

Corporate Human Rights Benchmark 2018 Company Scoresheet



Company Name Petrobras
Industry Extractives
Overall Score (*) 41.0 out of 100

Theme Score	Out of	For Theme
2.8	10	A. Governance and Policies
12.0	25	B. Embedding Respect and Human Rights Due Diligence
3.8	15	C. Remedies and Grievance Mechanisms
7.5	20	D. Performance: Company Human Rights Practices
10.0	20	E. Performance: Responses to Serious Allegations
5.0	10	F. Transparency

(*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2018 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: General HRs commitment: The Company states in its Social Responsibility Policy disclosed on its website that it commits to 'Respect human rights, seeking to prevent and mitigate negative impacts on our direct activities, supply chain and partnerships, and fight against discrimination in all forms.' In addition, in its Sustainability Report, it states: 'Our commitment to respect human rights is expressed in the corporate value "respect for life, people, and the environment", in our Ethics Code and our Social Responsibility Policy'. [Social Responsibility Policy: petrobras.com.br] Met: UNGC principles 1 & 2: The Company states it is signatory of UN Global Compact [Support for Principles and Initiatives: petrobras.com.br] Not met: International Bill of Rights <p>Score 2</p> <ul style="list-style-type: none"> Not met: UNGPs: On its Disclosure to CHRB Platform, the Company indicates: 'Petrobras Social Responsibility Policy approved on March 29th by the Board of Directors considers the commitment to respecting Human Rights in alignment with UN Guiding Principles on Business and Human Rights.' However, this indicator look for a commitment to the UNGPs which we could not identify on the 'Petrobras Social Responsibility Policy'. [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] Not met: OECD

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.2	Commitment to respect the human rights of workers	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: ILO Core: Its Ethics Code, which covers ' the members of Boards of Directors, Fiscal Councils, Executive Boards, the occupants of managerial functions, employees, trainees and service providers of Petrobras system' addresses the following human right issues: prohibition of child and forced labor, non-discrimination, the right to free association and collective bargaining. [Ethics Code & Sustainability Report, 2017] • Not met: All four ILO apply to EX BPs: Although the Company states in its Ethics Code that it covers service providers, it is not clear if other extractive business partners are covered by this Code. On the other hand, in its Sustainability Report 2017, the Company indicates: 'Our Social Responsibility term for suppliers addresses the following human rights issues: prohibition of forced and child labor, health and safety, freedom of association, and right to collective negotiation, non-discrimination, working hours, wage standards and availability of an ombudsman channel'. It is not clear whether terms for suppliers also cover extractive business partners. [Sustainability Report, 2017 & Ethics Code] <p>Score 2</p> <ul style="list-style-type: none"> • Met: All four ILO Core: See above [Ethics Code] • Met: Respect H&S of workers: In its Ethics Code the Company states that it commits to 'ensure safety and health at work, providing for that all necessary conditions and equipment' [Ethics Code] • Not met: H&S applies to Ex BPs: See above [Sustainability Report, 2017]
A.1.3.EX	Commitment to respect human rights particularly relevant to the industry (EX)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Based on UN Instruments • Not met: VPs participant • Not met: Uses only ICoCA members • Not met: Respecting indigenous rights: In its Sustainability Report, the Company indicates: 'Our relationship with indigenous and traditional communities follows the current legislation and is formally oriented in internal procedures. In Brazil, we observe the provisions of the National Policy for the Sustainable Development of Traditional Peoples and Communities (Decree 6040/07), the Normative Instructions and the Inter-ministerial Ordinance of each responsible management body, the National Indian Foundation (funai.gov.br), the Palmares Cultural Foundation (palmares.gov.br) and the National Historical and Artistic Heritage Institute (portal.iphan.gov.br)'. However, no clear commitment to respect indigenous rights was found in public domain. [Sustainability Report, 2017] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: ILO 169 • Not met: UNDRIP • Not met: Expects BPs to respect these rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: FPIC commitment • Not met: Vol Guidelines on Tenure • Not met: IFC performance standards • Not met: Zero tolerance for land grabs • Not met: Respecting the right to water: On its website section 'Water Resources' the Company indicates: 'Our water resource management aims mainly at the constant pursuit of water use rationalization, which allows us both to ensure the supply we need for our activities and to contribute to water conservation in our facilities' influence areas.' In addition, in its Water at Petrobras document, it indicates: 'We are aligned to global and local initiatives regarding sustainable water use. We were, for example, the first Brazilian company to become associate member of World Water Council (WWC), a global network which mission is to promote awareness, provoke action and build political commitments on critical water issues for facilitating conservation, protection, development, planning, management and efficient use of the resource.' However, there is no commitment to respect the right to water. [Water resources: petrobras.com.br] • Not met: Expects BPs to respect all these rights
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Regular stakeholder engagement: The Company has identified and listed the stakeholders with whom it engages, these include the local community, business relations and suppliers, clients, civil societies to mention a few. In addition it indicates on its website section 'Stakeholders': We conduct various types of surveys and monitoring actions among these audiences and with a few segments. We also maintain relationship channels and practices for communication and engagement, such as websites, newspapers, magazines and visitation programs. In order to

