

# Management Report 2021

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## Disclaimer

*The Management Report seeks to comply with the rules in force, such as Law 6,404/1976 and the guidelines of the Brazilian Securities and Exchange Commission (CVM). Moreover, the financial information contained herein has been prepared under the International Financial Reporting Standards (IFRS) and the accounting practices adopted in Brazil by the Brazilian Accounting Pronouncements Committee (CPC).*

*This document may contain forward-looking statements that reflect only the expectations of the Company's Management. The terms: "anticipates", "believes", "expects", "predicts", "intends", "plans", "projects", "aims", "should," and similar terms, are intended to identify such forward-looking statements, which evidently involve risks and uncertainties that may or may not be anticipated by the Company and, consequently, are not a guarantee of our future results. Therefore, future results of our operations may differ from current expectations, and the reader should not rely solely on the information contained herein. We are under no obligation to update such forward-looking statements in view of new information or future developments.*

*Management's comments on our financial performance consider the scope of each business segment, as defined in Note 12 to Petrobras Financial Statements.*

# Message from Management

**Rio de Janeiro, February 23, 2022** - Petrobras has achieved solid operational and financial results in 2021, especially improving its debt balance and meeting all its oil and gas production targets.

We achieved our top metrics and all production targets for the year, delivering total oil and gas production of 2.77 million barrels of oil equivalent per day, with pre-salt accounting for 70% of the volume produced. This is extremely important for the generation of value for our shareholders and for society, since pre-salt production is more competitive and of higher quality, in addition to being less carbon intensive.

In August, we started operating a new unit in the pre-salt, the FPSO Carioca, and, in December, we acquired the exploitation and production rights for the S epia and Atapu fields, also in the pre-salt. These events further increase our confidence in continuing to deliver production growth in the pre-salt in order to generate increasing value for our shareholders and for society.

In the Refining, Transportation and Marketing segment, average use of refineries reached an average of 88% in the fourth quarter of 2021, and 83% for the year, the highest rate in the last five years.

Sales volume of oil products increased 8.5% in the year, and we reached records for sales and production of S-10 diesel. In 2021, sales increased by 35% and production by 10%. This trend happens in addition to the fleet modernization, leading to better environmental and economical results for the users.

We increased our commercial performance in exports, enhancing the Atapu chain's presence and exporting the first cargo of Sepia, while B uzios is still the main highlight. We also established a record in ship-to-ship operations, which gives us greater flexibility and agility in our operations.

In the financial sector, in 2021 we will achieve free cash flow of US\$31.5 billion, recurring adjusted EBITDA of US\$43.5 billion, and recurring net income of US\$15.6 billion.

The major financial highlight was surely the achievement of the gross debt goal 15 months in advance, thus addressing a issue faced by Petrobras for several years as a result of misguided business decisions. We currently hold a gross debt of US\$58.7 billion, resulting in a net debt/EBITDA ratio of 1.1x.

The quality of our financial management was recognized by Moody's, with an increase of one level in the Company's rating, and by Latin Finance, which gave us the award for the best debt management operation, and ANEFAC, for the 2021 Transparency Trophy for our financial statements.

By reducing debt, we were able to redirect resources paid as interest to investments. In 2021, we invest US\$8.8 billion, a 9% increase over 2020. Over the next five years, we plan to invest an additional US\$68 billion, 24% more than projected for 2021-2025. These figures demonstrate that we are working for Petrobras to grow in a sustainable and profitable way. Thus, providing the maximum return for our shareholders and for society.

We have become a much more solid and responsible company, able to continue generating and distributing wealth to our shareholders and to society.

In portfolio management, we concluded, until February 2022, the divestment of 21 assets, highlighting the sales of RLAM, BR Distribuidora and 10% of NTS, and we signed another 14 assets. Other major advances include the signing of REMAN, SIX, and Gaspetro, in addition to progress on the other commitments signed with CADE for opening the refining and natural gas markets.

By 2021 we will have almost doubled our power generation and in December's reserve capacity auction we contracted 1.3 gigawatts of power, which is essential to supplement the energy of the Brazilian National Interconnected System. We increased the volume of natural gas sales by 25%, highlighting the offer of LNG, with an increase of 188% compared to 2020, supported by the capacity expansion of the Guanabara Bay regasification terminal.

Operating and financial results indicate that Petrobras has become a strong and healthy company. This is how the company can best perform its social purpose, being able to grow, invest, create jobs, pay taxes, return dividends to shareholders, including the Federal Government, and effectively contribute to the country's development.

### **Contribution to the Society**

The Company's 2021 results will enable it to contribute some R\$230 billion to Brazilian society through taxes paid to the federal, state, and municipal governments, government investments, and dividends to the Federal Government. Petrobras is the largest taxpayer in Brazil. In 2021, we raised R\$202.9 billion, totaling R\$900 billion in the past five years. The more resources the company generates, the more they contribute back to society.

Considering the cash generation, the Board of Directors is proposing to the Annual Shareholders' Meeting the distribution of R\$37.3 billion in dividends - R\$2.8610762 per common and preferred share, totaling a shareholders' remuneration of R\$7.773202 per common and preferred share for the fiscal year 2021. Dividend payment is scheduled for May 16, 2022.

### **ESG – Environmental, Social and Governance**

For Petrobras, safety is a priority. We work daily to ensure the safety of our employees and operations. The recorded accident rate per million man-hours is still decreasing, reaching 0.54 in 2021.

Petrobras is committed to maintaining a long-term community relationship, based on dialogue and transparency. We are committed to the economic development of locations where we operate and to increasing the life quality of society as a whole, we respect human rights and the environment, addressing the sustainability challenges related to our business - including the transition to a low-carbon energy matrix.

It is urgently necessary to mitigate climate change worldwide. Petrobras is working with governments, multilateral organizations, non-governmental institutions, and corporations involved in building solutions for a planet aligned with the Paris ambitions. Therefore, in September 2021, we disclosed our ambition to achieve greenhouse gas emissions neutrality for our controlled operations (scope 1 and 2), and our aim to influence non-operated assets to achieve the same in a timeframe consistent with that established by the Paris Agreement.

We have made significant progress and achieved substantial reductions in our operational emissions over the past few years and integrated the carbon topic into our strategy and governance. We do know, however, that we must move forward. Our short- and medium-term sustainability commitments include additional reductions and represent part of our path toward long-term operational emissions neutrality.

Through the Petrobras Socio-environmental Program, we invest R\$88.2 million in resources in several socio-environmental projects in 2021. We are committed to developing impact initiatives which contribute to the solution of social and/or environmental issues, including opportunities to work together with our stakeholders, customers of Petrobras' products.

Therefore, in 2021 resources and materials were donated as a response to the Covid-19 pandemic. In September 2021, we launched a program aimed at helping vulnerable families to access essential items to sustain life, mainly food and domestic gas. The program's initiatives amount to R\$300 million and will benefit more than 4 million people by the end of 2022. Lastly, in early 2022, we approved the donation of R\$5.3 million to support the population affected by the floods due to heavy rains in the states of Minas Gerais and Bahia and the highlands region of Rio de Janeiro. To execute all the initiatives of the donation process, we are working in partnership with several companies and institutions, such as Firjan SEI, ten oil and gas companies associated with the Brazilian Institute of Oil and Gas (IBP), Ação da Cidadania, Central Única das Favelas (Cufa), Gerando Falcões, Movimento União BR, Fundação Banco do Brasil, Vale, and the Ministry of Health.

Good corporate governance and compliance practices are pillars that support our business. So, we have made commitments in our strategy that are expressed by ensuring a governance model enabling a balance between efficiency and control; and working with integrity and transparency, and zero tolerance to fraud and corruption.

We have introduced significant advances in corporate governance and in the company's systems of integrity, compliance, and internal controls. And we adopt high standards of ethics and integrity through initiatives reinforcing our purpose, values, and commitment to continuous improvement and alignment with the market's best practices.

These achievements have been acknowledged by the market and we would like to highlight that in 2021 we were awarded the Pro-Ethics Company prize by the CGU, we were certified at Level 1 of the IG-SEST by the Brazilian Ministry of the Economy, we received R\$1.3 billion recovered by the "lava-jato" operation, amounting to a R\$6.2 billion recovered

We should also mention the closing of the agreement with the US Department of Justice. We can state that we do have a robust control system and anti-corruption measures exceeding those required by law.

All our accomplishments are results of a lot of effort and hard work and would be impossible without the full engagement and commitment from our over competent workforce.

If we currently operate a Petrobras capable of generating wealth - which is shown, for example, by the perspective of giving back to the society 58% of our cash generation in the next five years - this is possible only because we have implemented rationality both in our strategic plan and in our financial and operational management, with all processes following a solid governance.

We will also continue to act with capital discipline, investing in assets with high return rates, focusing on generating value for society. Our goal is to return value to our shareholders and to society, through taxes, dividends, the generation of jobs and investments that, considering the energy transition, are expected to be accelerated, especially pre-salt development.

We would like to highlight, our acknowledgement to our Board of Directors for its important role and continuous support to the execution of our strategy on this transformation journey and for building an increasingly stronger and more resilient Petrobras.

I would like to invite all of you to read the Financial Statements, the 2021 Tax Report, the 4Q21 Financial Performance Report, and the Climate Change, Report published today.



**Joaquim Silva e Luna**  
Chief Executive Officer



**Rodrigo Araujo Alves**  
Chief Financial and Investor Relations  
Officer

# Production and Sales

## Highlights on production and sales in 2021

Rio de Janeiro, February, 9th, 2022

Petrobras posted an excellent operational performance in 2021, reaching all production targets for the year with the achievement of the following marks:

Production	Accomplished	Target
Oil and NGL (MMbpd)	2.22	2.21 +/- 4%
Oil, NGL and commercial natural gas (MMboed)	2.46	2.43 +/- 4%
Total oil, NGL and natural gas (MMboed)	2.77	2.72 +/- 4%

The highlights for 2021 were:

- FPSO Carioca production start-up, on August 23, the first platform in Sépia field, in Santos Basin pre-salt. Throughout the year, 3 new producing wells were connected and currently the operated production stands above 130 thousand bpd.

*“The start-up of the first Sépia project is a milestone for all of us who work at Petrobras. It is the victory of the determination, persistence and technical capacity of our professionals, in a challenging external scenario due to the pandemic”, says the Chief Production Development Officer, João Henrique Rittershausen.*

- conclusion, on July 18, of P-70’s ramp-up, in Atapu field, in less than 13 months. The FPSO reached, with 4 producing wells, an operated production of 161 thousand bpd, exceeding the project's nominal capacity.
- record in pre-salt production, with an annual average of 1.95 MMboed, representing 70% of Petrobras' total production. Our production in the pre-salt has been growing rapidly and this record represents more than twice the production volume of 5 years ago.
- annual record of gas utilization with the mark of 97.2% of gas produced. This record contributes significantly to reduction of emissions and higher carbon efficiency.
- on September 1st, the co-participation agreement for the Búzios field came into effect, regulating the coexistence of the Transfer of Rights (ToR) Agreement and the Production Sharing Agreement for the ToR Surplus production for the field. We now hold 90% of the exploration and production rights for the surplus volumes, excluding the PPSA portion, and 92.666% of the volumes in the shared reservoir.

- acquisition, on December 17, of exploration and production rights for the ToR surplus volumes in the Atapu and Sêpia fields. Petrobras exercised its preemptive rights to act as operator, with a 30% interest in the winning consortium of Sêpia. For Atapu, the winning consortium is integrated by Petrobras as operator, with a 52.5% stake. With the beginning of the Production Sharing Regime in Atapu and Sêpia fields scheduled for early May 2022, Petrobras' interests in the shared reservoir, including the shares of the ToR Agreements and of the Concession Agreements and will be respectively 65.69% for Atapu and 55.30% for Sepia.

*“The achievement of those results demonstrates Petrobras' commitment to meeting its goals and the focus on assets in deep and ultra-deep waters, which have demonstrated great competitive advantage, producing low-cost, high-quality oil with low greenhouse gases emissions”, says Exploration and Production Officer, Fernando Assumpção Borges.*

In 4Q21, average production of oil, NGL and natural gas reached 2.70 MMboed, 4.5% below 3Q21, due to the beginning of the Búzios Co-participation Agreement and maintenance stoppages in pre-salt platforms with high production (P-66, P-75, P-76, FPSO Cidade de Ilhabela, FPSO Cidade de Mangaratiba and FPSO Cidade de São Paulo). These factors were partially offset by the ramp-up of FPSO Carioca.

As part of our portfolio management strategy, we highlight the closing of the sale, in 4Q21, of our entire stake in the onshore fields of the clusters (i) Miranga and Remanso, in Bahia and (ii) Cricaré, in Espírito Santo and (iii) of the Rabo Branco concession, in Sergipe. These fields had a combined average production of 5.2 kbpd of oil and 468,000 m<sup>3</sup>/day of gas from January to November 2021.

More recently, we revised the production target disclosed in the 2022-2026 Strategic Plan, following the results of the 2nd Bidding Round for the Surplus Volumes of the ToR in Atapu and Sêpia, which resulted, for 2022, in a reduction of 70 Mboed for total oil and gas production. For the 2023-2026 horizon, the estimated average production impact is a reduction of 0.1 MMboed.

FPSO Anchieta, located in the Jubarte field, in Campos Basin, has been shut down since January 22 after oil was detected close to the vessel. Adequate anti-pollution measures were immediately deployed and were proven to be effective. The situation is under control and the FPSO will resume operations when an action plan is approved by the authorities.

On January 28, 2022, FPSO Guanabara arrived in Mero field. This will be the first definitive production system to be installed in this field, with start-up scheduled for the first half of 2022.

Sales volumes of oil products grew 8.5% in 2021 compared to the previous year, and the highlight was the increase in the sales of gasoline, diesel and jet fuel, mainly due to the strong impact on sales caused by the COVID-19 pandemic in 2020, in addition to lower imports of gasoline and diesel by third parties between the periods, resulting in an increase in the company's market share. In the case of gasoline, the gain in market share over ethanol was also relevant, mainly due to lower pump prices for final consumers, and in the case of diesel, the growth of the economy in 2021, especially the industrial sector. Another oil product that contributed to total sales growth was fuel oil, whose sales grew in 2021 compared to the previous year, due to greater demand from thermopower plants.

We achieved an annual record for S-10 diesel sales and production in 2021, with a 34.7% increase in sales and a 10% increase in production. The growth in S-10 diesel consumption happens alongside the modernization of the national fleet, ensuring better environmental and economic benefits for users.

Oil products output in 2021 also exceeded 2020 volumes, despite the concentration of scheduled maintenance stoppages, postponed from 2020, the initial and most critical phase of the pandemic.

Even with several maintenance stoppages, we reached an average total utilization factor (FUT) of 83% in our refineries in 2021, the highest mark in the last five years, which demonstrates the efficiency gains in the units' management.

With the beginning of the RefTOP program in May 2021, we also achieved improvements in environmental and energy performance metrics. The Greenhouse Gas Emissions Index (IGEE) for the refining segment was 39.7 gCO<sub>2e</sub>/CWT in 2021, exceeding the target. In total, emissions of around 2.8 thousand tons of CO<sub>2</sub> equivalent were avoided when comparing the actual emissions with the ones that would be generated if the refineries had operated in 2021 with 2020 metrics. This is equivalent to approximately 60% of the emission of the urban bus fleet in the city of São Paulo in 2021, according to data from the Energy and Environment Institute (IEMA).

In 2021, we reached an annual record of pre-salt throughput in our refining park, reaching 59% of the processed feedstock, 9% above 2020. Our pre-salt oil processing capacity has been increasing continuously and there was strong progress in 4Q21 in line with the company's strategy of leveraging the processing of pre-salt oil, which has a low sulfur content, bringing competitive advantages and opportunities to increase refining margins, favoring the production of S-10 and bunker diesel.

In 4Q21, we highlight the conclusion of the sale of the RLAM refinery, on November 30, whose capacity corresponded to around 13% of our total refining system. This divestment, along with seasonal factors, contributed to lower sales in the domestic market in 4Q21, compared to 3Q21, totaling 1.848 MMbpd, and to the drop of 1.1% in oil products output in the same period.

Net exports were 38.8% lower in 2021 due to the combination of lower export volume and higher import volume in the year. Oil exports were lower in 2021 due to lower oil production and higher domestic demand. These factors, together with the greater number of scheduled stoppages at the refineries, resulted in an increase in imports, to enable the fulfillment of sales contracts with customers.

We achieved a record of oil transshipment (ship-to-ship) operations for monthly oil exports in May 2021, carrying out 24 transshipment operations. The previous record consisted of 21 operations, which also took place in 2021, in March.

In 2021, Búzios was the mainstream in our export basket. In 4Q21, Búzios continued to be the highlight, but we increased Atapu's share by including two new clients for this stream in our portfolio, reflecting the results of our marketing and sales strategy. In addition, we carried out the first export of the Sepia stream with a cargo exported in the period.

The development of new markets for the pre-salt oil streams has been a relevant factor for the increase in value generation in oil exports, since it enables us to explore arbitrage at any given time, always seeking markets where Petrobras' oils fetch higher prices. In 2021, approximately 45% of exports were destined for refiners in China, 20% for Europe, 20% for the Americas, and 15% for other destinations in Asia.

In 2021, power generation reached 3,419 average MW, an increase of 94.7% compared to 2020, due to hydrological conditions throughout 2021 and the effects of the economic recovery after the peak of the COVID-19 pandemic. We highlight the contracting of 1,284 MW of power in December 2021 in the country's first reserve capacity auction (A-5), an important opportunity to re-contract our plants, especially in the context in which thermoelectric plants have played a fundamental role in providing extra energy to the National Interconnected System.

Natural gas sales volumes increased 25% in 2021, compared to the previous year. This increase can be explained by both the higher thermoelectric dispatch and by the recovery in consumption by the industrial segment, impacted by the effects of the COVID-19 pandemic in 2020.

On the supply side, the volume of regasified LNG reached 23 million m<sup>3</sup>/day in 2021 (an increase of 188% compared to 2020), contributing to a total supply of natural gas of approximately 85 million m<sup>3</sup>/day. This greater volume of LNG delivered to the market was made possible by the expansion of regasification capacity at the Guanabara Bay terminal (RJ), which grew from 20 MM m<sup>3</sup>/day to up to 30 MM m<sup>3</sup>/day. This fact evidences the efforts made by Petrobras to ensure compliance with the commitments made to our customers.

