

Petrobras Day

December 1, 2022

Carla Albano:

Hello, everyone. Welcome to our virtual Petrobras Day 2022. Today, we will have the opportunity to watch presentations and to participate in discussions with our senior management about our new strategic plan for 2023 to 2027.

We would like to inform you that all participants will follow the transmission by Internet as listeners. After an introduction and presentation, a Q&A session will begin. You can send us questions by email, petroinvest@petrobras.com.br.

Today we have with us Claudio Mastella, Chief Trading and Logistics Officer, Fernando Borges, Chief Exploration and Production Officer, João Henrique Rittershausen, Chief Production Development Officer, Rafael Chaves, Chief Institutional Relations and Sustainability Officer, Rodrigo Araujo, Chief Financial and Investor Relations Officer, Rodrigo Costa, Chief Refining and Natural Gas Officer, and Salvador Dahan, Chief Governance and Compliance Officer.

The presentation is available on our Investor Relations website, and we will start by listening to Rodrigo Araujo. Please, Rodrigo, go ahead.

Rodrigo Araujo:

Thank you, Carla. Thanks, everyone, for being with us this morning or afternoon.

In terms of the overall setting of the business plan, the 2023-2027 business plan, I think that the main word to summarize our business plan is 'continuity'. So we continue to be focused on assets where we have most competitive advantages. We continue to be focused on delivering what we have promised, and we have been able to successfully deliver everything that we promised in the 2022-2026 business plan, and even more over the course of the year. We continue to be focused on resilient projects, on investing responsibly and on creating and delivering relevant value to our shareholders and to the Brazilian society as well.

So two main pillars of the of the new business plan are preserving the solid financial ability of the Company, so the business plan is resilient not only to the base case scenario, but also to the stress test scenario. We continue to be focused on being a low cost, low carbon company, delivering what we call double resilience, meaning that we produce low cost oil, with low level of emissions, environmentally competitive assets in our portfolio as well. So we are quite focused on delivering results via those assets.

We are also a relevant player in the current challenging energy security scenario. We were able to deliver a lot of value, and will be able to deliver the projects that we have committed to over the course of time.

Of course, the latest plan continues to be focused on value creation and delivering the value that we create. Investments are mostly focused on deep and ultra-deep water

assets, and also on the competitive refining assets that we have, especially the assets on the Southeast of Brazil that are closely connected to the Brazilian pre-salt.

We are investing to modernize and increase the quality and reduce the carbon footprint of our refineries and other downstream assets. And we have also taken a step forward with respect to our path to decarbonization and to profitable diversification in the business plan.

As we have been talking over the last year, we have been studying several different opportunities to analyze what the capabilities we have for the future and what would be the best fit in terms of potential future businesses for the Company. And we are going to talk about this later on.

We have made relevant steps on defining what are the potential future business, where we see the Company having competitive advantages and being able to actually deliver value. And at the same time, we have increased the CAPEX allocated to energy transition by basically 60%, from US\$ 2.8 billion to US\$ 4.4 billion, a relevant increase already representing 6% of total CAPEX.

So this plan is an important step towards continue the value creation strategy that we have been taking over time.

In terms of our top metrics, we have not changed any of the relevant metrics. So basically we continue to be focused on executing what we have promised, with relevant targets in terms of lower emissions. We continue to have aggressive safety metrics as well, and targets. As you know, safety is a fundamental value for us, and we are continually concerned about reducing recordable injuries and reducing fatalities. We have an ambition of zero fatalities, and safety is always a priority in our operations. We only create value when we are operating safely.

We also have relevant targets in terms of reducing spilled volume, and also the main target in terms of value of the plan continues to be the economic value added. We continue to have the structure to analyze the value created by the portfolio and set targets with respect to creating more value.

Of course, the value creation metric is supported by an appropriate capital structure, so we have limits in terms of the optimal capital structure for the Company. We are going to talk about that. So it is value creation, respecting financial ability and respecting the Company's optimal capital structure.

In terms of our ESG positioning, it is important to highlight that we are taking relevant steps towards integrating the ESG strategy, not only with respect to reducing our carbon footprint and protecting the environment, but also from the social perspective, caring for people, and from the governance perspective, also acting with integrity and transparency. So the main goal of the plan is to deliver sustainable results for a society that is in transition, by acting with social and environmental responsibility, and the highest degrees of safety, integrity and transparency.

When we disclose this new business plan, it is important to remember that this is, of course, only one flash of the whole story. We have we have been successfully delivering an important turnaround story over the last seven years or so. A lot of the relevant results and a lot of the strong ambitions that we have with the business plan come from the financial restructuring work that we have done over the last couple of years, and the governance restructuring works well.

