



LEA 02	Disclosures Monetary	Reason for interaction	Principle PRI 1,2,3
<p>Type of engagement Individual/ internal staff engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or other specific <input type="checkbox"/> We do not engage via internal staff <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for additional or other specific 		
<p>Type of engagement Collaborative engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for additional or other specific <input type="checkbox"/> We do not engage via collaborative engagements <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for additional or other specific 		
<p>Type of engagement Service provider engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for additional or other specific <input type="checkbox"/> We do not engage via service providers <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for additional or other specific 		

RI TRANSPARENCY REPORT

2013/14

DGF Investimentos

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2013-14 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
⚠	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

PRI disclaimer

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Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	n/a							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Private							✓
OO 10	RI activities for listed equities	🔒	n/a							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Private							✓
OA 07	Governance, management structures and RI processes	✓	Private							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Private							✓
OA 19	Internal and external review and assurance of responses	✓	Private							✓

Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Breakdown of investments by strategy	✓	Private							✓
PE 02	Typical level of ownership	✓	Private							✓
PE 03	Description of approach to RI	✓	Private	✓						✓
PE 04	Investment guidelines and RI	✓	Public		✓					
PE 05	Fund placement documents and RI	✓	Public	✓			✓		✓	
PE 06	Formal commitments to RI	✓	Private				✓			
PE 07	Incorporating ESG issues when selecting investments	✓	Public	✓						
PE 08	ESG advice and research when selecting investments	✓	Private	✓						
PE 09	ESG issues in investment selection process	✓	Public	✓		✓				
PE 10	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PE 11	Encouraging improvements in investees	✓	Private	✓	✓					
PE 12	ESG issues impact in selection process	✓	Private	✓						
PE 13	Proportion of companies monitored on their ESG performance	✓	Public		✓					
PE 14	Proportion of portfolio companies with sustainability policy	✓	Public		✓					
PE 15	Actions taken by portfolio companies to incorporate ESG issues into operations	✓	Private		✓					
PE 16	Type and frequency of reports received from portfolio companies	✓	Private		✓	✓				
PE 17	Disclosure of ESG issues in pre-exit	✓	Private		✓					
PE 18	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PE 19	Examples of ESG issues that affected your PE investments	✓	Private	✓		✓				
PE 20	Disclosure of ESG information to public and clients/beneficiaries	✓	Public							✓
PE 21	Approach to disclosing ESG incidents	✓	Private							✓

DGF Investimentos

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01	Mandatory	Gateway/Peering	General
-------	-----------	-----------------	---------

OO 01.1 Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Execution and advisory only services

OO 02	Mandatory	Peering	General
-------	-----------	---------	---------

OO 02.1 Select the location of your organisation's headquarters.

Brazil

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

1

2-5

6-10

>10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

15

OO 03	Mandatory	Descriptive	General
-------	-----------	-------------	---------

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

Yes

No

OO 04	Mandatory	Gateway/Peering	General
-------	-----------	-----------------	---------

OO 04.1 | Indicate the year end date for your reporting year.

31/12/2013

OO 04.2 | Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM			883	000	000
Currency	BRL				
Assets in USD			373	471	835

OO 04.3 | Indicate the level of detail you would like to provide about your asset class mix.

- Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06	Mandatory	Descriptive	General
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OO 06.1 | To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- Publish our asset class mix as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income – corporate	0	0
Fixed income – government	0	0
Fixed income – other	0	0
Private debt	0	0
Private equity	100	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0

Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

Publish our asset class mix as broad ranges

Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

Gateway asset class implementation indicators

OO 11	Mandatory	Gateway	General
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OO 11.1	Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.
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- Private equity
- None of the above

In our investments selection process, DGF gives priority to companies that incorporate social and environmental principals in their activity. These principals are then analyzed in more detail throughout the due diligence process, for example the committee considers the existence of contract employees, benefit plans in accordance with the law, tax contingencies and environmental licenses.

