

# SUSTAINABILITY Report 2022









Energy for Brazil,  
**growth** for the  
Northeast

With a 22-year history, Petroreconcavo is one of the main independent oil and gas operator companies in Brazil. Throughout our trajectory, we are proud to be part of a broad innovation movement to become an increasingly sustainable Company, aligned with the needs of the next generations.

As part of this process, for one more year we introduced our Sustainability Report. Here we report, in a clear and transparent way, all our challenges and the search for continuous improvement of our processes throughout 2022.

Our mission as a Company is to develop opportunities in the oil and gas industry. We want to transform resources into value and dreams into reality, always working with safety, resilience, enthusiasm, entrepreneurship, austerity.

**Have a good reading!**



## INNOVATION AND THE SEARCH FOR CONTINUOUS IMPROVEMENT



3







AVERAGE PRODUCTION OF **21.3 THOUSAND BARRELS OF OIL** EQUIVALENT PER DAY (BOED), WHICH REPRESENTS A **GROWTH OF 72%** COMPARED TO 2021

**186% GROWTH** IN NET REVENUE AND **201%** IN EBITDA



CLOSING **AGREEMENT FOR THE SUPPLY** OF GAS AND ITS PRODUCTION OF NATURAL GAS LIQUIDS WITH **BAHIAGAS, PBGÁS, POTIGÁS, CEGÁS, SERGAS, SHELL, ORIGEM, ULTRAGAZ, SUPERGASBRAS AND UNIGEL**, CONSOLIDATING OUR POSITION AS THE LARGEST NATURAL GAS PRODUCER IN THE NORTHEAST

**1,269 EMPLOYEES**, A 36% INCREASE COMPARED TO 2021

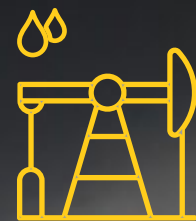


**SIGNING OF THE BUSINESS PACT** FOR INTEGRITY AND AGAINST CORRUPTION, OF THE **ETHOS INSTITUTE** AND OBTAINING **THE CLEAN COMPANY CERTIFICATE**

**FOLLOW-ON** AT B3 IN MAY, RAISING **R\$ 1 BILLION**



COMPLETION OF THE FIRST CLASSES OF THE **PROFESSIONAL TRAINING COURSE IN RIGS**, IN PARTNERSHIP WITH SENAI



ACQUISITION OF **MAHA ENERGY BRASIL LTDA.**, A BRAZILIAN OIL AND GAS COMPANY WITH HEADQUARTERS IN **RIO DE JANEIRO** AND OPERATIONS IN THE STATES OF **BAHIA** AND **SERGIPE**

# HIGHLIGHTS OF THE YEAR





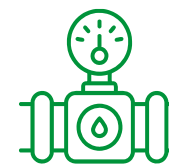
## A JOURNEY OF GROWTH AND MATURITY GRI 2-22

If the year 2021 was a milestone for PetroReconcavo, especially due to the IPO, our journey in 2022 took us even further. We kept growing at a strong pace, diversifying our products marketing, expanded our asset base, continued strengthening our relationship with the communities in which we operate and achieved unprecedented financial results, – achievements that reaffirm our maturity as leaders in the exploration and independent production of oil and gas in Northeast Brazil.

An important milestone in 2022 was the consolidation of natural gas as a key element in the Company's business matrix. With the completion of the acquisition of the Miranga Cluster at the end of 2021 and investments made throughout 2022 in both basins, we achieved a significant increase in the production of the cluster and, particularly, in the production of natural gas not associated with oil. As a result, in 2022 gas already repre-

sented 41% of our production in barrels of oil equivalent, when the explicit expectation in the Reserves Report prepared by Netherland Sewell & Associates Inc – NSAI with base date of December 31, 2021, was to reach the 35% range only in 2025.

Coupled with the approval of a new regulatory framework for Natural Gas in 2021, which sought to expand the participation of new companies in this market, this scenario boosted the development of a specific business for the production and sale of gas in the Company. As a result, we signed supply contracts with companies such as Bahiagás, PBGÁS, Potigás, CEGÁS, SERGAS, Shell, Origin, Ultragaz and Supergasbras, in addition to free market consumers, thus consolidating our position as the largest independent producer of natural gas in the Northeast. We see natural gas as a transition fuel, in many cases indispensable for the large-scale adoption of renewable energy sources, and relevant in the fight against climate change.



### CONSOLIDATION OF NATURAL GAS AS A KEY ELEMENT IN THE **COMPANY'S BUSINESS MATRIX**

In 2022, we also consolidated our strategic planning. During the year, we developed the first formal document that addresses issues related to the growth and structuring of PetroReconcavo, focusing on social, environmental and sustainability governance issues. In 2023, we will advance towards a new version with targets and indicators that will guide the Company's actions in the medium and long term, progressively seeking to adopt sustainable practices in our operations.

In terms of investment, 2022 also brought great achievements. We carried out a follow-on at B3 (Novo Mercado) in June and raised more than R\$ 1 billion. With this new round of capitalization, we want to continue growing by developing our reserves, improving our execution structure and generating opportunities through acquisitions.

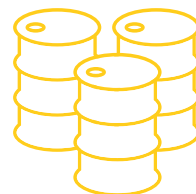
Here I highlight the acquisition of Maha Energy, an oil and gas operating Company based in Rio de Janeiro and operating in Bahia (Tiê, in the Recôncavo Basin) and Sergipe (Tartaruga, in partnership with Petrobras). The operation was finalized on February 28, 2023.



## Evolution that becomes development

We closed the year 2022 with a production that exceeded 21,000 barrels of oil equivalent (Boed) per day, a result that contributed to the growth of our net revenue (R\$ 2.98 billion) and EBITDA (R\$1.6 billion). Our new positioning in the natural gas market, combined with this growth in production, has contributed to a significant improvement in our revenues from the sale of processed natural gas products.

This result was only possible due to the continuous effort of our teams, people who work with energy and focus on our purpose of bringing development to one of the neediest regions of the country. Our positive numbers and new investments influence the generation of royalties and jobs for the communities where our operations take place. The more we produce and invest, the more opportunities and social



PRODUCTION **OVER**  
**21,000 BARRELS** OF OIL  
EQUIVALENT IN 2022

impact we generate, moving the economy and producing income, in a virtuous circle that climbs new steps every year.

We increased our presence in communities in 2022. We expanded the Viva Sabiá Program, which promotes sustainable development through technologies for coexistence with the semi-arid region, and educational, socioeconomic and environmental practices, in a group of communities in Rio Grande do Norte. We also started the Ciranda Agroflorestal Program, to contribute to increasing biodiversity and improving the income of family farming workers in 10 communities in the Miranga Cluster region in Pojuca, Bahia.



In addition, we entered a partnership with the Tamar Project, which last year promoted the visitation of 4,883 students from public schools in Mata de São João to the Tamar Project in Praia do Forte, Bahia. We also invested R\$ 600,000 in a partnership with Senai to train rig professionals in Bahia and Rio Grande do Norte. Of the 178 trained participants, 44 were hired by the Company.

We appreciate the commitment of our employees and the trust of our investors, business partners and other stakeholders in our mission, and we want to continue working for the progress and innovation of our services with responsibility and enthusiasm. With this report, our desire is to share our ambitions and plans to remain the safest, most efficient and most profitable energy Company in the Brazilian Northeast, leading the transformation of the on-shore industry in Brazil.

Have a good reading!

**Marcelo Magalhães**  
CEO

Our **achievements**  
in 2022 were only  
possible thanks to the  
**commitment** of our  
**employees**, the vast  
majority of whom are  
from Rio Grande do  
Norte and Bahia







# PETRORECONCAVO

GRI 2-1, 2-2, 2-6





GRI 2-1, 2-6

We are an independent oil and gas operator, present in the Northeast region of Brazil. Our headquarters are in Mata de São João (BA) and we have administrative offices in Salvador (BA), Mossoró (RN) and operations located in the Recôncavo Basin (Bahia Asset) and in the Potiguar Basin (Potiguar Asset), located respectively in the states of Bahia and Rio Grande do Norte. We are committed to providing increasingly efficient energy products, extracted in a safe and responsible manner, generating a positive social impact in the areas in which we operate.

We work in the operation, development and re-vitalization of onshore mature oil and gas fields. And our history, our scale and our presence in dozens of communities in the Northeast region place us in a unique place in this industry in the country. With the approval of the Petroleum Law

in 1997 and the consequent break in the state oil monopoly in activities related to exploration, production, refining and transportation of oil in Brazil, we became one of the first private companies to focus on onshore oil production in the country.

In addition, we were pioneers in the acquisition of fields resulting from the Petrobras divestment program, through the acquisition of the Riacho da Forquilha Cluster, in December 2019.

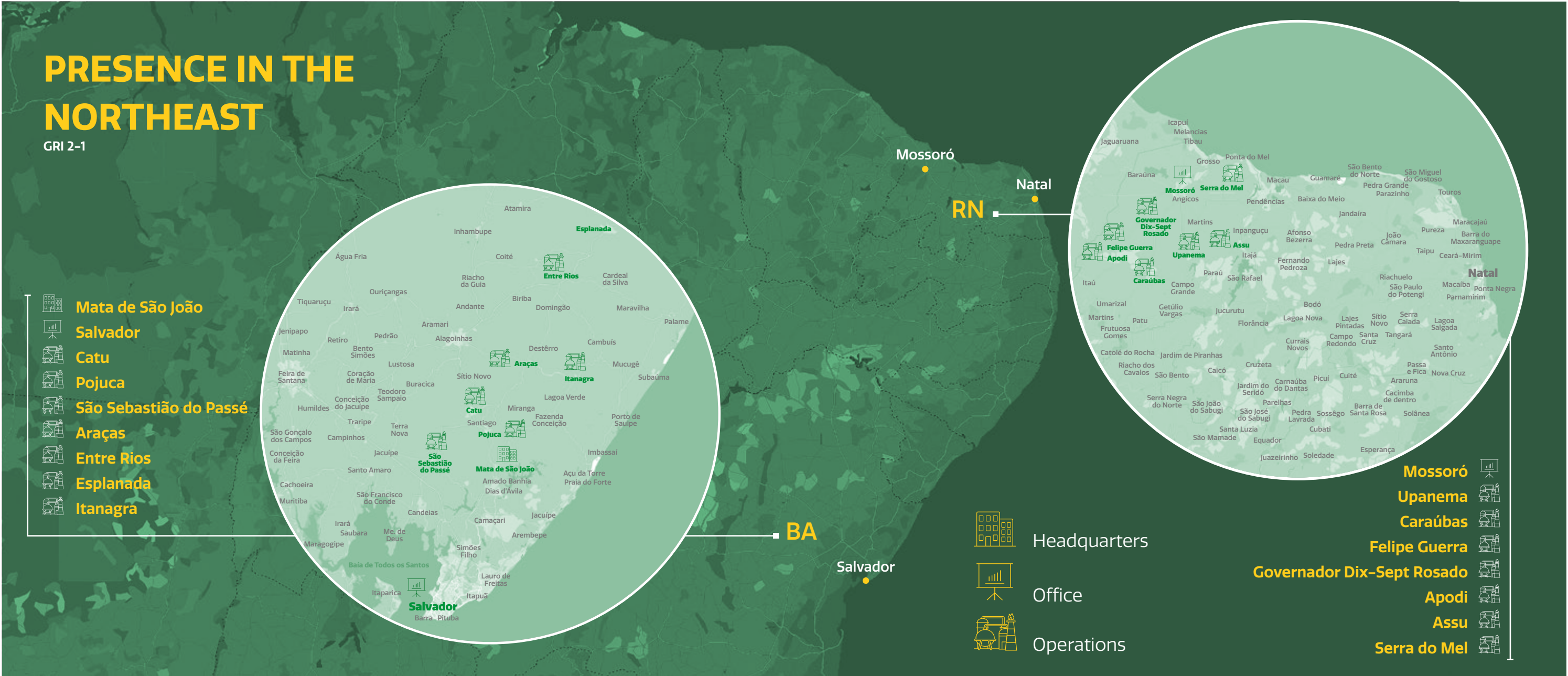
With the conclusion of the acquisition of the Maha Energy Brasil operations in 2023, we started to operate a total of 60 oil and natural gas fields and have the right to the concession of six exploratory blocks, in addition to participation in a concession operated by third parties.



WE WANT TO  
PROVIDE **ENERGY  
PRODUCTS** THAT  
ARE EVEN MORE  
**EFFICIENT** AND  
EXTRACTED IN A  
SAFE WAY







**OUR PRODUCTS** GRI 2-6

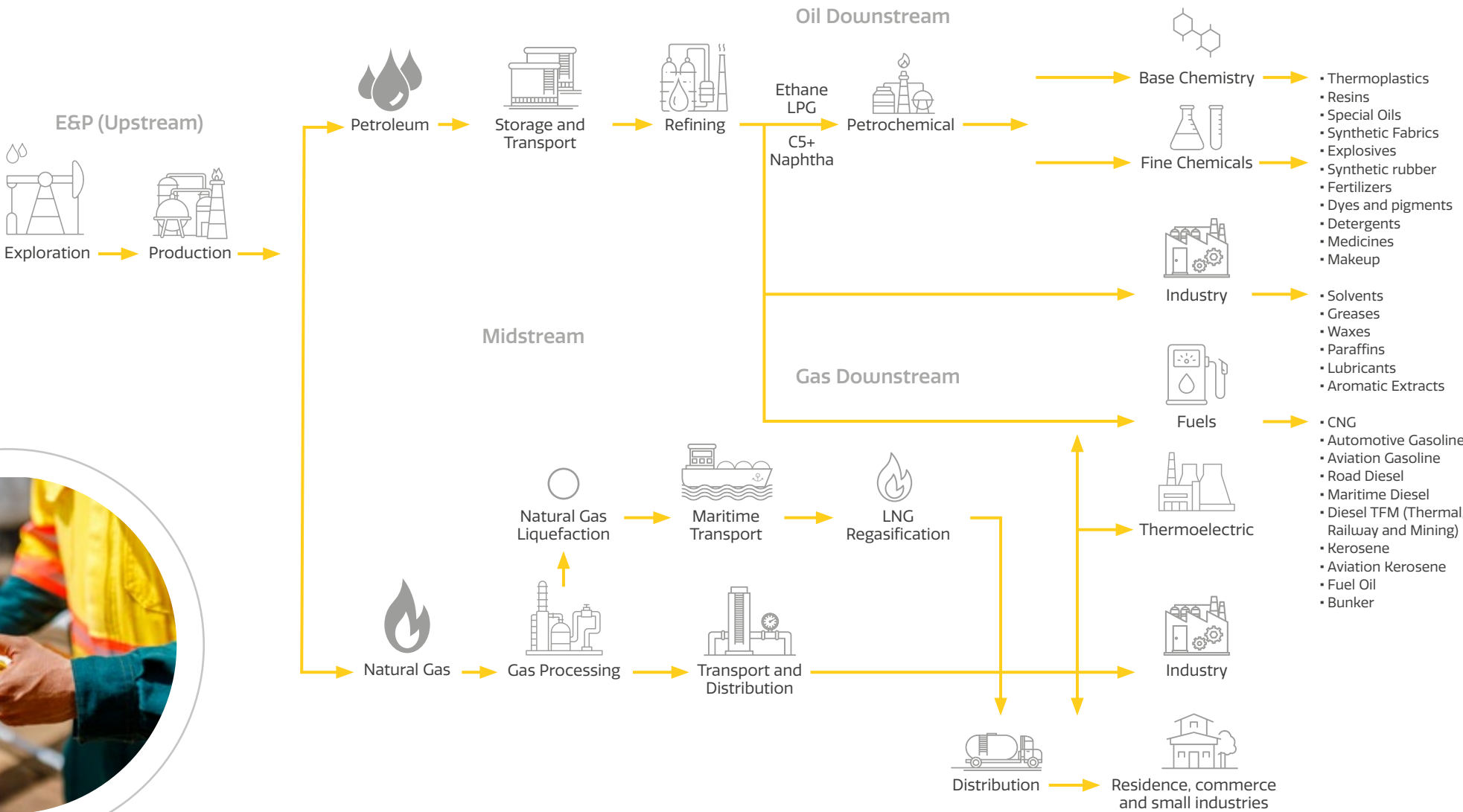
Once refined, petroleum gives rise to fuels, base oils and other derivatives destined for refineries or petrochemical processes. Natural gas is fractionated, being partly a product demanded for applications in the industry, and partly for residential consumption, or consumption as a vehicular fuel.

