



FPSO Carioca



# 3<sup>rd</sup> quarter 2021 Performance

Webcast  
October 29, 2021

# Disclaimer

The presentation may contain forward-looking statements about future events that are not based on historical facts and are not assurances of future results. Such forward-looking statements merely reflect the Company's current views and estimates of future economic circumstances, industry conditions, company performance and financial results. Such terms as "anticipate", "believe", "expect", "forecast", "intend", "plan", "project", "seek", "should", along with similar or analogous expressions, are used to identify such forward-looking statements. Readers are cautioned that these statements are only projections and may differ materially from actual future results or events. Readers are referred to the documents filed by the Company with the SEC, specifically the Company's most recent Annual Report on Form 20-F, which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements, including, among other things, risks relating to general economic and business conditions, including crude oil and other commodity prices, refining margins and prevailing exchange rates, uncertainties inherent in making estimates of our oil and gas reserves including recently discovered oil and gas reserves, international and Brazilian political, economic and social developments,

receipt of governmental approvals and licenses and our ability to obtain financing.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason. Figures for 2021 on are estimates or targets.

All forward-looking statements are expressly qualified in their entirety by this cautionary statement, and you should not place reliance on any forward-looking statement contained in this presentation.

In addition, this presentation also contains certain financial measures that are not recognized under Brazilian GAAP or IFRS. These measures do not have standardized meanings and may not be comparable to similarly-titled measures provided by other companies. We are providing these measures because we use them as a measure of company performance; they should not be considered in isolation or as a substitute for other financial measures that have been disclosed in accordance with Brazilian GAAP or IFRS.

## Non-sec compliant oil and gas reserves: cautionary statement for us investors

We present certain data in this presentation, such as oil and gas resources, that we are not permitted to present in documents filed with the United States Securities and Exchange Commission (SEC) under new Subpart 1200 to Regulation S-K because such terms do not qualify as proved, probable or possible reserves under Rule 4-10(a) of Regulation S-X.





# ESG

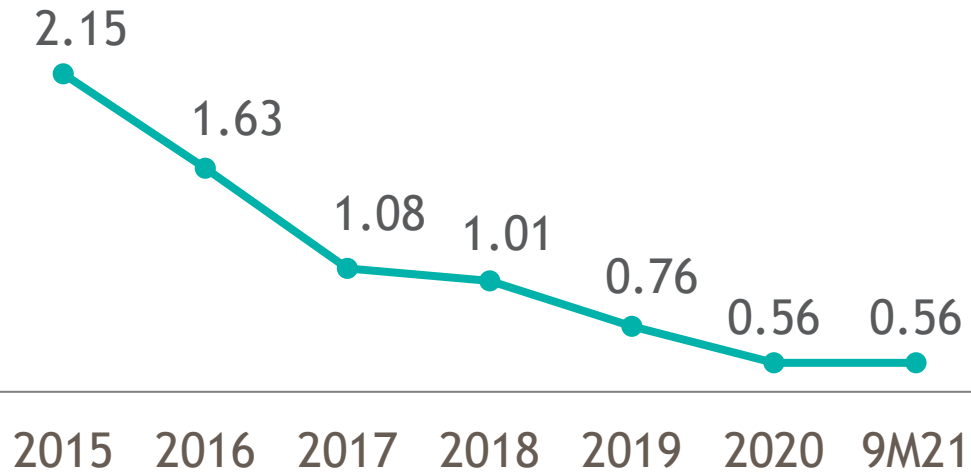
*Environmental,  
Social and Governance*

# Safety as value



## TRI

Total recordable injuries  
per million man-hours



**Ambition of zero fatalities**

» Top metric TRI < 0.7







## Ambition to Achieve Emissions Neutrality

- » Achieve emissions neutrality in activities under our control (Scopes 1 and 2)
- » Influence partners to achieve the same ambition in non-operated assets
- » Timeframe compatible with the Paris Agreement

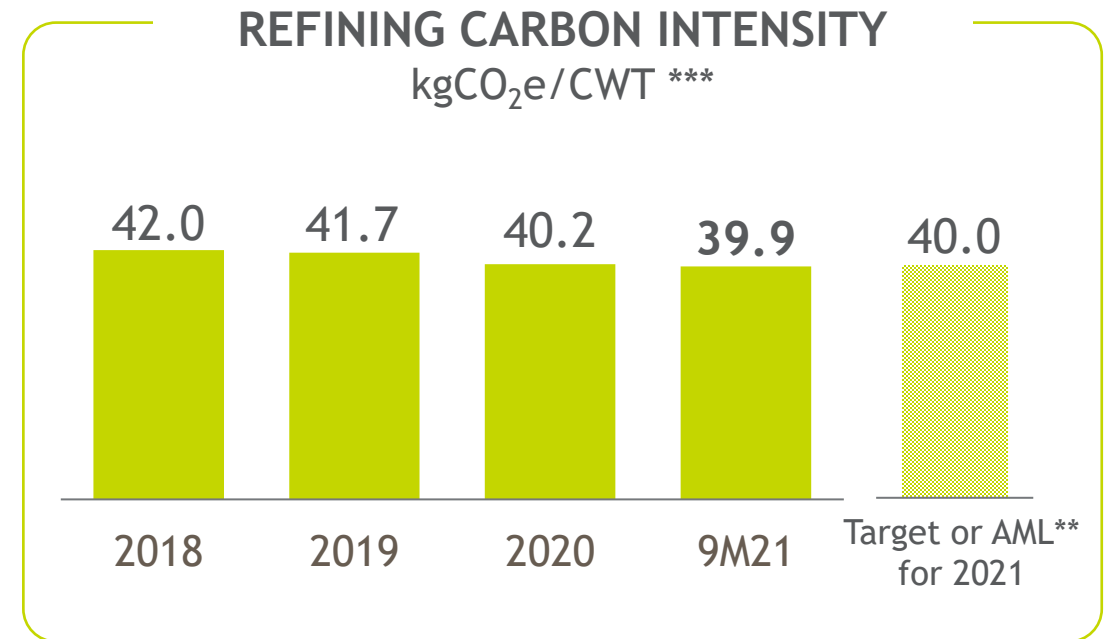
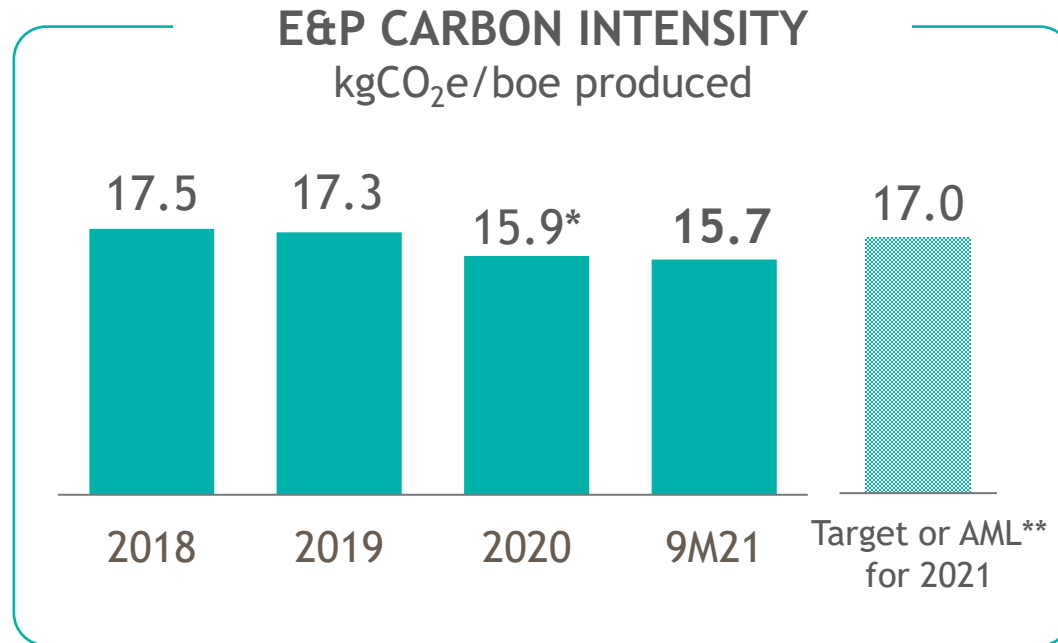
Decision aligned with the positioning of the OGCI - Oil and Gas Climate Initiative, of which we have been a member since 2018



OIL AND GAS CLIMATE INITIATIVE

# Emission indicators

*3Q21 results as expected, with the outlook of finishing 2021 within the established intensity targets*



\* Value revised after certification by a third party concluded in July/21, from 15.8 KgCO<sub>2</sub>e/boe to 15.9 KgCO<sub>2</sub>e/boe

\*\* AML = Acceptable Maximum Limit \*\*\* The CWT (Complexity Weighted Tonne) of a refinery considers the potential CO<sub>2</sub> emission, in equivalence to distillation, for each processing unit.

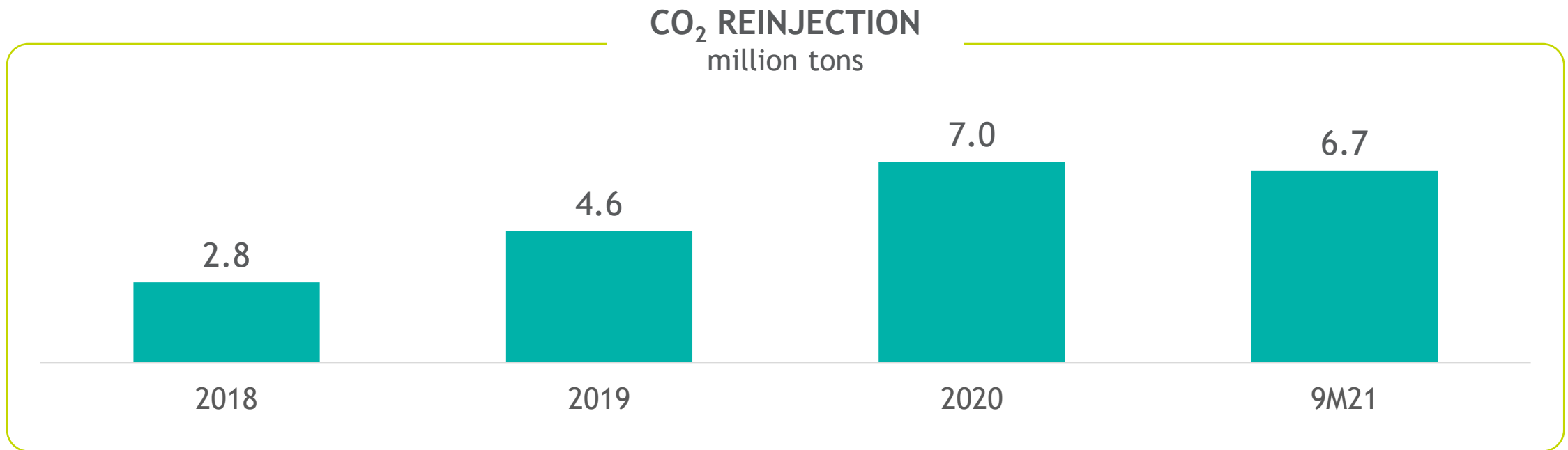
**ABSOLUTE GHG EMISSIONS ACCUMULATED UNTIL 3Q21 : 46 MT CO<sub>2</sub>e**

*Absolute emissions encompass 100% of the assets operated in all our businesses, including power generation, in which we have observed an increase in thermoelectric dispatch in 2021, by demand of the National Interconnected System.*



# CO<sub>2</sub> Reinjection

*Expected increase in CO<sub>2</sub> reinjection volume in 2021, due to ramp-up of new assets and commissioning of CO<sub>2</sub> separation systems*



ACCUMULATED CO<sub>2</sub> REINJECTION SINCE 2008: 28.1 Mt CO<sub>2</sub>

# Recognition of improvements in governance

*Completion of obligations under the agreement with the US Department of Justice (DoJ)*

## AGREEMENT, SIGNED IN 2018, IS NOW CLOSED



Improvement of internal controls through a compliance system and evolution of the integrity program



Payment of fines  
**US\$ 853.2 million**  
(10% to DoJ, 10% to SEC and 80% to Brazilian authorities)



Cooperation with  
US agencies

Agreement acknowledged that, in addition to the conduct that was the subject of the settlement, Petrobras was a victim of the corruption schemes.





# Financial *Highlights*

**Rodrigo Araujo Alves**

Chief Financial and Investor Relations Officer

# Main Highlights

## ACHIEVEMENT OF THE US\$ 60 BILLION GROSS DEBT TARGET



Gross debt of US\$ 59.6 billion, in anticipation of the 2022 target



Operational cash generation:  
US\$ 10.5 billion  
Free cash flow:  
US\$ 9 billion



Recurring adjusted EBITDA of  
US\$ 12.2 billion



Cash inflow with divestments of  
**US\$ 2.4 billion**, including BR's follow-on offering (US\$ 2.2 billion)



Recurring net income of  
US\$ 3.3 billion



Inflow of **US\$ 2.9 billion** for the Buzios Coparticipation Agreement



Higher sales volume of oil products in the domestic market (+11%), especially diesel, gasoline and jet fuel

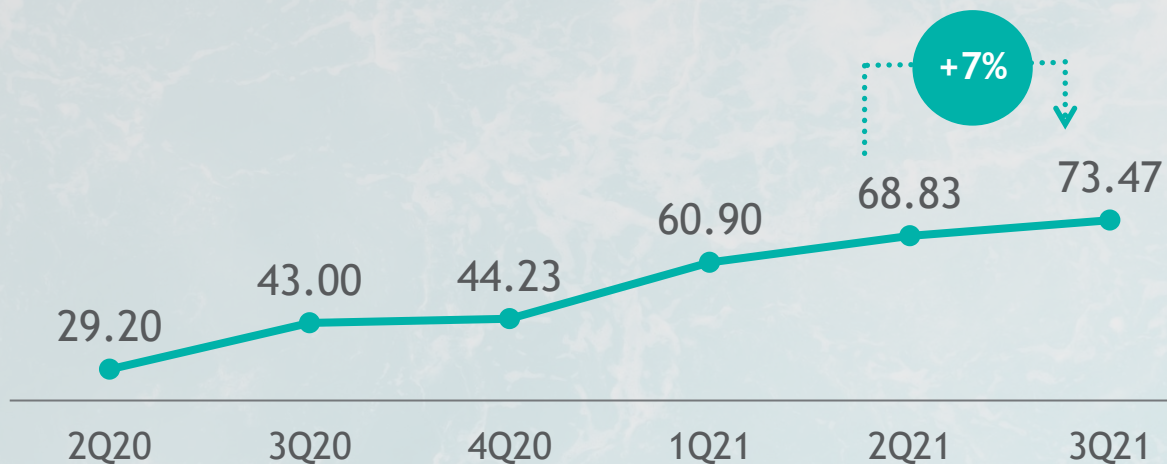


Approval of a new anticipation of  
**dividends of US\$ 6 billion**, totaling  
US\$ 12 billion of anticipated shareholder remuneration for the year

