

## IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (i) QUALIFIED INSTITUTIONAL BUYERS (“QIBs”), WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT, AS AMENDED (THE “SECURITIES ACT”); OR (ii) NON-U.S. PERSONS, WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, OUTSIDE THE U.S.

**IMPORTANT: You must read the following before continuing.** The following applies to the offering memorandum and its annexes (the “Offering Memorandum”) following this page and you are advised to read this carefully before reading, accessing or making any other use of the Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE LAWS OF OTHER JURISDICTIONS.

**PROHIBITION OF SALES TO UK AND EEA RETAIL INVESTORS -** THE SECURITIES DESCRIBED IN THE OFFERING MEMORANDUM ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE UNITED KINGDOM (“UK”) OR THE EUROPEAN ECONOMIC AREA (“EEA”). FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (AS AMENDED, “MIFID II”); OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC (AS AMENDED OR SUPERSEDED, THE “INSURANCE MEDIATION DIRECTIVE”), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE “PRIIPS REGULATION”) FOR OFFERING OR SELLING THE SECURITIES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK AND THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE SECURITIES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK OR THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION. THE OFFERING MEMORANDUM HAS BEEN PREPARED ON THE BASIS THAT ANY OFFER OF SECURITIES IN THE UK OR ANY MEMBER STATE OF THE EEA WILL BE MADE PURSUANT TO AN EXEMPTION UNDER THE EUROPEAN REGULATION 2017/1129 OF JUNE 14, 2017 ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET, AS AMENDED OR SUPERSEDED, FROM THE REQUIREMENT TO PUBLISH A PROSPECTUS FOR OFFERS OF SECURITIES.

IN ADDITION, IN THE UK, THE OFFERING MEMORANDUM AND ANY OTHER MATERIAL RELATING TO THE SECURITIES DESCRIBED HEREIN ARE ONLY BEING DISTRIBUTED TO, AND ARE DIRECTED ONLY AT, (I) PERSONS HAVING PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005

(THE "ORDER"), OR (II) PERSONS WHO FALL WITHIN ARTICLE 43(2)(B) OF THE ORDER, OR (III) HIGH NET WORTH ENTITIES FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER, OR (IV) PERSONS TO WHOM IT WOULD OTHERWISE BE LAWFUL TO DISTRIBUTE THEM, ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS." THE SECURITIES ARE ONLY AVAILABLE TO, AND ANY INVITATION, OFFER OR AGREEMENT TO SUBSCRIBE, PURCHASE OR OTHERWISE ACQUIRE THE SECURITIES WILL BE ENGAGED IN ONLY WITH, RELEVANT PERSONS. THE OFFERING MEMORANDUM AND ITS CONTENTS ARE CONFIDENTIAL AND SHOULD NOT BE DISTRIBUTED, PUBLISHED OR REPRODUCED (IN WHOLE OR IN PART) OR DISCLOSED BY ANY RECIPIENTS TO ANY OTHER PERSON IN THE UK. ANY PERSON IN THE UK THAT IS NOT A RELEVANT PERSON SHOULD NOT ACT OR RELY ON THE OFFERING MEMORANDUM OR ITS CONTENTS.

THE FOLLOWING OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

**Confirmation of your Representation:** In order to be eligible to view the Offering Memorandum or make an investment decision with respect to the securities, investors must be either (i) QIBs or (ii) non-U.S. persons (within the meaning of Regulation S under the Securities Act) outside the U.S. This Offering Memorandum is being sent at your request and by accepting the e-mail and accessing the Offering Memorandum you shall be deemed to have represented to us that (i) you and any customers you represent are either (a) QIBs or (b) non-U.S. persons (within the meaning of Regulation S under the Securities Act) and that the electronic mail address that you gave us and to which the Offering Memorandum has been delivered is not located in the U.S.; and (ii) that you consent to delivery of such Offering Memorandum by electronic transmission.

You are reminded that the Offering Memorandum has been delivered to you on the basis that you are a person into whose possession the Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver the Offering Memorandum to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the initial purchasers or any affiliate of the initial purchasers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the initial purchasers or such affiliate on behalf of the issuer in such jurisdiction.

The Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and consequently neither the initial purchasers, nor any person who controls them nor any of their directors, officers, employees nor any of their agents nor any affiliate of any such person, accept any liability or responsibility whatsoever in respect of any difference between the Offering Memorandum distributed to you in electronic format and the hard copy version available to you on request from the initial purchasers.



## **Braskem Netherlands Finance B.V.**

*(a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) incorporated under the law of the Netherlands)*

### **US\$600,000,000 Subordinated Resetable Fixed Rate Notes due 2081**

Unconditionally and Irrevocably Guaranteed by

## **Braskem S.A.**

*(Incorporated in the Federative Republic of Brazil)*

Braskem Netherlands Finance B.V., or Braskem Netherlands Finance, is offering US\$600,000,000 in aggregate principal amount of its subordinated resettable fixed rate notes due 2081, or the notes. Braskem Netherlands Finance is a private company with limited liability incorporated under the laws of the Netherlands. The notes will be fully, unconditionally and irrevocably guaranteed by Braskem S.A., or Braskem, a corporation (*sociedade anônima*) incorporated under the laws of the Federative Republic of Brazil.

The notes will mature on January 23, 2081. Subject to Braskem Netherlands Finance's right to defer payment, interest on the notes will be payable semi-annually in arrears on January 23 and July 23 of each year, beginning on January 23, 2021. As more fully described in this offering memorandum, Braskem Netherlands Finance may defer interest payments on the notes for any period of time; *provided* that any such deferred interest payments will bear interest at the same rate as the principal amount of the notes and will become due and payable on the Mandatory Settlement Date (as defined herein), if any.

The notes will bear interest on their principal amount from, and including, the issue date to, but excluding, January 23, 2026 (5.5 years after the issue date), or the First Reset Date, at a rate of 8.500% *per annum*. From, and including, the First Reset Date to, but excluding, January 23, 2031 (10.5 years after the issue date), or the First Step-up Date, the notes will bear interest on their principal amount at a rate *per annum* equal to the relevant five-year U.S. treasury rate *plus* 8.220%, which is the initial spread. From, and including, the First Step-up Date to, but excluding, January 23, 2041 (20.5 years after the issue date) (or, if on the 30<sup>th</sup> calendar day preceding the First Reset Date, Braskem is assigned an issuer credit rating by Standard & Poor's Ratings Group, a division of McGraw Hill, Inc. of BBB- or higher, January 23, 2046 (25.5 years after the issue date)), or the Second Step-up Date, the notes will bear interest for each Reset Period (as defined herein) on their principal amount at a rate *per annum* equal to the relevant five-year U.S. treasury rate *plus* the initial spread *plus* 0.250%. From, and including, the Second Step-up Date to, but excluding, the maturity date of the notes, the notes will bear interest for each Reset Period on their principal amount at a rate *per annum* equal to the relevant five-year U.S. treasury rate *plus* the initial spread *plus* 1.000%.

Braskem Netherlands Finance or Braskem may, at its option, redeem the notes, in whole or in part, at any time or from time to time on (i) any day during the period commencing on, and including, October 24, 2025 and ending on, and including, the First Reset Date, and (ii) any day during the period commencing on, and including, the 90<sup>th</sup> calendar day prior to each subsequent Reset Date thereafter and ending on, and including, such Reset Date, at their aggregate principal amount, together with any accrued and unpaid interest to, but excluding, the redemption date and any Arrears of Interest (as defined herein). Braskem Netherlands Finance or Braskem may also, at its option, redeem the notes, in whole but not in part, upon the occurrence of a Rating Methodology Event, a Substantial Repurchase Event, a Change of Control Triggering Event, a Withholding Tax Event or a Tax Deductibility Event (each as defined herein) at the applicable redemption price as set forth in this offering memorandum, together with any accrued and unpaid interest to, but excluding, the redemption date and any Arrears of Interest. As an alternative to a redemption of the notes as described in the preceding sentences, and subject to certain conditions, Braskem Netherlands Finance or Braskem may, at its option, substitute all (but not less than all), or vary the terms of the notes.

**Neither the U.S. Securities and Exchange Commission, or the SEC, nor any state securities commission has approved or disapproved of the notes or the guarantee or determined if this offering memorandum is accurate or complete. Any representation to the contrary is a criminal offense.**

This offering memorandum does not constitute a prospectus for the purposes of Article 6 of Regulation (EU) 2017/1129 (as such regulation may be amended or superseded from time to time), or the Prospectus Regulation. Braskem Netherlands Finance is not offering the notes in any jurisdiction in circumstances that would require a prospectus to be prepared pursuant to the Prospectus Regulation.

The notes will be unsecured deeply subordinated obligations of Braskem Netherlands Finance and will rank senior only to all existing and future classes of equity capital of Braskem Netherlands Finance. Braskem's guarantee of the notes will be an unsecured deeply subordinated obligation of Braskem and will rank senior only to all existing and future classes of equity capital of Braskem.

We will apply to the Singapore Exchange Securities Trading Limited, or the SGX-ST, for permission to list the notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this offering memorandum. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the notes, their issuer or their guarantor.

---

**Investing in the notes involves risks. See “Item 3. Key Information—Risk Factors” beginning on page 4 of our Annual Report (as defined below), which is incorporated by reference in this offering memorandum, and “Risk Factors” beginning on page 15 of this offering memorandum.**

The notes and the guarantee have not been registered under the U.S. Securities Act of 1933, as amended, or the Securities Act, or any state securities laws and may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the Securities Act, or Regulation S), except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. Accordingly, the notes are being offered and sold only to qualified institutional buyers in accordance with Rule 144A under the Securities Act, or Rule 144A, and outside the United States in accordance with Regulation S. Prospective purchasers that are qualified institutional buyers are hereby notified that the seller of the notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on transfer of the notes, see “Transfer Restrictions.”

---

**Issue price of the notes: 100.000% plus accrued interest, if any, from July 23, 2020.**

Delivery of the notes to purchasers in book-entry form through The Depository Trust Company, or DTC, and its direct and indirect participants, including Clearstream Banking, *société anonyme*, or Clearstream, and Euroclear Bank S.A./N.V., as operator of the Euroclear System, or Euroclear, is expected on or about July 23, 2020.

---

*Global Coordinators and Joint Book-Running Managers*

**BNP PARIBAS**

**Morgan Stanley**

**Santander**

*Joint Book-Running Managers*

**Itaú BBA**

**SMBC Nikko**

**Standard Chartered Bank**

The date of this offering memorandum is July 20, 2020.

## TABLE OF CONTENTS

	<u>Page</u>
<b>INCORPORATION BY REFERENCE</b> .....	iv
<b>PRESENTATION OF FINANCIAL AND OTHER INFORMATION</b> .....	vi
<b>FORWARD-LOOKING STATEMENTS</b> .....	ix
<b>SUMMARY</b> .....	1
<b>RISK FACTORS</b> .....	15
<b>USE OF PROCEEDS</b> .....	25
<b>CAPITALIZATION</b> .....	26
<b>DESCRIPTION OF THE NOTES</b> .....	28
<b>FORM OF THE NOTES</b> .....	53
<b>TAXATION</b> .....	57
<b>TRANSFER RESTRICTIONS</b> .....	70
<b>ENFORCEABILITY OF CIVIL LIABILITIES</b> .....	73
<b>PLAN OF DISTRIBUTION</b> .....	75
<b>CERTAIN ERISA CONSIDERATIONS</b> .....	81
<b>LEGAL MATTERS</b> .....	83
<b>INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</b> .....	84
<b>AVAILABLE INFORMATION</b> .....	85

---

**You should rely only on the information contained in this offering memorandum. Neither we nor the initial purchasers have authorized anyone to provide you with different information. Neither we nor the initial purchasers are making an offer of the notes (or the related guarantee) in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this offering memorandum is accurate as of any date other than the date on the cover of this offering memorandum.**

Unless otherwise indicated or the context otherwise requires, all references in this offering memorandum to “Braskem,” “the Company,” “our company,” “we,” “our,” “ours,” “us” or similar terms are to Braskem and its consolidated subsidiaries, which include Braskem Netherlands Finance and Braskem Idesa S.A.P.I., which we refer to together with its consolidated subsidiary as Braskem Idesa.

This offering memorandum has been prepared by us solely for use in connection with the proposed offering of the notes (and the related guarantee) described in this offering memorandum. This offering memorandum is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire notes (or the related guarantee). Distribution of this offering memorandum to any person other than a prospective investor and any person retained to advise such prospective investor with respect to its purchase is unauthorized, and any disclosure of any of its contents, without our prior written consent, is prohibited. Each prospective investor, by accepting delivery of this offering memorandum, agrees to the foregoing and to make no photocopies of this offering memorandum or any documents referred to in this offering memorandum.

Neither the initial purchasers nor any of their directors, affiliates, advisors or agents make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this offering memorandum. Nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation by the initial purchasers or by any of their directors, affiliates, advisors or agents as to the past or future.

The notes (and the related guarantee) are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable state securities laws pursuant to registration or exemption therefrom. As a prospective purchaser, you should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. See “Plan of Distribution” and “Transfer Restrictions.”

In making an investment decision, prospective investors must rely on their own examination of our company and the terms of this offering, including the merits and risks involved. The contents of this offering memorandum are not, and prospective investors should not construe anything in this offering memorandum as, legal, business or tax advice. Each prospective investor should consult its own legal, business, tax or other advisors as needed to make its investment decision and to determine whether it is legally permitted to purchase the notes under applicable law.

This offering memorandum contains summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by reference to such documents. Copies of documents referred to in this offering memorandum will be made available to prospective investors upon request to us or the initial purchasers.

Each person receiving this offering memorandum acknowledges that this offering memorandum may not contain all information that would be included in a prospectus if this offering were registered under the Securities Act.

### **PROHIBITION OF SALES TO UK AND EEA RETAIL INVESTORS**

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom, or the UK, or the European Economic Area, or the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended, or MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EC, as amended, or the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended, or the PRIIPs Regulation, for offering or selling the notes or otherwise making them available to retail investors in the UK and the EEA has been prepared and, therefore, offering or selling the notes or otherwise making them available to any retail investor in the UK or the EEA may be unlawful under the PRIIPs Regulation. This offering memorandum has been prepared on the basis that any offer of notes in the UK or any member state of the EEA will be made pursuant to an exemption under the European Regulation 2017/1129 of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended or superseded, or the Prospectus Regulation, from the requirement to publish a prospectus for offers of notes.

### **MIFID II PRODUCT GOVERNANCE**

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the notes has led to the conclusion that (i) the target market for the notes is eligible counterparties and professional clients only, each as defined in MIFID II; and (ii) all channels for distribution of the notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the notes (each a distributor) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

### **NOTICE TO PROSPECTIVE INVESTORS IN THE NETHERLANDS**

The notes (including rights representing an interest in each global note that represents the notes) may not be offered or sold to individuals or legal entities in the Netherlands other than to qualified investors within the meaning of the Prospectus Regulation. No approved prospectus within the meaning of the Prospectus Regulation is required.

### **NOTICE TO PROSPECTIVE INVESTORS WITHIN BRAZIL**

**THE NOTES (AND RELATED GUARANTEE) HAVE NOT BEEN, AND WILL NOT BE, REGISTERED WITH THE BRAZILIAN SECURITIES COMMISSION (COMISSÃO DE VALORES MOBILIÁRIOS), OR THE CVM. THE NOTES MAY NOT BE OFFERED OR SOLD IN BRAZIL, EXCEPT IN CIRCUMSTANCES THAT DO NOT CONSTITUTE A PUBLIC OFFERING OR UNAUTHORIZED DISTRIBUTION UNDER BRAZILIAN LAWS AND REGULATIONS. THE NOTES (AND RELATED**

**GUARANTEE) ARE NOT BEING OFFERED INTO BRAZIL. DOCUMENTS RELATING TO THE OFFERING OF THE NOTES, AS WELL AS INFORMATION CONTAINED THEREIN, MAY NOT BE SUPPLIED TO THE PUBLIC IN BRAZIL, NOR BE USED IN CONNECTION WITH ANY OFFER FOR SUBSCRIPTION FOR OR SALE OF THE NOTES TO THE PUBLIC IN BRAZIL.**

## INCORPORATION BY REFERENCE

We are incorporating by reference into this offering memorandum the following information contained in documents that we have filed with or furnished to the SEC:

- the following sections of our annual report on Form 20-F for the year ended December 31, 2019, filed with the SEC on June 15, 2020, which we collectively refer to in this offering memorandum as our “Annual Report”:
  - the information under the caption “Presentation of Financial and Other Information”;
  - the information contained in “Item 3. Key Information” in our Annual Report, with the exception of financial data as of and for the years ended December 31, 2017, 2016 and 2015;
  - the information contained in “Item 4. Information on the Company” in our Annual Report, with the exception of financial data as of and for the year ended December 31, 2017;
  - the information contained in “Item 5. Operating and Financial Review and Prospects” in our Annual Report, with the exception of financial data as of and for the year ended December 31, 2017;
  - the information contained in “Item 6. Directors, Senior Management and Employees”;
  - the information contained in “Item 7. Major Shareholders and Related Party Transactions”;
  - the information contained in “Item 8. Financial Information” in our Annual Report, with the exception of financial data as of and for the year ended December 31, 2017;
  - the information contained in “Item 11. Quantitative and Qualitative Disclosures About Market Risk”;
  - the information contained in “Item 15. Controls and Procedures”; and
  - the audited consolidated financial statements of Braskem S.A. and its subsidiaries, including the reports of the independent registered public accounting firm, contained in our Annual Report, with the exception of such financial statements, including the reports of the independent registered public accounting firm, as of and for the year ended December 31, 2017;
- our unaudited condensed quarterly financial information as of March 31, 2020 and for the three-month periods ended March 31, 2020 and 2019, contained in a report on Form 6-K furnished to the SEC on July 14, 2020, which we refer to in this offering memorandum as our “First Quarter Financial Statement Report”; and
- our Management’s Discussion and Analysis of Financial Condition and Results of Operations for the three-month periods ended March 31, 2020 and 2019 contained in a report on Form 6-K furnished to the SEC on July 14, 2020, which we refer to in this offering memorandum as our “First Quarter MD&A Report.”

Incorporation by reference of information contained in our Annual Report, our First Quarter Financial Statement Report and our First Quarter MD&A Report means that (1) this information is considered part of this offering memorandum and (2) we can disclose important information to you, in such case, by referring to our Annual Report, our First Quarter Financial Statement Report and our First Quarter MD&A Report that we incorporate by reference.

Any statement contained in a document incorporated by reference or deemed to be incorporated by reference in this offering memorandum will be deemed to be modified or superseded for purposes of this offering memorandum to the extent that a statement contained in this offering memorandum or any other subsequently filed document that



also is, or is deemed to be, incorporated by reference in this offering memorandum modifies or supersedes that statement.

You should read “Available Information” for information on how to obtain a copy of our Annual Report, our First Quarter Financial Statement Report and our First Quarter MD&A Report or other information relating to our company.

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references in this offering memorandum to “*real*,” “*reais*” or “R\$” are to the Brazilian *real*, the official currency of Brazil. All references to “U.S. dollars” or “US\$” are to U.S. dollars, the official currency of the United States.

On July 20, 2020, the *real*/U.S. dollar exchange rate was R\$5.3635 to US\$1.00, based on the selling rate as reported by the Central Bank of Brazil (*Banco Central do Brasil*), or the Central Bank. The selling rate was R\$5.1987 to US\$1.00 as of March 31, 2020, R\$4.0307 to US\$1.00 as of December 31, 2019, R\$3.8748 to US\$1.00 as of December 31, 2018 and R\$3.3080 to US\$1.00 as of December 31, 2017, in each case, as reported by the Central Bank. The *real*/U.S. dollar exchange rate fluctuates widely, and these selling rates may not be indicative of future selling rates.

Solely for the convenience of the reader, we have translated certain *real* amounts in this offering memorandum into U.S. dollars at the selling rate as reported by the Central Bank as of March 31, 2020 of R\$5.1987 to US\$1.00. These translations should not be considered representations that any such amounts have been, could have been or could be converted into U.S. dollars at that or at any other exchange rate.

### Financial Statements

#### *Braskem Financial Statements*

We maintain our books and records in *reais*. Our financial information contained in this offering memorandum has been derived from our records and financial statements, and includes our unaudited condensed quarterly financial information as of March 31, 2020 and for the three-month periods ended March 31, 2020 and 2019, which are incorporated into this offering memorandum by reference to our First Quarter Financial Statement Report, or our unaudited condensed quarterly financial information, and our audited consolidated financial statements as of December 31, 2019 and 2018 and for the years ended December 31, 2019 and 2018, or our audited consolidated financial statements, which are incorporated into this offering memorandum by reference to our Annual Report.

We have prepared our audited consolidated financial statements in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB. We have prepared our unaudited condensed quarterly financial information in accordance with CPC 21 (R1) and International Accounting Standard (“IAS”) 34—Interim Financial Reporting, as issued by the IASB.

Our audited consolidated financial statements are not equivalent to our statutory financial statements as issued under the requirements applicable in Brazil. The date of issue of these audited consolidated financial statements is different from the date of issue of our consolidated financial statements in Brazil, and there are differences due to adjusting and non-adjusting events after the reporting period, under IAS 10—Events after the Reporting Period.

#### *Braskem Netherlands Finance Financial Statements*

We have not included any financial statements for Braskem Netherlands Finance in this offering memorandum. Braskem Netherlands Finance does not, and will not, publish financial statements, except for financial statements that it expects to publish under the laws of the Netherlands. In addition, Braskem Netherlands Finance will not furnish to the trustee or the holders of the notes any financial statements of, or other reports relating to, Braskem Netherlands Finance. Braskem Netherlands Finance’s obligations under the notes will be fully and unconditionally guaranteed by us. The financial condition and results of operations of Braskem Netherlands Finance have been fully consolidated in our consolidated financial statements for dates and periods ending after November 17, 2014 (the date of incorporation of Braskem Netherlands Finance).

## **Restatement and Reclassification of the Comparable Interim Quarterly Financial Information for the Three-Month Period Ended March 31, 2019**

### ***Change to the Presentation of Profit Sharing Expenses by Function***

In the three-month period ended March 31, 2020, we changed the classification of profit sharing expenses to report the effects of such expenses by function. We reclassified the amounts related to the three-month period ended March 31, 2019 for comparison purposes. In the three-month period ended March 31, 2019, the amounts related to this item were reclassified from “other expenses” (R\$121.9 million) to “cost of goods sold” (R\$47.3 million), “selling and distribution expenses” (R\$16.6 million), “general and administrative expenses” (R\$52.1 million) and “research and development” (R\$5.8 million).

### ***Reversal of Income Tax and Social Contribution – Current and Deferred***

We restated the balances of income tax and social contribution – current and deferred (reduction in the amount of R\$434.5 million in net profit previously reported) for the three-month period ended March 31, 2019 due to the reversal of the tax deductibility of the portion related to the leniency agreement entered into with the Ministry of Transparency and Controllershship (*CGU*) and the Office of the Attorney-General (*AGU*) in Brazil, in the amount of R\$1.4 billion.

### **Market Share and Other Information**

We make statements in this offering memorandum, our Annual Report and our First Quarter MD&A Report about our market share in the petrochemical industry in Brazil and our production capacity relative to that of other petrochemical producers in Brazil, other countries in Latin America, the United States and the world. We have made these statements on the basis of information obtained from third-party sources that we believe are reliable. We have calculated our Brazilian market share with respect to specific products by dividing our domestic net sales volumes of these products by the total Brazilian domestic consumption of these products. We derive information regarding the production capacity of other companies in the Brazilian petrochemical industry and the estimated total Brazilian domestic consumption of petrochemical products principally from reports published by the Brazilian Chemical Industry Association (*Associação Brasileira da Indústria Química*), or ABIQUIM. We derive information regarding the production capacity of other companies in the global petrochemical industry, international market prices for petrochemicals products and per capita consumption in certain geographic regions principally from reports published by IHS, Inc., or IHS. We derive information relating to Brazilian imports and exports from the ComexStat (<http://comexstat.mdic.gov.br>), produced by the Brazilian Ministry of Economy (*Ministério da Economia*). We also include information and statistics regarding economic growth in emerging economies obtained from the International Monetary Fund, or IMF, and statistics regarding gross domestic product, or GDP, growth in Brazil, the United States, Europe and Mexico obtained from independent public sources, such as the Brazilian Institute of Geography and Statistics (*Instituto Brasileiro de Geografia e Estatística*), or the IBGE; the U.S. Department of Commerce; the statistical office of the European Union, or Eurostat; and the Mexican Institute of Statistics and Geography (*Instituto Nacional de Estadística y Geografía*).

We have no reason to believe that any of this information is inaccurate in any material respect. However, neither we nor the initial purchasers have independently verified the production capacity, market share, market size or similar data provided by third parties or derived from industry or general publications.

We provide information regarding domestic apparent consumption of some of our products based on information available from the Brazilian government, Institute of Applied Economic Research (*Instituto de Pesquisa Econômica Aplicada*) and ABIQUIM. Domestic apparent consumption is equal to domestic production *plus* imports *minus* exports. Domestic apparent consumption for any period may differ from actual consumption because this measure does not give effect to variations of inventory levels in the petrochemical supply chain.

## **Production Capacity and Sales Volume**

As used in this offering memorandum:

- “production capacity” means the annual projected capacity for a particular facility, calculated based upon operations for 24 hours each day of a year and deducting scheduled downtime for regular maintenance; and
- “ton” means a metric ton, which is equal to 1,000 kilograms or 2,204.62 pounds.

## **Rounding**

We have made rounding adjustments to some of the amounts included in this offering memorandum. As a result, numerical figures shown as totals in some tables may not be arithmetic aggregations of the amounts that precede them.

## FORWARD-LOOKING STATEMENTS

This offering memorandum and the documents incorporated by reference in this offering memorandum include forward-looking statements within the meaning of the Securities Act or the U.S. Securities Exchange Act of 1934, as amended, or the Exchange Act.

Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “estimates” and similar expressions are forward-looking statements. Although we believe that these forward-looking statements are based upon reasonable assumptions, these statements are subject to several risks and uncertainties and are made in light of information currently available to us.

Our forward-looking statements may be influenced by numerous factors, including the following:

- the adverse effect of global health crises, such as the novel coronavirus (COVID-19) pandemic, or the COVID-19 pandemic, and others, on our Brazilian and international sales and operations, demand for our petrochemical products, our manufacturing facilities, price of raw materials, logistics for our products and raw materials, and supply chains;
- general economic, political and business conditions in the markets in which we operate and to which we export our products, including demand, supply and market prices of petrochemical products;
- interest rate fluctuations, inflation and exchange rate movements of the *real* in relation to the U.S. dollar and other currencies;
- the cyclical nature of the global petrochemical industry;
- competition in the global petrochemical industry;
- prices of naphtha, ethane, propane, propylene and other raw materials and the terms and conditions of the supply agreements related thereto;
- international prices of petrochemical products;
- actions taken by our major shareholders;
- inherent risks related to any change of our corporate control;
- our ability to implement our financing strategy and to obtain financing on satisfactory terms;
- our progress in integrating the operations of companies or assets that we may acquire in the future, so as to achieve the anticipated benefits of these acquisitions;
- changes in laws and regulations, including, among others, laws and regulations affecting tax and environmental matters and import tariffs in other markets or jurisdictions in which we operate or to which we export our products;
- future changes in Brazilian, Mexican, American and European policies and related actions undertaken by those governments;
- a deterioration in the world economy that could negatively impact demand for petrochemicals;
- decisions rendered in major pending or future tax, labor, environmental and other legal proceedings;
- the potential effects of any cyber attacks;
- the potential effects of any natural disasters; and

- other factors identified under “Risk Factors” in this offering memorandum and in the reports filed with or furnished to the SEC that are incorporated by reference in this offering memorandum.

Our forward-looking statements are not a guarantee of future performance, and our actual results or other developments may differ materially from the expectations expressed in our forward-looking statements. As for forward-looking statements that relate to future financial results and other projections, actual results will be different due to the inherent uncertainty of estimates, forecasts and projections. Because of these uncertainties, potential investors should not rely on these forward-looking statements.

Forward-looking statements speak only as of the date they are made, and neither we nor the initial purchasers undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events.

## SUMMARY

*This summary highlights information presented in greater detail elsewhere in this offering memorandum. This summary is not complete and does not contain all the information you should consider before investing in the notes. You should carefully read this entire offering memorandum and our Annual Report, our First Quarter Financial Statement Report and our First Quarter MD&A Report, which are incorporated by reference in this offering memorandum, including “Risk Factors” included in this offering memorandum and in “Item 3. Key Information—Risk Factors” and “Item 11. Quantitative and Qualitative Disclosures about Market Risk” in our Annual Report, our First Quarter MD&A Report, our unaudited condensed quarterly financial information, “Item 5. Operating and Financial Review and Prospects” (with the exception of financial data as of and for the year ended December 31, 2017), included in our Annual Report, and our audited consolidated financial statements (with the exception of financial data as of and for the year ended December 31, 2017), before investing. See “Presentation of Financial and Other Information” included in this offering memorandum and in our Annual Report for information regarding our condensed quarterly financial information, exchange rates, definitions of technical terms and other introductory matters.*

### **Braskem**

According to IHS, we are the largest producer of thermoplastic resins in the Americas, based on the annual production capacity of our 28 plants in Brazil, six plants in the United States, two plants in Germany and four plants in Mexico as of March 31, 2020. We are the only producer of ethylene, polyethylene, or PE, and polypropylene, or PP, in Brazil. We produce a diversified portfolio of petrochemical and thermoplastic products and have a strategic focus on thermoplastic resins, including PE, PP and polyvinyl chloride, or PVC.

As from January 1, 2020, our three reporting segments are as follows:

- Brazil segment (former Polyolefins, Chemicals and Vinyls segments): includes: (i) production and sale of chemicals at the chemical complex located in Camaçari, in the State of Bahia, or the Northeastern Complex, the chemical complex located in Triunfo, in the State of Rio Grande do Sul, or the Southern Complex, the chemical complex located in Capuava, in the State of São Paulo, or the São Paulo Complex and the chemical complex located in Duque de Caxias, in the State of Rio de Janeiro, or the Rio de Janeiro Complex; (ii) supply of electricity produced at these complexes to second generation producers, including producers owned or controlled by us; (iii) production and sale of PE, including the production of “green PE” from renewable resources, and PP produced by us in Brazil; and (iv) our production and sale of PVC and caustic soda;
- United States and Europe segment: includes production, operations and sale of PP in the United States and Germany; and
- Mexico segment: includes production, operations and sale of ethylene, HDPE (high-density polyethylene) and LDPE (low-density polyethylene) in Mexico.

Please see below “—Recent Developments—Change to Reportable Segments.”

### **Strategy**

Our strategic objective is to satisfy clients in the chemicals and plastics value chain in a sustainable way and maximize return on the capital invested by shareholders, with a focus on:

- PE, resins, PP, PVC, chemicals and renewable chemistry; and
- Brazil and in the Americas, including Europe as an export platform.

The key pillars of our strategy include:

- ***Productivity and Competitiveness***

The petrochemical industry is constantly evolving through investments in the current asset base, advances in innovation and technology, and addition of new capacities with enhanced productivity and competitiveness. Therefore, in order to maintain our leadership position in the industry a key element of our strategy is to pursue improvements in productivity and competitiveness of our current operations, focused on operational efficiency and excellence, commercial and logistics effectiveness, and cost leadership and differentiation through our relationships with clients.

Innovation and technology remain an important path to increase productivity and competitiveness and we are currently focusing efforts on development and innovation to constantly improve our operations. Focus on innovation extends not only to operations and our product portfolio but also to new management models and business practices. We seek to position ourselves to adopt and implement new digital technologies and solutions that bring greater efficiency to our industrial processes and business management.

This strategy will allow us to ensure optimal operational performance, considering reliability, production optimization, cost reductions, investment discipline and improvements of our industrial processes.

- ***Feedstock Diversification***

Feedstock is a key element of competitiveness in the petrochemical industry, driving a large part of production costs. Petrochemical feedstocks follow the volatile nature of commodity markets with the competitive gap between different feedstocks fluctuating over time and presenting different opportunities in specific regions.

We are constantly seeking to diversify our feedstock profile in order to reduce the volatility of our results, reduce risks related to feedstock availability, and position ourselves to capture opportunities. We are currently working to increase our exposure to gas, diversifying away from naphtha while investing in the flexibility of our assets to consume different feedstocks.

In 2017, we started a project that enables us to produce up to 15% of ethylene from ethane in the Northeastern complex of Brazil with a long-term ethane supply agreement with a U.S. based supplier. The agreement specifies pricing based on the Mont Belvieu reference. In 2018, we were able to successfully operate the assets taking advantage of the increasing flexibility it provided to the complex. In 2019, 1.5% of the ethylene production of our Northeastern Complex was ethane-based. We are also focused on capturing available feedstock opportunities in our current asset base by operating our U.S. PP assets and Mexico cracker at full capacity, capturing propylene and ethane competitive advantage in the North American market and securing competitive feedstock contracts with a long-term view.

