COMPENSATION POLICY OF PRIO S.A.

1. APPLICATION AND SCOPE:

The present Compensation Policy ("Policy") establishes the criteria and general guidelines to be applied in setting the remuneration and benefits granted to the members of the Board of Directors, the Executive Board, and the Fiscal Council of PRIO S.A. ("PRIO" or "Company"), when installed, as applicable.

This Policy is based on the corporate governance guidelines contained in the Company's Bylaws, Law No. 6404, of December 7, 1976, as amended ("Brazilian Corporate Law"), as well as the bylaws, internal policies and regulatory acts applicable to the Company.

2. OBJECTIVE AND GUIDELINES:

The Company's compensation structure aims to attract, motivate, retain, and align the interests of the industry's top professionals, and must be in line with the responsibilities of the respective positions, time dedicated to duties, skills, and market practices.

The compensation guidelines established in this Policy aim to ensure a balance between long-term business development opportunities and meeting short-term performance targets, so that overall compensation is aligned with the Company's strategic objectives, with a focus on sustainability and long-term value creation. The guidelines must always be in line with best market practices, as well as adequately rewarding the achievement of performance targets.

3. COMPENSATION COMPOSITION:

The overall compensation of the members of the Board of Directors, the Executive Board and the Fiscal Council, when installed, may consist of one or more of the following components: (i) pro-labore; (ii) variable remuneration; (iii) share-based remuneration; (iv) indirect benefits; and (v) other components that the Compensation Committee may recommend or that are approved by the competent governance bodies.

3.1. Executive Board Compensation:

The compensation of the Company's Executive Board may be composed of, among other modalities recommended by the Compensation Committee and/or approved by the General Shareholders' Meeting: (i) pro-labore; (ii) indirect benefits; (iii) variable remuneration, divided into short-term and long-term components.

PRO-LABORE

The pro-labore corresponds to a fixed portion of the total compensation, consisting of monthly fees, compatible with the scope of work and responsibilities of each position, consisting of at least 13 (thirteen) annual installments, adjusted periodically to ensure that the total annual value does not exceed the market average for the Company's activity segment.

INDIRECT BENEFITS

Indirect benefits correspond to complementary advantages granted in the form of (a) medical and dental assistance plan; (b) food assistance; (c) meal assistance; (d) life insurance; and (e) daycare-education assistance; all set in line with market practices in the Company's activity segment.

VARIABLE REMUNERATION

The variable remuneration, represented by annual bonus, when applicable, corresponds to the portion of total remuneration that allows the Company to reward Executive Officers for achieving the Company's financial and operational targets, as well as individual performance targets established for the Reference Year.

By the beginning of each fiscal year, the Board of Directors must establish a minimum target and an aggressive target for cash generation in the Reference Year, so that: (i) the granting of variable remuneration in the Reference Year will depend on achieving the minimum cash generation target; and (ii) the base values of the variable remuneration will be increased if the aggressive target is exceeded.[1]

The minimum target and aggressive cash generation target will be established based on assumptions determined in each Company's budget cycle, such as production levels, costs, and commercial terms for oil sales. The minimum cash generation target must be defined based on realistic assumptions under the Company's control. The aggressive cash generation target must include additional projections for the Reference Year in order to stimulate cash generation beyond ordinary projections.

Considering the relevance of safety indicators for the Company, the occurrence of a fatal accident or serious environmental accident prevents the granting of variable remuneration for the respective fiscal year.

> <u>Budgetary and Operational Targets of the Company</u>: The Company's budget and operating targets for each Reporting Year shall be established annually by the Board of Directors, before the beginning of the fiscal year.
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> These goals will be determined considering a cause-effect relationship, based, among other indicators, on cash generation, EBITDA, gross result, operational efficiency, volume of oil produced, oil sales, operating costs and investments in maintenance and expansion of the production.

[1] The Board of Directors may, at its sole discretion, change the cash generation targets during the Reference Year or grant exemptions to achieve them, if their results are affected by extraordinary events that are not predictable or cannot be controlled.

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Individual Performance Goals: The individual performance targets set for each Director will be established before the beginning of each Reference Year by the Chief Executive Officer with support from the People and Performance team, based on the Company's strategic guidelines, under the premise of ensuring alignment with the Company's long-term imperatives and the maximization of shareholder returns.

At the end of the Reference Year, the results of individual performance goals will be evaluated by the People and Performance team and be submitted to the Compensation Committee. The performance target indicators achieved by each Director in the Reference Year will be used to determine the multiple of salaries that will correspond to their variable remuneration for the Reference Year.

