

Bk Brasil Operação e Assessoria e Restaurantes S.A.

Report on the Brazilian Corporate Governance Code - ICBGC

2020

Chapter	Principle	Recommended Practice	Compliant?	Explanation / Guidelines
1 Shareholders	1.1 Shareholding Structure Each share entitles its holder to one vote in general shareholders' meetings.	1.1.1 The Company's share capital should only comprise common shares.	Yes	-
	1.2 Shareholders' Agreements Shareholders' agreements should not transfer to the signatory shareholders decisions on matters to be decided about by the board of directors, executive board or supervisory board.	1.2.1 Shareholders' agreements should not be binding on the exercise of voting rights of any officers or members of the supervisory and control bodies.	Not applicable	-
	1.3 General Meetings Management should seek to obtain shareholders' engagement, foster their attendance of general meetings and ensure their correct understanding of the matters to be decided on in such meetings, as well as facilitate the nomination and election of candidates to the board of directors and supervisory board.	1.3.1 The executive board should use the shareholders' meetings to communicate the manner in which the Company's business is being conducted, as such, Company management should publish a manual to facilitate and encourage participation in general shareholders' meetings.	Yes	-
		1.3.2 The shareholders' meeting minutes should allow full understanding of the discussions at the meeting, even if drawn up in the form of a summary of the facts occurred, and bring the identification of the votes cast by the shareholders.	Yes	-
	1.4 Protective Measures Protective measures, if adopted by the Company, should aim to prevent opportunistic acquisitions of material portions of the Company's share capital at unfavorable market times, preserving liquidity or maximizing share value for the benefit of all shareholders.	1.4.1 The board of directors should critically analyze the advantages and disadvantages of the protective measure and its characteristics and, above all, the factors triggering adoption thereof and price parameters, if applicable, and also explain them.	Not applicable	-
		1.4.2 There should not be use of clauses that render removal of the measure from the bylaws unfeasible, the so-called 'indelible clauses'.	Not applicable	-
		1.4.3 If the bylaws provide for the need of making a public offering for the purchase of shares (POPS) whenever a shareholder or group of shareholders reaches, directly or indirectly, material interest in voting share capital, the offer price determination rule should not impose addition of premiums substantially above the economic or market value of the shares.	Not applicable	-
	1.5 Change of Shareholding Control Regardless of the legal form and terms and	1.5.1 The Company's bylaws should establish that:	Partially	The Company fully applies the practice provided for in item (i).

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	conditions negotiated for the transaction that gives rise to the change in shareholding control, all shareholders of the Company subject to the transaction should be treated on a fair and equitable basis.	<p>(i) transactions entailing direct or indirect sale of shareholding control should involve public offering for the purchase of shares (POPS) to all shareholders, for the same price and under the same conditions obtained by the selling shareholder;</p> <p>(ii) the board of directors' members should express their position about the terms and conditions of corporate reorganizations, capital increases and other transactions resulting in change in shareholding control, and on whether they ensure fair and equitable treatment to the Company's shareholders.</p>		Regarding item (ii), although there is no statutory provision requiring the Board of Directors to express its position, the board members, in fulfilling their statutory duties, in proposing and analyzing the terms and conditions of the corporate reorganizations and capital increases for recommendation of approval by the shareholders in General Shareholders' Meetings, may, at their sole discretion, express their opinion on fair and equitable treatment of the Company's shareholders within the scope of such transactions. Accordingly, in view of the legal responsibility of the board of directors' members, the Company believes that it is not necessary to change the bylaws at this time.
1.6	<p>Board of Directors' Position about Public Offerings for the Purchase of Shares (POPSs)</p> <p>The board of directors should orient shareholders about POPSs made to them.</p>	1.6.1 The bylaws should establish that the board of directors provide its opinion on any POPS for shares or securities convertible or exchangeable for shares issued by the Company, which should contain, among other material information, Company management's opinion on adventitious acceptance of the POPS and on the Company's economic value.	Yes	-
1.7	<p>Profit Allocation Policy</p> <p>The Company's profit allocation policy must respect the economic and financial characteristics of the business - cash generation and need for investments - and be known to all interested parties, shareholders and investors.</p>	1.7.1 The Company should prepare and disclose the profit allocation policy defined by the board of directors. Among other aspects, such policy should provide for the periodicity of dividend payments and the benchmark to be used for determining the respective amount (percentages of adjusted net income and free cash flow, among others).	No	<p>The Company does not have any formally approved profit allocation policy.</p> <p>The Company understands that it is not necessary to prepare a Profit Allocation Policy at this time, given that: (i) the purpose of this practice is essentially attained, since its bylaws already provide the minimum content that would be expected from the Profit Allocation Policy, namely, the periodicity of payment of dividends (on an annual basis, with the possibility, by resolution of the Board of Directors, to distribute interim dividends) and the benchmark to be used to define the respective amount (in this case, adjusted net income); and (ii) that information on the matter is available to shareholders and the market in general, both pursuant to the bylaws as well as item 3.4 - Profit Allocation Policy of the Reference Form (version 6, of 9/15/2020).</p>
1.8	<p>Mixed Capital Companies</p> <p>The guidance on the Company's activities from the controlling shareholder, in order to comply with the public interest that justified the creation of the mixed capital company, must be reconciled with the interests of the other shareholders and investors in the Company's securities.</p>	1.8.1 The bylaws should clearly and accurately identify the public interest that justified creation of the mixed capital company, in a specific chapter.	Not applicable	-
		1.8.2 The board of directors should monitor the Company's activities and establish internal policies, mechanisms and controls to determine the possible costs of meeting the	Not applicable	-