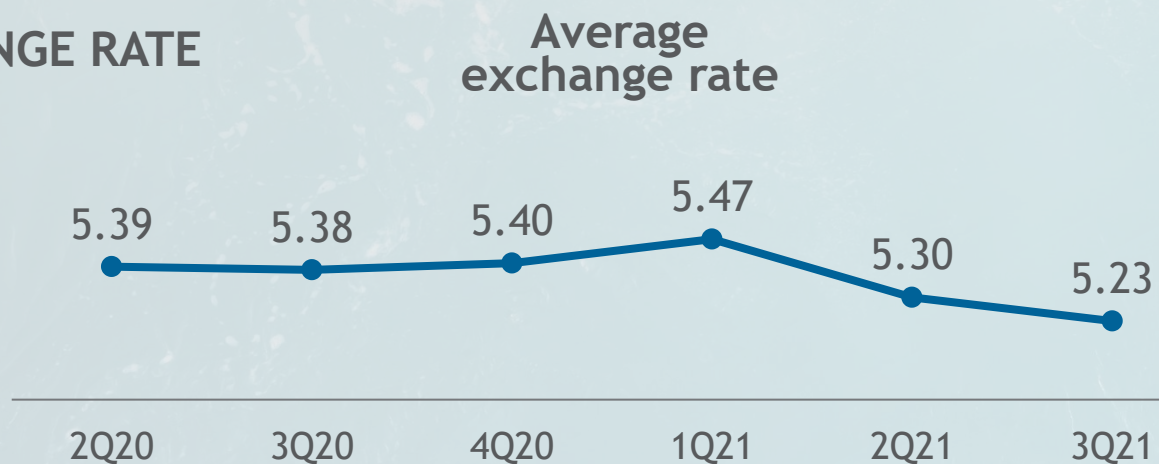


# External environment

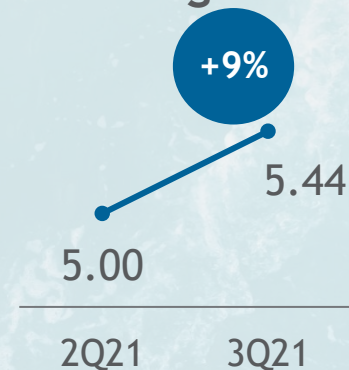
**BRENT**  
US\$/bbl



**EXCHANGE RATE**  
R\$/US\$

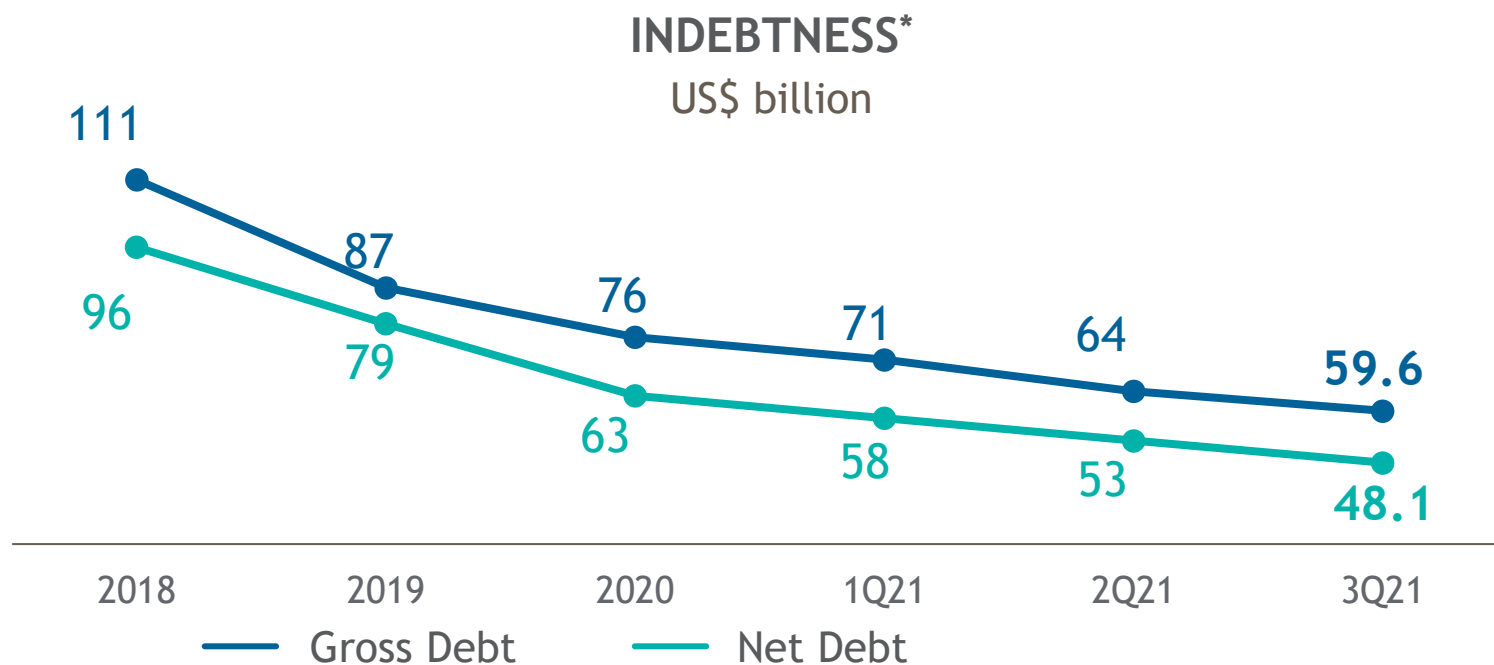


**End of period  
exchange rate**



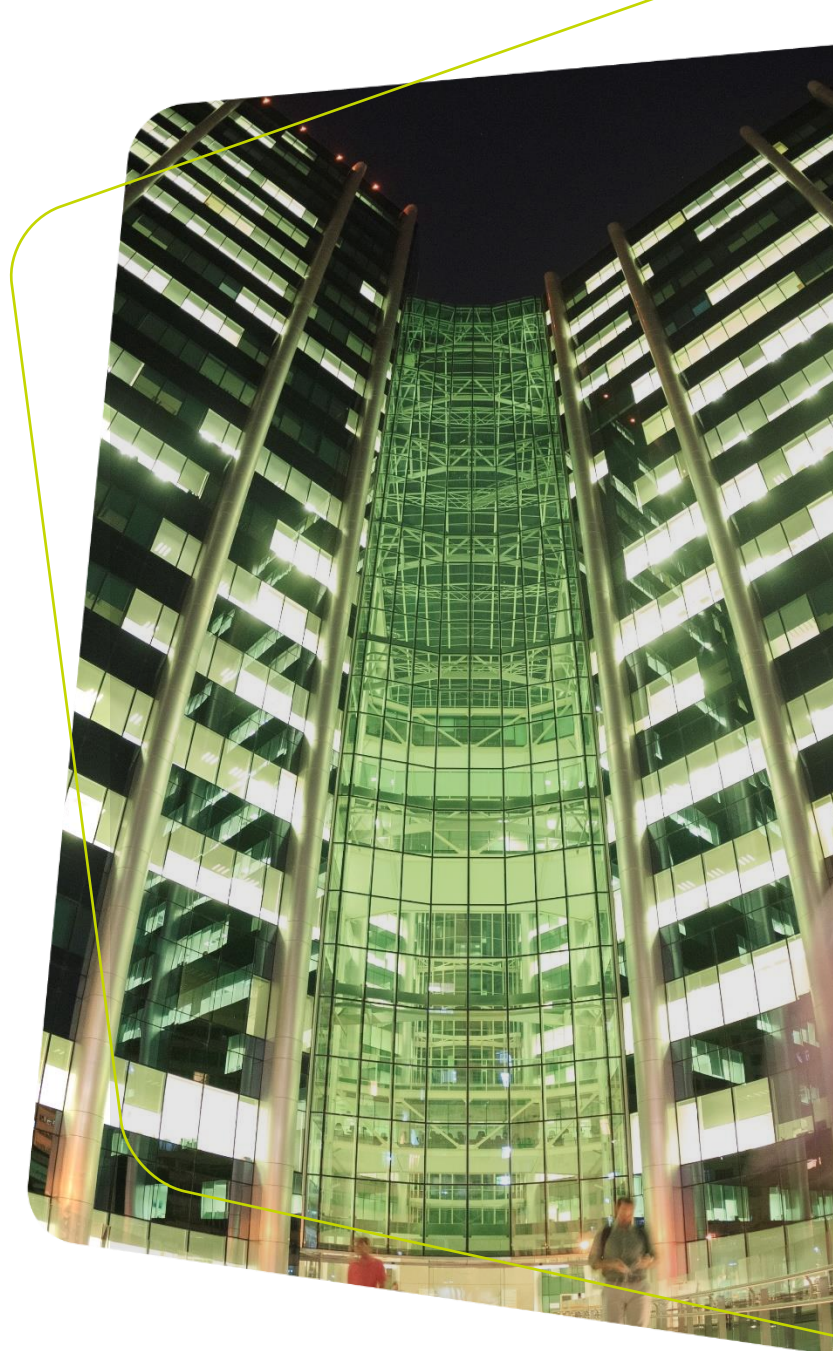


# We reached the target of US\$ 60 billion of gross debt, originally forecasted for 2022



- » Debt prepayments of US\$ 6.1 billion
- » Start-up of FPSO Carioca added US\$ 3 billion in leases
- » Net Debt/Adjusted EBITDA (LTM): 1.17x (in line with the *majors*)

\* As of 2018, amounts include leases

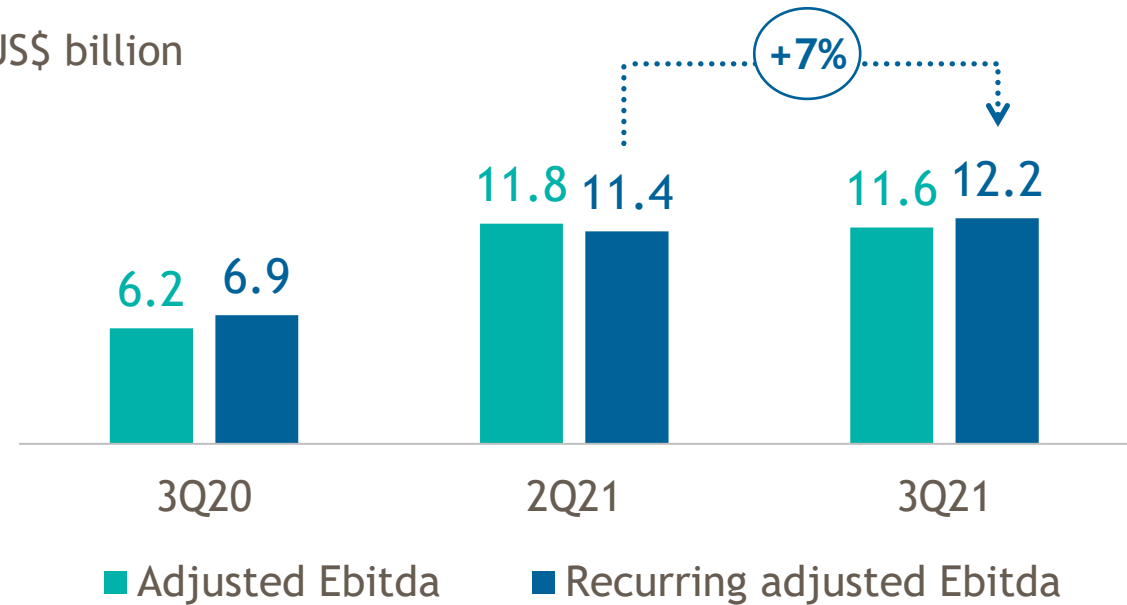






# EBITDA Evolution

US\$ billion



*BRENT*  
(US\$/bbl)

43

69

73

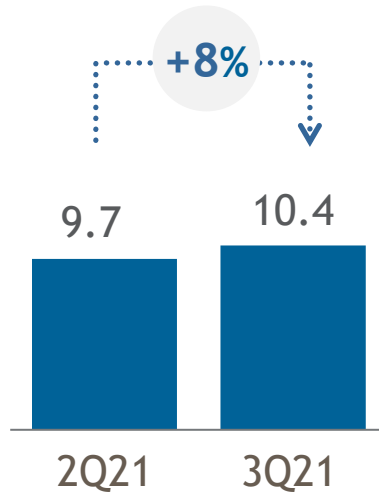
- >> 7% appreciation of *Brent*
- >> Higher volume of oil products in the domestic market (+11%), mainly diesel, gasoline and jet fuel

# EBITDA by business segment

Adjusted EBITDA  
US\$ billion



## Exploration & Production

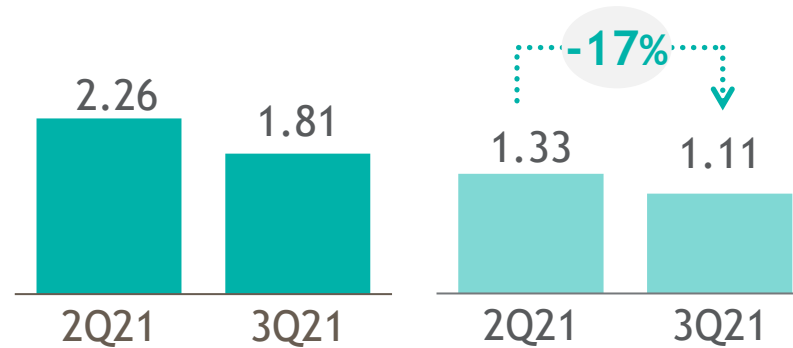


>> Brent appreciation



## Refining, Transport and Commercialization

■ EBITDA with inventory turnover ■ EBITDA at replacement cost

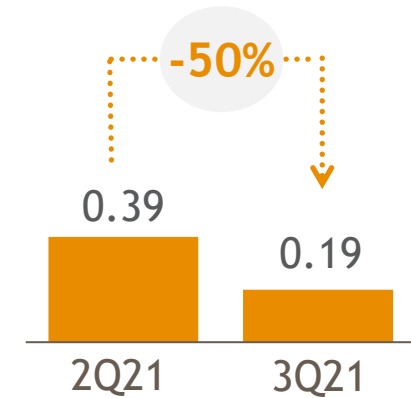


>> Lower inventory turnover effect

>> Despite the higher recurring result, the higher expenses with legal proceedings offset higher sales volumes in the domestic market