Throughout our history, we have concentrated our activities in the upstream (exploration and production), allocating our production to Petrobras. Our operations are connected to the state-owned Company's infrastructure, which is capable of processing, via refinery and natural gas processing unit, and sell the respective derivatives to the market.

As of January 2022, we started hiring the infrastructure for processing and transporting natural gas and directly supplying dry gas to some regional distributors. This step marks the Company's entry into the natural gas trading market and represents a significant event for our growth strategy.



**Oil and Natural Gas Value Chain**





**OUR BUSINESS MODEL** GRI 2-6

We act based on the acquisition (or provision of operating services) of onshore mature field concessions, operating them more efficiently, with production revitalized and extended for as long as possible.

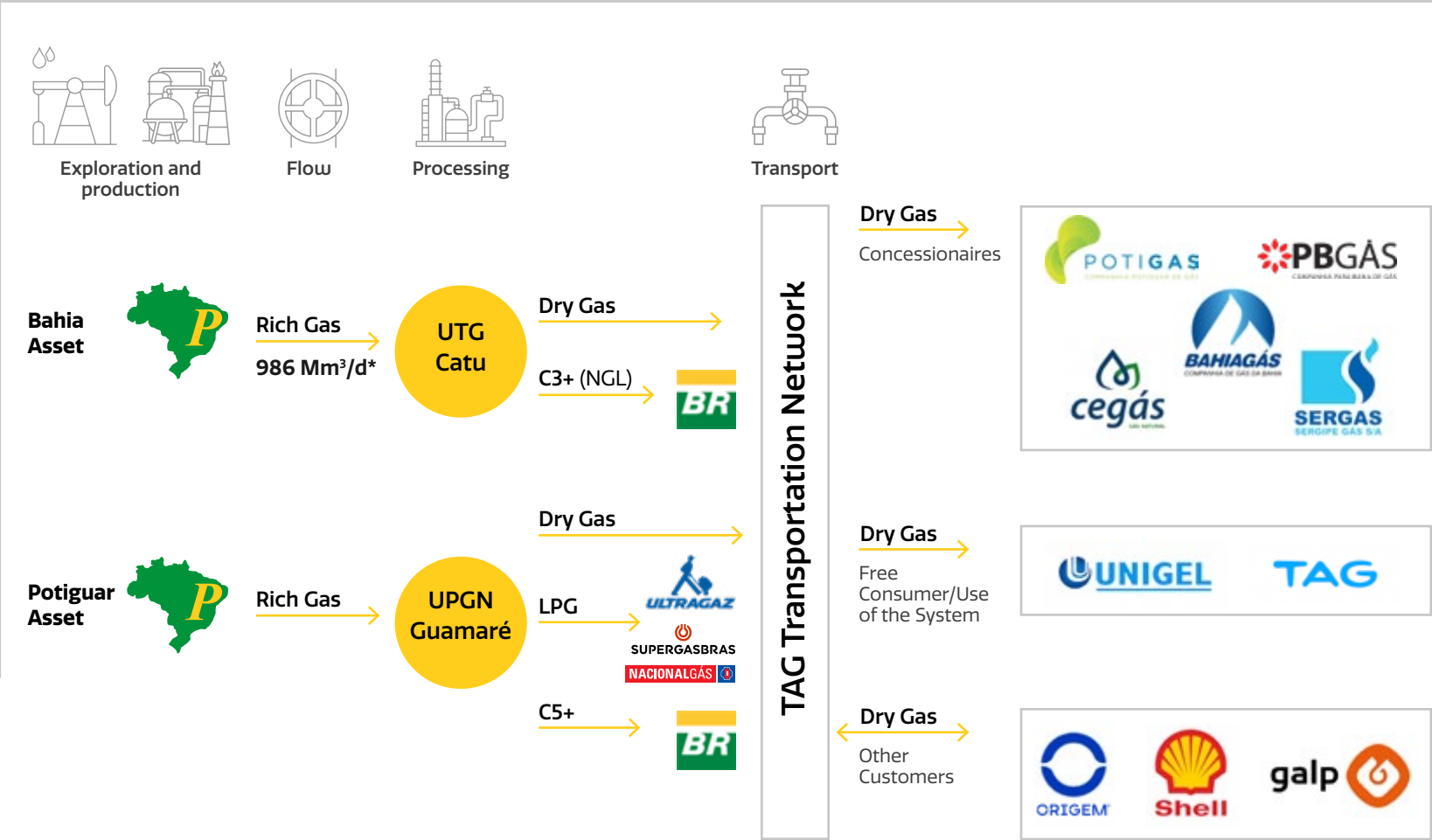
For that, we are committed to a vertical business model, which consists of operating drilling rigs and workover, in addition to other service activities, with our own equipment and teams. This model allows us to achieve greater productivity, reduce costs and provide our operations team with more flexibility, autonomy and more security. We also seek to operate most of our fields, which allows us to replicate this proposal, using our know-how efficiently and quickly.

**Throughout 2022, we achieved:**

- Pioneering access to essential natural gas infrastructure (outflow and processing).
- Zero record of supply failure.
- The entire volume produced was sold.
- Know-how in transport network contracts and tax regimes for several states in the Northeast.
- Evolution in the operation interface and production forecast and sales schedule.

Higher productivity,  
lower expenses and  
more flexibility

HOW OUR **NATURAL GAS IS PROCESSED AND MARKETING**



\*ANP production data for Feb/2023



OUR OPERATIONS

BAHIA ASSET

The Company operates 25 oil and natural gas fields in the state of Bahia. This portfolio was built based on the acquisitions of the Remanso and Miranga clusters from Petrobras in 2021, and the BTREC cluster (between 2005 and 2007), through the ANP bidding rounds. In the last year, 52.31% the Bahia Asset’s production was natural gas, while oil was 47.69%.

AVERAGE PRODUCTION IN 2022:  
9,326 BOE/day

<b>PetroReconcavo S.A.</b> 12 OPERATED FIELDS	<b>Recôncavo E&amp;P S.A.</b> 5 OPERATED FIELDS	<b>SPE Miranga S.A</b> 8 OPERATED FIELDS
<b>REMANSO CLUSTER</b>	<b>BTREC CLUSTER</b>	<b>MIRANGA CLUSTER</b>

Main products and production



OIL

4,448 BOE/day  
(47.69% of the production)



GAS

4,878 BOE/day  
(52.31% of the production)

POTIGUAR ASSET

The beginning of the Potiguar Asset operation took place in 2019, with Potiguar E&P at the forefront. In 2020, the number of concessions increased to 35, with the acquisition of an Exploration Block in the Potiguar Basin. In 2022, one third of this asset’s production was natural gas.

AVERAGE PRODUCTION IN 2022:  
11,961 BOE/day

<b>Potiguar E&amp;P S.A.</b>		
32 OPERATED FIELDS	2 FIELDS OPERATED BY PARTNER	1 EXPLORATORY BLOCK
<b>RIACHO DA FORQUILHA CLUSTER</b>		

Main products and production of each of them



OIL

8,354 BOE/day  
(69.84% of the production)



GAS

3,608 BOE/day  
(30.16% of the production)



A COMPANY  
IN CONSTANT  
EVOLUTION

1997–2003

**Constitution** of PetroReconcavo

**First** incremental production contract with Petrobras

**Finalization** of blocks acquisition in the 4th ANP round



2004–2007

**Development** of technical and operational know-how

**Waterflooding** pilot projects

**Acquisition** of blocks in the 6th and 9th ANP rounds

2008–2014

**Enlargement** of water injection projects for secondary recovery

**Acquisition** of own rigs

**Start** of a drilling campaign with own rigs and crews

**Drilling** campaign of 31 wells that currently contribute to 40% of the fields' production



2015–2020

**Constitution** of Potiguar E&P

**Acquisition** and start of operations in the Riacho da Forquilha Cluster

**Specialization** in Acquisition Financing

**Commodity** price risk management

**Start** of the Digital Transformation project

**Creation** of a business development team



2020–2021

**Remanso** Cluster signature of the Payment for Environmental Services (PSA) (12 fields already operated by PetroReconcavo)

**Miranga** Cluster signature of the Payment for Environmental Services (PSA)

**IPO** at B3

**Acquisition** of Sabiá da Mata and Sabiá Bico-de-Osso operations

2022

**Diversification** of the natural gas and derivatives market

**Follow-on** at B3

**Start** of the Maha Energy acquisition process

**Start** of the natural gas supply to the main concessionaires in the Northeast



2023

**Signature** of the Global Compact with the UN

**Completion** of the Maha Energy acquisition process



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





# CORPORATE governance, ethics and compliance







**BOARD OF DIRECTORS**  
FORMED BY **7 MEMBERS**,  
ALL INDEPENDENT



**4 STATUTORY AND  
3 NON-STATUTORY  
COMMITTEES THAT  
ASSIST IN ADDRESSING  
SPECIFIC ISSUES** WITH  
THE BOARD

## GOVERNANCE STRUCTURE

GRI 2-9, 2-10, 2-11, 2-12, 2-14, 2-17

Integrity, respect, transparency, responsibility in rendering accounts to our stakeholders, ethics and respect for the country's laws, guide the way we conduct our business and corporate governance.

Our structure is formed by the Board of Directors, the Statutory Audit, Finance, People Management and ESG and Production Committees (composed of Board members), the Statutory Board of Directors and the Non-Statutory Board of Directors. The non-statutory Ethics committees complement governance; Diversity, Equity & Inclusion; and Information Security and Data Privacy. The last two were created in 2022.

The areas of Compliance, Internal Audit, Risk Management are instances related to risk management and strategic issues for the Company.



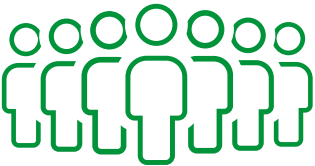
**Robust and accountable  
governance structure**



17



Statutory governance



Management Board

with a two-year term, renewable through election. Among its attributions is the definition of business strategies, bearing in mind their impacts on society, the environment, the creation of value in the long term, in addition to the periodic assessment of risk management systems, internal controls and the integrity and conformity. The channels established for critical issues related to sustainability and compliance issues and practices to reach the Board are the People and Ethics committees.



Audit Committee

Constituted in 2021 and designated by the Management Board, this committee is comprised of a coordinator and two other members, who have a unified 2-year term of office, coinciding with the term of office of the Management Board members. Its attributions include advising on monitoring and controlling the quality of financial statements, internal controls, risk management and compliance. In 2022, the committee held 15 meetings involving the Board of Directors, Executive Directors and Managers, Internal and Independent Auditors.



Finance Committee

It is responsible for assessments and recommendations to the Board on strategy and financial performance, debt analysis and support for the CFO. It is a 2-year term, comprised of a president and two other members.

People Management and ESG Committee

It monitors matters of environmental, social, governance and human resources nature, as well as recommends deliberations to the Board, which are aimed at the respective areas of action. It is comprised of a president and three members, elected for a unified 2-year term.

Production Committee

It monitors the Company's operating performance and reports deviations and actions to the Board, which are inherent to achieving the expected production curve. It is a 2-year term, comprised of a president and three other members.



Statutory Board

It is comprised of the CEO, Operations, Commercialization, Regulation and New Business directors, as well as the directors of People and Sustainability Management, Financial and Investor Relations. The statutory directors report directly to the CEO and their main responsibilities are to implement the Company's management policy, as well as to identify risks and carry out their necessary management, assessing the probability of occurrence and adopting measures for their prevention and minimization.



For more information on PetroReconcavo's governance structure, [click here](#)

Non-statutory governance

Diversity, Equity and Inclusion Committee

Constituted in 2022, this committee is comprised of senior leadership members, who act as ambassadors for matters inside and outside the Company. Its mission is to propose, approve and monitor the Company's Diversity, Equity and Inclusion initiatives.

