

20494 - IGUATEMI EMPRESA DE SHOPPING CENTERS S/A

SHAREHOLDERS			
Principle	Practice Recommended	Adopted?	Explanation
1.1 Ownership Structure	1.1.1 The company's capital stock must be composed exclusively of common shares .	Yes	
1.2 Shareholders Agreement	1.2.1 Shareholders' agreements must not bind the exercise of voting rights of any members of management or supervisory and control bodies.	Does not Apply	
1.3 Shareholders Meeting	1.3.1 The executive board must use the shareholders meeting to communicate how the company's business is being conducted, for which reason the management should publish a manual to facilitate and encourage participation in shareholders meetings.	Yes	
1.3 Shareholders Meeting	1.3.2 The minutes should support a full understanding of the discussions conducted during the meetings, even if they are recorded in summary form, and identify the votes cast by the shareholders.	Yes	
1.4 Defense Measures	1.4.1 The board of directors must conduct a critical analysis of the advantages and disadvantages of the anti-takeover mechanism and its characteristics, especially of the triggers and price parameters, if applicable, providing the explanations.	Does not Apply	
1.4 Defense Measures	1.4.2 Provisions that prevent removal of the measure from the bylaws, the so-called "entrenched clauses," should not be used.	Yes	
1.4 Defense Measures	1.4.3 If the bylaws determine that a public stock tender offer (OPA) should be carried out whenever a shareholder or group of shareholders directly or indirectly achieves a significant interest in the voting capital, the rule for determining the price of the offer should not impose premiums substantially above the economic value or market value of the shares.	Does not Apply	
1.5 Change in Control	1.5.1 The bylaws of the company must establish that: (i) transactions involving the direct or indirect transfer of control must be followed by a public stock tender offer (OPA) targeting all shareholders, at the same price and at the same conditions obtained by the selling shareholder; (ii) the management must issue an opinion of the terms and conditions of corporate reorganizations, capital increases and any other transactions that result in a change of control and declare if they assure fair and equitable treatment to the company's shareholders.	Yes	
1.6 Management Opinion on OPAs	1.6.1 The bylaws must establish that the board of directors issue an opinion on any public tender offer (OPA) for shares or securities convertible into or exchangeable for shares in the company, which must contain, among other relevant information, the opinion of the board of directors with regard to accepting the OPA and to the economic value attributed to the company.	No	In line with the new regulations of the Novo Mercado, we will update the Bylaws of the Company within the period established.
1.7 Profit Allocation Policy	1.7.1 The company must prepare and disclose the profit allocation policy established by the board of directors. Among other aspects, said policy must establish the frequency of dividend payments and the reference parameter used for determining the respective amount (percentages of adjusted net profit and of free cash flow, among others).	Partially	We have a Dividend Policy approved by the Board of Directors. A more comprehensive policy, covering profit allocation, is being drafted.
1.8 Government-Controlled Companies	1.8.1 The bylaws must clearly and precisely identify the public interest that justified the creation of the government-controlled corporation, in a specific chapter.	Does not Apply	
1.8 Government-Controlled Companies	1.8.2 The board of directors must monitor the company's activities and establish policies, mechanisms and internal controls for verifying any costs of serving the public interest and any refunds to the company or other shareholders and investors by the controlling shareholder.		

