

Sustainability Report



2023



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ABOUT THE REPORT

GRI 2-2, 2-3

For the third consecutive year, we publish our Sustainability Report in accordance with the Global Reporting Initiative (GRI) methodology.

This document provides information comprising PetroReconcavo's operations in the country between January 1 and December 31, 2023 and subsidiary SPE Tiêta Ltda. (formerly Maha Energy Brasil). We also considered indicators of the Sustainability Accounting Standards Board (SASB) and International Petroleum Industry Environmental Conservation Association (IPIECA) through correlation with GRI indicators, as well as sector data relating to our businesses.

With this relevant tool for accountability and transparent communication with our stakeholders, we are increasingly bolstering, enhancing and consolidating our sustainable development strategy.



In case of **doubts or suggestions** about this publication, please contact us via e-mail ri@petroreconcavo.com.br.

MATERIALITY

GRI 3-1

The topics and data presented in this report are the result of a materiality process that identified the most relevant issues to ensure that our business grows sustainably, fine-tuned with our area of activity and the Company's strategic positioning. The topics were defined according to the following bases:

- **Studies by entities linked to sustainability processes**, such as Sustainability Accounting Standards Board (SASB), Sustainalytics, World Benchmarking Alliance (WBA), International Finance Corporation (IFC), World Economic Forum (WEF), Principles for Responsible Investment (PRI), Sustainability Topics for Sector of the Global Reporting Initiative (GRI), Brazilian Institute of Corporate Governance (IBGC), Carbon Disclosure Project (CDP), FTSE4Good, S&P Global and MSCI.
- **Benchmarking with 11 companies in the sector**, nine of which are in the Gold, Silver and Bronze categories of the Dow Jones Sustainability Index (DJSI).

- **Topics considered relevant by PetroReconcavo** according to in-house documents, interviews with leadership (Executive Board, Reference Form, etc) and interaction with various stakeholders.

All the surveys addressed the likelihood of the risks associated with each potentially material topic becoming real and the magnitude of the impact, should it occur. The prioritization process also took into account the level of impact of the topics on society and on the Company's value creation for its stakeholders. In the final stage, the converging topics between the three groups of sources consulted were identified, resulting in 10 material topics divided into environmental, social and governance issues, presented below:

Since 2021, PetroReconcavo has been pursuing its development and evolution in ESG issues, when it published its first sustainability report. That same year, we set up our first materiality matrix and, in 2023, by taking another step along this path, we drew up a correlation between

our material topics and the Global Compact's Sustainable Development Goals (SDGs). In 2024, members of the Company will take part in meetings promoted by the global initiative in order to help better strategically prioritize the SDGs.

MATERIAL TOPICS

ENVIRONMENTAL		Emissions and climate change strategies	
		Environmental impacts & biodiversity	
		Waste management	
		Water management	
SOCIAL		Communities relationship and development	
		Health, safety and well-being	
		Human capital management and talent attraction	
		Diversity, equality and inclusion	
GOVERNANCE		Ethics and integrity in business	
		Regulatory management	

INSTITUTIONAL MESSAGE

GRI 2-22

At PetroReconcavo, we believe in responsible growth. We create more opportunities for society, reinforce our ties with communities and preserve the environment in which we operate, ensuring the continuity of our operations in the oil and gas sector.

Throughout our 24-year history, we have verticalized our Rigs and Services operations and evidenced excellence in the operation of mature fields with a highly skilled team. The 2023 Sustainability Report, the third in our history, highlights the main achievements and ambitions in our journey with regard to environmental, social and governance practices.

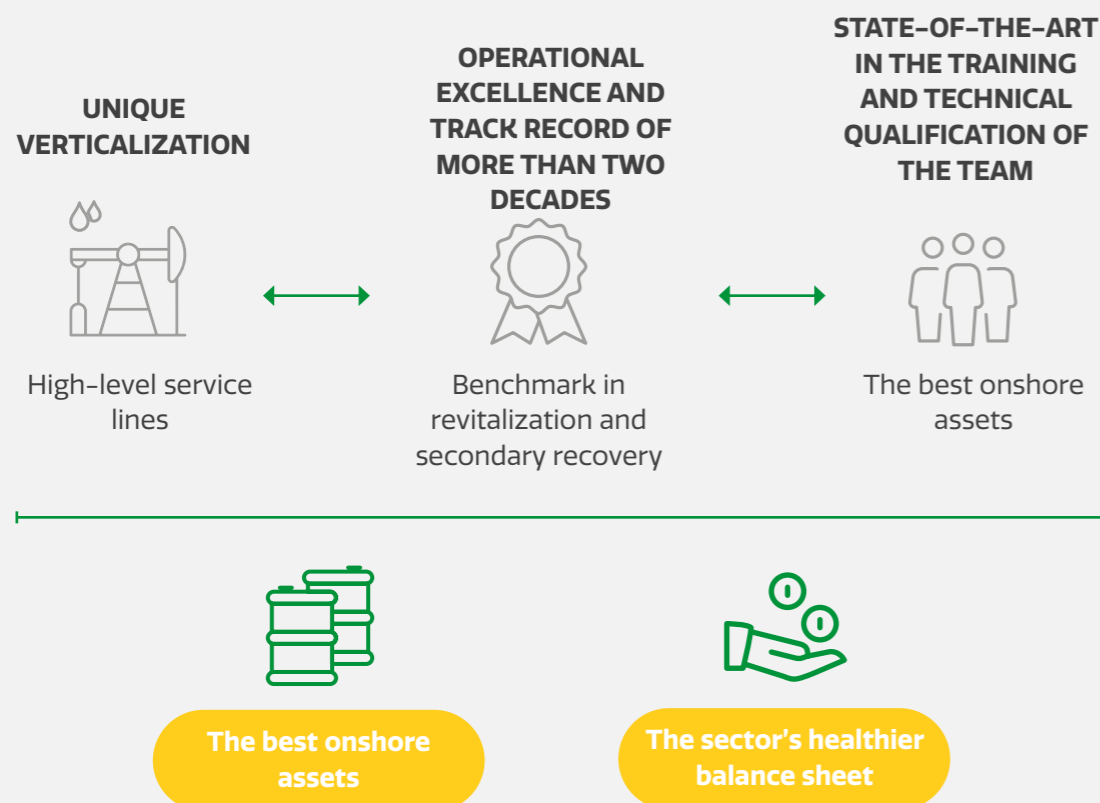
In 2023, PetroReconcavo posted another year of operational growth and hit new milestones. Average annual production was 26,000 barrels of oil equivalent per day (boed), a 22% year-on-year growth, driven by the conclusion of the acquisition of Maha Energy Brasil, which accounted for a 9% advance in production.

In addition, PetroReconcavo reached its highest point in the verticalization process with the startup of six new proprietary rigs, five of which are workover rigs and one drilling rig. This initiative bolsters the Company's competitive advantage, ensuring greater autonomy and efficiency in its operations, an unparalleled result among similar onshore companies in Brazil.

The Company has an ambitious vision for the future, based on its technical capacity and its ongoing pursuit to increasingly advance its projects. We hold a unique experience in revitalizing mature fields and have developed a secondary recovery program considered by many to be a benchmark in the country.



PETRORECONCAVO: LEADING THE TRANSFORMATION OF BRAZIL'S ONSHORE WITH OUR COMPETITIVE ADVANTAGES



Corporate University reinforces our commitment to promoting the staff continuous development

In the previous year, we made significant strides in enhancing one of our main competitive advantages: the training and qualification of our team. We set up the People and Management Statutory Executive Board, dedicated to improving the technical, behavioral and leadership skills of our 1,564 employees. In this regard, we began building our corporate university, a step that reinforced our commitment to promoting the continuous development of our staff, further boosting our operational excellence.

PetroReconcavo is continuously elaborating better projects and exploring new opportunities that value its fields, which evidence high-potential reservoirs. We lead the transformation of the onshore industry in Brazil and we are committed to continuing to invest to play this role responsibly, actively contributing to the advancement of our sector and converting reserves into wealth for employees, shareholders and society as a whole.

MORE OPPORTUNITIES AND SOCIAL IMPACT

We believe in social transformation and in PetroReconcavo's positive impact on the territory where we operate. Therefore, we invest in projects that foster education, quality of life and income generation for thousands of people in Brazil's Northeast. In 2023, the relationship with the communities surrounding our operations stood out as a material topic for the Company. Thus, we have broadened the quantity of communities benefited, we improved comprehensiveness and channels of consultation and communication with the region's beneficiaries. The more we understand the needs and desires of the communities, the greater our contribution.

From this perspective, we contributed to the local economy through investments in suppliers of the states of Bahia and Rio Grande do Norte, totaling R\$1.34 billion purchases in 2023, corresponding to 68% of the Company's annual spending on goods and services acquisitions. In addition, 93% of our employees are from the Northeast, evidencing our commitment to employability in the region.

With social investments, we increased the number of communities we serve from 17 to 21 and conducted surveys to find out how residents perceive PetroReconcavo. We have also reached a new level of social impact: 10,636

people directly and indirectly impacted by the social actions promoted by the Company. We are fully aware that we can always do more and better – and that is what we are constantly pursuing at all levels of the Company.

The PetroReconcavo we want is a corporation that is increasingly diverse, fair and equal, that relates correctly and transparently to its stakeholders. From employees to the population surrounding our units, from shareholders to customers, we want everyone to perceive that any effort, innovation or change to enhance our relationship will be taken into account.

We launched the 'Juntos Somos Mais – Unidos Pela Diversidade, Equidade e Inclusão' Program (Together We Are More – United for Diversity, Equality and Inclusion), advancing this agenda that began in 2022. For the first time, we ran an in-house development program for young apprentices, improving training. We reformulated the professional competencies, which now include feedbacks and more structured individual development plans (IDPs), as a way of better managing the career plan, the succession pipeline and the turnover rate, so that our employees grow together with us, building a meritocratic and high-performance environment.

Our aim is to contribute to local development, promoting positive social impact and building solid relationships. The journey continues, always in search of improvement and growth.

Enjoy the reading!

We believe in social transformation and in PetroReconcavo's positive impact on the areas of **education, quality of life and income generation and employment**



2023 HIGHLIGHTS



SOCIAL

- **FOMENTING THE NORTHEAST'S ECONOMY** – R\$1.34 billion in purchases from suppliers of the states of Bahia and Rio Grande do Norte, corresponding to 68% of the Company's annual spending on goods and services acquisitions
- **2.5X INCREASE IN IMPACT OF SOCIAL PROGRAMS** – the number of people impacted directly and indirectly rose from 4,256 to 10,637
- **R\$2.76 MILLION** – investment in social projects
- Employees –**1.5 THOUSAND EMPLOYEES**, 93% from the Northeast
- Diversity & Inclusion – **LAUNCH OF THE 'JUNTOS SOMOS MAIS – UNIDOS PELA DIVERSIDADE, EQUIDADE E INCLUSÃO' PROGRAM** (Together We Are More – United for Diversity, Equality and Inclusion).
- **FOCUS ON LEADERSHIP TRAINING** – 100% of middle management participating in the Leaders' Academy
- Promotion of health and well-being – **51% INCREASE OF PARTICIPANTS IN PETROFIT**, program that promotes health and integration
- **PROVIDING MATERNITY CARE** – start implementing breastfeeding rooms in offices



ENVIRONMENT

- **100% OF PRODUCTION WATER REUSED** – water reinjected into the reservoir, except for effluents used in administrative areas, which are discharged in treatment plants
- **BIODEGRADABLE DEGREASER** – advance in tests on rigs to replace the use of kerosene and other synthetic products.
- **PARTNERSHIP WITH PROJETO TAMAR FOUNDATION IN SERGIPE** – monitoring of beaches, registration of reproductive events, protection of nests and assessment of the influence of produced lighting.



GOVERNANCE

- **INCLUSION IN THE IBOVESPA INDEX** – PetroReconcavo is included in B3's list of top companies
- **CREATION OF THE PEOPLE AND ESG COMMITTEE** – affirmation of the importance of ESG initiatives for the Company (previously the Statutory People Committee)
- **ADHESION TO THE UN GLOBAL COMPACT** – reinforcing our commitment to economic, social and environmental development
- **100% OF COMPLAINTS RECEIVED BY THE TRANSPARENCY CHANNEL DEALT WITH** on time, with 94% completed by 2023
- **ISO 9001 PROJECT KICKS OFF** – reiterating our unwavering pursuit of processes' continued advancement





PRODUCTION

- **22% INCREASE IN PRODUCTION** – we reached 26,000 barrels of oil equivalent/day
- **PR-21, FIRST HYDRAULIC DRILLING RIG**, designed for safer and more efficient drilling in shallow and medium-depth wells.
- **LARGEST INDEPENDENT GAS TRADER** – we signed two more contracts in 2023 (Sergas and Copergás), totaling 15 contracts
- **ACQUISITION OF MAHA ENERGY** – which now is named Tiêta SPE, and its assets were merged into the Company's portfolio.
- **EXPANSION OF CONVENTIONAL HYDRAULIC FRACTURING OPERATIONS** in deeper areas with great production potential
- **SÃO ROQUE GAS TREATMENT UNIT (UTG) IS CONCLUDED** – with processing capacity of 400 thousand m³/day, nearly a quarter of the Company's current production.
- **GREATER EFFICIENCY IN THE RIGS AND SERVICES AREA** – implementation of the tree saver, a tool for pumping fluids at high pressures and substantial flow rates
- **ACQUISITION OF ANOTHER TWO EXPLORATION BLOCKS** – following our strategy of broadening our scope in basins in which we already operate.



FINANCIAL

NET REVENUE OF

R\$2.8 billion

EBITDA OF

R\$1.3 billion

NET INCOME OF

R\$709 million

- **DISTRIBUTION OF R\$290 MILLION DIVIDENDS** – 31% higher than in the previous year.

PETRO

PetroReconcavo

- Business model
- Our products



GRI 2-1, 2-6

We are a publicly traded, for-profit company operating in the oil and gas market. From our headquarters in the city of Mata de São João (BA) and our bases in Salvador and Mossoró (RN), we conduct operations located in the Recôncavo and Sergipe-Alagoas basins (which, together, compose the Bahia Asset) and Potiguar (Potiguar Asset). Our commitment is to extract products efficiently, safely and sustainably, always seeking to build a positive socioenvironmental impact on the communities in which we operate.

PetroReconcavo's history began in 1999, two years after the approval of the Petroleum Law, which disrupted the state monopoly on activities related to exploration, production, refining and transportation in Brazil. With the authorization for private players to also operate in the fuel chain, in 2001 we became one of the first companies focused on onshore production in the country when we won the concession for four fields in the state of Bahia.

We also innovated in the acquisition of fields resulting from Petrobras' divestment program, with the acquisition of the Riacho da Forquilha Hub (RN) in 2019. Another milestone

was the acquisition of the Miranga (BA) hub in 2021, whose natural gas potential had a direct impact on the Company's profitability. In 2023, we concluded negotiations to acquire Maha Energy, a company with assets in the states of Bahia and Sergipe, we also acquired another two exploration blocks at Potiguar basin, in areas nearby concessions we already own.

Thus, in 2023, we operated 55 oil and natural gas fields, with rights to the concession of six exploration blocks (part of a basin where exploration activities are carried out), as well as a stake in two concessions operated by third parties. It is results like these, delivered with quality, scale, technology and sustainability, that give PetroReconcavo the credentials to hold an outstanding position not only in the Northeast region, where we are physically present, but across the Brazilian national sector.

MORE TIME TO PRODUCE

In 2023, Brazil's National Agency of Petroleum, Natural Gas and Biofuels (ANP) approved our development plans (DPs) and contractual renewal for production phase of 19 concessions. Out of this total, 10 received lower *royalties* rates for incremental production (Resolution No. 749/2019 ANP – lower *royalties* over incremental production).





Mission

Develop opportunities in the oil and gas industry, transforming resources into value and dreams into reality.



Values

RESILIENCE

Overcome challenges by seeking continuous improvement, sustaining the balance to deal with adversities.

ENTHUSIASM

Inspire people by putting enthusiasm, energy and passion into all our actions.

ENTREPRENEURSHIP

Encourage project development and solutions, combining courage, planning and innovation.

AUSTERITY

Responsibly deal with the Company's funds, pursuing the best return.



Vision 2025

To be the safest, most efficient and profitable independent Oil & Gas operator and to lead the transformation of the onshore industry in Brazil.

RESPECT AND TRUST IN PEOPLE

Trust in people and incorporate differences by promoting open and respectful dialogue.

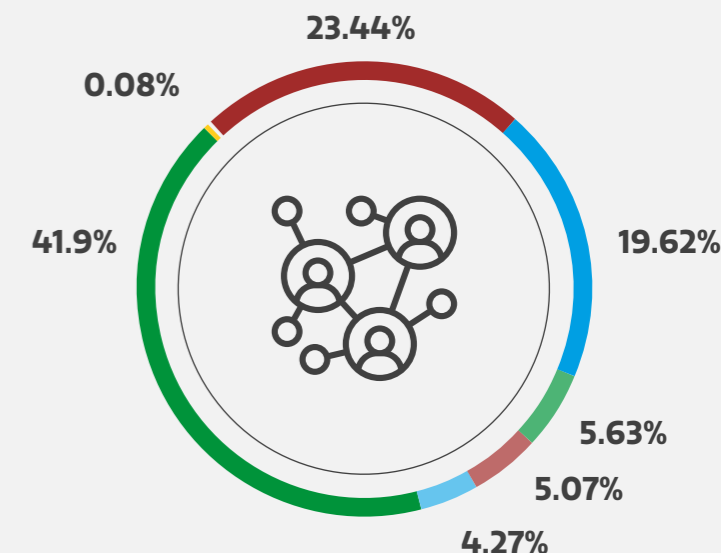
INTEGRITY

Conduct our businesses with integrity, respect for laws and acting consistently and transparently.

SAFETY

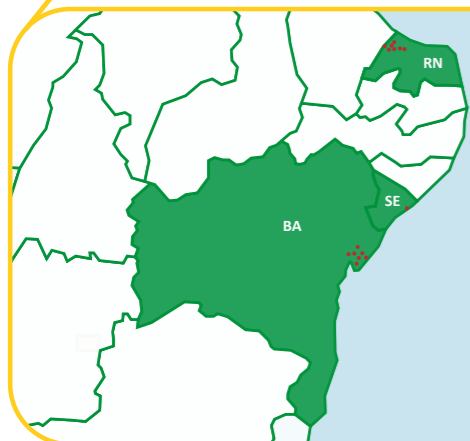
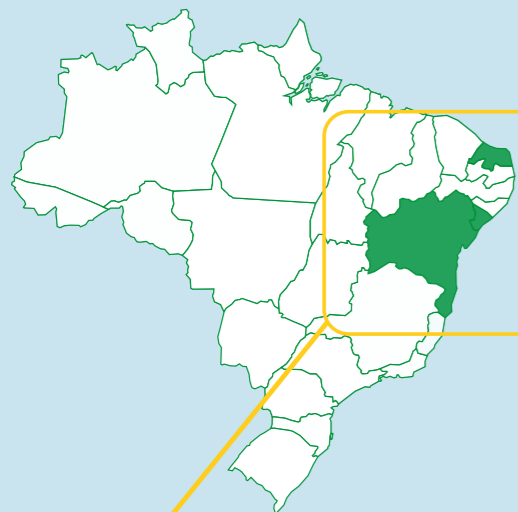
Work for us to feel well, valued and safe every day.