Indicator Code	Indicator name	Score (out of 2)	Explanation
			improve and broaden our initiatives, we are in constant dialog with these groups.' [Stakeholders: petrobras.com.br] Score 2 <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits to remedy: Although the Ethics Code states that the Company commits to 'identify, evaluate and manage its environmental liabilities, acting preventively and correctively in the solution of the problems which cause them', '[...] keep permanent channels of communication and dialogue with the communities where it operates, with the purpose to prevent, monitor, evaluate and manage the impacts of its activities', 'fix possible losses from damage under its responsibility to affected people or communities, with the maximum agility.', there is no general commitment to remedy adverse impacts it has caused or contributed to related with human rights. [Ethics Code] Score 2 <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with EX BPs to remedy impacts
A.1.6	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Zero tolerance attacks on HRs Defenders (HRDs): The Company indicates in its Disclosure at CHR Platform: 'We establish as requirement of our Guide to Ethical Conduct: 4.1.1 Do not practice, submit to, or condone any act of violence, prejudice, abuse, discrimination, threat, blackmail, perjury, retaliation, psychological abuse, bullying or sexual harassment, or any other act contrary to the ethical principles of the Petrobras System.' However, this statement does not mention the Human Rights Defenders (people who oppose a company's operations or have raised questions about a company's activities, whoever they are). [Disclosure CHR Platform, 24 Aug 2018: business-humanrights.org] Score 2 <ul style="list-style-type: none"> • Not met: Expects EX BPs to reflect company HRD commitments

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: CEO or Board approves policy: Its Ethics Code is approved by the Board. [Ethics Code] • Met: Board level responsibility for HRs: In its Disclosure at CHR Platform, the Company indicates: 'The Safety, Environment and Health Committee is a permanent statutory body, directly linked to Petrobras' Board of Directors, whose purpose is to advise the Board of Directors in the fulfilment of its responsibilities of guidance and superior management of the Company, to the analysis and issuance of recommendations related to the strategic issues of Safety, Environment and Health (HSE) and other directives and guidelines related to HSE Management of the Company, to be submitted to the Board of Directors, as well as identify and analysis of the opportunities and risks related to health, safety and environment and to the discussion of other issues that the Board of Directors deem pertinent to undergo prior consideration by the Committee'. [Disclosure CHR Platform, 24 Aug 2018: business-humanrights.org] Score 2 <ul style="list-style-type: none"> • Not met: Speeches/letters by Board members or CEO
A.2.2	Board discussions	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Board/Committee review of salient HRs: In its Disclosure at CHR Platform, the Company indicates: 'The Board of Directors established six committees with specific assignments to advise it on the fulfilment of its responsibilities of guidance and senior management of Petrobras. Among them the Safety, Environment and Health Committee with specific assignments to analysis and issuance of recommendations related to the strategic issues of safety, environment and health and other guidelines related to the HSE management of the company.', 'The Executive Board also relies on few committees, composed of executive managers, with the duty to assist this body on specific matters. Among them, we can highlight the following three committees that have, among their attributions, the responsibility to discuss and advise the Executive Board in subjects related to human resources; safety, environment and health; and social responsibility: The

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Human Resources, Organization and Governance Committee, the Safety, Environment and Health Committee and the Disclosure, Communication and Social Responsibility Committee'. [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] <ul style="list-style-type: none"> • Not met: Examples or trends re HR discussion Score 2 <ul style="list-style-type: none"> • Not met: Both examples and process
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Incentives for at least one board member • Not met: At least one key EX RH risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not met: Performance criteria made public

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Senior responsibility fo HR (inc ILO): Although the Company describes the General Ombudsman office, this seems focused in grievances and information requests, and not the general responsibility for human rights. [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] Score 2 <ul style="list-style-type: none"> • Met: Day-to-day responsibility: In its Disclosure at CHRB Platform, the Company indicates: 'The Social Responsibility Department is responsible for identifying, analysing, and mitigating social risks related to the interaction of our business, society and the environment and to promote the social and environmental management in our supply chain; managing our relationship with nearby communities on a continuous and transparent basis and managing the socio-environmental investment, contributing to nearby communities, collaborating to environmental conservation and livelihoods improvement. The Human Resources Department is responsible for matters relating to managing union relations and is responsible to some issues related to decent work, permanent negotiation and dialogue (assignment is describe in the collective labor agreement). We state our commitment to value diversity at the Human Resources Policy and there is a specific area responsible to develop and monitor initiatives that reinforce the respect to human and cultural diversity of the workforce (non-discrimination and equal opportunities). The HSE department is responsible for safety, environment and health activities committing to caring for life and the environment, reducing risk to people’s security and health by strengthen process safety and anticipating and responding promptly to emergencies. The HSE department is also responsible for “Commitment to Life” program, which focuses on accident prevention, search of new risk and control solutions. The senior role of each of these departments is carried out by an Executive Manager. The General Ombudsmen Office is responsible for handling complaints, requests for information, denouncements, requests, queries, opinions, and suggestions from all stakeholders in a confidential, independent, free, and accessible manner. It is linked to Petrobras' Board of Directors and welcomes anonymous denouncements. The Ombudsman's Office interacts with the relevant areas to strengthen and promote the addressing of demands and contributes to the management with recommendations from the knowledge acquired in performing its duties.' [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] <ul style="list-style-type: none"> • Met: Day-to-day responsibility for EX BRs: See above [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org]
B.1.2	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Senior manager incentives for human rights • Not met: At least one key EX HR risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not met: Performance criteria made public
B.1.3	Integration with enterprise risk management	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: HR part of enterprise risk system: In its Annual Report 2017, the Company presents its Risk Management system. Its risks are classified in 5 groups, one of them its 'Compliance', where 'Risks related to compliance with laws and