Additionally we are constantly monitoring opportunities to grow our asset base in feedstock advantaged regions and position our assets to capture local feedstock opportunities further diversifying our feedstock matrix, enhancing competitiveness and reducing exposure to feedstock related risks.

- ***Geographic Diversification***

Regional markets are influenced by the local supply and demand balance, macro-economic factors and the political environment. Having a local presence in a given market not only provides easier access to regional customers, feedstock opportunities and industrial policies, but also exposes the player to a number of risks related to government decisions, feedstock availability and demand growth. A diversified footprint is important to access regional opportunities and hedge our operations against local risks.



An important pillar of our strategy is to diversify geographically, growing our global footprint outside Brazil and increasing our competitive scale in PE and PP, enhancing our leadership in the Americas.

We started diversifying geographically in 2010 with the acquisition of Sunoco assets in the United States, continuing in the following year with the acquisition of Dow PP assets in the United States and Europe and later in 2016 with the start-up of our greenfield ethane cracker in Mexico, which is integrated with three polyethylene plants. More recently, in 2017, we commenced operations of a new Ultra High Molecular Weight Polyethylene – UHMWPE (UTE<sup>®</sup>) plant in the United States, which strengthened our position as one of the largest producers in the world, and approved the construction of a new PP facility in the United States (the largest PP production line in the Americas), which reached, during 2018, important construction milestones, keeping us on track for commencing operations in the third quarter of 2020.

We intend to continue to pursue our strategy of diversifying geographically while continuing to strengthen our position in the Americas in PE and PP.

- ***People, Governance and Reputation***

We are committed to strengthening our image and reputation among key stakeholders – team members, society and investors, through advances in our compliance system, sustainability, innovation and people management, while strengthening our culture and financial health.

We are committed to strengthening our compliance system, guaranteeing the involvement and responsibility of all leaders and implementing all policies and actions defined by our compliance committee, guided by transparency, integrity and ethics.

Sustainability will continue to be an important aspect of our strategy and we will continue to drive improvements to our health, environment, safety, and eco-indicators, and strengthen our influence in local and international agendas of sustainable development.

In people management, we intend to develop a work environment that reinforces diversity and stimulates the attraction and integration of talented young people, preparing our team for our increasing globalization and preparing us for the new paradigms of managing people.

By these means, we intend to continue strengthening our image and reputation together with our stakeholders, positioning ourselves as a human-oriented, forward-thinking global company that cultivates strong relationships and generates value to all, offering sustainable solutions in chemicals and plastics.

## **Recent Developments**

### ***Change to Reportable Segments***

Until December 31, 2019, our five reportable segments were: Chemicals, Polyolefins, Vinyls, USA and Europe, and Mexico. As from January 1, 2020, we made changes to our macro structure to seek synergies in all of the regions in which we operate to achieve a more integrated operational performance. As a result of these changes, our management revised the structure of internal reports with a focus on growth and globalization with the purpose of simplifying and streamlining our work and decision making process, which resulted in the consolidation of the Polyolefins, Chemicals and Vinyls segments into one single Brazil segment. Other reporting segments remained unchanged. As from January 1, 2020, our three reporting segments are as follows:

- Brazil segment (former Polyolefins, Chemicals and Vinyls segments): includes: (i) production and sale of chemicals at the chemical complex located in Camaçari, in the State of Bahia, or the Northeastern Complex, the chemical complex located in Triunfo, in the State of Rio Grande do Sul, or the Southern Complex, the chemical complex located in Capuava, in the State of São Paulo, or the São Paulo Complex and the chemical complex located in Duque de Caxias, in the State of Rio de Janeiro, or the Rio de Janeiro Complex; (ii) supply of electricity produced at these complexes to second generation producers, including

producers owned or controlled by us; (iii) production and sale of PE, including the production of “green PE” from renewable resources, and PP produced by us in Brazil; and (iv) our production and sale of PVC and caustic soda;

- United States and Europe segment: includes production, operations and sale of PP in the United States and Germany; and
- Mexico segment: includes production, operations and sale of ethylene, HDPE (high-density polyethylene) and LDPE (low-density polyethylene) in Mexico.

### ***Impact of the COVID-19 Pandemic***

The rapid, worldwide spread of the COVID-19 pandemic has created global economic disruption and uncertainty, including in our business.

In March 2020, in view of the progression of the COVID-19 pandemic, we formed a crisis committee with the aim of establishing global procedures focusing on the health of our team members and the continuity of our operations. We have taken the following measures: (i) recommended that all team members and contractors work remotely; (ii) established a minimum team in industrial areas to ensure safety and operational continuity matters; (iii) prohibited all national and international business travel, other than under exceptional circumstances; (iv) started requiring that any team member or contractor returning from international travel or high risk areas, whether for business or personal reasons, self-quarantine upon return; (v) recommended that internal and face-to-face meetings with over 20 people be avoided, and prohibited participation in corporate events with 50 people or more; (vi) recommended that non-routine contractors and suppliers do not visit our facilities, and also prohibited access by visitors or third parties coming from high risk areas to our facilities; and (vii) created joint schedules with customers and local communities to optimize the distribution of our products in a way that helps fight the pandemic.

Also, in line with our core safety value, we started to operate our industrial plants with reduced teams. The reduction of approximately 50% in the number of industrial team members and contractors has allowed us to keep teams safe while maintaining the reliability of our operations.

Utilization rates at our plants will be adjusted considering the market demand and the potential opportunities for exports to other regions that may arise, especially with the resumption of activities in Asia. We have made the following main adjustments as of May 2020:

- Brazil: reduction in ethylene production to approximately 65% of our total capacity, which is 3.6 million tons per year, from 81% in the three-month period ended March 31, 2020; and
- United States: reduction in PP production to approximately 85% of our total capacity, which is 1.6 million tons per year, from 95% in the three-month period ended March 31, 2020.

We have also been taking a series of measures to preserve liquidity in order to maintain our financial strength and business resilience, such as:

- drawdown of our revolving credit facility in the amount of US\$1 billion in April 2020;
- reduction of administrative expenses (including third-party services and travel) by approximately 10% since 2019;
- reduction of planned investments for 2020 from US\$721 million to US\$600 million;
- postponement of payment of social contributions in the amount of R\$102.1 million in Brazil related to March and April 2020, in accordance with applicable Brazilian regulations; and
- working capital optimizations.

We have taken critical actions on four important fronts: (i) actions taken jointly with our customers and business partners to transform plastic resins and chemicals into essential items to combat the COVID-19 pandemic, especially surgical masks, packaging for liquid and gel alcohol, bleach, and 3D printing of rods for protection masks; (ii) donation of LPG to hospitals; (iii) actions to support clients and supply chains, especially small and midsized companies; and (iv) donation of hygiene kits and basic food baskets to affected communities around our plants.

As of March 31, 2020, we had positive net working capital of R\$5.8 billion, most of our liabilities were long-term obligations, and 96.9% of our total debt was denominated in U.S. dollars, in accordance with our financial policy. We are comfortable with such exposure to the U.S. dollar, since a significant part of our revenue to be generated in the coming years that could be used to service our debt is directly or indirectly denominated in U.S. dollars.

During periods in which the Brazilian *real* depreciates significantly against the U.S. dollar, we are subject to an adverse effect from exchange variation on our debt, a part of which is recognized in our results for the period and a part of which is incorporated into our equity through the hedge accounting mechanism.

In the first quarter of 2020, the Brazilian *real* depreciated 29% against the U.S. dollar. The quarter's negative exchange variation has produced a negative cash effect on our financing expenses in the quarter, but will not produce a cash effect on our long-term liabilities and does not put at risk our liquidity position in the context of our efforts to contain the effect of the COVID-19 pandemic on our business.

Due to the uncertainties arising from the COVID-19 pandemic with regard to the global economy, it is impossible to accurately predict the adverse impacts on our equity and financial position and that of our subsidiaries. We are continuously evaluating the effects arising from the pandemic, which could lead us to constitute provisions for asset impairment in the coming quarters.

Based on our preliminary operating data for May 2020 and the publicly reported expected impact on certain industries in which our customers operate (such as automotive and construction), we believe that the COVID-19 pandemic could negatively affect our business in numerous ways, including, but not limited to, reduction of our production volume, sales volume and net revenue, increase of certain of our costs, and decrease of our gross margin.

See "Item 3. Key Information—Risk Factors—Risks Relating to us and the Petrochemical Industry—Global or regional health pandemics or epidemics, including that related to the novel coronavirus (COVID-19), may adversely affect our business, financial condition and results of operations" in our Annual Report.

## **Other Recent Developments**

### ***End of Monitorship***

On May 13, 2020, Brazil's Federal Prosecutors' Office (*Ministério Público Federal*), or the MPF, the U.S. Department of Justice, or the DoJ, and the SEC confirmed the conclusion of the independent compliance monitorship at Braskem, which had been established in the settlement agreements entered into by Braskem, the DoJ and the SEC on December 21, 2016. The decision of the DoJ and the SEC was based on a final report from the independent monitors, who certified that the Company implemented all of the recommendations regarding the structure and execution of its compliance program and concluded that the Company meets the standards set out in the settlement agreements entered into with the DoJ and the SEC. Following the end of the independent monitorship period and the certification by the MPF, the DoJ and the SEC, the Company has complied with its obligations established in the settlement agreements entered into with these authorities and has successfully concluded the three-year monitorship.

### ***Geological Event in Alagoas***

As publicly announced by the Company on July 9, 2020, Braskem received a letter from the Alagoas State Public Defender's Office (*Defensoria Pública do Estado de Alagoas*), the Federal Prosecutor's Office (*Ministério*

*Público Federal*), the State of Alagoas Prosecutor's Office (*Ministério Público do Estado de Alagoas*) and the Federal Public Defender's Office (*Defensoria Pública da União*) (collectively, the "Authorities") providing an update on the Map of Damage Sectors and Priority Action Lines by the Civil Defense of Maceió, which included additional properties in the districts of Mutange, Bom Parto, Pinheiro and Bebedouro in the City of Maceió, in the State of Alagoas, that need to be vacated.

To ensure the safety of the residents in the region, Braskem is negotiating with the Authorities possible measures to be adopted by mutual agreement, although it is not obligated to assist in the process to vacate the new areas pursuant to the settlement agreement entered into with the Authorities on January 3, 2020.

In light of the available information about the event and ongoing discussions with the Authorities, the Company estimates additional expenses in the amount of R\$1.6 billion to provide assistance to local residents of the new areas, additional measures necessary to shut down the salt mining activities in the City of Maceió and relocate additional residents and properties, including management and technical analysis costs, among others.

In addition, with regard to the civil lawsuit filed by the Federal Prosecutor's Office (*Ministério Público Federal*) related to social and environmental damages, the Company is still engaged in discussions with the Authorities.

On June 19, 2020, the Company became aware through the publication on the Official Gazette of the State of Alagoas (*Diário Oficial do Estado de Alagoas*) of a notice of a public civil inquiry initiated by the State of Alagoas Prosecutor's Office (*Ministério Público do Estado de Alagoas*) into the extent of the urban damage caused by the geological event, seeking solutions for recovery and utilization of the area, and assessing liability for possible reparations for damages caused. Due to the initial stage of such inquiry, any definitive conclusion is still pending and subject to additional studies, a detailed evaluation of possible measures to be taken and negotiations with authorities.

As publicly announced by the Company, on July 15, 2020 Braskem concluded the negotiations with the Alagoas State Public Defender's Office (*Defensoria Pública do Estado de Alagoas*), the Federal Prosecutor's Office (*Ministério Público Federal*), the State of Alagoas Prosecutor's Office (*Ministério Público do Estado de Alagoas*) and the Federal Public Defender's Office (*Defensoria Pública da União*) with respect to the assistance measures to vacate the new risk areas in accordance with the updated Map of Damage Sectors and Priority Action Lines by the Civil Defense of Maceió, in mutual agreement, deciding to execute an amendment to the agreement dated January 3, 2020 to include 1,918 additional properties to be vacated in the districts of Mutange, Bom Parto, Pinheiro and Bebedouro, in the City of Maceió, State of Alagoas, in connection with the Financial Compensation and Support for Relocation Program. The amendment will be submitted to the courts for approval.

### ***Ratings Downgrades***

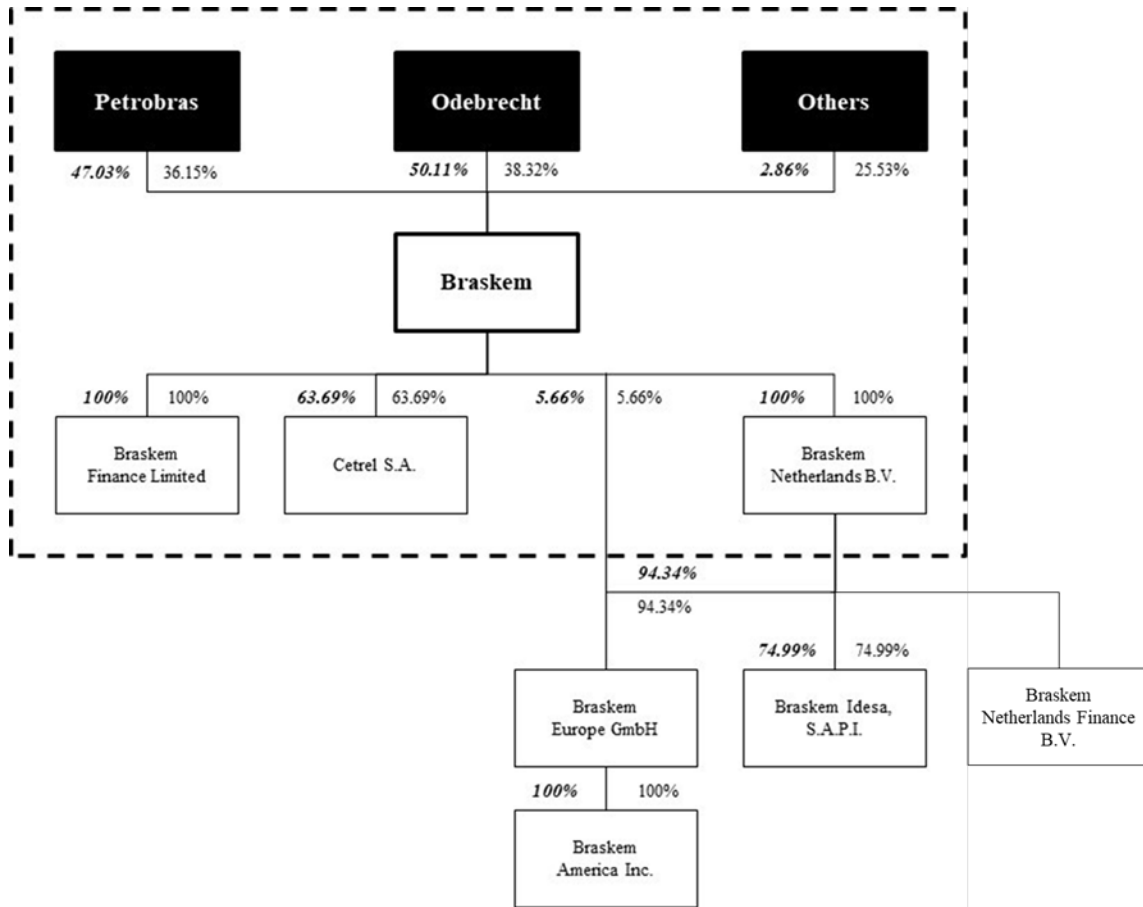
In July 2020, Standard & Poor's Ratings Group, a division of McGraw Hill, Inc., or Standard & Poor's, and Fitch Ratings Ltd., or Fitch, downgraded the Company's corporate credit ratings on a global basis from BBB- to BB+, with a stable outlook.

As a consequence of such downgrades and pursuant to the equity support agreement relating to the Mexico complex, Braskem provided a letter of credit to Braskem Idesa S.A.P.I., or Braskem Idesa, with respect to certain contingent equity contributions to cover any additional amounts necessary to complete the project. Our contingent equity commitment that remains available is in the amount of up to US\$208 million, and such commitment will remain available until the occurrence of the contingent equity release date in accordance with the amended and restated equity support agreement, provided that it will be reduced to the lesser of the amount then available and US\$100 million upon achievement of financial completion of the project.

### **Our Corporate Structure**

The following chart presents our ownership structure and the corporate structure of our principal subsidiaries on the date of this offering memorandum. The percentages in bold italics represent the direct or indirect percentage of

the voting share capital owned by each entity, and the percentages not in bold italics represent the direct or indirect percentage of the total share capital owned by each entity.



### Braskem Netherlands Finance

Braskem Netherlands Finance, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, is a wholly-owned subsidiary of Braskem Netherlands B.V., or Braskem Netherlands. Braskem Netherlands Finance was established primarily to act as a finance subsidiary of Braskem. Its registered office is at Weena 240, 9<sup>th</sup> floor, tower C, 3012 NJ, Rotterdam, the Netherlands. Its deed of incorporation and any other documents concerning Braskem Netherlands Finance that are referred to in this offering memorandum can be inspected at Braskem Netherlands Finance’s headquarters at the same address.

Braskem Netherlands Finance has no operations other than issuing and making payments on the notes and other indebtedness ranking equally with, or senior to, the notes, and using the proceeds therefrom as permitted by the documents governing these issuances, including lending the net proceeds of the notes and other indebtedness incurred by it to Braskem and subsidiaries of Braskem.

---

Our registered office is located at Rua Eteno, 1561, Pólo Petroquímico, Camaçari, BA, 42810-000, Brazil, and our telephone number at this address is +55 (71) 3413-2102. Our principal executive office is located at Rua Lemos Monteiro, 120, 24<sup>th</sup> floor, São Paulo, SP, 05501-050, Brazil, and our telephone number at this address is +55 (11) 3576-9000.

## The Offering

The following summary contains basic information about the notes and the guarantee and is not intended to be complete. It does not contain all of the information that is important to you. For a more complete understanding of the notes, please refer to the section of this offering memorandum entitled "Description of the Notes."

<b>Issuer</b> .....	Braskem Netherlands Finance B.V.
<b>Guarantor</b> .....	Braskem S.A.
<b>Notes</b> .....	US\$600,000,000 aggregate principal amount of subordinated resettable fixed rate notes due 2081.
<b>Issue price</b> .....	100.000% of the principal amount <i>plus</i> accrued interest, if any, from and including July 23, 2020.
<b>Maturity date</b> .....	January 23, 2081.
<b>Interest payment dates</b> .....	Subject to Braskem Netherlands Finance's right to defer payment, interest on the notes will be payable semi-annually in arrears on January 23 and July 23 of each year, beginning on January 23, 2021.
<b>Interest rate/step-up</b> .....	The notes will bear interest on their principal amount as follows: <ul style="list-style-type: none"><li>(i) from, and including, the issue date to, but excluding, the First Reset Date, at a rate of 8.500% <i>per annum</i>;</li><li>(ii) from, and including, the First Reset Date to, but excluding, the First Step-up Date, at a rate <i>per annum</i> equal to the relevant five-year U.S. treasury rate <i>plus</i> the initial spread;</li><li>(iii) from, and including, the First Step-up Date to, but excluding, the Second Step-up Date, for each Reset Period at a rate <i>per annum</i> equal to the relevant five-year U.S. treasury rate <i>plus</i> the initial spread <i>plus</i> 0.250%; and</li><li>(iv) from, and including, the Second Step-up Date to, but excluding, the maturity date of the notes, for each Reset Period at a rate <i>per annum</i> equal to the relevant five-year U.S. treasury rate <i>plus</i> the initial spread <i>plus</i> 1.000%.</li></ul>
<b>Optional interest deferral</b> .....	Braskem Netherlands Finance may, at its sole discretion, elect to defer in whole, but not in part, any payment of interest on the notes otherwise payable on any interest payment date by giving notice to the trustee and the holders of the notes not less than seven business days prior to the applicable interest payment date. Any deferred interest on the notes will bear additional interest at the applicable interest rate on the notes, compounded semi-annually.
<b>Payment of arrears of interest</b> .....	Any Arrears of Interest (as defined herein) in respect of all notes then outstanding will become due and payable in full and will be paid by Braskem Netherlands Finance on the first occurring Mandatory Settlement Date (as defined herein), as described under

“Description of the Notes—Optional Interest Deferral—Mandatory Payment of Arrears of Interest.”

Braskem Netherlands Finance may pay any Arrears of Interest in respect of all notes then outstanding, in whole, but not in part, at any time, upon giving prior notice of such payment.

Notwithstanding the above, as described under “Description of the Notes—Optional Interest Deferral—Mandatory Payment of Arrears of Interest,” Braskem Netherlands Finance will be permitted under the indenture to defer interest payments on the notes while Braskem makes the Minimum Required Dividend.

**Ranking** .....

The notes will be unsecured and subordinated obligations of Braskem Netherlands Finance, ranking (i) junior to all Senior Indebtedness (as defined herein) of Braskem Netherlands Finance, (ii) *pari passu* with Braskem Netherlands Finance’s future Parity Securities (as defined herein) and (iii) senior only to all existing and future classes of equity capital of Braskem Netherlands Finance.

The notes will be unconditionally guaranteed on an unsecured and subordinated basis by Braskem, ranking senior only to all existing and future classes of equity capital of Braskem.

As of March 31, 2020, Braskem Netherlands Finance had consolidated debt of US\$3,864.0 million (excluding intercompany debt). Upon any liquidation of Braskem Netherlands Finance, (i) all Senior Indebtedness of Braskem Netherlands Finance must be paid in full before the holders of any Parity Securities (including the notes) of Braskem Netherlands Finance are entitled to receive or retain payment in respect thereof, and (ii) the holders of Parity Securities (including the notes) of Braskem Netherlands Finance will be entitled to receive *pari passu* among themselves any payment in respect thereof.

**Optional redemption** .....

Braskem Netherlands Finance or Braskem may redeem the notes, in whole or in part, on (i) any day during the period commencing on, and including, October 24, 2025 and ending on, and including, the First Reset Date, and (ii) any day during the period commencing on, and including, the 90<sup>th</sup> calendar day prior to each subsequent Reset Date thereafter and ending on, and including, such Reset Date, in each case at 100.000% of the principal amount of the notes then outstanding; *provided* that at least US\$200.0 million aggregate principal amount of the notes shall remain outstanding immediately after any such partial redemption. See “Description of the Notes—Redemption—Optional Redemption.”

**Redemption following a Rating Methodology Event** .....

If a Rating Methodology Event occurs, then Braskem Netherlands Finance or Braskem may, at its option, redeem the notes in whole but not in part at any time at 101.000% of the principal amount of the notes then outstanding if the redemption occurs on any date prior to October 24, 2025; or 100.000% of the principal amount of the notes then outstanding if the redemption occurs on any date on or after October 24, 2025. See “Description of the Notes—

Redemption—Redemption following a Rating Methodology Event.”

**Redemption following a Substantial Repurchase Event.....**

If a Substantial Repurchase Event occurs, then Braskem Netherlands Finance or Braskem may, at its option, redeem the notes in whole but not in part at any time at 100.000% of the principal amount of the notes then outstanding. See “Description of the Notes—Redemption—Redemption following a Substantial Repurchase Event.”

**Interest Rates following a Change of Control Triggering Event .....**

If a Change of Control Triggering Event occurs and Braskem Netherlands Finance or Braskem do not redeem the notes in whole in accordance with the provisions described under “Description of the Notes—Redemption—Redemption following a Change of Control Triggering Event,” the interest rate payable on the notes will increase by an additional margin of 5.000% *per annum* from, and including, the effective date of the Change of Control Triggering Event to, but excluding, the redemption or maturity of the notes.

**Redemption following a Change of Control Triggering Event .....**

If a Change of Control Triggering Event occurs, then Braskem Netherlands Finance or Braskem may, at its option, redeem the notes in whole but not in part at any time at 100.000% of the principal amount of the notes then outstanding. See “Description of the Notes—Redemption—Redemption following a Change of Control Triggering Event.”

**Redemption following a Withholding Tax Event.....**

If a Withholding Tax Event (as defined herein) occurs, then Braskem Netherlands Finance or Braskem may, at its option, redeem the notes in whole but not in part at any time, at 100.000% of the principal amount of the notes then outstanding. See “Description of the Notes—Redemption—Redemption following Certain Tax Events.”

**Redemption following a Tax Deductibility Event.....**

If a Tax Deductibility Event (as defined herein) occurs, then Braskem Netherlands Finance or Braskem may, at its option, redeem the notes in whole but not in part at any time, at 101.000% of the principal amount of the notes then outstanding if the redemption occurs on any date prior to October 24, 2025; or 100.000% of the principal amount of the notes then outstanding if the redemption occurs on any date on or after October 24, 2025. See “Description of the Notes—Redemption—Redemption following Certain Tax Events.”

**Substitution or variation.....**

If at any time either of Braskem Netherlands Finance or Braskem determines that a Rating Methodology Event, a Withholding Tax Event or a Tax Deductibility Event has occurred and is continuing, then Braskem Netherlands Finance or Braskem may, as an alternative to redemption of the notes as described above, subject to certain conditions, either substitute all, but not less than all, of



the notes or vary the terms of the notes, as described under “Description of the Notes—Substitution or Variation.”

<b>Additional amounts</b> .....	Payments of interest on the notes or payments on the guarantee will be made after withholding and deduction for any Brazilian or Dutch taxes as set forth under “Taxation.” In such case, Braskem Netherlands Finance or Braskem will pay such additional amounts as will result in receipt by the holders of the notes of such amounts as would have been received by them had no such withholding or deduction for Brazilian or Dutch taxes been required, subject to certain exceptions described under “Description of the Notes—Additional Amounts.”
<b>Covenants of Braskem Netherlands Finance</b> .....	The indenture will impose certain limitations and restrictions on Braskem Netherlands Finance as described under “Description of the Notes—Additional Limitations on Braskem Netherlands Finance.”
<b>Covenants of Braskem</b> .....	The indenture will permit Braskem to consolidate or merge with, or transfer all or substantially all of its assets to, another person only if it complies with certain requirements. See “Description of the Notes—Covenants.”
<b>Events of default</b> .....	The indenture will set forth the events of default applicable to the notes, which comprise defaults in any payment of interest on the notes, which continue for a period of 30 days, subject to Braskem Netherlands Finance’s right to defer interest, defaults in the payment of the principal of the notes and certain events of bankruptcy or insolvency. See “Description of the Notes—Events of Default.”
<b>Further issuances</b> .....	Braskem Netherlands Finance may from time to time, without notice to or consent of the holders of the notes, create and issue an unlimited principal amount of additional notes having the same terms and conditions as the notes initially issued in this offering in all respects, except that the issue date, the issue price and the first payment of interest on additional notes may differ.
<b>Substitution of the issuer</b> .....	Braskem Netherlands Finance may, without the consent of any holder of the notes and subject to certain conditions, be substituted by Braskem or any Wholly-owned Subsidiary (as defined herein) of Braskem as principal debtor in respect of the notes. See “Description of the Notes—Substitution of the Issuer.”
<b>Form and denomination</b> .....	The notes will be issued in the form of global notes in fully registered form without interest coupons. The global notes will be exchangeable or transferable, as the case may be, for definitive certificated notes in fully registered form without interest coupons only in limited circumstances. The notes will be issued in registered form in minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof. See “Description of the Notes—Form, Denomination and Title” and “Form of the Notes.”

<b>Use of proceeds</b> .....	<p>We expect the net proceeds from the sale of the notes to be approximately US\$595.5 million after deducting commissions, fees and estimated expenses of the offering.</p> <p>We intend to use the net proceeds of this offering to repay certain of our outstanding debt and for general corporate purposes.</p>		
<b>Settlement</b> .....	<p>The notes will be delivered in book-entry form only through the facilities of DTC for the accounts of its direct and indirect participants, including Clearstream and Euroclear.</p>		
<b>Transfer restrictions</b> .....	<p>The notes have not been, and will not be, registered under the Securities Act and are subject to limitations on transfers, as described under “Transfer Restrictions.”</p>		
<b>Listing</b> .....	<p>We will apply to the SGX-ST for permission to list the notes on the SGX-ST. We cannot assure you that this listing will be accepted, or if accepted, that the notes will remain so listed. The notes will be traded on the SGX-ST in minimum board lot size of US\$200,000 for so long as the notes are listed on the SGX-ST.</p> <p>If the listing of the notes on the SGX-ST would, in the future, require us to publish financial information either more regularly than we otherwise would be required to, or according to accounting principles which are materially different from the accounting principles which we would otherwise use to prepare our published financial information, we may seek an alternative admission to listing, trading and quotation for the notes by another listing authority, stock exchange or quotation system.</p>		
<b>Governing law</b> .....	<p>The indenture, the notes and the guarantee will be governed by, and construed in accordance with, the laws of the State of New York.</p>		
<b>Trustee, registrar, paying agent, transfer agent and calculation agent</b> .....	<p>The Bank of New York Mellon.</p>		
<b>CUSIP Numbers and ISINs</b> .....		<b>CUSIP Number</b>	<b>ISIN</b>
	Restricted Global Note .....	10554T AF2	US10554TAF21
	Regulation S Global Note ..	N15516 AF9	USN15516AF97
<b>Risk factors</b> .....	<p>Prospective investors should carefully consider all of the information contained, or incorporated by reference, in this offering memorandum prior to investing in the notes. In particular, prospective investors should carefully consider the information set forth under “Risk Factors” in this offering memorandum and in “Item 3. Key Information—Risk Factors” in our Annual Report for a discussion of risks and uncertainties relating to us, our subsidiaries, our business and our results of operations.</p>		

## Summary Financial and Other Information

The following summary financial information as of December 31, 2019 and 2018 and for the years ended December 31, 2019 and 2018 has been derived from our audited consolidated financial statements.

The following summary financial information as of March 31, 2020 and for the three-month periods ended March 31, 2020 and 2019 has been derived from our unaudited condensed quarterly financial information included in our First Quarter Financial Statement Report. The results for the three-month period ended March 31, 2020 are not necessarily indicative of the results to be expected for the entire year to end December 31, 2020.

This financial information should be read in conjunction with the information set forth under “Presentation of Financial and Other Information,” “Item 5. Operating and Financial Review and Prospects” (with the exception of financial data as of and for the year ended December 31, 2017), “Item 11. Quantitative and Qualitative Disclosures about Market Risk,” and our audited financial statements and the related notes thereto (with the exception of financial data as of and for the year ended December 31, 2017), each of which is included in our Annual Report, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our unaudited condensed quarterly financial information as of March 31, 2020 and for the three-month periods ended March 31, 2020 and 2019 and the related notes thereto, which are included in our First Quarter MD&A Report and our First Quarter Financial Statement Report, respectively.

At the time of presentation of our unaudited condensed quarterly financial information as of March 31, 2020 and for the three-month period ended March 31, 2020, we restated the comparable unaudited condensed quarterly financial information for the three-month period ended March 31, 2019. See “Presentation of Financial and Other Information—Restatement of the Comparable Interim Quarterly Financial Information for the Three-Month Period Ended March 31, 2019.”

	For the Three-Month Periods Ended March 31,			For the Year Ended December 31,		
	2020	2020	2019*	2019	2019	2018
	<i>(in US\$ millions)<sup>(1)</sup></i>	<i>(in R\$ millions)</i>	<i>(in US\$ millions)<sup>(1)</sup></i>	<i>(in R\$ millions)</i>		
<b>Statement of Operations Data:</b>						
Net revenue.....	2,428.4	12,624.6	12,978.0	10,064.7	52,323.5	57,999.9
Cost of products sold.....	(2,202.7)	(11,451.3)	(11,263.7)	(8,825.1)	(45,879.1)	(46,576.7)
<b>Gross profit.....</b>	<b>225.7</b>	<b>1,173.3</b>	<b>1,714.3</b>	<b>1,239.6</b>	<b>6,444.4</b>	<b>11,423.2</b>
Selling and distribution expenses .....	(84.6)	(439.9)	(447.6)	(343.1)	(1,783.5)	(1,689.2)
(Loss) reversals for impairment of trade accounts receivable.....	(0.7)	(3.6)	(16.5)	(1.4)	(7.1)	87.0
General and administrative expenses.....	(89.3)	(464.5)	(430.9)	(427.8)	(2,224.2)	(1,793.2)
Research and development expenses.....	(10.7)	(55.5)	(54.9)	(47.6)	(247.7)	(219.3)
Results from equity investments .....	(1.5)	(7.8)	(3.4)	2.0	10.2	(0.9)
Other income.....	39.8	206.8	1,847.2	463.3	2,408.4	1,027.3
Other expenses.....	(6.2)	(32.0)	(493.1)	(855.4)	(4,446.9)	(554.7)
<b>Operating profit .....</b>	<b>72.5</b>	<b>376.9</b>	<b>2,115.1</b>	<b>29.6</b>	<b>153.7</b>	<b>8,280.2</b>
Financial expenses .....	(235.8)	(1,225.8)	(899.3)	(746.9)	(3,882.8)	(3,007.6)
Financial income.....	37.6	195.5	225.8	163.6	850.6	589.1
Exchange rate variations, net.....	(1,004.8)	(5,223.5)	(249.2)	(331.7)	(1,724.5)	(2,257.0)
<b>Net financial result .....</b>	<b>(1,203.0)</b>	<b>(6,253.9)</b>	<b>(922.8)</b>	<b>(915.0)</b>	<b>(4,756.8)</b>	<b>(4,675.5)</b>
<b>Profit (loss) before income tax and social contribution .....</b>	<b>(1,130.5)</b>	<b>(5,877.0)</b>	<b>1,192.3</b>	<b>(885.4)</b>	<b>(4,603.1)</b>	<b>3,604.7</b>
Current and deferred income tax and social contribution .....	349.7	1,818.0	(275.1)	377.5	1,962.7	(736.6)
<b>Profit (loss) for the year (period).....</b>	<b>(780.8)</b>	<b>(4,059.0)</b>	<b>917.2</b>	<b>(507.9)</b>	<b>(2,640.4)</b>	<b>2,868.2</b>

(\*) Restated.