Ownership Structure

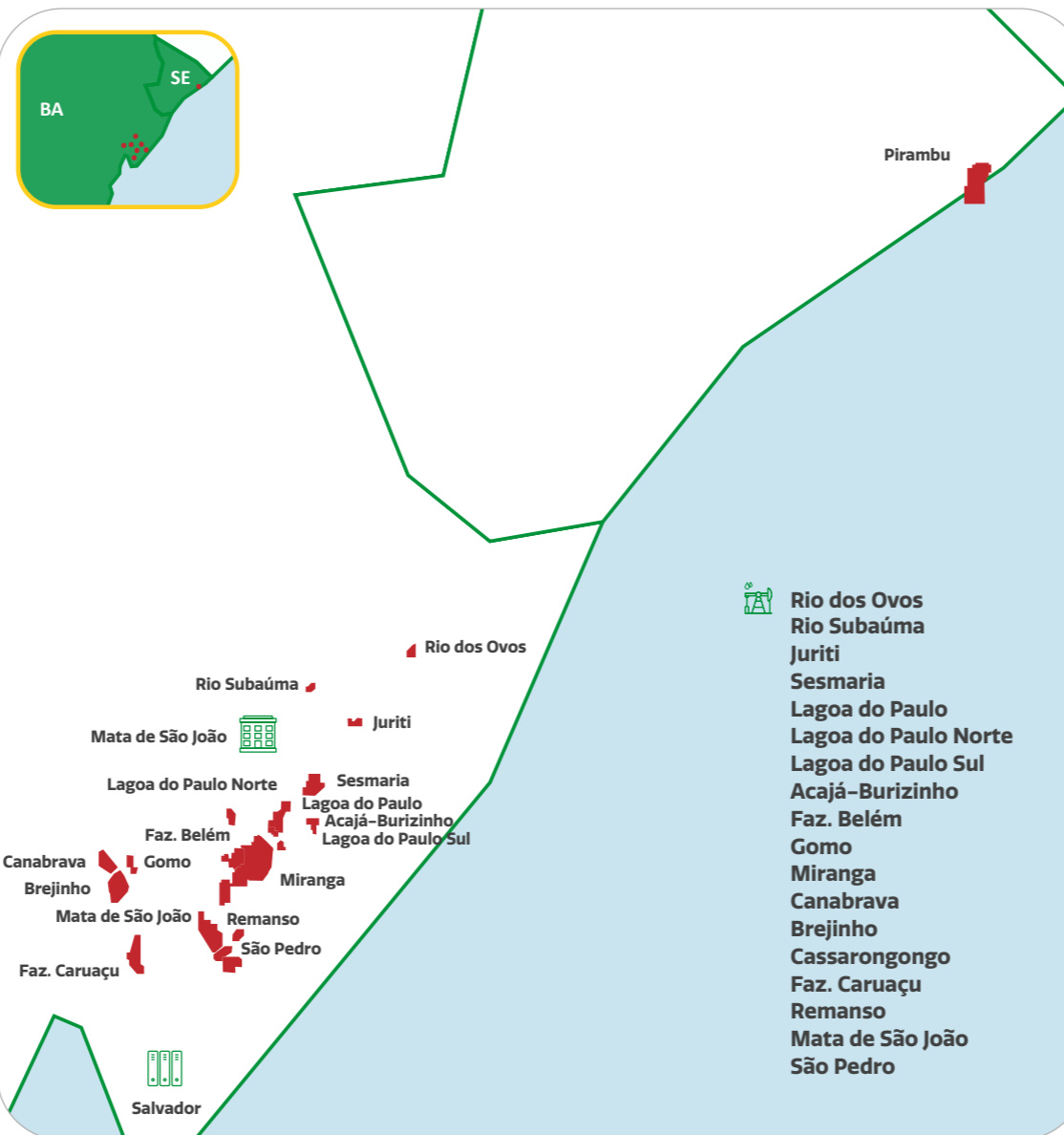


- Funds managed by Opportunity
- PetroSantander
- Eduardo Cintra Santos
- Funds managed by Atmos
- Perbrás
- Other shareholders
- Treasury

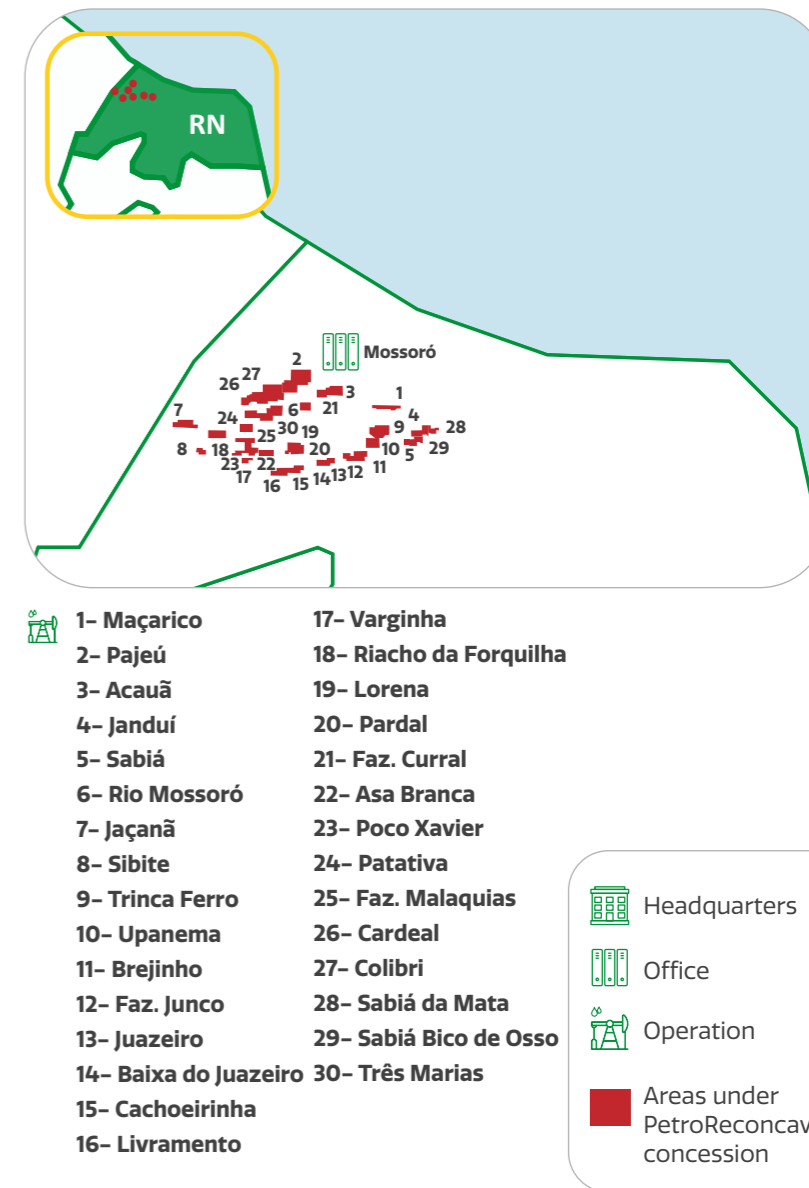
PRESENCE IN THE NORTHEAST



Bahia Asset



Potiguar Asset



BUSINESS MODEL

GR 2-6

PetroReconcavo's business model is grounded in operating mature onshore field concessions, i.e., fields that already achieved their production peaks and have an accumulated production corresponding to 70% of total recoverable volume during their lifespan. Among our competitive advantages, we point out:



Proven leadership and resilience in **secondary recovery projects** in Brazil.



Solid **rigs and services verticalization strategy**



Renowned expertise of our employees in the Oil and Gas sector

We are a benchmark in water injection projects for the secondary recovery of oil and natural gas reservoirs. This technique, applied to supplement the reservoir's original energy after a certain production phase, is used to maintain production levels at economic volumes for a longer period of time, and consists of injecting water into producing reservoirs to increase pressure and physically transfer the oil to the producing wells. This type of recovery method is well known around the world, and it is possible to achieve recovery factors – i.e. the amount of oil removed from the reservoir – of around 35%. Currently, the reservoirs in the Northeast's onshore producing basins have recovery factors of 23%, evidencing great potential for additional and long-lasting reservoir recoveries.

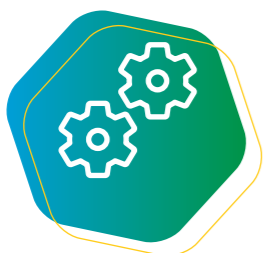
The Company's strategy is to maintain control of all stages of the production chain, involving

Domain of all phases of production chain provides **savings, flexibility and greater safety**

the development of reserves, production and trading. We are qualified to drill our wells, carry out completion work (preparing the wells for safe operation), put these wells into operation and also execute workover services to develop and uplift production. Operating drilling and workover rigs with our own equipment and teams has enabled us to achieve productivity gains, flexibility in performing these activities, significant cost savings and greater safety for the operations team.

This vertical model, which currently stands us in the position of one of the largest internal service companies, with a range of equipment strategically operated both to develop new reserves and to ensure the availability and continuity of production, gives us a great competitive advantage in the market. In drilling activities, for instance, the costs are 30% lower than contracting an external rig.

Both the services internalization and the fields recovery bring direct advantages to production. In the Bahia Asset alone, in two decades we have produced more than three times the volume of initially certified reserves – and there are still +23 million barrels of oil equivalent in gross proven reserves.



400 thousand m³/day
is the processing capacity of São Roque UTG

Behind the excellence that permeates our activities is an experienced team, made up of savvy professionals and founding shareholders with extensive experience in the sector. They build the respected reputation of PetroReconcavo along with customers, regulatory authorities, suppliers and the market in general. We rely on the expertise of our leaders and employees to bolster the Company's leading role in upstream (exploration and production) over the upcoming years and to ramp up our midstream (processing and trading) infrastructure, especially in relation to natural gas.

A relevant step in this regard was the conclusion of our **first Gas Treatment Unit (UTG)**. With the new plant, located in the city of Mata de São João (São Roque Station), state of Bahia, PetroReconcavo will deliver the product directly to the Bahiagás network, the Northeast's largest piped natural gas concessionaire.

ADVANCE IN MIDSTREAM WITH SÃO ROQUE UTG



Installed at the end of 2023, the São Roque (BA) Gas Treatment Unit (UTG) sets the startup of PetroReconcavo's midstream assets. This is a dew point adjustment plant with the capacity to process up to 400 thousand m³/day, almost a quarter of our current production.

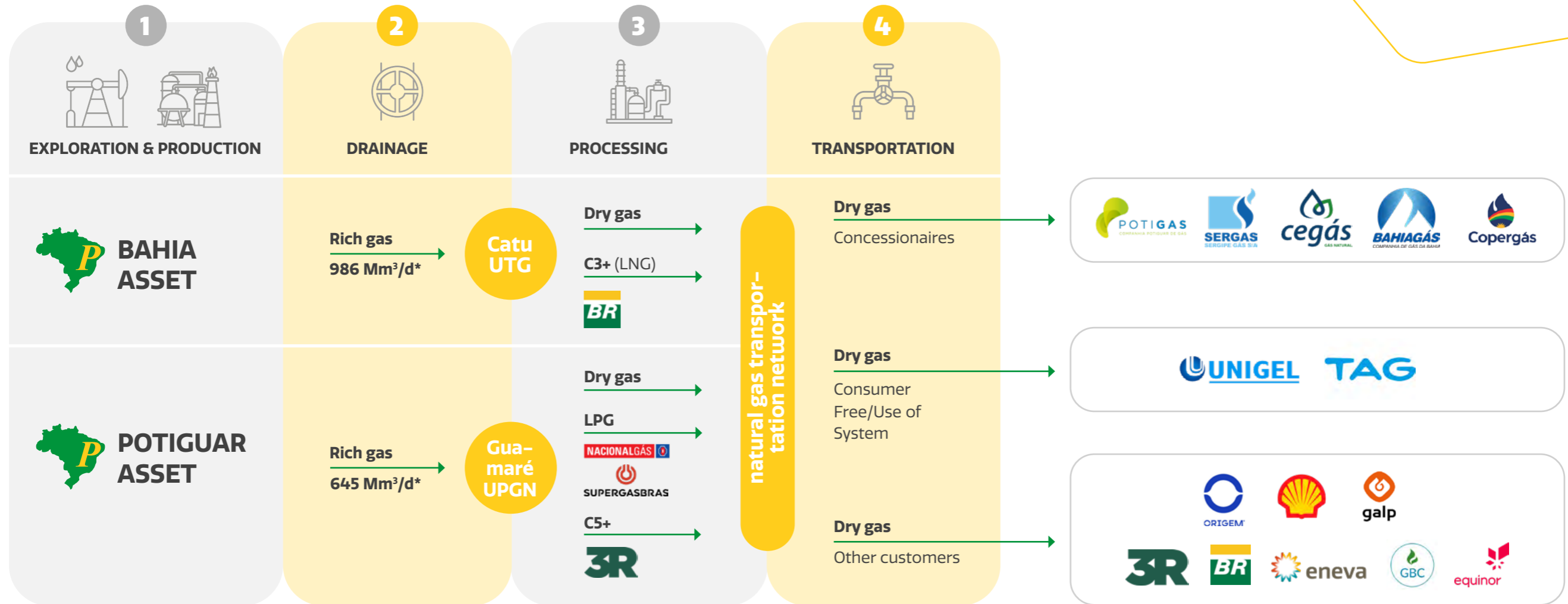
As soon as it receives authorization from the ANP to start operating, this UTG will allow the Company to deliver natural gas extracted from the Bahia fields of Mata de São João, Remanso, Jacuípe and Riacho de São Pedro independently, without having to use outsourced infrastructure. This model allows for substantial gains in processing costs and in making natural gas available to the Company's customers.

The unit, wherein nearly US\$5 million was invested, also reduces our reliance on

Petrobras' Catu (BA) UTG – and, accordingly, related processing costs and eventual operational constraints.

And we should not stop there. We are already analyzing new investments in processing in both Bahia and Rio Grande do Norte. We are making progress on the project for a Natural Gas Processing Unit (UPGN), a more complete unit capable of processing condensate and producing liquefied petroleum gas (LPG). Besides building our own infrastructure, we continue to work in partnership with other natural gas producers and processors, stepping up our operational flexibility and cutting intermediate costs.

How our natural gas is processed and sold

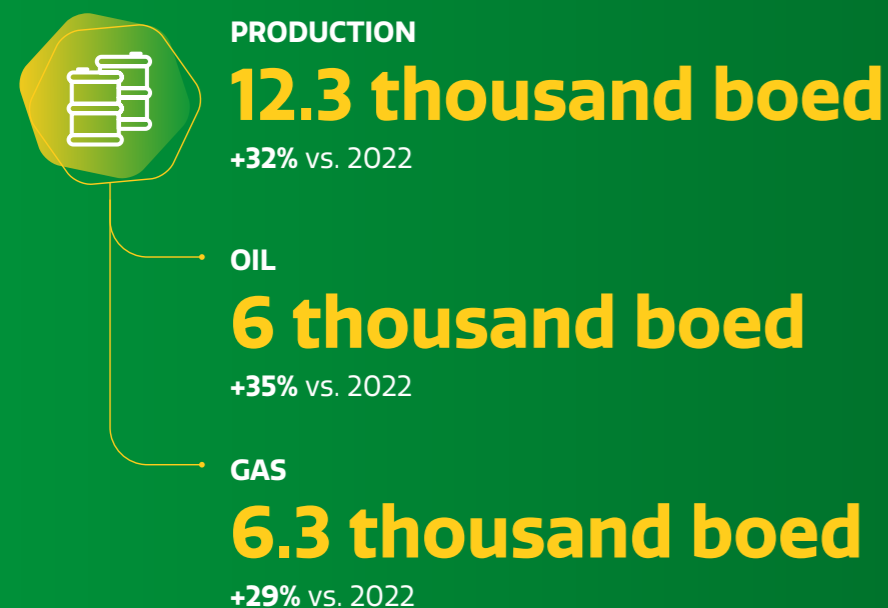


Our operations

BAHIA ASSET

Composed of 26 oil and natural gas fields built into the Company's portfolio with the acquisition of BRTEC hubs (through bid rounds of Brazil's National Agency of Petroleum, Natural Gas and Biofuels (ANP) between 2005 and 2007), Remanso and Miranga (along with

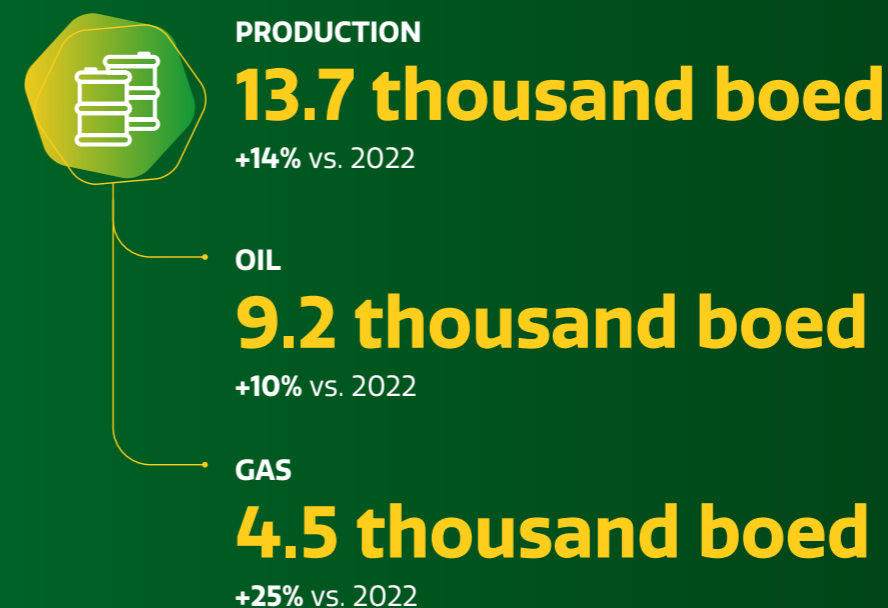
Petrobras in 2021), and Maha Energy (in 2023, composing Tiêta SPE, merging Tiê fields, in Recôncavo basin, and Tartaruga, in Sergipe/Alagoas basin). In 2023, it accounted for 39.5% of total oil production, and 58.3% of Petro-Reconcavo's natural gas.



*BOED: Barrel of oil equivalent/Day

POTIGUAR ASSET

It started its operations in 2019, with acquisition of Riacho da Forquilha Hub along with Petrobras. Out of its 33 fields, 60.5% accounts for our total oil production and 42% for natural gas. At the end of 2023, we acquired another two exploration blocks in areas nearby concessions already operated by the Company.



OUR PRODUCTS

GRI 2-6

We are specialized in oil and gas. More specifically, in the operation and production of mature fields in onshore basins. The value chain includes the activities of operating fields and facilities associated with primary processing for the sale of oil and natural gas, as well as the structure for processing and specifying natural gas byproducts (midstream activities), including logistics, services, infrastructure, human resources management, technology development, project management, procurement, raw materials, use of the product and/or service, outbound logistics, marketing and sales.

