

Doing Business in Brazil

OIL AND GAS

2026

Legal and regulatory guide for foreign investors

Contents

01	Introduction	3
02	Contract enforcement	4
03	Visas and immigration	5
04	Establishing a company in Brazil	7
05	Labor law and Oil and Gas-specific labor rules	9
06	Taxation and customs	11
07	Intellectual property, technology transfer, digital law and data protection	16
08	Oil and gas sector and pre-salt	18
09	Foreign investment	20
10	Petrobras	21
11	Regulatory law (Oil and Gas)	22
	Legal notice and sources	23

01

Introduction

This guide outlines key legal and regulatory considerations for foreign investors doing business in Brazil's oil and gas sector.

Brazil is a federal presidential republic and a constitutional democracy. The Federal Constitution, enacted in 1988, provides for the separation and independence of the Executive, Legislative and Judicial branches. The Brazilian Federation comprises the Federal Union, 26 states, the Federal District and the municipalities. According to the Brazilian Institute of Geography and Statistics (IBGE), Brazil's gross domestic product reached approximately BRL 12.7 trillion in 2025.

Brazil is a major producer of oil and natural gas, with production concentrated offshore, particularly in the pre-salt province. The Equatorial Margin is an important exploration frontier; however, projects in that region, as elsewhere in Brazil, remain subject to the applicable bidding or contractual regime, regulation by the National Agency for Petroleum, Natural Gas and Biofuels (ANP), and environmental licensing by the competent authorities.

Since the opening of the petroleum sector under Law No. 9,478/1997, private and foreign companies have been able to participate in exploration and production under the contractual regimes provided for by Brazilian law, as well as in other industry segments subject to the applicable authorizations and regulations. Brazilian and international private operators currently participate alongside Petrobras in several upstream projects.

Brazil has developed significant technological expertise in deep-water and ultra-deep-water operations, particularly in pre-salt fields. Accordingly, investment opportunities exist within a complex regulatory framework covering petroleum regulation, environmental licensing, taxation and customs, labor and immigration, foreign investment, local content, operational safety and decommissioning.

02

Contract enforcement

The Brazilian Judiciary comprises federal and state courts, together with specialized branches for labor, electoral and military matters. The Federal Supreme Court (Supremo Tribunal Federal - STF), composed of 11 Justices, is the highest court for constitutional matters. The Superior Court of Justice (Superior Tribunal de Justiça - STJ) is primarily responsible for ensuring the uniform interpretation of federal law in non-constitutional matters. The Superior Labor Court (TST), Superior Electoral Court (TSE) and Superior Military Court (STM) head the corresponding specialized branches.

Brazil follows the civil-law tradition. The Federal Constitution is the supreme law, and federal, state and municipal legislation applies in accordance with the constitutional allocation of legislative powers. Private law matters are principally governed by the Civil Code (Law No. 10,406/2002), while civil litigation is governed by the Code of Civil Procedure (Law No. 13,105/2015), subject to special statutes.

Although Brazil is not a common-law jurisdiction, judicial precedents have acquired increasing importance. The Code of Civil Procedure requires courts to observe specified binding decisions and precedents, including decisions in concentrated constitutional review, binding precedents of the STF and STJ, repetitive appeals and other cases provided for by law.

Arbitration and mediation are well-established dispute resolution mechanisms in Brazil. Arbitration is governed by Law No. 9,307/1996, as amended; mediation is governed by Law No. 13,140/2015; and the Code of Civil Procedure encourages consensual dispute resolution. Arbitration agreements are generally enforceable with respect to disposable patrimonial rights.

Under the Mediation Law, mediation is a consensual procedure in which an impartial third party, without decision-making authority, assists the parties in developing a mutually acceptable solution. The statute applies to private disputes and establishes rules for the consensual resolution of disputes involving the Public Administration.

Law No. 13,129/2015 amended the Arbitration Law and expressly confirmed that the Public Administration may use arbitration to resolve disputes concerning disposable patrimonial rights. Accordingly, arbitration is common in infrastructure, concession, corporation, construction and oil and gas contracts where the legal requirements are satisfied.

Brazilian legislation and public contracts may also provide for negotiation, conciliation, mediation and dispute boards. The availability, procedure and legal effect of each mechanism depends on the governing statute and the relevant contract.

Foreign judgments are not directly enforceable in Brazil. As a general rule, they must first be recognized (homologated) by the STJ, after which they may be enforced before the competent federal court, subject to the requirements of the Constitution, the Code of Civil Procedure and the STJ's procedural rules.

Foreign arbitral awards are likewise subject to recognition by the STJ before they may be enforced in Brazil. Brazil is a party to the 1958 New York Convention, promulgated by Decree No. 4,311/2002, and recognition is governed principally by the Arbitration Law and applicable international treaties.

03

Visas and immigration

The legal status of foreign nationals in Brazil is principally governed by Law No. 13,445/2017 (the Migration Law), Decree No. 9,199/2017 and regulations issued by the competent Brazilian immigration authorities, including the National Immigration Council (CNIg). The appropriate visa or residence authorization depends on the purpose, duration and circumstances of the foreign national's stay and activities in Brazil.

Foreign nationals must hold a valid travel document and comply with the entry requirements applicable to their nationality and category of travel. Visa requirements, exemptions and the permitted length of stay should be confirmed before travel.

Visitor Visa

The visitor visa is intended for short-term stays, including tourism and business activities, among other purposes permitted by Migration Law. It does not authorize ordinary employment in Brazil. Certain payments, reimbursements, or short-term artistic, sports or other activities may be permitted under specific rules. The permitted period of stay depends on nationality, reciprocity and the applicable immigration rules; in many cases, it is up to 90 days, with a possible extension subject to the statutory maximum, generally not exceeding 180 days in a migratory year.

Work-Related Visas and Residence Authorizations

Foreign nationals intending to perform work or professional activities in Brazil must hold the appropriate visa and/or residence authorization for the relevant activity. The following are common categories in the oil and gas sector; the applicable CNIg resolution and current documentary requirements should be verified for each assignment.

