

LAt(t)itude II

In the previous Report, we briefly described the three Antarctic expeditions – Robert Scott in the *Terra Nova*, Ronald Amundsen in the *Fram*, and Ernest Shackleton aboard *Endurance* – that inspired us to revisit the polar adventures in light of Dynamo's experience as an investment company in the twenty-first century. We drew parallels across three topics: animal spirits, focus, and preparation. In this more succinct Report we resume the narrative proposing three other angles for our reflections: adaptation, team building, and leadership.

Adaptation

Whoever imagines Antarctica as a stale landscape, as a dull monotony of ice, could not be more wrong. Antarctica is a continent in perpetual motion. Temperatures fluctuate sharply. Furious winds take turns with long periods of lull. Water and snow mix in varying shades, from the clearest of blues to the most dismal of grays. Glaciers form and collapse continually throughout seasons, always restless. Each day breaks differently. It is nature at its wildest and most amazing state.

In addition to the meticulous planning, the sudden environmental changes required great flexibility and adaptability of expeditions. Amundsen and his men were able to tune the equipment to local conditions. Numerous items were enhanced. The tents, for example, a frequent problem in previous expeditions, "*could be mounted in a flash and were resistant to all kinds of gale*". The provisions boxes in the sledges were designed to be handled without needing to be first discharged. A simple adaptation to save precious time and effort. The expedition was a case in design.

While Amundsen excelled in the material adaptation, Shackleton was the master in promoting the psychological adaptation of his team. There is nothing more distressing for a commander than to lose her ship. Nothing more heartbreaking for the expedition to see their dreams sink. At that critical moment, when the *Endurance* collapsed on the ice, Shackleton tried to channel individual energies and team spirit to a sole purpose: the survival of all. Amundsen used his ability to promote the small tactical adjustments required to achieve the long-term strategic objective. Shackleton had to change his long-term goal, a radical change in mindset, which required an even greater effort to reformulate.

Adaptability implies a realistic view of the world, a self-critical sense, an ability of recognizing errors and, when necessary, of retreating. Amundsen turned back when he realized he had precipitated the attack on the Pole, leaving too soon and still in very adverse weather conditions. Shackleton also retreated. In the Nimrod expedition, just 180 kilometers away from the Pole, he decided to go back so as not to endanger the lives of his comrades. Soon after the sinking of *Endurance*, Shackleton attempted a difficult crossing to Paulet Island, which proved wrong. He backtracked and established camp (Patience Camp) on another ice sheet.

The capital markets sometimes resemble the Antarctic atmosphere. Sudden fluctuations in asset prices cause surprises to investors, requiring constant recalibration in their analytical barometers.

The search for intrinsic business value over a long-term horizon seems to us the best approach for investing in stocks. It turns out that, in certain environments marked by strong fluctuations, the concept of long-term intrinsic value can embed major pitfalls. The sharp volatility requires an attitude of constant questioning, of permanent updating of assumptions. Without this disposition, what may be seen as future value today can become a mirage tomorrow. Investments in commodities are typical examples of this. The logic seems simple enough. Aggregate the market supply and demand curves, order producers according to cost, and thus determine the long-term equilibrium price. The problem is that short-term changes have structural impacts to these curves, permanently affecting that 'long-term' target.

At times it is structural excess capacity, at times the sharp shifts in cost-curves, and at times the demand frustrations: all this requires a constant capacity of commodity investors to change their calculations, as well as an understanding that long-term value is a moving target, dislocating according to the amplitude of short-term signals. Depending on the intensity of the movement, there are two ways to redefine the original plans. The first is in the way of Amundsen, that is, tactically calibrate one's exposure by updating the long-term goal given the changes in the environment. The second is *à la* Shackleton, when the changes are so pronounced that they require a review of the entire strategy, an undoing of the position, reaching for another goal. Remaining anchored in a fixed concept of

price/long-term value is the way to succumb in the torments that, occasionally, hit the world of commodities.