Ethics Committee

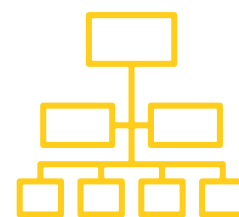
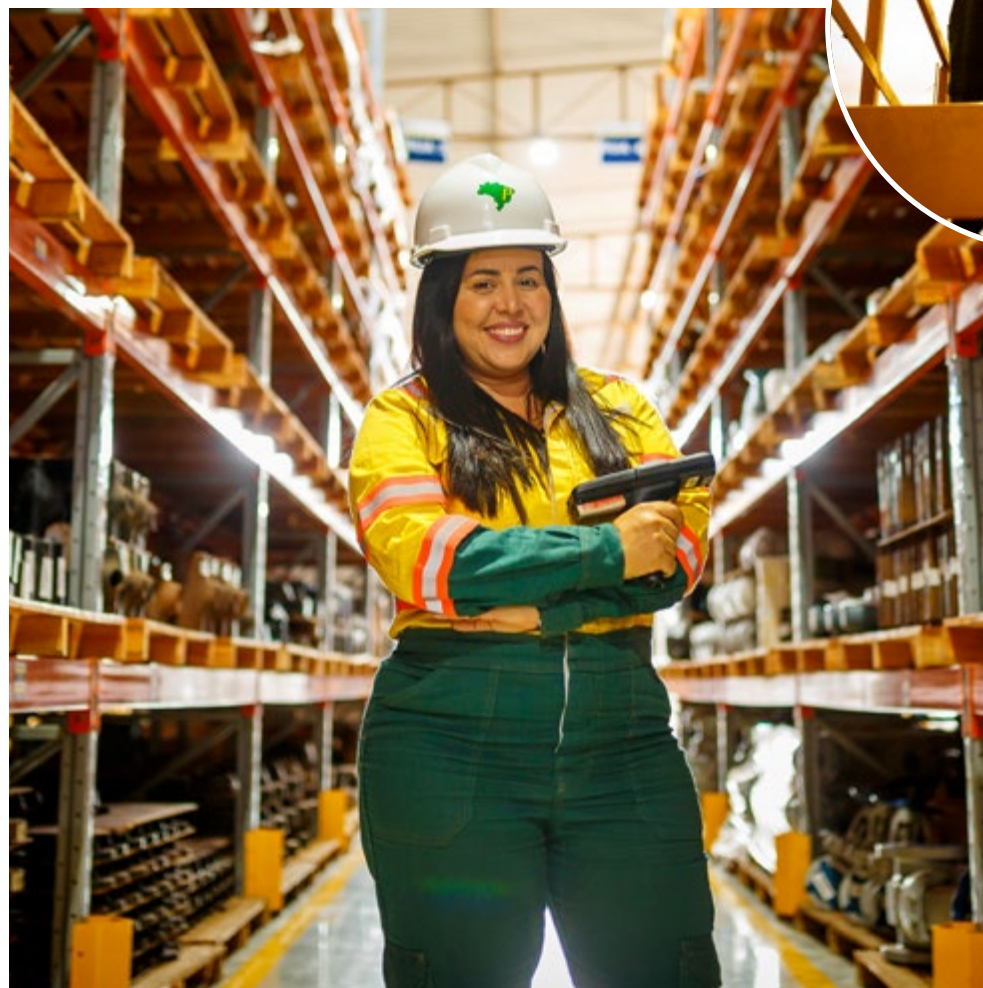
Comprised of a minimum of five and a maximum of seven effective members, its function is to receive complaints and investigations, and recommend disciplinary measures for ethical violations in disagreement with the Company's internal rules, such as its Code of Ethics and Conduct.

Information Security and Data Privacy Committee

Comprised of five members, being one of them a member of the Board of Directors, this committee aims at preparing, approving, disclosing, monitoring and guaranteeing the availability of resources for the practice of the Information Security policy and procedures.







WE WORK THROUGH  
A **STRUCTURE**  
THAT GUARANTEES  
THE **AGILITY IN**  
**DECISIONS**

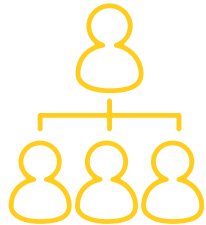
## A MAP OF ASPIRATIONS FOR **THE FUTURE**

Further strengthening the Company's governance processes was one of the objectives set out in our strategic planning for the year 2022. Thus, based on the discussions on medium and long-term goals carried out throughout the year, we drew up an assessment of our current portfolio and the level of ambition for future investments.

Among the main points to ensure that these goals are achieved is the strengthening of a structure that allows increasingly agile, assertive, and effective decision-making to ensure the success of our growth and diversification plan.

In addition, we have also defined a social investment plan to increase the positive impact on the communities in which we operate.





A **GOVERNANCE** FOCUSED  
ON **BUSINESS** ENDURANCE

## SUSTAINABILITY GOVERNANCE GRI 2-13

The highest level of governance, the Executive Directors and Board of Directors participate in the construction of material issues of the Company through interviews, meetings and workshops, conducted by specialist consultants in Risks, Strategic Planning and Sustainability. This information is brought by the Sustainability area of PetroReconcavo and by the consultants that provide services to the Company in this area.

Periodically, the committees update the highest level of governance, and from there the necessary deliberations and monitoring are made, considering the demands of the various stakeholders of the Company and the market.



Ongoing  
**communication with  
our stakeholders**







## COMPLIANCE, ETHICS AND CONDUCT

GRI 2-15, 2-25, 2-27

In 2022, PetroReconcavo launched its Integrity Program and the new Code of Ethics and Conduct, approved by the Management Board, in accordance with the legal requirements for preventing and fighting corruption present in Law nº 12,846/2013 (Anti-Corruption Law), Decree Regulation No. 11,129/2022, Ordinance CGU No. 909/2015, as well as international laws to combat corruption and bribery, and the best corporate governance practices.

This initiative demonstrates our commitment to combating and rejecting corruption and illegal acts committed against public administration, as well as unethical practices that may harm the internal environment, its reputation and image, in Brazil and abroad, in the fight against transnational bribery.



IN 2022, WE LAUNCHED OUR ETHICS AND INTEGRITY PROGRAM AND THE NEW CODE OF ETHICS AND CONDUCT, BOTH APPROVED BY THE COMPANY'S BOARD OF DIRECTORS

The Compliance area is autonomous and acts independently in the prevention, detection and response to any type of action considered illegal. Within the organizational structure, it is linked to the Legal & Compliance Department, being responsible for managing PetroReconcavo's Integrity Program.



## INTEGRITY PROGRAM

GRI 2-25, 2-27

PetroReconcavo Integrity Program is the set of continuous actions that bring together the Code of Ethics and Conduct, the integrity guidelines, the Company's policies and procedures. The objective of the program is to develop, in an integrated manner between the areas and employees, a culture that prioritizes safe, ethical and transparent behaviour, where everyone performs their duties guided by the prevention, detection and repression of any type of attitude that goes against the policies of the Company and the laws in force in the country.

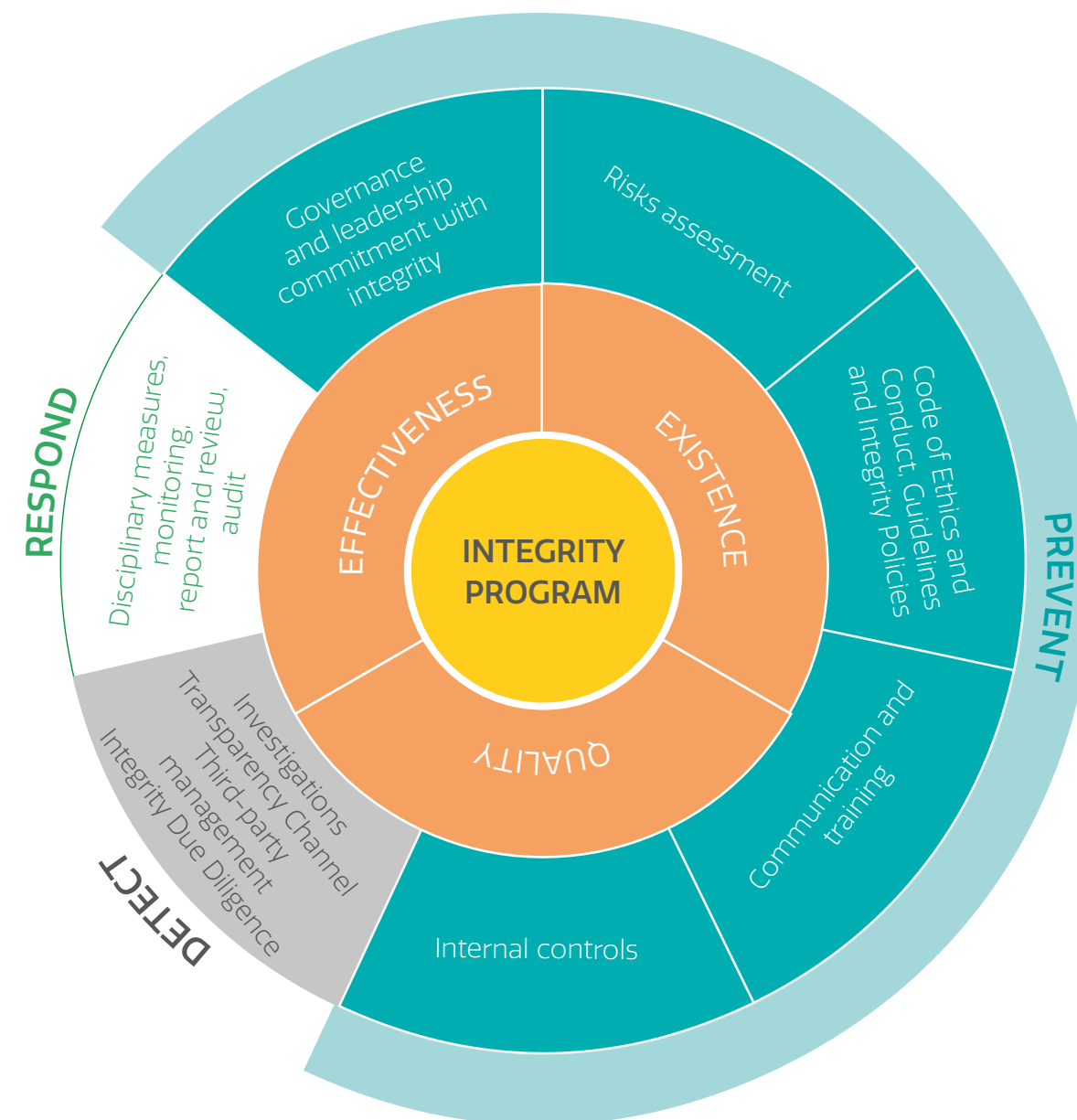
The Integrity Program is a commitment approved by the Management Board. The Board of Directors, the Ethics Committee and Compliance are governance bodies for supporting, advising and implementing the Program, as well as executing and enforcing its prerogatives. It is reinforced by effective communication and training, making the culture live in the employees' routine.



[Click here](#) to learn more about the **Integrity Program**

The Program Dimensions are applicable to all employees, as well as to third parties, suppliers, customers and business partners in Brazil or abroad. They are:

- Development of the Integrity Program Management Environment.
- Periodic risk analysis.
- Structuring and implementation of policies and procedures.
- Communication and Training.
- Program monitoring, remediation measures and application of penalties.





**TRANSPARENCY CHANNEL**

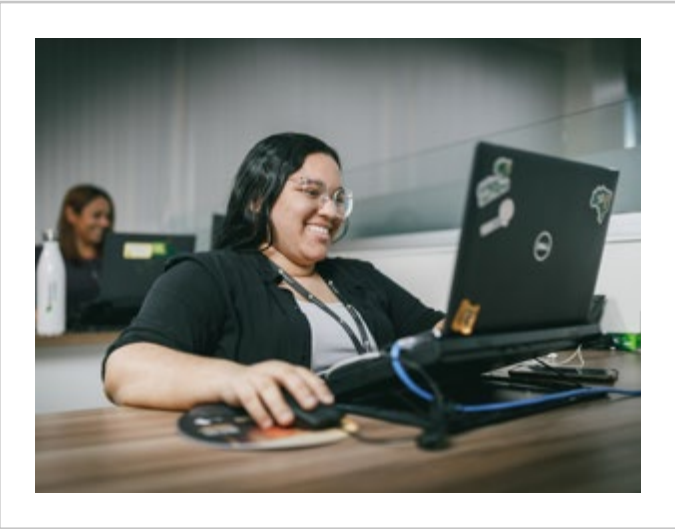
GRI 2-16, 2-26

Launched in 2021, the Transparency Channel is a contact channel for employees, suppliers, service providers, customers or any other audience, to inform the Company of any suspected violations of current legislation and conduct, in violation of our internal standards of integrity.

Reports can be received anonymously or identified, and are handled by psychologists from the independent platform Contato Seguro. All reports are sent to the Compliance team, which then begins investigations. Interaction with the whistleblower is carried out only through the channel, for collecting additional information and evidence, if necessary.



71 COMPLAINTS  
RECEIVED  
IN 2022



The investigation results in a report, which is taken to the Company's Ethics Committee. If the complaints are considered valid, the appropriate disciplinary measures are recommended, with a report (when applicable) to the CEO and the Audit Committee for awareness and acceptance of the recommendation.

In 2022, the channel received 71 complaints. All were investigated and, when deemed valid, disciplinary and corrective measures were applied by the Company. The largest number of complaints was related to the violation of laws (32%), with reports made by employees of service providers on issues such as salary differences, late payments and inadequate working conditions, followed by complaints of moral harassment (30%).

All reports of violations were duly investigated and addressed to the service providers, and all complaints of moral harassment were investigated by the Compliance area and taken to the Company's Ethics Committee for the recommendation of sanctions when deemed appropriate.

After investigations and investigations carried out by the Compliance area, the Company's Ethics Committee understood that 23% of the complaints were considered valid with

the recommendation to adopt disciplinary measures that were applied by the Company. It is important to note that the whistleblower can use the platform to check the progress of the complaint with a guarantee of anonymity and non-retaliation.

The telephone call (0800) was the most used means of reporting in 2022 (55%), followed by the internet (37%) and the app (8%).

**TRANSPARENCY CHANNEL**



Available to the Company's internal and external audiences

**Service 24 hours a day, 7 days a week.**

**0800 515 2215 (free call)**

[contatoseguro.com.br/petroreconcavo](https://contatoseguro.com.br/petroreconcavo)

[canaltransparencia@contatoseguro.com.br](mailto:canaltransparencia@contatoseguro.com.br)



23



## BUSINESS PACT FOR **INTEGRITY** AND **AGAINST CORRUPTION**

In 2022, PetroReconcavo became a signatory of the Business Pact for Integrity and Against Corruption, a voluntary commitment made by private and public companies to promote a more ethical market and reduce different corrupt practices.

By becoming signatories to the Pact, companies assume the commitment to disclose the Brazilian anti-corruption legislation to their employees and stakeholders, so that it is fully complied with. In addition, they undertake to prohibit any form of bribery and strive for transparency of information and collaboration in investigations, when necessary.