Maritime Workers on Foreign-Flag Vessels or Platforms. CNIg Resolution No. 6/2017, as amended, regulates residence authorization for maritime workers who do not have an employment relationship in Brazil and work aboard foreign-flag vessels or platforms operating in Brazilian jurisdictional waters. Authorization may be granted for up to two years. Brazilian crew proportionality requirements apply according to the type of unit and the period spent in Brazilian waters. For maritime support vessels, for example, the required proportion of Brazilian crew increases with the length of stay; different thresholds apply to drilling units, production or storage units, port support vessels and other categories.

Technical Assistance Services. CNIg Resolution No. 3/2017 regulates residence authorization for technical assistance without an employment relationship in Brazil. This category is commonly used for specialized technical personnel providing services under an agreement between foreign and Brazilian parties. It is not intended for ordinary administrative or management functions. Authorization is generally granted for up to one year, and any extension or new authorization is subject to the applicable immigration rules and justification.

Technology Transfer Services. CNIg Resolution No. 4/2017 applies to specified technology-transfer activities without an employment relationship in Brazil and requires, among other documents, a training plan addressing the transfer of knowledge to Brazilian personnel. Authorization is generally granted for up to one year, and continuation of the activities is subject to the applicable immigration requirements.

Employment Agreement with a Brazilian Entity. A foreign national employed by a Brazilian entity must obtain the appropriate work-related residence authorization. Remuneration paid in Brazil is subject to Brazilian tax and social-security rules. Authorization may be granted for a fixed period and, where the statutory conditions are satisfied, may be renewed or converted into residence for an indefinite period. A change of employer or activity may require prior immigration action.

Director or Administrator. CNlg Resolution No. 11/2017, as amended by Resolution No. 49/2024, provides for residence authorization for an immigrant appointed as an administrator, manager, director or executive with management powers in a Brazilian entity that receives qualifying foreign investment. The residence period is indefinite, subject to continued compliance with the applicable requirements. As a rule, the qualifying investment is:

- a. BRL 600,000 per administrator, manager, director or executive; or
- b. BRL 150,000 per administrator, manager, director or executive, together with a commitment to generate at least 10 new employment positions within two years, in accordance with the applicable regulation.

Immigration requirements for residence and work should be distinguished from corporate-law requirements governing appointments to management positions. Subject to the applicable formalities, Brazilian corporate law currently permits managers and officers of Limitadas and S.A.s to reside or be domiciled abroad, provided that the legally required representative in Brazil is appointed.

Investor Residence. CNlg Resolution No. 13/2017, as amended by Resolution No. 49/2024, permits residence for a foreign individual who invests external resources in a Brazilian legal entity. The standard minimum investment is BRL 500,000. An investment below that amount, but not less than BRL 150,000, may qualify if directed to innovation or basic or applied scientific or technological research and the regulatory conditions are satisfied. An investment or Business Plan is required. Residence is granted for an indefinite period, subject to compliance with the investment and immigration requirements.

Companies should verify the immigration status of employees, technicians, trainees, directors and business visitors before they perform activities in Brazil. Non-compliance with the Migration Law and its regulations may result in administrative fines and other measures affecting the individual and/or the responsible legal entity. Requirements should be rechecked before each assignment, as documentary and procedural rules may change.

Mercosur Nationals

Nationals of states covered by the Mercosur Residence Agreement benefit from simplified residence procedures. Temporary residence is generally granted for up to two years and may subsequently be converted into residence for an indefinite period, subject to the applicable requirements. Applications may be made through the competent Brazilian consular or immigration authorities, depending on the applicant's location and circumstances.

04

Establishing a company in Brazil

Brazilian law provides for several forms of business organization. The Sociedade Limitada (Limitada or Ltda.) and the Sociedade Anônima (S.A.) are the forms most commonly used by Brazilian and foreign investors. Other forms are available but are less common for ordinary commercial operations. The appropriate structure depends on ownership, governance, financing, regulatory, tax, disclosure and liability considerations.

The Sociedade Limitada (Limited Liability Company)

A Sociedade Limitada may be incorporated by one or more quotaholders. Quotaholders may be Brazilian or foreign individuals or legal entities. Law No. 14,195/2021 provided for the automatic transformation of existing EIRELs into single-member limited liability companies. Subsequently, Law No. 14,382/2022 formally repealed the provisions of the Brazilian Civil Code governing EIRELs.

The Articles of Association of a Limitada must be executed in Portuguese and include the information required by Brazilian law, including the company's name, quotaholders, corporate purpose, registered office, capital and quotas, terms governing payment of subscribed capital, management structure, and participation in profits and losses. Corporate acts subject to registration must be filed with the competent Commercial Registry.

As a general rule, no statutory minimum capital applies to Limitada, except where a specific regulated activity requires otherwise. Capital may be paid in cash or with assets capable of monetary valuation; services may not be contributed to the share capital of Limitada. A capital increase generally requires the previously subscribed capital to have been fully paid in.

The capital of a Limitada is divided into quotas and denominated in Brazilian currency. The Articles of Association and their amendments record the amount of capital, the allocation of quotas and relevant transfers, and any capital increases or reductions, subject to the applicable registration requirements.

Each quotaholder's liability is generally limited to the value of its quotas. However, all quotaholders are jointly and severally liable for payment in full of the company's subscribed capital until it has been fully paid in, without prejudice to other statutory grounds for personal liability.

A Limitada may be managed by one or more quotaholders or non-quotaholders appointed in the Articles of Association or by separate act. Under Article 1,061 of the Civil Code, appointment of a non-quotaholder manager requires approval by at least two-thirds of the quotaholders while the capital has not been fully paid in, and by holders of quotas representing more than one-half of the share capital after full payment.

A foreign individual may be appointed as manager of a Limitada even if resident or domiciled abroad, provided that the applicable corporate and registration requirements are satisfied. A manager residing or domiciled abroad must appoint a representative residing in Brazil with the powers required by Brazilian law to receive service of process and notices on the manager's behalf.

Limitadas are generally subject to fewer corporate formalities and publication requirements than S.A.s. However, specific filing, publication, accounting, audit or disclosure requirements may apply depending on the company's size, business activity, contractual arrangements or regulatory status.

