SHAREHOLDERS COMPENSATION POLICY (DIVIDEND POLICY)

1. MINUTE OF APPROVAL

Policy approved by Petrobras' Board of Directors - RCA no. 1643, item 4, topic 154 of 10-27-2020.

2. SCOPE

This Policy applies only to Petróleo Brasileiro S.A. – Petrobras.

3.SCOPE

3.1 At Petrobras, the rules and procedures related to profit sharing through dividends and/or Interest on shareholders' equity are established transparently and pursuant to legal, statutory and other internal regulations.

3.2 Petrobras seeks, through its shareholders compensation policy, to guarantee the Company's short, medium and long-term financial continuity and sustainability, and to promote the predictability of the profit payment flow to shareholders.

4. GUIDELINES

4.1. APPLICABLE PROVISIONS

4.1.1 Shareholders are entitled to receive, in each fiscal year, dividends and/or Interest on shareholders' equity, which may not be less than twenty five percent (25%) of the adjusted net income (mandatory dividends), pursuant to the Brazilian Public Company Law, distributed across all the shares comprising the Company's equity (article 8 of the Bylaws)

4.1.2 The payment of mandatory dividends includes amounts paid as interest on shareholders' equity. The payment of interest on shareholders' equity is subject to withholding income tax, pursuant to the applicable tax laws, which is not levied on the payment of dividends. The amount net of taxes received by the shareholders as Interest on shareholders' equity will be deducted from the mandatory dividends due to the shareholders. The same rules shall apply to American Depositary Receipts (ADRs) or similar instruments traded in other countries, unless provided otherwise by law.

4.1.3 The Annual General Meeting will resolve on the allocation of the net income for the year, if any, and the payment of dividends, according to the proposal submitted by the Company's management bodies.

4.1.4 Preferred shares shall have priority in the event of repayment of capital and payment of dividends of at least five percent (5%) calculated on the part of the capital represented by such shares, or three percent (3%) of the share's net equity value, always prevailing the greater, and participating in the same way as the common shares in the share capital increases arising from the incorporation of reserves and profits. (article 5, paragraph 2 of the Bylaws).

4.1.5 Notwithstanding the priority payment of dividends assigned to the preferred shares, it does not ensure the payment of dividends in the fiscal years in which the Company does not make profits.

4.1.6 The preferred shares will participate, not cumulatively, on equal terms with the common shares, in the payment of dividends above the minimum percentage mentioned in the previous item. (article 5, paragraph 3 of the Bylaws).

4.1.7 Dividends may only be paid to preferred shareholders if the priority dividends set forth in item 4.1.4 of this Compensation Policy encompass the entire adjusted net income for the year or reach an amount equal to or greater than the mandatory 25% minimum dividend.

4.1.8 In the event that a net income is not achieved in the fiscal year, the unpaid dividend of this fiscal year will not be carried over to the following fiscal year.

4.1.9 Of the net income earned in the fiscal year, five percent (5%) will be applied - prior to any other allocation - in the provision of the legal reserve, which shall not exceed twenty percent (20%) of the share capital. Part of the profit may also be allocated to other reserves provided for in the corporate law and in the Company's Bylaws.

4.1.10 In addition to its Bylaws, art. 62 of Law 9478/97 provides that Petrobras' preferred shares will always be non-voting and enforces the ownership and holding of at least fifty percent plus one share of the voting capital of the Company by the Federal Government. In that sense, art. 111, paragraph 1 (voting rights entitlement) of Law 6404/76 is not applicable to Petrobras.

4.1.11 The Company may, by resolution of its Board of Directors, pay amounts in advance to its shareholders as dividends and/or Interest on Interest on shareholders' equity, which shall be adjusted by the SELIC rate as of the effective payment date up to the end of the respective fiscal year, as provided for in art. 204 of Law 6404 of 1976 (article 9, sole paragraph of the Bylaws).

4.1.12 The Company may distribute interim dividends and/or interest on equity, based on the profits calculated in the balance sheets every half year or in shorter periods, considering the results determined in each quarter, by resolution of the Board of Directors.

4.1.13 The Board of Directors may approve the payment of interim dividends to the profit reserve account in the last balance sheet approved at the General Meeting (Article 53, paragraph 2, of the Bylaws).

4.1.14 Intermediate and interim dividends and Interest on Interest on shareholders' equity shall be allocated to the mandatory minimum dividend (article 53, paragraph 4, of the Bylaws), including for the purpose of paying the minimum priority dividends of preferred shares.

4.1.15 The statement of intermediate dividends to the existing profit reserve account should be based on the cash generation, considering the Company's indebtedness levels, upon a mandatory and prior representation of the Minority Committee for the submission of the matter to review and resolution of the Board of Directors.

4.1.16 Dividends and/or Interest on shareholders' equity unclaimed by the shareholders within three (3) years, as of the date they were made available to shareholders, shall expire and revert to the Company (article 10 of the Bylaws, and article 287, II, (a) of the Brazilian Corporation Law).

4.1.17 The provisions of this Compensation Policy do not waive the enforcement of other legal or statutory rules not provided herein, as the case may be.

4.2. EARNINGS DISTRIBUTION PARAMETERS

4.2.1 In the event of gross indebtedness, including lease commitments, in excess of US$ 60 billion, the Company may distribute to its shareholders the minimum mandatory dividends provided for by law and the Bylaws.

4.2.2 In the event of gross indebtedness, including lease commitments, of less than US$ 60 billion, the Company may distribute to its shareholders 60% of the difference between the operating cash flow and investments, as defined below:

Compensation = 60% x (OCF - CAPEX)

OCF: Operating cash flow (net cash generated by operating activities)
CAPEX: Investments (acquisition of assets, fixed assets, intangibles and corporate investments)

In this formula, the following are not considered as CAPEX: (a) proceeds from the sale of assets; (b) payments in the participation of bidding rounds for oil and natural gas upstream; and (c) payments relating to the acquisition of companies or equity interests.

4.2.3 When there is a reduction in net debt in the previous twelve-month period, the company may make payment of dividends, with amounts limited to the said reduction, even in the hypothesis of no net profit in the fiscal year, if management understands that the financial sustainability of the company will be preserved.

4.2.4 Petrobras may, in exceptional cases, pay extraordinary dividends, exceeding the minimum legal mandatory dividend or the annual amount set forth in item 4.2.2, even in the event of no net profit being verified in the fiscal year.