The oil produced by our assets has an average API grade of 35 and a low sulphur content (below 0.5% by weight). These factors mean that less energy is needed for production and drainage, not requiring steam or heating, for instance. In addition, it produces high-quality byproducts, such as low-sulphur diesel and shipping fuel in line with United Nations guidelines for reducing sulphur oxide (SOx)

emissions, in accordance with International Maritime Organization regulations (IMO) 2020. Another characteristic is the considerable paraffin content, which generates specific benefits in the refining process, especially for high-quality byproducts, such as high-performance lubricants and waxes (used in cosmetics, packaging, etc.).

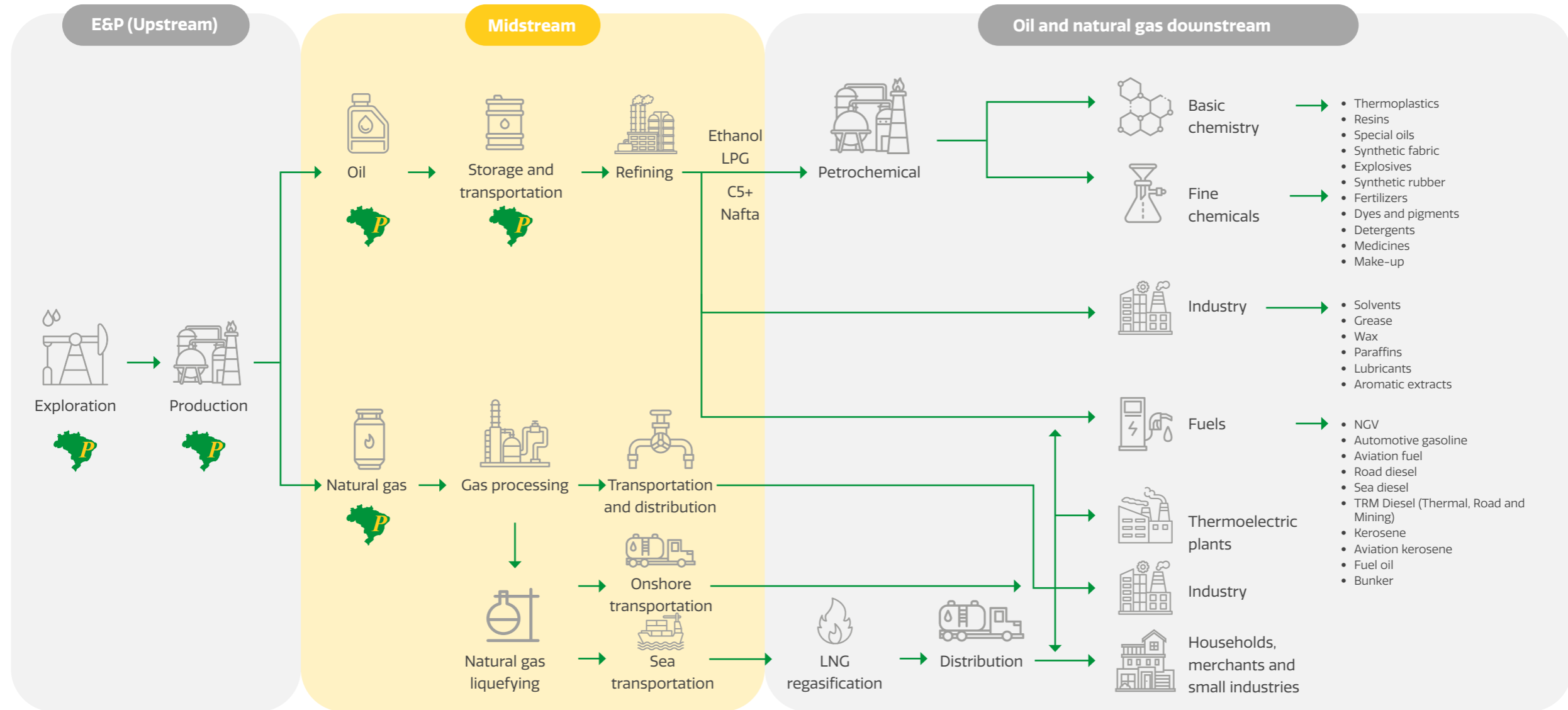
Natural gas, on the other hand, has been consolidated in our business matrix since 2021, when the new regulatory framework boosted competition in a market that was monopolized by Petrobras. The completion of Miranga Hub (BA) acquisition that year and investments in the Recôncavo and Potiguar basins in 2022 significantly uplifted the Company's production, especially of natural gas not associated with oil.

Since then, natural gas has accounted for more than 42% of everything we produce and, unlike oil, which is affected by the daily variation in the barrel price, it allows us to sign

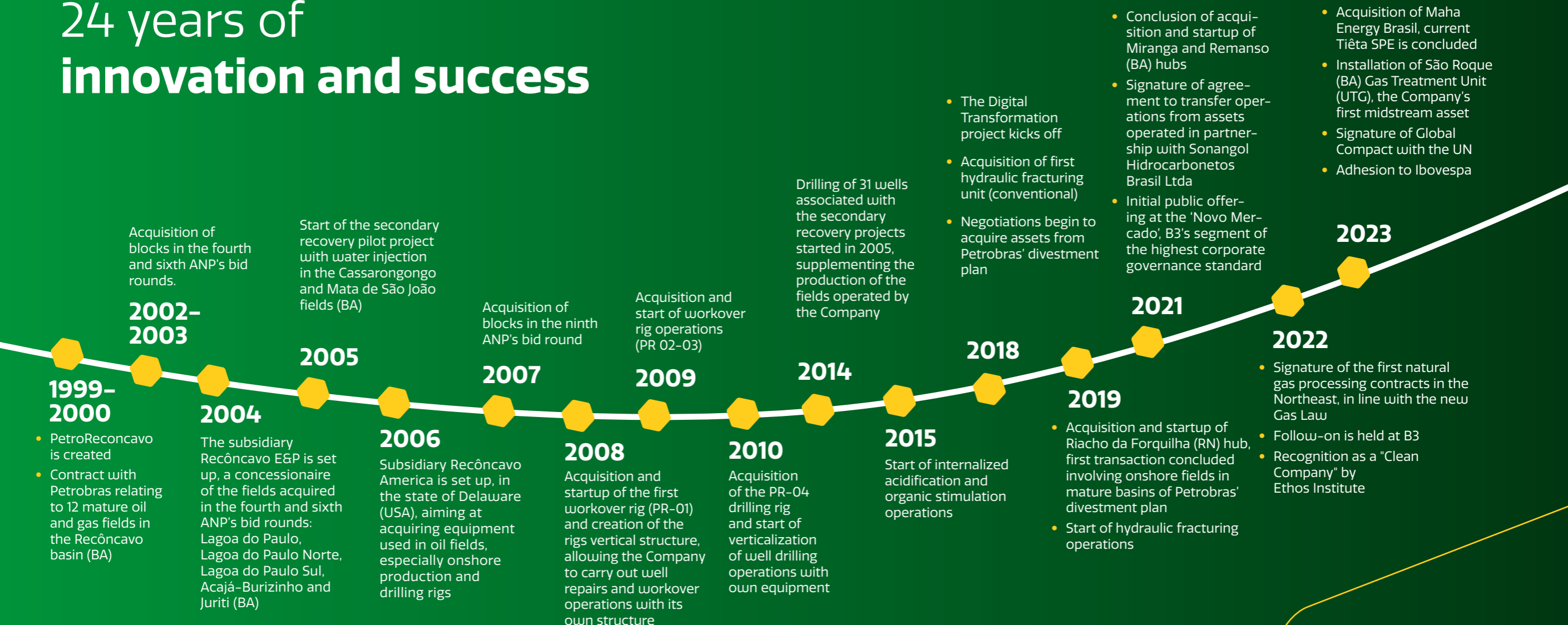
long-term contracts at fixed prices. This scenario led us to set up an area for its commercialization. Today, we are one of the main gas suppliers in the Northeast, selling it to state distributors in the region and to consumers in the free market through processing and transportation services agreements. Its destination splits into industrial applications, residential and vehicular consumption.



Oil and natural gas value chain



24 years of innovation and success



BEST PRACTICES

Best governance practices

- Governance structure
- Compliance, ethics & conduct
- Risk management
- Associations and pacts

GOVERNANCE STRUCTURE GRI 2-9

PetroReconcavo follows a corporate governance model aligned with best practices and in compliance with the guidelines of B3's 'Novo Mercado' segment, of which the Company has been a member since May 2021. This means that all our decisions, processes and activities are guided by these principles.

In order for these assumptions to be respected and practiced, our governance structure is composed of the Board of Directors, Board of Executive Officers and statutory committees (Audit; Finance; People and ESG; Production) and non-statutory committees (Ethics; Information Security and Data Privacy), detailed on the next page.

Decisions, processes and activities **in line with the best practices**



Integrity

Continuous improvement of the Company's ethical culture, compliance with laws and best corporate governance practices, consistency between speech and action and strict care for stakeholders, society and the environment.



Transparency

Disclosure of accurate, clear and relevant information, whether positive or not, covering not only economic and financial performance, but also environmental, social and governance aspects.



Equality

Fair treatment of all members and other stakeholders, according to their relationships and demands and observing their rights, duties, needs, interests and expectations, whether individual or collective.



Accountability

Perform duties with competence and independence that promote the creation of sustainable value in the long term, reporting on the Company's activities in an accessible and easy-to-understand manner.



Sustainability

Concern for the Company's economic and financial feasibility, considering its various capitals (financial, manufactured, human, social, natural, intellectual) in the short, medium and long term.

Statutory gov- ernance

GRI 2-10, 2-11, 2-12, 2-13, 2-14, 2-17,2-18, 202-2

The appointment and selection of board members for PetroReconcavo's highest governance level and its committees is guided by a process that takes into account the profile of skills, transparency, diversity, independence, time and dedication. The Company's structure is divided into:

BOARD OF DIRECTORS



Members

Seven (Chairman, without executive position at the Company; and six members), all of them independent (plus five deputy members).



Term of office

Two years, renewable through election by the General Meeting.



Main responsibilities

- Define business strategies, taking into account the impacts on society and the environment, aiming the Company's sustainability and the value creation in the long term;
- Analyze and approve the Company's material topics and the information presented in the sustainability report;
- Periodically assess risk management systems, internal controls, the integrity and compliance system;
- Oversee the processes for identifying and managing impacts on the economy, the environment and people, whose information is reported through quarterly reports and the People and ESG Committee;
- Supervise the officers' management; analyze the Company's books and documents; request information on contracts or businesses;
- Observe the compliance with the Bylaws and General Meetings' resolutions.

BOARD OF EXECUTIVE OFFICERS



Members

Five (chief executive officer, chief operations officer, trading, regulation and new businesses officer, people and management, sustainability and communications officer; and chief financial and investor relations officer), all hired in Brazil.



Term of office

Two years, renewable through election by the Board of Directors.



Main responsibilities:

- Execute the Company's management policy;
- Identify and manage risks, assessing the likelihood of their occurrence and adopting measures to prevent and mitigate them.
- It is also liable for yearly analyzing and approving the tax strategy. [GRI 207-1](#)

AUDIT COMMITTEE



Members

Three (a coordinator and two members; of whom, at least, one must be independent and, at least, one must have proven experience in corporate accounting).



Term of office

Two years, appointed by the Board of Directors.



Main responsibilities

- Advise in the monitoring and control of quality of financial statements, internal controls, risk management and compliance.

FINANCE COMMITTEE



Members

Four
(a chairman and three members).



Term of office

Two years.



Main responsibilities:

- Draw up assessments and recommendations to the Board of Directors about strategy and financial performance;
- Give support to the chief financial and investor relations officer.

PRODUCTION COMMITTEE



Members

Four
(a chairman and three members).



Term of office

Two years.



Main responsibilities:

- Monitor the Company's operational performance;
- Report to the Board of Directors deviations and actions inherent to the achievement of estimated production curve.

PEOPLE & ESG COMMITTEE



Members

Four (a chairman and three members).



Term of office

Two years.



Main responsibilities:

- Monitor environmental, social, governance and human resources issues;
- Advise the Board of Directors on the resolutions concerned with respective areas of activity.



For additional information about the bodies composition, [click here](#).

Non-statutory governance

BOARD OF EXECUTIVE OFFICERS



Members

Eight.

- Planning Officer
- Production Officer
- Technical Officer
- Rigs and Services Officer
- Investor Relations Officer
- IT and Innovation Officer
- Legal and Compliance Officer
- Controllership Officer

ETHICS COMMITTEE



Members

From five to seven.



Responsibilities

- Ensure the observance and compliance with ethical principles;
- Monitor incidents involving ethical misconduct practiced by the Company's employees, contractors, customers and partners, as well as related parties;
- Recommend disciplinary measures; monitor the Integrity Program;
- Propose continued improvements.

INFORMATION SECURITY AND DATA PRIVACY COMMITTEE



Members

Five (one of them is a member of the Board of Executive Officers).



Responsibilities:

- Draw up, approve, disseminate, monitor and ensure the availability of resources to implement the Information Security policy and procedures.

COMPLIANCE, ETHICS AND CONDUCT

GRI 2-15, 2-16, 2-25, 2-26

Since its initial public offering (IPO) in May 2021, PetroReconcavo has dedicated itself to perfecting its routines and processes according to the best corporate governance practices. The Company's Integrity Program and Code of Ethics and Conduct, launched in 2022 with the broad participation of the areas, reflect our commitment to combating corruption, illegal acts and unethical practices. Therefore, the Company aims at reinforcing its culture, data privacy, information security, stakeholder relationship and sustainability, which underpin its actions in the various risks considered.

Elaborated pursuant to requirements provided for in the Anti-corruption Law (Law No. 12.846/2013) and Decree No. 11.129/2022, among other legal provisions fomenting the corporate governance practices, both are the result of PetroReconcavo's efforts to enhance its practices and build relations guided by

integrity, correctness and transparency. More than fulfilling its obligations under the law, the Company is committed to building a fairer society, with respect for its stakeholders and the environment.

In 2023, we enhanced our communication of integrity through 'Siga na Trilha' (Follow the Trail), the communication campaign's slogan, which reinforced the learning of the Code of Ethics and Conduct throughout the year through various media and locations, valuing employees and making them the leading figures in building a living culture.

The pillars of prevention (which involve our culture of integrity through continuing training and communication) and detection (the main activity of the Transparency Channel) are developed by the Compliance area. The response to illegal and unethical actions

that somehow involve the Company and its employees is conducted by the Ethics Committee - which, like the Compliance area, is autonomous and acts independently. Our organizational structure is composed of the Legal & Compliance Executive Board, liable for managing our Integrity Program.

All these mechanisms make our Integrity value effective, making ethical, reliable and safe decisions part of the Company's daily routine. After all, we want to be recognized both for the essential role we play in the country's economic development through our work in the oil and gas sector and for promoting collective well-being.



Relations guided by **integrity, trust and transparency**

Employees communicated and trained in 2023 about anti-corruption policies and procedures [GRI 205-2](#)

BY REGION

	Notified	%	Trained	%
Corporate	470	100	442	94.04
Potiguar Asset	144	100	117	81.25
Bahia Asset	242	100	221	91.32
RSO	708	100	621	87.71

BY EMPLOYEE CATEGORY

	Notified	%	Trained	%
Board of Executive Officers	12	100	10	83.33
Managers	30	100	28	93.33
Coordination	55	100	50	90.91
Supervision	104	100	90	86.54
Administrative	446	100	421	94.39
Operational	917	100	802	87.46



100% of the Company's members were notified about **anti-corruption policies and procedures**, while the percentage of training reached 89.3%



TRANSPARENCY CHANNEL GRI 2-25, 2-26

Among the processes to notify crucial concerns and remediate negative impacts adopted by PetroReconcavo, the Transparency Channel is one of the highlights. Through this contact, employees, suppliers, service providers or any other internal or external stakeholder, can inform the Company of any suspected violations of current legislation and conduct infringing the internal rules of integrity. In 2023, 143 complaints were received, 101% more than the previous year – which indicates, among relevant indicators of greater acculturation and risk perception, greater trust and credibility in the Transparency Channel.

Complaints are received by an independent company and are handled through a number of different channels: a web platform in Portuguese and English, a toll-free number available 24 hours a day and e-mail. The telephone service is staffed by psychologists who are trained to deal with the public, in order to help humanize the process, generating welcome and support.

Each report – anonymous or identified, with the guarantee of non-retaliation – is sent to

the Compliance team, which starts investigating it. All reports are treated confidentially and interaction with the user takes place only through the channel, to gather information and evidence if necessary.

The types of complaints include: moral harassment; sexual harassment; misbehavior; violation of labor laws; discrimination; conflict of interests; corruption, theft or fraud; deviations in relation to health, safety and the environment, in relations with suppliers or customers and with regard to confidential information; misuse of the Company resources; recruitment and selection; retaliation; irregularities in donations or sponsorships; improper offer or receipt of gifts and presents; and other deviations to the Code of Ethics and Conduct, in-house rules and laws. The progress of the case can be followed by the whistleblower on the platform.

The investigation is consolidated in a report and sent to the Company's Ethics Committee. For complaints that are found with grounds, the application of disciplinary mea-

asures as required by law is recommended, as well as training and qualification to improve the employee's environment. The Compliance area reports to the CEO and the Audit Committee on the indicators of the Integrity Program, including the recommended disciplinary measures, so that the recommendation can be acknowledged and accepted.

CONTACT US



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contatoseguro.com.br/petroreconcavo

TOOL EVALUATION

The evaluation survey conducted in 2023 to measure employee perception of the Integrity Program's actions and provide data for continuous improvement revealed an average of 4.46 points (on a scale from 1 to 5) for knowledge and confidence in using the Transparency Channel.

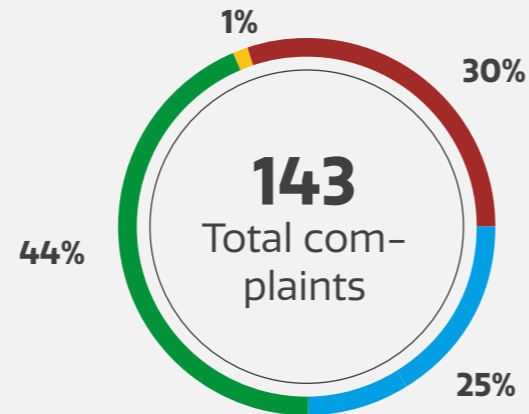
Questions

Indicator¹

Do you know the Transparency Channel?	4.55
Do you feel safe in using the Transparency Channel?	4.26
If you became aware of misconduct, would you report it?	4.56

¹ Scale from 1 to 5.

Reports and submissions 2023



- 43 dealt with outside the scope of the channel
- 36 with grounds
- 63 groundless
- 1 in analysis



ZERO HARASSMENT

PetroReconcavo, in the constant exercise of building progress and perfecting its practices for individuals and society, launched the 'Assédio Zero' (Zero Harassment) campaign in 2023 aiming at preventing and combating moral and sexual harassment and discrimination in the workplace.

The campaign had a seed planted in 2022 with Law No. 14.457, known as the 'Emprega + Mulheres' (Women's Employment) Program, enacted to enhance women's employability and offer greater protection against sexual harassment and other forms of violence in the workplace, and was kicked off with a round of lectures given by specialist psychologist Vinícius Farani, during the Internal Week for Work-Related Injury Prevention (Sipat), with the topic 'Anti-harassment'.