The Sociedade Anônima (Corporation)

A corporation (Sociedade Anônima or S.A.) may be publicly or privately held. As a rule, an S.A. is incorporated by at least two shareholders, which may be Brazilian or foreign individuals or legal entities. Brazilian law permits a wholly owned subsidiary (subsidiária integral) with a single shareholder where that shareholder is a Brazilian company. As a rule, there is no statutory minimum share capital, except for certain regulated businesses. At least 10% of the issue price of shares subscribed for in cash must generally be paid upon incorporation, subject to statutory exceptions.

The capital of an S.A. may be paid in cash or with assets capable of monetary valuation. Contributions in kind are subject to the valuation procedure established by Law No. 6,404/1976. The bylaws establish the company's capital structure and the rights attached to its shares, subject to the Corporations Law and, for publicly held companies, CVM regulation.

Shareholders' liability is generally limited to the issue price of the shares subscribed for or acquired, while unpaid subscription amounts remain due. Separate statutory rules may impose liability on controlling shareholders, managers or other people in cases of abuse, breach of duty or other circumstances specified by law.

Corporate control is generally characterized by rights that ensure, on a permanent basis, a majority of votes in shareholders' resolutions and the power to elect a majority of the company's managers, together with the effective exercise of those powers. Control may be exercised by a single shareholder or by a group bound by a voting agreement or under common control.

The bylaws of an S.A. establish its management structure. Every S.A. has an Executive Board (Diretoria) and may also have a Board of Directors (Conselho de Administração), which is mandatory in the cases provided for by law, including publicly held companies and companies with authorized capital.

Members of the Board of Directors and executive officers may reside or be domiciled abroad. Under Law No. 6,404/1976, the investiture of a manager residing or domiciled abroad is conditional upon the appointment of a representative residing in Brazil with powers, for at least three years after the end of the manager's term, to receive service of process in proceedings based on Brazilian corporate law and, in the case of a publicly held company, summons and notices in CVM administrative proceedings.

05

Labor law and oil and gas-specific labor rules

Brazilian employment relationships are primarily governed by the Federal Constitution and the Consolidation of Labor Laws (Consolidação das Leis do Trabalho - CLT), supplemented by special statutes, collective bargaining instruments, and occupational health and safety regulations. The 2017 Labor Reform (Law No. 13,467/2017) significantly changed collective bargaining, working arrangements, termination rules and labor litigation, and subsequent legislation has further amended the CLT.

Employment disputes are adjudicated by the specialized Labor Courts (Justiça do Trabalho), which form part of the Federal Judiciary. Claims are generally heard at first instance by Labor Courts, with appeals to Regional Labor Courts and, where the statutory requirements are satisfied, to the Superior Labor Court (Tribunal Superior do Trabalho - TST).

Employees hired under the CLT regime, including foreign employees, must have their employment relationship duly registered. Employment, payroll and social-security information is reported electronically, principally through eSocial, and reflected in the Digital Work and Social Security Card (CTPS Digital). From January 2, 2026, the employee registry is maintained exclusively in electronic form, without prejudice to the retention of historical records relating to earlier periods.

Different or additional rules apply to particular categories. Public servants may be subject to statutory regimes; rural employees are subject to the CLT together with specific rural labor legislation; and domestic employees are governed by the Constitution, Complementary Law No. 150/2015 and other applicable rules.

Outsourcing (terceirização) is permitted in Brazil, including for core business activities, under Laws No. 13,429/2017 and 13,467/2017 and the case law of the Federal Supreme Court. Outsourcing arrangements must comply with applicable labor, health and safety, and service-provider rules. Depending on the circumstances, the contracting company may have statutory or subsidiary liability for labor obligations and workplace conditions.

The CLT

Employees hired under the CLT are entitled to statutory protections applicable to their employment relationship. Employers must maintain the required employment records and submit labor, payroll, tax and social-security information through the applicable electronic government systems, particularly eSocial.

The CLT also contains nationality proportionality rules intended to preserve a minimum proportion of Brazilian employees and remuneration, generally based on a two-thirds standard, subject to statutory exceptions and special rules for categories and activities. Companies employing foreign nationals should therefore assess these labor-law rules together with the applicable immigration requirements.

Brazilian law specifically regulates telework and remote work. Law No. 14,442/2022 amended the CLT rules concerning the characterization of remote work, working-time control, work by production or task, contractual allocation of responsibilities for equipment and infrastructure, and other matters. Attendance at the employer's premises for specific activities does not, in itself, necessarily exclude the teleworking regime.

Collective bargaining plays an important role in Brazilian labor relations. Under Articles 611-A and 611-B of the CLT, collective bargaining agreements and conventions may prevail over statutory rules with respect to specified

matters. This principle is, however, subject to constitutional and statutory limits and does not authorize the waiver of rights classified by law as non-negotiable.

The 2017 Labor Reform introduced termination by mutual agreement under Article 484-A of the CLT. Under this form of termination, the employee receives half of the indemnified prior notice and half of the FGTS termination penalty otherwise applicable to dismissal without cause, while the other statutory termination amounts are paid in full. The employee may withdraw up to 80% of the FGTS balance and is not entitled to unemployment insurance solely as a result of this form of termination.

Labor Rights

Principal statutory employee rights include the applicable minimum wage or category floor; limits on working hours and overtime pay; paid weekly rest; annual vacation with the constitutional one-third vacation bonus; paid public holidays; the 13th salary; FGTS deposits; maternity leave; and prior notice upon termination, subject to the applicable legal conditions. Night-shift premiums, hazardous-work premiums (*periculosidade*), unhealthy-work premiums (*insalubridade*) and other additional payments apply only where the statutory factual and technical conditions are satisfied.

Offshore Work

Employees engaged in specified petroleum exploration, drilling, production, refining and related activities may be subject to the special working-time regime established by Law No. 5,811/1972, in addition to the CLT and occupational health and safety rules. For offshore platforms, NR-37 establishes specific requirements concerning safety, health and living conditions. The applicable schedule and activity determine the rules governing shifts, rest periods, night work, overtime and related compensation.