(1) Translated solely for the convenience of the reader at the selling rate reported by the Central Bank as of March 31, 2020 for *reais* into U.S. dollars of R\$5.1987 per US\$1.00.

	As of March 31,		As of December 31,		
	2020	2020	2019	2019	2018
	(in US\$ millions) <sup>(1)</sup>	(in R\$ millions)	(in US\$ millions) <sup>(1)</sup>	(in R\$ millions)	
<b>Balance Sheet Data:</b>					
Cash and cash equivalents and financial investments.....	2,547.7	13,244.6	1,635.2	8,501.1	7,915.2
Short-term trade accounts receivable.....	548.0	2,849.1	439.7	2,285.8	3,075.2
Inventories.....	1,506.9	7,833.9	1,466.7	7,625.1	8,486.6
Property, plant and equipment.....	6,601.8	34,320.9	6,216.0	32,315.2	31,759.9
Total assets.....	14,845.4	77,177.0	13,105.1	68,129.0	58,807.5
Braskem Idesa short-term borrowings.....	210.2	1,092.9	143.2	744.4	10,504.6
Short-term borrowings.....	396.1	2,059.4	149.1	774.9	737.4
Braskem Idesa long-term borrowings.....	2,271.8	11,810.3	1,776.9	9,237.3	—
Long-term borrowings.....	7,034.2	36,568.5	5,432.5	28,242.1	24,160.7
Share capital.....	1,547.2	8,043.2	1,547.2	8,043.2	8,043.2
Shareholders' equity (including non-controlling interest).....	(551.5)	(2,867.0)	758.8	3,944.7	5,654.7

(1) Translated solely for the convenience of the reader at the selling rate reported by the Central Bank as of March 31, 2020 for reais into U.S. dollars of R\$5.1987 per US\$1.00.

	For the Three-Month Periods			For the Year Ended December 31,		
	Ended March 31,		2019	2019		2018
	2020	2020		2019	2018	
	(in US\$ millions, except as indicated) <sup>(1)</sup>	(in R\$ millions, except as indicated)	(in US\$ millions, except as indicated) <sup>(1)</sup>	(in R\$ millions, except as indicated)		
<b>Other Financial and Operating Information:</b>						
<b>Cash Flow Information:</b>						
Net cash provided by (used in):						
Operating activities.....	411.9	2,141.4	1,044.3	435.7	2,265.3	9,250.4
Investing activities.....	(173.6)	(902.3)	(456.0)	(512.9)	(2,666.4)	(2,488.3)
Financing activities.....	180.0	936.0	(74.1)	314.8	1,636.8	(4,603.4)
<b>Other Information:</b>						
Capital expenditures:						
Property, plant and equipment.....	(174.1)	(905.3)	(456.1)	(516.6)	(2,685.5)	(2,706.3)
<b>Total Sales Volume Data (in thousands of tons):<sup>(2)</sup></b>						
Ethylene.....	—	128.7	155.2	—	603.0	623.6
Propylene.....	—	79.8	104.2	—	367.5	355.4
Polyethylene (PE) <sup>(3)</sup> .....	—	837.3	876.7	—	3,437.7	3,407.2
Polypropylene (PP).....	—	896.4	901.7	—	3,620.1	3,503.9
Polyvinyl chloride (PVC).....	—	148.9	139.7	—	507.3	535.7

(1) Translated solely for the convenience of the reader at the selling rate reported by the Central Bank as of March 31, 2020 for reais into U.S. dollars of R\$5.1987 per US\$1.00.

(2) Includes only sales to third parties.

(3) Includes EVA and "green PE."

## RISK FACTORS

*Our Annual Report includes extensive risk factors relating to our company, the petrochemical industry and the countries in which we operate. Prospective purchasers of notes should carefully consider the risks discussed under the heading “Item 3. Key Information—Risk Factors” in our Annual Report and below, as well as the other information included in or incorporated by reference into this offering memorandum, before deciding to purchase any notes. Our business, results of operations, financial condition or prospects could be materially and adversely affected if any of these risks occurs, and as a result, the trading price of the notes could decline and you could lose all or part of your investment.*

*The risk factors discussed in our Annual Report and below are not the only risks that we face, but are the risks that we currently consider to be material. There may be additional risks that we currently consider immaterial or of which we are currently unaware, and any of these risks could have similar effects to those set forth in our Annual Report and below.*

### **Risks Relating to the Notes and the Guarantee**

***Because Braskem Netherlands Finance has no operations of its own, holders of the notes must depend on Braskem to provide Braskem Netherlands Finance with sufficient funds to make payments on the notes when due.***

Braskem Netherlands Finance, a wholly-owned indirect subsidiary of Braskem, has no operations other than issuing and making payments on the notes and other indebtedness ranking equally with, or senior to, the notes, and using the proceeds therefrom as permitted by the documents governing these issuances, including lending the net proceeds of the notes and other indebtedness incurred by Braskem Netherlands Finance to Braskem and subsidiaries of Braskem. Accordingly, the ability of Braskem Netherlands Finance to pay principal, interest and other amounts due on the notes and other indebtedness will depend upon the financial condition and results of operations of Braskem and its subsidiaries that are creditors of Braskem Netherlands Finance. In the event of an adverse change in the financial condition or results of operations of Braskem and its subsidiaries that are creditors of Braskem Netherlands Finance, these entities may be unable to service their indebtedness to Braskem Netherlands Finance, which would result in the failure of Braskem Netherlands Finance to have sufficient funds to repay all amounts due on or with respect to the notes.

***The obligations of Braskem Netherlands Finance under the notes and Braskem under the guarantee will be subordinated to other claims and obligations and the indenture will provide that holders of the notes waive certain rights.***

The obligations of Braskem Netherlands Finance under the notes and of Braskem under its guarantee of the notes will be unsecured and subordinated. In the event of the acceleration of the maturity of the notes due to the insolvency or liquidation of Braskem Netherlands Finance or Braskem and upon any distribution of assets to creditors upon any liquidation, dissolution, winding up, assignment for the benefit of creditors, marshaling of assets or any bankruptcy, insolvency or similar proceedings in connection with the insolvency or bankruptcy of Braskem Netherlands Finance or Braskem, (i) all principal, premium, if any, and interest due or to become due on all Senior Indebtedness (as defined under “Description of the Notes”) must be paid in full before the holders of Parity Securities (as defined under “Description of the Notes” and including the notes and the guarantee) are entitled to receive or retain any payment in respect thereof, and (ii) the holders of Parity Securities (including the notes and the guarantee) will be entitled to receive pari passu among themselves any payment in respect thereof only after the holders of Senior Indebtedness have been paid in full.

In addition, the indenture will provide that holders waive certain rights and limit certain claims against Braskem Netherlands Finance and Braskem and their respective creditors. The notes will be subordinated to the Senior Indebtedness of Braskem Netherlands Finance and Braskem. As of March 31, 2020, we had R\$38,898.7 million (US\$7,482.4 million) of outstanding debt, including R\$38,898.7 million (US\$7,482.4 million) of Senior Indebtedness. For additional information and a description of the rights of holders and of the Senior Indebtedness, see “Description of the Notes—General,” “Description of the Notes—Braskem Guarantee” and “Description of the Notes—Holders’ Acknowledgement of Subordination of Notes.”

By virtue of the subordination described above, payments to holders of the notes will, in the events described above, only be made after all obligations of Braskem Netherlands Finance and Braskem resulting from higher ranking claims have been satisfied. Holders may, therefore, recover significantly less than the holders of Senior Indebtedness. Although subordinated debt securities may pay a higher rate of interest than comparable debt securities which are not subordinated, an investor in subordinated securities such as the notes may lose some or all of its investment if Braskem Netherlands Finance or Braskem become subject to any such bankruptcy, insolvency or similar proceedings as described above.

***Payments on Braskem's guarantee will be junior to Braskem's secured debt obligations and effectively junior to debt obligations of Braskem's subsidiaries and jointly controlled companies other than Braskem Netherlands Finance.***

The notes will be fully guaranteed by Braskem on an unsecured subordinated basis. The Braskem guarantee will constitute an unsecured subordinated obligation of Braskem. The guarantee will rank junior in right of payment to all of Braskem's other existing and future senior unsecured indebtedness, and senior only to Braskem's equity capital. Although the guarantee will provide the holders of the notes with a direct, but unsecured and subordinated claim on Braskem's assets and property, payment on the guarantee will also be subordinated to secured debt of Braskem to the extent of the assets and property securing such debt. Payment on the guarantee will also be structurally subordinated to the payment of secured and unsecured debt and other creditors of Braskem's subsidiaries and jointly controlled companies other than Braskem Netherlands Finance.

Upon any liquidation or reorganization of Braskem, any right of the holders of the notes, through enforcement of the guarantee, to participate in the assets of Braskem, including the capital stock of its subsidiaries and jointly controlled entities, will be subject to the prior claims of the Senior Indebtedness of Braskem and to Braskem's secured creditors, and to participate in the assets of Braskem's subsidiaries and jointly controlled entities will be subject to the prior claims of the creditors of its subsidiaries and jointly controlled entities.

As of March 31, 2020, Braskem had (1) consolidated corporate debt (comprised of current and non-current borrowings and debentures) of R\$38,898.7 million (US\$7,482.4 million), and (2) consolidated project debt (comprised of Braskem Idesa borrowings) of R\$12,903.2 million (US\$2,482.0 million). Of the consolidated corporate debt, R\$38,874.8 million (US\$7,477.8 million) was unsecured debt of Braskem, R\$23.8 million (US\$4.6 million) was secured debt of Braskem and R\$15,505.8 million (US\$2,982.6 million) was debt of Braskem's subsidiaries and special purpose entities (other than Braskem Netherlands Finance). All of the consolidated project debt was secured debt of Braskem Idesa, with limited recourse against Braskem. We conduct a portion of our business operations through subsidiaries, including Braskem America, Braskem Europe and Braskem Netherlands. In servicing payments to be made on Braskem's guarantee of the notes, Braskem will rely, in part, on cash flows from these subsidiaries and jointly controlled companies, mainly in the form of dividend payments and interest on shareholders' equity. The ability of these subsidiaries and jointly controlled entities to make dividend payments to us will be affected by, among other factors, the obligations of these entities to their creditors, requirements of Brazilian and local corporate and other law, and restrictions contained in agreements entered into by or relating to these entities.

***We may incur additional indebtedness ranking equal with, or senior to, the notes and the guarantee, and secured indebtedness that would give such secured creditors a prior claim on our assets covered by their liens.***

The indenture will not limit the amount of additional debt, including debt that is senior or equal in ranking to the notes and the guarantee, that Braskem and its subsidiaries, including Braskem Netherlands Finance, may incur. If Braskem or Braskem Netherlands Finance incurs additional debt or provides any guarantee that ranks senior to or on an equal and ratable basis with the notes or the guarantee, as the case may be, the holders of any such senior debt (and beneficiaries of any related guarantee) would be entitled to be repaid prior to the holders of the notes and any equally-ranking debt, and, after all of such senior debt were repaid, the holders of any such equally-ranking debt would be entitled to share ratably with the holders of the notes in any proceeds that may be distributed upon Braskem's insolvency, liquidation, reorganization, dissolution or other winding up. This will reduce the amount of any liquidation proceeds that would be available to be paid to holders of the notes.

In addition, Braskem may, in the future, grant liens to secure indebtedness without equally and ratably securing the notes or the guarantee. If we become insolvent, liquidated, reorganized, dissolved or wound-up or default in the payment of these obligations, these secured creditors will be entitled to exercise the remedies available to them under applicable law.

***Braskem's obligations under the guarantee are subordinated to certain statutory preferences.***

Under Brazilian law, Braskem's obligations under the guarantee are subordinated to certain statutory preferences. In the event of a liquidation, bankruptcy or judicial reorganization of Braskem, such statutory preferences, including post-petition claims, claims for salaries, wages, social security, taxes and court fees and expenses and claims secured by collateral, among others, will have preference over any other claims, including claims by any investor in respect of the guarantee. In such event, enforcement of any of the guarantee may be unsuccessful, and noteholders may be unable to collect amounts that they are due under the notes.

***Interest payments on the notes may be deferred at the option of Braskem Netherlands Finance.***

Braskem Netherlands Finance may elect to defer, in whole but not in part, payment of interest in respect of the notes in respect of any interest period by giving a deferral notice to the holders of the notes. Such deferral is not subject to any time limitations or mandatory termination, except in connection with a Mandatory Settlement Date (as defined under "Description of the Notes"). If Braskem Netherlands Finance makes such an election, Braskem Netherlands Finance shall have no obligation to make such payment and any such non-payment of interest will not constitute a default for any purpose. Any interest in respect of the notes the payment of which is deferred will, so long as the same remains outstanding, constitute Arrears of Interest, and Arrears of Interest will only be payable as described in "Description of the Notes—Optional Interest Deferral."

During any period of deferral of interest, neither Braskem Netherlands Finance nor Braskem will be prohibited from making payments on any Senior Indebtedness. Any deferral of interest payments will likely have a material adverse effect on the market price of the notes. In addition, as a result of the interest deferral provisions of the notes, the market price of the notes may be more volatile than the market prices of other debt securities that are not subject to such deferrals and may be more sensitive generally to adverse changes in Braskem's financial performance.

***The indenture will not prevent Braskem from paying certain dividends on its equity capital, even if Braskem Netherlands Finance has deferred payments of interest on the notes.***

Braskem will be permitted under the indenture to pay the Minimum Required Dividend (as defined below) even if Braskem Netherlands Finance has deferred payments of interest on the notes. The indenture will provide that Braskem Netherlands Finance is required to pay all deferred interest on the notes if a dividend or similar payment is made on Braskem's equity capital, but only if that dividend or similar payment exceeds the Minimum Required Dividend.

As permitted by Law No. 6,404/76, as amended, or the Brazilian Corporations Law, Braskem's by-laws specify that 25% of its adjusted net profits for each fiscal year must be distributed to its shareholders as dividends or interest attributable to shareholders' equity, after taking into account the legal and statutory rights of any preferred shares. We refer to this amount as the "Minimum Legal Required Dividend."

Under the Brazilian Corporations Law, the amount by which the Minimum Legal Required Dividend exceeds the "realized" portion of net income for any particular year may be allocated to the unrealized profit reserve, and the mandatory distribution may be limited to the "realized" portion of net income. The "realized" portion of net income is the amount by which Braskem's net income exceeds the sum of (1) its net positive results, if any, from the equity method of accounting for earnings and losses of its subsidiaries and certain associated companies, and (2) the profits, gains or income obtained on transactions maturing after the end of the following fiscal year. As amounts allocated to the unrealized profit reserve are realized in subsequent years, such amounts must be added to the dividend payment relating to the year of realization.

Moreover, under Braskem's by-laws, its preferred shareholders are entitled to a minimum annual non-cumulative preferential dividend (the "Minimum Preferred Dividend" and, together with the Minimum Required Legal Dividend, the "Minimum Required Dividend") equal to 6% of their *pro rata* share of Braskem's capital before dividends may be paid to its common shareholders. Also, Braskem's by-laws provide that whenever the dividends recognized and paid to holders of preferred shares are equal to or in excess of the amount of the Minimum Required Legal Dividend (calculated as provided in the preceding paragraph), the Minimum Required Legal Dividend is deemed to have been paid and, if an amount equal to the Minimum Required Legal Dividend (calculated as provided in the preceding paragraph) has not been paid to holders of preferred shares, such amount must be paid to Braskem's shareholders in accordance with its by-laws.

When dividends are paid on an annual basis, they are declared at Braskem's annual shareholders' meeting, which is required by the Brazilian Corporations Law and by Braskem's by-laws to be held no later than April 30 of each calendar year. When dividends are declared, Braskem is required to pay them within 60 days of such declaration unless a resolution of the shareholders establishes another payment date. In any event, if Braskem declares dividends, it must pay them by the end of the fiscal year for which they are declared. Any holder of record of shares at the time that a dividend is declared is entitled to receive dividends. Payment of annual dividends is based on Braskem's audited financial statements prepared for its preceding fiscal year. The Brazilian Corporations Law and Braskem's by-laws allow it to pay interim dividends to its shareholders.

***The notes will be subject to optional redemption, including upon the occurrence of certain specified events.***

The notes will be redeemable, in whole or in part, at the option of Braskem Netherlands Finance or Braskem at any time or from time to time on (i) any day during the period commencing on, and including, October 24, 2025 and ending on, and including, the First Reset Date, and (ii) any day during the period commencing on, and including, the 90<sup>th</sup> calendar day prior to each subsequent Reset Date thereafter and ending on, and including, such Reset Date, at their aggregate principal amount, together with any accrued and unpaid interest to, but excluding, the redemption date and any Arrears of Interest.

In addition, upon the occurrence of a Rating Methodology Event, a Substantial Repurchase Event, a Change of Control Triggering Event, a Withholding Tax Event or a Tax Deductibility Event, Braskem Netherlands Finance and Braskem shall have the option to redeem, in whole but not in part, the notes at the applicable redemption price set forth under "Description of the Notes—Redemption," in each case together with any accrued and unpaid interest up to, but excluding, the redemption date and any Arrears of Interest. If the notes are redeemed, holders may not be able to reinvest the redemption proceeds at favorable rates or in other securities with the same or similar features.

***The notes will be subject to substitution or variation upon the occurrence of certain specified events.***

If Braskem Netherlands Finance or Braskem determines that a Rating Methodology Event, a Withholding Tax Event or a Tax Deductibility Event has occurred and is continuing, then Braskem Netherlands Finance or Braskem may, as an alternative to an early redemption of the notes as described under "Description of the Notes," and subject to certain conditions, substitute all (but not less than all), or vary the terms of, the notes so that they become Qualifying Notes (as described under "Description of the Notes—Substitution or Variation"). While Qualifying Notes are required to have terms that are not materially less favorable to holders than the terms of the notes, there can be no assurance that substitution or variation of the notes for Qualifying Notes will not have a significant adverse effect on the price of, and/or the market for, the notes, nor that there will not be any adverse tax consequences to holders of the notes arising from any such substitution or variation.

***The interest rate on the notes will reset on the applicable First Reset Date and for Reset Periods thereafter, which can be expected to affect the interest payment on, and the market value of, the notes.***

The notes will accrue interest at a fixed rate until, but excluding, the First Reset Date (as defined in "Description of the Notes"). The initial fixed rate of interest for the notes will be reset on the First Reset Date and for subsequent Reset Periods as set forth in "Description of the Notes—Interest Rates." Holders should be aware that movements in market interest rates can adversely affect the price of the notes and can lead to losses for holders if they sell the notes. Holders of securities with a fixed interest rate that will be reset during the term of the securities



are exposed to the risk of fluctuating interest rate levels and uncertain interest income as the reset rates could affect the market value of an investment in the applicable securities.

***The historical five-year U.S. treasury rates are not an indication of future five-year U.S. treasury rates.***

In the past, five-year U.S. treasury rates have experienced significant fluctuations. Prospective investors should note that historical levels, fluctuations and trends of five-year U.S. treasury rates are not necessarily indicative of future levels. Any historical upward or downward trend in five-year U.S. treasury rates is not an indication that five-year U.S. treasury rates are more or less likely to increase or decrease at any time after the First Reset Date, and prospective investors should not take the historical five-year U.S. treasury rates as an indication of future rates.

***Holders may be required to bear the financial risks of an investment in the notes for a long period.***

The notes will mature on January 23, 2081. Neither Braskem Netherlands Finance nor Braskem will be under any obligation to redeem or repurchase the notes prior to such date, although they may elect to do so in certain circumstances. Holders will have no right to call for the redemption of the notes, and the notes will become due and payable only in the limited circumstances relating to specified Events of Default (see “Description of the Notes—Events of Default”). Furthermore, holders may only be able to transfer their notes at a price less than the principal amount thereof or not at all. Holders should therefore be aware that they may be required to bear the financial risks associated with an investment in long-term securities and may not recover their investment in the foreseeable future.

***The notes may not be a suitable investment for all investors.***

Each potential investor in the notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the notes, the merits and risks of investing in the notes and the information contained or incorporated by reference in this offering memorandum;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the notes;
- understand thoroughly the terms of the notes and be familiar with the behavior of the relevant financial markets and of any financial variable which might have an impact on the return on the notes; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The notes are complex financial instruments and such instruments may be purchased by potential investors as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in the notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the notes will perform under changing conditions, the resulting effects on the value of the notes and the impact this investment will have on the potential investor’s overall investment portfolio.

***The notes will not limit the ability of Braskem Netherlands Finance or Braskem to issue senior or pari passu securities.***

The indenture will not limit the amount of the liabilities ranking senior to, or pari passu with, the notes that may be incurred or assumed by Braskem Netherlands Finance or Braskem from time to time, whether before or after the notes are issued. The incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders

upon the bankruptcy, insolvency or similar proceeding with respect to Braskem Netherlands Finance or Braskem and/or may increase the likelihood of a deferral of interest payments under the notes.

***The notes will contain limited Events of Default and remedies.***

Holders will have limited rights to enforce payment or the performance of Braskem Netherlands Finance's and Braskem's obligations in respect of the notes and the guarantee. Payment of principal on the notes will not accelerate if Braskem Netherlands Finance or Braskem fails to make payment of any principal, interest or premium when due. Moreover, if Braskem Netherlands Finance or Braskem fails to make payment of any principal or interest when due, the rights of holders are limited to requesting that the trustee initiate proceedings to compel the performance of such obligation, as further described in "Description of the Notes—Events of Default."

The notes will become immediately due and payable only in the event of certain events involving the insolvency, liquidation, dissolution, winding up, assignment for the benefit of creditors, marshaling of assets of Braskem Netherlands Finance or Braskem or any bankruptcy or similar proceedings in connection with the insolvency or bankruptcy of Braskem Netherlands Finance or Braskem. In addition, under the indenture, each holder of the notes will be deemed to have agreed that the trustee will be the only party entitled to receive and distribute amounts paid in respect of the notes upon the insolvency or similar proceeding relating to Braskem Netherlands Finance or Braskem.

***The notes do not have "cross-default," "cross-acceleration" or similar protections.***

The notes will not include an Event of Default relating to a payment or covenant default with respect to other indebtedness, or acceleration of any other indebtedness. In contrast, the outstanding debt securities and other indebtedness of Braskem Netherlands Finance and Braskem generally have events of default relating to defaults and accelerations with respect to other instruments, and it is likely that future debt securities and other indebtedness that Braskem Netherlands Finance and Braskem incur will also contain such provisions. Accordingly, there may be circumstances where Braskem Netherlands Finance and/or Braskem will be required to repay the principal, interest and other amounts due under other indebtedness, but holders will not have the right to require repayment of the notes or in respect of the guarantee. In such circumstances, Braskem Netherlands Finance and/or Braskem may have an incentive to pay or restructure other debt instruments prior to paying or restructuring the notes. In addition, in situations of financial distress short of insolvency or similar event, holders may be unable to accelerate the notes or take enforcement action for a significant time after other creditors have exercised such rights.

***The notes do not include the types of covenants contained in other debt instruments of Braskem Netherlands Finance and Braskem.***

The notes will have the protections of only limited material covenants. Accordingly, holders will not benefit from many of the covenants that are included in indentures and credit agreements that Braskem Netherlands Finance and Braskem have entered into in the past and are likely to be included in indentures and credit agreements in the future. As a result, holders of other indebtedness may have the right to pursue remedies against Braskem Netherlands Finance and/or Braskem when holders of the notes may not. In addition, Braskem Netherlands Finance and/or Braskem may be required to seek consents or waivers from holders of other indebtedness (or even prepay or redeem such indebtedness) without taking any action with respect to the notes.

***Any downgrade in the ratings of Brazil or our debt securities, including the notes, would likely result in increased interest and other financial expenses related to our borrowings and debt securities and could reduce our liquidity and adversely affect the market price and marketability of the notes.***

As of the date of this offering memorandum, Standard & Poor's Ratings Group, a division of McGraw Hill, Inc., or Standard & Poor's, and Fitch Ratings Ltd., or Fitch, maintain our ratings on a global and national basis. Moody's Investors Service, Inc., or Moody's, only maintains our ratings on a global basis. Standard & Poor's rating of our company is BB+, with a stable outlook. Fitch's rating of our company is BB+, with a stable outlook, and Moody's rating of our company is Ba1, with a negative outlook. Our ratings are higher than the Brazilian sovereign ratings by each of these three main rating agencies. On a national basis, we maintain investment grade ratings as

follows: (i) Standard & Poor's of brAAA, with a stable outlook, and (ii) Fitch Ratings of AAA(bra), with a stable outlook. Our credit rating and the credit rating of the notes may change after issuance. Such ratings are limited in scope, and do not address all material risks relating to an investment in the notes, but rather reflect only the views of the rating agencies at the time the ratings are issued. We cannot assure you that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in the judgment of such rating agencies, circumstances so warrant. Our credit rating is sensitive to any change in the Brazilian sovereign credit rating. The credit rating of the Brazilian federal government was downgraded as recently as January 2018 and has not been rated investment grade by any of the main rating agencies for several years.

Any decision by these agencies to downgrade our ratings or those of our debt securities, including the notes, in the future would likely result in increased interest and other financial expenses relating to our borrowings and debt securities and the inclusion of financial covenants in the instruments governing new indebtedness, could adversely affect the market price and marketability of the notes and could significantly reduce our liquidity, our ability to obtain financings on satisfactory terms or in amounts required by us, and would require us to post cash collateral pursuant to our obligations or to enter into letters of credit to backstop guarantees provided by us in the context of our Mexico complex.

***Developments in the international capital markets may adversely affect the trading price of the notes.***

The trading price of the notes may be adversely affected by declines in the international financial markets and world economic and political conditions, including terrorism and war. Although economic and political conditions are different in each country, investors' reaction to developments in one country can affect the securities markets and the securities of issuers in other countries, including Brazil, the United States and European countries. Securities markets in emerging market countries are, to varying degrees, influenced by economic, political and market conditions in other countries. Any adverse economic, political or other developments in other markets may adversely affect investor confidence in securities issued or guaranteed by Brazilian companies, causing their trading price and liquidity to suffer. We cannot assure you that the market for Brazilian securities will not continue to be adversely affected by events elsewhere, or that such developments will not have an adverse impact on the trading price of the notes.

***The foreign exchange policy of Brazil may affect money remittances outside Brazil. Restrictions on remittances may impair the ability of holders of the notes to receive interest and other payments on the notes, and may affect the ability of Braskem to make remittances outside Brazil with respect to the guarantee.***

The Brazilian government may impose temporary restrictions on the conversion of Brazilian currency into foreign currencies and on the remittance to foreign investors of proceeds of their investments in Brazil. Brazilian law permits the government to impose these restrictions whenever there is a serious imbalance in Brazil's balance of payments or there are reasons to foresee a serious imbalance.

The Brazilian government imposed remittance restrictions for approximately six months in 1990. Similar restrictions, if imposed in the future, would impair or prevent the conversion of interest payments on the notes from *reais* into U.S. dollars and the remittance of U.S. dollars abroad to holders of the notes. The Brazilian government may take similar measures in the future.

Under current Brazilian regulations, Brazilian companies are not required to obtain authorization from the Central Bank in order to make payments under a guarantee in favor of foreign persons, such as the holders of the notes. We cannot assure you that these regulations will continue to be in force at the time Braskem is required to perform its payment obligations under the guarantee. If these regulations or their interpretation are modified and an authorization from the Central Bank is required, Braskem would need to seek an authorization from the Central Bank to transfer the amounts under the guarantee out of Brazil or, alternatively, make such payments with funds held by Braskem outside Brazil. We cannot assure you that such an authorization will be obtained or that such funds will be available. If such authorization is not obtained, we may be unable to make payments to noteholders in U.S. dollars. If we are unable to obtain the required approvals, if needed for the payment of amounts owed by Braskem through remittances from Brazil, we may have to seek other lawful mechanisms to effect payment of amounts due under the notes. However, we cannot assure you that other remittance mechanisms will be available in the future,

and even if they are available in the future, we cannot assure you that payment on the notes would be possible through such mechanisms.

***Judgments of Brazilian courts enforcing Braskem's obligations under the guarantee would be payable only in reais.***

If proceedings are brought in the courts of Brazil seeking to enforce Braskem's obligations under the guarantee, Braskem would not be required to discharge its obligations in a currency other than *reais*. Any judgment obtained against Braskem in Brazilian courts in respect of any payment obligations under the guarantee would be expressed in *reais*. We cannot assure you that this amount in *reais* will afford you full compensation of the amount sought in any such litigation.

***We cannot assure you that a judgment of a U.S. court for liabilities under U.S. federal securities laws would be enforceable in Brazil or the Netherlands, or that an original action can be brought in Brazil or the Netherlands against Braskem or its officers and directors for liabilities under U.S. federal securities laws.***

Braskem Netherlands Finance is an indirect wholly-owned subsidiary of Braskem in the Netherlands. All or substantially all of Braskem Netherlands Finance's managing directors and certain advisors named herein reside in Brazil or the Netherlands.

Braskem is a corporation organized under the laws of Brazil. All of the directors and officers of Braskem and some of the advisors named herein reside in Brazil or elsewhere outside the United States, and all or a significant portion of the assets of these persons may be located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States or other jurisdictions outside Brazil upon these persons, or to enforce against these persons judgments predicated upon the civil liability provisions of the U.S. federal securities laws or the laws of such other jurisdictions. In addition, it may not be possible to bring an original action in Brazil against Braskem for liabilities under applicable securities laws. Furthermore, as a material portion of our assets are located in Brazil, any action for enforceability of the guarantee would likely need to be validated by the courts of Brazil. We cannot assure you that judicial validation would be obtained in a timely manner or at all. See "Enforceability of Civil Liabilities."

***We cannot assure you that an active trading market for the notes will develop.***

The notes constitute a new issue of securities, for which there is no existing market. Although we will apply to list the notes on the SGX-ST, we cannot provide you with any assurances that the application will be accepted, that a market for the notes will develop or continue or that holders of the notes will be able to sell their notes or the price at which such holders may be able to sell their notes. If a market for the notes does develop, the notes could trade at prices that may be higher or lower than the initial offering price depending on many factors, including prevailing interest rates, our results of operations and financial condition, political and economic developments in and affecting Brazil and other countries. The initial purchasers of this offering have advised us that they currently intend to make a market in the notes. However, the initial purchasers are not obligated to do so, and any market-making with respect to the notes may be discontinued at any time without notice.

***The notes are subject to transfer restrictions.***

The notes (and the related guarantee) have not been, and will not be, registered under the Securities Act or any U.S. state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. These exemptions include offers and sales to qualified institutional buyers as defined under Rule 144A and offers and sales that occur outside the United States in compliance with Regulation S and in accordance with any applicable securities laws of any other jurisdiction. The notes are subject to certain transfer restrictions and can be transferred only to certain transferees. These transfer restrictions may further limit the liquidity of the notes. For a discussion of certain restrictions on resale and transfer of the notes, see "Transfer Restrictions."

***Brazilian bankruptcy laws may be less favorable to you than bankruptcy and insolvency laws in other jurisdictions.***

If we are unable to pay our indebtedness, including our obligations under the guarantee, then we may become subject to bankruptcy proceedings in Brazil. The bankruptcy laws of Brazil currently in effect are significantly different from, and may be less favorable to creditors than those of certain other jurisdictions. For example, noteholders may have limited voting rights at creditors' meetings in the context of a court reorganization proceeding. In addition, any judgment obtained against us in Brazilian courts in respect of any payment obligations under a guarantee would normally be expressed in the *real* equivalent of the U.S. dollar amount of such sum at the exchange rate in effect (1) on the date of actual payment, (2) on the date on which a judgment is rendered or (3) on the date on which collection or enforcement proceedings are started against us. Consequently, in the event of our bankruptcy, all of our debt obligations that are denominated in foreign currency, including the guarantee, will be converted into *reais* at the prevailing exchange rate on the date of declaration of our bankruptcy by the court. We cannot assure you that this exchange rate will afford full compensation of the amount invested in the notes *plus* accrued interest.

