

TITLE				VERSION Nº: 01
Profit	Allocation	And	Dividend	Data da aprovação: 13/08/2024
Distribution Policy For Localiza Rent A Car S.A.				
Developer: -				Approver: Localiza's Board of Directors
Department: Finance Directorate				Date of last change: 13/08/2024

**“We hereby certify that this document contains Localiza’s Profit Allocation Policy and Dividend Distribution, approved at the Board of Directors’ meeting held on March 22, 2018”.**

Belo Horizonte, August 13, 2024.

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Eugênio Pacelli Mattar  
CHAIRMAN OF THE BOARD OF DIRECTORS

## 1. General Rules:

### 1.1 Introduction:

1.1.1 This document establishes the Income Allocation and Dividend Distribution Policy (“Policy”) of Localiza (“Company”), its subsidiaries and other companies of the Localiza Group, when applicable, prepared in accordance with Law 6404/76, best corporate governance practices of the São Paulo Stock Exchange’s Novo Mercado, as well as general rules issued by the Brazilian Securities and Exchange Commission (“CVM”) on the issue.

1.1.2 Any questions about the provisions of this Policy, the applicable regulations established by the CVM or other national or foreign regulatory bodies to which Localiza is subject should be directed to the Chief Investor Relations Officer.

### 1.2 Definitions:

1.2.1 In applying and interpreting the terms and conditions contained in this Policy, the expressions listed below shall have the following meanings.

**“Managing Officers”:** These are the Officers and members of the Board of Directors referred to individually or collectively;

**“Stock Exchanges”:** B3 and any other Stock Exchanges or organized over-the-counter markets where Localiza has Securities listed for trading in Brazil or abroad;

**“Chief Investor Relations Officer”:** Localiza's statutory officer responsible for providing information to the market, the CVM and the Stock Exchange or any organized over-the-counter market entity, among other duties provided for in regulations issued by the CVM, as well as for managing and overseeing the application of Localiza's Material Act or Fact Disclosure Policy and its Company-Issued Securities Trading Policy;

**“Dividend”:** Portion of the profit earned by the company that is distributed to shareholders;

**“Interest on Equity”:** Remuneration distributed to shareholders, calculated on equity accounts and limited to the variation, pro rata daily, of the Long-Term Interest Rate.

## 2. Purpose and scope:

- 2.1 The Policy for Allocation of Results and Distribution of Dividends (“Policy”) aims to inform shareholders, investors and the market in general about the rules and procedures adopted for the payment of Dividends and/or Interest on Equity, the criteria and procedures for the allocation of results obtained by the Company, in a transparent manner and in accordance with the related legal and statutory standards, in compliance with Law No. 6,404, of December 15, 1976 (“Corporation Law”), the regulations of the Brazilian Securities and Exchange Commission and B3 S.A. – Brasil, Bolsa, Balcão, as well as the Company’s Bylaws.
- 2.2 Profit allocation shall respect the economic-financial characteristics of the business - cash generation and investment requirements - and be made available for the knowledge of all stakeholders, shareholders and investors.
- 2.3 This Policy also seeks to regulate the possibility of profit distribution to shareholders without compromising investments required for the proper pursuit of the Company’s business purpose, as well as bringing together the main rules and guidelines applicable to the Company regarding the distribution of dividends, in order to facilitate the understanding of the matter by shareholders and other interested parties.

## 3. Reference and supplementary documents:

- 3.1 These guidelines arise from the following rules and resolutions: (i) Brazilian Corporation Law; (ii) CVM regulations; (iii) Company Bylaws; (iv) resolutions

of the Board of Directors and/or General Meeting of the Company (“Guidelines”); and (v) Law No. 9,249 of 1995 (“Law No. 9,249”).

## 4. Authority:

- 4.1 The General Shareholders’ Meeting is the competent body to decide, in accordance with the proposal presented by Management, about allocation of profit for the year and distribution of dividends;
- 4.2 Prior to each Ordinary General Shareholders’ Meeting, the Board of Directors shall prepare a proposal for allocation of net profit calculated in the prior year;
- 4.3 The Board of Directors shall consider the following factors in the preparation of the profit-allocation proposal;
  - 4.3.1 The current situation and future perspectives of the markets in which the Company currently operates and potential prospective markets, to identify investment opportunities that may exist for the Company;
  - 4.3.2 The requirement for funds to maintain and expand the capacity and the support structure for the pursuit of investment opportunities that are available to the Company;
  - 4.3.3 The funds available to the Company to make the necessary investments, whether representing equity or debt, already available or that may be obtained, with a reasonable degree of certainty, in the future;
  - 4.3.4 The requirement for financial flexibility and liquidity to maintain business and access to credit by the Company;
  - 4.3.5 A guarantee to shareholders of capital remuneration, considering remuneration as the payment of proceeds and appreciation of Shares on stock exchanges (capital gains).