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			<p>regulations of our Code of Ethics, Code of Conduct and other related documents' are included. Human rights risks are part of this group of risks. [Annual Report, 2017]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Audit Ctte or independent risk assessment: In its Disclosure at CHRB Platform, the Company indicates: 'We have an Executive Risk Committee responsible to monitor business risk treatment and contingency actions and to analyse and make recommendations on risk management policies and processes, as well as the main risks' mitigation actions.' However, there is no information about an assessment of the adequacy of the enterprise risk management system in managing human rights during last reporting year. [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org]
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Communicates its policy to all workers in own operations: In its Sustainability Report 2017, the Company indicates: 'In 2017, we continued our efforts aimed at employees' continued compliance training both through distance education and face-to-face training, addressing various compliance issues and reinforcing concepts set forth in the Ethics Code and the Conduct Guide'. In addition, in its Disclosure at CHRB Platform, the Company indicates: 'All employees must read and sign a declaration of knowledge of the Code of Ethics and the Guide of Ethical Conduct. [...] The theme of Human Rights is addressed in all the training courses for new employees. In addition, the topic was addressed in the Code of Ethics and Conduct of Conduct training provided to the entire workforce (holding employees, outsourced employees and requisite employees from subsidiaries). This course is available for the entire Workforce on a regular basis and in 2017 we had 57,334 participants.' It is provided in different languages if needed. [Sustainability Report, 2017 & Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Communication of policy commitments to stakeholder: In addition, it indicates: 'In Petrobras website our communication of policies are available for all our stakeholders (Portuguese and English). The Code of Ethics and Conduct training program included 12,970 participants from service providers (outsourced employees) and 657 participants from other companies in the Petrobras system (requisite employees from subsidiaries). In addition, Petrobras maintains a constant relationship with its stakeholders through the conduction of communities committees. The communities committees are permanent spaces of dialogue, promoted by Petrobras and that take place preferentially in the facilities of our Operations Unit. [...] The topics of discussions at the communities committees are planned and defined together with local stakeholders and includes: safety guidelines, HSE reports, health campaigns, emergency plans, public hearings issues, social investment, corporate visits program, dissemination of grievance channels, feedback on critical issues raised by communities and dialogues on definitions of roles and responsibilities of the company and government.' [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] • Met: How policy commitments are made accessible to audience: As above
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Steps to communicate policy commitments to BRs: In its Sustainability Report, the Company indicates: 'Our Social Responsibility term for suppliers addresses the following human rights issues: prohibition of forced and child labor, health and safety, freedom of association, and right to collective negotiation, non-discrimination, working hours, wage standards and availability of an ombudsman channel. [...] Our Ethics Code requires suppliers and employees to respect the ethical principles and commitments of conduct defined thereof for as long as contracts with our System companies are valid.' In addition, in its Disclosure at CHRB Platform, the Company indicates: Regarding our suppliers, at the contracting stage, when submitting the proposal for service provision, they must present a "Declaration of compliance with the Code of Ethics, Guide of Ethical Conduct and the Social Responsibility Policy of PETROBRAS". And this declaration of knowledge and acceptance of these documents is confirmed in clause 22 of the Standard Contract of Service Agreement: "22 - The CONTRACTOR declares that it has taken cognizance of and complies with the provisions contained in the Petrobras System Code of Ethics, Petrobras Guide of Ethical Conduct and Petrobras Social Responsibility Policy". We also require in our business partner agreement, the specific clause: "The CONTRACTOR abstain from using, in all activities related to the execution of this

