

## Report on the Brazilian Corporate Governance Code (2018)

Principles	Recommended Practices	Adoption	Justification
<b>1. Shareholders</b>			
1.1 Ownership Structure	1.1.1 - The Company's capital stock shall be only composed of common shares.	Yes	
1.2 Shareholders' Agreement	1.2.1 - Shareholders' agreements shall not bind the voting right exercise of any manager or member of oversight and control bodies.	Yes	
1.3 General Meeting	1.3.1 - The Board of Executive Officers shall use the meeting to inform the conducting of the company's businesses, through which management shall publish a manual aiming at facilitating and stimulating attendance at general meetings.	Yes	
1.3 General Meeting	1.3.2 - The minutes shall enable full understanding of discussions held at the meeting, even if drawn up in the summary format of facts occurred, and identify the votes cast by shareholders.	Yes	
1.4 Defense Measures	1.4.1 -The Board of Directors shall make a critical analysis of the advantages and disadvantages of a defense measure and its characteristics and, especially, price triggers and parameters, if applicable, explaining them.	Not Applicable	
1.4 Defense Measures	1.4.2 - Clauses to make unfeasible the removal of a measure from bylaws shall not be used, those referred to as 'irrevocable clauses'.	Not Applicable	
1.4 Defense Measures	1.4.3 - If bylaws determine to hold a tender offer (TO) whenever a shareholder or group of shareholders reaches, directly or indirectly, relevant interest in the voting capital, the rule to determine the offer price shall not impose premium additional amounts or substantially above economic value or stock market.	Not Applicable	
1.5 Change of Control	1.5.1 - The company's bylaws shall set forth that: (i) transactions characterizing the direct or indirect sale of controlling interest shall be followed by a tender offer (TO) addressed to all shareholders, under the same price and conditions obtained by selling shareholder; (ii) management shall express the terms and conditions of corporate restructuring, capital increases and other transactions giving rise to change of control, and declare whether they ensure fair and equal treatment to the company's shareholders.	Yes	
1.6 Management's Opinion on TOs	1.6.1 - The company's bylaws shall provide that its board of directors gives its opinion concerning any TO aimed at the shares or securities convertible or swappable into the company's shares, which shall contain, among other relevant information, the management's opinion on eventual acceptance of TO and the company's economic value.	Yes	
1.7 Profit Sharing Policy	1.7.1 - The company shall draw up and disclose a profit sharing policy defined by the board of directors. Among other aspects, this policy shall provide for the frequency of dividends payment and the benchmark parameter to be used to define respective amount (percentages of adjusted net income and free cash flow, amongst others).	Yes	
1.8 Mixed Capital Companies	1.8.1 - The Company's bylaws shall clearly and accurately identify the public interest which justified the creation of a mixed-capital company, in specific chapter.	Not Applicable	
1.8 Mixed Capital Companies	1.8.2 - The Board of Directors shall monitor the company's activities and establish policies, mechanisms and internal controls to verify eventual costs to meet the public interest and eventual indemnity from controlling shareholder to the company or other shareholders and investors.	Not Applicable	