***The imposition of IOF/Exchange taxes or other similar taxes may indirectly influence the price and volatility of the notes.***

Brazilian law imposes the Tax on Foreign Exchange Transactions (*Imposto sobre Operações de Crédito, Câmbio e Seguro, ou relativas a Títulos e Valores Mobiliários*), or IOF/Exchange taxes, on the conversion of *reais* into foreign currency and on the conversion of foreign currency into *reais*. The objective of these taxes is to slow the pace of speculative inflows of foreign capital into the Brazilian market and the appreciation of the *real* against the U.S. dollar. The imposition of this tax or other similar taxes may discourage foreign investment in the debt securities of Brazilian companies, including our company, due to higher transaction costs, and may negatively impact the price and volatility of the notes. See "Taxation—Brazilian Taxation—Other Brazilian Tax Considerations."

***Substitution of the issuer may have adverse tax consequences.***

Braskem Netherlands Finance may, subject to certain conditions, be replaced and substituted by Braskem or any Wholly-owned Subsidiary of Braskem as principal debtor in respect of the notes (see "Description of the Notes—Substitution of the Issuer"), which may result in certain adverse tax consequences to holders. The Substituted Issuer (as hereinafter defined) and Braskem will have an obligation to indemnify and hold harmless each holder and beneficial owner of the notes (1) against all taxes or duties which arise by reason of a law or regulation having legal effect or contemplated on the date such substitution becomes effective, which may be incurred or levied against such holder or beneficial owner as a result of any substitution described under "Description of the Notes—Substitution of the Issuer" and which would not have been so incurred or levied had such substitution not been made, and (2) against all taxes or duties which are imposed on such holder or beneficial owner of the notes by any political subdivision or taxing authority of any country in which such holder or beneficial owner of the notes resides or is subject to any such tax or duty and which would not have been so imposed had the substitution not been made, in each case subject to certain exceptions.

Holders are urged to consult their tax advisors regarding any potential adverse tax consequences that may result from a substitution of Braskem Netherlands Finance.

***The United States federal income tax consequences of your investment in the notes are not entirely certain.***

The United States federal income tax treatment of a financial instrument with terms similar to the features of the notes is not entirely certain. The notes are in form indebtedness and provide for a repayment of their principal amount at maturity. Notwithstanding the attributes described in the preceding sentence, other factors, such as (i) the term of the notes, (ii) the provisions relating to the potential deferral of interest payments on the notes and (iii) certain of the provisions relating to the creditor rights of holders, suggest that the notes may be characterized as equity of Braskem Netherlands Finance for United States federal income tax purposes. Although the matter is not free from doubt, we believe that the notes are more properly characterized as equity of Braskem Netherlands Finance for United States federal income tax purposes. There can be no assurance, however, that the Internal

Revenue Service, or the IRS, will not treat the notes as indebtedness for United States federal income tax purposes, and such treatment, if successfully asserted by the IRS, may have adverse United States federal income tax consequences to a holder of the notes. For instance, if the notes are characterized as indebtedness for United States federal income tax purposes, we believe that the notes would be treated as having been issued with original issue discount. You are urged to consult your tax advisor regarding the appropriate characterization of the notes and the tax consequences that would apply to you if the IRS were to successfully assert that the notes are indebtedness for United States federal income tax purposes. See “Taxation—United States Federal Income Taxation.”

***The notes may be treated as equity interests in a passive foreign investment company, which could result in adverse United States federal income tax consequences for U.S. holder.***

We believe that the notes are more properly characterized as equity interests, rather than as indebtedness, for United States federal income tax purposes. As a result, U.S. holders (as defined in “Taxation—United States Federal Income Taxation”) could be subject to certain adverse United States federal income tax consequences in the event that Braskem Netherlands Finance is classified as a passive foreign investment company, or a PFIC, for United States federal income tax purposes. In such event, a U.S. holder would be subject to United States federal income tax at ordinary income rates, *plus* a possible interest charge, in respect of any gain derived from the sale or other taxable disposition of the notes, as well as on the receipt of payments on the notes in excess of 125% of the average amount of payments over certain specified time periods. Special United States federal income tax filing requirements also apply to an equity investment in a PFIC. In general, a foreign corporation is classified as a PFIC for any taxable year in which either (1) 75% or more of its gross income is “passive income” or (2) 50% or more of its assets produce, or are held for the production of, passive income. U.S. holders should carefully read “Taxation—United States Federal Income Taxation—Passive Foreign Investment Company Rules” for more information and consult their independent tax advisors regarding the likelihood and consequences of Braskem Netherlands Finance being treated as a PFIC for United States federal income tax purposes.

## **USE OF PROCEEDS**

We expect the net proceeds from the sale of the notes to be approximately US\$595.5 million after deducting commissions, fees and estimated expenses of the offering.

We intend to use the net proceeds of this offering to repay certain of our outstanding debt and for general corporate purposes.

## CAPITALIZATION

The following table sets forth our total capitalization as of March 31, 2020, derived from our unaudited consolidated balance sheet as of March 31, 2020:

- on an actual historical basis;
- as adjusted for the following transactions subsequent to March 31, 2020:
  - drawdown of our revolving credit facility in the amount of R\$5,240.4 million (US\$1,000.0 million) in April 2020, which was converted from U.S. dollars to Brazilian *reais* on the date of disbursement;
  - proceeds from an export prepayment agreement and two agreements for foreign exchange advances that we entered into with international financial institutions in April, May and June 2020 in the amounts of R\$311.2 million (US\$60.0 million), R\$283.4 million (US\$50.0 million) and R\$242.2 million (US\$46.0 million), respectively, which were converted from U.S. dollars to Brazilian *reais* on the respective date of disbursement of each agreement; and
  - the repayment of current corporate debt under loan agreements entered into with financial institutions in Brazil in May and June 2020 in the aggregate amount of R\$22.0 million; and
- as further adjusted for the receipt of US\$595.5 million, or R\$3,095.8 million, in net proceeds from the sale of the notes in this offering after deducting commissions, fees and estimated expenses of the offering, but not the application of such proceeds.

You should read this table in conjunction with the information set forth under “Use of Proceeds” and “Summary Financial and Other Information,” each of which is included in this offering memorandum, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” which is included in our First Quarter MD&A Report, and our unaudited condensed quarterly financial information and the related notes thereto, which are included in our First Quarter Financial Statement Report.

	<b>As of March 31, 2020</b>					
	<b>Actual</b>		<b>As Adjusted</b>		<b>As Further Adjusted</b>	
	<i>(in US\$ millions)<sup>(1)</sup></i>	<i>(in R\$ millions)</i>	<i>(in US\$ millions)<sup>(1)</sup></i>	<i>(in R\$ millions)</i>	<i>(in US\$ millions)<sup>(1)</sup></i>	<i>(in R\$ millions)</i>
<b>Corporate Debt (current and non-current borrowings and debentures):</b>						
<b>Current corporate debt:</b>						
Local currency-denominated debt:						
Secured <sup>(2)</sup> .....	4.6	23.8	3.0	15.8	3.0	15.8
Unsecured .....	23.0	119.6	20.3	105.3	20.3	105.3
Subtotal .....	27.6	143.4	23.3	121.1	23.3	121.1
Foreign currency-denominated debt:						
Secured <sup>(2)</sup> .....	—	—	—	—	—	—
Unsecured .....	378.8	1,969.4	378.8	1,969.4	378.8	1,969.4
Subtotal .....	378.8	1,969.4	378.8	1,969.4	378.8	1,969.4
<b>Total current corporate debt .....</b>	<b>406.4</b>	<b>2,112.8</b>	<b>402.1</b>	<b>2,090.5</b>	<b>402.1</b>	<b>2,090.5</b>
<b>Non-current corporate debt:</b>						
Local currency-denominated debt:						
Secured <sup>(2)</sup> .....	—	0.1	—	0.1	—	0.1
Unsecured .....	284.7	1,480.0	284.7	1,480.0	284.7	1,480.0
	284.7	1,480.0	284.7	1,480.0	284.7	1,480.0
Foreign currency-denominated debt:						
Secured .....	—	—	—	—	—	—
Unsecured:						
Notes offered hereby .....	—	—	—	—	595.5	3,095.8



	<b>As of March 31, 2020</b>					
	<b>Actual</b>		<b>As Adjusted</b>		<b>As Further Adjusted</b>	
	<i>(in US\$ millions)<sup>(1)</sup></i>	<i>(in R\$ millions)</i>	<i>(in US\$ millions)<sup>(1)</sup></i>	<i>(in R\$ millions)</i>	<i>(in US\$ millions)<sup>(1)</sup></i>	<i>(in R\$ millions)</i>
Other.....	6,791.3	35,305.8	7,960.3	41,383.0	7,960.3	41,383.0
Subtotal.....	6,791.3	35,305.8	7,960.3	41,383.0	8,555.8	44,478.8
<b>Total non-current corporate debt.....</b>	<b>7,076.0</b>	<b>36,785.9</b>	<b>8,244.9</b>	<b>42,863.0</b>	<b>8,840.5</b>	<b>45,958.8</b>
<b>Project Debt (Braskem Idesa borrowings):</b>						
<b>Current project debt:</b>						
Secured .....	210.2	1,092.9	210.2	1,092.9	210.2	1,092.9
<b>Non-current project debt:</b>						
Secured .....	2,271.8	11,810.3	2,271.8	11,810.3	2,271.8	11,810.3
	<b>2,482.0</b>	<b>12,903.2</b>	<b>2,482.0</b>	<b>12,903.2</b>	<b>2,482.0</b>	<b>12,903.2</b>
<b>Total equity .....</b>	<b>(551.5)</b>	<b>(2,867.0)</b>	<b>(551.5)</b>	<b>(2,867.0)</b>	<b>(551.5)</b>	<b>(2,867.0)</b>
<b>Total capitalization (current and non-current corporate debt and project debt plus total equity) .....</b>	<b>9,412.9</b>	<b>48,934.9</b>	<b>10,577.6</b>	<b>54,989.7</b>	<b>11,173.1</b>	<b>58,085.5</b>

(1) Translated solely for the convenience of the reader at the selling rate reported by the Central Bank as of March 31, 2020 for *reais* into U.S. dollars of R\$5.1987 per US\$1.00.

(2) Our secured debt is secured by accounts receivable and certain of our property, plant and equipment.

There has been no material change in our capitalization since March 31, 2020, except as disclosed above.

## DESCRIPTION OF THE NOTES

*Braskem Netherlands Finance B.V., as issuer (“Braskem Netherlands Finance”), will issue subordinated resettable fixed rate notes due 2081 (the “notes”) pursuant to an indenture, to be dated as of July 23, 2020, among Braskem Netherlands Finance, Braskem S.A. (“Braskem”), as guarantor, and The Bank of New York Mellon, as trustee (which term includes any successor as trustee under the indenture), registrar, paying agent, calculation agent and transfer agent. A copy of the indenture will be available for inspection during normal business hours at the offices of the trustee and any of the other paying agents.*

*This description of the notes is a summary of the material provisions of the notes and the indenture. You should refer to the indenture for a complete description of the terms and conditions of the notes and the indenture, including the obligations of Braskem Netherlands Finance and Braskem and your rights.*

*You will find the definitions of capitalized terms used in this section under “—Certain Definitions.” For purposes of this section of this offering memorandum, references to “Braskem” refer only to Braskem S.A. and not to its subsidiaries.*

### General

The notes:

- will be unsecured and subordinated obligations of Braskem Netherlands Finance, ranking (i) junior to all Senior Indebtedness (as defined herein) of Braskem Netherlands Finance, (ii) *pari passu* with Braskem Netherlands Finance’s future Parity Securities (as defined herein) and (iii) senior only to all existing and future classes of equity capital of Braskem Netherlands Finance;
- will initially be issued in an aggregate principal amount of US\$600,000,000;
- will mature on January 23, 2081;
- will be subject to optional redemption and redemption following a Rating Methodology Event, a Substantial Repurchase Event, a Change of Control Triggering Event, a Withholding Tax Event or a Tax Deductibility Event (each as defined herein), as described under “—Redemption”;
- will be issued in minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof;
- will be represented by one or more registered notes in global form and may be exchanged for notes in definitive form only in limited circumstances; and
- will be unconditionally guaranteed on an unsecured and subordinated basis by Braskem, ranking senior only to all existing and future classes of equity capital of Braskem.

As of March 31, 2020, Braskem Netherlands Finance had consolidated debt of US\$3,864.0 million (excluding intercompany debt). Upon any liquidation of Braskem Netherlands Finance, (i) all Senior Indebtedness of Braskem Netherlands Finance must be paid in full before the holders of any Parity Securities (including the notes) of Braskem Netherlands Finance are entitled to receive or retain payment in respect thereof, and (ii) the holders of Parity Securities (including the notes) of Braskem Netherlands Finance will be entitled to receive *pari passu* among themselves any payment in respect thereof.

Unless Braskem Netherlands Finance elects to defer the payment of interest in accordance with the provisions described under “—Optional Interest Deferral,” interest on the notes will:

- accrue at the applicable rate set forth under “—Interest Rates”;

- accrue from the date of issuance or from the most recent Interest Payment Date (as defined herein) or the most recent date on which interest was paid;
- be payable in cash semi-annually in arrears on each Interest Payment Date, beginning on January 23, 2021;
- be payable to the holders of record on January 18 and July 18, immediately preceding the related Interest Payment Date; and
- be computed on the basis of a 360-day year comprised of twelve 30-day months.

### ***Payment***

Principal of, premium, if any, interest and any additional amounts on the notes will be payable as set forth under “—Payments.” Transfer of the notes will be registrable as set forth under “—Transfer of Notes” at the office of the transfer agent.

If any payment is due on the notes on a day that is not a business day, payment will be made on the day that is the next business day. Payments postponed to the next business day in this situation will be treated under the indenture and the notes as if they were made on the original payment date. No interest will accrue on the postponed amount from the original payment date to the next day that is a business day.

### ***Additional Notes***

Braskem Netherlands Finance may from time to time, without notice to or consent of the holders, create and issue an unlimited principal amount of additional notes having the same terms and conditions as the original notes in all respects, except that the issue date, the issue price and the first payment of interest thereon may differ. Any such additional notes will form a single series and vote together with the previously outstanding notes for all purposes hereof.

### **Braskem Guarantee**

Braskem will unconditionally guarantee (the “**note guarantee**”), on an unsecured and subordinated basis, Braskem Netherlands Finance’s payment obligations under the notes and the indenture. The obligations of Braskem under the note guarantee will rank:

- junior in right of payment to all existing and future Senior Indebtedness of Braskem;
- *pari passu* with Braskem’s future Parity Securities, subject to certain statutory preferences under applicable law, including labor and tax claims;
- effectively subordinated to the debt and other liabilities (including subordinated debt and trade payables) of Braskem’s subsidiaries and jointly controlled companies and to secured debt of Braskem to the extent of such security; and
- senior only to all existing and future classes of equity capital of Braskem.

As of March 31, 2020, Braskem had (1) consolidated corporate debt (comprised of current and non-current borrowings and debentures) of R\$38,898.7 million (US\$7,482.4 million), and (2) consolidated project debt (comprised of Braskem Idesa borrowings) of R\$12,903.2 million (US\$2,482.0 million). Of the consolidated corporate debt, R\$38,874.8 million (US\$7,477.8 million) was unsecured debt of Braskem, R\$23.8 million (US\$4.6 million) was secured debt of Braskem and R\$15,505.8 million (US\$2,982.6 million) was debt of Braskem’s subsidiaries and special purpose entities (other than Braskem Netherlands Finance). All of the consolidated project debt was secured debt of Braskem.

Some of the operations of Braskem are conducted through subsidiaries and jointly controlled companies, which may have, or may issue, substantial debt.

Upon any liquidation of Braskem, (i) all Senior Indebtedness of Braskem must be paid in full before the holders of any Parity Securities (including the notes through enforcement of the note guarantee) of Braskem are entitled to receive or retain payment in respect thereof, and (ii) the holders of Parity Securities (including the notes through enforcement of the note guarantee) of Braskem will be entitled to receive *pari passu* among themselves any payment in respect thereof.

### **Holders' Acknowledgement of Subordination of Notes**

Each holder (for itself and on behalf of the beneficial owners thereof), by purchasing the notes, whether in connection with the initial offering of the notes or a purchase at a later date, will be deemed to have agreed with Braskem Netherlands Finance and Braskem, for the benefit of all present and future creditors of Braskem Netherlands Finance and Braskem, to subordinate its rights as holder to collect any amount of principal of, premium, if any, and interest due or to become due in respect of the notes as described herein and in the indenture. Braskem Netherlands Finance and Braskem, for the benefit of their respective present and future creditors, accept this undertaking of the holders.

Each holder agrees that (i) the trustee will be the only party entitled to receive and distribute amounts paid in respect of the notes in the event of any Insolvency Proceedings (as defined herein) and (ii) upon the occurrence of any Insolvency Proceedings, no payment of principal of and interest, including any Arrears of Interest (as defined herein), on the notes will be made unless Braskem Netherlands Finance and Braskem have discharged or secured payment in full on their respective Senior Indebtedness. Prior thereto, holders will have only a limited ability to influence the conduct of such Insolvency Proceedings. If, upon the occurrence of any Insolvency Proceedings, the trustee or any holder receives any payment or distribution of any kind or character (except for amounts owed to the trustee, other than amounts payable by the trustee to holders), whether in cash, property or securities, before all Senior Indebtedness is paid in full, that payment or distribution must be paid over or delivered to the trustee in bankruptcy or other person making payment or distribution of assets of Braskem Netherlands Finance or Braskem, as the case may be, for application to the payment of all Senior Indebtedness until all Senior Indebtedness is paid in full, after giving effect to any concurrent payment or distribution to the holders of Senior Indebtedness.

In furtherance of this agreement, the indenture will provide that the trustee will have the exclusive right to file in any Insolvency Proceedings for the recognition of the claims of all holders. By purchasing the notes, holders are irrevocably directing the trustee to exercise any voting rights under the notes and vote in accordance with the majority vote of the holders of Senior Indebtedness in any such Insolvency Proceedings.

By purchasing the notes, whether in connection with the initial offering of the notes or a purchase at a later date, each holder will be deemed to have waived any right of set-off, counterclaim or combination of accounts with respect to the notes (or between Braskem Netherlands Finance's or Braskem's obligations regarding the notes and any liability owed by a holder or the trustee to Braskem Netherlands Finance or Braskem) that such holder might otherwise have against Braskem Netherlands Finance or Braskem.

Each holder acknowledges that there will be no cross-default under the notes.

**"Insolvency Proceedings"** means any insolvency proceedings or proceedings similar, equivalent or analogous thereto under the laws of any applicable jurisdiction against Braskem Netherlands Finance or Braskem, including, but not limited to, the winding-up, re-organization, insolvency, reorganization, restructuring, readjustment of debt, dissolution or liquidation of Braskem Netherlands Finance or Braskem or any relevant equivalent insolvency events by reference to applicable law.

**"Senior Indebtedness"** means all liabilities of Braskem Netherlands Finance and Braskem other than their liabilities under Parity Securities.

## Interest Rates

Unless previously redeemed or repurchased and cancelled or substituted and varied as described herein and permitted pursuant to the indenture and subject to the provisions described under “—Optional Interest Deferral,” the notes will bear interest on their principal amount as follows:

(i) from, and including, July 23, 2020 (the “**Issue Date**”) to, but excluding, January 23, 2026 (5.5 years from the Issue Date) (the “**First Reset Date**”), the notes will bear interest at a rate of 8.500% *per annum*, payable semi-annually in arrears on each Interest Payment Date commencing on January 23, 2021;

(ii) from, and including, the First Reset Date to, but excluding, January 23, 2031 (10.5 years from the Issue Date) (the “**First Step-up Date**”), the notes will bear interest at a rate *per annum* equal to the relevant five-year U.S. treasury rate *plus* 8.220% (the “**initial spread**”), payable semi-annually in arrears on each Interest Payment Date commencing on January 23, 2026;

(iii) from, and including, the First Step-up Date to, but excluding, January 23, 2041 (20.5 years from the Issue Date) (or, if on the 30<sup>th</sup> calendar day preceding the First Reset Date, Braskem is assigned an issuer credit rating of “BBB-” (or such similar nomenclature then used by S&P) or higher, January 23, 2046 (25.5 years from the Issue Date)) (the “**Second Step-up Date**”), the notes will bear interest for each Reset Period at a rate equal to the relevant five-year U.S. treasury rate *plus* the initial spread *plus* 0.250% *per annum*, payable semi-annually in arrears on each Interest Payment Date commencing on January 23, 2031; and

(iv) from, and including, the Second Step-up Date to, but excluding, the Stated Maturity of the notes, the notes will bear interest for each Reset Period at a rate equal to the relevant five-year U.S. treasury rate *plus* the initial spread *plus* 1.000% *per annum*, payable semi-annually in arrears on each Interest Payment Date commencing on January 23, 2041.

The “**five-year U.S. treasury rate**” means, as of any Reset Interest Determination Date, as applicable:

(i) an interest rate (expressed as a decimal and, in the case of U.S. treasury bills, converted to a bond equivalent yield) determined to be the *per annum* rate equal to the average yield to maturity for the five New York business days preceding the applicable Reset Interest Determination Date for a U.S. treasury security with a maturity of five years from the First Reset Date or the applicable Step-up Date, as applicable and that is trading in the public securities markets, as determined by the calculation agent; or (ii) if there is no such published U.S. treasury security with a five-year maturity from the First Reset Date or the applicable Step-up Date, as applicable, trading in the public securities markets, then the five-year U.S. treasury rate will be determined by the calculation agent by linear interpolation between the average yield to maturity for the five New York business days preceding the applicable Reset Interest Determination Date for two series of U.S. treasury securities trading in the public securities market, (x) one maturing as close as possible to, but earlier than, the First Reset Date or the applicable Step-up Date, as applicable, following the next succeeding Reset Interest Determination Date, and (y) the other maturity as close as possible to, but later than, the First Reset Date or the applicable Step-up Date, as applicable, following the next succeeding Reset Interest Determination Date, in each case as published in the most recent H.15 (519) or any successor publication which is published by the U.S. Federal Reserve.

If the five-year U.S. treasury rate cannot be determined pursuant to the methods described in the preceding clauses (i) or (ii), then the five-year U.S. treasury rate will be the same interest rate as determined for the First Reset Date or the prior Step-up Date, as applicable.

“**H.15 (519)**” means the weekly statistical release designated as such, or any successor publication, published by the Board of Governors of the U.S. Federal Reserve System, and “most recent H.15 (519)” means the H.15 (519) published closest in time but prior to the close of business on the second New York business day prior to the First Reset Date or the applicable Step-up Date, as applicable.

“**Reset Date**” means the First Reset Date and each date that falls five, or a multiple of five, years following the First Reset Date.

“**Reset Interest Determination Date**” means, in respect of any Reset Period, the day falling two New York business days prior to the beginning of the relevant Reset Period.

“**Reset Period**” means each period from, and including, the First Reset Date to, but excluding, the subsequent Reset Date and thereafter from, and including, each Reset Date to, but excluding, the subsequent Reset Date.

Unless Braskem Netherlands Finance elects to defer the payment of interest in accordance with the provisions described under “—Optional Interest Deferral,” interest on the notes will be payable semi-annually in arrears on January 23 and July 23 of each year, commencing on January 23, 2021 (each, an “**Interest Payment Date**”) to holders of record on the applicable record date.

Interest on the notes will be calculated on the basis of a 360-day year of twelve 30-day months.

The applicable interest rate for each Reset Period will be determined by the calculation agent on the relevant Reset Interest Determination Date and promptly, but in any case not later than the relevant Reset Date, notified by the calculation agent to Braskem Netherlands Finance, Braskem and, if required by the rules of any exchange on which the notes are listed or admitted to trading from time to time, to be notified to such exchange and to the holders as provided under “—Notices.”

See “Risk Factors—Risks Relating to the Notes—The interest rate on the notes will reset on the applicable First Reset Date and for Reset Periods thereafter, which can be expected to affect the interest payment on, and the market value of, the notes” and “Risk Factors—Risks Relating to the Notes—Historical five-year U.S. treasury rates are not an indication of future five-year U.S. treasury rates.”

#### ***Interest Rates following a Change of Control Triggering Event***

If a Change of Control Triggering Event (as defined herein) occurs and Braskem Netherlands Finance or Braskem do not redeem the notes in whole in accordance with the provisions described under “—Redemption—Redemption following a Change of Control Triggering Event,” the interest rate payable on the notes will increase by an additional margin of 5.000% *per annum* from, and including, the effective date of the Change of Control Triggering Event to, but excluding, the redemption or Stated Maturity of the notes.

#### **Optional Interest Deferral**

Interest which accrues during an Interest Period ending on, but excluding, an Interest Payment Date will be due and payable on that Interest Payment Date unless Braskem Netherlands Finance, by notice to (i) holders as described under “—Notices” and (ii) the trustee and the paying agent, at least seven business days prior to the relevant Interest Payment Date, elects to defer payment in whole, but not in part, of the interest accrued on the notes in respect of any Interest Period; *provided* that for any Interest Period immediately succeeding an Interest Period for which the payment of interest has been deferred, interest on the notes shall be deemed to be deferred for such succeeding Interest Period unless Braskem Netherlands Finance provides notice of the payment of interest in accordance with this sentence. If Braskem Netherlands Finance makes such an election, interest will continue to accrue; however, Braskem Netherlands Finance shall have no obligation to make any payment in respect of interest on the notes and any failure to pay interest on the notes shall not constitute a Default by Braskem Netherlands Finance or breach of any other obligations under the notes or the indenture or for any other purpose.

Any deferred interest on the notes will bear additional interest (the “**Additional Interest**”) at the applicable interest rate on the notes, compounded semi-annually. Any interest not paid on an Interest Payment Date and deferred in accordance with the preceding paragraph, together with the Additional Interest, will, so long as the same remains outstanding, constitute “**Arrears of Interest**” and shall be payable as described under “—Optional Payment of Arrears of Interest” and “—Mandatory Payment of Arrears of Interest.”

“**Interest Period**” means the period from, and including, the Issue Date to, but excluding, the first Interest Payment Date and each successive period from, and including, an Interest Payment Date to, but excluding, the next succeeding Interest Payment Date, ending on the Stated Maturity of the notes.

### ***Optional Payment of Arrears of Interest***

Braskem Netherlands Finance may pay any Arrears of Interest in respect of all notes then outstanding, in whole, but not in part, at any time, upon giving prior notice of such payment at least seven business days to holders as described under “—Notices” (which notice shall be irrevocable and will oblige Braskem Netherlands Finance to pay the relevant Arrears of Interest on the payment date specified in such notice) and notice to the trustee and the paying agent at least seven and not more than 30 business days prior to the relevant due date for payment.

For the avoidance of doubt, Braskem Netherlands Finance may, after payment of Arrears of Interest in accordance with the preceding paragraph, elect to defer the payment of interest in accordance with the provisions described under “—Optional Interest Deferral.”

### ***Mandatory Payment of Arrears of Interest***

Any Arrears of Interest in respect of all notes then outstanding will become due and payable in full and will be paid by Braskem Netherlands Finance on the first occurring Mandatory Settlement Date (as defined herein). Notice of the occurrence of any Mandatory Settlement Date will be given to holders as described under “—Notices” and to the trustee and the paying agent at least five business days prior to the relevant due date for payment.

For the avoidance of doubt, Braskem Netherlands Finance may, after payment of Arrears of Interest in accordance with the preceding paragraph, elect to defer the payment of interest in accordance with the provisions described under “—Optional Interest Deferral.”

Upon the occurrence of a Mandatory Settlement Date, Braskem Netherlands Finance will promptly deliver to the trustee a certificate signed by a duly authorized representative of Braskem Netherlands Finance confirming the occurrence thereof.

“**Mandatory Settlement Date**” means the earliest of:

(i) the fifth business day following the date on which a Mandatory Arrears of Interest Settlement Event (as defined herein) occurs;

(ii) following any deferral of interest, on the next scheduled Interest Payment Date on which Braskem Netherlands Finance elects to pay all of the interest accrued in respect of the relevant Interest Period for the notes in accordance with the provisions described under “—Optional Interest Deferral”;

(iii) the date on which the notes are redeemed (in whole or in part) or repaid (in whole or in part) in accordance with the terms of the indenture; and

(iv) the date on which an order is made or a resolution is passed for the commencement of any Insolvency Proceedings in respect of Braskem Netherlands Finance or Braskem, or the date on which either of Braskem Netherlands Finance or Braskem takes any corporate action for the purposes of initiating or consenting to Insolvency Proceedings in respect of itself.

A “**Mandatory Arrears of Interest Settlement Event**” shall have occurred if:

(i) a dividend, distribution or similar payment in cash in excess of the Minimum Required Dividend (as defined herein) is paid in respect of Braskem’s equity capital;

(ii) either Braskem Netherlands Finance or Braskem makes any principal payment on any securities issued or guaranteed by it which rank or are expressed to rank *pari passu* with its respective obligations under the notes, if any (“**Parity Securities**”); or

(iii) either Braskem Netherlands Finance or Braskem repurchases, redeems or otherwise acquires any Parity Securities or, in the case of Braskem, any of its equity capital (except for any such repurchases or acquisitions in connection with Braskem’s long-term incentive plan),

except, in each case, where Braskem Netherlands Finance or Braskem, as the case may be, (a) is required under the terms of such securities to make such payment, repurchase, redemption or acquisition, (b) undertakes any purchase of equity capital in connection with any employee stock option plan or other employee participation plan, (c) directly or indirectly acquires equity capital, except in consideration for cash or other property of Braskem Netherlands Finance or Braskem, and only in accordance with Brazilian law, in connection with any merger by Braskem with one of its subsidiaries or shareholders, or (d) effects any such repurchase, redemption or acquisition in connection with one or more open market purchases or a cash tender offer or exchange offer to all holders of such securities at a purchase price per security which is below its par value or principal amount.

“**Minimum Required Dividend**” means the minimum annual cash dividend that Braskem is required to distribute to its common and preferred shareholders under Brazilian law (including articles 202 and 203 of Law No. 6,404/76, as amended) and regulations, as well as its by-laws and its internal policies; *provided* that the minimum annual cash dividend payable to Braskem’s preferred shareholders shall not be limited to the minimum annual cash dividend payable to the holders of Braskem’s shares.

The amount of the Minimum Required Dividend will be calculated by Braskem and such calculation is the sole responsibility of Braskem. Neither the trustee nor the calculation agent will have any responsibility or liability for such calculation.

### **Redemption**

The notes will not be redeemable prior to their Stated Maturity except as described below.

As used herein, the term “**Redemption Price**” means the amount determined by the calculation agent on the fourth business day prior to the relevant redemption date as follows:

- (i) in the case of an optional redemption, a Substantial Repurchase Event, a Change of Control Triggering Event or a Withholding Tax Event, at any time, 100.000% of the principal amount of the notes then outstanding; or
- (ii) in the case of a Rating Methodology Event or a Tax Deductibility Event, either:
  - (a) 101.000% of the principal amount of the notes then outstanding if the redemption occurs on any date prior to October 24, 2025; or
  - (b) 100.000% of the principal amount of the notes then outstanding if the redemption occurs on any date on or after October 24, 2025,

and in each case together with any accrued interest up to, but excluding, the relevant redemption date and any Arrears of Interest.

### **Optional Redemption**

Braskem Netherlands Finance or Braskem may redeem the notes, in whole or in part, on (i) any day during the period commencing on, and including, October 24, 2025 and ending on, and including, the First Reset Date, and (ii) any day during the period commencing on, and including, the 90<sup>th</sup> calendar day prior to each subsequent Reset Date thereafter and ending on, and including, such Reset Date, in each case at the applicable Redemption Price, subject to having given at least five business days’ and not more than 60 calendar days’ notice thereof to holders of the notes to be redeemed in accordance with “—Notices”; *provided* that at least US\$200.0 million aggregate principal amount of the notes shall remain outstanding immediately after any such partial redemption.



### ***Redemption following a Rating Methodology Event***

If a Rating Methodology Event occurs, then Braskem Netherlands Finance or Braskem may, at its option, subject to having given at least five business days' and not more than 60 calendar days' notice thereof to holders as described under "—Notices" (which notice shall be binding and irrevocable), redeem the notes in whole but not in part at any time at the applicable Redemption Price.

Prior to giving a notice of redemption following a Rating Methodology Event to the holders, Braskem Netherlands Finance or Braskem will deliver to the trustee in form and substance reasonably satisfactory to the trustee (i) an officer's certificate to the effect that Braskem Netherlands Finance or Braskem is, or at the time of the redemption will be, entitled to effect such redemption pursuant to the indenture as a result of the occurrence of a Rating Methodology Event, and setting forth in reasonable detail the circumstances giving rise to such right of redemption, and (ii) a copy of the Rating Agency Confirmation relating to the applicable Rating Methodology Event unless the delivery of such Rating Agency Confirmation would constitute a breach of the terms on which such confirmation is delivered to Braskem Netherlands Finance or Braskem, and the trustee will accept and be entitled to rely conclusively upon such officer's certificate and, if applicable, copy of the Rating Agency Confirmation as sufficient evidence of the satisfaction of the conditions precedent set forth above, in which event the same shall be conclusive and binding on the holders.

