

VOTORANTIM ASSET MANAGEMENT DTVM LTDA

Overall score 16/100

ISIN CODE: VIGEIRIS0359

Sector: ALAS20 investors
Companies in sector panel: 34

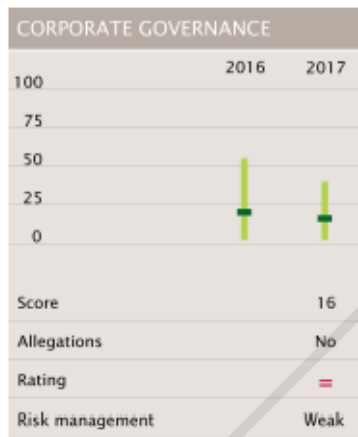
Information rate: 29% (Sector average: 34%)
Company cooperation level: Not responsive *

General information

Votorantim Asset Management (VAM) is the asset management arm of Banco Votorantim. The company provides products such as corporate credit funds, receivables funds (FIDCs), real estate funds (FIIs) and private equity funds (FIPs). VAM was founded in 1999 and is based in Brazil.

Main Economic Segment**

Turnover



■ Sector performance
■ Company performance
 Rating: min -- / max ++

Key issues

Corporate governance is critical to ensuring that a well-functioning system of checks and balances protects the interests of all of the company's stakeholders. The effectiveness of the Board of Directors (CGV1.1) is a key issue to be addressed: this can be gleaned from information on Board composition (independence and competencies) and its way of functioning (regularity of Board meetings, evaluation of performance). Other important corporate governance factors include the effectiveness of the Audit and Internal control system (CGV2.1), the protection of Shareholders Rights (CGV3.1) and the establishment of Executive Remunerations (CGV4.1) which align executives' and company's interests.

Company performance

- VAM's performance in the Corporate Governance domain is weak.
 - As the Company does not have any proper Board nor Corporate Governance as it is fully integrated in Banco Votorantim, the assessment of the Board entailed in the Corporate Governance domain is the assessment of Banc Votorantim's Board. Despite having a formalized corporate governance framework, covering some of the relevant features, there is an overall lack of information on the board functioning and composition. Furthermore, despite mentioning the existence of an audit committee, it is unclear who the members composing it are. The company is silent on the rules guiding executives' remuneration. On a positive note, some ESG risks inherent to the company's business operations are covered by the company's internal control.

* On a 4-level scale: proactive, responsive, partially responsive, not responsive

** See detailed economic indicators in Selected financial data section

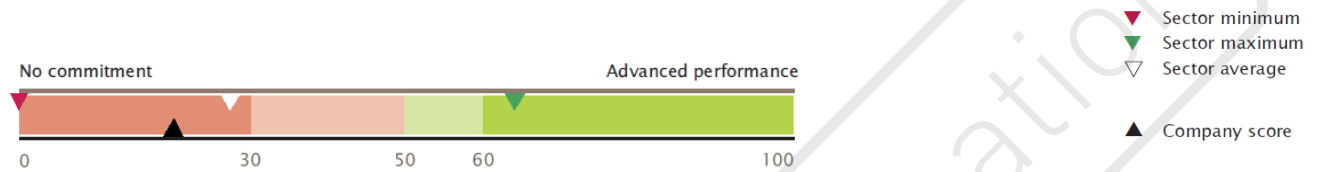
*** Based on the most recent Index at the date of publication

Corporate Governance

Score : 16

CGV1.1 Board of Directors

(score: 20, weight: 3)



[UNLISTED COMPANIES] Existence and independence of Nomination Committee

Information disclosed on this subject is insufficient or not relevant.

Independence of board Chairman

The roles of Chairman and CEO are separated, but the chairman is not considered independent.

Responsibility allocated over CSR issues

Information on the responsibilities allocated over CSR issues is insufficient.

[UNLISTED COMPANIES] Corporate governance strategy

The company has formalized a corporate governance framework, covering some of the relevant features:
- Organization of the Board and its functioning
- Definition of the company's risk profile (risks mapping and management)

Share of independent shareholder-elected Board members

Information obtained from company and public sources regarding detailed biographical information for all members of the Board of Directors is insufficient.

Diversity of the skills and backgrounds of the Board

Information obtained from company and public sources regarding the diversity of skills and backgrounds of board members is insufficient.

- At least 30% of directors are women*
- At least 40% of directors are women*
- Employee representative(s) sitting on the Board*
- Board members with demonstrated professional experience in the company's sector of activities*
- Board members with demonstrated expertise on CSR issues*

Training and expertise provided to board members

Information obtained from company and public sources regarding training provided to board members is insufficient.

Regular election of Board members

Board members are elected at least every 3 years.
Board members are eligible for re-election following two-year terms

Evaluation of board functioning and performance

Information obtained from company and public sources regarding the evaluation of board functioning and performance is insufficient.

Review of CSR issues at Board meeting

Information obtained from company and public sources regarding the review of CSR issues at board meetings is insufficient.

