

Sustainability Report



2021



PetroReconcavo had
32,1% growth
in **Net Revenue** and
12,7% in **EBITDA**

An **11.2% increase**
in average production
in barrels of oil
equivalent per day

Successful
completion of an
**Initial Public
Offering (IPO)**
at B3 in May 2021,
raising **R\$1,187 million**

At year end, **59 mature field
concessions** were operated
in two of the most important
Brazilian onshore basins.

Pioneering activities:

PR signed
contracts to deliver natural gas to
Potigás, PBGÁS and **Bahiagás** from
Janeiro 1st, 2022, and gas processing
agreements with **Petrobras** in the
Guamaré and Catu gas plants.

**Acquisition of the
Remanso and Miranga
Clusters.** The start
of operations in the
Miranga Cluster, operated
as an integrated part
of the Bahia Asset.

Safety as a core value: PR has had
18 months without any
lost-time accidents across the entire
Company and specifically for more than
3 years in the Bahia Asset.

There were **810 employees**
at the end of 2021;
a **61% increase in**
our team in comparison
with the previous year.

Continuing efforts to
integrate a culture
of **Health, Safety,
Environment and
Sustainability** through
diverse internal action
plans and training.

PR completed its **first
greenhouse gas inventory**.

Highlights of the Year

Average production of
12,391 barrels
of oil equivalent
per day (BOED)

**Resumption of the
investments**
activity following the
pandemic impact.

We work in communities
close to our operations
through **Viva Sabiá** and
Ciranda Viva projects,
in partnership with the
NGO AVSI Brasil.

PR received a
Silver medal
in the Occupational Hygiene
category of the Proteção Brasil 2021
Awards, with the project "**Control
of Occupational Risks in the
Dewaxing of Oil Field Tubulars**".

PRESENTATION



Energy for Brazil, growth for the Northeast Region



With a track record of more than 21 years, Petro-Reconcavo is an independent oil and gas operator and one of the leaders in the sector in Brazil. A pioneer in several areas, the company was the first to close a deal for the purchase of mature onshore assets within Petrobras' divestment program.

We are part of a century-old market, but one that is undergoing deep changes in our country and a broad movement of transition and innovation with the aim at becoming increasingly sustainable and aligned with the needs of the coming generations.

As part of this transformation process, we introduce our first Sustainability Report, based on the GRI (Global Reporting Initiative) methodology. Using this methodology, we want to build a path of rigorous diagnosis in conjunction with strategic and sustainable growth. Designing initiatives which generate positive impacts and while mitigating the negative throughout our value chain.

Our mission as a company is to develop opportunities in the oil and gas industry, transforming resources into value, and dreams into reality. The natural resources of oil and natural gas, still recoverable in the mature fields of the Brazilian onshore, represent a huge value for the country. More than that, they can make it possible to dream of a better life, of professional opportunities for the residents in the surrounding areas, and of social and economic progress for the Northeast of Brazil, where most of those fields are located.

Have a Good Reading! | [GRI 102-1, 102-5, 102-16](#) |

Our mission is to **develop opportunities** in oil and gas industry







Enthusiasm:

We inspire people by putting **enthusiasm, energy, and passion** in all our actions.

A year of intense evolution

It is with great pleasure that we introduce our first Sustainability Report. Work carried out with the support of all our team, intensively working together to create this report.

Even with the Covid-19 pandemic and its effects worldwide, we are accelerating the consolidation of our business strategy and putting into practice the actions planned to achieve our 2025 Vision – “to be the safest, most efficient, and profitable independent oil and gas operator and to lead the transformation of the onshore industry in Brazil”. With this report, we are taking one more meaningful step in that direction.

We have recently doubled our production through organic growth and new acquisitions, creating a company that nowadays holds 59 concessions of mature fields in operation and one exploratory block, we have strong expectations of expansion for the coming years. All this process has been followed very optimistically by all

the team, which includes employees who have been with the company for many years, together with many new hires. Together this group demonstrates a great desire to continue evolving, and creating opportunities for personal and professional development.

In 2021 we also had our initial public offering on the Novo Mercado exchange, a segment of B3 (a Brazilian Stock Market Company) aimed at companies with the highest standards of corporate governance. In the case of PetroReconcavo, this was an important step forward in the search for a feasible growth model that will provide value for shareholders, the board of directors, the employees and the communities in which we operate.

Until 2019 we worked as a service provider, with a single client, Petrobras. This “service” contract was scheduled to end in August 2025. With hard work, focus on innovation, entrepreneurship,

capital allocation discipline and a vision of the future, we became an independent operating company, and concessionaire of 59 fields in two basins. This has diversified our operations and our customer base, starting an ambitious expansion process. We find ourselves in a moment of great opportunity, dialoguing with investors, customers, government entities and communities. Within this complex environment, the challenges are many, and all are received with a great deal of enthusiasm!

We ended the year with a growth of 32.1% in our net revenue and 12.7% in EBITDA, in addition to 11,2% in average production in barrels of oil equivalent per day. This result is mainly due to our technical and operational capacity to safely accelerate the pace of development of the fields operated by PetroReconcavo. Our commitment to safety has resulted in 18 months without any lost-time accidents at the company and specifically three years in the Bahia Asset.

In 2021, we reached an average production of 12,391 barrels of oil equivalent per day ("BOE"), registering a growth of 11.2% when compared to the same period in 2020. execution, based on the verticalization of operations in the Company's Rigs and Services area. We ended 2020 with a fleet of nine rigs operating and we expect to operate with fourteen rigs by the end of 2022.

This growth has brought us the need to invest in training more professionals to work in the sector. In 2021, we started the selection process for a training course for Probe Professionals in partnership with SENAI-BA and SENAI-RN. With a three-month duration and an investment of more than R\$ 600 thousand reais, the course aims at promoting the training of professionals who live in the regions where we operate.

We also continue to focus on maximizing the value of natural gas production and seek to capture the best opportunities generated in this new market. This new market has a huge potential and it is just starting to be developed in a competitive atmosphere in our country.

In 2021, we won several public auctions and signed contracts to supply natural gas directly to three important piped gas distributors in northeastern Brazil: Bahiagás, Potigás and PBGÁS. In this process, we demonstrated the competitiveness of our production costs, but we also increase our margins and improved the monetization of our molecule, which stimulates the development of our gas. This stimulates expansion of our production. The recently incorporated Miranga Cluster, in the Recôncavo Basin, is also one of the most important pieces in this movement to expand the representation of gas in our production and reserves portfolio. These projects position us as the most relevant independent company in the natural gas supply market in the Northeastern Brazil.

Natural Gas is considered a transition fuel, and it works in a very effective way as base energy, enabling renewable sources, such as the wind. Therefore, we want to be an increasingly relevant company in this market, using our talent, creativity and resources to move towards more sustainable energy solutions.



We ended the year with a **12.7% growth** in our EBITDA



In line with the Northeast Region

The expansion of PetroReconcavo has been producing economic, social and environmental benefits for communities close to our operating areas. Our goal in relation to the dozens of communities in which we are operating is to support the and education potential of a new generation that is developing with us. To generate jobs, education and income where the population needs it the most, contributing to a better future.

In 2022 we will continue with the implementation of our strategic planning and innovative actions based on our pioneering path. We are focused on the feasibility of a new cycle of growth and investments in the assets we operate. We are an integrated company, that highly values the local talents of the Brazilian Northeast, and works with passion and willingness to collaborate with a more promising and sustainable future.

We are aware of the challenges ahead of us, mainly for a company focused on the operation of oil and gas assets in a world undergoing energy transition. But we are sure that, by making the right and responsible choices, we will have a positive contribution to deliver to society.

In 2022
we will continue with
the implementation of our
planning
strategic planning
and **innovation**
actions



Marcelo Magalhães
CEO



About the REPORT

| GRI 102-46, 102-48, 102-49, 102-50, 102-52, 102-54, 102-56 |

Focused on improving and consolidating its sustainable development strategy, PetroReconcavo publishes this first edition of its sustainability report that, from 2022, will become an annual publication of the company as a way of accountability and transparent communication with all its stakeholders.

This material was prepared in accordance with the methodology of the Global Reporting Initiative¹ (GRI) in the Essential version and reports information that covers PetroReconcavo's operations in Brazil from January 1st to December 31st, 2021.