## 2. Board of Directors

2.1 Duties	2.1.1 - The Board of Directors shall, without prejudice of other legal, statutory duties, and other practices provided for in the Code: (i) define the business strategies, considering the impacts of the company's activities on society and environment, considering the going concern principle and value creation in the long run;(ii) periodically assess the company's exposure to risks and the efficacy of risk management, internal control systems, integrity/compliance system and approve a risk management policy compatible with business strategies; (iii) define the company's values and ethical principles and ensure the maintenance of issuer's transparency in the relationship with all stakeholders; (iv) yearly review the corporate governance system, aiming at improving it.	Partially	(i) Pursuant to Article 20, (ii) of the Company's bylaws, the Board of Directors is the body liable for setting out the Company's business general guidance. The Board of Directors weights the impacts of the Company and its subsidiaries to the environment when it defines the strategies of respective business and acts to maintain the alignment of policies and best practices in all business controlled thereby, ensuring the autonomy required for the group's companies. Taking into account that the Company is a holding, its activities do not generate direct impact to the environment. In turn, the Company's subsidiaries adopt, when necessary, policies, strategies, actions and projects aimed at the sustainable development of its businesses. The Company yearly publishes its Sustainability Report based on the Global Reporting Initiative's guidelines (GRI), available on the website of the Company and Brazilian Securities and Exchange Commission (CVM). (ii) The Company has a Risk Management Policy approved by the Board of Directors on [=]. In addition, as informed in item 12.1 of the Company's Reference Form (version 5.0, delivered on August 15, 2018), The Internal Audit, Risk and Compliance Area is liable for disseminating an internal controls culture, mapping the risks inherent to business, assisting in the implementation of action plans and appropriately reporting Management on risk management results. (iii) To define ethical values and principles, the Company has in its Code of Conduct, approved by the Board of Directors on October 29, 2018, which provides the guidelines to oversee the Company's relationship with public bodies, suppliers, partners, customers, employees and society in general. (iv) Referring to the practice indicated in subitem (iv) above, the Board of Directors does not have a defined frequency to review the corporate governance system, this is carried out when necessary.
2.2 Composition of the Board of Directors	2.2.1 - The Company's bylaws shall establish that: (i) the Board of Directors is mostly composed of external members, having, at least, one third of independent members; (ii) the Board of Directors shall yearly assess and announce who are the independent board members, as well as indicate and justify any circumstances which may compromise their independence.	No	Pursuant to Article 15, Paragraph 3 of the Company's bylaws and Clause 4.4 of the Board of Directors' Charter, at least, two (2) or twenty percent (20%) of members of the Company's Board of Directors, whichever is greater, shall be independent board members, in observance of definition laid down in the Novo Mercado Rules, which does not provide for a board mostly composed of external members. The Company observes and adopts the provisions referring to the evaluation of board members' independence set forth in the Novo Mercado Rules, listing segment with a high level of good governance practices recommendations. Concerning evaluation and disclosure on independence, however, we point out that in the Management proposal approved by the Board of Directors for the meeting aimed at the election of board of directors' members, the independent members are duly signaled, justifications and circumstances which may compromise their independence are presented.
2.2 Composition of the Board of Directors	2.2.2 -The Board of Directors shall approve a nomination policy to set forth: (i) a process to nominate the Board of Directors' members, including the indication of participation of other bodies of the company in referred process; (ii) that the Board of Directors shall be composed in view of time availability of its members for the performance of their duties and the diversity of knowledge, experiences, behavior, cultural aspects, age group and gender.	Yes	The policy for appointment of members of the Company's Board of Directors is included in the Board of Directors' Charter, Clauses 5 and 6, which govern the rules and procedures on the appointment of the board of directors' members. The appointment of Board of Directors' members shall comply with requirements provided for in the Brazilian Corporation Law and CVM's Rules, including but not limited to CVM Instruction No. 367/02, which provides for the declaration of person elected as a member of a publicly-held company's board of directors. As provided for in the Board of Directors' Charter and in CVM Instruction No. 367/02, that shareholder who submits the nomination of a board member to the General Meeting shall submit a copy of the instrument of declaration, or declare that obtained from nominee the information that he has conditions to sign this instrument, indicating any exceptions. In addition, he shall submit the nominated candidate's curriculum, containing, at least, his qualification, professional experience, educational background, main professional activity currently performed and positions held in boards of directors, fiscal or advisory councils of other Companies and the compliance with item requirements. The composition of the Company's Board of Directors considers the time availability of its members to perform his duties and wide variety of knowledge, experiences, behavior, cultural aspects, age group and gender.
2.3 Chairman of the Board	2.3.1 - The chief executive officer shall not also occupy the position of chairman of the Board of Directors.	Yes	



2.4 Evaluation of the Board and Board members	2.4.1 - The company shall implement annual performance evaluation of the Board of Directors and its committees, such as joint committees, chairman of the Board of Directors, Board members, individually considered, and the governance department, if any.	No	On this date, the Company does not have an annual performance evaluation of the Board of Directors and its committees, chairman of the Board of Directors and board members. The Company's Management Evaluation Policy currently is being drawing up and will be concluded within adjustment term granted by the Novo Mercado Rules, i.e., until the Annual General Meeting to be held in 2021.
2.5 Succession Planning	2.5.1 - The Board of Directors shall approve and keep updated the chief executive officer's succession plan, and its elaboration shall be coordinated by chairman of the Board of Directors.	Yes	The chief executive officer's succession plan was approved on October 29, 2018 and, in view of its recent approval it has not been updated yet.
2.6 New Board Members Integration	2.6.1 - The company shall have an integration program of new members of the Board of Directors, previously structured, so that referred members are introduced to key persons of the company and its premises to discuss essential issues to understand the company's business.	Yes	The Company has a structured integration program of new members of the Board of Directors. Pursuant to this program, when members of the Company's Board of Directors are nominated, the Legal Counsel department contacts them to request documents and information necessary, presents the Company's facilities and establishes a direct communication channel aiming at clarifying any doubts on the election process. By means of effective election, (i) new board members then have access to an exclusive management system of communication between the Company and the body, so that to ensure security and privacy of shared information (ii) election-related documents are also signed, (iii) the body's agenda for new members is shared and (iv) new members are introduced to the Board's group and to the Company's officers (chief executive officer, chief operating officer and chief financial officer), at the next body's in-person meeting. The Company also maintains an ongoing routine of meeting adjustments as required by members, such as: visual indication of all members (to facilitate communication amongst them); the participation, as necessary, of the Company's subsidiaries executives, so that they can clarify these companies' financial condition and operations.
2.7 Board Members' Compensation	2.7.1 - The compensation of the Board of Directors' members shall be proportional to their duties, responsibilities and time demand. Compensation based on attendance at meetings shall not occur, and board members' variable compensation, if any, shall not be pegged to short-term results.	Yes	
2.8 Board of Directors' Charter	2.8.1 - The Board of Directors shall have a charter to regulate its responsibilities, duties and rules of operations, including: (i) the duties of the Board of Directors' chairman; (ii) the rules to replace the chairman of the board during his absence or vacancy; (iii) the measures to be adopted in situations of conflict of interests; and (iv) a definition of term with anticipation sufficient to receive materials for discussion at meetings, with proper details.	Yes	
2.9 Board of Directors' Meetings	2.9.1 - The Board of Directors shall define an annual calendar with dates of ordinary meetings, which shall not be less than six nor exceed 12 months, besides calling for extraordinary meetings, whenever necessary. Referred calendar shall set the annual agenda with relevant issues and dates for discussion.	Partially	The Board of Directors holds ordinary meetings four times per year, to approve the quarterly accounts and relevant events occurred in the quarter and estimates for the next quarter. The Company understands four annual ordinary meetings are sufficient, considering that extraordinary meetings are called when necessary, and members' attendance and engagement at these meetings are adequate and meaningful. The Company releases in its corporate calendar every December the dates of the Board of Directors' quarterly meetings for the subsequent year. Concurrently, the Company forwards the call notice to board members including the dates of ordinary meetings for subsequent year and main issues which to be included in the agenda.
2.9 Board of Directors' Meetings	2.9.2 - The board meetings shall regularly foresee exclusive sessions for external board members, without the attendance of executives and other invitees for alignment of external board members and discussion of issues which may create constraint.	Yes	
2.9 Board of Directors' Meetings	2.9.3 - The minutes of the board meetings shall be written clearly and record decisions made, attendees, dissenting votes and abstentions.	Yes	The Company's Board of Directors' Charter foresees that the minutes of the board of directors' meetings shall be clearly written and register decisions made, the attendees, the dissenting votes and abstentions.