In 2023, as part of its integrity ecosystem, the Company elaborated the 'Guide to Preventing and Combating Harassment', pursuant to Brazilian laws and inspired by the anti-harassment booklets of the Superior Labor Court (TST) and the Office of the Federal Controller General (CGU).

The guide includes guidelines that shall be built into employees' routine, seeking to be practical, through concepts and examples of gestures, speeches and attitudes that can, in the context of labor relations, be identified as moral or sexual harassment or discrimination. It also contains the differences between acts of management and moral harassment, guidelines for prevention, psychological assistance and whistleblowing, among other useful information for dealing with these abusive practices. The material was developed with characters created by artificial intelligence avatars, representing the plurality of the public and showing that harassment has no an identity.

One of the strengths of the campaign was the specialized training for leaders, which took place in Bahia and Rio Grande do Norte, covering various locations in the operation. Lasting a week, the training was developed by teacher and specialist Marcelo Gomes, who approached the subject in a didactic and practical way, arousing leaders' reflection and participation.

Leaders received a letter with the mission

of signing the commitment to the campaign and training the team on the topic of preventing and combating harassment, using the guide already available to everyone through the Company's web platforms, the intention of which is to cascade the topic and make an impact. The campaign was widely publicized, with posters and banners installed in the locations with QR codes that facilitated access to the guide.



Integrity Program

PetroReconcavo's Integrity Program aims at building a culture that prioritizes ethical, seamless and safe attitudes, in which everyone performs their duties with dignity and respect, approved by the Board of Directors for the 2022-2024 two-year period.

The Integrity Program encompasses the Code of Ethics and Conduct, integrity guidelines, policies, tools for evaluating contractors and receiving complaints, controls and other fronts of action to support our operation against the most varied risks considered. Fine-tuned with the Company's Vision, Mission and Values, it also covers data privacy and information security, stakeholder relationship and the promotion of sustainability.

Its dimensions envisage the creation of an environment for its management, recurring risk analysis, the structuring and implementation of policies and procedures, communication and

training, monitoring, remedy measures and the application of disciplinary measures. The Integrity Program applies to managers, employees, contractors, suppliers, customers and business partners in Brazil or abroad.

The Board of Executive Officers, the Ethics Committee and the Compliance area are the governance bodies that support, advise and ensure the Program's effectiveness, as well as the execution and enforceability of its prerogatives. Thus, PetroReconcavo reiterates its unequivocal position as a benchmark for integrity, transparency and ethics in the businesses to which it is a related party – recognized for the second consecutive year as a 'Clean Company' by the Ethos Institute.



[Click here](#) to learn more about our Integrity Program.

Dimensions of the Integrity Program





The publication gathers **guidelines and standards governing the Company** across all levels of activity

Main documents of the Company

1. CODE OF ETHICS AND CONDUCT

GRI 2-15, 2-16, 2-25, 2-26

PetroReconcavo sets out ethical interactions among employees, suppliers, society, public authorities, agency and competitors. Thus, the Company's Code of Ethics and Conduct, drawn up with the participation of different areas, focuses on the professionals' commitment and the inclusion of its guidelines in daily routine, so that integrity is intrinsic to our actions.

Approved by the Board of Directors pursuant to legal requirements to prevent and combat corruption and bribery, the document outlines standards and guidelines ruling our decision-making across all levels of our operations. It provides guidance on a wide array of situations that we encounter in our business, from conflict of interests to accepting gifts, from using assets and equipment to recording financial and accounting transactions, and from relationships with governments, politi-

cal parties, unions, shareholders, the press and the community.

Conduct recommended also applies to customers, suppliers and partners. Any business contracts with PetroReconcavo must contain a specific clause stipulating respect for and compliance with the principles of the Code of Ethics and Conduct.

The absence of a policy on a particular subject is neither an authorization to act beyond the Company's interests, nor does it allow employees to act on behalf of the Company without leader's support. Any doubts about its scope can be solved with the Compliance area, via Transparency Channel.



[Click here](#) to learn about our Code of Ethics and Conduct.

2. POLICIES

GRI 2-19, 2-20, 2-23, 2-24

PetroReconcavo sets out commitments in line with the UN's Global Compact and Sustainable Development Goals (SDGs), providing for due diligence, application of precaution principle and respect for human rights. The Company prioritizes groups of stakeholders, including those at risk, such as children, adolescents, ethnic minorities, people with disabilities, women and LGBTQIA+, with documents available for public consultation and approved by the highest governance bodies.

These commitments are communicated and embedded into all the organization's activities and business relations, supervised by the Board of Directors and carried out through the delegation of responsibilities at all organizational levels. These are also incorporated into the Company's strategies, policies and operations, with mandatory and evaluated training.

It is implemented in the business through contractual clauses, training, monitoring and audits. The Company also offers specific training courses, such as Integrity, Ethics, Informa-

tion Security and the General Data Protection Law (LGPD).

Related Party Transaction Policy

it outlines principles and guidelines to ensure that these transactions and other situations with a potential conflict of interests are decided and conducted appropriately, in accordance with market conditions. Any situation that falls under these conditions must be reported immediately by the party involved or by any member of the joint committee or third party who is aware of the event.

Diversity, Equality and Inclusion Policy

It provides for the rules governing the Company, so that its actions are guided by respect, inclusion, equality and recognition of human and cultural diversity in the development of its activities, as well as the encouragement and appreciation of diversity and non-discrimination in its processes. It envisages recruiting, selection, hiring, training, promotion and dismissal.



Management Remuneration Policy

It sets out the criteria that determine the remuneration of members of the Board of Directors, the Board of Executive Officers and the Committees, in accordance with best corporate governance practices, market standards and the Company's strategy on the matter, within the overall limit approved by the General Meeting. The model, including variable remuneration indicators, reflects the budgetary targets, business plan, financial and operational performance of PetroReconcavo, assuring impartiality in the executives' remuneration decision-making process. The parameters considered to determine them compose a target management system, comprising the

Company's strategic indicators and specific indicators for Management's members, whose individual performance is assessed regularly. This remuneration system aims at promoting a culture of outstanding performance by attracting and retaining the best talents, in line with the interests of shareholders and other stakeholders..



[Click here](#) to access all the Company's policies.

RISK MANAGEMENT

GRI 2-16, 2-25, 205-1, 205-3, 206-1, GRI 3-3: ETHICS AND INTEGRITY IN BUSINESS, GRI 3-3: REGULATORY MANAGEMENT

Whether because of the activity it performs or because of its size, a company like PetroReconcavo is exposed to a wide array of risks. The principles, guidelines and responsibilities for managing risks are set forth in the Risk Management Policy, which provides guidance on how to appropriately identify, assess, treat, monitor and communicate risks to management for decision making, mitigating their impact through internal controls and proper governance.

The responsibility for identifying events subject to uncertainties and determining whether they represent risks lies with the Company's management. In this process, the Internal Audit and Risk Management area plays an essential role, providing support in the review and assessment of adherence to best governance practices and the methodology defined by PetroReconcavo.

After this analysis, the appropriate responses to the identified risks are determined, taking into account the probability and impact associated with each event. If necessary, an action plan is designed in collaboration with the parties involved. It is paramount that control activities are implemented (whenever necessary) throughout the organization, at all levels and positions, ensuring a comprehensive approach to managing risks and maintaining a robust control environment.

In addition, formal communication of risks and mitigating actions must involve all stakeholders to ensure timely transparency and alignment across the organization.

Key issues are reported to the highest governance body through various means, including formal executive board meetings, regular updates from senior management, interaction

through governance committees, internal and external audit reports, financial performance presentations, strategic analysis and business plans, periodic reports and presentations, risk and compliance reports, legal and regulatory reviews, and sustainability and corporate social responsibility reports.



The independent and impartial opinions are also reported to the Audit Committee and the CEO and result in action plans to achieve strategic, operational, financial and compliance objectives.

To date, no critical concerns have been reported, and should they occur, they shall be reported when their nature includes social and human rights, governance, environmental, economic aspects and sustainability strategy. In 2023, no cases of corruption involving the Company and/or its employees, nor any lawsuits for anti-competitive behavior, anti-trust and monopoly practices were registered.

Tax aspects are also analyzed, and PetroReconcavo now considers socioeconomic impacts when reformulating its tax strategy, including impacts on the community, lower inequality, employability and training, human rights and environmental impact. [GRI 207-1](#)

With regard to tax risks, which are identified based on laws, regulations and audits, the highest governance body is liable for ensuring compliance to combat them, supported by the Audit Committee and the Board of Executive Officers. These risks are managed and monitored through training, communication with tax authorities and the support

Regular risk analysis enables **effective management and adaptable to changes** in internal and external conditions

of a professional consultancy. Tax reports are also checked by internal and external audits, reviewed and analyzed on a regular basis. [GRI 207-2](#)

We apply processes, such as open dialogue meetings and independent audits to assess the stakeholders' tax issues concerns. The stakeholders' feedback influences the Company's tax approach, tax strategy and tax practices aiming at complying with legal and ethical expectations. [GRI 207-3](#)

It is worth noting that the Company's Risk Overall Analysis (AGR) has been updated. Such periodic update is crucial to ensure that PetroReconcavo is continuously aware of and prepared to deal with constantly evolving risks in the business environment. From 2024 onwards, with the planned annual update, the Company will remain proactive in identifying, assessing and responding to risks, enabling effective management that is adaptable to changes in internal and external conditions. This commitment to regular risk analysis evidences our focus on sound governance and on mitigating potential adverse impacts on business.



In the risk analysis process, potential risks are documented using the Corporate Risk Dictionary, wherein these are classified and categorized in a common language, taking into account the characteristics of PetroReconcavo's business, as highlighted below:

Risk classification



Governance

This refers to risks related to mismanagement, lack of transparency, conflicts of interest, fraud and other issues that may arise in the Company's administration. It is important to ensure that decisions are made ethically and in compliance with laws and regulations.



Business model

It involves the risks relating to the Company's business model feasibility and sustainability. This includes over-dependence on a single product or market, changes in customer preferences and competition.



External factors

These are risks arising from events or conditions beyond the Company's control, such as political, economic, social, technological and/or environmental changes. These factors may significantly impact our operations and results.



Financial risks

It refers to risks related to the Company's financial management, such as exchange rate fluctuations, interest rates, liquidity, credit and investments. It is important to assure the Company's financial health to secure its continuity.



Processes, People, Technology, Environment

It bundles risks related to the Company's internal processes, people's capacity and skills, the technology adopted and the environmental impacts of operations. It includes cybersecurity risks, natural disasters and adverse environmental impacts.



Regulatory risks

It involves the risks related to compliance with laws, regulations and standards applicable to the Company's business, such as the risk of fines, lawsuits, loss of licenses and reputation.



ESG (Environmental, Social and Governance)

It refers to the risks relating to the Company's environmental, social and governance practices. It includes risks relating to climate change, human rights, diversity and inclusion, among other aspects.



CONFLICTS OF INTERESTS

GRI 2-15

Situations representing a conflict between the personal interests of an employee and the interests of PetroReconcavo are strongly rejected and counteracted. The purpose is to prevent them from directly or indirectly compromising or influencing the performance of their professional duties or benefiting third parties to the detriment of the Company, even if no improper or harmful acts are committed.

Conduct such as acting, without prior and express authorization, as a board member, officer or employee of a competitor of PetroReconcavo and joining political parties, institutions, NGOs and joint committees affecting the ability to perform their work or affecting our image are not acceptable. As long as they neither conflict with the interests and reputation of

the Company and nor interfere with the employee's work routine, parallel paid or volunteer activities must be reported on the External Activities Declaration Form.

Writing articles and books and taking part in conferences, congresses, lectures or similar are allowed if they are occasional and non-institutional. However, when dealing with business-related topics, in-house data and information, methods and demonstrations of processes, projects, and results, it is mandatory to coordinate with leadership and communicate via e-mail compliance@petroreconcavo.com.br.

Information Security and Personal Data Protection

PetroReconcavo treats information security as one of its strategic pillars. So much that we have a dedicated committee responsible for protecting the data of the institutions and people we work with. This structure works jointly with the Board of Directors and the Board of Executive Officers to ensure the fundamental rights of freedom and privacy, and to prevent violations and incidents that could result in customer and other stakeholder confidence, financial or market share losses, or other adverse impact on our business.

In this regard, we have adopted policies and procedures in line with ISO 27001, an international certification in information security management. We have also set up an operation center with professionals and specialized software that observe the standards proposed by the National Institute of Standards and Technology (NIST) and Center for Internet Security (CIS), two world-renowned ref-

erences in the field. At the same time, we are continuously investing in staff development in cybersecurity programs through the Company's distance learning platform.

Our processes, systems and routines also comply with the provisions of the General Data Protection Law (LGPD), protecting personal information from improper disclosure or disclosure outside of legal or contractual purposes. How managers and employees should handle such data is explained in a specific policy, which designates the Data Protection Officer (DPO) as the professional in charge of providing clarifications and taking the necessary measures, among other duties.

Associations and pacts GRI 2-28

In 2023, we adhered to the **UN Global Compact in Brazil**, a network of entities engaged in adopting and promoting the Sustainable Development Goals (SDGs) in their business practices. The 17 items on the list cover principles, such as lower inequalities, decent work and economic growth, quality education and responsible consumption and production. After the adhesion, PetroReconcavo accepted an invitation from the Federation of Industries of the State of Bahia (Fieb) to join the Management Committee of the Bahia SDG Hub, created to help achieve these goals.

We also joined the **Compliance Committee of the Brazilian Oil and Gas Institute (IBP)**, a forum for discussing the compliance and integrity policies practiced by its members to coordinate efforts that combat corruption in the sector and enhance corporate governance. At the same organization, as of January 2024 we joined the **Gender Working Group of the Sustainability, Diversity, Equality and Inclusion; and Climate Change Committee** a space

for discussions, sharing and promoting initiatives concerned with the impact of gender on building careers in the sector.

Since 2022, PetroReconcavo has been a member of the **Business Pact for Integrity and Anti-Corruption**, a movement coordinated by the Ethos Institute to raise awareness of public and private agents and foment a more honest and ethical marketplace. Signatory companies are committed to educating employees and stakeholders about anti-corruption laws, to preventing all forms of bribery and corruption, and to sharing information and cooperating with investigations.

We are also a member of the **Brazilian Association of Oil and Gas Independent Producers (ABPIP)**, a non-profit civil entity that foment the activity's development. The institution encourages its members at institutional, business, technological and operational levels, aiming at consolidating a competitive, sustainable, ethical and socially responsible industry.



Adhesion to the UN Global Compact reinforces **our commitment to the Sustainable Development Goals**

SUSTAINABLE STRATEGY

Sustainable strategy

- Water
- Waste management
- Greenhouse gas emissions
- Biodiversity & ecosystems



Our operations observe innovation and quality models for sustainable development. We fulfill our responsibility to manage the environmental impact of the Company's activities through regulatory compliance initiatives and a solid system for managing licenses, conditions, applications and notifications, in which all document control is performed digitally, facilitating management and access to information.

We rely on a technical team liable for overseeing all processes and new projects, from the initial analysis of regulations to the final obtaining of the necessary licenses. This meticulous approach ensures compliance with legal regulations and reinforces our reputation as a Company committed to integrity and sustainability across all our activities.

As part of our environmental education activities with communities, we conduct educational campaigns and competitions in schools in the areas where we operate, with a special focus on environmental and sustainability issues. Our team oversees every stage, from planning to implementation, ensuring not only entertainment, but also learning and meaningful involvement. This approach reflects our

ongoing commitment to actively contributing to educational and social development in communities.

Another fact worth mentioning was the start of early well decommissioning campaigns. Although the regulations do not require the early well decommissioning, it is part of the Company's strategy to abandon wells that are no longer economically attractive, i.e. have reached the end of their useful life. The operation observes strict regulatory practices and restores the natural environment by installing several cement barriers between the reservoir and the surface, ensuring that there is no risk of contamination of the phreatic layers and the surface. This operation also involves restoring the fauna at the well site, access and flow lines used during the production phase, in accordance with the conditions set out in the projects' environmental licenses.



BIODEGRADABLE DEGREASER

We advanced in tests on rigs to replace the use of kerosene and other synthetic products with a biodegradable degreaser. The idea came about after an analysis involving the use of the product in the Dewaxing and Inspection (D&I) area at Bahia Asset, in August 2022.

Since then, the technical part has been approved and we are analyzing its feasibility on a large scale. The solution, ecologically certified by the Brazilian Association of Technical Standards (ABNT), stands out for its easy cleaning in the areas already tested and for its non-flammability.

The degreaser is currently being put to the test in the laboratory's washing areas. There is also another test underway in the D&I area at a high temperature compared to another green product. The paper with details of its deployment and application has been advanced for application at conferences and evaluation.

The next actions include tests in Potiguar Asset and with Rigs team. The aim is to replace the use of kerosene and other synthetic products throughout the Company with natural alternatives performing the same function.

WATER

GRI 303-1, 303-2, GRI 3-3: WATER MANAGEMENT

We understand the relevance of water and how our activities to collect it can contribute to the depletion of water resources. For this reason, this year we are giving greater transparency about how we consume and use water, always seeking to use it in an increasingly rational and efficient manner.

The Company uses public water supply, artesian wells, deep wells and treated wastewater for reuse. Water is consumed for injection and stimulation of wells, cleaning, toilets, laboratories, fire-fighting systems, industrial cooling, dining halls and kitchens. All the water we use is reused, especially in production, where it returns to the reservoir, except for domestic effluents, which are discharged in appropriate treatment plants according to legal, regulatory and/or compositional standards.

We act in line with item 6 of the United Nations Sustainable Development Goals, i.e. to ensure the availability and sustainable management of water and sanitation for all. In the communities, we promote actions to lower consumption, conservation, education, awareness and investments in sustainable technologies. See the 'Viva Sabiá' project (mentioned on page 65), which works to provide and enhance the quality of water for the locations nearby our units in Rio Grande do Norte - where we operate 32 fields in the Potiguar basin and one exploration block.

Total water consumption (million of liters) in 2023 GRI 303-3,303-4,303-5

Bahia total water withdrawal	16,417.25
Rio Grande do Norte total water withdrawal	11,495.01
Total water withdrawal	27,912.26
Bahia total water discharge	2.61
Rio Grande do Norte total water discharge	6.41
Total water discharge	9.02
Bahia water consumption	16,419.86
Rio Grande do Norte water consumption	11,501.42
Total consumption	27,921.28

There is neither withdrawal nor discharge in water-stressed areas in the Bahia Asset, but in the Potiguar Asset withdrawal takes place in water-stressed areas.

Data from previous years unavailable.

The water is discharged for sewage treatment by the local concessionaire, thus, making it impossible to analyze the water discharged.

Total amounts of Bahia Asset: 10,264.31 million of liters (underground water) and 6,152.94 million of liters (water produced).

Total amounts of Potiguar Asset: 9,604.46 million of liters (underground water), 1,880.52 million of liters (water produced) and 10.03 million of liters (third-party water).

WASTE MANAGEMENT

GRI 3-3: Waste management GRI 306-1-306-2



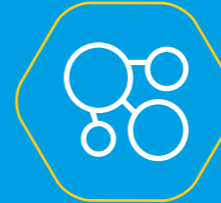
Recycling and reuse are some of the measures adopted to **prevent waste generation**

Most of waste generated by PetroReconcavo derives from phases of operation, maintenance and drilling of new wells. All this waste is managed according to the geographical distribution of the production fields, ensuring its traceability. The most relevant impacts can be seen in drilling and production activities.

