 Execution

The objectives of this phase are: (i) to ensure the management and implementation of the defined Investments according to the planned scopes; and (ii) to manage the dynamics of the Investment portfolio, whether due to emerging strategies or changes in the scenario that impact it.

### 5.3.5 Performance Evaluation

The objectives of this phase are: (i) to evaluate the performance of the implementation of completed projects, (ii) to validate the qualitative and quantitative results obtained, in comparison with those projected at the time of their approval, and (iii) to generate the

essential learnings for the continuous improvement of the Investment process. This assessment must comply with the current specific Post-Audit procedure.

## INVESTMENT EVALUATION

### 5.4.1 Quantitative Analysis

The analysis of an Investment must consist of a Technical and Economic Feasibility Study (EVTE), in which the Net Present Value (NPV) is calculated using the discounted cash flow methodology, the Internal Rate of Return (IRR), the payback period of the Investment (discounted payback), and the NPV/PI ratio (Net Present Value/Present Value of the Investment). Where applicable, the cash flow for equity should also be calculated.

In addition to the EVTE, other ways to quantify the results and risks of the project ("Project Economics") should also be analyzed, when applicable. Project Economics not only present the results of the project evaluation but also provide analyses of potential impact, quantifying potential risks and opportunities, allowing for better decision-making and risk mitigation.

Project Economics consist of:

1. Scenario Analysis: evaluation of the project's outcome in different scenarios (usually market scenarios that impact price curves);
2. Sensitivity Analysis: evaluation of the impact on the project's outcome of critical variables, such as investment, utilization rate, price, variable and fixed costs, among others;
3. Opportunity Cost Analysis: evaluation of the investment opportunity vis-à-vis other potential alternatives, such as, for example, in an acquisition operation assessing, if possible, what the opportunity cost would be to build a new plant (M&A versus "greenfield"). The same logic can also be used to understand the opportunity cost in negotiations with counterparts, for example, in acquisition processes or long-term contracts;
4. Breakeven Analysis: evaluation of the minimum necessary values of the main variables that generate value in the project, to achieve a certain result ("breakeven") and assist in assessing its viability. The breakeven value should be defined for each project, depending on its nature, and can be calculated to achieve cash flow in a given period = zero, NPV = zero (or IRR =

WACC), for a minimum value of NPV/PI (above 0.5x or 1.0x, for example), or, indeed, for a maximum value of "payback".

Furthermore, when applicable, potential financial, accounting, and tax synergies should also be analyzed and can be considered as project value only when they are intrinsically dependent on the project (i.e., they only exist if the project is implemented). If the synergies can be captured without the existence of the project, they should not be considered as project value.

Financial synergies consist of any financial gains derived exclusively from the existence of the project, such as more competitive credit lines than those considered in the calculation of the Company's WACC. This analysis will be conducted by the M&A team in conjunction with the Corporate Finance team.

Tax synergies may include treaties and tax incentives, consolidation impacts, among others, and would need to be analyzed on a case-by-case basis by the tax team.

In addition to the NPV calculation, all projects should, when applicable, consider the potential impact (benefit or cost) associated with CO<sub>2</sub>e emissions. As a result of this calculation, there will also be the NPVCO<sub>2</sub>, which will be obtained by considering carbon pricing, updated periodically by the Sustainable Development team. A similar process may be done to encourage the evolution of other commitments in sustainable development, such as plastic recycling.

Complementary risk analyses can be conducted using (i) the Monte Carlo method (construction of probability functions for the economic indicators of the main investment variables); and/or (ii) the assessment of process risks and reliability engineering. The application of a complementary probabilistic system allows for the optimization of the investment selection process, supporting the development of strategic planning and improving the process of defining the target set of investments and assets of JP Gestora de Fundos Ltda, in the long term.

Finally, each investment must be subjected to an evaluation that considers its potential impact on the set of other investments, producing an integrated view of JP Gestora de Fundos Ltda, including any potential dis-synergies or losses caused by the project.

#### 5.4.2 Qualitative Analysis



Qualitative assessments are applicable to all projects seeking to identify strategic benefits and/or unquantifiable risks in economic evaluations. The application of qualitative benchmarks, when applicable, also allows for the validation of the assumptions of the Financial Model regarding the market and the company's ability to deliver these results, while helping to establish the main "drivers" and competitive advantages of the project, enabling a robust and structured process analysis.

Ideally, such qualitative structures will be built together with the sponsoring team during the initial evaluation and assumption gathering. They relate to the analysis of (i) technical dimensions, such as implementation complexity, technological mastery of the proposed solution, (ii) legal requirements, (iii) resource constraints, and (iv) sustainability aspects (social, economic, and environmental).