### **RISK MANAGEMENT**

Our Internal Audit and Risk Management area aims to integrate corporate risk management practices with the business strategy and the Company's performance, allowing for more efficient decision-making focused on value creation.

The identification of risks considers several factors, including exposure to risks related to business continuity and environmental impacts, among others. They are evaluated in terms of their impact and vulnerability, according to a methodology defined by the area. All are cataloged and classified according to their impact and the degree of maturity of the controls, being communicated in a clear and objective way.



The risk management process is permanently monitored and evaluated, also considering the preventive management of prioritized topics. The area is currently mapping existing processes and testing controls to identify areas for improvement, focusing on the most vulnerable risks. From the identification of these risks and impacts, recommendations and action plans will be developed to prevent or mitigate them.







## The **Audit** monitors the quality and effectiveness of the processes **Risk Management**

### INTERNAL AUDIT

Internal Audit's primary function is to assess and report on the effectiveness of the governance, risk management and control processes developed to help the company achieve its strategic, operational, financial and compliance objectives.

In addition, the Audit monitors the quality and effectiveness of Risk Management and governance processes, as well as the Company's internal controls and compliance with rules and regulations associated with its operations. It also provides the Board of Directors, the Audit Committee and the Chief Executive Officer with independent, impartial and timely assessments of the effectiveness of Risk Management and governance processes, the adequacy of controls and compliance with rules and regulations associated with the operations of the Company. The area reports its activities to the Board of Directors, through the Statutory Audit Committee (CAUDIT).

Some of the activities carried out by CAUDIT in 2022 include monitoring the activities of the Internal Audit and Corporate Risk Management area, periodically assessing the quality of internal control mechanisms, especially considering financial, accounting, and risk management aspects, in relation to its integrity, transparency, form, content and availability.

There was also approval of the annual planning for mapping processes and audits to be carried out in 2022, involving the following areas: Information Technology, Contracts and Purchasing, Quality and Regulation, SSMS, Logistics and Materials, Operations and Maintenance, and Probes and Services.

Audits were carried out, and points for improvement identified, generating new action plans that are implemented or in progress. The area is also responsible for monthly monitoring of Action Plans to mitigate identified risks and internal audits.



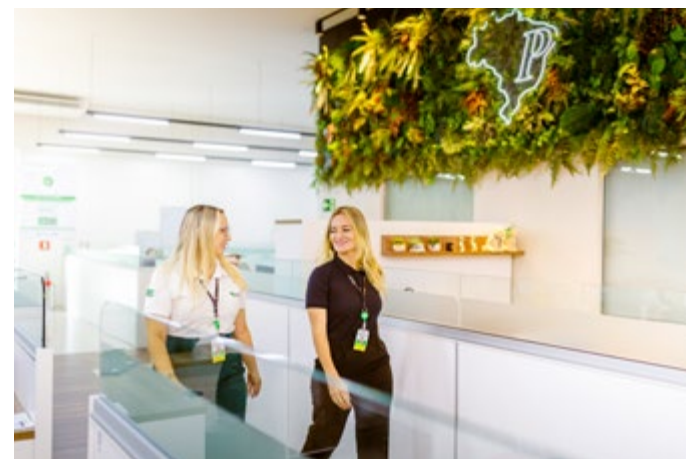
## POLICIES AND CODES

GRI 2-23, 2-24

### Policy for Transactions with Related Parties

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

According to this policy, any situation between related parties that may generate conflict must be immediately communicated by the party involved or by any other colleague or third party who is aware of the situation.



Find out all our **policies** and statutes [here](#)

### Diversity and Inclusion Policy

The dignity and appreciation of all individuals are fundamental ethical principles of PetroReconcavo, which is committed to treating everyone with respect and equity. The Company is committed to protecting the physical and psychological integrity of each collaborator or stakeholder, and is opposed to any form of discrimination, whether by gender, age, disability, religion, nationality, sexual orientation, ethnicity, religion, political opinions or other forms of individual expression that may be harmful to the person, their beliefs or preferences.

For all these reasons, the creation of the Diversity and Inclusion Policy represents an important step in our history and our relationship with all stakeholders. Through this policy, we want to become a more diverse and inclusive Company, by hiring, retaining and stimulating the career of female professionals, over 40 years old, belonging to the black and indigenous ethnic groups, as well as belonging to the LGBTQIA+ community.

The Committee's announcements and activities can be consulted by employees via email, intranet, digital bulletin boards and groups on the Telegram platform.

### Securities Trading Policy

Our Trading Policy aims at establishing clear and precise rules that guarantee adherence to good practices in the trading of the Company's securities. In addition, it clarifies and reinforces the rules that must be followed by all employees who deal with confidential information.

The rules established in the Trading Policy also define specific periods in which related people must abstain from trading securities issued by the Company. This is done to avoid any questioning or suspicion regarding the misuse of privileged, relevant and non-public information.





## CODE OF ETHICS AND CONDUCT

We believe in ethics as a value that should guide all our actions and relationships, and we work to reinforce this culture among our employees. Thus, in 2022 we launched our Code of Ethics and Conduct which, in line with the Company's Vision, Mission and Values, defines ethical principles and guides essential behaviour postures to strengthen the culture by preventing and combating corruption, privacy data and information security, relationship with stakeholders and sustainability.



Find out all the points covered by the **Code of Ethics and Conduct** [here](#)

The purpose of the Code is to support the Company's activities in compliance with the laws and best corporate governance practices. It applies to the Company, its subsidiaries, its managers and employees (executives, employees and interns) who act in the Company or on its behalf. It also applies to third parties, suppliers, customers and business partners and beneficiaries, representatives, who relate to PetroReconcavo or who represent its interests, in Brazil or abroad.

It is important to emphasize that the development of our Code had the participation of different areas of the Company and was built with a focus on the commitment of people and the insertion of its guidelines not only in PetroReconcavo's culture, but also in the daily work of our professionals, for the construction of an increasingly safe and transparent behaviour, helping in decision-making and increasing organizational trust.

## PARTICIPATION IN ASSOCIATIONS

GRI 2-28

We are members of The Brazilian Independent Oil and Gas Producers Association (ABPIP), a non-profit civil association that defends and encourages the development of oil and natural gas exploration and production activities in Brazilian land and sea sedimentary basins. ABPIP also encourages independent companies at the institutional, business, technological and operational levels, with the objective of consolidating a competitive, sustainable, ethical and socially responsible industry. The association works with society in general, opinion makers, government agencies, press vehicles and other companies in the oil and gas industry.



27

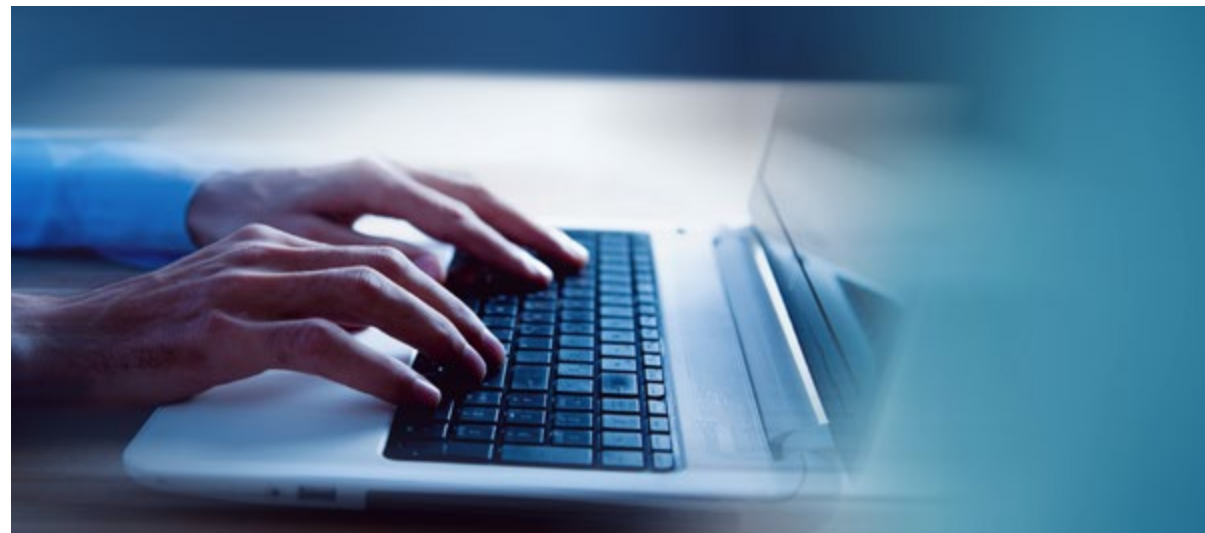


## TECHNOLOGY AND INNOVATION

As PetroReconcavo expands its operations, we intensify the digitalization of our processes and operations. Thus, it becomes increasingly challenging and essential to ensure that our systems and employees are committed to cybersecurity and data governance.

Last year, we have established as strategic pillars the strengthening of cybersecurity and data-driven digital transformation. For that, we adopt robust and efficient processes and technologies to protect people and institutions with which we relate.

We also started a data democratization strategy, based on governance, integrity and compliance. Using Data Analytics tools, we optimize our use of resources, reducing carbon emissions and developing solutions that benefit our operations, as well as the other stakeholders of the Company.



### Information security

We have improved our cybersecurity by implementing new policies and procedures that promote good practices in security and governance processes, in line with ISO 27001 standards. We have implemented an operations center made up of professionals and specialized software that follows the approaches proposed by NIST and CIS<sup>1</sup>.

<sup>1</sup> NIST (National Institute of Standards and Technology) e CIS (Center for Internet Security)

To make our employees aware of cybersecurity, we have adopted several measures that include the transmission of messages and important information in various internal communication channels. Besides, we continuously invest in the development of our employees through comprehensive cybersecurity awareness programs, using PetroReconcavo's distance learning platform.

## GDPR

PetroReconcavo demonstrates its commitment to the General Data Protection Regulation (GDPR) by implementing a multidisciplinary strategy, encompassing the formation of the committee, review of internal processes, establishment of new controls, carrying out awareness campaigns, workshops and offering online training. This integrated approach ensures the Company's compliance and alignment with the guidelines established by the GDPR.





## New platforms and solutions

In 2022, PetroReconcavo successfully implemented the Data Lake, a centralized and flexible repository for storing large volumes of raw data from various sources. This technology allowed the analysis and processing of information, making it easier to securely provide data for creating customized dashboards.

Petro Data Lake promotes a democratic and accountable approach to data management, enabling everyone to understand and use data effectively in their daily activities. This allows PetroReconcavo to achieve efficiency gains, elaborate data-driven strategies and measure the efficiency of sustainability programs, as well as optimize operating costs and maintain high standards of corporate governance.

PetroDigital is a platform dedicated to the digital transformation of PetroReconcavo's operational processes. Structured in modules, the platform's main objectives are to replace manual records, ensure the integrity and traceability of information, facilitate



## Accountable and democratic data management

the generation of indicators and provide insights for diagnosing problems and validating hypotheses, thus allowing for more effective and assertive management decisions. The platform was designed to be compatible with different devices, such as mobile and web.

The benefits provided by PetroDigital are numerous and directly impact the productivity and efficiency of operations. Among them, we highlight the elimination of the use of paper, greater agility in data reporting, increased precision in information, standardization of processes and consolidation of the indicators of the areas involved. These advances allow managers to make decisions based on data, improving resource management and optimizing the Company's results.

## PETRO DIGITAL INITIATIVES CARRIED OUT IN 2022

- **WP-Digital and WSA:** the project aimed at digitizing the issuance of Work Permit (WP) and Work Safety Analysis (WSA) to improve efficiency and reduce the use of paper.
- **BDO Digital:** improves the monitoring of daily operations of workover and Well Service rigs, replacing manual records with a more efficient and agile system.
- **Seal control:** in compliance with methodological and safety requirements, it speeds up and improves the control of the seals installed and removed from the equipment and instruments used by the production and operation teams.



- **Quality Audit:** optimizes and standardizes the internal audit process through the digitization and integration of systems.
- **Rig Inspection:** digitizes and centralizes the process of completing checklists, ensuring traceability, photographic records of inspections and non-conformities found.
- **Correspondence Management System (CMS):** manages correspondence received and sent by PetroReconcavo.







## HIGH CAPITALIZATION

### Robust and sustainable growth

Despite the challenging geopolitical and economic scenario of 2022, the Company managed to deliver robust, consistent and sustainable growth in 2022. We ended the year with several achievements, such as the inclusion of new assets in our portfolio and the consolidation of our gas business, which in 2022 already represented 41% of our total revenue.

It is important to highlight that we also carried out an extensive investment program, the largest ever made by the Company, which resulted in the drilling of 38 new wells, in addition to new improvements, such as in the integrity program of our assets and in the beginning of the expansion of our capacity for processing and outflow of production.

In June 2022, the Company conducted a follow-on in the Novo Mercado environment, and raised BRL 1 billion, an amount like the one raised by the Initial Public Offering (IPO), which took place in 2021 and which was crucial in the growth that the Company achieved last year. With this new round of capitalization, PetroReconcavo intends to continue with asset acquisitions.

In addition, part of this capital will be used to fulfil financial commitments and improve the efficiency of the existing operation, such as the infrastructure for treatment, production flow and maintenance of asset safety.

## Follow-on of BRL 1 billion in 2022



**GAS** ALREADY  
REPRESENTS  
**41.1%** OF OUR  
**TOTAL REVENUE**





## FINANCIAL RESULTS

GRI 201-1, 3-3, 11.14

We ended the year with a growth of 186% in our net revenue, 201% in Ebitda and 552% in net profit, when compared to the previous year. These indicators reached record levels of R\$2.98 billion, R\$1.6 billion and R\$1.2 billion, respectively.

We arrived at this result even in the face of a turbulent macroeconomic scenario, marked by high inflation in both developed and emerging markets, and an increase in interest rates in most countries, as part of the monetary policy of central banks to reduce inflation.

The Company's revenues in 2022 were positively impacted mainly by the opening of the new gas market and the purchase and sale contracts signed, in addition to the average price of Brent oil in 2022, which was 43% higher than the average price observed in the year 2021.