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		public interest and any compensation of the Company or other shareholders and investors by the controlling shareholder.		
2 Board of Directors	<p>2.1</p> <p>Allocations The board of directors should perform its duties considering the long-term interests of the Company, the impacts arising from its activities on society and the environment and the statutory duties of its members, acting as Company guardians of principles, values, corporate purposes and the corporate governance system.</p>	<p>2.1.1</p> <p>The board of directors should, without prejudice to its other legal and statutory attributions and of other practices provided for by the Brazilian Corporate Governance Code (CBGC):</p> <p>(i) define the business strategies, considering the impacts of the Company's activities on society and the environment, aiming at the Company's continuity and long-term value creation;</p> <p>(ii) periodically assess the Company's exposure to risks and the effectiveness of its risk management systems, internal controls and the integrity/compliance system and approve a risk management policy consistent with the business strategies;</p> <p>(iii) define the Company's values and ethical principles and ensure issuer's transparency in its relationships with all stakeholders;</p> <p>(iv) annually review the corporate governance system, with a view to improving it.</p>	Partially	<p>The Company fully adopts the practice described in item (i), since, as provided for in the Internal Regulations for the Board of Directors, Management and Committees, the aforementioned body is responsible for establishing general guidance over the Company's business and deciding on strategic issues, this is intended to promote the interests of the shareholders, without losing sight of the other interested parties (stakeholders); and to ensure the continuity of the Company, within a long-term and sustainability perspective, which incorporates economic, social, environmental and good corporate governance considerations in the definition of business and operations. Regarding environmental aspects, moreover, the Company adopts initiatives related to the main direct and indirect environmental impacts in its activities, as explained in item 7.5, b, of the Reference Form (version 6, of 9/15/2020).</p> <p>The Company only partially adopts the practice described in item (ii), given that it has not yet approved a Risk Management Policy. However, the Company already adopts risk management practices that also involve the performance of the Board of Directors, which is responsible for establishing an acceptable level of risk in conducting business, according to the Internal Regulations of the Board of Directors, Executive Board and Committees. In addition, through the Audit Committee, the Board of Directors is responsible for supervising the following activities: (a) quality and integrity of the financial statements; (b) compliance with legal and regulatory requirements; (c) performance, independence, objectivity and quality of services provided by independent auditors; (d) performance, independence and quality of internal auditors' work; and (e) quality and effectiveness of internal control and risk management systems. Regarding compliance-related practices, the Company has areas responsible for monitoring efficiency of integrity-related internal procedures and mechanisms (the areas of risks, internal controls, compliance and audit), reporting directly to the legal officer and the Audit Committee.</p> <p>More information on risk management practices is described in items 5.1 and 5.4 of the Reference Form (version 6, of 9/15/2020). It is important to stress that, in the course of 2021, the Company will approve and disclose its Risk Management Policy, complying with Novo Mercado Regulation, which has not yet been concluded because, despite the importance of having a Risk Management Policy, the practices already adopted have been sufficient for the Company's risk management.</p> <p>Regarding item (iii), the Board of Directors approved a Code of Ethics, which was last revised in 2017 and approved in January 2018, establishing the Company's values and ethical principles, guiding the Company's internal and external relations. There is also a Code of Ethics for Suppliers whose non-</p>

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				<p>compliance may lead to the suppliers' disqualification or the initiation of judicial or out-of-court proceedings against them.</p> <p>Regarding item (iv), the Company reviews its governance system based on the planning of demands made by the Board of Directors and the Executive Board, with the participation of the Audit, Finance and Compensation Committees, as well as other internal areas. In addition, the Company reassesses the risks and adapts its policies whenever there are new demands from the organizational structures involved or relevant changes in the Company as per item 5.4 of the Reference Form (version 6, of 9/15/2020). All mechanisms count on the support from senior management (tone at the top), thereby ensuring ongoing improvement of the Company's governance system.</p>
2.2	<p>Board of Directors' Composition The board of directors should have members with diversified profiles, adequate number of independent members, and size that allows for the creation of committees, effective discussion of ideas, and technical, impartial and well-informed decision-making.</p>	<p>The bylaws should establish that:</p> <p>(i) the board of directors be mainly composed of external members, with at least one third of its members being independent members;</p> <p>(ii) the board of directors should assess and disclose annually its independent members, as well as indicate and justify any circumstances that may impair their independence.</p>	Partially	<p>Regarding item (i), there is no provision in the bylaws for a minimum number of external members, but article 15 of the bylaws states that the board of directors must be composed of at least 2 or 20% (whichever is greater) of independent members, according to the "Novo Mercado" Rules.</p> <p>Anyhow, of the 7 sitting members of the Board of Directors, 5 are independent (71.5%) and all are external (100%).</p> <p>The Company understands that the current composition of the Board of Directors already complies with the best corporate governance practices, going beyond what is recommended by the Brazilian Corporate Governance Code, which is why it does not envisage any amendment to the bylaws.</p> <p>In relation to item (ii), the Board of Directors assesses the independent members whenever a General Meeting is convened to elect Board of Directors' members (with term of office of 2 years). According to item 12.5 of the Reference Form (version 6, of 9/15/2020), the Company discloses, annually, who its independent board of directors' members are.</p> <p>It is worth noting that with the adaptation of the bylaws to the new "Novo Mercado" Rules, the Board of Directors' statement regarding the independence of the candidates will follow a more structured procedure, as it will be based on a self-declaration by the candidates to independent board member and on the opinion of the Board of Directors on such classification, to be included in the Management's Proposal to the general shareholders' meeting electing them (Article 17 of the "Novo Mercado" Rules and Internal Regulations of the Board of Directors, Executive Board and Committees). In view of this, the Company understands that it is not necessary to adjust the bylaws to provide for the independence assessment of independent directors on an annual basis.</p> <p>Finally, the Company makes use of the current definition of independent board member provided by the "Novo Mercado" Rules, which it considers to be more</p>