**CONSOLIDATED PRODUCTION VOLUME**

Production Volume (kbpd)	2021	2020	Δ 2021 / 2020 (%)
Diesel	726	716	1.4
Gasoline	409	356	14.7
Fuel Oil	280	293	(4.6)
Naphtha	76	106	(28.5)
LPG	122	125	(2.0)
Jet Fuel	70	57	22.4
Others	169	175	(3.4)
<b>TOTAL</b>	<b>1,852</b>	<b>1,828</b>	<b>1.3</b>

**CONSOLIDATED SALES VOLUME**

Sales Volume (kbpd)	2021	2020	Δ 2021 / 2020 (%)
Diesel	801	687	16.6
Gasoline	409	343	19.2
Fuel oil	61	40	52.5
Naphtha	69	116	(40.5)
LPG	228	235	(3.0)
Jet Fuel	74	60	23.3
Others	164	182	(9.9)
<b>Total oil products</b>	<b>1,806</b>	<b>1,663</b>	<b>8.6</b>
Alcohols, nitrogenous, renewable and others	4	5	(20.0)
Petroleum	24	3	700.0
Natural gas	352	292	20.5
<b>Total domestic market</b>	<b>2,186</b>	<b>1,963</b>	<b>11.4</b>
Exports of petroleum, oil products and other	811	957	(15.3)
Sales of international units	46	85	(45.9)
<b>Total external market</b>	<b>857</b>	<b>1,042</b>	<b>(17.8)</b>
<b>Grand total</b>	<b>3,043</b>	<b>3,005</b>	<b>1.3</b>

**NET EXPORT AND IMPORT**

Thousand barrels per day (kbpd)	2021	2020	Δ 2021 / 2020 (%)
<b>Net export (import)</b>	<b>454</b>	<b>743</b>	<b>(38.9)</b>
<b>Import</b>	<b>357</b>	<b>214</b>	<b>66.8</b>
Petroleum	154	97	58.8
Diesel	118	18	555.6
Gasoline	20	10	100.0
Naphtha	-	14	-
GLP	65	70	(7.1)
Other oil products	-	5	-
<b>Export</b>	<b>811</b>	<b>957</b>	<b>(15.3)</b>
Petroleum	575	713	(19.4)
Fuel oil	197	194	1.5
Other oil products	39	50	(22.0)

# Proved Reserves

Our proved reserves of oil, condensate, and natural gas, according to SEC criteria, totaled 9.88 billion barrels of oil equivalent (boe) as of December 31, 2021. Of this total, 85% correspond to oil and 15% to natural gas.

The table below presents the evolution of proved reserves, in billions of barrels of oil equivalent.

## PROVED RESERVES VARIATION IN 2021

Reserves evolution	Volumes in billions of boe
a) Proved reserves in December 2020	8.82
b) Incorporations in 2021	1.54
c) Economic review in 2021	0.43
d) Divestments in 2021	-0.01
e) Production in 2021 <sup>1</sup>	-0.90
f) Annual variation (b+c+d+e)	1.06
g) Proved reserves in December 2021 (a+f)	9.88

In 2021, we made the biggest addition of reserves in our history (1.97 billion boe), replacing 219% of the year production, already considering divestments. These results showed our trajectory of improvement of the management system, focused on maximizing the creation of value of our assets.

Additional reserves were added, mainly due to the advance in the development of the Búzios field, arising from the acquisition of the surplus of the Transfer of Rights and execution of the co-participation agreement, investments in new projects to increase recovery in other fields of the Santos and Campos Basins, and appropriations due to good reservoir performance. The increase in reserves was also boosted by the rise in oil prices.

The R/P indicator (proved reserves/production ratio) moved up to 11.0 years.

Historically, we have submitted for certification around 90% of our proved reserves, under SEC criteria. The current certifying company is DeGolyer and MacNaughton (D&M).

<sup>1</sup> The reported production does not consider:

- (a) natural gas liquids, since the reserve is estimated at a reference point prior to gas processing, except in the United States and Argentina;
- (b) volumes of injected gas;
- (c) production of extended well tests in exploratory blocks; and
- (d) production in Bolivia since the Bolivian Constitution does not allow the disclosure of reserves.

# Financial Performance

## Main Highlights

- Achievement of gross debt target of US\$ 60 billion 15 months in advance, resulting in a net debt/EBITDA ratio of 1.1x.
- Achievement of all top metrics established in the 2021-2025 Strategic Plan and of all production targets for the year, with the pre-salt accounting for around 70% of our production.
- Largest reserves addition in the history of Petrobras (1.97 billion boe), resulting in the replacement of 219% of 2021 production.
- Approval of the 2022-2026 Strategic Plan with goals for value generation supported by assets that are resilient to low oil prices and low carbon intensity, and projected investments of US\$ 68 billion, with a forecast of 15 new FPSOs starting up in the period, 12 of which are already procured.
- Main annual results: recurring EBITDA of R\$ 234.1 billion and free cash flow of R\$ 268.9 billion.
- Total shareholder remuneration proposed of R\$ 7.77 per common or preferred share.
- One notch rating upgrade by Moody's, from "Ba2" to "Ba1", with a stable outlook, and upgrade of the company's stand-alone credit profile (intrinsic risk) rating also by 1 notch, from "ba2" to "ba1".
- Cash inflow from asset sales of US\$ 4.8 billion in 2021, including the conclusion of the US\$ 1.8 billion sale of RLAM, which represents about 13% of Brazil's refining capacity, and conclusion of the offer of Petrobras Distribuidora shares in the amount of US\$ 2.2 billion.
- Acquisition of exploration rights in the S epia and Atapu fields, which will contribute to continuous value generation.
- Production start-up of FPSO Carioca, the first platform in the S epia field, in the pre-salt layer of Santos Basin, and completion of the P-70 ramp-up, in the Atapu field, in less than 13 months.
- Average total utilization factor of our refineries of 88% in 4Q21 and 83% in 2021, the highest rate in the last five years, reflecting efficiency gains in the plants' management.
- Investments in scheduled maintenance stoppages in our refineries broke records in 2021, reaching R\$ 2.3 billion. The figure represents an increase of more than 50% compared to 2020 and more than 20% compared to the previous record reached in 2019.
- Record sales and production of S-10 diesel in 2021, with an increase of 34.7% in sales and 10% in production.
- Conclusion of obligations with the US Department of Justice (DOJ).
- Ambition to achieve greenhouse gas emissions neutrality on scope 1 and 2 operations, alongside the intention to influence the achievement of the same objective in non-operated assets, within a period compatible with that established by the Paris Agreement.
- Return to the Dow Jones Sustainability Index World by S&P Global's Corporate Sustainability Assessment, with the highest grades in the Materiality, Environmental Report, Water-Related Risks and Social Report criteria.
- In addition to the disclosure of this Financial Performance Report, we are releasing on the same date the 2021 Financial Statements, Management, Fiscal and Climate Change Reports.

## Main Itens

R\$ million	2021	2020	Δ 2021 / 2020 %
Sales revenues	452.668	272.069	66.4
Gross profit	219,637	123,962	77.2
Operating expenses	(17,233)	(71,069)	(75.8)
Consolidated net income (loss) attributable to the shareholders of Petrobras - Petrobras Shareholders	106,668	7,108	1400.7
Recurring consolidated net income (loss) attributable to the shareholders of Petrobras*	83,285	13,244	528.9
Net cash provided by operating activities	203,126	148,106	37.1
Free Cash Flow	168,992	118,132	43.1
Adjusted EBITDA	234,576	142,973	64.1
Recurring Adjusted EBITDA <sup>1</sup>	234,069	126,997	84.3
Gross debt (US\$ million)	58,743	75,538	(22.2)
Net Debt (US\$ million)	47,626	63,168	(24.6)
Net Debt/LTM Adjusted EBITDA ratio <sup>2</sup>	1.09	2.22	(50.9)
Average commercial selling rate for U.S. dollar	5.40	5.16	4.7
Brent crude (US\$/bbl)	70.73	41.67	69.7
Domestic basic oil by-products price (R\$/bbl)	416.40	254.37	63.7
TRI (total recordable injuries per million men-hour frequency rate)	0.54	0.56	(3.6)
ROCE (Return on Capital Employed)	7.8%	2.5%	+ 5.3 p.p.

<sup>1</sup> See reconciliation of Net Income and Adjusted EBITDA excluding special items.

<sup>2</sup> Ratio calculated in USD

## Net Revenue

R\$ million	2021	2020	Δ 2021 / 2020 %
Diesel	130,671	70,984	84,1
Gasoline	64,206	32,074	100,2
Liquefied petroleum gas (LPG)	24,168	17,347	39,3
Jet fuel	12,279	6,965	76,3
Naphtha	9,131	8,470	7,8
Fuel oil (including bunker fuel)	9,532	4,016	137,4
Other oil products	22,988	13,945	64,8
<b>Subtotal Oil Products</b>	<b>272,975</b>	<b>153,801</b>	<b>77,5</b>
Natural gas	31,694	18,485	71,5
Crude oil	3,766	254	1382,7
Renewables and nitrogen products	215	296	(27,4)
Revenues from non-exercised rights	1,311	2,283	(42,6)
Electricity	15,559	5,635	176,1
Services, agency and others	4,357	3,928	10,9
<b>Total domestic market</b>	<b>329,877</b>	<b>184,682</b>	<b>78,6</b>
Exports	115,768	80,229	44,3
Crude oil	80,245	58,692	36,7
Fuel oil (including bunker fuel)	29,755	17,982	65,5
Other oil by-products and other products	5,768	3,555	62,3
Sales from foreign subsidiaries	7,023	7,158	(1,9)
<b>Total external market</b>	<b>122,791</b>	<b>87,387</b>	<b>40,5</b>
<b>Total</b>	<b>452,668</b>	<b>272,069</b>	<b>66,4</b>

## Cost of Goods Sold

R\$ million	2021	2020	Δ 2021 / 2020 %
Acquisitions	(86,975)	(31,239)	178.4
Crude oil imports	(30,444)	(16,458)	85.0
Oil by-products imports	(30,361)	(8,270)	267.1
Natural gas imports	(26,170)	(6,511)	301.9
Production	(128,721)	(107,935)	19.3
Crude oil	(105,277)	(85,666)	22.9
Production taxes	(51,053)	(27,553)	85.3
Others costs	(54,224)	(58,114)	(6.7)
Oil by-products	(13,424)	(11,009)	21.9
Natural gas	(10,020)	(11,259)	(11.0)
Production taxes	(3,206)	(1,937)	65.5
Others costs	(6,814)	(9,322)	(26.9)
Services rendered, electricity, renewables, nitrogen products and others	(17,335)	(8,934)	94.0
<b>Total</b>	<b>(233,031)</b>	<b>(148,107)</b>	<b>57.3</b>

In 2021, cost of goods sold went up 57%, mainly reflecting higher import costs, because of higher volumes of oil, oil products and natural gas and higher Brent and LNG prices. It is worth highlighting the higher share of LNG in total natural gas purchases following the 188% increase in LNG import volumes to meet higher demand, alongside the 226% increase in acquisition costs in reais.

Production costs rose 19% - with an increase in government take, which followed Brent prices - and were partially offset by lower volumes sold.

Electricity costs increased in 2021 compared to 2020, due to the increase in fuel costs.

## Operating Expenses

R\$ million	2021	2020	Δ 2021 / 2020 %
Selling, General and Administrative Expenses	(29,146)	(30,545)	(4.6)
Selling expenses	(22,806)	(25,020)	(8.8)
Materials, third-party services, freight, rental and other related costs	(19,095)	(21,297)	(10.3)
Depreciation, depletion and amortization	(3,289)	(2,924)	12.5
Allowance for expected credit losses	65	20	225.0
Employee compensation	(487)	(819)	(40.5)
General and administrative	(6,340)	(5,525)	14.8
Employee compensation	(4,490)	(3,813)	17.8
Materials, third-party services, freight, rental and other related costs	(1,384)	(1,264)	9.5
Depreciation, depletion and amortization	(466)	(448)	4.0
Exploration costs	(3,731)	(4,170)	(10.5)
Research and Development Expenses	(3,033)	(1,819)	66.7
Other taxes	(2,180)	(4,971)	(56.1)
Impairment of assets	16,890	(34,259)	-
Other (income and expenses), net	3,967	4,695	(15.5)
<b>Total</b>	<b>(17,233)</b>	<b>(71,069)</b>	<b>(75.8)</b>

In 2021, operating expenses were 76% lower, mainly due to the R\$ 34.3 billion impairments in 2020, compared against an impairment reversal of R\$ 16.9 billion in 2021. Other highlights are selling and general and administrative expenses, which reduced by 5%, mainly reflecting lower exported volumes and lower freight expenses, and tax expenses, which reduced relative to 2020, impacted by state amnesty programs in Rio de Janeiro and Espírito Santo states.

## Adjusted EBITDA

In 2021, Adjusted EBITDA increased 64% to R\$234.6 billion, mainly due to the increase in Brent prices. Other factors worth mentioning were the higher sales of oil products in the domestic market, with higher margins for diesel and gasoline, offset by lower oil exports, higher LNG acquisition costs and the actuarial

review related to the health plan co-participation.

## Net income (loss) attributable to Petrobras shareholders

Net income in 2021 was R\$ 106.7 billion, compared to R\$ 7.1 billion in 2020. This expressive increase is mainly due to the 77% hike in Brent prices in reais in the period, besides higher sales volumes in the domestic market and better oil products margins. In addition, there was an impairment reversal of R\$16.9 billion, compared to an impairment of R\$34.3 billion in 2020. With higher profits before income taxes, income tax expenses grew by R\$ 50.5 billion in 2021, compared to 2020.

## Recurring net income attributable to Petrobras shareholders and recurring Adjusted EBITDA

Net income benefited from non-recurring items in 2021, and the highlights were: (i) impairment reversal, (ii) gain from asset sales, (iii) gain with the co-participation agreement for the Transfer of Rights Surplus Volumes in Búzios field and (iv) the effects of non-incidence of income taxes on indexation (SELIC interest rate) of undue taxes paid, partially offset by the premium on the repurchase of bonds. Excluding non-recurring effects, net income would have been R\$83.3 billion. Adjusted EBITDA was not significantly impacted by non-recurring items, reaching R\$ 234.1 billion in 2021.

## CAPEX

Investment (Capex) encompasses acquisition of property, plant and equipment, including costs with leasing, intangible assets, investments in subsidiaries and affiliates, costs with geology and geophysics and pre-operating costs.

US\$ million	2021	2020	Δ 2021 / 2020 %
Exploration and Production	7,129	6,557	8.7
Refining, Transportation and Marketing	932	947	(1.6)
Gas and Power	412	353	16.9
Others	298	200	48.9
<b>Total</b>	<b>8,772</b>	<b>8,057</b>	<b>8.9</b>

In 2021, capex totaled US\$ 8.8 billion, an increase of 9% compared to 2020, reflecting the improved economic scenario after the critical phase of the COVID-19 pandemic. In 4Q21, capex totaled US\$2.6 billion, 41% higher than 3Q21, and approximately 57% corresponded to growth capex.

Capex for 2021 was 12% below projections, mainly due to: (a) postponement to 2022 of activities related to the new platforms P-71, FPSO Guanabara and FPSO Carioca, (b) postponement to 2022 of supporting activities and scheduled stoppages and (c) optimization of exploratory expenditures. None of these events compromise the production curve released for 2022.

## Portfolio Management

From January 1, 2021, to February 23, 2022, we concluded the sale of 21 assets, notably the sale of RLAM, BR Distribuidora and 10% of NTS. In addition, 14 assets were signed and are awaiting closings, with REMAN,

SIX, and Gaspetro standing out. The cash inflow from these transactions, including the upfront cash from the signings in 2021 until Feb 23, 2022, totaled US\$ 5.6 billion. In addition to this amount, in Feb 2022, we received the deferred payment for the sale of Carcará field in the amount of US\$ 950 million.

## Debt

Cash generation and continuous debt management in 2021 allowed the company to achieve, in 3Q21, the US\$ 60 billion gross debt target, originally set for 2022.

As of December 31, 2021, gross debt reached US\$ 58.7 billion, 1% lower than September 30, 2021, mainly due to debt prepayments and amortizations. Over 2021, the reduction was 22%.

Average maturity remained stable, from 13.5 years on September 30, 2021, to 13.4 years on December 31, 2021.

The Gross Debt/EBITDA ratio decreased from 1.45x on September 30, 2021, to 1.35x on December 31, 2021.

Net Debt decreased by 1% to US\$ 47.6 billion. The Net Debt/Adjusted EBITDA ratio decreased from 1.17x on September 30, 2021, to 1.09x on December 31, 2021.

US\$ million	12.31.2021	09.30.2021	Δ %	12.31.2020
Financial Debt	35,700	36,716	(2.8)	53,888
Capital Markets	22,031	22,213	(0.8)	30,137
Banking Market	9,762	10,524	(7.2)	18,597
Development banks	769	813	(5.4)	1,516
Export Credit Agencies	2,951	2,972	(0.7)	3,424
Others	187	194	(3.6)	214
Finance leases	23,043	22,872	0.7	21,650
<b>Gross debt</b>	<b>58,743</b>	<b>59,588</b>	<b>(1.4)</b>	<b>75,538</b>
Adjusted cash and cash equivalents	11,117	11,456	(3.0)	12,370
<b>Net debt</b>	<b>47,626</b>	<b>48,132</b>	<b>(1.1)</b>	<b>63,168</b>
Net Debt / (Net Debt + Market Cap) - Leverage	41%	42%	(2.4)	47%
Average interest rate (% p.a.)	6.2	6.0	3.3	5,9
Weighted average maturity of outstanding debt (years)	13.39	13.50	(0.8)	11,71
Net debt / LTM Adjusted EBITDA ratio	1.09	1.17	(6.8)	2,22
Gross debt / LTM Adjusted EBITDA ratio	1.35	1.45	(7.0)	2,66
R\$ million				
Financial Debt	199,224	199,713	(0.2)	280,038
Finance Lease	128,594	124,411	3.4	112,510
Adjusted cash and cash equivalents	62,040	62,314	(0.4)	64,280
<b>Net Debt</b>	<b>265,778</b>	<b>261,810</b>	<b>1.5</b>	<b>328,268</b>

## Reconciliation of Adjusted EBITDA

EBITDA is an indicator calculated as the net income for the period plus taxes on profit, net financial result, depreciation and amortization. Petrobras announces EBITDA, as authorized by CVM Instruction 527 of October 2012.

In order to reflect the management view regarding the formation of the company's current business results, EBITDA is also presented adjusted (Adjusted EBITDA) as a result of results in equity-accounted investments; impairment, reclassification of comprehensive income (loss) due to the disposal of equity-accounted investments, results with co-participation agreement in production fields and gains/losses on disposal/write-offs of assets.

Adjusted EBITDA, reflecting the sum of the last twelve months (Last Twelve Months), also represents an alternative to the company's operating cash generation. This measure is used to calculate the Gross Debt and Net Debt to Adjusted EBITDA metric, helping to evaluate the company's leverage and liquidity.

