



READY FOR THE CHALLENGES OF THE FUTURE

Annual Report 2019

ODEBRECHT

**THE WAY OF WORKING
AND DOING BUSINESS IN
THE WORLD IS CHANGING.
WE ARE PREPARED FOR
THIS MOMENT.**

TRANSFORMATION

A close-up, low-angle shot of a person's foot wearing a bright orange sneaker with a white sole, stepping up a blue metal staircase. The background is a solid blue color, creating a monochromatic effect. The text is overlaid on the lower right portion of the image.

WE HAVE UNDERGONE **A MAJOR TRANSFORMATION**
THAT ENABLES US TO **BUILD TODAY THE FUTURE**
TO WHICH WE ASPIRE.

DIALOGUE




A FUTURE THAT INCLUDES ODEBRECHT **RECONNECTING**
WITH SOCIETY THROUGH **DIALOGUE, TRANSPARENCY,**
ETHICS AND INTEGRITY.

SUSTAINABILITY

A close-up photograph of a person's hand gently touching a large green leaf. The background is filled with more green foliage, creating a lush, natural setting. The lighting is soft and natural, highlighting the textures of the skin and the leaves.

A FUTURE MARKED BY A **CONSTANT DRIVE FOR INNOVATION**
AND THE DETERMINATION TO ADOPT **SUSTAINABLE**
SOLUTIONS THAT MAKE A DIFFERENCE IN PEOPLE'S LIVES.

EVOLUTION



A FUTURE GROUNDED IN THE ENGAGEMENT OF EACH OF OUR TEAM MEMBERS. THEY ARE THE DRIVING FORCE BEHIND OUR TRANSFORMATION TO BUILD A BETTER WORLD.



A R 2 0 1 9

OUR INTERNAL TRANSFORMATION JOURNEY AND THE RESTRUCTURING OF OUR BUSINESS THAT BEGAN THREE YEARS ARE THE FOUNDATION FOR NEW OPPORTUNITIES IN SUSTAINABLE GROWTH FOR THE ODEBRECHT GROUP.

We are guided on this journey by our commitments to society, the first of which is always act ethically, with integrity and transparency.

We continue to enhance our governance and to strengthen the performance of our Businesses by disseminating and putting into practice the new policies and directives that have renewed the corporate culture of a group with over 75 years of experience, accumulated knowledge and expertise in the various fields in which we operate.

The force that drives us is our team members, with their capacity to overcome adversity and transform challenges into solutions in the form of products and services that improve people's lives and contribute to sustainable development in the various regions in which we operate and serve. The dedication and energy of our team members are our greatest assets.

Our deliveries and accomplishments on this transformation journey, as shown by the performance highlights of our companies in 2018

and the first quarter of 2019, point to a new phase of growth, which would be even more robust if Brazil and the other countries we serve were to surmount the structural limitations of their economies.

The immediate challenge facing Odebrecht S.A., the Group's holding company, is stabilizing its financial situation, including approval by its creditors, ratification by the Courts and execution of the court-supervised reorganization plan, in accordance with the petition filed on June 17, 2019.

In parallel, we are working hard to rebuild the company's reputation and to plan how Odebrecht will be decades from now, for example, in 2044, on its 100th anniversary.

That is how we are building the future: based on our experience and knowledge, always driven by the force of our spirit of service and attentive to the ever-accelerating transformations in the world.

*We reference the indicators of the reporting framework of the Global Reporting Initiative (GRI) in the footnotes and, when appropriate, relate them to the Sustainable Development Goals (SDGs) of the United Nations. The GRI is an independent international organization that establishes standards for the reporting of results and impacts by companies, governments and other organizations in areas such as the environment, human rights and combatting corruption.

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**HOW WE
PREPARED THE
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**“WE HAVE LEARNED
FROM THE RECENT
PAST AND CONTINUE TO
LEARN SO THAT WE
CAN BETTER MEET,
IN THE COMING
FUTURE, THE NEEDS
OF OUR CLIENTS, THE
EXPECTATIONS OF OUR
SHAREHOLDERS AND
THE DEMANDS
OF SOCIETY.”**



Ruy
Sampaio

CHAIRMAN OF THE BOARD
OF ODEBRECHT S.A.

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF ODEBRECHT S.A.

Yes, we have in fact learned and evolved from the experiences of the recent past. We face the challenge of returning onto a path of consistent growth. We need to evolve much more. We need to evolve in our way of thinking and acting. We live in a world of constant and rapid transformations. A world that is substantially different from the one in which most of us studied and in which we picked up habits and behaviors that no longer fully apply. We need, all of us, to acquire habits and develop behaviors consistent with the future that is knocking on our door and that will continue to constantly evolve.

Yes, we must demonstrate our ethical conduct and act with integrity and transparency in how we do and attract business. We must be at once courageous, dedicated and innovative. In late 2018, the board of directors of Odebrecht S.A. approved the group's strategic direction, which was proposed by the chief executive officer, after successive and productive debates that involved the directors, the global advisory council and our executives. Soon, we will formulate our 2030 Vision.

The strategic direction of the Odebrecht Group is based on three key fronts: financial stabilization, rebuilding the image and reputation and building the future.

These fronts were the topics of our annual meeting in 2018, which can be summed up in three words: exist, coexist, dream.

To exist, first we must balance our financial situation. We must ensure our healthy survival. In 2019, we will continue the program to restructure the Group's assets and finances.

“TO DREAM, WE MUST BELIEVE IN OUR FUTURE. WE MUST TRUST IN OUR INNOVATIVE ACTIONS. WE MUST DRAW ON THE COMPETENCE AND BOLDNESS OF OUR YOUNG PROFESSIONALS.

To coexist interactively and productively in the communities where we operate, we must demonstrate that we have learned and have changed. We know the way.

To dream, we must believe in our future. We must trust in our innovative actions. We must draw on the competence and boldness of our young professionals.

It is you, young professionals, with innovative ideas and actions who will lead us into the future to which we aspire.

I ask all young professionals at Odebrecht to think about how we can innovate, always. Provoke your leaders and their leaders.

You can count on the support from my generation. Take the initiative in incorporating new ideas, proposing new ways of working and achieving. Be bold, innovate and dream with your eyes open.

Together we will continue a history of accomplishments of 75 years begun in Salvador, Bahia by Norberto Odebrecht and passed on to Brazil and the world by successive generations of entrepreneurs formed in the Group. Together we will make our dreams a reality.

I trust in you young professionals from our newer generations to return us onto a path of growth and development. For that, I also am counting on the support of my colleagues on the board of directors and on the efforts and dedication of our chief executive officer, his team and the Business leaders.

RUY SAMPAIO
Chairman of the Board
of Odebrecht S.A.

“ODEBRECHT GROUP TEAM MEMBERS HAVE PROVEN THEIR STRENGTH BY OVERCOMING IMMENSE CHALLENGES IN RECENT YEARS. **WE PRIZE THEIR EFFORTS THAT ALLOWED US TO STAY ON COURSE TO RESUMING GROWTH IN OUR BUSINESSES.**”



Luciano
Guidolin

CHIEF EXECUTIVE OFFICER
OF ODEBRECHT S.A.

With its dynamic and diverse portfolio of Businesses and Investments, how does Odebrecht S.A. create sustainable value for society and all stakeholders?

Luciano Guidolin - The Odebrecht Group has made considerable advances in recent years, as shown by the transformation journey on which we embarked in 2016. Our Businesses continue to move forward, and our team members remain focused on excellence and efficiency in our operations, as well as attentive to opportunities for innovation, as you can see in examples throughout this report. The results and achievements of 2018 confirm our capacity to create value and to serve clients and society in all sectors in which we operate. Examples include progress on construction of hydroelectric plants in Brazil and Angola, the consolidation of operations in the oil and gas sector, growth in sugar and ethanol production, innovations in the petrochemical sector and the delivery of large-scale real estate projects.

There is no denying that the capacity of our teams and their achievements in our various Businesses is sometimes overshadowed by public opinion in light of past events. But, by monitoring the performance of each Business, we have seen how the strength of our culture reflected in our spirit to serve is the common bond that unites all of us in the Odebrecht Group, driving us to overcome challenges every day and to build a better future.

What are the main challenges of the Businesses and how has the holding company helped to overcome them?

Luciano Guidolin - Odebrecht S.A. plays the role of the guardian of the culture and is responsible for giving the group a shared strategic direction, supported by our policies and the commitments we have undertaken. Our main challenges are coordinating solutions to surmount this moment of financial stabilization and to consolidate the changes arising from restructuring our Businesses. In line with the concepts of decentralization and

delegation of our culture, we manage the portfolio of Businesses by respecting their self-sufficiency and decision-making autonomy. A constant challenge of some of the Businesses is to strike a balance between creating value and keeping debt at a comfortable level to create adequate conditions for resuming investment and developing new projects. The groundwork for this financial restructuring was a key focus of our work in 2018 and will remain as such in 2019. The advances in our systems and processes demonstrate how we continue to fulfill our commitments to society in an effort led by Odebrecht S.A., in synergy with each Business.

What signs have you seen of growing trust on the part of society and stakeholders in the Odebrecht Group's commitment to ethics, integrity and transparency?

Luciano Guidolin - In Brazil and several countries, we signed leniency agreements with authorities and complied with all the conditions established therein. We have met the goals of the external monitoring process established in the agreements signed with the U.S. Justice Department and the Brazilian Federal Prosecution Office, which included implementing new processes and controls in all areas of Odebrecht S.A. and in each Business.

The restructuring of the boards of directors of the holding company and of each Business, with larger participation of independent directors; the removal of barriers to our companies acting as service providers, such as by Petrobras in Brazil; the transparency in publishing new policies; team members' participation in compliance training; and the engagement of civil society in initiatives to combat corruption, among so many other examples, demonstrate that we made great headway in reclaiming our right to coexist and our social license to operate.

With the many changes we have implemented over the last two years, I can confidently say that

we are fully prepared to serve and to create value for our clients and for society in general. Our collaboration with the authorities in countries where we have yet to sign leniency agreements has advanced positively, as exemplified by the agreements and commitments we have signed since 2016.

What is the role and importance of team members on the transformation journey and for the renewed growth of the Odebrecht Group?

Luciano Guidolin - The Odebrecht Group is over 47,000 team members dedicated every day to delivering innovative solutions. We are the driving force behind the benefits and positive impacts that our Businesses and Investments produce in several sectors and regions. The past few years have demanded intense effort and resilience to continue delivering on our commitments at each Business. And we have honored all those commitments.

There are still important challenges and adjustments to be made on various fronts. In recent years when we had to be more efficient, productive and disciplined, the delivery capacity and the commitment of our teams to our culture have been test proofed. As managers of a portfolio of Businesses, we are responsible to demonstrate to all our team members how much we recognize their efforts and value their professional capacities. This is an essential step to enable us achieving our goals for the next three years.

What is the Odebrecht Group's outlook for the next three-year period?

Luciano Guidolin - The strategic guidelines for the next three-year period are concentrated on three fronts: financial stabilization, rebuilding our reputation through transparent relations with society and planning for a resumption in growth and investment. On the financial stabilization front, Odebrecht S.A. and some of its subsidiaries were forced to file a petition for court-supervised reorganization on June 17, 2019.

Our operational companies, with the exception of Atvos, which had resorted to the same protective measure, are not included in such reorganization. Therefore, now we are focused on moving forward in these processes. We are confident that we will complete this phase successfully and will soon be embarking on a cycle of sustainable growth.

On the second front, all actions and initiatives are aimed at reconnecting the Odebrecht Group with society. We acknowledged our mistakes, undertook commitments and transformed ourselves to serve, ethically and transparently, the countries in which we operate. These actions go beyond internal changes to include initiatives for improving ethics, integrity and transparency of external business environments, among other aspects. We only conduct business in strict compliance with all laws and regulations and do not tolerate any acts of corruption or any other misconduct in violation of laws or in conflict with our commitments.

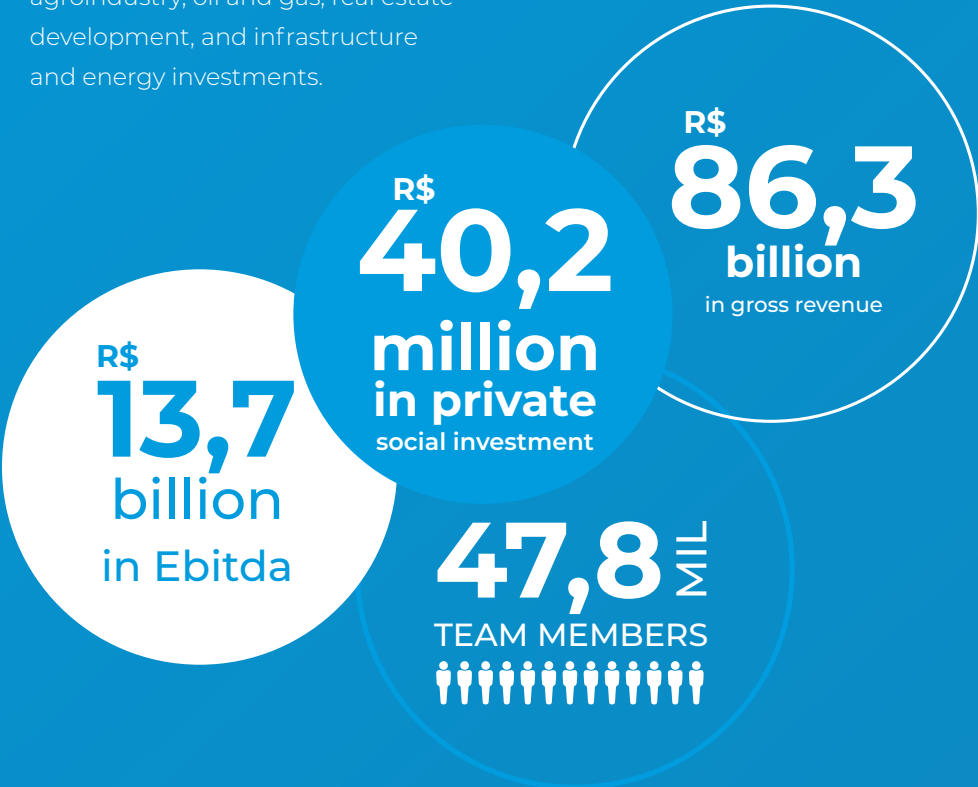
The third front is marked by our positive aspirations and the belief that society also benefits from innovative and transformative businesses. The achievements of future generations will only be possible if the world evolves towards a consumption model marked by economy of resources such as in water and food, by lower carbon emissions and more renewable energy. A world in which smart cities and infrastructure help improve quality of life and reduce social inequality. We, at the Odebrecht Group, are dedicated to surmounting all challenges and being a part of this future.

THE ODEBRECHT GROUP IN NUMBERS

The Odebrecht Group, which was founded in Brazil, has operations and representative offices in 27 countries and a diversified portfolio of Businesses and Investments in engineering and construction, petrochemicals, agroindustry, oil and gas, real estate development, and infrastructure and energy investments. Odebrecht S.A. is the holding company of this dynamic portfolio of Businesses of Businesses and Investments that are financially self-sufficient to manage their operations and assets independently.

7 Businesses

Operations in engineering and construction, petrochemicals, agroindustry, oil and gas, real estate development, and infrastructure and energy investments.



- | | | |
|-------------------------|------------------------|--|
| 1. Germany | 8. United States | 14
14 countries with Odebrecht Group operations |
| 2. Angola | 9. Ghana | |
| 3. Argentina | 10. Mexico | 13
13 countries with representative offices of the Businesses |
| 4. Brazil | 11. Panama | |
| 5. Colombia | 12. Peru | |
| 6. United Arab Emirates | 13. Dominican Republic | |
| 7. Ecuador | 14. Venezuela | |

**WHAT IS OUR ROLE
AS A STRATEGIC
HOLDING COMPANY?**

R A 2 0 1 9

WE HAVE A **DYNAMIC
PORTFOLIO OF SELF-
SUFFICIENT BUSINESSES
AND INVESTMENTS** AND
ACT AS **THE GUARDIAN
OF OUR BUSINESS
CULTURE** THROUGH
WELL-ESTABLISHED
GOVERNANCE.