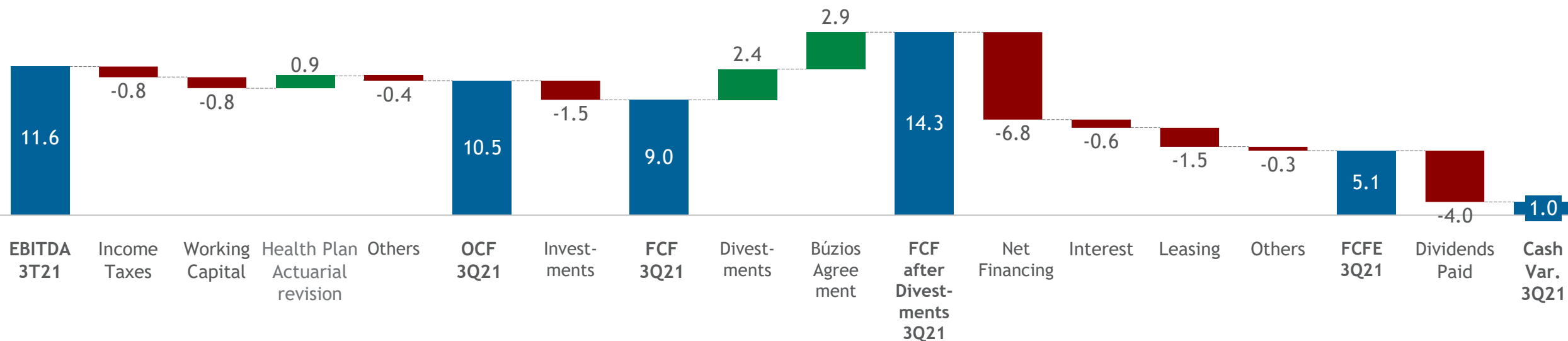
## Gas & Power



>> Lower natural gas commercialization margin, due to the higher costs of LNG

# Cash generation and divestments for prepayments and dividend payments

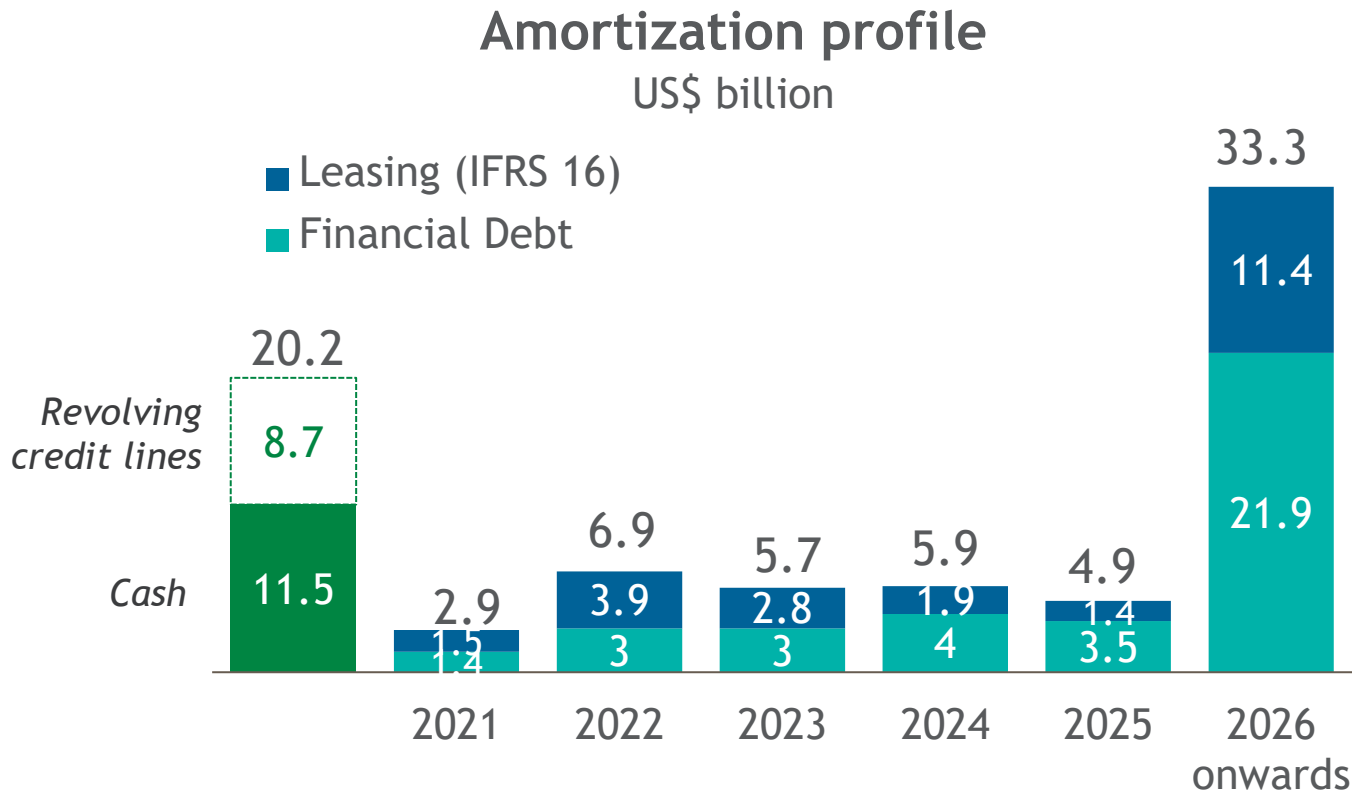
US\$ billion



- » OFC impacted mainly by payment of income taxes and working capital variation, partially offset by the health plan actuarial revision
- » Divestments: BR's follow-on offering US\$ 2.2 billion
- » Inflow of US\$ 2.9 billion for the Búzios Coparticipation Agreement
- » Prepayments of US\$ 6.1 billion
- » Dividend payment of US\$ 4 billion



# Liability management

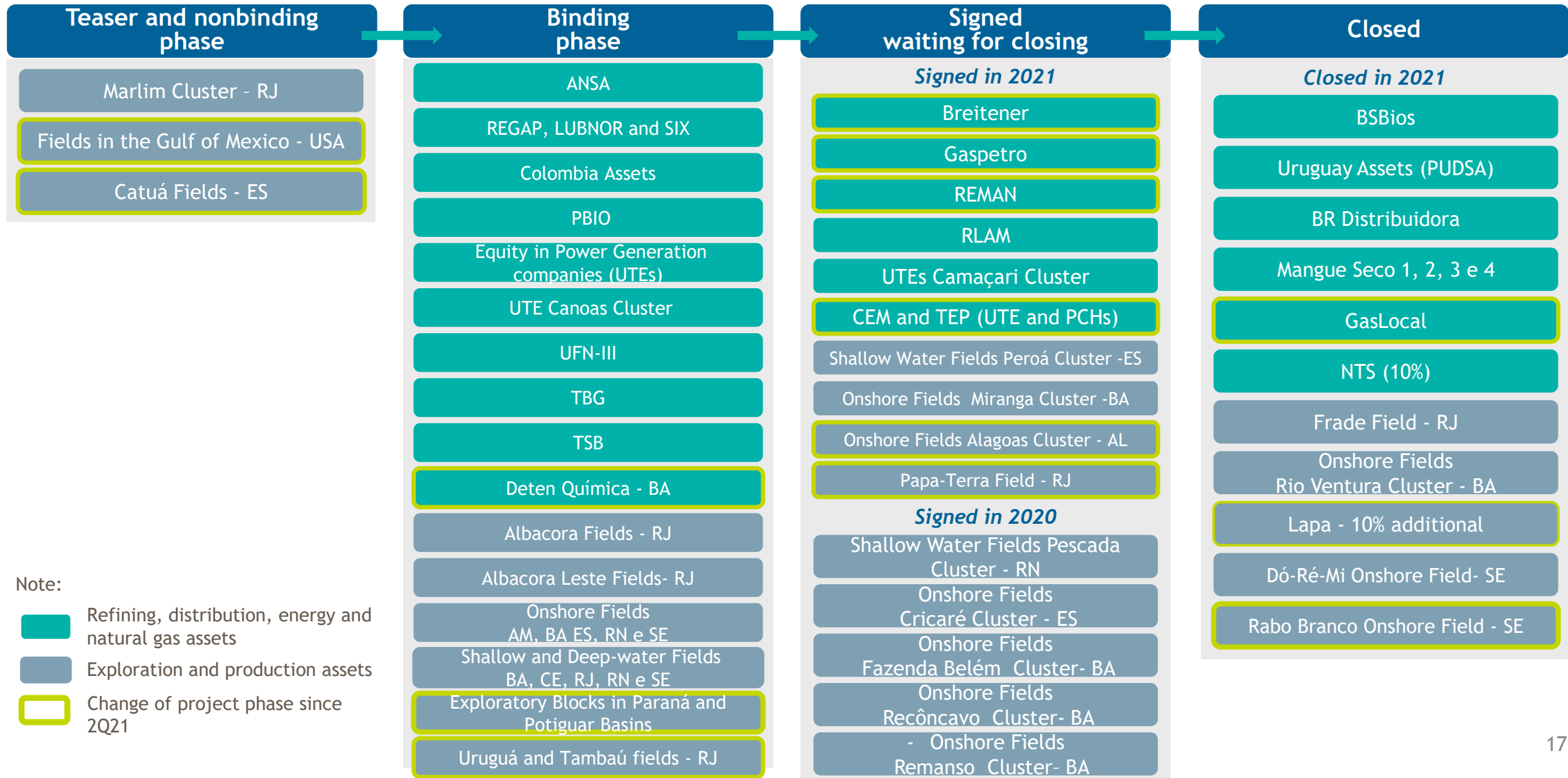


- » Average debt maturity increased from 12.54 in 2Q21 to 13.50 years in 3Q21
- » Average financing rate of 6 % p.y

3Q21 X 2Q21

- » Early redemption of US\$ 1.3 billion in global bonds
- » Prepayment of US\$ 3.5 billion in bank loans
- » Upgrade in credit profile by Moody's, from "Ba2" to "Ba1"

# Evolution of divestment projects



# Portfolio Management

*Divestments in 2021 (up to 10/27)*



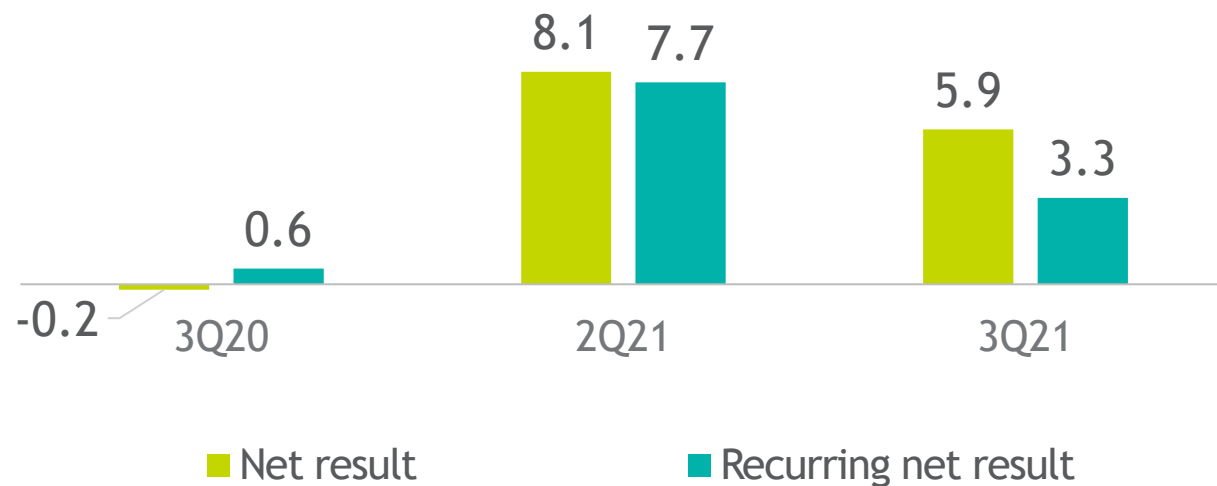
TOTAL CASH INFLOW IN 2021 · **US\$ 2.9 billion**

TOTAL VALUE OF SIGNED TRANSACTIONS IN 2021 · **US\$ 5.6 billion**



# Net Income in 3Q21

US\$ billion



## 3Q21 x 2Q21

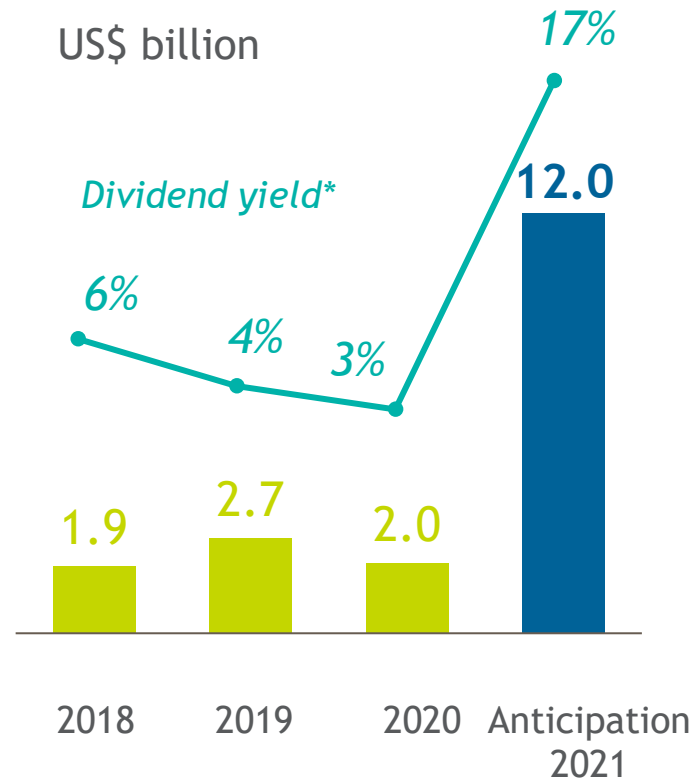
- » 5% increase in gross profit
- » Lower expenses due to impairment reversal and gain from Búzios Coparticipation Agreement, partially offset by actuarial revision of corporate health plan
- » Negative financial result of US\$ 4.9 billion impacted by the depreciation of the Real



# Anticipation of shareholder remuneration

## DIVIDENDS

US\$ billion



Total anticipation in 2021 of  
**US\$ 12 billion**  
(R\$ 63.4 billion - R\$ 4.86/share)

- » Financial sustainability of the company
- » Capital discipline, optimizing cash allocation and liability management
- » Shareholder return growth

*Note: Accrual view. Values in US\$ converted by the exchange rate of R\$ 5.25/US\$ for August and R\$ 5.30/US\$ for December. The amount to be received by ADR investors will depend on the exchange rate at the time of payment*

*\*The base date for the dividend yield is based on PETR4's share price at the end of each previous year.*