Collective bargaining is particularly important in Brazil's offshore oil and gas industry. Collective bargaining agreements may establish work and rest schedules, offshore or mobility allowances, additional compensation, profit-sharing arrangements and benefits for the relevant category. Health and dental insurance, life insurance, transportation, meal benefits, mobilization payments and similar benefits should therefore be assessed under the applicable collective bargaining instrument, employment agreement and company policy, and should not be treated as universal statutory entitlements.

Equal Pay and Remuneration Transparency

Law No. 14,611/2023 strengthened equal-pay and remuneration-transparency rules for women and men performing work of equal value. Private legal entities with 100 or more employees are subject to semi-annual remuneration-transparency reporting obligations under the legislation and implementing regulations. Where unlawful remuneration disparities are identified, corrective measures and an action plan may be required, in addition to other legal consequences applicable to discriminatory pay practices.

06

Taxation and customs

General Aspects

The Federal Constitution allocates taxing powers among the Federal Union, the states, the Federal District and the municipalities. Constitutional Amendment No. 132/2023 and Complementary Law No. 214/2025 introduced a major consumption-tax reform, including the federal Contribution on Goods and Services (CBS), the State/Municipal Tax on Goods and Services (IBS) and the federal Selective Tax (IS). The transition began in 2026 and is scheduled to culminate in full implementation of the new model in 2033.

Main Brazilian Taxes

Corporate Income Tax (IRPJ)

Corporate Income Tax (IRPJ) is generally levied at 15%, plus a 10% surtax on the portion of taxable profit exceeding BRL 20,000 per month (or the corresponding amount for the relevant assessment period). The taxable base depends on the taxpayer's applicable corporate income-tax regime, including the actual-profit and presumed-profit methods.

Social Contribution on Net Profit (CSLL)

The Social Contribution on Net Profit (CSLL) is a federal contribution levied on corporate profit. The general rate for non-financial companies is 9%, while higher rates apply to certain financial, insurance and similar entities. The tax base and applicable adjustments depend on the taxpayer's regime.

PIS and COFINS / Transition to CBS and IBS

PIS and COFINS remain part of the legacy federal consumption-tax system during 2026. Under the standard cumulative regime, rates are generally 0.65% for PIS and 3% for COFINS; under the standard non-cumulative regime, rates are generally 1.65% and 7.6%, with credits available in accordance with statutory rules. Numerous sector-specific regimes, exclusions and special rates apply.

In 2026, the consumption-tax reform is in a test phase for CBS and IBS, with statutory test rates of 0.9% for CBS and 0.1% for IBS and specific offset/waiver mechanisms linked to compliance with the new obligations. From 2027, PIS and COFINS are extinguished and CBS enters regular collection; IBS continues through its transition before gradually replacing ICMS and ISS from 2029 through 2032.

The final burden under CBS and IBS depends on the reference rates, statutory reductions, specific regimes and credit rules applicable to each transaction. Investors should therefore model the transition on a year-by-year basis rather than treat the reform as a single tax-rate substitution.

Import Tax (II)

Import Tax (II) is a federal customs duty levied on imports of goods. The taxable base is generally the customs value, and the applicable rate depends principally on the tariff classification of the imported product, subject to trade agreements, tariff measures and special customs regimes.

Tax on Manufactured Products (IPI)

IPI is a federal excise tax levied on industrialized products, including imports, at rates generally determined by the product's classification under the IPI Tariff (TIPI). The calculation base depends on the transaction. Under the consumption-tax reform, IPI rates are scheduled to be reduced to zero for most products from 2027, subject to exceptions intended principally to preserve the competitiveness of the Manaus Free Trade Zone.

PIS-Import and COFINS-Import

PIS-Import and COFINS-Import apply to imports of goods and to specified payments or remittances for services supplied from abroad, subject to statutory exceptions and special regimes.

For imports of goods, the general rates are 2.1% for PIS-Import and 9.65% for COFINS-Import, generally calculated on the customs value. For imported services, the general rates are 1.65% and 7.6%, respectively, generally calculated on the amount paid, credited, delivered, employed or remitted abroad, subject to the specific statutory rules.

PIS-Import and COFINS-Import are also affected by the transition to the new CBS/IBS consumption-tax system starting from 2027. The treatment of each import must be analyzed under the rules in force for the relevant transition year and any applicable special customs regime.

Tax on Financial Transactions (IOF)

IOF is a federal tax imposed on specified credit, foreign exchange, insurance and securities transactions. Rates and taxable events vary materially by transaction and may be changed within constitutional and statutory limits; the rate in force should therefore be confirmed at the time of the transaction.

Social Security Contributions on Payroll (INSS)

Brazilian social-security contributions are payable by employees and employers, together with other payroll charges that may apply. The precise employer burden depends on the activity, payroll structure, risk classification, third-party contributions, tax incentives and any applicable statutory substitute regime.

Employee social-security contributions are progressive and, in 2026, range from 7.5% to 14% within the applicable contribution brackets, subject to the statutory contribution ceiling.

For many companies, the basic employer social-security contribution is 20% of payroll, to which occupational-accident insurance (RAT, generally 1% to 3% before application of the FAP factor) and third-party contributions may be added. Exceptions and alternative regimes should be verified for the specific employer and activity.

Tax on Circulation of Goods and Certain Services (ICMS)

ICMS is a state tax levied on, among other taxable events, the circulation of goods, imports, interstate and intermunicipal transportation, and communication services. Liability, place of taxation, exemptions, special regimes and entitlement to credits are governed by constitutional rules, Complementary Law No. 87/1996, CONFAZ instruments and state legislation.

ICMS rates depend on the state, transaction and product or service. Interstate rates are commonly 4%, 7% or 12% in the circumstances prescribed by law, while internal rates are established by each state and may differ significantly. The tax generally operates under a non-cumulative credit mechanism, subject to statutory limitations.

Under the consumption-tax reform, ICMS and IBS coexist during the 2029-2032 transition, with ICMS gradually decreasing as IBS increases. ICMS is scheduled to be extinguished in 2033 under the constitutional transition framework.