**ABOUT THE
ODEBRECHT GROUP**



THE ODEBRECHT GROUP

At the Odebrecht Group, we are more than 47,000 team members working under a single culture based on the concepts and principles of the Odebrecht Entrepreneurial Technology (TEO). Our technical and planning capacity, combined with the execution experience of our teams, is a major competitive advantage in all our Businesses, recognized by society and clients in each country where we operate.

As the manager of a dynamic portfolio of Businesses and Investments, Odebrecht S.A. provides alignment with our culture and its practice through policies and directives consistent with our commitment to always act ethically, with integrity and transparency. This is achieved by our participation on the board of directors of each Business, which is a governance body providing follow up on business strategies and supervision of the management of each

Business to ensure sustainable performance and growth in all operations.

Our commitment to transparency and to transforming our governance is constantly advancing with the adoption of effective actions to ensure compliance of all processes, the restructuring of businesses and the adoption of best practices in corporate governance. In 2018, our board of directors was completely renewed. New policies and directives were approved guiding all our business practices.

To learn more about the advances in our commitment to the future and to society, see the timeline with our key actions and achievements on the website Our Commitment. And learn more about our internal transformations on our corporate website.

AT THE ODEBRECHT GROUP, WE ARE MORE THAN 47,000 TEAM MEMBERS WORKING UNDER A SINGLE CULTURE.

 **MORE INFORMATION**
Timeline
Our Commitment

 **MORE INFORMATION**
Transformation Journey
Odebrecht website



OUR GOVERNANCE

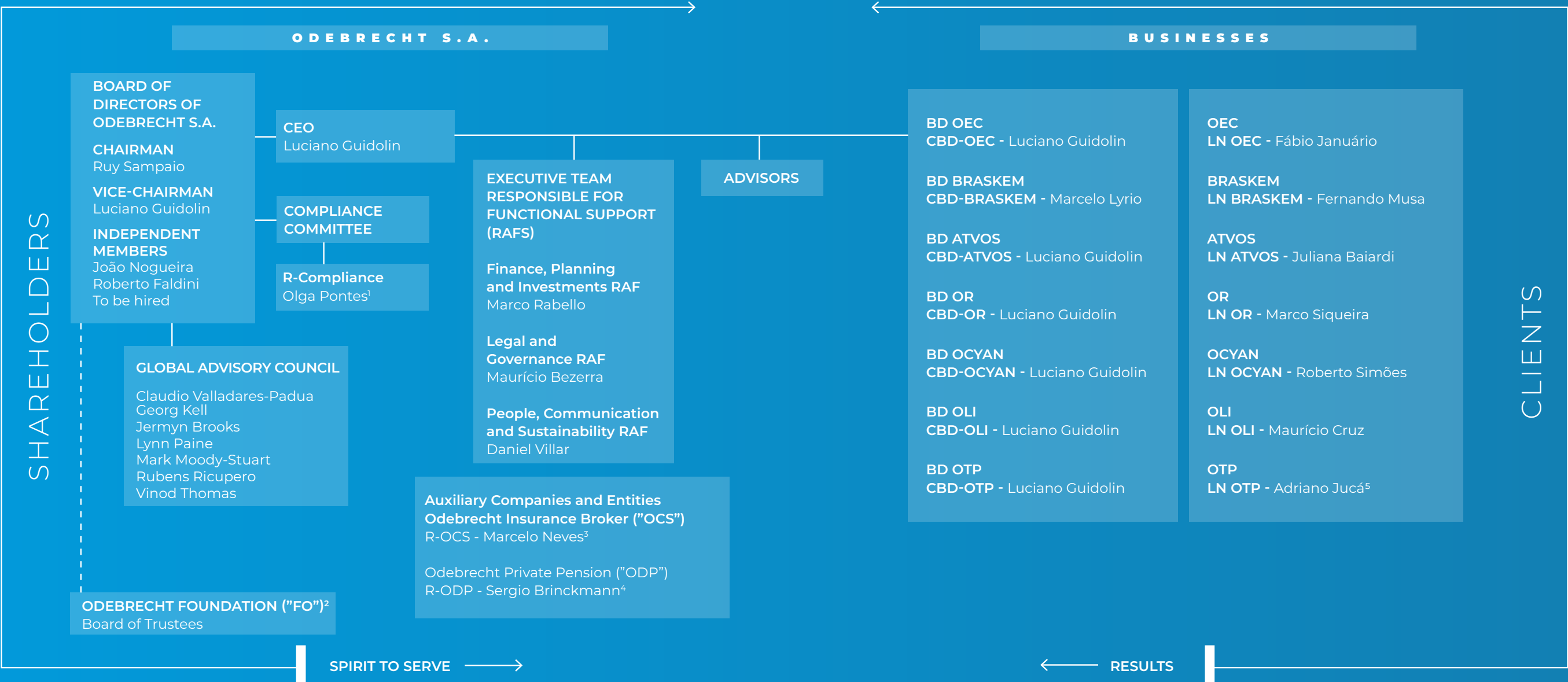
Our corporate governance encompasses all management, communication and process systems used to manage and monitor the

holding company as well as how it interacts through specific board of directors with the Businesses in which it invests. The Corporate

Governance Policy of Odebrecht S.A. establishes the concepts, guidelines and practices that we adopt to support the operations and growth of

the Odebrecht Group and to ensure alignment with our culture.

Our governance structure



*The Odebrecht's governance structure is horizontal because it depicts the entrepreneurial action line connecting clients with shareholders.
(1) Olga Pontes reports directly to the Compliance Committee (2) ODB is the sponsor of Odebrecht Foundation (3) Led by the Finance and Investments RAF (4) Led by People Management and Communication RAF (5) Business Leader interim

BOARD OF DIRECTORS

The board of directors, the main body in our corporate governance structure, is responsible for approving the strategic guidelines and supervising the management of Odebrecht S.A. It operates in accordance with the law, the bylaws of Odebrecht S.A., the Corporate Governance Policy and the body's charter. In 2018, the composition of the board was reformulated with a majority of independent members. Currently, the board is composed of four members, all of whom were elected by the shareholders' assembly.

The board of directors is supported by three advisory committees (see chart). The function of these committees is to analyze, without decision-making powers, the matters in their field of expertise to support with expertise and recommendations the decisions of the board of directors. The committees operate in accordance with the Corporate Governance Policy of Odebrecht S.A. and the charter of the board of directors. Only board members with qualifications in the field of expertise may compose these committees.

The bylaws of Odebrecht S.A. provide for the establishment, when requested by shareholders, of an audit board. This body is responsible for supporting the supervision of management to protect the creation of value for shareholders and society. In 2018, no audit board was established.

COMPOSITION OF THE BOARD OF DIRECTORS OF ODEBRECHT S.A.*

RUY SAMPAIO

Chairman

LUCIANO GUIDOLIN

Vice-Chairman

JOÃO NOGUEIRA

Independent member

ROBERTO FALDINI

Independent member

INDEPENDENT MEMBER TO BE HIRED



MORE INFORMATION
Videos with testimonials of the
board members of Odebrecht S.A.

Compliance Committee

Responsible for upholding the permanent commitment of Odebrecht S.A. to act ethically, with integrity and transparency, in accordance with the Compliance Policy. Its duties include the internal audit and the terms of interaction with the external independent auditors, particularly with regard to instances of non-compliance and enhancements of controls and processes.

Culture, People and Sustainability Committee

Responsible for upholding good practices in the corporate culture, the succession of leaders, the definition of compensation parameters, coherence in determining the holding company's macrostructure and supporting decisions on matters related to sustainability.

Financial and Investment Committee

Created in 2018 to analyze financial matters, investments in general, the composition of the Business portfolio, the holding company's financial risks and proposals to engage and supervise the work of the external auditors.

“THE CREATION OF
A BOARD WITH
A MAJORITY OF
INDEPENDENT
DIRECTORS IS
A PROFOUND
TRANSFORMATION
FROM THE
MANAGEMENT
STANDPOINT.”



João
Nogueira

INDEPENDENT DIRECTOR
OF ODEBRECHT S.A

“I AM CONVINCED THAT WE ARE REBUILDING THE FOUNDATIONS FOR OUR FUTURE, CONSOLIDATING OUR DEBT, RESTRUCTURING THE COMPANY AND STREAMLINING WHERE NEEDED. THAT IS THE MASSIVE CHALLENGE ON WHICH THE BOARD AND ALL EXECUTIVES AND THEIR TEAMS ARE WORKING.”



Roberto
Faldini

INDEPENDENT DIRECTOR
OF ODEBRECHT S.A

Global Advisory Council

In addition to its advisory committees, the board of directors draws on the support of the global advisory council, an advisory body without decision-making powers formed by members of recognized knowledge and extensive experience in various fields. Its main function is to contribute to the Group's development of a broad and diversified geopolitical perspective to strengthen its management in areas such as governance, sustainability and strategic direction. The global advisory council work agenda follows an annual calendar of activities.

In 2018, the highlight was an annual meeting of the members of the global advisory council and the leaders of the Odebrecht Group, which was held in September in São Paulo. The central theme of the series of seminars and working sessions was refining the strategic direction of the holding company and of its Businesses for the period 2019-21.

To learn about the academic education, professional background and messages of the members of the global advisory council, see the governance and transformation journey sections of the Odebrecht S.A. website, which also has a video with testimonials.

COMPOSITION OF THE GLOBAL ADVISORY COUNCIL

CLAUDIO VALLADARES-PÁDUA

Co-founder and vice-president of the board of Instituto de Pesquisas Escológicas (IPE), Brazil

GEORG KELL

Founder and former executive director of the UN Global Compact

JERMYN BROOKS

Pioneer in global anti-corruption initiatives in the World Economic Forum, United Nations and corporate world

LYNN S. PAINE

Senior associate dean at Harvard Business School

MARK MOODY-STUART

President of the Global Compact Foundation and vice-president of the board of the United Nations Global Compact

RUBENS RICUPERO

Diplomat and former minister of finance and environment, director of the Armando Álvares Penteado Faculty, Brazil

VINOD THOMAS

Professor at the National University of Singapore and former senior vice-president of the World Bank

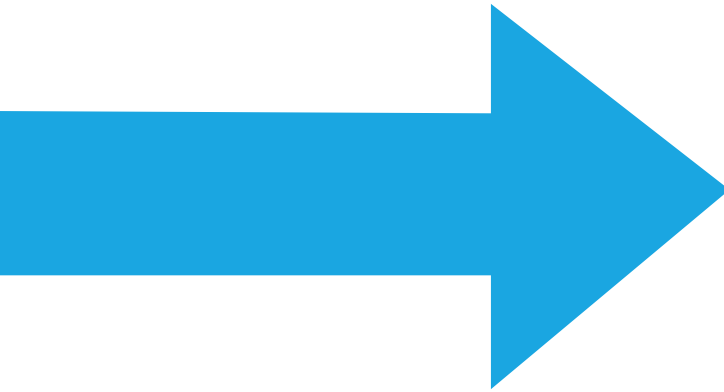


MORE INFORMATION
Governance Page
Odebrecht website

Executive Team

The chief executive officer of Odebrecht is responsible for the executive management of Odebrecht S.A., external representation of the holding company, compliance with all decisions of the board of directors, ensuring alignment with the culture through policies and directives. The chief executive officer is supported in these duties by three executives specified in the bylaws.

The executive team is responsible for the management of financial, planning, investment, governance, legal, people, communication and sustainability matters. The chief executive officer and other officers specified in the bylaws participate as members nominated by Odebrecht S.A. to the board of directors at each Business .



ADVANCES IN OUR
CORPORATE GOVERNANCE

6 **new policies**
approved by
the board
of directors
since 2016

1 **new policy**
in 2018
(Legal Affairs)

21 **new internal directives**
with guidance on processes and activities
approved from 2018 to March 2019 in the areas
of people, governance, planning, financial,
processes and controls, and social investment

2nd
annual meeting
of the Global Advisory
Council, in São Paulo

Refinement of the
strategic direction
for the three-year
period **2019/
2021**

NEW COMPOSITION OF THE BOARD OF DIRECTORS

2
**independent
directors**

Creation of
the **financial**
and investment
committee

16 **meetings**
of the board of
directors in 2018

12 **meetings**
of the compliance
committee in 2018

4 **meetings**
of the culture, people
and sustainability
committee in 2018

**HOW DO WE
CREATE VALUE IN
OUR BUSINESSES
AND INVESTMENTS?**

R A 2 0 1 9

OUR TEAM MEMBERS
DRIVE VALUE CREATION
IN OUR BUSINESSES
AND INVESTMENTS
BY STRENGTHENING
OUR COMMITMENT TO
SUSTAINABLE DEVELOPMENT
AND BY ACTING ETHICALLY,
WITH INTEGRITY AND
TRANSPARENCY.

**HOW WE
CONDUCT BUSINESS**



ETHICS, INTEGRITY AND TRANSPARENCY

The Odebrecht Group's transformation over the past three years has been extensive and profound. The commitment we made to Brazil, in 2016, to act ethically, with integrity and transparency, remains unshakable and has led

to a series of measures implemented across the Group to adopt best practices internally and transform the business environment in which we operate.

1 FIGHT AND SHOW ZERO TOLERANCE FOR CORRUPTION
in all its forms, including extortion and bribery.

4 NEVER RELY
on cultural or customary market conditions as a justification for illicit actions.

7 ENSURE THAT ODEBRECHT
practices the Compliance System throughout the Businesses' value chain, always up to date with the best benchmarks.

9 INCORPORATE INTO MEMBERS' ACTION PROGRAMS
evaluations on performance concerning the Compliance System practice.

2 SAY NO FIRMLY
and determinedly to business opportunities that conflict with this commitment.

5 ENSURE TRANSPARENCY
in information about Odebrecht, which should be accurate, comprehensive and accessible and published on a regular basis.

8 INDIVIDUALLY AND COLLECTIVELY CONTRIBUTE
to necessary changes in the markets and settings where misconduct may be induced.

10 HAVE THE CONVICTION
that this commitment will keep us on the path of Survival, Growth and Perpetuity.

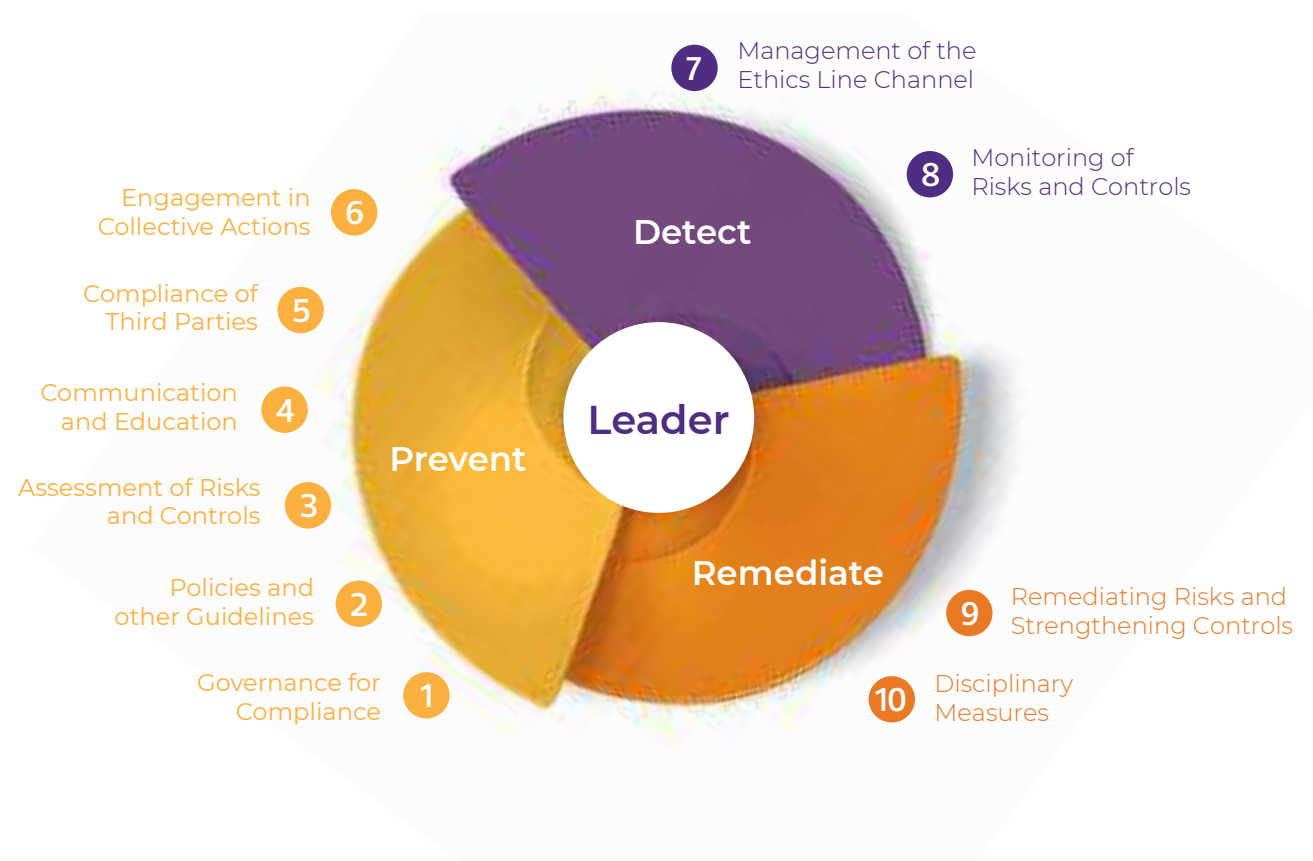
3 ADOPT PRINCIPLES FIRMLY
grounded on ethics, integrity and transparency in relations with public and private agents.

