

POLICY FOR ALLOCATION OF RESULTS AND DISTRIBUTION OF DIVIDENDS

1. PURPOSE, APPLICATION AND RATIONALE

- 1.1.** The purpose of this “*Policy for the Allocation of Results and Distribution of Dividends*” is to (i) guide the proposals of the management of Unigel Participações S.A. (“Company”) to the allocation of the results determined in each fiscal year; and (ii) clarifying to the Company’s shareholders and other interested parties the criteria and procedures related to the distribution of profits and the payment of dividends.
- 1.2.** The purpose of this Policy must always be pursued aiming at the adequate compensation of the shareholders and the guarantee of the Company’s financial stability, in compliance with the legal requirements and the needs to generate cash flow and make investments for the proper pursuit of its corporate purpose.
- 1.3.** This Policy was prepared based on (i) Law No. 6.404, of December 15, 1976, as amended (“Business Corporation Act”), (ii) on the best Corporate Governance practices of the Brazilian Institute of Corporate Governance, (iii) in the rules pertaining to the special listing segment of the Novo Mercado of B3 S.A. – Brasil, Bolsa, Balcão (“Novo Mercado” and “B3”, respectively), (iv) in the general rules issued by the Brazilian Securities and Exchange Commission (“CVM”), and (v) in the Company’s articles of incorporation (“Articles of Incorporation”).
- 1.4.** This Policy applies to the Company and it must be followed: (i) by its shareholders; and (ii) by all its administrators.

2. CALCULATION OF RESULTS

- 2.1.** At the end of each fiscal year, the Executive Board will prepare, without prejudice to any changes in the law, others provisions in the Articles of Incorporation or other Company policies, the following financial statements: (i) balance sheet; (ii) statements of changes in owners’ equity; (iii) income statement; (iv) statement of value added; and (v) cash flow statements.
- 2.2.** The financial statements must reflect the Company’s financial situation, results and operations for the respective year, and must be audited by a company of independent auditors, duly authorized to operate in the country, selected by the Board of Directors, pursuant to the Articles of Incorporation of the Company.
- 2.3.** Together with the financial statements for the year, the Board of Directors will present to the Annual General Meeting a proposal on the allocation to be given to the Company’s net income,

in compliance with the provisions of the Company's Articles of Incorporation and current legislation.

2.4. The fiscal year begins on January 1st and ends on December 31st of each year.

2.5. The Company's Board of Directors:

- (i) shall submit to the Annual General Meeting a proposal for the allocation of the net income for the year, as well as evaluate, examine and resolve on the half-yearly, quarterly and/or monthly balance sheets, or on balance sheets drawn up in shorter periods, and the payment of dividends or interest on the stockholders' equity arising from these balance sheets;
- (ii) may resolve on the payment of interim dividends or interim to the retained earnings or profit reserves account, existing in the last annual or semi-annual balance sheet;
- (iii) may declare dividends from the retained earnings or profit reserves account existing in the last annual or semi-annual balance sheet.

3. ALLOCATION OF RESULTS

3.1. Pursuant to the Business Corporation Act and the Articles of Incorporation, the result determined in each fiscal year, after deducting accumulated losses and the provision for income tax, the net income for the year will be allocated in the following order:

- (i) five percent (5%) will be applied, before any other allocation, to the legal reserve, which cannot exceed twenty percent (20%) of the capital stock;
- (ii) of the balance remaining after the allocation above, at least twenty-five percent (25%) will be allocated to the payment of the mandatory annual dividend to shareholders, determined pursuant to Article 202 of the Business Corporation Act, without prejudice to the declaration of dividends in periods shorter than once a year, as provided in the Clause 2.5(i) above;
- (iii) the remaining profit after the allocations foreseen above will have be allocated as decided by the General Meeting.

3.2. The Company may not set up the legal reserve in the year in which the balance of this reserve, plus the amount of capital reserves referred to in the first paragraph of article 182 of the Business Corporation Act, exceeds thirty percent (30%) of the capital stock.