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			<p>instrument, child labor, pursuant to item XXXIII of article 7 of the Constitution of the Republic, labor in a condition analogous to slave, as well as, to include a specific clause to this effect in the contracts entered into with suppliers of their inputs and / or service providers, under penalty of fine or termination of this Contract, without prejudice to the adoption of other appropriate measures. The CONTRACTOR undertakes, whenever requested by PETROBRAS, to issue a written statement that it has fulfilled or is complying with the requirement contained in this item'. [Sustainability Report, 2017 & Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org]</p> <ul style="list-style-type: none"> • Not met: Including to EX BPs: See above. However it is not clear whether BP includes Joint Ventures. [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • Met: How HR commitments made binding/contractual: See above [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] • Not met: Including on EX BPs
B.1.5	Training on Human Rights	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Trains all workers on HR policy commitments: In its Sustainability Report 2017, the Company indicates: 'Regarding to human rights training, all new employees, upon joining the company, participate in training courses that aim to disseminate values based on respect for people, human and cultural diversity and plurality of thinking.' Furthermore, it states: 'In 2017, we continued our efforts aimed at employees' continued compliance training both through distance education and face-to-face training, addressing various compliance issues and reinforcing concepts set forth in the Ethics Code and the Conduct Guide'. Moreover, in its Disclosure at CHRB Platform, the Company indicates: 'All basic career training courses have specific topics on the human rights issues addressed in our Ethics Code. In 2016 and 2017 we promoted 144 basic career training for 1,350 participants. In 2016 and 2017, we promoted 47 specific courses (273 participants) related to topics such ethics, social responsibility, diversity and human rights. Moreover, in 2017, Petrobras provided the e-learning course "ethics code and conduct guide" for all employees. The course had 44,893 participations, equivalent to 93% of the employees. Of this total, 6,796 were employees with management function (including the CEO and Executive Directors). The course also had the participation of 12,970 outsourced workers and 657 employees from others Petrobras subsidiaries working at Petrobras Holding' [Sustainability Report, 2017 & Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] • Met: Trains relevant managers including security personnel: In addition, it indicates: 'All relevant security professionals and suppliers have been trained and are retrained every two years. This involves, among other things, the basic concepts of human rights and human relations' [Sustainability Report, 2017] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirements under score 1 met
B.1.6	Monitoring and corrective actions	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Monitoring implementation of HR policy commitments: The Company describes its Management System: Evolution Project, as its tool to 'to monitor the delivery of the main targets and progress of the strategic initiatives foreseen in the Strategic Plan'. In addition, in its Disclosure at CHRB Platform, it indicates: 'Regarding our operations, the implementation of our Social Responsibility Policy is part of Evolution Project. The monitoring and control of the performance related to the goals and initiatives set by this project are carried out by a system of critical analysis where the strategic initiatives and main goals are followed up by subcommittees, including Health, Safety and Environment (HSE); and Human Resources (HR), Communication and Management. These subcommittees, which are composed of executive managers and perform a monthly analysis of indicators and related initiatives, recommending studies and actions to the responsible areas in the company. The Evolution Project Leadership Committee (EPLC), composed of ten executive managers led by the Director of Strategy and Management System, evaluates the top indicators and deviations detected in the subcommittees, recommending studies and actions to rebalance the plan. In addition, it presents the results of this evaluation to the Steering Committee, a group composed of the executive board and the CEO of the company. In parallel, each area of the company conducts Critical Analysis meetings (CAMs), providing inputs for the consolidated analyses carried out by the subcommittees and the EPLC. In addition, the areas address the recommendations received from these subcommittees and the

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Evolution Project Leadership Committee, being responsible for corrective actions.' [Annual Report, 2017 & Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org]</p> <ul style="list-style-type: none"> • Not met: Monitoring EX BP's: It states: 'Our Ethics Code requires suppliers and employees to respect the ethical principles and commitments of conduct defined thereof for as long as contracts with our System companies are valid. Through the Ethics Code and the standards, with our guidelines for inspection of goods and services agreements, we emphasize that it is the inspector's role to demand the items provided for in contracts, by monitoring and inspecting supplies and aspects related to safety, environment and health, as well as social responsibility. [...] Our suppliers are evaluated according to social criteria during registration and renewal of contracts, as well as in the execution of service contracts.' However it is not clear whether 'suppliers' include all extractive business partners (Joint Ventures included). [Sustainability Report, 2017] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Describes corrective action process • Not met: Example of corrective action • Not met: Discloses % of supply chain monitored
B.1.7	Engaging business relationships	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: HR affects selection extractives business partners: In its Sustainability Report, the Company indicates: 'We have a corporate register of suppliers with the objective of evaluating our suppliers under technical, economic-financial, legal-fiscal, integrity and HSE (Health, Safety, and Environment).[...] Our suppliers are evaluated according to social criteria during registration and renewal of contracts, as well as in the execution of service contracts.' However, there is no further information about how social criteria affect the selection of extractive business partners. [Sustainability Report, 2017] • Not met: HR affects on-going business partner relationships: 'When they occur, non-conformities are adjusted according to the improvement plan negotiated with the contract inspector. In terms of negative impacts on labor practices, 19 companies were penalized in 2017 for occurrences considered to be of high severity. In terms of negative impacts on society, four companies were penalized in the year for unworthiness reasons. For this reason, these 23 suppliers had their relations with us terminated for a certain period.' However, it is not clear whether suppliers include extractive business partners. [Sustainability Report, 2017] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met • Not met: Working with business partners to improve performance
B.1.8	Approach to engagement with potentially affected stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Stakeholder process or systems: In its Sustainability Report the Company presents its Stakeholders groups. It indicates: 'The selection of stakeholders will be determined through the prioritization made from the analysis of the relevance and impact of the theme for that person or organization, in addition to the relationships already established with us. The criteria may differ according to the stakeholders category.' In addition, it describes how it engages with some of these stakeholders, including Communities. [Sustainability Report, 2017] • Met: Frequency and triggers for engagement: In its Disclosure at CHRB Platform, the Company indicates: 'Petrobras maintains a constant relationship with its stakeholders through the conduction of communities committees. The communities committees are permanent spaces of dialogue, promoted by Petrobras and that take place preferentially in the facilities of our Operations Unit. [...] The communities committees' participants are formal and informal community leaders, public sector and other relevant social actors such as local resident's associations and civil society organizations.' However, there is no further information about other stakeholders. [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] • Met: communities in the SC engaged: See above [Sustainability Report, 2017] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Analysis of stakeholder views and company's actions on them