6 BE AWARE
that misconduct, whether by action or omission or disregard is harmful to society, breaks laws and destroys the image and reputation of the Odebrecht Group as a whole.

Compliance System

Odebrecht S.A. and each of its Businesses have a team dedicated to compliance that reports to the respective board of directors. Leaders at each team interact through the Integrated Compliance Committee (CIC) to harmonize processes and track advances in the compliance system using indicators standardized across the Group.

The practice of the Policy on Compliance to Acting Ethically with Integrity and Transparency and the continuous enhancements to the compliance system, which encompass a series of measures to prevent, detect and remediate risks, attest to the effectiveness of our strategy and the maturity of our management.



- 01. Governance for Compliance >** The Policy on Compliance applies to all fully -owned subsidiaries of Odebrecht S.A. This same policy also guides members nominated by Odebrecht to the board of directors of each Business.
- 02. Policies and other guidelines >** We published six new policies and 16 directives of Odebrecht S.A., which establish how we conduct business and formalize processes. They also serve as references for the Businesses..
- 03. Assessment of risks and controls >** We approved our Risk Management Policy, which will be progressively implemented between 2018 and 2020.
- 04. Communication and education >** We intensified our communication actions and the preparation and training of our team members to strengthen the culture of compliance throughout the entire Group.
- 05. Compliance of third parties >** We prepared a Due Diligence and Third-Party Integrity Directive and made advances in prioritizing and evaluating suppliers.
- 06. Engagement in collective actions >** We supported the proposal for the creation of the Observ Institute, an independent platform for ensuring transparency in and enabling the monitoring of public bidding processes and the execution of public works projects. We also participated, as a member company, in the working group on Integrity and signed the Letter of Commitment to the Business Movement for Integrity and Transparency, of the Ethos Institute.
- 07. Management of Ethics Line channel >** We continue to operate through an external specialized firm the ethics line channel created in 2017. The R-Compliance is responsible for managing the channel and investigating all reports received.
- 08. Monitoring of risks and controls >** We conducted an internal audit of Odebrecht S.A. in 2017, which included the first cycle of the evaluation of processes.
- 09. Remediating risks and strengthening controls >** Mitigating risks strengthens the control environment, with options that include eliminating, reducing, sharing or accepting risks, while respecting the risk tolerance and appetite, as established in the Risk Management Policy.
- 10. Disciplinary measures >** They comprise actions required to deter and correct violations of the Code of Conduct, of our Commitment to Ethics, Integrity and Transparency and of our policies and other guidelines. The Ethics Committee is responsible for ensuring the proportionality and balance of the disciplinary measures.

Training and awareness

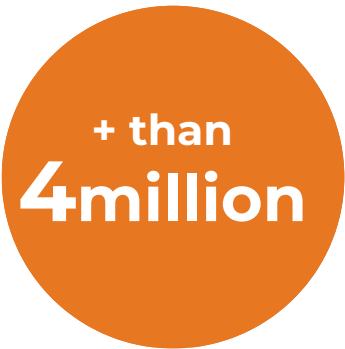
New communication campaigns and training programs for the compliance system demonstrate the Odebrecht Group's commitment to strengthening in each team member the practice of ethical business conduct grounded in integrity and transparency. We periodically use the holding company's communication channels to keep team members informed and updated on the guidelines of Odebrecht S.A. Furthermore, in 2018 and early 2019, the holding company conducted campaigns associated with the mandatory training programs for all team members on conflicts of interest, anti-corruption and free competition, as well as specific campaigns on the exercise of political rights and the use of the Ethics Line channel.

One of the highlights of these communication actions was the opportunity for all team members to interact with the independent external monitors indicated by the U.S. Department of Justice and the Brazilian Federal Prosecution Office (MPF) to accompany the performance of the agreements signed in 2016 by Odebrecht S.A. with these authorities. In 2018 and once again in early 2019, during events streamed live to the entire Group, the

monitors presented the main advances in their work to ensure compliance with the agreements and took questions from team members, thus promoting transparency and dialogue.

On the ODB News website, we launched a series of videos on compliance featuring testimonials from our leaders and stakeholders. The platform, which is focused on our team members, may be accessed by external stakeholders as well.

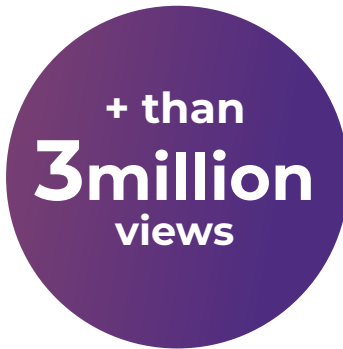
As part of the training actions at Odebrecht S.A., in 2018, all members of the board of directors and 99% of team members at Odebrecht S.A. underwent training in compliance and anti-corruption. In the training program on the leniency agreements, 33 people participated, including directors, executives and the compliance and financial teams. Upon admission, each new hire participates in all training programs on Compliance with Ethics, Integrity and Transparency. After completing the training programs, team members take a test of their knowledge and sign a declaration of their understanding of the content presented and the commitment to ethics, integrity and transparency.



VIEWS OF ARTICLES ON COMPLIANCE IN ODB NEWS



FROM JULY TO NOVEMBER



OF THE SIX VIDEOS ON COMPLIANCE ON ODB PLAY



ODB News

Management of contractors

To ensure that our commitment to ethics, integrity and transparency is disseminated among all service providers at Odebrecht S.A., we drafted, in 2018, a Third Party Due Diligence and Integrity Directive, which was approved by the executive board in December. We also conducted a comprehensive review and pre-selection of our supplier base, which involved blocking inactive companies and identifying those eligible for due diligence. These companies include those engaged

in communication services as well as those rendering services to the People & Organization team. By July 2019, we will have applied the criteria of the new Due Diligence Directive to our reviewed base of current suppliers. By April, the criteria will apply to all new suppliers prior to their registration and engagement. Another new front in the year was the evaluation and selection of a supply chain management platform, which is slated for implementation in 2019.



Ethics Line channel

The Ethics Line is a channel for reporting instances of misconduct in violation of the law, of the Policy on Compliance to Acting with Ethics, Integrity and Transparency of Odebrecht S.A., the other internal policies, directives and regulations or any other commitments undertaken by the holding company. The Ethics Line can be accessed by all team members and by the external public via the corporate website or telephone. Since May 2017, the channel is run by an independent, an independent, specialized external firm that impartially receives and manages the reports and ensures the confidentiality of the information. The firm analyzes and classifies all reports and then recommends to Odebrecht S.A. the measures to be adopted.

All reports are investigated impartially based on an established methodology with legal grounding to guarantee confidentiality and anonymity of the whistleblower and prevent any retaliation. The Chief Compliance Officer is responsible for the management of the Ethics Line. Odebrecht S.A. has an Ethics Committee established at the executive level that supports the Compliance Committee on matters involving violations of the Commitment to Ethics, Integrity and Transparency, including evaluation and discussion of investigations into reports and

any applicable measures. These can range from improvements to a process or internal control to the application of disciplinary measures, such as a warning or termination of the team member or the cancellation of a contract or the suspension of payment due to violations of the Policy on Compliance to Acting with Ethics, Integrity and Transparency. Each case receives a solution that is specific and compatible with its severity, in accordance with the Ethics Line Management Directive, which was approved in February 2019, and with the Policy on Compliance to Acting with Ethics, Integrity and Transparency.

In 2018, the line registered 69 reports, 14 of which lacked sufficient data for an investigation or were considered outside of the scope of the channel, while seven were related or repeated cases. A total of 33 reports were forwarded to the Businesses and another eight resulted in the opening of investigations at Odebrecht S.A. Of these, six were considered unsubstantiated, two substantiated and seven remained under investigation at the end of 2018. The numbers for 2018 are similar to those for the 68 reports received in 2017. The Businesses have their own compliance teams to handle specific reports and Ethics Line channels accessible in each country where they operate.

HOW TO CONTACT THE ETHICS LINE

The channels are available 24 hours a day, 365 days a year in Portuguese, English and Spanish



<https://www.odebrecht.com/en/ethics-line>



0800 377 8011



THE ETHICS LINE IS RUN BY AN INDEPENDENT, SPECIALIZED EXTERNAL FIRM THAT IMPARTIALLY RECEIVES AND MANAGES THE REPORTS AND ENSURES THE CONFIDENTIALITY OF THE INFORMATION.

Risk management
and internal controls

The Risk Management Policy of Odebrecht S.A., which was approved in 2018, establishes the implementation at the holding company of a risk management process involving five steps: mapping and analyzing risks; presentation and approval of a risk matrix by the board of directors (BoD); preparation of mitigation and contingency plans for priority risks; approval of the risk appetite and tolerance by the BoD; and establishment and implementation of risk monitoring and follow-up.

In 2018, we conducted the first of five steps, which involved mapping and analyzing the risks of Odebrecht S.A., considering the specific risks related to the corporate operations as well as those relevant to the Businesses that could affect the holding company. In this process, in alignment with the strategic plan, we identified the main risks to Odebrecht S.A. related to the following eleven topics:

1

Financial
stabilization

4

Maintaining
cultural unity in the
Business portfolio

7

Positioning
Odebrecht S.A. as a
non-operational
holding company

10

Competitiveness
and sustainability of
the holding company
and its Businesses

2

Rebuilding
the image
and reputation

5

Resolution
of the financial and
legal liabilities related to
Operation Car Wash

8

Ensuring the
practice of
compliance in all
areas of operation

11

Portfolio-related
risks managed in
the governance of
each Business

3

Recovering
growth and building
the future

6

Strengthening
governance

9

Team
engagement,
succession and
recruiting talent

In 2018, we also conducted internal audits at Odebrecht S.A. and evaluated seven processes at the holding company in this first cycle. They involve financial, accounting, legal and people management aspects. The results of these audits, which support enhancements in our internal controls, were presented to the executive board and to the compliance committee.

Business environment

Our commitments go beyond internal transformations to include initiatives for improving the business environment and public-private relations in terms of ethics, integrity and transparency in Brazil and other countries. To support this effort, we participated in public debates and business commitments to strengthen the culture of integrity, serving as an example of transformation and support new external initiatives. In the area of ethics, integrity and transparency.

Our good practices and experiences on this transformation journey are widely publicized in the media through the official channels of Odebrecht S.A. and its participation in external events.

In the context of the Leniency Agreement with the Brazilian Federal Prosecution Office (MPF), the U.S. Department of Justice (DoJ) and the Swiss Office of the Attorney-General, we completed the second year second year of external monitoring with no deviations in the calendar. In the first year, the monitors learned about the company and made recommendations for improvements. In the second year, the focus was in the implementation

and follow-up of these changes. The third cycle will focus on the sustainability and perpetuity of these transformations.

In July 2018, Odebrecht S.A. signed a leniency agreement with the Office of the General Controller (CGU) and the Office of the General Counsel for the Federal Government (AGU) that included recommendations of improvements related to the integrity programs of Odebrecht S.A. and its Businesses. The agreement included a commitment to pay approximately R\$ 2.7 billion over the course of 22 years. In February 2019, OEC, a subsidiary of Odebrecht S.A., signed a cooperation agreement with the Office of the Attorney General of Peru. In addition, seven other agreements already have been signed with Brazil, Ecuador, United States, Guatemala, Panama, Dominican Republic and Switzerland.

In August 2018, Odebrecht S.A. and Petrobras signed a Withdraw of Provisional Ban Instrument, which lifted the 2014 blockade on doing business with OEC and Ocyan. A series of commitments related to integrity were part of the agreement signed with Petrobrás.

67
meetings

WITH ASSOCIATIONS AND
PARTICIPATION IN NATIONAL
AND INTERNATIONAL EVENTS

+ than
390
requests

FROM MEDIA VEHICLES
FULFILLED, CORRESPONDING
TO 97% OF ALL
REQUESTS RECEIVED

+ than
250,000
views

OF THE OUR
COMMITMENT WEBSITE

4,2
million
people

REACHED BY FACEBOOK
POSTS ON COMPLIANCE



OBSERV INSTITUTE

Comprises an on line publicly accessed platform to promote transparency and monitor public bidding processes and the execution of public works projects. That is the proposition of the Observ Institute prepared in 2018 as a result of collaboration by Instituto Ethos, OEC, the startup Jusbrasil, the global strategy firm Albright Stonebridge and the law firm Barros Pimentel Advogados.

OEC provided financial support for engaging the consulting firms, reports and travel required to design the institute proposal, with total investment of around R\$ 1 million. Support for the initiative was stipulated in the leniency agreement signed with the MPF and DOJ, covering actions to combat corruption in the public interest . Once the creation of the Observ Institute occurs, OEC's relationship with it will be that of any other company in the infrastructure sector, with no possibility of participating in the management or decisions of Observ.

PROACTIVE ROLE OF TEAM MEMBERS

The knowledge, experience and execution capacity of Odebrecht's team members are the hallmark by which the Group is widely recognized. This recognition is based on the innovations and quality products and services delivered to clients and society, while creating value and fostering development in each region where we operate. All this potential and engagement by our professionals is driven by the force of the business culture practiced throughout the Odebrecht Group, guided by the Odebrecht Entrepreneurial Technology (TEO) and by our policies and directives. The role of Odebrecht S.A. is to act as the guardian of the principles and concepts of the business culture to ensure that they are practiced in daily routines and updated for the successive generations of team members and the dynamics of the challenges faced in order to better serve society.

In 2018, we created the Odebrecht Connect Live to strengthen our permanent commitment to improve the quality of relations between teams and the holding company's leaders. The initiative seeks to expand internal dialogue between leaders and teams at Odebrecht S.A. by addressing strategic topics of specific and general interest through discussion and sharing of experiences. Last year, five meetings were held, and the plan for 2019 is

to hold meetings on a monthly basis. The topics debated and the quality of the dialogue reinforced internal transparency and helped rebuilding the sense of being a part of the team.

This recovery in the internal confidence and engagement of our team members is clearly shown in the annual reputation surveys conducted using the RepTrack method developed by the Reputation Institute. Although still below the level considered strong, the Group's reputation among its team members does present some bright aspects (see the table). All the aspects mapped in these annual reputation surveys are taken into account when formulating the company's strategies and actions. In 2018, to supplement the quantitative survey, we expanded our internal discussion by conducting eight focus groups formed by representatives of the Odebrecht Group. The goal was to understand the reasons for the positive and negative evaluations of Odebrecht's attributes from the perspective of our team members. The discussion allowed us to map, among other things, team members' reasons for working at Odebrecht, their perceptions of advances in compliance and governance and the main aspects influencing reputation. The results of this diagnosis served to guide the creation and implementation of our internal engagement plan.