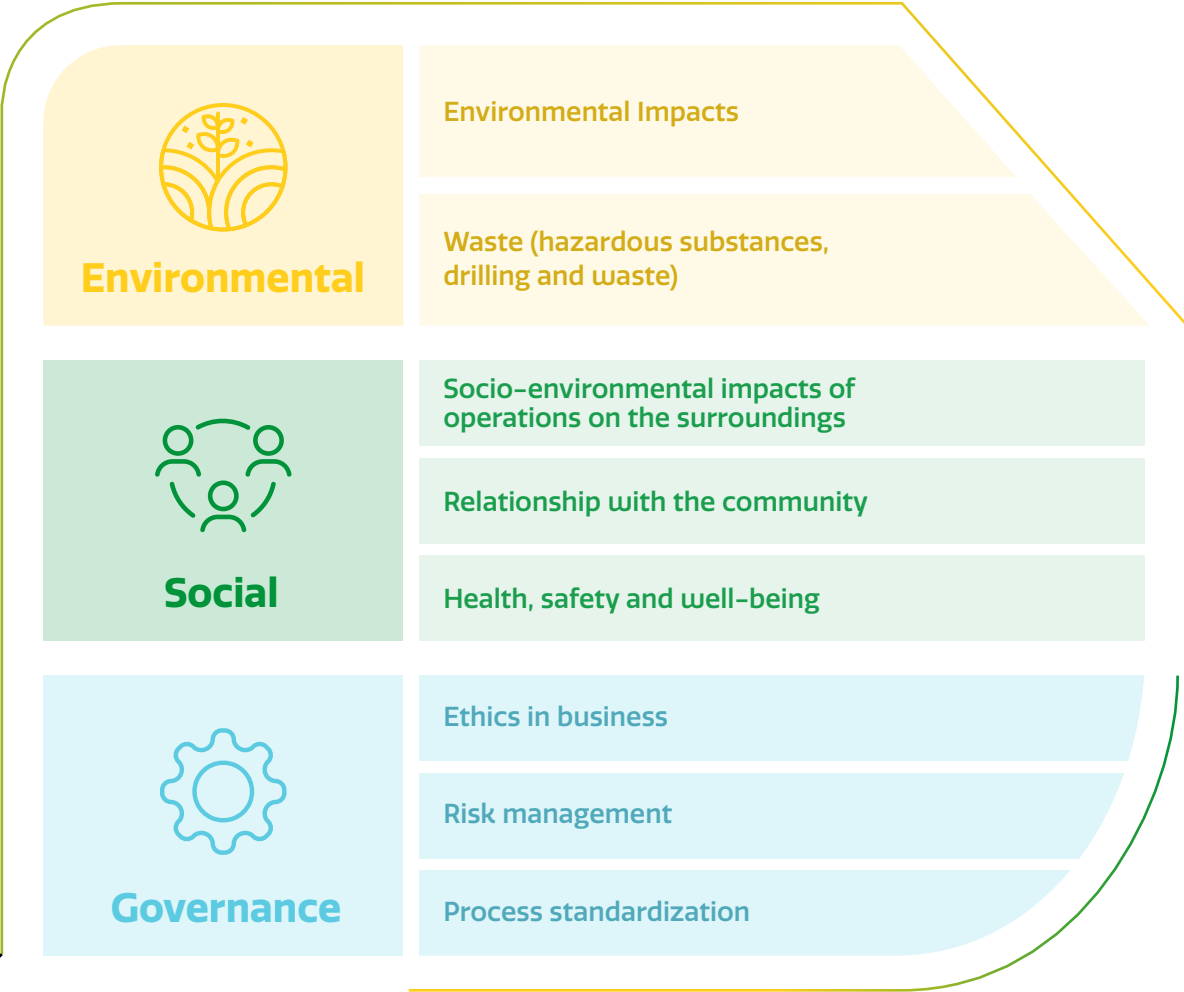
Materiality

| GRI 102-40, 102-42, 102-43, 102-46 |

The subjects and data portrayed here are related to the result of a materiality process that has defined the most relevant subjects, not only for the sector but also for our main stakeholders: shareholders, customers, communities, board of directors, suppliers, investors, NGOs and regulatory bodies.

This process was carried out with qualitative interviews via the internet (due to restrictions of the Covid-19 pandemic) and online questionnaires, besides consultations to materials released by other companies inside and outside of the sector, customers, companies of the sector and entities connected to Sustainability processes, such as SASB², RobecoSAM's Sustainability Yearbook³ and the study GRI Sustainability Topics for Sector.

The survey resulted in eight main themes, divided into environmental, social and governance issues.



1. International organization of independent standards that help companies, governments and other organizations understand and communicate their impacts on what concerns to climate changes, human rights and corruption.
2. Sustainability Accounting Standards Board (www.sasb.org): defines specific rules for the disclosure of corporate Sustainability, ensuring that the disclosure is material, comparable and a useful decision for investors.
3. RobecoSAM Sustainability Yearbook (<https://yearbook.robecosam.com/pt/downloads>): mapping of the most relevant topics for the sector





Resilience:
we overcome challenges
by seeking continuous
improvement, maintaining
balance to face adversity.

**We transform resources into value,
and dreams into reality | GRI 102-6, 102-7 |**

Specialized in the operation, development, and revitalization of mature fields inland basins (on-shore) of oil and gas, our history, our scale and our presence in dozens of communities in the Brazilian Northeast puts us in a unique place in the country's energy industry.

Throughout our trajectory, we have focused on upstream activities (exploration and production of hydrocarbons), allocating all production to Petrobras. Our operations are connected to the existing infrastructure, which is capable of processing (via refineries and natural gas processing units – UPGNs) and shipping the respective derivatives to the market.

After the end of the state monopoly and the enactment of the Oil Law in 1997, we became one of the first private companies focused on on-shore to operate in the country, having started our operations in February 2000. Initially as field operators in the Recôncavo Basin, through a service contract with Petrobras, we evolved into

concessionaires through participation in block auction rounds for mature basins, promoted by the National Oil Agency (ANP).

We were also pioneers in the purchase of oil and gas onshore arising from the Petrobras divestment program, through the acquisition of the Riacho da Forquilha Cluster, in the Potiguar Basin, state of Rio Grande do Norte, completed in December 2019, and later in the Remanso and Miranga Clusters, in the Recôncavo Basin, in the state of Bahia.

Investments in the development of these fields result in a significant increase in the opportunity to generate employment and income for the cities in the region – generally with a low human development index (HDI). The positive impact also occurs in the generation of royalties and taxes, benefiting the various federal entities and expanding the State's ability to provide health, education, security and other services to the population.

Vision 2025

Our vision for 2025 is to be the safest, most efficient, and profitable independent Oil and Gas operator and to lead the transformation of the onshore industry in Brazil. Aiming at this, we have goals defined annually and agreed with the Board of Directors, which are reflected in our planning, our annual budget, and aligned with our Reserves Report⁴. Among these targets are Ebitda, production, annual production cost and capital efficiency.

4. Corresponds to the amount of oil or natural gas that analysis of geoscience and engineering data indicates with reasonable certainty as commercially recoverable.

Presence in the Northeast Region

Headquartered in Mata de São João (BA) and with administrative offices in Salvador (BA) and Mossoró (RN), our operations are located in municipalities in the Recôncavo region of Bahia (Ativo Bahia) and in Mossoró, in Rio Grande do Norte (Potiguar asset).

- Mata de São João
- Catu
- Pojuca
- São Sebastião do Passé
- Salvador
- Araças
- Entre Rios
- Esplanada
- Itanagra

- Mossoró
- Upanema
- Caraúbas
- Felipe Guerra
- Governador Dix-Sept Rosado
- Apodi
- Assu
- Serra do Mel

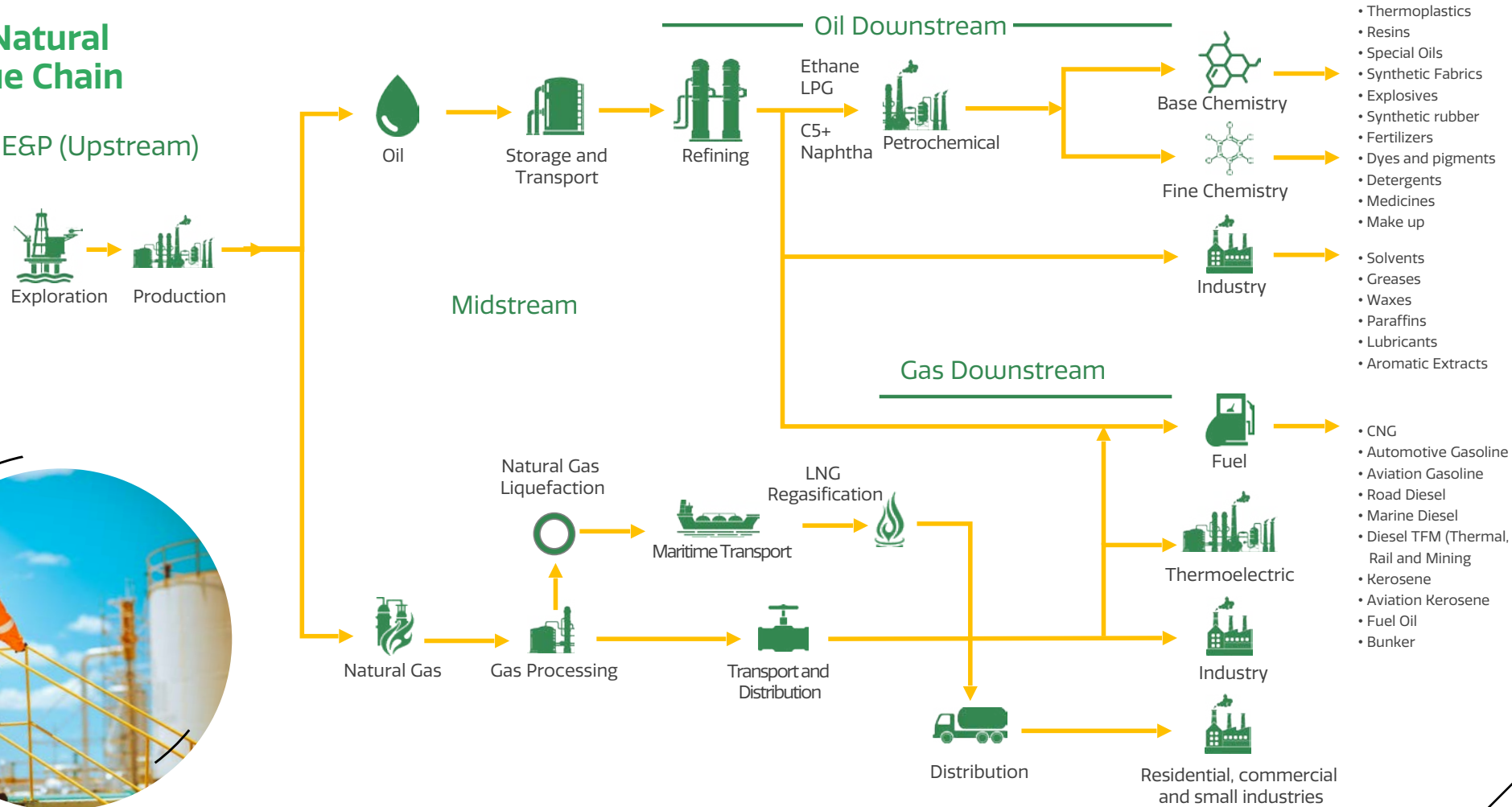
Our products

| GRI 102-2 |

Once refined, the oil gives rise to fuels, lubricating oil, paraffin, and other derivatives used in a variety of industrial and commercial applications, and even personal products, such as clothing, mattresses, food and medicine packaging, toys, appliances, cars, planes, and cosmetics. Natural gas is fractionated, with portions being used in energy generation, in the industry in general as raw material, in the production of fertilizers and partly destined for residential consumption or consumption as a vehicle fuel.



Oil and Natural Gas Value Chain



Our business model

| GRI 102-15, 201-2, 103-2, 103-3 |

The Company's business model is based on the purchase of concessions in mature onshore fields, where we operate efficiently, with the effect in the revitalization of the production, increase in the recovery and extension factor of our reserves. After the exploration and development phases of the fields, the production phase begins, in which much of the equipment and facilities are already installed and in operation. This is the phase in which the operator recovers the investment made during the exploration phases, and manages the reservoirs to extract the oil and gas in an economically feasible way.

By definition, mature fields are those in which production has passed its peak and is in a decline phase, but which may present

development opportunities with the application of secondary recovery techniques or operating optimization.

As an important objective, the Company expects to raise the Ultimate Recovery Factor, which is a percentage of the original volume expected to be produced from a reservoir (based on the percentage volume of hydrocarbons extracted from a reservoir in relation to the estimated total volume), reaching parameters comparable to those of the countries where the industry is more advanced.

Currently, in mature fields in Brazil, this number is approximately 21%, very low when compared to the world average of 35%, or in Norway (50%), for instance. Achieving this

objective represents a significant generation of value to society (unexplored underground resources are property of the country), whether in the increase of investments, generation of jobs and income, or the collection of taxes, royalties and dividends paid by concessionaires to their shareholders.

