

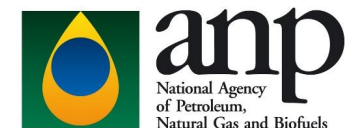
The O&G Industry in Brazil: Investment Opportunities

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Director-General






CANADIAN GLOBAL
EXPLORATION FORUM

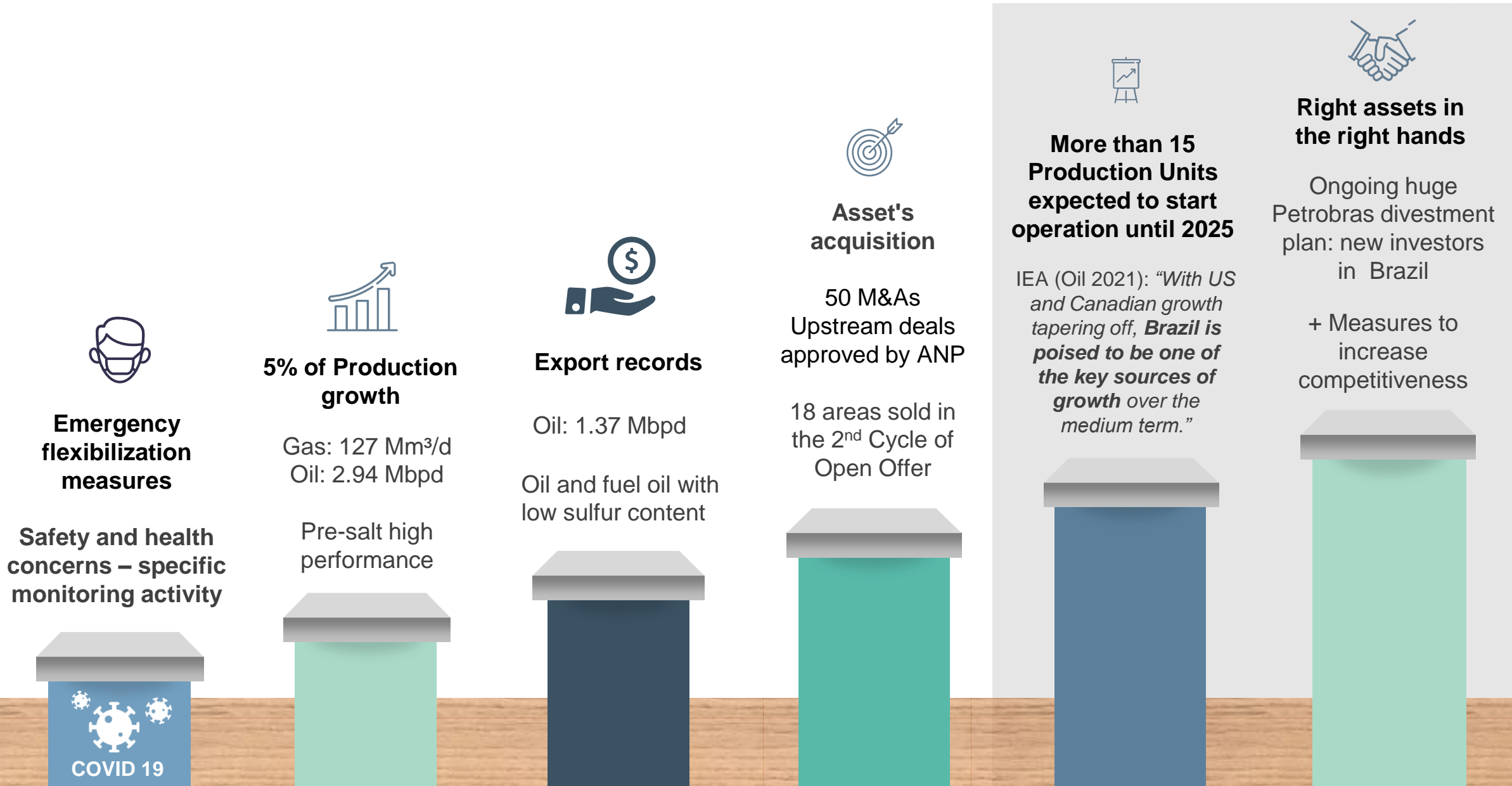
April 26th, 2021



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Resilience in 2020 and ready for recovery