60,2%

believe the company would do the **right thing in a crisis**

73,7%

believe their leader is open to dialogue

65,9%

would **defend the company** in an argument

74,4%

would **recommend** working at the company

68,9%

feel that the company is **more transparent**

75,6%

feel **proud to work** at an Odebrecht Group company

70,6%

speak well of the company

81,6%

identify themselves with the values espoused by TEO

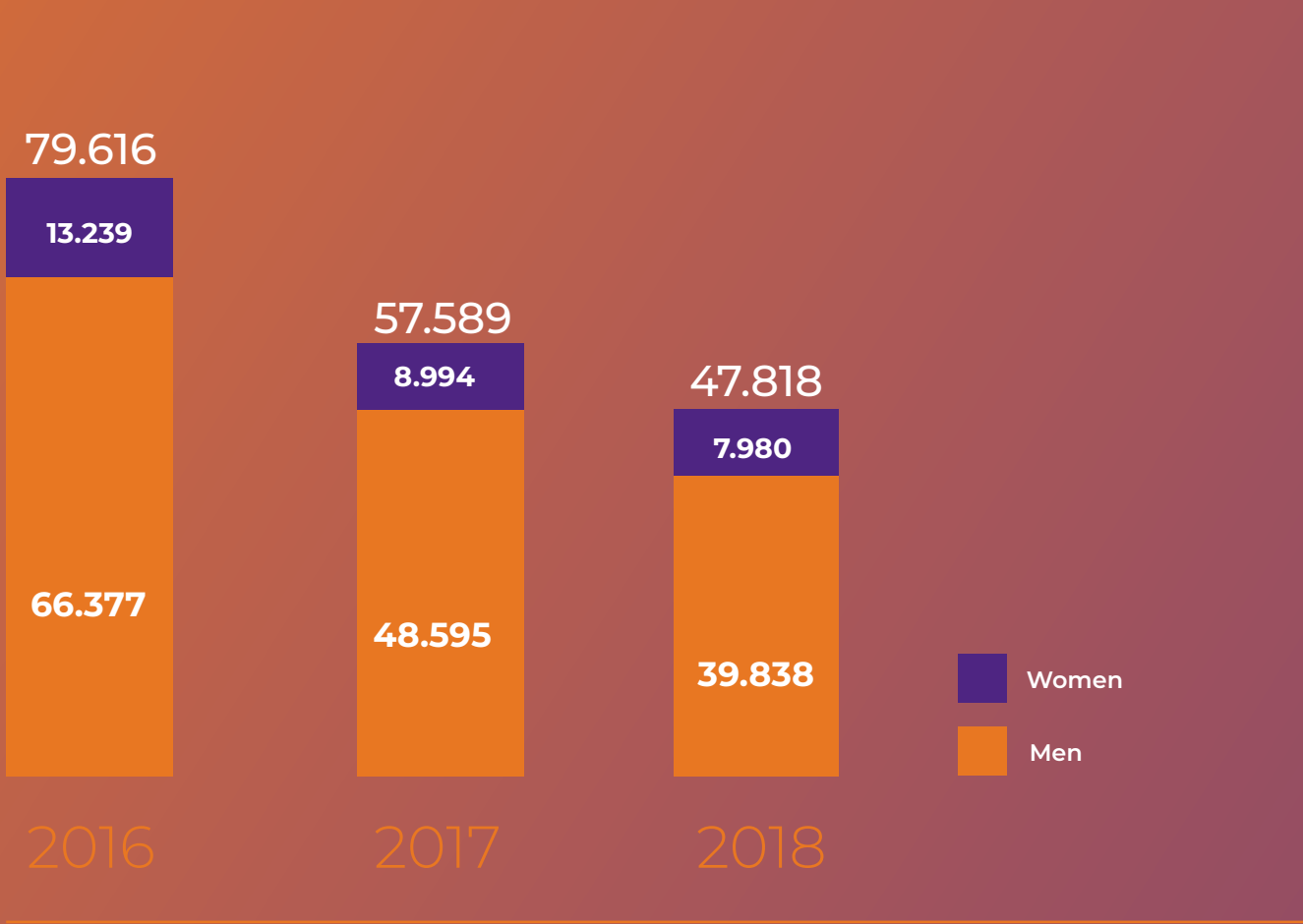
72,5%

see the company evolving in its commitment to acting ethically and with integrity

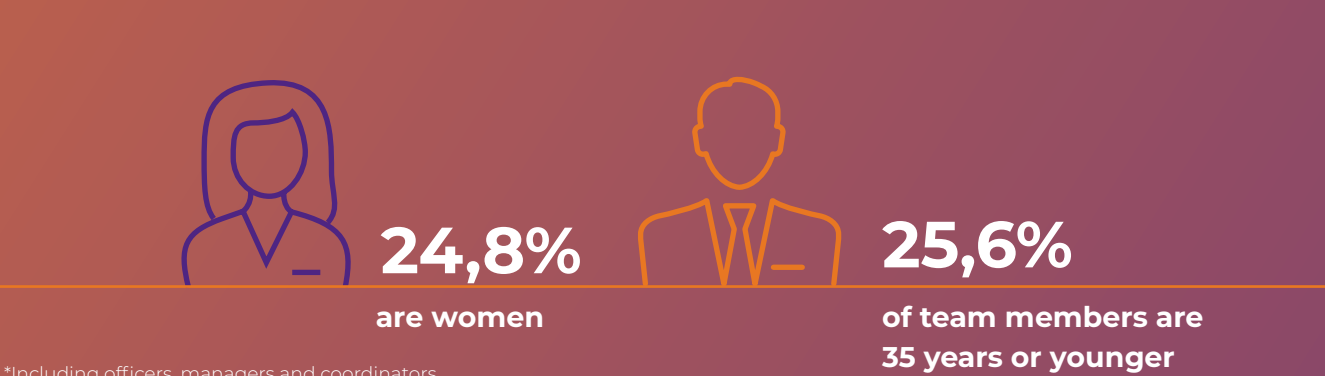
*RepTrack Deep Dive Survey from November 2018.

OUR PEOPLE

Number of team members by gender

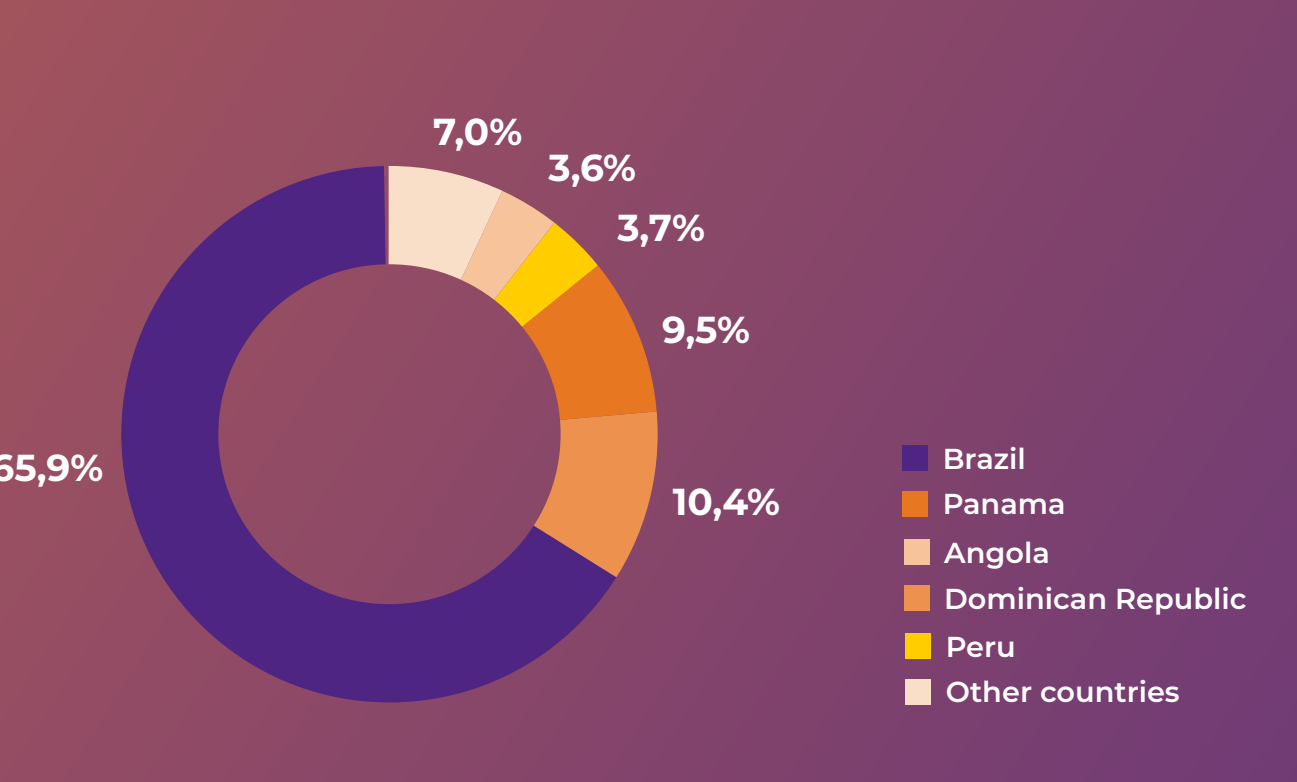


Diversity in leadership*



*Including officers, managers and coordinators.

Distribution of team members by region



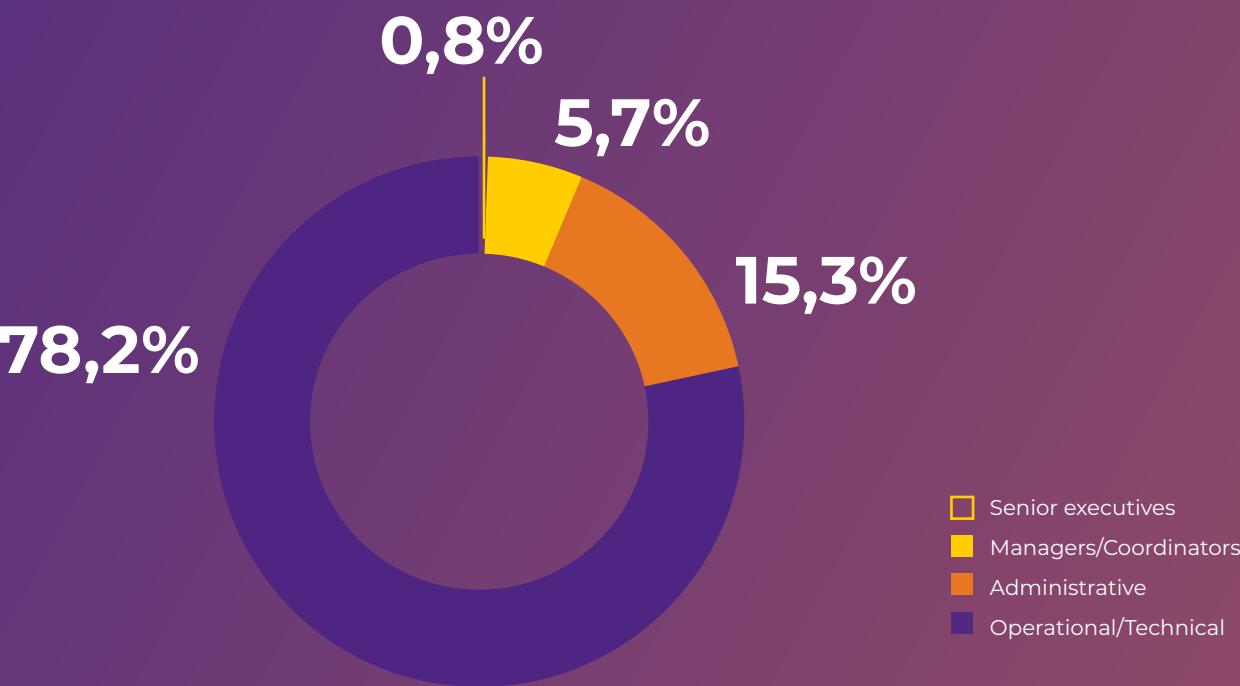
Team members by nationalities in 2018*

Brazilian	31.722
Dominican	4.453
Panamanian	4.447
Peruvian	1.805
Angolan	1.563
Mexican	1.180
Argentinian	708
American	358
Venezuelan	178
German	169
Colombian	128
Ghanaian	69
Ecuadorian	50
Portuguese	34
Spanish	17
Other nationalities (with up to 10 team members)	17
Unidentified nationalities**	920
Total	47.818

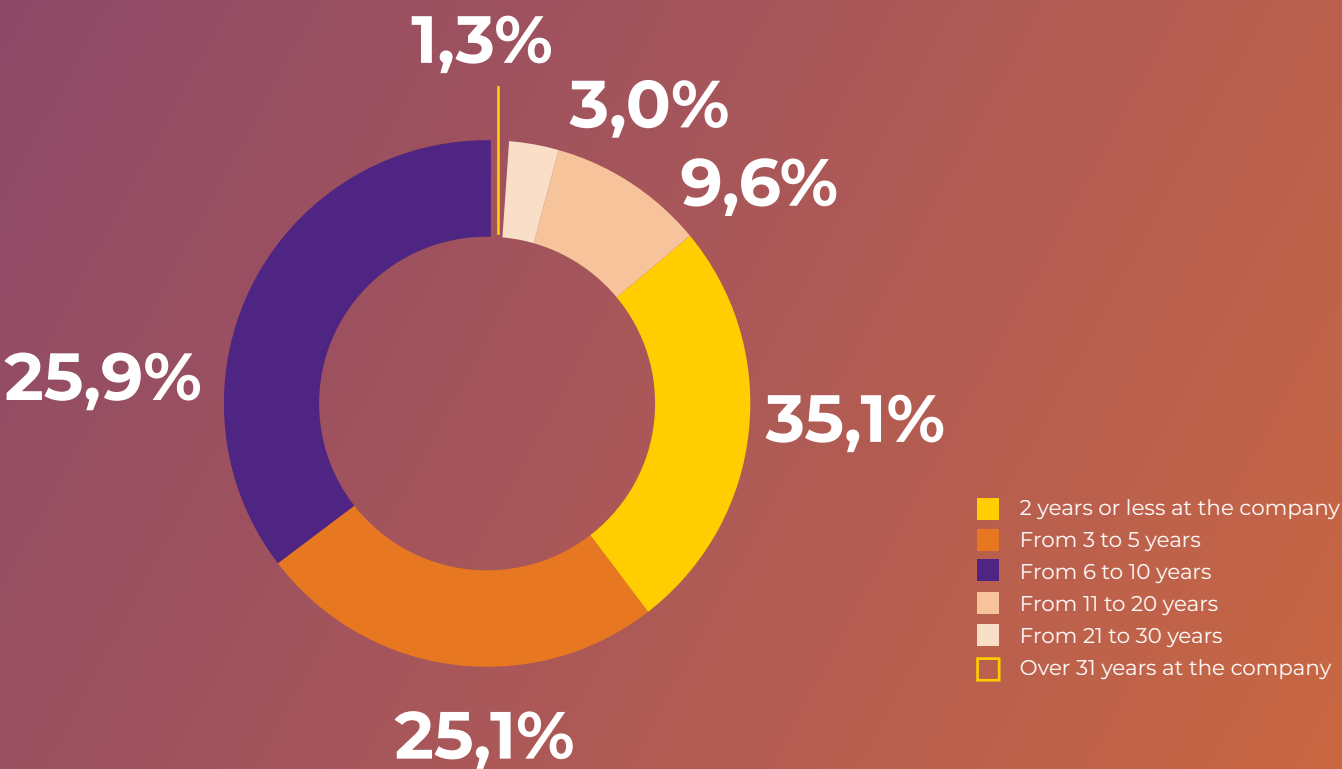
*Excludes the 17 team members with temporary work contracts, hence the total differs from the chart of number of team members by gender.

