



LEA 02	Disclosures: Mandatory	Reason for interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in &amp; company's internal ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency on diversity and inclusion</p> <p><input type="checkbox"/> To engage internal ESG decision-makers</p> <p><input type="checkbox"/> To support investment decision-making in &amp; company's internal ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency on diversity and inclusion</p> <p><input type="checkbox"/> Other: specify</p>	<p><input checked="" type="checkbox"/> To support investment decision-making in &amp; company's internal ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency on diversity and inclusion</p> <p><input type="checkbox"/> To engage internal ESG decision-makers</p> <p><input type="checkbox"/> To support investment decision-making in &amp; company's internal ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency on diversity and inclusion</p> <p><input type="checkbox"/> Other: specify</p>	
Collaborative engagements			
Service provider engagements			

# RI TRANSPARENCY REPORT

## 2013/14

Kaeté Investimentos Ltda

## 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	✓	Public							✓
OO 09	Additional information about organisation	✓	Public							✓
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							✓

# Kaeté Investimentos Ltda

## 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 01.2 Additional information. [Optional]

Fund management is 100% of Kaete's business

OO 02	Mandatory	Peering	General
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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

7

OO 03	Mandatory	Descriptive	General
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**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			100	000	000
Currency	BRL				
Assets in USD			42	295	791

**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

**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)

OO 08	Mandatory to Report Voluntary to Disclose	Peering	General
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OO 08.1	Indicate the breakdown of your organisation's AUM by market.
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Market breakdown	% of AUM
Developed Markets	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %

OO 08.2	Additional information. [Optional]
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Currently Kaete invests only in Brazil

OO 09	Voluntary	Descriptive	General
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OO 09.1

Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.

Kaeté Investimentos is a private equity manager focused on regional development and impact investment funds. Our current efforts are centered in investing in the North and Northeast regions of Brazil, where there is almost no private equity activity, lack of funding for mid size companies even from traditional sources (such as banks) and considerable demand for management, financial and marketing support from entrepreneurs. At the same time, these same regions have experienced higher growth overall from the expansion of agriculture and business activities, higher consumer demand (growth of middle class, decreased unemployment, urbanization) and a better regulatory and institutional environment for private investments.

Kaete's first fund is called the FIP Empresas Sustentáveis na Amazônia, a R\$ 100 million fund focused on natural resources, agribusiness, food and beverage, renewable energy, logistics and waste treatment with 2 investments in the Northern states of Brazil.

## Gateway asset class implementation indicators

OO 11

Mandatory

Gateway

General

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.

- Private equity
- None of the above

OO 12

Mandatory

Gateway

General

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.

### 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.

# Kaeté Investimentos Ltda

## Reported Information

## Public version

## 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]

Kaeté Investimentos seeks to promote scalable investment models that take sustainable development as a core principle, in order to achieve positive environmental, social, governance and financial impact through our investment activities.

We are committed to maximising our contribution to sustainable development and minimising negative impact. To achieve this commitment, Kaeté Investimentos will:

- Comply with all relevant environment, social and governance legislation
- Strive to continuously improve environment, social and governance impact and integrate relevant international best practices standards in our operations and that of our investees
- Minimise adverse impacts and enhance positive effects on the environment, workers, communities and all stakeholders
- Ensure environment, social and governance criteria are taken into account in our evaluation of investment opportunities and our investment portfolio management
- Demonstrate the benefits and results of giving greater priority to sustainable development issues in the private equity investment process

Kaeté Investimentos interprets sustainable development to mean meeting the needs of today without jeopardising the ability of future generations to meet their needs - taking full account of environment, social and governance impacts, both positive and negative. Kaeté Investimentos' sustainable development policies are divided into five categories: Environmental, Social, Health and Safety and Business Integrity policies.

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.

URL

[http://www.kaeteinvestimentos.com.br/esg\\_policy.html](http://www.kaeteinvestimentos.com.br/esg_policy.html)

No

**OA 02.3**

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

Yes

No

Kaeté Investimentos interprets sustainable development to mean meeting the needs of today without jeopardising the ability of future generations to meet their needs - taking full account of environment, social and governance impacts, both positive and negative. Kaeté Investimentos' sustainable development policies are divided into five categories: Environmental, Social, Health and Safety and Business Integrity policies.