We have been able to achieve our optimal capital structure with 15 months in advance. More than half of our debt is due after 2027. So we have a very solid capital structure, very comfortable liquidity situation as well.

We have paid more than US\$ 100 billion of debt over the last seven years. Of course, we have reduced the Company's interest expenses by more than 60%, almost 70% reduction, from more than US\$ 7 billion to less than US\$ 2 billion.

We were also able to diversify our funding sources with recently issued sustainability linked loans. We have also issued commercial papers in Brazil and real estate certificates in Brazil. So we have been able to manage our financial liability in a very value accretive way.

We are comfortable with the level of debt that we have achieved, but we still have a lot to do in terms of liability management. So we continue to be active not only on making new issues on the capital markets and bilateral transactions, but also prepaying and reorganizing debt, so that we can always have the best maturity and the best profile.

Over the course of 2022, we have managed to bring our cash levels close to the optimal level, close to US\$ 8 billion. On this plan, we continue to have that the reference cash of US\$8 billion to target level of US\$ 8 billion. The minimum cash level is US\$ 5 billion. So we are, of course, very comfortable with the Company's liquidity.

It is always important to remember that we have about US\$ 9 billion of revolving credit facilities that also provide additional liquidity to the Company and allow us to work with lower cash levels and reduce the carry cost of our cash.

With everything that we have done in terms of value creation over the course of 2022, a very positive year for the Company, we have already declared R\$13.8 per share of dividends, and we are committed to returning the important value that we have created. Over the last five years, we have also paid more than R\$ 1 trillion in taxes. So the Company has an important role in terms of returning to the Brazilian society, the value that it creates.

We have been awarded for our transparency. Our financial statements have been elected between the ten best financial statements in Brazil for the last five years, and in two of them they were elected the best financial statements in Brazil. So it reinforces our commitment with transparency and with communicating properly to our shareholders and to the overall stakeholders.

And alongside with delivering projects on time and making sure that we are able to start up production on time and with relevant quality, we have been working together with the supply chain, so that we can make our supply chain be able to true to deliver what we need on the proper timing.

We have also provided more than R\$ 20 billion, almost US\$ 4 billion in additional credit should add to the supply chain. We have created programs that allow them to access lower cost credit and therefore provide the services and support that we need to deliver the business plan.

The plan is focused on maintaining the Company's financial strength and maintaining the Company's sustainability over time, creating and delivering a lot of value. Of course, one of the main pillars of the plan is maintaining competitive prices aligned for the international markets.

As I have mentioned, we have kept the reference cash level of US\$ 8 billion and the minimum cash of US\$ 5 billion, before we forecast dividends according to the current dividend policy, and made minor adjustments to the Company's gross debt reference range. We have reduced a little bit the range for the optimal capital structure. The prior range was between US\$55 billion and US\$65 billion. We have reduced the lower end of the range, but we expect to maintain our gross debt around US\$55 billion over the course of the plan.

In terms of the assumptions that we have used for the plan, of course, we have updated the expected Brent prices for prices that are closer to the short term scenario that we are seeing. Just to as a reminder, we expected US\$72 per barrel as the average price for 2022, and we are actually seeing more than US\$100 per barrel.

So we have maintained the Company's long term view of US\$55 per barrel in the base case scenario and US\$35 on the stress test scenario. But we have updated the convergence trajectory to achieve those levels to be closer to the current market prices.

Of course, our assumptions are always focused on making sure that they are well aligned with the best international forecasts, and we have a lot of sanity checks in terms of the quality of the assumptions as well.

From an overall perspective, it is important to highlight that more than half of the value that the Company creates returns to the Brazilian society so that more than half of our cash generation goes back to the Brazilian society, either via taxes or dividends to the controlling shareholder. We expect to return between US\$215 million and US\$235 billion over the course of the plan.

Out of the almost US\$200 billion of cash that we expect to generate over the course of the plan, we have relevant investments and also expect important dividends, assuming, of course, the Company's current dividend policy.

As I mentioned before, in terms of leverage, we do not expect relevant changes in terms of the level of our current debt, but we do expect to be active on managing liability over time.

Finally, an important message is, of course, the important CAPEX increase that comes with the recent business plan. But more important than the CAPEX increase is the fact that it is a very responsible CAPEX. The plan is self-financeable, and it is resilient to our stress tests and errors. So even in the stress test scenario, we expect to be able to pay dividends above the minimum of US\$4 billion of our dividend policy. So the plan is sustainable even in the stress case.

Out of the US\$78 billion of CAPEX over time, 83% of that CAPEX is allocated to the upstream segment. We also have 10% of the CAPEX allocated to the refining business. It is a lot of additional work in terms of improving quality and reducing carbon footprint. We also have around 2% for gas and power, 2% for trading and logistics as well, and 3% to corporate activities, basically digital transformation and higher capabilities in terms of our technological framework.