**"Rating Agency"** means any of Standard & Poor's Ratings Group, a division of McGraw Hill, Inc. ("**S&P**"), Moody's Investors Service, Inc. ("**Moody's**"), Fitch Ratings Ltd. ("**Fitch**") and any other rating agency substituted for any of them by Braskem Netherlands Finance upon prior notice to the trustee thereof, or their respective successors.

**"Rating Agency Confirmation"** means a written confirmation from a Rating Agency which has assigned a solicited rating to Braskem which is either received by Braskem directly from the relevant Rating Agency or indirectly via publication by such Rating Agency.

A **"Rating Methodology Event"** shall be deemed to have occurred if Braskem has received a Rating Agency Confirmation stating that, due to an amendment, clarification or change in the "equity credit" criteria of such Rating Agency, or in the interpretation thereof, which amendment, clarification or change has occurred after the Issue Date, the notes are eligible for a level of equity credit that is lower than the level or equivalent level of equity credit assigned to the notes for the first time by such Rating Agency.

**"equity credit"** shall include such other nomenclature as any Rating Agency may use from time to time to describe the degree to which an instrument exhibits the characteristics of an equity security.

### ***Redemption following a Substantial Repurchase Event***

If a Substantial Repurchase Event occurs, then Braskem Netherlands Finance or Braskem may, at its option, subject to having given at least five business days' and not more than 60 calendar days' notice thereof to holders as described under "—Notices" (which notice shall be binding and irrevocable), redeem the notes in whole but not in part at any time, at the applicable Redemption Price.

Prior to giving a notice of redemption following a Substantial Repurchase Event to the holders, Braskem Netherlands Finance or Braskem will deliver to the trustee in form and substance reasonably satisfactory to the trustee (i) an officer's certificate to the effect that Braskem Netherlands Finance is, or at the time of the redemption will be, entitled to effect such a redemption pursuant to the indenture as a result of the occurrence of a Substantial Repurchase Event, and setting forth in reasonable detail the circumstances giving rise to such right of redemption, and (ii) an opinion of external counsel of recognized standing to the effect that, among other things, all governmental approvals necessary for Braskem Netherlands Finance or Braskem, as the case may be, to effect the redemption have been obtained and are in full force and effect or specifying any such necessary approvals that as of the date of such opinion have not been obtained, and the trustee will accept and be entitled to rely conclusively upon such officer's certificate and opinion of counsel as sufficient evidence of the satisfaction of the conditions precedent set forth above, in which event the same shall be conclusive and binding on the holders.

A “**Substantial Repurchase Event**” shall be deemed to have occurred if, prior to the giving of the relevant notice of redemption, at least 75% of the aggregate principal amount of the notes has been purchased by or on behalf of Braskem Netherlands Finance or Braskem and has been cancelled.

***Redemption following a Change of Control Triggering Event***

If a Change of Control Triggering Event occurs, then Braskem Netherlands Finance or Braskem may, at its option, subject to having given at least five business days’ and not more than 60 calendar days’ notice thereof to holders as described under “—Notices” (which notice shall be binding and irrevocable), redeem the notes in whole but not in part at any time, at the applicable Redemption Price.

Prior to giving a notice of redemption following a Change of Control Triggering Event to the holders, Braskem Netherlands Finance or Braskem will deliver to the trustee in form and substance reasonably satisfactory to the trustee (i) an officer’s certificate to the effect that Braskem Netherlands Finance is, or at the time of the redemption will be, entitled to effect such a redemption pursuant to the indenture as a result of the occurrence of a Change of Control Triggering Event, and setting forth in reasonable detail the circumstances giving rise to such right of redemption, and (ii) an opinion of external counsel of recognized standing to the effect that, among other things, all governmental approvals necessary for Braskem Netherlands Finance or Braskem, as the case may be, to effect the redemption have been obtained and are in full force and effect or specifying any such necessary approvals that as of the date of such opinion have not been obtained, and the trustee will accept and be entitled to rely conclusively upon such officer’s certificate and opinion of counsel as sufficient evidence of the satisfaction of the conditions precedent set forth above, in which event the same shall be conclusive and binding on the holders.

“**Change of Control**” means:

(1) any “person” or “group” (as such terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act), other than one or more Permitted Holders or a group that includes one or more Permitted Holders in which such Permitted Holder or Permitted Holders hold and have voting power over at least a majority of the Voting Stock of Braskem held by such group, is or becomes the “beneficial owner” (as such term is used in Rule 13d-3 under the Exchange Act) of more than 50% of the total voting power of the Voting Stock of Braskem, including as a result of any merger or consolidation transaction including Braskem; or

(2) one or more Permitted Holders cease to have the power to direct or cause the direction of the management and policies of Braskem, whether through the ownership of voting securities, by contract or otherwise.

“**Change of Control Triggering Event**” means the occurrence of both a Change of Control and a Ratings Decline.

“**Investment Grade**” means BBB- or higher by S&P, Baa3 or higher by Moody’s or BBB- or higher by Fitch, or the equivalent of such global ratings by S&P, Moody’s or Fitch.

“**Permitted Holder**” means each of (1) Odebrecht S.A. and its Affiliates and (2) Petróleo Brasileiro S.A. – Petrobras and its Subsidiaries.

“**person**” means any corporation, partnership, joint venture, trust, limited liability company or unincorporated organization.

“**Ratings Decline**” means that at any time within 90 days after the earlier of the date of public notice of a Change of Control and the date on which Braskem publicly declares its intention to effect a Change of Control, (1) in the event the notes are assigned an Investment Grade rating by at least two of the Rating Agencies prior to such public notice or declaration, the rating assigned to the notes by any two or more of the Rating Agencies is below an Investment Grade rating; or (2) in the event the ratings assigned to the notes by at least two of the Rating Agencies prior to such public notice or declaration are below an Investment Grade rating, the rating assigned to the notes by at least two of the Rating Agencies is decreased by one or more categories (*i.e.*, notches); *provided that*, in each case,

any such Ratings Decline is expressly stated by the applicable Rating Agencies to have been the result of the Change of Control.

“**Voting Stock**” means, with respect to Braskem as of any date, the Capital Stock of Braskem that is at the time entitled to vote generally in the election of the board of directors of Braskem and in respect of other matters presented at shareholders’ meetings of Braskem.

#### ***Redemption following Certain Tax Events***

The notes will be redeemable, at the option of Braskem Netherlands Finance, Braskem or any successor, in whole, but not in part, at the applicable Redemption Price, at any time upon giving not less than five business days’ nor more than 60 calendar days’ notice to the holders, if (x) as a result of any change in, or amendment to, the laws (or any rules or regulations thereunder) of a Taxing Jurisdiction (as defined under “—Additional Amounts”), or any change in the application or official interpretation of such laws, rules or regulations, which change or amendment occurs after the date of the indenture (or date of succession), and (y) which effect cannot be avoided by Braskem Netherlands Finance, Braskem or any successor taking reasonable measures available to it; *provided, however*, that for this purpose reasonable measures will not include any change in Braskem Netherlands Finance’s, Braskem’s or any successor’s jurisdiction of incorporation or organization or location of its principal executive office or registered office, (1) Braskem Netherlands Finance, Braskem or any successor has or will become obligated to pay additional amounts as discussed under “—Additional Amounts” with respect to the notes or the note guarantee in excess of the additional amounts that Braskem Netherlands Finance, Braskem or any successor, as the case may be, would pay if payments in respect of the notes or the note guarantee were subject to deduction or withholding for taxes imposed by the applicable Taxing Jurisdiction at the rate applicable on the Issue Date (a “**Withholding Tax Event**”); or (2) payments of interest by Braskem Netherlands Finance in respect of the notes are no longer, or within 90 calendar days of the date of any opinion provided pursuant to section (ii) of the following paragraph will no longer be, deductible in whole or in part for corporate income tax purposes in Brazil or in the Netherlands (or in the jurisdiction of organization of a Substituted Issuer) (a “**Tax Deductibility Event**”). No such notice of redemption will be given earlier than 60 days prior to the earliest date on which, in the case of a Withholding Tax Event, Braskem Netherlands Finance, Braskem or any successor, as the case may be, would be obligated to pay such additional amounts if a payment in respect of the notes or the note guarantee were then due, or, in the case of a Tax Deductibility Event, payments of interest will no longer be deductible in whole or in part for corporate income tax purposes in Brazil or in the Netherlands (or in the jurisdiction of organization of a Substituted Issuer).

Prior to giving a notice of redemption pursuant to a Withholding Tax Event or a Tax Deductibility Event to the holders of the notes, Braskem Netherlands Finance, Braskem or any successor will deliver to the trustee (i) an officer’s certificate to the effect that, in the case of a Withholding Tax Event, the obligations of Braskem Netherlands Finance, Braskem or any successor, as the case may be, to pay additional amounts cannot be avoided by Braskem Netherlands Finance, Braskem or any successor by taking reasonable measures available to it (which do not include any change in Braskem Netherlands Finance’s, Braskem’s or any successor’s jurisdiction of incorporation or organization or location of its principal executive office or registered office), or, in the case of a Tax Deductibility Event, Braskem Netherlands Finance, Braskem or any successor, as the case may be, cannot avoid the non-deductibility of such payments of interest by taking reasonable measures available to it (which do not include any change in Braskem Netherlands Finance’s, Braskem’s or any successor’s jurisdiction of incorporation or organization or location of its principal executive office or registered office); and (ii) an opinion of external counsel of recognized standing stating that, in the case of a Withholding Tax Event, Braskem Netherlands Finance, Braskem or any successor, as the case may be, would be obligated to pay additional amounts due to the changes in tax laws, rules or regulations, or, in the case of a Tax Deductibility Event, payments of interest by Braskem Netherlands Finance in respect of the notes are no longer, or within 90 calendar days of the date of such opinion will no longer be, deductible in whole or in part for corporate income tax purposes in Brazil or in the Netherlands (or in the jurisdiction of organization of a Substituted Issuer) as a result of changes in tax laws, rules or regulations, as described above. The trustee will accept such certificate and opinion of counsel as sufficient evidence of the satisfaction of the conditions precedent set forth in clauses (x) and (y) above, in which event it will be conclusive and binding on the holders.

### ***General Provisions for Redemption***

Braskem Netherlands Finance or Braskem will deliver a notice of redemption to each holder (which, in the case of global notes, will be DTC) and the trustee by first-class mail, postage prepaid, at least five business days and not more than 60 days prior to the redemption date, to the address of each holder as it appears on the register maintained by the registrar. A notice of redemption pursuant to the provisions set forth under “—Optional Redemption” may, at the discretion of Braskem Netherlands Finance or Braskem, be conditional. A notice of redemption pursuant to the provisions set forth under “—Redemption following a Rating Methodology Event,” “—Redemption following a Substantial Repurchase Event,” “—Redemption following a Change of Control Triggering Event” or “—Redemption following Certain Tax Events” will be irrevocable.

In the event that less than all of the notes are to be redeemed at any time, selection of notes for redemption will be made by the trustee in compliance with the requirements governing redemptions of the principal securities exchange, if any, on which the notes are listed or if such securities exchange has no requirement governing redemption or the notes are not then listed on a securities exchange, on a *pro rata* basis or by lot (or, in the case of notes issued in global form, based on the applicable procedures of DTC). If notes are redeemed in part, the remaining outstanding amount of any note must be at least equal to US\$200,000 and be an integral multiple of US\$1,000.

Unless Braskem Netherlands Finance or Braskem defaults in the payment of the Redemption Price, on and after the redemption date interest will cease to accrue on the notes called for redemption.

Braskem Netherlands Finance or Braskem may enter into an arrangement under which Braskem or a Subsidiary of Braskem may, in lieu of redemption by Braskem Netherlands Finance or Braskem, purchase for a purchase price equal to the full Redemption Price any notes to be redeemed pursuant to provisions described under “—Redemption.”

### **Open Market Purchases**

Subject to the provisions set forth under “—Redemption—Redemption following a Substantial Repurchase Event,” Braskem Netherlands Finance, Braskem or any of their Affiliates may at any time purchase notes in the open market or otherwise at any price. Any such purchased notes (i) will not be resold, except in compliance with applicable requirements or exemptions under any relevant securities laws, and (ii) at the option of Braskem Netherlands Finance, may be cancelled or remain outstanding.

### **Substitution or Variation**

If at any time either of Braskem Netherlands Finance or Braskem determines that a Rating Methodology Event, a Withholding Tax Event or a Tax Deductibility Event has occurred and is continuing, then Braskem Netherlands Finance or Braskem may, as an alternative to redemption of the notes as described in “—Redemption” (without any requirement for the consent or approval of the holders), subject to having given at least five business days’ and not more than 60 calendar days’ notice thereof to holders as described under “—Notices” (which notice shall be binding and irrevocable) and to the trustee, on any Interest Payment Date either:

- (x) substitute all, but not less than all, of the notes for Qualifying Notes; or
- (y) vary the terms of the notes with the effect that they remain or become, as the case may be, Qualifying Notes.

Upon the date provided for in such notice, Braskem Netherlands Finance shall either vary the terms of or, as the case may be, substitute the notes in accordance with the provisions of the indenture relating thereto. See “Risk Factors—Risks Relating to the Notes—The notes will be subject to substitution or variation upon the occurrence of certain specified events.”

In connection with any substitution or variation in accordance with this section, Braskem Netherlands Finance shall comply with the rules of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) or any stock exchange on which the notes are listed or admitted to trading.

“**Qualifying Notes**” means notes that contain terms not materially less favorable to holders than the terms of the notes immediately prior to the substitution or variation (as reasonably determined by Braskem Netherlands Finance in consultation with an independent investment bank, independent financial adviser or legal counsel of international standing) and *provided* that such notes:

(a) are issued by Braskem Netherlands Finance or by any wholly-owned direct or indirect Subsidiary of Braskem and are guaranteed on the same basis as the note guarantee by Braskem;

(b) and the guarantee as described in clause (a) above rank *pari passu* with the ranking of the notes immediately prior to the substitution or variation, as applicable, of the notes;

(c) contain terms which provide for the same or a more favorable interest rate from time to time applicable to the notes immediately prior to the substitution or variation, as applicable, of the notes and preserve the same Interest Payment Dates as the notes;

(d) preserve the obligations (including the obligations arising from the exercise of any right) of Braskem Netherlands Finance or Braskem to redeem the notes, including, without limitation, as to the timing of, and amounts payable upon, such redemption;

(e) preserve any existing rights under the notes to any accrued interest, and any other amounts payable under the notes which, in each case, has accrued to holders and not been paid;

(f) immediately after such exchange or variation, be assigned at least the same credit rating(s), if any, by the same Rating Agency(ies) as may have been assigned to the notes (in each case, on a solicited basis) immediately prior to such exchange or variation; and

(g) otherwise contain substantially identical terms (as reasonably determined by Braskem) to the notes, except where any modifications to such terms are required to be made to avoid the occurrence or effect of a Rating Methodology Event, a Withholding Tax Event or a Tax Deductibility Event.

#### ***Preconditions to Substitution and Variation***

Prior to any substitution or variation of the notes in accordance with the provisions set forth above under “— Substitution or Variation,” Braskem Netherlands Finance or Braskem will deliver to the trustee an officer’s certificate in form and substance reasonably satisfactory to the trustee to the effect that:

(i) the relevant requirement or circumstance giving rise to the right to substitute or vary the notes has been satisfied;

(ii) Braskem has determined that the terms of the Qualifying Notes are not materially less favorable to holders than the terms of the notes and that determination was reasonably reached by Braskem in consultation with an independent investment bank, independent financial adviser or legal counsel of recognized standing;

(iii) the criteria specified in paragraphs (a) to (g) of the definition of Qualifying Notes will be satisfied upon issuance thereof; and

(iv) the relevant substitution or variation (as the case may be) will not result in the occurrence of a Rating Methodology Event, a Withholding Tax Event or a Tax Deductibility Event.

## Statement of Intention

***The following does not constitute a part of the terms and conditions of the notes.***

*Braskem Netherlands Finance intends (without thereby assuming a legal obligation) that it will redeem the notes pursuant to the provisions described under “—Redemption—Optional Redemption” or repurchase the notes only if the aggregate principal amount of the notes to be redeemed or repurchased does not exceed the net proceeds received by Braskem, Braskem Netherlands Finance or another Wholly-owned Subsidiary from issuances of securities which are assigned by a Rating Agency with “equity credit” (or similar nomenclature used by Rating Agencies from time to time) that is equal to or greater than the “equity credit” assigned to the notes to be redeemed or repurchased at the time of their issuance (but taking into account any changes in hybrid capital methodology or another relevant methodology or the interpretation thereof since the initial issuance of the notes), unless:*

*(i) on the date of such redemption or repurchase, the rating assigned by S&P to Braskem is the same as or higher than the credit rating assigned to Braskem on the date when the most recent hybrid security was issued by Braskem Netherlands Finance or Braskem (excluding refinancings without any net new issuance) and Braskem is of the view that such rating would not fall below such level as a result of such redemption or repurchase;*

*(ii) on the date of such redemption or repurchase, Braskem no longer has an issuer credit rating by S&P;*

*(iii) in the case of a repurchase of the notes, such repurchase, taken together with other repurchases of hybrid securities of Braskem Netherlands Finance or Braskem, is less than (x) 10% of Braskem Netherlands Finance’s and Braskem’s outstanding hybrid securities issued in any period of 12 consecutive months or (y) 25% of the aggregate principal amount of Braskem Netherlands Finance’s and Braskem’s outstanding hybrid securities issued in any period of 10 consecutive years; provided that in each case such repurchase has no materially negative effect on Braskem’s credit profile;*

*(iv) on the date of such redemption or repurchase, the notes are not assigned “equity credit” by S&P (or such similar nomenclature then used by S&P) or, if the notes are assigned “equity credit” by S&P, this statement of intention is not required for the notes to be assigned “equity credit” by S&P that is equal to or greater than the “equity credit” assigned to the notes on the Issue Date;*

*(iv) in the case of a repurchase of the notes, such repurchase would cause Braskem Netherlands Finance’s or Braskem’s outstanding hybrid capital that is assigned “equity credit” by S&P to exceed the maximum aggregate principal amount of hybrid capital to which S&P assigns “equity” credit under its then-prevailing methodology based on Braskem’s or Braskem Netherlands Finance’s adjusted total capitalization; or*

*(v) such redemption or repurchase occurs on or after the Second Step-up Date.*

## Payments

Braskem Netherlands Finance and Braskem will make all payments on the notes and the note guarantee exclusively in such coin or currency of the United States as at the time of payment will be legal tender for the payment of public and private debts.

Braskem Netherlands Finance will make payments of principal of, premium, if any, and interest on the notes to a paying agent, which will pass such funds to the trustee and the other paying agents or to the holders.

Upon any issuance of individual definitive notes, Braskem Netherlands Finance will appoint and maintain a paying agent in Singapore, for so long as the notes are listed on the SGX-ST and the rules of such exchange so require. In such event, an announcement will be made through the SGX-ST and will include all material information with respect to the delivery of the definitive notes, including details of the paying agent in Singapore.

Braskem Netherlands Finance will pay interest on the notes to the persons in whose name such notes are registered on the relevant record date and will pay principal of and premium, if any, on such notes to the persons in

whose name such notes are registered at the close of business on the fifth day prior to the due date for payment (whether or not a business day). Payments of principal, premium, if any, and interest in respect of each note issued in definitive form will be made by a paying agent by U.S. dollar check drawn on a bank in New York City and mailed to the person entitled thereto at its registered address. Upon written notice from a holder to the specified office of any paying agent not less than 15 business days prior to the due date for any payment in respect of a note, such payment may be made by wire transfer to a U.S. dollar account maintained by the payee with a bank in New York City. Braskem Netherlands Finance will make payments of principal and premium, if any, upon surrender of the relevant notes at the specified office of the trustee or any of the paying agents.

Under the terms of the indenture, payment by Braskem Netherlands Finance of any amount payable under the notes to a paying agent in accordance with the indenture will satisfy the obligation of Braskem Netherlands Finance to make such payment; *provided, however*, that the liability of such paying agent will not exceed any amounts paid to it by Braskem Netherlands Finance, or held by it, on behalf of the holders under the indenture. Braskem Netherlands Finance will agree in the indenture to indemnify the holders in the event that there is subsequent failure by the trustee or any paying agent to pay any amount due in respect of the notes in accordance with the indenture.

All payments will be subject in all cases to any applicable tax or other laws and regulations, but without prejudice to the provisions described under “—Additional Amounts.” No fees or expenses will be charged to the holders in respect of such payments.

Subject to applicable law, the trustee and the paying agents will pay to Braskem Netherlands Finance or Braskem upon written request and subject to any relevant unclaimed property laws and regulations any monies held by them for the payment of principal of, premium, if any, and interest on the notes that remains unclaimed for two years, and, thereafter, holders entitled to such monies must look to Braskem Netherlands Finance or Braskem for payment as general creditors. After the return of such monies by the trustee or the paying agents to Braskem Netherlands Finance or Braskem, neither the trustee nor the paying agents will be liable to the holders in respect of such monies.

### **Form, Denomination and Title**

The notes will be issued in fully registered form without coupons attached in minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof.

Notes sold in offshore transactions in reliance on Regulation S will be represented by one or more permanent global notes in fully registered form without coupons deposited with a custodian for and registered in the name of a nominee of DTC for the accounts of Euroclear and Clearstream. Notes sold in reliance on Rule 144A will be represented by one or more permanent global notes in fully registered form without coupons deposited with a custodian for and registered in the name of a nominee of DTC. Beneficial interests in the global notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including Euroclear and Clearstream. Except in certain limited circumstances, definitive registered notes will not be issued in exchange for beneficial interests in the global notes. See “Form of the Notes—Global Notes.”

Title to the notes will pass by registration in the register. The holder of any note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, writing on, or theft or loss of, the definitive note issued in respect of it), and no person will be liable for so treating the holder.

### **Transfer of Notes**

Notes may be transferred in whole or in part in an authorized denomination upon the surrender of the note to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the registrar or the specified office of any transfer agent. Any new definitive note to be issued upon exchange of notes or transfer of notes will, within three business days of the receipt of a request for exchange or form of transfer,

be mailed at the risk of the holder entitled to the note to such address as may be specified in such request or form of transfer.

The notes will be subject to certain restrictions on transfer as more fully set out in the indenture. See “Notice to Investors.” Transfer of beneficial interests in the global notes will be effected only through records maintained by DTC and its participants. See “Form of the Notes.”

Transfer will be effected without charge by or on behalf of Braskem Netherlands Finance, the registrar or the transfer agents, but upon payment, or the giving of such indemnity as the registrar or the relevant transfer agent may require, in respect of any tax or other governmental charges which may be imposed in relation to it. Braskem Netherlands Finance is not required to transfer or exchange any note or notes selected for redemption.

No holder may require the transfer of a note to be registered during the period of 15 days ending on the due date for any payment of principal of, premium, if any, or interest on that note.

### **Additional Amounts**

All payments by Braskem Netherlands Finance and Braskem in respect of the notes or the note guarantee, as the case may be, will be made without withholding or deduction for or on account of, any present or future taxes, duties, assessments, fees or other governmental charges of whatever nature (and any fines, penalties or interest related thereto) imposed or levied by or on behalf of Brazil or the Netherlands or any authority therein or thereof or any other jurisdiction in which Braskem Netherlands Finance is organized, doing business or otherwise subject to the power to tax, or any jurisdiction from or through which payments are made by or on behalf of Braskem Netherlands Finance or Braskem (each such jurisdiction, a “**Taxing Jurisdiction**”), unless such withholding or deduction is required by law. In that event, Braskem Netherlands Finance or Braskem, as the case may be, will pay to each holder such additional amounts as may be necessary in order that every net payment made by Braskem Netherlands Finance or Braskem, as the case may be, on each note or note guarantee after deduction or withholding for or on account of any payment required by a relevant Taxing Jurisdiction will not be less than the amount then due and payable on such note. The foregoing obligation to pay additional amounts will not apply to or in respect of:

(i) any tax, assessment or other governmental charge which would not have been imposed but for the existence of any present or former connection between a holder or beneficial owner (or between a fiduciary, settlor, beneficiary, member or shareholder of such holder or beneficial owner, if such holder or beneficial owner is an estate, a trust, a partnership or a corporation), on the one hand, and the relevant Taxing Jurisdiction, on the other hand (including, without limitation, such holder or beneficial owner (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof or having been engaged in a trade or business or present therein or having, or having had, a permanent establishment therein), other than the mere receipt of such payment or the ownership or holding of a note or the note guarantee;

(ii) any tax, assessment or other governmental charge which would not have been so imposed but for the presentation by a holder of a note for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that payments under such note would have been subject to withholdings and the holder of such note would have been entitled to such additional amounts, on surrender of such note for payment on the last day of such period for 30 days;

(iii) any tax, duty, assessment or other governmental charge to the extent that such tax, duty, assessment or other governmental charge would not have been imposed but for the failure of a holder or beneficial owner to comply with any certification, identification or other reporting requirements concerning the nationality, residence, identity or connection with the relevant Taxing Jurisdiction of such holder or beneficial owner if (a) such compliance is required or imposed by law as a precondition to exemption from all or a part of such tax, duty, assessment or other governmental charge and (b) at least 30 days prior to the date on which Braskem Netherlands Finance or Braskem, as the case may be, will apply this clause (iii), Braskem Netherlands Finance or Braskem, as the case may be, will have notified all holders of notes that some or all holders of notes will be required to comply with such requirement;



(iv) any estate, inheritance, gift, sales, use, value added, transfer, excise or personal property or similar tax, assessment or governmental charge;

(v) any tax, assessment or other governmental charge which is payable other than by deduction or withholding from payments of principal of, premium, if any, or interest on a note;

(vi) any tax, assessment or other governmental charge which is imposed pursuant to Section 1471-1474 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) (and any current and future regulations or official interpretations thereof or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code) (“FATCA”), the laws of the relevant Taxing Jurisdiction implementing FATCA, or any agreement entered into for FATCA purposes;

(vii) any tax, assessment or governmental charge withheld or deducted pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelastingen 2021*); or

(viii) any combination of the above.

Braskem Netherlands Finance or Braskem, as the case may be, will also pay any present or future stamp, court or documentary taxes or any other excise or property taxes, charges or similar levies which arise in any jurisdiction from the execution, delivery, registration or the making of payments in respect of the notes and the note guarantee, excluding any such taxes, charges or similar levies imposed by any jurisdiction outside of Brazil or the Netherlands other than those resulting from, or required to be paid in connection with, the enforcement of the notes and the note guarantee following the occurrence of any Default or Event of Default.

No additional amounts will be paid with respect to a payment on any note or note guarantee to a holder that is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or beneficial owner would not have been entitled to receive payment of the additional amounts had the beneficiary, settlor, member or beneficial owner been the holder of the note or note guarantee.

Braskem Netherlands Finance or Braskem, as applicable, will provide the trustee with the official acknowledgment of the relevant taxing authority (or, if such acknowledgment is not available, other reasonable documentation) evidencing any payment required by the relevant Taxing Jurisdiction in respect of which Braskem Netherlands Finance or Braskem has paid any additional amounts. Copies of such documentation will be made available to the holders of the notes or the paying agents, as applicable, upon request therefor.

In the event that additional amounts actually paid with respect to the notes described above by Braskem Netherlands Finance or Braskem are based on rates of deduction or withholding of withholding taxes in excess of the appropriate rate applicable to the holder of such notes, and as a result thereof such holder is entitled to make claim for a refund or credit of such excess from the authority imposing such withholding tax, then such holder shall, by accepting such notes, be deemed to have assigned and transferred all right, title, and interest to any such claim for a refund or credit of such excess to Braskem Netherlands Finance or Braskem, as the case may be. However, by making such assignment, the holder makes no representation or warranty that Braskem Netherlands Finance or Braskem will be entitled to receive such claim for refund or credit and incurs no other obligation (including, for the avoidance of doubt, any filing or other action) with respect thereto.

All references in this offering memorandum to principal of, premium, if any, and interest on the notes will include any additional amounts payable by Braskem Netherlands Finance or Braskem, as the case may be, in respect of such principal, such premium, if any, and such interest.

## **Covenants**

The indenture will contain the following covenants:

### ***Limitation on Consolidation, Merger or Transfer of Assets***

Braskem will not consolidate with or merge with or into, or convey, transfer or lease all or substantially all of its assets to, any person, unless:

(1) the resulting, surviving or transferee person (if not Braskem) will be a person organized and existing under the laws of Brazil, the United States of America, any State thereof or the District of Columbia, any other country that is a member country of the European Union or of the Organization for Economic Co-operation and Development on the date of the indenture, or any other country whose long-term foreign currency-denominated debt has an Investment Grade rating from at least one Rating Agency as of the effective date of such transaction, and such person expressly assumes, by a supplemental indenture to the indenture, executed and delivered to the trustee, all the obligations of Braskem under the indenture, the notes and the note guarantee, as applicable;

(2) the resulting, surviving or transferee person (if not Braskem), if not organized and existing under the laws of Brazil, undertakes, in such supplemental indenture, (i) to pay such additional amounts in respect of principal and premium, if any, and interest as may be necessary in order that every net payment made in respect of the note guarantee after deduction or withholding for or on account of any present or future tax, penalty, fine, duty, assessment or other governmental charge imposed by such other country or any political subdivision or taxing authority thereof or therein will not be less than the amount of principal (and premium, if any) and interest then due and payable on the note guarantee, subject to the same exceptions set forth under clauses (i) through (viii) under “—Additional Amounts” and (ii) that the provisions set forth under “—Redemption—Redemption following Certain Tax Events” shall apply to such person, but in both cases, the jurisdiction of organization of the resulting, surviving or transferee person shall be treated as a Taxing Jurisdiction;

(3) immediately after giving effect to such transaction, no Event of Default will have occurred and be continuing; and

(4) Braskem will have delivered to the trustee an officer’s certificate and an opinion of external counsel of recognized standing, each stating that such consolidation, merger or transfer and such supplemental indenture, if any, comply with the indenture.

The trustee will be entitled to conclusively rely on and will accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set forth in this covenant, in which event it will be conclusive and binding on the holders.

Notwithstanding the foregoing, the indenture will provide that, without satisfying the conditions set forth in clause (4) of the first paragraph of this covenant, any Restricted Subsidiary may consolidate with, merge with or into or transfer all or part of its properties and assets to Braskem, so long as no Capital Stock of such Restricted Subsidiary is distributed to any person other than Braskem or another Restricted Subsidiary.

### ***Reporting Requirements***

Braskem will provide the trustee with the following reports for delivery to holders upon their written request thereof:

(1) an English language version of its annual audited consolidated financial statements prepared in accordance with GAAP, within 120 days after the close of its fiscal year;

(2) an English language version of its quarterly unaudited consolidated financial statements prepared in accordance with GAAP, within 90 days after the close of each fiscal quarter (other than the last fiscal quarter of its fiscal year);

(3) simultaneously with the delivery of each set of financial statements referred to in clause (1) above, an officer's certificate stating whether, to the knowledge of the officer executing such officer's certificate, an Event of Default exists on the date of such certificate and, if an Event of Default exists, setting forth the details thereof and the action which Braskem Netherlands Finance or Braskem, as the case may be, is taking or proposes to take with respect thereto; and

(4) within five business days after any director or executive officer of Braskem Netherlands Finance or Braskem, as the case may be, becomes aware of the existence of an Event of Default, an officer's certificate setting forth the details thereof and the action which Braskem Netherlands Finance or Braskem, as the case may be, is taking or proposes to take with respect thereto.

The above reports may be delivered by Braskem to the trustee in physical or electronic form, as determined by Braskem. If Braskem files or furnishes the reports described in clauses (1) or (2) with the U.S. Securities and Exchange Commission (the "SEC") or makes such reports available on its website, it will be deemed to have satisfied the reporting requirement set forth in such applicable clause.

Delivery of the above reports to the trustee is for informational purposes only and the trustee's receipt of such reports will not constitute constructive notice of any information contained therein or determinable from information contained therein, including the compliance of Braskem Netherlands Finance or Braskem, as the case may be, with any of its covenants in the indenture (as to which the trustee is entitled to rely exclusively on officer's certificates). The trustee will have no responsibility to determine if and when any reports have been filed or furnished on the SEC website.

#### **Additional Limitations on Braskem Netherlands Finance**

The indenture will also contain the following covenants:

- Braskem Netherlands Finance will not engage in any business, or conduct any operations, other than to finance the operations of Braskem and its subsidiaries and activities that are reasonably ancillary thereto (including, without limitation, on-lending of funds, repurchases of debt not prohibited by the indenture, entering into transactions involving Hedging Obligations relating to such debt and investments not prohibited by the indenture), and to hold equity interests in other entities; and
- Braskem Netherlands Finance will maintain its corporate existence.

