

	DUE DILIGENCE POLICY	Rev: 00 – 08/08/2023
		Page: 1 of 10
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Summary

1. PURPOSE	3
3. DEFINITIONS	3
4. REFERENCES	4
5. POLICY GUIDELINES.....	4
5.1. Criticality.....	6
5.2. Classification.....	7
5.3. Monitoring	8
6. RESPONSABILITIES.....	9
i. Audit, Risks and Compliance	9
ii. Procurement	9
iii. Contract and Contractor Management Area	9
v. Contract Manager	9
vi. Board of Directors.....	10
vii. Audit and Risks Committee	10
7. PENALTIES.....	10
8. PREPARATION AND REVIEW	10



Due Diligence Policy

1. PURPOSE

The purpose of this policy is to define the supplier integrity assessment process, aiming to know and assess the integrity risks to which Jaguar may be exposed in its business relationships, based on the assessment of the profile, history, reputation and practices of anti-corruption of suppliers.

2. APPLICABILITY / SCOPE

This policy applies to all those involved in the processes of contracting suppliers, service providers and partners, mergers, acquisitions, in addition to those responsible for institutional donations and sponsorships.

3. DEFINITIONS

CEIS: *Cadastro de Empresas Inidôneas e Suspensas* - Brazil's register of disreputable and suspended companies.

CEPIM: *Cadastro de Entidades Privadas sem Fins Lucrativos Impedidas* - Brazil's register of Prohibited Non-Profit Private Entities.

CNEP: *Cadastro Nacional de Empresas Punidas* - Brazilian national register of punished companies.

Integrity Administrative Procedures: process of adapting the supplier to Jaguar guidelines, in case any irregularity is identified in the Due Diligence. The justification for the identified risk must be presented by the supplier, as well as a mitigation action plan and submitted to the Audit, Risks and Compliance evaluation and the Directors' hiring decision.

On-demand Due Diligence: carried out based on the request of employees who identify any situation of suspicion or probability of irregularities occurrence involving suppliers, partners, service providers, sponsors or beneficiaries of Jaguar.

Periodic Due Diligence: carried out periodically on active suppliers, partners, service providers, sponsors or beneficiaries classified as critical.



Politically Exposed Person (PPE): considers a Politically Exposed Person as one who occupies or occupied, in the previous 5 (five) years, relevant public jobs or functions, as well as relevant functions in international organizations.

Prior Due Diligence: carried out prior to the contract involving suppliers, partners, service providers, sponsors or beneficiaries classified as critical.

Critical suppliers: critical suppliers are considered to be those that can present the existence or possible influence in the relationship with the public sector and segments of goods and services rendered/supplied, in addition to those with contracts that add up to a total of over R\$ 2 million.

Third Parties: all contractors, partners, agents, suppliers, consultants, service providers, institutions and other third parties who interact with government officials on Jaguar's behalf.

Third Party Due Diligence: an investigative process whereby a third party is reviewed to determine any potential concerns involving legal, financial or reputational risks. Due Diligence is a disciplined activity that includes analyzing, monitoring and managing communication throughout the lifecycle of supplier engagement with Jaguar.

Third Party Risk Management: process of evaluating and controlling the reputation, finances and legal risks to Jaguar represented by parties outside the company.

4. REFERENCES

- Code of Conduct and Ethics.
- Compliance Policy.
- Anti-Bribery and Anti-Corruption Policy.
- Whistleblower Policy.
- Disciplinary Measures Procedure.

5. POLICY GUIDELINES

Jaguar previously evaluates suppliers, third parties and institutions in order to ensure transparency in the company's business relationships and to mitigate the risks of corruption, fraud, bribery or image.

Several criteria are analyzed, including the history of corruption and bribery of companies, partners and shareholders, in order to assess their reputation in relation to bribery, fraud, dishonesty or inappropriate conduct. This analysis is carried out through searches in legally available public and private databases (open sources), as well as in non-compliance lists, such



as CEIS, CNEP and CEPIM, to identify whether there have been investigations, convictions, sanctions or restrictions related to bribery or similar criminal conduct.

In addition, the existence of relationships between company employees, suppliers or government agents is verified in order to identify possible conflicts of interest.