In the FIPAC 2 by-laws agreed between DGF and its investors it is stated that "The FUND shall not invest in TARGET COMPANIES operating in the gun, smoke and game sectors, as well as those whose activities could, effectively or potentially, impact the moral and good behavior."

Additionally, a number of actions were conducted by the Fund Manager with relevant impact on the investees at the social, environmental and governance levels. Further details of the policies put in place and maintained are provided below for each investee of the fund FIPAC.

Digipix:

- Digipix was a worldwide pioneer in the implementation of a more environmental-friendly printing process, known as "Ecopix", base on which there is a case presented by HP referring to Digipix (<http://www.youtube.com/watch?v=cWNhJizouls>). There are a number of advantages from the environmental point of view worth to be mentioned, namely the use of paper certified by FSC (Forest Stewardship Council - Brasil), the reduction of energy consumption and the withdrawal of heavy metals, namely silver, from the printing process and, finally, the avoidance of releasing contaminating liquids to the environment contrary to more common processes;
- Ensured the company recognized the staff as full time employees, rather than contract employees, giving them access to government sponsored (but employer paid) health, vacation and retirement plans;
- Improved the governance structure and assisted the founders in putting in place relevant and important board policies;

Exopro

- Reformulated the business plan to adapt the company to the new situation of the market, making the company much more competitive than initially expected at the time of the investment;
- Contributed to structuring the P&D department so as to differentiate Exopro's implants from its competitors and keep its prominent position in the market;
- Allocated a DGF team member as CFO of the company to structure the company's working capital management and thereby mitigating its cash issues;
- Maintained the full time employees policy, in detriment of contract employees, applying it to existing and new employees hired;
- P-I Brånemark Institute, to which Exopro is associated, is a non-profit organization that provides free health services of the highest quality to all people regardless of their financial condition and is focused on facial and dental surgery.

Brasvending

- Contributed to the certification of the coffee that Brasvending uses in all its machines, which is certified by the Rainforest Alliance (an organization that guarantees the sustainability of the farm-management system);
- Maintained the environmental friendly measures already in place, namely the collection and recycling of the plastic cups used by its larger clients;
- Restructured financial and operational controls, enabling a real improvement in the management processes, which needed to be reformed to take the company to a new level of development;
- Accelerated its growth by making the company working more efficiently;
- Maintained the full time employees policy, in detriment of contract employees, applying it to existing and new employees hired.

Mastersaf

- Enabled attractive financing from public banks by intervening in the hiring process of Senior Managers, which allowed the company to work more efficiently and to leverage a fast and robust growth in a short period of time;
- Maximized the market potential value of the investee, making possible a highly successful operation, due to its proactive approach to national and international investors, such as Thomson Reuters, which became the acquirer of the company;
- Maintained the full time employees policy, in detriment of contract employees, applying it to existing and new employees hired.

APS

- Improved the administrative and sales teams of the company creating a robust flow of new projects;
- Proactively approached strategic investors establishing a strong relationship between them and the company, which is likely to generate future successful deals;
- Maintained the full time employees policy, in detriment of contract employees, applying it to existing and new employees hired;
- Enabled APS to take larger and more complex projects on energy efficiency both in projects sponsored by concessionaries and private projects.

Softway

- Advised on new acquisitions performed in 2010 (Lalur Informática and Lumen IT);
- Improved customers portfolio and guaranteed an efficient customers management maintaining previous clients and actively prospecting new ones;
- Conducted a comprehensive and thorough negotiation process to transform contract employees into full time employees, guaranteeing them several benefits (government sponsored health paid by the employer, vacation and retirement plans) and increasing the amount of transfers to the government in the form of income taxes and social security;
- Maximized the value obtained by the investee in the sale to Thomson Reuters due to its proactive approach to national and international investors and the implementation of best-practices in the company, namely personnel restructuring mentioned above;
- Contributed to balancing the percentage of women within the company, which went up from 40/60 to 50/50;
- Contributed to a more equal sharing-profit policy, according to which employees also benefit from the company good operating results;
- Helped implement a policy aimed at Softway's suppliers, whereby they are invited to gradually convert contract employees into full time employees.