Braskem will agree in the indenture that, with respect to its indirect Wholly-owned Subsidiary Braskem Netherlands Finance, and Braskem Netherlands Finance will also agree in the indenture that, for so long as any notes are outstanding neither Braskem nor Braskem Netherlands Finance will take any corporate action with respect to:

- the consolidation or merger of Braskem Netherlands Finance with or into any other person, except that Braskem Netherlands Finance may merge with Braskem or a Wholly-owned Subsidiary;
- the voluntary liquidation, wind-up or dissolution of Braskem Netherlands Finance while Braskem Netherlands Finance is the issuer of the notes, unless Braskem or a Wholly-owned Subsidiary fully and unconditionally assumes all of the obligations of Braskem Netherlands Finance, including the notes; or
- the transfer or disposition by Braskem of Braskem Netherlands Finance to any person other than a Wholly-owned Subsidiary, except as permitted under "—Covenants—Limitation on Consolidation, Merger or Transfer of Assets."

## Substitution of the Issuer

Braskem Netherlands Finance may, without the consent of any holder, be substituted by (a) Braskem or (b) any Wholly-owned Subsidiary of Braskem as principal debtor in respect of the notes (in that capacity, the “**Substituted Issuer**”); *provided* that the following conditions are satisfied:

(1) such documents will be executed by the Substituted Issuer, Braskem Netherlands Finance, Braskem and the trustee as may be necessary to give full effect to the substitution, including a supplemental indenture under which the Substituted Issuer assumes all of Braskem Netherlands Finance’s obligations under the indenture and the notes and, unless Braskem’s then existing note guarantee remains in full force and effect, a substitute guarantee issued by Braskem in respect of the notes (collectively, the “**Issuer Substitution Documents**”);

(2) the Issuer Substitution Documents will contain covenants to indemnify each holder and beneficial owner of the notes against (a) all taxes or duties which arise by reason of a law or regulation in effect or contemplated on the effective date of the substitution, which may be incurred or levied against such holder or beneficial owner of the notes as a result of the substitution and which would not have been so incurred or levied had the substitution not been made, subject to similar exceptions set forth under clauses (i) through (viii) under “—Additional Amounts,” and (b) all taxes or duties which are imposed on such holder or beneficial owner of the notes by any political subdivision or taxing authority of any country in which such holder or beneficial owner of the notes resides or is subject to any such tax or duty and which would not have been so imposed had the substitution not been made, subject to similar exceptions set forth under clauses (ii), (iii), (iv) and (vii) under “—Additional Amounts,” *mutatis mutandis*; *provided*, that any holder making a claim with respect to such tax indemnity shall provide Braskem Netherlands Finance with notice of such claim, along with supporting documentation, within four weeks of the announcement of the substitution of Braskem Netherlands Finance as issuer; *provided further*, that notwithstanding anything to the contrary in this paragraph, the Substituted Issuer will be entitled to make any deduction or withholding, and will not be required to indemnify any holder or beneficial owner for or on account of any taxes or duties, or pay any additional amounts with respect to any such deduction or withholding, imposed on or in respect of any notes, in either case, pursuant to FATCA, any treaty, law, regulation or other official guidance enacted by any jurisdiction implementing FATCA or any intergovernmental agreement or law, regulation or other official guidance promulgated thereunder implementing FATCA;

(3) Braskem Netherlands Finance will deliver, or cause the delivery, to the trustee opinions of external counsel of recognized standing in the jurisdiction of organization of the Substituted Issuer and the United States as to the validity, legally binding effect and enforceability of the Issuer Substitution Documents and specified other legal matters, as well as an officer’s certificate as to compliance with the provisions described under this section;

(4) the Substituted Issuer will appoint a process agent in the Borough of Manhattan, The City of New York, to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the notes, the indenture and the Issuer Substitution Documents;

(5) no Event of Default has occurred or is continuing; and

(6) the substitution will comply with all applicable requirements under the laws of the jurisdiction of organization of the Substituted Issuer and Brazil.

Upon the execution of the Issuer Substitution Documents, any substitute guarantees and compliance with the other conditions in the indenture relating to the substitution, the Substituted Issuer will be deemed to be named in the notes as the principal debtor in place of Braskem Netherlands Finance, and Braskem Netherlands Finance will be released from all of its obligations under the notes and the indenture, including, without limitation, compliance with the covenants described under “—Additional Limitations on Braskem Netherlands Finance.”

Not later than 10 business days after the execution of the Issuer Substitution Documents, the Substituted Issuer will give notice thereof to the holders.

Notwithstanding any other provision of the indenture, Braskem will (unless it is the Substituted Issuer) do or cause to be done all acts and things and promptly execute and deliver any documents or instruments, including any substitute guarantees and an opinion of external Brazilian counsel of recognized standing, that may be required, or that the trustee may reasonably request, to ensure that Braskem's note guarantee is in full force and effect for the benefit of the holders and beneficial owners of the notes following the substitution.

## Events of Default

An “**Event of Default**” occurs if:

(1) Braskem Netherlands Finance or Braskem defaults in any payment of interest (including any related additional amounts) on any of the notes offered hereby when the same becomes due and payable, and such default continues for a period of 30 days (*provided, however*, that a deferral of interest described under “— Optional Interest Deferral” will not constitute an Event of Default);

(2) Braskem Netherlands Finance or Braskem defaults in the payment of the principal (including premium, if any, and any related additional amounts) of any of the notes offered hereby when the same becomes due and payable upon its Stated Maturity, upon redemption, or otherwise, and, in the case of technical or administrative difficulties, only if such default persists for a period of more than three business days; or

(3) certain events of bankruptcy or insolvency, including initiation of or consent to Insolvency Proceedings, of Braskem or any Significant Subsidiary.

For the avoidance of doubt, other than as set forth above, breach by Braskem Netherlands Finance or Braskem of any covenant set forth in the indenture shall never constitute an Event of Default.

The trustee is not to be charged with knowledge of any Default or Event of Default, or knowledge of any cure of any Default or Event of Default, unless written notice of such Default or Event of Default, or of such cure of any Default or Event of Default, has been given to an authorized officer of the trustee with direct responsibility for the administration of the indenture by Braskem Netherlands Finance, Braskem or any holder.

If an Event of Default (other than an Event of Default specified in clause (3) above with respect to Braskem Netherlands Finance) occurs and is continuing, the trustee or the holders of not less than 25% in principal amount of the then outstanding notes may declare all unpaid principal of and accrued interest on all notes to be due and payable immediately, by a notice in writing to Braskem Netherlands Finance, and upon any such declaration such amounts will become due and payable immediately. If an Event of Default specified in clause (3) above with respect to Braskem Netherlands Finance occurs and is continuing, then the principal of and accrued interest on all notes will become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder.

Subject to the provisions of the indenture relating to the duties of the trustee in case an Event of Default will occur and be continuing, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any of the holders, unless such holders will have offered to the trustee indemnity satisfactory to the trustee. Subject to such provision for the indemnification of the trustee and certain other conditions set forth in the indenture, the holders of a majority in aggregate principal amount of the outstanding notes will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee.

## Defeasance

Braskem Netherlands Finance or Braskem, as the case may be, may at any time terminate all of its obligations with respect to the notes (“**defeasance**”), except for certain obligations, including those regarding any trust

established for a defeasance and obligations to register the transfer or exchange of the notes, to replace mutilated, destroyed, lost or stolen notes and to maintain agencies in respect of the notes. Braskem Netherlands Finance or Braskem, as the case may be, may at any time terminate its obligations under certain covenants set forth in the indenture, and any omission to comply with such obligations will not constitute a Default or an Event of Default (“**covenant defeasance**”). In order to exercise either defeasance or covenant defeasance, Braskem Netherlands Finance or Braskem must irrevocably deposit in trust, for the benefit of the holders, with the trustee cash or U.S. government obligations, or a combination thereof, in such amounts as will be sufficient, in the opinion of an internationally recognized firm of independent public accountants or investment bank in writing to the trustee, without consideration of any reinvestment, to pay the principal of, premium, if any, and interest on the notes to redemption or Stated Maturity and comply with certain other conditions, including, with respect to a defeasance, the delivery of an opinion of external counsel of recognized standing as to certain tax matters.

### **Amendment, Supplement, Waiver**

Subject to certain exceptions, the indenture, the notes or the note guarantee may be amended or supplemented with the written consent of the holders of a majority in principal amount of the then outstanding notes, and any Default or Event of Default and its consequences may be waived with the consent of the holders of a majority in principal amount of the then outstanding notes. However, without the consent of each holder of an outstanding note affected thereby, no amendment may:

- (1) reduce the rate of or extend the time for payment of interest on any note;
- (2) reduce the principal of or extend the Stated Maturity of any note;
- (3) reduce the amount payable upon redemption of any note or change the time at which any note may be redeemed;
- (4) change the currency or place of payment of principal of, premium, if any, or interest on any note;
- (5) impair the contractual right to institute suit for the enforcement of any payment on or with respect to any note;
- (6) reduce the principal amount of notes whose holders must consent to any amendment, supplement or waiver; or
- (7) make any change in the amendment or waiver provisions with respect to the notes which require each holder’s consent.

The holders will receive prior notice as described under “—Notices” of any proposed amendment to the indenture, the notes or the note guarantee described in this paragraph. After an amendment described in the preceding paragraph becomes effective, Braskem Netherlands Finance or Braskem is required to mail to the holders a notice briefly describing such amendment. However, the failure to give such notice to all holders of the notes, or any defect therein, will not impair or affect the validity of the amendment.

The consent of the holders is not necessary to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

Braskem Netherlands Finance, Braskem and the trustee may, without notice to or the consent or vote of any holder, amend or supplement the indenture, the notes or the note guarantee for the following purposes:

- (1) to cure any ambiguity, omission, defect or inconsistency (including, without limitation, any inconsistency between the text of the indenture, the notes or the note guarantee and the description of the indenture, the notes or the note guarantee contained in this offering memorandum);

- (2) to comply with the covenant described under “—Covenants—Limitation on Consolidation, Merger or Transfer of Assets”;
- (3) to add guarantees or collateral with respect to the notes;
- (4) to add to the covenants of Braskem Netherlands Finance or Braskem for the benefit of holders;
- (5) to surrender any right conferred by the indenture upon Braskem Netherlands Finance or Braskem;
- (6) to evidence and provide for the acceptance of an appointment by a successor trustee;
- (7) to comply with any requirements of the SEC in connection with any qualification of the indenture under the U.S. Trust Indenture Act of 1939, as amended;
- (8) to provide for the issuance of additional notes; or
- (9) to make any other change that does not materially and adversely affect the rights of any holder.

## **Notices**

For so long as notes in global form are outstanding, notices to be given to holders will be given to the depository, in accordance with its applicable policies as in effect from time to time. If notes are issued in individual definitive form, notices to be given to holders will be deemed to have been given upon the mailing by first class mail, postage prepaid, of such notices to holders of the notes at their registered addresses as they appear in the trustee’s records. In addition, so long as the notes are listed on the SGX-ST and the rules of such stock exchange so require, notices with respect to the notes will also be published in a leading English language newspaper having general circulation in Singapore (which is expected to be *The Business Times* (Singapore Edition)). Any such notice will be deemed to have been delivered on the date of first publication.

## **Trustee**

The Bank of New York Mellon will be the trustee under the indenture. Braskem Netherlands Finance may remove the trustee and appoint a successor trustee for the notes at any time for any reason as long as no Default or Event of Default has occurred and is continuing.

The indenture will contain provisions for the indemnification of the trustee and for its relief from responsibility. The obligations of the trustee to any holder are subject to such immunities and rights as are set forth in the indenture.

Except during the continuance of an Event of Default, the trustee need perform only those duties that are specifically set forth in the indenture and no others, and no implied covenants or obligations will be read into the indenture against the trustee. In case an Event of Default has occurred and is continuing, the trustee will exercise those rights and powers vested in it by the indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person’s own affairs. No provision of the indenture will require the trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties thereunder, or in the exercise of its rights or powers, unless it receives indemnity satisfactory to it against any loss, liability or expense.

Braskem and its Affiliates may from time to time enter into normal banking and trustee relationships with the trustee and its Affiliates.

The trustee may hold notes in its own name.

## **Calculation Agent**

The Bank of New York Mellon will be the calculation agent with respect to the notes. All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained by the calculation agent will (in the absence of manifest error) be binding on Braskem Netherlands Finance, Braskem, the trustee, the paying agent and the holders. Notwithstanding the foregoing, the amount of the Minimum Required Dividend will be calculated by Braskem and such calculation is the sole responsibility of Braskem. Neither the trustee nor the calculation agent will have any responsibility or liability for such calculation.

## **Governing Law and Submission to Jurisdiction**

The notes, the indenture and the note guarantee will be governed by, and construed in accordance with, the laws of the State of New York.

Each of the parties to the indenture will submit to the non-exclusive jurisdiction of the U.S. Federal and New York State courts located in the Borough of Manhattan, The City of New York, for purposes of all legal actions and proceedings instituted in connection with the notes and the indenture. Each of Braskem Netherlands Finance and Braskem has appointed Cogency Global Inc., located at 122 East 42<sup>nd</sup> Street, 18<sup>th</sup> Floor, New York, New York 10168, as its authorized agent upon which process may be served in any such action.

## **Currency Indemnity**

U.S. dollars are the sole currency of account and payment for all sums payable by Braskem Netherlands Finance or Braskem under or in connection with the notes, including damages. Any amount received or recovered in a currency other than U.S. dollars (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of Braskem, Braskem Netherlands Finance or otherwise) by any holder of a note in respect of any sum expressed to be due to it from Braskem Netherlands Finance or Braskem will only constitute a discharge of Braskem Netherlands Finance or Braskem, as the case may be, to the extent of the U.S. dollar amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that U.S. dollar amount is less than the U.S. dollar amount expressed to be due to the recipient under any notes, Braskem Netherlands Finance or Braskem, as the case may be, will indemnify such holder against any loss sustained by it as a result; and if the amount of U.S. dollars so purchased is greater than the sum originally due to such holder, such holder will, by accepting notes, be deemed to have agreed to repay such excess. In any event, Braskem Netherlands Finance or Braskem as the case may be, will indemnify the recipient against the cost of making any such purchase.

For the purposes of the preceding paragraph, it will be sufficient for the holder of notes to certify in a satisfactory manner (indicating the sources of information used) that it would have suffered a loss had an actual purchase of U.S. dollars been made with the amount so received in that other currency on the date of receipt or recovery (or, if a purchase of U.S. dollars on such date had not been practicable, on the first date on which it would have been practicable, it being required that the need for a change of date be certified in the manner mentioned above). These indemnities constitute a separate and independent obligation from the other obligations of Braskem Netherlands Finance and Braskem, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by any holder of notes and will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any notes.

## **Certain Definitions**

The following is a summary of certain defined terms used in the indenture. Reference is made to the indenture for the full definition of all such terms as well as other capitalized terms used herein for which no definition is provided.

“**Affiliate**” means, with respect to any specified person, (a) any other person which, directly or indirectly, is in control of, is controlled by or is under common control with such specified person or (b) any other person who is a



director or officer (i) of such specified person, (ii) of any Subsidiary of such specified person or (iii) of any person described in clause (a) above. For purposes of this definition, “control” of a person means the power, direct or indirect, to direct or cause the direction of the management and policies of such person whether by contract or otherwise, and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“**Brazil**” means the Federative Republic of Brazil.

“**business day**” means any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in The City of New York, the Netherlands or São Paulo, Brazil.

“**Capital Stock**” means, with respect to any person, any and all shares of stock, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated, whether voting or non-voting) such person’s equity including any preferred stock, but excluding any debt securities convertible into or exchangeable for such equity.

“**Consolidated Total Assets**” means the total amount of assets of Braskem and its Subsidiaries as set forth in the most recent financial statements delivered by Braskem to the trustee in accordance with “—Covenants— Reporting Requirements,” after giving *pro forma* effect to any acquisition or disposition of companies, divisions, lines of businesses, operations or assets by Braskem and its Subsidiaries subsequent to such date and on or prior to the date of determination.

“**CVM**” means the Brazilian Securities Commission (*Comissão de Valores Mobiliários*).

“**Default**” means any event which is, or after notice or passage of time or both would be, an Event of Default.

“**GAAP**” means, as elected from time to time by Braskem, (i) collectively, the accounting principles prescribed by Brazilian Corporate Law, the rules and regulations issued by the applicable regulators, including the CVM, as well as technical releases issued the Brazilian Institute of Accountants (*Instituto Brasileiro de Contadores*), (ii) International Financial Reporting Standards or (iii) accounting practices generally accepted in the United States, in each case, as in effect from time to time.

“**guarantee**” means any obligation, contingent or otherwise, of any person directly or indirectly guaranteeing any debt or other obligation of any person and any obligation, direct or indirect, contingent or otherwise, of such person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such debt or other obligation of such person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (b) entered into for purposes of assuring in any other manner the obligee of such debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part); *provided, however*, that the term “**guarantee**” will not include endorsements for collection or deposit in the ordinary course of business. The term “**guarantee**” used as a verb has a corresponding meaning.

“**Hedging Obligations**” means, with respect to any person, the net obligations of such person pursuant to any interest rate swap agreement, foreign currency exchange agreement, interest rate collar agreement, option, forward or futures contract or other similar agreement or arrangement designed to protect such person against changes in interest rates or foreign exchange rates (the amount of any such obligations to be equal at any time to the termination value of such agreement or arrangement giving rise to such obligation that would be payable by such person at such time).

“**holder**” means the person in whose name a note is registered in the register.

“**investment**” means, with respect to any person, any loan or advance to, any acquisition of Capital Stock, equity interest, obligation or other security of, or capital contribution or other investment in, such person.

“**Mexican Entities**” means Braskem Idesa S.A.P.I., Braskem Idesa Servicios S.A. de C.V., Polietilenos de America, S.A. and Polipropileno de Sur, S.A.

“**Non-Recourse Debt**” means debt (or any portion thereof) of a Subsidiary of Braskem (the “**Non-Recourse Debtor**”) used to finance (i) the creation, development, construction, improvement or acquisition of projects, properties or assets and any increases in or extensions, renewals or refinancings of such debt or (ii) the operations of projects, properties or assets of such Non-Recourse Debtor or its Subsidiaries; *provided* that the recourse of the lender thereof (including any agent, trustee, receiver or other person acting on behalf of such entity) in respect of such debt is limited (other than in respect of the Braskem Recourse Amount (as defined herein)) to the Non-Recourse Debtor, any debt securities issued by the Non-Recourse Debtor, the Capital Stock of the Non-Recourse Debtor, and any assets, receivables, inventory, equipment, chattels, contracts, intangibles, rights and any other assets of such Non-Recourse Debtor and its Subsidiaries connected with the projects, properties or assets created, developed, constructed, improved, acquired or operated, as the case may be, in respect of which such debt has been incurred; *provided, further*, that if such lender additionally has contractual recourse to Braskem or to any Subsidiary of Braskem (other than the Non-Recourse Debtor and its Subsidiaries) for the repayment of any portion of such debt (such portion, the “**Braskem Recourse Amount**”), then the Braskem Recourse Amount will not constitute Non-Recourse Debt and Braskem will be deemed to have incurred debt in an aggregate principal amount equal to the Braskem Recourse Amount.

“**Restricted Subsidiary**” means any Subsidiary that is not an Unrestricted Subsidiary.

“**Significant Subsidiary**” means any Restricted Subsidiary of Braskem which at the time of determination either (x) had assets which, as of the date of Braskem’s most recent quarterly consolidated balance sheet, constituted at least 10% of Braskem’s total assets on a consolidated basis as of such date, or (y) had revenues for the 12-month period ending on the date of Braskem’s most recent quarterly consolidated statement of operations which constituted at least 10% of Braskem’s total revenues on a consolidated basis for such period.

“**Stated Maturity**” means, with respect to any security, the date specified in such security as the fixed date on which the principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency unless such contingency has occurred).

“**Subsidiary**” means any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Capital Stock or other interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by (a) Braskem, (b) Braskem and one or more Subsidiaries or (c) one or more Subsidiaries.

“**Unrestricted Subsidiary**” means (i) the Mexican Entities, any Subsidiary thereof and any Subsidiary which as of the date of the indenture has consolidated assets not exceeding 1% of Braskem’s Consolidated Total Assets, and (ii) any corporation, association, partnership or other business entity that is not a Subsidiary as of the date of the indenture but which (a) becomes a Subsidiary following the date of the indenture and (b) at any time of determination has no debt other than (x) Non-Recourse Debt and (y) the Braskem Recourse Amount.

“**Wholly-owned Subsidiary**” means a Subsidiary of which at least 95% of the Capital Stock (other than directors’ qualifying shares) is owned by Braskem or another Wholly-owned Subsidiary.

## FORM OF THE NOTES

Notes sold in offshore transactions in reliance on Regulation S will be represented by a permanent global note or notes in fully registered form without interest coupons, or the Regulation S Global Note, and will be registered in the name of a nominee of DTC and deposited with a custodian for DTC. Notes sold in reliance on Rule 144A will be represented by a permanent global note or notes in fully registered form without interest coupons, or the Restricted Global Note, and, together with the Regulation S Global Note, the Global Notes, and will be deposited with a custodian for DTC and registered in the name of a nominee of DTC.

The notes will be subject to certain transfer restrictions as described in “Transfer Restrictions.” A beneficial interest in the Regulation S Global Note may be transferred to a person who takes delivery in the form of an interest in the Restricted Global Note only upon receipt by the trustee or transfer agent of a written certification from the transferor (in the form provided in the indenture) to the effect that such transfer is being made to a person whom the transferor reasonably believes to be a “qualified institutional buyer” within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction, or a Restricted Global Note Certificate. Beneficial interests in the Restricted Global Note may be transferred to a person who takes delivery in the form of an interest in the Regulation S Global Note only upon receipt by the trustee or transfer agent of a written certification from the transferor (in the form provided in the indenture) to the effect that such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S, or a Regulation S Global Note Certificate. Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in the other Global Note will, upon transfer, cease to be an interest in such Global Note and become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Note for as long as it remains an interest.

Except in the limited circumstances described under “—Global Notes,” owners of the beneficial interests in the Global Notes will not be entitled to receive physical delivery of individual definitive notes. The notes are not issuable in bearer form.

### Global Notes

Upon receipt of the Regulation S Global Note and the Restricted Global Note, DTC will credit, on its internal system, the respective principal amount of the individual beneficial interests represented by such Global Note to the accounts of persons who have accounts with DTC, or DTC Participants. Such accounts initially will be designated by or on behalf of the initial purchasers. Ownership of beneficial interests in a Global Note will be limited to DTC Participants or persons who hold interests through DTC Participants. Ownership of beneficial interests in the Global Notes will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of DTC Participants) and the records of DTC Participants (with respect to interests of persons other than DTC Participants).

So long as DTC, or its nominee, is the registered owner or holder of a Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the notes represented by such Global Note for all purposes under the indenture and the notes. Unless DTC notifies Braskem Netherlands Finance that it is unwilling or unable to continue as depository for a Global Note, or ceases to be a “clearing agency” registered under the Exchange Act, or any of the notes becomes immediately due and payable in accordance with “Description of the Notes—Events of Default,” owners of beneficial interests in a Global Note will not be entitled to have any portions of such Global Note registered in their names, will not receive or be entitled to receive physical delivery of notes in individual definitive form and will not be considered the owners or holders of the Global Note (or any notes represented thereby) under the indenture or the notes. In addition, no beneficial owner of an interest in a Global Note will be able to transfer that interest except in accordance with DTC’s applicable procedures (in addition to those under the indenture and, if applicable, those of Euroclear and Clearstream).

Investors may hold interests in the Global Notes through Euroclear or Clearstream, if they are participants in such systems. Euroclear and Clearstream will hold interests in the Global Notes on behalf of their account holders through customers’ securities accounts in their respective names on the books of their respective depositories, which, in turn, will hold such interests in the Global Notes in customers’ securities accounts in the depositories’ names on

the books of DTC. Investors may hold their interests in the Global Notes directly through DTC, if they are DTC Participants, or indirectly through organizations which are DTC Participants, including the depositaries for Euroclear and Clearstream.

Payments of the principal of and interest on Global Notes will be made to DTC or its nominee as the registered owner thereof. Neither Braskem Netherlands Finance nor Braskem, nor any initial purchaser, will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Braskem Netherlands Finance and Braskem anticipate that DTC or its nominee, upon receipt of any payment of principal or interest in respect of a Global Note representing any notes held by its nominee, will immediately credit DTC Participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Note as shown on the records of DTC or its nominee. Braskem Netherlands Finance and Braskem also expect that payments by DTC Participants to owners of beneficial interests in such Global Note held through such DTC Participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC Participants.

Transfers between DTC Participants will be effected in accordance with DTC's procedures, and will be settled in same-day funds. The laws of certain jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests in a Global Note to such persons may be limited. Because DTC can only act on behalf of DTC Participants, who in turn act on behalf of indirect participants and certain banks, the ability of a person having a beneficial interest in a Global Note to pledge such interest to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interest, may be affected by the lack of a physical individual definitive certificate in respect of such interest. Transfers between account holders in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the notes described above, crossmarket transfers between DTC participants, on the one hand, and directly or indirectly through Euroclear or Clearstream account holders, on the other hand, will be effected in DTC in accordance with DTC rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depositary; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with its rules and procedures and within its established deadlines. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the Global Notes in DTC, and making or receiving payment in accordance with normal procedures for same day funds settlement applicable to DTC. Euroclear and Clearstream account holders may not deliver instructions directly to the depositaries for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream account holder purchasing an interest in a Global Note from a DTC Participant will be credited during the securities settlement processing day (which must be a business day for Euroclear or Clearstream, as the case may be) immediately following the DTC settlement date and such credit of any transactions in interests in a Global Note settled during such processing day will be reported to the relevant Euroclear or Clearstream account holder on such day. Cash received in Euroclear or Clearstream as a result of sales of interests in a Global Note by or through a Euroclear or Clearstream account holder to a DTC Participant will be received for value on the DTC settlement date but will be available in the relevant Euroclear or Clearstream cash account only as of the business day following settlement in DTC.

DTC has advised that it will take any action permitted to be taken by a holder of notes (including the presentation of notes for exchange as described below) only at the direction of one or more DTC Participants to whose account or accounts with DTC interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of the notes as to which such DTC Participant or DTC Participants has or have given such direction. However, in the limited circumstances described above, DTC will exchange the Global Notes for individual definitive notes (in the case of notes represented by the Restricted Global Note, bearing a restrictive

legend), which will be distributed to its participants. Holders of indirect interests in the Global Notes through DTC Participants have no direct rights to enforce such interests while the notes are in global form.

The giving of notices and other communications by DTC to DTC Participants, by DTC Participants to persons who hold accounts with them and by such persons to holders of beneficial interests in a Global Note will be governed by arrangements between them, subject to any statutory or regulatory requirements as may exist from time to time.

DTC has advised as follows: DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the Uniform Commercial Code and a “Clearing Agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for DTC Participants and to facilitate the clearance and settlement of securities transactions between DTC Participants through electronic book-entry changes in accounts of DTC Participants, thereby eliminating the need for physical movement of certificates. DTC Participants include security brokers and dealers, banks, trust companies and clearing corporations and may include certain other organizations. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly (“indirect participants”).

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures in order to facilitate transfers of interests in the Regulation S Global Note and in the Restricted Global Note among participants and account holders of DTC, Euroclear and Clearstream, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of Braskem Netherlands Finance, Braskem or any agent will have any responsibility for the performance of DTC, Euroclear or Clearstream or their respective participants, indirect participants or account holders of their respective obligations under the rules and procedures governing their operations.

### **Individual Definitive Notes**

If (1) DTC or any successor to DTC is at any time unwilling or unable to continue as a depository for the reasons described in “—Global Notes” and a successor depository is not appointed by Braskem Netherlands Finance or Braskem within 90 days, or (2) any of the notes has become immediately due and payable in accordance with “Description of the Notes—Events of Default,” Braskem Netherlands Finance will issue individual definitive notes in registered form in exchange for the Regulation S Global Note and the Restricted Global Note, as the case may be. Upon receipt of such notice from DTC or the paying agent, as the case may be, Braskem Netherlands Finance will use its best efforts to make arrangements with DTC for the exchange of interests in the Global Notes for individual definitive notes and cause the requested individual definitive notes to be executed and delivered to the registrar in sufficient quantities and authenticated by the registrar for delivery to holders. Persons exchanging interests in a Global Note for individual definitive notes will be required to provide the registrar with (a) written instruction and other information required by Braskem Netherlands Finance and the registrar to complete, execute and deliver such individual definitive notes, and (b) in the case of an exchange of an interest in a Restricted Global Note, certification that such interest is not being transferred or is being transferred only in compliance with Rule 144A. In all cases, individual definitive notes delivered in exchange for any Global Note or beneficial interests therein will be registered in the names, and issued in any authorized denominations, requested by DTC.

Upon the issue of individual definitive notes, we will appoint and maintain a paying agent in Singapore. In addition, upon the issue of individual definitive notes, for so long as the notes are listed on the SGX-ST and the rules of such exchange so require, we will appoint and maintain a paying agent in Singapore where the notes may be presented or surrendered for payment or redemption. In such event, an announcement shall be made through the SGX-ST and will include all material information with respect to the delivery of the definitive notes, including details of the paying agent in Singapore. Upon any change in the paying agent or registrar, Braskem Netherlands Finance will make an announcement through the SGX-ST and publish a notice in a leading daily newspaper of general circulation in Singapore (which is expected to be *The Business Times* (Singapore Edition)).

In the case of individual definitive notes issued in exchange for the Restricted Global Note, such individual definitive notes will bear, and be subject to, the legend described in “Transfer Restrictions” (unless Braskem

Netherlands Finance determines otherwise in accordance with applicable law). In the event that any of the Global Notes is exchanged for individual definitive notes, an announcement of such exchange shall be made by or on behalf of the issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the individual definitive notes, including details of the paying agent in Singapore. The holder of a restricted individual definitive note may transfer such note, subject to compliance with the provisions of such legend, as provided in "Transfer Restrictions." Upon the transfer, exchange or replacement of notes bearing the legend, or upon specific request for removal of the legend on a note, Braskem Netherlands Finance will deliver only notes that bear such legend, or will refuse to remove such legend, as the case may be, unless (1) Braskem Netherlands Finance receives satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by Braskem Netherlands Finance that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act, and (2) Braskem Netherlands Finance or Braskem has directed that the legend be removed. Before any individual definitive note may be transferred to a person who takes delivery in the form of an interest in any Global Note, the transferor will be required to provide the paying agent with a Restricted Global Note Certificate or a Regulation S Global Note Certificate, as the case may be.

Individual definitive notes will not be eligible for clearing and settlement through Euroclear, Clearstream or DTC.

## TAXATION

*The following discussion summarizes certain Brazilian, Dutch and United States federal income tax considerations that may be relevant to you if you invest in the notes. This summary is based on laws, regulations, rulings and decisions now in effect in Brazil, the Netherlands and the United States, which, in each case, may change. Any change could apply retroactively and could affect the continued validity of this summary.*

*This summary does not describe all of the tax considerations that may be relevant to you or your situation, particularly if you are subject to special tax rules. You should consult your tax advisors about the tax consequences of holding the notes, including the relevance to your particular situation of the considerations discussed below, as well as of state, local and other tax laws.*

### **Brazilian Taxation**

The following discussion summarizes the main Brazilian tax considerations related to the acquisition, ownership and disposition of the notes by an individual, entity, trust or organization resident or domiciled outside Brazil for purposes of Brazilian taxation (“Non-Resident Holder”). The following discussion is based on the federal tax laws of Brazil as in effect on the date hereof, and it is subject to any change in Brazilian law that may come into effect after such date and that is applicable. The information set forth below is intended to be a general description only and does not address all possible tax consequences relating to an investment in the notes and is not applicable to all categories of investors, some of which may be subject to special rules. The discussion below does not address any tax consequences under the tax laws of any state or locality of Brazil. This discussion does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a Non-Resident Holder. The earnings of foreign companies and persons not resident in Brazil are taxed in Brazil when derived from Brazilian sources or when the transaction giving rise to such earnings involves assets in Brazil. Investors should note that, as to the discussion below, other income tax rates or treatment may be provided for in any applicable tax treaty between Brazil and the country where the Non-Resident Holder is domiciled. Investors should also note that there is no tax treaty between Brazil and the United States.

**PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE CONSEQUENCES OF PURCHASING THE NOTES, INCLUDING, WITHOUT LIMITATION, THE CONSEQUENCES OF THE RECEIPT OF INTEREST AND THE SALE, REDEMPTION OR REPAYMENT OF THE NOTES.**

### ***Payments on the Notes Made by Braskem Netherlands Finance***

A Non-Resident Holder is taxed in Brazil only when income is derived from Brazilian sources or when the transaction giving rise to such earnings involves assets located in Brazil. The applicability of Brazilian taxes with respect to payments on the notes will depend on the origin of such payments and on the domicile of the beneficiaries thereof.

Therefore, based on the fact that Braskem Netherlands Finance is not considered for tax purposes to be domiciled in Brazil, any income (including interest and/or original interest discount, or OID, if any) paid by it in respect of the notes to Non-Resident Holders should not be subject to withholding in respect of Brazilian income tax or any other taxes, duties, assessments or governmental charges in Brazil, provided that such payments are made with funds held by Braskem Netherlands Finance outside of Brazil.