#### Environmental Policy

##### Objectives:

- to reduce adverse impacts and enhance positive effects on the environment;
- to encourage the efficient use of natural resources; and
- to promote the improvement of the environment wherever possible
- to promote the correct disposal and monitoring of solid waste and liquid effluents

##### Policies:

##### Mandatory

- operate in compliance with applicable local and national laws (as a minimum);

##### As relevant

- assess the environmental impact of ours and our investees' operations
- take appropriate actions to mitigate environmental risks, ameliorate environmental damage and enhance positive effects
- seek investment opportunities that have a positive impact on climate change;
- promote the reduction of net emissions of Greenhouse Gases

#### Social Policy

##### Objectives

- to require Kaeté Investimentos and our investees to treat all their employees and contractors fairly and to respect their dignity, well-being and diversity; and
- to encourage our investees to work over time towards full compliance with the International Labour Organisation (ILO) Fundamental Conventions and with the United Nations (UN) Universal Declaration of Human Rights

##### Policies:

##### Mandatory

- comply with applicable local and national laws (as a minimum);
- not employ or make use of forced labour of any kind;
- not employ or make use of child labour;
- equal treatment of employees and contractors;
- pay wages which meet or exceed industry or national minima and are sufficient to meet basic needs;
- prioritise hiring and empowerment/training from the local community in which the business operates;
- treat employees fairly in terms of recruitment, progression, terms and conditions of work and representation, irrespective of gender, race, colour, disability, political opinion, sexual orientation, age, religion, social or ethnic origin, or HIV status
- allow consultative work-place structures and associations which provide employees with an opportunity to present their views to management;

#### Health and Safety Policy

##### Objectives

- to attain safe and healthy working conditions for employees and contractors of Kaeté Investimentos and our investees; and
- to safeguard the health and safety of all those affected by the business of Kaeté Investimentos or that from our investees

##### Policies:

##### Mandatory

- comply with applicable local and national laws (as a minimum);

As relevant

- assess the health and safety risks arising from work activities; and
- take appropriate actions to eliminate or reduce risks to health and safety and work over time towards international best practice standards for health and safety

Business Integrity Policy

Objectives

- to exhibit honesty, integrity, fairness, diligence and respect in all Kaeté Investimentos business dealings;
- to enhance the good reputation of Kaeté Investimentos; and
- to promote international best practice in relation to corporate governance in our investees

Policies:

Mandatory

- comply with all applicable laws;
- uphold high standards of business integrity and honesty;
- deal with regulators in an open and cooperative manner;
- prohibit all employees from making or receiving gifts of substance in the course of business;
- prohibit the making of payments as improper inducement to confer preferential treatment;
- prohibit contributions to political parties or political candidates;

OA 03	Mandatory	Core Assessed	PRI 1,2
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<b>OA 03.1</b>	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 checked="" 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 04	Mandatory	Core Assessed	General
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<b>OA 04.1</b>	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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Yes

**OA 04.2**

Describe your policy on managing potential conflicts of interest in the investment process. [Optional]

Kaeté Investimentos's principal activity is the provision of investment management and advisory services to a range of funds and to large institutional clients. Kaeté Investimentos does not offer the services of market making or underwriting, nor do we provide investment research to external third parties, and we have no soft commission arrangements in force. Furthermore Kaeté Investimentos does not hold client money or assets. Investment decisions are made by each fund's Investment Committee and no single person has the opportunity to effect transactions for their personal interest. Conflicts of interest can arise where:

- the interests of Kaeté Investimentos conflict with those of a client (firm vs. client conflicts);
- the interests of one client of Kaeté Investimentos conflict with those of another of our clients (client vs. client conflicts)

**Firm vs. client conflicts**

Kaeté Investimentos may act as fund manager for different funds that may have overlapping mandates at some point. All funds raised have explicit clauses showing preference of investment for earlier funds and/or pro-rata participation rights in investments that are covered by the fund's mandates

We prohibit all employees from making or receiving gifts of substance in the course of business and prohibit the making of payments as improper inducement to confer preferential treatment

**Client vs. client conflicts**

Investment decisions for all funds managed by Kaeté Investimentos' are taken by each fund's independent Investment Committee