Emergency flexibilization measures

Safety and health concerns – specific monitoring activity



COVID 19



5% of Production growth

Gas: 127 Mm³/d
Oil: 2.94 Mbpd

Pre-salt high performance



Export records

Oil: 1.37 Mbpd

Oil and fuel oil with low sulfur content



Asset's acquisition

50 M&As
Upstream deals approved by ANP

18 areas sold in the 2nd Cycle of Open Offer

Well positioned for recovery



More than 15 Production Units expected to start operation until 2025

IEA (Oil 2021): “With US and Canadian growth tapering off, **Brazil is poised to be one of the key sources of growth over the medium term.**”



Right assets in the right hands

Ongoing huge Petrobras divestment plan: new investors in Brazil

+ Measures to increase competitiveness

An unprecedented transformation

We continue to make progress in opening the O&G sector

E&P



A completely **diverse sector** will emerge from Petrobras' Divestment Plan. All onshore and shallow water fields are being sold, as well as some great offshore post-salt concessions.

With new investments in mature fields, development of pre-salt fields, offshore blocks in the exploratory phase, and a calendar of new auctions, Brazil is ready to grow production and take a leading position in the sector.

Downstream



For the first time, half of the refining capacity (REFAP • RNEST • REPAR • RLAM • LUBNOR • REGAP • REMAN • SIX) is being sold by Petrobras, which will lead to a **competitive and open refining** and fuel market.

Measures are being taken to deal with the transition to this new environment and to bring competitiveness to the distribution sector.

Gas



First-ever **effective opening in the natural gas market** with Petrobras leaving the transport and distribution sectors.

A new gas bill has just been approved and a strong regulatory agenda is underway to create a new gas market and opportunities between suppliers and free consumers. A relevant open season calendar is set for this year.

The E&P sector

10th largest crude oil producer

Potential to reach more than 5 million oil bpd in 2030

2021-2025 Investments Forecast: US\$ 50 billion



Strategy

Accelerate the **pre-salt** exploration and **development**

Ongoing Measures

Measures to further increase competitiveness being studied in the **BidSIM Program**. Ongoing discussion of the best **fiscal regime**



Increase the RF and accelerate exploratory activities in the **new frontier basins**

Measures to increase competitiveness being studied in the **ProMar and REATE Programs**

Contract's extension approval with royalties reduction on the incremental production



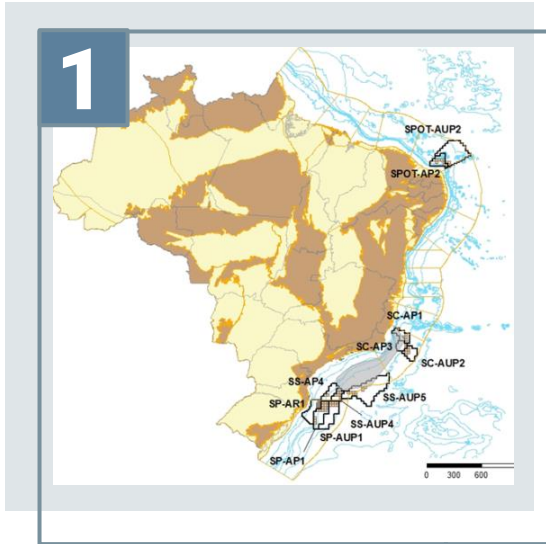
Revitalize the onshore, increase the RF, promote the small and medium producers' market, intensify **exploratory activities**, quantify the oil potential