We have implemented various measures to prevent the waste generation, such as recycling and reuse, efficient management, education and training, as well as ensuring compliance with laws. The tailings are managed by

the HSE team and operated by a specialized company whose compliance with contractual and legal obligations is ensured through the definition of requirements, evaluation of documentation, audits, continuous monitoring and seamless communication. Data is collected and monitored by recording information, sorting, weighing/measuring and flow.

GELLED FLUID TREATMENT PLANT



After the hydraulic fracturing operation, the residual gel that was not pumped into the well during the operation must be properly disposed of. Currently, PetroReconcavo contracts an external partner for this operation, generating high additional costs. The implementation of the gelled fluid treatment plant is intended to meet this need, cutting the costs of disposing of residual fracturing gel. The project consists of using a set of equipment, such as a buffer tank (for temporary storage of the gel), a flocculating tank (for flocculating the polymer) and a filter press (for separating the liquid phase from the polymer phase). After the separation process, the liquid phase will be directed for treatment at the plant, while the solid phase will be properly disposed of.

Waste generated (tons) GRI 306-3

	2021	2022	2023
Class II A	1,608.49	2,160.30	3,907.89
Class II B	173.53	433.54	2,567.49
Subtotal of non-hazardous waste	1,782.02	2,593.83	6,475.38
	2021	2022	2023
Class I	1,220.61	1,714.31	4,467.31
Subtotal of hazardous waste	1,220.61	1,714.31	4,467.31
Total	3,002.63	4,308.14	10,942.69

Bahia Asset saw an increase in 2022 due to Miranga SPE acquisition, also Potiguar Asset due to start of drilling activities.

In the 2022 report, the data presented on waste did not take into account all GRI's requirements, so we are restating the data.

With the escalation of drilling and workover activities, we saw a large increase in hazardous and non-hazardous waste in 2023.

Waste diverted from disposal (tons) GRI306-4

	2021	2022	2023
Non-hazardous waste			
Recycling	66.12	59.48	117.93
Hazardous waste			
Recycling	0	0.39	0
Total	66.12	59.87	117.93

¹Reformulation of GRI 2-4 data

In the 2022 report, the data presented on waste did not take into account all GRI's requirements, so we are restating the data.

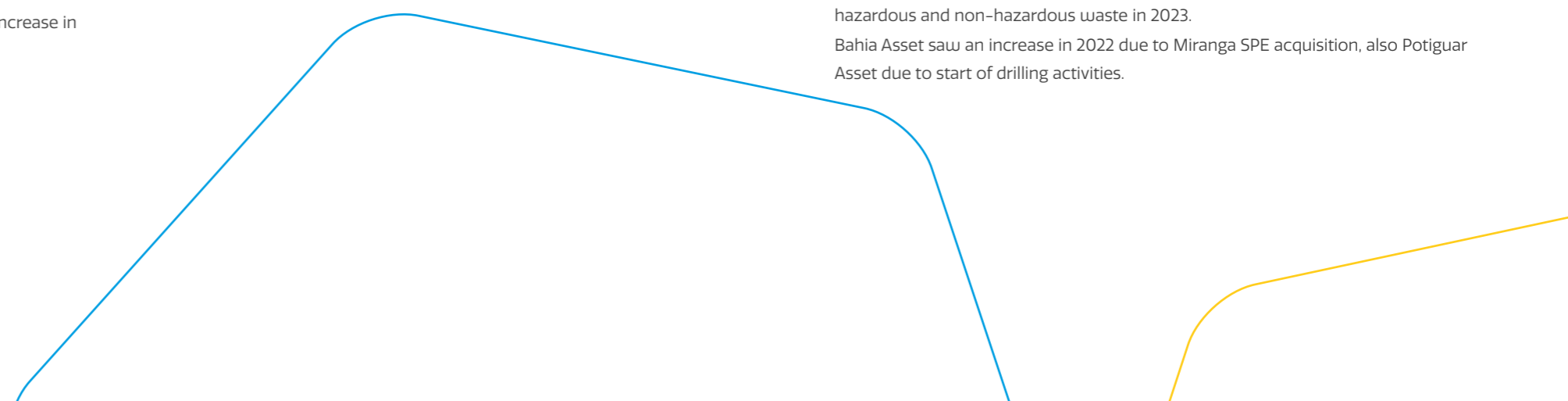
Most of the waste generated was directed to final treatment, however 93 tons of non-hazardous waste diverted from final disposal through the recycling process.

Waste directed to disposal (tons) GRI 306-5

	2021	2022	2023
Non-hazardous			
Class II A	1,607.39	2,160.30	3,907.89
Class II B	108.51	374.05	2,449.56
Subtotal of non-hazardous waste	1,715.90	2,534.35	6,357.45
Hazardous			
Class I	1,220.61	1,713.93	4,467.31
Subtotal of hazardous waste	1,220.61	1,713.93	4,467.31
Total	2,936.50	4,248.28	10,824.76

With the escalation of drilling and workover activities, we saw a large increase in hazardous and non-hazardous waste in 2023.

Bahia Asset saw an increase in 2022 due to Miranga SPE acquisition, also Potiguar Asset due to start of drilling activities.



Non-hazardous waste directed to disposal (tons) GRI 306-5

Type of recovery	2021	2022	2023
Incineration (with energy recovery)	20.38	103.74	300.08
Landfill containment	53.79	330.46	2,187.94
Biodigestion	0	2.22	4.85
Other operations for waste disposal –co-processing	1,641.74	2,097.93	3,864.58
Total	1,715.91	2,534.35	6,357.45

In 2022, non-final disposal processes, such as recycling and reuse were specified that do not apply to indicator GRI 306-5, so they were redirected and accounted for in the correct indicator, GRI 2-4.

In 2022, we began directing the biodigestion of the organic waste generated at Potiguar Asset, using the gas to the supplier's kitchen and the digested material as fertilizer to the supplier's vegetable garden.

With the escalation of drilling and workover activities, we saw a large increase in non-hazardous waste in 2023.

Hazardous waste directed to disposal (tons) GRI 306-5

Type of recovery	2021	2022	2023
Incineration (without energy recovery)	0	0.02	0.06
Landfill containment	910.02	247.05	2,210.78
Other operations for waste disposal –co-pro- cessing	310.60	1,466.86	2,256.41
Other operations for waste disposal –treatment	0	0.00	0.05
Total	1,220.62	1,713.93	4,467.31

In 2022, non-final disposal processes, such as recycling and reuse were specified that do not apply to indicator GRI 306-5, so they were redirected and accounted for in the correct indicator, GRI 2-4.

With the escalation of drilling and workover activities, we saw a large increase in hazardous waste in 2023.

Waste indicated for disposal – treatment refers to lamps sent for decontamination.

Significant spills GRI 306-3 [2016]

	2023
Total number of significant spills	55
Total volume significant spills (L)	108,956 l

Spills occurred in Bahia and Rio Grande do Norte assets reported to related authorities (ANP and local environmental agency).

Spills reported in the organization's financial statements

Categories	Volume (l)
Oil spills	21,312.8
Fuel spills	200
Waste spill	0
Chemical products spill	0
Other spills	87,443.2

We have upgraded our system for identifying incidents and accidents, gaining greater data reliability and faster communication (internal and external). In addition, we remain committed to transparency, disclosing the spillage data in our Sustainability Report.

The impacts of significant spills were: generation of waste (contaminated soil) and loss of undergrowth.

The volume of produced water spills is less than 0.3% of the total water we reinject into production, of more than 27.9 billion liters.

GREENHOUSE GAS EMISSIONS

GRI 3-3: Emissions and climate change strategies

We monitor Greenhouse Gas (GHG) emissions at the Bahia, Sergipe and Rio Grande do Norte units observing the concepts and guidelines set out by the Brazilian GHG Protocol Program and ISO 14064-1. The year-on-year increase is partly due to the uplifted assets production, which has also surged fuel consumption in boilers, generators, engines and other essential equipment in our production chain.

But the factor that significantly impacted this indicator was higher natural gas losses and flaring over the course of 2023, caused by problems in the essential outsourced infrastructures used for its drainage and processing in our Potiguar Asset. PetroReconcavo's operation philosophy is to recover the entire volume of gas produced, sending it for processing and subsequent sale to the consumer market – flaring being restricted to the minimum volume required for the relief systems' safe operation.

However, due to the unavailability events mentioned above, it was not possible to drain the natural gas – and since a high percentage of the natural gas produced is associated, i.e. produced together with the oil, it was necessary to ventilate it and/or flare it in the collection stations. Entire production of non-associated natural gas, which refers to the volumes of wells containing only this product, has been interrupted in order to ensure the preservation of reserves and to reduce flare-related emissions, as required by natural gas loss and flare regulations. The market was informed of the disruptions, their end and the normalization of production.

Notwithstanding these atypical episodes, the survey of emissions indicates where we need to work more assertively to curtail them. In this regard, we have hired a specialized consultancy to guide us in mitigation projects. We also have been advancing our equip-

ment hub to operate more efficiently using less energy, whether from electricity or fossil fuels, as well as implementing operational contingency plans that allow production to continue without the need to flare and vent natural gas during periods of partial or full restriction on production.



The Company released official notices in **June** and **December** on disruptions, **click in the months** to access them.



Emissions (in tons of carbon equivalent – tCO₂e) GRI 305–1, 305–2

As explained above, in 2023 we saw much higher gas flaring than expected due to a problem in outsourced infrastructure. Based on the table below, of the total of 273,661.06 tCO₂e emitted by the Potiguar Asset in 2023 in scope 1, nearly 70% was due to the set-

back mentioned above. Excluding the situation reported, the carbon intensity of Rio Grande do Norte's emissions would be very close to those presented in 2022.

	2021	2022	2023
Scope 1			
Bahia	41,088.25	89,038.47	117,014.49
Potiguar	65,753.03	65,753.03	273,661.06
Scope 2*			
Bahia	8,250.99	0.00	4,451.73
Potiguar	6,971.84	0.00	2,313.56
Total	134,073.54	154,791.50	397,440.84

The Scope 2 emissions were calculated based on the acquisition of electricity consumed by the Company. Since emission factor for wind energy corresponds to 0 tCO₂e/MWh, Scope 2 emissions from electricity acquisition were considered null.

Gases included were: carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O).

The consolidation approach for calculating the emissions was the shareholding. The calculation also considered GHG Protocol emission factors, which was the calculation tool adopted.

Carbon intensity GRI 305–4

	2021	2022	2023
Bahia Asset			
Production (kboe)	1,429.71	3,272.63	4,494.21
Emissions (tCO ₂ e)	49,339.29	89,038.47	121,466.23
Indicator (tCO ₂ e/kboe)	34.51	27.21	27.03
Potiguar Asset			
Production (kboe)	2,817.89	4,464.10	5,262.17
Emissions (tCO ₂ e)	84,733.95	65,753.03	275,974.61
Indicator (tCO ₂ e/kboe)	30.07	14.73	52.45
Consolidated			
Production (kboe)	4,247.60	7,736.73	9,756.38
Emissions (tCO ₂ e)	134,073.24	154,791.50	397,440.84
Indicator (tCO ₂ e/kboe)	31.56	20.01	39.736

Energy consumption (GJ) GRI 302–1

	2023
Consumption from non-renewable sources (GJ)	
Gasoline	14,896.24
Diesel	628.53
Natural gas	29,225.90
Fuel consumption from renewable sources (GJ)	
Ethanol	3,812.06
Biodiesel	65.19
Energy consumption by source (GJ)	
Electricity	216,637.22
Total	265,265.14

BIODIVERSITY AND ECOSYSTEMS

GRI 304-1, 304-2, GRI 3-3: ENVIRONMENTAL IMPACTS AND BIODIVERSITY

The Tartaruga Collection Station, our operational unit in Pirambu (SE) is located on the outskirts of the Santa Isabel Biological Reserve (Rebio). Created to protect sea turtles endangered species, the reserve is one of the largest nesting areas in the country, covering 4.1 thousand hectares, and is listed in the national environmental protection laws. The Company's operation on the site consists of an office and operational activities in an area of 0.01 km².

Aware of our impact on the environment, we partnered with the Projeto Tamar Foundation in the Pirambu region (SE) to monitor beaches, register reproductive events, protect nests and assess the influence of lighting from a gas-flare device on sea turtle hatchlings.

Eventual impacts identified by PetroReconcavo on biodiversity stem from construction and operation of industrial facilities, drilling or its transport infrastructure. Among the potential effects assessed and monitored are habitat loss, erosion and sedimentation, wildlife roadkills and climate change. The areas affected include the surroundings of the stations and the extraction routes, with consequences of varying duration (temporary and permanent), but which can be reversed for the fauna through control measures and for the flora through appropriate species management and planting.

Other identified impacts likely to occur are:



Pollution (water, air, soil, noise and/or light), causing alteration and degradation of ecosystems, loss of native species and damage to agricultural activity;



Ecosystems transformation in areas of different uses, causing deforestation, reduced environmental resilience and loss of biodiversity;



Changes in natural processes that exceed typical variations, affecting salinity levels and groundwater.

The Company plans for upcoming years carry out biodiversity studies in areas not yet covered.

Vegetable species and animals affected

Species	Description of impact	Type
<i>Dermochelys coriacea</i> (leatherback turtle)	reproduction process interfered by light	indirect
<i>Eretmochelys imbricata</i> (hawksbill turtle)	reproduction process interfered by light	indirect
<i>Lepidochelys olivacea</i> (olive ridley)	reproduction process interfered by light	indirect
<i>Caretta caretta</i> (loggerhead turtle)	reproduction process interfered by light	indirect
<i>Griffinia gardneriana</i> (Herb.) Ravenna EM (Griffinia)	species extinction due to deforestation	direct
<i>Amburana cearensis</i> (Allem.) A.C.Smith (<i>Amburana-de-cheiro</i>)	species extinction due to deforestation	direct

All impacts mentioned above are reversible.
 The species mentioned above only refer to the Company's operation at Tartaruga Collection Station

Number of species with habitats in areas affected by the Company's operations

Extinction risk level	No. of species	Species
Critically endangered of extinction	2	<i>Dermochelys coriacea</i> (leatherback turtle) <i>Eretmochelys imbricata</i> (hawksbill turtle)
Endangered of extinction	2	<i>Lepidochelys olivacea</i> (olive ridley) <i>Caretta caretta</i> (loggerhead turtle)
Vulnerable	1	<i>Chelonia mydas</i> (green sea turtle)

The Company adopts the Ministry of the Environment's (MMA) 2020 List of Endangered Species to identify species with habitats in areas affected by its operations, including incidents in the Santa Isabel Biological Reserve.



FOCUS PEOPLE

Focus on People

- Employees
- Communities
- Suppliers





Transparency, trust and dialogue permeate all our relations with stakeholders. Our employees, residents in the communities where we operate, suppliers and customers are most importantly, people. As such, they are paramount to PetroReconcavo's sustainable growth. And to help them grow with the Company, year after year we seek to maintain, expand and create initiatives concerned with professional development, health, education, safety and quality of life.

In our actions, we seek to engage this public, as well as shareholders and investors, trade unions, non-governmental organizations (NGOs) and vulnerable groups, through active feedback, training, raising awareness of relevant issues, continuous evaluation and active

communication through various communication channels, including this Sustainability Report. [GRI 2-29](#)

We believe that this engagement is important, as it helps to build lasting relationships, besides assisting us to prevent and mitigate negative impacts, identify real and potential impacts, resolve conflicts and understand the needs and expectations of each public. Thus, we have improved our decision-making, our management of risks and opportunities, our reputation and brand image, and met the investors' demands. [GRI 2-29](#)

We maintain, create and step up actions
to develop professionals, health, safety,
education and quality of life

EMPLOYEES

GRI 2-8, 2-9, 401-2, 406-1, GRI 3-3: HUMAN CAPITAL MANAGEMENT AND TALENT ATTRACTION

Over the past three years, the number of PetroReconcavo's employees almost doubled. Today, we are 1,564 professionals – of whom 93% are Northeastern citizens – committed to performing duties and delivering services in an increasingly effective, agile and innovative way. Our ability to create jobs has been accompanied by relentless advancement of our talent management processes, organizational climate, creation of opportunities, diversity, inclusion and equality.

We know that improving working conditions is a work in progress, both because of the changing expectations of the people we work with and the need for new training as the Company grows. Our challenge in this scenario is to promote mutual satisfaction that meets our employees' needs and bolsters PetroReconcavo's competitiveness.

Our corporate benefits package includes, in addition to benefits provided for by laws, healthcare and dental plans, food and meal vouchers, extended parental leave, Gympass, profit sharing, transportation vouchers or chartered transportation, life insurance and a long-term incentive stock option plan. Labor relations with all employees are set out by collective bargaining agreements and we respect their right to freedom of association. We also rely on 2,251 contractors in general services positions working on full or part-time basis.

Employees by gender and sector GRI 2-7

	Men	Women	Total
Corporate	129	102	231
Rio Grande do Norte Asset	212	65	277
Bahia Asset	280	71	351
Rigs and Services	657	48	705
Total	1,278	286	1,564

All the Company's employees are full-time employed with indeterminate duration agreement.

There are no Company's employees without guaranteed workload.

In February 2023, we concluded the acquisition of Maha Energy Brasil Ltda., resulting in increased workforce, besides the internalization of services and new operations.

Number of employees

2021

702

102

2022

1,045

224

2023

1,278

286

Men

Women

Out of 1,564 professionals composing our staff, **93% are Northeastern citizens**

Employees hired and dismissed in 2023 and turnover rate GRI 401-1

BY AGE GROUP

	Employees	Hires	Dismissals	Turnover rate
Under 30 years old	289	109	69	30.8%
30–50 years old	1,162	311	136	19.23%
Over 50 years old	113	30	13	19.03%
Total	1,564	450	218	21.36%

Data from previous years unavailable.

BY GENDER

	Employees	Hires	Dismissals	Turnover rate
Men	1,278	348	170	20.27%
Women	286	102	48	26.22%
Non-binary	0	0	0	0%
Total	1,564	450	218	21.36%

Data from previous years unavailable.

BY REGION

	Employees	Hires	Dismissals	Turnover rate
Corporate	470	145	54	21.17%
Potiguar Asset	144	36	26	21.53%
Bahia Asset	242	35	42	15.91%
Rigs and services	708	234	96	23.31%
Total	1,564	450	218	21.36%

¹Data from previous years unavailable.

Parental leave GRI 401-3

	Men	Women
Employees entitled to take leave	1,278	286
Employees who took parental leave during current year	45	5
Employees expected to return to work during current year	42	6
Employees who returned to work during reporting period, after expiration of parental leave	42	6
Employees who returned to work after parental leave and remained employed 12 months after returning to work	16	6
Rate of return	100%	100%
Rate of retention	100%	100%

More diverse, equal and inclusive

GRI 406-1, GRI 3-3:

Diversity, equality and inclusion

As we continue to implement our Diversity, Equality and Inclusion program kicked off in 2022, we are analyzing all the Company processes through these lenses. The diagnosis, carried out with the support of a specialized consultancy, pointed out the priority topics worked on during 2023. The working focus group was in charge of executing the strategy, built specifically during this period to make our efforts in this direction more effective.