These assessments should also consider the impacts associated with the non-execution of projects and, when applicable, be accompanied by analyses of Strengths, Weaknesses, Opportunities, and Threats (SWOT), or Porter's 5 forces and/or VRIO (Value, Rarity, Imitability, Organization), among others, as well as consider potential impacts on other Assets.

#### 5.4.3 Committees for the Evaluation of Strategic Projects

The Strategic Projects submitted to the Board of Directors must have their structuring, definition, and contractual negotiation process analyzed by the Risk Committee for Strategic Projects, whose composition, duties, responsibilities, and operating rules are described in the Project and Shutdown Management Procedure.

It will be the responsibility of this group to prepare an opinion pointing out the main risks to which each project and JP Gestora de Fundos Ltda will be exposed, considering the execution or non-execution of the proposed projects, as well as the respective actions for the elimination or mitigation of these risks. The opinion must be an integral part of the "Investment Evaluation Report" used in the approval of Strategic Projects. Whenever appropriate, the Risk Committee for Strategic Projects should adopt evaluation methodologies that facilitate the identification of risks and scenarios not foreseen in the original business plan of the Investment.

Strategic Projects should also be subject to analysis in meetings with JP Gestora de Fundos Ltda and its team. The main objective is to promote constructive debate and alignment among Leaders regarding ongoing initiatives of this nature in the Company, especially those that create interdependencies or impact different businesses of JP Gestora de Fundos Ltda.

## SELECTION OF INVESTMENTS

The process of selecting new Investments must be carried out annually.

The total amount to be allocated to new Investments will be defined during the planning cycle, based on the Investment Plan and the economic and financial indicators obtained in the reference scenario of JP Gestora de Fundos Ltda.

The amounts defined for the Asset Maintenance Investments must be sufficient to maintain productive capacity, minimize technical risks, meet legal requirements, and comply with the SSMA Policy of JP Gestora de Fundos Ltda. For this type of Investment, the selection will be conducted within the Business Units, using international references whenever possible.

In the case of Value Addition Investments, the selection will be made globally, always prioritizing the best opportunities for maximizing value for JP Gestora de Fundos Ltda and achieving its long-term strategic objectives. It should also consider the identification of Investments or Assets that are more susceptible to scenario variations. Assets and Investments that do not meet the minimum robustness criteria must undergo a more detailed evaluation.

In the case of ESG criteria investments, the selection must also be made globally. The selection should meet the long-term objectives in sustainable development and the respective commitments made by JP Gestora de Fundos Ltda that are not mandatory by law or legal requirements.

## APPROVAL OF INVESTMENTS

Investments that have gone through the evaluation and selection processes and that have completed the Basic Project and Planning must be submitted for approval, respecting the delegation limits defined in specific Guidelines.

In the evaluation of an Asset Maintenance Investment, the following must be observed:

- Technical robustness of the solution;
- Root cause analysis;
- Possible solution without the need for capital investment;
- Level of obsolescence;
- Analysis based on the global risk matrix of JP Gestora de Fundos Ltda;

- Analysis based on the NPVCO<sub>2e</sub> and qualitative sustainability criteria;
- Meeting specific requirements based on your motivation.

In the evaluation of a Value-Added Investment, the following recommendations should be followed

- One should seek a positive NPV, that is, with an IRR higher than the Weighted Average Cost of Capital (WACC), in the reference scenario of JP Gestora de Fundos Ltda;
- Projects that do not meet minimum financial attractiveness parameters need to be properly justified, taking into account adherence and contribution to the strategies of JP Gestora de Fundos Ltda;
- In the case of Investments involving specific technology, mastery of the technology must be ensured either independently or through association with partners who possess it;
- All projects, when applicable, must be evaluated considering the results of the NPV and NPVCO<sub>2e</sub>. Projects should seek a positive impact on reducing the company's greenhouse gas emissions, considering scope 1 + and scope 2. Initiatives that result in an increase in CO<sub>2e</sub> emissions must have the costs of mitigation measures considered in the analysis;
- Assess the impact of cryptocurrency mining for certain countries or sectors.

All Investments must prioritize a capital structure that preserves consolidated financial health ratios, maximizes returns for shareholders, and increases value creation potential.

