

d-local

AUDIT COMMITTEE CHARTER

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1. PURPOSE

The Audit Committee (the Committee) is constituted as a statutory committee of dLocal Limited (the Company), to assist the Board of Directors in fulfilling its oversight responsibilities regarding the financial reporting process, the internal control system, the internal and external audit process, the Company's process for monitoring risk management procedures, compliance with laws and regulations and the suitability and applicability of the Company's Code of Conduct.

The Audit Committee has no autonomy to decide on the topics assigned to it in these regulations by the Board of Directors, which has the ultimate responsibility for deciding on these matters.

Directors must ensure that they act in good faith and for a proper purpose, in the best interest of the company, with the necessary care, skill and diligence.

The duties and responsibilities of the members of the Audit Committee are set out in this document, and are additional to those duties and responsibilities that they have as members of the Board.

2. AUTHORITY

The Audit Committee has authority to conduct or authorize different actions within its scope of responsibility. It is empowered to:

2.1 - Conduct investigations into any matters within its scope of responsibility;

2.2 - Seek any information it requires from any employee, officer or director of any group company or external party in order to perform its duties;

2.3 - Obtain, at the company's expense, any outside legal, accounting or other professional advice it shall reasonably require in connection with the performance of its duties, without the seeking Board approval;

2.4 - Require to the chairmen of the other Board committees, to executive directors and/or officers of the company, the company secretary or other advisers to provide any relevant information for the performance of its duties;

2.5 - Form and delegate authority to subcommittees. The Committee has decision-making authority in regard to its statutory duties of verifying the independence of the independent auditor, appointing and determining the independent auditor's compensation, and for overseeing the work of the independent auditor;

2.6 - Have available appropriate funding from the Company as determined by the Committee for payment of:

- compensation to any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;
- compensation to any advisers employed by the Committee; and
- ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

3. MEMBERSHIP

3.1 - The Audit Committee will consist of at least three and no more than six members, all of whom must be independent and members of the Board of Directors, and who meet independence and experience requirements of Nasdaq.

3.2 - The Board of Directors or its nominating committee will appoint the Audit Committee members and its Chairman.

3.3 - Each Audit Committee member must be financially literate. Accordingly, each member shall, in the judgment of the Board of Directors, have the ability to read and understand the Company's basic financial statements.

3.4 - At least one member shall be designated as the "audit committee financial expert," in accordance with the rules and regulations of the SEC, and at least one member (who may also serve as the audit committee financial expert) shall, in the judgment of the Board of Directors, have accounting or related financial management expertise].

3.5. *Transition Period*

A transition period from private to listed company is established, so at the time of the Initial Public Offering "IPO" the only independent member will be the Chairman of the Committee, and within 90 days thereafter, the Audit Committee must be made up of a majority of independent members. Within one year from the listing, it must be a fully independent committee.

4. MEETINGS

4.1 - The Committee will meet at least quarterly at appropriate times in the financial reporting and audit cycle, and when the Chairman of the Committee, in consultation with the other Committee members, considers it necessary. The external or internal auditors, as well as other Committee members, may request a meeting if they consider one is necessary.

4.2 - The Chair of the Committee shall preside at each meeting and, in the absence of the Chair, one of the other members of the Committee shall be designated as the acting chair of the meeting. The Chair of the Committee, in consultation with the other committee members, shall determine the frequency and length of the committee meetings and shall set meeting agendas consistent with this charter.

4.3 - All Committee members are expected to attend each meeting, in person, via telephone or via video-conference.

4.4 - The Committee will invite members of management, auditors or others to attend meetings and provide pertinent information, if necessary.

4.5 - The Committee will hold private meetings with auditors (see below) as well as executive sessions.

4.6 - Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials.

4.7 - Minutes will be prepared.

5. SECRETARY

5.1 - The Chief Legal Officer of the company, or its nominee, shall act as the Secretary of the Committee.

6. QUORUM

6.1 - The quorum necessary shall be constituted by a majority of the members of the Audit Committee.

6.2 - A duly convened meeting of the Committee, in which quorum has been reached, shall be competent to exercise all the authority, powers and discretion vested in or exercisable by the Committee.

7. NOTICE OF THE MEETING AND AGENDA

7.1 - Meetings of the Committee shall be convened by the Secretary of the committee at the request of the Chairman of the Committee.