Ever changing business environments test not only the investors', but also the companies' adaptability. The more fluid the context, the greater the challenge. The technology sector is a typical example. The meteoric rise of Google during the early 2000s put Amazon's business model in check. Consumers began to visit the search site before making online purchases. Google interposed itself between Amazon and its end customer. Amazon had thus to pay a fee to Google on every purchase that was preceded by a search. Jeff Bezos always saw Amazon as a technology company focused on e-commerce, and not as a retailer. Given this goal, the change in the competitive environment imposed by Google called for a reaction. Bezos promoted several internal initiatives to restore the competitive balance, taking risks outside the company's core business. The episode is very well recounted by Brad Stone in *The Everything Store* (2013). Amazon was groping in a process of trial and error typical of who advances the frontiers of knowledge. A winding path of algorithms, tools, and interfaces, to reach the development of Amazon Web Services, which came to dominate the storage, database and computing resources markets. The company was a pioneer in building the digital infrastructure platform that, at the end of the day, allowed the technology industry to develop at a low cost. Amazon's response was to reinvent itself as a company, placing it again at the forefront. In 2012, Eric Schmidt, Google's chairman and ex-CEO, acknowledged: "Let's give them credit. The book guys got computer science, they figured out the analytics, and they built something significant" (in Stone, 2013).

Team building

Although economic gain was not their ultimate goal, from an organizational point of view, the polar expeditions resemble modern companies in a few ways. A group of individuals, with specific abilities, taking different functions, pursuing a common goal. Typical ingredients of the corporate world were present: the need to raise funding, accountability to sponsors (shareholders), limitation of resources, internal division of labor, logistical complications, challenges in management – of both supplies and people.

Regarding this aspect of people's temperament, the nature of the expeditions provided an even more critical condition: a labor-intensive routine, strenuous discipline, tremendous physical discomfort, confinement, an invitation to depression, frequent risk of losing one's life. Knowledge was limited and the expeditions advanced surrounded by uncertainty. An environment of permanent stress, testing the physical and mental limits of the explorers.

Skillfully choosing the members of the expedition was crucial. One by one, Amundsen selected his men based on

experience and multiple manual skills. Olav Bjaaland, for example, besides being a ski champion, was a carpenter, making and repairing equipment. Helmer Hassen, "the most efficient sled driver I have ever known" (Amundsen 2001), was responsible for conducting the leading sled during the whole expedition. Amundsen knew that the success of the expedition crucially depended on each activity and not just on the performance of the four explorers who accompanied him in the final advance to the pole. He learned from Napoleon that "an army marches on its stomach". In the official account of the journey, maybe no one has been more mentioned than Adolf Lindstrom, nothing less than the *Fram's* cook.

S Shackleton also devoted considerable time to the process of hiring his men, taking care to balance individual personalities and talents. Frank Hurley, a keen photographer, was also an electrician and blacksmith. Captain Orde Lees was an accomplished skier and experienced climber, besides being a master of engine mechanics. In the interview with Reginald James, the expedition doctor, Shackleton asked him if he could sing. Then, he asked if James would be able to "shout a bit with the boys", testing his ability to handle difficult situations. In the crossing towards South Georgia, Shackleton preferred to take Vincent and Crean, both of whom were seen as troublemakers, thus relieving the stress level of the team that would be left waiting at the tiny Elephant Island, under the command Frank Wild. In this same crossing, he chose McNeish as one of the crewmembers of the *James Caird*, because besides being a sailor, he was also a carpenter, which indeed proved to be very useful, since McNeish adapted several improvements to the wooden boat. Knowing his men, Sir Ernest built a team that proved able to remain cohesive in the face of great adversity. When the *Endurance* became trapped in ice and then sank, the crew kept up the routine of teamwork, and did not concede to defeat.

In other expeditions where identical situations occurred, what was seen was despair and discordance. In the Canadian Arctic Expedition (1913-1916) led by Vilhjalmur Stefansson, the *Karluk* also stuck on ice. As the situation could last for a long time and having few food reserves, Stefansson and a few men decided to leave the boat and go caribou hunting. The decision opened a gap in leadership and exposed several frailties in preparation and execution: the *Karluk* was inappropriate for the region's conditions, the provisions of food, clothing and equipment were undersized, men were chosen hastily and lacked the qualities and the character required (cfr. McKinlay 1999) to address the difficulties that would present ahead. As the situation deteriorated, the crew began to fight and cheat one another, hiding food, for example. When rescued, eleven members had perished¹.

¹ When we finished writing this letter, it turned out we had the opportunity to meet a member of an unprecedented and recent crossing from the coast of Africa to the Caribbean by rowboat. The account is remarkable. Just like the polar explorers and reminding the epic crossing of Amyr Klink

Amundsen and Shackleton seem to have intuitively followed a “hiring” style recommended for collective enterprises, which is to select individuals whose realization is precisely to feel part of a group. They built cohesive teams, formed by individuals with specific skills and distinct talents, willing to self-sacrifice in the best interest of achieving a collective goal. Concerned about the social balance in their expeditions, they intermingled temperaments and personalities.