EBITDA and adjusted EBITDA are not provided for in International Financial Reporting Standards (IFRS) and should not serve as a basis for comparison with those disclosed by other companies and should not be considered as a substitute for any other measure calculated in accordance with IFRS. These measures should be considered in conjunction with other measures and indicators for a better understanding of the company's performance and financial condition.

R\$ million	2021	2020	Δ 2021 / 2020 %
Net income (loss)	107,264	6,246	1617.3
Net finance income (expense)	59,256	49,584	19.5
Income taxes	44,311	(6,209)	-
Depreciation, depletion and amortization	63,048	58,305	8.1
<b>EBITDA</b>	<b>273,879</b>	<b>107,926</b>	<b>153.8</b>
Share of earnings in equity-accounted	(8,427)	3,272	-
Impairment losses / (reversals)	(16,890)	34,259	-
Reclassification of comprehensive income (loss) due to the disposal of equity-accounted	220	225	(2.2)
Results from co-participation agreements in production fields	(3,317)	-	-
Gains/ losses on disposal/ write-offs of non-current assets	(10,889)	(2,709)	302.0
<b>Total Adjusted EBITDA</b>	<b>234,576</b>	<b>142,973</b>	<b>64.1</b>
<b>Adjusted EBITDA Margin (%)</b>	<b>52</b>	<b>53</b>	<b>(1.0)</b>

## 2021 Performance x 2021-2025 Strategic Plan

### Top metrics

We presented five top metrics in the 2021-2025 Strategic Plan: (a) Greenhouse Gas Intensity (GHGI), (b) Spilled Volume, (c) Gross Debt, (d) Delta EVA, and (e) Total Recordable Injury Rate - TRI. The top metrics planned for 2021 have been reached.

E&P's greenhouse gas intensity was 15.7 kgCO<sub>2e</sub>/boe, while refining came to 39.7 kgCO<sub>2e</sub>/CWT, 4.4% and 16%, respectively, below the targets.

The Spilled Volume of Oil and Oil Products, the highest monthly value observed was 11.62 m<sup>3</sup>, was significantly below the alert threshold of 120m<sup>3</sup>. The gross debt target for the end of 2021 (US\$ 67 billion) was reached in the second quarter of the year (and the target for 2022 – US\$60 billion– was reached in the third quarter, 15 months before expected). The realized Delta EVA was approximately US\$10 billion, exceeding the target of US\$ 6.9 billion<sup>3</sup>, and the Recordable Accident Rate closed the year at 0.54, below the alert threshold of 0.7.

### Financial Performance

The financial performance for 2021 shows that we have strictly complied with the four pillars of the financial strategy set for the PE 2021-2025: (a) reduce debt, (b) mitigate risks through active management of liabilities, (c) maximize return to shareholders, and (d) optimize working capital.

Gross debt totaled US\$ 58.7 billion, down 22.2% from December 31, 2021, mainly due to our active management of liabilities. Due to the successful reduction of gross debt, the net debt/EBITDA ratio was 1.1x on December 31, 2021.

We had significant results in our active portfolio management. In 2021, we concluded the sale of 20 assets, where we highlight the sale of RLAM, BR Distribuidora, and 10% of NTS. In addition, in 2021, we signed the sale of 21 assets, where we highlight REMAN and SIX. The cash inflow in 2021, corresponding to these transactions, including the prepayment for the signatures, totaled US\$ 4.9 billion.

CAPEX expected for 2021 was US\$ 10 billion. The amount used in 2021 was US\$ 8.8 billion, 12% below the planned for the year, mainly due to (a) the postponement, for 2022, of supporting activities and scheduled stoppages related to P-70, (b) the postponement, for the first half of 2022, of pre-operating and interconnection activities, due to the delay of FPSO Guanabara, and (c) optimization of exploratory expenditures.

<sup>3</sup> reviewed target of US\$1.6 billion

# Value Creation

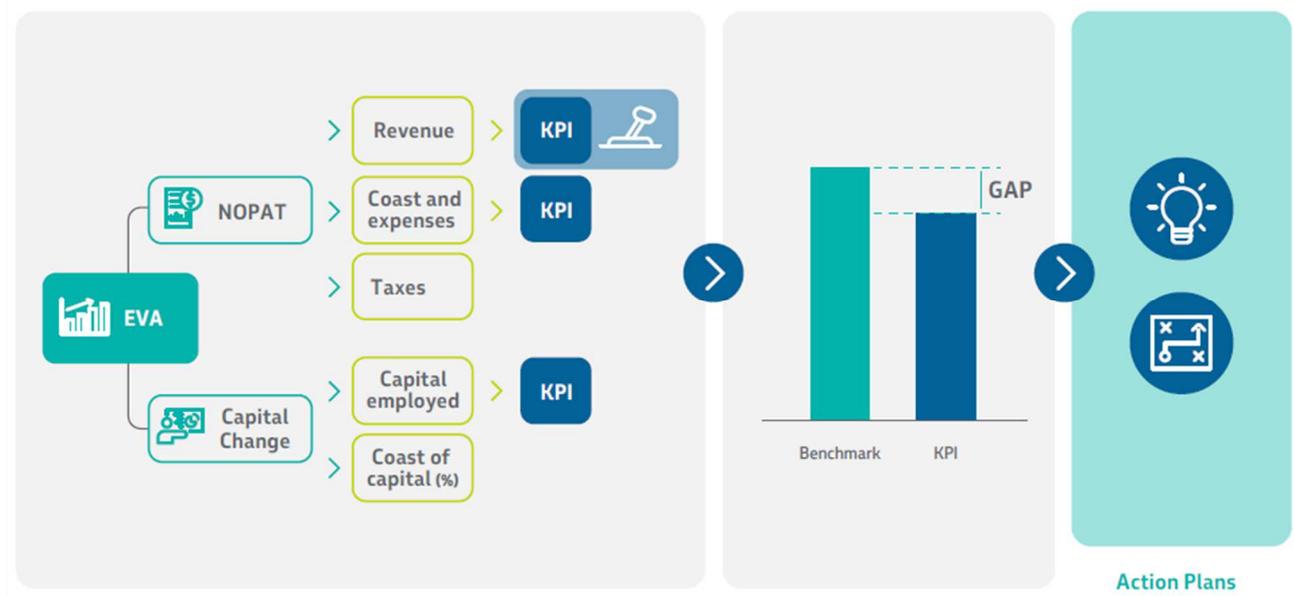
## Value-Based Management System

To ensure the execution and delivery of our Strategic Plan and its value, in 2020 we implemented the Value-Based Management System, based on the metric EVA<sup>®</sup>. This model is based on fostering a culture of value creation, ensuring empowerment, flexibility with tools and the necessary incentives for decisions to be made in the entire company that add the most value to Petrobras.

We understand that value creation is an essential pillar for business sustainability, creating a virtuous circle of transmission and multiplication of the value created for all stakeholders and enabling profitable growth of the organization through investments for the company and society.

In 2021, we broke down EVA<sup>®</sup> through the company and developed action plans focused on value creation. To guide our actions, we broke down EVA<sup>®</sup> in a value tree, the branches of which are associated with actionable indicators to improve performance (KPIs, key performance indicators). By analyzing and comparing these KPIs to internal and external references, we can identify performance gaps or improvement opportunities and propose action plans to improve performance and, therefore, create more value.

### ANALYTICAL PERFORMANCE MODEL



The implementation of EVA<sup>®</sup> and the new Value-Based Management System is leading to an important cultural transformation in the company, ensuring that value creation is the main decision-making driver, always maintaining the highest standards of safety and compliance. In prospective meetings, company managers can evaluate the performance of KPIs, discuss value gaps, encourage the development of action plans and monitor them, reinforcing our value creation culture.

With this new management model, we are developing optimization initiatives and programs that contribute to improving our performance, increasing our competitiveness, and creating more value, through team integration, a higher synergy between the areas, reduction of environmental impact, and implementation of digital transformation and innovation.

Some examples of the transformation provided by this new management model, such as initiatives and action plans that are contributing to our value creation, are shown below.

### Exploration and Production (E&P)

- **Reduction of logistics costs in the FPU (Floating Production Unit) operating activities:** Aiming to reduce extraction costs, one of the major drivers of value and competitiveness in the oil and gas industry, a study was conducted in 2021 and concluded that in part of our oil fields, diesel used for well commissioning can be replaced by the oil produced and processed in the FPSO.
- **Oil production optimization:** Considering that reservoir management is one of the main drivers of value creation in E&P, the reservoir and basin teams of the Santos Basin together took a very important decision aimed to the creation of value in one of their production units: temporarily close one of the injector wells, leading to a decrease in oil production and RGO (Gas/Oil Ratio) of the producing wells in 2021. This measure led to lower production in the short term, but higher average production of that unit in 2021.
- **Reserve increase:** In 2021, we increased our recovery factor by approving supplemental projects at the Campos and Espírito Santo Basins, adopting Integrated Development Plans, which reduce approval time and optimize project costs, by implementing secondary and tertiary recovery technologies, such as the WAG (water alternating gas) project in the Tupi field, increasing the total value of the reservoir.
- **Well maintenance cost reduction:** The adoption of a new quantitative risk analysis program (WellRisk) focused on the analysis of well construction and operation data, allowed reducing maintenance costs and optimizing critical resources allocated to these activities.
- **Cost optimization in E&P development projects:** Significant cost optimization in Production Development projects through the implementation of strategic programs focused on the optimization of well construction, which enable the use of new drilling and completion technologies, innovative configurations, campaign optimization, and integrated supply chain activities. For instance, in 2021, the average duration of well construction (drilling and completion) in Búzios was 99 days. This duration, associated with lower tariffs, reduced by 32% the average well construction cost, compared to 2018.

### Refining, Transportation, and Marketing (RTM)

- **New coke selling model:** As an example of the pursuit for better margins, one of the drivers of value creation in the RTM segment, we executed nine new contracts for the direct sale of coke to industries in Brazil in 2021, obtaining better margins.
- **Higher margins on fuel oil sales:** After the integration of R&D, logistics, and sales teams, with the common goal of creating value, an opportunity was identified to sell light oil streams as components of low-sulfur fuel oil, obtaining the growing international margins for this product because of IMO 2020 (International Maritime Organization) regulations, as an alternative to lower margin on oil exports. In 2021, five cargoes of Jubarte (1 MM barrels) and Albacora Leste (0.15 MM barrels) oil were sold as fuel oil components.

- **Improvements in operational processes and energy efficiency:** In 2021, six refineries started using the new Smart Tocha system, which uses artificial intelligence and automation to control the quality of gas burned in the torches, reducing steam consumption, lowering refining costs, and minimizing greenhouse gas emissions. The implementation of this system was one of the components that helped reduce the Refining greenhouse gas emissions indicator (IGEE) from 0.5 gCO<sub>2</sub> to 39.7 gCO<sub>2e</sub>/CWT in 2021.
- **Improved energy efficiency and profitability of RTM:** Due to a detailed study of gaps in efficiency KPIs, in May 2021 we launched the World Class Refining (RefTOP) program to place us among the best oil refining companies in the world in terms of energy efficiency and operational performance.
- **Utilization of return freight in clear derivative import:** To optimize logistics costs in derivative import/export, we had a utilization rate of “return freight” of more than 80% of the vessels used for exports to Asia and the Atlantic, especially with the implementation of the cleaning process of dark vessels with diesel, which made it possible to return the vessels with imported clear oil products, thus increasing the economics of our domestic sales of gasoline and diesel.
- **Value Maximization of oil products:** The optimization of the Refining Units to maximize value creation in their processes, together with the integrated management with the Logistics and Sales area, allowed to increase the production of oil products with higher added value. At REGAP, for example, projects were implemented to control naphtha flow and adapt trays of the coke unit, both of which maximize Diesel S10 production with no regard for less noble oil products.

### Gas and Power (G&P)

- **Increase in the potential for natural gas supply:** To create more value, we identified a low implementation cost opportunity that led to the expansion of the regasification capacity of the Bahia de Guanabara Terminal from 20 MMm<sup>3</sup>/d to 30 MMm<sup>3</sup>/d, an essential measure to meet gas delivery commitments given the hydrological conditions over 2021.
- **Capturing opportunities in the new gas market:** We are committed to developing a competitive gas market in Brazil, seeking to add value to the G&E segment. In this context, in 2021, we executed several contracts that provide us with non-discriminatory access of third parties to the processing of idle capacity of our natural gas processing units.

### Corporate

- **Optimization of the property and land portfolio:** The active management of our property and land portfolio enabled the disposal of inactive properties in 2021, capturing value from sales revenue and avoiding maintenance and other costs.
- **Optimization of allocation of available cash:** After analyzing the benchmarks of financial cash investments from other companies, we reviewed our strategy in 2021, allowing for decisions that increased return on investments, maintaining a similar level of risk.

# Return to shareholders and society

We are evolving towards a new, more sustainable, competitive Petrobras, which operates safely and ethically, creating more value for its shareholders and society.

## Shareholders

### Share performance

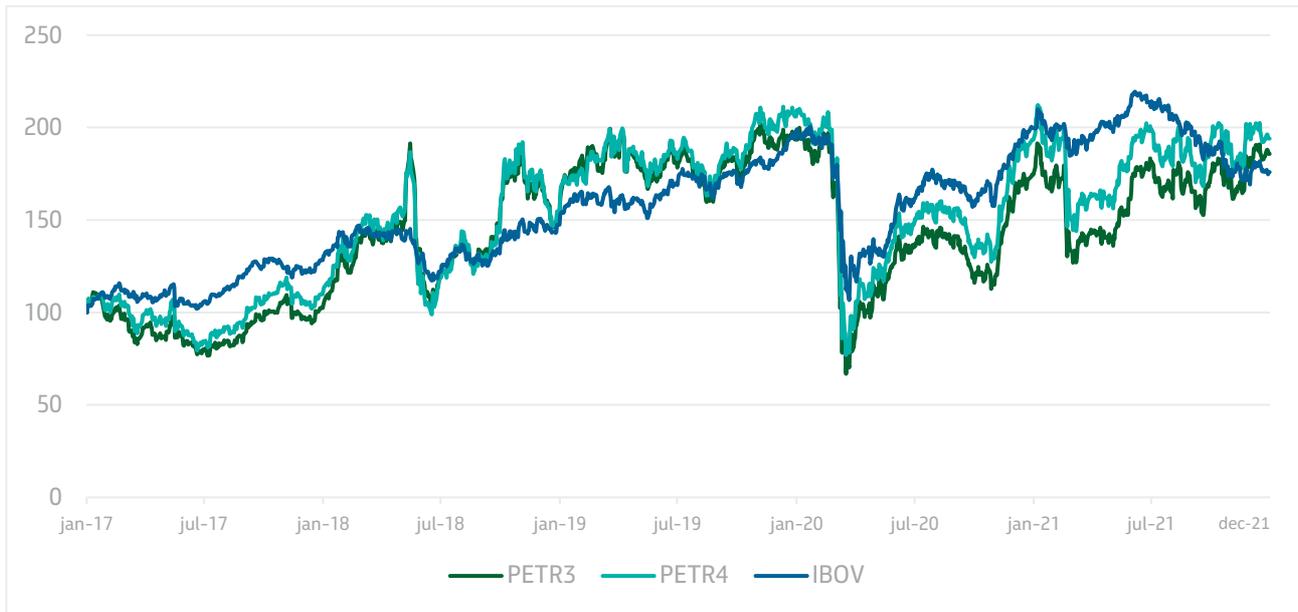
In 2021, the performance of our shares was relatively flat despite the rise in Brent prices and the improvement of our operational and financial performance. Our market cap fell from US\$72.8 billion in December 2020 to US\$ 69.4 billion at the end of 2021. On February 22, 2022, our market cap was US\$ 90.5 billion

#### MARKET CAP – PETROBRAS (US\$ BILLION)

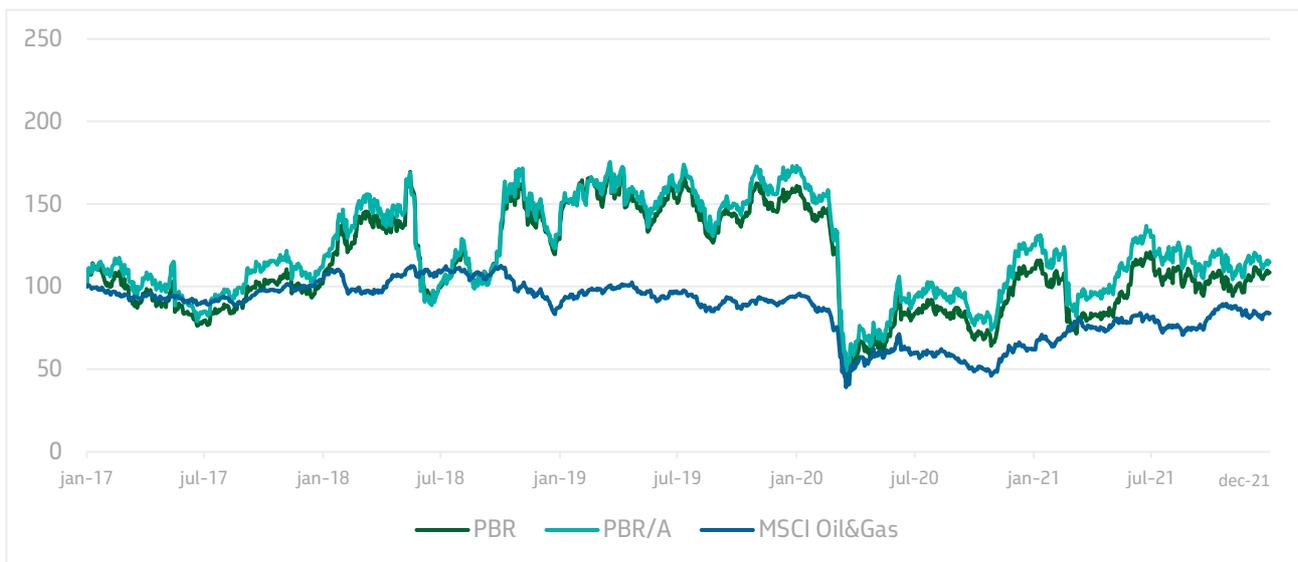


In 2021, our common and preferred shares appreciated by 6.4% and 0.4%, respectively, accumulating rises of 81.2% and 91.3% in the last five years, while the Ibovespa index appreciated 74% in the same period. Total shareholder return <sup>1</sup> was 29.3% for common shares and 22.6% for preferred shares in 2021, and 128.5% and 151.8%, respectively, in the last five years. Until February 22, 2022, our common and preferred shares appreciated 18.14% and 18.59%, respectively.