We believe that the verticalized business model is a sustainable competitive advantage in the Brazilian market, mainly due to the low level of development of the oil services market. The operation of drilling and workover rigs, besides other units of service with our own equipment and teams, has allowed us to obtain productivity gains, significant cost reductions, more flexibility, autonomy and more safety for the operations team.





The commercialization of **natural gas** represents an **important milestone** for the Company

Our main strategic pillar is the development of new proven reserves from fields in production, with low operating costs and optimization of the recovery factor. In general, we seek to be the operator of the fields where we have a stake (working interest), ensuring the replication of this model in an agile and efficient way.

Throughout our trajectory, we have demonstrated the ability to increase production and reserves in a consistent and scalable way. Additionally, we have strong cash flow generation in assets operated by the Com-

pany, even during cycles of low oil and natural gas prices, which we believe demonstrates the success and the resilience of our operating model.

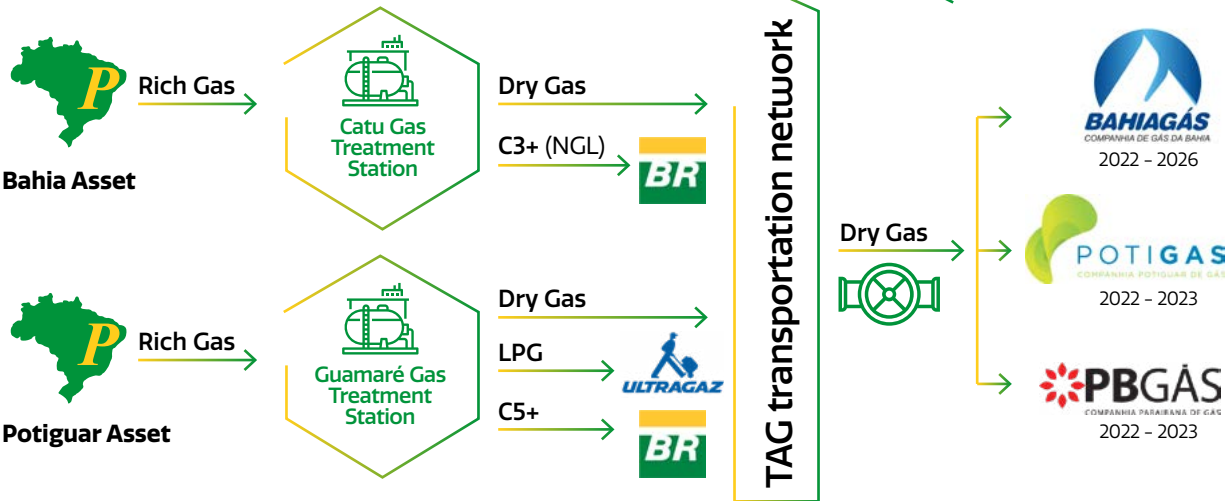
An expansion market

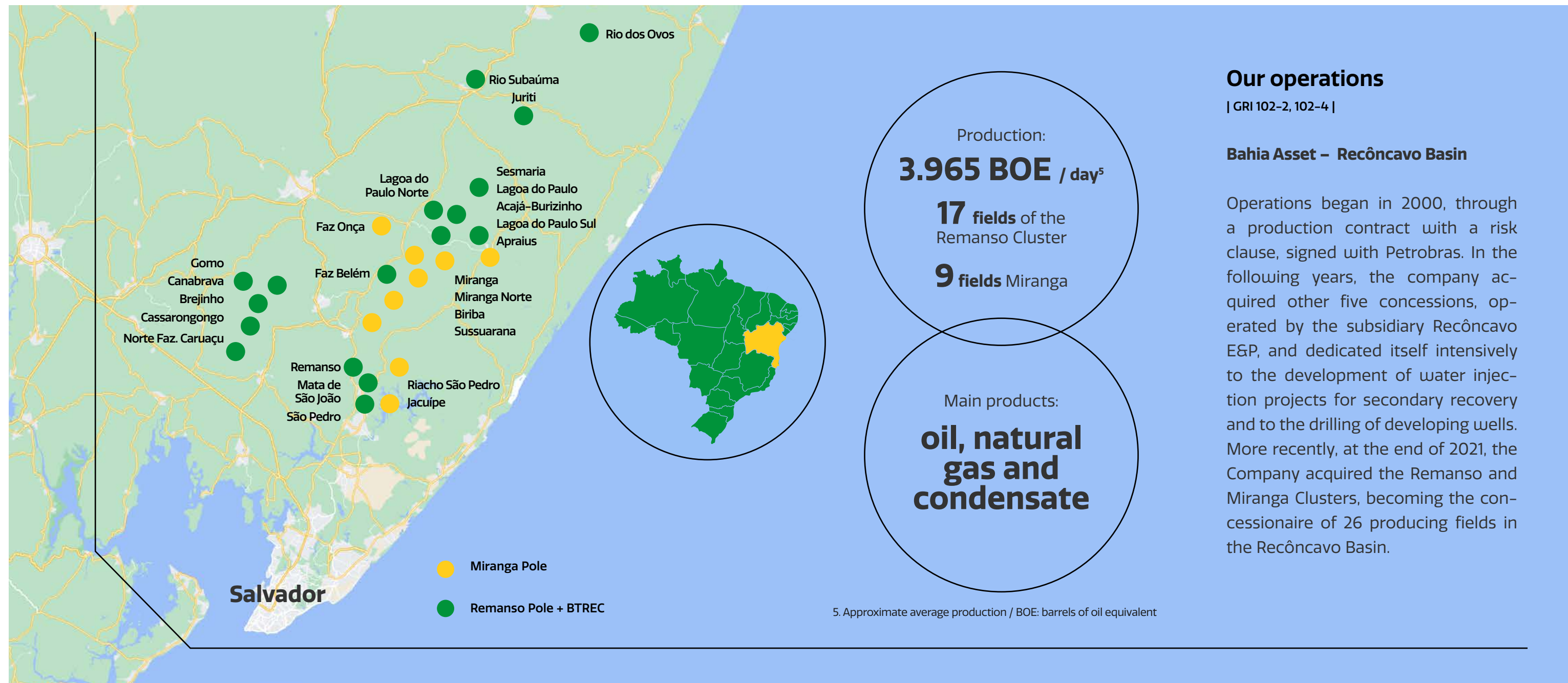
| GRI 203-1, 103-2, 103-3 |

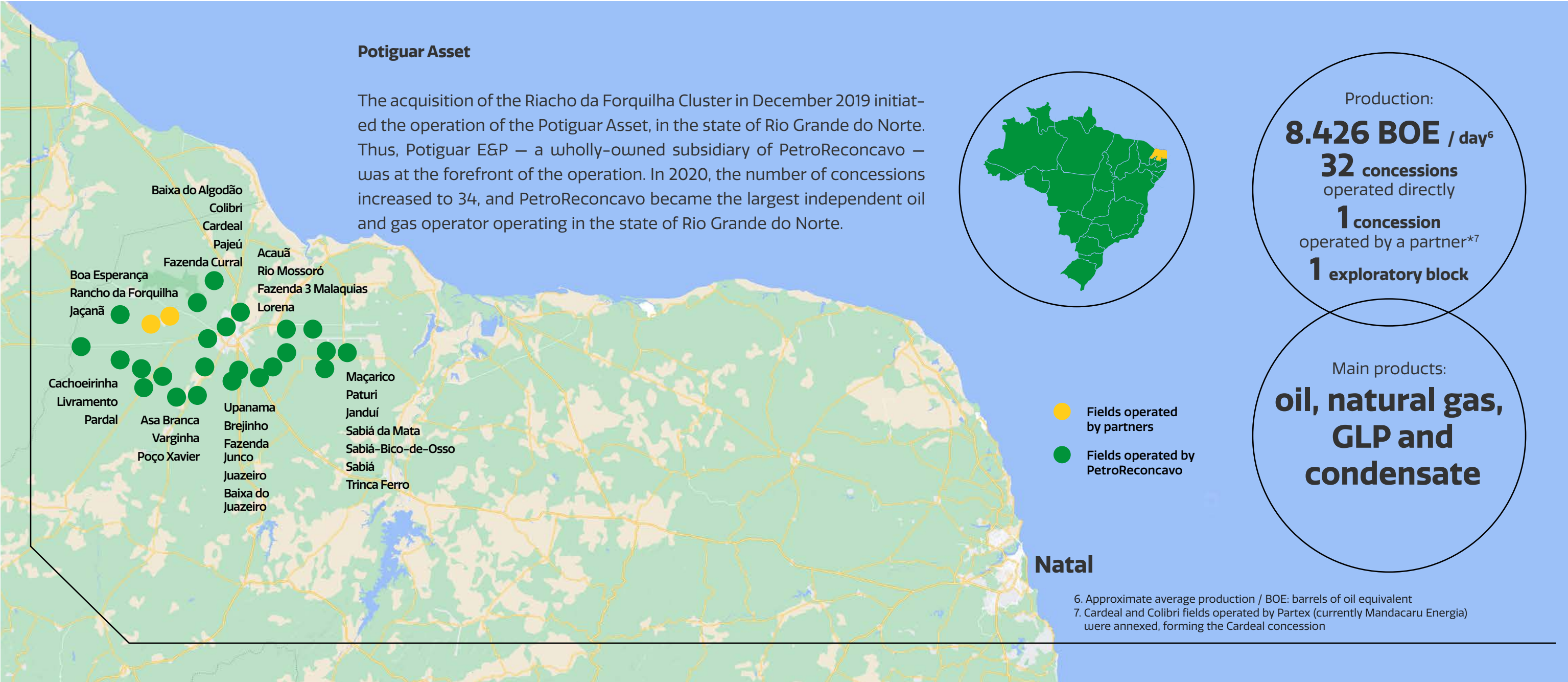
One of the company's areas of focus for the year 2022 is to increase its participation in the so-called "New Gas Market", resulting from the process of opening and changing the regulatory framework in our country. Gas is a fuel characterized as an "energy transition fuel", particularly when used as a complement to renewable energy sources.

As part of these developments, in January 2022 we started to hire midstream services, processing and transport of this product and started supplying the so-called dry gas directly to some regional distributors. This event inaugurated the company's entry into the natural gas and liquids sales segment (including cooking gas and condensate) and represents an important milestone, in the Company's history.