# Exploration & Production

## *Highlights*



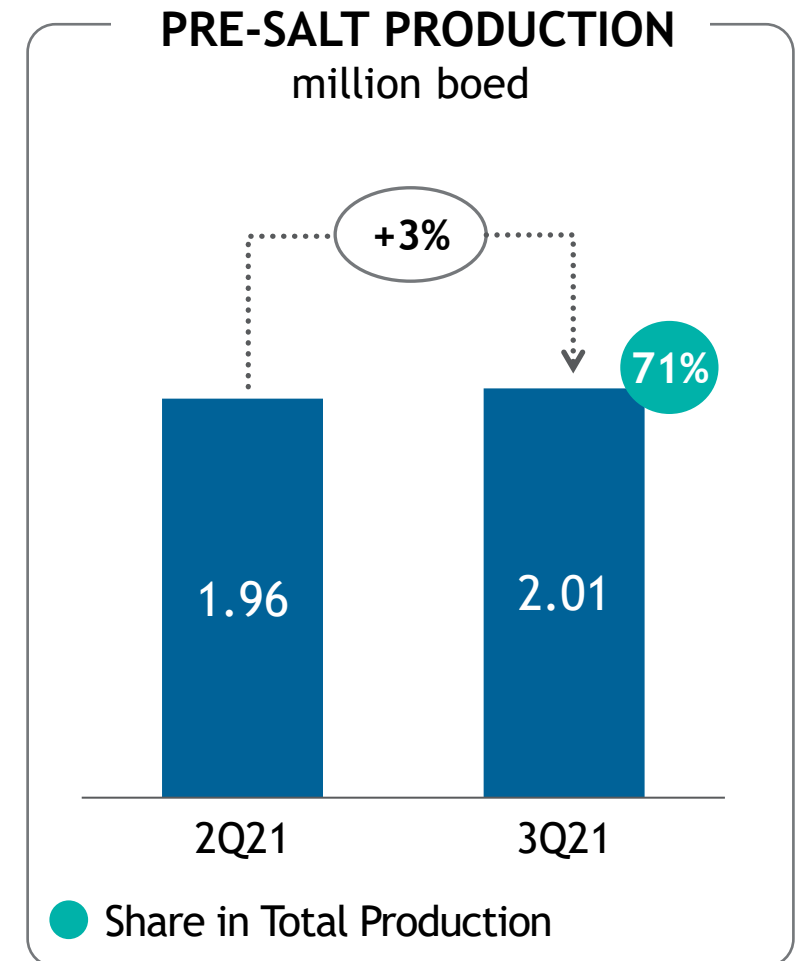
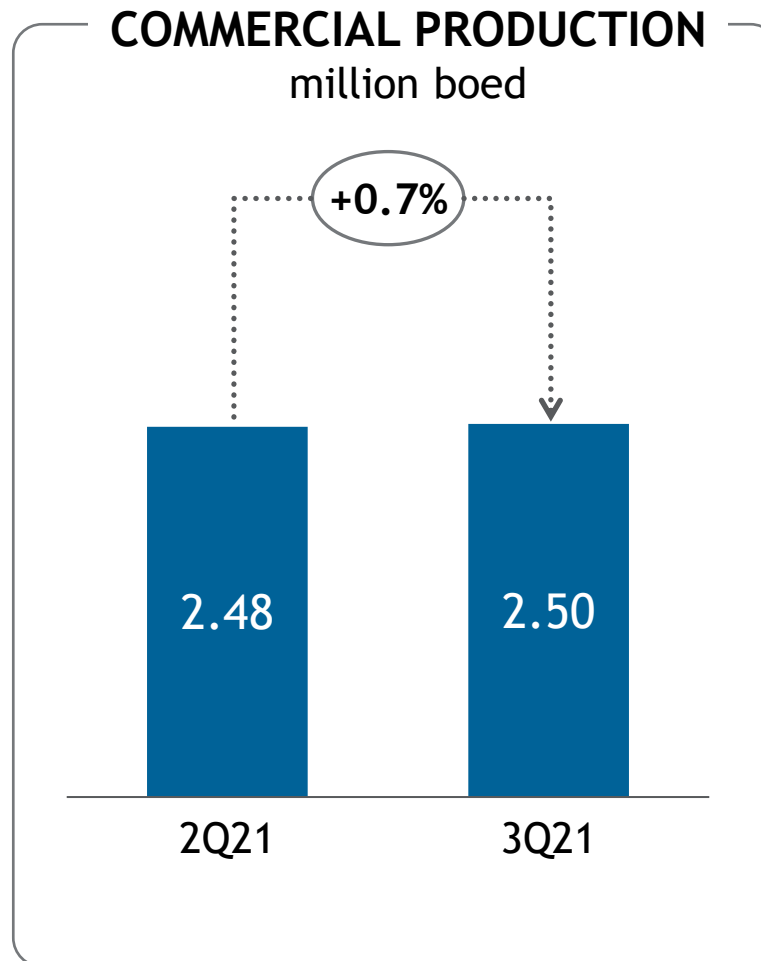
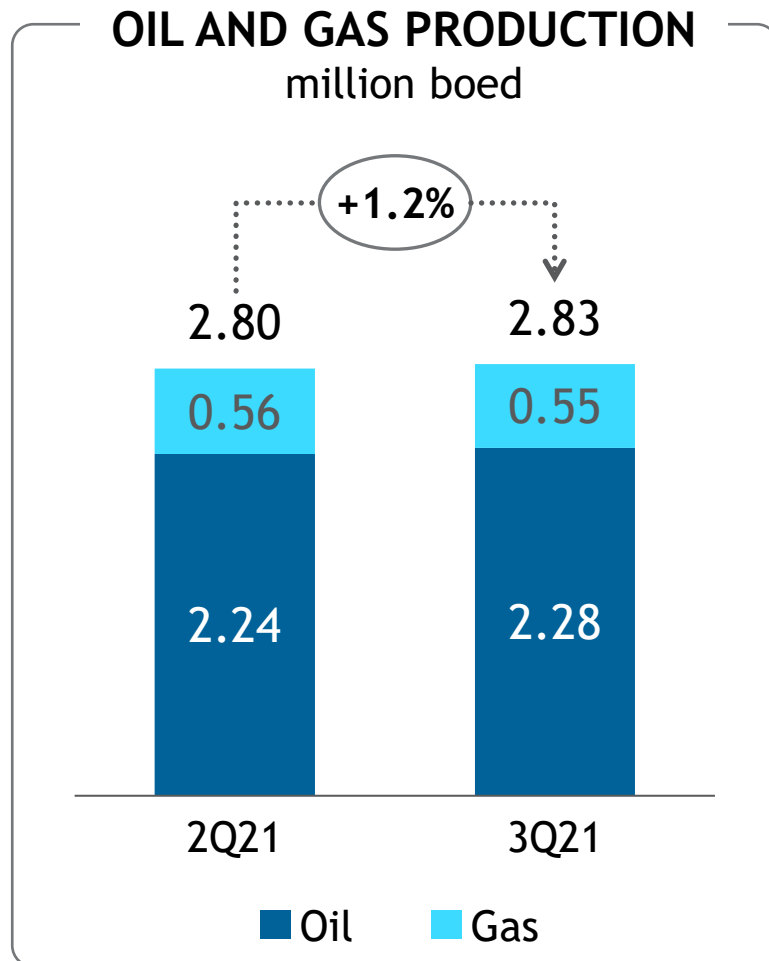
**Fernando Borges**

Chief Exploration & Production Officer

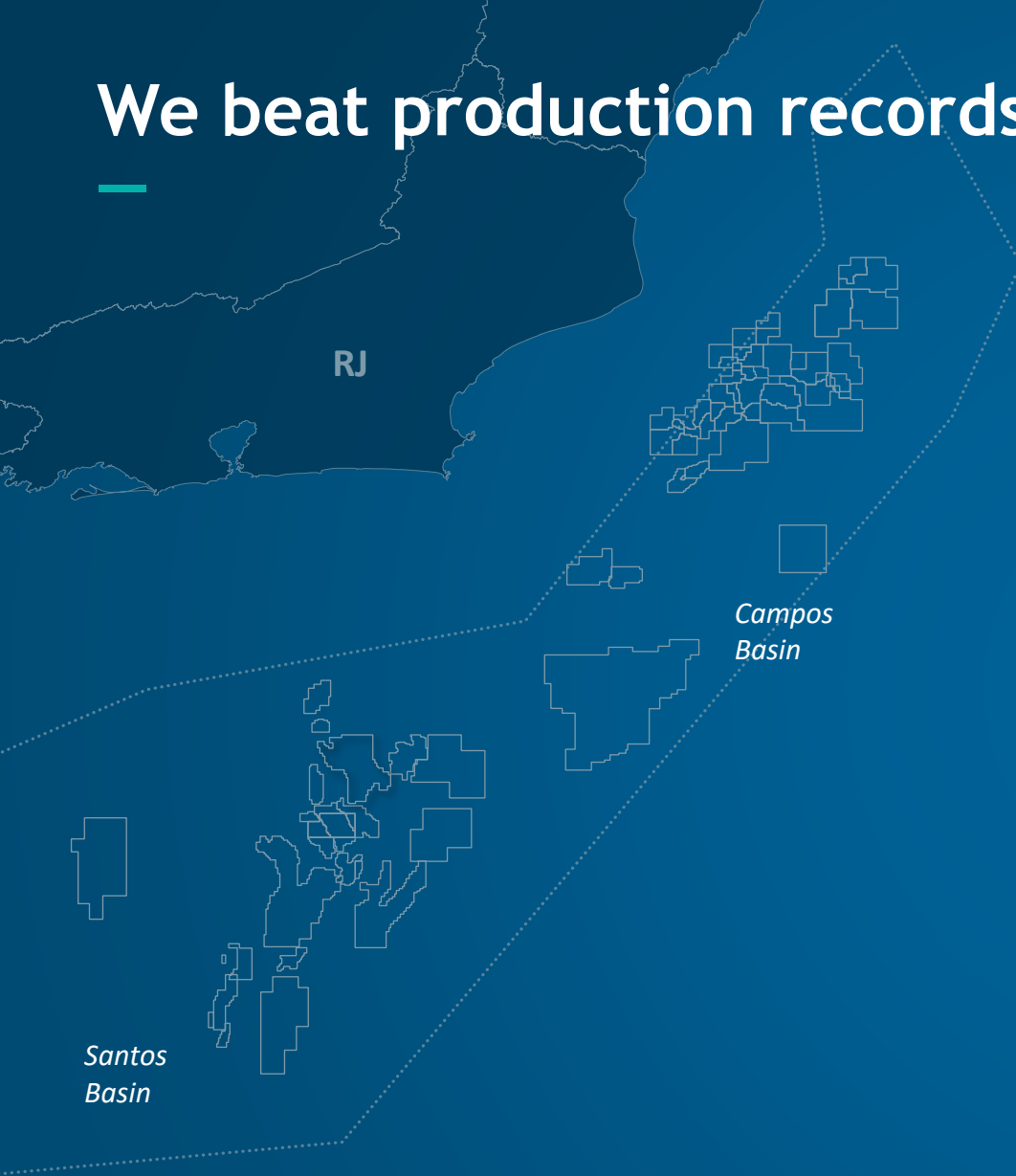
*1<sup>st</sup> Oil FPSO Carioca*  
*Sépia Field*  
*Higher Oil Processing Capacity:*  
*180 Kbpd*



# Increased production due to the ramp-up of P-70 and start of FPSO Carioca



# We beat production records in the Pre-Salt



AVERAGE PRODUCTION  
OIL AND NGL  
3Q21

**1.67**  
Mbpd

AVERAGE PRODUCTION  
OIL, NGL AND GAS  
3Q21

**2.01**  
Mboed

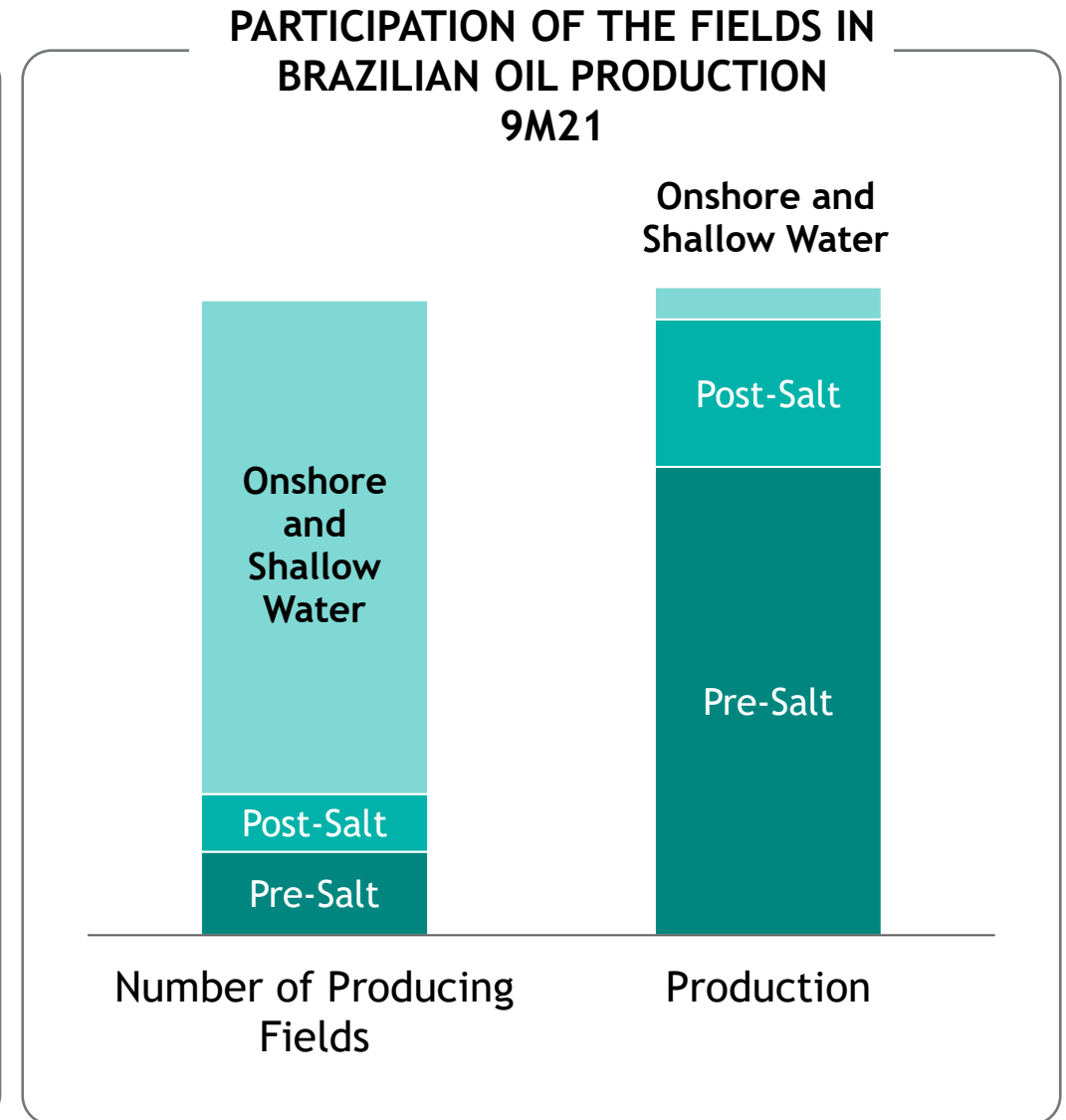
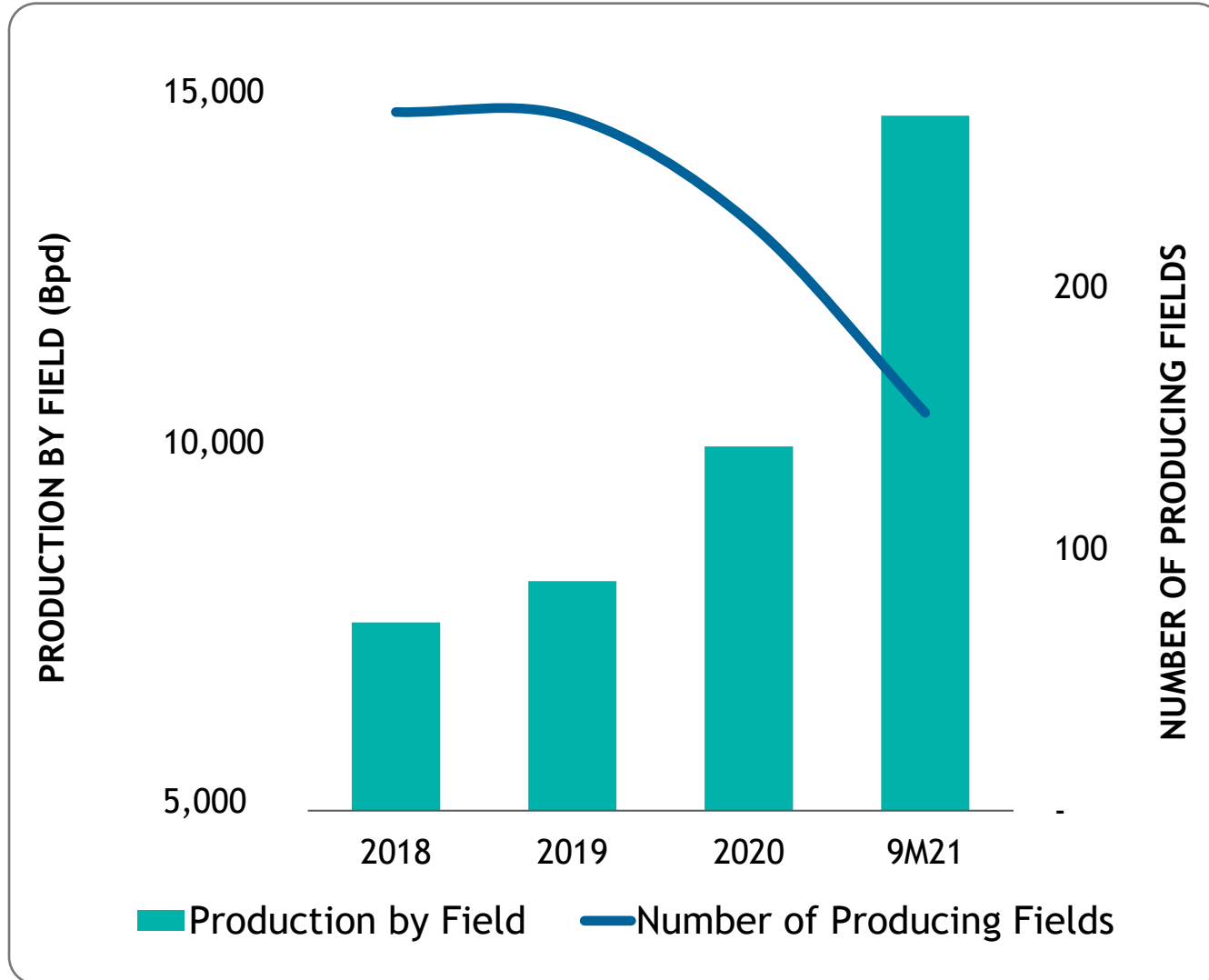
## MAIN FACTORS