The importance of diversity in the escalation of a team is not obvious. Several companies still prefer the model of pre-defining a personality profile and only hiring individuals compatible with those specifications. Embedded in this paradigm, lies the mindset that individual characteristics are more important. They believe that more of the same is better. Much more of the same, even better. Although this option may produce short-term results, it hardly resists a longevity test. What can be said about a team formed only by individualists, the highly ambitious, or by the aggressive competitive? Or a homogeneous group of super-specialists trained to solve a particular type of problem, when the environment changes, bringing new challenges? On the other hand, the variety of interests, personalities and skills expands the group’s vision spectrum and increases its potential execution capabilities. It also produces a sense of complementarity, which often stimulates the spirit of collaborative construction, since each individual perceives their relative position and believes that the results of the collective effort are superior. As we saw in the Report on network effects, in complex phenomena, where there are numerous individuals/elements interacting recurrently – like polar expeditions or modern corporations – the distribution of these elements (topology) and the way they interact are more important than their individual properties. Thus, the secret of good performance of teamwork lies more in the way group members connect and interact than on their individual qualities².

It is precisely this insight that Ed Catmull, co-founder and CEO of Pixar Studios, brings in the book *Creativity, Inc.* (2014), where he narrates the trajectory of the company that dominated the animation business, recognized for the excellence of its films. Catmull attributes the success of Pixar not to

good ideas themselves, but to the quality of his team. A good idea can be spoiled by a mediocre team. A brilliant team, on the other hand, when faced with a bad idea, will either fix it, or will discard it and come back with something better. The correct team precedes the good idea. Even talented individuals assembled in groups can form an ineffective team if they are not properly balanced. Hence the importance of focusing on the team’s way of acting, not in the individual talents of its constituents. And Catmull concludes: “A good team is made of people who complement each other. There is an important principle here that may seem obvious, yet – in my experience – it is not obvious at all. Getting the right people and the right chemistry is more important than getting the right idea”.

In *How Google Works*, Eric Schmidt and Jonathan Rosenberg (2014), former CEO and former vice president of the company, describe various angles of the modus vivendi and operandi of this tremendous corporate success story, suggesting valuable experiences. Hiring is the main activity of an executive, say the authors, it is where he should devote most of his time. The most important skill that a businessperson can develop is the ability to interview. Executives must prepare as best as possible the interviews, trying to detect the candidate’s integrity, intelligence, passion, hunger for learning, and creativity to think of different perspectives in solving problems. In addition to the attributes usually mentioned in the curriculum, Eric and Jonathan said they were equally impressed by a candidate who studied Sanskrit and others who loved restoring old pinball machines. “Their deep interest made them more interesting”. Curiosity and passion are key ingredients in the Google culture.

Among the expeditions’ crewmembers, predominating individuals were determined, had a strong temperament, as well as critical spirit. Similarly, good companies tend to attract creative, competitive and ambitious profiles. It is a mistake to imagine that cohesion and collaborative spirit in the workplace are obtained only with “docile” and selfless people. On the contrary. A good dose of competitive spirit among the team members is essential to a good collective performance. Assuming, of course, that results are perceived to be a product of everyone’s effort.

Sydney Finkelstein, a researcher at Tuck School of Business and expert on leadership and strategy, discovered a common thread among the paths of a group of very successful entrepreneurs: their ability to produce talents. These differentiated innovators, besides creating enormous wealth in their respective areas, were responsible for training and educating a generation of leaders who have thrived. In his latest book, *Superbosses* (2016), Finkelstein describes the techniques, mindset, philosophies and secrets of these icons. In addition to the extra care dedicated to the hiring process and the importance of building a collaborative working environment, Finkelstein points out that *superbosses* also foster a good dose of healthy internal competition:

in 1984, eight rowers left the Canary Islands in a small boat towards an unlikely destination 5.5 thousand kilometers ahead, encountering numerous adversities along the way, from storms, to raging seas, not to mention the visit of a large and curious great white. The adventure was marked with severe relationship problems, typical of those derived from poor teambuilding and leadership gaps. In the end, the crossing was successful, thanks to the peculiar perseverance of the group.