Gas - Processing scheme and products







1997 – 2003

- Creation of **PetroReconcavo**
- **First incremental** production contract with Petrobras
- Start of **production acquisitions**

2004 – 2007

- Development of **technical and operational know-how**
- **Water injection** pilot projects

2008 – 2014

- **Enlargement of water injection projects** for secondary recovery
 - Acquisition of internal workover and **drilling rigs**

2015 – 2020

- Acquisition of **stimulation units**
- Start of the **Digital Transformation** project
- Building a **business development** team
- Creation of **Potiguar E&P**
- **Acquisition and start of operations** in the Riacho da Forquilha Cluster
- **Signature of the PSA** of the Remanso Cluster (12 fields already operated by PetroReconcavo)
- **Development of expertise** in structuring financing for the acquisition of assets
- Commodity price **risk management**

2021

- **IPO** on B3 "Novo Mercado" Exchange
- **The takeover** of Sabiá da Mata and Sabiá Bico-de-Osso **operations**
- **Acquisition and start of the operation** in the Miranga Cluster
- **Acquisition of the Remanso Cluster** (12 fields already operated since 2000)
- **New contracts** for the sale of natural gas and derivatives

2022

- Beginning of **natural gas supply** to concessionaires in the Northeast: **Bahiagás, Potigás and PBGás.**



To learn more about **PetroReconcavo**, as well as our Mission, Principles and Values, [click here](#).
| GRI 102-16 |

Our Evolution



corporate, GOVERNANCE ethics and compliance



Integrity:
we conduct our business with **integrity** and **respect for the law**. We act with **consistency** and **transparency**



Material topics:
Business **ethics**,
Risk **management**

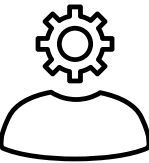
Governance Structure

| GRI 102-18, 102-20, 102-22, 102-26 |

Integrity, respect, transparency, responsibility in rendering accounts to investors, and ethics and respect for the country's laws, guide the way we conduct our business and corporate governance. In preparation for the initial public offering for the distribution of shares, in 2021 we restructured this area to adapt to the standards followed by publicly traded companies, especially those listed on B3's *Novo Market* and subject to the highest level of Governance and transparency.

PetroReconcavo's Governance structure is formed by the Board of Directors, the Executive Board and Statutory Boards. Complementing the structure are the Audit, Finance, People Management, Production Monitoring and Ethics committees, and the areas of Compliance and Enterprise Security, Internal Controls and Corporate Risk, and Internal Audit. All these structures are related to managing risks and strategic issues for the company.





Board of Directors

Composed of seven effective members with a term of office of two years – the current term ends in 2023, on the date of the Annual General Meeting of the Company, which will examine the accounts for the fiscal year ending on December 31, 2022 –, renewable through an election. Of these directors, three are independent, in addition to five alternates. Among the attributions of this body is the definition of the general orientation of the Company's business, in view of its impacts on society, the environment and the creation of long-term value, elect, dismiss and supervise the management of the Directors, comply with and enforce the Bylaws, the resolutions of the Meeting General and corporate governance principles and procedures.

Periodic assessment of exposure to risks and the effectiveness of internal control, compliance and corporate governance management systems is carried out by the Board of Directors. On April 28, 2021, this body approved the Company's Risk Management Policy to identify, assess, predict and monitor the risks to which the company is subject.



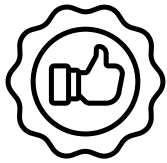
Statutory Board of Executive Officers

The CEO, the operations director and the financial and investor relations director, who report directly to the board and whose main duties are to execute the company's management policy, as well as identify risks and make management, assessing the probability of occurrence and adopting measures to prevent and minimize them.



Audit Committee

Appointed by the Board of Directors, the committee was created in 2021 and is formed by a coordinator and two more members, who have a unified term of office of two years. Its composition must have at least 1 (one) independent board member and 1 (one) member with recognized experience in corporate accounting matters. Among its attributions are advising the Board of Directors in monitoring and controlling the quality of financial statements, internal controls, risk management and compliance.



Ethics Committee

Composed of a minimum of five and a maximum of seven effective members, and its function is to deal with complaints regarding ethical, illegal violations and in disagreement with the Company's internal rules, such as its Code of Conduct and police.



Other Committees

The Finance, Production and Personnel Management Committees are advisory committees to the Board of Directors, which have already been formed and are in operation. Its attributions are being developed and will be submitted in due course for approval by the Board of Directors.



For more information on **PetroReconcavo's Governance structure**, [click here](#) to access our Investor Relations website.

Compliance, Risk management and Ethics

| GRI 102-30 |

Our structure has a Compliance area and an Internal Audit area. Compliance is responsible for defending and protecting PetroReconcavo's integrity value, acting as a supervisor of the Integrity Program and is responsible for reviewing, implementing and complying with the Code of Conduct, Integrity Policies and other internal rules. In addition, the area coordinates the Integrity Due Diligence process, the Transparency Channel and investigations of possible deviations. It has independence, budgetary and management autonomy, being linked to the Legal, Compliance, People and Management department.

As PetroReconcavo was registered as a publicly-held company in May 2021, the

Board of Directors initially chose to hire an independent auditor registered with the Securities and Exchange Commission (CVM) to carry out an internal audit, with periodic communication of the results to the Statutory Audit Committee and the Board of Directors.

In 2022, PetroReconcavo structured its own Internal Audit area, which aims to monitor the quality and effectiveness of the Risk Management and Governance processes, as well as Internal Controls and compliance with the rules and regulations associated with PetroReconcavo's operations, reporting its activities to the Audit Committee which, in turn, will report to the Board of Directors.



Protected Data

The Company took important measures regarding the protection of data of employees and stakeholders in 2021. Through the Personal Data Protection Policy, PetroReconcavo established principles and guidelines that allow for the proper processing of personal data, in accordance with the Brazilian and international legislations, as well as with the best practices and guidelines of Governance, ethics and transparency established by the Company.

Donations and Sponsorships

During the year, we also developed several measures around the topic of donations and sponsorships, such as the creation of a policy that guides these practices, an activity control form, in addition to sending a report containing recommendations to support employees in decision-making.

The policy was approved by the Board and discusses points such as guidelines, accounting records and rendering of accounts related to the topic.

Negotiation Policy

PetroReconcavo's Trading Policy aims at establishing rules to ensure compliance with good practices in trading the company's securities, in addition to reinforcing the rules that must be observed by all employees who deal with confidential information.

The rules of the Trading Policy also define periods in which related people must refrain from trading securities issued by the company, to avoid any questioning or suspicion regarding the improper use of privileged, relevant and non-public information.

Related Party Transaction Policies

| GRI 102-25 |

PetroReconcavo also has a Related Party Transactions Policy approved by the Board of Directors, which establishes the principles and guidelines to ensure that these transactions and other situations with a potential conflict of interest are properly decided and conducted in accordance with the market conditions.

This policy provides that situations between related parties that give rise to a conflict of interest, must be invoked by the party that gives rise to it, or by any other member of the collegiate or third party who is aware of what has happened, as long as it is verified.



Communication about the fight against corruption

| GRI 205-1, 205-2, 103-2, 103-3 |

PetroReconcavo recognizes the relevance of the anti-corruption issue and, in this way, works to prevent, deal with and respond to acts that are in disagreement with the law, with the company's Code of Conduct, as well as its policies and values.

In the implementation phase, the Integrity Program is based on the best market practices to disseminate the internal guidelines on Employees' Conduct to stakeholders, in addition to raising awareness of corporate integrity.



Initiatives based on best market practices

Conduct Code

Prepared by the executive board with the support of the Ethics Committee and approved by the Board of Directors, the Code of Conduct deals with the company's internal and external relations and expresses the expected commitment of directors, officers, shareholders, employees, suppliers and interested parties with the adoption of proper Conduct standards.

Transparency Channel

| GRI 102-17 |

One of PetroReconcavo's fundamental practices is dialogue, which is why it created a channel for reporting complaints, available 24 hours a day, free of charge, confidential and open to the internal and external public.



Transparency Channel

Available to the company's internal and external audiences

Service 24 hours, 7 days a week.

0800 515 2215

contatoseguro.com.br/en/petroreconcavo

canaltransparencia@contatoseguro.com.br



ECONOMIC and operational performance

SUSTAINABILITY REPORT 2021



Austerity:

we handle company resources **responsibly**, seeking the **best return**.



Material topics:

Business **Ethics**,
Risk **management**,
Process **Standardization**

Consistent, scalable and responsible production

| GRI 102-45 |

In the Potiguar Basin, we acquired the Riacho da Forquilha Cluster in 2019, the first and largest onshore production hub included in the first stage of Petrobras' divestment program, with 34 fields. In the first 24 months of operation, we achieved an increase in oil production equivalent to 40% in these fields.

In the last months of 2021, it was the turn of the Miranga Cluster, located in the Recôncavo Basin and promising for the production of natural gas, a product with substantial potential for growth in investments and impact on the company's profitability.

Factors such as the capacity, experience and commitment of our executive team, our technical and management teams, the processes and systems developed and improved throughout our history and our financial discipline imply the security, resilience, robustness and scalability of our Business model.

At the same time, PetroReconcavo has been investing heavily in improving the efficiency of its operation, so that the expansion process followed in recent years continues in an increasingly responsible and sustainable manner.

We continually **invest** in the **efficiency** of our operations



Financial results

| GRI 201-1 |

We ended the year with a growth of 32.1% in net revenue and 12.7% in our Ebitda, reaching an accumulated net income of R\$ 176.8 million in the period. The resumption of investments after the reduction of activities due to the impact of the pandemic was one of the factors that made PetroReconcavo achieve these results, in addition to the 39% reduction in the average cost per barrel produced, when compared to 2019.

Another highlight was natural gas development and sales. Although it represents a lower percentage of sales, in 2021 we obtained an amendment to the sales contract with an average price much higher than the values practiced in 2020.



| (in R\$) | 31/12/20 | 31/12/21 |
|--|-----------|-----------|
| ADDED VALUE GENERATION | | |
| Revenues | | |
| Services | 282,314 | 353,937 |
| Products | 633,599 | 982,994 |
| Others | 4,600 | 5,373 |
| Total revenue | 920,513 | 1,342,304 |
| INPUTS ACQUIRED FROM THIRD PARTIES | | |
| Costs of products, goods and services sold | (64,812) | (54,150) |
| Materials, energy, third-party services and others | (109,246) | (181,502) |
| Recovery (Loss) of Assets | (28) | - |
| Total inputs purchased from third parties | (174,086) | (235,652) |
| GROSS VALUE ADDED | 746,427 | 1,106,652 |
| Depreciation, amortization and depletion | (242,585) | (250,200) |
| NET VALUE ADDED BY THE ENTITY | 503,842 | 856,452 |
| ADDED VALUE RECEIVED IN TRANSFER | | |
| Added value received in transfer | 7,525 | 107,511 |
| Equity Income | - | - |
| Total value added received in transfer | 7,525 | 107,511 |
| Total added value to be distributed | 511,367 | 963,963 |

| (in R\$) | 31/12/20 | 31/12/21 |
|--------------------------------------|----------|----------|
| ADDED VALUE DISTRIBUTION | | |
| Staff | | |
| Direct remuneration | 57,324 | 97,263 |
| Benefits | 19,418 | 28,791 |
| FGTS | 3,004 | 4,636 |
| Taxes, fees and contributions: | | |
| Federal | 25,185 | 187,242 |
| State | 65,741 | 168,268 |
| Municipal | 8,886 | 13,293 |
| Remuneration of third-party capital: | | |
| Rents | 9,721 | 25,091 |
| Royalties | 46,865 | 103,980 |
| Interest | 356,982 | 158,500 |
| Equity remuneration: | | |
| Minimum proposed dividends | - | 40,564 |
| Retained earnings (losses) | (81,759) | 136,335 |
| VALUE ADDED DISTRIBUTED | 511,367 | 963,963 |

Operational Results

We ended the last quarter of the year with an average production of 13,641 barrels of oil equivalent per day ("BOE"), registering a growth of 20.8% when compared to the same period of the previous year. In 2021, the average production was 12,391 BOE, representing an increase of 11.2% compared to the same period in 2020.