20494 - IGUATEMI EMPRESA DE SHOPPING CENTERS S/A

BOARD OF DIRECTORS

Principle	Practice Recommended	Adopted?	Explanation
2.1 Duties	2.1.1 The board of directors, without prejudice to other legal or statutory duties and to other practices envisaged in this Code, must: (i) define the business strategies, considering the impacts of the company's activities on society and the environment, seeking the company's continuity and long-term value creation; (ii) periodically assess the company's risk exposure and the effectiveness of the risk management systems, internal controls and integrity/compliance system, and approve a risk management policy compatible with the business strategies; (iii) define the company's values and ethical principles and ensure maintenance of the company's transparency in its relationship with all stakeholders; (iv) annually review the corporate governance system, seeking to improve it.	Yes	The Board of Directors of the Company has its own internal regulations, which are available on the Company's Investor Relations website (ri.iguatemi.com.br > Corporate Governance > Bylaws, Policies and Internal Regulations)
2.2 Structure of the Board of Directors	2.2.1 The bylaws must establish that: (i) the board of directors must be composed of a majority of external members, one-third of whom must be independent members; (ii) the board of directors must assess and disclose annually who the independent members are and indicate and justify any circumstances that could compromise their independence.	No	In line with the new regulations of the Novo Mercado, we will update the Bylaws of the Company within the period established.
2.2 Structure of the Board of Directors	2.2.2 The board of directors must approve an appointment policy establishing: (i) the process for appointing the members of the board of directors, as well as indicate their participation in other corporate bodies of the company in said process; (ii) that the composition of the board of directors must consider the time availability of its members for performing their duties as well as the diversity of knowledge, experience, conduct, cultural aspects, age and gender.	No	The Company currently adopts criteria, especially with regard to technical diversity, for the appointment of directors, and is drafting a specific Policy.
2.3 Chairman of the Board	2.3.1 The chief executive officer may not accumulate the position of chairman of the board of directors.	Yes	
2.4 Assessment of the Board and of Directors	2.4.1 The company must implement an annual process for evaluating the performance of the board of directors and of its committees, chair, members, considered individually, and governance department, if any.	Partially	In 2018, we implemented a joint assessment and over the coming years we plan to enhance the model currently adopted.
2.5 Succession Planning	2.5.1 The board of directors must approve and continually update a succession plan for the chief executive officer, whose drafting must be coordinated by the chairman of the board.	Partially	The Company has a succession plan designed for the Chief Executive Officer.
2.6 Integration of New Directors	2.6.1 The company must have an integration program for new members of the board of directors, structured in advance, so that such members are introduced to the company's key people and facilities, and which addresses issues that are key to understanding the company's business.	Yes	The Company has a structured training program for members of the Board of Directors to help them learn about all the businesses of the company and to ensure that they have access to key people and to the topics essential for conducting the company's business. This training program basically covers the history of the Company, the shopping mall and retail industries, the business model, the strategic alignment, a visit to malls, the processes and projects of the departments and their areas, information security, the positioning and strategy of the Iguatemi brand, as well as other topics.
2.7 Compensation of the Board of Directors	2.7.1 The compensation of the members of the board of directors must be proportionate to their duties, responsibilities and time demands. There should be no compensation based on meeting attendance and the variable compensation of the members of the board, if any, should not be linked to short-term results.		
2.8 Charter of the Board of Directors	2.8.1 The board of directors should have a charter that sets forth its responsibilities, duties and rules of operation, including: (i) the duties of the chairman of the board of directors; (ii) the rules for replacing the chair of the board of directors in the event of their absence or vacancy; (iii) the measures to be adopted in the event of conflicts of interest; and (iv) the definition of a suitable advance term for receipt of the material for discussion at meetings, with adequate detail.		
2.9 Meetings of the Board of Directors	2.9.1 The board of directors must define an annual calendar with the dates of the ordinary meetings, which should be no fewer than six and no more than 12, in addition to calling extraordinary meetings, as needed. The calendar should include a thematic annual agenda with relevant topics and discussion dates.		

BOARD OF DIRECTORS

Principle	Practice Recommended	Adopted?	Explanation
2.9 Meetings of the Board of Directors	2.9.2 The meetings of the board of directors must include regular exclusive sessions for external board members, without the presence of the executives and other guests, for coordinating with the external board members and discussing topics that could create awkwardness.	Yes <input type="button" value="v"/>	
2.9 Meetings of the Board of Directors	2.9.3 The minutes of the meetings of the board of directors must be written in clear language, register the resolutions taken, the persons in attendance, the votes diverging from decisions and any abstentions.	Yes <input type="button" value="v"/>	The Board of Directors has its own Charter, which is available on the Company's Investor Relations website (ri.iguatemi.com.br > Corporate Governance > Bylaws, Policies and Internal Regulations).