2 Of course, it is essential that the remuneration system be designed to reflect this primacy of collective purpose. Calibrating the selective incentives, avoiding behaviors such as free rider and the problem of cooperation usually described by the Prisoner’s Dilemma, this conundrum was captured by Mancur Olson in his classic work *The Logic of Collective Action*. The presentation of this topic in a footnote does not mean it is unimportant, quite the contrary. Only that this is a subject that has been considered and addressed in several previous Reports.

Superbosses understand that teams win more than individuals do – that the potential of a group of immensely talented individuals is greater than the sum of its parts. They explicitly encourage collegiality among colleagues to take root, even as they instill a strong competitive spirit within their teams. For superbosses, extreme collaboration and meaningful competition aren't opposites; they go hand in hand. The presence of one embraces the other, resulting in a seemingly magical outcome: a high-performance environment that feels nurturing welcoming – and fulfilling. (...) One reason healthy, balanced competition is so valuable for organizations is that it generates a "cohort effect" when it comes to talent: the more you help people become better, the more they help one another get better.

Amundsen and Shackleton were modern in this sense, since they led the hiring process of their expeditions with great zeal, seeking to balance talents and personalities. Perkins (2000) thus noted Shackleton's experience:

With some notable exceptions, Shackleton seemed to have largely succeeded in selecting a group of people who had the capacity to work together. But he clearly did not select a homogeneous group that could be expected to gel of its own accord. There was a diverse mix of temperaments: some cheerful and gregarious, others introverted and reserved. There were the physicians, scientists, seamen, and artists. Shackleton did not simply assume that teamwork would happen.

Almost everything that he did was designed to promote the message of team unity. Before Endurance went down, for example, Shackleton brought all hands together in the wardroom after evening meals. These gatherings served to promote spontaneous discussion and to build the social bonds that would become so important later in the journey.

Scott, on the other hand, suffered the consequences of oversighting a few things in the recruitment process. During preparation, Scott hired an engineer called Reginald Skelton, who would be responsible for motor sleds. When choosing the team, Scott let himself be influenced by his second in command, Teddy Evans. Teddy vetoed the presence of Reginald, as he did not want to be shadowed by someone with a higher rank than his on the marines. The motor sleds soon had mechanical problems and had to be abandoned as there was no one to fix it. Evans inverted a basic hiring principle, which is to always look for the best talent, preferably better than the hirers ones. Another oversight from Scott, which proved even more serious, was appointing Edward Atkinson, the expedition's surgeon, as commander of the base camp. Atkinson,

in turn, sent Apsley Cherry-Garrard, an assistant scientist with little polar navigation experience as leader of the team in charge of placing provisions for the return trip from the Pole. Apsley did not reach the planned latitude, which proved to be fatal. An escalation error may have been decisive for the failure of the expedition.

Leadership

The polar expeditions were a model for a vast literature on business management, with special emphasis on the theme of leadership³. Critical decisions taken under extreme uncertainty and in an environment of permanent stress tested the capacity of commanders every day. On top of this, they faced the challenge of keeping the crew motivated, cohesive and focused on the collective goal. To modern observers, the expeditions mimic ideal laboratories, where leadership skills were tested under extreme conditions.

Indeed, we find in both Amundsen and Shackleton the elements we nowadays identify in great leaders. Both relied on the collective wisdom of their teams. They trusted the opinions of their crewmates, involved them in the decision environment, asked for suggestions, shared their worries. Huntford referred to the Fram as a "small republic of explorers". Scott was also a worthy and respected leader. But as it turns out, his entire career was in the British navy. In this military setting, Scott incorporated a more autocratic and classist leadership style, principles that have little to add to modern corporations – where more participatory cultures and more horizontal structures predominate. Hence his absence as reference of leadership in the current literature⁴.

Aware of the enormous challenges, Amundsen and Shackleton maintained a humble attitude, which manifested itself in admiration of the contributions of their men and in a permanently open willingness to learn. Amundsen said he was proud "to be the leader of this fantastic group of men". He knew that the experience in Belgium could later be useful and faced adversity with serenity. Then he spent years patiently living with the Inuit (Eskimos), during which learned valuable survival skills, as well as domestication of dogs. Shackleton,

3 Some of the references we had access to can be found under the Library menu in our website: <http://www.dynamo.com.br/en/biblioteca>

4 The differences in leadership styles between Scott and Amundsen/Shackleton remind us of the two types of dominations (bureaucratic and charismatic) defined by Max Weber in his classic work *Economy and Society* in 1922. Recently, an interesting article in the *New Yorker* (Rothman 2016) precisely addresses this plasticity of the concept of leadership. The text deals with the way in which the preferences about one or another model – 'bureaucratic' x 'charismatic' – fluctuate over time, and how the dilemma of deciding on the most appropriate style remains current: for example, when frequenting company boards in the difficult times of selecting a CEO, or addressing the psychology of voters during electoral campaigns.

in turn, did not miss any opportunity to praise the “supreme loyalty, and generous self-sacrifice” of his men.