**Team members from countries where legislation protects disclosing information on nationalities.

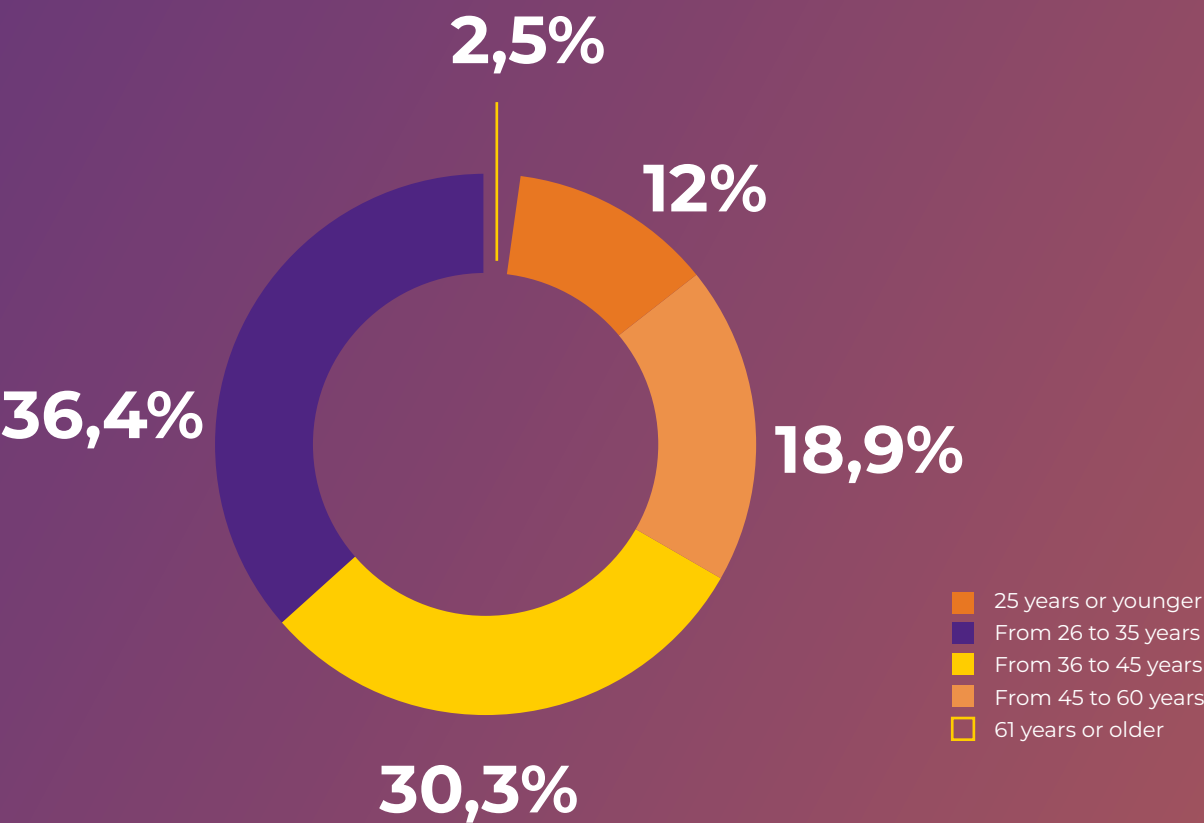
Distribution of team members by function



Distribution of team members per household time



Distribution of team members by age



1,610 young
professionals starting
their careers at the
Odebrecht Group



50% of young professionals are women
(vs. 46% in 2017 and 45% in 2016)

3% share of young professionals
in the total workforce in the last three years, reaffirming the company's commitment to renewal, transformation and innovation despite the reduction in total number of team members

Training and development

The pillars of our culture include trusting in people and in their capacity and desire to evolve, in the self-development via education through work and a focus on the individual as the measure of all values. Supported by this foundation, leaders play the role of educators by creating the conditions and environment for integrating and developing each of their team members. This process occurs in successive cycles involving the development of new leaders and the integration of people who accept the challenge to play a proactive role in their own development.

The main path for career advancement is the successful completion of sequential cycles of the action program (PA) marked by growing challenges and the constructive interaction between leader and the team member. More than seeking promotions and merit, this model allows for prioritizing learning opportunities and experiences that lead to professional accomplishment, while considering the life moment of each individual and the long-term

vision of the Odebrecht Group. Each Business establishes its strategies and priority topics for developing its team members. In 2018, more than 934,000 hours were dedicated to training, representing an average of 19.6 hours per team member. This average was approximately 11% lower than in 2017. For executive officers and administrative staff, however, the average number of hours of training per professional increased by 68% and 330%, respectively.

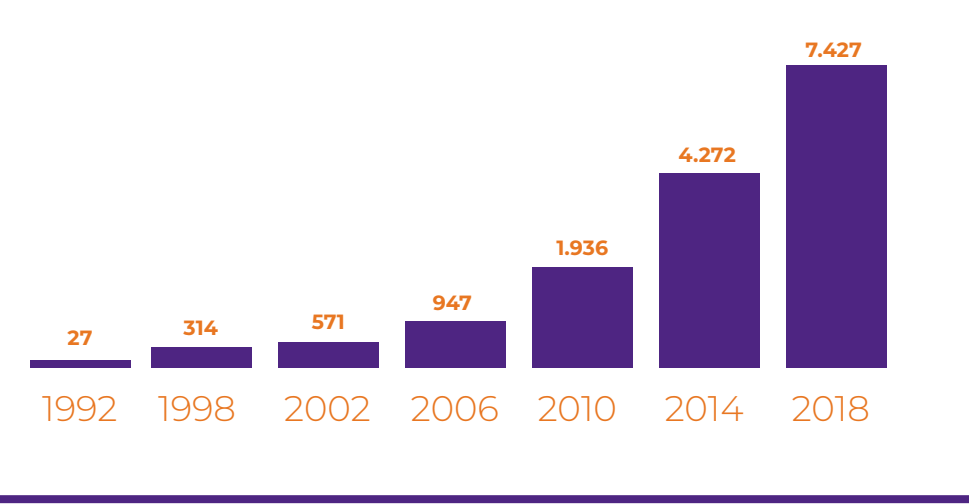
Over their careers, we encourage our team members to develop self-awareness and discipline when planning their transition to the maturity phase of their careers, when they will need vitality, emotional equilibrium and accumulated experience for this new stage in their productive lives. To support them, we offer and manage a supplementary pension plan (Plano Odeprev Brasil) through the Odebrecht Retirement Fund, which currently manages R\$ 3.2 billion in assets for approximately 22,500 participants and dependents.

Average hours of training per team member	2018	2017
BY GENDER		
Men	20,1	23,1
Women	16,9	16,5
GENERAL	19,6	22,1
BY FUNCTIONAL CATEGORY		
Executive Officers	2,1	1,3
Managers	7,5	8,8
Administrative	20,1	4,7
Industrial	20,5	29,8
GENERAL	19,6	22,1

Destaque Awards 2018

An annual initiative held for nearly three decades by the Odebrecht Group, the Destaque Awards recognize projects submitted by team members that share the knowledge generated in their work environments in all the Businesses. In these 27 years, over 7,400 projects were submitted. In 2018, eight projects from different Businesses won awards in the following categories: Ethics, Integrity and Transparency (Ocyan); Image (Braskem); Innovation (Atvos); Young Professionals (Braskem); Environment (OEC); Community Relations (OEC); Recycling Knowledge (Ocyan); and Occupational Health and Safety (Itaguaí Construções Navais)

Evolution in number of projects submitted to Destaque Awards in 27 years



Occupational health and safety

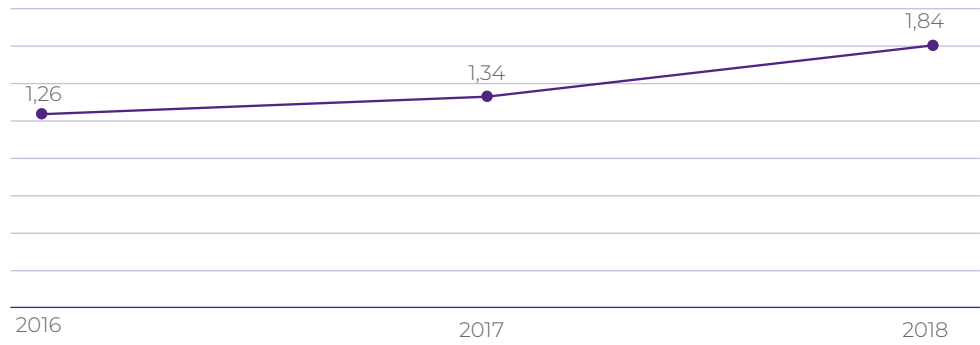
Our commitment to ensuring a healthy and safe workplace encompasses the entire Odebrecht Group, as established in our policies on People and on Sustainability. The practical results on each front are measured by indicators reported monthly with respect to the targets established in the PAs of all leaders, comprising those directly responsible for teams to the leaders of the Businesses and the chief executive officer of Odebrecht S.A.

In 2018, we recorded a lost-time injury frequency rate considering all the Businesses of 1.84, which represents a 34% increase from the rate of 1.34 registered in 2017. The main factor behind this increase was the higher lost-time injury frequency rate at OEC, which accounted for 42% of all hours worked in the year. To reverse this trend, OEC

approved the implementation in 2019 of a series of measures to strengthen safety programs and practices, to increase team member training and engagement and to improve the monitoring and evaluation of results. The occupational safety performance targets of OEC for 2019 were reviewed to help reverse the trend and improve performance and consequently reduce the lost-time injury frequency rate by 30%.

Despite the prevention efforts, the operations registered three fatal accidents with one fatality each: one at the SuperVia operation in Rio de Janeiro, one in the construction of the BRT-Transbrasil in Rio de Janeiro and one in the construction of the Belo Monte Hydroelectric Plant. Nine fatalities were registered in 2017.

Consolidated frequency rate of accidents with lost time All Businesses*



*Calculated by number of accidents with lost time and serious events for every 1 million man hours worked.

OUR GOAL IS A ZERO ACCIDENT WORKPLACE.

OUR COMMITMENT TO PEOPLE SAFETY CONSTANTLY CHALLENGES US TO IMPROVE RESULTS.

COMMITMENTS TO SUSTAINABILITY

Our Sustainability Policy expresses our six commitments to a vision of the paths to sustainable development and how we should act. We work to encourage people to act as agents of change both inside and outside of the Odebrecht Group and to emphasize the importance of balance among generating economic, social and environmental value, promoting culture and acting ethically, with integrity and transparency.

Team members in charge of sustainability programs at each Business meet on a monthly basis in the Internal Sustainability Forum, which is a non-deliberative body that works to align management concepts and principles and share knowledge and experience. This strengthens the individual capacity of team members and harmonizes the advances in sustainability practices and improvements across the Businesses.

Sustainability performance is measured by indicators for eco-efficiency, occupational health, workplace safety and social impact specific to each Business. At the corporate level, we developed for Odebrecht S.A. two maturity indicators that reflect that reflect the evolution in performance at each Business: sustainability performance maturity and socio-environmental risk management maturity. After completing testing of these indicators in 2018, they will be incorporated into the PAs of each Business Leader as of 2019.

Preparing for a low-carbon economy is an important component of the Odebrecht Group's sustainability management. The Businesses

conduct annual inventories of greenhouse gas emissions, which enable us to identify opportunities to improve the efficiency of controls and to develop mitigation and adaptation strategies. Our business portfolio includes Atvos, which produces ethanol and generates renewable energy, representing a business model that rises to the challenge of combatting climate change. In 2018, the Business made the first sale of international renewable energy biomass certificates (I-RECs) in Brazil.

In 2018, we reformulated the model for the Odebrecht Award for Sustainable Development by creating a digital platform for online collaboration for open innovation. The proposal is aligned with the Odebrecht Award's goal to engage students in undergraduate engineering and architecture programs as proponents of sustainable ideas and projects. In its nine-year history, the Brazilian version of the Odebrecht Award has received 1,120 projects from students in the fields of engineering, architecture and agronomy and distributed R\$ 2.7 million in awards. Simultaneously, the Odebrecht Award was rolled out to ten other countries. Undertaking this initiative under the new model will be the subject of discussion in 2019. Meanwhile, we maintain dialogue with academia through specific projects and targeted actions, such as the Journey to the Future program conducted since 2016 in partnership with Companhia de Talentos and 12 other companies. The goal is to promote interaction between university students in São Paulo with the leaders of the Odebrecht Group and other companies to support the development of future professionals in their career choices.

External engagement

We participate voluntarily in initiatives and commitments to foster sustainable development. In July 2018, we signed the Letter of Commitment to the Business Movement for Integrity and Transparency, coordinated by Instituto Ethos – Empresas e Responsabilidade Social. In the same year, we joined a group that drafted the publication “*Integridade no Setor de Construção – Discutindo Dilemas e Propondo Soluções para o Mercado*” [Integrity in the Construction Sector - Discussing Dilemmas and Proposing Solutions for the Market], which was signed by the Brazilian Network of the UN Global Compact in partnership with Instituto Ethos. We also constantly foster dialogue and share experiences with various industry organizations, including AMCHAM Brasil, Instituto Ethos, the Reputation Leaders Network and the Brazilian Association for Business Communication (Aberje).



MORE INFORMATION
Business Movement for
Integrity and Transparency

**HOW DO WE ENSURE
GROWTH AND
COMPETITIVENESS, TODAY
AND IN THE FUTURE?**

A R 2 0 1 9

WE LEVERAGE
**INVESTMENTS IN OUR
ASSETS, STRENGTHEN
THE INNOVATION AND
EFFICIENCY** EFFORTS
OF OUR **BUSINESSES,**
**INVEST IN LOCAL
COMMUNITIES** AND
CONTINUE TO
ADVANCE IN **OUR
REPUTATION JOURNEY.**

**OUR
RESULTS**



EVOLUTION OF THE PORTFOLIO

Our portfolio of Businesses is composed of seven financially and operationally self-sufficient companies. Guided by the principles and concepts of TEO and inspired by the policies espoused by the holding company, Odebrecht Group team members generate positive impacts on society through their technical competence, knowledge, experience and the quality of the products, projects and services offered in all segments where we operate.

The advances in our governance and the practices aligned with our commitment to ethics, integrity and transparency support our Businesses in surmounting

the constant challenges of driving efficiency, productivity and innovation. As part of our strategy, we assess opportunities to open our portfolio to partners interested in sharing in the creation of value and in the results of our operations.

Structured in 2016, our asset divestment plan sought to capture R\$ 12 billion in proceeds, of which R\$ 7.4 billion has already been generated and R\$ 5 billion is pending. In October 2018, we completed the sale of Inova BH, the first Public-Private Partnership (PPP) in education in Brazil, to the group Transpes – Transportes Pesados S.A.



INOVA BH IS AN EXAMPLE OF A PIONEERING INITIATIVE IN EDUCATION THROUGH A PPP BETWEEN OEC AND THE CITY OF BELO HORIZONTE TO IMPLEMENT AND OPERATE 51 MUNICIPAL PRESCHOOL UNITS (UMEIS). THE RESULTS SHOW HOW INNOVATIVE PPP MODELS CAN IMPROVE THE QUALITY OF PUBLIC SERVICES FOR SOCIETY.