OO 12	Mandatory	Gateway	General
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OO 12.1	The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.
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Core modules

- Organisational Overview
- Overarching Approach (including assets which do not have a separate module)

RI implementation directly or via service providers

Direct - Other asset classes with dedicated modules

Private Equity

Closing module

Closing module

Note: Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

DGF Investimentos

Reported Information

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Overarching Approach

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Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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OA 01.1 Indicate if you have a responsible investment policy.

- Yes
 No

OA 01.2 Indicate if you have other guidance documents or more specific policies related to responsible investment.

- Yes
 No

OA 01.3 Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]

DGF's participation in portfolio company decisions seeks to shape the strategic development of the portfolio company as well as establish a clear framework for governance and professional management.

In the former funds, FIPAC, REIF, etc., DGF played a crucial role in almost all of its portfolio companies in conducting comprehensive and thorough negotiation processes, for instance, to transform contractors into full time employees, guaranteeing them several benefits (government sponsored health paid by the employer, vacation and retirement plans) and increasing the amount of transfers to the government in the form of income and social security taxes in compliance with labor law)

In the FIPAC 2 by-laws agreed between DGF and its investors there are limitations to the type of businesses DGF FIPAC 2 can invest in and guidelines that set basic principles DGF team should follow in its investment decisions.

Additionally, DGF team can incorporate E&S clauses into the Shareholders' Agreements and Investment Agreements to require portfolio companies to comply with the Fund's E&S requirements.

Once a transaction has been approved, the DGF team will periodically monitor the investee company ongoing compliance with the environmental and social clauses stipulated in the legal agreement.

OA 02	Mandatory	Core Assessed	PRI 6
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OA 02.1 Indicate if your responsible investment policy is publicly available.

- Yes

OA 02.2	Provide a URL to your responsible investment policy.
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URL	http://www.cvm.gov.br
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No

OA 02.3	Indicate if your other policies or guidance documents related to responsible investment are publicly available.
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Yes

No

OA 03	Mandatory	Core Assessed	PRI 1,2
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OA 03.1	Indicate the components/types and coverage of your responsible investment policy and guidance documents.
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Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 03.2	Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]
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As mentioned before, FIPAC 2 by-laws set some general principles DGF team shall follow in their overall approach to the investment process.

Additionally, DGF team can incorporate E&S clauses into the Shareholders' Agreements and Investment Agreements to require portfolio companies to comply with the Fund's ESG requirements. Afterwards, once a transaction has been approved, the DGF team will periodically monitor the investee company ongoing compliance with the environmental and social clauses stipulated in the legal agreement.

OA 04	Mandatory	Core Assessed	General
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OA 04.1

Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

- Yes
- No

Objectives and strategies

OA 05

Mandatory

Gateway/Core Assessed

General

OA 05.1

Indicate if your organisation sets objectives for its responsible investment activities.

- Yes

OA 05.2

Indicate how frequently your organisation sets or revises objectives for responsible investment.

- At least once per year
- Less than once per year

OA 05.3

Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- Quarterly
 - Biannually
 - Annually
 - Every two years or less
 - It is not reviewed
- No

Governance and human resources

OA 08

Mandatory

Gateway/Core Assessed

General

OA 08.1

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
- Portfolio managers
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify
- Other role, specify

Promoting responsible investment

OA 10	Mandatory	Core Assessed	PRI 4,5
OA 10.1	Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.		
	<input type="radio"/> Yes <input checked="" type="radio"/> No		
OA 10.3	Additional information. [Optional]		

Interamerican Investment Corporation - Taller de Gestión Medioambiental

OA 11	Mandatory	Core Assessed	PRI 4
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OA 11.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Other, specify

No

OA 11.3

Additional information. [Optional]

Interamerican Investment Corporation - Taller de Gestión Medioambiental

DGF Investimentos

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Direct – Private Equity

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Overview

PE 04	Mandatory	Core Assessed	PRI 2
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PE 04.1 Indicate if your organisation's investment guidelines for private equity refer to responsible investment.