→ FPSO Carioca start-up in the Sépia field and FPSO P-70 highest average production in the quarter

→ High efficiency of the platforms currently in production

→ Reservoir management, which has smoothed the natural decline of fields that have been producing for longer

# With the active portfolio management, productivity per asset grows

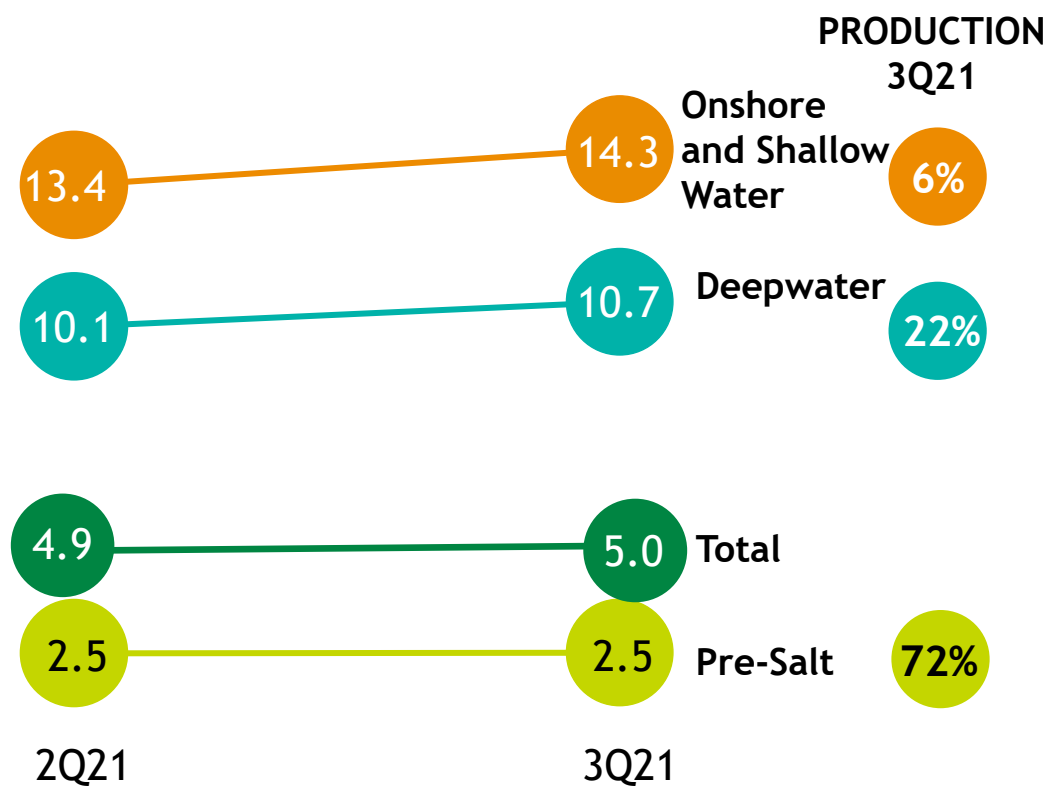




# Lifting cost in line with previous quarter

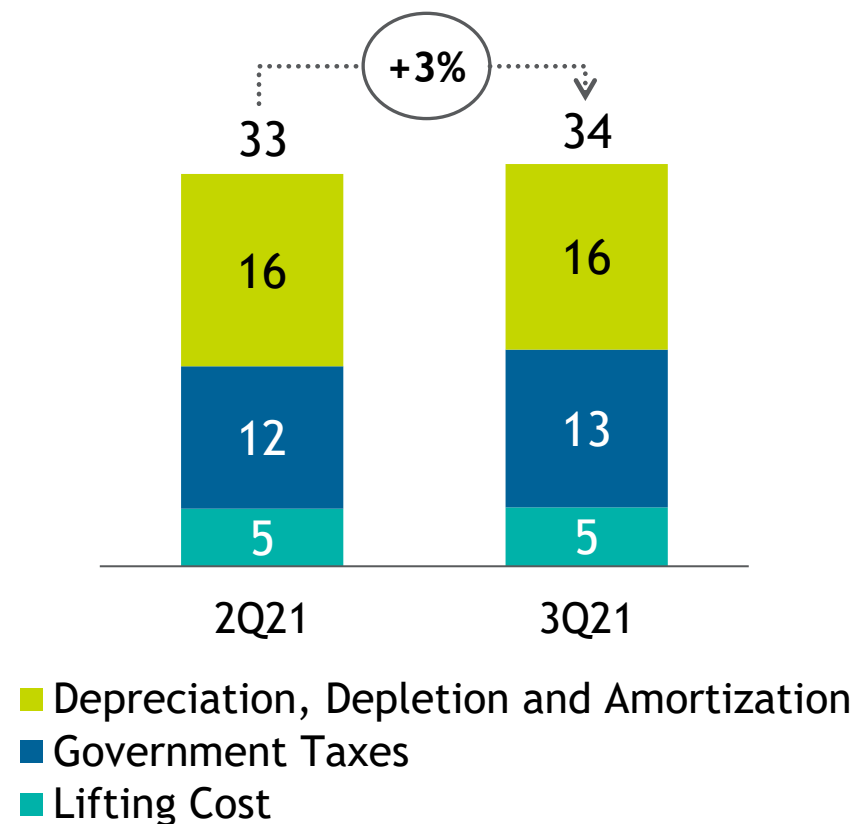
## LIFTING COST - BRAZIL

Per layer, US\$/boe, without leasing cost

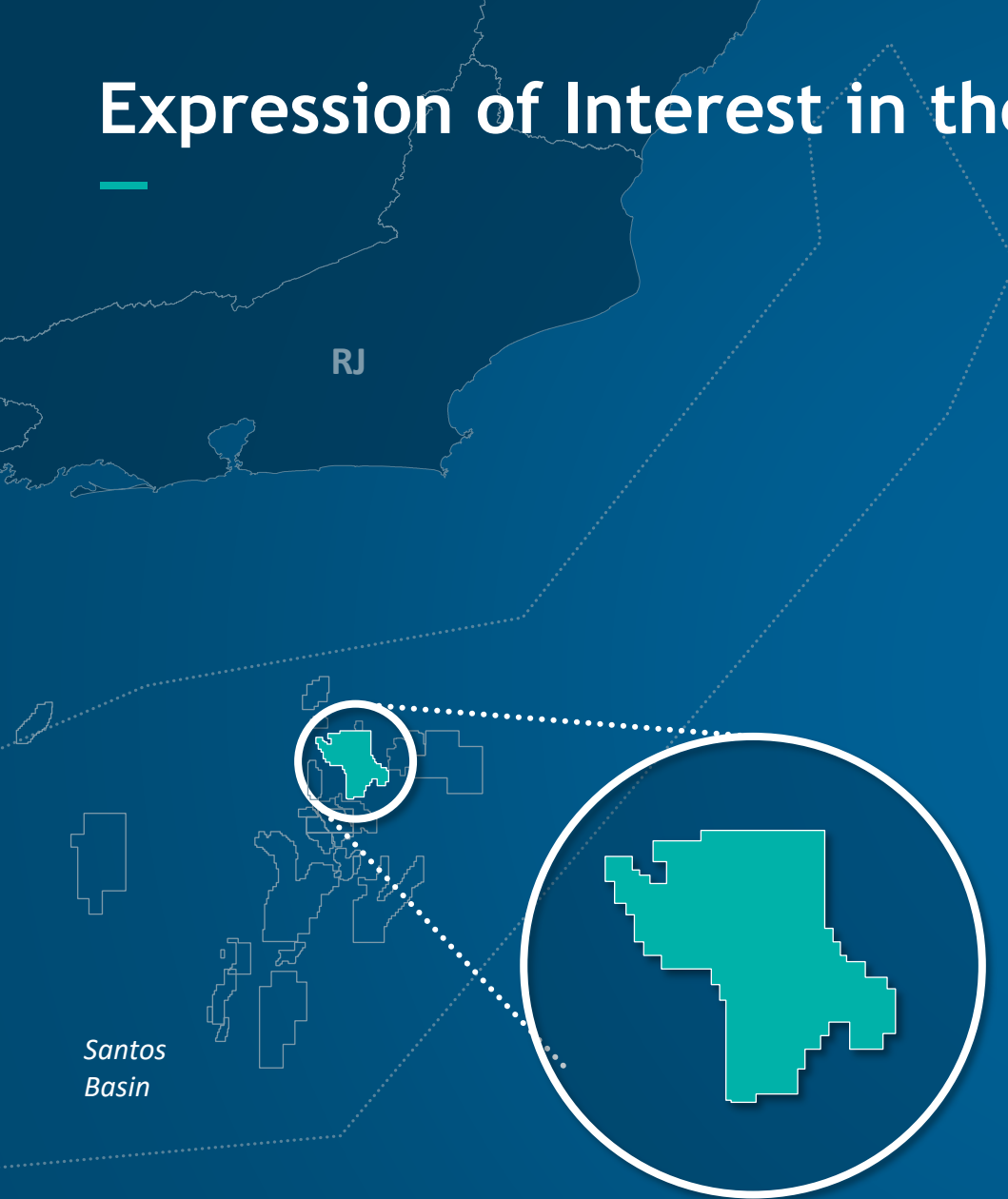


## TOTAL COST OF OIL PRODUCED

US\$/boe



# Expression of Interest in the Búzios field



## EXPRESSION OF INTEREST

Current Coparticipation Agreement: 09/01/21

CNOOC expressed interest in additional share: +5%

Effect of the additional share in 2022, after CADE, ANP and MME approvals

Amount to be received for the additional share and bonus reimbursement: US\$ 2.08 billion

## SHAREHOLDINGS IN THE SHARED RESERVOIR

From 09/01/21 to  
12/31/21

- Petrobras: 92.66%
- CNOOC: 3.67%
- CNODC: 3.67%

After the approvals

- Petrobras: 88.99%
- CNOOC: 7.34%
- CNODC: 3.67%

# Production Development

## *Highlights*



*1<sup>st</sup> Oil FPSO Carioca*  
*Sépia Field*  
*Higher Oil Processing Capacity:*  
*180 Kbpd*

**João Henrique Rittershausen**  
Chief Production Development Officer



# FPSO Carioca operating in the Sépia Field

SÉPIA FIELD



**1<sup>st</sup>  
oil**  
August  
2021

**Total  
project  
wells**

**11**

## LARGEST FPSO IN OPERATION IN BRAZIL IN TERMS OF COMPLEXITY



Capacity to produce 180 thousand bpd of oil and process 6 million m<sup>3</sup>/d of gas



Separation and reinjection capacity of 3.6 million m<sup>3</sup>/d of CO<sub>2</sub>



Total weight of the unit: 97 thousand tons

## OPERATIONAL HIGHLIGHTS

**17  
days**

Anchoring + connection of the 1<sup>st</sup> producing well - 65% reduction in expected time

**48  
Kbpd**

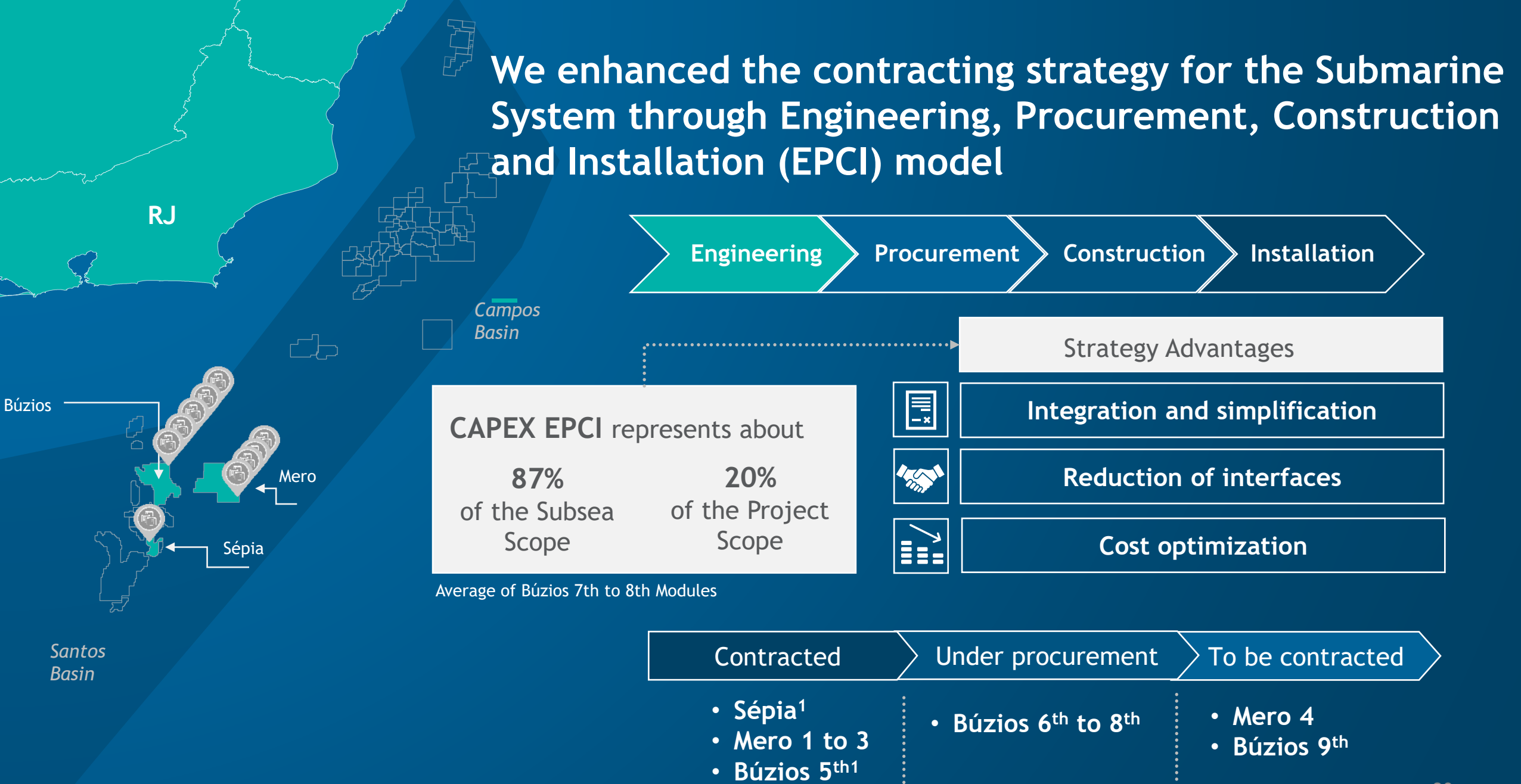
High productivity of 1<sup>st</sup> producing well\* - still with commissioning constraint

