

PETROBRAS CORRUPTION PREVENTION PROGRAM

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MESSAGE FROM **PETROBRAS**



Petrobras has a permanent commitment to ethics and the fight against fraud, corruption and money laundering. Such commitment should guide the daily actions of all those who are part of our company. For this purpose, we have a robust program of corporate integrity, the Petrobras Corruption Prevention Program, which is aligned with the best market practices and establishes mechanisms for the prevention, detection and correction of acts inconsistent with the conduct established and required by the company.

It is everyone's duty, including members of senior management, to maintain a business environment based upon high performance and, at the same time, is ethical, righteous and transparent. To this end, we must strive to ensure that these guidelines are followed fully, always acting in accordance with the law, our corporate values, standards and procedures, and notifying the Reporting Channel of any possible misconduct.

Corruption is harmful to society. Given the importance of Petrobras to Brazil, we believe we can influence the value chain in which we operate, encouraging the adoption of initiatives to promote transparent, honest and sustainable business.

All, without exception, must adopt the highest ethical behavior and follow the guidelines of this program, as well as the guidelines contained in our Code of Ethics and our Conduct Guide, consulting them whenever necessary. These documents contribute to the awareness of the right way to act and behave. Thus, we will remain committed to continually strengthening our mechanisms of control, reaffirming our commitment to zero tolerance for fraud, corruption and money laundering.



Aldemir Bendine
CEO

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INTRODUCTION

The Petrobras Corruption Prevention Program (PCPP) features continuous actions to prevent, detect and correct acts of fraud, corruption and money laundering, as set out in this program.

The program is designed for our different stakeholders, such as: customers, suppliers, investors, partners, public authorities, employees and outsourced service providers.

Reading it together with the Petrobras System Code of Ethics and Petrobras Conduct Guide will contribute to everyone's commitment to zero tolerance on any kind of misconduct, mainly in preventing and combating fraud, corruption and money laundering.

The PCPP is managed by the Compliance Executive Management, through the Compliance and Corruption Prevention Program General Management, in alignment with other areas of our governance structure.

1. ANTI-CORRUPTION LAWS AND INTERNATIONAL COMMITMENTS

In performing our activities, in Brazil and abroad, we are subject to the following national and international anti-corruption laws:

- Brazilian Law 12,846 of August 1, 2013, which governs the administrative and civil liability of legal entities for the practice of acts against the national or foreign public administration.
- United States Foreign Corrupt Practices Act 1977 (FCPA), a federal anti-corruption law to which we are subject since we have American Depositary Receipts (ADRs) traded on the New York Stock Exchange.
- UK Bribery Act 2010, an anti-corruption law from the United Kingdom, which permits British courts to judge crimes related to fraud and corruption committed by companies incorporated in the United Kingdom or that conduct operations in its territory.

Other anti-corruption laws may be applicable to our activities, depending on the country of incorporation of the companies of the Petrobras System or the location of its operations.

In Brazilian legislation, passive and active corruption and embezzlement crimes are described in articles 312, 316,

317 and 333 of Decree-Law 2,848 of December 7, 1940 (Brazilian Penal Code), along with other crimes against the Public Administration.

In addition, we are signatories to the following national and international anti-corruption initiatives: the United Nations Global Compact, the Extractive Industries Transparency Initiative (EITI) and the Brazilian Business Pact for Integrity and Against Corruption.

2. ETHICS MANAGEMENT SYSTEM

This is a coordinated set of institutional actions to promote, diagnose, investigate and monitor conduct at the company, in order to guarantee the appropriate and effective treatment of ethical issues.

The Ethics Commission manages ethics by guiding, disseminating and promoting compliance with the ethical principles and behavioral commitments established in the Petrobras System Code of Ethics, as well as proposing updates through the incorporation of new concepts and practices. It also advises the board in making decisions concerning violations of the Code of Ethics.

2.1. PETROBRAS SYSTEM CODE OF ETHICS

The Petrobras System Code of Ethics covers the members of the Board of Directors, Fiscal Councils,

Executive Board, holders of management positions, employees, interns and outsourced service providers of the Petrobras System, requiring the individual and collective commitment of each and every one of them to comply with it and promote its compliance in all actions of the production chain of the Petrobras System and in its relations with all stakeholders.

This defines the ethical principles and behavioral commitments of the Petrobras System in its relations with its stakeholders, such as employees, customers, suppliers, partners and the public authorities, explaining the ethical meaning of our Mission, Vision and Strategic Plan. Our ethical principles are, amongst others: “respect for life and for all human beings, integrity, truth, honesty, justice, equity, institutional loyalty, responsibility, care, merit, transparency, legality, impartiality, and coherence between speech and practice”.