Tax on Services (ISS)

ISS is a municipal tax on services listed in Complementary Law No. 116/2003, including specified imported services. The tax is generally calculated on the service price, and rates generally range from 2% to 5%, subject to statutory exceptions, place-of-taxation rules and municipal legislation.

Under the consumption-tax reform, ISS and IBS coexist during the 2029-2032 transition, with ISS gradually decreasing as IBS increases. ISS is scheduled to be extinguished in 2033.

Withholding Income Tax on Dividends Remitted Abroad

From January 1, 2026, Law No. 15,270/2025 generally subjects profits and dividends paid, credited, delivered, employed or remitted abroad to Brazilian withholding income tax at a 10% rate. Statutory exceptions include, among others, qualifying distributions of profits from periods through 2025 that were approved by December 31, 2025 and paid in accordance with the original approval terms, as well as specified payments to foreign governments on a reciprocal basis, sovereign funds and qualifying foreign pension entities. Applicable tax treaties must also be considered.

Law No. 15,270/2025 also establishes, at the option of a beneficiary resident or domiciled abroad, a Brazilian credit mechanism where the Brazilian company's effective taxation on profits plus the 10% withholding tax exceeds the applicable nominal IRPJ/CSLL benchmark. The procedure is subject to regulation, and the statute provides a 360-day period, calculated for each fiscal year, within which the foreign beneficiary may claim the credit.

Selective Tax (Imposto Seletivo - IS)

The consumption-tax reform created the federal Selective Tax (IS) on specified goods and services considered harmful to health or the environment, as defined by law. The tax is scheduled to take effect from 2027, and its rate and calculation method vary according to the relevant item and statutory regime.

REPETRO-SPED

Brazil maintains special customs and tax regimes for the oil and gas industry. Repetro-Sped is governed principally by Federal Revenue Service Normative Instruction No. 1,781/2017, as amended, and applies to qualifying goods used in exploration, development and production activities, subject to eligibility, habilitation and documentary requirements.

Under the current rules, Repetro-Sped remains available through December 31, 2040. The Federal Revenue Service currently identifies four Repetro-Sped modalities:

- a. Repetro-Permanente - definitive importation of qualifying goods for permanent stay in Brazil, with suspension of federal import taxes, subject to the conditions of the regime;
- b. Repetro-Temporário without proportional payment - temporary admission for economic use, with suspension of the proportional payment of federal taxes for qualifying goods;
- c. Repetro-Temporário with proportional payment - temporary admission for economic use, with proportional payment of the federal taxes due under the applicable temporary-admission rules; and
- d. Repetro-Nacional - acquisition on the domestic market of qualifying final products manufactured under the sector-specific industrialization regime, subject to the applicable requirements.

Repetro-Industrialização is a separate special industrialization regime governed principally by Federal Revenue Service Normative Instruction No. 1,901/2019 and should not be confused with the four Repetro-Sped modalities.

ICMS treatment under Repetro is not uniform throughout Brazil. It depends on the applicable CONFAZ framework, including ICMS Convention No. 03/2018, as amended, and on the legislation and implementing rules of the relevant state. Effective rates, exemptions or reductions, credit restrictions and other conditions must therefore be confirmed for the specific state, asset and transaction; a 3% blanket rate should not be assumed.

Double Taxation Treaties

Brazil maintains a network of bilateral income-tax treaties. The network continues to evolve; for example, the Brazil-Poland treaty was promulgated by Decree No. 12,865/2026, and several existing treaties have recently been updated by protocols. Because treaty status, effective dates, covered taxes and withholding limits change over time, the current official list and relevant treaty text published by the Brazilian Federal Revenue Service should be checked for the investor's jurisdiction. A country should not be treated as a treaty partner unless the relevant treaty is in force for Brazil.

Summary - Main Brazilian Taxes

The following table summarizes selected Brazilian taxes and the principal transition rules. It is intended as a high-level overview only; sector-specific regimes, tax incentives, treaties and the 2026-2033 consumption-tax transition may materially affect the effective tax burden.

Tax	Basis of Calculation	Rate / General Treatment
Corporate Income Tax (IRPJ)	Taxable corporate profit under the applicable regime	15% plus 10% surtax on the portion exceeding BRL 20,000 per month (or the corresponding assessment-period threshold).
Social Contribution on Net Profit (CSLL)	Corporate profit / applicable statutory basis	Generally, 9% for non-financial companies; higher rates apply to certain financial, insurance and similar entities.
PIS	Gross revenue, subject to the applicable regime	Legacy 2026 rates are generally 0.65% under the cumulative regime or 1.65% under the non-cumulative regime; extinguished from 2027 under the reform.
COFINS	Gross revenue, subject to the applicable regime	Legacy 2026 rates are generally 3% under the cumulative regime or 7.6% under the non-cumulative regime; extinguished from 2027 under the reform.
Import Tax (II)	Customs value of imported goods	Variable according to tariff classification, trade measures and special regimes.
Tax on Manufactured Products (IPI)	Taxable value under IPI rules	Variable by product classification (TIPI); scheduled to be reduced to zero for most products from 2027, subject to Manaus Free Trade Zone exceptions.
PIS-Import	Customs value of goods / statutory service-import basis	Generally, 2.1% on goods and 1.65% on imported services, subject to exceptions; affected by the reform from 2027.
COFINS-Import	Customs value of goods / statutory service-import basis	Generally, 9.65% on goods and 7.6% on imported services, subject to exceptions; affected by the reform from 2027.
Tax on Financial Transactions (IOF)	Credit, foreign exchange, insurance and securities transactions	Variable by transaction and applicable regulation.
Social Security Contributions (INSS)	Employee compensation / employer payroll	Employees: progressive rates of 7.5%-14% in 2026, up to the ceiling. Employers: generally, 20% plus RAT/FAP and third-party contributions, subject to exceptions.
ICMS	State taxable transactions, including goods/imports and specified services	State- and transaction-specific; gradual transition to IBS from 2029-2032; scheduled to be extinguished in 2033.
ISS	Price of services within the statutory list	Generally, 2%-5%, subject to exceptions; gradual transition to IBS from 2029-2032; scheduled to be extinguished in 2033.
Tax on Goods and Services (IBS)	Supplies and imports of goods and services under the reform	0.1% test rate in 2026 within statutory offset/waiver mechanisms; transition continues through 2032, with the full new model in 2033.
Contribution on Goods and Services (CBS)	Supplies and imports of goods and services under the reform	0.9% test rate in 2026 within statutory offset/waiver mechanisms; regular collection from 2027 under the reform.
Selective Tax (IS)	Specified goods and services are harmful to health or the environment, as defined by law	Effective from 2027; rate and method vary by item and statutory regime.
Withholding Income Tax on Dividends Remitted Abroad	Profits and dividends paid, credited, delivered, employed or remitted abroad	Generally, 10% from January 1, 2026, subject to statutory and treaty exceptions.