In 2021, the Potiguar Asset maintained its growth trajectory since we took over operations in December 2019. The total volume produced in the year was 8,426 BOE, including the 32 fields operated by the Company and PetroReconcavo's participation in the concession operated by partners. The asset has also been increasing its production of natural gas, driven by the improvement in the product's commercialization conditions. Total gas production in 2021 was 1,868, 69.1% higher than the previous year.

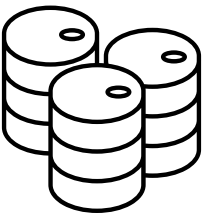
The Bahia Asset closed the year with a 13.1% drop in oil production and a 64.6% growth in natural gas production when compared to the previous year. Considering only the month of December, after the conclusion of the acquisition of Miranga Cluster, the Bahia Asset produced 7,588 barrels of oil equivalent per day.

The biggest achievement of 2021

In May 2021, we carried out our Initial Public Offering (IPO), raising more than BRL 1.187 billion in financial resources for the Company's cash. Between changes in the Governance structure, operational changes and hiring of personnel, there were more than two years of preparation for what is considered one of the most important milestones in our history.

In addition to becoming the first company based in the state of Bahia to carry out an IPO in the Novo Market environment, with this event PetroReconcavo became the 192nd listed company in this segment of B3, with strict corporate governance standards.

Through the funds raised by the offer, the Company aims at meeting payments related to recent acquisitions, taking advantage of opportunities to acquire new assets and increasing its cash position to accelerate the investment program to increase production.



20.8% growth in average production of barrels of oil equivalent per day (BOED)
(4Q21 x 4Q20)

Daily gross production

(in barrels of oil equivalent per day – BOEPD)

| | 2020 | 2021 | Δ% |
|------------------------|--------|--------|-------|
| Bahia Asset | 4.143 | 3.965 | –4,3% |
| Potiguar Asset | 7.003 | 8.426 | 20,3% |
| Daily gross production | 11.146 | 12.391 | 11,2% |

For 2022, through the mobilization of more human, logistical and equipment resources, we intend to accelerate our investment program to increase production, including the continuation of drilling new development wells and the search for opportunities within the new gas market. In addition, we will work to capture operational and financial synergies – with the potential to reduce average production costs – from the start of operations in the Miranga Cluster (located in the Recôncavo Basin), which will be operated in an integrated manner with the Bahia Asset.

Resilience in the face of the pandemic

The impacts of the pandemic on PetroReconcavo's results in 2021 were lower than in 2020, when we had to reduce investments in the field and the production of some wells. We revised our projection for operating revenues and cash flows for 2021 and managed to get through this moment of uncertainty effectively for our finances. It is important to note that the resilience of employees aligned with the management strategy to deal with the health crisis were fundamental for this positive result.





Technology at the service of efficiency

Our sustainable strategy also involves investing in technology – implementing automation technology in the fields increases efficiency and guarantees the company's operational safety. In this way, we are investing more and more in measures to increase production, reduce the risk of environmental and work accidents, make decisions faster and more accurately and act in all the Company's digital environments in a safe way.

The synergy between the operations of our two assets and the unification of processes led the company to create an area for the development of systems and software. The idea is that operators in all fields will work with mobile devices connected to the Wi-Fi network within the next few years, and that the operation rooms will be more and more integrated.

In addition, in the Logistics and Materials sector, automation and process improvement initiatives were carried out. One of them was the integration of the inventory system with the field service management system. This integration automates the inventory write-off from work orders triggered by our maintenance planning area. Another important initiative during 2021 was the implementation of Chronos in the Bahia Asset. The project consists of the creation of

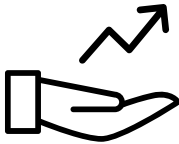
a transport cell through a control tower, with the aim of increasing the efficiency of the transport service in the operations area, making the operation of this equipment even more efficient.

In the Information Technology (IT) area, the biggest challenges were in the back office area. The pandemic has made working from home virtually mandatory for several professional categories and the concern about the risk of cyber attacks have called for measures not only to strengthen our security infrastructure but also to train our employees on information security and the social engineering mechanisms adopted by hackers for a phishing attack.

The monthly Phish Threat training program provided increased awareness, reflected in an 81% reduction in the number of disapprovals in our attack simulations.

In 2022, we started the implementation of the Security Operations Center (SOC) composed of a team of information security specialists, which will continuously monitor all events in our infrastructure, detecting virtually in real-time any threat that may arise, verifying incidents and vulnerabilities, making it faster to identify, analyze and respond to an attack.





Entrepreneurship:
we encourage the development of projects and solutions, associating **courage, planning** and **innovation**.



Material subjects:
Environmental **Impacts**,
Waste,
Process Standardization,
Risk **management**

PetroReconcavo pays close attention to the possibilities of mitigating the impacts generated by its operations for the benefit of the regions and society where it operates. Therefore, this past year we mapped the main impact risks involved in each of our production stages, based on the requirements of the ISO 14001 standard. This survey was carried out so that we could identify and act preventively and correctively on potential deviations or problems. Likewise, we have created programs and strategies that allow us to continue conducting our business responsibly, in accordance with municipal, state and federal legislation. | [GRI 304-2, 103-2, 103-3](#) |

We are aware of our responsibility in managing the impact of our activities and so we seek to work in partnership with our customers, suppliers, service providers and the community, operating based on models of innovation and quality for sustainable development.

Thus, PetroReconcavo is structuring an Environmental Management System (EMS), and already operates with a tool for managing licenses, conditions, requests for measures and notifications, where all control is carried out digitally, facilitating access to information and documents. | [GRI 307-1, 103-2, 103-3](#) |



Waste Management | GRI 306-1, 306-3, 306-5, 103-2, 103-3 |

At PetroReconcavo, we are aware that the more we take care of the environment, the smaller the impact received by the communities neighboring our operations. The waste generated is monitored monthly through control sheets, measurement bulletins and environmental technical reports.

The main waste generated in the units comes from our operation, maintenance and drilling of new wells. From this knowledge, we are able to work on solutions to increase our operational efficiency and reduce the impacts on native vegetation and neighboring communities.

All waste is managed according to the geographical distribution of the production fields, ensuring its traceability. The waste is sent for temporary storage in the small waste treatment plant (PCTR), for the later final destination through technologies such as co-processing, reuse, recycling and incineration, with emphasis on co-processing, which represents an average of 87.5% of the final destination.

In the Bahia Asset operation, waste management was carried out by an internal team and will start be carried out by a specialized company at the end of 2021. At Ativo Potiguar, this management is carried out by a specialized team since its acquisition (see table on the side).

Responsible management

A project structured in the drilling operation in the Potiguar Asset has helped to ensure that the unit is a zero industrial landfill in Rio Grande do Norte. This means that all waste generated in the drilling of wells is reused. With the support of a third-party company, we developed a system that manages to promote the reuse of the fluids used to drill the wells and facilitate our drilling process.

After going through a separation process, the liquid (water-based

with chemical additives), undergoes a clarification process in the unit itself and is used again in the operation, being reused in the drilling. The cuttings, on the other hand, go through a drying process and are sent to the manufacturer of cement, since the recovered residue has characteristics similar to inputs taken from nature. Here, we have a double gain: the use of waste for the production of cement, consequently reducing the exploitation of ore deposits.

Waste management Campo Riacho da Forquilha

Period: 28 Months

Origin of Waste:

Operation of 34 production fields

Amount of Hazardous Waste Class I:

1.168 Tons

Amount of Non-Hazardous Waste:

Class IIA (Non-Hazardous):
297 Tons

Class IIB (Non-Hazardous):
77 Tons

Potiguar

| Waste management (t) (by type of waste generated) | | | |
|---|-------|--------|--------|
| | 2019* | 2020 | 2021 |
| Hazardous waste | | | |
| Class I waste | 1.74 | 476.74 | 690.20 |
| Non-hazardous waste | | | |
| Class IIA waste | 2.62 | 45.38 | 249.84 |
| Class IIB waste | 3.01 | 34.32 | 40.45 |
| Total | 7.37 | 556.44 | 980.49 |
| GRI 306-3 <div>*Data as of 12/10/19, when we took over the operation of the Riacho da Forquilha Complex</div> | | | |

| Waste destination by method and type | | | |
|---|------|--------|--------|
| | 2019 | 2020 | 2021 |
| Hazardous waste | | | |
| Incineration (no energy recovery) | 0.00 | 0.03 | 0.03 |
| Recycling | 0.00 | 1.24 | 338.84 |
| Outras operações para disposição de resíduos (especificar) - Cooprocessamento | 1.74 | 475.47 | 351.33 |
| Non-hazardous waste | | | |
| Landfill | 2.62 | 45.38 | 42.53 |
| Incineration (with energy recovery) | 0.44 | 13.71 | 19.34 |
| Recycling | 2.57 | 20.61 | 183.11 |
| Other operations for waste disposal (specify) - Co-processing | 0.00 | 0.00 | 45.30 |
| Total | 7.37 | 556.44 | 980.49 |
| GRI 306-5 | | | |

Bahia

| Waste management (t) (by type of waste generated) | | | |
|---|---------|---------|---------|
| | 2019 | 2020 | 2021 |
| Hazardous waste | | | |
| Class I waste | 1,449.8 | 1,179.9 | 897.1 |
| Non-hazardous waste | | | |
| Class IIA waste | 1,960.6 | 963.9 | 68.9 |
| Class IIB waste | 0.0 | 0.0 | 45.8 |
| Total | 3,410.5 | 2,143.8 | 1,011.7 |
| GRI 306-3 | | | |

| Waste destination by method and type | | | |
|--------------------------------------|---------|---------|---------|
| | 2019 | 2020 | 2021 |
| Hazardous waste | | | |
| Recycling | 1,449.8 | 1,179.9 | 897.1 |
| Non-hazardous waste | | | |
| Landfill | 1,960.6 | 963.9 | 68.9 |
| Recycling | 0.0 | 0.0 | 45.8 |
| Total | 3,410.5 | 2,143.8 | 1,011.7 |
| GRI 306-5 | | | |



We act **proactively** to **reduce** any type of **impact** on **native vegetation** and **neighboring communities**.