All potential partners, sponsors / beneficiaries or suppliers must undergo an integrity assessment, in accordance with established criteria, prior to signing the contract.

In the first stage, the Audit, Risks and Compliance (ARC) and Procurement areas will analyze the minimum prerequisites for registering with Jaguar Mining:

- Compliance with Integrity Questionnaire responses;
- Analysis of public lists;
- CEPIM, CNES, CEIS;
- Registration of Employers who have subjected workers to conditions analogous to slavery.

All contracts with third parties must have clauses requiring compliance with Jaguar's Code of Conduct and Ethics, internal policies and procedures and all applicable laws, including anti-corruption and anti-bribery law, in addition to the provision for the application of penalties and/or termination of contract in case of non-compliance, and payment of compensation in case of liability of the contracting company.

All suppliers and service providers must respond to the Integrity Questionnaire, which is forwarded by Procurement area to all suppliers or service providers and whose result is valid for 3 years, being reapplied after this period. The questionnaire determines, through various Compliance criteria, which suppliers continue in the integrity assessment process and proceed to the Integrity Due Diligence stage.

Prior Integrity Due Diligence will always occur after signing a contract involving suppliers, partners, service providers, sponsors or beneficiaries classified as critical.

On-demand Integrity Due Diligence may also occur, which is carried out based on the request of employees who identify any situation of suspicion or probability of occurrence of irregularities involving suppliers, partners, service providers, sponsors or beneficiaries of Jaguar.

In addition to the previous and on-demand Integrity Due Diligences, the ARC area performs periodic Integrity Due Diligences on those who have been identified as having a high integrity risk so that they are periodically reassessed.



After carrying out integrity analyses, the Audit, Risks and Compliance area issues a recommendation to be followed by the responsible areas.

5.1. Criticality

To perform the classification of the integrity risks of suppliers, partners, service providers, sponsored or beneficiaries, some determining factors are considered from the profile analysis, existence of influence or relationship with the public sector and segments of goods and services provided, according to Table I below:

Table I: Criticality x Type of Supply/Service Provision x Type of Integrity Due Diligence

Criticality	Type of Supply / Service Provision	Type of Due Diligence
Critics	- Intermediate agentes.	Integrity Questionnaire + Due Diligence
	- Sports associations.	
	- Banking correspondentes.	
	- Dispatchers.	
	- Contractors.	
	- Companies with opening time in the Federal Government less than 30 days.	
	- Vigilance companies.	
	- Companies involved in consideration of works indicated by the City Halls.	
	- Law firms.	
	- Architectural offices.	
	- Philanthropic institutions.	
	- NGOs (nongovernmental organization).	
	- Consulting or Advisory services.	
	- Geology, Engineering and Projects companies.	
	- Company in Participation Account or SPE's Specific Purpose Company.	
- Information Technology Services.		
- Other companies that, by the nature of their business, have direct contact with public government, act on Jaguar's behalf and will have access to Jaguar's confidential information.		
- Contracts totaling more than R\$2 million.		
Intermediaries	- Brokers.	Integrity Questionnaire + On-demand DD
	- Marketing, communication or events companies.	
	- Waste collection service.	
	- Cleaning and conservation service.	
	- Other companies that, by the nature of their business, interact with public authorities, advertise or market the Jaguar name, operate internally on Jaguar's premises or develop internal services and have access to pre-disclosed Jaguar materials.	
Basics	Suppliers, partners and service providers that do not fit any of the characteristics mentioned in the actors considered medium or high risk are considered low risk actors for the business.	Integrity Questionnaire + On-demand DD



Based on the analysis of Integrity Due Diligence carried out, the Compliance area may determine new third parties to be classified as high risk and, therefore, to be monitored and subjected to periodic Integrity Due Diligence.

5.2. Classification

After the due diligence integrity analysis, third parties will be ranked according to the level of Integrity Risk the relationship may bring to Jaguar. They can be classified as High, Medium and Low as below:

a) High Risk

It is recommended that third parties that have an integrity risk classified as “High” do not establish a business relationship with Jaguar.

For exceptional cases, in which there is a need to establish a commercial relationship, an Administrative Integrity Procedure will proceed, in which the business areas must submit a justification for the third party contract for evaluation by the Audit, Risks and Compliance area, as well as presented by the supplier a deviation justificative and a mitigation action plan.

