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### **Foreword**

A Performance Report is much more than an mere analysis of the yearly results. It is, for the Odebrecht Foundation, the certainty that it remains grounded within the purpose and legacy left by Norberto Odebrecht, to generate opportunities that transform people's lives. In 2017, the Odebrecht Foundation has, as evidence of this commitment, rethought pathways and revisited its actions to be even more assertive, enhancing the best of each supported institution. Focusing on efforts in education and the environment. it maintained as a priority the improvement and strengthening of the actions it has been developing in the Southern Bahia Lowlands region.

Its carries out its work in 11 municipalities that contrast low levels of Human Development and great wealth it cultural, in biodiversity and in natural resources. It continuously seeks to improve its social technology in order to socially, economically and environmentally transform people's living conditions. The Development and Integrated Growth Program with Sustainability (PDCIS), inspired by the Odebrecht Entrepreneurial Technology (TEO), is mainly geared towards youth education for life,

through work, on the basis of values and surpassing limits mission chosen by the Odebrecht Foundation 30 years ago. In 2017, the PDCIS directly benefited 12,000 people in 370 communities. Some 1,100 young people have graduated or are in the process of formation in educational institutions associated with UNESCO, and 212,000 trees planted, with 285 springs restored or in recovery.

Aligned with its Board of Trustees, Social Investors and assisted communities, the Foundation has an agenda for the future that seeks to evaluate the impacts of the actions developed and to systematize its social technology. The contribution to the Southern Bahia Lowlands aims to build a more inclusive. productive, ethical, integral and transparent society. In a moment of deep reflection on the challenges of education, the global environmental crisis and the need to obtain new practices and models of action, the Odebrecht Foundation presents its 2017 Performance Report – On the Path to Sustainability with the conviction that it is contributing in the present to the construction of a better future.



Good reading!

**Fabio Wanderley** Superintendent of the Odebrecht Foundation

Odebrecht Foundation – On the Path to Sustainability

Performance Report – 2017

## Institutional Profile

### Who we are?

#### ODEBRECHT FOUNDATION

Nonprofit, private institution, founded by Norberto Odebrecht in 1965 and maintained by Odebrecht S.A. It is one of Brazil's oldest business foundations. It transfers its social technology to Civil Society Organizations and mobilizes social investors in educational and environmental actions aimed at the youth and their family.

#### Mission:

Educate for Life, through Work, on the basis of Values and surpassing Limits

#### Odebrecht Entrepreneurial Technology

The Odebrecht Foundation has as it's source of inspiration the Odebrecht Entrepreneurial Technology (TEO), with a focus on education and work. The TEO is the foundation of the Odebrecht Group's culture and is shared by the Foundation with the institutions it supports.

### What we do?

## Development and Integrated Growth Program with Sustainability (PDCIS)

Program conceived by the Odebrecht Foundation, aims to socially, economically and environmentally transform the living conditions of the people of the Southern Bahia Lowlands. The Odebrecht Foundation coordinates the PDCIS, acting as articulator of people and organizations. Shares its technology with social institutions supported with a focus on generating impactful results, contributing to engendering sustainable development.

## Fields of Engagement – PDCIS





Conservation of Natural Resources

#### Where we Do?

Southern Bahia Lowlands — The action is focused on this region, in 11 municipalities with about 285 thousand inhabitants, which contrasts the rich biodiversity with low Human Development Indexes: average of 0.59 while the national is 0.69, according to information from the IBGE Census 2010.

### With whom we do?

## Civil Society Organizations



Currently, five institutions are part of the PDCIS and work with a focus on contextualized education, generation of work and income and conservation of natural resources. There are three Family Houses, the Presidente Tancredo Neves Rural Producers' Cooperative (Coopatan) and the Land Conservation Organization (OCT).

## Government Institutions



This partnership favors the implementation of public policies and the promotion of fundamental rights, also supporting the application of resources in actions that meet the needs and priorities of the beneficiaries.