Greenhouse gas emissions

| GRI 305-1, 305-2, 305-3, 305-7, 103-2, 103-3 |

Thinking about the impacts of our operations also involves tracking and managing our emissions in pursuit of the highest standards of sustainability. In this first GHG inventory carried out by the company, we present the GHG inventory referring to the operations in Bahia and Rio Grande do Norte during the year 2020. The study was prepared by a third-party company based on the concepts and guidelines established by the specifications of the Brazilian GHG Program Protocol and in compliance with ISO14064-1.

The preparation of this inventory is the first step towards a deeper understanding of the source of our emissions. To this end, we have already started a new study for the base year 2021 and from its results we will define performance indicators, corporate goals and actions to mitigate the risks associated with the topic.

In this study, we evaluate the following gases that cause the greenhouse effect as presented in the Kyoto Protocol – carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O). Our emissions are expressed as CO2 equivalent, considering the respective Global Warming Potential (GWP) of each gas and have been classified as follows:

Scope 1:

direct emissions that are owned or controlled by the company.

Scope 2:

indirect emissions generated in the consumption of energy consumed by the company.

Scope 3:

other indirect emissions from sources not owned or controlled by the company.

Biomass emissions:

CO₂ emissions generated in the combustion of biomass.

Carbon intensity indicators

| Asset | Commercialized product | Indicator |
|-------------|--------------------------------|---|
| Bahia Asset | Oil production: 1.427,6 boe | 35.46 kgCO ₂ e/boe of commercialized product |
| | Gas production: 131,67 boe | |
| | Total: 1,559.27 boe | |
| Bahia Asset | Produção de óleo: 1.748,34 boe | 19.93 kgCO ₂ e/boe de commercialized product |
| | Produção de gás: 322,73 boe | |
| | Total: 2,071.07 boe | |

boe: barrels of oil equivalent







Respect and trust:

we trust people and **integrate differences** by promoting **open and respectful dialogue**.



Material themes:

Social and Environmental **Impacts**, Relationship with **Communities, Health, Safety** and **Well-Being**, Business **Ethics**

We trust people and integrate differences by promoting open and respectful dialogue between all parties involved in our business. At PetroReconcavo, we consider all our stakeholders as fundamental parts of our growth and for our operation to become increasingly efficient and sustainable.

Employees

No matter how advanced technologies are, there is no growth without the creativity, professionalism, and dedication of people. In the year in which we concluded our IPO, we also prepared ourselves internally for the sustained development of our business. Thus, the company's total number of employees grew by 61.35%: from 497 in 2020 to 810 people in 2021.

Increase of 61.35%
in the total number of employees

| GRI 401-1 |



This growth came with the challenge of the pandemic and the need for social distancing at times. In this way, the People, Management and Communication teams redoubled their efforts to integrate the teams and began to invest more in internal marketing tools. For 2022, the focus is on improving the integration processes of new professionals, so that the team's present and future visions are increasingly aligned.



Employees profile

| GRI 102-8 |

Our employees are concentrated in the Northeast region and have full-time work contracts, totaling 810 people, between permanent and third parties. Of this total, 108 are female, an increase of 89% compared to 2020 numbers.

We know the importance of plurality in our human capital and how the uniqueness of each employee can contribute to the creation of a fairer work environment with equal opportunities. In view of this concern, the Company created a working group to discuss and implement diversity policies to be implemented in 2022.

Per gender | GRI 102-8 |

| | 2019 | 2020 | 2021 |
|---|------------|------------|------------|
|  | 386 | 440 | 702 |
|  | 51 | 57 | 108 |
| Total | 437 | 497 | 810 |

Per functional category | GRI 102-8 |

| | 2019 | 2020 | 2021 |
|----------------|------------|------------|------------|
| Direction | 3 | 3 | 9 |
| Management | 6 | 9 | 17 |
| Specialists | 3 | 3 | 5 |
| Coordination | 8 | 17 | 21 |
| Administrative | 42 | 56 | 103 |
| Operational | 375 | 409 | 655 |
| Total | 437 | 497 | 810 |



Training the professionals of the future

We invest in our talents and offer a unique professional development environment in the oil and gas industry. PetroReconcavo has three directors from the company's trainee program, as well as several managers, coordinators and engineers with more than five years of experience, who have graduated from the same program and who have grown along with the company.

| GRI 102-8 |

| | 2019 | 2020 | 2021 |
|----------------------------|-----------|-----------|-----------|
| Apprentices | 0 | 15 | 15 |
| Interns | 29 | 28 | 39 |
| Total other workers | 29 | 43 | 54 |



Health and workplace safety

| GRI 403-1, 403-5, 403-7, 403-9, 103-2, 103-3 |

Safety is a non-negotiable value that guides our day-to-day activities and those who interact with us. PetroReconcavo's activities are carried out in compliance with the laws and regulations in force in the regions where we operate. In addition, we comply with our internal guidelines and procedures based on the market's best practices.

Our business requires action guided by responsible management of the risks involved in our operations. In this way, we work to mitigate the impacts that our activity generates on people, communities and the environment.

Through mandatory training and qualification programs that take place from the moment they start their activities, our employees are in contact with the criteria, methodology and responsibilities that meet the requirements of the Environmental, Health and Safety (EHS) legislation, referring to the Company's business.

PetroReconcavo has an integrated EHS management system, with policies, procedures and standards that seek to improve processes and ensure the continuous improvement of operations. The teams work continuously to recognize risks and propose measures to eliminate, reduce or mitigate them.

Forming safe leaders

We believe that it is part of the activities of our leaders to promote a sense of individual responsibility in relation to safety, health and the environment. To this end, we have implemented, at all hierarchical levels, the "Safe Leader" Program, which seeks to make people protagonists in consolidating the Company's safety culture, enhancing skills, behaviors and encouraging employees' perception of risk management.

The program is divided into three modules, with theoretical and practical activities:

- The Leader's Role in the Safety and Health of His Team
- Risk Assessment, Perception and Mitigation
- Building an Efficient Management System



In addition to the actions aimed at meeting legal issues, PetroReconcavo understands the importance of the well-being of its employees, contributing to the improvement of their quality of life. One example is the Comprehensive Health Program, implemented in the Potiguar Asset in May 2021. Through a multidisciplinary service, the program offers individualized care to employees, according to their physical and psychological needs, such as nutritional care, psychological support and monitored physical activities.

The program helped employees to achieve balance and self-knowledge in the face of their own challenges. The recognition of the need for care and the consequent search for ways and strategies to deal with these difficulties have been received by all those involved in a very positive way, and in line with the principles of a healthy life. In 2022, this program will be extended to the entire Company.

The Company maintains an employee health monitoring program. These assessments became more constant during the pandemic to monitor the occurrence of respiratory diseases from Covid19 and its variants.



More safety in the operation

The occurrence of paraffinic oil fields is very common during the exploration and production of oil and gas, mainly due to the temperature difference that arises with the beginning of oil production, causing the appearance of paraffin crystals and a decrease in oil viscosity. Thus, the liquid part of the oil is no longer able to dissolve the solid part (paraffin), which begins to deposit in the production pipes, subsequently requiring a dewaxing process.

This cleaning process is carried out continuously, using a high-pressure hot water washer, which required the employees to be closer to the production tubing during washing, exposing them to physical risks, in addition to generating a concentration of vapors and residues in the environment.

After safety inspections and internal audits carried out in the work environments, the "Dewaxing of Oil Tubulars" project emerged, at the São Roque station, in the Bahia Asset. Today, the washing system works in an automated way with the use of an electric trolley, responsible for moving the hot water outlet nozzles along the pipes, promoting washing in order to preserve the health of employees and prevent accidents. The project was chosen as one of the three winners in the Occupational Hygiene category of the Proteção Brasil 2021 Award, promoted by Revista Magazine, which highlights initiatives in favor of worker health and safety.

1222 days without accidents

In the last 18 months, there were no occupational accidents with leave (LTI's) among the Company's employees. A highlight goes to the Bahia Asset, which in 2021 completed 1222 days without an accident with leave (LTI) for both employees and contractors.

We understand that this result comes from an EHS management focused on valuing the human being and systematic actions aimed at consolidating a culture of safety at PetroReconcavo.



Work Accidents – Potiguar | GRI 403-9 |

| Employees | Number | | |
|--|--------|---------|---------|
| | 2019 | 2020 | 2021 |
| deaths resulting from work accidents | 0 | 0 | 0 |
| work accidents with serious consequences (except deaths) | 0 | 0 | 0 |
| mandatory reporting work accidents* | 0 | 2 | 3 |
| number of hours worked | 22,944 | 449,471 | 571,418 |

| Third parties | Number | | |
|--|--------|---------|---------|
| | 2019 | 2020 | 2021 |
| deaths resulting from work accidents | 0 | 0 | 0 |
| work accidents with serious consequences (except deaths) | 0 | 0 | 0 |
| mandatory reporting work accidents | 0 | 2 | 2 |
| number of hours worked | 29,956 | 517,591 | 719,797 |

Work accidents – Bahia | GRI 403-9 |

| Employees | Number | | |
|--|---------|---------|---------|
| | 2019 | 2020 | 2021 |
| deaths resulting from work accidents | 0 | 0 | 0 |
| work accidents with serious consequences (except deaths) | 0 | 0 | 0 |
| mandatory reporting work accidents | 8 | 0 | 1 |
| number of hours worked | 701,162 | 617,491 | 831,798 |

| Third parties | Number | | |
|--|---------|---------|---------|
| | 2019 | 2020 | 2021 |
| deaths resulting from work accidents | 0 | 0 | 0 |
| work accidents with serious consequences (except deaths) | 0 | 0 | 0 |
| work accidents de comunicação obrigatória | 2 | 0 | 2 |
| number of hours worked | 626,829 | 452,414 | 602,111 |

* Requires mandatory reporting of an accident at work or an occupational disease that results in one of the following possibilities: death, absence from work, loss or reduction of ability to work or transfer to another function, medical treatment other than first aid or loss of consciousness; or serious occupational injury or illness diagnosed by a physician or other qualified health care professional, even if it does not result in death, absence from work, loss of or reduced ability to work or transfer of employment, medical treatment other than first aid, or loss of consciousness.