**66  
days**

Flare out period (1<sup>st</sup> gas injection): increased production potential

\* Average production referring to Sep/21

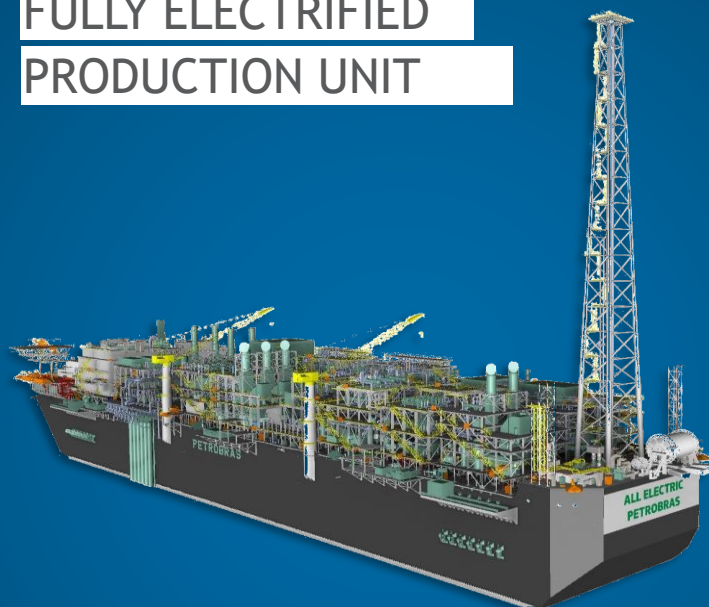
# We enhanced the contracting strategy for the Submarine System through Engineering, Procurement, Construction and Installation (EPCI) model



<sup>1</sup>Reduced scope - rigid pipelines only

**ALL ELECTRIC**

**FULLY ELECTRIFIED  
PRODUCTION UNIT**



*All Electric FPSO Project 3D Image:  
Approval of the CONAMA Resolution opens  
space for a new generation of platforms*

## *All Electric: value generation in Development Projects*



Increased energy  
efficiency



Up to 20% emissions  
reduction

Projects focusing on dual resilience:  
low breakeven and low carbon

### Other emission reduction initiatives

- » CCUS - CO<sub>2</sub> separation and reinjection
- » Closed flare - zero routine flaring
- » Gas recovery system - zero routine venting
- » Reduction of fugitive emissions



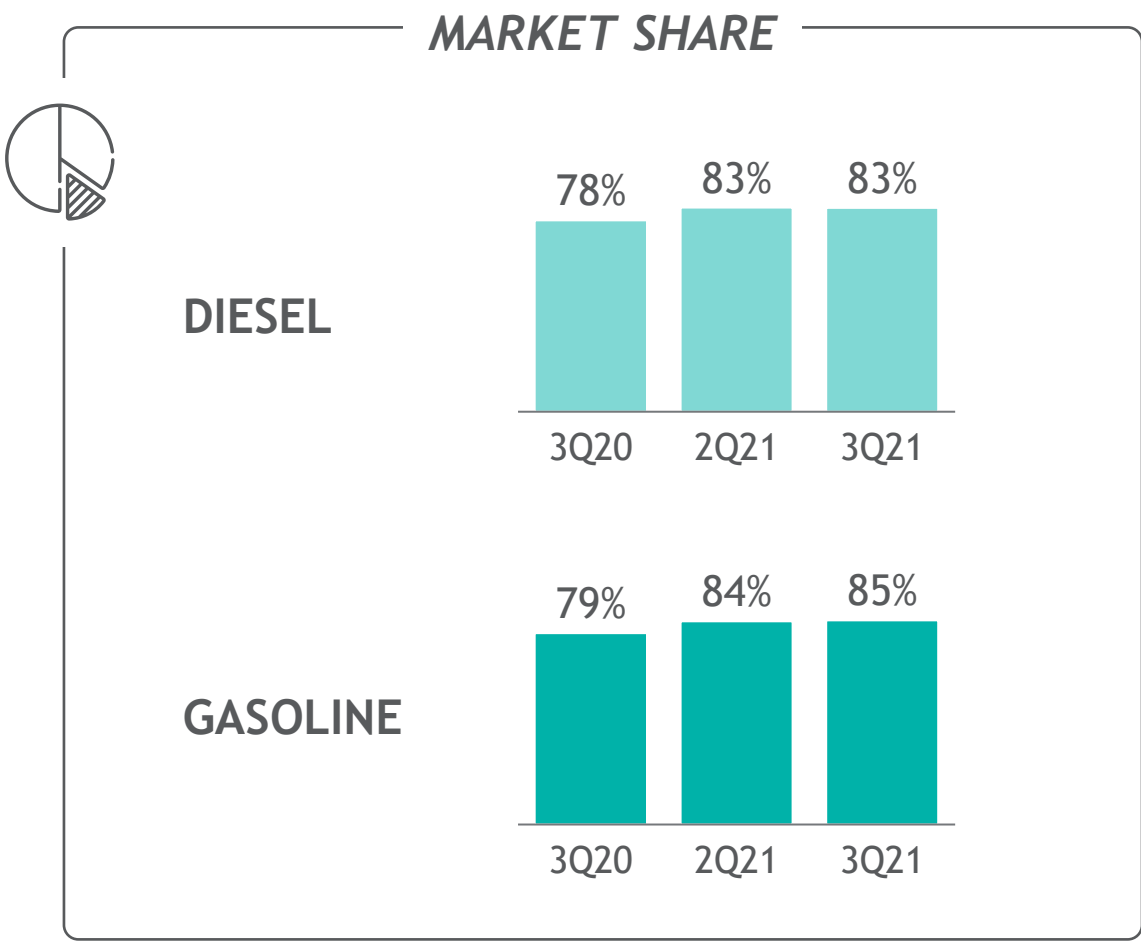
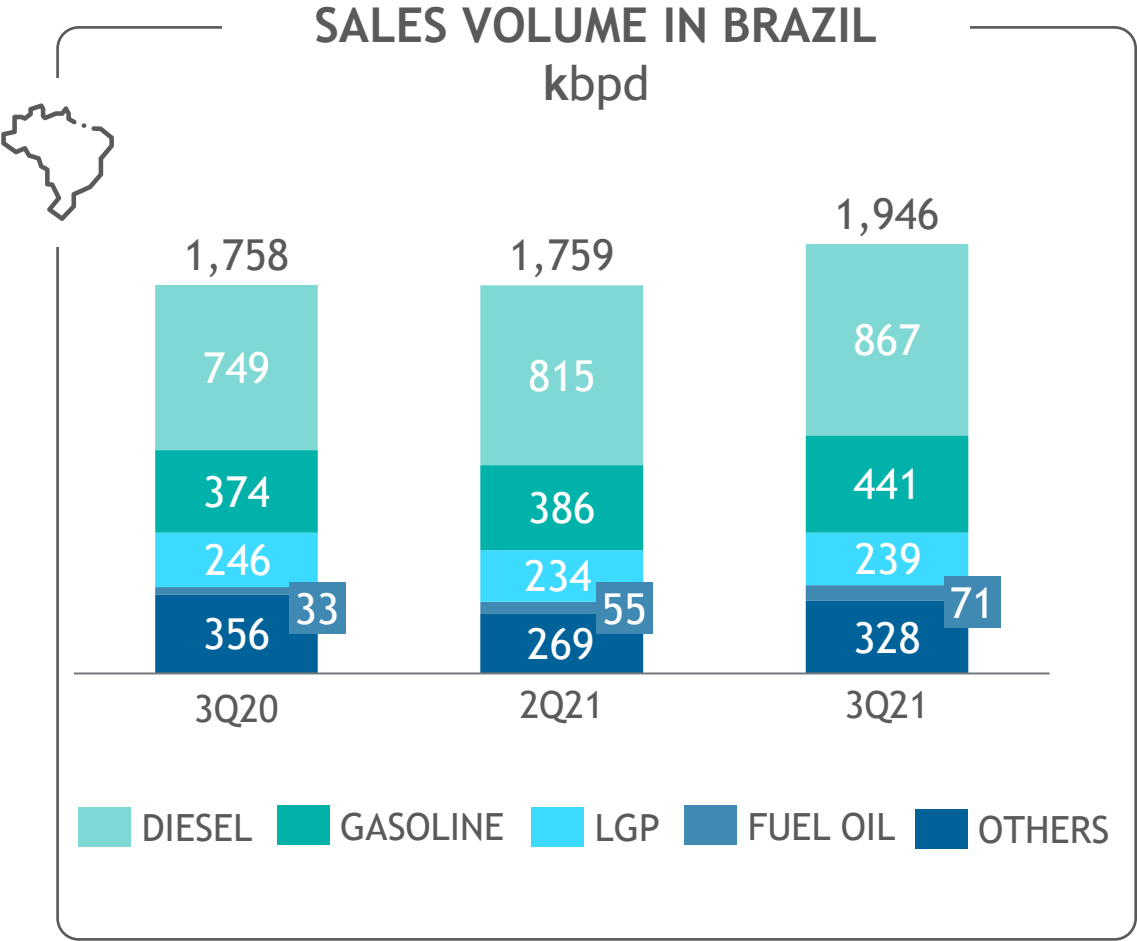
# *Trading and Logistics*

## *Highlights*

**Cláudio Mastella**

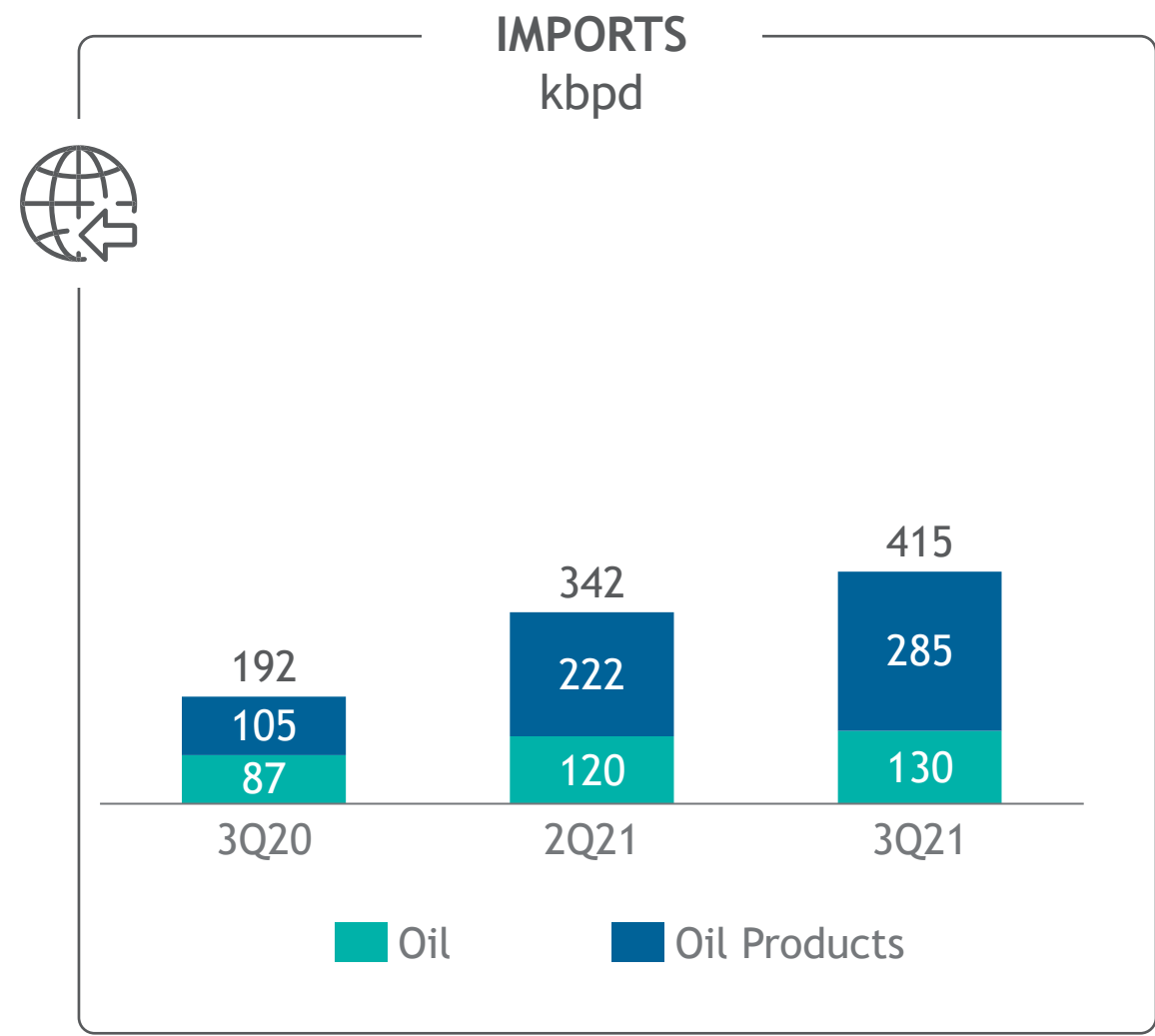
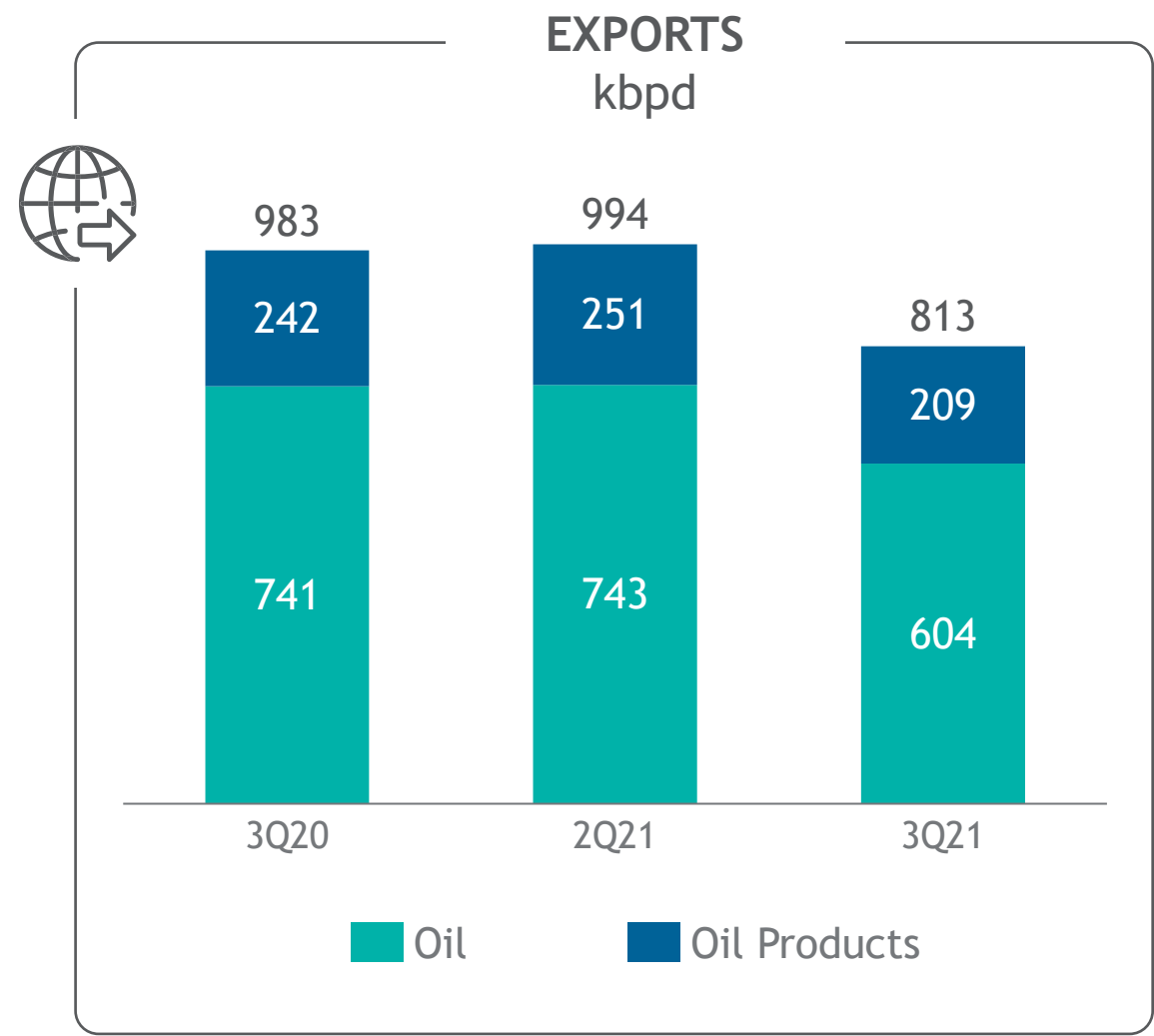
*Chief Trading and Logistics Officer*