It is important to highlight the relevant increase in the CAPEX for low carbon initiatives, coming from US\$2.8 billion to US\$4.4 billion, about 6% of the of the CAPEX, allocated to low carbon initiatives in the business plan.

And then, when we look at the level of CAPEX commitments over the course of the plan, we have done an important work in terms of ensuring that the projects will be delivered on time.

So if you look at what we have already committed for next three years, we are basically talking about 95% of the 2023 CAPEX, 90% of the 2024 and 80% of the 2025 CAPEX already committed and procured. So basically, we have taken important steps toward ensuring that we are able to deliver projects on time.

As you know, a little bit more than 90% of the of the NPV of the projects come from the proper investment decisions, and being able to deliver the projects on time. So we are quite focused on delivering all the projects on time.

So overall, a very solid business plan, continuing the trajectory of financial and governance recovery of the Company that we have taken over the last couple of years.

And I will pass the floor back to you, Carla, so that we can again jump into the Q&A session. Thank you for being with us this morning.

Carla Albano:

Thank you. There you go. We can move to our Q&A session.

Frank McGann, Bank of America Merrill Lynch (via webcast):

How have inflation pressures affected the increase in CAPEX, specifically in upstream? Oil service inflation has been significantly increasing globally. How has this affected the plan and expected returns on projects? What are your service subsectors that have been showing the biggest increase in prices? How has this affected the plan and expected return of projects? Does the tighter oil service markets affect how you think about signing of new bids for equipment needed for Búzios for 2026 to 2027?

João Henrique Rittershausen:

Good afternoon. Thanks for the question, Frank. All the projections that you have about inflation are reflected in our project. We think that this kind of movement is normal for the market, the companies that supply to us. They need to make money, and as the market improves, they need to get their returns also. And it is a good sync, because when this movement happens, it happens together with the oil price increases.

So it is a win-win situation for the for the market. The oil companies increase the profits and the share of these profits goes to the supplier market that must be healthy in order to have a sustainable market.

Regarding the return of the projects, we maintain the breakeven of US\$35 for approval of all the projects. We understand that this makes our project resilient, and it gives the quality or the design that we need.

I would like to reinforce, US\$35 per barrel for the approval of the projects makes us to have good projects. This avoids that we waste money in equipment and in these lines that do not make value for the Company.

Petrobras is always monitoring the markets, and we seek productivity gains and improvements in our contracting strategy that will help us to keep the gains with Petrobras, not leave everything to the market.

And about Búzios, we understand that we have a strong strategy to go to the market, and we do not think that we will have impact in the bidding for the Búzios field development when you go to the market, again, to buy a Christmas tree, oil heads and all the equipment that you need to implement the wells for the projects.

Frank McGann:

What were the reasons for the postponement of SEAP 1 from 2026 to 2027?

João Henrique Rittershausen:

The main reason was that we were not successful in the bid. We tried an innovative contract model, the BOT, which is a mix between the EPC and the lease of the unit, and the market did not answer well for this new model that could be for the interests of Petrobras in the market, and the idea is now to return with the conventional leased unit for SEAP 1 and SEAP 2 to the market, probably in this month of December already.

Bruno Amorim, Goldman Sachs (via webcast):

Is it possible to share the oil production growth outlook for 2023 to 2024, excluding asset sales, and the breakdown of this growth between pre and post salt? Production guidance points out to a flat production in the period, despite the five new production units in 2023.

Fernando Borges:

The Impact of divestment in E&P is approximately 70,000 BOE per day in 2023 and 150,000 BOE per day in the in the coming years. However, it should be noted that all our projects disclosure are net of these effects, reinforcing the resiliency of our portfolio.

Regarding the future production, it is important to reinforce that the new projects have the commission and the ramp up phases. Considering that, the increase in the production is not immediate.

Furthermore, it is important to remember that the production of our assets have a natural decline of approximately 10% per year. In this context, the production of new systems must compensate for this decline. Our investments of 18 billion in Campos basin renovation in this plan shows our commitment to take the best of our assets to mitigate the decline.

Regarding the pre-salt growth, with the new 14 new production systems, it will represent 78% of our production growth up to 2027.

Monique Greco, Itaú BBA (via webcast):

The new plan includes an expansion of investments in the refining facilities related to quality improvement and an increase in middle distillates production, which, when completed, will add significant production capacity to the park. Could you talk a little bit more about new projects that have been included in this plan, the expected start dates and their respective size?

Rodrigo Costa:

To deliver the growth of low sulfur diesel in this plan, we are now implementing the new hydro treatment unit on Replan, our refinery in São Paulo, and this unit will add around 63,000 barrels per day, and we will ramp up this unit in the 2H25.

