

PRICE FORMATION GUIDELINE FOR OIL PRODUCTS AND NATURAL GAS IN THE DOMESTIC MARKET

The Board of Directors of Petrobras, in the use of its attributions and pursuant to Article 29, items I and III of the Company's Bylaws, establishes the following Internal Market Price Formation Guideline, to be applied to oil products and natural gas traded in the domestic market:

1. The Executive Board must preserve and prioritize the Company's economic result, seeking to maximize its value creation.
2. The Executive Board, in the use of its attributions and in the terms of Article 34, item II, c of the Company's Bylaws, when formulating Pricing Policies, must seek to maximize the generation of value for the Company, always practicing competitive prices that reflect the value of its products in the market and contemplating the main alternatives for supplying its clients, whether suppliers of the same or substitute products.
3. In the execution of the Pricing Policies, seeking to maximize the generation of value for the Company, the Executive Board, or the authority delegated by it, must monitor the evolution of the Brazilian market of oil products (considering, for example, the effect of the sale of refining assets), of substitute products and the performance of importers, having as main benchmark of competitive price the balance of Petrobras prices with the domestic and international markets and also observing the market share required for the optimization of its assets, as well as the preservation of a healthy competitive environment, under the terms of the Legislation in force.

4. The Executive Board shall report quarterly to the Board of Directors and to the Fiscal Council the evolution of the prices charged in the domestic market for diesel, gasoline and LPG, as well as Petrobras' participation in these markets.