7.2 - Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee, and any other person required to attend, one week prior to the meeting.

Supporting papers shall be sent to Committee members and to other attendees (if applicable) at the same time.

7.3 - The Chairman will approve the agenda for Committee meetings and any member may suggest items for consideration.

8. MINUTES OF MEETINGS

8.1 - The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest, and document them accordingly. If any conflict of interest exists, the member subject to the conflict shall not participate or vote on the issue giving rise to the conflict.

8.2 - The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including the names of those present and in attendance.

8.3 - Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once there is an agreement over its contents, to all members of the Board, unless a conflict of interest exists. Independent auditors and the Internal Audit Vice President should also be notified.

8.4 - The minutes of the Committee shall be formally approved at its next scheduled meeting and signed by all members that were present in the corresponding meeting.

9. ANNUAL GENERAL MEETING

9.1 - The Chairman of the Committee shall attend the Annual General Meetings of the company and be prepared to respond to any shareholder questions on the committee's activities.

10. RESPONSIBILITIES

10.1 Independent (External) Audit

The Committee shall:

10.1.1 - Discuss, analyze and make recommendations to the Board (that will be placed under shareholders consideration for their approval at Annual General Meetings) in relation to the appointment, re-appointment and removal of the company's independent auditors. The Committee shall oversee the selection process for new auditors and, if an auditor resigns, the Committee shall investigate the issues leading to this and decide whether any action is required;

10.1.2 - Ensure that the appointment of the independent auditor complies with applicable auditing standards and relevant legislation;

10.1.3 - Oversee the relationship with the independent auditors including (but not limited to):

10.1.3.1 - Determining their compensation, including audit and non-audit services;

10.1.3.2 - Approving their terms of engagement, including any engagement letter issued at the start of each audit, and the scope of the audit;

10.1.3.2.1 - the Committee may delegate its authority to pre-approve services to one or more Committee members, provided that such designees present any such approvals to the full Committee at the next Committee meeting.

10.1.3.3 - Assessing their independence and objectivity annually, taking into account relevant professional and regulatory requirements and the relationship with the auditor as a whole, including the provision of any non-audit services;

10.1.3.4 - Satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the auditors and the company (other than in the ordinary course of business);

10.1.3.5 - Agreeing with the Board of Directors a policy on the employment of former employees of the company's auditors, then monitoring the implementation of this policy;

10.1.3.6 - Monitoring the auditors' compliance with relevant ethical and professional guidance on the rotation of audit partners, the level of fees paid by the company compared to the overall fee income of the firm, office and partner and other related requirements;

10.1.3.7 - Assessing annually their qualifications, expertise and resources and the effectiveness of the audit process which shall include a report from the independent auditors on their own internal quality procedures;

10.1.3.8 - Considering the risk of the withdrawal of the company's auditors from the market; and

10.1.3.9 - At least annually, obtaining and reviewing a report by the independent auditor describing:

10.1.3.9.1 - the independent auditor's internal quality control procedures;

10.1.3.9.2 - any material issues raised by the most recent internal quality-control

review or peer review, or by any inquiry or investigation conducted by government or professional authorities during the preceding five years with respect to independent audits carried out by the independent auditor, and any steps taken to deal with such issues;

10.1.3.9.3 - all relationships between the independent auditor and the company; consistent with applicable requirements of the Public Company Accounting Oversight Board (“PCAOB”) regarding the independent auditor’s communications with the Committee concerning independence;

10.1.3.10 - The Committee shall actively engage in a dialogue with the independent auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditor and take, or recommend that the full Board take, appropriate action to oversee the independence of the auditor.

10.1.4 - Meet and discuss regularly with the independent auditors about its responsibilities under generally accepted auditing standards, as provided for in AS 1301 (Communication with Audit Committees), as adopted by the PCAOB, including one meeting at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the independent auditors at least once a year, without management being present, to discuss their remit and any issues arising from the audit;

10.1.5 - Review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement;

10.1.6 - Review the audit findings with independent auditors. This shall include, but not be limited, to the following:

10.1.6.1 - a discussion of any major issues which arose during the audit;

10.1.6.2 - A discussion and review of any problems or difficulties with management’s response to audit issues (including any restrictions on the scope of the independent auditors’ activities or access to requested information), and oversee any disagreements between management and the auditors if they arise;

10.1.6.3 - Any accounting and audit judgements; and

10.1.6.4 - Levels of errors identified during the audit, including any accounting adjustments that were noted or proposed by the independent auditors but were not adopted or reflected.