If a member of a fund's Investment Committee express a conflict of interest in regards to the investment decision at hand, he/she must refrain from voting

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

**OA 05.4** Additional information. [Optional]

We report annually on the implementation of our procedures and provide a summary of the development impact of each fund to our investors regularly

**Governance and human resources**

<b>OA 08</b>	<b>Mandatory</b>	<b>Gateway/Core Assessed</b>	<b>General</b>
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**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
- 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
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- 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
- Other role, specify
- Other role, specify

**OA 08.2**

Indicate the number of dedicated responsible investment staff your organisation has. [Optional]

Number

5

**OA 08.3**

Additional information. [Optional]

Given our focus on impact and sustainable development investments, every one in our 5 person investment team has responsible investment responsibilities

## 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.

Yes

**OA 10.2**

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

**Select all that apply**

- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

No

OA 11

Mandatory

Core Assessed

PRI 4

**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

# Kaeté Investimentos Ltda

## Reported Information

### Public version

#### 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
- 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.

- Yes

**PE 05.2** Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- 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

<b>PE 05.3</b>	Describe how your organisation refers to responsible investment in fund placement documents (PPMs or similar). [Optional]
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Kaeté investimentos' current fund is the FIP Empresas Sustentáveis na Amazônia, which has a specific investment focus on companies located in the North/Amazon region of Brazil whose past, current and future business' activities support and foster the sustainable development of that particular region. With that background, the fund's documents approved and signed with/by the manager and investors explicitly discuss the characteristics of the companies that may be invested by the fund manager as well as the responsibilities that the fund manager has before, during and after the investment of the fund regarding the social, environmental and governance impact of the invested companies.

No

**Pre-investment (selection)**

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

<b>PE 07.2</b>	Describe your organisation's approach to incorporating ESG issues in private equity investment selection. [Optional]
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The incorporation of ESG issues in pre-investment is determined by the fund's mandate and is usually structured as part of the fund's formation documents ("regulamento"). ESG issues are analysed in the pre-investment process by the GP's team, the fund's Sustainability Committee comprised of members of the academia and NGOs (this committee is an advisory committee to the GP), and by outside consultants (auditors and lawyers that are hired by the GP for the pre investment due diligence process).

No

<b>PE 09</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1,3</b>
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<b>PE 09.1</b>	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
--	---

The fund assess the Impact of the company's activities in the environment such as deforestation, efficient use of natural resources (water, energy)

The fund focus on companies that have/are in the process of obtaining a international certification (e.g, FSC) for its native forest management projects

Social

List up to three typical examples of social issues

The fund will not invest in companies that employ or make use of forced labour or child labour

The fund focus on companies that prioritise hiring and empowerment/training from the local community in which the business operates

Governance

List up to three typical examples of governance issues

Fund manager sets up strict guidelines for transparency, fairness, diligence and respect for all dealings between the invested company and its shareholders (including the fund)

Fund manager participates in educating and setting up shareholder meetings and board of directors in the invested companies (typically family owned SMEs)

Fund manager sets up annual external auditing of the invested company's accounting and processes

## 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

List up to three example targets of environmental issues

comply with applicable local and national laws (maintain environmental needed licenses, comply with water/land usage regulations)

Social



List up to three example targets of social issues

comply with applicable local and national laws (no use of forced or child labor, no discrimination policy)

- Governance
- We do not set and/or monitor against targets

No

**PE 13.4** Additional information. [Optional]

Kaeté Investimentos is evaluating a framework (e.g. GIIRS) to be used to define and measure specific KPIs for its invested companies that should be implemented during the course of 2014

**PE 14**

**Mandatory**

**Core Assessed**

**PRI 2**

**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

## 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

**PE 20.3**

Indicate the type of ESG information that your organisation proactively discloses to your clients (LPs)/beneficiaries.

- ESG information in relation to our pre-investment activities
- ESG information in relation to our post-investment monitoring and ownership activities
- Information on our portfolio companies' ESG performance
- Other, specify

**PE 20.4**

Indicate your organisation's typical frequency of disclosing ESG information to your clients(LPs)/beneficiaries.

- Quarterly or more frequently
  - Semi annually
  - Annually
  - Every two years or less frequently
  - Ad-hoc, specify
- No proactive disclosure to the public or to clients (LPs)/beneficiaries