(Thousands of R\$)	31/12/22	31/12/21
<b>Value-Added Generation</b>		
Revenues:		
Services	----	353,937
Products	3,765,407	982,994
Others	32,976	5,373
Expected credit losses	-70,711	----
Total revenues	3,727,672	1,342,304
<b>Inputs Acquired from Third Parties</b>		
Cost of products, goods, and services sold	-51,291	-54,150
Materials, energy, third-party services and others	-824,449	-181,502
Total inputs acquired from third parties	-875,740	-235,652
<b>Gross added value</b>	<b>2,851,932</b>	<b>1,106,652</b>
Depreciation, amortization and depletion	-351,220	-250,200
<b>Net Value Added</b>	<b>2,500,712</b>	<b>856,452</b>
<b>Value Added Received in Transfer</b>		
Financial income	180,692	107,511
Equity income result	---	---
Total value added received in transfer	180,692	107,511
Total value added to be distributed	2,681,404	963,963

(Thousands of R\$)	31/12/22	31/12/21
<b>Added Value Distribution</b>		
Personal:		
Direct compensation	157,598	97,263
Benefits	56,957	28,791
FGTS	9,519	4,636
<b>Taxes, fees and contributions</b>		
Federal	458,917	187,242
State	424,540	168,268
Municipal	2,247	13,293
<b>Third party compensation:</b>		
Rents	63,066	25,091
Royalties	240,876	103,980
Interests	114,296	158,500
<b>Equity compensation</b>		
Dividends and interest on equity	310,000	40,564
Retained profits for the year	843,391	136,335
<b>Added Value Distributed</b>	<b>2,681,404</b>	<b>963,963</b>



Click here to learn more about our 2022 results

**201% GROWTH IN  
EBITDA IN 2022**



33



**OPERATIONAL RESULTS** GRI 11.8

We ended 2022 reaching an average production of 21.3 thousand barrels of oil equivalent per day (Boed), a mark that represents a growth of 72% in the annual comparison. Along with the strong operating performance, improvements in commodity prices should be considered, with emphasis on the average price of Brent oil (extracted from the North Sea, whose price affects the price of its derivatives), as well as the effects of this on the pricing of our natural gas and its derivatives. The great highlight of the year was gas, whose production grew 221% in the accumulated annual comparison.

At the end of 2022, the Potiguar Asset reached the production of 11,961 Boed, with a growth of 42% when compared to 2021. The oil production of this asset increased by 27%, while that of natural gas rose by 93%. The Bahia Asset achieved a surprising result, with an average production of 9,326 Boed. In comparison with the same period of the previous year, this meant an increase of 135%, with an increase of 39% in oil production, and a growth of 530% in natural gas production.

**POTIGUAR ASSET**

Average production of  
**11,961** Boed,  
a growth of **42%**  
compared to 2021

**BAHIA ASSET**

Average production of  
**9,326** Boed,  
a growth of **135%**  
compared to 2021

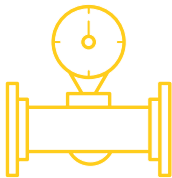
**27%**  
INCREASE



Oil

**39%**  
INCREASE

**93%**  
INCREASE



Gas

**530%**  
INCREASE

**Investment Program**

Throughout 2022, we maintained an intense pace of activities, with emphasis on drilling work at the Potiguar Asset and workover interventions at both assets (Potiguar and Bahia). The various increments in production required investments in infrastructure facilities for the treatment and disposal of oil and natural gas. Other investments in facilities related to maintaining the safety and integrity of assets, especially in the revitalization and expansion of natural gas compression parks, were also carried out throughout 2022.

**Investment to increase production and drilling of wells (R\$MM)\***

	Bahia Asset	Potiguar Asset	Total
Drilling	0	141	141
Workovers	222	154	376
Facilities	67	63	130
<b>Total</b>	<b>290</b>	<b>356</b>	<b>646</b>

\*Data rounded for readability





## The great moment of natural gas

The consolidation of natural gas in PetroReconcavo's business matrix represents an important step in the Company's trajectory – not only because it is a business with high growth potential, but also because it is an efficient energy source with lower carbon emissions.

For this reason, the regulation of the new Gas Law and the possibility of contracting essential infrastructures for processing and transporting natural gas represented a unique opportunity for the Company. In January 2022, we started supplying this product to state gas distributors in the Northeast of Brazil (Potigas, PBgas and Bahiagas) and to consumers in the free market, in addition to selling our production of natural gas processed liquids.

Throughout the year, a commercialization structure was set up for these products, with the development of different contractual arrangements focused on the positive impact on the margin of our business.



2022 MARKED THE  
**CONSOLIDATION OF  
NATURAL GAS IN OUR  
BUSINESS MATRIX**

Currently, the Company can market natural gas from any asset, with any of its current customers, as well as for new contracts.

In the second half of the year, we entered into two new contracts for the purchase and sale of natural gas with the Shell and Origin producers, expanding our commercial flexibility. Also, after the end of the last quarter of 2022, a new 10-year validity contract was signed for the supply of natural gas with Sergas (a company that supplies the state of Sergipe), and a 1-year validity contract with Cegás (a gas company of Ceará).

In the same period, the Company also started to sell liquefied petroleum gas (LPG) with the distributor Ultragaz and, since April, with Nacional Gás Butano. The last gas supply contract of the year was signed in December 2022, with Supergasbras. The entire volume of C5+ produced by the Potiguar Asset and C3+ produced by the Bahia Asset was sold to Petrobras.



35



## JOINING FORCES

PetroReconcavo recently announced the acquisition of Maha Energy Brasil Ltda, whose name was changed to SPE Tiêta Ltda, an independent Company with operations located in the states of Bahia and Sergipe.

In addition to being the first acquisition of assets outside of Petrobras' divestment program, this is also the first time that we have acquired all of a Company's businesses – a strategy that brings great potential for operational synergies, gains in scale and reduction in operating costs. development through the use of structures of probes and services.

In 2022, the net revenue of the operations of Maha Energy Brasil Ltda was US\$ 77.45 million, with an Ebitda of US\$ 49.92 million. Average production reached 2,812 Boed, with Tartaruga, the Company's asset located in Sergipe, producing 195 Boed in the 4th quarter of 2022. Of this total, 186 Boed were oil and 1.47 thousand m<sup>3</sup>/d of natural gas. Tiê, which is located in Bahia, produced 2,146 Boed in the same quarter, with 1,926 Boed of oil and 37.23 thousand m<sup>3</sup>/d of natural gas.

Among the aspects that stand out in SPE Tiêta's operations is also the use of a gas-to-wire project, where the gas produced in the Tiê concession is used locally to generate electricity, with a consequent reduction in operating costs and contributing to stability in supplying electricity to local communities.

Another relevant point is the large-scale operation of the Compressed Natural Gas (CNG) project, which is transported via trucks to industrial consumers, enabling the arrival of natural gas in places where there is no gas pipeline infrastructure.

From the point of view of potential for production development, operations in Bahia have a high potential for secondary recovery through water injection. A pilot project is already in operation, to avoid the disposal of water in the concession.







# SUSTAINABLE

## Strategy

GRI 2-22



37



**GRI 3-3, 304-2**

We are a Company committed to local sustainable development, with a growth strategy that seeks to provide economic, social and environmental benefits to all stakeholders in the regions where we operate.

In 2022, we reinforced this commitment through practical actions, with the planning of initiatives that will positively impact not only our activities, but also the quality of life in locations close to our operations, as well as that of all our stakeholders.

We are aware of our responsibility in managing the impact of our operations. In this way, 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.

We have a robust system for managing licenses, conditions, requests and notifications, where all document control is carried out digitally, facilitating management and access to information.

If the Company is notified, our legal department is called upon to respond to any non-compliance with environmental laws and regulations, together with a multidisciplinary team. We also check the causes and consequences of what happened and we build an action plan so that there is no recurrence.



WE ARE A COMPANY COMMITTED TO  
**SUSTAINABLE DEVELOPMENT**





We work with a matrix of Environmental Aspects and Impacts, which contains the main negative or positive impacts that are generated by the Company in the environments in which it operates.

Among the most relevant negative impacts mapped, we highlight the change in soil quality, depletion of water resources, and the contribution to global warming. Encouraging the dynamism of the local economy and the employability of residents in the region are listed as positive impacts.

To prevent its occurrence, ensure its control and mitigation, negative impacts are managed through procedures listed in our SSMS Management Manual (Health, Safety, Environment and Sustainability).

# We work with a matrix of Environmental Aspects and Impacts

## SMART ALTERNATIVE

The idea of replacing kerosene with a natural degreaser at PetroReconcavo came after a task analysis, in August 2022, involving the use of this product in the Dewaxing and Inspection (D&I) area at the Bahia Asset.

The search for a non-flammable and biodegradable alternative led to the choice of a surfactant with excellent action for cleaning oil, dirt and grease. With ABNT ecological certification, the cleaning solution does not harm the health of employees or affect the environment.

The project had the involvement of professionals from the Services area, in Bahia. The main benefits identified so far include the excellent cleanliness in the areas already tested and the non-flammability of the product.

The next actions include tests at Potiguar Asset, as well as with the Probes team. The objective is to replace, throughout the Company, the use of kerosene and other synthetic products with natural alternatives that have the same function.



ALL OUR PROCEDURES FOLLOW THE **HSE MANUAL**



## WASTE MANAGEMENT

### GRI 3-3

We are aware that the way we care for the environment reflects the impact we have on the communities surrounding our operations. To reinforce our environmental responsibility, we monitor the waste generated at all stages of our operation monthly.

The main waste generated at the units comes from the operation, maintenance and drilling stages of new wells. All this waste is managed according to the geographic distribution of the production fields, ensuring its traceability. In 2022, there was an increase in the amount of waste from Bahia Asset due to the acquisition of SPE Miranga S.A. As for the Potiguar Asset, this increase occurred for the start of drilling activities.

### Waste generated – consolidated

(ton) by type of waste generated **GRI 306-3**

	2020	2021	2022
<b>Hazardous waste</b>			
Class I Waste	1,656.64	1,587.30	3,291.06
<b>Non-hazardous waste</b>			
Class IIA Waste	1,009.28	318.74	9,841.95
Class IIB Waste	34.32	86.25	686.72
<b>Total</b>	<b>2,700.24</b>	<b>1,992.29</b>	<b>13,819.74</b>

There was an increase in 2022 at the Bahia Asset due to the acquisition of SPE Miranga S.A., and the Potiguar Asset due to the start of drilling activities.

### Waste not intended for final disposal – consolidated\*

(ton) **GRI 306-4**

	2020	2021	2022
<b>Non-hazardous waste</b>			
Reinjection	0	0	211.00
<b>Total</b>	<b>0</b>	<b>0</b>	<b>211.00</b>

\*Waste reused internally



**WE MONITOR** THE WASTE GENERATED  
IN ALL **OUR OPERATIONS**

### Waste intended for final disposal – consolidated

(ton) **GRI 306-5**

	2020	2021	2022
<b>Hazardous waste</b>			
Industrial landfill	1,179.90	897.1	615.44
Incineration (no energy recovery)	0.03	0.03	0.03
Recycling	1.24	338.84	6.99
Reuse/Reuse	0	0	41.54
Other operations – Treatment	0	0	184.92
Other operations – Co-processing	0	0	184.92

<b>Non-hazardous waste</b>			
Landfill	1,009.28	111.43	459.27
Incineration (with energy recovery)	13.71	19.34	23.36
Incineration (no energy recovery)	0	0	76.77
Biodigestion	0	0	2.62
Recycling	20.61	228.91	62.05
Reuse/Reuse	0	0	135.52
Other operations – Co-processing	0	45.3	6,841.57
Other operations – Treatment	0	0	830.79
Other undisclosed destinations	0	0	2,487.21
<b>Total</b>	<b>2,700.24</b>	<b>1,992.28</b>	<b>13,608.73</b>





Potiguar

GRI 3-3

The start of drilling activities at the Potiguar Asset resulted in an increase in waste generation of 4,714.65 tons, compared to 2021. Waste collection is carried out daily, following a route prepared based on the geographical distribution of the production fields/station. During collection, waste transport manifests (MTR) are issued, which contain information on the type, transport and quantity of material collected.

After collection, the waste is sent to a Temporary Waste Storage Center of a third-party Company and subsequently sent for treatment, recycling or co-processing.

Waste generated – Potiguar  
(ton) by type of waste generated GRI 306-3

	2020	2021	2022
Hazardous waste			
Class I Waste	476.74	690.2	1,445.44
Non-razardous waste			
Class IIA Waste	45.38	249.84	8,938.44
Class IIB Waste	34.32	40.45	372.91
Total	556.44	980.49	10,756.80

There was an increase in 2022 at the Bahia Asset due to the acquisition of SPE Miranga S.A., and at the Potiguar Asset due to the start of drilling activities.

Waste not intended for final disposal – Potiguar\*  
(ton) GRI 306-4

	2020	2021	2022
Non-hazardous waste			
Reinjection	0	0	211.00
Total	0.00	0.00	211.00

\*Waste reused internally

Waste intended for final disposal – Potiguar  
(ton) GRI 306-5

	2020	2021	2022
Hazardous waste			
Reuse/Reuse	0	0	41.54
Incineration (no energy recovery)	0.03	0.03	0.03
Recycling	1.24	338.84	6.69
Other operations – Co-processing	475.47	351.33	1,262.63
Non-razardous waste			
Landfill	45.38	42.53	249.95
Incineration (with energy recovery)	13.71	19.34	0
Incineration (no energy recovery)	0	0	76.77
Recycling	20.61	183.11	46.23
Reuse/Reuse	0	0	135.52
Other operations – Treatment	0	0	168.77
Other operations – Co-processing	0	45.30	6,821.63
Other undisclosed destinations	0	0	1,733.43
Total	67.26	564.51	10,545.80



**Bahia**

GRI 3-3

In 2022, there was an increase of 1,275.23 tons in waste production at Ativo Bahia, resulting from the acquisition of the Miranga cluster. The collection, transport and disposal of waste from this operation are carried out by a third-party Company, with the programming being done by the Company's environment sector, which indicates the amount and location of waste. All information is monitored and tracked by the Environment team.

**Waste generated – Bahia**

(ton) by type of waste generated **GRI 306-3**

	2020	2021	2022
<b>Hazardous waste</b>			
Class I Waste	1,179.90	897.1	1,845.62
<b>Non-razardous waste</b>			
Class IIA Waste	963.9	68.9	903.52
Class IIB Waste	0	45.8	313.81
<b>Total</b>	<b>2,143.80</b>	<b>1,011.80</b>	<b>3,062.94</b>

There was an increase in 2022 at the Bahia Asset. due to the acquisition of SPE Miranga S.A., and at the Potiguar Asset due to the start of drilling activities.