- Business ethics
- Responsible customers relations
- Energy efficiency / climate change
- Human Capital
- Promotion of the social and economic development/ financial inclusion
- Social and environmental considerations in investments

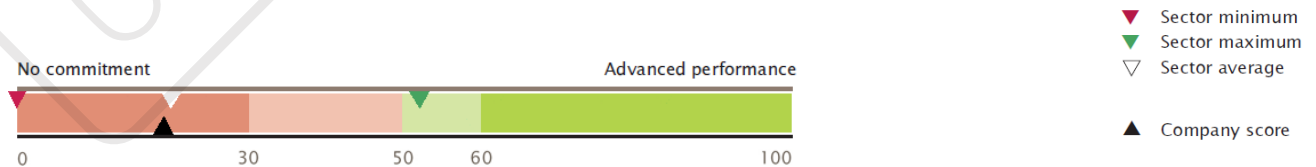
Regularity of and attendance at Board meetings

Regular meetings are held, but no attendance rates are disclosed.

| Non-independent board members (excl. employee representatives) | Role | Current or Former Executive | More than 9 years on board | Stock options or warrants | Paid >1/2 executive salary | Owns or represents >3% company's shares | Other |
|--|---------------|-----------------------------|----------------------------|---------------------------|----------------------------|---|---------------------|
| Paulo Rogério Caffarelli | Chairman | | | | | | Banco do Brasil |
| Antonio Mauricio Maurano | | | | | | | Banco do Brasil |
| Alberto Monteiro de Queiroz Neto | | | | | | | Banco do Brasil |
| José Luiz Majolo | Vice Chairman | | | | | | Votorantim Finanças |
| Celso Scaramuzza | | | | | | | Votorantim Finanças |
| João Carvalho de Miranda | | | | | | | Votorantim Finanças |

CGV2.1 Audit & Internal Controls

(score: 19, weight: 3)



Operational and CSR risks covered by the company's internal controls system

The system covers the standard issues related to financial, operational, and legal risks. In addition, the system covers the ESG risks inherent to the company's business operations.
- Corruption and money laundering (Business ethics): Based on legal requirements, the company states that the internal control system covers money laundering and antiterrorist laws.

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Stakeholders' feedback

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral

[UNLISTED COMPANIES] Existence and independence of Audit Committee

Information disclosed on this subject is insufficient or not relevant.
There is an Audit Committee in place but there is no clear information on who are the members.

Skills and backgrounds of Audit Committee members

*Members appear to have financial and audit experience, but lack relevant operational experience in the sector.
The company states that at least one member shall have audit and accounting experience but there is no clear information on who is the member.*

Governance of risks

Information disclosed on this subject is insufficient or not relevant.

- No executive is part of the Board Risk Committee*
- The Board Risk Committee is composed by a majority of independent members*
- The Chairman of the Audit Committee is a member of the Risk Committee*
- The Chief Risk Officer (CRO) is at par level of Chief Financial Officer (CFO)*
- The CRO has direct access to the Board Risk Committee (including attending committee meetings)*

Role of the Audit Committee in overseeing internal and external controls

The Audit Committee has a partial role that includes:
- Oversee internal audit and internal controls
- Review accounting policies and be responsible for updates
- Nominate the statutory auditor
- Oversee the work of the external auditor

Management of the CSR risks

Information obtained from company and public sources regarding the management of the CSR risks is insufficient.

- Balanced scorecard*
- Risk-related training*
- Monitoring of key risk indicators*
- Reporting system to the Board*
- Risk mapping/materiality assessment*
- A Board Risk Committee with no executive part of it*

Independence of the firm's external auditors

Information obtained from company and public sources regarding the independence of the firm's external auditors is insufficient.

Supervision of risk-taking staff

Information disclosed on this subject is insufficient or not relevant.

Inclusion of CSR issues in company reporting

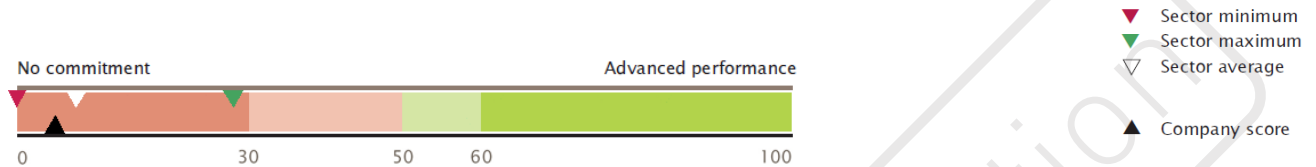
The company does not publish any significant CSR reporting.

CGV3.1 Shareholders

(deactivated)

CGV4.1 Executive Remuneration

(score: 5, weight: 2)



[UNLISTED COMPANIES] Existence and independence of Remuneration Committee

Information disclosed on this subject is insufficient or not relevant.

Disclosure of senior executives' individual remuneration

Disclosure of executive remuneration data for senior executives is insufficient.

[UNLISTED COMPANIES] Link between variable remuneration and the economic and CSR performance of the company

There is no disclosure on what rules guide the company in allocating variable remuneration to senior executives.

Severance pay for senior executives

Information obtained from company and public sources regarding severance pay for senior executives is insufficient.

Risk alignment of remuneration of top senior executives

Information on risk adjustments of remuneration is insufficient or not relevant.

Evolution of CEO-to-employee compensation ratio

Information obtained from company and public sources regarding the compensation of CEO and the average employee salary is insufficient.
Neither the CEO nor the personnel expenses are disclosed.

Stakeholders' feedback

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