07

Intellectual property, technology transfer, digital law and data protection

Brazil is a member of WIPO and the WTO and is a party to the principal international intellectual-property treaties relevant to business, including the Paris Convention, Berne Convention, Patent Cooperation Treaty (PCT), TRIPS Agreement and Madrid Protocol for international trademark registration.

Brazil's principal industrial-property statute is Law No. 9,279/1996 (Industrial Property Law), which covers patents, utility models, industrial designs, trademarks, geographical indications and unfair competition. Copyright is principally governed by Law No. 9,610/1998, and computer programs by Law No. 9,609/1998 together with the applicable copyright rules. Foreign individuals and legal entities may obtain protection in Brazil, subject to Brazilian law and applicable treaties.

Applications for industrial-property rights are filed with the National Institute of Industrial Property (Instituto Nacional da Propriedade Industrial - INPI), commonly referred to in English as the Brazilian Patent and Trademark Office. Patent terms are generally 20 years from filing for invention patents and 15 years from filing for utility models, subject to statutory requirements. Trademark registrations are valid for 10 years from grant and may be renewed for successive 10-year periods.

Brazilian trademark practice recognizes non-traditional signs within the statutory framework. Position marks have been registrable with INPI since 2021. Advertising expressions and slogans are not automatically registrable merely because they are used in commerce; protection depends on whether the sign performs a distinctive trademark function and satisfies the Industrial Property Law and current INPI examination guidelines.

INPI has implemented initiatives to reduce examination backlogs and improve processing. Examination times vary by right, technical field and procedural history; current INPI statistics and priority or fast-track programs should be consulted when planning a filing strategy.

IP License Agreements and Technology Transfer

INPI is responsible for the recordal of specified licenses, assignments and other contracts involving industrial-property rights, and for the registration of certain technology-transfer and technical-assistance agreements. Current procedures and examination criteria are governed principally by INPI Ordinances No. 34/2025 and No. 35/2025, together with the applicable legislation.

The legal significance of INPI recordal or registration depends on the agreement. It may be relevant to effects against third parties and to regulatory, remittance or other legal consequences. Patent and trademark licenses, assignments, technology-supply agreements, technical-assistance arrangements and franchises should therefore be reviewed individually rather than treated as subject to a single, uniform registration rule.

Enforcement

Industrial-property infringement may give rise to civil remedies and, where the conduct is defined as an offense under the Industrial Property Law, criminal liability. Available measures may include injunctions, damages, search-and-seizure measures and customs action against suspected counterfeit or infringing goods, subject to applicable procedural and evidentiary requirements. Jurisdiction depends on the parties and the relief sought, and specialized courts exist in certain jurisdictions, including Rio de Janeiro.

Digital Law and Data Protection

Brazil's principal digital-law statutes include Law No. 12,965/2014 (the Brazilian Internet Civil Rights Framework, or Marco Civil da Internet) and Law No. 13,709/2018 (the Brazilian General Data Protection Law - LGPD). In addition, Law No. 15,211/2025 (the Digital Statute for Children and Adolescents - ECA Digital) establishes specific duties for digital products and services directed to, or likely to be accessed by, children and adolescents in Brazil.

The LGPD applies to the processing of personal data by private and public entities when its territorial criteria are met, including certain processing carried out by foreign entities that offer goods or services to individuals in Brazil or process data collected in Brazil. The LGPD requires a valid legal basis, compliance with principles such as purpose, adequacy, necessity, transparency and security, and respect for data-subject rights.

Data subjects have rights including confirmation and access, correction, information on sharing, portability in the circumstances established by law and regulation, and deletion or anonymization of unnecessary, excessive or unlawfully processed data, subject to statutory exceptions. International transfers of personal data must comply with Articles 33-36 of the LGPD and the mechanisms regulated by the ANPD.

In 2026, the ANPD was transformed into the National Data Protection Agency (Agência Nacional de Proteção de Dados), a special federal regulatory agency, by Law No. 15,352/2026. Relevant regulations include Resolution CD/ANPD No. 18/2024 on the data protection officer (encarregado), Resolution No. 19/2024 on international data transfers and standard contractual clauses, and Resolution No. 15/2024 on security-incident notification.

The ECA Digital entered into force in March 2026 and applies broadly to information-technology products or services directed to children and adolescents in Brazil or likely to be accessed by them, regardless of the provider's location. It establishes duties relating to prevention, protection, information, safety, age assurance, parental supervision, games, advertising and other matters. The ANPD is responsible for regulation and enforcement of the statute, supplemented by Decree No. 12,880/2026 and ongoing regulatory guidance.

08

Oil and gas sector and pre-salt

Brazil has substantial petroleum and natural-gas reserves, particularly offshore. According to ANP data for December 31, 2025, oil reserves proved approximately 17.488 billion barrels and proved natural-gas reserves approximately 572.8 billion cubic meters. The pre-salt has become the country's principal producing province.

In 2025, Brazilian oil production averaged approximately 3.8 million barrels per day, while natural-gas production averaged approximately 179.2 million cubic meters per day. Pre-salt oil production averaged about 3 million barrels per day, representing roughly 80% of national oil production.

Brazil continues to offer exploration and production opportunities both onshore and offshore. ANP's Open Acreage system is the principal bidding model for new exploration and production areas, under either the concession or production-sharing regime, depending on the legal classification of the area and the applicable CNPE decisions.