Measures to **accelerate the approval of M&As** at ANP

Royalties Reduction for Small and Medium Companies under public consultation

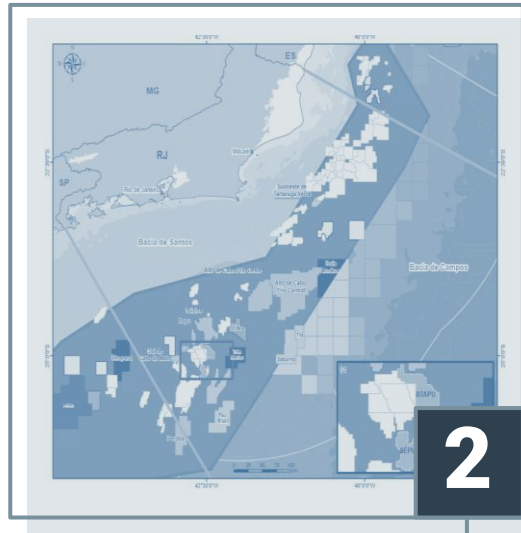
Contracts and rules simplification

Brazil has great opportunities in 2021 auctions



92 blocks on offer
Campos, Pelotas, Potiguar and Santos Basins
Pre-salt opportunities beyond 200 nautical miles with 3D seismic recently acquired
October 7th

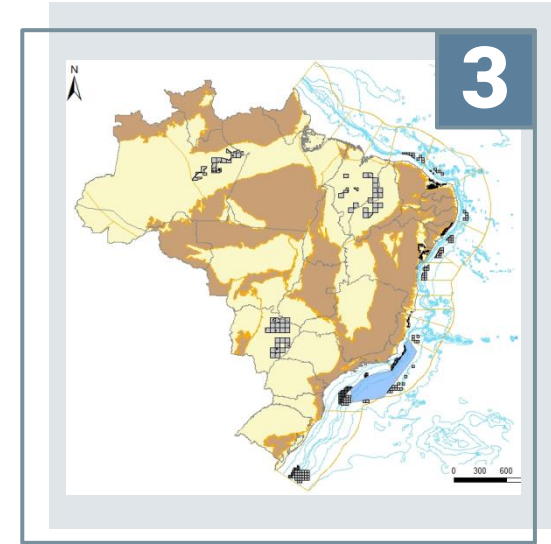
ROUND
Brazil **17**
OIL AND GAS CONCESSIONS