<sup>1</sup> Source: Bloomberg. Considers reinvested dividends

**PETR3 X PETR4 X IBOV JAN 2017 = BASE 100**


As for our shares traded on the New York Stock Exchange, American Depositary Shares – ADRs, our common shares (PBR) and preferred shares (PBR/A) fell by 2% and 8.6%, respectively, in 2021, while the MSCI Oil & Gas index, which reflects the performance of the largest oil and gas companies in the world, appreciated by 35.8% in the same period. The common and preferred ADRs appreciated by 8.6% and 14.8%, respectively, in the last five years. Total shareholder return<sup>2</sup> was 18.8% for common ADRs and 11.7% for preferred ADRs in 2021, and 36.9% and 50.4%, respectively, in the last five years. Until February 22, 2022, our common and preferred ADRs appreciated 30.42% and 31.26%, respectively.

**PBR X PBR/A X MSCI OIL & GAS JAN 2017 = BASE 100**


<sup>2</sup> Source: Bloomberg. Considers reinvested dividends.

## Shareholder Compensation

One of the principles of our Shareholder Compensation Policy is to set rules and procedures concerning the distribution of earnings through Dividends and/or Interest on Equity (IoE), in a transparent manner and under the law, the Bylaws, and internal regulations, to ensure the continuity and financial sustainability in the short, medium and long terms, and promote predictability in the flow of earnings paid to shareholders.

In 2021, the Policy was improved with objective parameters to pay earnings, providing investors with greater predictability regarding their compensation, considering our indebtedness level and cash flow, due to the early achievement of the gross indebtedness goal of US\$ 60 billion, reached in 3Q21.

Our optimal gross indebtedness level reached US\$ 60 billion, including commitments related to commercial leases and, for the Shareholder Compensation Policy, we adopted more flexible parameters, applying a gross indebtedness of US\$ 65 billion as a criterion to define the calculation of compensation to be paid.

The policy also establishes that compensation should be paid every quarter. We also defined earnings distribution parameters by establishing a minimum annual compensation of US\$ 4 billion for years in which the average Brent price exceeds US\$ 40/bbl, which may be paid regardless of the indebtedness level. If the gross debt is equal to or lower than US\$65 billion and the company has accumulated positive results, to be checked in the last quarterly result, shareholders will receive 60% of the difference between the operating cash flow and the investments calculated based on the following formula:

$$\text{Compensation} = 60\% \times (\text{Net cash generated by operating activities} - \text{Acquisition of fixed and intangible assets})$$

The policy complies with the commitment to preserve the company's financial sustainability and the distribution of value created for our shareholders and society.

As provided for in the policy, the decision to pay dividends and/or other earnings for FY 2021, took into consideration several factors and variables, such as our results, financial condition, cash requirements, prospects of current and potential markets of operation, and our investment opportunities.

In line with the purpose of maximizing return for our shareholders, Petrobras approved, in 2021, the prepayment of R\$ 36.2 billion in dividends and interest on equity for common shares, and R\$ 27.2 billion for preferred shares, totaling R\$ 63.4 billion paid as follows:

### Dividends and interest on equity (IoE)

Common Shares (PETR3)	Gross value per share (R\$)	Share position date	Payment date	Type
1 <sup>st</sup> Installment	1.609911	8/16/2021	8/25/2021	Dividend
2 <sup>nd</sup> Installment	1.055361	12/01/2021	12/15/2021	IoC
2 <sup>nd</sup> Installment	2.195126	12/01/2021	12/15/2021	Dividend
<b>Preferred Shares (PETR4)</b>				
1 <sup>st</sup> Installment	1.609911	8/16/2021	8/25/2021	Dividend
2 <sup>nd</sup> Installment	1.055361	12/01/2021	12/15/2021	IoC
2 <sup>nd</sup> Installment	2.195126	12/01/2021	12/15/2021	Dividend

In addition to the prepayments mentioned above, the 2022 Annual Shareholders' Meeting (ASM) will be submitted a proposal for payment of additional compensation to shareholders, as dividends, totaling R\$ 37.3 billion, which, together with the above-mentioned prepayments, total R\$ 101.4 billion, R\$ 57.85 billion of which for common shares and R\$ 43.55 billion for preferred shares.

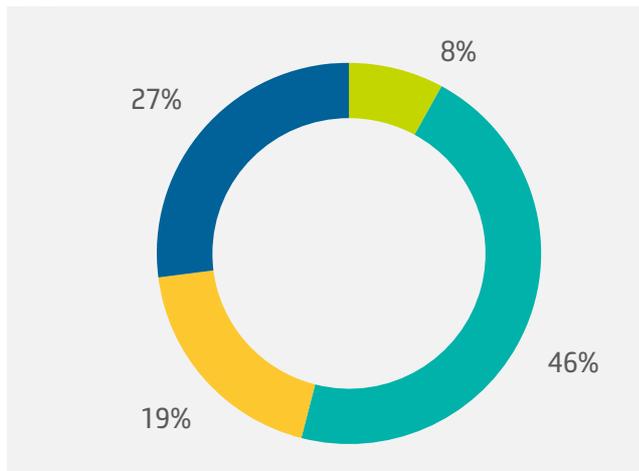
The Shareholder Compensation Policy is available on our website [www.petrobras.com.br/ri](http://www.petrobras.com.br/ri)

## Society

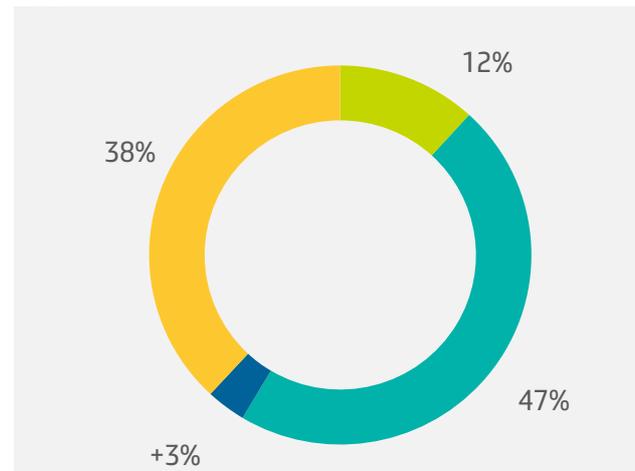
In 2021, we created R\$ 403 billion of value for society. Our largest contribution was through taxes (federal, state, municipal, and overseas) totaling R\$ 187 billion, followed by shareholder compensation (including the result of non-controlling shareholders and retained earnings) of R \$107 billion. Compensation and personnel and management benefits totaled R\$ 32 billion, and financial institutions and suppliers came to R\$ 77 billion. The chart below shows the distribution of created value:

### DISTRIBUTION OF CREATED VALUE (%)

2021



2020



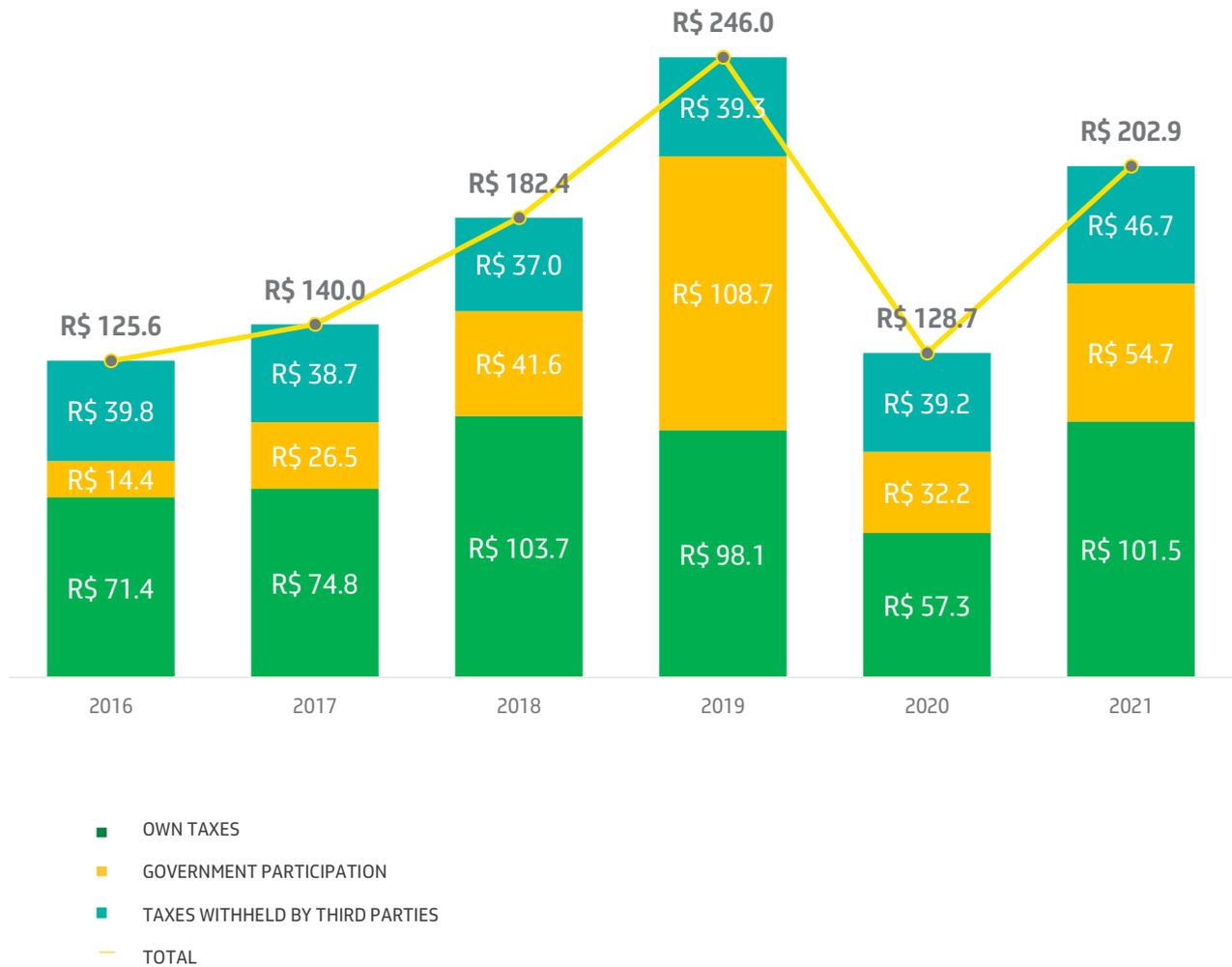
■ Personnel and management    
 ■ Taxes    
 ■ Shareholders    
 ■ Financial institutions and others

In 2021, our Balance Sheet includes the following investments for society<sup>3</sup>:

- Donations<sup>4</sup> - R\$101 million
- Social and Environmental - R\$88 million
- Culture - R\$36 million
- Business, Science, and Technology - R\$12 million
- Sports - R\$1 million

<sup>3</sup> More information can be found in the Balance Sheet, in the Supplementary Information to the Financial Statements.

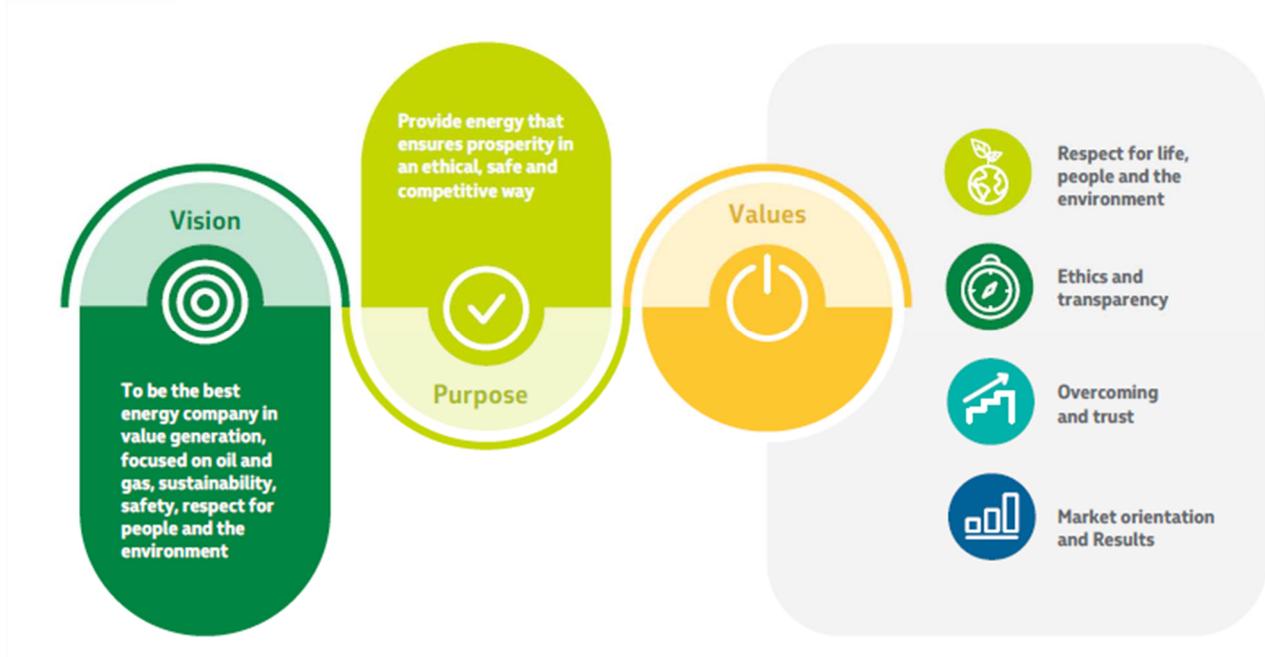
<sup>4</sup> Donations were made in cash, goods, and services valued services. They were aimed to fight Covid-19, distribution of vouchers to buy cooking gas for socially vulnerable families, and donation of staple foods, among others.

**TAXES AND PROFIT SHARING PAID (R\$ BILLION)**


Note: In 2019, the Company made a non-recurring payment as Government Participation, referring to Subscription Warrants, totaling R\$68.6 billion, due to the auction of the transfer of rights surplus in Búzios (R\$61.4 billion) and Itapu (R\$1.7 billion), in addition to bonus from the 6th Round of Production Sharing and the 16th Round of Concession (R\$5.5 billion).

# Vision, Purpose, and Values

WE PRESENT BELOW OUR VISION AND PURPOSE, AS WELL AS OUR VALUES, WHICH HAVE BEEN REAFFIRMED:



OUR STRATEGIES WERE ADJUSTED, DEFINING THE FOCUS OF ACTIONS PER BUSINESS SEGMENT, AND ARE DETAILED BELOW:



Our business strategies aim to deploy our resources in time and in the right assets to ensure the highest possible return on invested capital safely and sustainably.

# Strategic Plan 2022-2026

Our 2022-2026 Strategic Plan (“PE 2022-2026” or “Plan”) aims at investments with responsibility, seeking to become the best energy company in value creation focused on oil and gas, sustainability, safety, respect for people and the environment.

PE 2022-2026 proposes a set of strategies that incorporate and give visibility to relevant events and issues for our future, such as:

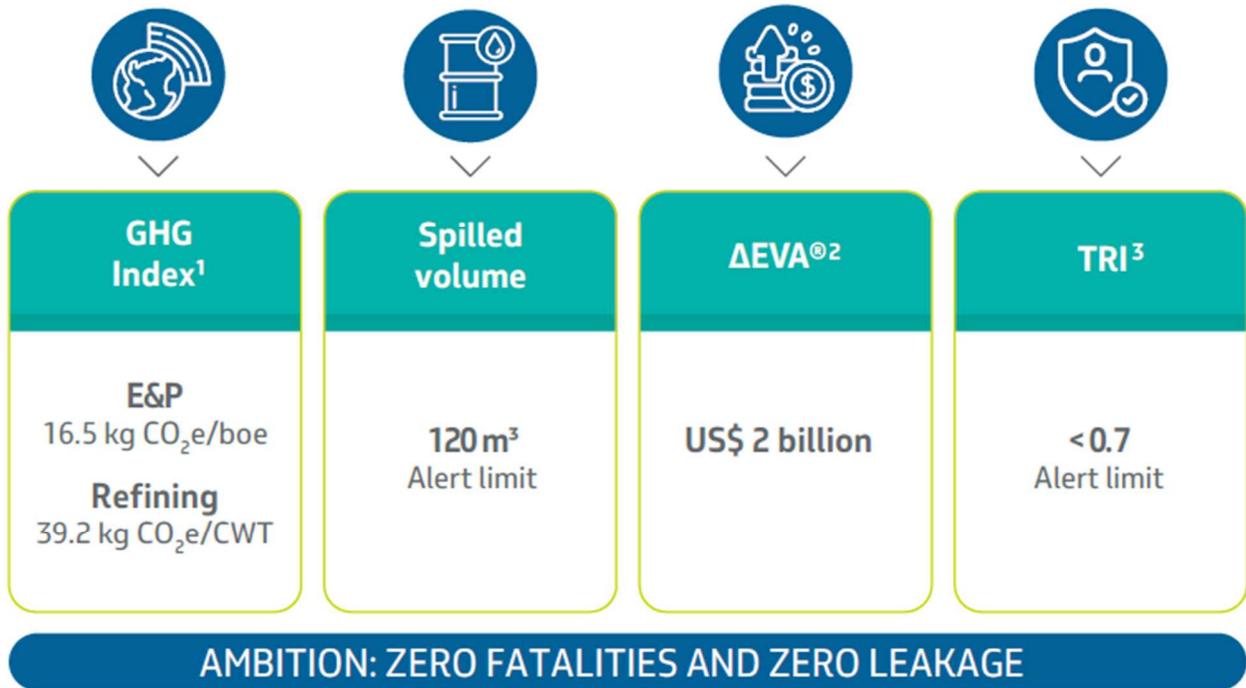
- transparency and focus on sustainability (ESG – Environmental, Social, and Governance), especially concerning the decarbonization of the operations;
- maximization of the portfolio value, focused on deep and ultradeep waters;
- adding value to the refining park, with more efficient processes and new products; and
- strengthening of the integration of selling and logistics activities.

The Plan shows our commitment to being a company increasingly focused on the creation of value, transforming resources into wealth for society. With debt now balanced, we will continue to operate with strong capital discipline, concentrating our investments in the development of pre-salt, always focusing on carbon efficiency to continue as one of the most efficient oil and gas producers in the world, while developing opportunities in new businesses.

PE 2022-2026 also presents our four Top Metrics, which are elements that translate and quantify the attributes of our vision and provide more explicit guidance on our short-term main objectives, to ensure that the activities are aligned with the main commitments set out in the Plan. To ensure alignment of encouragement to achieve goals, three of these metrics will directly impact the compensation of our executives and employees in 2022.

Life is a non-negotiable value for us, and, for this reason, we continue to strive for zero fatalities. The TAR indicator (recordable accident rate per million man-hours) is one of the top metrics, but it is not used for employee variable compensation purposes. For 2022, the alert threshold remains below 0.7, which reaffirms our commitment to life and maintains us in the top quartile of industry.