Engineering & Construction



Odebrecht



Engineering
& Construction
Services

Real Estate

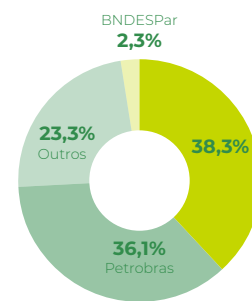


Odebrecht



Real Estate
Developer in Brazil

Manufacturing



Odebrecht

(50.1% voting capital)



Producer of
Thermoplastic
Resins and
Biopolymers

Agroindustry



Odebrecht



Sugar, Ethanol
& Electricity

Oil & Gas



Odebrecht



Integrated Solutions
for the Oil & Gas
Industry

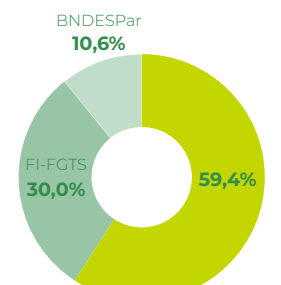
Infrastructure & Energy Investments



Odebrecht



Irrigation, Energy
& Transportation
in Latin America



Odebrecht



Toll Roads, Urban
Mobility, Airports, Port
Terminals and Logistics
in Brazil

FINANCIAL PERFORMANCE

The consolidated financial indicators of Odebrecht S.A. reflect the performance of its Businesses in the year. The diversification of the portfolio minimizes our exposure to market risks, such as potential restrictive scenarios in one of our sectors. In 2018, gross revenue came to R\$ 86.3 billion, a 5.5% increase over last year. EBITDA was R\$ 13.7 billion, down 17.5% on the prior year. Net debt closed the year at R\$ 83.2 billion, with

a leverage ratio (net debt/EBITDA) of 6.1. The key factors affecting our positions at the end of 2018 in comparison with a year earlier were exchange variation and delays in the divestments of certain assets, which created the need to raise funds to shore up the Group's liquidity position and to fulfill our commitments to authorities, creditors and other stakeholders.

IN 2018, GROSS REVENUE CAME TO R\$ 86.3 BILLION, A 5.5% INCREASE OVER LAST YEAR. EBITDA WAS R\$ 13.7 BILLION, DOWN 17.5% ON THE PRIOR YEAR. NET DEBT CLOSED THE YEAR AT R\$ 83.2 BILLION, WITH A LEVERAGE RATIO (NET DEBT/EBITDA) OF 6.1.

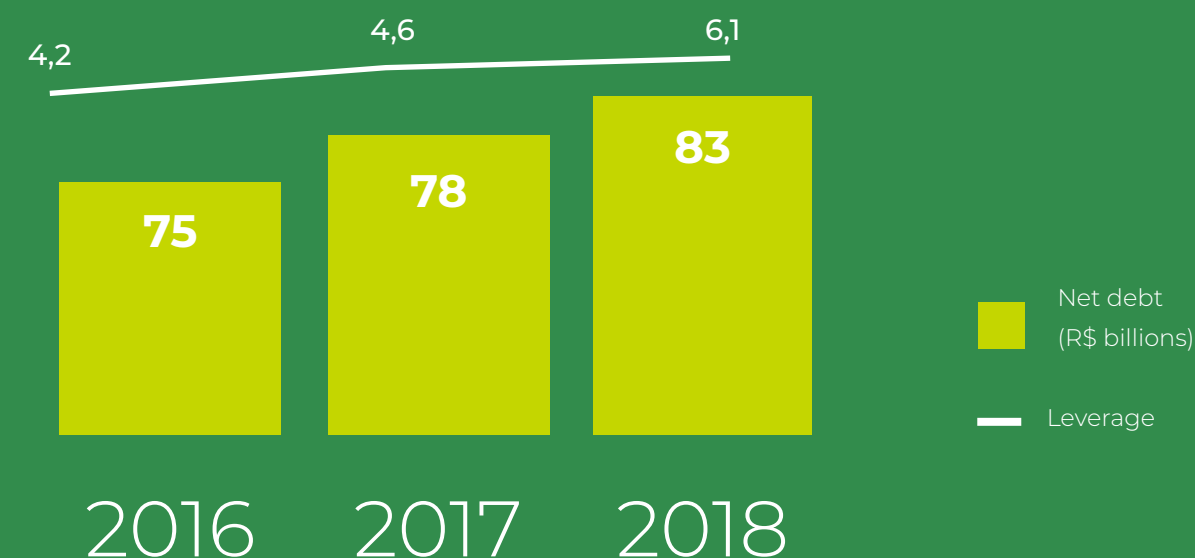
Gross revenue
(R\$ billions)



Ebitda
(R\$ billions)



Net debt



REPUTATION JOURNEY

Every day, in the holding company and our Businesses, we renew our commitments to society through actions that foster and strengthen ethical business conduct, with integrity and transparency. Openness to dialogue and transparent communication are essential for reconnecting the Odebrecht Group with all its stakeholders, laying the foundation to regain trust, rebuild our reputation and recover growth on our Businesses to serve clients and society.

The transformation journey initiated in 2016 has been positively received by meeting society's demands for ethics, integrity and transparency in business activities and in public-private relations. One example of this recognition was the signing by Odebrecht S.A. and Petrobras of a commitment to a series of actions that resulted in the lifting of the temporary ban and enabled OEC and Ocyan once again to bid on Petrobras projects.

One of the indicators we monitor is the reputation score of Odebrecht S.A., which was measured in 2018 using the RepTrack® methodology of the Reputation Institute (RI). The results of the surveys conducted by RI are used to evaluate and guide strategic actions to rebuild our corporate image and reputation.

In 2018, the RepTrack® Reputation Score showed positive gains. In the last survey of society conducted in June, the score that measured the level of esteem, confidence, admiration

and empathy for Odebrecht stood at 25.5, on a scale of 0 to 100. This compares with 14.2 in June 2017 and 18.5 in December 2017. The score also assesses the public's perception in seven rational dimensions, namely governance, workplace, innovation, products and services, performance, leadership and citizenship. Attributes such as "is an ethical company," "respects the diversity of its team members," "contributes to sustainable development" and "works to prevent and combat misconduct" registered the largest positive variations.

Odebrecht also measures the quality of its brand exposure in the media (TV, print, radio and online). For this, it adopts a classification similar to financial market ratings, using a methodology that weighs the type of vehicle, the audience or coverage and the editorial characteristics or presentation of the news. In 2018, brand exposure remained high in all media, with a total of 41,049 mentions. This number, however, was 57% lower than in 2017, when mentions reached 95,714. In all, in 2018, our Image Rating score was "EEE," two notches above the "E" rating of 2017.

Our goal is to go beyond our commitment to ethics, integrity and transparency. We want to participate in initiatives that foster improvement in business environments by combining our commitments with our capacity to serve and contribute to the Sustainable Development Goals (SDGs) for 2030 established by the United Nations.



**EVERY DAY WE RENEW OUR
COMMITMENTS TO SOCIETY
THROUGH ACTIONS THAT FOSTER
AND STRENGTHEN ETHICAL
BUSINESS CONDUCT, WITH
INTEGRITY AND TRANSPARENCY**

ODEBRECHT FOUNDATION

Created by Norberto Odebrecht in 1965 and maintained by Odebrecht S.A. as a private, non-profit organization, the Odebrecht Foundation is one of Brazil's longest-serving corporate foundations. Its mission is to educate for life, for work, for values and for overcoming limits, inspired by the Odebrecht Entrepreneurial Technology (TEO). The institution works in coordination with civil society organizations, government agencies, partners and social investors to promote sustainable rural development in the Southern Bahia, a region that concentrates the foundation's activities.

Since 2003, its efforts have focused on the Program for Development and Growth Integrated with Sustainability (PDCIS), an initiative that has contributed to social, economic and environmental transformation in the region of Southern Bahia, which is home to nearly 285,000 people, more than half of whom live in rural areas. In a scenario of high biodiversity

of the Atlantic Forest and extreme social and economic challenges, the region has a Human Development Index (HDI) below the national average, above-average rates of violent crime and low education levels, with only 19% of students who begin elementary school making it to high school.

The strategy of the Odebrecht Foundation is to apply its social technology through the PDCIS, with youth as the protagonists. The program is connected to the Sustainable Development Goals (SDGs) through its efforts to overcome global challenges, such as eradicating poverty in all its forms, educating youth on producing goods in rural areas, the rational use and protection of natural resources and strengthening the foundations of citizenship. The Odebrecht Foundation prioritizes six work fronts on an integrated and synergic basis to promote sustainable rural development (see the diagram).

In 2018, the Odebrecht Foundation mobilized partners that invested R\$ 12.4 million in socioenvironmental initiatives in connection with the Program for Development and Growth Integrated with Sustainability:

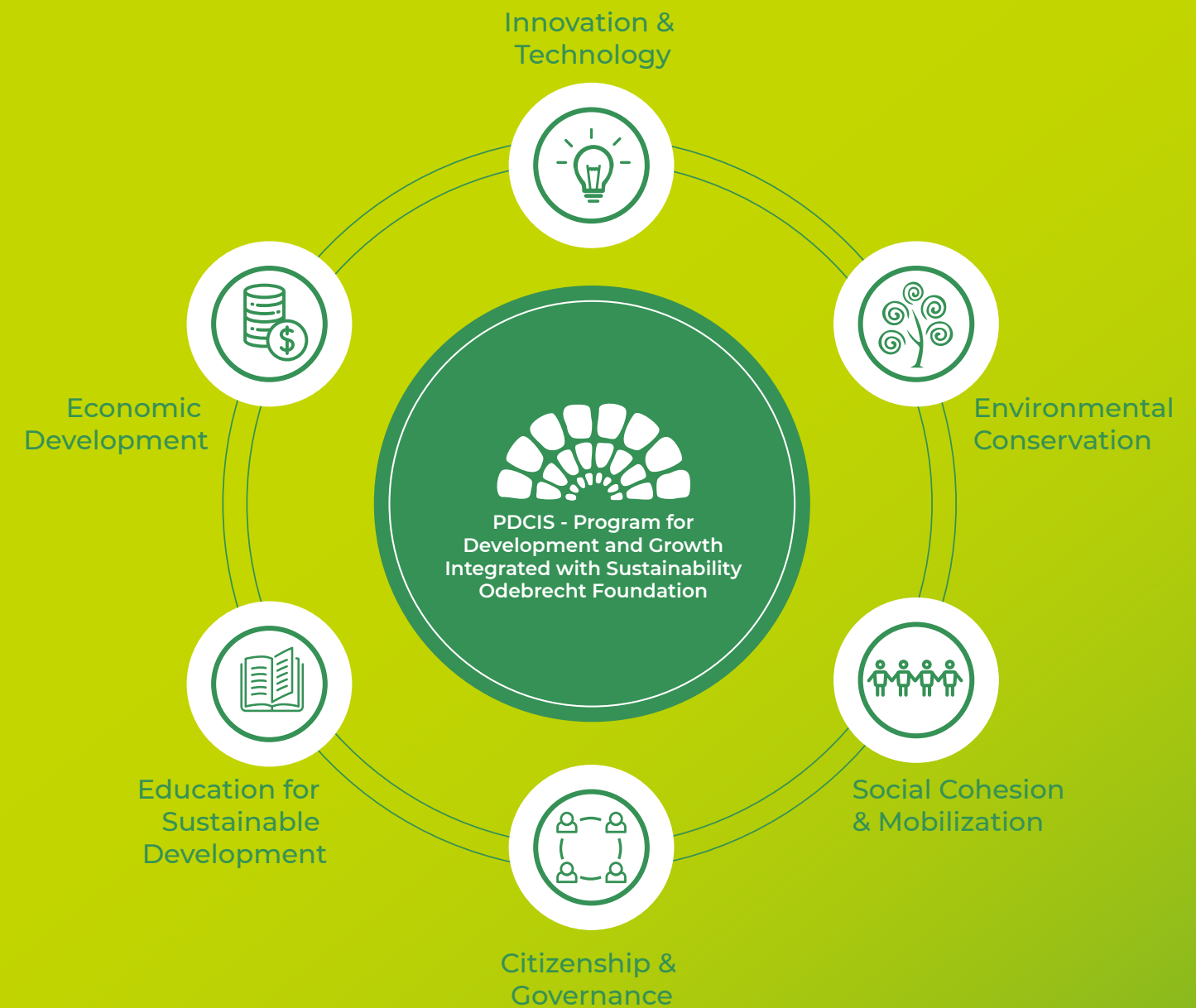
66,3%

IN BASIC
EDUCATION

33,7%

IN ENVIRONMENTAL
EDUCATION

PDCIS Action Fronts



260

COMMUNITIES
BENEFITTEDfrom the foundation's initiatives
in 19 municipalities

1.192

ACTIONS TO
MULTIPLY KNOWLEDGE(seminars, field days, lectures)
that benefitted 10.635 people
directly or indirectly

5.687

TONS OF FOOD

produced by participants in the PDCIS.

Assessment of PDCIS Impacts

In 2018, the Odebrecht Foundation conducted the Assessment of PDCIS Impacts that confirmed transformations in the economic, social and environmental dimensions among the young farmers supported by the program and their families and communities.

The main results verified were:



MORE INFORMATION
Details on the
evaluation of
impacts of PDCIS.

FOR EVERY

R\$ 1,00

invested in the PDCIS, R\$ 2.13 returned
in benefits to the families supported.THE BENEFICIARIES
REDUCED THEIRdependence on the federal
welfare program Bolsa Familia by

65%

Average annual income from
agriculture was nearly

R\$ 25,000

HIGHER THAN THAT
OF NON-BENEFICIARIES.

YOUNG PARTICIPANTS

were more active in their communities and
less likely to leave rural life behind to seek
better urban living conditions.The unemployment rate among
the youth who graduated from the
Rural Family Schools was

9,7%

COMPARED TO

46,8%

IN THE
CONTROL GROUP.THE BENEFITTED
YOUTH ASPIRE
MORE TO BECOME
ENTREPRENEURS,more strongly believe in education for
entrepreneurship, with opportunities for
accessing new technologies.RURAL PRODUCERS WHO
COMBINE AGRICULTURE WITH
THE RATIONAL USE
OF NATURALresources obtain annual financial
income on average

R\$ 20,000

higher than the control group.

PRIVATE SOCIAL INVESTMENT

Our Businesses also carry out socioenvironmental initiatives in their respective regions using either their own funds or drawing on government incentives. These funds amounted to R\$ 27.8 million, of which 90% was in Brazil and 75%

refers to projects by Braskem. Considering the foundation's investment, last year we voluntarily invested R\$ 40.7 million in socioenvironmental initiatives, which is in line with the R\$ 39.3 million invested in 2017.

Voluntary socioenvironmental investment by area in 2018	R\$ thousand	Percentage
Vocational education	4.248,8	10,4%
Environmental education	6.780,0	16,6%
Entrepreneurship/Innovation	2.245,0	5,5%
Jobs and income generation	10.624,6	26,1%
Basic education	8.638,4	21,2%
Culture	1.616,7	4,0%
Health	419,2	1,0%
Community mobilization	841,8	2,1%
Infrastructure	1.291,5	3,2%
Sports/Recreation	2.730,6	6,7%
Human rights	339,1	0,8%
Other	981,2	2,4%
TOTAL	40.756,9	100,0%

Voluntary socioenvironmental investment by country 2018	R\$ thousand	Percentage
Brazil	37.377,6	92,9%
Argentina	10,1	0,0%
Peru	721,1	0,5%
Mexico	964,8	2,4%
United States	668,0	1,7%
Germany	2,2	0,0%
Angola	452,6	1,1%
Dominican Republic	166,5	0,4%
Panama	394,1	1,0%
TOTAL	40.756,9	100,0%



**WHAT IS THE GREATEST
CONTRIBUTION TO SOCIETY
MADE BY OUR PORTFOLIO
OF BUSINESSES?**

OUR BUSINESSES AND INVESTMENTS

DEVELOP INNOVATIVE
SOLUTIONS TO IMPROVE
PEOPLE'S LIVES
IN LINE WITH MACRO
TRENDS AND GLOBAL
COMMITMENTS TO
SUSTAINABILITY.

OUR BUSINESSES





THE BUSINESS FOCUSES ON INNOVATION IN PROCESSES AND THE DEVELOPMENT OF SUSTAINABLE CONSTRUCTION METHODS.

With operations in 18 countries, OEC provides clients in the public and private sectors with services for infrastructure projects in various sectors, such as transportation, energy, agroindustry, mining and more. The activities of the Business are guided by innovation in processes and the development of sustainable construction methods.