2 areas: Atapu and Sépia
Round approved by CNPE
Estimated: December 2021

TRANSFER OF RIGHTS SURPLUS
Brazil
PRODUCTION SHARE

Onshore Opportunities

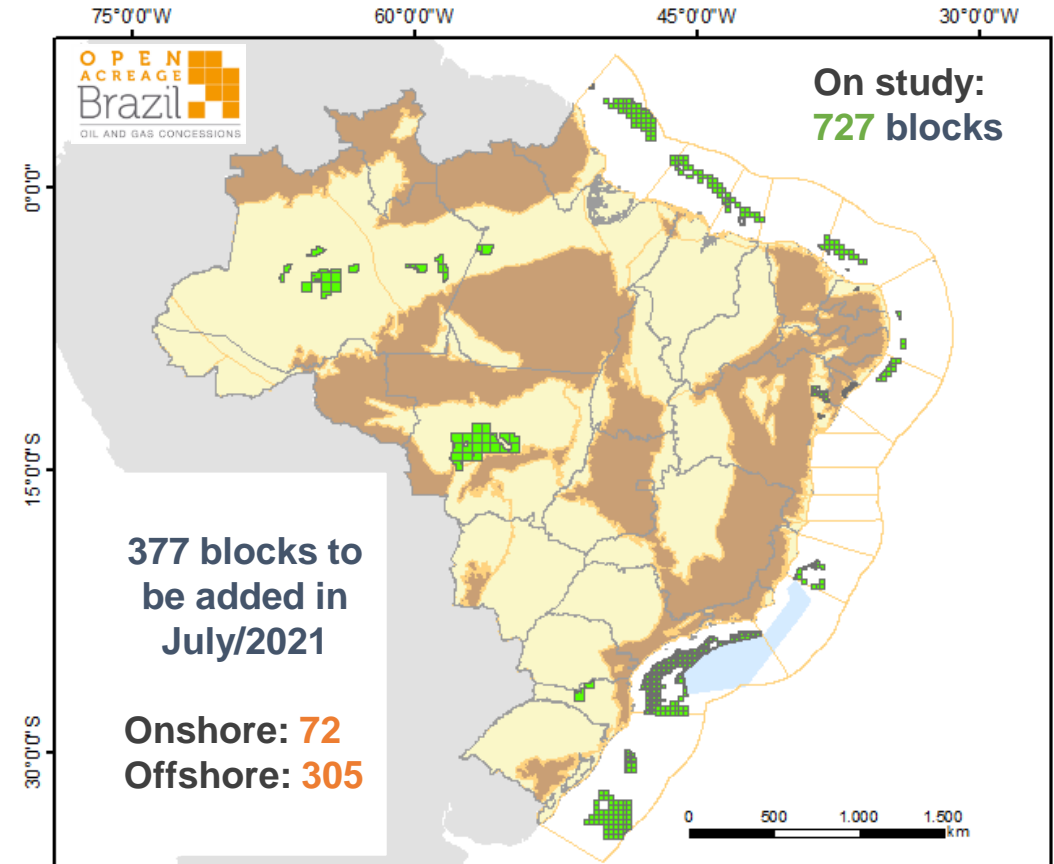
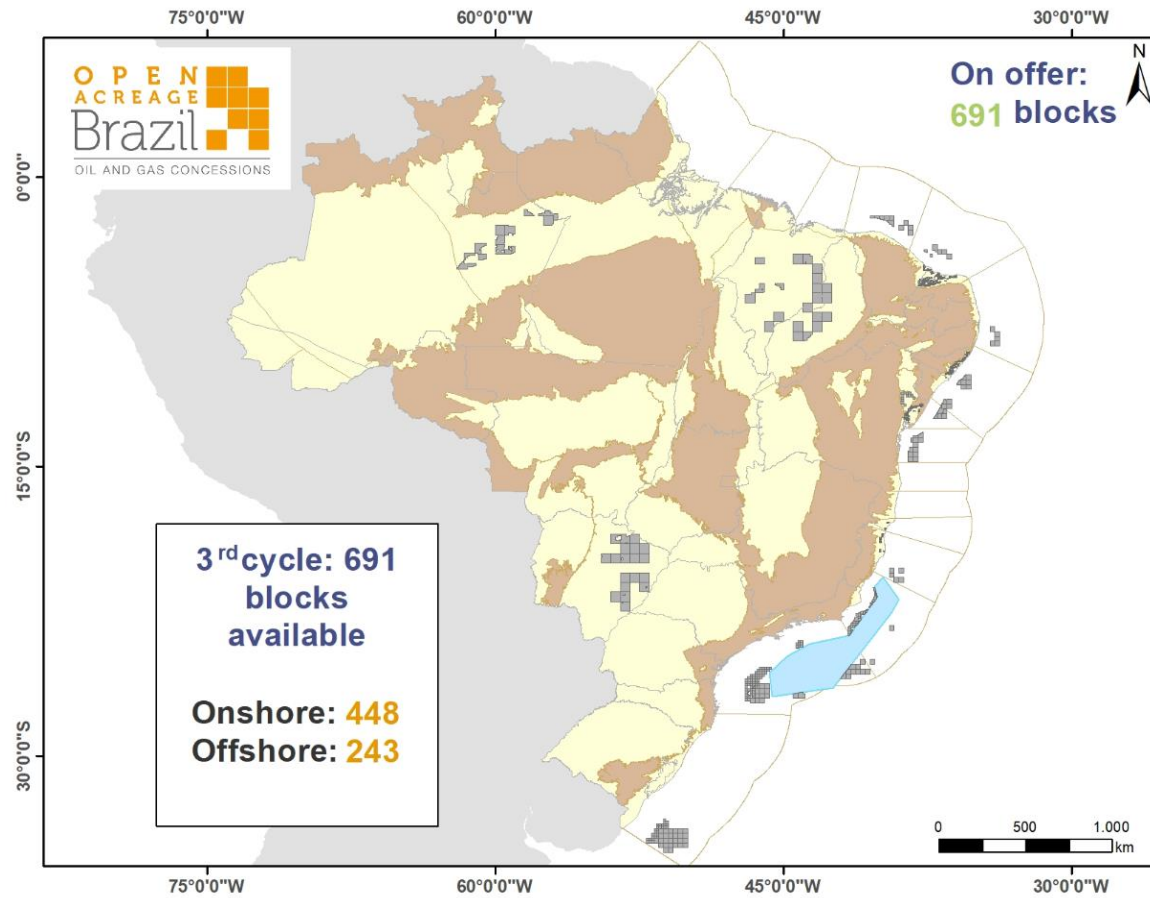