Communities

| GRI 413-2, 103-2, 103-3, OGS11.15.2,
OGS11.15.4, OGS 11.14.1 |

We are present in low HDI regions, where the oil economy is one of the few economic activities capable of contributing to the improvement of living conditions in several communities. Thus, we allocate our own resources and those obtained through tax incentive laws to support initiatives that contribute to the valorization of human rights, the strengthening of the culture and way of life of these locations, protecting the most vulnerable population and investing in the education of young people and children.

Since 2014, in partnership with AVSI Brasil, we have maintained the Ciranda Viva Project, aimed at preserving and

valuing the culture and identity of the communities around our operations in the Recôncavo Bahia, operating mainly in Pedras, Flechas and Veadinho, in the municipality of Catu. (BA).

Its axes of action are socio-educational activities, generation of employment and income and strengthening of communities. Over the years, the Company's investments have also helped to consolidate a greater infrastructure to host the project, where an indoor sports court, an area for growing an organic vegetable garden and other structures to support Ciranda Esportiva, Ciranda Educativa and Ciranda da Leitura were built, the three arms of the initiative.





Ciranda Esportiva

The project started in 2017 and it aims at disseminating interest in sports activities and contributing to the greater socialization of participants in the school and family environment. Currently, 150 children and adolescents between ages 7 and 17. The project was approved by the Ministry of Sports via the Tax Incentive Law.



Ciranda Educativa

Since 2018, Ciranda Educativa has been offering activities in the area of natural sciences through the cultivation of a vegetable gardens, allowing facilitators to work on food safety and environmental education content for children in early childhood (from 4 to 6 years old). The objective of the project is that this educational practice sensitizes children to the value of agricultural activity, bringing them closer to the activities carried out daily by their parents or guardians. The project was approved by the Municipal Fund for the Rights of Children and Adolescents.



Ciranda da Leitura



With the objective of contributing to the pedagogical development of the beneficiaries, in 2018 the Ciranda de Leitura was created, a project sponsored by PetroReconcavo employees and encouraged by the Company. Through recreational activities, such as reading and storytelling workshops, Ciranda da Leitura seeks to arouse the interest of teenagers and children in the world of reading and writing. The project follows a sponsorship format and currently has 140 participants, who are assisted and encouraged by an employee of the Company.

Adaptability

During the pandemic period, projects demonstrated strong resilience power. Most of the activities were adapted and could be developed in the participants' homes. In Ciranda da Leitura, all content worked by the facilitator was guided by a pedagogical project built in partnership with the municipal schools in the communities.

Each participant can follow their activities, individually and in accordance with their needs. The children participating in Ciranda Educativa were offered the construction and cultivation of family gardens in partnership with their families. The project showed important signs of its sustainability power, as some of the family groups involved in the activities can harvest and even sell their crops.



Our ethical **principles guide** the relationship with the **public of interest**

Ciranda Viva
in numbers:

3 communities served by
Ciranda Viva social project

150
participants of
Ciranda Esportiva

134
participants of
Ciranda Educativa



Viva Sabiá

In 2021, we started another partnership with AVSI Brasil. The socio-environmental program Viva Sabiá will benefit the communities of Monte Alegre 1, Monte Alegre 2, Lajes, Livramento and Olho d'agua da Onça, in the vicinity of Potiguar E&P, in Rio Grande do Norte.

The Program aims to strengthen dialogue with the territory and promote improved access to water, including the implementation of water purification systems through solar irradiation.

The actions were designed based on a participatory diagnosis, in addition to quantitative and qualitative research to identify the region's weaknesses and potential, thus enabling the elaboration of a socioeconomic and environmental development plan for the local context.

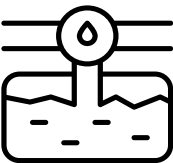
The projection is that Viva Sabiá will benefit 522 people in the four communities assisted by the program, starting in 2022.



Clean and accessible water for communities

As one of the stages of the Viva Sabiá Program, we established a partnership with the startup SDW – Safe Drinking Water, to implement the Aqualuz system, a photovoltaic panel technology that, through solar radiation, purifies the water in the cisterns and removes microorganisms, preventing diseases and facilitating access to drinking water in water-scarce regions.

Initially, the Aqualuz System will serve 39 families and one school (265 residents and 55 students) and will have its scope expanded throughout 2022.



Drinking water for water-scarce regions



Suppliers

| GRI 102-9, 102-10 |

We value the partnerships we build with our suppliers, based on transparency and respect for the processes we follow in the company. In the last three years (2019, 2020 and 2021), no negative social impacts were identified (occupational diseases and work-related accidents; non-compliance with labor, tax and social security laws; occurrence of child labor and similar to slavery, etc.) among the company's current suppliers, nor even with those who have already terminated their service contracts.

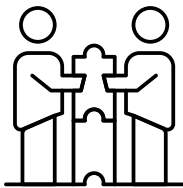


New procedures

The increase in logistical demands and challenges has redoubled attention to supplier management, mainly to avoid disruptions in the delivery of more critical and strategic supplies and services.

Thus, in 2021 we intensified the monitoring of service and supply levels through indicators. This action allows us to filter and replace companies that have not met the conditions previously agreed upon.

In addition, in search of a more efficient and sustainable relationship with suppliers and service providers, we implemented the WeHandle management platform in 2021. This technology makes it possible to carry out procedures such as the approval stage for the choice of partners who will integrate the chain production of the organization and the monitoring of outsourced companies that provide services with an assignment of labor, ensuring that suppliers are up to date with their legal obligations and that third parties have their labor rights respected.



We value the partnerships
we build with our suppliers



GRI

Content summary

| GRI 102-55 |

| STANDARD GRI | DISCLOSURE | COMMENTS / OMISSIONS | PAGES |
|-----------------------------------|--|--|--------|
| GRI 101: FUNDAMENTALS 2016 | | | |
| GENERAL DISCLOSURES | | | |
| Organization profile | | | |
| GRI 102: General Disclosures 2016 | 102-1: Name of the organization | | 4 |
| | 102-2: Activities, brands, products and services | | 14, 17 |
| | 102-3: Place of the organization headquarter | | 61 |
| | 102-4: Operation places | | 17 |
| | 102-5: Nature of the property and legal form | | 4 |
| | 102-6: Markets serviced | | 12 |
| | 102-7: Size of the organization | | 12 |
| | 102-8: Employees | | 38, 39 |
| | 102-9: Suppliers Chain | | 47 |
| | 102-10: Meaningful changes in the organization | | 47 |
| | 102-11: Principle or approach of the precaution | Risk Management Policy Policy | - |
| | 102-12: External initiatives | PetroReconcavo is not part of any treaty, principle or other initiatives developed externally of an economic, environmental and social nature. | - |
| | 102-13: Participation in associations | ABPIP: Associação Brasileira dos Produtores Independentes de Petróleo. | - |



| STANDARD GRI | DISCLOSURE | COMMENTS / OMISSIONS | PAGES |
|-----------------------------------|---|--|-------|
| GRI 101: FUNDAMENTALS 2016 | | | |
| GENERAL DISCLOSURES | | | |
| Strategy | | | |
| GRI 102: General Disclosures 2016 | 102-14: Declaration of the highest executive | | 5 |
| | 102-15: Principal impacts, risks and opportunities | | 15 |
| Ethics and Integrity | | | |
| GRI 102: General Disclosures 2016 | 102-16: Values, principles and rules of behavior | | 4, 19 |
| | 102-17: Mechanisms for orientations and preoccupations concerning ethics | | 25 |
| Governance | | | |
| GRI 102: General Disclosures 2016 | 102-18: Governance structure | | 21 |
| | 102-20: Responsibility of executive-level roles per economic, environmental and social topics | | 21 |
| | 102-22: Formation of the highest governance body and its committees | | 21 |
| | 102-25: Conflict of interests | | 24 |
| | 102-26: Role played by the highest governance body in defining purpose, values and strategy | | 21 |
| | 102-33: Communicating critical concerns | The communications to the Board of Directors and Committees are made through publication on the platform (Atlas) and e-mail, with reading confirmation. The announcements are permanently exposed on the platform. | - |



| STANDARD GRI | DISCLOSURE | COMMENTS / OMISSIONS | PAGES |
|-----------------------------------|--|---|-------|
| GRI 101: FUNDAMENTALS 2016 | | | |
| GENERAL DISCLOSURES | | | |
| Stakeholder engagement | | | |
| GRI 102: General Disclosures 2016 | 102-40: List of stakeholder groups | | 10 |
| | 102-42: Identification and selection of stakeholders | | 10 |
| | 102-43: Approach to stakeholder engagement | | 10 |
| | 102-44: Main concerns and topics raised | | 10 |
| Reporting practices | | | |
| GRI 102: General Disclosures 2016 | 102-45: Entities included in the consolidated financial statements | | 27 |
| | 102-46: Defining Report Content and Topic Boundaries | | 10 |
| | 102-47: List of material topics | | 10 |
| | 102-48: Reformulations of information | There wasn't. This is the first PetroReconcavo report | - |
| | 102-49: Changes in the report | There wasn't. This is the first PetroReconcavo report | - |
| | 102-50: Period covered by the report | 2021 | - |
| | 102-51: Most recent report date | There is not. This is the first PetroReconcavo report | - |
| | 102-52: Report issuance cycle | Annual | 10 |
| | 102-53: Contact for questions about the Report | | 61 |
| | 102-54: Reporting statements in compliance with GRI Standards | | 10 |
| | 102-55: GRI Content Summary | | 48 |
| | 102-56: External verification | There was no external verification for this first edition of the report | - |



| STANDARD GRI | DISCLOSURE | COMMENTS / OMISSIONS | PAGES |
|------------------------------------|--|----------------------|--------|
| GRI 101: FUNDAMENTALS 2016 | | | |
| MATERIAL TOPICS | | | |
| Economic Performance | | | |
| GRI 103: Management Approach 2016 | 103-1: Explanation of the material topic and its limit | | 10 |
| | 103-2: Management method and its components | | 15. 28 |
| | 103-3: Evaluation of the form of management | | 15. 28 |
| GRI 201: Economic Performance 2016 | 201-1: Direct economic value generated and distributed | | 28 |
| | 201-2: Financial implications and other risks and opportunities arising | | 15 |
| Indirect economic impacts | | | |
| GRI 103: Management Approach 2016 | 103-1: Explanation of the material topic and its limit | | 10 |
| | 103-2: Management method and its components | | 16 |
| | 103-3: Evaluation of the form of management | | 16 |
| GRI 203: Indirect economic impacts | 203-1: Investments in infrastructure and support services | | 16 |
| Anti-corruption | | | |
| GRI 103: Management Approach 2016 | 103-1: Explanation of the material topic and its limit | | 10 |
| | 103-2: Management method and its components | | 25 |
| | 103-3: Evaluation of the form of management | | 25 |
| GRI 205: Anti-corruption 2016 | 205-1: Operations subject to risk assessments related to corruption | | - |
| | 205-2: Communication and training on anti-corruption policies and procedures | | 25 |
| | 205-3: Confirmed cases of corruption and actions taken | None | - |