# Sales of oil products in Brazil



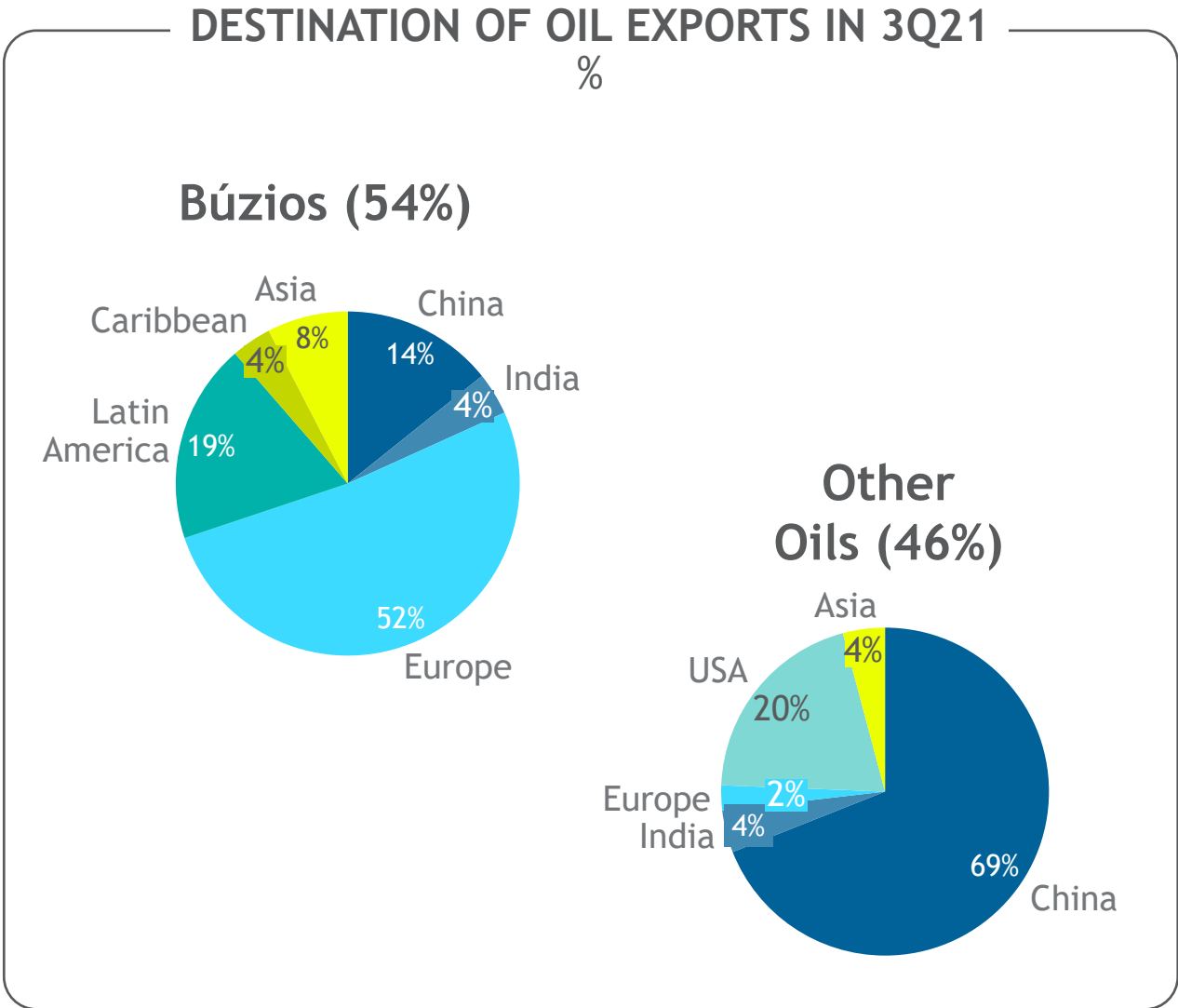
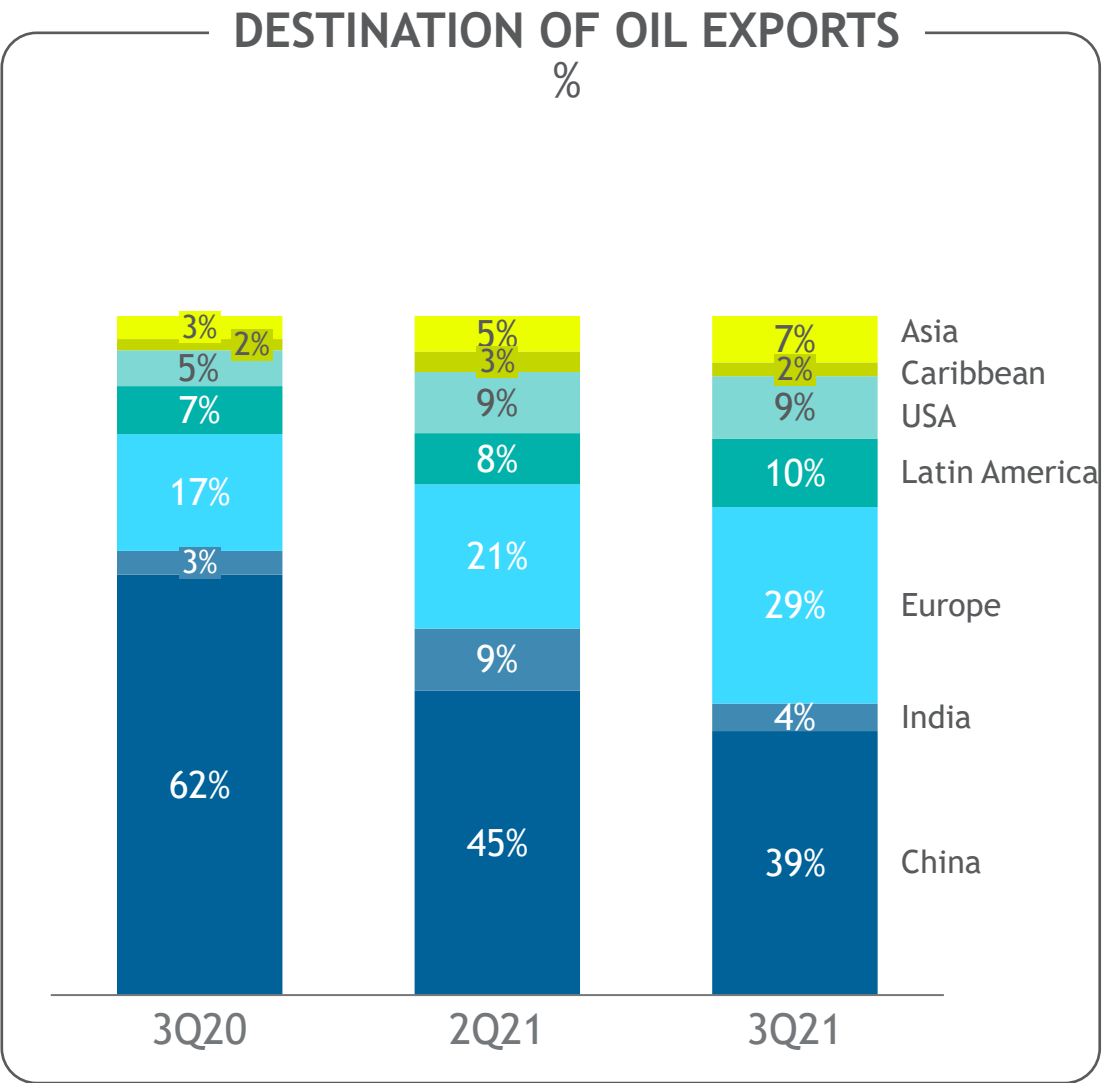
» Sales of S-10 diesel reached a new record in September 2021, with the sale of 498 Kbpd, 2.7% above the previous record reached in July 2021

# Exports and Imports





# Diversifying the destination of oil exports



# Refining and Natural Gas

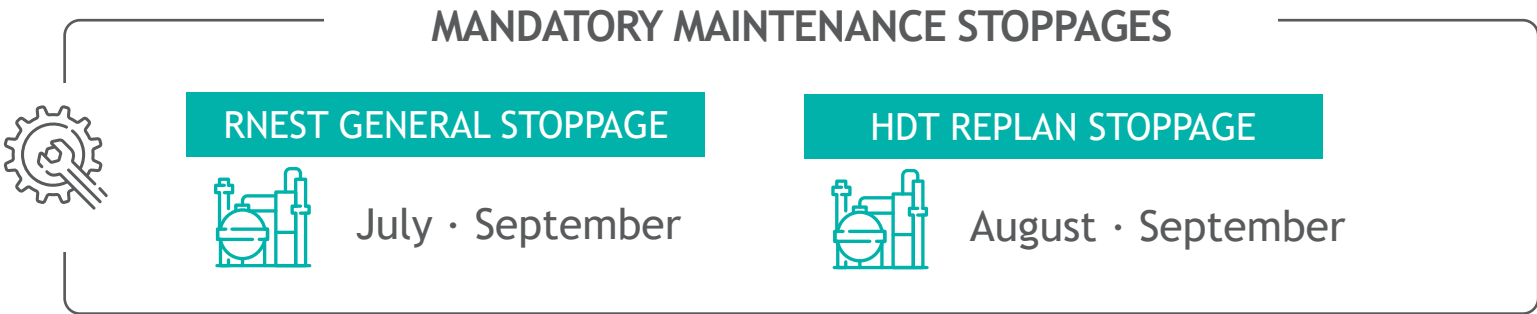
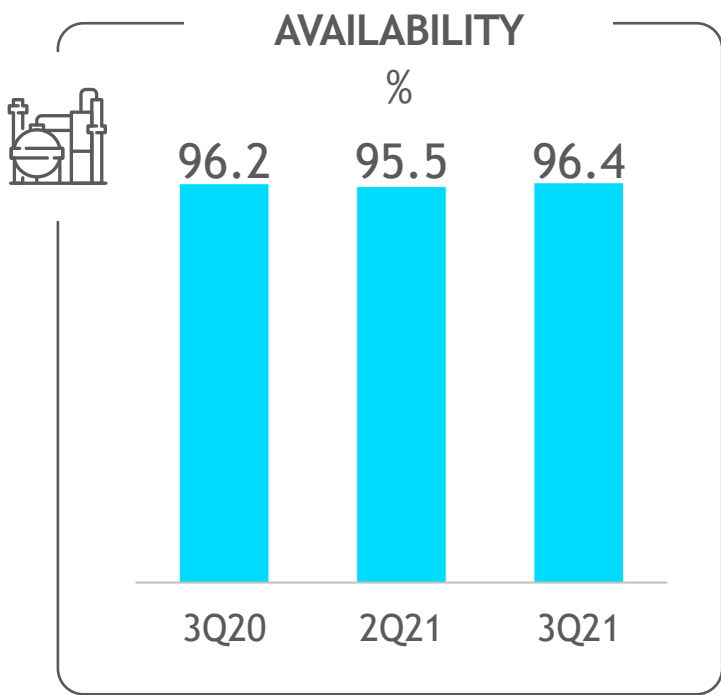
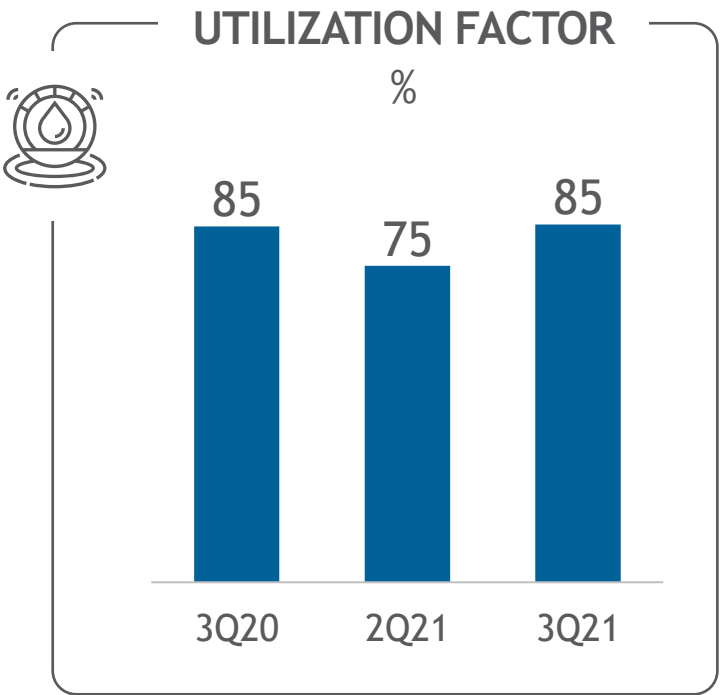
## *Highlights*