We are committed to rejecting any practices of corruption and bribery, maintaining formal procedures to ensure control and consequences for any violations that occur in our relations with society, government and the State.

The content of our Code of Ethics is communicated to all members of our workforce at the moment they join the company and throughout their career. In addition, our suppliers are required to respect our Code of Ethics.

Any employee who fails to comply with the principles and

behavioral commitments expressed in our Code of Ethics will be subject to the penalties set forth in our Disciplinary Regime.

The Petrobras System Code of Ethics may be viewed via our internal portal or our website.

2.2. PETROBRAS CONDUCT GUIDE

The Petrobras Conduct Guide is composed of ramifications of the Petrobras System Code of Ethics and other standards. It applies to everyone who is subject to the Code of Ethics, and presents the conduct to be adopted, guided by the principles of respect, honesty and responsibility, among others. This Conduct Guide sets out the basic rules for ethical action and must be observed as behavioral guidelines within professional situations or events stemming from them, especially in situations that could be interpreted as contrary to the laws or to our internal standards, whether inside or outside the workplace.

The Guide aims to prevent misconduct, promoting the dissemination of instructions and educational activities, without prejudice to the application of proper disciplinary measures whenever deviations are identified.

3. DISCIPLINARY REGIME

For cases of misconduct, fraud or corruption, Petrobras' Disciplinary Regime sets forth penalties such as warnings, suspension or termination of the employment contract, according to the severity of the case. Verbal warnings are prohibited in the event of failure to abide by the Code of Ethics, Conduct Guide and/or to this program.

4. INTERNAL INVESTIGATIONS

We investigate indications, occurrences or allegations of fraud, corruption and money laundering involving our workforce and/or assets supporting administrative measures, improvements in processes and the application of disciplinary sanctions.

It is the duty of loyalty to the company that all employees, whenever they come across facts or acts that may characterize misconduct, to report this to the Reporting Channel, which will provide the appropriate treatment and forward it to the investigative areas of the company. Such investigations are independently conducted in regards to the organizational site where the events occurred.

Investigations are conducted in accordance with principles of objectivity, confidentiality and impartiality, from the assumption of good faith, to obtain the truth of the facts.

5. FRAUD, CORRUPTION AND MONEY LAUNDERING RISK MANAGEMENT

The management of business risks is conducted at a corporate level and deployed at organizational sites.

These risks are currently categorized into five distinct groups: strategic, operational, business, financial and compliance.

The Governance, Risk and Compliance Office, through the Compliance Executive Management, is responsible for deploying policies concerning compliance risks related to fraud, corruption and money laundering.

The Board of Directors, advised by the Audit Committee, is responsible for defining the company's risk appetite and for overseeing the management of business risks.

6. RELATIONSHIPS WITH THIRD PARTIES

Relationships with third parties may represent business opportunities, aligned with the company's strategic and operational objectives, as well as result in the risk of violating national and/or international anti-corruption legislation, including possible financial harm or damage to our image and reputation.

6.1. SUPPLIERS

These are individuals or legal entities that supply goods and/or services to the company's different segments and other companies of the Petrobras System.

We prioritize the relationship with suppliers listed in our records, which are evaluated using technical, legal, economic, integrity, safety, environment and occupational health criteria, among others.

Procurement processes for construction work, services, purchases and disposals are governed by the Simplified Bidding Procedure Regulations, approved by Decree 2,745/98 and the Petrobras Procurement Manual (known by the Portuguese acronym MPC).

During the contractual relationship, Petrobras formally requires its suppliers to conduct their activities based on ethics and social and environmental responsibility, in addition to complying with anti-corruption laws.

To reduce our exposure to fraud, corruption and money laundering risks, Petrobras established mechanisms to support and guide employees who perform activities related to demands concerning goods or services, including those conducting the procurement process and those responsible for its approval. Petrobras also established limits of authority for signing contracts that are updated and approved periodically by the Executive Board.

6.2. OPERATING PARTNERS

We explore and produce oil and gas also through joint ventures, composed of two or more companies, domestic or foreign. These joint ventures are typically governed by a Joint Operating Agreement (JOA), which establishes the rights and obligations of the parties and grants the operator – the company responsible for carrying out the partnership’s activities – authorization to act on behalf of the other partners in executing the respective project, including the acquisition of goods and services.

6.3. PARTNERS OR COUNTERPARTIES IN ACQUISITIONS AND DIVESTMENTS

Our evaluation for the partial or total acquisition of assets and shares in companies or the selection of buyers for our divestments includes verifying the counterparty’s reputation, ethical conduct and practices related to preventing fraud, corruption and money laundering, as well as accounting, economic, financial, tax, legal and environmental aspects.