In addition to the 691 blocks available, we aim to put more 377 new blocks
The 3rd cycle depends on the interest declaration

OPEN ACREAGE
Brazil
OIL AND GAS CONCESSIONS

Opportunities in the Open Acreage

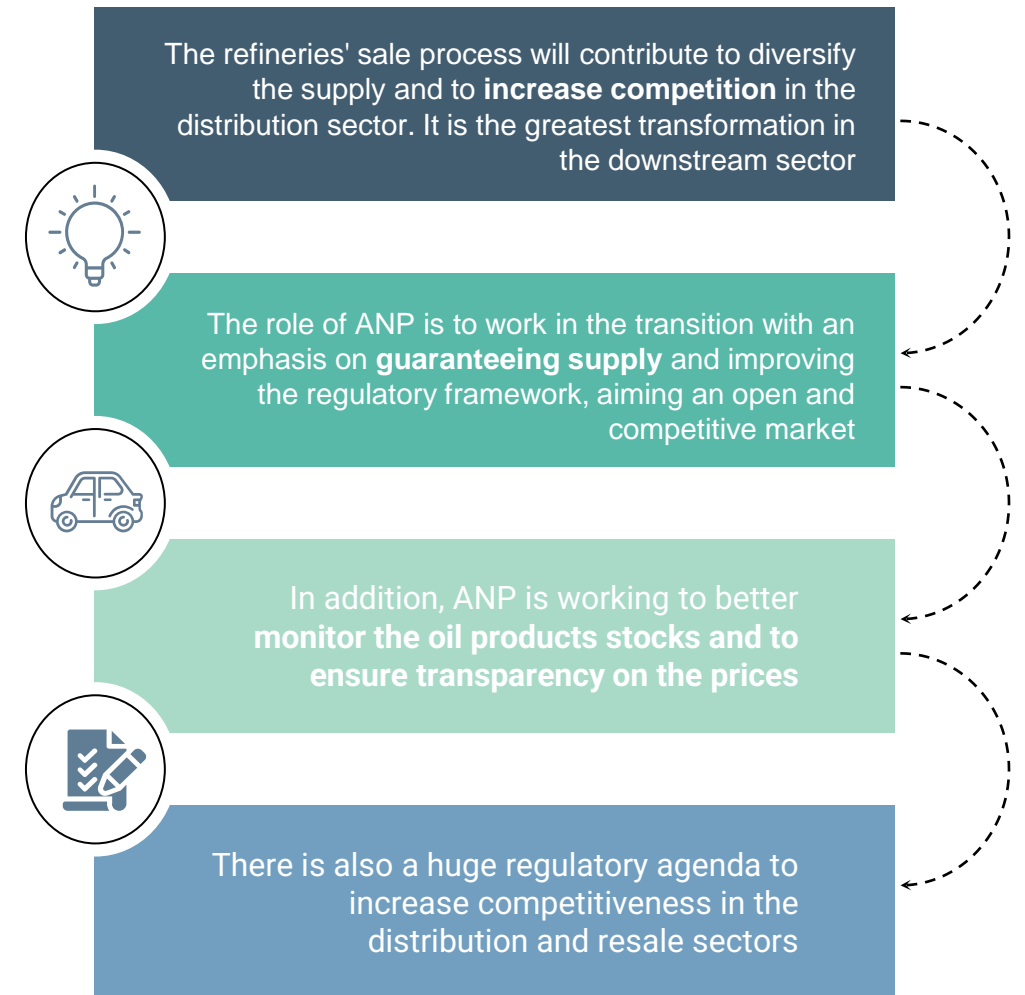
