



The path towards transparency



PETROBRAS ADOPTS THE BEST CORPORATE governance practices and the most advanced management tools, according to international standards. As a publicly-held company, it is subject to the rules set forth by the Securities and Exchange Commission (CVM) and by BM&FBovespa. Abroad, it meets the Securities and Exchange Commission (SEC) and the NYSE rules, in the United States; the rules set forth by the Latibex, of the Madrid Stock Exchange, in Spain; as well as those of the Buenos Aires Stock Exchange and of the Comisión Nacional de Valores (CNV), in Argentina.

To meet these standards, the company relies on instruments such as its bylaws and the Corporations Law (Act 6404, of 1976), based on which it is managed. It also adopts other business drivers, such as codes of Ethics and Good Practices, the Code of Conduct of the High Federal Administration, the Code of Competitive Conduct, and the Corporate Governance Guidelines.

Petrobras also meets the standards set forth under the Sarbanes-Oxley Act (SOX), enacted in

2002 by the U.S. Congress aiming to protect investors by improving the accuracy and reliability of the information disclosed by companies.

BUSINESS DRIVERS

Over the years, Petrobras has developed policies, codes and procedures that reflect the company's commitment to issues such as sustainability, business ethics and valuing its employees, among others.

One such instrument is Petrobras' Social Responsibility Policy, which, aligned to UN Global Compact principles, establishes eight guidelines focused on corporate activities, integrated management, sustainable development, human rights, diversity, working principles, sustainable social investments, and workforce commitment.

To Petrobras, social responsibility is the integrated, ethical, and transparent management of its business and activities and of its relationships with all of its stakeholders, promoting human rights and citizenship, respecting human and cultural diversity,

fighting against discrimination, degrading work, child and slave labor, aiming to contribute to sustainable development and to reduce social inequality.

The company's activities are guided by codes and policies such as the Code of Ethics, the Code of Good Practices, the Code of Competitive Conduct, and by policies on HSE, Human Resources, Social Responsibility, Corporate Performance, New Business Development, Capital Discipline, Communications, Tax Management, and Principles of Corporate Security.

GLOBAL COMPACT

Petrobras has been a signatory of the United Nation Global Compact since 2003, an initiative through which businesses commit, voluntarily, to fulfill and report their performance

regarding ten principles related to Labor, Human Rights, the Environment, and Transparency.

The company has been a member of the Brazilian Committee of the Global Compact since its inception, and has been represented by its CEO on the Global Compact's International Board since 2006, when it became the only Latin American and oil and gas industry company to be on the Board.

TRANSPARENCY HIGHLIGHTS

For the fifth consecutive year, Petrobras is part of the Dow Jones Sustainability Index (DJSI), the most important global index in this category, which brings together over 300 companies from 57 industry sectors. The company distinguished itself in the Transparency criterion, in which it again got the highest score in the industry.

More information can be found in the online version of the Report

In the online version of the Report, learn more about other commitments Petrobras has taken-on and initiatives and forums in which it takes part

THE TEN PRINCIPLES OF THE GLOBAL COMPACT

<p>1 RESPECT and support internationally proclaimed human rights in its area of influence</p>	<p>2 MAKE SURE the company is not complicit with human rights abuses</p>	<p>3 UPHOLD the freedom of association and recognize the right to collective bargaining</p>	<p>4 ELIMINATE all forms of forced or compulsory labor</p>	<p>5 EFFECTIVELY eradicate all forms of child labor from its productive chain</p>
<p>6 ELIMINATE discrimination in respect of employment and occupation</p>	<p>7 SUPPORT a precautionary, responsible, and proactive approach to environmental challenges</p>	<p>8 UNDERTAKE initiatives and practices to promote and disseminate environmental responsibility</p>	<p>9 ENCOURAGE the development and dissemination of environmentally friendly technologies</p>	<p>10 WORK AGAINST corruption in all its forms, including extortion and bribery</p>

PETROBRAS AND ABNT LAUNCHED ISO 26000 IN BRAZIL

In December 2010, Petrobras, in partnership with the Brazilian Association of Technical Standards (ABNT), promoted the release of the International Standard ISO 26000: Guidance on Social Responsibility in Brazil. The company was the industry representative of the Brazilian delegation on the international working group responsible for building the standard. In 2011, the company will sponsor, together with ABNT, a nationwide series of seminars promoting the ISO 26000 standard in which the free distribution of the printed standard is provided.

Petrobras' internal actions to implement the ISO 26000 guidelines include qualifying workforce through specific training courses on the issues covered by the standard to be held at Petrobras University, and providing training in social responsibility to suppliers. The standard establishes the definition, principles, and core themes of social responsibility and was drafted on a multi-stakeholder process encompassing representatives of the industry, government, labor, consumers, NGOs, academia and services, research and consulting organizations.