6.4. INTEGRITY DUE DILIGENCE - IDD

The IDD corresponds to the evaluation of the Integrity Risk Level (IRL) in which Petrobras may be exposed in the relationship with its suppliers, joint venture partners and counterparties in acquisitions or divestments, considering information related to reputation, integrity and practices

concerning the fight against corruption. In relation to suppliers, this evaluation is reviewed annually when the registration is renewed.

The application of IDD is based upon risks and considers criteria such as: the geographical location of the company and where it does business; its history and reputation; the company's interaction with public agents; the effectiveness of its integrity program; and the nature of the intended business.

The results of the IDD are documented and used by our managers to make decisions regarding the initiation of the intended commercial relationship and to define the level of monitoring for potential fraud and corruption risks identified.

Our contractual instruments for the provision of goods and services, asset acquisitions and divestments, and forming and managing partnerships in the Exploration and Production Area, have clauses related to compliance with anti-corruption legislation.

7. ANALYSIS AND APPLICATION OF PENALTIES TO A COMPANY

Preliminary investigation takes place whenever harmful acts against the company are committed by companies with which we do business.

When proven to have been involved in cases of fraud, corruption or money laundering, or having acted in ways that conflict with our Code of Ethics, Conduct Guide or PCPP, such companies are subject to penalties, including administrative fines and the interruption of relations with the Petrobras System.

8. REPORTING CHANNEL

We encourage all employees of the Petrobras System and all other stakeholders to report any situation indicating a violation or potential transgression of ethical principles, policies, standards, laws and regulations or other improper and/or illegal conduct.

We provide secure and reliable communication channels, including an external and independent Reporting Channel, which receives complaints also from all companies within the Petrobras System and has safe mechanisms in place to ensure the anonymity of the complainant, who may follow the progress of the complaint.

The Ombudsman General Area is responsible for handling complaints submitted by the independent and specialized company hired for this purpose, forwarding the complaints to the investigation areas and reporting the results achieved to the Board of Directors.

Our Reporting Channel can be accessed through the following website: www.contatoseguro.com.br/petrobras. It is available in various languages and countries and can be found on our internal portal and on our website.

8.1. NON-RETALIATION

Petrobras promotes an environment of protection from any form of retaliation to those who, in good faith, report crimes, acts of misconduct, violation of rules and/or laws or any other illicit act committed against the company.

Acts of retaliation and complaints made in bad faith will not be tolerated, and, if identified, those responsible will be subject to the penalties provided for in our disciplinary regime.

9. CONFLICTS OF INTEREST

Conflicts of interest are harmful to our business and our internal control environment, as they may improperly influence the conduct of our employees.

A conflict of interest is considered to be any situation generated by a clash between the interests of the Petrobras System and the private interests of its employees, which may compromise the interests of the Petrobras System or improperly influence the

performance of the activities of our employees.

We maintain communication tools available for our employees to consult regarding situations that have a potential for conflicts of interest and request that they receive prior authorization to perform activities that, due to their nature, may conflict with the company's interests.

10. NEPOTISM

It is forbidden for company employees who hold a position that pays a bonus in addition to their salary ("função gratificada"), to favor a spouse, partner or direct or collateral relative by either blood or marriage, up to the third degree, in work relations, in hiring of third parties and in contract execution.

As a condition for purchasing of goods or services, we request from suppliers a formal declaration that their directors, partners or employees have no familial relationships with our employees who hold a bonus-paying position in the area responsible for the bidding, or the managers above them, that would constitute nepotism.

During contract execution, if we identify a situation of nepotism we ask the company to replace the professional in question, under penalty of a fine or contract termination, without prejudice to the investigation of facts and the application of the respective system of consequences.

Employees who hold a bonus-paying position and engage in situations of nepotism are subject to disciplinary measures.

11. PRESENTS, GIFTS AND HOSPITALITY

The occasional receiving or offering of presents, gifts or hospitality may be a legitimate contribution to good business relations between organizations. However, it may also represent an opportunity for fraud and corruption. Therefore, we prohibit this practice in exchange for any personal benefit or advantage for the giver or third parties.

Items received that are not in compliance with the rules of the company must be returned. However, the exceptions provided in our internal regulations must be properly documented and occur in an open, clear and transparent manner, in order to avoid potential conflicts of interest.