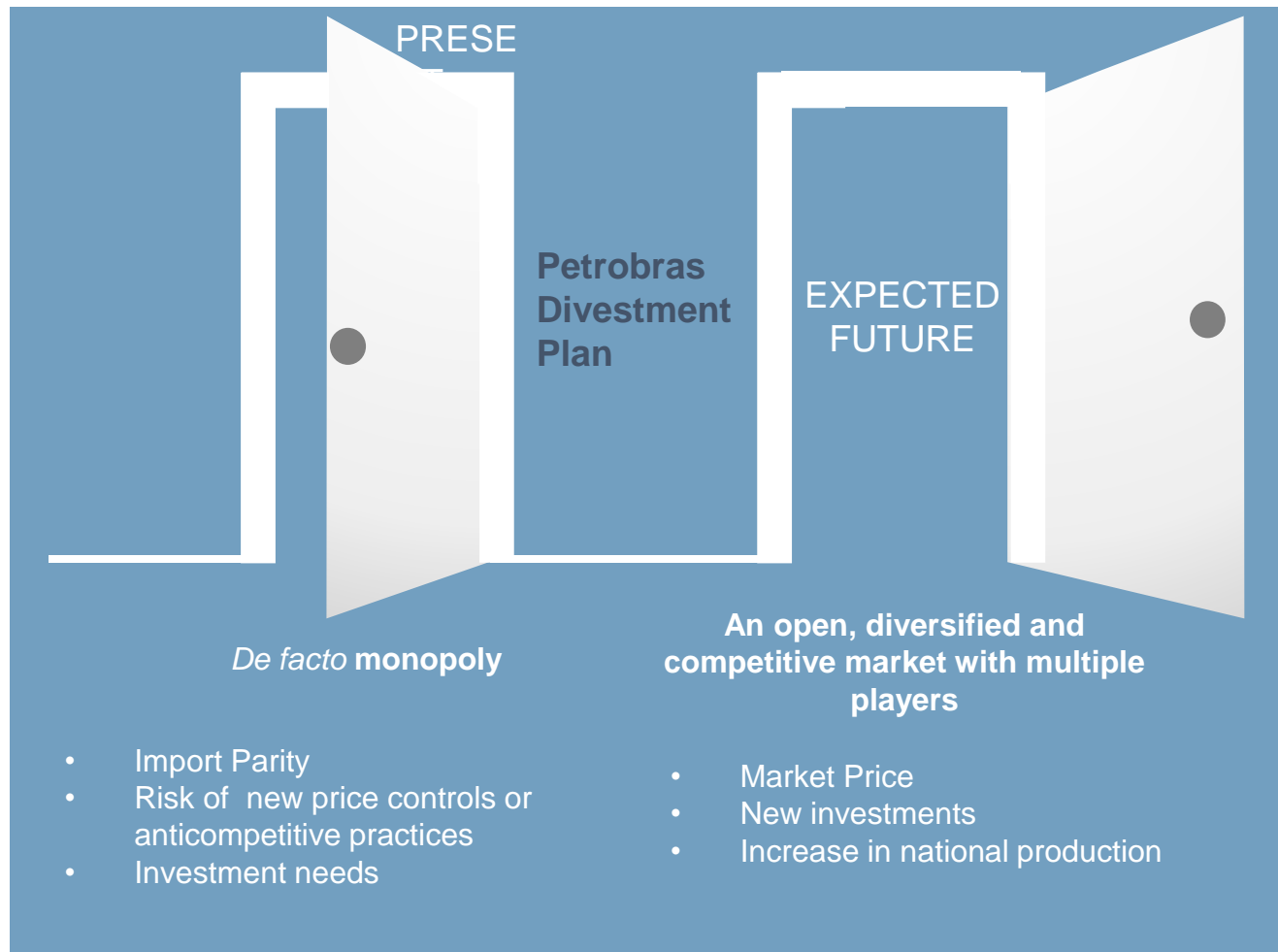
The Permanent Offer allows the market to decide when it will be the bid round and what will be part of the round
 Many onshore exploratory opportunities in addition to the ongoing Petrobras Divestment Plan (focused on mature fields)