## Partners and Social Investors



The Odebrecht Foundation relies on essential partnerships in the pursuit of social transformation, such as the Mitsubishi Corporation, UNESCO and Braskem. Also worthy of note is the **Tribute to the Future** initiative. This program encourages the donation culture by mobilizing, annually, Odebrecht Group members, partner companies and citizens to contribute to the permanence of hundreds of adolescents in the countryside, with access to contextualized education, work and income generation, and while caring for the environment.

## For whom we do?

## The youth and their family

The emergence of a new generation of rural entrepreneurs, protagonists and knowledge multipliers in their communities, is fostered by the Odebrecht Foundation.



With **Youth Protagonism**, the youth is encouraged to act as a source of freedom, initiative and commitment, the foundation for forming responsible, conscious and participative individuals.

Through educational and environmental projects and actions, thousands of youths and their families recognize their potential and learn to live together in a synergistic way, realizing themselves through work, accessing and interacting with new knowledge and building a more promising future in harmony with the environment.





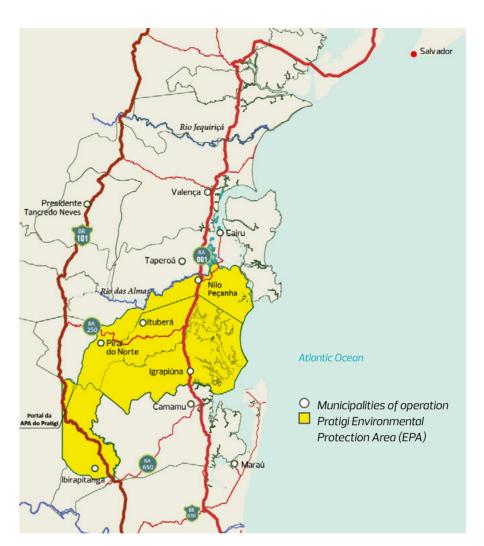
Created in 2003, the Development and Integrated Growth Program with Sustainability (PDCIS) is executed in the Southern Bahia Lowlands and fosters actions directed towards:

- the education of youths in the field, integrated with their families and with quality of life;
- rural cooperativism, with processing of products and fair trade;
- to the conservation of natural resources, with direct support to rural producers in the planning of their properties and the transfer of sustainable techniques.

The PDCIS, which articulates the synergetic work of civil society organizations, provides a spiral of development that tends to

accelerate and optimize its effectiveness. The appropriation of this gear by the local community is the envisaged social transformation, with the incentive to the formation of a protagonist rural population, responsible for their own development.

The coordination of the Odebrecht Foundation combines the promotion of entrepreneurship – the TEO is shared with partner institutions –, with support to the mission of these institutions in the qualification of management, compliance, fundraising and partnership with social investors. Currently, five institutions, independently managed and autonomous, are part of this cycle of development and are supported by the Foundation (four Civil Society Organizations of Public Interest – OSCIP and one cooperative)\*.



# What is the PDCIS' area of operation?

The action takes place in the Southern Bahia Lowlands, in 11 municipalities with about 285 thousand inhabitants and a population which lives mainly in the countryside with an average income of R\$ 300 – less than half of the national amount, which is of R\$ 668 – and has a low level of schooling: only 25% of adolescents over 15 complete primary school, when the national average is 53%. (Source: IBGE 2010 Census).

## Supported institutions



Agroforestry Family House (Cfaf)



Rural Family House of Igrapiúna (CFR-I)



Rural Family House of Presidente Tancredo Neves (CFR-PTN)



Land Conservation Organization (OCT)



Presidente Tancredo Neves Rural Producers' Cooperative (Coopatan)

<sup>\*</sup> Five others that in 2016 were linked to the PDCIS, set different paths in the year 2017. The Continental Waters Fish Farmers' Cooperative (Coopecon), Water Family House (CFA) and the OSCIP Youth House are in the process of demobilization. Southern Bahia Lowlands Hearts-of-Palm Producers' Cooperative (Coopalm) and Right and Citizenship Institute (IDC) are no longer linked to the PDCIS and have established a course of action independent of the support of the Odebrecht Foundation.