### 3. Board of Executive Officers

3.1 Duties	3.1.1 - The Board of Executive Officers shall, without prejudice of its legal and statutory duties and other practices provided for in the Code: (i) execute the risk management policy and, whenever necessary, propose to the board eventual revision of this policy, due to changes in the risks to which the company is exposed; (ii) implement and maintain mechanisms, efficient processes and programs to monitor and disclose the financial and operational performance and the impacts of the company's activities on society and environment.	Yes	
3.1 Duties	3.1.2 - The Board of Executive Officers shall have its own charter to set out its structure, its operation, its role and responsibilities.	Yes	
3.2 Officers' Appointment	3.2.1 - Vacancy reserves shall not exist in executive board positions or managerial positions for shareholders' direct appointment.	Yes	
3.3 Evaluation of the chief executive officer and Board of Executive Officers	3.3.1 - The chief executive officer shall be yearly evaluated, in formal process conducted by the Board of Directors, based on verification of achievement of financial and non-financial performance targets established by the Board of Directors for the company.	No	On this date, the Company does not have a formal officers evaluation by the Board of Directors. Although there is no a structured formal process, the Company's officers are evaluated per process headed by the Company's Human Resources, and the result of this evaluation is validated by the People Committee. Yearly, in January, the "People Management Cycle" is held to set out the financial and non-financial targets to be observed by officers. Between June and August, these targets are reviewed and from December, evaluations are conducted, and concluded by January and subsequently validated with the People Committee's participation.
3.3 Evaluation of the chief executive officer and Board of Executive Officers	3.3.2 - The evaluation results of other officers, including chief executive officer's proposals as to targets to be agreed, permanence, promotion or withdrawal of executives in respective offices, shall be presented, analyzed, discussed and approved at the Board of Directors' meeting.	No	On this date, the Company does not have a formal officers evaluation by the Board of Directors. Although there is no a structured formal process, the Company's officers are evaluated per process headed by Human Resources, and the result of this evaluation is validated by the People Committee. Yearly, in January, the "People Management Cycle" is held to set out the financial and non-financial targets to be observed by Officers. Between June and August, these targets are reviewed and from December, evaluations are conducted, and concluded by January and subsequently validated with the People Committee's participation.
3.4 Board of Executive Officers' Compensation	3.4.1 - The Board of Executive Officers' compensation shall be defined by a compensation policy approved by the Board of Directors by means of a formal and transparent procedure to consider the costs and risks involved.	Yes	The Board of Executive Officers' compensation is defined by the Company's Compensation Policy approved by the Board of Directors on March 26, 2018, by means of a formal and transparent process which considered the costs and the risks involved. The Company executives' compensation is jointly defined by Compensation Committee and informed to the Board of Directors. Although the Compensation Committee is composed of members of the Company's Board of Executive Officers, the officers participating in the Committee usually abstain from committee's resolutions concerning their own compensation. The Company's Compensation Policy foresees that the fixed element of executives' compensation is established in view of complexity and level of responsibility of the duties performed at the Company and the market practice. It also foresees short and long term variable compensation. In the short term variable compensation, to ensure differentiation and meritocracy, individual performance indicators are also taken into account, partially behavioral and partially linked to financial targets and projects. The long-term variable compensation takes into account the individual performance of those eligible and the Company's shares performance in the capital markets. The Company believes with current executives compensation is capable of attracting and retaining the most qualified managers, aligning interests of executives and shareholders of the Company efficiently and properly.
3.4 Board of Executive Officers' Compensation	3.4.2 - The Board of Executive Officers' compensation shall be linked to results, with medium and long-term targets clearly and objectively listed to create economic value for the company in the long run.	Yes	The Board of Executive Officers' compensation is defined by the Company's Compensation Policy approved by the Board of Directors on March 26, 2018, by means of a formal and transparent process which considered the costs and the risks involved. The Company executives' compensation is jointly defined by Compensation Committee and informed to the Board of Directors. Although the Compensation Committee is composed of members of the Company's Board of Executive Officers, the officers participating in the Committee usually abstain from committee's resolutions concerning their own compensation. The Company's Compensation Policy foresees that the fixed element of executives' compensation is established in view of complexity and level of responsibility of the duties performed at the Company and the market practice. It also foresees short and long term variable compensation. In the short term variable compensation, to ensure differentiation and meritocracy, individual performance indicators are also taken into account, partially behavioral and partially linked to financial targets and projects. The long-term variable compensation takes into account the individual performance of those eligible and the Company's shares performance in the capital markets. The Company believes with current executives compensation is capable of attracting and retaining the most qualified managers, aligning interests of executives and shareholders of the Company efficiently and properly.