The Downstream Sector

7th largest oil products consumer

132 Mm³ consumed in 2020 (including biofuels)



The Natural Gas Market

An open, liquid, competitive and transparent gas market is gaining momentum in Brazil



Brazil has great potential to develop its gas market. Gas production will more than double by 2030 and the government is working to monetize this gas.



A New Gas Law has just been approved by the Congress.



ANP has a strong regulatory agenda to put in place the new gas market.

2021 Open Season Calendar

Incremental Open Season:

TAG

TBG (Focused on expanding the southern section)

NTS (Focused on the implementation of the Itaboraí Guapimirim Gas Pipeline)

Annual Open Season to offer available capacity:

- TBG Open Seasons 2 and 3 to offer available capacity for 2021 (starting on May)-2025 and 2022-2026

- NTS Open Season 1 to offer the available capacity for 2022-2026 - Preferably coordinated with Open Season 3 from TBG

- TAG Open Season 1, to offer available capacity for 2022-2026

Brazil is in a privileged position in the energy transition



Renewables account for **46% of the energy matrix**. Emissions in the energy sector are lower compared to the world average.



Since 2009, O&G production operated by Petrobras increased more than 40%, without increasing emissions. Petrobras goals: **25% reduction in absolute operating emissions by 2030**; Zero routine flaring by 2030; 40Mton CO2 reinjection by 2025 in CCUS projects



3% of the R&D resources from the O&G industry obliged to be applied in Brazil are spent on **renewables projects**. More than 20% of the vehicle matrix is fueled by renewables (**ethanol and biodiesel**).



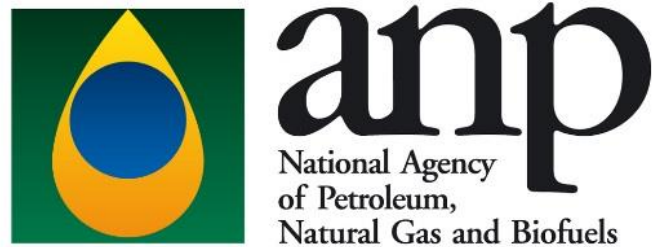
Brazil is the **2nd largest producer and consumer** of biofuels and benefits from a longstanding well-established industry: **80% of our automobiles are flex-fuel**.



Public policies like Renovabio Program show the country will continue to advance in this agenda. In 2020, more than **14 million tons of greenhouse gas emissions were avoided**.



A new government program (Fuel of the future) was approved by the CNPE (i.e.: incentives to the large-scale use of 2nd generation ethanol; R&D to encourage fuel-cell technology; creation of green corridors to supply heavy vehicles powered by biomethane; introduction of BioJetFuel etc)



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