The revamps of Reduc we will add around 28,000 barrels per day and we will deliver in the 2H23, and the revamp of Revap will add around 41,000 barrels per day and the ramp up will occur on the 2H25.

Another important project is the hydrocracking unit and hydrotreatment unit in the GasLub, Itaboraí, Rio de Janeiro, which will deliver around 76,000 barrels per day in the low sulfur diesel, and the ramp up will be in the 1H28.

Regarding the new capacity of distillation and conversion, the second train on Rnest, the ramp up is around the 1Q28, and it will add around 130,000 barrels per day, and then revamp on the coke unit on Replan that will add around 10,000 barrels per day, and the ramp up it is in the 2H27.

The new lubricant units in GasLub will occur in the 1H28, and the capacity is around 12,000 barrels per day. And the dedicated facility of sustainable aviation fuel will occur in the 1H28, and it will add around 15,000 barrels per day.

These are the main highlights, and João, if you want to add other comments of all this.

João Henrique Rittershausen:

I would like to address the challenge that we have with these new products. We have had some time without did this amount of projects in the downstream area, and it is very challenging to put all these projects on the way that we need to have a successful project.

We are working hard with the design of these projects, to have a good design of these new units when we go to the market you have the bid. We are working also in the pre-qualification of the suppliers, and studying the best way to have a win-win contract for the construction of these new units, because you cannot, in a huge project like that, have contracts that do not deliver to Petrobras on time, with the quality that we need to have a good performance and the good liability of this project in order to have a good operation to make money off these new projects.

Monique Greco:

You talked about the activities to strengthen the Company's foreign trade. Considering the uncertainty that still hovers over the offer from Russia, what has been, in your view, the global oil products markets? Is there a risk that we will again fear a more severe global shortage that will also affect us here in Brazil?

Claudio Mastella:

Thank you for the question, Monique. The strengthening of our foreign trade activities aims basically to obtain a more robust global coverage of the global markets for the export of domestic oil, and also for the import and export of products that complement our refining in Brazil.

Relative to the risk of a global shortage, as you said, we see the international products market is well-supplied these days, and there are no signs of product shortages due to the high levels of refining we see and the reduction in global demand generated mainly by lockdowns in China, as they try to meet Zero-Covid policy.

Of course, we also see high volatility in steel, and to minimize any impact on our businesses, we are very well positioned abroad with our expert traders always looking for the best alternatives to buy and sell.

Monique Greco:

Can you talk a little more about how Avança Log can contribute to the development of this potential new business in renewable energy? Are there any of these businesses, offshore wind or hydrogen, that can benefit more from the company's infrastructure and logistics' efficiency?

Claudio Mastella:

The Avança Log program has, on one of its fronts, the focus on seeking opportunities on the path of energy transition already. We have already mapped synergy opportunities for existing logistics infrastructure for biofuels, for renewable biofuels, supporting and leveraging our biorefining program, in conjunction with our refining.

On the other hand, the Brazilian logistics of biofuels already operating intensively also offers, in my view, good possibilities for new logistics and commercial partnerships. In the future, other opportunities can still be captured as technologies mature and consolidate.

Regis Cardoso, Credit Suisse (via webcast):

Congratulations to all Petrobras management team for the excellent job that you have been doing. The business plan that was published yesterday, combined sound balance sheet, investments and investor return.

What drives the reduction of annual CAPEX of US\$18 billion in 2024 and 2025 to US\$13 billion in 2027? Which are the main risks related to the projection at the end of the business plan horizons, provided that only part of the CAPEX is already committed, 40% in 2027 versus 90% in the beginning of the period?

João Henrique Rittershausen:

The projects mature at different moments. In addition to having different contracting strategies, such as the definition between owned and chartered units that can influence the CAPEX level of each year. We do not have a specific driver to define the CAPEX of each year. It is a result of the implementing strategy of each project.

When we see the difference between the level of the contracts for each period, it is normal to have this difference. We understand that it is a good sign that we have the projects that are closer to us with the higher contracting level than the projects that are far from today. It is normal for the strategy that we are implementing in the projects.

Regis Cardoso:

The presentation mentions four segments as potential portfolio diversification for Petrobras: offshore wind, hydrogen, carbon capture and biorefining. Which are the main

competitive advantages of Petrobras in each of those segments? What would be the best way for Petrobras to enter in those new ventures? The R&D, partnerships with other companies that are already positioned in those segments? Is that a way?

Rafael Chaves:

I will start with hydrogen, say some characteristics that are synergic and fit Petrobras. First one is scalable, compatible with the size of the Company; and the second one is a breakthrough innovation, very linked with technological innovation. So hydrogen fits in the portfolio of Petrobras because of that.