| STANDARD GRI | DISCLOSURE | COMMENTS / OMISSIONS | PÁGINA |
|-------------------------------------|---|---|--------|
| GRI 101: FUNDAMENTALS 2016 | | | |
| MATERIAL TOPICS | | | |
| Unfair competition | | | |
| GRI 103: Management Approach 2016 | 103-1: Explanation of the material topic and its limit | | 10 |
| | 103-2: Management method and its components | | - |
| | 103-3: Evaluation of the form of management | | - |
| GRI 206: Unfair competition 2016 | 206-1: Lawsuits due to unfair competition, trust and monopoly practices. | None. Petroreconcavo recognizes the issue of unfair competition, as provided in our Code of Conduct, in the section Ethical Principles, "choose and hire suppliers always based on technical, professional and ethical criteria, in line with Petroreconcavo's general guidelines and conducted through a predetermined objective process, such as competition or price quotation, which guarantees the best cost-effectiveness ratio." | - |
| ENVIRONMENT | | | |
| Biodiversity | | | |
| GRI 103: Management Approach 2016 | 103-1: Explanation of the material topic and its limit | | 10 |
| | 103-2: Management method and its components | | 33 |
| | 103-3: Evaluation of the form of management | | 33 |
| GRI 304: Biodiversidade 2016 | 304-2: Significant impacts of activities, products and services in biodiversity | | 33 |

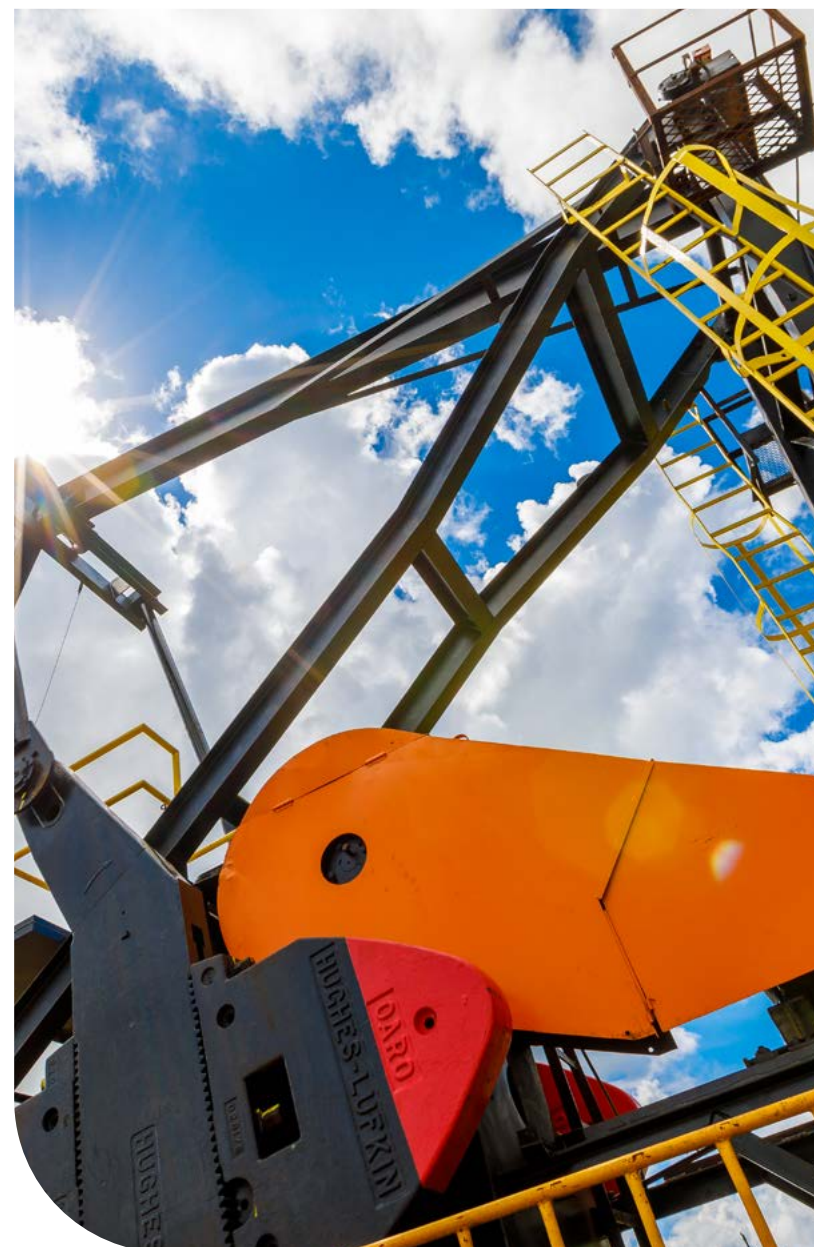
| STANDARD GRI | DISCLOSURE | COMMENTS / OMISSIONS | PAGES |
|---|---|----------------------|-------|
| GRI 101: FUNDAMENTALS 2016 | | | |
| ENVIRONMENT | | | |
| Emissions | | | |
| GRI 103: Management Approach 2016 | 103-1: Explanation of the material topic and its limit | | 10 |
| | 103-2: Management method and its components | | 36 |
| | 103-3: Evaluation of the form of management | | 36 |
| GRI 305: Emissions 2016 | 305-1: Direct emissions – Scope 1 | | 36 |
| | 305-2: Indirect emissions– Scope 2 | | 36 |
| | 305-3: Indirect emissions– Scope 3 | | 36 |
| Waste | | | |
| GRI 103: Management Approach 2016 | 103-1: Explanation of the material topic and its limit | | 10 |
| | 103-2: Management method and its components | | 34 |
| | 103-3: Evaluation of the form of management | | 34 |
| GRI 306: Waste 2018 | 306-1: Waste generation and significant impacts | | 34 |
| | 306-3: Generated waste | | 34 |
| | 306-5: Waste destined for final disposal | | 35 |
| Non-compliance with environmental laws and regulations | | | |
| GRI 103: Management Approach 2016 | 103-1: Explanation of the material topic and its limit | | 10 |
| | 103-2: Management method and its components | | 33 |
| | 103-3: Evaluation of the form of management | | 33 |
| GRI 307: Non-compliance with environmental laws and regulations | 307-1: Non-compliance with environmental laws and regulations | | 33 |



| STANDARD GRI | DISCLOSURE | COMMENTS / OMISSIONS | PAGES |
|-----------------------------------|--|----------------------|-------|
| GRI 101: FUNDAMENTALS 2016 | | | |
| SOCIAL | | | |
| Employment | | | |
| GRI 103: Management Approach 2016 | 103-1: Explanation of the material topic and its limit | | 10 |
| | 103-2: Management method and its components | | 38 |
| | 103-3: Evaluation of the form of management | | 38 |
| GRI 401: Employment 2016 | 401-1: New hires and turnover | | 38 |
| Health and safety | | | |
| GRI 103: Management Approach 2016 | 103-1: Explanation of the material topic and its limit | | 10 |
| | 103-2: Management method and its components | | 40 |
| | 103-3: Evaluation of the form of management | | 40 |
| GRI 403: Health and safety 2018 | 403-1: Health management and workplace safety system | | 40 |
| | 403-5: Training of workers in health and safety at work | | 40 |
| | 403-7: Prevention and mitigation of health and safety at work impacts, directly linked to business relationships | | 40 |
| | 403-9: Work accidents | | 42 |
| Local communities | | | |
| GRI 103: Management Approach 2016 | 103-1: Explanation of the material topic and its limit | | 10 |
| | 103-2: Management method and its components | | 43 |
| | 103-3: Evaluation of the form of management | | 43 |
| GRI 413: Local communities 2016 | 413-1: Operations with engagement, impact evaluations and development programs aimed at the local community | | 43 |



| STANDARD GRI | DISCLOSURE | COMMENTS / OMISSIONS | PAGES |
|--|--|---|-------|
| GRI 101: FUNDAMENTALS 2016 | | | |
| SOCIAL | | | |
| Social assessment of suppliers | | | |
| GRI 103: Management Approach 2016 | 103-1: Explanation of the material topic and its limit | | 10 |
| | 103-2: Management method and its components | | - |
| | 103-3: Evaluation of the form of management | | - |
| GRI 414: Social assessment of suppliers 2016 | 414-2: Negative social impacts on the supply chain | Unidentified | - |
| Oil and gas industry supplement | | | |
| Oil and gas industry supplement | OGS11.14.1: Community development programs in place | | 43 |
| | OGS11.15.4: Number and type of complaints from local communities identified | | 43 |
| | OGS11.18.1: Conflict, security and human rights in communities | The areas in which the company operates are not considered conflict areas. | - |
| | | The company is part of the Brazilian Association of Independent Oil and Gas Producers (ABPIP), a non-profit civil entity that helps to promote, defend and stimulate the development of oil and natural gas exploration and production activity in Brazilian onshore and offshore sedimentary basins. The association works with society in general, opinion makers, government bodies, press vehicles and other organizations in the oil and gas industry, and its mission is to defend the interests of its members, communicating with decision makers (sectoral bodies, associations, companies, parliamentarians, the press and society) to strengthen the performance of independent companies. | - |
| | OGS11.22.1: Participation in the development of public policies and lobbying | | |



CORPORATE CREDITS

Corporate Office

Avenida Luis Viana, Hangar Business Park – Torre 3,
4º andar
Salvador – Bahia
Cep: 41500-300
Phone: (71) 3635-0296

Administrativo Ativo Potiguar
Rua Artur de Paula, 02
Nova Betânia – Rio Grande do Norte
Cep: 59612-120

Industrial Unities

Base Operacional Ativo Bahia
Estrada do Vinte Mil, Km 3,5 – Estação São Roque
Mata de São João – Bahia
Cep: 48280-000
Tel: (71) 3635-0200

Base Operacional Ativo Potiguar
Campo Riacho da Forquilha – Área Rural
Apodi – Rio Grande do Norte
Cep: 59700-000

Coordination

SSMS Management

GRI Consultancy, writing, edition and revision

Ability Sustentabilidade e Comunicação

Graphic Project and diagramation

MagentaLab and Yara Fernandes

Translation

Cristina Lopez

Photos

PetroReconcavo Book, Freepik.

For further information about our Sustainability actions or details about the data presented in this Report, contact us via e-mail
sustentabilidade@petroreconcavo.com.br



| GRI 102-53 |