Leaders hit more than they miss in critical decisions. They avoid certain choices when others fail to see the risks, and they take responsibilities when no one wants to face them. Amundsen did not negotiate the means of transportation. He was confident that sled dogs were superior and did not even test other technologies. On the other hand, with the confidence he had in his team and in the preparation, he took the risk of taking an entirely new route through the Axel Heiberg glacier, rather than the traditional path through Beardmore. Shackleton also took a difficult and risky decision to embark on the tiny *James Caird* with five men to seek help, leaving his expedition behind. At the end, the two critical decisions proved to be the right ones.

Great leaders create strong bonds among the members of their teams. They can develop an awareness of the collective spirit, where everyone contributes their individuality to the service of a common objective. They foster a sense of commitment and ownership where each team member feels they are responsible for the success of the mission, and not that they are just another employee.

True leaders inspire loyalty and delight through their personal example. Shackleton was a master in this regard. A few examples: i) with the loss of *Endurance*, it was necessary to reduce the total weight of the expedition. Shackleton decided that each member could only take a total of at most two pounds in personal items. It was necessary to get rid of the surplus, however avoiding major emotional blows, like disposing personal objects of attachments of crewmembers and their families. A fine line indeed. Shackleton set the tone. In front of everyone, he opened his drawer of personal belongings and disbanded several coins and other gold objects; ii) during the incredible journey aboard the small *James Caird*, in extremely adverse conditions, Shackleton made sure to stand at the bow, aiming to inspire hope in his men. In this passage, he froze a finger; iii) the sleeping bags made of reindeer skin were warmer than the ones made of wool, but there was not enough for everyone. Shackleton suggested a random draw to distribute the bags, where he did not participate; iv) during the *Nimrod* expedition, while starving for days, Shackleton ceded his daily ration, a cookie, to Frank Wild, who would later write in his diary: “All the money that was ever minted would not have bought that biscuit and the remembrance of that sacrifice will never leave me”.

Robert Gates has devoted his entire career to the American public service, where he received numerous honors, among them the fact that he was the only defense secretary to remain in office after a change in the ruling party. In his latest book, *A Passion for Leadership* (2016), Gates suggests that the same leadership principles of private initiatives perfectly apply to a reform agenda in public service. From his fifty-year long

professional experience, he states “Core to leadership is the ability to relate to people – to empathize, understand, inspire and motivate. (...) A leader who treats his team members with respect and dignity can win the loyalty of subordinates literally for life”. Indeed, after that symbolic gesture, Wild always stood next to Shackleton, and his dedication was essential for the survival and rescue of all aboard the *Endurance*.

Authentic leadership is based on the legitimacy of example, not of the bureau, the patent, or the badge. It is not really a condition imposed by the leader, but a privilege granted by the group. It is not designated, it is earned. True leadership does not dominate or control. Shackleton for example, exercised control without the slightest sign of authority. The leader listens, suggests, inspires and conducts⁵. His role is precisely to conduct people to where they cannot reach on their own. The leader exerts leverage, he is the one who creates the conditions for each individual to be their very best, and to do so at the same time it contributes to the other members of the team. In the words of Pixar’s CEO: “I’ve spent nearly forty years thinking about how to help smart, ambitious people to work effectively with one another. The way I see it, my job as a manager is to create a fertile environment, keep it healthy, and watch for the things that undermine it” (Catmull 2014). Not coincidentally, when analyzing himself, Manchester United’s legendary coach (Alex Ferguson – also mentioned in the previous Report), attributed to him the identical role: “I slowly came to understand that my job was different. It was to establish very high standards. It was to help everyone else believe they could do things they didn’t think they were capable of. It was

5 As a curiosity, *lad* in old German means “way”. *Laddan* means “one who shows the way”, deriving to the word “leader” in English, which inspired our word *lider* in Portuguese.

