

PETROBRAS - PETROLEO BRASILEIRO SA  
Form 6-K  
December 06, 2018

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**FORM 6-K**

**Report of Foreign Private Issuer**  
**Pursuant to Rule 13a-16 or 15d-16**  
**of the Securities Exchange Act of 1934**  
**For the month of December, 2018**  
**Commission File Number 1-15106**

**PETRÓLEO BRASILEIRO S.A. PETROBRAS**  
**(Exact name of registrant as specified in its charter)**  
**Brazilian Petroleum Corporation PETROBRAS**  
**(Translation of Registrant's name into English)**

**Avenida República do Chile, 65**

**20031-912 - Rio de Janeiro, RJ**

**Federative Republic of Brazil**

**(Address of principal executive office)**

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F

Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

## **2040 Strategic Plan and 2019-2023 Business and Management Plan**

Rio de Janeiro, December 5, 2018 – Petróleo Brasileiro S.A. – Petrobras reports that its Board of Directors has approved, in a meeting held yesterday, the 2040 Strategic Plan and the 2019-2023 Business and Management Plan, prepared in an integrated manner.

### **2040 Strategic Plan**

The Strategic Plan brings a new vision of an integrated energy company, aligned with the needs and the evolution of society's habits that will increasingly seek diversification in energy sources and uses. The focus in oil and gas, present in the vision of the previous plan and still important for the coming years, will give more room for other energy sources, on the horizon until 2040.

The company clarifies its purpose and reaffirms its values:

#### ***Vision***

An integrated energy company that evolves with society, generates high value and has unique technical capacity.

#### ***Purpose***

Provide the energy that moves society to fulfill its potential.

#### ***Values***

Respect for life, people and the environment; ethics and transparency; market orientation; resilience and confidence; and results.

The strategies of the company were adjusted, defining the focus of its actions by business segment, in view of the transition toward a low-carbon economy, risks relating to the geographical concentration and commodity, detailed below:

#### ***Exploration and Production***

Maximize the value of Petrobras through active management of the E&P portfolio;

Ensure the sustainability of oil and gas production, prioritizing activities in deep waters.

[www.petrobras.com.br/ir](http://www.petrobras.com.br/ir)

**Contacts:**

**PETRÓLEO BRASILEIRO S.A. PETROBRAS | Investor Relations Department | e-mail:  
petroinvest@petrobras.com.br**

**Av. República do Chile, 65 10th floor, 1002 B 20031-912 Rio de Janeiro, RJ | Phone: 55 (21) 3224-1510 /  
3224-9947**

**FORWARD-LOOKING STATEMENTS**

**This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance, among other matters, contain words such as believe, expect, estimate, anticipate, optimistic, intend, plan, aim, will, may, should, could, would, likely, and similar expressions cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. There is no assurance that the expected events, trends or results will actually occur. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.**

**The Company's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of assumptions and factors. These factors include, but are not limited to, the following: (i) failure to comply with laws or regulations, including fraudulent activity, corruption, and bribery; (ii) the outcome of ongoing corruption investigations and any new facts or information that may arise in relation to the Lava Jato Operation; (iii) the effectiveness of the Company's risk management policies and procedures, including operational risk; and (iv) litigation, such as class actions or proceedings brought by governmental and regulatory agencies. A description of other factors can be found in the Company's Annual Report on Form 20-F for the year ended December 31, 2017, and the Company's other filings with the U.S. Securities and Exchange Commission.**

*Natural Gas*

Optimize the position in the natural gas and energy segment in Brazil and develop positions on the global market through partnerships.

*Refining, Transportation, Trading and Petrochemicals*

Maximize the value of Petrobras through active management of the portfolio for refining, logistics, trading and petrochemicals, integrated into the activities of national oil and gas production;

Leave the fertilizer business, LPG distribution, biodiesel and ethanol holdings and production.

*Renewables*

Operate in profitable renewable energy businesses, with focus on wind and solar energy in Brazil.

*Corporate Strategies*

Develop critical skills and a culture of high performance to meet the new challenges of the company;

Prepare Petrobras for a more competitive environment based on cost and scale efficiency and digital transformation;

Assess current and future partnerships seeking integrity and value generation;

Strengthen the credibility, the pride and the reputation of Petrobras among our stakeholders.

**2019-2023 Business and Management Plan**

Integrated into the Strategic Plan, the Business and Management Plan details the operational planning, with a focus on safety, as well as the financial planning and the pursuit of profitability in our businesses for the next five years.