EXECUTIVE BOARD			
Principle	Practice Recommended	Adopted?	Explanation
3.1 Duties	3.1.1 The executive board, without prejudice to its other duties provided by law, the bylaws and other practices set forth in this Code, must: (i) implement the risk management policy and, when necessary, propose to the board of directors any necessary revision thereof as a result of changes in the risks to which the company is exposed; (ii) implement and maintain effective procedures and programs for monitoring and disclosing the financial and operating performance and the impacts generated by the company's activities on society and the environment.	No	On November 28, 2019, the Company's Board of Directors approved a formal policy for Corporate Risk Management, which is duly disclosed. The mechanisms, processes and effective programs for monitoring and disclosing financial and operational performance and the impacts of the company's activities on society and the environment are in the implementation phase
3.1 Duties	3.1.2 The executive board must have its own charter that establishes its structure, functioning and roles and responsibilities.	Yes	
3.2 Appointment of Officers	3.2.1 No positions on the executive board or management positions may be reserved for direct appointment by shareholders.	Yes	
3.3 Assessment of CEO and Executive Board	3.3.1 The CEO must be assessed annually through a formal process conducted by the board of directors that is based on the achievement of the financial and non-financial performance targets established by the board of directors for the company.	Yes	The CEO of the Company is assessed by the Board of Directors. In 2020, this assessment was conducted in February for fiscal year 2019.
3.3 Assessment of CEO and Executive Board	3.3.2 The results of the assessments of the other officers, including the proposals of the chief executive officer for the targets to be agreed upon and the continuation, promotion or termination of executives from their positions, must be presented, analyzed, discussed and approved by the board of directors.	Yes	The chief executive officer of the Company assesses each officer annually, based on their organizational, strategic and functional competencies, and formally reports such assessments to the Board of Directors.
3.4 Compensation of the Executive Board	3.4.1 The compensation of the executive board must be established by means of a compensation policy approved by the board of directors through a formal and transparent process that takes into consideration the costs and risks involved.	No	The Company conducts and adopts market surveys for determining the compensation of its executives, adopting fixed and variable compensation compatible with the positions, functions and targets previously agreed upon. In line with the new regulations of the Novo Mercado regulations, this Policy is being drafted and will be approved within the set period.
3.4 Compensation of the Executive Board	3.4.2 The compensation of the executive board must be linked to the results, with medium- and long-term targets clearly and objectively related to the creation of economic value for the company in the long run.	Yes	The compensation of the executive board is currently linked to the results, with medium- and long-term targets clearly and objectively related to the creation of long-term economic value for the company in the long run. In addition, in line with the new Novo Mercado regulations, a Compensation Policy is being drafted and will be approved by the Board of Directors within the set period.
3.4 Compensation of the Executive Board	3.4.3 The incentive structure must be aligned with the risk limits established by the board of directors and prohibit a single person from controlling the decision-making process and its respective oversight. No person may be involved in decisions regarding their own compensation.	Partially	The Company adopts stringent systems for controlling and approving incentives, which are aligned with the risk limits known and assumed by the Board of Directors. It adopts a robust policy for approval authorities that eliminates any possibility of executives being involved in decisions regarding their own remuneration. In addition, in line with the new Novo Mercado regulations, a Compensation Policy is being drafted and will be approved by the Board of Directors within the set period.