Dynamo Cougar x IBX x Ibovespa Performance up to February 2016 (in R\$)

Period	Dynamo Cougar	IBX	Ibovespa
60 months	75,8%	-18,2%	-36,5%
36 months	28,7%	-16,3%	-25,5%
24 months	26,8%	-8,2%	-9,1%
12 months	7,7%	-16,0%	-17,0%
Year to date	0,7%	-1,3%	-1,3%

NAV/Share on February 29 = R\$ 518,63481638

DYNAMO COUGAR x IBOVESPA

(Performance – Percentage Change in US\$ dollars)

Period	DYNAMOCOUGAR*		IBOVESPA***	
	Year	Since Sep1,1993	Year	Since Sep1,1993
1993	38,8%	38,8%	7,7%	7,7%
1994	245,6%	379,5%	62,6%	75,1%
1995	-3,6%	362,2%	-14,0%	50,5%
1996	53,6%	609,8%	53,2%	130,6%
1997	-6,2%	565,5%	34,7%	210,6%
1998	-19,1%	438,1%	-38,5%	91,0%
1999	104,6%	1.001,2%	70,2%	224,9%
2000	3,0%	1.034,5%	-18,3%	165,4%
2001	-6,4%	962,4%	-25,0%	99,0%
2002	-7,9%	878,9%	-45,5%	8,5%
2003	93,9%	1.798,5%	141,3%	161,8%
2004	64,4%	3.020,2%	28,2%	235,7%
2005	41,2%	4.305,5%	44,8%	386,1%
2006	49,8%	6.498,3%	45,5%	607,5%
2007	59,7%	10.436,6%	73,4%	1.126,8%
2008	-47,1%	5.470,1%	-55,4%	446,5%
2009	143,7%	13.472,6%	145,2%	1.239,9%
2010	28,1%	17.282,0%	5,6%	1.331,8%
2011	-4,4%	16.514,5%	-27,3%	929,1%
2012	14,0%	18.844,6%	-1,4%	914,5%
2013	-7,3%	17.456,8%	-26,3%	647,9%
2014	-6,0%	16.401,5%	-14,4%	540,4%
2015	-23,3%	12.560,8%	-41,0%	277,6%

2016	DYNAMOCOUGAR*		IBOVESPA***	
	Month	Year	Month	Year
JAN	-5,8%	-5,8%	-10,0%	-10,0%
FEV	4,9%	-1,2%	7,6%	-3,1%

Average Net Asset Value for Dynamo Cougar
(Last 12 months): R\$ 2.335.444.850

(*) The Dynamo Cougar Fund figures are audited by Price Waterhouse and Coopers and returns net of all costs and fees, except for Adjustment of Performance Fee, if due. (**) Index that includes 100 companies, but excludes banks and state-owned companies. (***) Ibovespa closing.

to chart a course that had not been pursued before. It was to make everyone understand that the impossible was possible" (Ferguson 2015).

What was initially supposed to be a simple reading on great adventures, the polar expeditions ended up rewarding us with pleasant reflections, real subsidies for an investor interested in the day to day life of businesses. We will conclude with a brief summary of the main lessons of the last two Reports. As an investor, we have to understand the diverse nature of executives, in particular, their greater appetite for taking risks. Contrary to the emphasis that the management literature often gives, we prefer to relativize the strategic role of focus. In a healthy corporate culture, a more important aspect than pursuing a single goal is to not tolerate complacency, developing a permanent vigilance across all activities in relation to the gaps where the competition may infiltrate. The extreme conditions of Antarctica demanded great care in planning expeditions, a mentality of being prepared for the worst, and a flexibility to adapt campaigns to unexpected environmental fluctuations. Investors, executives and entrepreneurs face the same challenges in their respective markets, where the dynamics of competition require a permanent willingness to update assumptions and strategies, under the threat of otherwise succumbing in our own judgments. In the setting of group activities, the group's sociology/topology matters more than the talents of its individual members. Taking care in selection and teambuilding is crucial, and the results will depend inescapably on how team members interact and complement each other. Finally, through the lens of modern organizations, the polar expeditions bring interesting lessons in the leadership chapter. From the example of the great explorers, the authentic leader subverts the traditional logic of authority/control, legitimizes himself through personal example, and can extract the best out of others, taking them where they might never be capable of reaching alone.

Rio de Janeiro, March 16, 2016.

Please visit our website if you would like to compare the performance of Dynamo funds to other indices:

www.dynamo.com.br

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