				objective than that provided by the "Brazilian Corporate Governance Code (CBGC)", thus mitigating any uncertainty about compliance with this practice.
		<p>The board of directors should approve a nomination policy establishing:</p> <p>(i) the process for nominating board of directors' members, including the participation of other bodies of the Company in this process;</p> <p>(ii) that the board of directors should include members with available time to perform their duties, as well as diversified knowledge, experience, attitudes, cultural backgrounds, age brackets and genders.</p>	No	<p>The Company does not have a Nomination Policy, but will introduce it by 2021, when it will become mandatory under the "Novo Mercado" Rules.</p> <p>The Company understands that it is not imperative, at this moment, to have a nomination policy formally approved by the Board of Directors, since it already has a specific Committee to assist the Members in the appointment of members of the Board of Directors, the Board Members in the appointment of members committees and the Chief Executive Officer in the appointment of the other Statutory Officers.</p>
2.3	<p>Chairman of the Board of Directors The chairman of the board of directors should coordinate the activities of the Board of Directors seeking effectiveness and good performance of the board and each of its members, serving as a link between the Board of Directors and the Chief Executive Officer.</p>	<p>2.3.1 The CEO should not accumulate his/her position with that of chairman of the board of directors.</p>	Yes	-
2.4	<p>Evaluation of the Board of Directors and its Members The board of directors should establish periodic performance evaluation mechanisms that contribute to its effectiveness and to the improvement of Company governance.</p>	<p>2.4.1 The Company should implement an annual performance evaluation process for the board of directors and its committees, as collegiate bodies, the chairman of the board of directors, the individually considered board members, and the governance secretary, if any.</p>	No	<p>The Company has not yet implemented a formal performance evaluation mechanism for the Board of Directors or its members. The Company recognizes the importance of the practice and shall implement it throughout 2021. This has not yet been concluded in view of the Company's decision to prioritize the implementation of the Executive Board's assessment to, at a later stage, implement the Board of Director's assessment.</p>
2.5	<p>Succession Planning The board of directors should ensure the continuity of the Company's management, avoiding that the succession of its main leaders ends up affecting the Company's performance and causing destruction of its value.</p>	<p>2.5.1 The board of directors should approve and keep up to date a succession plan of the chief executive officer, the preparation of which should be coordinated by the chairman of the board of directors.</p>	Yes	<p>The People and Management Board is responsible for management and governance (preparation, review and monitoring) of the succession plan of all members of the Executive Board, including the CEO. Such plan is approved annually by the Compensation Committee, which is composed of two members of the Board of Directors. The succession plan was presented and discussed at a meeting of the Board of Directors in February 2020, and at the time, it was understood that no change was necessary. The Company is also evaluating the approval of an individual training plan for the executives identified as potential successors in the Succession Plan.</p>
2.6	<p>Integration of New Board of Directors' Members In order to properly perform their duties, board of directors' members should understand the Company's business.</p>	<p>2.6.1 The Company should have a pre-structured program of integration of new members of the board of directors so that these members are introduced to the key people of the Company and its facilities, addressing issues essential to understanding the business of the Company.</p>	Partially	<p>The Company has been promoting the integration program for new members of the Board of Directors as from 2019. Although not a program formally approved by the board of directors, Onboarding includes the presentation of key executives and visits to corporate and operational facilities.</p>