The pre-salt consists of large petroleum accumulations beneath extensive salt layers, particularly in the Santos and Campos basins. Development of these fields has driven advances in deep-water technology, high levels of capital investment and a substantial share of Brazil's oil and gas production. Areas within the pre-salt polygon that are not already subject to valid concession contracts are governed by the legal framework for production sharing when offered under the conditions established by Law No. 12,351/2010.

The diversification of operators, the Open Acreage system and the continuing development of pre-salt and other basins create opportunities for suppliers, service companies and investors. Participation, however, remains subject to ANP qualification, contractual requirements, environmental licensing, tax and customs rules, operational safety regulation and, where applicable, local-content obligations.

Recent Developments in the Equatorial Margin

Brazil's Equatorial Margin, comprising the Foz do Amazonas, Pará-Maranhão, Barreirinhas, Ceará and Potiguar basins, has seen significant recent exploration and regulatory developments.

In the Foz do Amazonas Basin, Petrobras obtained an environmental operating licence from IBAMA in October 2025 to drill an exploratory well in Block FZA-M-59, offshore Amapá. This authorization concerned exploration drilling rather than commercial production. In August 2026, Petrobras announced the identification of hydrocarbons in the Morpho well. On October 2, 2026, the company announced a further discovery in a deeper interval of the same well, located approximately 175 kilometres offshore in water depths of 2,886 metres. Evaluation remained ongoing, and these announcements should not be interpreted as confirmation of commercially recoverable reserves or approval of a production project.

Also on October 2, 2026, ANP approved the delineation of 11 new exploration sectors containing 501 blocks across the five Equatorial Margin basins. These areas cover approximately 380,000 square kilometres within the extension of Brazil's continental shelf. ANP expressly clarified that this technical delineation does not automatically include the blocks in the Open Acreage system. Any future offering remains subject to specific assessments and the applicable regulatory procedures; existing contracts are unaffected.

For investors and service providers, these developments indicate potential opportunities in geological and geophysical surveys, drilling, offshore logistics and related services. Commercial planning should nevertheless distinguish between exploration potential, confirmation of commercial viability and authorization for

development and production. Project schedules and investment commitments should account for environmental licensing, applicable ANP approvals and the outcome of further technical evaluation.

Innovation, Market Development and Energy Transition.

Brazilian exploration and production contracts include research, development and innovation (RD&I) obligations in the circumstances established by ANP regulation and the relevant contract. ANP reported that these contractual RD&I obligations generated approximately BRL 4.3 billion in 2025.

Eligible RD&I investments and their allocation are governed by ANP rules and the relevant contractual clause. Projects may include technologies for exploration and production and where permitted under the applicable regulatory framework, energy-transition, emissions-reduction and other technological initiatives relevant to the energy sector.

The Brazilian market includes Petrobras and numerous Brazilian and international private operators. The legal and contractual position of each project depends on the relevant concession, production-sharing contract, assignment or other title, as well as the participating interests of the consortium members.

The presence of multiple operators and service companies has broadened the supply chain and created additional opportunities for specialized offshore, subsea, drilling, engineering, logistics, digital and decarbonization services.

Energy-transition policies and decarbonization targets increasingly interact with the oil and gas sector through emissions-management requirements, methane and flaring initiatives, research and development, carbon markets and investments in lower-carbon energy. The legal treatment depends on the specific activity and should be assessed together with applicable petroleum, environmental and climate regulation.

Law No. 14,134/2021 (the New Gas Law) established the current statutory framework for the natural-gas market, including an authorization model for gas transportation and rules intended to promote competition and negotiated, non-discriminatory third-party access to specified essential infrastructure. Since July 2026, third-party access to LNG terminals has been regulated by ANP Resolution No. 1,003/2026. As of September 23, 2026, ANP's proposed regulation for negotiated third-party access to gathering pipelines and natural-gas treatment or processing facilities remained under Public Consultation and Hearing No. 13/2026, with the hearing scheduled for October 1, 2026.

09

Foreign investment

Brazil generally welcomes foreign investment and permits non-residents to invest in Brazilian companies, subject to the same corporate framework applicable to domestic investors and to sector-specific constitutional, statutory and regulatory restrictions.

Since Constitutional Amendment No. 6/1995, Brazilian law no longer maintains the former constitutional distinction between Brazilian companies based on national or foreign capital. Foreign direct investment generally includes non-resident equity participation in Brazilian entities. Other foreign-capital transactions, including intercompany loans, are governed by their own Central Bank reporting and foreign exchange rules.

Foreign direct investment is governed by Law No. 14,286/2021 and regulations issued by the Central Bank of Brazil (BCB), principally BCB Resolution No. 278/2022, as amended. Required information is provided through the Foreign Direct Investment Information System (Sistema de Prestação de Informações de Capital Estrangeiro de Investimento Estrangeiro Direto - SCE-IED).

The Brazilian recipient is generally responsible for SCE-IED information obligations relating to the investment. Event-based reporting may be required depending on the amount and nature of the transaction, and foreign exchange transactions must comply with the rules applicable at the time of the remittance or payment.

Periodic SCE-IED declarations depend on the recipient's total assets. Under the current framework, quarterly declarations apply where total assets are at least BRL 300 million on the relevant March 31, June 30 or September 30 reference date; annual declarations apply where total assets are at least BRL 100 million at the relevant year-end; and quinquennial declarations, for reference years ending in 0 or 5, apply from BRL 100,000 in total assets. No annual declaration is required in a year in which a quinquennial declaration is due.

Non-resident investors and their Brazilian investees may also require Brazilian tax registrations and local representatives, including CPF registration for individuals and CNPJ registration for legal entities, where applicable. Corporate documents executed abroad may require an apostille or legalization and a sworn translation before they may be used in Brazil, subject to the relevant registry requirements.

Foreign investment is subject to sector-specific restrictions and approvals in certain activities. In the oil and gas sector, investors must also satisfy the qualification, bidding, assignment, change-of-control and other requirements imposed by ANP and the applicable exploration and production contract.