**Waste intended for final disposal – Bahia**

(ton) **GRI 306-5**

	2020	2021	2022
<b>Hazardous waste</b>			
Other operations – Treatment	0	0	184.92
Other operations – Industrial landfill	1,179.90	897.1	615.44
Other operations – Co-processing	0	0	577.95
<b>Non-razardous waste</b>			
Landfill	963.9	68.9	209.33
Recycling	0	45.8	15.82
Incineration (with energy recovery)	0	0	23.36
Other operations – Co-processing	0	0	20.04
Other undisclosed destinations	0	0	754.06
<b>Total</b>	<b>2,143.80</b>	<b>1,011.80</b>	<b>3,062.94</b>





Greenhouse gas emissions

GRI 3-3

Keeping our concern with the impacts of our operations on the environment in which we are inserted and due to the particularity of our business, we continue to monitor Greenhouse Gas (GHG) emissions from our operations in Bahia and Rio Grande do Norte, following the concepts and guidelines established by the Brazilian GHG Protocol Program and ISO 14064-1.

With the preparation of inventories, we are getting to know our sources of emissions better and, in this way, we will be able to work more assertively on actions to mitigate the risks associated with the topic. We understand that our greatest impact is in Scope 1, which includes emissions related to our fuel consumption in boilers, generators, motors, motor compressors and other equipment related to ventilation, essential in our production.

With the preparation of **annual inventories**, we are getting to know our main sources of **emissions better**



tCO <sub>2</sub> e	2020	2021	2022
Scope 1	86,161.06	118,850.71	154,791.50
Bahia	47,792.33	41,088.25	89,038.47
Potiguar	38,368.73	77,762.46	65,753.03
Scope 2*	10,412.58	15,222.83	0,00
Bahia	7,498.04	8,250.99	0,00
Potiguar	2,914.54	6,971.84	0,00
Total	96,573.64	134,073.54	154,791.50

305-1, 305-2

\* Scope 2 emissions were calculated based on the purchase of electricity that is consumed by the Company. In this way, as the emission factor for wind energy is equal to 0 tCO<sub>2</sub>e /MWh, Scope 2 emissions from the purchase of electricity were considered null.



In scope 2, through the purchase of Renewable Energy Certificate (REC) from wind sources, we were able to offset 100% of our emissions for the year 2022.

In addition, in the Potiguar Asset, the reduction in emissions of CO<sub>2</sub>, mainly due to the increase in the use of gas by the compression plants. The increase in the operational efficiency of the compression park has been possible through the reactivation of the program for revisions and restoration of the machines. This program, started in 2021, increased the installed compression capacity by 40% between December 2021 and December 2022, extending through 2023. It is also important to note that the SBO and SDM fields burned all the gas produced up to the year 2021 and, with the interconnection projects of these fields to the gas flow network,

they started to be able to use the product in 2022.

And this is just the beginning of this process. We are attentive to climate discussions regarding the challenges of reducing the 1.5 °C stipulated by the Paris Agreement, and we know that to advance in this agenda, we must follow the recommendations of the highest authorities on the subject and seek the best market practices, to contribute in the best possible way.

To expand the options for monitoring our emissions, we also calculate the carbon intensity indicator per barrel produced, which allows us to identify potential changes in their behaviour, due to changes in processes, anomalies, increased productivity or losses in efficiency in the productive process. In the last three years, we maintained an average of 24.69 tCO<sub>2</sub>e/kboe.



**Carbon Intensity** GRI 305-4

In 2022, the carbon intensity was lower due to the significant increase in natural gas production, which has lower greenhouse gas emission levels than oil. We also implemented projects to interconnect our fields to the gas flow network, avoiding burning and taking advantage of all the gas produced. In addition, we improved our operational efficiency through the restoration of compression machines and the Overhauls program, started in December 2021 in Rio Grande do Norte, which increased our installed compression capacity by 40%.

	Production (kboe)	Emission (tCO <sub>2</sub> e)	Indicator (tCO <sub>2</sub> e/ kboe)
<b>Bahia</b>			
2020	1,559.27	55,290.37	35.46
2021	1,429.71	49,339.29	34.51
2022	3,272.63	89,038.47	27.21
<b>Potiguar</b>			
2020	2,071.07	41,283.27	19.93
2021	2,817.89	84,733.95	30.07
2022	4,464.10	65,753.03	14.73
<b>Consolidated</b>			
2020	3,630.34	96,573.64	26.60
2021	4,247.60	134,073.24	31.56
2022	7,736.73	154,791.50	20.01

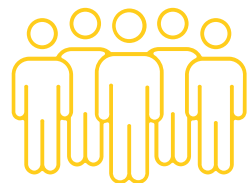




# STAKEHOLDERS



At Petroreconcavo, we work to create relationships of trust and transparency with all our stakeholders. We value open and respectful dialogue between all parties involved in our business and we recognize the importance of people as key elements for the increasingly sustainable growth of our operations.



**26.79% INCREASE**  
IN TOTAL EMPLOYEES

## EMPLOYEES

GRI 3-3

All the people who are part of our team are fundamental for the evolution of our business in an increasingly innovative, agile and efficient way. With the growth of our operations, in 2022 we expanded our staff by 26.79% and ended the year with 1,269 direct employees – the vast majority from Potiguar and Bahia. This is a demonstration of the enormous capacity to generate jobs and opportunities that the Company presented during the year.

In addition to continuing our evolution as generators of jobs and income in the North-east, our plans for the coming years include measures to improve talent management and the organizational climate, so that we can reaffirm our position as a reference in the Brazilian oil and gas market.

## A NEW PROFESSION FOR PEOPLE FROM BAHIA AND RIO GRANDE DO NORTE

Collaborating for economic development, promoting training and increasing employability in the states where we operate is one of PetroReconcavo's goals. With that in mind, we developed the Rig Professionals Course, in partnership with SENAI-BA and SENAI-RN.

With a 3-month duration, the course provided 180 free vacancies, 90 in Bahia and 90 in Rio Grande do Norte. Classes were offered in the morning and evening periods, so that they could better adapt to the students' lives. The curriculum was intended to provide students with an educational experience, consistent with the reality of our industry.

After 90 days of classes, participants received certification from SENAI, an entity recognized for training millions of workers in various areas. Investment in training was approximately BRL 600,000 and, by the end of 2022, we had hired 44 new professionals. Our objective is to proceed with this project, expanding opportunities for workers from Bahia and Rio Grande do Norte.





46





EMPLOYEE'S PROFILES

By gender GRI 2-7

	2020	2021	2022
	440	702	1,045
	57	108	224
Total	497	810	1,269

Per functional category

Leadership	51
Non-leadership	1,218

A MORE FEMININE COMPANY

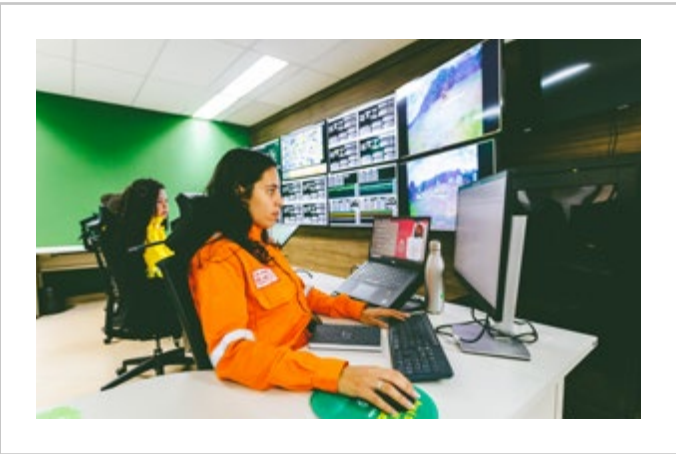
EMPLOYEES REACHED 224, MORE THAN TWICE THE REGISTERED IN 2021



A MORE DIVERSE AND CONSCIOUS COMPANY

GRI 3-3

During 2022, we took several steps towards becoming a more inclusive, egalitarian and diverse Company. In June, we carried out the Weather Radar and Perception of Diversity and Inclusion survey, in partnership with a specialized consultancy. The objective was to obtain a complete diagnosis - quantitative and qualitative - on how the Company's employees perceive and deal with issues related to these matters. The survey heard 1,069 employees, who participated anonymously.



At the end of 2022, the Company began implementing the DE&I Strategy, in partnership with the Mais Diversidade consulting firm. The first stage of the strategy involved a diagnosis of the Company's processes and the establishment of a governance model. Based on this diagnosis, the Company is developing the DE&I program, which will be launched in 2023 for all employees and will include the formation of affinity groups.

With a focus on combating violence against women, we carried out the "Agosto Lilás" (Lavand August) campaign to make employees aware of this important matter. Theatrical presentations were held in various workplaces, in which actors represented different situations related to this type of violence, generating reflections on unconscious bias and behaviours that should be avoided in the workplace.



NUMBERS OF OUR DIVERSITY

By declaration of colour and race

	Yellow	White	Black	Brown	Indigenous	Others
Leadership	0	15	6	30	0	0
Non-leadership	14	336	195	655	4	14
Total of employees	14	351	201	685	4	14

By age

	Under 30	From 30 to 50	Over 50	Total
Leadership	0	44	7	51
Non-leadership	148	668	402	1,218
Total	148	712	409	1,269

A Company that develops its employees

Taking care of our team’s development is essential to grow and put our business strategy into practice. In this way, the human resources department develops various internal training courses for corporate and operational teams, in addition to working with internship and trainee programs to prepare and retain new talents.

Our internship program seeks to integrate and include students in the Company’s values and culture. During the whole period, the interns are accompanied by employees trained in the workshop “Leadership Coach – How to train our interns”, which instructed these professionals to be supervisors and mentor throughout the year.

The program works seven online modules: Life and Career Planning, Productivity and Time Management, Communication and Empathy, Emotional Intelligence, Continuous Learning,

Industry 4.0 and Strategic Vision. At the end, the interns present their projects to the areas. In 2022, 59 new students were admitted to the program, totaling 78 interns in the year.

We also prepare new talents with high development potential to assume strategic positions in the Company, through our trainee program. Lasting two years, it includes a practical journey (on-the-job training), mentoring, in addition to project development. Today, we have seven trainees hired in 2021, with the next program taking place in 2023.

To develop new skills in our operational leaders, we work with the Lidera Petro program. With face-to-face meetings held in Bahia and Mossoró, the 74 participating supervisors had the opportunity to develop five essential skills, defined in a strategic diagnosis carried out by the board, during meetings held once a month.





## A HEALTHIER, MORE ACTIVE COMPANY ALIGNED WITH BEST PRACTICES

### Saúde Integral (Comprehensive Health)

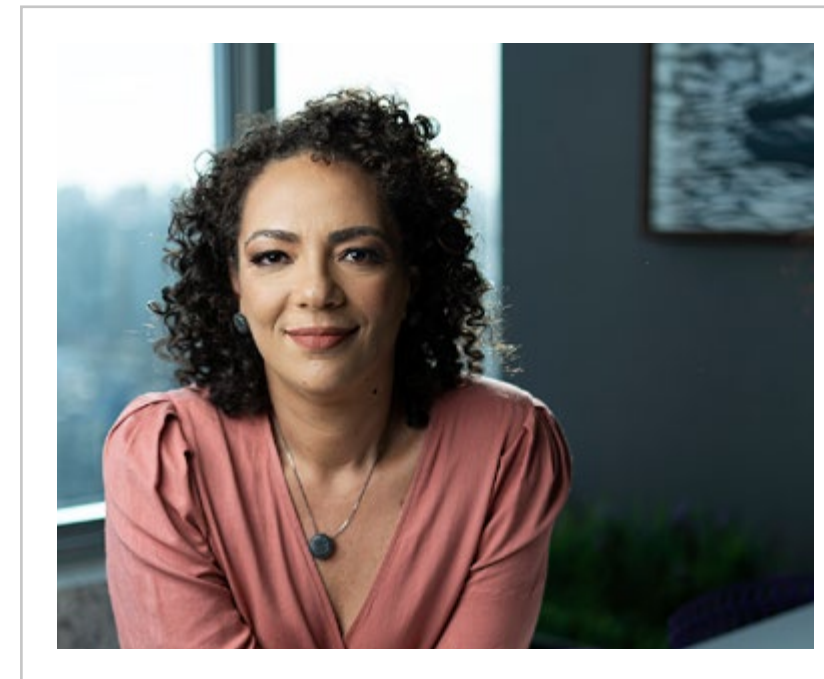
Saúde Integral (Comprehensive Health) emerged during the pandemic, when the Company identified employees in the Covid-19 risk group and opted to temporarily remove them from face-to-face activities. The program aims at promoting the autonomy, self-care and health of employees in all the Company's units, through integrated health, work safety, benefits and people management actions. The objective is to consolidate well-being at work as part of PetroReconcavo's organizational culture.



MORE THAN **702 ACTIVE** USERS  
IN THE INTEGRAL HEALTH  
PROGRAM, WHICH REPRESENTS  
**55.31% OF EMPLOYEES**

The areas involved in this project are Health, Occupational Safety and Communication. Since its implementation, benefits have been identified, such as changes in the employees' eating habits, reduction of sedentary lifestyle, improvement in emotional and mental well-being, stimulus to immunization and implementation of the Petro Saúde application.

The project's next actions include increasing employee adherence to the benefits of the Saúde Integral Program, monitoring its results and evaluating the effectiveness of the implemented actions. The objective is to help employees to have an increasingly better perception of quality of life and well-being at work, especially in terms of emotional, nutritional and physical health.



*"The program came to expand the employees' access to paths that, once taken, lead to the improvement of their quality of life, encouraging each one to learn about the fundamental pillars of health and what they can do to optimize it. This way, the Company's safety culture is further strengthened."*

**Dr. Ana Paula Teixeira**  
Occupational Physician



We seek the  
**well-being and  
health** of our  
employees



### Petrofit

In 2022, PetroReconcavo promoted Petrofit, a program focused on the culture of health, well-being and quality of life among employees. The initiative, led by CIPA, aimed at encouraging lifestyle changes through the practice of physical activities.

Held between the months of June and November, the program offered several actions, such as functional training, running, crossfit, indoor volleyball and the preparation of healthy recipes. 290 employees participated in the initiative (140 in Bahia and 150 in Rio Grande do Norte) and were supervised by instructors, health professionals and a nutritionist.

In addition to the health benefits, the program also encouraged solidarity, promoting the collection and donation of powdered milk to charities. In total, half a ton of product was donated in Bahia and 426.55 kg in Rio Grande do Norte.



50





**Health and safety**

GRI 403-1, 403-5, 403-7, 3-3, 11.9

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

We seek to ensure that all activities are carried out in a safe, responsible and sustainable manner, contributing to the protection of the physical integrity of our employees, customers, suppliers and communities.

