EARNINGS ALLOCATION POLICY

OF

COSAN S.A.

Approved in the Meeting of the Board of Directors of the Company held on October 29, 2018.

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I. INTRODUCTION

1.1. Cosan S.A. ("Cosan" or "Company"), through this Capital Allocation and Dividends Policy ("Policy"), aims to inform shareholders of the requirements and procedures for the distribution of its earnings, such as dividends (mandatory or interim) and interest on equity, and to establish how they are distributed, in compliance with the applicable legislation and accounting requirements and with its bylaws.

1.2. The decision to distribute dividends shall be made based on the parameters of Chapter V herein and observing the factors influencing the Company's sustainability in the short, medium and long term, business plans and strategies, cash needs and availability, current and future investment needs and annual, semiannual and quarterly results.

1.3. Therefore, this Policy is of an informative nature, with the Company able to record profits for a certain fiscal year or period, but choose not to distribute dividends.

1.4. This Policy was approved by the Board of Directors of the Company on October 29, 2018, in accordance with item xxxv, Article 20 of its bylaws ("Bylaws"), and any subsequent amendments or revisions must be submitted to and approved by the Board of Directors.

1.5. This Policy was prepared in accordance with Federal Law 6,404/1976 ("Brazilian Corporations Law"), with the corporate governance standards of the Novo Mercado listing segment and of B3 S.A. ("B3"), and with the rules issued by the Securities and Exchange Commission of Brazil ("CVM").

II. SCOPE

2.1. The Policy applies to Cosan.

2.2. The capital stock of Cosan is composed entirely of common shares that entitle all their holders to the same rights to vote and to dividends. Therefore, this Policy applies to all shareholders of the Company, in accordance with the following parameters:

(i) The Policy shall observe the characteristics of the business activities of the Company, in accordance with the resolutions of the Executive Board, Board of Directors and Shareholders' Meeting, with these decisions made available to stakeholders on the website of the CVM.

(ii) The Policy aims to regulate the possibility of distributing profits to shareholders without compromising the business plans and investments required to fulfill Cosan's corporate purpose.

(iii) Dividends shall be distributed to the shareholders of Cosan, with rented shares not conferring to their borrowers the right to receive dividends.

(iv) The capital reserves established in the bylaws or linked to specific instruments of the subsidiaries of Cosan are not applicable to the Company, which is subject only to those reserves that are mandatory or established in its bylaws.

III. FISCAL YEAR

3.1 The Company's fiscal year is the period of twelve (12) months from January 1 to December 31 of each calendar year.

IV. RESPONSIBILITIES

4.1. The Shareholders' Meeting is responsible for considering and voting on the allocation of earnings for the year and on the distribution of dividends, in accordance with the proposal of the Board of Directors based on the provisions of the Company's Bylaws and of Brazilian Corporation Law.

4.2. Prior to each Shareholders' Meeting, the Board of Directors must prepare a proposal for allocation of the net income recorded in the previous fiscal year.

4.3. The Board of Directors may declare interim dividends and interest on equity, in accordance with Articles 33 and 34 of the Bylaws.

V. CAPITAL ALLOCATION

5.1. In accordance with Article 32 and subsequent paragraphs of Cosan's Bylaws, shareholders are entitled to receive, in each fiscal year, dividends and/or interest on equity equivalent to at least twenty-five percent (25%) of adjusted net income, pursuant to Brazilian Corporation Law.

5.2. In compliance with Brazilian Corporation Law, dividends only may be distributed after the deduction, before any distribution, of the accumulated losses and of the provision for Income Tax. Under Brazilian Corporation Law, the Company may pay dividends debited from net income for the year, from retained earnings or from profit reserves (excluding the legal reserve).