**Contacts:**

**PETRÓLEO BRASILEIRO S.A. PETROBRAS | Investor Relations Department | e-mail:  
petroinvest@petrobras.com.br**

**Av. República do Chile, 65 10th floor, 1002 B 20031-912 Rio de Janeiro, RJ | Phone: 55 (21) 3224-1510 /  
3224-9947**

**FORWARD-LOOKING STATEMENTS**

**This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance, among other matters, contain words such as believe, expect, estimate, anticipate, optimistic, intend, plan, aim, will, may, should, could, would, likely, and similar expressions cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. There is no assurance that the expected events, trends or results will actually occur. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.**

**The Company's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of assumptions and factors. These factors include, but are not limited to, the following: (i) failure to comply with laws or regulations, including fraudulent activity, corruption, and bribery; (ii) the outcome of ongoing corruption investigations and any new facts or information that may arise in relation to the Lava Jato Operation; (iii) the effectiveness of the Company's risk management policies and procedures, including operational risk; and (iv) litigation, such as class actions or proceedings brought by governmental and regulatory agencies. A description of other factors can be found in the Company's Annual Report on Form 20-F for the year ended December 31, 2017, and the Company's other filings with the U.S. Securities and Exchange Commission.**

The Plan incorporates a new top metric, seeking to ensure profitability, in addition to maintaining the safety and debt reduction metrics that guide the company's strategies:

Total Recordable Injuries per million man-hour frequency rate (TRI) below 1.0 in 2019;

Net debt/adjusted EBITDA below 1.5 in 2020;

Return on capital employed (ROCE) above 11% in 2020.

The following assumptions were considered for the Plan's deliveries:

		2019	2020	2021	2022	2023
<b>Brent crude oil price</b>	US\$/barrel	66	67	72	75	75
<b>Nominal exchange rate</b>	R\$/US\$	3.6	3.6	3.7	3.7	3.8

[www.petrobras.com.br/ir](http://www.petrobras.com.br/ir)

**Contacts:**

**PETRÓLEO BRASILEIRO S.A. | PETROBRAS | Investor Relations Department | e-mail:  
petroinvest@petrobras.com.br**

**Av. República do Chile, 65 | 10th floor, 1002 | B | 20031-912 | Rio de Janeiro, RJ | Phone: 55 (21) 3224-1510 / 3224-9947**

## **FORWARD-LOOKING STATEMENTS**

**This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance, among other matters, contain words such as believe, expect, estimate, anticipate, optimistic, intend, plan, aim, will, may, should, could, would, likely, and similar expressions cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. There is no assurance that the expected events, trends or results will actually occur. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.**

**The Company's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of assumptions and factors. These factors include, but are not limited to, the following: (i) failure to comply with laws or regulations, including fraudulent activity, corruption, and bribery; (ii) the outcome of ongoing corruption investigations and any new facts or information that may arise in relation to the Lava Jato Operation ; (iii) the effectiveness of the Company's risk management policies and procedures, including operational risk; and (iv) litigation, such as class actions or proceedings brought by governmental and regulatory agencies. A description of other factors can be found in the Company's Annual Report on Form 20-F for the year ended December 31, 2017, and the Company's other filings with the U.S. Securities and Exchange Commission.**



The 2019-2023 Business and Management Plan investment portfolio adds up to US\$ 84.1 billion and was built considering three central value generation engines for the company:

Exploration and production continue to be the most important value generation engine of the company, and the focus remains on the development of production in deep waters, notably in the pre-salt areas. Refining, transportation and trading will continue to operate in integration with E&P, but with a new participation model for Petrobras, considering partnership with other companies, and in the case of petrochemicals, its potential integration with refining will be better explored. With the expansion of gas production, the company will pursue greater value generation, considering natural gas as a vehicle for growth and establishment of a global position for Petrobras. The company will also seek partnerships in renewable energy businesses, as a new value generation engine with focus on a sustainable future for the company.