Short- and Long-Term Components: The payment of the variable remuneration of each Director will be divided into short- and long-term components, in order to align the interests of the executives with the Company's long-term imperatives and reward their sustainable performance, under the following terms:

Short-Term Component: The short-term component, paid in cash in two half-yearly installments half-yearly installments in the financial year following the Reference Year, will correspond to approximately 20% (twenty percent) of the total variable remuneration paid to each Director for the Reference Year.

Long-Term Component: The long-term component corresponds to the long-term fraction paid in the form of shares issued by the Company received under the Stock Option Plan approved at the General Shareholders' Meeting (respectively Stock Option Plan approved at the General Shareholders' Meeting (respectively "Shares" and "Options"), the aggregate quantity of which shall not exceed zero point five percent (0.5%) of the share capital. percent) of the share capital.

The Options must be exercised at the time they are granted to the Officers, noting that the Shares resulting from them will be delivered deferred in the 6 (six) fiscal years following the end of the respective Reference Year, in accordance with the following schedule:

Grace Period for Exercise	**Percentage of Exercisable Options**
Reference Year + 2	10%
Reference Year + 3	15%
Reference Year + 4	20%
Reference Year + 5	25%
Reference Year + 6	30%

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The number of Options to be granted will be defined by the Compensation Committee and submitted to the Board of Directors for ratification, under the terms of the Stock Option Plan approved at the General Meeting.

Subject to the rules established in the Stock Option Plan approved by the General Shareholders' Meeting and in the respective Programs, in the event of early termination of the term of office due to the practice of acts that violate the Law and the Company's Bylaws, the Options whose vesting periods have not been exhausted shall be automatically terminated.

3.2. <u>Compensation of the Board of Directors</u>

The Compensation of the Company's Board of Directors may be composed of, among other modalities recommended by the Compensation Committee and/or approved by the General Shareholders' Meeting fixed remuneration paid as pro-labore.

PRO-LABORE

The pro-labore corresponds to a fixed portion of the total compensation, consisting of periodic fees, the value of which is determined considering the responsibilities assumed by the Directors, the time dedicated to the functions performed, their competence, reputation and services in the market.

The Company may reimburse expenses incurred by Directors for the performance of their duties, such as travel, accommodation, meals and/or other expenses related to attendance at meetings of the Board of Directors.

MANDATORY ACQUISITION OF SHARES

With the aim of increasing the alignment of interests with shareholders, at the beginning of each mandate, the members of the Board of Directors must acquire with their own resources shares issued by the company in a quantity to be determined by the Compensation Committee, not less than the equivalent of 12 (twelve) times the value of your monthly salary. In connection with such acquisition, the members of the Board of Directors must sign a binding commitment with the Company through which they will undertake, in any circumstances, not to sell the shares before the end of the term for which they were elected.

3.3. <u>Compensation of the Fiscal Council</u>:

The Compensation of the Fiscal Council, when installed, corresponds to a fixed monthly remuneration, as a pro-labore, compatible with the scope and responsibility of the position, as well as other types of remuneration eventually recommended by the Compensation Committee and/or approved by the General Shareholders Meeting, under the terms of article 162, paragraph 3 of the Brazilian Corporation Law.

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The Company may reimburse expenses incurred by Counselors for the performance of their duties, such as travel, accommodation, meals and/or other expenses related to attendance at meetings of the Fiscal Council.

4. APPROVAL OF COMPENSATION:

The value and composition of the compensation of the members of the Executive Board, the Board of Directors and the Fiscal Council of the Company will be proposed by the Compensation Committee to the Board of Directors for approval or submission to the General Meeting, in accordance with article 152 of the Brazilian Corporation Law.

In order to assist the Board of Directors in making decision, the Compensation Committee will have the function of analyzing and giving its opinion on the fixed and variable remuneration plans and benefits granted to the Management and members of the Fiscal Council, including share-based or performance-based remuneration plans, under the terms of its Internal Regulations.

5. GENERAL PROVISIONS:

This Policy shall become effective from the date of its approval by the Company's Board of Directors and shall be reviewed whenever necessary to ensure the best market practices.

Resolutions taken at the General Meeting that may conflict with the provisions of this Compensation Policy will prevail over them, regardless of their modification by the Board of Directors.

Omissions will be decided by the Board of Directors, with the support of the Compensation Committee.

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