We are aware that our business requires action guided by efficient and constant management of the impacts that activities can generate for employees and the environment. As a way to avoid and mitigate these impacts, we use tools that identify the risks associated with activities and verify, in a structured way, whether the barriers we adopt are sufficient to keep them under control.



**Highlights**



**98%**  
OF THE AVERAGE  
LEADERSHIP  
TRAINED IN  
THE **THREE  
MODULES** OF THE  
LÍDER SERGURO  
**PROGRAM**



MORE THAN  
**300**  
TOTAL HOURS  
OF TRAINING ON  
**INCIDENT HANDLING**  
PROCEDURES



**100%**  
OF DIRECT  
EMPLOYEES AND  
THIRD PARTIES  
TRAINED IN THE  
**RISK PERCEPTION**  
METHODOLOGY



Through mandatory internal training and qualification programs, our employees have contact with all the criteria, methodologies and responsibilities necessary for the exercise of their functions. These trainings not only guarantee knowledge about the laws and rules related to our business, but also guarantee the safety of people and processes.

PetroReconcavo has procedures for the evaluation, identification, prevention and mitigation of significant impacts on health and safety at work, both in Bahia and in Rio Grande do Norte. To broadly ensure compliance with legislation and other good practices in SSMS, we work based on an integrated management system, with policies, procedures and standards that guide, obligatorily, all operational activities.



**Safety** guides our  
**daily actions**





We carry out the mapping of environmental, occupational, property and process risks, through documents related to the Environmental Risk Prevention Program. We also use documents such as the Technical Report on Environmental Work Conditions and the Occupational Health Medical Control Program to recognize risks and propose measures for their elimination, mitigation or reduction.

The Company has an occupational health area that performs biological monitoring, both in Bahia and in Rio Grande do Norte.



**WE WORK WITH PROCEDURES** FOR THE ASSESSMENT, IDENTIFICATION, PREVENTION AND MITIGATION OF SIGNIFICANT IMPACTS ON **HEALTH** AND **SAFETY** AT WORK



### Accidents at work (including own and third parties) GRI 403-9

	NUMBER			RATE		
	2020	2021	2022	2020	2021	2022
Deaths resulting from work accidents	0	0	0	0	0	0
Work accidents with serious consequences (except deaths)	4	8	20	2.5	2.7	3.2
Mandatory reporting work accidents	2,035,115.26	2,972,981.73	6,193,013.56	----	----	----

The attendance rate is calculated using the formula: No. of accidents x 1,000,000 / Man Hours Worked (HHT)

### Total number of Level 1 and Level 2 process safety events

	2020	2021	2022
<b>Level (tier) 1</b>			
Events of loss of primary containment of hazardous or flammable product of greater consequences.	0	3	7
<b>Level (tier) 2</b>			
Events of loss of primary containment of hazardous or flammable product of minor consequences.	1	3	6

The growth in the number of Level 1 and 2 events in 2022 is due to the increase in production, amount of equipment and the acquisition of Miranga.



## COMMUNITIES

GRI 413-1, 413-2, 3-3, 11.15

We recognize ethics as a fundamental principle that guides our relationships with our stakeholders. For this reason, we regularly carry out socio-environmental assessments in the communities impacted by our operations, always in partnership with companies specialized in this type of activity. In this way, we seek to ensure transparency, responsibility and engagement with local communities, with a view to building relationships of trust and sustainable development in all areas where we operate.

Our strong presence in the Northeast goes beyond oil and natural gas production. We impact the lives of thousands of people by generating jobs and income, and through

various social projects, carried out with our own resources and others raised through incentive laws.

In 2022, we expanded our scope and implemented more engagement and impact assessment actions. In Bahia, we started working directly with 12 communities through our Ciranda Viva, Ciranda Agroflorestral and Ciranda dos Sabores programs.

Another important event in 2022 was the consolidation of the Viva Sabiá program at the Potiguar Asset, which aims at strengthening dialogue with the territory and promoting improved access to water, including the implementation of water purification systems through solar irradiation.



## Ciranda Viva

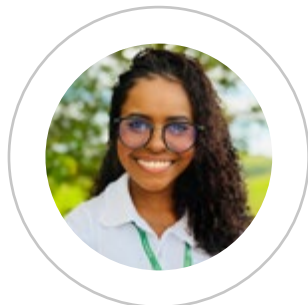
Carried out in partnership with AVSI do Brasil, the project was designed to help communities develop sustainably, by rescuing and valuing the local culture and identity. The activities take place in the communities of Pedras, Flechas and Veadinho, located in the municipality of Catu (BA), and have among their objectives the strengthening of PetroReconcavo's relationship with the vulnerable communities that live in areas close to our operations. In the last year, 166 beneficiaries were assisted by the three action lines of our Program:

We want to build  
**relationships of trust**  
in the **areas where**  
**we operate**





“ I lived my own protagonism in the Ciranda Viva project, where I could overcome obstacles, broaden my gaze and discover the power within me. It was an essential experience for my personal and professional growth. I was a beneficiary of the Program, and today I am a journalism student and I work as an intern at Ciranda Viva, in the communication area.. It has been an incredible experience to apply my knowledge to promote the values and accomplishments of the company that has helped me so much. I believe that when we receive support and opportunities, we have the responsibility to give back and help others. I want to keep sharing my story and encouraging other people to never give up on their dreams, because protagonism is within everyone’s reach.”



**Sabrina Santos**  
Intern in the Project  
Ciranda Viva in Catu (BA)

## LINES OF ACTION



### Ciranda Esportiva

The aim of the project is to promote interest in sports activities and contribute to the socialization of participants in the school and family environment. In 2022, 100 children and adolescents – aged between 7 and 17 – and 25 adults were assisted and participated in individual and team activities.



### Ciranda Educativa

Since 2018, Ciranda Educativa has offered activities in the area of natural sciences, through the cultivation of a vegetable garden, with the aim of working on food safety and environmental education for 45 children in early childhood (between 4 and 6 years old). The idea of the project is to make them aware of the importance of agricultural activity, bringing them closer to the daily activities of their parents or guardian.

### Ciranda da Leitura

Complementing the path of integral development, this project serves the beneficiaries of Ciranda Educativa and Ciranda Esportiva through pedagogical activities, such as reading workshops, storytelling and textual production workshops. In 2022, children and adolescents were assisted, following a sponsorship model in which employees donate a monthly amount, and PetroReconcavo contributes donating the same amount in return.



**Ciranda Agroflorestal**

The Ciranda Agroflorestal project was born in May 2022 with the aim of contributing to increasing biodiversity and improving the income of family farming workers in the Miranga region, in the municipality of Pojuca (BA).

Today, the project directly serves 280 families and develops activities such as biofertilizer workshops, promotion of family farming techniques, structuring of seed banks and the implementation of Agroforestry Systems (SAF).



**280 FAMILIES SERVED**  
BY CIRANDA AGROFLORESTAL



Carried out with direct resources from the Company and operated by the consultancy Toca, Ciranda Agloflorestal also trains small rural producers with marketing, sales and financial management workshops. They also have access to technical advice for improving agricultural production and developing marketing techniques.

As a result, eight seed banks, four biofertilizer reservoirs and four agroforestry systems have already been implemented. There was also the formalization of eight associations, which will be important in managing the project, supporting the participants.





## Ciranda dos Sabores

The project was created to train women from the Baixa de Cinza community, in the municipality of Catu, Bahia, so that they can process the foods they usually sell at the street markets, transforming them into products with greater added value and greater consumer demand.

To this end, cooking workshops, sales techniques and itinerant fairs are promoted to provide the 30 participants with the opportunity to learn new food preparation techniques and marketing strategies, contributing to improving the quality of life and income in the region. For 2023, we expanded the scope of the project to train 90 residents, including two new communities.

## Educa + Recicla Program

In April 2022, we signed a partnership with the Mata de São João city hall to participate in the Educa + Recicla Program. The purpose of this program is to promote environmental sustainability, encouraging selective collection and recycling among students, companies, resorts and condominiums in the municipality.

The program provides for the installation of Ecopoints in external areas of teaching units and places of great circulation, which will serve as voluntary delivery points for recycled waste, which can be exchanged for discounts on the electricity bill, through the Vale Luz da Neoenergia Coelba Project. In 2022, 8,675 students from 27 schools of the public school system of Mata de São João were benefited.

WE ENCOURAGE  
**ENTREPRENEURSHIP**  
AND CARE FOR THE  
**ENVIRONMENT**

## Partnership with the Tamar Project – Praia do Forte (BA)

In 2022, we also signed a partnership with the Tamar Project, which promoted the visitation of students from public schools in Mata de São João to the Tamar Project in Praia do Forte, during the year 2022.

The purpose of this partnership is to contribute to non-formal education after school hours, through activities aimed at raising environmental awareness, personal training, rescue and appreciation of culture and citizenship. In 2022, 4,883 students visited the Project. In 2023, the goal is to receive at least 5,000 students.





**STRENGTHENING  
THE DIALOGUE WITH  
RURAL COMMUNITIES**

**Viva Sabiá**  
(Rio Grande do Norte)

Started at the end of 2021, the Viva Sabiá Program plays an important role in the semi-arid region of Rio Grande do Norte, seeking to strengthen dialogue with rural communities in the vicinity of the Potiguar Asset operations, with the focus on promoting improved access to water.

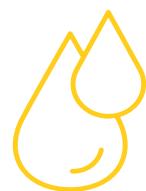
In the first stage of the program, we established a partnership with the start-up Safe Drink Water (SDW) to implement the Aqualuz system; an innovative technology recognized by the UN that purifies water in the cisterns, using solar radiation. This process disinfects water with microbiological contamination, preventing diseases and facilitating access to drinking water in regions of water scarcity.

Aqualuz only uses solar radiation to deactivate the pathogens present in the water. With an estimated useful life of 20 years, the equipment receives up to 10 liters of water and on days of intense sunlight the water treatment cycle lasts about four hours. Users use it in three steps: filling the equipment, waiting for the treatment time (with the aid of an indicator sticker) and removing the treated water.

To monitor and contribute to the implementation of the Viva Sabiá Program, community management committees were formed, with formal and informal leaders from the territories, reinforcing local participation. The committees are an example of local governance that participates in the management of Viva Sabiá and helps the Program reach the entire community.







## ACCESS TO WATER IN REGIONS WITH WATER SCARCITY

In the second stage, in addition to the implementation of Aqualuz, the construction of cisterns and environmental education campaigns in schools were carried out, including the presentation of a theatrical play, the elaboration of a children's booklet and a teacher's notebook with the systematization of the experience, enabling the continuity of actions focused on Environmental Education, that reached 1,000 people, including students and teachers.

## In 2022, 1,295 people benefited



In September 2022 we started a partnership with Fundação Banco do Brasil, which will invest, along with PetroRecôncavo, BRL 1.5 million in expanding the program – totaling a contribution of BRL 3 million over the next two years. These resources will be used in the new phase of the Viva Sabiá Program 2023–2024, in which 60 Aqualuz water purification systems will be implemented, in addition to 60 cisterns and 30 Family Biowater systems with support for a Agroecological Productive Unit (UPA). Bioágua reuses water from the sink, shower, washing clothes, among others, promoting the rural sanitation of gray water and allocating it to family agroecological cultivation.

Through school campaigns and integrated with these technologies, the Program will continue to carry out a strong environmental education work, expanding to over 2,000 students and 30 educators the matter on the use and increase of water efficiency and technologies for coexistence with the semi-arid climate.

In 2022, 1,295 people benefited from actions to access water and school campaigns. In 2023–2024, 2,400 people will benefit directly through the implementation of technologies for coexistence with the semi-arid region and school environmental education campaigns.



59





## PROJETO SABIÁ IN NUMBERS

2022

10

cisterns built

51

water purification systems  
installed – Aqualuz

130,000

litters of treated water for  
domestic consumption

236

beneficiaries with access  
to drinking water

1,000

public school students served by  
environmental education campaigns

2023-2024

SUPPORTS  
**1 UNIT**  
of agroecological  
production

INVESTMENT of  
**BRL 3,000,000.00**  
in expanding the program

Environmental Education  
School CAMPAIGNS with  
**2,000 STUDENTS**  
and **30 TEACHERS**

IMPLEMENTATION of  
**60 CISTERNS**

TRAINING of  
**60 FAMILIES**  
in the use and  
maintenance of cisterns

TRAINING of  
**60 FAMILIES**  
in the topic of water  
and sanitation

TRAINING of  
**30 FARMING**  
families in Food and  
Nutrition Education

DEPLOYMENT of  
**60 AQUALUZ**

INCREASE of  
**960,000 LITERS**  
of water for domestic  
consumption

INVESTMENT of  
**30 FAMILY**  
Biowater systems

TRAINING of  
**30 FARMING**  
families in the  
construction, use  
and maintenance  
of the family  
Biowater system



60





### MORE SUPPORT

To expand our social activities, from 2023 we will support projects through the Fiscal Incentive Law, both in Bahia and in Rio Grande do Norte. The idea is that the number of projects increases each year.



#### Neojibá (Bahia)

Project to promote the development and social integration of children and young people in a situation of vulnerability through teaching and musical practice. The program intends to train orchestras and choirs, in addition to promoting performances on stages throughout the state of Bahia.



#### A Voz do Olhar (Rio Grande do Norte)

Integrated arts project, with playful activities and educational actions related to music, with the aim of contributing to the training, stimulation and cultural expression of students and teachers from public schools in Mossoró. Performing arts, visual arts and audiovisual arts workshops will be held.



#### Mestre Aprendiz (Rio Grande do Norte)

The objective of this project is to carry out a series of meetings between recognized masters of instrumental music with art apprentices and educators, which will end with an interactive concert in Mossoró.

## AT THE SERVICE OF SUSTAINABILITY

Together with the Services team, in 2022, we started the project "At the service of Sustainability", which aims to promote a culture of sustainability inside and outside the company, in addition to encouraging voluntary work by our employees in the communities impacted by our operations.

The professionals who participate in this project conduct environmental education workshops for children and their families, also presenting the Company's activities and the controls developed to carry out work in a safe, responsible manner and taking care of the people and the environment.

Through corporate volunteering, we seek to bring our employees closer to the communities, promoting the exchange of knowledge and partnership between the Company and the communities.