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Identifying risks in own operations: In its Sustainability Report 2017, the Company indicates: "Our Risk Policy provides inputs to prepare maps that indicate the probability and impact of our main risks. Risk maps have been prepared taking into account categories that include social risks. The risk analysis allows us to establish criteria and objectives for the preparation of action plans for mitigation and treatment of identified social risks, which will be monitored during project implementation and operations. Our Corporate Standard for Social Risk Management was reviewed in 2017, addressing the various stages of the business life cycle and the methodology for characterizing the social context in the places where we operate, as well as for identification, analysis, evaluation, treatment, and monitoring of social risks." [Sustainability Report, 2017] • Not met: identifying risks in EX business partners: In its Disclosure at CHRB Platform, the Company indicates: 'In order to promote social responsibility in the supply chain in the implementation of investment projects, especially in the Construction and Assembly contracts (Engineering, Procurement, and Construction - EPC), we have included a specific contractual annex on Communication and Social Responsibility. This contractual annex guides the social risks management during construction work implementation by the supplier. We can highlight the following requirement aspects: preparation of a Communication and Social Responsibility Plan, optimizing the procurement for local labor, and promote the reallocation of professionals at the time of demobilization.' However, it is not clear whether this system has a process to identify human rights risks and impacts, as it seems to be focused in manage possible social conflicts more than identify human rights issues, and whether includes extractive business partners. [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Ongoing global risk identification: See above [Sustainability Report, 2017] • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances • Not met: Explains use of HRIAs or ESIA (inc HR)
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Salient risk assessment (and context): In its Disclosure at CHRB Platform, the Company indicates: 'Our Corporate Standard of Social Risk Management encompasses the various steps of the life cycle of our business and the methodology characterization of the social context in places where we operate, as well as the identification, analysis, evaluation, treatment and monitoring of social risks. It considers the following key issues: livelihoods and subsistence of local communities, indigenous peoples, traditional communities and vulnerable groups, access to land, water, cultural heritage, pressure on public services and other issues related to the quality of life of the local population. The identification of social risks [see below] allows us to establish criteria and objectives for the treatment of the identified risks as well as to support building a trust relationship with the communities where we operate'. [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] • Met: Public disclosure of salient risks: In its Sustainability Report 2017, the Company indicates: 'Regarding to the workforce, potential social risks related to human rights include discrimination and lack of equal opportunities, which can be avoided by reinforcing the values of our company and by valuing diversity in the workplace. Regarding to communities, these issues include risks of interference in local livelihoods, indigenous peoples, traditional communities and vulnerable groups, access to land, water, preservation of cultural heritage, pressure on public services and other related issues quality of life of the local population. [...] Regarding the suppliers, issues related to labor rights (freedom of association and collective bargaining,), prohibition of forced and compulsory child labor in the production chain, fighting discrimination in the workplace, working conditions (e.g. health and safety) and impacts on local communities, are specific requirements in registration, declarations, and specific contractual clauses whose compliance is monitored throughout the term of contracts.' [Sustainability Report, 2017] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirements under score 1 met

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Action Plans to mitigate risks: In its Disclosure at CHRB Platform, the Company indicates: 'We have incorporated in the Systematics new requirements for the decision-making process which include: Social Responsibility reports and participation of Social Responsibility analysts in the multidisciplinary review group that elaborates recommendations for the project's phase transition. The Social Responsibility report includes the social context and the diagnosis of communities, as well as actions to mitigate social risks.' <p>The Company also indicates that in the risk management system, the risks are described, they are assigned to a responsible person and the treatment measures are described, with their deadlines. Periodically, the system requests an update of the risk status. [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org]</p> <ul style="list-style-type: none"> • Not met: Example of Actions decided • Not met: Including amongst EX BRs <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: System to check if Actions are effective: In its Disclosure at CHRB Platform, the Company indicates: 'Actions to mitigate social risks are continuously tracked according to Corporate Standard of Social Risk Management. This tracking includes the execution and the effectiveness of actions, with possible inclusion or exclusion of new salient risks. As a Petrobras project management practice (in line with the recommendations of IPA and PMI), the risks identified in the Risk Workshops are recorded in the Risk Management System. In this system, the risks are described, they are assigned to a responsible person and the treatment measures are described, with their deadlines. Periodically, the system requests an update of the risk status. The total risk of the projects is monitored by the Project Management team, which periodically undertakes risk review workshops with a multidisciplinary team from different areas of the company.' Among Social Risks the Company includes issues such as: 'Regarding the workforce [...] discrimination and lack of equality of opportunity. Regarding communities [...] interference with livelihoods and subsistence of local communities, relationships with indigenous peoples, traditional and vulnerable groups, access to land, water, preservation of cultural heritage, pressure on public services' [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] <ul style="list-style-type: none"> • Not met: Lessons learnt from checking effectiveness <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks: The Company describes partially its process to identify its human rights risks and impacts. [Sustainability Report, 2017 & Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] • Met: Comms plan re assessing risks: The Company describes its process for assessing its human rights risks and publicly discloses its salient human rights issues. [Sustainability Report, 2017 & Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org] • Not met: Comms plan re action plans for risks: Although the Company describes system (see b.2.3), no evidence found of specific examples. • Not met: Comms plan re reviewing action plans: Although the Company describes its system, no evidence found of examples of lessons learned. • Not met: Including EX BRs <p>Score 2</p> <ul style="list-style-type: none"> • Met: Responding to affected stakeholders concerns: In its Disclosure at CHRB Platform, the Company indicates: ' we implement community consultations through public hearings conducted by the licensing authority, forums for information about the project, its social and environmental impacts and discussion of Environmental Studies, in order to brief interested parties about the project content, clarifying questions and hearing criticisms and suggestions about. [...] In addition to the public hearing and environmental licensing, we consider community relationship as a long-term process that has as one of its objectives to develop interaction and continuous relationship with the communities in the surrounding areas, maintaining permanent channels of dialogue, aiming to understand the roles and attributions of the different social actors, sharing responsibilities, generating mutual trust and aligning expectations of all parties. [...] We also received 269 manifestation groups and demands at the local level. The measures adopted to