	<p>2.7 Compensation of Board of Directors' Members Compensation of board of directors' members should be in line with the Company's strategic objectives, focusing on its continuity and long-term value creation.</p>	<p>2.7.1 Compensation of board of directors' members should be commensurate with their duties, responsibilities and time demands. There should be no compensation based on attendance at meetings, and variable compensation of board members, if any, should not be linked to short-term results.</p>	<p>Yes</p>	<p>-</p>
	<p>2.8 Board of Directors' Bylaws The activities of the board of directors should be guided by a document containing rules that regulate its structure and activities.</p>	<p>2.8.1 The board of directors should have bylaws setting out its responsibilities, duties and operating rules, including:</p> <ul style="list-style-type: none"> (i) the duties of the chairman of the board of directors; (ii) the rules for replacing the chairman in his absence or vacancy; (iii) the measures to be taken in situations of conflict of interest; and (iv) the definition of sufficient time in advance to receive materials for discussion at meetings, on a proper in-depth basis. 	<p>Yes</p>	<p>-</p>
	<p>2.9 Board of Directors' Meetings The board of directors should adopt a set of actions that make its meetings effective, facilitate the activities of external board members and confer transparency to their activities.</p>	<p>2.9.1 The board of directors should establish an annual calendar with the dates of the ordinary meetings, which should not be less than six or more than twelve, and should convene extraordinary meetings whenever necessary. This calendar should provide for a thematic annual agenda with relevant subjects and discussion dates.</p>	<p>Partially</p>	<p>The Company has an annual thematic calendar. Exceptionally for the year 2020, the calendar provides for only 5 ordinary meetings.</p>
		<p>2.9.2 Board of directors' meetings should provide for periodic exclusive sessions for external members, without the presence of executives and other guests, to keep external members apprised of and discuss sensitive issues.</p>	<p>Yes</p>	<p>-</p>
		<p>2.9.3 Board of directors' meeting minutes should be clearly written and record decisions made, persons present, dissenting votes and abstentions.</p>	<p>Yes</p>	<p>The Internal Regulations of the Board of Directors, Executive Board and Committees provides that the minutes will be clearly written, record all decisions taken, those in attendance, opposing votes and the abstention of votes, including those due to conflicts of interest.</p>
<p>3 Executive Board</p>	<p>3.1 Attributions The executive board should manage the Company's business, observing the risk limits and guidelines approved by the board of directors.</p>	<p>3.1.1 The executive board should, without prejudice to its legal and statutory attributions and other practices provided for in the Brazilian Corporate Governance Code (CBGC):</p> <ul style="list-style-type: none"> (i) enforce the risk management policy and, whenever necessary, propose to the board of 	<p>Partially</p>	<p>The Company only partially adopts the practice described in item (i), since it has not yet approved in a Risk Management Policy, which will occur in the course of the year 2021, as explained by the practice described in item 4.5.1 of this Report. However, the Company has already adopted risk management practices, detailed in item 5.1 of the Reference Form (version 6, of 9/15/2020), which is why the Company understands that it is not imperative to develop a policy for managing risks at this time. As for the duties of the Executive Board, the Internal Regulations of the Board of Directors, Executive Board and</p>

		<p>directors any needs for revising this policy, due to changes in the risks to which the Company is exposed;</p> <p>(ii) implement and maintain effective mechanisms, processes and programs for monitoring and disclosing financial and operating performance and the impacts of the Company's activities on society and the environment.</p>		<p>Committees establishes that it is its mandate to manage the level of risk acceptable in the conduct of business established by the Board, as well as to identify risks preventively and provide necessary management, assessing the probability of occurrence and adopting measures for their prevention and minimization. It is worth noting that the Company must prepare a Risk Management Policy over 2021.</p> <p>In relation to item (ii), the Internal Regulations of the Board of Directors, Executive Board and Committees establish that it is the responsibility of the Executive Board to implement and maintain effective mechanisms, processes and programs for monitoring and disclosing financial and operating performance and the impacts of the Company's activities on society and the environment. Further details on the initiatives related to the main direct and indirect environmental impacts of the Company's activities can be found in items 7.5, b, and 7.8 of the Reference Form (version 6, of 9/15/2020).</p>
		3.1.2 The executive board should have its own bylaws establishing its structure, activities and roles and responsibilities.	Yes	-
3.2	<p>Nomination of Executive Board Members</p> <p>The process of nomination and filling executive board and managerial positions should aim at forming a group aligned with the Company's principles and ethical values, promoting diversity, including of genders, aiming at nominating people with complementary skills and qualified to face the Company's challenges.</p>	3.2.1 There should be no reservation of executive board positions or managerial positions for direct nomination by shareholders.	Yes	-
3.3	<p>Evaluation of the Chief Executive Officer and the Executive Board</p> <p>The CEO and executive board should be evaluated based on performance, financial and non-financial targets (including environmental, social and governance aspects), aligned with the Company's values and ethical principles.</p>	3.3.1 The CEO should be evaluated annually in a formal process conducted by the board of directors, based on confirmation of attainment of the financial and non-financial performance targets set by the board of directors for the Company.	Yes	<p>The Internal Regulations of the Board of Directors, Board of Executive Officers and Committees provide that the Chairman of the Board of Directors must include in the annual calendar meetings or sessions aimed at assessing management, without the presence of internal members. Information on the executive officers' evaluation, including the CEO, based on the attainment of previously established targets is provided in item 13.1 of the Reference Form (version 6 of 9/15/2020).</p> <p>Both the Chief Executive Officer and the other Executive Officers are evaluated mainly in relation to the results of their respective goals, which are defined at the end of each year for the respective following year, in order to leverage the Company's main ratios.</p> <p>The evaluations take place annually but not on a specific date, i.e., the evaluation observes the performance of the Chief Executive Officer and the other Officers throughout the year.</p> <p>The CEO's annual performance was presented to the People and Compensation Committee in February 2020, and to the Board of Directors at a meeting held in the same month.</p>