PDCIS - Supported institutions
Family Houses

Members of the UNESCO Associate Schools Program, the Houses are Civil Society Organizations of Public Interest (OSCIP) which offer Technical courses integrated to Secondary Education aimed at Agribusiness, Agriculture and Forestry, recognized by the Ministry of Education (MEC) and the state of Bahia Secretariat of Education. The focus is the contextualized teaching to the reality of the countryside for the formation of young rural entrepreneurs.

The methodology used is the Pedagogy of Alternation, where the students spends a week

interned, with lessons in the classroom and in the field, and two weeks on their families' farms, applying and re-applying the new knowledge, under the supervision and guidance of specialized monitors. Rural administration soil management, irrigation, cooperativism, ethics, citizenship, besides the appropriate techniques for the most diverse crops and the disciplines of the common national base are part of the curricular matrix.

# How is the selection process for joining a Family House?

As requirements, it is necessary to have more than 14 years-old, to have completed primary education, to be a farmer's son and to reside in the rural area of the Southern Bahia Lowlands, with vocation to continue the work in the field with their family. Registration takes place between September and November of each year. The selection process for admission in 2018 had more than 1,000 enrollees and involved about 30 public schools in the region.

### **PDCIS - Supported institutions**

## Family Houses

## **Social Transformation**

Learn about the methodology of the Family Houses, which are teaching units that give a hundreds of adolescents an education customized to real life in rural areas.

#### **FUTURE RURAL ENTREPRENEURS**

Adolescents who have completed their basic education and are interested in farming can enter the Family Houses. They have access to a healthy environment at these educational units, which encourage self-development and promote contextualized education, contributing towards their professional growth.

#### **FAMILY HOUSES**

Institutions which provide integrated education (secondary and technical level) and are part of the Unesco Associated Schools Project Network.

#### PEDAGOGY OF **ALTERNATION**

The Family House uses Pedagogy of Alternation, which merges theoretical and practical knowledge, focusing on the reality of the countryside. The students spend one week at the school and two at their families' properties. testing their knowledge and learning through practical experience.



#### Family

Thousands of families live from crops grown on small properties in the Southern Bahia Lowlands. Therefore, adolescents who cannot see any prospects of development move to the big cities.



#### School

On entering the Family House, the adolescents work on personal development and gain knowledge which allows them to diversify their crops, increase productivity and achieve better results in their fields. They change their families' properties into businesses in this way, as well as contributing to their food security.



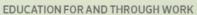
#### Theory

During the period that they stay at the Family House, the students learn to grow a wide range of crops, the basics of rural administration, managing the soil and water, about being cooperative members, citizenship, social interaction and arousing political awareness, in addition to studying national curriculum subjects.



#### Practice

The theory is put into practice by holding classes in the fields. The educational program challenges the adolescents to combine traditional knowledge with new technologies to expand their entrepreneurial and sustainable vision in the rural context.





#### Educational-Productive Projects

As part of the practical activities, the students are involved in establishing their first businesses. They receive supplies and guidance to start growing crops on their families' properties, obtaining an income and reinvesting the profit in new productive cycles.



#### Community

The adolescents act as multipliers of the knowledge acquired at the Family House in their communities. They influence the environment where they live and contribute towards family and social transformation.