The infographic below shows our metrics for 2022.



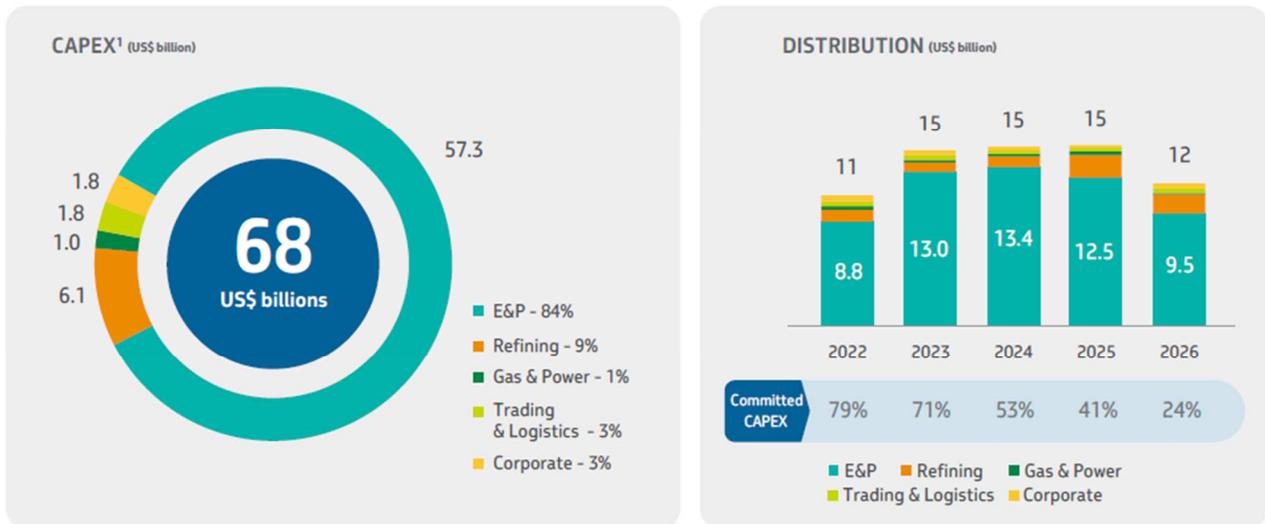
1) GHG: Index of compliance with greenhouse gas targets.  
 2) If gross debt exceed US\$ 65 billion, the metric score will be counted as zero.  
 3) Total Recordable Injuries per million man-hours.

The Greenhouse Gas Achievement Indicator (IAGEE) and the Volume of Oil and Derivative Leakage Indicator (VAZO) reflect the alignment with the PE 2022-2026 low carbon and sustainability commitments. We maintained the zero-leakage ambition to reaffirm our commitment to the environment.

As a fundamental basis of the management strategy aimed at creating value for the business, we will maintain the Delta EVA<sup>®</sup> indicator, which represents a measure of economic value creation for shareholders, as a top metric for 2022. By creating value, the company consistently grows and becomes financially sustainable.

Finally, the gross debt metric present in the last strategic plan was excluded, due to the early achievement of the US\$ 60 billion goal in 3Q21. However, to maintain the incentives for a good leverage management, the maintenance of gross debt below US\$ 65 billion will be maintained as Delta EVA<sup>®</sup> top metric. This means that should this value be exceeded, the Delta EVA<sup>®</sup> score will be accounted for as zero.

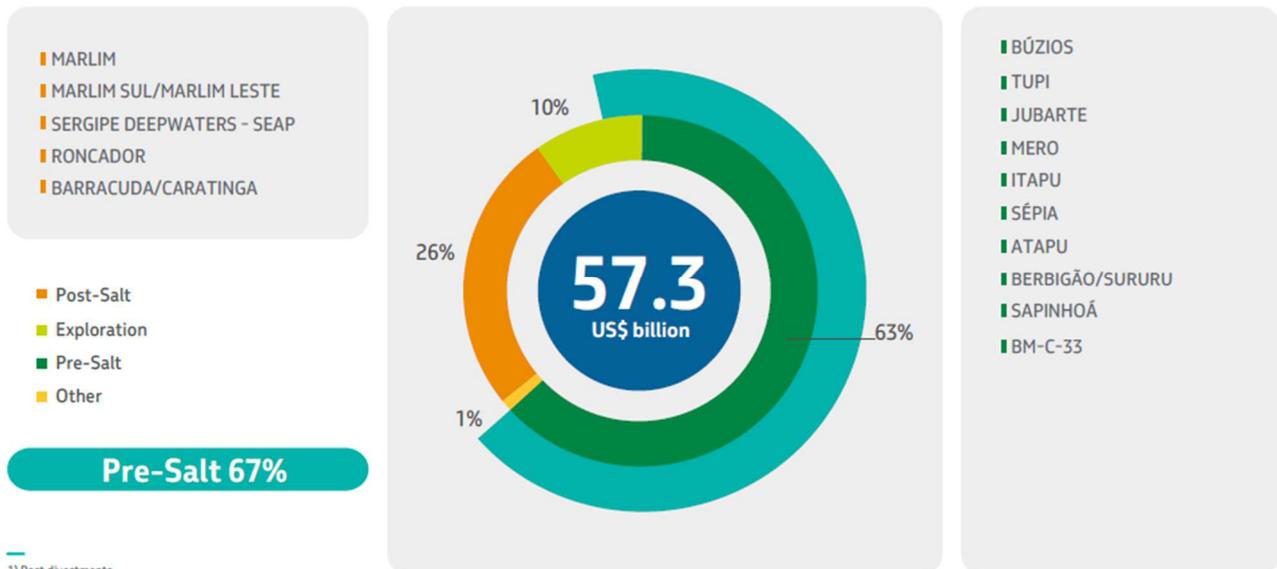
We expanded the investment forecast for the next few years, with maximum responsibility and diligence in the allocation of funds. The CAPEX projected for the 2022-2026 period is US\$ 68 billion, an increase of 24% over PE 2021-2025, 84% of which will be allocated to Oil and Gas Exploration and Production (E&P), 9% to the Refining segment, 1% to the Gas and Energy segment (G&E), 3% to Sales and Logistics, and 3% to corporate investments.

**CAPEX 2022-2026 (US\$ billion)**


1) - 60% of CAPEX in dollars.

In the multi-year distribution of investments, 79% of CAPEX is already committed in the short term (2022). On the other hand, in the last year of the Plan (2026), around 24% of the investment is committed. That means that in the medium term there is higher flexibility regarding the commitments assumed.

Of the total E&P CAPEX (US\$ 57.3 billion), around 67% will be allocated to pre-salt assets. Such allocation is in line with our strategic focus, increasingly concentrating our funds in deep and ultradeep waters, which have shown a great competitive advantage over the years, producing better quality oil with lower greenhouse gas emissions.

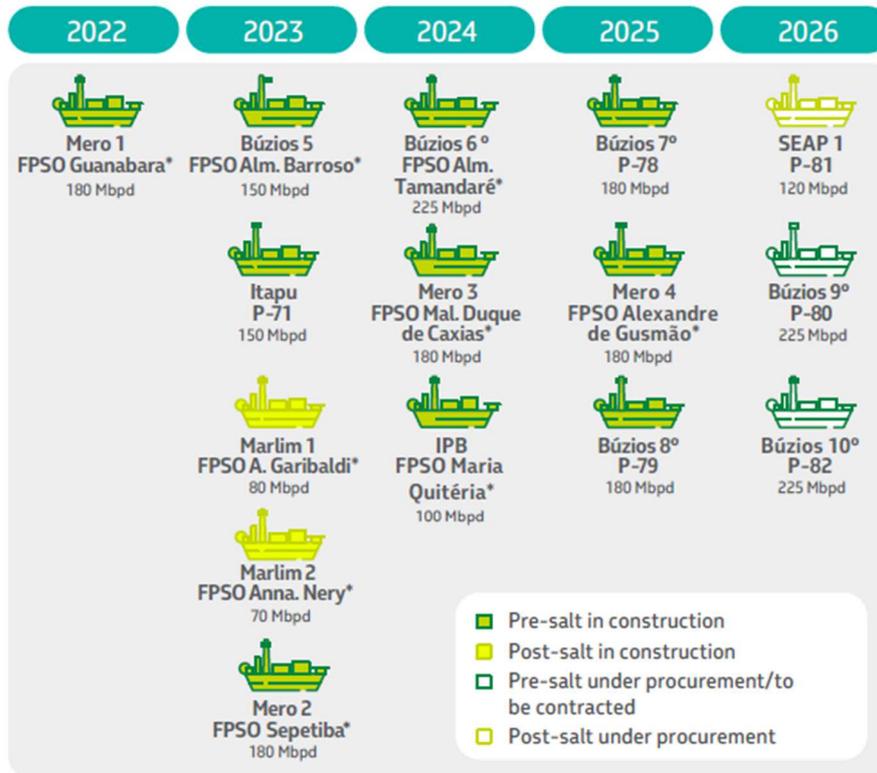
**E&P CAPEX<sup>1</sup> 2022 – 2026 (US\$ billion)**


1) Post divestments.

The figure below allows us to see the expected entry of 15 new FPSOs in six production fields by 2026, twelve of which in the pre-salt and three in the post-salt. The units planned to become operational by 2025 are already contracted. The three units expected for 2026 are in the planning phase for contracting.

## LEADER IN FPSO PROJECTS

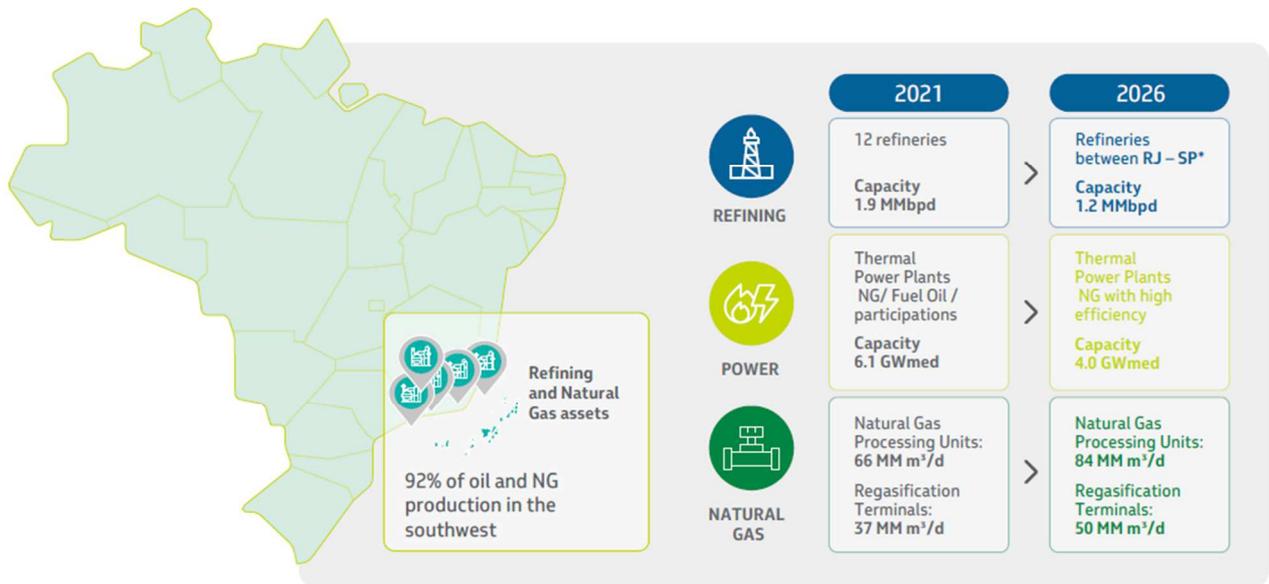
15 NEW FPSOs IN 6 FIELDS: 2022 - 2026



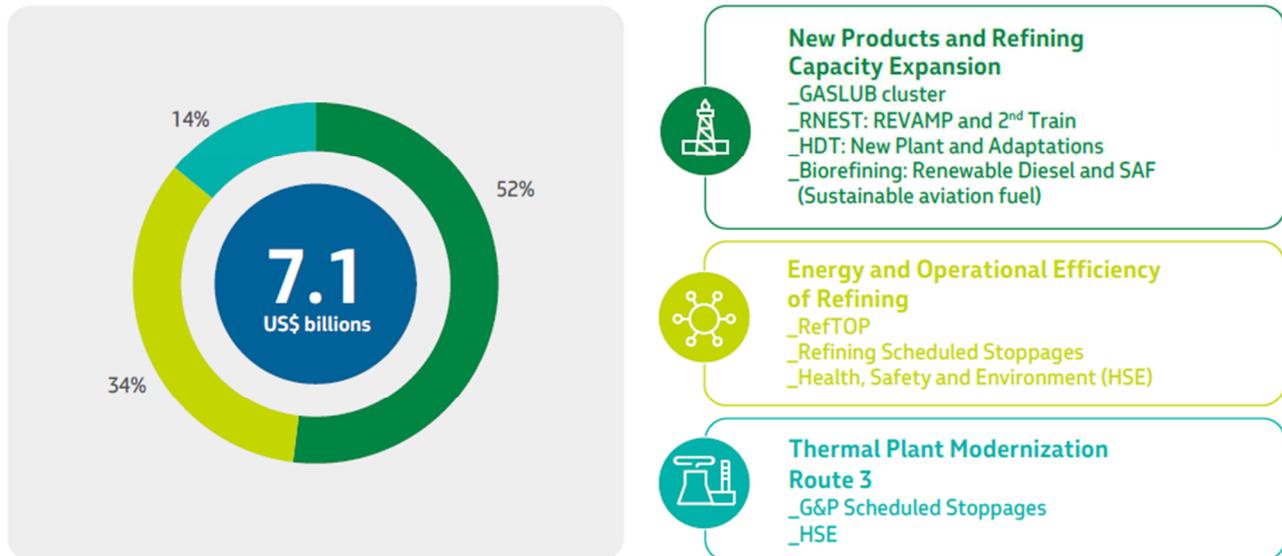
\* Leased unit.

In the Refining segment, our strategy is to focus on assets close to oil and gas supply and the biggest Brazilian consumer market, which have greater synergy and integration with the competitive advantages of the assets in the exploration and production segment. With that, we intend to sell part of our current refining units and increase investments to upgrade the remaining refineries - increasing the share of diesel S-10, BioRefino, efficiency, and reducing emissions.

Of the 12 refineries located in several regions of Brazil, and one shale processing unit in Paraná, we will maintain the refineries in the RJ – SP axis, with distillation capacity moving from 1.9 million barrels per day in 2021 to 1.2 million barrels per day in 2026.

**REFINING PORTFOLIO: SMALLER WITH MORE VALUE**


For the next five years, we expect CAPEX of US\$ 7.1 billion in the Refining, and Gas and Energy segments, US\$ 6.1 billion of which in the Refining segment and US\$ 1 billion in the Gas and Energy segment. Investments are concentrated in the projects highlighted below:

**REFINING, GAS AND POWER CAPEX 2022-2026 (US\$ billion)**


1) ~ 60% of CAPEX in dollars.

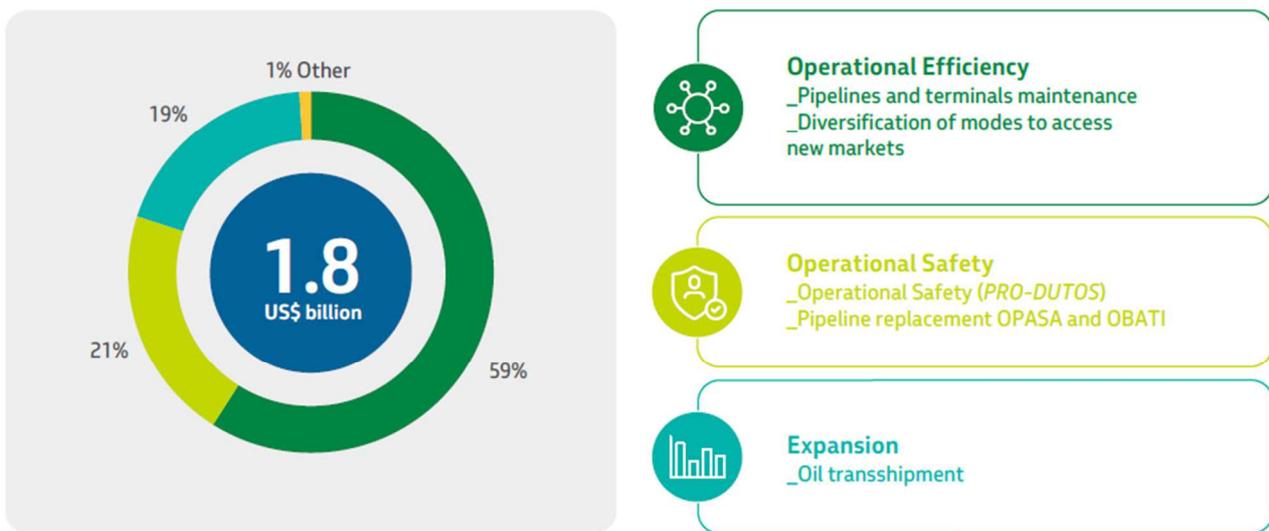
In the Refining segment, we highlight the RefTOP program with an investment portfolio of US\$ 0.3 billion, which is focused on placing us among the best refineries in the world in terms of energy efficiency and optimization regarding the use of natural gas, steam, and electric power, consequently optimizing greenhouse gas emissions.

PE 2022-2026 expects investments of US\$ 2.6 billion for expansion of the refining capacity for the conclusion of Train 1 of RNEST and the construction of Train 2. For the refining park in the RJ-SP axis, we expect that 100% of production will be aimed at diesel S-10 in 2026. To this end, we plan to invest in a new hydrotreatment unit at REPLAN, as well as in adjustment to REDUC and REVAP. We also highlight the operational integration of REDUC-GASLUB, which will add additional production of diesel S-10 and QAV, and a new base oil unit for lubricants of Group II.

For the natural gas assets, the departure of two GASLUB trains (10.5 million m<sup>3</sup>/day each) will add great value to the processing of natural gas from pre-salt through Route 3.