		<p>3.3.2 The results of the evaluation of the executive officers, including the CEO's proposals regarding the targets to be agreed-upon and the permanence, promotion or removal of officers from their positions, should be presented, analyzed, discussed and approved at a board of directors' meeting.</p>	<p>Partially</p>	<p>The Internal Regulations of the Board of Directors, Board of Executive Officers and Committees provide that the Chairman of the Board of Directors must include in the annual calendar meetings or sessions aimed at assessing management, without the presence of internal members. Information on the executive officers' assessment based on the attainment of previously established targets is provided in item 13.1 of the Reference Form (version 6 of 9/15/2020).</p> <p>Both the Chief Executive Officer and the other Executive Officers are evaluated mainly in relation to the results of their respective goals, which are defined at the end of each year for the respective following year, in order to leverage the Company's main ratios. In addition, specifically for the Executive Officers, there is also a "360 evaluation" in which they actively participate in the evaluation of their peers.</p> <p>The evaluations take place annually but not on a specific date, i.e., the evaluation observes the performance of the Executive Officers throughout the year. The annual performance was presented to the People and Compensation Committee in February 2020, but was not discussed by the Board of Directors.</p> <p>The Company recognizes the importance of the discussion of the evaluation of the Executive Officers by the Board of Directors and should implement this practice throughout 2021. This has not yet been concluded in view of the Company's decision to prioritize the implementation of the evaluation of the Chief Executive Officer to, at a later stage, progress in evaluating the other Executive Officers</p>
<p>3.4</p>	<p>Executive Board Compensation Compensation of executive board members should be aligned with the Company's strategic objectives, focusing on its continuity and long-term value creation.</p>	<p>3.4.1 Executive Board compensation should be set through a compensation policy approved by the board of directors following a formal and transparent procedure that considers the costs and risks involved.</p>	<p>Yes</p>	<p>The Company has a compensation policy formally approved by the Board of Directors that considers the costs and business risks involved. In addition, the Company uses salary surveys conducted by external consultants, which consider companies of the same size in the segment as well as other competing segments for the purposes of hiring executives.</p>
		<p>3.4.2 Executive Board compensation should be linked to results, with medium and long-term targets clearly and objectively related to the generation of long-term economic value for the Company.</p>	<p>Yes</p>	<p>According to item 13.1 of the Reference Form (version 6, of 9/15/2020), the Company's compensation strategy seeks to encourage greater profitability of the projects developed by the Company, reconciling the interests of its officers with those of the Company.</p> <p>The Company also adopts long-term retention plans for key executives, always linked to the basic pillars of meritocracy and "owner vision", representing an incentive to grow, generate long-term results and to retain talents.</p>
		<p>3.4.3 The incentive structure should be in line with the risk limits set by the board of directors and prevent the same person from controlling the decision-making process and its supervision. No one should decide about his/her own compensation.</p>	<p>Yes</p>	<p>Pursuant to item 13.1 of the Reference Form (version 6, of 9/15/2020), the overall key-management personnel compensation should be determined by the shareholders' meeting. The Board of Directors, advised by the Compensation Committee, under the terms of the Internal Regulations for the Board of Directors, Management and Committees is responsible for determining the proportion of each compensation component, as well as approving the compensation reviews of the Executive Board, as well as for the Chief Executive Officer. In addition, the Company may engage specialized compensation consulting firms to structure a competitive compensation framework.</p>

4 Supervisory and Control Bodies	<p>4.1 Audit Committee - The Company should have a statutory, independent and duly qualified audit committee.</p>	<p>4.1.1</p> <p>The statutory audit committee should:</p> <p>(i) have among its duties to assist the board of directors in the monitoring and quality control of the financial statements, internal controls, risk management and compliance;</p> <p>(ii) mostly be composed of independent members and coordinated by an independent board of directors' member;</p> <p>(iii) have at least one of its independent members with proven experience in the accounting, internal control, financial and auditing areas cumulatively; and</p> <p>(iv) have its own budget for hiring consultants for accounting, legal or other matters, when the opinion of an external expert is required.</p>	Partially	<p>The Company understands that, although the Committee is not statutory, its structure and functions fully meet the objectives of the recommended practice. In effect, the Committee is responsible for advising the Board of Directors on the quality of the financial statements, internal controls, risks and compliance and, for this purpose, it monitors the work of the independent auditors on a daily basis. In addition, the Internal Audit reports directly to the Committee, which also periodically monitors the activities of the second line of defense at its meetings.</p> <p>The Audit Committee is composed of 3 members, chaired by an independent member of the board of directors, an expert in auditing, controls and risks, and composed of an alternate who is a highly experienced adviser in the fast-food retail industry and one more external specialist in the matters of an audit committee.</p> <p>The Committee has its own budget for hiring external specialists if and when it is necessary, incorporated into the management's budget policy and practices.</p>
	<p>4.2 Supervisory Board The supervisory board, if in operation, should be provided with the resources and management support necessary for its members to effectively perform their independent oversight duties.</p>	<p>4.2.1</p> <p>The supervisory board should have its own bylaws describing its structure, operation, work program, roles and responsibilities, without impairing the individual performance of its members.</p>	Not applicable	-
		<p>4.2.2</p> <p>The minutes of the supervisory board meetings should observe the same disclosure rules as those applicable to minutes of the board of directors' meetings.</p>	Not applicable	-
	<p>4.3 Independent Audit Independent auditors should report to the board of directors. This should ensure the independence of the independent auditors in their work.</p>	<p>4.3.1</p> <p>The Company should establish a policy on the rendering of services other than audit services by its independent auditors, approved by the board of directors, prohibiting the engagement of non-audit services that may impair independence of auditors. The Company should not hire independent auditors that have provided internal audit services to the Company less than three years ago.</p>	No	<p>The Company does not have a specific policy approved by the Board of Directors, regarding the engagement of extra-audit services by its independent auditors.</p> <p>However, any and all engagement of professional services depends on prior assessment by the Audit Committee, which has the practice of not approving contracts that may impact the auditor's independence, with reference to the regulatory and professional standards in force. It should be noted that the essence of this practice is also ensured by the internal rules of the Audit Committee, when it assigns the following tasks to that body:</p> <p>"... iv) establish and disclose the procedures for engaging other services to be provided by the Company that audits the Company's financial statements.</p> <p>Review, update and define:</p> <p>A. services that cannot be provided by the Independent Auditor, as they put its independence or objectivity at risk;</p> <p>B. services where engagement is already pre-approved by the Audit Committee; and</p> <p>C. services that must be previously submitted for Audit Committee approval.</p>