SUPERVISORY & CONTROL BODY

Principle	Practice Recommended	Adopted?	Explanation
4.1 Comitê de Auditoria	4.1.1 O comitê de auditoria estatutário deve: (i) ter entre suas atribuições a de assessorar o conselho de administração no monitoramento e controle da qualidade das demonstrações financeiras, nos controles internos, no gerenciamento de riscos e compliance; (ii) ser formado em sua maioria por membros independentes e coordenado por um conselheiro independente; (iii) ter ao menos um de seus membros independentes com experiência comprovada na área contábil-societária, de controles internos, financeira e de auditoria, cumulativamente; e (iv) possuir orçamento próprio para a contratação de consultores para assuntos contábeis, jurídicos ou outros temas, quando necessária a opinião de um especialista externo.	No	In line with the new regulations of the Novo Mercado, an audit committee is being created and should be formally implemented within the term stipulated by the new Novo Mercado regulations, however it will not be statutory.
4.2 Conselho Fiscal	4.2.1 O conselho fiscal deve ter um regimento interno próprio que descreva sua estrutura, seu funcionamento, programa de trabalho, seus papéis e responsabilidades, sem criar embaraço à atuação individual de seus membros.	Yes	
4.2 Conselho Fiscal	4.2.2 As atas das reuniões do conselho fiscal devem observar as mesmas regras de divulgação das atas do conselho de administração.	Yes	
4.3 Auditoria Independente	4.3.1 A companhia deve estabelecer uma política para contratação de serviços extra-auditoria de seus auditores independentes, aprovada pelo conselho de administração, que proíba a contratação de serviços extra-auditoria que possam comprometer a independência dos auditores. A companhia não deve contratar como auditor independente quem tenha prestado serviços de auditoria interna para a companhia há menos de três anos.	Yes	
4.3 Auditoria Independente	4.3.2 A equipe de auditoria independente deve reportar-se ao conselho de administração, por meio do comitê de auditoria, se existente. O comitê de auditoria deverá monitorar a efetividade do trabalho dos auditores independentes, assim como sua independência. Deve, ainda, avaliar e discutir o plano anual de trabalho do auditor independente e encaminhá-lo para a apreciação do conselho de administração.	No	Em linha com o permitido pelo novo regulamento do Novo Mercado, criação In line with the new regulations of the Novo Mercado, an audit committee is being created and should be formally implemented within the term stipulated by the new Novo Mercado regulations, however it will not be statutory.
4.4 Auditoria Interna	4.4.1 A companhia deve ter uma área de auditoria interna vinculada diretamente ao conselho de administração.	Partially	The Company has an Internal Audit area that was structured and has been operating since the Company went public, in 2007. It reports to the internal committees, on which some members of the Board of Directors sit.
4.4 Auditoria Interna	4.4.2 Em caso de terceirização dessa atividade, os serviços de auditoria interna não devem ser exercidos pela mesma empresa que presta serviços de auditoria das demonstrações financeiras. A companhia não deve contratar para auditoria interna quem tenha prestado serviços de auditoria independente para a companhia há menos de três anos.	Does not Apply	
4.5 Gerenciamento de Riscos, Controles Internos e Integridade/Conformidade (Compliance)	4.5.1 A companhia deve adotar política de gerenciamento de riscos, aprovada pelo conselho de administração, que inclua a definição dos riscos para os quais se busca proteção, os instrumentos utilizados para tanto, a estrutura organizacional para gerenciamento de riscos, a avaliação da adequação da estrutura operacional e de controles internos na verificação da sua efetividade, além de definir diretrizes para o estabelecimento dos limites aceitáveis para a exposição da companhia a esses riscos.	Yes	On November 28, 2019, the Company's Board of Directors approved a formal policy for Corporate Risk Management, which is duly disclosed.
4.5 Gerenciamento de Riscos, Controles Internos e Integridade/Conformidade (Compliance)	4.5.2 Cabe ao conselho de administração zelar para que a diretoria possua mecanismos e controles internos para conhecer, avaliar e controlar os riscos, a fim de mantê-los em níveis compatíveis com os limites fixados, incluindo programa de integridade/conformidade (compliance) visando o cumprimento de leis, regulamentos e normas externas e internas.		On November 28, 2019, the Company's Board of Directors approved a formal policy for Corporate Risk Management, which is duly disclosed. The mechanisms, processes and effective programs for monitoring the risks covered by the policy are in the implementation phase, in addition to an integrity / compliance program, which will be presented annually to the Board of Directors.
4.5 Gerenciamento de Riscos, Controles Internos e Integridade/Conformidade (Compliance)	4.5.3 A diretoria deve avaliar, pelo menos anualmente, a eficácia das políticas e dos sistemas de gerenciamento de riscos e de controles internos, bem como do programa de integridade/conformidade (compliance) e prestar contas ao conselho de administração sobre essa avaliação.		On November 28, 2019, the Company's Board of Directors approved a formal policy for Corporate Risk Management, which is duly disclosed. The mechanisms, processes and effective programs for monitoring the risks covered by the policy are in the implementation phase, in addition to an integrity / compliance program, which will be presented annually to the Board of Directors.