10.1.7 - Review the effectiveness of the audit process annually;

10.1.8 - Review any representation letter(s) requested by the independent auditors before they are signed by management;

10.1.9 - Review the management letter and management’s response to the auditors’ findings and recommendations;

10.1.10 - Distinguish between audit and non-audit services, and develop and implement a policy on the supply of non-audit services by the independent auditors, taking into account any relevant ethical guidance on the matter;

10.1.11 - Pre-approve the contracts for non-audit services to be rendered by the independent auditor and consider whether the auditor’s provision of non-audit services is compatible with the auditor’s independence; and

10.1.12 - Recommend to the Board to engage an external assurance provider, so that it provides assurance over material elements (such elements should be determined by the relevant committee) of the sustainability part of the integrated report. The audit committee should evaluate the independence and credentials of this external assurance provider.

10.1.13 - Confirm and evaluate the rotation of the audit partners on the audit engagement team as required by law.

10.1.14 - Establish policies for the Company’s hiring of current or former employees of the independent auditor.

10.2. FINANCIAL STATEMENTS

The Committee shall:

10.2.1 - Meet to review and discuss with management and the independent auditor the annual audited financial statements and unaudited quarterly financial statements including reviewing the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations", earnings press releases, the Company's annual and periodic reports on Form 20F and 6K and any other formal announcement relating to its financial performance, reviewing significant financial reporting issues and the judgements they contain;

10.2.2 - Review with management and the independent auditor whether the company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the independent auditors, as well as critical accounting policies and practices of the Company.

10.2.3 - Discuss and review analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgements made in connection with the preparation of the financial statements;

10.2.4 - Review the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the company;

10.2.5 - Review and recommend to the Board of Directors the approval of the Company's critical accounting policies. This includes reviewing the consistency of, and any changes to, accounting policies on a year-on-year basis;

10.2.6 - Review the methods used to account for significant or unusual transactions, where different approaches are possible;

10.2.7 - Discuss and review major issues regarding accounting principles and financial statement presentations, including any significant changes in the company's selection or application of accounting principles, major issues linked to the adequacy of the company's internal controls and any special audit steps adopted in light of material control deficiencies;

10.2.8 - Review the clarity of disclosure in the company's financial reports and the context in which statements are made;

10.2.9 - Discuss with management any comments received from regulators and evaluate the impacts on the financial statements and any disclosures of the Company in accordance with the listing requirements of the Securities and Exchange Commission;

10.2.10 - Monitor the relationship between the external assurance providers and the company;

10.2.11 - Understand the scope of the internal and independent auditors' review of internal control over financial reporting and obtain reports on significant findings and recommendations, together with management responses;

10.2.12 - In conjunction with the chief executive officer and chief financial officer of the Company, review the Company's disclosure controls and procedures and internal control over financial reporting and receive and review any disclosure from the company's chief executive officer or chief financial officer made in connection with the certification of the company's quarterly and annual reports of:

10.2.12.1 - Significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize, and report financial data; and

10.2.12.2 - Any fraud, whether material or not, that involves management or other employees who have a significant role in the company's internal controls;

10.2.13 - Assist the board in reviewing the annual report to ensure that the information is reliable and that it does not contradict the financial aspects of the report. The Committee shall review it and challenge where necessary:

10.2.14 - Review and discuss with management the consistency with any other reports of all material financial and non financial information presented with the financial statements, such as the operating and financial review, the corporate governance statement, risk factors, internal controls (insofar as it relates to the audit and risk management) and the disclosure on sustainability issues (to ensure no conflict with financial information) so that it includes financial and non financial information, such as, Form 1, Form 20F, Integrated Report and 6K reports.

10.3. INTERNAL CONTROLS AND RISK MANAGEMENT

The Committee shall:

10.3.1 - Oversee the structure, policies and procedures performed by the Company to guarantee the effectiveness of the company's internal control system, including information technology general controls.