		4.3.2	The independent audit team should report to the board of directors, through the audit committee, if any. The audit committee should monitor the effectiveness of the work of the independent auditors, as well as their independence. It should also evaluate and discuss the independent auditors' annual work plan and submit it to the Board of Directors for consideration.	Yes	-
4.4	Internal Audit The Company should structure its internal audit in a manner that is commensurate with the size, complexity and risks of its business. The board of directors is responsible for ensuring the qualification and independence of the internal audit team's professionals from the executive board.	4.4.1	The Company should have an internal audit area directly linked to the board of directors.	Yes	The Company has, since 2017, an Internal Audit and Compliance Department, reporting to the Audit Committee of the Board of Directors, responsible for periodically reviewing the processes and risks, stating the weaknesses in the controls and monitoring the development of the established action plans by the business areas. Pursuant to item 5.1 of the Reference Form, in which more information about the internal audit can be found (version 6, of 9/15/2020), the Company believes that it is able to monitor the risks inherent to its business effectively, through the performance existing internal forums, including internal audit.
		4.4.2	In the event that this activity is outsourced, internal audit services should not be performed by the same company that provides financial statement audit services. The Company should not engage internal audit firms that have provided independent audit services to the Company less than three years ago.	Not applicable	-
4.5	Risk Management, Internal Controls and Integrity/ Compliance - The Company should have an appropriate risk management process and maintain internal controls and compliance programs commensurate with the size, risk and complexity of its activities.	4.5.1	The Company should adopt a risk management policy, approved by the board of directors, which includes the definition of risks against which protection is sought, the instruments used for this purpose, the organizational structure for risk management, the assessment of adequacy of the operating structure and internal controls effectiveness, and setting guidelines for establishing acceptable limits for the Company's exposure to these risks.	Partially	The Company must implement - and have its Board of Directors approve - a formal policy in the course of 2021. In this regard, the Board of Directors itself recommended hiring consultants to carry out the reassessment of risks, thus initiating the discussion on the preparation of the Risk Management Policy. However, the Company has well-structured risk management practices that involve the preparation and management of a risk matrix and the assessment of risks and their monitoring, which certainly entails meeting the essence of the practice, which is why the Company understands that the preparation of such policy is not imperative at this time. For more information on risk management practices, see item 5.1 of the Reference Form (version 6, of 9/15/2020).
		4.5.2	It is the responsibility of the board of directors to ensure that the executive board has internal mechanisms and controls to know, assess and control risks, in order to maintain them at levels consistent with the limits set, including the integrity/compliance program to	Yes	The Board of Directors, through the ongoing assessment and monitoring of the risk management structure and internal controls, aims to ensure that the board and other bodies involved in the matter have mechanisms to know, assess and control risks, including the integrity/compliance program, as described below.

		<p>ensure compliance with external and internal laws, regulations and standards.</p>		<p>The risk management and internal control structure, created and monitored by the Board of Directors, through the Audit Committee, as described in item 5.1 of the Reference Form (version 6, of 9/15/2020), following the methodology widely adopted in the market, called "Coso II - Committee of Sponsoring Organizations of the Treadway Commission".</p> <p>Risk monitoring is hierarchically based on the demands from the Executive Board and the Board of Directors, with the participation of the Audit Committee, the internal audit and compliance departments, the operational audit department and other boards.</p> <p>In relation to the integrity program, the Company seeks to prevent, detect and remedy fraud and unlawful acts against management through: (i) adoption of anti-corruption, policies on the receipt of gifts and entertainment, (ii) Code of Ethics for Employees, Code of Business Ethics and Conduct for Suppliers, (iii) Purchasing Policy, which also includes due diligence process for the evaluation of material service hiring, and (iv) adoption of a Tip-off Channel of a confidential nature and independent, to which access is also granted to suppliers.</p> <p>This overall structure ensures that management, in general, has internal mechanisms and controls to adequately know, assess and respond to risks, in order to maintain them at levels consistent with the limits set and in compliance with applicable laws and regulations, which is the reason why the Company believes the requirement has been met.</p>
		<p>4.5.3 The executive board should assess, at least annually, the effectiveness of risk management and internal control policies and systems, as well as the integrity/ compliance program, and report on this assessment to the board of directors.</p>	<p>Yes</p>	<p>There is no pre-defined periodicity for risk monitoring, but the Company has been monitoring them at least annually:</p> <p>On a more reactive basis, in accordance with items 5.1 and 5.4 of the Reference Form (version 6, of 9/15/2020), in addition to the planning of demands made by the Board of Directors and the Executive Board, with the participation of the Audit Committee and other internal areas, the Company reassesses the risks and adjusts its policies whenever there are new demands from the organizational structures involved or relevant changes in the Company. The guidelines for all mechanisms are provided by senior management (tone at the top), thereby keeping ongoing improvement of its governance system.</p>
<p>5 Ethics and Conflict of Interests</p>	<p>5.1 Code of Conduct and Tip-Off Channel - The Company should have a code of conduct that promotes its values and ethical principles and reflects organizational identity and culture and a tip-off channel to collect information on criticism, doubts, complaints and tip-offs.</p>	<p>5.1.1 The Company should have an independent and autonomous conduct committee, directly linked to the board of directors, responsible for implementing, disseminating, carrying out training on, reviewing and updating the code of conduct and tip-off channel, as well as conducting investigations and corrective measures relating to violations of the code of conduct.</p>	<p>Yes</p>	<p>In 2019, the Company implemented (i) the Internal Conduct Commission (composed of the President, Legal Executive Officer and People and Management Executive Officer) with bimonthly or ad-hoc meetings to analyze the Channel data and decide on given complaints made through the Tip-off Channel, related to fraud/ misappropriation by restaurant leaders and other issues involving corporate employees and (ii) the Conduct Committee (composed of the President, Legal Executive Officer and People and Management Executive Officer and a member of the Board of Directors) with semi-annual or ad-hoc meetings to analyze and resolve complaints involving the CEO and Executive Officers, in addition to other situations. Both the Commission and the Committee report to the Board of Directors and are responsible for monitoring the conduct of training on the Code of Conduct.</p>