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>approach the topics consisted of: clarifying matters at the regular meetings of the Community Committee, including the participation of external speakers and government representatives; visits from community leaders, people from the communities and government representatives to our units, aiming at bringing these stakeholders closer and get them acquainted with our activities; meetings, lectures and training for communities; simulations and drills involving communities. One of the ways of dealing with the identified demands was the implementation of socioenvironmental projects in the places where we work in complementary education, professional qualification, improvement of the employability condition of young people, children and adolescents rights, environmental education, among others.' [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org]</p> <ul style="list-style-type: none"> • Met: Ensuring affected stakeholders can access communications: See above [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org]

C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The Company states in its code of ethics (which applies to all employees and contains human rights) that it is committed to 'keep ombudsman agencies as formal channels, among others, for receiving, routing and processing of opinions, suggestions, complaints, criticisms, and denunciations about ethics transgressions, from the various relationship groups of System, respecting the laws of the countries where it operates'. In addition, the Company has a 'Denouncement Channel' which is an 'independent, confidential and impartial tool', available to 'external and internal audiences of Petrobras and its controlled companies.' [Ethics Code & Report Channel: contatoseguro.com.br] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved: Although the Company reports the number of demands received by its Reporting Channel, there is no specific information about human rights violations incidents. [Sustainability Report, 2017] • Not met: Channel is available in all appropriate languages: The Denouncement Channel is only available in Portuguese, English and Spanish, there is no reference to indigenous languages. [Report Channel: contatoseguro.com.br] • Not met: Expect EX BPs to have equivalent grievance system • Met: Opens own system to EX BP workers: Its Report Channel 'is prepared to receive reports on suppliers, such as those related to violations of right to freedom of association and collective bargaining, among other issues related to labor practices and human rights.' [Sustainability Report, 2017]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Grievance mechanism for community: Its Report Channel, the independent, confidential and impartial tool to report violations of its Ethics Code and the law, 'is available to external and internal audiences of Petrobras and its controlled companies.' [Report Channel: contatoseguro.com.br] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Describes accessibility and local languages • Not met: Expects EX BP to have community grievance systems • Met: EX BP communities use global system: See above [Report Channel: contatoseguro.com.br]
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages users to create or assess system • Not met: Description of how they do this <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance • Not met: EX BPs in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Response timescales: On its 'Report Channel' website, the Company indicates: 'After registering the denouncement, Contato Seguro will forward, with assurance of anonymity, the information to the Petrobras General Ombudsman Office which will analyse and determine the area responsible for conducting the investigation.' [Report Channel: contatoseguro.com.br] • Met: How complainants will be informed: In its Disclosure at CHRB Platform, the Company indicates: 'During the investigation process the demander is periodically

Indicator Code	Indicator name	Score (out of 2)	Explanation
			updated on the progress of the denouncement and, upon conclusion, receives a response which indicates whether or not there was any substance in his demand.' [Disclosure CHR Platform, 24 Aug 2018: business-humanrights.org] Score 2 • Not met: Escalation to senior/independent level
C.5	Commitment to non-retaliation over complaints or concerns made	0.5	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Public statement prohibiting retaliation • Met: Practical measures to prevent retaliation: The Company indicates in its Ethics Code: ' Ombudsman agencies or instances eventually responsible for processing complaints of ethics transgressions will preserve the anonymity of the complainant, in order to avoid retaliation against them and it will notice them of the measures taken' [Ethics Code] Score 2 • Not met: Has not retaliated in practice • Not met: Expects EX BRs to prohibit retaliation
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Won't impede state based mechanisms • Not met: Complainants not asked to waive rights Score 2 • Not met: Will work with state based or non judicial mechanisms • Not met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Describes how remedy has been provided • Not met: Says how it would remedy key sector risks Score 2 • Not met: Changes introduced to stop repetition • Not met: Approach to learning from incident to prevent future impacts • Not met: Evaluation of the channel/mechanism