ETHICS AND CONFLICTS OF INTERESTS

Principle	Practice Recommended	Adopted?	Explanation
5.1 Code of Conduct and Whistleblowing Channel	5.1.1 The company must have a conduct committee, with independence and autonomy and reporting directly to the board of directors, which is charged with implementing, disseminating, training, reviewing and updating the code of conduct and the whistleblowing channel, as well as for conducting investigations and proposing corrective measures related to violations of the code of conduct.	Partially	The Company has an Ethics Committee whose composition includes members of the Board of Directors, although it does not report directly to such body.
5.1 Code of Conduct and Whistleblowing Channel	5.1.2 The code of conduct, which is drafted by the executive board with the support of the conduct committee and approved by the board of directors, must: (i) govern the company's internal and external relationships, while detailing the commitment expected from the company and its directors, officers, shareholders, employees, suppliers and stakeholders, with the adoption of adequate standards of conduct; (ii) manage conflicts of interest and provide for the abstention of any member of the board of directors, audit committee and/or conduct committee, if applicable, that is conflicted; (iii) clearly define the scope of the actions that seek to investigate the occurrence of events perceived as having been carried out with the use of privileged information (e.g., use of privileged information for business purposes or to obtain advantages in securities trading); and (iv) establish that ethical principles must underpin any negotiation of contracts, agreements, proposals for amending the bylaws, as well as the policformation endorsed by third parties; (v) that corporate reorganizations involving related parties must ensure equitable treatment for all shareholders.accept at no charge or as a benefit.	Yes	
5.1 Code of Conduct and Whistleblowing Channel	5.1.3 The reporting channel must be independent, autonomous and impartial, and must operate under the guidelines defined by the executive board and approved by the board of directors. It must be operated independently and impartially, ensure the anonymity of its users and conduct, in a timely manner, any investigations and measures required. This service may be outsourced to a third party of recognized capacity.	Yes	We have a whistleblowing channel that guarantees anonymity and is independent, autonomous and impartial, operates in accordance with the Code of Conduct and Ethics and is approved by the Board of Directors, which is available on the Company's Investor Relations page (ri.iguatemi.com.br > Corporate Governance > Code of Conduct and Ethics).
5.2 Conflicts of Interests	5.2.1 The company's corporate governance rules must ensure the separation and clear definition of the duties, roles and responsibilities related to the mandates of all governance agents. Decision-making authorities for each instance also must be established to minimize potential focal points of conflicts of interest.	Yes	The Code of Ethics of the Company, as well as its Internal Regulations (of the Board of Directors and Executive Board), define such conducts clearly. These documents are available on the Company's Investor Relations page (ri.iguatemi.com.br > Corporate Governance).
5.2 Conflicts of Interests	5.2.2 The company's corporate governance rules must be made public and determine that any person who is not independent with regard to the matter being discussed or decided in the company's management or supervisory bodies must declare, in a timely manner, their conflict of interest or private interest. If such person fails to do so, the rules must provide that another person declare the existence of the conflict if they have knowledge thereof, and that immediately upon verification of the conflict of interest with regard to a specific matter, the person involved must withdraw, including physically, from any discussions and resolutions. The rules must provide that this temporary withdrawal be recorded in the minutes.	Yes	The Code of Ethics of the Company, as well as its Internal Regulations (of the Board of Directors and Executive Board), define such conducts clearly. These documents are available on the Company's Investor Relations page (ri.iguatemi.com.br > Corporate Governance).
5.2 Conflicts of Interests	5.2.3 The company must have mechanisms for managing conflicts of interest in matters submitted for approval to the shareholders' meeting for receiving and processing claims of conflict of interest and for invalidating votes cast in conflicts, even if subsequently to the meeting.		The Code of Conduct and Ethics of the Company defines such conducts clearly. The document is available on the Company's Investor Relations page (ri.iguatemi.com.br > Corporate Governance).
5.3 Related-Party Transactions	5.3.1 The bylaws must define which related-party transactions must be approved by the board of directors, with the exclusion of any members with potential conflicts of interest.		The Bylaws of the Company do not cover this topic, which will be addressed in a specific Policy.