<p>3.4 Board of Executive Officers' Compensation</p>	<p>3.4.3 - The incentive structure shall be aligned to the risk thresholds defined by the Board of Directors and shall forbid that one same person controls the decision-making process and respective monitoring. Nobody shall deliberate on his own compensation.</p>	<p>Yes</p>	<p>The Board of Executive Officers' compensation is defined by the Company's Compensation Policy approved by the Board of Directors on March 26, 2018, by means of a formal and transparent process which considered the costs and the risks involved. The Company executives' compensation is jointly defined by Compensation Committee and informed to the Board of Directors. Although the Compensation Committee is composed of members of the Company's Board of Executive Officers, the officers participating in the Committee usually abstain from committee's resolutions concerning their own compensation. The Company's Compensation Policy foresees that the fixed element of executives' compensation is established in view of complexity and level of responsibility of the duties performed at the Company and the market practice. It also foresees short and long term variable compensation. In the short term variable compensation, to ensure differentiation and meritocracy, individual performance indicators are also taken into account, partially behavioral and partially linked to financial targets and projects. The long-term variable compensation takes into account the individual performance of those eligible and the Company's shares performance in the capital markets. The Company believes with current executives compensation is capable of attracting and retaining the most qualified managers, aligning interests of executives and shareholders of the Company efficiently and properly.</p>
--	---	------------	--

#### 4. Oversight and Control Bodies

4.1 Audit Committee	4.1.1 - The Statutory Audit Committee shall: (i) have among its duties to advise the Board of Directors to monitor and control the quality of the financial statements, internal controls, risk management and compliance; (ii) it shall be mostly composed of independent members and coordinated by an independent board member; (iii) shall have at least, one of its independent members with proven experience in the accounting & corporate, internal controls, financial and audit areas, cumulatively; and (iv) shall have its own budget to hire consultants in accounting, legal or other issues, when the opinion of an external expert is required.	Partially	The Company has a Statutory Audit Committee which adheres to this report's recommendations. Its duties are defined in Articles 27 and 28 of the Company's bylaws and Article 15 of its Charter. The Audit Committee is composed of members mostly independent and its coordinator is an independent member of the Board of Directors. The Audit Committee's members, cumulatively, have broad experience and proven knowledge in the accounting and corporate, internal controls, financial and audit areas. The Statutory Audit Committee necessarily discusses in its quarterly meetings, the following issues in the agenda: (i) main financial and accounting events, with material impacts on financial statements of the period; (ii) presentation, approval and monitoring of internal audit plan of processes and internal controls; (iii) follow-up of the "Sox" control evaluation process; (iv) discussion on the results of mapped risks monitoring, by submitting respective risk matrix; (v) evaluation and discussion of annual work plan of independent auditor for analysis of the Board of Directors; and (vi) presentation of highly critical reports relating to ethics and compliance issues of the period, discussing respective processes of investigation. The Statutory Audit Committee has Independence, but does not have own budget and submits for the Board of Directors' approval the budget to hire external advisors, if necessary.
4.2 Fiscal Council	4.2.1 - The fiscal council shall have its own charter describing its structure, operation, work schedule, duties and responsibilities, without creating any constraint to the individual performance of its members.	Yes	
4.2 Fiscal Council	4.2.2 - The minutes of the fiscal council's meetings shall observe the same rules to disclose the minutes of the Board of Directors.	Partially	The Company usually discloses the minutes of the Fiscal Council's meetings which approve opinions, accompanied by eventual manifestations sent by board members. However, as of January 2019, the Company will also disclose the minutes of its quarterly meetings.
4.3 Independent Auditor	4.3.1 - The Company shall establish a policy to contract additional audit services from its independent auditors, approved by the Board of Directors, which forbids the engagement of additional audit services which may compromise the auditors' independence. The company shall not engage as independent auditor who has provided internal audit services to the company less than three years ago.	Yes	
4.3 Independent Auditor	4.3.2 - The independent auditor team shall report to the Board of Directors, by means of an audit committee, if any. The audit committee shall monitor the effectiveness of independent auditors' work, as well as their independence. It shall also analyze and discuss the independent auditor's annual work plan and send it for the Board of Directors' analysis.	Yes	
4.4 Internal Audit	4.4.1 -The company shall have an internal audit area directly linked to the Board of Directors.	Partially	The Company's internal audit area is directly linked to the Company's Corporate Financial Executive Board, which reports to the Audit Committee, which in turn, reports to the Board of Directors. Therefore, there is a sequence of reports on results of works carried out to the Audit Committee, and accordingly, to the Board of Directors, so that to ensure its independence.