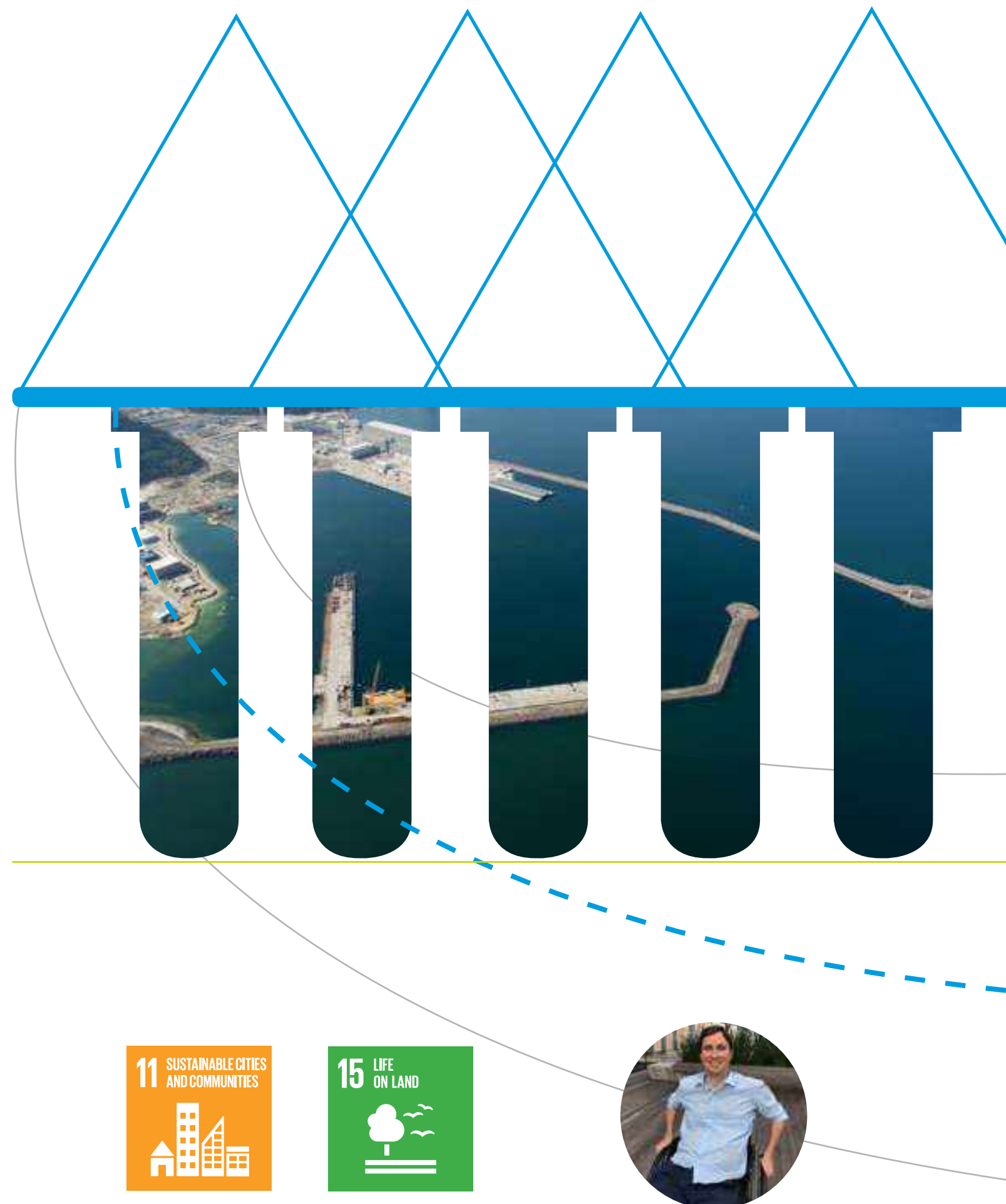
In 2018, two projects in the energy sector demonstrated our team members' capacity to incorporate environmental and social aspects into their activities. The first was the use of drones to reduce the environmental impacts from the installation of a stretch of the transmission line from the Baixo Iguaçu Hydroelectric Plant, which is still under construction in the state of Paraná, Brazil.

The methodology prevented the suppression of vegetation in an area of 18,300 square meters. The engineering team used an innovative technique with drones to string the lead lines that guide the installation of the permanent transmission cable. The change required technical adaptations to the traditional steps and presented additional difficulties related to

high winds and lines snagging in vegetation. This innovative process was structured and shared in the Destaque Awards 2018 and was the winning project in the environmental category.

In Angola, the Laúca Hydroelectric Project implemented a social and economic development initiative for 11 communities in the region that lacked basic infrastructure. To engage local families, the AgroLaúca Project was created, focusing on promoting health, sanitation, education, gender equality and education for income generation and welfare.

Since 2014, investments by the project have improved the conditions of medical centers and water supply systems, supported sanitation and vaccination campaigns and training of sanitary agents, and supported family agriculture and women's entrepreneurship initiatives, as well as other initiatives to promote social integration and local culture. The Laúca Hydroelectric Project, which is currently in its final construction phase while commencing power generation, also has "Talk to Laúca," a communication program that facilitates social dialogue and helps meet the needs of local communities.





THE BUSINESS MANAGES AND PROMOTES SUSTAINABILITY TO REDUCE ENVIRONMENTAL IMPACTS AND ITS COSTS THROUGH INNOVATIONS IN THE PLANNING, EXECUTION AND CONSTRUCTION OF PROJECTS.

OR is a real estate developer that serves customers in the residential, commercial, hotel and subdivision segments, among others. The Business manages and promotes sustainability to reduce environmental impacts and its costs through innovations in the planning, execution and construction stages.

Reserva Sauípe, a land development OR project, is an example of this concept into practice through innovations in landscaping and conservation of the native vegetation. It is located within the Sauípe Complex area in Mata de São João, Bahia, located 85 km from the state capital Salvador. The project, which already produced over 65,000 seedlings, works to achieve maximum preservation of native species rescued from the construction area or through seeds, thus reducing impacts from the

suppression of vegetation and the consumption of natural resources, while contributing to the conservation of local flora.

The innovation represents a significant change in the traditional use of exotic and commercial species in landscaping projects. The use of native plants not only adds value to the biodiversity that is naturally adapted to the local climate and soil, but also cuts costs by reducing the need for inputs, irrigation and maintenance.

In the project's 1,500-square-meter nursery, the company cultivates seedlings of endemic and endangered species from the restinga, a local biome predominant in the region. This initiative led to a reduction of around 60% in costs with the landscaping project.





THE LARGEST PRODUCER OF THERMOPLASTIC RESINS IN THE AMERICAS, BRASKEM INVESTS IN INNOVATIVE SOLUTIONS TO STRENGTHEN AND EXPAND THE SUSTAINABILITY OF THE PLASTICS VALUE CHAIN.

The largest producer of thermoplastic resins in the Americas, Braskem invests in innovative solutions to strengthen and expand the sustainability of the plastics value chain. In addition to its own activities, the Business works with other actors to foster sustainable development in line with Circular Economy Manifesto. The manifesto covers various fronts in innovation, reverse logistics and life cycle analysis to develop new ways of producing and consuming, recover marine environments and promote more efficient use of natural resources. In 2018, this commitment was expanded with the creation of the Recycling & Wecycle Platform area, which carries out initiatives related to the circular economy for plastics.

One of the actions developed by the Wecycle Platform is the reverse logistics and recycling

system for disposable plastic cups. All collected material is sent to partner recycling companies and transformed into post-consumer resin, which is used to make new products, such as caps for cosmetics, household utensils and other products. Other companies can join the program by making a financial contribution or creating a reverse logistics system in their own organization.

Wecycle also fosters engagement by the business community in the topic of sustainability and drives innovation in the sustainable use of plastics. Its initiatives include recycling plastic waste disposed of by consumers in large retail chains and projects to incorporate resins in the manufacture of bicycles, encouraging sustainable urban mobility in major urban centers.



MORE INFORMATION
The Circular Economy Manifesto



MORE INFORMATION
Wecycle Platform and its initiatives

14 LIFE
BELOW WATER



17 PARTNERSHIPS
FOR THE GOALS





IN THE AREA OF DIVERSITY OF TEAM MEMBERS, ATVOS WAS RECOGNIZED IN 2018 FOR THE SECOND TIME, AT THE UN HEADQUARTERS IN NEW YORK, AS ONE OF THE “BEST COMPANIES FOR WORKERS WITH DISABILITIES”.

Operating in the sugar and ethanol industry for 12 years, Atvos is Brazil's second largest producer of ethanol and clean electricity from biomass. It also produces VHP sugar and exports products to over 20 countries. Its assets include nine agroindustrial units in the Brazilian states of São Paulo, Mato Grosso, Mato Grosso do Sul and Goiás. Its business model drives a low-carbon economy, with products that bring reductions over 5 million tons of carbon emissions per year through sustainable agricultural practices, by continuous productivity gains, by worker's safety and by respecting human rights and the environment. In this context, Atvos creates value through solutions that contribute directly to combatting climate change, which include:

- **Emissions reductions:** by means of changes in land use resulting from the cultivation of sugar cane in formerly degraded pasture areas. Atvos reduced approximately 15 million tons of CO₂ equivalent by land use management during the 2017-2018 crop season.
- **I-REC:** in 2018, the company made the first sale of international renewable energy certificates (I-RECs) for biomass in Brazil. I-REC is a certificate sold on an international platform that provides large energy consumers with a guarantee that the energy was generated using renewable

resources. By acquiring an I-REC, companies can substantiate that they are offsetting emissions caused by fossil-based energy sources;

- **RenovaBio:** with its knowledge of CO₂ Emissions Management and its adoption of carbon intensity as an operating indicator, Atvos is prepared to reap additional revenue gains with the implementation of the RenovaBio Program, the first national public policy that guarantees financial value for the carbon emissions avoided with the use of biofuels instead of fossil fuels.

In the area of team members diversity, Atvos was recognized in 2018 for the second time, at the UN Headquarters in New York, as one of the “Best Companies for Workers with Disabilities”. The award is the result of the initiative with local communities that includes raising awareness among the company's leaders, involving the local government and engaging the local community to create alternatives for the inclusion in the job market of persons with disabilities.

To connect its operations with global demands for a more sustainable model for consumption and economic growth, Atvos revealed in 2018 its Purpose: “To seek creative and profitable solutions for generating clean and sustainable energy for the planet.”



7 AFFORDABLE AND CLEAN ENERGY



13 CLIMATE ACTION





OCYAN PROMOTES INNOVATION AND SCIENTIFIC DEVELOPMENT IN ITS VALUE CHAIN WHILE ENGAGING LOCAL COMMUNITIES AND PARTNERS

Specializing in integrated solutions for the oil and gas industry, Ocyan promotes innovation and scientific development in its value chain while engaging local communities and partners. One of the highlights of this model in 2018 was the Young Mentoring program. The initiative is part of the School in Action Program, one of Ocyan's social responsibility programs and the main platform for its private social investment.

The Young Mentoring project brings together youth from #inovareaprender (a robotics program aimed at undergraduate students) with the company's engineering and subsea teams. Students at the Federal University of Rio de Janeiro (UFRJ-Macaé) participating in the #inovareaprender program received mentoring from professionals at Ocyan's Drilling Business Unit for the development of operational solutions that led to the creation of two prototypes for use on the company's drilling rigs that met the demands of the mechanical and subsea construction teams.

The solutions were developed using a 3D printer and laser cutter donated by Ocyan to the Management and Research Center at UFRJ-Macaé. From April to October 2018, the mentors worked with students through each phase, from development to

construction of the prototypes. The challenge for the mechanical team was to create a support for a precision ruler for conducting regular inspections of the diesel engines axles on the drilling rigs. For the subsea team, the solutions sought to confirm the compatibility of the Ocyan fleet's connectors with the wellheads supplied by clients, operating at depths of up to 3,000 meters, to facilitate preliminary analysis of the operation and avoid delays.

Developed in 2018, Ocyan Waves is a platform created by the company to encourage and support internal and external innovation initiatives for capturing operational improvements. Its focus is on efficiency gains, improving safety, supporting the startup ecosystem and directly contribute to the new generation of suppliers to the oil and gas industry in Brazil.

Another highlight of 2018 was the completion of the first year of operation of the FPSO Pioneiro de Libra, a joint venture with Teekay. In the period, the vessel produced over 58,000 barrels of oil equivalent per day from a single well, setting a record in the offshore industry. Other exceptional results in the first year of operation include zero recordable occupational accidents and no significant leaks of oil or chemicals into the ocean.





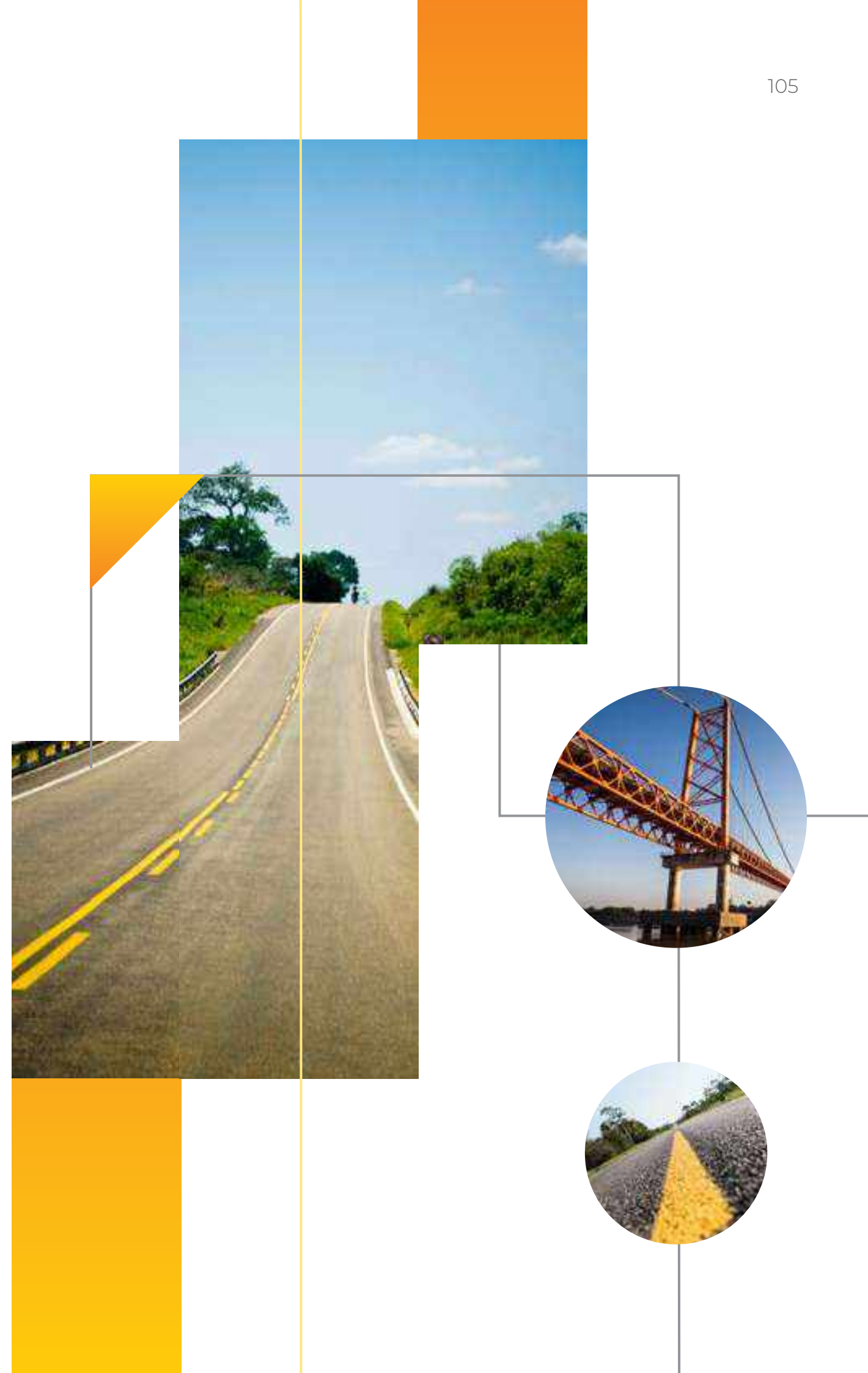
OLI INVESTS IN THE DEVELOPMENT OF INFRASTRUCTURE TO IMPROVE QUALITY OF LIFE AND SAFETY.