- 3.3.** As provided for in paragraph 4, article 202 of the Business Corporation Act, the payment of dividends will not be mandatory in the fiscal year in which the Management bodies inform the Annual General Meeting that it is incompatible with the Company's financial situation. The Fiscal Committee, if in operation, shall issue an opinion on this information, and Management shall forward to CVM a statement justifying the information transmitted to the General Meeting within 5 (five) calendar days of its realization.

4. DISTRIBUTION OF DIVIDENDS

- 4.1.** The Company's shareholders will be entitled to receive, as mandatory dividend, in each year, a percentage equivalent to twenty-five percent (25%) of the net income for the year, adjusted in accordance with the following rules:

- (i) the net income for the year will be reduced or increased by the following amounts: (a) the amount allocated to the constitution of the legal reserve; and, if applicable, as proposed by the management, (b) the amount allocated to the formation of a contingency reserve and reversal of this reserve formed in previous years;
- (ii) the payment of dividends determined under the terms of the above clause may be limited to the amount of net income for the year that has been made, provided that the difference is recorded as a reserve of unrealized profits; and
- (iii) profits recorded in the unrealized profits reserve, when realized and if they have not been absorbed by losses in subsequent years, must be added to the first dividend declared after realization.

- 4.2.** The annual declaration of dividends will depend on several factors, including the operating results, financial condition, cash requirements and future prospects of the Company, so that the dividend provided for in Clause 4.1 will not be mandatory in the fiscal year in which the Board of Directors informs the General Meeting that it is incompatible with the Company's financial situation; the Fiscal Committee, if convened, and the Audit Committee shall issue an opinion on this information and the Company's administrators shall forward to CVM, within five (5) days of the General Meeting, a justified explanation of the information transmitted to the General Meeting.

- 4.3.** Profits that are not distributed under the terms of Clause 4.2 above will be registered as a special reserve and, if not absorbed by losses in subsequent years, must be paid as dividends as soon as the Company's financial situation allows.

- 4.4. The Company's Board of Directors may pay or credit, in each fiscal year, *ad referendum* of the Annual General Meeting that examines the financial statements for the year, interest on the stockholders' equity, pursuant to income tax legislation.
- 4.5. Interest on the stockholders' equity will be imputed to the value of the dividends declared by the Company.
- 4.6. Dividends or interest on the stockholders' equity will not be paid and will not yield interest after their distribution, except if, claimed by the shareholders, they are not paid in the manner and within the period previously established. Dividends or interest on the stockholders' equity that are not claimed within three (03) years after their distribution will expire in favor of the Company.

5. PAYMENT INFORMATION

- 5.1. Dividends must be paid, unless decided by the competent body, within sixty (60) days from the date they are declared and, in any case, within the fiscal year. Dividends and interest on the stockholders' equity attributed to shareholders will not yield interest or monetary correction and, if not claimed after three (3) years from the date of commencement of payment, will expire in favor of the Company. Unless otherwise decided by the competent body, the Company will pay the dividends to the person who, on the date of the declaration, is registered as the owner or beneficial owner of the share.

6. GENERAL PROVISIONS

- 6.1. It is incumbent upon the Board of Directors and the Financial Board to monitor the activities of allocation of results, in compliance with this policy, the Articles of Incorporation and applicable legislation.
- 6.2. This Policy and its enforcement must be monitored by the Board of Directors and the Executive Board of the Company, as well as by the General Meeting, as applicable.
- 6.3. Violations of the terms of this Policy will be examined by the Board of Directors, which will adopt the appropriate measures, and any cases not covered by this Policy will be decided by said body.
- 6.4. The Company's Board of Directors shall mandatorily update this Policy to changes in the Articles of Incorporation or the Novo Mercado Regulation, or in any law, regulation or provision, whether of CVM, B3 or any other regulatory entity, that amends the provisions listed here in relation to the Company.

7. APPROVAL, TERM AND REVIEW

- 7.1.** This Policy was approved by the Company's Board of Directors and will be effective for an indefinite period, and must be revised annually by the aforementioned body, or in a shorter period whenever necessary, and may be referred at [http://invest.unigel.com. br/](http://invest.unigel.com.br/).