4.4 Internal Audit	4.4.2 -In the event of outsourcing this activity, the internal audit services shall not be performed by the same company which provides audit services of financial statements. The company shall not engage for internal audit someone who has provided independent audit services to the company less than three years ago.	Not Applicable	
4.5 Risk Management, Internal Controls & Integrity/Compliance	4.5.1 - The company shall adopt a risk management policy approved by the Board of Directors to include a definition of the risks to which hedge is sought, the instruments used for this purpose, the organizational structure to manage risks, the evaluation of adequate operational structure and internal controls to verify its effectiveness, besides defining the guidelines to establish the acceptable limits of the company's exposure to these risks.	Yes	The Company created structures concerned with issues, such as Audit, Controls, Risks and Compliance, with a view to maintaining an environment of efficient control for a full compliance with requirements and good market practices. The Board of Directors and its advisory bodies, the Company's Fiscal Council and Board of Executive Officers follow-up businesses and conduct, carrying out duties referring to the risk management and internal controls according to their respective duties. To manage internal controls independently, the Company relies on an internal audit, risk management and compliance corporate structure, dedicated to referred management and subordinated to the Audit Committee, body subordinated to the Board of Directors and to the Chairman of the Board of Directors. The Audit Committee, in turn, has the duty of elaborating half-yearly report, if necessary, and mandatorily, a summarized annual report, the latter to be submitted jointly with financial statements, containing a description of its activities, including the indication of meetings held and main issues discussed, the results, conclusions reached and recommendations; and any situations showing relevant disagreement between the Company's Management, the independent auditors and the Committee in relation to the Company's financial statements. The Board of Directors is the body liable for analyzing and evaluating the Audit Committee's annual reports. The Company's Board of Executive Officers is in charge of the process where risk is identified, evaluating the level of impact versus probability of occurrence for each risk identified to then define the best hedge instrument. Controls referring to the preparation and disclosure of financial statements are executed under Officers' supervision and under the responsibility of the Company's chief financial officer, to provide reasonable safety as to the reliability of the preparation and disclosure of reports and financial statements, in accordance with the practices adopted in Brazil and the international financial reporting standards. The results of all internal audit works referring to this topic foreseen in the year are reported by means of a report to the Company's Audit Committee submitted to the Chairman of the Board of Directors, the Company's chief executive officer, Officers and Managers involved. In addition, the Company has a Risk Management Policy which contains all the provisions provided for in the Code. Additional information on the risk management and internal controls structure adopted by the Company are presented in Section 5 of the Reference Form (version 5.0, delivered on August 15, 2018).
4.5 Risk Management, Internal Controls and Integrity/Compliance	4.5.2 - It shall be incumbent upon the Board of Directors to ensure that the Board of Executive Officers has internal mechanisms and controls to know, evaluate and control risks, so as to sustain them at levels compatible with the defined limits, including the integrity/compliance program aim at the compliance with laws, regulations, internal and external rules.	Yes	The guidelines and new policies were approved by the Board of Directors on October 29, 2018 and were previously evaluated by the Board of Executive Officers. However, the Board of Directors did not evaluate the Board of Executive Officers as to the efficacy of these practices, due to its recent approval.
4.5 Risk Management, Internal Controls and Integrity/Compliance	4.5.3 - The Board of Executive Officers shall evaluate, at least, yearly, the efficacy of policies and risk management and internal controls systems, as well as the integrity/compliance program and be accountable to the Board of Directors on referred evaluation.	Yes	The guidelines and new policies were approved by the Board of Directors on October 29, 2018 and were previously evaluated by the Board of Executive Officers. However, the Board of Directors did not evaluate the Board of Executive Officers as to the efficacy of these practices, due to its recent approval.