ETHICS AND CONFLICTS OF INTERESTS

Principle	Practice Recommended	Adopted?	Explanation
5.3 Related-Party Transactions	5.3.2 The board of directors must approve and implement a related-party transactions policy that includes, among other rules: (i) a provision that, prior to the approval of specific transactions or guidelines for the procurement of transactions, the board of directors must request from the executive board market alternatives to the relevant transaction with related parties, adjusted by the risk factors involved; (ii) a provision that there be no forms of compensation for advisors, consultants or intermediaries that give rise to conflicts of interest with the company, management, shareholders or any class of shareholders; (iii) a prohibition on loans on behalf of the controlling shareholders or managers; (iv) the situations involving transactions with related parties that must be supported by valuation reports that are prepared without the participation of any of the parties involved in the relevant transaction, whether banks, attorneys, specialized consulting firms, etc., based on realistic assumptions and in line with the company as a whole, and establish a maximum value of third-party goods and services that the company's management and employees may	No	The Company adopts best governance practices in its execution of transactions involving related parties, always seeking to avoid conflicts of interests or transactions involving controlling shareholders and managers. A specific policy is being drafted that will comply with the guidelines and parameters envisaged in the new regulations of the Novo Mercado.
5.4 Securities Trading Policy	5.4.1 The company must adopt, by resolution of the board of directors, a securities trading policy that, without prejudice to compliance with the rules established by the regulations of the Securities and Exchange Commission of Brazil (CVM), establishes controls that enable monitoring of the trades executed, as well as verification and punishment of those responsible in the event of violations of the policy.	Yes	The Company has a Securities Trading Policy, approved by the Board of Directors, that is available on the Company's Investor Relations page (ri.iguatemi.com.br > Corporate Governance).
5.5 Policy on Contributions and Donations	5.5.1 To ensure greater transparency in the use of company funds, a policy on its voluntary contributions must be prepared, including those related to political activities, to be approved by the board of directors and implemented by the executive board, containing clear and objective principles and rules.	Yes	The Company has a Policy on Donations and Contributions, approved by the Board of Directors, that is available on the Company's Investor Relations page (ri.iguatemi.com.br > Corporate Governance).
5.5 Policy on Contributions and Donations	5.5.2 The policy must provide that the board of directors is the corporate body responsible for approving all outlays related to political activities.	Partially	This Policy indicates that contributions and donations must be approved by the Executive Board and be reported on a quarterly basis to the Ethics Committee, whose composition includes members of the Board of Directors. This Policy is available on the Company's Investor Relations page (ri.iguatemi.com.br > Corporate Governance > Bylaws, Policies and Internal Regulations).
5.5 Policy on Contributions and Donations	5.5.3 The policy on voluntary contributions of state-controlled enterprises or of companies that have significant and reiterated business relationships with the State, must prohibit contributions or donations to political parties or persons related thereto, even if permitted by law.	Does not Apply	