				<p>The Company conducts training on the Code of Ethics with annual periodicity or whenever there are changes/updates thereof.</p> <p>More information can be found in item 5.4 of the Reference Form (version 6 of 9/15/2020).</p>
		<p>The code of conduct, prepared by the executive board, with the support from the conduct committee, and approved by the board of directors, should:</p> <p>(i) discipline the internal and external relations of the Company, expressing the expected commitment of the Company, its board of directors' members, executive board's members, shareholders, employees, suppliers and stakeholders with the adoption of appropriate standards of conduct;</p> <p>(ii) manage conflicts of interest and provide for the abstention of the member of the board of directors, the audit committee or the conduct committee, if any, which, as the case may be, is in conflict;</p> <p>(iii) clearly define the scope and reach of actions aimed at ascertaining the occurrence of situations construed as involving use of insider information (for example, use of insider information for commercial purposes or for obtaining advantages in the trading of securities);</p> <p>(iv) establish the ethical principles underlying the negotiation of contracts, agreements, proposed amendments to the bylaws, as well as the policies that guide the entire Company, and establish a maximum value of the goods or services of third parties that officers and employees may accept free of charge or under favorable conditions.</p>	Yes	-
		<p>The tip-off channel should be independent, autonomous and impartial, and operate following the guidelines defined by the executive board and approved by the board of directors. It should be operated independently and impartially, ensuring non-disclosure of its users, and making, in a timely manner, the necessary investigations and</p>	Yes	<p>The Company has independent channels for any internal and external tip-offs, managed by a specialized company through which information is collected and reported to the incumbent compliance officer, who follows internal rules for reporting tip-offs, including to the Audit Committee, as applicable. More information can be found in item 5.4 of the Reference Form (version 6 of 9/15/2020).</p>

		taking the necessary measures. This service may be provided by a qualified third party.		
5.2	Conflict of Interests - The Company should establish mechanisms to deal with conflict of interests in the Company's management or in general meetings.	5.2.1 Company governance rules should ensure the segregation and clear definition of duties, roles and responsibilities associated with the mandates of all governance agents. The levels of authority for decision-making purposes should also be defined, with the objective of mitigating possible conflicts of interests.	Yes	The Company's bylaws establish the decision limits of the Executive Board and the Board of Directors and the Internal Regulations of the Board of Directors, Executive Board and Committees detail the functions, roles and responsibilities of each body.
		5.2.2 The Company's governance rules should be made public and state that persons who are not independent with respect to matters subject to discussion or resolution by the Company's management or supervisory bodies should promptly state their conflict of interest or personal interest. Should this not be possible, these rules should provide for another person to state the conflict, if aware of it, and that as soon as a conflict of interest is identified in relation to a specific matter, the person involved should withdraw, including physically, from discussions and resolutions. The rules should provide that such temporary withdrawal be recorded in the minutes.	Yes	The Internal Regulations of the Board of Directors, Executive Board and Committees have a specific chapter dealing with the commitment to ethics and to act without conflict of interests, detailing the mechanisms adopted in situations in which such conflict is identified.
		5.2.3 The Company should have mechanisms for managing conflicts of interest in voting at the general meetings, to receive and process allegations of conflicts of interest and the cancellation of votes cast in conflict, even after the meeting.	Yes	The Manual for Meeting Participation provides that any conflict must be identified by the shareholder him/ herself, who must abstain from voting. However, in situations where the conflict is unequivocal and the shareholder does not state that such a conflict has arisen, the Chairman of the Board must declare such impediment, in line with CVM precedents.
5.3	Transactions with Related Parties - The Company should have governance policies and practices to ensure that any related party transactions are always carried out in the best interests of the Company, with full independence and absolute transparency.	5.3.1 The bylaws should define which related party transactions are to be approved by the board of directors, excluding any members with potentially conflicting interests.	Yes	-
		5.3.2 The board of directors should approve and implement a related party transaction policy that includes the following rules, among others: (i) that prior to approving specific transactions or guidelines for contracting transactions, the board of directors should request from the executive board market	No	The Company does not have a formalized Related Party Transaction Policy, but, in addition to observing the rules on conflict of interests provided for in the Internal Regulations of the Board of Directors, Management and Committees, it adopts practices that are intended not to generate any unjustifiable benefit or loss to any of its related parties, based on terms and conditions that would apply to similar transactions with unrelated parties. To this end, it uses technological tools for quotations and market surveys in carrying out its business and hiring services, having as a criterion the pursuit for the best technical and price conditions. In addition, the Company has a Purchasing Policy that aims to manage all processes of acquisition of inputs, equipment