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# PDCIS - Supported institutions Family Houses



74%

They still reside in the Southern Bahia Lowlands (remaining in the countryside) 66%

Practice rural activity (economic activity)

more than

50%

currently participate in some Social Organization (protagonist legacy) round

40%

of the respondents invoice, with rural activity alone, more than R\$1 thousand/month **☑** Good practices

## Leader in Formation

In the school report card, excellent grades. In the production of cocoa that she grows along with her mother, everything she learns in the classroom is put into practice, like a planting method that combines productivity with the conservation of natural resources. Carolaine dos Santos, 17 years old, joined CFR-I in 2017, in the Course of Technical Professional Education in Agribusiness Integrated to Secondary Education, and already shows that she is a few steps away from becoming a young rural entrepreneur, leader in her community, in Varjão, Camamu (BA). "My dream is to become a great producer in my region. So I want to do everything right from the beginning, using the appropriated techniques", says the young woman. Carolaine learned that by planting several crops in the same area, the so-called Agroforestry System, the risks of degradation of the agricultural activity would be minimized, optimizing her results. In addition to cocoa, she began to plant plantain and rubber tree, clove and

guarana. "The idea is that our area should look the most with a forest, with many varieties of crops. With the income from the harvest that is finalized first, we can finance the remaining ones", explains. Along with her business vision, her desire to preserve the environment led her to set up a small association in her community, with classmates from CFR-I, to discuss agricultural improvements with respect to natural resources.



#### **PDCIS - supported institutions**

OCT | Land Conservation Organization

Working in the Pratigi Environmental Protection Area (EPA) in the Southern Bahia Lowlands, the OCT seeks to promote the conservation of soil, flora, fauna and revitalize water resources. Reforestation actions, recovery of springs, technical assistance to farmers, insertion of Agroforestry Systems, support for socio-environmental certification. allied to capacity building for a better use of natural resources, are part of the institution's scope of action and contribute to the environmental agenda intrinsically related to the economic growth of family farmers.

Pratigi's EPA covers five municipalities, an area of 171 thousand hectares with more than 10 thousand springs. Of these, 3,200 are degraded or altered. The planting potential for recovery of these areas is of 4 million trees.

Which are the main projects coordinated by the OCT?

The Pratigi Water Producer is one of the projects that integrate the OCT's Environmental Services Payment Program (PSA), providing farmers with guidance and financial support for the integrated planning of their properties. In Bahia, the institution encouraged and supported the implementation of a PSA law in Ibirapitanga, which made the municipality the first of the state to have this law with a budget approved by the city hall.

The OCT also recovers and conserves springs through the Pratigi Neutral Carbon Program. By calculating the carbon footprint (or inventory of CO2 emissions), possible through electronic calculator on the OCT website, individuals, legal entities and events can neutralize their emissions. The objective is the recovery of degraded Permanent Preservation Areas (PPAs), prioritizing springs in family-based rural properties and which are encouraged by the PSA.



### **☑** Good Practices

## Integration that generates change

Every day, after awakening promptly at 5:30 am. farmer Valdenor Onofre. 58, walks a few meters inside his property giving thanks for what he sees on the path: a spring with life that flows into a small dam that supplies his house, surrounded by native trees of the Atlantic Rain Forest, a great variety of fruits and an agricultural production with great prospects of income. Benefited by OCT since 2015 in environmental and productive conservation actions, Valdenor acquired more than tools to improve his reality: the attitude of defender of nature, becoming a reference in the small community of Joaquim da Mata, in the Bahia municipality of Ibirapitanga. "I did not believe that we would have all this water here. Everything was dry, there was only dirt, Look how much difference! Even the air is cleaner" tells, admired by the transformations caused after the reforestation work of its spring and the guidance passed on to him and his family. Participant in the Pratigi Water Producer Project – Ibirapitanga, carried out by OCT in conjunction with the City Hall, Valdenor receives technical and financial support for planning his property. This benefit became public policy in 2016, with financial contribution of R\$ 90 thousand for distribution to farmers in the region.



**PDCIS – Supported Institutions** Coopatan

Presidente Tancredo Neves Rural Producers' Cooperative

It guarantees income and quality of life to the families of associated farmers, besides offering quality goods to commercial partners and customers. Its activities are focused on two areas: development of technologies in the field and organization of production with subsequent processing, aiming at aggregation of value and generation of a higher income. Through the cooperative, the members commercialize banana, yucca and pineapple, cassava flour and tapioca pulp. The cooperative has a fruit pre-processing unit and, in 2015, it inaugurated, at its headquarters, located in the Bahia municipality of Presidente Tancredo Neves, the most modern flour mill in the North and Northeastern region of the country.