### ***Sale or Other Taxable Disposition of Notes***

Generally, capital gains generated outside Brazil as a result of a transaction between two non-residents of Brazil with assets located in Brazil are subject to income tax in Brazil, according to Article 18 of Law No. 9,249, of December 26, 1995 (“Law No. 9,249/95”) and Article 26 of Law No. 10,833, of December 29, 2003 (“Law No. 10,833/03”). Based on the fact that the notes are issued and registered abroad, they should not fall within the definition of assets located in Brazil for purposes of Law No. 9,249/95 and Law No. 10,833/03. As so, gains on the sale or the disposition of the notes made outside Brazil should not be subject to Brazilian taxes. However, given the

general and unclear scope of this legislation and the absence of judicial guidance in respect thereof, we cannot assure prospective investors that such interpretation will prevail in the courts of Brazil.

As a result, in case the notes are deemed to be assets located in Brazil, gains recognized by a Non-Resident Holder from their sale or other disposition to (1) a non-resident of Brazil or (2) a resident of Brazil may be subject to income tax in Brazil at progressive rates as follows: (1) 15% for the portion of the gain that does not exceed R\$5 million, (2) 17.5% for the portion of the gain that exceeds R\$5 million but does not exceed R\$10 million, (3) 20% for the part of the gain that exceeds R\$10 million but does not exceed R\$30 million, and (4) 22.5% for the part of the gain that exceeds R\$30 million, or at a flat tax rate of 25% if such Non-Resident Holder is located in a country that does not impose any income tax or that imposes it at a maximum rate lower than 20% (or 17%, if the country complies with international tax transparency standards – expected to be further regulated by the Brazilian tax authorities) (“Low or Nil Tax Jurisdiction”), or in a country or location where the local legislation does not allow access to information related to the shareholding composition of legal entities, to their ownership or to the identity of the effective beneficiary of the income attributed to non-residents, unless, in each case, a lower rate is provided for in an applicable tax treaty between Brazil and the country where the Non-Resident Holder has its domicile.

### ***Discussion on Low or Nil Tax Jurisdictions***

On June 23, 2008, Law No. 11,727 (“Law No. 11,727/08”) broadened the concept of a Low or Nil Tax Jurisdiction and introduced the concept of “Privileged Tax Regime,” which is considered to be a regime that (1) does not tax income or taxes it at a maximum rate lower than 20% (or 17% if the country complies with international tax transparency standards); (2) grants tax advantages to a non-resident entity or individual (a) without the need to carry out a substantial economic activity in the country or in the territory, or (b) conditioned upon the non-exercise of a substantial economic activity in the country or in the territory; (3) does not tax or taxes foreign sourced income at a maximum rate lower than 20% (or 17% if the country complies with international tax transparency standards); or (4) restricts the disclosure of information related to the ownership of shares, goods and rights, as well as to the information related to the economic transactions carried out. For the purpose of qualification as a Low or Nil Tax Jurisdiction, a regulation issued by the Brazilian tax authorities on November 28, 2014 (Ordinance 488, of 2014) decreased from 20% to 17% the minimum threshold for certain specific cases. The 17% threshold applies only to countries and regimes aligned with international standards of fiscal transparency in accordance with rules to be established by the Brazilian tax authorities.

On June 4, 2010, Brazilian tax authorities enacted Normative Instruction No. 1,037 (“IN 1,037/10”) listing (1) the countries and jurisdictions considered as Low or Nil Tax Jurisdictions; and (2) Privileged Tax Regimes. This is an exhaustive list.

Although the interpretation of the current tax legislation could lead to the conclusion that the above mentioned concept of “Privileged Tax Regime” should apply solely for purposes of Brazilian transfer pricing and thin capitalization rules, stricter deductibility rules and other specific situations for specific taxpayers, one cannot assure that subsequent legislation or interpretations by the Brazilian tax authorities regarding the definition of a “Privileged Tax Regime” provided by Law No. 11,727/08 will not also apply to payments to Non-Resident Holders in connection with the notes.

In the event that the Privileged Tax Regime concept is interpreted to be applicable to transactions such as payments related to the notes to Non-Resident Holders, Law No. 11,727/08 would accordingly result in the imposition of taxation to a Non-Resident Holder that meets the Privileged Tax Regime requirements in the same way applicable to a resident located in a Low or Nil Tax Jurisdiction.

We recommend prospective investors to consult their own tax advisors from time to time to verify any possible tax consequences arising of IN 1,037/10 and Law No. 11,727/08. If the Brazilian tax authorities determine that the concept of “Privileged Tax Regime” provided by Law No. 11,727/08 will also apply to a Non-Resident Holder on payments potentially made by a Brazilian source, the withholding income tax applicable to such payments could be assessed at a rate of 25%.



### ***Payments on the Notes Made by Braskem as Guarantor***

In the event the issuer fails to timely pay any amount due, including any payment of principal, interest or any other amount that may be due and payable in respect of the notes to a Non-Brazilian Holder, Braskem as guarantor will be required to assume the obligation to pay such amounts due.

As there is no specific legal provision dealing with the imposition of withholding income tax on payments made by Brazilian sources to non-resident beneficiaries under guarantees and no uniform decision from the Brazilian courts, there is a risk that tax authorities could take the position that the funds remitted by Braskem as guarantor to the Non-Resident Holders may be subject to the imposition of withholding income tax at a generally applicable 15% rate or at a 25% rate, if the Non-Resident Holders are located in a Low or Nil Tax Jurisdiction.

Arguments exist to sustain the position that (a) payments made under a guarantee structure should be subject to the imposition of withholding income tax according to the nature of the guaranteed payment, in which case only interest and fees should be subject to taxation at the rates of 15% or 25%, in cases of beneficiaries located in a Low or Nil Tax Jurisdiction, as defined by the Brazilian legislation; or (b) that payments made under a guarantee by Brazilian sources to non-resident beneficiaries should not be subject to the imposition of withholding income tax, to the extent that such payments should qualify as a credit transaction by the Brazilian party to the borrower. As noted above, the imposition of withholding income tax under these circumstances has not been settled by the Brazilian courts.

If Braskem is required to withhold or deduct amounts for any taxes or other governmental charges imposed by Brazil, Braskem will pay such additional amounts as are necessary to ensure that the holders of the notes receive the same amount as such holders would have received without such withholding or deduction, subject to certain exceptions. See “Description of the Notes—Additional Amounts.”

### ***Other Brazilian Tax Considerations***

In addition to withholding income tax, Brazilian law imposes a tax on foreign exchange transactions, or the IOF/Exchange. Currently, the IOF/Exchange rate for almost all foreign exchange transactions is 0.38%.

However, other types of transactions for the inflow or outflow of funds from Brazil may be subject to different IOF/Exchange rates, and the Brazilian government is permitted to increase this rate at any time up to 25%, although there is no transaction subject to this rate as of the date of this offering memorandum. Any such increase in rates will only apply to future foreign exchange transactions and not retroactively.

According to Section 15-B of the Decree No. 6,306, the settlement of exchange transactions in connection with foreign financing or loans, for both inflow and outflow of proceeds into and from Brazil, are subject, as a general rule, to IOF/Exchange at a zero percent rate. Currently, only in the case of the settlement of foreign exchange transactions (including simultaneous foreign exchange transactions), in connection with the inflow of proceeds to Brazil from foreign loans, including those obtained through the issuance of notes in the international market, with the minimum average term not exceeding 180 days, the IOF/Exchange tax rate is 6% (this rate of 6% will be due with penalties and interest in the case of financings or international bonds with a minimum average term longer than 180 days in which an early redemption occurs in the first 180 days).

Moreover, the Brazilian tax authorities could argue that a tax on credit transactions (*Imposto sobre Operações de Crédito, Câmbio e Seguro, ou relativas a Títulos e Valores Mobiliários*), or IOF/Credit due on loan transactions, could be imposed upon any amount paid in respect of the notes by a guarantor at a rate of up to 1.88% of the total amount paid.

### ***Stamp, Transfer or Similar Taxes***

Generally, there are no stamp, transfer or other similar taxes in Brazil applicable to the transfer, assignment or sale of the notes outside Brazil, nor any inheritance, gift or succession tax applicable to the ownership, transfer or

disposition of the notes, except for gift and inheritance taxes imposed in some states of Brazil on gifts and bequests by the Non-Resident Holder to individuals or entities domiciled or residing within such Brazilian states.

**The above description is not intended to constitute a complete analysis of all Brazilian tax consequences relating to the ownership of notes. Prospective purchasers of notes should consult their own tax advisors concerning the tax consequences of their particular situations.**

## **Dutch Taxation**

This summary solely addresses the principal Dutch tax consequences of the acquisition, ownership and disposal of the notes and is intended as general information only. It does not purport to describe every aspect of taxation that may be relevant to a particular holder of the notes. Any potential investor should consult his or her tax adviser for more information about the tax consequences of acquiring, owning and disposing of the notes in his or her particular circumstances.

Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law. Where in this summary the terms “the Netherlands” and “Dutch” are used, these refer solely to the European part of the Kingdom of the Netherlands. This summary assumes that the issuer is organized, and that its business will be conducted, in the manner outlined in this offering memorandum. A change to such organizational structure or to the manner in which the issuer conducts its business may invalidate the contents of this summary, which will not be updated to reflect any such change.

This summary is based on the tax law of the Netherlands (unpublished case law not included) as it stands at the date of this offering memorandum. The tax law upon which this summary is based is subject to changes, perhaps with retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change.

This summary assumes that each transaction with respect to the notes is at arm’s length.

Where in this “Dutch Taxation” section reference is made to a “Holder of notes,” that concept includes, without limitation:

- (1) an owner of one or more notes who in addition to the title to such notes has an economic interest in such notes;
- (2) a person who or an entity that holds the entire economic interest in one or more notes;
- (3) a person who or an entity that holds an interest in an entity, such as a partnership or a mutual fund, that is transparent for Dutch tax purposes, the assets of which comprise one or more notes, within the meaning of (1) or (2) above; or
- (4) a person who is deemed to hold an interest in notes, as referred to under (1) to (3), pursuant to the attribution rules of article 2.14a, of the Dutch Income Tax Act 2001 (*Wet op de inkomstenbelasting 2001*), with respect to property that has been segregated, for instance in a trust or a foundation.

## **Withholding Tax**

Except as set forth below, all payments under the notes may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority of or in the Netherlands, unless the notes qualify as debt effectively functioning as equity within the meaning of article 10, paragraph 1, sub d of the Dutch Corporate Income Tax Act (*Wet op de vennootschapsbelasting 1969*).

Effective January 1, 2021, a 21.7% Dutch withholding tax will be introduced on interest payments by Dutch tax resident taxpayers such as the issuer that are directly or indirectly made to related entities that are resident in certain designated low tax jurisdictions. Entities are related if (i) the payee has a qualifying interest in the payor, (ii) the payor has a qualifying interest in the payee or (iii) a third entity has a qualifying interest in both the payee and the payor. A qualifying interest is an interest through which decisive influence on the decision making process of the entity can be exercised, which is deemed to be the case if the interest represents more than 50% of the statutory voting rights in the entity. Entities can also be related if they are considered a cooperating group and such group has a qualifying interest. Low tax jurisdictions are jurisdictions (i) with a statutory corporate income tax rate of less than 9% or (ii) that are included on the EU blacklist.

Prospective Holders of notes are urged to consult their tax advisors regarding any potential adverse tax consequences that may result from the introduction of the Dutch withholding tax on interest payments.

### ***Taxes on Income and Capital Gains – Resident Holders of Notes***

The summary set out in this section “—Taxes on Income and Capital Gains – Resident Holders of Notes” applies only to a Holder of notes who is a “Dutch Individual” or a “Dutch Corporate Entity.”

A Holder of notes is a “Dutch Individual” if:

- such Holder of notes is an individual;
- such Holder of notes is resident, or deemed to be resident, in the Netherlands for Dutch income tax purposes; and
- such Holder’s notes and any benefits derived or deemed to be derived therefrom have no connection with such Holder’s past, present or future employment, if any.

A Holder of notes is a “Dutch Corporate Entity” if:

- it is a corporate entity, including an association that is taxable as a corporate entity, that is subject to Dutch corporate income tax;
- it is resident, or deemed to be resident, in the Netherlands for Dutch corporate income tax purposes;
- it is not an entity that, although in principle subject to Dutch corporation tax, is, in whole or in part, specifically exempt from that tax; and
- it is not an investment institution as defined in the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

### ***Dutch Individuals Deriving Benefits of an Enterprise***

Any benefits derived or deemed to be derived from the notes, including any gain realized on the disposal of the notes, by a Dutch Individual that are attributable to an enterprise from which such Dutch Individual derives profits, whether as an entrepreneur or pursuant to a co-entitlement to the net value of an enterprise, other than as a shareholder, are generally subject to Dutch income tax at progressive rates of up to 49.5% (2020 rate).

### ***Dutch Individuals Deriving Benefits from Miscellaneous Activities***

Any benefits derived or deemed to be derived from the notes, including any gain realized on the disposal of the notes, by a Dutch Individual that constitute benefits from miscellaneous activities are generally subject to Dutch income tax at progressive rates of up to 49.5% (2020 rate).

Benefits derived from the notes by a Dutch Individual are taxable as benefits from miscellaneous activities if he, or an individual who is a connected person in relation to him as meant by article 3.91, paragraph 2, letter b, or c, of the Dutch Income Tax Act 2001 (*Wet op de inkomstenbelasting 2001*), has a substantial interest in the issuer.

Generally, a person has a substantial interest in the issuer if such person – either alone or, in the case of an individual, together with his partner, if any – owns or is deemed to own, directly or indirectly, either a number of shares representing 5% or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the issuer, or rights to acquire, directly or indirectly, shares, whether or not already issued, representing 5% or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the issuer or profit participating certificates relating to 5% or more of the annual profits of the issuer or to 5% or more of the liquidation proceeds of the issuer.

A person who is entitled to the benefits from shares or profit participating certificates (for instance a holder of a right of usufruct) is deemed to be a holder of shares or profit participating certificates, as the case may be, and such person's entitlement to such benefits is considered a share or a profit participating certificate, as the case may be.

Furthermore, a Dutch Individual may, inter alia, derive, or be deemed to derive, benefits from the notes that are taxable as benefits from miscellaneous activities in the following circumstances:

- (1) if such Dutch Individual's investment activities go beyond the activities of an active portfolio investor, for instance in the case of use of insider knowledge or comparable forms of special knowledge;
- (2) if such Dutch Individual makes the notes available or is deemed to make the notes available, legally or as a matter of fact, directly or indirectly, to certain parties as meant by articles 3.91 and 3.92 of the Dutch Income Tax Act 2001 (*Wet op de inkomstenbelasting 2001*) under circumstances described there; or
- (3) if such Dutch Individual holds the notes, whether directly or indirectly, and any benefits to be derived from such notes are intended, in whole or in part, as remuneration for activities performed by him or by a person who is a connected person in relation to him as meant by article 3.92b, paragraph 5, of the Dutch Income Tax Act 2001 (*Wet op de inkomstenbelasting 2001*).

#### *Other Dutch Individuals*

If a Holder of notes is a Dutch Individual whose situation has not been discussed before in this section “— Taxes on Income and Capital Gains – Resident Holders of Notes,” benefits from such Dutch Individual's notes are taxed annually as a benefit from savings and investments. For the tax year 2020, such benefit is deemed to be 1.799% (on assets with a total value up to and including €72,798), 4.223% (on assets with a total value from €72,798 up to and including €1,005,573) and 5.33% (on assets with a total value above €1,005,573) *per annum* of such Dutch Individual's “yield basis,” to be determined at the beginning of the calendar year, to the extent that such yield basis exceeds the “exempt net asset amount” for the relevant year. The benefit is taxed at the rate of 30% (2020 rate). The value of such Dutch Individual's notes forms part of such Dutch Individual's yield basis. Actual benefits derived from such Dutch Individual's notes, including any gain realized on the disposal of such Dutch Individual's notes, are not as such subject to Dutch personal income tax.

#### *Attribution Rule*

Benefits derived or deemed to be derived from certain miscellaneous activities by, and yield basis for benefits from savings and investments of, a child or a foster child who is under eighteen years of age are attributed to the parent who exercises, or to the parents who exercise, authority over the child, irrespective of the country of residence of the child.

### *Dutch Corporate Entities*

Any benefits derived or deemed to be derived from the notes, including any gain realized on the disposal thereof, that are held by a Dutch Corporate Entity are generally subject to Dutch corporate income tax at the marginal top rate of 25% (2020 rate).

### ***Taxes on Income and Capital Gains – Non-Resident Holders of Notes***

The summary set out in this section “—Taxes on Income and Capital Gains – Non-Resident Holders of Notes” applies only to a Holder of notes who is a Non-Resident Holder of notes.

A Holder of notes will be considered a “Non-Resident Holder of notes” if such Holder is neither resident, nor deemed to be resident, in the Netherlands for the purposes of Dutch personal income tax or corporate income tax, as the case may be.

### *Individuals*

A Non-Resident Holder of notes who is an individual will not be subject to any Dutch taxes on income or capital gains in respect of any benefits derived or deemed to be derived from the notes, including any payment under the notes and any gain realized on the disposal of the notes, except if:

- (1) such Non-Resident Holder of notes derives profits from an enterprise directly, or pursuant to a co-entitlement to the net value of such enterprise, other than as a holder of securities, which enterprise either is managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative which is taxable in the Netherlands, and such Non-Resident Holder’s notes are attributable to such enterprise; or
- (2) such Non-Resident Holder of notes derives benefits or is deemed to derive benefits from the notes that are taxable as benefits from miscellaneous activities in the Netherlands.

See the section “—Taxes on Income and Capital Gains – Resident Holders of Notes—Dutch Individuals Deriving Benefits from Miscellaneous Activities” for a description of the circumstances under which the benefits derived from the notes may be taxable as benefits from miscellaneous activities, on the understanding that such benefits will be taxable in the Netherlands only if such activities are performed or deemed to be performed in the Netherlands.

### *Attribution Rule*

Benefits derived or deemed to be derived from certain miscellaneous activities by a child or a foster child who is under eighteen years of age are attributed to the parent who exercises, or to the parents who exercise, authority over the child, irrespective of the country of residence of the child.

### *Entities*

A Non-Resident Holder of notes other than an individual will not be subject to any Dutch taxes on income or capital gains in respect of any benefits derived or deemed to be derived from the notes, including any payment under the notes and any gain realized on the disposal of the notes, except if

- (1) such Non-Resident Holder of notes derives profits from an enterprise directly, or pursuant to a co-entitlement to the net value of such enterprise, other than as a holder of securities, which enterprise either is managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative which is taxable in the Netherlands, and its notes are attributable to such enterprise; or

- (2) such Non-Resident Holder of notes has a substantial interest in the issuer (as described above under the section “—Taxes on Income and Capital Gains – Resident Holders of Notes—Dutch Individuals Deriving Benefits from Miscellaneous Activities”) or a deemed substantial interest in the issuer, while (a) the main purpose or one of the main purposes of such Non-Resident Holder of notes is to frustrate the imposition of income or dividend tax on another person (“main purpose test”) and (b) such Non-Resident Holder of notes and issuer do form part of an artificial construction or sequence of constructions (“artificial construction test”). A construction or sequence of constructions is considered to be artificial if implemented on reasons other than valid business reasons which reflect economic reality.

A deemed substantial interest may be present if shares, profit participating certificates or rights to acquire shares in the issuer are held by such person or deemed to be held by such person following the application of a non-recognition provision.

### *General*

Subject to the above, a Non-Resident Holder of notes will not be subject to income taxation in the Netherlands solely by reason of the execution and/or enforcement of the documents relating to the issue of the notes or the performance by the issuer of its obligations under such documents or under the notes.

### *Gift and Inheritance Taxes*

If a Holder of notes disposes of the notes by way of gift, in form or in substance, or if a Holder of notes who is an individual dies, no Dutch gift tax or Dutch inheritance tax, as applicable, will be due, unless:

- (1) the donor is, or the deceased was, resident (or deemed to be resident) in the Netherlands for purposes of Dutch gift tax or Dutch inheritance tax, as applicable; or
- (2) the donor made a gift of the notes, then became a resident or deemed resident of the Netherlands, and died as a resident or deemed resident of the Netherlands within 180 days of the date of the gift.

For purposes of the above, a gift of the notes made under a condition precedent is deemed to be made at the time the condition precedent is satisfied.

### *Value Added Tax*

No Dutch value added tax will arise in respect of any payment in consideration for the issue of the notes or with respect to any payment by the issuer of principal or interest on the notes.

### *Registration Taxes and Duties*

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, is payable in the Netherlands in respect of or in connection with (1) the execution and/or enforcement by legal proceedings (including the enforcement of any foreign judgment in the courts of the Netherlands) of the documents relating to the issue of the notes, (2) the performance by the issuer of its obligations under such documents or under the notes, or (3) the transfer of the notes.

### **United States Federal Income Taxation**

The following is a summary of certain United States federal income tax consequences of the purchase, ownership and disposition of notes as of the date hereof. Except where noted, this summary deals only with notes that are held as capital assets by a U.S. holder (as defined below) who acquires the notes upon original issuance at their initial offering price.

A “U.S. holder” means a person that is for United States federal income tax purposes a beneficial owner of the notes and any of the following:

- an individual citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

This summary is based upon provisions of the Internal Revenue Code of 1986, as amended (the “Code”), and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in United States federal income tax consequences different from those summarized below. This summary does not address all aspects of United States federal income taxes and does not deal with foreign, state, or local or other tax considerations (including the Medicare tax on net investment income) that may be relevant to you in light of your personal circumstances. In addition, it does not represent a detailed description of the United States federal income tax consequences applicable to you if you are subject to special treatment under the United States federal income tax laws. For example, this summary does not address:

- tax consequences to holders who may be subject to special tax treatment, such as dealers in securities or currencies, traders in securities that elect to use the mark-to-market method of accounting for their securities, financial institutions, regulated investment companies, real estate investment trusts, partnerships or other pass-through entities for United States federal income tax purposes, tax-exempt entities or insurance companies;
- tax consequences to persons holding the notes as part of a hedging, integrated, constructive sale or conversion transaction or a straddle;
- tax consequences to holders of the notes who own or are deemed to own 10% or more of the equity of Braskem Netherlands Finance (by vote or value);
- tax consequences to holders of the notes whose “functional currency” is not the U.S. dollar;
- tax consequences attributable to persons being required to accelerate the recognition of any item of gross income with respect to the notes as a result of such income being recognized on an applicable financial statement; or
- alternative minimum tax consequences, if any.

If a partnership (or other entity treated as a partnership for United States federal income tax purposes) holds the notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding the notes, you should consult your tax advisors.

**If you are considering the purchase of notes, you should consult your own tax advisors concerning the particular United States federal income tax consequences to you of the purchase, ownership and disposition of the notes, as well as the consequences to you arising under other United States federal tax laws and the laws of any other taxing jurisdiction.**

#### *Treatment of the Notes*

The United States federal income tax treatment of a financial instrument with terms similar to the features of the notes is not entirely certain. The notes are in form indebtedness and provide for a repayment of their principal

amount at maturity. Notwithstanding the attributes described in the preceding sentence, other factors, such as (i) the term of the notes, (ii) the provisions relating to the potential deferral of interest payments on the notes and (iii) certain of the provisions relating to the creditor rights of holders, suggest that the notes may be characterized as equity of Braskem Netherlands Finance for United States federal income tax purposes. Although the matter is not free from doubt, we believe that the notes are more properly characterized as equity of Braskem Netherlands Finance for United States federal income tax purposes. There can be no assurance, however, that the IRS will not treat the notes as indebtedness for United States federal income tax purposes, and such treatment, if successfully asserted by the IRS, may have adverse United States federal income tax consequences to a holder of the notes.

Except as discussed under the heading “—Potential Alternative Characterizations of the Notes” below, the discussion below assumes that the notes will be treated as equity of Braskem Netherlands Finance for United States federal income tax purposes. U.S. holders should consult with their own tax advisors about the characterization of the notes for United States federal income tax purposes.

### ***Payments of Interest***

Under the United States federal income tax laws, the interest payments with respect to the notes, including any additional amounts (“Periodic Payments”), will, notwithstanding being denominated as “interest,” be treated as dividends to the extent paid out of Braskem Netherlands Finance’s current or accumulated earnings and profits, as determined under United States federal income tax principles. To the extent that the amount of any Periodic Payment exceeds Braskem Netherlands Finance’s current and accumulated earnings and profits for a taxable year, the payment will first be treated as a tax-free return of capital, causing a reduction in the tax basis of the notes, and to the extent the amount of the Periodic Payment exceeds your tax basis, the excess will be taxed as capital gain recognized on a sale of the notes. Braskem Netherlands Finance does not, however, expect to determine earnings and profits in accordance with United States federal income tax principles. Therefore, you should expect that a Periodic Payment will generally be treated as a dividend.

Any dividends that you receive will be includable in your gross income as ordinary income on the day actually or constructively received by you, subject to the application of the PFIC rules discussed below. Such Periodic Payments will not be eligible for the dividends received deduction allowed to corporations under the Code.

Subject to certain conditions and limitations (including a minimum holding period requirement), dividends received by a non-corporate U.S. holder from a qualified foreign corporation that is not a PFIC (as discussed below) may be subject to reduced rates of taxation. A foreign corporation is treated as a qualified foreign corporation for these purposes if (i) the shares on which the dividends are paid are readily tradable on an established securities market in the United States or (ii) the foreign corporation is eligible for the benefits of a comprehensive income tax treaty with the United States which the United States Treasury Department determines to be satisfactory for these purposes and which includes an exchange of information provision. We do not believe that any Periodic Payments will be eligible for these reduced rates of taxation, but you are urged to consult your tax advisor in this regard.

You may be entitled to deduct or credit any foreign withholding tax imposed with respect to Periodic Payments on the notes, subject to certain limitations (including that the election to deduct or credit foreign taxes applies to all of your foreign taxes for a particular tax year). Periodic Payments generally will be considered foreign source income and, for purposes of the United States foreign tax credit, generally will be considered passive category income. You will generally be denied a foreign tax credit for foreign taxes imposed with respect to the notes where you do not meet a minimum holding period requirement during which you are not protected from risk of loss. The rules governing the foreign tax credit are complex. You are urged to consult your tax advisors regarding the availability of the foreign tax credit under your particular circumstances.

### ***Sale, Exchange, Retirement or Other Taxable Disposition of Notes***

Upon the sale, exchange, retirement or other taxable disposition of the notes, you will recognize taxable gain or loss in an amount equal to the difference between the amount realized for the notes and your tax basis in the notes. Subject to the discussion under “—Passive Foreign Investment Company Rules” below, such gain or loss will generally be capital gain or loss and will generally be long-term capital gain or loss if you have held the notes for more than one year. Long-term capital gains of non-corporate U.S. holders (including individuals) are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Any gain or loss recognized by



you will generally be treated as United States source gain or loss. Consequently, you may not be able to use the foreign tax credit arising from any foreign tax imposed on the disposition of the notes unless such credit can be applied (subject to applicable limitations) against tax due on other income treated as derived from foreign sources. Alternatively, you may deduct any foreign tax imposed on the disposition of the notes, provided that you do not elect to claim a foreign tax credit for any foreign income taxes paid or accrued in the taxable year.

### ***Passive Foreign Investment Company Rules***

Special United States federal income tax rules apply to U.S. holders owning equity in a PFIC. A non-U.S. corporation generally is classified as a PFIC for United States federal income tax purposes in any taxable year in which either: (1) at least 75% of its gross income is “passive income” or (2) at least 50% of the gross value of its assets is attributable to assets that produce, or are held for the production of, passive income.

For this purpose, passive income generally includes, among other things, dividends, interest, rents and royalties (in reach case, subject to certain exceptions), and gains from the disposition of passive assets. For purposes of determining whether a non-U.S. corporation is a PFIC, if the non-U.S. corporation owns at least 25% (by value) of the stock of another corporation, the non-U.S. corporation will be treated as owning its proportionate share of the other corporation’s gross assets and receiving its proportionate share of the other corporation’s gross income.

Under the PFIC rules, interest received or accrued from a related person is not treated as passive income to the extent such interest is properly allocable to income of such related person which is not passive income (the “related party exception”). Therefore, although the interest income of Braskem Netherlands Finance would otherwise be treated as passive income under the general rule discussed above, we believe that the related party exception generally will apply to Braskem Netherlands Finance, and, thus, we do not believe that Braskem Netherlands Finance will be a PFIC in the current taxable year or the foreseeable future, although there can be no assurance in this regard. The determination of whether Braskem Netherlands Finance is a PFIC will be made annually. Accordingly, it is possible that Braskem Netherlands Finance may become a PFIC in the current or any future taxable year due to changes in its asset or income composition.

In the event that Braskem Netherlands Finance is treated as a PFIC for any taxable year during which you hold notes, you will be subject to special tax rules with respect to any “excess distribution” received and any gain realized from a sale or other disposition, including a pledge, of the notes. Periodic Payments received in a taxable year will be treated as excess distributions to the extent that they are greater than 125% of the average Periodic Payments received during the shorter of the three preceding taxable years or your holding period for the notes. Thus, in the event that there is a deferral of interest on the notes, subsequent payments of interest may be treated as excess distributions. Under these special tax rules:

- the excess distribution or gain will be allocated ratably over your holding period for the notes,
- the amount allocated to the current taxable year, and any taxable year prior to the first taxable year in which Braskem Netherlands Finance was a PFIC, will be treated as ordinary income, and
- the amount allocated to each other year will be subject to tax at the highest tax rate in effect for that year and the interest charge generally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year.

Non-corporate U.S. holders will not be eligible for reduced rates of taxation on any Periodic Payments if Braskem Netherlands Finance is a PFIC in the taxable year in which such Periodic Payments are paid or in the preceding taxable year (although, as discussed above under “—Payments of Interest,” we do not expect such reduced rates to be available for Periodic Payments regardless of Braskem Netherlands Finance’s PFIC status). U.S. holders will also generally be required to file IRS Form 8621 if they hold the notes in any year in which Braskem Netherlands Finance is classified as a PFIC.

Current law provides for certain elections that would be available that would result in alternative treatments of any gain and excess distributions, including a “mark-to-market” election (the availability of which would depend on, among other factors, whether the notes are considered to be regularly traded on a “qualified exchange or other

market”) and a “qualified electing fund” election (for which Braskem Netherlands Finance does not currently intend to comply with the requirements necessary for holders to be able to make this election).

You are urged to consult your own tax advisors concerning the United States federal income tax consequences of holding notes if Braskem Netherlands Finance is considered a PFIC in any taxable year, including the potential availability and consequences of a mark-to-market election.

### ***Substitution or Variation of the Notes***

If we were to exercise our rights to substitute the notes or vary their terms, as described under “Description of the Notes—Substitution or Variation” the tax consequences of such a substitution or variation are not clear under current tax law. A substitution or variation may be tax-free, either because it is not a realization event or because it is treated as a recapitalization for United States federal income tax purposes. In either tax-free situation, a U.S. holder’s basis in the Qualifying Notes (as defined under “Description of the Notes—Substitution or Variation”) received would equal the holder’s basis in the notes substituted or varied therefor and the holding period of the Qualifying Notes would include the holding period of the notes substituted or varied therefor.

It is also possible that a substitution or variation could be treated in whole or in part as a taxable exchange in which gain or loss would be recognized. In such event, subject to the discussion under “—Passive Foreign Investment Company Rules” above, a U.S. holder would recognize capital gain or loss in an amount equal to the difference between the fair market value of the Qualifying Notes received and the U.S. holder’s tax basis in the notes deemed surrendered. In this case, a U.S. holder’s tax basis in the Qualifying Notes received would equal the fair market value of the Qualifying Notes received. A U.S. holder would begin a new holding period for the Qualifying Notes and would not include the period during which the U.S. holder held the notes that were deemed surrendered.

Due to the absence of authority on the United States federal income tax treatment of a substitution or variation, there can be no assurance which, if any, of the alternative tax consequences described above would be adopted by the IRS or a court of law. Accordingly, U.S. holders should consult their tax advisors regarding the tax consequences of a substitution or variation.

### ***Substitution of the Issuer***

Braskem Netherlands Finance may, subject to certain conditions, be replaced and substituted by Braskem or any Wholly-owned Subsidiary of Braskem as principal debtor (the “Substituted Issuer”) in respect of the notes (see “Description of the Notes—Substitution of the Issuer”). This substitution may be treated for United States federal income tax purposes as a deemed taxable exchange of the notes for new notes issued by the Substituted Issuer and thus may result in certain adverse tax consequences to you. You should consult your own tax advisors regarding any potential adverse tax consequences to you that may result from a substitution of Braskem Netherlands Finance.