OLI manages irrigation, energy and transportation assets in Peru and Colombia. The Business invests in the development of infrastructure to improve quality of life and safety and promote development in the regions that benefit from the assets under its management.

One of these assets is IIRSA Sur, a concessionaire that manages 656 kilometers of highway between Cusco and Madre de Díos, in Peru. The highway extends to the border with Brazil and is an important route for trade between the two countries.

The Highway Safety Program developed by IIRSA Sur in 2018 carried out ten awareness campaigns in local communities and in the toll plazas that reached more than 160 drivers from freight carriers. The initiative also conducted over 500 tests to check if drivers had ingested alcoholic beverages, which would put their own safety and that of others at risk.

As a result of the action, IIRSA Sur registered a 70% drop in accidents with victims compared to 2017.





THE BUSINESS WORKS CONTINUOUSLY TO MANAGE ENVIRONMENTAL IMPACTS AND CAPTURE GAINS IN EFFICIENCY AND IN OPERATIONAL PERFORMANCE.

Specializing in the implementation, development and operation of integrated logistics and mobility concessions, OTP operates in Brazil and contributes to advances in transportation infrastructure in major urban centers. The Business works continuously to manage environmental impacts and capture efficiency gains and improvements in operating performance.

In 2018, Rota do Oeste, a company in investment portfolio of OTP and the administrator of 850 kilometers of Highway BR-163, forged a partnership with the Federal University of Mato Grosso (UFMT) to implement a pavement laboratory to research solutions for the development of asphalts made from reclaimed asphalt pavement obtained from milling discarded material removed during road resurfacing.

The research considered the specific characteristics of highways in the state of Mato Grosso, such as soil, high temperatures and intense traffic of freight vehicles. The goal is to develop a high-quality, durable material from the reuse of waste products previously discarded.

As a contract requirement, the concessionaire Rota do Oeste also conducted a pilot project to assess the feasibility of using electric cars in traffic inspection activities. The replacement of internal combustion vehicles along the highway was proposed under the emissions mitigation strategy for reducing the consumption of fossil fuels.

The program, in partnership with BYD, one of the world's largest electric car manufacturers, includes the installation of charging stations at the Cuiabá toll plaza and tests of a cargo van. The program identified significant environmental gains from avoiding the consumption of fuels, lubricants and other fossil-based products. However, the autonomy of electric vehicles is still short for operational requirements (250 km) and their recharging time is long (1 hour and 30 minutes). As such, large-scale use is still not feasible given the concessionaire's operational area.

OTP, through its subsidiaries VLT Carioca and SuperVia, transports daily approximately 660,000 persons by electrically powered train and light rail vehicle serving users in the city of Rio de Janeiro and the region.



HOW WE PREPARED THE ANNUAL REPORT

Our Annual Report 2019 communicates clearly and transparently to all our stakeholders the main results and experiences of Odebrecht S.A. in the period from January 1 to December 31, 2018. We also include in the document relevant facts and aspects from the first quarter of 2019 to provide timely information on the advances in our management. The publication also presents information on the Businesses, which reflect the significant economic, environmental and social impacts generated by the Odebrecht Group.

In line with best market practices and our permanent commitment to transparency when reporting to society, we adopt as references for the document's contents the GRI Standards, Core Option, and the references to the of Sustainable Development Goals of United Nations. The scope of the report is the same as that of the financial statements of the holding company and none of the data was restated.

The content was defined based on a materiality process conducted in 2017, which included analysis of documents and the direct engagement of

stakeholders. In that year, we consolidated the following sources in our materiality matrix:

- Results from reputation surveys conducted periodically by the holding company based on the RepTrack® methodology that involved civil society, government agencies, financial institutions, business leaders, shareholders and team members
 - Individual interviews with the Chief Executive Officer and the Functional Support Officers (RAFs) of Odebrecht S.A.
 - Individual interviews with ten market experts on the risks and opportunities associated with the business model and operational context of the Odebrecht Group
 - Internal policies and directives
- Analyses of these inputs resulted in the definition of seven material topics considered most relevant to both the strategy of Odebrecht S.A. and the stakeholders with which the holding company and the Businesses interact.



MORE INFORMATION

Previous reports from Odebrecht S.A.

Comments, suggestions, questions or criticism may be sent to comunicacao.holding@odebrecht.com

Odebrecht S.A. material topics		
Topic	Description	Related Sustainable Development Goals (SDGs)
Ethics, integrity and transparency	The topic is related to implementing the Policies and other internal directives for conducting business activities based on the concepts of TEO, on Our Commitment and on the guidelines with a view to developing frank and open channels of dialogue with all stakeholders.	
Transforming the business environment	Odebrecht S.A. contributes to the sustainable development of society by participating in initiatives and collaborating with institutions that work to foster a business environment based on integrity and to transform relations between government and the private sector based on criteria grounded in ethics, integrity and transparency.	 
Corporate governance	Reviewing and strengthening the governance structure of the holding company ensure the autonomy and self-sufficiency of the Businesses by promoting the dissemination and practice of TEO and of the Policies through the board of directors of each Business, guided by integrity and transparency. At the same time, they pave the way for the formation of companies and new partnerships within the scope of the Businesses.	
Portfolio diversification and risks	Investment decisions at Odebrecht S.A. are based on a meticulous assessment of the risks and opportunities present in the different sectors and operational contexts of the Businesses. Such assessments consider economic, social and environmental aspects, with a focus on optimizing resources and contributing to sustainable development.	 
Financial resilience	The capacity of Odebrecht S.A. to create and share value with its shareholders, team members, suppliers and other stakeholders is directly associated with the efficient management and supervision of the Businesses to enable the continued and sustainable growth of the Odebrecht Group.	
Commitment to team members	Through internal the Policies and internal directives, Odebrecht S.A. guides the practice of the principles and concepts of TEO in team members' day-to-day activities and promotes the eight behaviors expressed in the People Policy and the disciplined application of the Action Program (PA) cycle. Through the board of directors of the Businesses, the holding company also accompanies the implementation of people policies in each case, especially the integration of young professionals, the people development programs and the leader development and succession programs	  
Innovation for a sustainable economy	Through investments in the portfolio of Businesses and in transversal initiatives, such as the Destaque Awards and the Odebrecht Award for Sustainable Development, Odebrecht S.A. contributes to sustainable innovation and to the development of new solutions and technologies for a low-carbon economy, accompanied by lower social and environmental impacts. Interaction with research centers, universities and other research and development institutions is important for strengthening innovation capacity.	  

Supplementary Information to GRI indicators

102-3 | The headquarters of Odebrecht S.A. is located in São Paulo.

102-8 | At the end of 2018, the Odebrecht Group was composed of a total of 47,800 team members. The number is 17% lower than at the end of 2017,

reflecting the termination of contracts at OEC, Ocyan and OR. All Odebrecht Group team members work full time and the following information is consolidated in spreadsheets by the holding after being extracted, by the Businesses, from three main systems (SAP, APDATA and Peoplesoft).

Total employees of the Odebrecht Group	2018*	2017	2016
BY GENDER			
Men	39.850	48.595	66.377
Women	7.985	8.994	13.239
TOTAL	47.835	57.589	79.616
BY REGION			
Brazil	31.519	37.063	47.469
Midwest	9.209	9.241	9.970
Northeast	4.415	5.165	7.743
North	497	460	1.922
Southeast	15.127	19.226	24.427
South	2.271	2.971	3.407
International	16.299	20.526	32.147
Latin America	12.362	16.280	20.311
North America	1.896	1.088	1.078
Europe	267	239	262
Africa	1.765	2.823	10.284
Asia	9	96	212
TOTAL	47.818	57.589	79.616

*Data by region does not include in 2018 the 17 team members with temporary work contracts, hence the total differs from the chart of number of team members by gender.

102-41 | Collective bargaining agreements covered 100% of team members with employment contracts managed by the Odebrecht Group in Brazil in 2017, except for apprentices, interns and officers specified in the bylaws. In other countries, the respective labor laws and specific trade union standards are followed on a case-by-case basis.

102-54 | This report was prepared in accordance with the GRI Standards: Core Option.

205-1 e 412-1 | The risk management process of Odebrecht S.A. is currently in the implementation phase. Therefore, it is not possible, at this time, to

report coverage indicators for the risk assessments related to corruption and human rights.

206-1 | No Business or Investment of the Odebrecht Group is a defendant in any lawsuit involving anti-competitive, antitrust or monopolistic practices.

302-1 | Considering the group of Businesses, energy consumption in 2018 was 3% lower than in the previous year. The reduction occurred mainly in energy generation from fuels and was driven primarily by OEC. The percentage of renewable fuels remained relatively stable in relation to the historical data series.

Energy consumption (GJ)*	2018	2017**	2016
A. ENERGY GENERATED BY FUEL CONSUMPTION			
Gasoline	76.421	96.156	194.540
Diesel fuel	3.094.410	4.605.141	7.366.061
CNG, propane and other flammable gases	112.379.457	123.209.764	119.959.614
Ethanol	71.412	67.886	2.176
Natural gas	49.926.374	48.319.856	35.253.394
Liquefied Petroleum Gas (LPG)	358.886	20.305	32.748
Sugarcane bagasse	67.708.351	65.272.323	70.338.865
Other fuels	24.845.691	23.728.477	32.850.587
SUBTOTAL	258.461.002	266.319.916	265.997.985
Percentage of energy generated by renewable fuel sources	26%	25%	26%
B. ENERGY PURCHASED			
Electricity	23.000.296	23.076.781	21.081.671
C. ENERGY SOLD			
Energy sold	9.082.578	9.592.733	7.801.583
D. TOTAL			
Total energy consumed (A + B-C)	272.378.720	279.803.964	279.278.073

*Excludes fuel consumed by the operational fleet of OR, which is the responsibility of contractors.
**Fuel data for 2017 was restated due to a review at Ocyan.

303-1 e 303-3 | In 2018, 41 million cubic meters of water were reused in the Businesses, corresponding to 36.7% of the total withdrawn. Atvos and Braskem are responsible, with virtually equal shares, for 99% of the volume reused.

Water withdrawal ('000 m³)*	2018	2017	2016
Surface water	51.212	57.879	275.087
Groundwater	5.119	2.304	56.052
Subtotal of water withdrawn directly	56.331	55.184	340.839
Municipal water supply or from other specialized companies	54.667	56.849	53.787
Runoff	1	3	26
Tanker trucks	175	217	603
Reuse	671	785	2.963
TOTAL	111.845	113.039	398.219

*The breakdown of surface and groundwater excludes OEC, which controls both variables on a consolidated basis. The data for this Business are included in the line "Subtotal of water withdrawn directly."

201-1 | The value added distributed by the Odebrecht Group in 2018 amounted to R\$XX billion.

Distribution of value added in 2018 (R\$ million)*	
Payroll	6.176
Taxes, charges and contributions	8.021
Remuneration of loan capital	15.369
Remuneration of equity capital	(5.960)
Total value added distributed	23.606

*Figures for prior years are not available.

305-1, 305-2, 305-3 e 305-4 | Analysis on a consolidated basis of the greenhouse gas inventories of the Business shows significant variations in scopes 2 and 3. In the former case, the 24% decrease is due the reduction in the emissions factor of the national power grid, which reflects the less frequent activation of thermal power plants in the country and the consequent increase in the percentage of renewable energy in the national energy matrix. In the case of scope 3 emissions, the 36% increase is related to the expansion in the scope of inventories, particularly at Braskem, to improve the mapping of emissions in the value chain.

GHG emissions inventory (tCO ₂ e)*	2018	2017**	2016
SCOPE 1			
Direct emissions	10.976.612	11.041.111	10.535.581
Direct biogenic emissions	5.627.116	5.476.757	6.155.776
Direct biogenic removals	1.439.992	1.372.927	nd
SCOPE 2			
Indirect emissions from energy purchased	827.208	1.084.756	1.039.061
SCOPE 3			
Indirect emissions – external sources	29.752.554	21.845.313	19.232.759
Indirect biogenic emissions	579.810	578.630	591.778
Indirect biogenic removals	0	173	nd

*In 2017 and 2018, Odebrecht Transport did not conduct an inventory of its GHG emissions. Figures for 2016 exclude OR, which did not conduct an inventory of its emissions in that year, and Braskem's Mexico Complex, which was in the stabilization phase.

** Scope 1 and 3 data for 2017 were restated due to the review at Ocyan.

GHG emissions intensity (gCO ₂ e/R\$ gross revenue)	2018	2017	2016
Scope 1 GHG emissions intensity (kgCO ₂ e/R\$ gross revenue)	0,127	0,186	0,120
Scope 1 and 2 GHG emissions intensity (kgCO ₂ e/R\$ gross revenue)	0,481	0,199	0,134
Scope 1, 2 and 3 GHG emissions intensity (kgCO ₂ e/R\$ gross revenue)	0,481	0,474	0,003

306-2 | The 19% decrease in the total volume of waste disposal was mainly driven by the lower volume of waste generated by OEC, following a revision of its construction project portfolio.

Waste disposal (tons)*	2018	2017	2016
HAZARDOUS WASTE			
Recovery	1.786	4.653	297
Co-processing	810	442	1.812
Co-processing/re-refining	612	339	0
Reverse logistics or specific treatment	124	1.413	0
Decontamination	29	39	0
Incineration/detonation	7.824	6.226	2.220
Recycling/reconditioning	35.629	31.439	1.343
Reuse (oily water)	2.316	0	0
Other	10.332	11.662	5.178
TOTAL	59.462	56.213	48.185
NON-HAZARDOUS WASTE			
Landfill for regular/industrial and inert waste	68.503	161.690	565.118
Recycling	144.364	84.608	1.222.441
Recovery	1.552	1.756	101
Co-processing	1.063	6.006	7.181
Composting	16.093	7.949	75.952
Fuel source	0	0	0
On-site storage	48	66	0
Granulated and discharged at sea	205	0	45
Incineration	880	2.455	2.482
OTHER	278.688	362.739	1.937.324

*Waste from Ocyan's offshore production area is managed by the client. In 2016, it was not possible to break down Braskem waste by disposal method.

401-1 | For every one new hire, there were 1.6 dismissals in 2018, compared to the ratios of 1.4 and 2.2 registered in 2017 and 2016, respectively.

Turnover in 2018	Number of new hires	Number of terminations	Hiring rate*	Turnover rate**
BY GENDER				
Women	1.266	1.339	2,6%	3,8%
Men	5.371	9.630	11,2%	4,2%
CONSOLIDATED	6.637	10.969	13,9%	4,2%
BY AGE BRACKET				
Up to 25 years old	1.863	2.138	3,9%	7,5%
26 to 35 years old	2.381	3.998	5,0%	4,1%
36 to 45 years old	1.607	2.923	3,4%	6,6%
46 to 60 years old	734	1.642	1,5%	2,3%
61 years and older	52	268	0,1%	0,7%
CONSOLIDATED	6.637	10.969	13,9%	4,2%
BY REGION				
Brazil	4.337	6.589	9,1%	6,6%
International	2.300	4.380	4,8%	6,1%
CONSOLIDATED	6.637	10.969	13,9%	4,2%

*Hiring rate = number of new hires divided by average headcount in period.
**Turnover rate = [(number of new hires + number of terminations)/2 / (employees on first day of year + employees on last day of year)/2] x 100

415-1 | Odebrecht S.A. does not make financial contributions to politicians and political parties, as explicitly prohibited by our Policy on Compliance with Ethics, Integrity and Transparency. According to the policy, such contributions are permitted only in countries where it is legal and with prior approval by the board of directors and broad disclosure to the public.

GRI CONTENT INDEX

GRI Standard	Indicator	Page	Omissions
GRI 101 Foundation 2016			
General disclosures			
GRI 102 General disclosures 2016	Organizational profile		
	102-1 Name of the organization	24	
	102-2 Activities, brands, products and services	78 e 79	
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