D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.1	Living wage (in own extractive operations, which includes JVs)	2	The individual elements of the assessment are met or not as follows: Score 1 • Met: Living wage target timeframe: See D.3.1.S2.iii • Met: Describes how living wage determined: In its Disclosure at CHR Platform, the Company indicates: 'The salary ranges take into account the microregion (1) where the city where the employee will perform his functions, and the respective cost of living, to compose a Minimum Remuneration by Level and Region (RMNR), providing a living wage' [Disclosure CHR Platform, 24 Aug 2018: business-humanrights.org] Score 2 • Met: Pays living wages: In its Sustainability Report 2017, the Company indicates: 'The standard initial wage varies according to entry position. Currently, in the superior level case, the lowest remuneration is equivalent to 10.8 times the national minimum wage. As to the intermediate level, the minimum wage equals 3.4 times the national minimum wage.' [Sustainability Report, 2017] • Met: Reviews living wages definition with unions: In addition, it indicates: ' In September 2017, when the collective bargaining agreement was negotiated, the same percentage (1.73%) was practiced in the compensation of all on-shore division employees.' [Sustainability Report, 2017]
D.3.2	Transparency and accountability (in own extractive operations, which includes JVs)	2	The individual elements of the assessment are met or not as follows: Score 1 • Met: Member of EITI: The Company is a member of the EITI. [Sustainability Report, 2017] Score 2 • Met: Reports taxes and revenue by country: Petrobras had been publishing the payments made to the Government in Brazil and abroad for several years. On its website section 'Tributes and Royalties', the Company states: 'We present here the amounts paid to the governments in each of the countries where we have operations as duties and royalties on our oil and gas exploration and production activities.' [Tributes and Royalties: investidorpetrobras.com.br]

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.3.3	Freedom of association and collective bargaining (in own extractive operations, which includes JVs)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits not to interfere with union rights and collective bargaining and prohibits intimidation and retaliation: In its Ethics Code, the Company states that it acknowledges 'the right of free association of its employees, respecting and valuing their participation in unions and not doing any kind of negative discrimination against unionized employees; pursuit permanent reconciliation of interests and realization of rights, through institutional channels of negotiation, in its relationship with the unions representing the employees'. However there is no further information about the steps taken to avoid intimidation or retaliation. [Ethics Code] • Met: Discloses % covered by collective bargaining: The Company indicates in its Sustainability Report 2017 that: 'All our employees are covered by collective agreements, either by the On-Shore Employees Agreement, which is always negotiated in September, or by the Off-Shore Employees Agreement, which is always negotiated in November.' [Sustainability Report, 2017] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
D.3.4	Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Injury Rate disclosures: In its Sustainability Report 2017, the Company discloses fatality and Lost Time Injury Frequency Rate (LTIFR) for the years 2013-2017, and Recordable Injury (TRI) for 2015-2017. [Sustainability Report, 2017] • Met: Lost days or near miss disclosures: See above [Sustainability Report, 2017] • Met: Fatalities disclosures: See above [Sustainability Report, 2017] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Set targets for H&S performance • Not met: Met targets or explains why not
D.3.5	Indigenous peoples rights and free prior and informed consent (FPIC) (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Process to identify indigenous rights holders • Not met: How engages with communities in assessment <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to FPIC (or ICMM) • Not met: Gives recent example FPIC or dropping deal
D.3.6	Land rights (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Approach to identification of land tenure rights holders • Not met: Describes approach to doing so if no recent deals <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How valuation and compensation works • Not met: Steps to meet IFC PS 5 in state deals • Not met: Describes approach if no recent deals
D.3.7	Security (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: How implements security (inc VPs or ICOC): In its Disclosure at CHRB Platform, the Company indicates: 'In 2017, Petrobras has approved the Protective Intelligence and Corporate Security Policy; it is applicable to the entire Petrobras System, including its subsidiaries. The Protective Intelligence and Corporate Security Policy establishes the principles and guidelines for the planning, orientation, execution and improvements for the actions of protective intelligence and corporate security in Brazil and abroad. The principles of Protective Intelligence and Corporate Security Policy are the commitment to protecting people and preventive action, always in accordance with the requirements of existing legislation, recommendations and standards of reference.'

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>In Brazil, the training and skills of internal staff and service providers that act as patrimonial security is carried out by external control (carried out by the Federal Police Department). The law requires that these professionals have to be trained in various skills, including acting within respect of human rights and relationship with society.[...] Routine behavioural inspections are carried out with the objective of ensuring that patrimonial security personal act in a safe manner, with adequate protection equipment to maintain the personal integrity and with the purpose of reducing internal and external incidents.' However, there is no reference to the Voluntary Principles or the International Code of Conduct for Private Security Providers. [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org]</p> <ul style="list-style-type: none"> • Not met: Example of respecting HRs in security • Not met: Ensures Business Partners follow security approach <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Assesses and involves communities • Not met: Working with local community
D.3.8	Water and sanitation (in own extractive operations, which includes JVs)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Action to prevent water and sanitation risks: In its Disclosure at CHRB Platform, the Company indicates: 'Regarding water use in the vicinity of our operations, we must say that, in Brazil, all waters are public domain. In order to allocate safe water for the multiple uses/users in a river basin, including society in general, while still preserving ecological functions, public water management organizations define the maximum water flows each user can withdraw, based upon conservative/ restrictive hydrological criteria. Thus, withdrawing more water than authorized is illegal. The goal is to harmonize the different interests and to maintain access to water for different stakeholders and society. Furthermore, regulation establishes that, in scarcity situations, human consumption is the prior use to be supplied, which means that all other users should reduce their withdrawals. Our facilities respect the legally permitted maximum volumes and, at corporate level, we did not have knowledge of any significant impact in quantity, distribution of freshwater and water accessibility occasioned by one of our operational units or activities. <p>In order to contribute with water stewardship at river basins where our facilities are located, Petrobras also participates in 28 Watershed Committees in Brazil, which are normative, consultative and deliberative forums, where water management in the basin is discussed, and where different stakeholders (government, users and civil society entities) participate.' However, there is no information about actions in order to prevent water risks. [Disclosure CHRB Platform, 24 Aug 2018: business-humanrights.org]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Water targets considering local factors • Not met: Reports progress in meeting targets and shows trends in progress made