5.3. Net income for the year shall be distributed in accordance with the applicable legislation and accounting requirements and with its bylaws. Net income for the year shall be allocated as follows:

(i) five percent (5%) to the mandatory legal reserve. The legal reserve shall cease to be accrued: (a) upon reaching the limit of twenty percent (20%) of the capital stock; and (b) when the legal reserve combined with the capital reserve exceeds thirty percent (30%) of the capital stock;

(ii) the amount required, when applicable, to be accrued as a reserve for contingencies, in accordance with Article 195 of Brazilian Corporation Law;

(iii) the amount required to pay the minimum mandatory dividend, which shall correspond to twenty-five percent (25%) of net income for the year, adjusted in accordance with Article 202 of Brazilian Corporation Law;

(iv) the Company shall maintain the profit reserve established in its Bylaws called the "Special Reserve," to reinforce its working capital and finance the maintenance, expansion and development of the activities comprising its corporate purpose and/or those of its Subsidiaries, including through capital increases or the creation of new projects, to be accrued using up to seventy-five percent (75%) of net income for each fiscal year and whose balance, combined with the balances of the other profit reserves, except for the unrealized profit reserve and the reserve for contingencies, must not exceed one hundred percent (100%) of the Company's subscribed capital stock;

(v) the remaining balance, if any, shall be allocated as determined by the Shareholders Meeting, based on the management proposal and on Articles 176 and 196 of Brazilian Corporation Law; and

(vi) if the balance of the profit reserves exceeds the capital stock, the Shareholders Meeting shall decide on the allocation of the surplus to pay into or even increase the capital stock, or to distribute as additional dividends to shareholders.

5.4. The dividend distribution mentioned in the items above shall not be mandatory in any fiscal year in which the Management informs the Shareholders Meeting that such distribution is incompatible with the financial condition of the company, in accordance with Article 202 of Brazilian Corporation Law.

5.5. The distribution of dividends also shall comply with the applicable provisions of the Bylaws at the time, which may limit or restrict the distribution of dividends.

5.6. The mandatory dividends shall be calculated annually, in the Annual Shareholders Meeting, and be paid in accordance with Chapter VI below.

5.7. By decision of the Board of Directors, the Company may pay to shareholders interest on equity, which shall be calculated towards the minimum mandatory dividend mentioned in item (iii) above, with such amount integrating the amount of dividends distributed by the Company for all purposes.

5.8. The Company may prepare semiannual or other interim financial statements and declare, by decision of the Board of Directors, dividends based on the net income recorded in such financial statements, in view of the total amount to be distributed at the end of the respective fiscal year, observing any limitations provided by law. Such declarations of interim dividends shall constitute an advance on the mandatory dividend referred to in item (iii) above.

5.9. By decision of the Board of Directors, the Company may, observing the limits established by law, declare dividends based on previously retained earnings or profit reserves existing on the previous annual, semiannual or interim financial statements.

5.10. Moreover, in accordance with Article 196 of Brazilian Corporation Law, the Company, by decision of the Shareholders Meeting, may approve the Management Proposal to retain a portion of the net income for the fiscal year stipulated in the capital budget approved thereby.

VI. PAYMENT OF DIVIDENDS

6.1. Dividends shall be paid within sixty (60) days as of the date on which they were declared in the Meeting of the Board of Directors or in the Shareholders Meeting, unless decided otherwise by the Shareholders Meeting and, in any such cases, payment must be made during the same fiscal year in which they were declared.

6.2. When declared by the Board of Directors, interim dividends and interest on equity shall constitute an advance on the mandatory dividend and be attributed to such amount for all legal purposes.

6.3. Payment shall be made by the depositary bank that acts as the transfer agent for Cosan's book-entry shares, which is Banco Itaú ("Itaú"). Shareholders who hold bank accounts with Itaú or other banks whose information is duly complete and up to date shall automatically receive the dividends credited to their bank accounts on the payment date.

6.4. Shareholders whose records are not complete or up to date with their financial institution will not receive the amounts related to dividends or interest on equity until they complete or update their records, observing the deadlines in Chapter VII below.

6.5. For shares deposited in the fungible custody of the Stock Exchange, payment will be credited to the respective Stock Exchanges, which, through the depositary brokerage firms, will transfer it to shareholders.

VII. TIME-BARRING OF DIVIDENDS

7.1. Shareholders have three (3) years to claim dividends related to their shares, as of the approval of their distribution by the Company, in accordance with Paragraph 2, Article 34 of the Bylaws.

7.2. After the above period expires, if not claimed by any shareholder, the dividends will be transferred back to the Company.

VIII. GENERAL PROVISIONS

8.1. Any amendment to this Policy must be approved by the Board of Directors of Cosan.

8.2. 8.1. This Policy shall come into force on the date of its approval by the Board of Cosan and remain in force indefinitely or until the Company decides otherwise.

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