Our investment guidelines do refer to responsible investment

PE 04.2

Describe how your organisation's investment guidelines outline your expectations on staff and portfolio companies' approach towards ESG issues [Optional].

DGF team can incorporate E&S clauses into the Shareholders' Agreements and Investment Agreements to require portfolio companies to comply with the Fund's E&S requirements. In doing so, it helps the DGF team to reduce the Fund's exposure to the E&S risks associated with the investees operations throughout the lifetime of the transactions and gives DGF legal recourse in case of non-compliance. The specific language will depend on the type of transaction and potential E&S risks identified during the due diligence process but generally addresses the following areas:

- Positive covenants: actions to be taken for compliance with national E&S regulations and international standards. DGF is permanently seeking to ensure that tax policies, accounting principles, employees contracts, environmental standards, licenses of all sorts concerning the operating activity are in conformity with laws and best practices.
- Negative covenants: actions that the portfolio company should refrain from undertaking;
- Conditions precedent: conditions to be fulfilled prior to disbursement of funds by the Fund;
- Event of default: an event that entitles the Fund to cancel the transaction and declare all amounts owed by the investee; and
- Corrective action plan: to be included as an annex to the shareholders' agreement outlining specific mitigation actions to be taken by the investee company according to an agreed timeframe for implementation.

Afterwards, once a transaction has been approved, the DGF team will periodically monitor the investee company ongoing compliance with the environmental and social clauses stipulated in the legal agreement

Our investment guidelines do not refer to responsible investment

We do not have investment guidelines

Fundraising of private equity funds

PE 05	Mandatory	Core Assessed	PRI 1,4,6
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PE 05.1	Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.
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Yes

PE 05.2	Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:
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- Policy and commitment to responsible investment
 - Always
 - In a majority of cases
 - In a minority of cases
- Approach to ESG issues in pre-investment processes
 - Always
 - In a majority of cases
 - In a minority of cases
- Approach to ESG issues in post-investment processes
 - Always
 - In a majority of cases
 - In a minority of cases

PE 05.3	Describe how your organisation refers to responsible investment in fund placement documents (PPMs or similar). [Optional]
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In the FIPAC 2 by-laws agreed between DGF and its investors there are limitations to the type of businesses DGF FIPAC 2 can invest in and guidelines that set basic principles DGF team should follow in its investment decisions

DGF team can incorporate E&S clauses into the Shareholders' Agreements and Investment Agreements to require portfolio companies to comply with the Fund's E&S requirements.

Once a transaction has been approved, the DGF team will periodically monitor the investee company ongoing compliance with the environmental and social clauses stipulated in the legal agreement.

No

Pre-investment (selection)

PE 07	Mandatory	Gateway	PRI 1
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PE 07.1	Indicate if your organisation typically incorporates ESG issues when selecting private equity investments.
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Yes

PE 07.2

Describe your organisation's approach to incorporating ESG issues in private equity investment selection. [Optional]

In the FIPAC 2 by-laws agreed between DGF and its investors there are limitations to the type of businesses DGF FIPAC 2 can invest in and guidelines that set basic principles DGF team should follow in its investment decisions.

"Investments in target companies that have incorporated or are incorporating basic social responsibility, environmental and ethics principals must be prioritized, in compliance with the Responsible Investment Principles - PRI, such as:"

- Publication of Social Balance Sheet;
- Statement of absence of child labor or compulsory work;
- Equal treatment between own and outsourced workforce;
- Environmental protection;
- Social inclusion and income generation policies;
- Participation in social projects;
- Ethics and transparency;
- ISO 14.000 Certification.