And those reasons are the same for all others. I will add more for the other business opportunities. Offshore wind, we have experience in offshore operations. If you look to carbon capture, what we have been done for many years is to appraise reservoir and managing reservoir. So we are very good with reservoir, and so in carbon capture, there is this link.

Looking at biorefining, we have also decades of experience on operating and refining assets, and as Mastella mentioned before, we find some synergies with between logistics and commercial relationships that biorefining business can benefit inside Petrobras. So all of the business alternatives have a very good synergy and are suitable for Petrobras to invest.

In terms of R&D, for sure, we have a big allocation of our resource in Cenpes, and a tradition from Cenpes of innovative actions. So for sure, Cenpes will be present in all of them.

With or without partnership. If you look to biorefining now, it is without partnership. We are opening the market by selling some refining assets, and we are focusing our operations with 100% of control. So, in terms of biorefining, without partnership.

Looking at hydrogen, offshore wind and carbon capture, we do not have decisions in terms of business decisions right now, but I would say that because of the high risk, it makes sense to share the risk-returns, the risk-rewards with partnerships. But that is a decision yet to be made by the normal process inside Petrobras.

Regis Cardoso:

Decommissioning costs seem higher at US\$1.5 billion per year when compared to the previous business plan at which they were closer to US\$1 billion per year. Could you share more color on which are the main difference behind those numbers?

João Henrique Rittershausen:

First of all, it is very important to remember that decommissioning is part of our business. We discover the oil, develop the oil, product the oil fields, and then, in the end, we need to make the decommissioning.

For this new business plan, we have increased the number of platforms that are in this process from 18 to 26, and we have an increased number of subsea lines to be collected, and also in the number of wells that must be plugged and that are abandoned. This is why we have increased our OPEX from US\$1 billion to US\$ 1.5 billion per year when you compare the two business plans.

Pedro Soares, BTG Pactual:

The newly elected government has been conveying a message that could lead most to believe that there will be changes in Petrobras' strategic plan. So, could you remind us of the steps that are necessary for the revision of the plan? Pragmatically speaking, how long should the revision process take, in case the goal is to change as soon as January?

Salvador Dahan:

Thanks for the question. Basically, we have to remember the process is not one single activity, but actually it is a number of months of dedication of multiple teams from all the business areas.

It is a bottom-up approach where the technical teams will propose and will submit a proposition according to our process and our governance. Of course, the Board is responsible to set some strategic drivers, and according to each board compositions, those drivers can change and can reflect whatever the controlship requires and expects from Petrobras.

But ultimately, the process is a construction based on a bottom-up approach, according to our systematic, and it is a process of multiple months, considering all the projects, all the criteria and assumptions as we have in the plan are supported by a risk analysis, supported by an economics revision, and basically they have to be positive in terms of returns, in terms of sustainability, not only the environmental, but also the economic sustainability, as we already mentioned.

In terms of timeline, we have a legal obligation to release an annual plan. Does not mean we are obliged to stay only on one plan per year. Of course, if there is any internal decision to review it the more frequent that is possible, legally speaking, there is not any condition that will avoid this to happen.

However, as I already mentioned, it is a process with several steps to be taken, and it is not possible, according to our systematic, to say this strategic plan can be reviewed in a very short time period.

And the last point I think is important to mention is the approval process. Our governance has established that the Board is responsible to approve the plan after being already submitted and approved by the Executive Committee, and prior to that, it also should be approved by our Statutory Technical Committee. So all these three committees are responsible, and they have fiduciary duties in terms of signing off and validating the assumptions and the proposed plan.

So basically, this is how our governance covered the strategic plan construction.

Pedro Soares:

On the CAPEX plan for the next five years, could you quantify how much of the implied growth stems from higher inflationary pressures and how much reflects management decision to accelerate some projects?

João Henrique Rittershausen:

In terms of the exploration and production CAPEX, you have an increase of 12% when you compare to the previous plan. And in the downstream segment, the increase was around 20%.

As seen in the presentation, it is a number resulting from the review of economic assumptions, new opportunities and portfolio adjustments. Economic assumptions affect our portfolio differently, considering contracts signed were, in some cases, we have escalation formulas, and the scope that is not yet contracted, that is more suitable to have it changes due to the market conditions. All these adjustments were incorporated into the strategic plan.

It should be noted that we are always looking for productivity gains, like you can see in the well construction, for example, and improvements in our procurements' strategy, which help to mitigate these impacts. The idea is mainly to have a good strategy and to choose the best opportunities to go to the market to make the contracts.

Pedro Soares:

I would like to delve deeper into energy transition. It is very clear that the CAPEX to be disbursed in the projects to aim to reduce Petrobras' carbon footprint is growing, but its size is relatively small, and I believe that mostly driven by the current strategy to focus on high return projects. So, if you could compare the level of returns that you are seeing between projects that involve the energy transitions and what is being delivered today by the core business, that would be very helpful.