In the Rural Family House of Presidente Tancredo Neves (CFR-PTN), adolescents have access to contextualized formation and become rural entrepreneurs they begin their own productive practices as activities that make up the formation, having the opportunity to associate themselves with cooperatives such as Coopatan for the processing and commercialization of its products and generation of income. There is also the exchange of knowledge: with qualified studies and partnership with research centers like Embrapa (Brazilian Company for Agricultural Research), the youths from CFR-PTN learn scientific techniques – such as pest control and soil management and share it with other producers from Coopatan, guaranteeing greater quality and productivity to the crops.





Good Practices

Low impact great results

Promoting rural development through the transfer of low carbon farming technologies and conservation of soils and forests. This is the proposal of the Sustainable Rural Project, executed by the Inter-American Development Bank (IDB), with the support of the Ministry of Agriculture, Livestock and Food Supply, the British Embassy and Banco do Brasil, and which in 2017 benefited 23 family farmers from Coopatan in the Southern Bahia Lowlands. They were selected, through tenders, to receive technical and financial support for the adoption of sustainable practices in their rural production. "It is a great pleasure to be part of an initiative that aims at protecting the environment while fostering production. For the cooperative was a great achievement, because they were recognized for the good practices they already followed",

said Ednalva Lima, President of Coopatan. The initiative benefits producers with R\$ 5,220 per hectare, limited to 4 hectares (ha) per rural property. With the identification of 53.5 ha of areas of the 23 associates of the cooperative, the value reached R\$ 279,270.00. "Keeping my area preserved has always been a priority. I cultivate Cacao through the Cabruca method, where the soil is protected by native trees of the Atlantic Rain Forest. The biodiversity is extraordinary!", stated Feliciano Costa Neto, one of the beneficiaries. With the resource, for his 3 hectares, he could invest in the cleaning and fertilization of the plantation "And I still saved the rest to apply in another production, where I will recover the degraded site to make a new plantation", added.

Odebrecht Foundation – On the Path to Sustainability Performance Report - 2017 **PDCIS** 2017 Results

The Odebrecht Foundation is aware that building a more just and sustainable future depends on what is done in the present. Therefore, together with partners and investors sensitized to the cause of social transformation, it mobilizes resources for the benefit of thousands of people in the Southern Bahia Lowlands and seeks to enhance the strengths of each supported institution.



Around R\$ 12.7 million Resources mobilized (USD 3.2 million)

ARR | 12 thousand Direct beneficiaries



Communities served

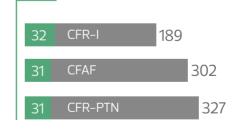


Check out in the video the main results of the Odebrecht Foundation in 2017 in favor of contextualized education, with generation of work and income and conservation of natural resources.

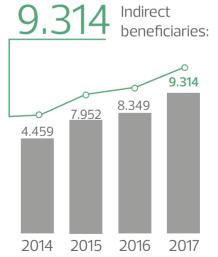


**EDUCATION** 

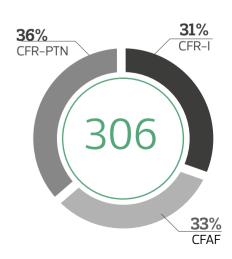
94 Students Graduated in 2017 (818 since 2006)







#### Youths in progress





Family Houses



384

new Educational-Productive Projects (EPP's) implemented.

\* Productive activities that stimulate the development of skills applied to agriculture.



R\$ 1.4 million revenue from the sale of EPPs'

production. (USD 300.000)



3.387

Follow-up visits to ongoing students.

## theory and practice





Check out Joana Almeida's video, Educational Coordinator of the Odebrecht Foundation.