## 5. Profit Allocation:

- 5.1 Net profit for the year shall have the following allocation:
  - 5.1.1 Five percent (5%) shall be allocated, before any other allocation, to the constitution of the legal reserve, which shall not exceed twenty percent (20%) of capital;
  - 5.1.2 A portion, as proposed by the management bodies, may be allocated to form a provision for contingencies and reversal of any such provision set up in prior years, pursuant to article 195 of Law 6404/76;
  - 5.1.3 As proposed by the management bodies, the portion of net profit arising from donations or government grants for investments may be allocated to the tax incentive reserve, which may be excluded from the mandatory dividend calculation base;
  - 5.1.4 In any year in which the mandatory dividend amount exceeds the realized portion of profit for the year, the General Shareholders’ Meeting may,

- through a proposal of the management bodies, allocate the exceeding amount to an unearned income reserve, subject to article 197 of Law 6404/76;
- 5.1.5 A portion shall be allocated for payment of the mandatory dividend to shareholders;
    - 5.1.5.1 A portion of up to 100% of the remaining profits after legal and statutory deductions may be allocated to the formation of an “investment reserve”, which is intended to finance investments in the renewal and expansion of the Company’s and its subsidiaries’ car fleets, and the balance of this reserve may not exceed the lowest of the following amounts: 100% of the share capital, when added to the balance of other profit reserves, except for reserves for contingencies, tax incentives, and unrealized profits; 80% of capital stock; or
    - 5.1.5.2 An amount that, added to the balances of other earnings reserves, with the exception of the unearned income reserve and the provision for contingencies, does not exceed 100% of the Company's capital stock.
  - 5.1.6 A portion, as proposed by management bodies, may be retained based on the capital budget previously approved, pursuant to article 196 of Law 6404/76; and
  - 5.1.7 The balance shall be allocated as decided by the General Shareholders’ Meeting, subject to legal requirements.”
  - 5.2 Shareholders are entitled to receive an annual mandatory dividend of not less than twenty-five percent (25%) of net profit for the year, to which the following amounts shall be added or deducted:
    - 5.2.1 Amount allocated to establishment of legal reserve;
    - 5.2.2 Amount allocated to set up provision for contingencies and reversal of this provision set up in prior years; and
    - 5.2.3 Amount stemming from the reversal of the unearned income reserve set up in prior years, under the terms of article 202, item II of Law 6404/76.
  - 5.3 Payment of mandatory dividend may be limited to the amount of realized net profit, as under the Law.
  - 5.4 **Payment of Dividends and Interest on Equity:**
    - 5.4.1 The Company may pay or credit interest on capital calculated on shareholders’ equity, subject to the rate and limits established by tax laws. The amount paid to shareholders as interest on equity shall be deducted from the minimum mandatory dividend. At the discretion of the Board of Directors, the amount of interest on equity may be either credited and paid to shareholders or credited to shareholders and

subsequently incorporated to capital stock rather than being distributed and paid.

- 5.4.2 By decision of the Board of Directors, the Company may prepare interim balance sheets or, within shorter periods, based on opinion of the Supervisory Board, if in operation, or alternatively the Audit Committee, and declare dividends based on profits calculated in these balance sheets or retained earnings, as provided by law.
- 5.4.3 The interim dividends or interest on equity can be considered as prepayment of the mandatory dividend.
- 5.4.4 The amount paid to shareholders as Interest on Equity may, subject to approval by the Company's General Meeting, be included in the amount of the Mandatory Minimum Dividend, under the terms set forth in the Articles of Association and as permitted by applicable law.
- 5.4.5 By resolution of the Board of Directors, and in compliance with the provisions of this Policy, the Guidelines, the Bylaws and the regulations in force, the Interest on Equity relating to the results of the first, second, third and fourth quarters of each fiscal year, shall be declared quarterly, in accordance with this Policy, as estimated in the calendar below:

Period	Interest on Equity Declaration
1st quarter	Until March 31st
2nd quarter	Until June 30th
3rd quarter	Until September 30th
4th quarter	Until December 31st

## 6. Custody:

- 6.1 The payment of amounts due shall be undertaken in accordance with the custody of shares as described below;
  - 6.1.1 Shareholders holding American Depositary Receipts (“ADRs”): payment will be made in accordance with B3’s rules and procedures;
  - 6.1.2 Shareholders whose shares are deposited in B3’s fiduciary custody: payment will be made in accordance with B3’s rules and procedures;
  - 6.1.3 Shareholders whose shares are deposited in the fiduciary custody of the bank that holds the Company's shares: payment will be made by the registrar by means of a credit made directly to their current accounts,

provided that their registration and banking details are duly updated with the registrar bank; and

- 6.1.4 Shareholders that do not fit into the foregoing items should contact the Company's Investor Relations department on + 55 (31) 3247-7024 or by email [ri@localiza.com](mailto:ri@localiza.com).

## **7. Statute of limitations for dividend hights:**

- 7.1 To claim dividends or payments of Interest on Equity relating to their shares, shareholders have a period of 3 (three) years, counted from the date on which the dividends or Interest on Equity were made available to them, after which the value of the unclaimed dividends or Interest on Equity will be reverted to the Company, in accordance with article 287, item II 'a' of Law No. 6,404/76.

## **8. Other provisions:**

- 8.1 Any amendment to this Policy must be approved by Localiza's Board of Directors and communicated to the CVM and the Stock Exchanges.

## **9. Validity:**

- 9.1 This Policy shall be effective on the date of its approval by the Board of Directors and shall remain in force indefinitely, until decided otherwise.