[www.petrobras.com.br/ir](http://www.petrobras.com.br/ir)

**Contacts:**

**PETRÓLEO BRASILEIRO S.A. PETROBRAS | Investor Relations Department | e-mail:  
petroinvest@petrobras.com.br**

**Av. República do Chile, 65 10th floor, 1002 B 20031-912 Rio de Janeiro, RJ | Phone: 55 (21) 3224-1510 /  
3224-9947**

**FORWARD-LOOKING STATEMENTS**

**This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance, among other matters, contain words such as believe, expect, estimate, anticipate, optimistic, intend, plan, aim, will, may, should, could, would, likely, and similar expressions cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. There is no assurance that the expected events, trends or results will actually occur. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.**

**The Company's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of assumptions and factors. These factors include, but are not limited to, the following: (i) failure to comply with laws or regulations, including fraudulent activity, corruption, and bribery; (ii) the outcome of ongoing corruption investigations and any new facts or information that may arise in**

relation to the Lava Jato Operation ; (iii) the effectiveness of the Company's risk management policies and procedures, including operational risk; and (iv) litigation, such as class actions or proceedings brought by governmental and regulatory agencies. A description of other factors can be found in the Company's Annual Report on Form 20-F for the year ended December 31, 2017, and the Company's other filings with the U.S. Securities and Exchange Commission.

## **Oil, NGL and Natural Gas Production**

In 2019, oil production growth will be 10% in Brazil and 7% in total production, due to the entry into operation of 5 new systems in 2018 and 3 more in 2019. Throughout the Plan, it is foreseen the start-up of 13 new systems. For the period between 2020 and 2023, total oil and natural gas production will grow at an average rate of 5% per year.

Continuous cost efficiency and pre-salt lifting costs below US\$ 7/boe will drive the average lifting cost to levels under US\$ 10/boe from 2020.

[www.petrobras.com.br/ir](http://www.petrobras.com.br/ir)

### **Contacts:**

**PETRÓLEO BRASILEIRO S.A. | PETROBRAS | Investor Relations Department | e-mail:**  
[petroinvest@petrobras.com.br](mailto:petroinvest@petrobras.com.br)

**Av. República do Chile, 65 | 10th floor, 1002 | B | 20031-912 | Rio de Janeiro, RJ | Phone: 55 (21) 3224-1510 / 3224-9947**

## **FORWARD-LOOKING STATEMENTS**

**This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance, among other matters, contain words such as believe, expect, estimate, anticipate, optimistic, intend, plan, aim, will, may, should, could, would, likely, and similar expressions cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. There is no assurance that the expected events, trends or results will actually occur. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.**

**The Company's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of assumptions and factors. These factors include, but are not limited to, the following: (i) failure to comply with laws or regulations, including fraudulent activity, corruption, and bribery; (ii) the outcome of ongoing corruption investigations and any new facts or information that may arise in relation to the Lava Jato Operation; (iii) the effectiveness of the Company's risk management policies and procedures, including operational risk; and (iv) litigation, such as class actions or proceedings brought by governmental and regulatory agencies. A description of other factors can be found in the Company's Annual Report on Form 20-F for the year ended December 31, 2017, and the Company's other filings with the U.S. Securities and Exchange Commission.**

## Repositioning in Refining

The Plan foresees repositioning in refining by means of partnerships in the Northeast and South *clusters*, which represent 40% of the installed refining capacity in Brazil, allowing to share business risks and establish a more dynamic, competitive and efficient sector, in addition to generating liquidity for the company.

## Sustainability

This plan also brings a commitment to the decarbonization of processes and products, establishing zero growth of absolute operational emissions until 2025, considering 2015 as reference, even with increase in production. Targets are set to reduce emissions intensity by 32% in E&P and 16% in Refining between 2015 and 2025, when we will reach 15 kg CO<sub>2</sub>e/boe in E&P and 36 kg CO<sub>2</sub>e/t CWT in Refining.

## Fundability

Through the discipline of costs, debt reduction and commitment to profitability, the company estimates a strong free cash flow generation in the plan period.

Petrobras will move forward with the divestment projects already announced and will continue with partnerships and divestments driven by active portfolio management, with potential cash entry of US\$ 26.9 billion over the period of the plan.

[www.petrobras.com.br/ir](http://www.petrobras.com.br/ir)

## Contacts:

**PETRÓLEO BRASILEIRO S.A. | PETROBRAS | Investor Relations Department | e-mail:**  
[petroinvest@petrobras.com.br](mailto:petroinvest@petrobras.com.br)

**Av. República do Chile, 65 | 10th floor, 1002 | B | 20031-912 | Rio de Janeiro, RJ | Phone: 55 (21) 3224-1510 / 3224-9947**

## FORWARD-LOOKING STATEMENTS

**This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance, among other matters, contain words such as believe, expect, estimate, anticipate, optimistic, intend, plan, aim, will, may, should, could, would, likely, and similar expressions cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. There is no assurance that the expected events, trends or results will actually occur. We**

**undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.**

**The Company's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of assumptions and factors. These factors include, but are not limited to, the following: (i) failure to comply with laws or regulations, including fraudulent activity, corruption, and bribery; (ii) the outcome of ongoing corruption investigations and any new facts or information that may arise in relation to the Lava Jato Operation ; (iii) the effectiveness of the Company's risk management policies and procedures, including operational risk; and (iv) litigation, such as class actions or proceedings brought by governmental and regulatory agencies. A description of other factors can be found in the Company's Annual Report on Form 20-F for the year ended December 31, 2017, and the Company's other filings with the U.S. Securities and Exchange Commission.**

These initiatives, combined with an operating cash generation estimated at US\$ 114.2 billion, after dividends, taxes, and contingencies, will allow Petrobras to carry out its investments and reduce its debt, without the need for new net borrowings on the horizon of the plan.

The company will seek an optimal capital structure, with leverage (net debt/(net debt+shareholders equity)) around 25%. The shareholder remuneration policy will be maintained and any change in the distribution of dividends will take into account the reduction of indebtedness indicators and new investment opportunities.

[www.petrobras.com.br/ir](http://www.petrobras.com.br/ir)

**Contacts:**

**PETRÓLEO BRASILEIRO S.A. | PETROBRAS | Investor Relations Department | e-mail:**  
[petroinvest@petrobras.com.br](mailto:petroinvest@petrobras.com.br)

**Av. República do Chile, 65 | 10th floor, 1002 B | 20031-912 | Rio de Janeiro, RJ | Phone: 55 (21) 3224-1510 / 3224-9947**

**FORWARD-LOOKING STATEMENTS**

**This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance, among other matters, contain words such as believe, expect, estimate, anticipate, optimistic, intend, plan, aim, will, may, should, could, would, likely, and similar expressions cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. There is no assurance that the expected events, trends or results will actually occur. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.**

**The Company's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of assumptions and factors. These factors include, but are not limited to, the following: (i) failure to comply with laws or regulations, including fraudulent activity, corruption, and bribery; (ii) the outcome of ongoing corruption investigations and any new facts or information that may arise in relation to the Lava Jato Operation; (iii) the effectiveness of the Company's risk management policies and procedures, including operational risk; and (iv) litigation, such as class actions or proceedings brought by governmental and regulatory agencies. A description of other factors can be found in the Company's Annual Report on Form 20-F for the year ended December 31, 2017, and the Company's other filings with the U.S.**

**Securities and Exchange Commission.**

## **Risk Management**

Petrobras continues to map its main risks and adopt specific initiatives for the improvement of risk management, including the identification and planning of mitigation actions, in order to allow timely and appropriate response, in any scenario.

Among the main risks identified in the 2019-2023 Plan horizon, the following stand out:

Implementation of major projects;

Trade policy;

Performance of partnerships and divestments;

Legal proceedings and contingencies;

Business continuity.

[www.petrobras.com.br/ir](http://www.petrobras.com.br/ir)

### **Contacts:**

**PETRÓLEO BRASILEIRO S.A. - PETROBRAS | Investor Relations Department | e-mail:  
petroinvest@petrobras.com.br**

**Av. República do Chile, 65 - 10th floor, 1002 - B - 20031-912 - Rio de Janeiro, RJ | Phone: 55 (21) 3224-1510 /  
3224-9947**

## **FORWARD-LOOKING STATEMENTS**

**This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance, among other matters, contain words such as believe, expect, estimate, anticipate, optimistic, intend, plan, aim, will, may, should, could, would, likely, and similar expressions cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on**



which they are made. There is no assurance that the expected events, trends or results will actually occur. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason.

The Company's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of assumptions and factors. These factors include, but are not limited to, the following: (i) failure to comply with laws or regulations, including fraudulent activity, corruption, and bribery; (ii) the outcome of ongoing corruption investigations and any new facts or information that may arise in relation to the Lava Jato Operation; (iii) the effectiveness of the Company's risk management policies and procedures, including operational risk; and (iv) litigation, such as class actions or proceedings brought by governmental and regulatory agencies. A description of other factors can be found in the Company's Annual Report on Form 20-F for the year ended December 31, 2017, and the Company's other filings with the U.S. Securities and Exchange Commission.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: December 5, 2018.

**PETRÓLEO BRASILEIRO S.A PETROBRAS**

By: /s/ Rafael Salvador Grisolia  
Rafael Salvador Grisolia  
Chief Financial Officer and Investor Relations  
Officer