**Rodrigo Costa Lima e Silva**  
*Chief Refining and Natural Gas Officer*





# Recovery of the utilization level of the Refining Park in 3Q21





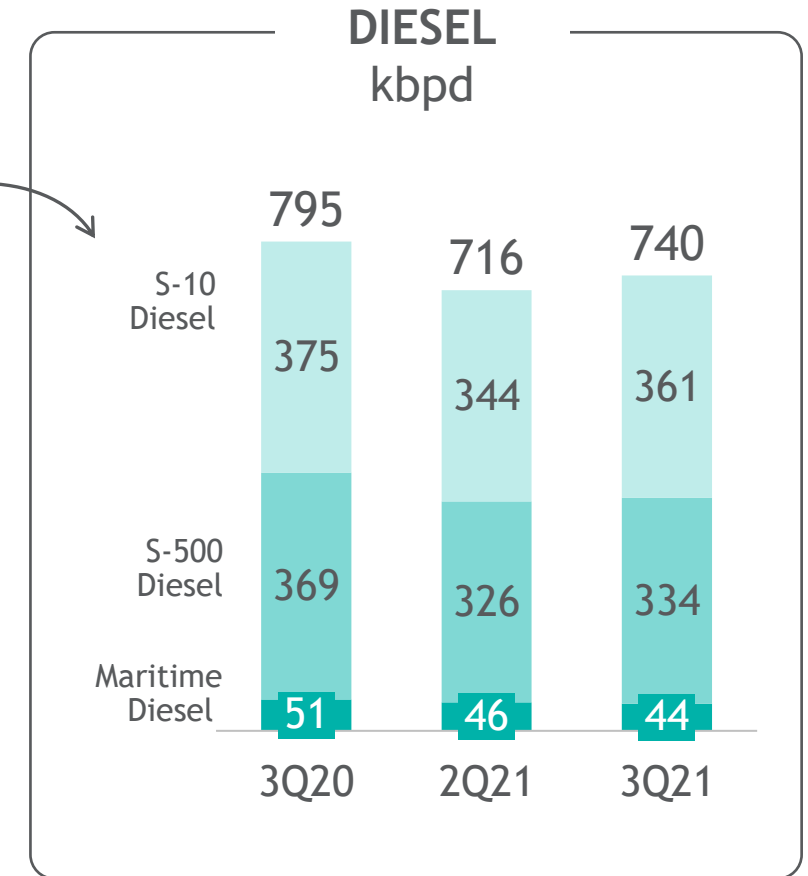
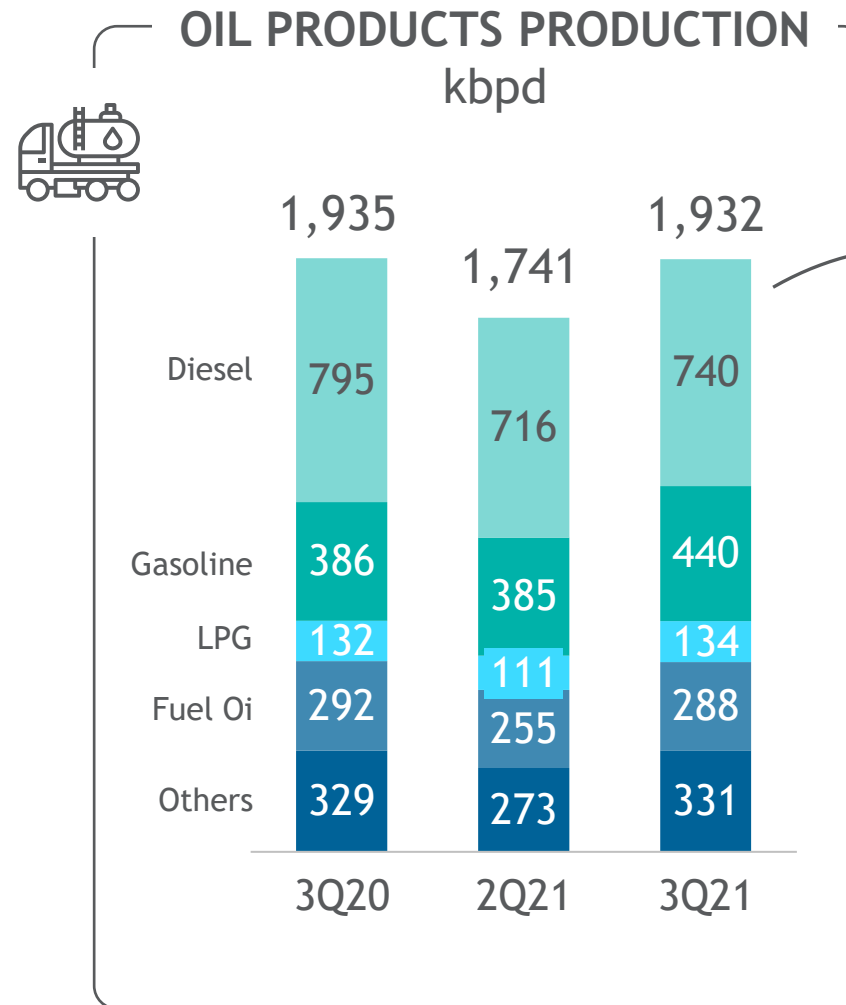


## RECORD PRODUCTION OF S-10 DIESEL

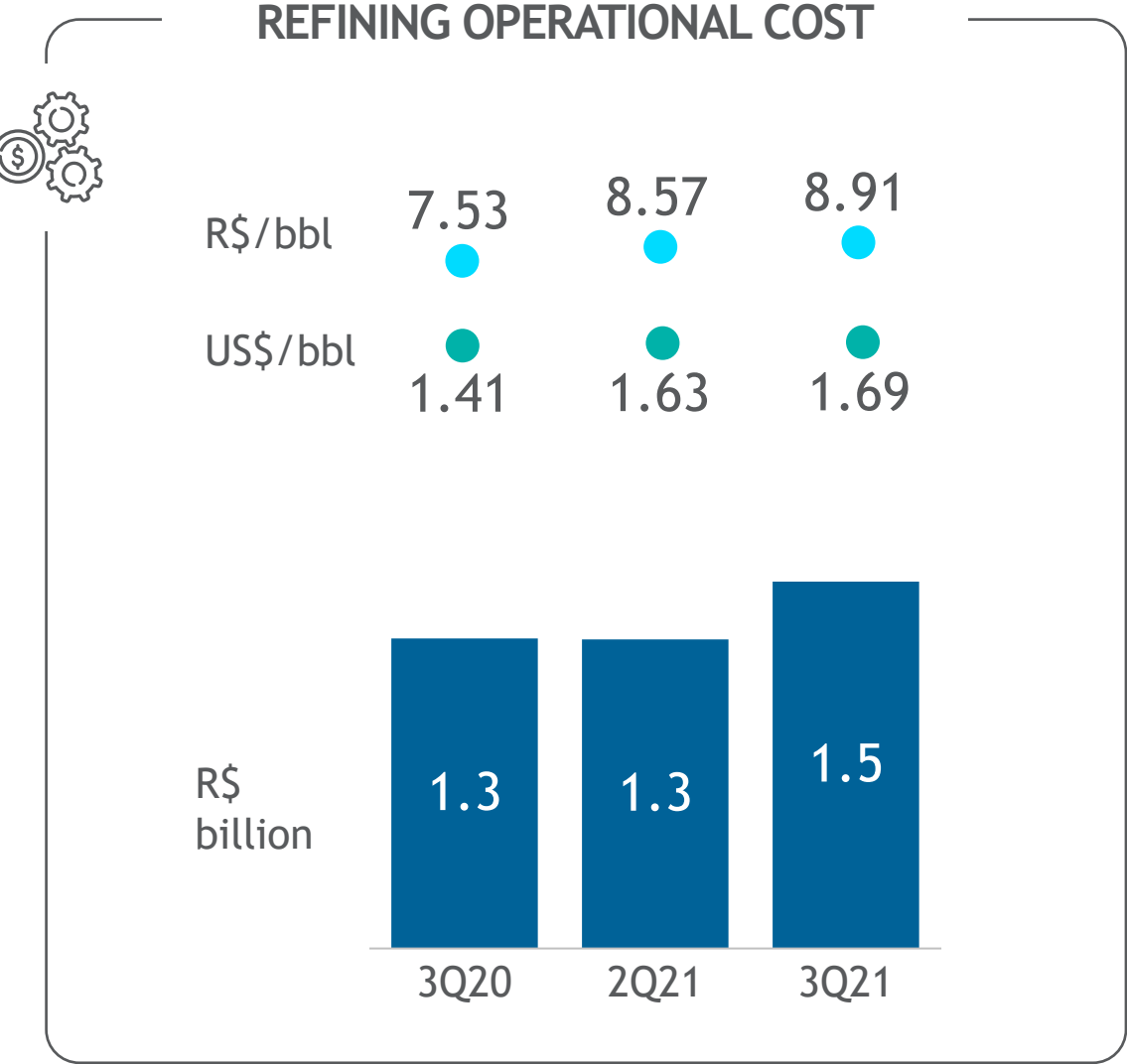
August · 21  
REGAP (45 kbpd)

September · 21  
REFAP (41 kbpd)  
REVAP (44 kbpd)  
RPBC (52 kbpd)

# Focus on higher added value and sustainable products

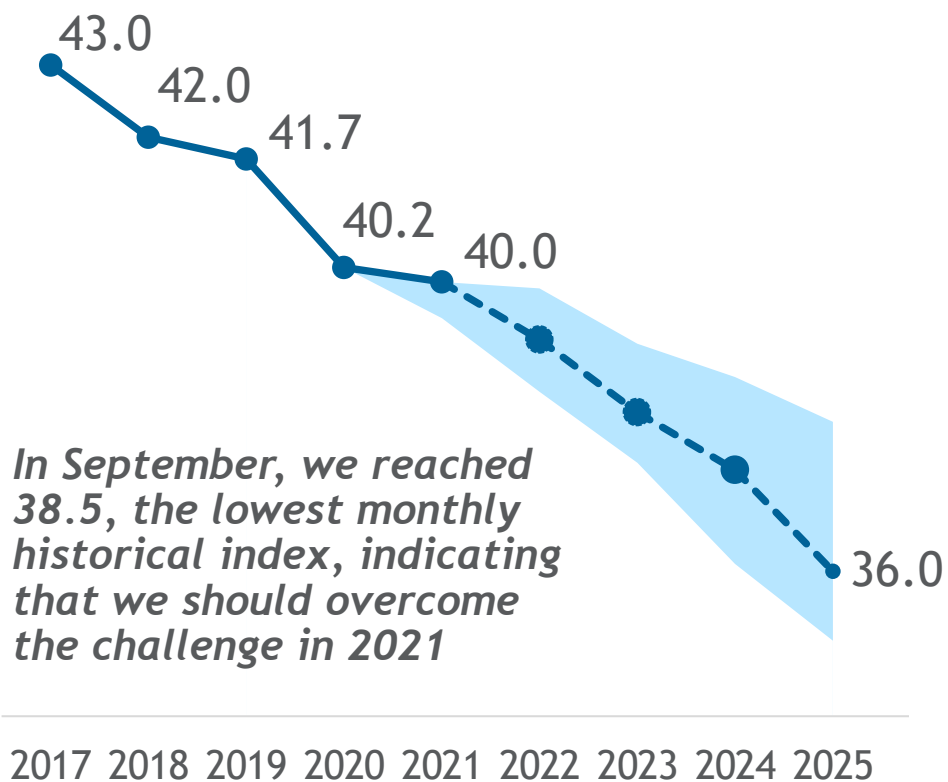


# Refining cost evolution

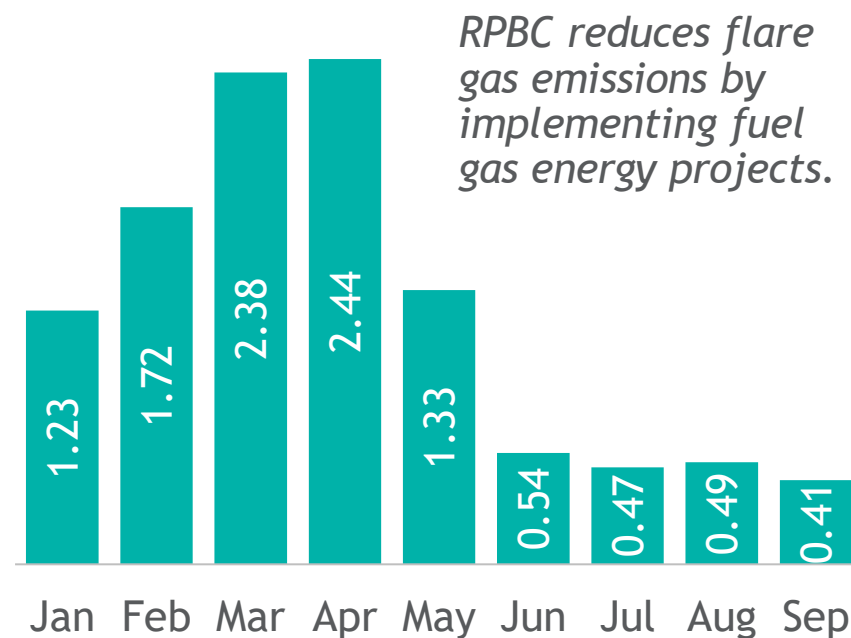


# REFTOP: World-Class Refining

GREENHOUSE GAS EMISSIONS INTENSITY INDEX  
kgCO2e/CWT



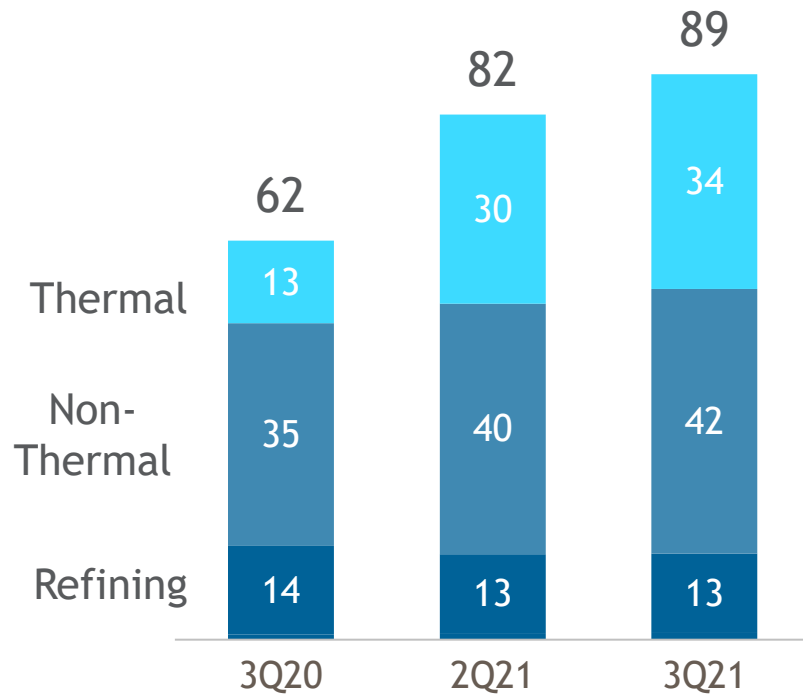
GAS TO FLARE DELIVERY RATE  
RPBC - 2021 MONTHLY  
%



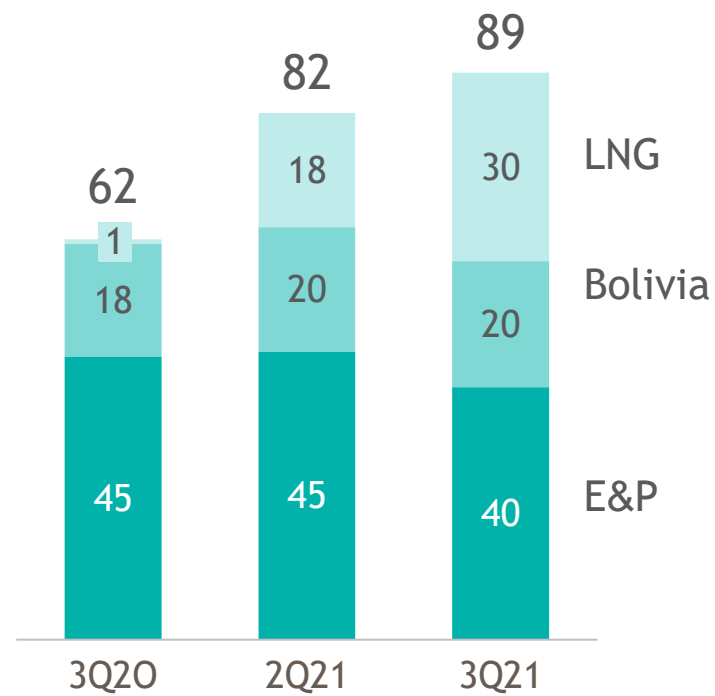


# Natural gas market growth

**NATURAL GAS DEMAND**  
million m<sup>3</sup>/day



**NATURAL GAS SUPPLY**  
million m<sup>3</sup>/day



FPSO Carioca



## 3<sup>rd</sup> quarter 2021 Performance

[www.petrobras.com.br/ri](http://www.petrobras.com.br/ri)