## 5. Ethics and Conflict of Interests

<p>5.1 Code of Conduct and Whistleblowing Channel</p>	<p>5.1.1 - The company shall have a conduct committee, with independence and autonomy, directly linked to the Board of Directors, in charge of implementing, disseminating, training, reviewing and updating the code of conduct and the whistleblowing channel, as well as the conduction of investigations and proposing corrective measures relating to infringements to the code of conduct.</p>	<p>Partially</p>	<p>The Company has an Ethics Committee, which does not directly report to the Board of Directors, but indirectly by means of a compliance structure designed by a chain of sequential reports between Ethics Committee, Compliance Committee, Audit Committee and Board of Directors. The Compliance Committee shall have, amongst other duties, the duty of deliberating on the solution of whistleblowing referring to acts of corruption, bribery, tax and accounting frauds, material financial deviations for the Company, besides the duty of reporting to the Audit Committee the highly critical reports verified by the Ethics Committee. The Ethics Committee will have, amongst other duties, the duty of deliberating on behavioral incidents, operational frauds and material financial deviations for the Company. The Compliance Committee is composed of the Legal Vice Presidency, Legal Counsel and Compliance Executive Board, Litigation Legal Executive Board, Financial Executive Board, Audit and Human Resources Executive Board. The Ethics Committee is composed of representatives of the Board of Executive Officers or Legal Counsel Management, Litigation Executive Board or Legal Management, Financial Executive Board or Management, Human Resources Executive Board or Management. The Ethics Committee also relies on the participation of the Company's Corporate Audit and Legal Compliance representatives.</p>
<p>5.1 Code of Conduct and Whistleblowing Channel</p>	<p>5.1.2 - The code of conduct, prepared by the Board of Executive Officers, supported by conduct committee, and approved by the Board of Directors, shall: (i) regulate the company's internal and external relations, expressing the commitment expected from the company, its board members, officers, shareholders, employees, suppliers and stakeholders with the adoption of proper conduct standards: (ii) manage conflicts of interests and provide for the abstention of member of the Board of Directors, audit committee or conduct committee, if any, where applicable, who presents conflict of interest; (iii) clearly define the scope and the comprehensiveness of actions destined to verify the occurrence of situations understood as occurred with the use of insider information (for instance, use of insider information for business purposes or to obtain advantages in securities trading); (iv) set out that the ethical principles substantiate the negotiation of contracts, agreements, proposals to amend the bylaws, as well as the policies guiding entire company and define a maximum value of goods or outsourced services that managers and employees may accept on a free-of-charge or favored basis.</p>	<p>Yes</p>	<p>The Company has an Ethics Channel which can be used both by employees and third parties. This channel is broadly disseminated in the Company's intranet and can be accessed by a call center (0800 725 0039) or by means of website exclusively made available for this purpose (<a href="http://www.canaldeetica.com.br/cosan">http://www.canaldeetica.com.br/cosan</a>). The Company ensures whistleblowers' anonymity, as well as the confidentiality of information and reports made by means of the Ethics Channel. The channel is managed by an outsourced company, which receives whistleblowing and gives proper treatment, by using control systems and procedures to ensure the secrecy and confidentiality of whistleblowing. As expressly defined in its Code of Conduct, the Company does not tolerate any type of retaliation against any person, internally or externally, who in good faith informs any violation or suspected violation of any legal rule or of the Code of Conduct.</p>
<p>5.1 Code of Conduct and Whistleblowing Channel</p>	<p>5.1.3 - The whistleblowing channel shall have independence, autonomy and impartiality; its operational guidelines shall be defined by Board of Executive Officers and approved by Board of Directors. It shall be operated independently and impartially, and ensure its users' anonymity, besides carrying out the verifications and measures necessary in a timely fashion. This service may be incumbent upon a skilled third party.</p>	<p>Yes</p>	<p>The Company has an Ethics Channel which can be used both by employees and third parties. This channel is broadly disseminated in the Company's intranet and can be accessed by a call center (0800 725 0039) or by means of website exclusively made available for this purpose (<a href="http://www.canaldeetica.com.br/cosan">http://www.canaldeetica.com.br/cosan</a>). The Company ensures whistleblowers' anonymity, as well as the confidentiality of information and reports made by means of the Ethics Channel. The channel is managed by an outsourced company, which receives whistleblowing and gives proper treatment, by using control systems and procedures to ensure the secrecy and confidentiality of whistleblowing. As expressly defined in its Code of Conduct, the Company does not tolerate any type of retaliation against any person, internally or externally, who in good faith informs any violation or suspected violation of any legal rule or of the Code of Conduct.</p>