10

Petrobras

Petróleo Brasileiro S.A. - Petrobras is a publicly traded mixed-capital corporation (sociedade de economia mista) controlled by the Brazilian Federal Union and remains Brazil's largest oil and gas operator. Petrobras' Business Plan 2026-2030 provides for total capital expenditure of approximately US\$ 109 billion. Of that amount, US\$ 69.2 billion is allocated to E&P projects in the Target Implementation Portfolio, approximately 62% of which relates to pre-salt projects.

Petrobras procurement is governed by Law No. 13,303/2016 (the State-Owned Companies Law), Decree No. 8,945/2016, where applicable, Petrobras' own Bidding and Contracts Regulation (RLCP), and the terms of each procurement. Procurement and supplier interactions are largely conducted electronically, including through Petronect and Petrobras' supplier-registration systems.

Standard contractual documents, technical requirements and procurement notices published by Petrobras should be reviewed before bidding. Risk allocation, liability, insurance, guarantees, local-content requirements, integrity obligations, tax allocation, payment conditions and qualification requirements may vary materially from one procurement to another.

Petrobras may use prequalification and supplier-registration mechanisms, and some procurements may be restricted to suppliers that satisfy prior technical or registration requirements. Registration does not eliminate the need to satisfy all qualification criteria specified in the relevant notice.

Challenges to procurement documents, requests for clarification, proposal evaluation, negotiation and qualification are governed by Law No. 13,303/2016, the RLCP and the specific procurement notice. Deadlines should not be assumed to be uniform across Petrobras procurements; the applicable notice and current RLCP should be checked in each case.

Administrative appeals and other review mechanisms are likewise governed by the applicable procurement rules and notice. After completion of the procurement phases, Petrobras may award the contract, negotiate within the permitted framework, revoke the procedure for justified reasons, or annul it in the circumstances provided for by law and regulation.

Article 1, paragraph 7, of Decree No. 9,355/2018 provides that procurement carried out by consortia operated by Petrobras is subject to the private-law regime applicable to private companies. Accordingly, procurement for a Petrobras-operated consortium may follow a private procurement process rather than Petrobras' ordinary public-company bidding rules, depending on the relevant contractual structure.

11

Regulatory law (oil and gas)

The Petroleum Law (Law No. 9,478/1997) ended Petrobras' exclusive exercise of the Federal Union's constitutional monopoly over petroleum activities, established the concession regime, and created ANP. Exploration and production of petroleum and natural gas remain activities constitutionally reserved to the Federal Union, but may be carried out by private companies under the contractual and regulatory regimes established by Brazilian law.

Law No. 12,351/2010 established the production-sharing regime for exploration and production in the pre-salt polygon and strategic areas. Brazil therefore operates under a mixed upstream framework: existing concessions remain valid, including concessions covering producing pre-salt fields, while new areas are offered under concession or production sharing according to their legal classification and CNPE decisions. Law No. 13,365/2016 replaced Petrobras' former mandatory operatorship in all production-sharing blocks with a preferential right: where Petrobras elects, and the CNPE/Presidency determines that it will operate a block, its participation may not be lower than 30%.

The Open Acreage system (Oferta Permanente) is currently the principal bidding model for exploration and production areas in Brazil. It comprises Open Acreage under the concession regime (Oferta Permanente de Concessão - OPC) and Open Acreage under the production-sharing regime (Oferta Permanente de Partilha da Produção - OPP).

Eligible blocks and areas remain available for expressions of interest and may be included in successive bidding cycles. Blocks within the pre-salt polygon or strategic areas may be included in the production-sharing Open Acreage only following specific CNPE deliberation defining the applicable parameters.

ANP is the federal regulatory agency responsible, within its statutory authority, for regulating, contracting and supervising economic activities in the petroleum, natural-gas and biofuels industries. Its functions include conducting bidding and Open Acreage procedures, entering into and supervising exploration and production contracts on behalf of the Federal Union where legally provided, managing technical data, and monitoring compliance with regulatory and contractual obligations.

ANP also regulates and authorizes activities in other segments of the petroleum and natural-gas industries, including processing, transportation, storage, distribution, commercialization, imports and exports, as provided by the Petroleum Law, the New Gas Law and sector-specific regulations.

Brazil maintains contractual local-content obligations in exploration and production. Applicable percentages and measurement rules vary according to the bidding round, contractual regime, amendments, and any approved adjustment or waiver. The local-content clause of the relevant concession or production-sharing contract and the current ANP rules must therefore be reviewed for each project.

Authorizations for refineries, processing facilities, pipelines, storage facilities, LNG terminals and other midstream or downstream activities depend on the activity and the applicable ANP regulations. Natural-gas transportation and infrastructure access must also be assessed under Law No. 14,134/2021 and the regulations in force at the time of the project.

Investors should conduct project-specific regulatory due diligence covering the applicable E&P title, ANP qualification and approvals, environmental licensing, operational safety, local content, decommissioning and abandonment security, unitization where relevant, tax and customs regimes, foreign investment, labor and immigration, integrity rules, and any restrictions arising from the specific contract or bidding notice.

Legal notice and sources

This report was prepared by Murayama Affonso Ferreira e Mota Advogados as a general overview. It does not constitute legal, tax, regulatory or investment advice. The legal and regulatory review was updated through September 2026. Laws, regulations, administrative practices and tax rates may change, and the application of the rules depends on the facts of each case. Specific Brazilian legal and tax advice should be obtained before any transaction or investment decision.

Primary official sources consulted for the 2026 legal review:

Presidency of the Republic / Planalto - Federal Constitution and federal legislation

Federal Revenue Service (Receita Federal) - taxation, customs, tax reform, Repetro and tax treaties

Central Bank of Brazil (BCB) - foreign capital, foreign exchange and SCE-IED

Ministry of Justice and Public Security / National Immigration Council (CNIg) - immigration and residence authorizations

Ministry of Labor and Employment / eSocial - labor, employee registration and remuneration-transparency rules

ANP; INPI; ANPD; IBGE; and Petrobras - oil and gas regulation and statistics, intellectual property, data protection, economic data and corporate information

Equatorial Margin developments updated through October 5, 2026.

Legal review cut-off: September 23, 2026.