The Audit, Risks and Compliance area will carry out an analysis to support the Directors' decision-making on whether or not to accept the contract.

b) Medium Risk

Third parties with an integrity risk classified as “Medium” will proceed with an Administrative Integrity Process which can only be approved after the supplier presents a deviation justificative and a mitigation action plan. The Audit, Risks, and Compliance area will evaluate the proposed measures and support the Directors' decision-making on whether or not to accept the contract.



c) Low Risk

Third parties with integrity risk classified as “Low” may be homologated by Jaguar, provided they meet the criteria established by Procurement, Finance, Approval Matrix and other applicable policies and procedures.

The area responsible for contracting the third party is responsible for monitoring it and for communicating to Audit, Risks and Compliance area any changes in its situation that may imply a change in the classification of its integrity risk.

Risk	Trust level	Deviation example
High	E	Third parties with final and unappealable convictions, in the last 5 years, related to corruption, bidding fraud, administrative improbity or money laundering processes.
		Third parties with restrictions in the CEPIM, CEIS, CNEP registers or in the Register of Employers with Workers with Conditions Similar to Slavery.
Medium	B - C - D	Third parties that interact with public agents on behalf of the Companies to perform the services or supply the contracted products.
		Third parties who are defendants in legal proceedings related to the practice of bidding fraud, corruption of public officials, administrative improbity or money laundering.
		Third parties that are associated with negative media related to the practice of bidding fraud, corruption of public officials, administrative improbity or money laundering.
		Third parties with contracts that generate financial disbursements equal to or above R\$ 500 thousand reais, when possible to assess at the time of contracting.
		Third parties whose partners or directors are relatives up to the 3rd degree of Public Agents.
		Third parties who qualify as a Politically Exposed Person (PPE) or whose partners or directors qualify as a Politically Exposed Person (PPE).
Low	A	Third parties who have not identified reputational and image risks.

5.3. Monitoring

The Integrity Questionnaire must be reapplied to all suppliers when updating the registration or every 3 years by Procurement area.

Every six months, the analysis of the active supplier base, the public lists (CEPIM, CEIS, CNEP) and the Register of Employers with Workers with Conditions Analogous to Slavery must be compared by Procurement area.

Active critical suppliers must be submitted annually to update the Due Diligence by Audit, Risks and Compliance area.



6. RESPONSABILITIES

i. Audit, Risks and Compliance

- Conduct Integrity Due Diligence analysis review.
- Document risks and actions to mitigate them.
- Manage and implement the Due Diligence process.
- Develop and carry out periodic reviews of criteria and mechanisms used.
- Report critical cases identified for Directors' deliberation.

ii. Procurement

- Make the Integrity Questionnaire available on the supplier's portal.
- Carry out supplier registration procedures.
- Carry out a semiannual comparison of the active suppliers base and public lists (CEPIM, CEIS, and CNEP) with the Register of Employers with Workers with Conditions Analogous to Slavery.
- Forward to Audit, Risks and Compliance area, while new contracts are being elaborated, the supplier classified as critical for Due Diligence analysis.

iii. Contract and Contractor Management Area

- Interface with third parties regarding scope, routine, cost, and quality management.
- Support managers, areas involved and suppliers through planning, execution, and monitoring, besides contract termination.

v. Contract Manager

- Responsible for the entire interface with third parties regarding service management, as well as requesting documents.
- Monitor adherence to the guidelines determined by Jaguar, in cases of Administrative Integrity Procedures.
- Notify the Audit, Risks and Compliance area of any changes that may imply an impact in the integrity risk classification.



vi. Board of Directors

- Deliberate on identified critical cases.
- Periodically review Due Diligence criteria and mechanisms.

vii. Audit and Risks Committee

- Approve the Due Diligence Policy.

7. PENALTIES

Failure to comply with the guidelines of this policy may result in the application of disciplinary measures.

In the case of third parties, violation of this Policy may result in suspension, cancellation or termination of a contract or provision of services without prior notice or in the measures provided by law.

8. PREPARATION AND REVIEW

Revision	Date	History	Revised Item	Prepared by:	Approved by:
00	08/08/2023	Preparation of the Document	-	Aline Oliveira Joyce Seixas Patricia Luz Pereira	Audit and Risk Committee