The Petrobras Conduct Guide and our specific internal regulation that concerns the receiving and offering of presents, gifts, and hospitality detail the applicable guidelines and should be consulted prior to any decision-making process

12. SUPPORT AND CONTRIBUTIONS TO POLITICAL PARTIES

We are committed to rejecting support and making contributions to political parties or political campaigns for candidates running for elective office.

13. DONATIONS

We prohibit the donation of goods, with the exception of obsolete movable assets that are expressly assigned to projects and actions of social nature and/or in the public interest, or to provide aid in the wake of public disasters.

14. SPONSORSHIP AND COOPERATION AGREEMENTS

The signing of sponsorship contracts and cooperation agreements contributes to the economic development of countries and communities where Petrobras has activities, thus improving society's quality of life and strengthening the Petrobras brand, consolidating its image and reputation.

The support of social, environmental, cultural and sports projects in Brazil and abroad is one of the effective mechanisms for a sustainable corporate performance and

enhances the Company's strategic positioning of acting with social and environmental responsibility.

We maintain internal control procedures for the selection, procurement, execution and monitoring of cooperation agreements and sponsorships, in order to prevent and detect acts of fraud and corruption.

The procedures and controls we have adopted include the following: the establishment of sponsorship policies and guidelines; public selection processes for social, environmental and cultural projects, with the participation of internal and external evaluators; the establishment of limits of authority for the signing of contracts, including with public authorities; the physical and financial tracking of projects; and proof of execution of projects and reciprocal image benefits. The disbursement is carried out in installments and the transfer of resources occurs only upon proof of the fulfilment of obligations accepted in the previous step.

15. SAFEGUARDING OF ASSETS

We promote the protection of our tangible and intangible assets, in order to ensure the protection of people as well as our reputation, image, facilities, processes and information, against threats arising from accidental events or deliberate actions, including those related to acts of fraud, corruption and money laundering.

We establish the level of protection for our business information according to its relevance to our business by restricting access to those who need to know it for the performance of their professional activities. We have procedures for the proper handling, storage, transport and discarding of such information.

We safeguard our interests in the field of intellectual property through an integrated and coordinated system that ensures protection of the products of our inventive capacity.

16. ACCOUNTING RECORDS

We keep accounting records that faithfully reflect our operations.

Our internal controls provide a reasonable guarantee that our transaction authorizations and records are properly carried out, in order to permit the production and disclosure of financial reports free from distortions and in compliance with Brazilian and international legislation and accounting standards.

Our internal controls concerning our financial reports are tested annually by internal auditors and by an independent audit.

17. COMMUNICATION AND TRAINING

We disseminate a culture of control and compliance by means of institutional actions, which include classroom courses, lectures, video conferences, campaigns, communications, and publications, among other styles and forms, which contain subjects common to all employees of all hierarchical levels, and specific to those developing activities with greater exposure to fraud, corruption and money laundering risks.

Our goal is to deepen the knowledge of employees regarding legal requirements and responsibilities as well as corporate guidelines, enabling them to identify, prevent, address and communicate situations of risk or evidences of fraud, corruption or money laundering within the company's business.

18. COMPLIANCE COMPETENCE

The performance evaluation process of all our employees considers the competence "commitment to compliance", which aims to assess their ability to perform activities focusing on the prevention of non-compliance, abiding by rules, procedures, regulations and laws, thereby strengthening the internal control environment, as well as our image and reputation.

The level of complexity and the requirement of such

competence varies according to the employee's level of responsibility, requiring greater commitment from managers, which includes the promotion, encouragement and appreciation of the culture of compliance, ensuring the necessary resources and sponsorship for the deployment of compliance actions.

19. COMPLIANCE AGENTS

In addition to the structure responsible for compliance actions, we have approximately 100 professionals from several organizational sites who act as Petrobras Compliance Agents. They are committed to disseminating the culture of compliance, encouraging discussions that include the disclosure of guidelines and abiding by laws and internal regulations, especially those related to fighting fraud, corruption and money laundering. Such professionals also help to identify risks and improvements in the mechanisms of prevention and detection of misconduct.

20. PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING

Money laundering is defined as any financial transaction which generates an asset or a value as the result of an illegal act. The purpose of money laundering is to make the resulting currency from an illicit activity able to be used legally. In this sense, it implies a predicate

crime such as fraud, corruption, terrorism, drug and/or human trafficking, tax evasion, embezzlement, money forgery, piracy etc. No company is immune to the risk of being unknowingly involved by criminal organizations in situations related to money laundering, thus compromising their image and reputation.

We are committed to mitigating the risk of money laundering and terrorism financing in our operations. To this end, we have established prevention guidelines at various levels within the Petrobras System, including how to detect, analyze and report potentially suspicious situations and unusual operations. The guidelines are based on three pillars, which involve knowing the counterparties, the warning signs and the activities at risk of money laundering and terrorism financing.