#### **Environment**

#### OCT

The sequestration of carbon and the impact of Agroforestry Systems established in the areas of programs implemented by the Land Conservation Organization (OCT) were verified in 2017 from the VCS (Verified Carbon Standard) and CCBS (The Climate, Community & Biodiversity Standards) standards. The year was also marked by the presentation of the institution's works at the 19th Organic World Congress in India, considered the largest meeting of the sector in the world.

Family farmers benefited by the OCT showed to the viewers of Rede Globo's Bahia Rural's television program, how their realities have been transformed since they started participating in the Project for Payment of Environmental Services (PSA) - Ibirapitanga.



80 springs restored in 2017





212 thousand trees planted (since 2012)



Restoration of 24 hectares

PPA (Permanent Preservation Area), which correspond to 10,000 trees planted



20 thousand tons

in generation of carbon credits for the voluntary market: client Natura



1.000

rural properties with land regularization

Odebrecht Foundation – On the Path to Sustainability Performance Report - 2017



**ENVIRONMENT** 



At 680 meters of altitude of the Papua Range, in the municipality of Ibirapitanga and within the Pratigi **Environmental Protection Area** (EPA) is the highest point of the Southern Bahia Lowlands. Hosting the visitor throughout the year, the Papua Center, which houses an Odebrecht Foundation office and the OCT headquarters, has rooms, an auditorium for up to 80 people, a learning center, a research center, a restaurant and three bungalows with capacity for up to 52 guests.

In 2017, it received hundreds of visitors and events, consolidating itself as a reference in the region for the possibility of allying, in a single place, the theoretical knowledge to the experience of subjects of public interest linked sustainability, education and productive awareness, attracting researchers and educational centers such as the State University of Santa Cruz (UESC). In October, the institution used the Papuan Center to teach the discipline "Diagnostic Analysis of Agrarian Systems", offered for the Master and Doctorate tracks of the Postgraduate Program in Development and Environment and to the Master of Regional Economics.

### Sustainable Techniques

Check out Joaquim Cardoso's video. Executive Director of the Land Conservation Organization.





**PDCIS** 2017 Indicators

WORK AND INCOME

Coopatan



### 311 associates

beneficiaries - of these, 297 are family farmers



## R\$ 2.330

Average income/month of the associates (USD 605)



### 3.103 tons

of food produced (yucca, cassava, pineapple, plantain)



### R\$ 12 million

of revenues with the commercialization of its products (USD 3.1 million)

The Presidente Tancredo Neves Rural Producers' Cooperative (Coopatan) was evaluated by the Abrinq Foundation for its commitment to children and adolescents and received the right to use the Company's Child Friendly Program seal in its packaging and other materials for communication and dissemination.

#### Innovation

Structuring to expand product commercialization portfolio – banana chips, avocado and cocoa.

Odebrecht Foundation — On the Path to Sustainability Performance Report - 2017





The Odebrecht Foundation counts on essential partnerships in the search for the social transformation of youths and their families. A union that involves not only the financial contribution and transfer of technology, but the commitment to ethics, integrity and transparency, with goals and accountability carried out in a qualified manner.

Several companies support the development model promoted by the Foundation in the Southern Bahia Lowlands through Private Social Investment. This practice is characterized by the spontaneous transfer of private resources in a systematic, monitored and planned way for social, environmental, cultural or scientific projects.

### Partners

Check out the testimony of some of the Odebrecht Foundation's partners.



# Hand in hand for development







**BVSA**Bolsa de Valores
Socioambientais







**FIA**Fundo dos Direitos da
Crianca e do Adolescente







SECRETARIA DA EDUCAÇÃO





In 2017, **Braskem** completed 15 years of engagement. To celebrate the date, the Odebrecht Foundation presented the company with a video recorded by adolescents benefited in the Southern Bahia Lowlands. One of the main supporters of the educational, with the Family Houses, and environmental aspects of the Land Conservation Organization (OCT), Braskem last year provided more than 120 members to know the projects supported in the region.