In the Marketing and Logistics segment, we highlight the focus on the improvement of efficiency, safety, and logistics availability. The investments are as follows:

TRADING AND LOGISTICS CAPEX 2022-2026 (US\$ billion)



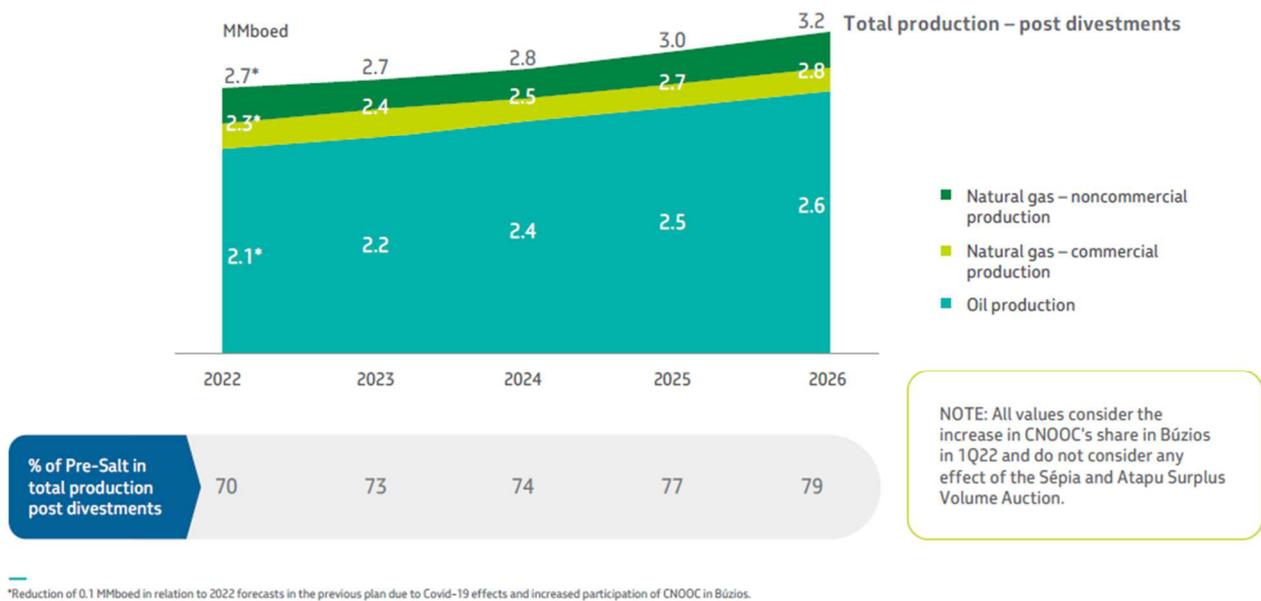
1) Post divestments.

## Oil, NGL, and Natural Gas Production

The estimated oil and gas production curve for the 2022-2026 period indicates a continued growth path focused on the development of projects that create value. Over this period, fifteen new production systems are expected to come on stream, of which nine chartered and six proprietary systems, all of which are allocated to deep and ultradeep water projects.

Oil production for 2022 reflects a decrease of 0.1 MMboed of PE 2021-2025 compared to 2022, because of the Covid-19 pandemic and the higher share of China National Offshore Oil Corporation (CNOOC) in Búzios. A variation of 4% up or down is considered for the 2022 production.

The production curve estimated in the strategic plan, released in November 2021, is as follows.

**FOCUS ON VALUE MAXIMIZATION, WITH GREATER CONCENTRATION ON THE PRE-SALT**


However, on January 14, 2022, we released a Material Fact informing the review of the oil and gas production target for 2022, aiming to reflect the effect of the result of the 2nd Round of Bidding Processes of the Transfer of Rights Surplus under the Production Sharing Regime. The start of the production sharing of FPSOs P-70 and Carioca, operating in the Atapu and Sépia fields, respectively, will impact our production target disclosed in PE 2022-26.

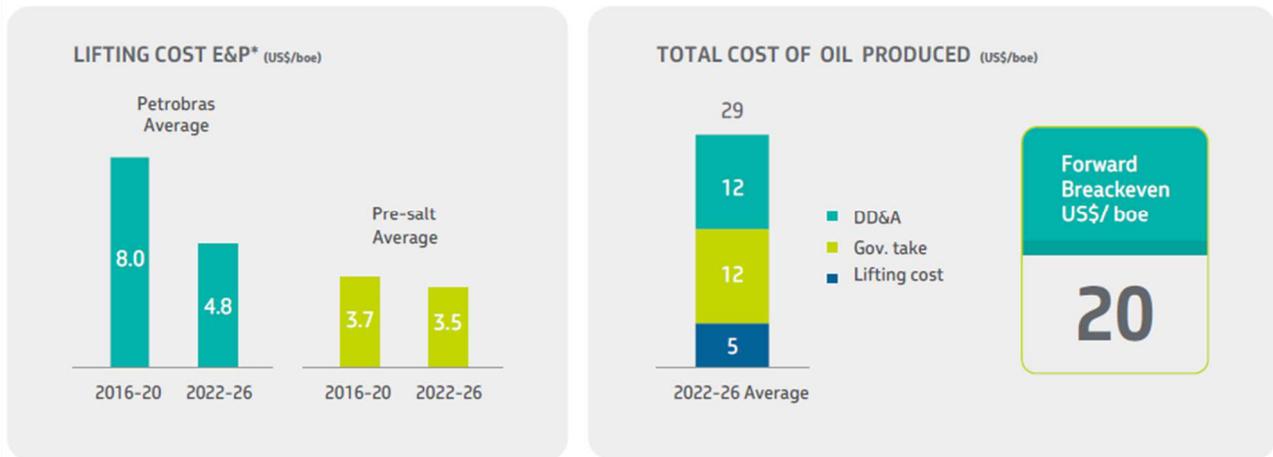
Accordingly, for 2022, we will inform a reduction of 70 Mboed for total oil and gas production, and the change of the range from 2.7 MMboed to 2.6 MMboed with a variation of 4% up or down. Oil and commercial productions had an impact of around 60 Mboed but remained within the same ranges of 2.1 MMbpd and 2.3 MMboed, respectively, with a variation of 4% up or down. For the 2023-2026 period, the average impact expected for production is a reduction of 0.1 MMboed.

## Operating Costs

Strategic Plan 2022-2026 includes cost optimization and reduction initiatives with cost reduction targets in the plan's horizon, such as the extraction cost presented in the figure below.

This shows low-cost competitiveness as an item of our resilience. Observing our history, extraction costs fell from US\$ 8/boe, in the average of the 2016-2020 period, to US\$ 4.8/boe in the 2022-2026 period, levered by the excellent performance of pre-salt assets.

For the Total Cost of Produced Oil (CTPP) we expect US\$29/boe in the 2022-2026 period, depending on the Plan's pricing scenario. Finally, to show our resilience, we have a prospective breakeven of US\$20/boe, i.e., anything above this price would lead us to positive cash generation.

**LOW LIFTING COSTS REINFORCES OUR COMPETITIVENESS**


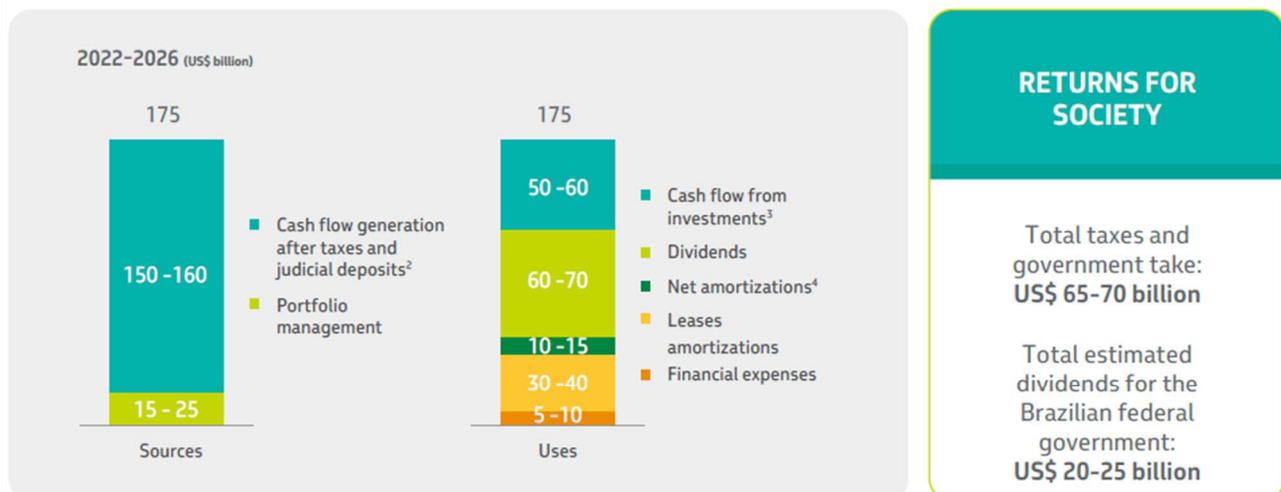
\*Without leasing cost and government take.

## Financeability

The expected strong generation of free cash flow will result from the projected higher efficiency, the control of expenses and the financial resources obtained because of the active portfolio management. It is expected that 58% of net cash generation returns to society through taxes, government participation, and dividends. The expected value creation will occur through responsible investment allocation and maintenance of the indebtedness level by lengthening debt and reducing the cost of debt.

**A STRONGER PETROBRAS GENERATES MORE VALUE FOR SOCIETY**

**58%<sup>1</sup> of net cash generation returns to society**



<sup>1</sup> Dividends paid to the Brazilian federal government plus taxes and government take divided by cash generation after taxes and judicial deposits.  
<sup>2</sup> Considers decommissioning costs of about US\$ 1 billion/year.  
<sup>3</sup> Excludes leases classified as total CAPEX.  
<sup>4</sup> Considers funding of US\$ 5 billion

NOTE: Considers US\$8 billion of reference cash.

## Low carbon commitments, sustainability, and governance

As a result of systemic actions, over the past few years, we became a specialist in low carbon oil production, especially in the Pre-salt fields. We have built a portfolio of projects to mitigate greenhouse gas emissions that aims to ensure compliance with sustainability commitments. So far, we have progressed in several decarbonization actions in our processes, which involve the reduction of natural gas flaring, reinjection of CO<sub>2</sub> associated with EOR (Enhanced Oil Recovery), energy efficiency gains, and control of losses in operations.

### Accordingly, we have reinforced our sustainability commitments<sup>1</sup>:

- 1) Reducing total absolute emissions by 25% until 2030;

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- 2) Zero routine flaring by 2030<sup>2</sup>;

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- 3) Re-injection of approximately 40-million-ton CO<sub>2</sub> by 2025 into capture, utilization, and carbon storage projects (CCUS);

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- 4) 32% reduction in carbon intensity in the E&P segment by 2025 (15 kgCO<sub>2</sub>e/boe, maintained until 2030);

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- 5) 40% reduction in the intensity of methane emissions in the E&P segment by 2025 (0.40 tCH<sub>4</sub>/thousand t HC);

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- 6) 16% reduction in refining carbon intensity by 2025, increasing to 30% until 2030 (30 kgCO<sub>2</sub>e/CWT);

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- 7) 50% reduction in freshwater withdrawal in our operations by 2030;

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- 8) Zero growth in process waste generation by 2025;

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- 9) 100% of our facilities with a biodiversity action plan by 2025.

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- 10) Investments in socio-environmental projects, human rights programs, community relations, and social and environmental problem solutions involving opportunities to act with our stakeholders and customers of the Petrobras products

We contribute to economic, social and environmental development through following actions: (i) investing resources and technologies in the production of low carbon oil in Brazil, generating energy, hard currency and relevant revenues to finance a responsible transition; (ii) investing in the ability to offer gas and dispatchable energy to enable the high share of renewables in the Brazilian electricity matrix; (iii) investing and prospecting new possibilities in products and businesses with lower carbon intensity; (iv) promoting research and development of new technologies and low carbon solutions and (v) investing in socio-environmental projects for the recovery and conservation of forests.

<sup>1</sup> Carbon commitments related to the 2015 base. Other commitments in the 2018 base.

<sup>2</sup> According to the World Bank's Zero Routine Flaring

In 2021, we announced our ambition to achieve zero carbon emissions in the activities under our control within a timeframe compatible with that established by the Paris Agreement. We have also showed our intention to influence our partners to achieve the same ambition in assets in which we are not operators.

We believe that the competitiveness of renewable generation technologies, less carbon-intensive liquid fuels, less energy intensive processes, energy storage, mobility efficiency, urban innovation, carbon capture, use and storage (CCUS), among others, will be important for the creation of new energy paradigms based on low carbon, creating value for society. Therefore, we have been developing and evaluating technologies that contribute to achieving the defined decarbonization goals, reducing emissions in internal processes, and adding greater sustainability to our products.

We plan to invest approximately US\$ 2.8 billion over the next five years in our low carbon and sustainability commitments, in initiatives to reduce and mitigate emissions, including investments in operational efficiency, biobased products (renewable diesel, BioQAV), and research and development (R&D).

To support our challenge of achieving zero emissions, we created the Carbon Neutral Program, which aims to strengthen our low-carbon positioning and accelerate and reduce the costs of decarbonization solutions. The program has a dedicated decarbonization fund with an initial budget of US\$ 248 million for the 2022-2026 period.

With the execution of this Strategic Plan, we reaffirm our commitment to become a more financially sound company, with low indebtedness and capital cost, investing with responsibility, and seeking to become the best energy company in value creation focusing on oil and gas, sustainability, safety, respect for people and the environment.

These initiatives, associated with a significant creation of net cash, will allow us to return greater value to society through taxes, government shares, and expected dividends for the Federal Government.

## Risk Management

The management of risks is an important item for the achievement of the goals defined in the company's Strategic Plan, as it seeks to identify, measure, and deploy actions in response to risks to mitigate their events and effects, increasing the chance of success during the implementation of the planning.

Every year, considering Petrobras' corporate risk matrix and the Company's strategy, we define risks that should be reported to the Senior Management as a priority, known as "Strategic Risks". Strategic Risks are selected taking into consideration their importance for the implementation of the company's Strategic Plan, their scope, degree of severity, and/or resources required for handling them.

Within this context, risk management contributes to the maintenance of resilience in a scenario of global energy transition and the opening of the domestic market. Risk analyses support the company's most important decisions, as in the portfolio management process (investments and divestments). We are continuously seeking a portfolio of projects and assets with a return above the cost of opportunity of the capital, even in adverse scenarios, and promoting asset divestment and operations to maximize value for shareholders. Aligned to the focus on value creation, we use criteria to approve profitable investment projects even in a stress scenario, which considers Brent at US\$ 35/bbl in the long term. The divestment analysis, in addition to the strategic adherence, takes into consideration, for instance, the desired confidence in the maintenance of leverage and, consequently, in meeting the company's commitments, in line with its risk appetite.

# Environmental, Social and Governance

## Commitment to Life Program

The Commitment to Life Program, whose first cycle was launched in October 2016, is composed of structuring projects defined based on a critical analysis of Health, Safety, and Environment (HSE), regarding the best market practices, which seeks the achievement of our Zero Fatalities and Zero Leakage ambitions, and the strengthening of our vision of becoming a reference in HSE in the industry, whose principles are:

- HSE as value,
- Respect for Life,
- Risk-based Management,
- Sustainability in Business,
- Excellence and Transparency in Performance.

The following actions stood out in the fifth cycle, started and developed over 2021:

- Health 365: Full health care 365 days a year, strengthening employees' engagement and protagonism through constant and personalized relationships;
- Dynamic Barrier Management: Monitoring the Integrity and Reliability of Preventive and Mitigating Safety Barriers of Processes;
- HSE in Service Rendering: Improvement of HSE requirements and unification of the HSE evaluation process in contracts;
- Water Management: Improvement of the produced water management process, making it more proactive and preventive, and reduction of water withdrawal in our operations;
- *Mar Azul* (Blue Sea): Prevention of containment losses impacting people and the environment;
- *Pró-Dutos* (Pro-Pipelines): Mitigating risks related to loss of containment resulting from clandestine derivations, strengthening operational continuity, and reducing impacts to people and the environment.
- Transition to Low Carbon: Implementation of the Oil & Gas Decarbonization Program, quantification of carbon in critical decision-making processes, and development of competencies for low carbon opportunities.

## EVOLUTION OF THE RECORDABLE ACCIDENT RATE (TAR)



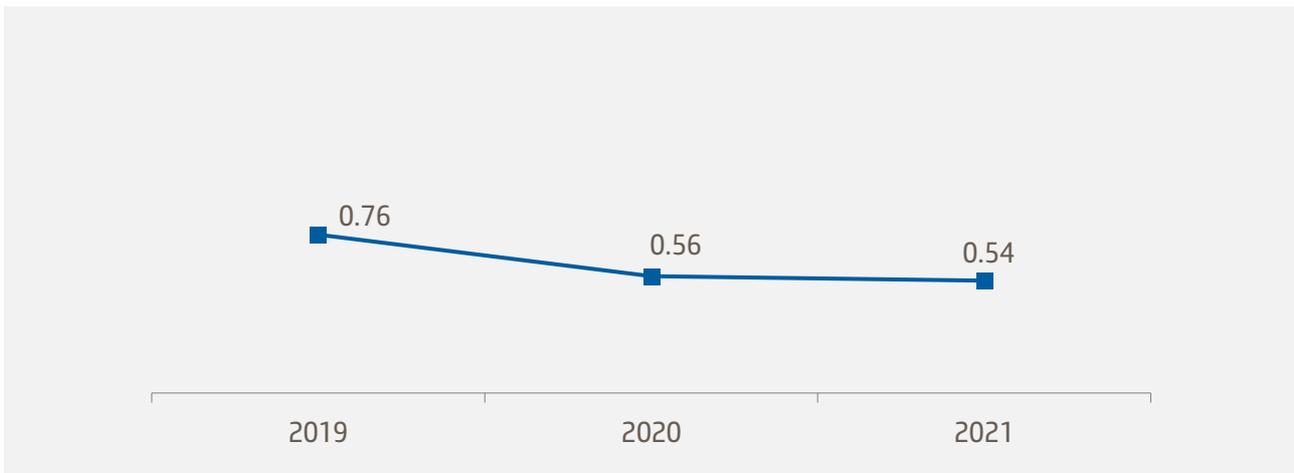
### Respect for life, people, and the environment is a value Petrobras appreciates.

We aim to operate within the world's best safety standards. One of our top metrics is the Total Recordable Injury Rate per million of men-hour (TRI) below 0.7.

In 2021, we achieved our best result ever with a TRI of 0.54, 4% below 2020, when our TAR reached 0.56, below the peer group benchmark. The excellent result was supported by the programs to strengthen safety management and the **Commitment to Life Program**.

The reduction in TRI is a direct consequence of the implementation of several initiatives to promote our culture of safety that reflect our dedication to achieving zero fatalities, defined in our Strategic Plan.