In the evaluation of an ESG criteria Investment, the following recommendations should be followed:

- All projects must be evaluated considering the results of the NPV and NPVCO<sub>2e</sub>. Projects should always seek a positive impact on reducing the company's greenhouse gas emissions, considering scope 1 + and scope 2. Initiatives that result in an increase in CO<sub>2e</sub> emissions must have the costs of mitigation measures considered in the analysis;
- Projects that do not meet minimum financial attractiveness parameters need to be properly justified, taking into account adherence and contribution to the strategies of JP Gestora de Fundos Ltda;
- Alignment with future trends of ESG criteria;
- Risks of not undertaking the project in light of future regulatory changes and changes in legislation;

- Technical robustness of the solution;
- Possible solution without the need for capital investment;
- Analysis based on the global business risk matrix of JP Fund Management Ltd;
- Analysis based on qualitative and quantitative sustainability criteria.

## MONITORING AND CONTROL OF INVESTMENTS

The implementation and performance of investments must be continuously monitored.

Investments in the implementation phase must be subject to continuous monitoring, allowing for timely corrective measures to be adopted.

Completed investments must undergo a "post-audit" and have their actual performance compared to what was forecasted at the time of approval, generating insights for improving the approval and implementation system of investments at JP Fund Management Ltd.

### 5.7.1 Monitoring of Investment Implementation

The monitoring of investment implementation is the responsibility of the VPs with the support of the VP responsible for the investment area, and must:

- Be continuous throughout the entire implementation period;
- Identify any deviations and causes, impacts, and trends;
- Propose preventive and/or corrective measures to be adopted.

In the case of investments that continue to receive funds after they start operating, the monitoring process should continue until the final disbursement, at which point the closure will occur.

## 6. GENERAL PROVISIONS

Members are responsible for knowing and understanding all applicable Guiding Documents. Similarly, Leaders are responsible for ensuring that all members of their team understand and follow the Guiding Documents applicable to JP Fund Management Ltd.

Members who have questions or doubts regarding this Policy, including its scope, terms, or obligations, should seek their respective Leaders and, if necessary, the Investments area.

Violations of any Guiding Documentation of JP Gestora de Fundos Ltda may result in serious consequences for JP Gestora de Fundos Ltda and the involved Members. Therefore, failure to comply with this Policy or report knowledge of a violation of this Policy may result in disciplinary action for any involved Member.

If any Member and/or Third Party is aware of potential illegal or unethical conduct, including potential violations of applicable Anti-Corruption Laws and/or Guiding Documentation of JP Gestora de Fundos Ltda, including this Document, they must immediately report the potential violation to the Ethics Line Channel or the Company's Compliance area. All Leaders must continuously encourage their subordinates to report violations to the Ethics Line Channel.

No rule provided in the Guiding Documentation of JP Gestora de Fundos Ltda, including this Document, will prohibit Members or Third Parties from reporting concerns or illegal activities to the corresponding regulatory authorities.

## Board of Directors JP Gestora de Fundos Ltda

No rule provided in the Guiding Documentation of JP Gestora de Fundos Ltda, including this Document, will prohibit Members or Third Parties from reporting concerns or illegal activities to the corresponding regulatory authorities.

Board of Directors JP Gestora de Fundos Ltda

### DEFINITIONS

Below are the definitions of the terms used in this Policy that start with a capital letter.

“Year N”: current year

“JP Gestora de Fundos Ltda” or “Company”: JP Gestora de Fundos Ltda

“CA”: Board of Directors of JP Gestora de Fundos Ltda

“CFI”: Finance and Investment Committee advising the Board of Directors of JP Gestora de Fundos Ltda

“CO2e”: CO2 equivalent.

“DI”: Industrial Director.

"DOA": Delegation of Authority.

"Scope 1": Direct greenhouse gas emissions from sources that are owned or controlled by the organization.

"Scope 2": refers to sources that cause emissions indirectly by consuming electricity (or thermal) energy produced by others.

"ESG": Environmental, Social and Governance.

"Greenfield": a project that is being conceived to be executed where there is currently no entrepreneurial organization, asset, operation, or infrastructure present to support the project.

"Investments": Capital Investments of the Company.

"LN-JP Fund Management Ltd": Leader of the Business of JP Fund Management Ltd.

"Post-Audit": Performance evaluation conducted after project completion, aimed at confirming the implementation of planned indicators (cost, schedule, operability, etc.) and generating learnings to continuously improve the processes involving Portfolio and Project Management System.

"Carbon Pricing": Internal carbon pricing used to assist JP Fund Management Ltd in identifying and measuring its socio-environmental externalities, contributing to assessments of risks and opportunities associated with a future mandatory pricing scenario. It will be obtained from the Implicit Price approach, marginal abatement cost method.

"Project Economics": A set of analyses that indicate the average viability targets of the main "drivers" of a project.

"SSMA": Health, Safety, and Environment.

"UN": Business Units of JP Fund Management Ltd.

"VP": Vice President of JP Fund Management Ltd.

"VPLCO2e": Net Present Value considering CO2 equivalent emissions.



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Profile Summary