### ***Potential Alternative Characterizations of the Notes***

As discussed above, the United States federal income tax treatment of the notes is not certain, and it is possible that the notes could be treated as indebtedness of Braskem Netherlands Finance for United States federal income tax purposes, rather than equity. If the notes were so treated, Periodic Payments on the notes would generally be treated as interest rather than dividends, and we believe that the notes would be subject to the United States Treasury regulations governing original issue discount (“OID”), in which case U.S. holders generally would be required to include amounts representing OID in their gross income as it accrues in advance of the receipt of cash payments attributable to such income using a constant yield method. Any OID generally would be treated as derived from foreign sources for foreign tax credit limitation purposes. U.S. holders should consult their own tax advisors as to the tax consequences if the notes are classified as indebtedness for United States federal income tax purposes.

### ***Backup Withholding and Information Reporting***

Generally, information reporting requirements will apply to all Periodic Payments on the notes and the proceeds from a sale, exchange, retirement or other disposition of a note paid to you, unless you are an exempt recipient. Additionally, if you fail to provide your taxpayer identification number, or, in the case of Periodic Payments, fail

either to report in full dividend and interest income or to make certain certifications, you may be subject to backup withholding on any such payments or proceeds.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your United States federal income tax liability, provided the required information is timely furnished to the IRS.

Certain U.S. holders are required to report information relating to an interest in the notes, subject to certain exceptions (including an exception for notes held in accounts maintained by certain financial institutions), by attaching a complete IRS Form 8938, Statement of Specified Foreign Financial Assets, with their tax return for each year in which they hold an interest in the notes. You are urged to consult your own tax advisors regarding information reporting requirements relating to your ownership of the notes.

## TRANSFER RESTRICTIONS

The notes (including the guarantee) have not been registered, and will not be registered, under the Securities Act or any other applicable securities laws, and the notes (including the guarantee) may not be offered or sold except pursuant to an effective registration statement or pursuant to transactions exempt from, or not subject to, registration under the Securities Act. Accordingly, the notes (including the guarantee) are being offered and sold only:

- in the United States to qualified institutional buyers (as defined in Rule 144A) in reliance on Rule 144A; and
- outside of the United States to non-U.S. persons (under Regulation S) in offshore transactions meeting the requirements of Rule 903 of Regulation S.

As otherwise used in this section, all references to the “notes,” unless the context requires otherwise, includes the guarantee.

### **Purchasers’ Representations and Restrictions on Resale and Transfer**

Each purchaser of notes (other than the initial purchasers in connection with the initial issuance and sale of notes) and each owner of any beneficial interest therein will be deemed, by its acceptance or purchase thereof, to have represented and agreed as follows:

(1) It is purchasing the notes for its own account or an account with respect to which it exercises sole investment discretion and it and any such account is either (a) a qualified institutional buyer and is aware that the sale to it is being made in reliance on Rule 144A or (b) a non-U.S. person that is outside the United States;

(2) It acknowledges that the notes have not been registered under the Securities Act or with any securities regulatory authority of any jurisdiction and may not be offered, sold or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

(3) It understands and agrees that notes initially offered in the United States to qualified institutional buyers will be represented by one or more Global Notes and that notes offered outside the United States in reliance on Regulation S will also be represented by one or more Global Notes;

(4) It will not resell or otherwise transfer any of such notes except (a) to Braskem Netherlands Finance or Braskem, (b) within the United States to a qualified institutional buyer in a transaction complying with Rule 144A, (c) outside the United States in compliance with Rule 903 or 904 of Regulation S under the Securities Act and, with respect to the Netherlands and Europe, to qualified investors within the meaning of the Prospectus Regulation, (d) pursuant to another applicable exemption from registration under the Securities Act (if available) or (e) pursuant to an effective registration statement under the Securities Act;

(5) It will not resell or otherwise transfer any of such notes to a retail client as defined in point (11) of Article 4(1) of MiFID II;

(6) It agrees that it will give to each person to whom it transfers the notes notice of any restrictions on transfer of such notes;

(7) In the case of a purchaser under Regulation S, it acknowledges that until 40 days after the later of the commencement of the offering and the closing of the offering, any transfers of beneficial interests in the Regulation S Global Notes may be made only to a Regulation S person or to a person who takes delivery in the form of an interest in the Restricted Global Note in compliance with the requirements described under “Form of the Notes”;

(8) It acknowledges that until 40 days after the later of the commencement of the offering and the closing of the offering, any offer or sale of the notes within the United States by a broker-dealer (whether or not

participating in the offering) not made in compliance with Rule 144A may violate the registration requirements of the Securities Act;

(9) It acknowledges that prior to any proposed transfer of notes (other than pursuant to an effective registration statement or in respect of notes sold or transferred either pursuant to Rule 144A or Regulation S) the holder of such notes may be required to provide certifications relating to the manner of such transfer as provided in the indenture governing the notes;

(10) It acknowledges that the trustee, registrar or transfer agent for the notes will not be required to accept for registration of transfer any notes acquired by it, except upon presentation of evidence satisfactory to us and the trustee, registrar or transfer agent that the restrictions set forth herein have been complied with;

(11) It acknowledges that we, the initial purchasers and other persons will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgements, representations and agreements deemed to have been made by its purchase of the notes are no longer accurate, it will promptly notify us and the initial purchasers. If it is acquiring the notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each account; and

(12) It understands that the notes will bear a legend substantially to the effect set forth below.

#### **Legends**

The following is the form of restrictive legend which will appear on the face of the Restricted Global Note, and which will be used to notify transferees of the foregoing restrictions on transfer:

**“THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES FOR THE BENEFIT OF BRASKEM NETHERLANDS FINANCE B.V. AND BRASKEM S.A. THAT THIS NOTE OR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1) TO BRASKEM NETHERLANDS FINANCE B.V. OR BRASKEM S.A., (2) SO LONG AS THIS NOTE IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”), TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A) IN ACCORDANCE WITH RULE 144A, (3) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT, (4) PURSUANT TO ANOTHER APPLICABLE EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, AND IN EACH OF SUCH CASES IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER APPLICABLE JURISDICTION. AS A CONDITION TO THE REGISTRATION OF TRANSFER OF THIS NOTE PURSUANT TO CLAUSE (4) ABOVE, BRASKEM NETHERLANDS FINANCE B.V., BRASKEM S.A. OR THE TRUSTEE MAY REQUIRE DELIVERY OF ANY DOCUMENTATION OR OTHER EVIDENCE THAT IT, IN ITS SOLE DISCRETION, DEEMS NECESSARY OR APPROPRIATE TO EVIDENCE COMPLIANCE WITH THE EXEMPTION REFERRED TO IN SUCH CLAUSE (4) AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER APPLICABLE JURISDICTION. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, REPRESENTS AND AGREES THAT IT SHALL NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE.**

**THIS LEGEND MAY BE REMOVED SOLELY IN THE DISCRETION AND AT THE DIRECTION OF BRASKEM NETHERLANDS FINANCE B.V. OR BRASKEM S.A.”**

The following is the form of restrictive legend which will appear on the face of the Regulation S Global Note, and which will be used to notify transferees of the foregoing restrictions on transfer:

**THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION. THE HOLDER OF THIS NOTE, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER THIS NOTE, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS AFTER THE LATER OF (1) THE ORIGINAL ISSUE DATE HEREOF AND (2) THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS NOTE (OR ANY PREDECESSOR OF THIS NOTE), ONLY (A) TO THE ISSUER, (B) UNDER A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE NOTES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QUALIFIED INSTITUTIONAL BUYER AND TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) THROUGH OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN RELIANCE UPON REGULATION S OR (E) UNDER ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR OTHER TRANSFER PURSUANT TO CLAUSE (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, A CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO THE ISSUER.**

For further discussion of the requirements (including the presentation of transfer certificates) under the indenture to effect exchanges or transfers of interest in Global Notes and certificated notes, see "Form of the Notes."

## ENFORCEABILITY OF CIVIL LIABILITIES

### Brazil

Braskem is a corporation organized under the laws of Brazil. All of the directors and officers of Braskem and some of the advisors named herein reside in Brazil or elsewhere outside the United States, and all or a significant portion of the assets of these persons may be located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States or other jurisdictions outside Brazil upon these persons, or to enforce against these persons judgments predicated upon the civil liability provisions of U.S. federal securities laws or the laws of any other jurisdiction.

In the indenture pursuant to which the notes will be issued, Braskem will agree that the courts of the State of New York and the federal courts of the United States, in each case sitting in the Borough of Manhattan, The City of New York, will have jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with the guarantee and, for such purposes, irrevocably submit to the non-exclusive jurisdiction of these courts, and will name an agent for service of process in the Borough of Manhattan, The City of New York. See "Description of the Notes."

We have been advised by Tauil & Chequer Advogados in association with Mayer Brown LLP, our Brazilian counsel, that judgments of non-Brazilian courts for the payment of money, including for civil liabilities predicated upon the laws of countries other than Brazil, including U.S. federal securities laws, subject to certain requirements described below, may be enforced in Brazil. A judgment against either us or any other person described above obtained outside Brazil would be enforceable in Brazil against us or any such person without reconsideration of the merits, upon confirmation of that judgment by the Brazilian Superior Court of Justice (*Superior Tribunal de Justiça*), or the STJ. That confirmation, generally, will occur if the foreign judgment:

- fulfills all formalities required for its enforceability under the laws of the jurisdiction where the foreign judgment is granted;
- is issued by a competent court after proper service of process is made on the parties, which service must comply with Brazilian law if made in Brazil;
- is *res judicata* – final and therefore not subject to appeal or re-examination of any other nature by any court or authority in the jurisdiction in which it was rendered;
- is for a sum certain;
- is authenticated by a Brazilian consular office with jurisdiction over the location of the court that issued the foreign judgment and is accompanied by a sworn translation into Portuguese, except if such procedure was exempted by an international treaty entered into by Brazil;
- does not violate a final unappealable decision issued by a Brazilian court;
- does not violate the exclusive jurisdiction of the Brazilian courts; and
- is not contrary to Brazilian national sovereignty, public policy or public morality.

The confirmation process may be time-consuming and may also give rise to difficulties in enforcing the foreign judgment in Brazil. Accordingly, we cannot assure you that confirmation would be obtained, that the confirmation process would be conducted in a timely manner or that a Brazilian court would enforce a monetary judgment for violation of the laws of countries other than Brazil, including the U.S. securities laws.

We have also been advised that:

- civil actions, although uncommon, may theoretically be brought before Brazilian courts based on the federal securities laws of the United States and that, subject to applicable law, Brazilian courts may enforce such liabilities in such actions against us (provided that provisions of the federal securities laws of the United States do not contravene Brazilian national sovereignty, public policy or public morality, and provided further that Brazilian courts can assert jurisdiction over the particular action); and
- the ability of a judgment creditor to satisfy a judgment by attaching certain assets of the defendant in Brazil is governed and limited by provisions of Brazilian law.

A plaintiff (whether Brazilian or non-Brazilian) who resides outside Brazil during the course of litigation in Brazil must provide a bond to guarantee court costs and legal fees if the plaintiff owns no real property in Brazil that may ensure such payment. This bond must have a value sufficient to satisfy the payment of court fees and defendant's attorneys' fees, as determined by the Brazilian judge. This requirement does not apply to enforcement of foreign judgments which have been duly confirmed by the STJ, nor to exceptions set forth in certain limited circumstances (*i.e.* if an exemption is provided in an international treaty entered into by Brazil, in case of enforcement of *títulos executivos extrajudiciais* and counterclaims (*reconvenções*) under Article 83, Paragraph 1, of Law No. 13,105, of March 16, 2015, or the Brazilian Code of Civil Procedure.

We have been advised that, if the notes or the indenture were to be declared void by a Brazilian court applying the laws of the State of New York, a judgment obtained outside Brazil seeking to enforce the guarantee may not be ratified by the STJ in Brazil.

### **The Netherlands**

Braskem Netherlands Finance is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid* or B.V.) incorporated under the laws of the Netherlands. It may be difficult for investors to enforce against Braskem Netherlands Finance judgments obtained in courts outside the Netherlands. Where there is no treaty on the recognition and enforcement of judgments between a country and the Netherlands, as is the case for the United States (other than for arbitral awards), a judgment rendered by a court of such country, or a foreign court, will not be enforced by the courts of the Netherlands. In order to obtain a judgment which is enforceable in the Netherlands, the claim must be relitigated before a competent Dutch court. However, a final judgment obtained in a foreign court and not rendered by default, which is not subject to appeal or other means of contestation and is enforceable in the United States may be submitted to a Dutch court. If the Dutch court finds that the jurisdiction of the foreign court has been based on grounds which are internationally acceptable and that proper legal procedures have been observed, the Dutch court will, in principle, uphold such final judgment and regard it as conclusive evidence, without substantive re-examination or re-litigation on the merits of the subject matter thereof, unless the contents and enforcement of such judgment conflict with Dutch public policy (*openbare orde*) and it has not been rendered in proceedings of a penal or revenue or other public law nature. In case of concurrent proceedings in more than one jurisdiction, the courts in the Netherlands have the authority to stay concurrent proceedings if these were brought elsewhere.



## PLAN OF DISTRIBUTION

BNP Paribas Securities Corp., Morgan Stanley & Co. LLC, Santander Investment Securities Inc., Itau BBA USA Securities, Inc., SMBC Nikko Securities America, Inc. and Standard Chartered Bank are acting as initial purchasers for this offering of notes. Subject to the terms and conditions stated in the purchase agreement dated July 20, 2020, each initial purchaser has severally, and not jointly, agreed to purchase, and Braskem Netherlands Finance has agreed to sell to that initial purchaser, the principal amount of the notes set forth opposite the initial purchaser's name below.

<b>Initial Purchasers</b>	<b>Principal amount of notes</b>
BNP Paribas Securities Corp.....	US\$ 133,334,000
Morgan Stanley & Co. LLC.....	133,334,000
Santander Investment Securities Inc. ....	133,334,000
Itau BBA USA Securities, Inc.....	66,666,000
SMBC Nikko Securities America, Inc. ....	66,666,000
Standard Chartered Bank.....	66,666,000
<b>Total</b> .....	<b>US\$ 600,000,000</b>

The purchase agreement provides that the obligations of the initial purchasers to purchase the notes are subject to approval of legal matters by counsel, including the validity of the notes, and to other conditions. The initial purchasers must purchase all the notes if they purchase any of the notes.

We have been advised that the initial purchasers propose to resell the notes at the offering price set forth on the cover page of this offering memorandum within the United States to qualified institutional buyers (as defined in Rule 144A) in reliance on Rule 144A and outside the United States in reliance on Regulation S. See “Transfer Restrictions.” The offering price at which the notes are offered may be changed at any time without notice.

The notes (including the guarantee) have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. See “Transfer Restrictions.”

Each initial purchaser has agreed, in connection with sales of notes outside the United States, that, except as permitted by the purchase agreement and set forth in “Transfer Restrictions,” it will not offer or sell the notes within the United States or to, or for the account or benefit of, U.S. persons as part of its distribution at any time, or otherwise until 40 days after the later of the commencement of this offering and the closing date of this offering.

In addition, until 40 days after the commencement of this offering, an offer or sale of notes within the United States by a dealer (whether or not participating in this offering) may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A.

We will apply to the SGX-ST for permission to list the notes on the SGX-ST. We cannot assure you that the prices at which the notes will sell in the market after this offering will not be lower than the offering price for the notes or that an active trading market for the notes will develop and continue after this offering. The initial purchasers have advised us that they currently intend to make a market in the notes. However, they are not obligated to do so and they may discontinue any market-making activities with respect to the notes at any time without notice. In addition, market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act. Accordingly, we cannot assure you as to the liquidity of or the trading market for the notes.

In connection with this offering, the initial purchasers may purchase and sell notes in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment involves sales of notes in excess of the principal amount of notes to be purchased by the initial purchasers in this offering, which creates a short position for the initial purchasers. Covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing

transactions consist of certain bids or purchases of notes made for the purpose of preventing or delaying a decline in the market price of the notes while this offering is in progress. Any of these activities may have the effect of preventing or delaying a decline in the market price of the notes. They may also cause the price of the notes to be higher than the price that otherwise would exist in the open market in the absence of these transactions. The initial purchasers may conduct these transactions in the over-the-counter market or otherwise. The initial purchasers do not make any representation that they will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice. The initial purchasers do not make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the notes.

We expect to deliver the notes against payment thereof on or about the date specified in the last paragraph of the cover page of this offering memorandum, which will be the third business day following the date of the pricing of the notes. Because trades in the secondary market generally settle in two business days unless the parties to any such trades expressly agree otherwise, purchasers of the notes who wish to trade the notes on the trade date will be required, by virtue of the fact that the notes initially will settle in T+3, to specify alternative settlement arrangements to prevent a failed settlement.

We have agreed to indemnify the initial purchasers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments that the initial purchasers may be required to make because of any of those liabilities.

We have also agreed not to offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, or announce the offering of, any U.S. dollar-denominated debt securities having a substantially similar tenor to the notes in capital markets outside Brazil prior to the fifteenth day after the closing date of this offering without the prior written consent of the initial purchasers.

Purchasers of any notes sold outside the United States may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the offering price paid by such purchasers for such notes.

### **Selling Restrictions**

Neither we nor the initial purchasers are making an offer to sell, or seeking offers to buy, the notes (or related guarantee) in any jurisdiction where the offer and sale is not permitted. You must comply with all applicable laws and regulations in force in any jurisdiction in which you purchase, offer or sell the notes or possess or distribute this offering memorandum, and you must obtain any consent, approval or permission required for your purchase, offer or sale of the notes under the laws and regulations in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales. Neither we nor the initial purchasers will have any responsibility therefor.

### ***The Netherlands***

The notes have not been and will not be offered, transferred, sold or delivered (including rights representing an interest in each global note that represents the notes) to individuals or legal entities in the Netherlands other than to qualified investors within the meaning of the Prospectus Regulation.

### ***Prohibition of Sales to UK and EEA Retail Investors***

Each initial purchaser has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any notes to any retail investor in the UK or the EEA. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (b) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

## ***United Kingdom***

Each initial purchaser has represented and agreed that:

- they have only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the United Kingdom Financial Services and Markets Act 2000, or the FSMA) received by it in connection with the issue or sale of the notes in circumstances in which section 21(1) of the FSMA does not apply to the issuer or the guarantor; and
- they have complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

## ***Brazil***

The notes (and related guarantee) have not been and will not be issued nor publicly placed, distributed, offered or negotiated in the Brazilian capital markets. The issuance of the notes (and related guarantee) has not been nor will be registered with the CVM. Any public offering or distribution, as defined under Brazilian laws and regulations, of the notes (and related guarantee) in Brazil is not legal without prior registration under Law No. 6,385/76, as amended, and Instruction No. 400, issued by the CVM on December 29, 2003, as amended. Documents relating to the offering of the notes (and related guarantee), as well as information contained therein, may not be supplied to the public in Brazil (as the offering of the notes is not a public offering of securities in Brazil), nor be used in connection with any offer for subscription or sale of the notes to the public in Brazil.

Persons wishing to offer or acquire the notes within Brazil should consult with their own counsel as to the applicability of registration requirements or any exemption therefrom.

## ***Chile***

The offer of the notes began on July 14, 2020 and is subject to General Rule No. 336 of the Chilean Securities and Insurance Commission (*Superintendencia de Valores y Seguros de Chile*), or the SVS. Neither the issuer nor the notes are registered in the Securities Registry (*Registro de Valores*) or the Foreign Securities Registry (*Registro de Valores Extranjeros*) of the SVS or subject to the control and supervision of the SVS. This offering memorandum and other offering materials relating to the offer of the notes do not constitute a public offer of, or an invitation to subscribe for or purchase, the notes in the Republic of Chile, other than to individually identified purchasers pursuant to a private offering within the meaning of Article 4 of the Chilean Securities Market Act (*Ley de Mercado de Valores*) (an offer that is not “addressed to the public at large or to a certain sector or specific group of the public”). *La oferta de los valores comenzó el 14 de julio del 2020 y está acogida a la NCG 336 de fecha 27 de junio de 2012 de la SVS. Ni el emisor ni los valores están inscritos en el Registro de Valores o el Registro de Valores Extranjeros de la SVS, o sujetos al control y la supervisión de la SVS. El presente prospecto y los otros materiales relativos a la oferta de los valores no constituye una oferta pública de, ni una invitación a suscribir o comprar, tales valores en la República de Chile, salvo a compradores individualmente identificados conforme a una oferta privada en los términos del artículo 4 de la Ley de Mercado de Valores (una oferta que no está “dirigida al público en general o a un cierto sector o grupo específico de éste”).*

## ***Peru***

The notes and the information contained in this offering memorandum have not and will not be registered with the Peruvian Securities Market Regulator (*Superintendencia del Mercado de Valores*). Accordingly, the notes have not been offered or sold, and will not be offered or sold, in Peru, except that the notes may be offered in circumstances which do not constitute a public offering under Peruvian laws and regulations.

The notes will not be registered in the *Registro Público del Mercado de Valores*. As a result, the offering of the notes is limited to the restrictions set forth in the Peruvian Securities Market Law. Holders of the notes are not permitted to transfer the notes in Peru unless said transfer involves an institutional investor or the Securities are previously registered in the *Registro Público del Mercado de Valores*.

## ***Canada***

The notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the initial purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

## ***Hong Kong***

This offering memorandum has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. No person may offer or sell in Hong Kong, by means of any document, any notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No person may issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

## ***Japan***

The notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan, as amended, or the "FIEL," and, accordingly, the notes may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.

## ***Singapore***

This offering memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the notes were not offered or sold or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes, has not been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2)

of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable within 6 months after that corporation or that trust has acquired the notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law; or
- (4) as specified in Section 276(7) of the SFA.

Notification under Section 309B(1) of the Securities and Futures Act (Chapter 289) of Singapore (the "SFA"): In connection with Section 309B of the SFA, the notes are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### ***United Arab Emirates***

The notes have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Furthermore, this offering memorandum does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer. This offering memorandum has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority of the United Arab Emirates or the Dubai Financial Services Authority.

### **Other Relationships**

Some of the initial purchasers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the initial purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. These investments and securities activities may involve securities or instruments of ours or our affiliates. The initial purchasers have advised us that if they or their affiliates have a lending relationship with us, they routinely hedge their credit exposure to us consistent with their customary risk management policies. The initial purchasers have advised us that they and their affiliates would typically hedge this exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in

our securities, including potentially the notes offered hereby. Any such short positions could adversely affect future trading prices of the notes offered hereby. The initial purchasers and their affiliates may also make investment recommendations or publish or express independent research views in respect of these securities or financial instruments and may hold, or recommend to clients that they acquire, long or short positions in these securities and instruments. We may use a portion of the net proceeds from this offering to repay a portion of our outstanding indebtedness, which may include a portion of the indebtedness we owe to certain of the initial purchasers or their affiliates.

## **CERTAIN ERISA CONSIDERATIONS**

The following is a summary of certain considerations associated with the purchase and holding of the notes by (i) “employee benefit plans” (within the meaning of Section 3(3) of U.S. Employee Retirement Income Security Act of 1974, as amended, or ERISA) that are subject to Title I of ERISA, including, for example, entities such as collective investment funds and separate accounts, (ii) plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Code or provisions under any other U.S. or non-U.S. federal, state, local or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively referred to as Similar Laws), and (iii) entities whose underlying assets are considered to include the assets of any of the foregoing described in clauses (i) and (ii), pursuant to ERISA or otherwise (each of the foregoing described in clauses (i), (ii) and (iii) referred to herein as a Plan).

### **General Fiduciary Matters**

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan that is subject to Title I of ERISA or Section 4975 of the Code (each, a Covered Plan) and prohibit certain transactions involving the assets of a Covered Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such a Covered Plan or the management or disposition of the assets of such a Covered Plan, or who renders investment advice for a fee or other compensation to such a Covered Plan, is generally considered to be a fiduciary of the Covered Plan.

In considering an investment in the notes of a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to a fiduciary’s duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws. The prudence of a particular investment must be determined by the responsible fiduciary of the Plan by taking into account the Plan’s particular circumstances and all of the facts and circumstances of the investment, including, but not limited to, the matters discussed above under “Risk Factors” and the fact that in the future there may be no market in which such fiduciary will be able to sell or otherwise dispose of any notes it may purchase.

### **Prohibited Transaction Issues**

Section 406 of ERISA and Section 4975 of the Code prohibit Covered Plans from engaging in specified transactions involving plan assets with persons or entities who are “parties in interest,” within the meaning of ERISA, or “disqualified persons,” within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engaged in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the Covered Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code. The acquisition or holding of notes by a Covered Plan with respect to which we or the initial purchasers or our or their respective affiliates are considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor, or the DOL, has issued prohibited transaction class exemptions, or PTCEs, that may apply to the acquisition and holding of the notes by a Covered Plan.

The class exemptions which the DOL has issued include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide relief from the prohibited transaction provisions of ERISA and Section 4975 of the Code for certain transactions; provided that the applicable party in interest does not (directly or indirectly) have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Covered Plan involved in the transaction, and provided further that the Plan pays no more than adequate consideration in connection with the transaction. Each of

the above-noted exemptions contains conditions and limitations on its application. Fiduciaries of Covered Plans considering acquiring or holding the notes in reliance on these or any other exemption should carefully review the exemption in consultation with its legal advisors to assure it is applicable. There can be no assurance that all of the conditions of any such exemptions will be satisfied.

Plans that are, or whose assets constitute the assets of, governmental plans (as defined in Section 3(32) of ERISA), non-U.S. plans (as defined in Section 4(b)(4) of ERISA) and certain church plans (as defined in Section 3(33) of ERISA), while not necessarily subject to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to Similar Laws. Fiduciaries of any such Plans should consult with their counsel before purchasing any notes.

Because of the foregoing, the notes may not be purchased or held by any person investing “plan assets” of any Plan, unless such purchase and holding will not constitute a non-exempt prohibited transaction under ERISA and the Code or a similar violation of any applicable Similar Laws.

### **Representations**

By acceptance of a note, each purchaser and subsequent transferee of a note will be deemed to have represented and warranted that either (i) no portion of the assets used by such purchaser or transferee to acquire and hold the notes constitutes assets of any Plan or (ii) the purchase and holding of the notes by such purchaser or transferee will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation under any applicable Similar Laws.

The foregoing discussion is general in nature and is not intended to be all inclusive and should not be construed as legal advice. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons considering purchasing the notes on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of the Notes. Each purchaser and subsequent transferee has exclusive responsibility for ensuring that its purchase and holding of notes (or any interest therein) does not violate the fiduciary responsibility or prohibited transaction rules of ERISA or the Code or the provisions of applicable Similar Laws. The sale of any notes to a Plan is in no respect a representation by us, the initial purchasers or any of our or their respective affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan or that such investment is appropriate for Plans generally or any particular Plan.



## **LEGAL MATTERS**

The validity of the notes and the guarantee will be passed upon for Braskem and Braskem Netherlands Finance by Simpson Thacher & Bartlett LLP, U.S. counsel to Braskem and Braskem Netherlands Finance, and for the initial purchasers by Milbank LLP, U.S. counsel to the initial purchasers.

Certain matters of Brazilian law relating to the guarantee will be passed upon for Braskem and Braskem Netherlands Finance by Tauil & Chequer Advogados in association with Mayer Brown LLP, Brazilian counsel to Braskem and Braskem Netherlands Finance, and for the initial purchasers by Trench Rossi Watanabe Advogados, Brazilian counsel to the initial purchasers.

Certain matters of Dutch law will be passed upon for Braskem and Braskem Netherlands Finance by AKD N.V., Dutch counsel to Braskem and Braskem Netherlands Finance.

## INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The consolidated financial statements of Braskem S.A. as of December 31, 2019 and 2018, and for each of the years in the two-year period ended December 31, 2019, incorporated in this offering memorandum by reference to our Annual Report, and the effectiveness of internal control over financial reporting as of December 31, 2019, have been audited by KPMG Auditores Independentes, an independent registered public accounting firm, as stated in their reports incorporated by reference herein. The audit report on the effectiveness of internal control over financial reporting as of December 31, 2019 expresses an opinion that Braskem S.A. did not maintain effective internal control over financial reporting as of December 31, 2019 because of the effect of a material weakness in the achievement of the objectives of the control criteria and contains an explanatory paragraph that states that material weaknesses have been identified and included in management's assessment related to the Company's control environment, risk assessment, information and communication, and monitoring activities resulting in material weaknesses related to the ineffective design, implementation, and operation of: (i) general information technology controls (GITCs) in the areas of user access and program change-management over information technology systems that support the Company's financial reporting processes, as well as the completeness and accuracy of reports used by the Company, which resulted in business process controls that are dependent on the affected GITCs also being considered ineffective because they could have been adversely impacted; (ii) controls within the financial reporting process including consolidation, the analysis of complex and unusual transactions, review of manual journal entries and the preparation and review of financial statements, including the technical application of generally accepted accounting principles and applicability of required disclosures; (iii) controls over the provision for legal contingencies, (iv) controls over the purchase of, and payment for, legal services; and (v) controls over the quantity of products shipped for sales transactions.

With respect to our unaudited condensed consolidated interim financial information as of and for the three-month period ended March 31, 2020, incorporated by reference in this offering memorandum, Grant Thornton Auditores Independentes, an independent registered public accounting firm, reported that they have applied limited procedures in accordance with professional standards for a review of such information. However, their report, incorporated by reference in this offering memorandum, states that they did not audit and they do not express an opinion on such unaudited condensed consolidated interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. The review of the unaudited condensed consolidated interim financial information as of and for the three-month period ended March 31, 2019 was conducted under the responsibility of another independent auditor, which issued a review report on that quarterly financial information, without qualifications. Grant Thornton was not contracted to audit, review or apply any other procedures on the unaudited condensed consolidated interim financial information as of and for the three-month period ended March 31, 2019 and, therefore, does not express an opinion or any form of assurance on it taken as a whole.

## AVAILABLE INFORMATION

We are subject to the reporting requirements of the Exchange Act, in accordance with which we file annual reports on Form 20-F with the SEC. However, if at any time we cease to be a reporting company under Section 13 or Section 15(d) of the Exchange Act, or are not exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, we will be required to furnish to any holder of a note which is a “restricted security” (within the meaning of Rule 144 under the Securities Act), or to any prospective purchaser thereof designated by such a holder, upon the request of such a holder or prospective purchaser, in connection with a transfer or proposed transfer of any such note pursuant to Rule 144A or otherwise, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Our Annual Report, our First Quarter Financial Statement Report, our First Quarter MD&A Report and any other materials we may file with or furnish to the SEC may be inspected without charge at the SEC’s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at +1 (800) SEC-0330 for further information on the operation of the public reference room. In addition, the SEC maintains an Internet web site at <http://www.sec.gov>, from which you can electronically access our Annual Report, our First Quarter Financial Statement Report, our First Quarter MD&A Report and any other materials we may file with or furnish to the SEC.

**PRINCIPAL EXECUTIVE OFFICES**

**Braskem S.A.**  
Rua Lemos Monteiro, 120, 24<sup>th</sup> floor  
05501-050 São Paulo, SP  
Brazil

**Braskem Netherlands Finance B.V.**  
Beursplein, 37  
3011AA, Rotterdam  
The Netherlands

**TRUSTEE, REGISTRAR, PAYING AGENT, TRANSFER AGENT AND CALCULATION AGENT**

**The Bank of New York Mellon**  
240 Greenwich Street, floor 7 East  
New York, NY 10286  
United States

**LEGAL ADVISORS**

*To Braskem Netherlands Finance and Braskem S.A.  
as to United States Law*

*To Braskem Netherlands Finance and Braskem S.A.  
as to Brazilian Law*

**Simpson Thacher & Bartlett LLP**  
Av. Juscelino Kubitschek, 1455, 12<sup>th</sup> floor  
04543-011 São Paulo, SP  
Brazil

**Tauil & Chequer Advogados in association with  
Mayer Brown LLP**  
Av. Juscelino Kubitschek, 1455, 5<sup>th</sup>, 6<sup>th</sup> and 7<sup>th</sup> floors  
04543-011 São Paulo, SP  
Brazil

*To the Initial Purchasers  
as to United States Law*

*To the Initial Purchasers  
as to Brazilian Law*

**Milbank LLP**  
Av. Brigadeiro Faria Lima, 4100, 5<sup>th</sup> floor  
04538-132 São Paulo, SP  
Brazil

**Trench Rossi Watanabe Advogados**  
Av. Arq. Olavo Redig de Campos, 105, 31<sup>st</sup> floor  
04711-904 São Paulo, SP  
Brazil

*To Braskem Netherlands Finance and Braskem S.A. as to Dutch Law*

**AKD N.V.**  
Gustav Mahlerlaan 2970  
1081 LA Amsterdam  
The Netherlands

**INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMS TO BRASKEM S.A.**

*From January 1, 2020*

*Until December 31, 2019*

**Grant Thornton Auditores Independentes**  
Av. Eng. Luis Carlos Berrini, 105, 12<sup>th</sup> floor  
04571-900 São Paulo, SP  
Brazil

**KPMG Auditores Independentes**  
Av. Arq. Olavo Redig de Campos, 105, 6<sup>th</sup> floor  
04711-904 São Paulo, SP  
Brazil

**SINGAPORE LISTING AGENT**

**CNPLaw LLP**  
600 North Bridge Road #13-01  
Parkview Square  
Singapore 188778