One of the results of our commitment to being a Company in which this culture permeates all levels was the launch of the 'Juntos Somos Mais – Unidos pela Diversidade, Equidade e Inclusão' Program (Together We Are More United for Diversity, Equality and Inclusion). The activity focuses on four pillars – gender equality, LGBTQIA+, inclusion of people with disabilities and valuing ethnic-racial diversity – which are discussed by affinity groups.

The program unfolded in initiatives, such as the workshop 'The Value of Diversity', given to all employees. We believe that by understanding the relevance of the issue, we will advance in building a fairer, more equal and inclusive society.

Respect between all parties has also driven the 'Assédio Zero – Prevenção e Combate' (Zero Harassment – Prevention and Combat) campaign, designed in line with our Integrity Program and Code of Ethics and Conduct to identify and curb moral, sexual harassment and other types of abuse. The message is clear: the Company does not tolerate any behavior, acts, gestures or words that could discriminate against, offend or hurt people, put their jobs at risk or degrade the workplace. No cases of discrimination were registered during reporting period.

Our actions also include the setup of rooms for nursing mothers breastfeed in comfort, privacy and safety and awareness campaigns to combat violence against women. In addition, a study was launched to set Diversity targets and indicators, looking at aspects ranging from hiring women to racial representation in leadership. The aim is to make the workplace more equal and representative, focusing on different types of diversity, especially women and people with disabilities.



Initiatives make clear that **we do not tolerate any type** of discrimination or harassment



Members of the Company's governance bodies GRI 405-1

	Number	Percentage
By gender		
Men	6	85.71%
Women	1	14.29%
Total	7	100%
	Number	Percentage
By age group		
Under 30 years old	0	0%
30-50 years old	2	28.57%
Over 50 years old	5	71.43%
Total	7	100%

Workers by employee category and gender GRI 405-1

	Men	Women	Total
Board of Executive Officers			
No.	12	0	12
Percentage	100%	0%	100%
Managers			
No.	26	4	30
Percentage	86.67%	13.33%	100%
Head/Coordination			
No.	36	19	55
Percentage	65.45%	34.55%	100%
Technical/Supervision			
No.	100	3	103
Percentage	97.09%	2.91%	100%
Administrative			
No.	231	215	446
Percentage	55.69%	44.31%	100%
Operational			
No.	873	45	918
Percentage	95.10%	4.90%	100%
Total			
Number	1,278	286	1,564
Percentage	81.71%	18.29%	100%

Workers by employee category and age group GRI 405-1

	Number	Percentage		Number	Percentage
Board of Executive Officers			Trainee		
Under 30 years old	0	0%	Under 30 years old	11	100%
30-50 years old	9	75%	30-50 years old	0	0%
Over 50 years old	3	25%	Over 50 years old	0	0%
Total	12	100%	Total	11	100%
Managers			Other employees		
Under 30 years old	1	3.33%	Under 30 years old	266	19.66%
30-50 years old	24	80%	30-50 years old	1,000	73.91%
Over 50 years old	5	16.67%	Over 50 years old	87	6.43%
Total	30	100%	Total	1.353	100%
Head/Coordination			[Total]		
Under 30 years old	8	14.55%	Under 30 years old	288	18.41%
30-50 years old	43	48.18%	30-50 years old	1,163	74.36%
Over 50 years old	4	7.27%	Over 50 years old	113	7.23%
Total	55	100%	Total	1.564	100%
Technical/Supervision					
Under 30 years old	2	1.94%			
30-50 years old	87	84.47%			
Over 50 years old	14	13.59%			
Total	103	100%			

Workers from minority and/or vulnerable groups by employee category GRI 405-1

	Number	Percentage
Black		
Board of Executive Officers	1	8.33%
Managers	10	33.33%
Head/coordination	25	45.45%
Technical/supervision	70	67.96%
Trainee	3	27.27%
Other employees	988	73.02%
Total	1,097	70.14%
PwD		
Board of Executive Officers	0	0%
Managers	0	0%
Head/coordination	1	1.82%
Technical/supervision	2	1.94%
Trainee	0	0%
Other employees	14	1.03%
Total	17	1.09%

There is no data on percentage of employees from minority and/or vulnerable groups by LGBTQIA+ employee category or other vulnerable/minority groups.



Professional development

GRI 404-2, GRI 3-3: Human Capital Management and Talent Attraction

The significant uptick in the number of PetroReconcavo's staff in recent years has meant that the processes involving its employees needed to be reviewed and consolidated. In the human resources area, 2023 was a year of restructuring management to recruit, retain and develop professionals with the skills, abilities and specialties required on a larger scale.

Even though we are a Company that is accustomed to promoting from within and that most of our leadership is made up of long-time employees, we went to the market to look for executives. The head of the Peo-

ple and Sustainability Management Executive Board is one of them, as well as two new officers from the Production and Maintenance of Assets and Development, Reservoirs and Projects areas.

In 2023, we maintained the LideraPetro, a soft skills development program for supervisors, with various topics that help them perform their duties and further their careers. At the year's end, we launched the 'Academia de Líderes' (Leaders Academy) for managers, which aims at creating a leadership identity linked to the Company's values and to set up a team capable of leading high-performance teams, developing talent and making strategic decisions. The program is composed of a 11-module path carried out on-site, asynchronously, synchronously online, with internal and external speakers. For 2024, besides extending the Leaders Academy to coordi-

nators, the content library has been implemented, which will give employees access to an online archive of training courses, contributing to the process of continuing education and team development.

In addition, we have changed how personnel evaluation is conducted. We adopted the Nine Box matrix that crosses potential (competencies model) with performance (fulfillment of objectives). Employee's performance is not only measured by his/her direct manager, but also by all managers participating in evaluation committees. This creates a greater sense of meritocracy and a more solid view that it is the Company that evaluates each person's abilities, not just the direct supervisor.

An increased number of personnel led us restructure management to **recruit, retain and develop talents**

COMPETENCIES REFORMULATED

Following on from this methodology, we began to elaborate feedbacks and individual development plans (IDPs). From evaluation, the main gaps of the professional are identified and how these will be addressed, according to the reformulation of competencies that took place in 2023.

These have been split into three types – managerial, behavioral and technical – to provide a fresh look at how people will be evaluated, what they should expect and what stage they should be at. Each one has its metrics that outline the Company’s expectations for each level. The new competencies were mapped not only for succession planning, but also for better professional development, career planning, pipeline management and turnover.

The in-house courses and training given to improve skills cover techniques for own operations, compliance and ethics, diversity and inclusion, occupational safety, project management, technology and internal tools, leadership skills and data security. We

also offer financial support for external training courses (languages, postgraduate courses, etc.). Employees who are dismissed in one-off cases receive career transition assistance, outplacement programs and ongoing benefits for a fixed period of time.

For the first time, we promoted the in-house development program for the Young Apprentice, in which topics relevant to the labor market are disseminated by the Company to enhance the students' skills. We also launched the annual edition of the Trainee Program, which focuses on a two-year on-the-job training, during which trainees work in a wide range of areas, supported by mentorship in project development, preparing new talent to take on strategic positions in the Company. Since 2011, this program has promoted three people for strategic positions in the Company.

Average hours of training GRI 404-1

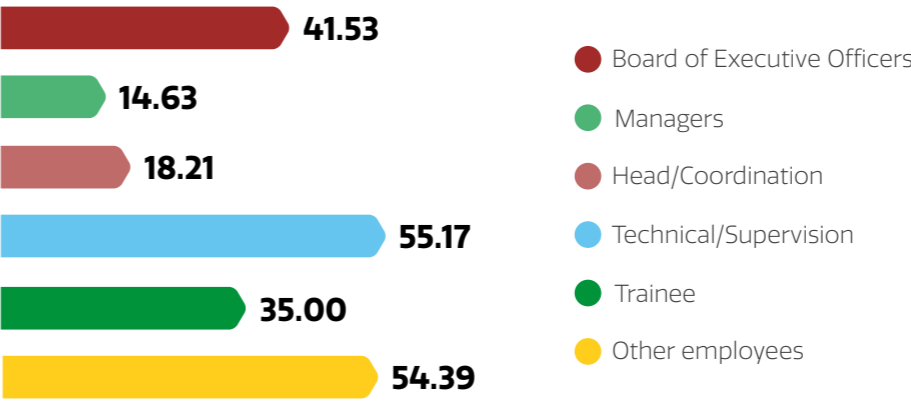
By gender



Data from previous years unavailable.

Average hours of training GRI 404-1

By employee category



Data from previous years unavailable.

Health and well-being

GRI 3-3: Health, safety and well-being

The Integral Health Program concentrates PetroReconcavo's initiatives in this area. Through actions embedded with occupational safety, benefits and people management, the project promotes autonomy, self-care and healthy postures for employees. We want everyone to become increasingly aware of the relevance of attitudes to improve quality of life, especially in the emotional, nutritional and physical senses.

Through Petro Saúde app, employees have the opportunity to share relevant information about their health and well-being. Data is processed by a specialized work group that applies analyses to identify standards and trends. Based on this information, customized action plans are designed to foster positive changes in eating habits, encourage physical activity, raise emotional and mental well-being, and stimulate immunization.

Evaluations based on the data collected by the app allow to identify areas for improvement and set targets for promoting employees'

health and quality of life. Analyzing this information makes it possible to create effective strategies to address issues, such as healthy food, physical exercise, emotional and mental support, and disease prevention through immunization.

By setting up the Petro Saúde app, PetroReconcavo reinforces its commitment to its employees' well-being and health, evidencing a proactive approach to supporting a healthy and balanced workplace. By collecting and analyzing data, the Company seeks to ensure the care and attention necessary for its team's full development.



PETROFIT

For the second consecutive year, we promoted the Petrofit, our program that endorses health and integration among employees. From August 1 to October 7, 445 employees from Bahia and Rio Grande do Norte took part in sports activities, such as canoeing, fitbike, functional training and competitions organized to encourage lifestyle changes through physical activity. Instructors, health professionals and nutritionists followed the program, completed by tasks in the Petro Saúde app, such as showing water consumption and answering quizzes on mental health.

In this edition, the competitions involved 'Ciranda Viva', one of our projects aimed at the communities where PetroReconcavo operates. The employees learned about other people's realities and what the Company does for the local population. The program had a significant social impact, collecting around 600 packs of diapers for donation to institutions in the regions where we operate.



HEALTH PROMOTION CAMPAIGNS

- **White January**
(awareness about the relevance of mental health)
- **Orange January**
(skin cancer)
- **Vaccination against Covid** at Miranga SEP, in partnership with Pojuca (BA) Health Department
- **Safe Carnival**
- **Safe São João**
- **Safe Traffic Week**
- **Anti-smoking**
- **Yellow May**
(awareness about reducing traffic accidents)
- **Combating violence against women**
- **Food safety**
- **Lilac August**
(awareness about the end of violence against women)
- **Yellow September**
(suicide prevention)
- **Rose October**
(raising awareness and encouraging preventive breast cancer examinations)
- **Blue November**
(raising awareness and encouraging preventive prostate cancer examinations)



Occupational

GRI 3-3: Health, safety and well-being, GRI 402-1, 403-1, 403-2, 403-3, 403-4, 403-5, 403-7, 403-8, 403-10

PetroReconcavo has stood out in Brazil's onshore oil and gas exploration sector not only for its operational excellence, but also for its groundbreaking and proactive initiatives in terms of occupational safety, processes, health and the environment. In recent years, the Company has deployed various measures and projects aimed at advancing health, safety, environment (HSE) management in a comprehensive and effective manner.

As a publicly-held corporation, PetroReconcavo recognizes the relevance of efficient and continuous management of the impacts to which employees and the environment are exposed, reflecting its commitment to sustainability and operational excellence. The Company's strategic approach to safety is built on risk prevention, mitigation and control at all levels of the organization, in line with best practices in the sector, regulatory standards and other market regulations.

Automated incident reporting revolutionized how we deal with undesirable events

One of PetroReconcavo's relevant achievements was the elaboration of automated incident reporting, which revolutionized how the Company deals with undesirable events. This system has significantly shortened event reporting times, enabling faster and more efficient response to emergency situations. In addition, the creation of the sensitive areas map was an important milestone, cataloging all the areas with caves, rivers, lakes and communities nearby the Company's operations.

The restructuring of the HSE area, by setting up corporate HSE and Process Safety Management (PSM) coordination areas, reflects the effort to bolster and enhance our health, environment and occupational safety management practices. In addition, the implementation of the kickoff meeting at the onset of each outsourced contract and the elaboration of the contractor's manual evidence PetroReconcavo's concern for the safety and quality of the services provided by its suppliers.



The revision of the training matrix for legal requirements and the structuring of the Company's emergency area, by defining emergency focal points to support the operational areas, ensure that employees are trained and ready to deal with risk and emergency situations.

To ensure the effectiveness of occupational safety practices, we adopt various tools and processes, including inspections, project analysis and emergency simulations. These practices enable to identify, assess and mitigate the risks associated with each activity, ensuring the safety and integrity of everyone involved. In addition, we continuously invest in employee training on essential topics, such as fall prevention, firefighting, ergonomics, first aid, the use of personal protective equipment (PPE) and other aspects related to occupational health and safety.

PetroReconcavo's safety culture is reinforced through training and engagement programs, such as the 'Líder Seguro' (Safe Leader) Program for all levels of leadership, the Chemical Products Safety and Management Workshop and Risk Perception Training. The revision of the Chemical Products Safety and Manage-

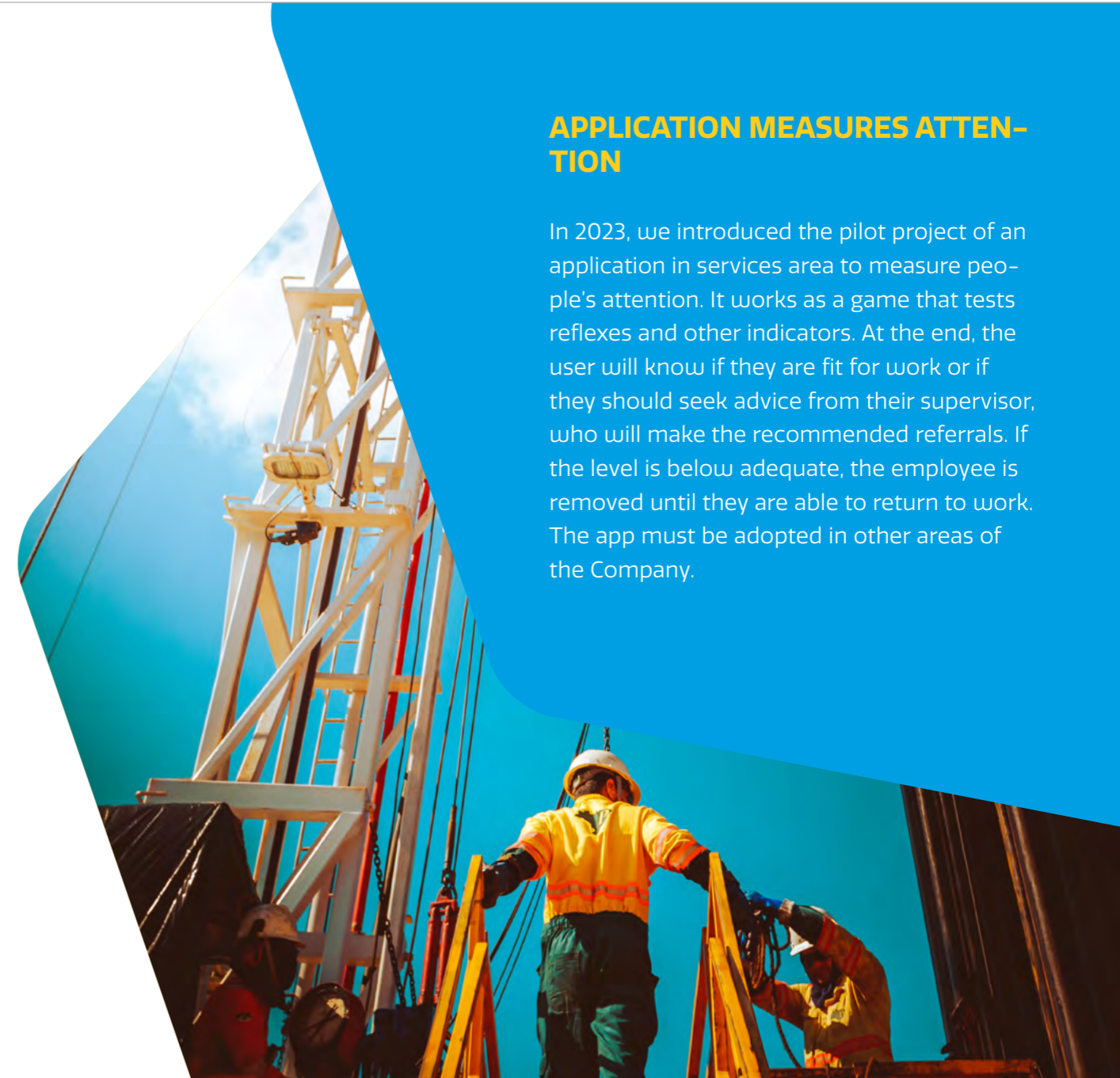
ment Manual and the execution of the Safety Walk program in the Rigs and Services teams exemplify the Company's commitment to safety excellence and the ongoing pursuit for continuous process improvement.

In addition, the development of the HSE heat map is underway, which analyzes preventive and reactive HSE indicators, and which in 2024 will provide even more efficient support for managers' strategic decisions.

All these initiatives and achievements evidence how committed PetroReconcavo is to fostering a safe, healthy and sustainable workplace, fine-tuned with the sector's best practices and in compliance with current regulations. The Company will continue to invest in actions and programs aimed at constantly enhancing its health, environment and safety management, ensuring the integrity of its employees and the sustainability of its operations.

APPLICATION MEASURES ATTENTION

In 2023, we introduced the pilot project of an application in services area to measure people's attention. It works as a game that tests reflexes and other indicators. At the end, the user will know if they are fit for work or if they should seek advice from their supervisor, who will make the recommended referrals. If the level is below adequate, the employee is removed until they are able to return to work. The app must be adopted in other areas of the Company.



WORK-RELATED INJURIES EMPLOYEES AND CONTRACTORS

GRI 403-9

When comparing 2023 figures with previous years, it is possible to see some trends and significant improvements in PetroReconcavo's occupational safety metrics. A reduced number of hours worked, for instance, signals an eventual optimization of work processes.

As far as work-related injuries are concerned, data revealed a substantial advance in 2023. The number of incidents with serious consequences has fallen considerably, reflecting the likely effective implementation of preventive and safety measures in the workplace. The rate of work-related injuries with serious consequences also fell significantly, indicating a decline in the risk and severity of these incidents. We did not record any fatality in our activities.

It is worth noting that in 2023, the number of mandatory communication on work-related injuries has risen. Although this figure may suggest a worsening at first, it is essential to analyze the circumstances and details of these injuries to identify opportunities for improvement and prevention.

In light of this context, PetroReconcavo has strived to improve its results in terms of work-related injury prevention and safety. For 2024, the Company plans to work towards more challenging targets, aiming at continually reducing work-related injury rates and promoting an even safer and healthier environment for its employees and contractors.