10.3.2 - Discuss and review:

- the framework, policies and overall process conducted by Management for identifying and assessing Enterprise Risks and managing their impact on the Company,
- the Company's risk management policy;
- regular assurance reports from Management, the external auditor and others, on matters related to risk management and financial reporting internal controls; and
- The action plans created by the Company to mitigate the Enterprise risks and internal control deficiencies.

10.3.3 - Review any disclosure in the annual report, transparency report, impact report or elsewhere about processes applied by the Board in relation to risk management, internal control and corporate governance.

10.4. INTERNAL AUDIT

The Committee shall:

10.4.1 - Monitor and review the effectiveness of the company's internal audit function

10.4.2 - Discuss, review and recommend to the Board of Directors the appointment and removal of the Internal Audit Vice President;

10.4.3 - Discuss and review the remit of the internal audit function and ensure it has adequate resources, skills, qualifications and appropriate access to information to enable it to perform its function effectively and in accordance with the relevant professional standards. The Committee shall also ensure the function has an adequate standing within the Company, and is free from management or other restrictions;

10.4.4 - Discuss and review the internal audit charter and perform an annual review of the charter, making recommendations for changes, if required;

10.4.5 - Discuss and review the annual internal audit plan;

10.4.6 - Evaluate the formal review of financial controls conducted annually by the internal audit function on behalf of the Board and report to the Board and shareholders on the effectiveness of the company's internal controls;

10.4.7 - Review all reports on the company from the Internal Audit Vice President, including management's responsiveness to findings and recommendations;

10.4.8 - Meet the Internal Audit Vice President at least once a year, without management being present, to discuss their remit and any issues arising from the internal audits carried out. In addition, the Internal Audit Vice President shall have the right of direct access to the Chairman of the Board and to the Committee; and

10.4.9 - Perform an annual assessment of the internal audit function's responsibility, budget and staffing, with input from the independent auditor.

10.5. COMPLIANCE

The Committee shall:

10.5.1 - Discuss and review the Integrity Program applicable to all group companies

10.5.2 - Discuss and review critical compliance policies.

10.5.3 - Review the effectiveness of internal controls that monitor compliance with laws and regulations, and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.

10.5.4 - Review the findings of any examinations by regulatory agencies, and any auditor observations.

10.5.5 - Review how the Code of Conduct is communicated and shared with all personnel and third parties, and monitor compliance with it.

10.5.6 - Obtain regular updates from management and the company's legal counsel regarding compliance matters.

10.6. WHISTLEBLOWING AND FRAUD

The Committee shall:

10.6.1 - Review the arrangements established by the Company by which its staff may, in confidence and without fear, raise concerns about possible improprieties in matters of financial reporting or other matters (such as commitment to quality work, professional judgement and values). This includes reviewing and establishing procedures to treat complaints received, regarding accounting, internal accounting controls or auditing matters.

10.6.2 - Ensure arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action;

10.6.3 - Review and discuss the internal controls over related parties' transactions and the related policies and procedures to identify, monitor, and disclose on the financial statements of such transactions, including transactions with senior officers.

10.6.4 - Consider other topics, as defined by the Board, such as the Company's policies for preventing or detecting fraud and bribery, and receiving reports on non-compliance.

10.7. REPORTING RESPONSIBILITIES

The Chairman of the Committee shall report formally to the Board on its proceedings, after each meeting. Reports should contain information on all matters within its duties and responsibilities.

10.7.2 - The Committee shall make to the Board any recommendations it deems appropriate, on any area within its remit where action or improvement is needed.

10.7.3 - The Committee shall consider and satisfy itself, on an annual basis, of the appropriateness of the expertise of the chief financial officer (acting as the financial director), and will report to shareholders in the company's annual report that it has executed this responsibility.

10.7.4 - The Committee shall compile a report to shareholders on its activities to be included in the company's annual financial statements:

10.7.4.1 describing how the Committee carried out its functions

10.7.4.2 stating whether the Committee is satisfied that the auditor was independent of the company, and

10.7.4.3 commenting in any way the Committee considers appropriate on the financial statements, the accounting practices and the internal financial control of the company.

10.8. OTHER RESPONSIBILITIES

- Perform other activities related to this charter as requested by the Board of Directors.
- Institute and oversee special investigations as needed.
- Review and assess the adequacy of the Committee charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure if required by law or regulation.
- Confirm annually that all responsibilities outlined in this charter have been carried out.
- Evaluate its member's individual performance on a regular basis.