<p>5.2 Conflict of Interests</p>	<p>5.2.1 -The company's governance rules shall ensure the clear division and definition of the duties, roles and responsibilities coupled with terms of office of all governance agents. Scopes of authority shall also be defined at each level, aiming at minimizing eventual conflicts of interests.</p>	<p>Yes</p>	<p>The duties of the Board of Directors, members of the Board of Executive Officers and Statutory Committee are defined in the Company's bylaws and respective Charters. In addition, the Company adopts a manual of delegation of authority, by means of which the duties and respective competence limits are established for employees to execute certain acts on the Company's behalf. This duties matrix is periodically revised and monitored by the controls and internal audit team. In addition, accesses to the Company's systems to carry out activities are only granted after analysis of segregation of duty, so that to avoid conflicts during accesses. The Code of Conduct deals with conflict of interests and adds that the Company forbids situations of conflict of interests when conducting its businesses and requires its employees and outsourced workers to discourage the potential or real existence of these situations. Notwithstanding, to objectively address the recommendation of item (a)(ii) above, the Company maintains a specific policy which deals with conflict of interests and which provides for employee's duty of abstaining from deliberating on certain contract or situation, in case of potential conflict of interest. This policy also provides for the manner by which the conflicting situation shall be reported, with corresponding justification and indication of abstention. Shareholders and members of the board of directors will be legally prevented from voting in the matters referring to own interest or related issues and submitted for approval of the General Meeting or Board of Directors' meeting, respectively, and interested shareholder or board member shall abstain from voting in referred matters. The chairman of the presiding board at the General Meetings and Board of Directors' Meetings, cannot compute the vote in situation of conflict of interests, However, when the situation of conflict of interest at the general meeting is not raised by shareholder himself, the Company will analyze each case individually also according to the legal scholars and caselaw guidelines in this regard. The Board of Directors' Charter also provides for the conduct expected in the assumption of verifying conflict of interests. According to its rules, it is the duty of the Board of Directors' member to immediately notify this fact to other members, and the manifestation of conflict of interests shall be recorded in the minutes of the meeting.</p>
<p>5.2 Conflict of Interests</p>	<p>5.2.2 -The company's governance rules shall be made public and determine that a person who is not independent in relation to the matter under discussion or deliberation at the company's management or oversight bodies shall appropriately express his conflict of interests or private interest. If such person does not do it, these rules shall foresee that another person expresses such conflict, if aware thereof, and as soon as identified the conflict of interests in relation to a specific issue, the person involved does not participate in, also physically, discussions and resolutions. Rules shall provide that such temporary absence is registered in the minutes.</p>	<p>Yes</p>	<p>The duties of the Board of Directors, members of the Board of Executive Officers and Statutory Committee are defined in the Company's bylaws and respective Charters. In addition, the Company adopts a manual of delegation of authority, by means of which the duties and respective competence limits are established for employees to execute certain acts on the Company's behalf. This duties matrix is periodically revised and monitored by the controls and internal audit team. In addition, accesses to the Company's systems to carry out activities are only granted after analysis of segregation of duty, so that to avoid conflicts during accesses. The Code of Conduct deals with conflict of interests and adds that the Company forbids situations of conflict of interests when conducting its businesses and requires its employees and outsourced workers to discourage the potential or real existence of these situations. Notwithstanding, to objectively address the recommendation of item (a)(ii) above, the Company maintains a specific policy which deals with conflict of interests and which provides for employee's duty of abstaining from deliberating on certain contract or situation, in case of potential conflict of interest. This policy also provides for the manner by which the conflicting situation shall be reported, with corresponding justification and indication of abstention. Shareholders and members of the board of directors will be legally prevented from voting in the matters referring to own interest or related issues and submitted for approval of the General Meeting or Board of Directors' meeting, respectively, and interested shareholder or board member shall abstain from voting in referred matters. The chairman of the presiding board at the General Meetings and Board of Directors' Meetings, cannot compute the vote in situation of conflict of interests, However, when the situation of conflict of interest at the general meeting is not raised by shareholder himself, the Company will analyze each case individually also according to the legal scholars and caselaw guidelines in this regard. The Board of Directors' Charter also provides for the conduct expected in the assumption of verifying conflict of interests. According to its rules, it is the duty of the Board of Directors' member to immediately notify this fact to other members, and the manifestation of conflict of interests shall be recorded in the minutes of the meeting.</p>

<p>5.2 Conflict of Interests</p>	<p>5.2.3 - The company shall have mechanisms to manage conflicts of interests in the voting submitted to the general meeting, to receive and process allegations of conflict of interests, and annul votes cast in conflict, even though subsequently to the meeting.</p>	<p>Yes</p>	<p>The duties of the Board of Directors, members of the Board of Executive Officers and Statutory Committee are defined in the Company's bylaws and respective Charters. In addition, the Company adopts a manual of delegation of authority, by means of which the duties and respective competence limits are established for employees to execute certain acts on the Company's behalf. This duties matrix is periodically revised and monitored by the controls and internal audit team. In addition, accesses to the Company's systems to carry out activities are only granted after analysis of segregation of duty, so that to avoid conflicts during accesses. The Code of Conduct deals with conflict of interests and adds that the Company forbids situations of conflict of interests when conducting its businesses and requires its employees and outsourced workers to discourage the potential or real existence of these situations. Notwithstanding, to objectively address the recommendation of item (a)(ii) above, the Company maintains a specific policy which deals with conflict of interests and which provides for employee's duty of abstaining from deliberating on certain contract or situation, in case of potential conflict of interest. This policy also provides for the manner by which the conflicting situation shall be reported, with corresponding justification and indication of abstention. Shareholders and members of the board of directors will be legally prevented from voting in the matters referring to own interest or related issues and submitted for approval of the General Meeting or Board of Directors' meeting, respectively, and interested shareholder or board member shall abstain from voting in referred matters. The chairman of the presiding board at the General Meetings and Board of Directors' Meetings, cannot compute the vote in situation of conflict of interests, However, when the situation of conflict of interest at the general meeting is not raised by shareholder himself, the Company will analyze each case individually also according to the legal scholars and caselaw guidelines in this regard. The Board of Directors' Charter also provides for the conduct expected in the assumption of verifying conflict of interests. According to its rules, it is the duty of the Board of Directors' member to immediately notify this fact to other members, and the manifestation of conflict of interests shall be recorded in the minutes of the meeting.</p>
<p>5.3 Related Party Transactions</p>	<p>5.3.1 - The bylaws shall define which related party transactions shall be approved by the Board of Directors, excluding any members with potential conflict of interests.</p>	<p>Yes</p>	<p>The Company's bylaws provides in its Article 20, item (xxi), that the Board of Directors shall deliberate on any transaction above R\$500,000.00 between, on the one hand, the Company (or any of its Subsidiaries) and, on the other hand, any of its direct or indirect controlling shareholders. In addition, the Company's bylaws forbids in its Article 25, acts practiced by board members, officers, attorneys-in-fact or employees, in businesses out of the corporate purpose, thus, including, the tendering of guarantee, surety, endorsement or any guarantees not related to the corporate purpose. If any of the Board of Directors' member has potentially conflicting interests, such member shall leave the Board of Directors' meeting at the moment of resolution on referred issue and cannot vote on this matter. In addition to the bylaws provisions referring to this issue, the Company maintains a specific policy dealing with Related Party Transactions, foreseeing the duty of Employee's abstention in deliberation under potential conflict of interests for the matter under discussion. All the practices provided for herein in relation to related parties are implemented in the related party policy and in the Company's bylaws.</p>
<p>5.3 Related Party Transactions</p>	<p>5.3.2 - The Board of Directors shall approve and implement a related party transaction policy to include amongst other rules: (i) provision that, prior to approval of specific transactions or guidelines to contract transactions, the Board of Directors shall request to the Board of Executive Officers market alternatives to related party transactions, adjusted by the risk factors involved; (ii) prohibition to forms of compensation of advisors, consultants or agents to create conflict of interests with the company, managers, shareholders or classes of shareholders; (iii) prohibition to loans on behalf of controlling shareholder and managers; (iv) assumptions of related party transactions which shall be based on independent appraisal reports, elaborated without the participation of any party involved in the operation under consideration, i.e., bank, attorney, specialized consulting firm, amongst others, based on realistic assumptions and information referenced by third parties; (v) that corporate restructurings involving related parties shall ensure equal treatment to all shareholders.</p>	<p>Yes</p>	<p>The Company's bylaws provides in its Article 20, item (xxi), that the Board of Directors shall deliberate on any transaction above R\$500,000.00 between, on the one hand, the Company (or any of its Subsidiaries) and, on the other hand, any of its direct or indirect controlling shareholders. In addition, the Company's bylaws forbids in its Article 25, acts practiced by board members, officers, attorneys-in-fact or employees, in businesses out of the corporate purpose, thus, including, the tendering of guarantee, surety, endorsement or any guarantees not related to the corporate purpose. If any of the Board of Directors' member has potentially conflicting interests, such member shall leave the Board of Directors' meeting at the moment of resolution on referred issue and cannot vote on this matter. In addition to the bylaws provisions referring to this issue, the Company maintains a specific policy dealing with Related Party Transactions, foreseeing the duty of Employee's abstention in deliberation under potential conflict of interests for the matter under discussion. All the practices provided for herein in relation to related parties are implemented in the related party policy and in the Company's bylaws.</p>