Work-related injuries (employees and contractors) GRI 403-9

	2021	2022	2023	
	Employees and contractors	Employees and contractors	Employees	Contractors
Number of hours worked	2,972,981.73	6,193,013.56	3,569,280	5,282,949
No. of fatalities resulting from work-related injuries	0	0	0	0
Index of fatalities resulting from work-related injuries*	0	0	0	0
No. of work-related injuries with serious consequence (except for fatalities)	8	20	14	13
Index of work-related injuries with serious consequence (except for fatalities)*	2.7	3.2	3.92	2.46
No. of work-related injuries of mandatory communication; (include fatalities)	8	20	14	13
index of work-related injuries of mandatory communication (include fatalities)*	2.7	3.2	3.92	2.46

The types of work-related injuries include falls, musculoskeletal injuries, accidents involving vehicles, falling objects, accidents involving equipment, trauma injuries and incidents involving venomous animals.

* Number of incidents x 1,000,000 / hours worked



COMMUNITIES

GRI 3-3: COMMUNITIES RELATIONSHIP AND DEVELOPMENT, GRI 203-2, 413-1

The watchword in the relationship with the communities nearby PetroReconcavo's operations was to step up. In 2023, we increased the number of communities served (from 17 to 21), people monitored (from 410 to 1,256) and people impacted (from 4,256 to 10,636). With the Sustainability area's restructuring, we are managing to better understand our stakeholders' needs and better develop our initiatives, which are feasible through our own resources or incentive laws.

This was what happened to our project that supports small rural producers. In 2023, we started running a monthly fair for employees at the São Roque and Miranga units, which already took place at the administrative unit in Salvador, with products from these properties. This is a two-way road: people learn more about the Company's work and have the opportunity to buy pesticide-free food, while

farmers put into practice what they learn in our workshops and sell part of their production, generating more income. It is worth noting that most of the participants are women, a sign of women's empowerment within these rural families.

We believe that the more employees who visit and witness the social impact of our programs in their communities, the stronger their commitment to what we do. We even enhanced the promotion of the sponsorship program of the '**Ciranda da Leitura**' project, in which each employee sponsors a child with a monthly donation and, in return, the Company makes another one of the same amount. Result: we raised by 41% the number of donors.

These are just a few examples of our community engagement actions, where we also carry out impact assessments and development programs based on their needs. Everything is done grounded on participatory processes, with the maintenance of local committees, consultation processes with the population and meetings with residents' associations. To discuss impacts and receive complaints and requests, we maintain a hotline, email, community meetings and partnerships with local organizations.

The indirect economic impacts are mapped through data collection, reporting and disclosure. Positive factors identified included the creation of indirect jobs, the development of

local suppliers, donations to the community, the infrastructure improvement, and higher municipal revenues. Among the negative factors are the impact on traffic and infrastructure, the exploration of natural resources and the local community's economic reliance.

In 2023, for the first time, we contracted regular surveys to find out how residents perceive PetroReconcavo. An outsourced company goes into the field with questions about PetroReconcavo and situations related to its work in that community. From zero to five, our score is four.

Investments and support **GRI 203-1**

Project	Value
Tapera das Artes (RN)	R\$800 thousand
Viva Sabiá (RN)	R\$750 thousand
Ciranda Viva (BA)	R\$305 thousand
Tamar Project (BA)	R\$300 thousand
Ciranda Agroflorestal (BA)	R\$256 thousand
Ciranda do Protagonismo (BA)	R\$214 thousand
Ciranda dos Sabores (BA)	R\$42 thousand
TOTAL	R\$2.707 million

The amount of R\$800 thousand for Tapera das Artes, although paid on December 30, 2022, was invested by the project in 2023.

The 'Ciranda Viva' project, besides R\$215 thousand paid in 2023, used funds disbursed by PetroReconcavo in 2022 for the Municipal Council of Children and Adolescents Rights (CMDCA).

The amount of R\$580 thousand was paid for a sports project in Rio Grande do Norte, but it will be implemented only in 2024.

People impacted: People who participated, at least, once in a PetroReconcavo's project or were supported/sponsored by PetroReconcavo or also direct relatives of those people monitored.

People monitored: People who are beneficiaries or participate in a continuing Company project lasting at least one year (these figures are evaluated annually and repeated, even if they are the same people).



The mapping of indirect economic impacts is conducted through **data collection, reporting and disclosure**

Ciranda Viva

Created in partnership with the nonprofit organization Associação Voluntários para o Serviço Internacional Brasil (AVSI) to help communities develop sustainably based on valuing local culture and identity, the project was executed in the following communities in the municipality of Catu (BA) in 2023: Pedras, Flechas and Veadinhos. 173 people were benefited and 518 people were impacted in three lines of activity:



[Click here](#) to learn more about Ciranda Viva.



'Ciranda Esportiva' –It aims to stimulate interest in sports and contribute to the socialization of participants outside the school environment. In 2023, 148 children and adolescents aged between seven and 17 years took part in these activities.



'Ciranda Educativa' – Through the cultivation of a vegetable garden, it introduces food safety and environmental education to children in early childhood (between 4 and 6 years old), making them realize the relevance of agricultural work. It relied on 37 participants in 2023.



'Ciranda da Leitura' – It assists the beneficiaries of Ciranda Educativa and Ciranda Esportiva with educational activities, such as reading and text production workshops. In 2023, we repeated the sponsorship model in which employees make a monthly donation and PetroReconcavo gives the same amount in return.



cirandaviva
RECÔNCAVO



'Ciranda dos Sabores'

Aimed at teaching techniques for transforming the food usually sold at fairs into products with greater added value and consumer demand. Four cooking workshops and one entrepreneurship workshop taught 14 families new preparation methods and marketing strategies, contributing to the local economy

and generating income for residents. We also highlight the inauguration of the Community Kitchen at Laranjeira community, in São Sebastião do Passé (BA). The space, built with support of PetroReconcavo and Bracell, will work as a training center.

'Ciranda Agroflorestal'

Farmers in the region of Miranga Hub (BA) are the target public of this project that aims at contributing to enhancing biodiversity and income. In partnership with Toca Ambiental Consultoria, 15 fairs were held, eight workshops on grafting, five on biofertilizers, micro-organisms and natural pesticides and 12 on the implementation and management of agroforestry systems (SAFs). The number of households served reached 132.



[Click here](#) to learn more about Ciranda Agroflorestal.

'Ciranda do Protagonismo'

Started this year, this is an employability project with workshops and short-term vocational training courses to stimulate entrepreneurship, work and income generation in the communities. Eight cuisine and three soil management workshops were held.



Projects foment **higher income and entrepreneurship** at communities involved





Viva Sabiá

In Rio Grande do Norte, we partnered with AVSI Brasil and the Banco do Brasil Foundation to launch a new phase in the expansion of the 'Viva Sabiá' program, which promotes the sustainable development of communities in the semi-arid region of Rio Grande do Norte by facilitating access to quality water. In 2023, the program assisted 138 households, benefiting 557 people with 222 technologies, of which 81 tanks, 111 Aqualuz systems and 30 of bio-water.

Executed in partnership with the Bahia company Safe Drink Water, Aqualuz is an innovative solution recognized by the UN for purifying water in cisterns using solar radiation. With an estimated 20-year lifespan and a capacity of up to 10 liters, the equipment uses only sunlight to remove any microbiological contamination found in the liquid. In nearly four hours, water is drinkable.

Bio-water originates from 'gray water', such as that from showers and sinks. Instead of being discharged, this unfit-for-drinking water goes through a filter that directs it to vegetable gardens. The device, which is activated naturally by gravity, only needs one pump, which is activated once or twice a day. The simple fact of providing home cultivation brings food safety and, with the sale of the surplus, also generates income.

Alongside these technologies, 'Viva Sabiá' has been working hard on environmental education, with campaigns on water use and greater water efficiency for 1,064 students since the program's onset. Investments of R\$3 million are estimated by the end of 2024, shared between PetroReconcavo and Banco do Brasil Foundation.



[Click here](#) to watch the video about 'Viva Sabiá' project.

Partnership with Tamar Project

The partnership aims at contributing to non-formal education after school, with actions to raise environmental awareness, personal training, the rescue and appreciation of culture and citizenship. Renewed in 2023, it enabled new guided visits by public schools' students in Mata de São João (BA) and the region nearby the project's headquarters in Praia do Forte (BA). In this edition, more than 7 thousand children and adolescents got to know the place where sea turtles live and reproduce.



+7 thousand

students got to know the place where sea turtles live and reproduce



[Click here](#) to learn more about the Tamar Project.

Tapera das Artes

Developed in partnership with Tapera das Artes, **'Voz do Olhar'** is an integrated arts program, with music-related recreational activities and educational activities, which contributes to the training, stimulation and cultural expression of public school students. In 2023, 744 students aged between two and 12 years from six public schools in the cities of Mossoró, Caraúbas, Upanema and Assu, in the state of Rio Grande do Norte, took part in the awareness-raising workshops. In addition, we have set up two fixed classes in two schools in Mossoró so that we can continuously work with these groups through a permanent educational workshop. With the **'Mestre Aprendiz'** (Apprentice Master) project, various meetings were held between renowned masters of instrumental music and art apprentices and educators, ending with an interactive concert presented at the Tapera das Artes headquarters in Mossoró (RN).



Click here to learn more about the Tapera das Artes Project.

Other projects

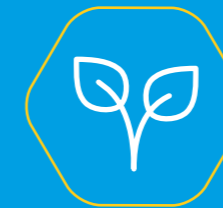
NEOJIBÁ

The Bahia orchestra, which offers musical education and practice to socially vulnerable children and adolescents had its 'Turnê da Liberdade' (Freedom Tour) through the North and Northeast regions sponsored by PetroReconcavo. In addition, boys and girls from another project we support, Tapera das Artes, in the region of Mossoró (RN), made a special appearance at the musicians' open rehearsal.

PROGRAMA EDUCA + RECICLA

The 'Educa + Recicla' program, promoted in partnership with NeoEnergia and the local government of Mata de São João (BA), where PetroReconcavo's headquarters are located, promotes the selective collection and recycling of waste among students, communities, businesses, resorts and condominiums in the municipality. This recycled waste returns in the form of a discount on the energy bills of the public schools participating in the project. One of the activities was the Environmental Competition at Monsenhor Manoel Barbosa School, which collected 3.4 tons of recyclable waste with the participation of students from different grades and the entire school community.

ENVIRONMENT



In line with our austerity and waste reduction guidelines, the Environment Week 2023 focused on 'Zero Waste'. The topic was discussed in lectures during the event, highlighting the Company's commitment to adopting practical actions for a more sustainable environment.

At Potiguar Asset, the celebration of International Environment Day on June 5 became greener by the planting of saplings in local communities. Also a workshop on techniques to cultivate greens and vegetables was held. At Bahia Asset, we conducted initiatives aimed at raising environmental awareness in schools in the communities nearby our operations and in the 'Ciranda Viva' Program.

SUPPLIERS

GRI 2-6, 204-1, 409-1, 414-1, 414-2

Out of 56 major businesses selling products and services to PetroReconcavo, local suppliers received nearly R\$1.34 billion in 2023. The amount paid to purchases made in the North-east region, where our units are installed, corresponds to 68% of the Company's annual spending on acquisitions. The most contracted services and materials were electricity, cement work, oil transportation and equipment rental.

PetroReconcavo's suppliers are assessed concerning social impacts and legal compliance by a specific digital platform for approval and monitoring during the contractual term. Among the criteria considered are financial health, compliance with all tax and labor issues (including human rights, compulsory and child labor) and the absence of environmental liabilities.

92.04% of companies assessed were considered eligible, and **six of them already implemented the action plan** we suggested

During reporting period, 465 businesses underwent such evaluation. After in loco inspections by our team to check compliance with service levels, ancillary obligations, eventual poor working conditions and negligence in health and safety, 37 of them were considered critical. Based on the inspection results, an action plan was designed to improve the process and six of them accepted the proposed conditions and initiated the suggested adjustments, which are monitored by our contract manager.



R\$1.34 billion

invested in purchases from local suppliers



ECONOMIC
PERFORMANCE

ECONOMIC AND OPERATIONAL PERFORMANCE

- Resilience to continue growing
- Record production
- Technology & innovation



PetroReconcavo's economic and operational performance in 2023 confirms the effectiveness of strategies adopted to continue growing consistently and sustainably. Virtually all indicators applied to measure the effectiveness of the Company's management registered positive figures.

We managed to set a new record of production, a milestone that has a direct impact on net revenue and profits. We paid the last installment of Riacho da Forquilha Hub (Potiguar Asset) and Maha Energy Brasil Ltda. acquisitions. (Tiêta SPE). We concluded the construction of our first midstream asset, the São Roque (BA) Gas Treatment Unit (UTG). We

have adopted technologies that make our activity more profitable and safer, and we have won new customers. We also acquired two new drilling rigs, bringing our own equipment portfolio to 11 workover rigs and three drilling rigs.

These are some of the reasons that help explain how we achieved our results. This performance encourages us to keep improving, with a view to 2024 with greater challenges to raise the standards and parameters that make PetroReconcavo one of the leading players in the country's oil and gas sector.



Performance confirms the effectiveness of the strategies adopted to grow **consistently and sustainably**

RESILIENCE TO CONTINUE GROWING

GRI 201-1

PetroReconcavo ended 2023 with R\$2.8 billion net revenue, R\$1.3 billion Ebitda and R\$709 million net income. The higher cost of capital due to the appreciation of the US dollar, the 18% rise in the average price of barrel of oil and disruptions that affected the Company's drainage and processing are some of the factors that justify the results, which came 5%, 21% and 39% lower than in 2022, respectively.

We had a 15% higher costs and expenses compared to previous year, 5% of which was attributable solely to the integration of Tiêta SPE into our portfolio. The variation can be also justified by:



Personnel cost and expenses

Reflecting the workforce increase, especially in the Rigs and Services sectors, due to the expansion of the equipment fleet and internal service lines.



Services and materials costs and expenses

Impacted by the well repair costs, preventive and corrective maintenance, operational consultancies and fees to advisors in the process of acquiring Tiêta SPE and transportation of fluid via truck during the interdiction of Petrobras' operations at the Bahia Terra Hub



Electricity costs

Direct effect of increased production, partially mitigated by initiatives to reduce the price of contracted energy.



Selling expenses

These refer to the amount spent with storage and logistics of part of oil sold by Potiguar Asset in the period.



Midstream costs (purchase, drainage, processing and natural gas transportation)

This is due to the higher volumes of natural gas processed and the penalties resulting from operational fluctuations, drainage and processing constraints.

In light of this scenario, the resilience and the continued efforts were more than necessary for us to keep our operation efficient and solid. Despite the difficulties and setbacks, we were able to distribute R\$290 million in gross dividends to our shareholders, 31% more than in the previous year.

Income Statement (R\$ thousand)

	2022	2023	Δ%
Net revenue	2,975,939	2,814,361	-5%
Costs and expenses	(1,125,643)	(1,298,377)	15%
Royalties	(240,876)	(237,840)	-1%
Ebitda	1,609,420	1,278,144	-21%
Depreciation, amortization and depletion	(351,220)	(598,327)	70%
Operating profit	1,258,200	679,817	-46%
Net financial result	66,400	49,012	-26%
Current taxes	(129,246)	(32,666)	-75%
Deferred taxes	(41,963)	12,775	n.m.
Net income	1,153,391	708,938	-39%



Click here to access our 2023 results.



R\$2.814 billion

net revenue
in 2023

Operating costs and expenses (R\$ thousand)

	2022	2023	Δ%
Personnel	228,024	275,275	21%
Services and materials	254,625	395,910	55%
Electricity	73,877	77,230	5%
Sales	-	40,495	-
Other costs and expenses	52,494	36,083	-31%
Expected loan losses	70,711	-	-
Midstream costs	445,912	473,384	6%
Total	1,125,643	1,298,377	15%

FOLLOW-ON FOR GROWTH

PetroReconcavo raised R\$1.034 billion in its second-follow-on) at B3, held in 2022. The price of each of 44 million shares issued by the Company was R\$23.50. The amount raised is similar to that obtained in the initial public offering (IPO) held in 2021, and in the subsequent capitalization round in 2022. Proceeds will be allocated to potential acquisition of assets contributing to its growth strategy.



RECORD PRODUCTION

PetroReconcavo ended 2023 with an average production of 26 thousand barrels of oil equivalent/day (boed) – up 22% from 2022. The milestone – an all-time record– is justified by our higher operating efficiency, with drilling and workover activities upsurge (works to enhance production and reserves in a well), consolidation of productivity gains in our own equipment fleet and the redesign of processes.

The figure could have been even higher had it not been for instabilities in outsourced structures, especially those serving the Potiguar Asset. Throughout the year temporary disruptions occurred in fields and wells caused by drainage constraints and corrective maintenance, among other factors that affected the volume of oil and gas produced.

Despite the setbacks, operations in Rio Grande do Norte have continued to grow since the acquisition of Riacho da Forquilha Hub in 2019. PetroReconcavo's 31 fields and our stake in two concessions operated by a partner

totaled 13.7 thousand boed, up 14% from 2022 and corresponded to 52.7% of the Company's total. The highlight, again, was the natural gas, whose average of 4.5 thousand boed came 25% higher than in previous period.

In the Bahia Asset, in turn, the combined production of the Miranga, Remanso and BRTEC hubs, plus Tiêta SPE (formerly Maha Energy, merged by the Company this year), reached 12.3 thousand boed, with substantial increases compared the 2022 total (32%) and in the breakdown by product: 35% in oil and 29% in gas. The figures for the Tartaruga (SE) field, which was also consolidated into our portfolio after Maha Energy Brasil acquisition, were not significant enough to be reflected in the overall result.

Oil and gas production

BAHIA ASSET
PRODUCTION
12.3 thousand boed
+32% vs. 2022

POTIGUAR ASSET
PRODUCTION
13.7 thousand boed
+14% vs. 2022

OIL

INCREASE
35%



INCREASE
10%

NATURAL GAS

INCREASE
29%



INCREASE
25%

TOWARDS THE ISO 9001



The implementation of ISO 9001:2015 standard at PetroReconcavo reflects our commitment to a quality management focused on long-term sustainability. The initiative underscores the importance we give to risk-oriented management and the relentless pursuit of continuous improvement in our processes.

By building the principles of certification into our operation, we are not only seeking external recognition but, more importantly, we are reinforcing our ability to respond effectively to the challenges of the oil and gas sector and our stakeholders' expectations. This effort evidences a prudent and strategic approach to management, prioritizing operating efficiency and regulatory compliance.

Our focus lies on consolidating a strong foundation for the future, ensuring that the Company goes beyond the required quality and safety standards. This, in turn, further paves the way for a sustainable and responsible operation, capable of successfully navigating market dynamics and constantly evolving regulatory expectations.

By communicating this commitment, we want to reinforce our investors' and partners' confidence in our management and best operating practices. We are dedicated to promoting a culture of excellence, in which continuous improvement and risk-oriented management are seen as key components for the success and long-term sustainability of our Company.

Capex program

The significant expansion of our asset base since 2019, with Riacho da Forquilha Hub acquisition, is reflected in the continued growth of workover, drilling and facilities activities (set of equipment used in a field, such as pumps, compressors, meters etc.). In 2023, the investment to develop reserves totaled nearly R\$746 million out of total Capex (the amount spent to acquire, upgrade and maintain physical assets) of nearly R\$1.1 billion, discounting the well abandonment line. We recorded 80 well intervention projects in Bahia Asset and 126 in Potiguar Asset.