		<p>alternatives to the related party transaction, adjusted for the risk factors involved;</p> <p>(ii) prohibition of forms of compensation of advisors, consultants or intermediaries that generate conflict of interest with the Company, its officers, shareholders or shareholder classes;</p> <p>(iii) prohibition of loans to the controlling shareholder and officers;</p> <p>(iv) the hypotheses of related party transactions that should be based on independent evaluation reports, prepared without the participation of any party involved in the transaction in question, be it bank, lawyer, specialized consulting firm, among others, based on realistic assumptions and information endorsed by third parties;</p> <p>(v) that corporate restructurings involving related parties should ensure fair and equitable treatment for all shareholders.</p>		<p>and materials, and contracting third party services. For more information, see item 16.1 of the Reference Form (version 6 of 9/15/2020).</p> <p>The Company understands that the mechanisms currently used are sufficient to prevent abuses in entering into such agreements. In any event, the Company will implement this practice throughout 2021, when the document will become mandatory under the Novo Mercado Regulation.</p>	
5.4	<p>Securities Trading Policy - The trading of shares or other securities issued by the Company by shareholders, officers, members of the supervisory board and other statutory bodies, and any persons with access to information should be guided by the principles of transparency, fairness and ethics.</p>	5.4.1	<p>The Company should adopt, by resolution of the Board of Directors, a policy on trading of securities issued by it, which, without prejudice to compliance with CVM rules, establishes controls that enable the monitoring of the negotiations carried out, as well as the investigation and punishment of those responsible for any non-compliance with the policy.</p>	Yes	<p>In addition to the trading restrictions provided for in the Policy, in order to ensure the Company's securities trading standards, all trading by the Company and persons required to comply with the terms and conditions of the Trading Policy shall only be conducted through an Accredited Securities Broker.</p> <p>In addition, in the event of breach of the terms and procedures set forth in this Policy, the Board of Directors shall be responsible for taking any disciplinary action within the Company, including removal from the position or dismissal of the violator in the event of a serious violation.</p>
5.5	<p>Contributions and Donations Policy Management should ensure that officers and other employees clearly and objectively understand the principles and rules regarding contributions and donations of values or assets to philanthropic, cultural, social, environmental or political activities.</p>	5.5.1	<p>In order to ensure increased transparency regarding the use of the Company's resources, a policy on its voluntary contributions, including those related to political activities, should be prepared and approved by the board of directors and enforced by the executive board, containing clear and objective principles and rules.</p>	Partially	<p>The Company does not have a Policy on Contributions or Donations. However, the Code of Ethics, a document approved by the Board of Directors and observed by the entire Company, prohibits donations or social contributions (not to mention political contributions) on behalf of the Company, without obtaining the necessary authorization. The Company points out that, to date, it has not made any donations to political activities and understands that there is no need to prepare this policy, considering that, since the 2018 elections, donations by legal entities to electoral campaigns are prohibited (Law 13,165/2015).</p>
		5.5.2	<p>The policy should provide that the board of directors shall be the body responsible for approving all cash outlays related to political activities.</p>	No	<p>The Company does not have a policy that requires the board of directors to be the body responsible for approving all cash outlays related to political activities.</p>

				<p>Nevertheless, the Company points out that, to date, it has not made any donations to political activities.</p> <p>The Company understands that there is no need to prepare this policy, considering that, since the 2018 elections, donations by legal entities to electoral campaigns are prohibited (Law 13,165/2015).</p>
		5.5.3	<p>The policy on voluntary contributions by state-owned companies, or those with recurrent material business relationships with government, should prohibit contributions or donations to political parties or their related persons, even if permitted by law.</p>	<p>Not applicable</p>

Attachments

Attachment I - Composition of the Board of Directors

NAME	POSITION	Independent Board Member?	External Member? ¹
Marcos Grodetzky	Chairman of the Board	No	Yes
Ricardo Wajnberg	Independent Member	Yes	Yes
Joshua Arthur Kobza	Member	No	Yes
Thiago Temer Santelmo	Member (Alternate)	-	-
Rodrigo Calvo Galindo	Independent Member	Yes	Yes
Paula Alexandra de Oliveira Gonçalves Bellizia	Independent Member	Yes	Yes
Henrique José Fernandes Luz	Independent Member	Yes	Yes
Anna Andrea Votta Alves Chaia	Independent Member	Yes	Yes
		5/7 = 71.5%	7/7 = 100%

¹ Members with no current commercial, employment or management relationship with the organization, but who are not independent, such as officers and former employees, lawyers and consultants who provide services to the company, partners or employees of the controlling group, its direct subsidiary, subsidiaries or those entities from the same economic group and their close relatives and fund managers with significant equity interest (cf. definition of the IBGC Code of Best Corporate Governance Practices).