5.4 Securities Trading Policy	5.4.1 - The company shall adopt, by resolution of the Board of Directors, a securities trading policy, which without prejudice of compliance with the rules laid down by CVM rules, sets forth controls to make feasible the monitoring of trades, the verification and punishment of defaulters in the event of failure to comply with the policy.	Yes	The Company has a Policy for Securities Trading and Disclosure of Information approved at the Board of Directors' meeting on March 23, 2017, duly disclosed on the websites of the Company, CVM and B3, which implements all the guidelines of this code. The Policy for Securities Trading and Disclosure of Information contains, in items 3.6 and 3.7, provisions which define controls to monitor negotiations. The mechanisms used are (i) the mandatory communication by Management, members of the Fiscal Council and any bodies with technical or advisory duties created by bylaws provision to inform the Investor Relations Officer on trading of securities issued by the Company or by controlling shareholder (set forth in item 3.6); and (ii) the mandatory communication of any Relevant Trade by any Person Subject to the Policy (set forth in item 3.7). In addition, item 5 of the Policy for Securities Trading and Disclosure of Information of the Company, establishes the verification and punishment of those responsible in case of failure to comply with rules provided for in the Policy. Eventual non-compliance with provisions set forth in the Policy shall be immediately notified to the Investor Relations Officer, by Persons Subject to the Policy who verify such non-compliance. The Company's Disclosure and Trading Committee will analyze the default reported, and once verified that the provisions of the Policy were effectively defaulted, the following measures shall be taken: (a) appropriate authorities shall be notified, (b) recommendation of violator's withdrawal from his activities at the Company or in Subsidiaries and Associated Companies, and (c) notice to the Board of Directors to adopt eventual reasonable additional measures. The expressions above initiated in capital letters are defined in the Company's Policy for Securities Trading and Disclosure of Information.
5.5 Contributions and Donations Policy	5.5.1 - Aiming at ensuring greater transparency as to the use of the Company's funds, a policy for its voluntary contributions shall be prepared, inclusive those related to political activities, to be approved by the Board of Directors and executed by the Board of Executive Officers, containing clear and objective principles and rules.	Yes	The contribution and donation policy was approved by the board of directors on October 29, 2018, and is available on the Company's website ( <a href="http://ri.cosan.com.br">http://ri.cosan.com.br</a> )
5.5 Contributions and Donations Policy	5.5.2 - The policy shall set forth that the Board of Directors is the body in charge of approving all disbursements relating to political activities.	No	The Company's Contribution and Donation Policy provides for the prohibition to electoral donations, contributions to political parties, candidates to elective offices, unions or organizations or public agents, on behalf of the Company or to its benefit. The Company's Code of Conduct also prohibits direct and indirect contributions by third parties of political contributions in cash, good, service, or benefit of any nature, pursuant to prevailing laws, also forbidding the support to candidates to public offices and/or political parties. Therefore, there is no body liable for approving disbursement relating to political activities..
5.5 Contributions and Donations Policy	5.5.3 - The policy on voluntary contributions of entities controlled by government, or maintaining business relevant relations with government, shall forbid contributions or donations to political parties, or persons related thereto, even if authorized by laws.	Not Applicable	