Rafael Chaves:

Thank you, Pedro, for the question. As you said, you think that it is clear that the CAPEX is growing, but at the same time, the CAPEX is not big enough, according to your question. So I can translate this comment on, you would like to see the CAPEX growing faster than you are seeing.

So, I have two comments. First of all, I sense the total CAPEX of Petrobras, at about US\$80 billion announced, is very appropriate to be executed in a responsible way by a centralized governance model, by a team that is very committed to deliver all the promises that we are making during this strategic plan. So, the total CAPEX of Petrobras, it is very suitable and appropriate.

Second, the green CAPEX tend to increase over time as we have more maturity. I will give you two examples. If you look to CAPEX in forest, it must be executed engaging local communities to be suitable. It takes time to scale. So we do not want to announce a very big CAPEX, with very huge obstacles to execute.

The other example is the green CAPEX in biofuels, it is a dedicated plant in our refining assets. It tends to increase over time as well, but we start with the first plant and we learn and then we can scale and do more.

So these are some feelings that I have that we are in the right direction. We should increase the CAPEX plan by plan, but as long as we learn with the process, and as long as we got maturity.

In terms of the carbon capture, offshore wind, hydrogen, we do not have the projects with reasonable expectations for risk-reward that we can be comfortable to announce a CAPEX. We keep studying, and as long as we see a good risk-reward return, with sustainability in terms of climate, and also sustainability in terms of economic results. Because if you have a very good project in terms of climate issues, but without economic sustainability, the result will be a failure.

So that is the reason why we are growing the CAPEX in a not very fast way, but you should expect continuous growth in this type of CAPEX, as long as we incorporate the lessons learned and we can scale our projects.

Gabriel Barra, Citi (via webcast):

It was displayed a relevant increase in exploratory CAPEX, mainly related to the Equatorial margin. Could you please share what's the Company's perspective for this new area in relation to CAPEX, production and timeline?

Fernando Borges:

Gabriel, the assets on the Equatorial margin are in the exploratory phase and show excellent potential, as demonstrated by the success of the project carried out in Surinam and Guyana. However, we cannot anticipate investments or production of the development phase prior to the execution of our exploratory campaign, which is a big one.

However, we have good expectations, with 16 exploratory wells to be drilled in 17 blocks in the Equatorial margin. The first of them is scheduled to start in December, in the deep waters off Amapá, if the environmental permit is obtained as soon as possible. New wells depend on the environmental license process that is in course.

Conrado Wegner, Safra (via webcast):

Considering the current contracts for production platforms, especially those whose deliveries are further in time, are there any breakup fees? How long do you believe it will take to go through all the process for the local production of an FPSO up to its delivery?

João Henrique Rittershausen:

Thanks for the question, Conrado. Our contracts do not have to breakup fees. If there is some decision to change the local contract, it would need to have a negotiation with the suppliers that will deliver the unit to Petrobras.

It is very hard to say the schedule for local production of an FPSO. We have faced this in the past, and we know the results of this. Today, when we go to the market to hire an FPSO, you have local content in this FPSO. And one of the difficult tasks for the guy that will quote an FPSO to Brazil is how to deliver the local content that is requested for the or the Brazilian market.

We can see that the suppliers that have experience and capacity are with good backlogs. When you consider Keppel FELS, EBR or Jurong, they already have contracts signed, and are with good performance in delivering the models that they are building to the platforms that are under construction today.

So I think that it is not easy to predict the delivery time of an FPSO that is completely built in Brazil. Thank you for the question and the opportunity to clarify this point.

Conrado Wegner:

Regarding your refining facilities, is there any refinery such as Rnest that would allow for a significant increase in capacity with the building of an additional refinery train, for example?

Rodrigo Costa:

Conrado, we are constantly evaluating opportunities for expansion of processing capacity. But to do this, we consider, in each planning, the market conditions, especially the risks of energy transition, the CAPEX exposure, access to feedstocks, restrictions on logistics, among other factors.

At the moment, at this current revision planning, Rnest was defined as an opportunity for a significant expansion with the completion of the second train, with positive economics, mainly due to the production profile focus on low sulfur diesel, and the fact that we can use the investments that have already been made.

So in each planning cycle, we always remain analyzing and looking for opportunities for expansion, but we test with these assumptions and parameters.

Vicente Falanga, Bradesco BBI (via webcast):

What caused the delay in SEAP 1? Why were Búzios 6 and 7 switched in 2024 and 2025?

João Henrique Rittershausen:

Thank you, Vicente. In SEAP 1, we had a bid that was not successful in hiring the unit. We had a BOT model contract, which is a mix between EPC and leased unit, and we were not successful, and we are returning to the market with a leased unit.