**SUPPLIERS**

GRI 414-2, 3-3

Like all our stakeholders, we seek to maintain a partnership relationship with all our suppliers. Today, our main suppliers are divided into services and products:

**Services**

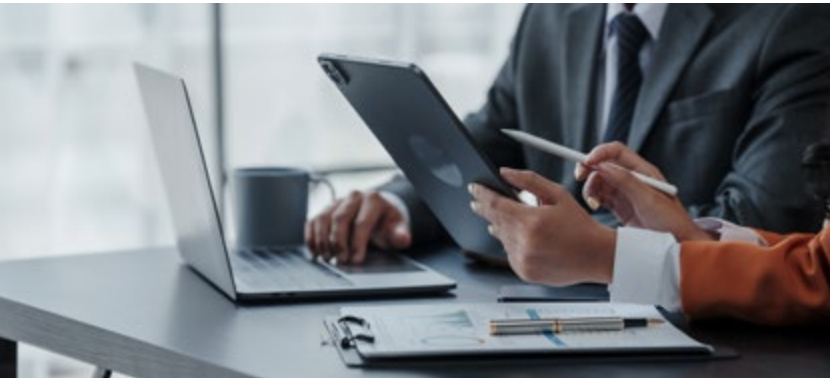
- Labour for maintenance, projects, facilities and property security
- Transportation of fluids in assets
- Location of rigs
- Technological support in the development of mature wells
- Consulting in the oil segment
- Vehicle rental
- PGRS and contingency for environmental services

**Products**

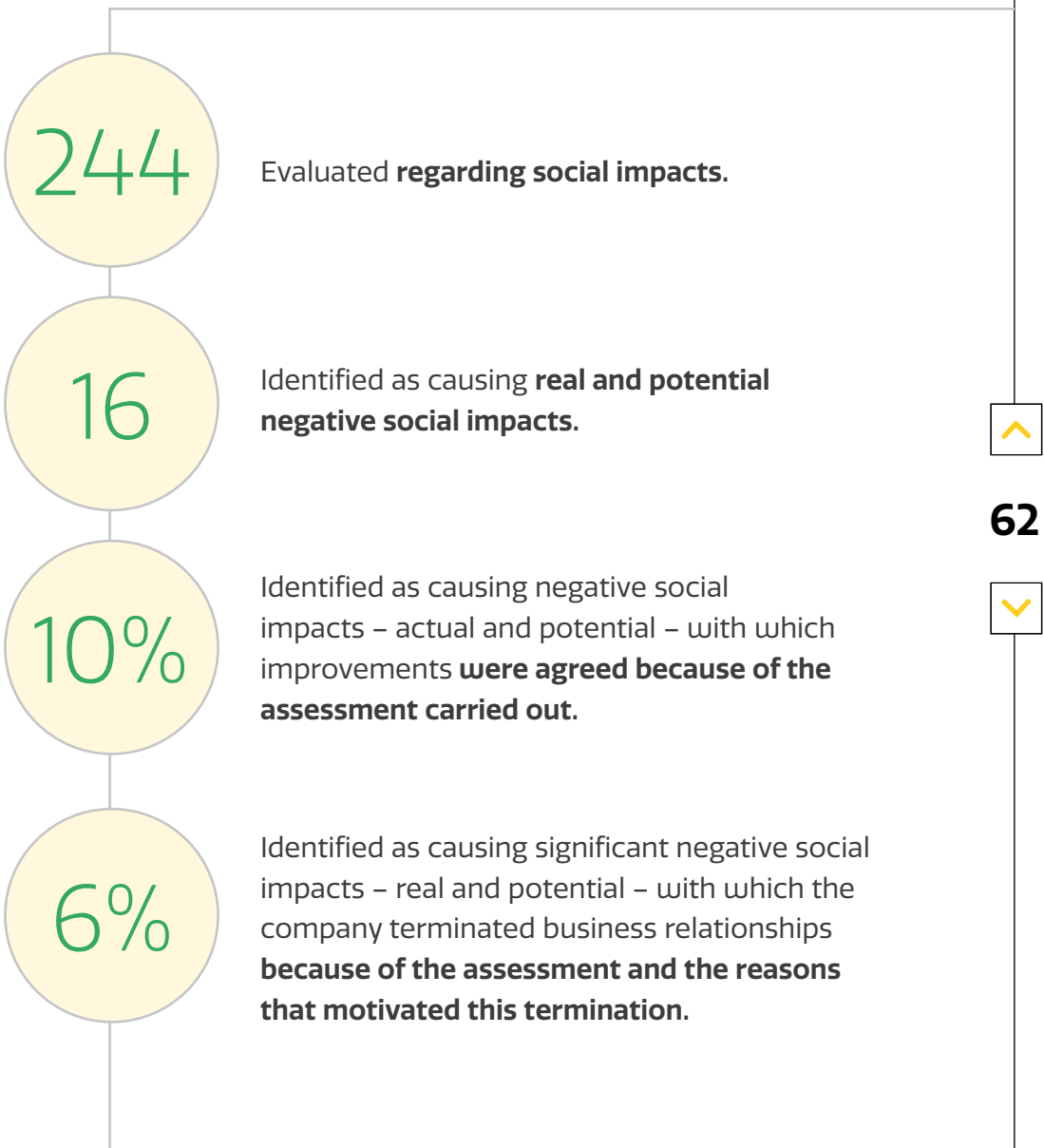
- Tubes and polished rods for application in wells
- Pumps, valves, pipes and fittings
- Electrical panels
- Bauxite
- Internal coating in HDPE + PA tubes

All companies have signed contracts with different Service Level Agreements and penalty clauses according to the type of services and their criticality, with quarterly evaluations for more critical contracts and half-yearly for less critical ones. According to the results of the evaluations, we develop action plans to improve the process, and the contract manager is responsible for monitoring them.

In 2022, we intensified the use of our online platform, which evaluates contracted outsourced workers under tax, labor, health and safety and quality aspects, also allowing the monitoring of companies that have environmental lawsuits or involvement with child labor and slavery. The platform is already meeting the requirements of LGPD.



**SOCIAL ASSESSMENT  
OF SUPPLIERS IN 2022**





# About the REPORT

GRI 2-3, 2-4, 2-5, 2-29, 3-1, 3-2





For the second consecutive year, we publish our sustainability report in accordance with the methodology of the Global Reporting Initiative (GRI) in its Standards 2021 version. This document reports information covering the Company's operations in Brazil from January 1 to December 31, 2022 and also considers Sustainability Accounting Standards Board (SASB) indicators and industry data relevant to our business.

The subjects and data portrayed here correspond to the result of a materiality process revised in the beginning of 2023 so that there was alignment with the growth of operations in our market, as well as with the company's strategic positioning in the region.

The first phase of the process considered a market study involving materials published by 11 companies in the sector (national and international) and studies by entities linked to sustainability processes, such as the Sustainability Accounting Standards Board (SASB), S&P Global, MSCI, Sustainalytics, World Benchmarking Alliance (WBA), International Finance Corporation (IFC), World Economic Forum (WEF), Principles for Responsible Investment (PRI), GRI Sustainability Topics for Sector, IBGC, CDP and FTSE4GOOD, in addition to data from OPEC and ANP.



From the refinement of the topics identified in this benchmarking process and the definition of potentially material topics for the sector, consultations were carried out – qualitative and quantitative – with the interested parties considering the internal and external impacts of the Company (shareholders, customers, communities, board management, suppliers, investors, NGOs and regulatory bodies). In all, 233 people participated in the survey.

In all surveys, it was considered the approach of probability of risks associated with each potentially material topic to become real and the magnitude of the impact, in case it happens. The entire prioritization process also considered the level of impact of the topics on society and on the company's value generation.

As a final step, these topics were crossed with a work carried out by the Company's management which, at the end of 2022, in a workshop that took into account PetroReconcavo's strategic planning, listed the vulnerability and impacts of topics that were already considered material (according to the process carried out in 2022) and defined their level of ambition (standard, differential and protagonist) for each of them.



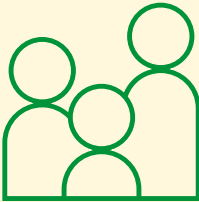


To define the material topics for this new cycle, topics that had a medium and high impact on society and the business were considered, which are divided into three pillars.



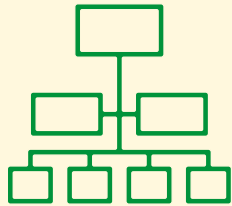
**ENVIRONMENTAL**

- Environmental Accidents
- Remediation and Recovery
- Waste (Hazardous, Drilling and Tailings)
- Emissions
- Water and effluent management



**SOCIAL**

- Human Capital Management and Talent Attraction
- Health, Safety and Wellbeing
- Relationship with Local Communities
- Socio-environmental Impacts on Surrounding Operations
- Diversity, Equity and Inclusion



**GOVERNANCE**

- Business ethics
- Regulatory Management



# GRI CONTENT Index





Statement of use – PetroReconcavo  
GRI 1 used – GRI 1: Foundation 2021  
Applicable GRI Sector Standard – GRI 11: Oil and Gas Sector

GRI standard	Disclosure	Page	Omission			GRI sector standard ref. N°
			Requirement omitted	Reason	Explanation/answer	
GENERAL DISCLOSURES						
GRI 2: General Disclosures 2021	2-1: Organizational details	10, 11				
	2-2: Entities included in the organization's sustainability reporting					
	2-3: Reporting period, frequency and contact point	63			January 1 to December 31, 2022	
	2-4: Restatements of information	63			There was not	
	2-5: External assurance	63			There was not	
	2-6: Activities, value chain and other business relationships	10, 12, 13				
	2-7: Employees	47				
	2-8: Workers who are not employees				Data not collected in 2022	
	2-9: Governance structure and composition	17				
	2-10: Nomination and selection of the highest governance body	17				
	2-11: Chair of the highest governance body	17				
	2-12: Role of the highest governance body in overseeing the management of impacts	17				
	2-13: Delegation of responsibility for managing impacts	20				
	2-14: Role of the highest governance body in sustainability reporting	17				
	2-15: Conflicts of intereste	21				
	2-16: Communication of critical concerns	23				
	2-17: Collective knowledge of the highest governance body	17				
	2-18: Evaluation of the performance of the highest governance body				Process not yet carried out by the Company	
	2-19: Remuneration policies				Information not disclosed for confidentiality reasons	

GRI standard	Disclosure	Page	Omission			GRI sector standard ref. N°
			Requirement omitted	Reason	Explanation/answer	
GENERAL DISCLOSURES						
GRI 2: General Disclosures 2021	2-20: Process to determine remuneration				Information not disclosed for confidentiality reasons	
	2-21: Annual total compensation ratio				Information not disclosed for confidentiality reasons	
	2-22: Statement on sustainable development strategy	6, 37				
	2-23: Policy commitments	26				
	2-24: Embedding policy commitments	26				
	2-25: Processes to remediate negative impacts	21, 22				
	2-26: Mechanisms for seeking advice and raising concerns	23				
	2-27: Compliance with laws and regulations	21, 22				
	2-28: Membership associations	27				
	2-29: Approach to stakeholder engagement	63				
	2-30: Collective bargaining agreements	63				
MATERIAL TOPICS						
GRI 3: Material Topics 2021	3-1: Process to determine material topics	63				
	3-2: List of material topics	63				
Economic performance						
GRI 3: Material Topics 2021	3-3: Management of material topics	33				
GRI 201: Economic performance 2016	201-1: Direct economic value generated and distributed	33				
Anti-competitive behavior						
GRI 3: Material Topics 2021	3-3: Management of material topics	-				
GRI 206: Anti-competitive behavior 2016	206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices				There was not	
Biodiversity						
GRI 3: Material Topics 2021	3-3: Management of material topics	33				





GRI standard	Disclosure	Page	Omission			GRI sector standard ref. N°
			Requirement omitted	Reason	Explanation/answer	
GRI 303: Biodiversity 2018	304-2: Significant impacts of activities, products and services on biodiversity	38				
Emissions						
GRI 3: Material Topics 2021	3-3: Management of material topics	43				
GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG emissions	43				
	305-2: Energy indirect (Scope 2) GHG emissions	43				
	305-4: GHG emissions intensity	44				
Waste						
GRI 3: Material Topics 2021	3-3: Management of material topics	40, 41, 42				
GRI 306: Waste 2018	306-3: Waste generation and significant waste-related impacts	40, 41, 42				
	306-4: Waste diverted from disposal	40, 41				
	306-5: Waste directed to disposal	40, 41, 42				
Occupational health and safety						
GRI 3: Material Topics 2021	3-3: Management of material topics	51				
GRI 403: Occupational health and safety 2018	403-1: Occupational health and safety management system	51				
	403-5: Worker training on occupational health and safety	51				
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	51				
	403-9: Work-related injuries	53				
Local communities						
GRI 3: Material Topics 2021	3-3: Management of material topics	54				
GRI 413: Local communities 2016	413-1: Operations with local community engagement, impact assessments, and development programs	54				
	413-2: Operations with significant actual and potential negative impacts on local communities	54				



GRI standard	Disclosure	Page	Omission			GRI sector standard ref. N°
			Requirement omitted	Reason	Explanation/answer	
Supplier social assessment						
GRI 3: Material Topics 2021	3–3: Management of material topics	62				
GRI 414: Supplier social assessment 2016	414–2: Negative social impacts in the supply chain and actions taken	62				
Oil and gas						
GRI 11: Oil and gas sector 2021	11.8: Asset integrity and critical incident management	34				
	11.9: Occupational health and safety	51				
	11.14: Economic impacts	33				
	11.15: Local communities	54				







## CORPORATE CREDITS

### Corporate Office

Avenida Luis Viana, Hangar Business Park – Torre 3, 4º andar  
Salvador – Bahia  
Zip code: 41500-300  
Phone: (5571) 3635-0296

### Potiguar Asset Administrative

Rua Artur de Paula, 02  
Nova Betânia – Rio Grande do Norte  
Zip code: 59612-120

### INDUSTRIAL UNITS

#### Bahia Asset

Estrada do Vinte Mil, Km 3,5 – Estação São Roque  
Mata de São João – Bahia  
Zip code: 48280-000  
Phone: (5571) 3635-0200

#### Potiguar Asset

Campo Riacho da Forquilha – Área Rural  
Apodi – Rio Grande do Norte  
Zip code: 59700-000

### Coordination

People & Management and Sustainability directory

### GRI consultancy, writing, editing and proofreading

Ability Sustentabilidade e Comunicação

### Graphic design and layout

MagentaLab and Yara Fernandes

### Translation

Cristina Lopez

### Photos

PetroReconcavo collection, Adobe stock.



For more information about our sustainability actions or details about the data presented in this report, please contact us by email

[sustentabilidade@petroreconcavo.com.br](mailto:sustentabilidade@petroreconcavo.com.br)