21. MONITORING OF THE PCPP

We submit this program for periodic evaluation in order to verify its effectiveness and compliance with laws, and to identify opportunities for improvement.

The Compliance Executive Management monitors and compiles the actions mentioned in this manual for subsequent presentation to senior management.

GLOSSARY

ACTIVE CORRUPTION | Direct or indirect action consisting of authorizing, offering, promising or delivering an improper advantage, of economic nature or otherwise, involving public agents or otherwise, with the aim of making someone do or not do a given act. Such conduct may be merely an attempt.

AUTHORITY LIMIT | Competence to authorize the signing of contracts, waivers and extrajudicial transactions, defined by a limited value.

BONUS-PAYING POSITION (“FUNÇÃO GRATIFICADA”) | Within Petrobras, such a position is held by the CEO, directors, and managers of all levels, advisors, assistants, coordinators, consultants and supervisors,

including those with an employment relationship through a special contract

BRIBE | A payment, gift or advantage offered or given with the aim of corrupting a decision or influencing the conduct of a person who is in a certain position of trust.

COMPLIANCE | System designed to prevent and detect breaches of laws and regulations (external and internal) existing in a company’s or business’s processes, which may be committed by its employees and other agents.

COOPERATION AGREEMENT | Legal deal entered into when Petrobras and other entities have mutual interests in jointly executing a social, environmental, educational or cultural initiative.

CORRUPTION | Direct or indirect action consisting of authorizing, offering, promising, requesting, accepting, delivering or receiving an improper advantage, of economic nature or otherwise, involving public agents or otherwise, with the aim of making someone do or not do a given act. Such conduct may be merely an attempt.

ETHICS | Set of principles and references regulating the moral conduct of individuals, groups, institutions, organizations, communities, societies, people, nations, etc., aimed at being universally valid.

FRAUD | Any intentional action or omission aimed at injuring or deceiving another person, capable of resulting in a loss for the victim and/or an improper advantage, material or otherwise, for the author or third parties. It is also characterized by a false declaration or omission of material circumstances in order to lead or induce third parties to make a mistake.

GIFT | A promotional item of no commercial value, normally displaying a logo. Aimed at specific relationship groups, designed to meet institu-

tional objectives and to reinforce the corporate image.

HOSPITALITY | Generally consists of travel (air, maritime and/or land), accommodation, meals, and meet and greet services, related to entertainment events or otherwise.

KICKBACK | A form of corruption. It is synonymous with “bribery” and “active corruption.” It consists of the offer of an improper advantage, in terms of money, goods or anything else of value, which requires in exchange the practice of an illegal or dishonest act, or which is aimed at influencing someone (a public or private agent) in the performance of their functions. A kickback may also be given to someone (a public or private agent) to make them not do something that they have a duty or responsibility to do.

PASSIVE CORRUPTION | Direct or indirect action consisting of authorizing, requesting, accepting or receiving an improper advantage, of economic nature or otherwise, involving public agents or otherwise, with the aim of making someone do or not do a given act. Such conduct may be merely an attempt.

PETROBRAS SYSTEM | For corporate governance purposes, the Petrobras System's companies include Petróleo Brasileiro S.A. and its wholly owned subsidiaries, controlled companies, jointly controlled companies and affiliates in which Petróleo Brasileiro S.A. directly or indirectly holds an equity stake.

PUBLIC AGENT | A person representing someone who performs – even if temporarily or without pay, through election, appointment, designation, hiring or any other form of investiture or connection – a public mandate, position, job or function in a public or diplomatic entity, in a legal entity directly or indirectly controlled by a public authority of a foreign country, or in an international public organization.

PUBLIC AUTHORITIES | Institutions and entities that perform legislative, executive or judicial functions in the countries and regions where Petrobras operates, as well as entities that work within the scope of global governance.

RISK APPETITE | The risk level that an organization is willing to expose itself to in order to achieve its objectives.

SAFEGUARDING | Protection of an organization's tangible and intangible assets in order to ensure business continuity.

SPONSORSHIP | Financial support granted to projects instigated by third parties, in order to disclose activities, strengthen a concept, add value to a brand, expand sales, generate recognition or foster relations between the sponsor and its stakeholders.

STAKEHOLDERS | Groups of individuals and/or organizations with shared matters and/or needs of social, political, economic, environmental or cultural natures, which establish or may establish relationships with Petrobras and are capable of influencing or being influenced by the company's activities, businesses and/or reputation.

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