## TOTAL RECORDABLE ACCIDENT RATE (TRI) PER MILLION OF MEN-HOUR



## Climate changes

### OUR ACTIONS RELATED TO CLIMATE CHANGE ARE SUPPORTED BY THREE PILLARS<sup>1</sup>:

1	2	3
Transparency	Resilience of our fossil position in the face of transition to low carbon	Strengthening our skills to create value in low carbon
<b>Within this context:</b>		
<p>It is our priority to ensure that carbon risks and opportunities are properly captured in scenarios, quantified and considered in our choices, ensuring the sustainability and resilience of our business, which requires attention to the continued improvement of decision-making processes. We embrace carbon transparency and highlight our public support for the TCFD – Task Force for Climate Related Financial Disclosures, and the adoption of external disclosure and performance references, such as SASB, IPIECA, GRI, and IOGP.</p>	<p>It is our priority to operate with low costs and higher carbon performance, thriving in scenarios of low oil prices, safeguarding the competitiveness of our oil in the world markets in a scenario of demand slowdown and further deterioration. In our understanding, companies will be as competitive for the long-term market as they can produce at low cost and with lower greenhouse gas emission, thriving in scenarios of low oil prices, carbon pricing, and possible practices of differentiating oil based on carbon intensity during production.</p>	<p>In this pillar, we focus on investing in decarbonizing our operations, developing biobased products, and competencies for the future. We are progressing in the analysis of possible new businesses that can reduce exposure and dependence on fossil sources and, at the same time, are profitable, ensuring the company's sustainability in the long term. Accordingly, we created a governance structure for the analysis and approval of investments in new businesses focused on diversifying our portfolio, prioritizing businesses related to the energy segment and new products that are still not provided for in PE 2022-2026.</p>

We have adopted new oil price assumptions (Brent) in PE 2022-2026 to value our business opportunities taking into consideration an oil price range varying from an average of US\$ 72/bbl in 2022 to US\$ 55/bbl in the long term. All our projects need to be economically feasible in a scenario of resilience with lower oil price (US\$ 35/bbl), compatible with accelerated energy transition scenarios.

<sup>1</sup> More information on climate change can be found in the Weather Booklet

We reaffirm our carbon commitments for the 2025 and 2030 horizons in our PE 2022-2026. Our absolute operational emission reduction goal includes 100% of the operating assets in all our businesses, including power generation, for all greenhouse gases (GEE)<sup>1</sup>, and is material, relevant, short-term contribution to face climate change.

The metrics linked to carbon intensity in our E&P and Refining operations consist of top metrics and, accordingly, influence the variable compensation of our entire workforce.

In addition to our short- and medium-term commitments, our long-term ambition is to neutralize emissions in activities under our control (Scopes 1 and 2), and influence partners to achieve the same ambition in non-operated assets, in a timeframe compatible with the Paris Agreement.

In 2021, our performance in terms of GHG emissions was as follows:

- Total GHG emissions of 62 million tCO<sub>2e</sub>, compatible with our goal of reducing by 25% until 2030, compared to 2015;
- E&P carbon intensity of 15.7 kgCO<sub>2e</sub> / boe, on track to reach the medium-term target of 15 kgCO<sub>2e</sub> / boe by 2025<sup>2</sup> and maintained through 2030;
- Refining carbon intensity of 39.7 kgCO<sub>2e</sub> / CWT, on track to reach the medium-term target of 36 kgCO<sub>2e</sub> / CWT by 2025<sup>3</sup> and 30 kgCO<sub>2e</sub> / CWT by 2030.

Our carbon intensity targets (E&P and Refining) account for coverage of 67% of the emissions from activities operated by us, considering the year 2021.

We collaborate with initiatives for climate development and continue to partner with other companies and the science, technology, and innovation (ST&I) community. We highlight, for instance, our participation in the Oil and Gas Climate Initiative (OGCI) and our support to the World Bank's Zero Routine Flaring by 2030 initiative, which is one of our sustainability commitments.

<sup>2</sup> The indicator kg CO<sub>2e</sub> / boe considers in its denominator the gross oil and gas production ("wellhead").

<sup>3</sup> The kg CO<sub>2</sub>/CWT indicator was created by Solomon Associates specifically for refineries, and has been adopted by the EU Emissions Trading System, EU ETS and CONCAWE (the association of European oil and gas refining and distribution companies). The CWT (Complexity Weighted Tonne) of a refinery considers the potential greenhouse gas (GHG) emissions, in equivalence to distillation, for each process unit. Thus, it is possible to compare emissions from refineries of various sizes and complexities. Petrobras monitors the kg CO<sub>2</sub>/CWT indicator, according to its original identity. We also monitor an adapted indicator: kg CO<sub>2e</sub>/CWT, to allow the inclusion of emissions of other greenhouse gases (e.g., methane), which, however, represent a small portion of our refining emissions.

## Socio-environmental operation

In 2021, we invested R\$ 6.834 billion in initiatives to improve our HSE performance, contributing to making the operational practices of our units to be safe, efficient, and environmentally responsible to comply with specific legislation.

We systematically evaluate, in investment projects, the main risks in the safety, environment, and health levels. The results of these evaluations are periodically monitored by the Board of Directors' Safety, Environment, and Health Committee, which consists of three board members and two external expert members.

The expansion of economic activity and the continued urbanization process bring increasing challenges for water security. In this context, we consolidated our management based on the identification and mitigation of water risks and rationalization of water use. We seek to adopt low water-intensive technologies, minimize the use of water in operations and processes, reuse water, which has increased over the past 16 years, and identify alternative sources of supply, always taking into consideration local water availability and the technical-economic feasibility of the actions. We continuously invest in R&D projects related to the management of water and effluents, constantly in partnerships with universities and technological institutes. Thus, aiming to ensure our access to water and contribute to the availability of water in the regions where we operate, we have included in our sustainability commitment basket the goal of reducing freshwater withdrawal by 50% until 2030. In the same line, we have committed not to increase our generation of process residues, even with the expansion of our production curve, which will require the expansion of internal actions to prevent generation and adherence to the principles of the Circular Economy on reuse, recycling, and recovery with product generation, practices that have already been expanded in recent years.

By recognizing the risks linked to biodiversity and ecosystem services, and the result of such risks in society in general, and especially in the production sector, we started to consider the management of risks and impacts to biodiversity in our environmental agenda. Such management is based on standards, rules, and internal georeferenced information systems, the adoption of good operational practices, and the development of studies that contribute to the knowledge and protection of biodiversity. Accordingly, we emphasize the SENSIMAR Project, conducted by Petrobras' Research Center, which aims to expand knowledge on sensitive marine environments in the areas where we operate (Campos Basin, Santos Basin, and Espírito Santo Basin). With a focus on deep-water corals and rhodolites, the project generates information that subsidizes the assessment of environmental impacts on these ecosystems, allowing for human resources training and dissemination of knowledge, and was developed within the scope of environmental licensing.

Regarding the commitment of having 100% of our facilities with Biodiversity Action Plans (PABs) by 2025, we have already designed PABs for 18 units and facilities located in terrestrial and coastal environments. The methodology for designing and reviewing PABs is being improved and currently includes the assessment of the biodiversity baseline of the study area and analysis of the ongoing actions, based on which additional actions can be proposed to address any identified gaps regarding the management of risks and impacts to biodiversity in these units and facilities.

We have also designed Fauna Management Plans for 14 units and facilities, as sub-plans related to PABs, to implement specific fauna management actions, aiming to prevent and mitigate the risks and impacts to fauna, human health, and operational safety, taking into consideration the well-being of animals during the fulfillment of these objectives.

Reinforcing the importance of biodiversity and water resources, in 2021 we joined the Brazilian Business Commitments to Biodiversity and Water Safety defined by the Brazilian Business Council for Sustainable Development (CEBDS), one of the leading voices in the business sector for the promotion of sustainable solutions with governments and civil society. Adherence is aligned with the sustainability commitments we undertook in 2019, reinforced in our PE 2022-2026.

Our spill response plans are structured on local, regional, and corporate levels. The corporate contingency plan provides the structure and information to make available additional resources to the Emergency Response Plans of the units in Brazil and abroad. These additional resources are distributed in the Environmental Defense Centers (CDAs) and outpost bases, located in various points of Brazil, in addition to Transpetro's Emergency Response Centers.

In 2021, in addition to the ZERO fatalities ambition, we added the new ZERO leakage ambition. Within the fifth cycle of the Commitment to Life Program, we created the *Mar Azul* project, a robust initiative to avoid offshore spills, allowing us to achieve a historic result of 11.6 m<sup>3</sup>, more than 90% lower than the result recorded in 2020.

Despite the preventive actions and commitments already taken, given that we are an energy company focused on oil and gas, we use natural resources and impact ecosystems. The main impacts over the last three years were:

### MAIN IMPACTS

	2021	2020	2019
Emissions (million tons CO <sub>2</sub> e)	62 <sup>1</sup>	56	59
Biodiversity (Events with confirmed or probable impact on fauna, flora, or habitat)	6	6	17
Hazardous solid waste generated in industrial processes (thousand ton)	109	1242	118
Effluents <sup>3</sup> (million m <sup>3</sup> )	251.3	277.5	271.6
Leaks <sup>4</sup> (m <sup>3</sup> )	11.6	216.5	415.3

Through the **Petrobras Socio-environmental Program**, we invest resources in several socio-environmental projects. The program's lines of action in 2021 were Education, Economic Sustainable Development, Weather, and Ocean. In this model, the purpose of socioenvironmental investment is to contribute to the communities where we operate and to the sustainability of the business by supporting social and environmental initiatives that generate value for Petrobras and society. To enhance the results and the management of indicators, we encourage the institutions to work in networks.

In 2021, we invested R\$ 88.2 million in socio-environmental projects. We estimate that more than 68,000 people have been benefitted from the projects in effect by 2021, through in-person or distance activities,

1 Between 2015 and 2021, our absolute operational emissions fell by 21%. In 2021, emissions totaled 61.8 million tCO<sub>2</sub>e, higher than the result of the three previous years. The increase was a direct result of the atypical thermoelectric dispatch caused by the hydrological conditions in 2021.

2 After the 2020 figure for the previous Management Report, we received extemporaneous information from service providers, which required an update. The update has already been included in Petrobras 2020 Sustainability Report.

3 Industrial effluent, produced water, and sanitary effluent (the latter included as of 2020, in compliance with GRI 303: *Water and Effluents 2018*). Does not consider produced water reinjected in formations for secondary recovery nor effluents from open cooling systems.

4 Sum of the volumes of oil (or oil products) spills that were individually higher than 1 barrel and reached water bodies or unsealed soil. The volumetric criterion (>1 barrel) is used in the corporate indicator Volume of Oil and Oil products Leaks and is aligned with the ANP Manual (National Agency of Petroleum, Natural Gas and Biofuels) for reporting incidents related to E&P activities. Leaks originating from clandestine oil derivations were not recorded.

such as complimentary education, environmental education, educational sports, teacher training, training for work, training for sustainable tourism in coastal and marine environments, and technical support for actions that promote the recovery of forests and natural areas, among other actions carried out by the supported projects. In their activities, the projects engage children and teenagers, women, black people, people with disabilities and traditional peoples and communities, promoting inclusion actions for these audiences. These initiatives have also been responsible for the protection, monitoring, or research involving around 220 species of fauna, 56 of which are endangered.

In this period, we were supported by our network of socio-environmental projects in actions to distribute basic staples to the communities surrounding our operations.

We are committed to developing impact initiatives that contribute to the solution of social and/or environmental problems, involving opportunities to work together with our stakeholders, customers, and Petrobras products. To increase our contribution to society beyond the socio-environmental projects, in 2021 we donated R\$ 100.7 million in resources and materials in response to the Covid-19 pandemic, and distributed baskets with the support of GLP to socially vulnerable families, which, added to the socio-environmental investment, totaled R\$ 188.9 million in social benefits.

In January 2021, we created the Petrobras Human Rights Commission, composed of 20 areas that are responsible for managing the implementation of the Human Rights agenda, defined by Petrobras's Human Rights Guidelines, to ensure that the agenda is widely and transversally integrated into our business.

We annually publish socio-environmental information in our Sustainability Report, which is available on our website [www.petrobras.com.br/ri](http://www.petrobras.com.br/ri).

## Actions in response to the Covid-19 pandemic

Initially, the operating activities that ensure the supply of goods and services of primary necessity were not interrupted and were continuously performed by Petrobras according to the strictest health and safety standards, in full compliance with the guidelines of the competent health authorities and in line with the best scientific knowledge.

The outbreak of the Covid-19 pandemic and the measures required to contain the virus made 2021 another atypical year. In line with our commitment to the health and safety of people, we engaged in the fight to mitigate the effects of the pandemic, the largest in the last 100 years.

After the World Health Organization declared the pandemic, we created an internal Organizational Response Structure (EOR) based on the ISC (Incident Command System) management tool. This structure, composed of internal professionals, uniformly started to guide all our actions to prevent and fight the advance of Covid-19, and mitigate its consequences, on all possible fronts.

We acted quickly and adopted a series of measures to preserve the health of our employees in the operational and administrative areas. The initiatives are in line with the recommendations of the World Health Organization and the Ministry of Health and aim to contribute to the efforts to mitigate the risks of the disease. Preventive measures have been adopted, such as:

- broad testing, around 631,721 tests have been conducted in our workforce in 2021;
- pre-boarding and pre-shift health monitoring, reinforcement of hygiene measures, social distancing, and mandatory use of mask in the units;
- adjustment in the number of personnel on board platforms, rigs, and other vessels to the minimum necessary for the safe operation of each unit;
- intensification of inspection of compliance with prevention standards in all maritime or onshore operational units, with audits in all units, and immediate correction of any deviations;
- awareness and orientation actions for employees about individual care;
- health monitoring and access to telemedicine services.

All employees were instructed to report any symptoms immediately. We publicized specific communication channels (24-hour call center and e-mail), as well as an online form for self-reporting suspected symptoms. We monitor suspected cases and their contacts since the first report, taking all preventive measures to avoid contagion, orienting employees, and applying RT-PCR (Reverse Transcriptase Protein Chain Reaction) test in real time, when indicated by the health team.

For the offshore sector, considering the special characteristic of containment, we adopt even stricter measures, always keeping constant contact with regulatory agencies, service companies, and other entities in this sector to align practices. We have implemented monitored home isolation and screening by health professionals in the pre-boarding platforms, with the suspension of boarding for anyone with any symptoms in the preceding fourteen days and performed diagnostic tests before boarding. We evaluate, through a dedicated health team, all employees with symptoms on board and arrange for the immediate disembarkation of suspected cases and their contacts.

By December 2021, around 96.9% of Petrobras employees declared they were fully vaccinated.

All this effort has ensured the continuity of the operating activities that guarantee the supply of essential goods and services to society, always preserving the safety and health of all our employees.

The actions to fight the Covid-19 pandemic in 2020 and 2021 included the donation of fuel to the federative units to supply ambulances, vehicles to transport health teams hospital generators, transportation of cryogenic oxygen to be distributed in the Amazonas State, oxygen cylinders to health units, micro oxygen plants for hospitals units, financial donation for the purchase of intubation medicine in partnership with Vale and the Brazilian Institute of Oil and Gas (IBP) and transfer to the Ministry of Health, distribution of food staple through partner institutions in the areas covered by the Refining and Natural Gas (RGN) and Exploration and Production (E&P) units. We also donated money to partner institutions in the distribution of food staples and with Fundação Banco do Brasil (FBB), enabling social initiatives to be implemented in 2021, aimed at socially vulnerable families, to contribute to access to essential supplies, with a focus on Liquefied Petroleum Gas (LPG).

## Governance

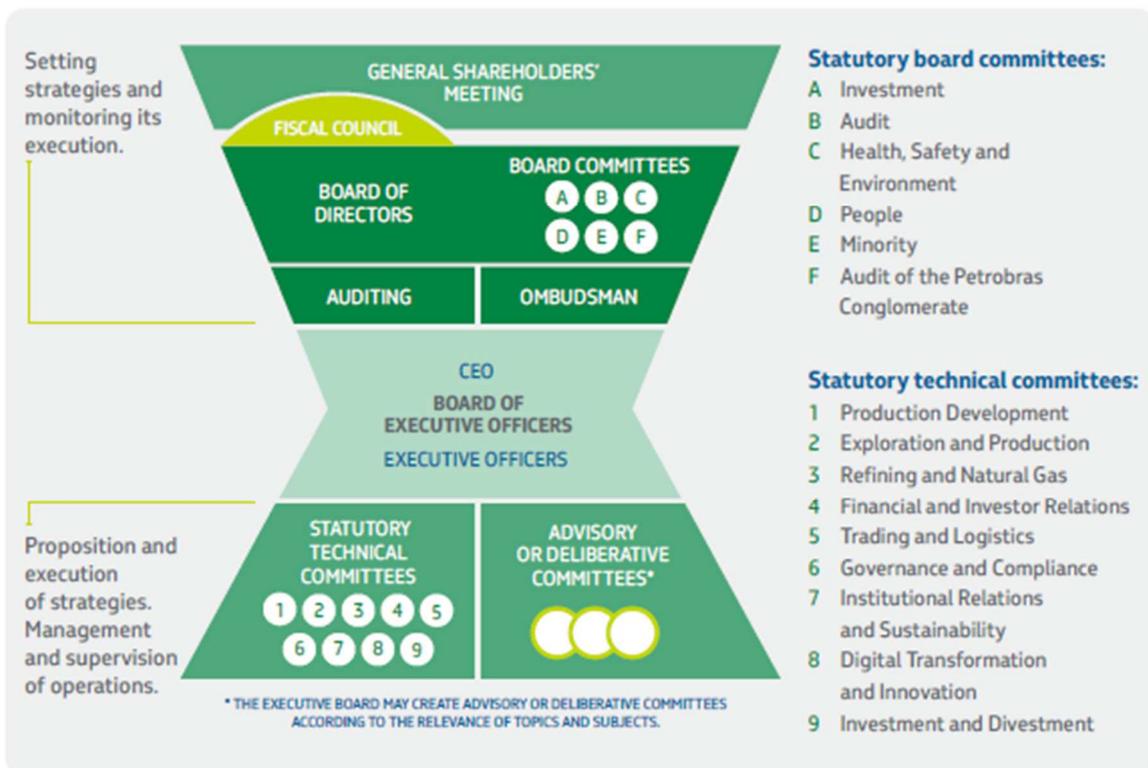
Good corporate governance and compliance practices are pillars that support our business. Thus, we have made commitments in our strategy that translate into ensuring a governance model that allows a balance between efficiency and control, and act transparently and with integrity, with zero tolerance for fraud and corruption.

We have made significant progress in corporate governance and the Company's integrity, compliance, and internal controls. We also adopted strict ethics and integrity standards through initiatives that reinforce our purpose, values, and commitment to continuous improvement and alignment with the best market practices.

Accordingly, we made constant improvements in our practices and main governance instruments, such as our Bylaws, internal regulations of the Board of Directors, Executive Board, and advisory committees to these bodies, policies, and codes, among others.

Our corporate governance structure is composed of the General Shareholders' Meeting, Fiscal Council, Board of Directors and its committees, Audits, General Ombudsman, and the Executive Board and its committees.

