

CAIXA

seguridade

***DIVIDEND DISTRIBUTION POLICY
OF CAIXA SEGURIDADE PARTICIPAÇÕES S.A.***

1 RESPONSIBLE UNIT

National Superintendence of Finance and Investor Relations

2 TO WHOM THIS POLICY APPLIES

This Policy applies to all units of CAIXA Seguridade Participações S.A.

3 REGULATION

Bylaws of CAIXA Seguridade Participações S.A.

Law 6.404 of December 15, 1976;

Minutes No. 074 of the Board of Directors of CAIXA Seguridade Participações S.A. of 12/17/2018.

4 PURPOSE

To establish rules and guidelines for distribution of dividends by CAIXA Seguridade Participações S.A.

5 DEFINITIONS

- **Brazilian corporate law** – Law 6.404/1976.
- **CAIXA Seguridade** – CAIXA Seguridade Participações S.A.
- **Contingency reserve** – profits that have been set aside to guard against estimated probable future losses, which is reversed in the Fiscal Year in which the reasons justifying its recognition no longer exist or in which loss occurs.
- **Decree 2.673 of July 16, 1976** – deals with the payment of dividends or interest on capital by state-owned companies.
- **Dividends** – the part of the Company's profits which is paid to its stockholder.
- **Fiscal Year** – The Company's fiscal year is a one-year period that begins on January 1 and ends on December 31.
- **Interim dividends** – the Company may compile balance sheets half-yearly or quarterly or in smaller periods and, based on these balance sheets, may declare, upon approval of the Board of Directors, interim dividends which can be deducted from the mandatory minimum dividend.

- **Legal reserve** – this reserve is credited annually with 5% of the profit for the year and cannot exceed 20% of the Company’s share capital.
- **Mandatory dividend** – the part of the Company’s profit that is paid to its stockholder after deductions and additions set out in the Bylaws and in article 202 of Law 6.404 of 12/15/1976.
- **Policy** – a set of principles and guidelines to guide management of CAIXA Seguridade in conducting business and making decisions.
- **Realizable revenue reserve** – this reserve is established from the difference between the realized portion of net profit and the mandatory dividend amount, when the realized net profit is not sufficient to pay the mandatory dividend.

6 PRINCIPLES

6.1 TRANSPARENCY

Timely, accurate, adequate and clear disclosure of information about any Company decisions and activities for stakeholders to understand and make informed decisions.

6.2 COMPLIANCE

All routines and procedures are compliant with the relevant internal and external rules.

6.3 GOOD PRACTICES

The practices, processes, procedures, models and systems used by the Company are based on good practices of the domestic and/or international market.

7 GUIDELINES

- 7.1 At the end of the Fiscal Year, the Company will make the allocation of the profit for the year as legally determined, transferring 5% of the profit to the Legal Reserve and then distributing the mandatory minimum dividends.
- 7.2 The dividend distribution proposal is submitted to the General Meeting for approval by the last day of April of the year following the end of the Fiscal Year, with a recommendation of the Executive Board, opinion of the Supervisory Board and approval of the Board of Directors.
- 7.3 Stockholders are entitled to receive a mandatory minimum dividend for each Fiscal Year of 25% of the profit adjusted for deductions and additions set forth in article 202 of the Brazilian Corporate Law.
- 7.4 The Company may compile balance sheet on a semiannual or quarterly basis and may declare, out of revenue reserves existing in the last annual or half-yearly balance sheet, upon approval of the Board of Directors, interim dividends and

may pay dividends early based on the half-yearly balance sheet, also with approval of the Board of Directors.

- 7.4.1** Interim dividends and interest on capital can be deducted from mandatory minimum dividend.
- 7.4.2** In conformity with the Brazilian corporate law, the unrealized portion of the profit from a share of the investees' profit is not considered for purposes of distribution of mandatory minimum dividend and is taken to the "Realizable Revenue Reserve" up to the limit of the mandatory minimum dividend, and this reserve can be used only to pay mandatory dividend.
- 7.4.3** Realizable Revenue Reserve is realized through the receipt of dividends or disposal of the related investment, so the Company submits to the Board of Directors for approval the payment of supplementary dividends to its stockholders in addition to the mandatory minimum dividend previously distributed when unrealized profit is realized.
- 7.5** The General Meeting can, upon a proposal of the Management bodies, retain part of the net profit for the Fiscal Year set aside in a capital budget previously approved by it, pursuant to article 196 of the Brazilian corporate law, and allocate a portion to the Contingency Reserves in accordance with article 195 of the Brazilian corporate law.
- 7.6** The Company may create, with technical justification and approval of the Board of Directors and the Supervisory Board for amounts and use, a revenue reserve as provided for in the bylaws to guarantee an operating margin compatible with the development of its operations. Up to 100% of the profit after required deductions have been made can be transferred to this reserve, which cannot exceed 80% of the share capital.
- 7.7** The profits not transferred to revenue reserves required by law shall be distributed as dividends pursuant to paragraph 6, article 202 of the Brazilian corporate law.
- 7.8.** Interest equal to Brazil's core interest rate SELIC shall accrue on the amount of dividends and interest on capital payable to stockholders from the end of the Fiscal Year to the effective payment date and, if such payment is not made on or before the due date set by law or by the General Meeting, the outstanding amount shall thereafter accrue interest until paid in full.
- 7.8.1** The daily interest rate to adjust such amount during the five business days preceding the date of payment shall be the SELIC rate published on the fifth business day prior to the date of the effective payment of the obligation.

8 GUIDELINES

8.1 BOARD OF DIRECTORS

- 8.1.1** Deliberate on the proposal for distribution of dividends and/or interest on capital.

8.2 SUPERVISORY BOARD

- 8.2.1** Express an opinion, when applicable, on the distribution of dividends and/or interest on capital recommended by the Executive Board.

8.3 EXECUTIVE BOARD

- 8.3.1** Evaluate the proposal for distribution of dividends and/or interest on capital and recommend the Board of Directors to approve it.

8.4 ADMINISTRATION, FINANCE AND INVESTOR RELATIONS OFFICE

- 8.4.1** Present a proposal for distribution of dividends and/or interest on capital to the Executive Board.
- 8.4.2** Maintain internal controls to ensure the correct payment of dividends and/or interest on capital, monetary restatement, recognition of reserves and reports to the governing bodies.
- 8.4.3** Maintain mechanisms to enhance the management and predictability of cash flows and hence avoid the liquidity risk.

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