

Braskem >> Detail

Braskem informs update on the geological event in Alagoas

NOTICE TO THE MARKET

São Paulo, October 9, 2020 - BRASKEM S.A. (B3: BRKM3, BRKM5 and BRKM6; NYSE: BAK; LATIBEX: XBRK), hereby informs its shareholders and the market that, due to the update of the Map of Sectors of Damage and Priority Action Lines by the Civil Defense of Maceió, it has decided by mutual agreement with the Public Defender's Office of the State of Alagoas - DPE, the Federal Public Prosecutor's Office - MPF, the Public Prosecutor's Office of the State of Alagoas - MPE and the Public Defender's Office of the Union - DPU, parties of the agreement executed on January 3, 2020, to include approximately 2,000 additional properties in the Financial Compensation and Support for Relocation Program ("PCF"). This estimate replaces the previous of 800 additional properties, as disclosed in the Material Fact of September 15, 2020.

Although the expenses related to PCF shall increase as a result of the inclusion of the additional properties, based on the existing information available, the Company does not expect changes in its estimated aggregate costs of R\$3.3 billion, set forth in the Material Fact mentioned above.

Finally, in compliance with applicable laws, the Company will keep the market informed about the relevant developments related to the geological event of Alagoas and its procedures, including in relation to the public civil action proposed by the Federal Public Prosecutor's Office regarding social and environmental damages, on which the Company continues in dialogues with the authorities. The Company cannot rule out future developments related to the theme or its associated expenses, and the costs to be incurred by Braskem may be different from its estimates.

For further clarification, please contact Braskem's Investor Relations Department by calling +55 (11) 3576-9531 or sending an e-mail to braskem-ri@braskem.com.br.

DISCLAIMER ON FORWARD-LOOKING STATEMENTS

This Notice to the Market may contain forward-looking statements. These statements are not historical facts, but are based on the current view and estimates of the Company's management regarding future economic and other circumstances, industry conditions, financial performance and results, including any potential or projected impact of the geological event in Alagoas and related legal proceedings, as well as of COVID-19 on the Company's business, financial condition and operating results. The words "forecasts", "believes", "estimates", "expects", "plans" and other similar expressions, when referring to the Company, are intended to identify forward-looking statements. Statements related to the possible outcome of legal and administrative proceedings, implementation of operational and financing strategies and investment plans, guidance about future operations, as well as factors or trends that affect the financial condition, liquidity or operating results of the Company are a few examples of forward-looking statements. These statements reflect the current views of the Company's management and are subject to diverse risks and uncertainties, many of which are beyond the control of the Company. There is no guarantee that said events, trends or expected results will actually occur. The statements are based on several assumptions and factors, including general economic and market conditions, industry conditions and operating factors. Any change in such assumptions or factors, including the projected impact of the geological event in Alagoas and related legal procedures and the unprecedented impact of the COVID-19 pandemic on businesses, employees, service providers, shareholders, investors and other stakeholders Company can cause actual results to differ significantly from current expectations. For a comprehensive description of the risks and other factors that could impact any forward-looking statements in this document, especially the factors discussed in the sections, see the reports filed with the Brazilian Securities and Exchange Commission (CVM).