### GOVERNANCE STRUCTURE



### Relevant aspects of the governance model

- Nomination Policy of Board members and executive officers with additional requirements to legislation, especially regarding integrity requirements.

- Mandatory opinion of the Minority Shareholders' Committees and Audit Committee in the evaluation of important transactions involving the Federal Government, which are within the authority of the Board.
- Board of Directors composed of, at least, 40% independent members.
- Independence of the Chief Governance and Compliance Officer: distinguished hiring process (headhunter) and removal from office (approval by the Board of Directors with at least one minority vote); the possibility of reporting directly to the Board of Directors; and analysis of agendas submitted to the Executive Board, which can determine the non-submission of these agendas due to non-compliance.
- If regulated by the controller to assume obligations to meet public interest under conditions different from the market, the federal government shall compensate the Company for the difference.
- Petrobras' Corporate Governance Guidelines approved by the Board of Directors.

## Ethics and Integrity

Ethical principles guide our businesses and relations with third parties. Our activities follow clearly articulated policies, standards, and procedures that have been formally defined by the Company. These policies and procedures are informed to all employees and can be accessed from any company device. Our main corporate policies are also available on our website.

We have continuously improved our Integrity System. To this end, we have a Code of Ethical Conduct that provides instructions on the commitments and behavior required from employees. The Code of Ethical Conduct increases the focus on our values and commitments, providing self-reflection tools that help employees comply with our ethical principles while performing their duties.

To integrate and strengthen our Integrity System, in addition to our Code of Ethical Conduct, we emphasize our Compliance Policy, Code of Ethical Conduct for Suppliers, and the Petrobras Corruption Prevention Program (PPPC).

To ensure an ethical environment for our business, we work to promote a culture of integrity, prevention, detection, and correction of incidents, including fraud, corruption, conflict of interest and money laundering, internal control management, and integrity analysis of managers and counterparties.

We provide training for all employees, especially those working in activities with higher exposure to compliance risks, such as the members of the Executive Board and Board of Directors.

In 2021, we launched the Conflict-of-Interest Prevention Course to disseminate a culture of integrity. On December 30, 2021, this e-learning training was concluded by 37,985 employees, or 99.6% of our entire staff. Through practical examples and real cases, the training helps clearly and didactically identify and prevent conflicts of interest situations. It also teaches how we should behave in our daily activities and how to use the available consultation tools. The training was made available and is mandatory for all our employees, including management and senior management.

In 2021, we also offered training sessions to directors and executive officers, covering the following topics:

- Code of Ethical Conduct;
- Our corporate governance and decision-making process;
- Compliance, internal controls, and transactions with related parties;
- Risk management;
- Business performance;



- Brazilian anti-corruption law;
- Antitrust compliance;
- Environmental, Social And Governance; and
- Information Security.

# Human Resources

We closed 2021 with 45,532 employees, down 7.2% from 2020 of whom 7,692 women (17%) and 37,840 men (83%).

## EMPLOYEE PROFILE (PETROBRAS AND SUBSIDIARIES)

	2021	2020	2019
Employees	<b>45,532</b>	<b>49,050</b>	<b>57,983</b>
 Female	<b>7,692</b>	<b>8,161</b>	<b>9,331</b>
Petrobras	6,536	6,904	7,583
Subsidiaries in Brazil	954	986	1,450
Subsidiaries abroad	202	271	298
 Male	<b>37,840</b>	<b>40,889</b>	<b>48,652</b>
Petrobras	32,167	34,581	38,833
Subsidiaries in Brazil	5,254	5,803	9,241
Subsidiaries abroad	419	505	578

**GEOGRAPHIC DISTRIBUTION OF EMPLOYEES (PETROBRAS AND SUBSIDIARIES)**

	2021	2020	2019
<b>Geographic distribution - Petrobras</b>	<b>38,703</b>	<b>41,485</b>	<b>46,416</b>
Southeast	32,572	34,047	36,077
Northeast	3,840	4,910	7,400
South	1,514	1,627	1,853
North	642	764	929
Mid-West	135	137	157
<b>Geographic distribution – Subsidiaries in Brazil</b>	<b>6,208</b>	<b>6,789</b>	<b>10,691</b>
Southeast	4,901	5,216	5,697
Northeast	744	856	2,328
South	302	322	1,616
North	188	318	758
Mid-West	73	77	292
<b>Subsidiaries abroad</b>	<b>621</b>	<b>776</b>	<b>876</b>
<b>Total employees of Petrobras and subsidiaries</b>	<b>45,532</b>	<b>49,050</b>	<b>57,983</b>

**EMPLOYEE EDUCATION (EXCLUDING PETROBRAS SUBSIDIARIES)**

	2021	2020	2019
<b>Schooling</b>			
Middle School	241	98	547
High School	13,688	14,878	17,387
Undergraduate School	16,798	17,688	19,255
Specialization, Masters' degree, PhD	7,976	8,821	9,227
<b>Total Petrobras employees</b>	<b>38,703</b>	<b>41,485</b>	<b>46,416</b>

**EMPLOYEES (PETROBRAS AND SUBSIDIARIES)**

	2021	2020	2019
# employees at the end of the period	45,532	49,050	57,983
# of new hires in the period	248	206	946
# of employees from service providers <sup>1</sup>	99,126	92,766	103,133
# of interns	161	149	530
# of employees with more than 45 years old	16,787	18,437	24,842
# of women working at the company <sup>2</sup>	7,692	8,161	9,331
% of management positions held by women <sup>2</sup>	19.3%	19.1%	18.4%
# of afro-descendants working at the company <sup>3</sup>	13,914	14,799	16,763
% of management positions held by afro-descendants <sup>3</sup>	21.3%	20.0%	19.3%
# of employees with disabilities <sup>4</sup>	404	278	337
Ratio of Women's to Men's Compensation <sup>5</sup>	0.96	0.95	0.92
# of average hours of training per year per employee <sup>4</sup>	63.34	48.88	54.96
Percentage of employees receiving regular performance and career development reviews <sup>6</sup>	99.6%	99.98%	-
Training on Anti-Corruption Policies <sup>7</sup>	9	14	10

<sup>1</sup> Employees from service providers who act in Petrobras' facilities or in areas under the Company's responsibility.

<sup>2</sup> Corresponds to female employees, not including employees from contractors working at the Company's facilities.

<sup>3</sup> Corresponds to afro-descendant employees, not including employees from contractors working at the Company's facilities. This information is provided by Petrobras Parent Company and companies in Brazil. For cultural reasons in some countries, this information cannot be obtained and consolidated for all companies abroad

<sup>4</sup> 2020 data refer to Petrobras Parent Company only.

<sup>5</sup> Weighted average between the ratio of women's to men's compensation in 2021 from each company and their respective staff. According to Guideline 7 of our Human Resources Policy and item 4.2.a of our Code of Ethical Conduct, Petrobras' Career and Compensation Plan (PCR) makes no gender distinction regarding compensation to men and women in the same position or function. However, one of the factors that contribute to the difference in compensation to men and women is the work regime, considering that special work regimes pay bonuses and are mainly consisted of men in the oil and gas industry. 2020 data refer to Petrobras Parent Company only.

<sup>6</sup> Weighted average between the ratio of employees with performance reviews of each company and their respective staff.

<sup>7</sup> This information is provided by Petrobras Parent Company.

## Hirings and dismissals

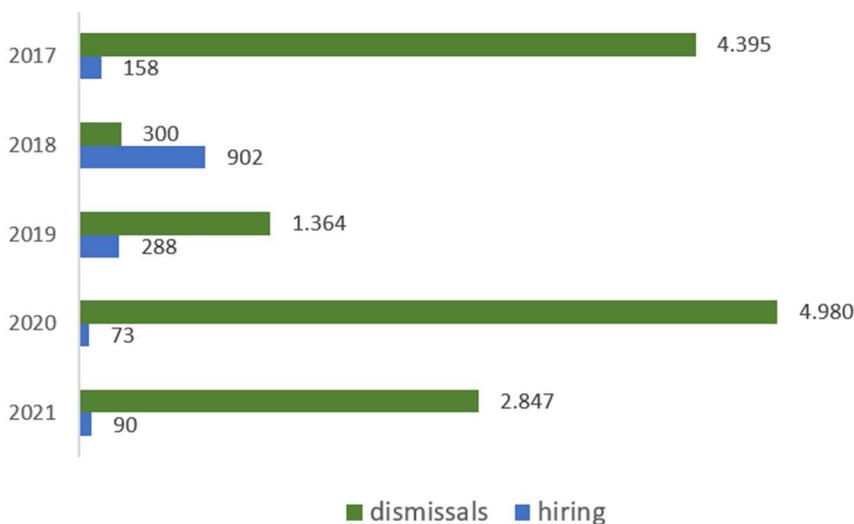
One of the main current and future challenges for our human resources management is to ensure the continuous adaptation of our staff to our business portfolio.

One measure adopted to the gradual oxygenation of our staff, and in line with our Strategic Plan, was the opening of a new public selection process for hirings after 2022, with 757 positions for candidates with various higher education emphasis, with 212,000 candidates enrolled. Also, in 2021, we hired 90 employees, most of whom (90%) participated in public selection processes from previous years.

Another measure implemented to adjust our staff is the Voluntary Separation Incentive Programs (PDVs). In 2021, 2,579 employees left the company through the Incentive Retirement Plan (PAI) and the three Voluntary Separation Incentive Programs (PDV) distinguished by target public: (i) one aimed at employees working in the corporate segment, (ii) one specific for employees working in divestment projects, decommissioning and/or reduction of activities, and (iii) one for retired employees.

In total, 2,847 employees left the company, 2,702 through voluntary dismissal (includes PDVs and others).

### EMPLOYEE TURNOVER (EXCLUDING PETROBRAS SUBSIDIARIES)



## Training

Based on the performance evaluation and our Strategic Plan (PE), we identify training needs. Training sessions are annually negotiated between the manager and each employee, aiming to achieve the expected results for the business during the evaluation period. Until December 31, 2021, we recorded 1 million participations in courses, 658,000 from employees, and an average of 68.93 hours of training per employee in the year. We invested R\$ 43.6 million in training sessions in 2021.

### CENPES

We operate a dedicated research and development center (Cenpes), which is one of the biggest in the energy sector and one of the biggest in the Southern Hemisphere. Cenpes facilities have a total area of 308,000 m<sup>2</sup>, with 116 laboratories and more than 4,700 pieces of equipment, including state-of-the-art technology. On December 31, 2021, Cenpes had 1,106 employees, 320 of whom hold masters' degrees, and 246 doctors' degrees, in addition to a team of 990 dedicated exclusively to the research and development (R&D) area.

With the mission to "imagine, create, and make Petrobras' future today", Cenpes works in partnership with universities and domestic and international research institutions, suppliers, startups, and other operators to develop technologies to enable compliance with the Strategic Plan, and anticipate trends that may create strategic options.

In 2021, we invested R\$ 3,033 million in research and development. Currently, around 25.2% of our R&D portfolio intensively uses digital technology, such as big data, high-performance computing, and artificial intelligence.

Moreover, in the three-year period ended December 31, 2021, our research and development operations were granted 327 patents in Brazil and 83 abroad. Our patent portfolio covers all our areas of operation. We currently have 996 patent applications under analysis, 420 in Brazil and 576 abroad, in more than 40 countries.

In 2021, we registered 118 patents, exceeding our historical record of 2005 and the record of filings in a single year among Brazilian institutions.

## Remote work

We have a permanent model (voluntary adhesion) of remote work up to three days a week. The return to on-site work and the actual application of this model, has been implemented in waves since October 2021, under the context of the pandemic.

## Variable Compensation

### Performance Bonus Program (PPP)

Since 2019, we have been implementing the Performance Bonus Program (PPP), a variable compensation model aimed at all employees. Linked to our Strategic Plan, the objectives are of PPP are to align the interests of shareholders, executives, holders of bonus positions and employees with no right to bonus, encourage results-oriented behavior, reward people for the results achieved, pay differently for distinguished delivery (meritocracy), and contribute to attracting and retaining talents.

In FY 2020, PPP was activated after compliance with the minimum pre-requirements established:

- for employees, the Program was activated from the recording of positive net income for the year, excluding from the calculation impairment amounts and exchange rate variation contained in the net financial result.
- for the members of the Executive Board, the activation was based on the recording of a positive net income for 2020.

For the members of the Executive Board (Chair and Executive Officers), Executive Managers, and General Managers, the payment of PPP was deferred over five years, the values of which are referenced by the market price of our shares without, however, including the granting of shares. Payment is as follows: 60% of PPP paid in a lump sum and the remaining 40% paid in four annual deferred installments, the amount of which will be symbolically converted into the corresponding number of common shares (PETR3), using as base value the weighted average of the last 60 trading sessions of the Program's reference year. The Chair, Executive Officer, and General Manager may exercise their right to receive the deferred installments after compliance with the defined grace periods, upon request. The value of each installment payable corresponds to the conversion of the symbolic shares into cash value by the quotation of the weighted average of our common shares of the last 20 trading sessions before the requested date.

### Profit Sharing Program (PLR)

We have a collective bargaining agreement for a Profit-Sharing Program (PLR) for the 2021-2022 period for all employees not holding senior management positions (managers and specialists).

The PLR will be paid based on compliance with the following conditions:

- approval of the dividend payment by the Annual Shareholders' Meeting;
- calculation of the Net Result for the reference year; and
- achievement of an average (weighted) of at least 80% for the target indicators defined by the Board of Directors in the PLR agreement.

For FY 2019 and 2020, the PLR applied only to maritime employees, given that only their unions accepted the proposal, although it was offered to all unions that represent our employees.

## Healthcare Plan

In April 2021, as provided for in the new management model approved in 2020, the portfolio of beneficiaries of the Multidisciplinary Healthcare Plan (AMS) migrated to the Petrobras Health Association (APS) to consolidate the transfer of the management of the healthcare plan to the new operator and gain quality in health care. In 2021, APS closed the year with 269,350 beneficiaries distributed in all Brazilian states.

Significant improvements in the healthcare plan management were implemented, especially:

- the implementation of analysis by a medical board upon request of procedures related to orthoses, prostheses, and special materials, which was responsible for savings of R\$ 53.8 million in 2021;
- the telemedicine service which, with improved communication tools, consolidated in 2021 and became an alternative search for diagnosis used by beneficiaries of the Petrobras Healthcare Plan, as it reduced beneficiaries' exposure to contamination from Covid-19 and other diseases. In 2021, we had 36,237 assistances, with a total amount paid of R\$9.6 million for the availability and use of the service.

## Additional Information

### Relationship with Independent Auditors

Our independent auditors cannot provide consulting services during the term of the audit contract, according to article 30 of our Bylaws. Since December 2016, we have engaged the services of KPMG Auditores Independentes (KPMG), which is responsible for providing independent auditing services in fiscal years 2017 to 2021.

The services provided by our auditors are analyzed and approved by the Statutory Audit Committee. The Independent Auditors annually confirm in writing their independence to the Statutory Audit Committee.

In 2021, KPMG provided the following services to us, including those provided to our subsidiaries and controlled companies:

#### SERVICES PROVIDED BY THE INDEPENDENT AUDITOR

	R\$ thousand	%
<b>Services<sup>1</sup></b>		
Accounting Audit <sup>2</sup>	33,574	+93%
Additional audit-related services <sup>3</sup>	466	1%
Tax Audit <sup>4</sup>	2,180	6%
<b>Total Services</b>	<b>36,220</b>	<b>100%</b>

### Acquisition of company debentures

We hereby inform you that we did not acquire company debentures in FY 2021, at an amount equal to or less than the face value.

<sup>1</sup> CVM Instruction 381/2003.

<sup>2</sup> Includes fees charged regarding the audit of our annual financial statements, SOx audit, quarterly information, audits of our subsidiaries, consent letters, and review of periodic documents filed with the Securities and Exchange Commission - SEC.

<sup>3</sup> Additional audit-related services refer to assurance and related services that are reasonably related to the performance of the audit or the reviews of our audited consolidated financial statements and are not classified under "accounting audit".

<sup>4</sup> Tax audit are fees related to tax compliance reviews conducted together with audit procedures on financial statements.

## Information about Affiliates and Subsidiaries

Under article 243 of Law 6,404/76, we inform that our investments in affiliates and subsidiaries are listed in Note 29 – Investments of Petrobras Financial Statements.

## Information related to decisions made because of instructions received from the controlling shareholder and investments made as a result of the exercise of public policies

As a government-controlled company, our activities may be oriented by the Federal Government to contribute to the public interest that justified our creation, aiming to guarantee the supply of oil products throughout Brazil. However, the contribution to this public interest must be compatible with our corporate purpose and market conditions, and cannot jeopardize our profitability and financial sustainability, under article 238 of Law 6,404/76.

Thus, if the public interest is served under conditions different from those of any other private sector operating in the same market, as explained in our Bylaws, the obligations or responsibilities assumed by the Company must be defined in a rule or regulation and be provided for in a specific document, such as a contract or agreement, observing the wide publicity of these instruments, as well as the disclosure of their itemized costs and revenues, including in the accounting plan. In this case, the Federal Government will compensate us, each fiscal year, for the difference between market conditions and the operating result or economic return on the obligation assumed, under the Company's Bylaws.

For more information on the initiatives to serve the public interest, see the item "Supplementary Information on Public Interest – Law 13,303/16" of Petrobras Financial Statements.

In addition, in our Annual Public Policy and Corporate Governance Letter, we publish the investments made because of the exercise of public policies annually, under Law 13,303/16. For further information, see the Annual Public Policy and Corporate Governance Letter and item 7.1.a of the Reference Form, available on our website [www.petrobras.com.br/ri](http://www.petrobras.com.br/ri).

## Inflationary effects on the result

Although Brazil's economy has not experienced hyperinflation since Plano Real, we present below information about the results of FY 2018 to 2021, monetarily adjusted by the Final Consumer Price Index (IPCA), from the month of its formation to December 31, 2021. The amounts for the year ended December 31, 2021, have not been adjusted.

Unaudited information (R\$ million)	2021	2020	2019	2018
Sales Revenue	452,668	280,662	350,752	358,170
Gross Profit	219,637	127,669	141,667	137,043
Operating Expenses	(17,233)	(75,331)	(47,507)	(67,071)
Earnings before financial result, profit sharing, and taxes	202,404	52,338	94,161	69,973
Net Financial Result	(59,256)	(51,882)	(40,019)	(27,129)
Net Income for the Year	107,264	4,276	47,527	30,873



**PETR3**  
B3 LISTED N2

**PETR4**  
B3 LISTED N2

**PBR**  
LISTED  
NYSE

**PBRA**  
LISTED  
NYSE



MINISTÉRIO DAS  
RELAÇÕES EXTERIORES