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> • Area: Health and safety • Headline: Explosion killed nine workers and injured twenty six (Brazil) • Sources: Reuters, 11/02/2015 - reuters.com and Houston Chronicle, 12/02/2015 - Petrobras; Blast on Brazil oil ship kills at least 3 The Guardian, 11/02/2015 - Explosion on Petrobras oil ship leaves three workers dead and six missing - theguardian.com • Allegation: On 11 February 2015, an explosion on the Cidade de Sao Mateus Floating Production Storage and Offloading vessel (FPSO) killed nine workers and injured 26. The FPSO, owned by BW Offshore, was operated by Petrobras. According to the Unified Oil Workers Federation, Brazil's largest oil industry union, the explosion was caused by a gas leak in the vessel's engine room. According to Vitor Marques, an oil platform engineer and union safety representative, the leak on the Sao Mateus had allegedly been known about for three years. On 20 December 2013, Mr Marques claimed he reported an accident on the Sao Mateus, where a worker had passed out from fumes coming from a leaking pump, setting off alarms and temporarily halting production. Mr Marques alleged that instead of acting on his report, he was suspended by the Company and then transferred to another platform. Mr Marques alleged that it was this same pump that exploded on 11 February 2015.
E(1).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public response available: The Company has responded publically to the allegations.

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>In a statement to the press, the Company said the allegations that it was warned about certain faults prior to the accident were incorrect. According to the Company, the main causal factors identified were breaches of fluid pumping operating procedures, the installation of a piece of equipment in a pipe without the proper technical specifications and alteration registration, and safety procedure violations. The Company said it had submitted its investigation report to the Brazilian authorities, including the National Oil, Natural Gas and Biofuels Agency (ANP), the Federal Police and the Civil Police.</p> <p>In a press release, the Company stated: 'BW Offshore is providing all the necessary assistance to its employees and family members with Petrobras support.'</p> <p>CHRB Note: BW Offshore does not appear to have disclosed details of compensation to the victims' families as at 15 July 2015.</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Response goes into detail
E(1).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised • Met: Policies apply to the type of business relationships involved <p>Score 2</p> <ul style="list-style-type: none"> • Met: Policies address the specific rights in question: The Company has a health and safety policy and states that all oil products produced in Brazil, which are the Company's main product, are processed at refineries certified under OHSAS 18001
E(1).3	The Company has taken appropriate action	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders • Not met: Encourages linked business to engage affected stakeholders • Not met: Provides remedies to affected stakeholders • Met: Has improved systems and engaged affected stakeholders: The Company states that all oil products produced in Brazil, which are the Company's main product, are processed at refineries certified under OHSAS 18001. The Company provides health and safety training to its employees and reports on workplace accidents and employee fatalities within its Sustainability Report. The Company states that in order to prevent serious accidents, it is developing actions to improve process safety, including training for technical staff and a computerised corporate system to record risk studies and manage recommendations. The Company also monitors insurance companies' inspections and reviews internal processes. <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Met: Has improved systems and engaged affected stakeholders

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	2.63 out of 4	Out of a total of 38 indicators assessed under sections A-D of the benchmark, Petrobras made data public that met one or more elements of the methodology in 25 cases, leading to a disclosure score of 2.63 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Company reports on GRI: In its Sustainability Report 2017, the Company indicates: 'we followed the Global Reporting Initiative (GRI) Standards for submitting sustainability information and, throughout the document, we demonstrate our performance in relation to the UN Global Compact's Principles and Sustainable Development Goals (SDG).' [Sustainability Report, 2017 & GRI Index: files.investidorpetrobras.com.br]
F.3	Key, High Quality Disclosures	0.4 out of 4	<p>Petrobras met 1 of the 10 thresholds listed below and therefore gets 0.4 out of 4 points for the high quality disclosure indicator.</p> <p>Specificity and use of concrete examples</p> <ul style="list-style-type: none"> • Not met: Score 2 for A.2.2 : Board discussions • Not met: Score 2 for B.1.6 : Monitoring and corrective actions • Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers • Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) <p>Discussing challenges openly</p>

Indicator Code	Indicator name	Score	Explanation
			<ul style="list-style-type: none"> • Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts • Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus <ul style="list-style-type: none"> • Not met: Score 2 for A.2.3 : Incentives and performance management • Not met: Score 2 for B.1.2 : Incentives and performance management • Met: Score 1 for D.3.1 : Living wage (in own extractive operations, which includes JVs) • Not met: Score 2 for D.3.4 : Health and safety: Fatalities, lost days, injury rates (in own extractive operations, which includes JVs)

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2018 Key Findings report for more details of the research process.

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.