About Búzios 6 and 7, it is only a matter of nomenclature of the projects. They are the same projects, and the names of the projects were switched, but their startup dates are maintained. There is no change in the dates of the projects.

Vicente Falanga:

In terms of hydrogen, does Petrobras plan to potentially become a producer of green, blue hydrogen, or invest to become an offtaker of those molecules?

Rafael Chaves:

Offtaker, no. And we can produce the blue hydrogen, in case we decide, from grey hydrogen, and then use the carbon capture as a technological solution to make it cleaner, to capture the CO2 equivalent generated as a result from grey hydrogen, then we can use carbon capture and make the hydrogen the blue one.

Also, we may produce green hydrogen if we use the offshore wind combined with hydrogen, to generate a hydrogen that is produced 100% with renewable source. So they are both possibilities, the green and the blue hydrogen.

And also we can enter in this type of business, wind offshore, and even carbon capture with no relation with hydrogen. That is another possibility. So that that is it.

Rodolfo de Angele, JPMorgan (via webcast):

The plan sees higher lifting costs from US\$5 to US\$5.5, and higher total production costs from 29 to 33. What is driving higher costs?

Fernando Borges:

Rodolfo, these fluctuations are in the current global geopolitical context that also affects our industry. We see this increase as a natural relation that does not affect our strong portfolio resilience.

For the higher total production costs, it reflects the higher oil price forecast in this plan, and its effect on the government take.

Rodolfo de Angele:

Your plan calls for 18 new FPSOs in the next five years. Can you discuss the challenges around such an ambitious target? How is the markets for new FPSOs, and what can be done to mitigate the risks?

João Henrique Rittershausen:

Thank you for the question, Rodolfo. We cannot say that this is an easy challenge. 18 FPSOs is half of the total number of FPSOs that will be built in the world in the next five years. We have a strong execution plan for these units. We have a mix between leased units and the EPC units, and we need a prequalification process where we could select the best the EPC companies in the world to run these challenges.

The owned units are the biggest units that we have ever built, and we have our own design, with all the experience that we have learned in the all the pre-salt projects, and we are very confident that we will be successful in this journey.

It is a very challenging construction, but we are very confident with the results that we are planning for the near future in these units.

Luiz Carvalho, UBS (via webcast):

Can you please provide more details on the governance process for new investments? Is there a timeline for new projects to be discussed yearly, quarterly or other? What steps are needed for approval? Is there a target to return? What are the metrics that the Company evaluates when considering new investments? Still in governance, what is needed to change the steps for this process?

Rodrigo Araujo:

I will start with the first part, and then I will pass the floor to Salvador. With respect to the overall governance of the new CAPEX projects, Luiz, basically, the whole process starts with the existing business plan, where our Company's assumptions in terms of prices, margins, etc., are recorded, and also operational volumes, etc..

So it all starts with the with the business plan. That is the main reference. And alongside with the with the business assumptions that come from the business plan, we also have

all the CAPEX budget that is approved by the Board of Directors, also within the business plan.

So basically, all the projects that are within the plan are approved to be carried out. It does not mean that they are all after the FID, or after all the decisions have been made, but they are all authorized by the board and they still have to go through the entire governance.

So individually, every project has to go through a specific approval process. We have a five-gates process to approve new CAPEX. Basically, the third gate is the regular FID. Basically, the main criteria is, of course, having positive NPV at the stress test scenario.

So we are talking about, for crude, US\$35 per barrel in the long run. For refining margins, for example, diesel and gasoline crack spreads, US\$11 and US\$5 per barrel in the long run. So basically, having positive NPV in the stress case scenario is the main criteria for project approval.

And in terms of the process that has to be taken to approve the individual CAPEX projects, basically every project that is larger than US\$200 million has to go through the Investment-Divestment committee. That is a committee composed by executive managers that are at a level right below the C-suite. And then, they have to be approved by the C-suite executive officers board, and then they go to the Board of Directors to be approved.

So they still need to be approved by those three different layers, all of them with economic analysis, risk analysis, environmental impact analysis, engineering project analysis, etc.. So this is this is all that has to be done for each specific project.

And I will pass the floor to Salvador to talk a little bit about potential changes and how it could play out.

Salvador Dahan:

Just adding on Rodrigo's last comment, on those three different layers, the personal and criminal liability based on the fiduciary duties, all of us have as part of our responsibility.

And answering the question, it is very similar to what I mentioned before. It is a bottom-up approach. We have to follow the all the criteria and assumptions Rodrigo have already mentioned. Ultimately, it is a Board of Directors decision to approve the plan, but also to the change or update the existing rules and existing procedures.