Additionally,

"The INVESTEES shall comply with the following requirements":

- operate with good human resources practices in order to develop, to the extent possible, their human capital, provided that they should adopt, on best efforts basis, social environmental responsibility standards; implement the corporate governance standards set forth in 3,792 RESOLUTION, with respect to the allocation of resources from benefit plans of complimentary pension fund entities to companies admitted for trading in special segment pursuant to Novo Mercado or classified according to Level 2 of BM&FBovespa;
- absence of children or slave labor;
- conduct and perform, under market conditions, with the same treatment generally given to the other companies/market individual entrepreneurs, in any commercial and/or financial operations, provided that the same should be applicable to the execution of any agreements with (i) companies in which the company or the controlling shareholders, individually or jointly, hold shareholding control or direct or indirect interest; (ii) affiliated companies of the company, and (iii) when and if applicable, the relatives of the controlling shareholders, such as the spouse and blood or affinity relatives in direct or collateral line up to the fourth degree;"

No

PE 09	Mandatory	Core Assessed	PRI 1,3
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PE 09.1	Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.
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ESG issues

Environmental

List up to three typical examples of environmental issues

Digipix - implementation of a more environmental-friendly printing process base on which there is a case presented by HP referring to Digipix.

Brasvending - certification of the coffee that Brasvending uses in all its machines, which is certified by the Rainforest Alliance.

APS - takes complex projects on energy efficiency which have huge impact on environmental and sustainability development, enabling clients to use resources more efficiently.

Social

List up to three typical examples of social issues

Softway - reduction from approximately 100 contractors at the time of the investment to nearly zero throughout the 3 years of investment period.

Softway - Contributed to balancing the percentage of women within the company, which went up from 40/60 to 50/50.

Governance

List up to three typical examples of governance issues

Exopro - Allocated a DGF team member as CFO of the company to structure the its working capital management and thereby mitigating its cash issues.

Digipix - Improved the governance structure and assisted the founders in putting in place relevant and important board policies.

APS - Improved the administrative and sales teams of the company creating a robust flow of new projects, including from new sectors which have

PE 09.2 Additional information. [Optional]

In the investment selection process there some typical ESG issues that are in general common to the majority of the companies we prospect, namely the number of contractors of the company and the lack of governance and sufficient specialized people within the different areas of the company (human resources, financial, accounting and commercial departments, etc.) to sustain a more rapid growth.

Above it is mentioned some examples of ESG issues addressed in some of the investees of the portfolio FIPAC.

Post-investment (monitoring and active ownership)

PE 13

Mandatory

Gateway/Core Assessed

PRI 2

PE 13.1

Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.

Yes

PE 13.2 Indicate the proportion of portfolio companies where your organisation included ESG performance in investment monitoring during the reporting year.

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies

(in terms of total number of portfolio companies)

PE 13.3 Indicate ESG issues for which your organisation typically sets and monitors targets (KPIs or similar) and provide examples per issue.

ESG issues

- Environmental
- Social

List up to three example targets of social issues

Number of contractors and number of employees in general.
Tax collection.

- Governance

List up to three example targets of governance issues

Performance of C-level executives, some of whom are indicated by DGF as well as performance of areas that DGF helps structure.
Montly meetings with all members of the board of director
Financial best practices

- We do not set and/or monitor against targets

No

PE 14	Mandatory	Core Assessed	PRI 2
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PE 14.1 Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).

- Yes

PE 14.2 Indicate what percentage of your portfolio companies has an ESG/sustainability policy (or similar guidelines).

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- 0% of portfolio companies

(in terms of total number of portfolio companies)

No

PE 14.3 Additional information. [Optional]

All portfolio companies at least has a guideline to formalize all its employees, which closely monitor by DGF team.

Communication

PE 20

Mandatory

Core Assessed

PRI 6

PE 20.1

Indicate whether your organisation proactively discloses ESG information on your private equity investments.

- Disclose publicly
- Disclose to investor clients (LPs)/beneficiaries only
- No proactive disclosure to the public or to clients (LPs)/beneficiaries