Investments to uplift production and wells drilling (R\$ million)

2022

376

130

141

Total 647

2023

386

184

175

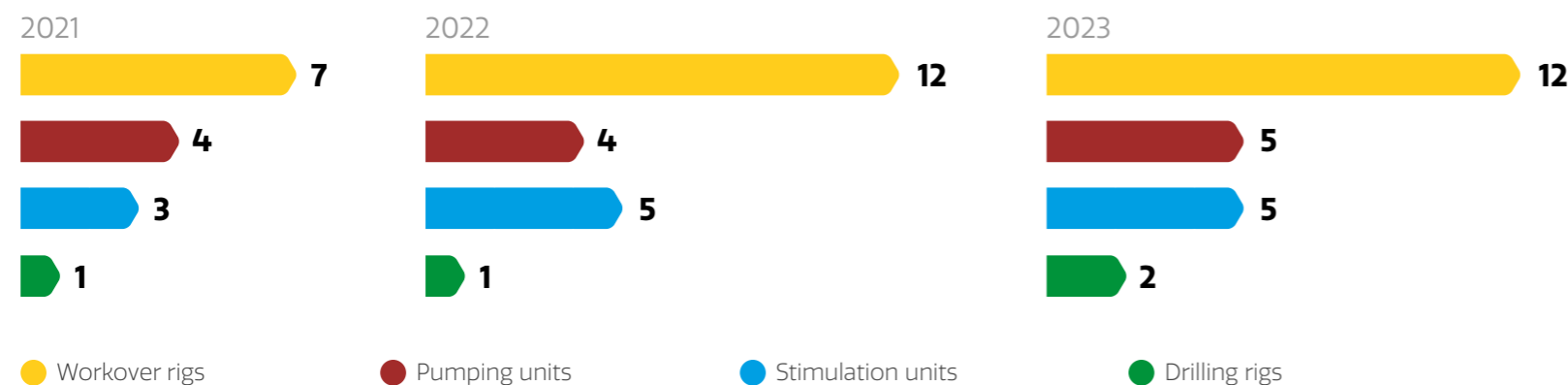
Total 746

● Workovers ● Facilities ● Drilling

Equipment fleet

In 2023, PetroReconcavo moved forward with its rigs and services internalization strategy. The arrival and startup of newly acquired equipment made it possible to return four drilling rigs and one workover rig and to decommission outsourced teams. Our own fleet currently relies on 11 workover rigs (plus one leased rig operated by the Company staff) and three drilling rigs, one of which is in the process of being commissioned.

Equipment fleet evolution



GREATER EFFICIENCY AND SECURITY WITH SH-PR-21 RIG

The arrival of SH-PR-21 Rig leads PetroReconcavo to another *onshore* exploration level: the drilling of horizontal wells in shallow and medium-depth reservoirs, with greater efficiency and safety. The equipment is designed with an automated hydraulic system, which reduces pipe connection time and avoids exposing employees at some stages. Due to its smaller size, it requires fewer personnel involved in the activity and is more easily transported from one well to another, also cutting operating costs.



TECHNOLOGY & INNOVATION

PetroReconcavo's sustainability undergoes heavy investments in technology & innovation. From field operations to administrative duties, we seek to deploy solutions to ramp up productivity, make faster and more accurate decisions, reduce the risk of environmental and work-related injuries and provide greater safety in all the environments where the Company operates.

One of the advances in this direction in 2023 was the implementation of Tree Saver, a tool for pumping fluids at high pressures and substantial flow rates, enabling the expansion of conventional hydraulic fracturing operations into deeper areas with great production potential. Another advantage is that it eliminates the need to have the work-over rig present during the fracturing phase, resulting in considerable gains in the rig's internal availability.

We also acquired the equipment for our in-house Quality & Development Laboratory to run the Sara test (acronym for saturates, aromatics, resins and asphaltenes). The test makes it possible to know and chemically characterize the crude oil produced, optimizing well and station treatment costs.

The PLT (Production Logging Tool) has also been incorporated, which, as the name suggests, measures flow in production and injection wells. This technology is capable of detecting potential leaks in liners and production columns, making it possible to identify any losses and increasing the accuracy of measuring the volume produced.

In addition, throughout the year, we implemented the following projects:

- **Cementing using microspheres** – it allows cementing to be carried out in areas with low fracture gradients
- **Hot Oil Circulation Unit (UCOQ)** – Used to clear the production column of paraffinic wells.
- **Slickline unit** – Operation for lowering and removing equipment and tools inside the wells without the need for a rig

In terms of management processes, by 2024 we intend to have migrated to a smarter system, which will give us greater control of all data relating to back-office activities and better planning of our resources.



GRI CONTENT INDEX

Use statement

PetroReconcavo reported that is compliant with GRI standards for the period between January 1, 2023 and December 31, 2023.

GRI STANDARD	CONTENT	Location	OMISSION			Reference No. of GRI sector standard	SASB Correlation	IPIECA Correlation
			OMITTED REQUIREMENT(S)	REASON	EXPLANATION			
GRI 2: General Disclosures 2021	2-1 Organizational details	12						
	2-2 Entities included in the organization's sustainability reporting	03						
	2-3 Reporting period, frequency and contact point	03						
	2-4 Restatements of information	43						
	2-5 External assurance	None.						
Activities and workers	2-6 Activities, value chain and other business relations	06, 15, 19, 69						GOV1-C1
	2-7 Employees	51						GOV1-C1
	2-8 Workers who are not employees	51						GOV1-C1
Governance	2-9 Governance structure and composition	23, 51						GOV1-C1
	2-10 Nomination and selection of the highest governance body	24						
	2-11 Chair of the highest governance body	24						
	2-12 Roles of the highest governance body in overseeing the management of impacts	24						GOV1-C1; GOV1-C3; GOV1-C5

GRI STANDARD	CONTENT	Location	OMISSION		Reference No. of GRI sector standard	SASB Correlation	IPIECA Correlation
			OMITTED REQUIREMENT(S)	REASON			
Governance	2-13 Delegation of responsibility for managing impacts	24					GOV1-C3
	2-14 Role of the highest governance body in sustainability report	24					GOV1-C3
	2-15 Conflicts of interest	26,32,37					
	2-16 Communication on critical concerns	26,32,34					
	2-17 Collective knowledge of the highest governance body	24					
	2-18 Performance review of the highest governance body	24					
	2-19 Remuneration policies	33					
	2-20 Process to determine remuneration	33					
	2-21 Annual total remuneration ratio	The ratio between annual remuneration of highest paid individual and average annual remuneration of all employees corresponds to 31.55. While the ratio of percentage increase was null due to negative percentage variation.					

GRI STANDARD	CONTENT	Location	OMISSION		Reference No. of GRI sector standard	SASB Correlation	IPIECA Correlation
			OMITTED REQUIREMENT(S)	REASON			
Strategy, policies and practices	2-22 Statement of sustainable development strategy	05					
	2-23 Policy commitments	33					GOV1-C2; GOV1-C4
	2-24 Embedding policy commitments	33					GOV1-C2; GOV1-C4
	2-25 Processes to remediate negative impacts	26, 28, 32.34					GOV1-C4
	2-26 Mechanisms for seeking advice and raising concerns	26, 28, 32					SOC8-C1; SOC12-C1; SOC12-C2
	2-27 Compliance with laws and regulations	The number of fines and/or non-monetary sanctions, as well as cases of non-compliance was null in the period. The criteria adopted to define 'significant cases' was the severity of the impact resulting from the case and external benchmarks used to define significant cases of non-compliance.					GOV 3-C4
Stakeholder engagement	2-28 Membership associations	38					GOV1-C1
	2-29 Approach to stakeholder engagement	50					
	2-30 Collective bargaining agreements	100% of employees are covered by collective bargaining agreements.					

GRI STANDARD	CONTENT	Location	OMISSION			Reference No. of GRI sector standard	SASB Correlation	IPIECA Correlation
			OMITTED REQUIREMENT(S)	REASON	EXPLANATION			
Material topics								
GRI 3: Material topics 2021	3-1 Process to determine material topics	04						
	3-2 List of topic materials	41						
Emissions and climate change strategies								
GRI 3: Material Topics 2021	3-3 Management of material topics	45				11.1.1 and 11.2.1		
GRI 201: Economic per- formance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Information about risks and opportunities deriving from climate change is not available. This information is under review of risk map- ping in 2024. In this review, we will include cli- mate risks and ESG assessment. In addition, concerning climate change, in 2024 we will conduct a study about greenhouse gas emis- sions in the Company, reduction possibilities and stance.				11.2.2		CCE1-C1
GRI 302: Energy 2016	302-1 Energy consumption within the organization	46				11.1.2		CCE6-C1
	302-2 Energy consumption outside the organization	-	Indicator	Information not available.	PetroReconcavo does not manage electricity consumption data outside of the organization.	11.1.3		
	302-3 Energy intensity	59.02 GJ/BOE				11.1.4		

GRI STANDARD	CONTENT	Location	OMISSION			Reference No. of GRI sector standard	SASB Correlation	IPIECA Correlation
			OMITTED REQUIREMENT(S)	REASON	EXPLANATION			
GRI 305: Air Emissions	305-1 Direct (Scope 1) GHG emissions	46				11.1.5	EM-EP-110a.1 EM-EP-110a.2 EM-EP-110a.3	CCE4-C1
	305-2 Indirect (Scope 2) GHG emissions deriving from energy acquisition	46				11.1.6		CCE4-C2
	305-3 Other indirect (Scope 3) GHG emissions	-	Indicator	Information not available	PetroReconcavo does not conduct greenhouse gas inventory referring to its upstreaming/ downstreaming chain.	11.1.7		CCE4-C3
	305-4 Greenhouse gas (GHG) emissions intensity	46				11.1.8		CCE4-C4
	305-5 Reduction of GHG emissions	In 2023, PetroReconcavo set out current year as the base year for calculation of future reduction.				112.3		
	305-6 Emissions of ozone-depleting substances (ODS)	PetroReconcavo does not have any indication of releasing these volatile organic gases (and/or known as refrigerant gases) in our laboratory/ lines.						
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Values: NOx 19.08 SOx: 4,280				11.3.3	EM-EP-120a.1.	ENV5-C1
Environmental impacts & biodiversity								
GRI 3: Material topics 2021	3-3 Management of material topics	47				11.4.1		

GRI STANDARD	CONTENT	Location	OMISSION			Reference No. of GRI sector standard	SASB Correlation	IPIECA Correlation
			OMITTED REQUIREMENT(S)	REASON	EXPLANATION			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	47				11.4.2	EM-EP-160a.3	ENV4-C1
	304-2 Significant impacts of activities, products and services on biodiversity	47				11.4.3		ENV4-C2
	304-3 Habitats protected or restored	The Company does not have any protected or restored habitat areas. Over the upcoming years, planting will be carried out in degraded areas in the Assú-RN national forest, an area managed by ICMBio, with an estimate of planting +5 thousand seedlings on 3.09 hectares.				11.4.4		
	304-4 Species included in IUCN red list and Brazilian national list of conservation with habitats in areas affected by the organization's operations.	48				11.4.5		
Health, safety and well-being								
GRI 3: Material Topics 2021	3-3 Management of material topics	58, 60				11.9.1		

GRI STANDARD	CONTENT	Location	OMITTED REQUIREMENT(S)	OMISSION		Reference No. of GRI sector standard	SASB Correlation	IPECA Correlation
				REASON	EXPLANATION			
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	60				11.9.2	EM-EP-320a.2	SHS1-C1; SHS2-C2
	403-2 Hazard identification, risk assessment and incident investigation	60				11.9.3		SHS3-C4
	403-3 Occupational health services	60				11.9.4		
	403-4 Worker participation, consultation, and communication on occupational health and safety	60				11.9.5		SHS1-C3
	403-5 Worker training on occupational health and safety	60				11.9.6	EM-EP-320a.1	SHS1-C2; SHS7-C2
	403-6 Promotion of worker health	60				11.9.7		SHS2-C3
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked with business relationships	60				11.9.8		SHS3-C3; SHS6-C1; SHS6-C2; SHS6-C3
	403-8 Workers covered by an occupational health and safety management system	60				11.9.9		
	403-9 Work-related injuries	62				11.9.10	EM-EP-320a.1	SHS3-C1; SHS3-C2; SHS4-C3
	403-10 Work-related ill health	60				11.9.11	EM-EP-320a.1	SHS3-C1
Human capital management and talent attraction								
GRI 3: Material Topics 2021	3-3 Management of material topics	51, 56				11.10.1		

GRI STANDARD	CONTENT	Location	OMISSION			Reference No. of GRI sector standard	SASB Correlation	IPECA Correlation
			OMITTED REQUIREMENT(S)	REASON	EXPLANATION			
GRI 401: Employ- ment 2016	GRI 401-1 New employee hires and employee turnover	52				11.10.2		
	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	51				11.10.3		
	GRI 401-3 Parental leave	52				11.10.4		
GRI 402: Labor relations	GRI 402-1: Minimum deadline for notice on operational changes.	60				11.10.5		SOC6-C1; SOC6-C2
GRI 404: Training and education 2016	GRI 404-1 Average hours of training per year per employee	57				11.10.6		SOC7-C2
GRI 404: Training and education 2016	GRI 404-2 Programs for upgrading employee skills and transition assistance programs	56				11.10.7		SOC7-C1
Diversity, equality and inclusion								
GRI 3: Material Topics 2021	3-3 Management of material topics	53				11.11.1		
GRI 405: Diversity and equal opportunity 2016	GRI 405-1 Diversity of governance bodies and employees	54, 55				11.11.5		SOC5-C1; SOC5-C2; SOC5-C3
	GRI 405-2 Ratio of basic salary and remuneration of women to men	-	Indicator	Confidential information	Sensitive information.	11.11.6		

GRI STANDARD	CONTENT	Location	OMITTED REQUIREMENT(S)	REASON	OMISSION		Reference No. of GRI sector standard	SASB Correlation	IPECA Correlation
						EXPLANATION			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	53					11.11.7		
Ethics and integrity in business									
GRI 3: Material Topics 2021	3-3 Management of material topics	34					11.20.1	EM-EP-510a.2	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	34					11.20.2		
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	34					11.20.3		GOV3-C2
	205-3 Confirmed incidents of corruption and actions taken	34					11.20.4		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, antitrust and monopoly practices	34					11.19.2		
Communities relationship and development									
GRI 3: Material Topics 2021	3-3 Management of material topics	63					11.11.1, 11.14.1	EM-EP-210b.1	
GRI 202: Global presence 2016	202-2 Members of senior management hired from the local community	24					11.11.2 and 11.14.3		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services support	63, 64					11.14.4		SOC13-C1; SOC13-C2
	203-2 Significant indirect economic impacts	63					11.14.5		SOC13-C2

GRI STANDARD	CONTENT	Location	OMITTED REQUIREMENT(S)	OMISSION		Reference No. of GRI sector standard	SASB Correlation	IPECA Correlation
				REASON	EXPLANATION			
GRI 204: Pro- curement prac- tices 2016	204-1 Proportion of spending on local suppliers	69				11.14.6		SOC14-C1
GRI 411: Indige- nous People Rights 2016	GRI 411-1 Cases of violation to indigenous people's rights	None cases of violation to indigenous people's rights were registered.				11.17.2		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	63				11.15.2		
	413-2 Operations with significant actual and potential negative impacts on local communities	PetroReconcavo has possible negative impacts on local communities (such as spills) and this is mapped by Risk Management. In addition, we have a Community Relations department which is always attentive and dealing with any prob- lems or demands.				11.15.3		
Water management								
GRI 3: Material Topics 2021	3-3 Management of material topics	41				11.6.1		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	41				11.6.2		
	303-2 Management of water dis- charge-related impacts	41				11.6.3		
	303-3 Water withdrawal	41				11.6.4	EM-EP- 140a.1.	ENV1-C1; ENV1-C4
	303-4 Water discharge	41				11.6.5	EM-EP- 140a.2.	ENV2-C2
	303-5 Water consumption	41				11.6.6		ENV1-C2

GRI STANDARD	CONTENT	Location	OMITTED REQUIREMENT(S)	REASON	OMISSION	Reference No. of GRI sector standard	SASB Correlation	IPIECA Correlation
					EXPLANATION			
Waste management								
GRI 3: Material Topics 2021	3-3 Management of material topics	42				11.5.1		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	42				11.5.2		ENV7-C1; ENV7-C2
	306-2 Management of significant waste-related impacts	42				11.5.3		ENV7-C1; ENV7-C2
	306-3 Waste generated	43				11.5.4		ENV7-C3
	306-4 Waste diverted from disposal	43				11.5.5		ENV7-C3
	306-5 Waste directed to disposal	43, 44				11.5.6		ENV7-C3
Regulatory management								
GRI 3: Material Topics 2021	3-3 Management of material topics	34				11.21.1		
GRI 207: Taxes 2019	207-1 Tax approach	35				11.21.4		
	207-2 Governance, control and tax risk management	35				11.21.5		
	207-3 Stakeholder engagement and management of tax concerns	35				11.21.6		
	207-4 Country by country reporting	Figures are reported at the Results Center, on the Company's IR website .				11.21.7		

GRI STANDARD	CONTENT	Location	OMISSION			Reference No. of GRI sector standard	SASB Correlation	IPECA Correlation
			OMITTED REQUIREMENT(S)	REASON	EXPLANATION			
Oil and gas sector								
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	72				11.14.2 and 11.21.2		
	201-4 Financial support received from the government	Total financial support received from the government totals R\$149,296,843.65				11.21.3		
GRI 306: Effluents and Waste 2016	Content 306-3 Significant spills	44				11.8.2		
GRI 407: Free- dom of associa- tion and collec- tive bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	69				11.13.1		
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	69				11.12.2		
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	The percentage of security personnel who have received formal training in the organization's specific human rights policies or procedures and their application in security reached 100% by 2023. Human rights training also applies to contractors providing security personnel.				11.18.2		

GRI STANDARD	CONTENT	Location	OMISSION			Reference No. of GRI sector standard	SASB Correlation	IPECA Correlation
			OMITTED REQUIREMENT(S)	REASON	EXPLANATION			
GRI 414: Supplier Social Assess- ment 2016	414-1 New suppliers that were screened using social criteria	69				11.10.8		
	414-2 Negative social impacts in the supply chain and actions taken	69				11.10.9		
GRI 415: Public Policies 2016	415-1 Political contributions		Content	Indicator not applicable	According to the Policy on Sponsorship and Donations, donations, sponsorships or any kind of contribution, in any amount, as well as the offer or provision of any service, the granting of a loan or the assignment of assets intended for political purposes; trade unions; public officials; government entities; politically exposed persons, are prohibited. Donations, sponsorships or any kind of contribution, in any amount, may not be offered, promised nor granted for the purpose of obtaining an undue advantage or influencing the actions of any person, be they a public official, supplier, contractor, among others.	11.22.2		GOV 5-C2
GRI 416: Consumer Health and Consumer 2016	GRI 416-1 Assessment of the health and safety impacts of product and service categories		Content	Not applicable	Petroreconcâvo's business has no direct or indirect impact on consumer health and safety.	11.3.3		

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