So basically, we already discussed that the governance of the Company, rules and procedures are always evolving. We are always trying to bring and add additional best practices that we may find in other companies, best practices from external institutions, and of course, embedding whatever laws, regulatory requirements, internal or external auditors may bring to us in terms of lessons learned.

On top of that, of course, the controller can bring their own requests and requirements through the Board of Directors to the controlling representatives, and therefore define new strategies and new ways to conduct the long term vision for the Company.

Luiz Carvalho:

Is there a guided focus for upcoming investments in renewables? What Petrobras could consider? Offshore wind, hydrogen, biofuels? And on the other hand, what is off scope for Petrobras? What the Company would currently not consider? Mining, biomass?

Rafael Chaves:

Thank you, Luiz. As I said in the previous questions from Pedro Soares, we are already investing in the biofuels, in the biorefining, because it is scalable, we have ability to make breakthrough innovation very linked with technological innovation using Cenpes. We have experience in refining assets, we have experience in logistic and commercializing liquid fuels inside Brazil. So it is very suitable for us. It is already a decision made, and we are going to start with the first plant in our refining assets in São Paulo to produce both jet fuel and the diesel for trucks with renewable content.

So that is a business decision made, and it is the first plant that we need to learn and to scale in next plants after we got maturity of this type of investments.

On the other hand, we have hydrogen, offshore wind and carbon capture as possibilities. We do not have a CAPEX dedicated to that, but we are going to study more these alternatives. We rule out other possibilities like nuclear or subsea mining. That is the type of business that we said in the last plan that we should appraise, and we decided to focus on three of them with hydrogen in the center, it can be hydrogen combined with carbon capture which will generate blue hydrogen; it can be hydrogen combined with offshore wind, which could generate green hydrogen; and it can be offshore wind or carbon capture without hydrogen associated.

So these are our decisions, and let us see how we evolve in the upcoming months.

Bruno Montanari, Morgan Stanley:

Can you walk us through the timeline that a potential new Board of Directors and management team could be appointed? And then, the timeline for a new team to effectively change the business and investment plan? What would be the implications if a new management team ignores the plan and allocates capital according to its assumptions? Would this trigger any personal or corporate liability? In other words, how enforceable is the CAPEX plan unveiled by the Company yesterday?

Salvador Dahan:

There are some predictions that I am not sure I will be able to answer, but in terms of appointing new board members, as you already know, we have some basic timelines to follow according to our internal procedures and according to some external requirements by CVM and others. But basically, we are talking about around 40 to 60 days, depending on the complexity, depending on the number of people involved, after the Company receives the indication from the controller with names and indications to appoint new board members, to call for our General Assembly meeting and therefore make the election process.

So this is a very known, well-established, very transparent process. We already followed a several number of times. We had last year to update our rules to include a new federal decree that requires the eligibility committee to run the eligibility criteria check into the candidates before calling the General Assembly meeting, which brings an additional

number of few weeks to add into this process, as happened the last General Assembly election.

Other than that, in terms of bringing new strategy assumptions, new visions to the long term Company future, I would say they could be addressed, and they could be embedded into the plan if necessary, again, following all the processes Rodrigo and I already explained in terms of following the Company's systematic approach.

More than that, I think it depends on how those new visions and new assumptions will be incorporated in order to say, "well, this is according to what the Company has today", or "this is a big change", and if they are well funded, if they are well organized in terms of making the cases, building the business opportunities, in terms of following the same economic viability and other elements that are relevant not only for Petrobras, but for any company. Of course, they will be following the approval process up to the Board of Directors.

Along the lines, I would say that if something is not concrete enough in terms of economic viability, risk and all other criteria, therefore it may fall into those potential liability risk that you already mentioned. But basically, the process is as I already explained, and according to the past experience in terms of calling our General Assembly meeting, the timeline is as I already explained.

Christian Audi, Santander (via webcast):

I would like to congratulate you on a once again solid strategic plan, both from an operational and financial point of view, complemented by a continually strong corporate governance.

Does the forward breakeven remains at US\$20 per barrel as in the previous business plan?

Fernando Borges:

Definitely, yes. Breakeven is nearly US\$20 per barrel, given the strong resilience of our portfolio.

Carla Albano:

Thank you, Fernando. At this time, the Q&A session is over. If you have any further questions, you can send it to our Investor Relations team. Rodrigo will now make his final remarks. Please, Rodrigo.

Rodrigo Araujo:

Thanks, everyone, for being with us this morning and this afternoon. We are very glad to deliver a very solid business plan, focused on maintaining the Company's strong financial position and creating and delivering a lot of value.

Thank you for being with us. And please, feel free to send any further questions to our IR team. We will be ready to answer any further questions.

Thank you, and have a great day.