The **Mitsubishi Corporation** has been a partner since 2009 for the sustainable development of youth in the Southern Bahia Lowlands and supports the contextualized education of students in the Family Houses, investing in the formation of more than three hundred new rural entrepreneurs every year. In December 2017, a new Cooperation Agreement was signed renewing the partnership until 2020.



Students and directors of the Family Houses and leaders of the Odebrecht Foundation participated in the XXIII National Meeting of the **Unesco** Associated Schools Program (ASPnet), held from September 27 to 29, 2017 in Foz do Iguaçu (PR). The event received more than 600 educators and experts from Brazil and the world. In 2018, the Congress will be held in Salvador, in partnership with the Odebrecht Foundation. In 2015, the educational institutions that form part of the PDCIS became associated with Unesco, becoming part of the ASPnet.



Since 2004 encouraging the culture of donation

Tribute to the Future

Around the world, the number of countries where citizens perceive themselves as part of local problems – and solutions – is growing, with donation as a tangible social value. The Tribute to the Future, which has been carried out by the Odebrecht Foundation for more than 10 years, encourages solidarity movements in the country and is an important source of fundraising, both inside and outside the Odebrecht Group, to enable projects aimed at the contextualized education of the Family Houses. Thus, adolescents have the opportunity to remain in the countryside, integrated with their families and communities, with generation of work and income and aware of the importance of conserving natural resources.

### What is the role of the Odebrecht Foundation in

The Odebrecht Foundation annually conducts a mobilization campaign, encouraging citizens and companies to donate any amount or to assign part of the Income Tax (IT) to the Tribute to the Future. The funds raised do not go through the Odebrecht Foundation and instead go directly to the Childhood and Adolescence Fund of the municipalities where the Family Houses that are part of the PDCIS are located, through the Municipal Council for the Rights of Children and Adolescents – responsible for transferring the funds raised to the projects. The Odebrecht Foundation signed a Technical Cooperation Agreement with the Municipal Councils for the Rights of Children and Adolescents, of the municipalities where the Family Houses that are part of the PDCIS are headquartered to support them in monitoring the projects benefiting from the donated resources, with ethics, integrity and transparency.

# this initiative?

How does the Odebrecht Foundation reports to its social partners? In order to present the results generated by the contributions during the campaigns, the Odebrecht Foundation, together with the institutions that execute the projects, disclose reports with indicators of the actions taken. To show the results of 2017, from the campaign held in 2016, communication with social investors was innovative and a special website was created. Filled with highlights and life stories, the page serves the purpose of leaving the supporter very well informed.

Tribute to the

Future

## **☑** Good practices

#### Integrated **Teaching**

In the notebook of Gustavo Nascimento, 15 years old, mathematical formulas divide space with annotations about horticulture and rural administration. And when he is not acquiring new theoretical knowledge, it is in the field, with practical classes, that his learning has been strengthened. The formation is offered by the Rural Family House of Presidente Tancredo Neves (CFR-PTN), through the Course of Technical Professional Education in Agriculture Integrated to Secondary Education. "I am able to see agriculture, which is the basis of my family, with a different perspective", said the student, son of small producers in the community of Nova Esperanca, in Wenceslau Guimarães (BA). With the encouragement of the Family House and projects such as the Formation of Adolescents Future Rural Entrepreneurs, supported via the Tribute to the Future, Gustavo is already starting to take on responsibilities as a farmer - he plants plantain and cassava in a 2 hectare area. "I have my own productive project, where I can apply what I learn and still generate profit, and can reinvest for next harvest", states.

### I am part of it

Fátima Berbert, Member of Odebrecht S.A., deducts part of the Income Tax to support the Tribute to the Future since its inception in 2004. A few years ago, she visited the Family Houses and was delighted with what she saw. "The visit is outstanding. I got in touch with adolescents who have an impressive qualification, awareness of everything they do, it was very exciting," she says. As she has always done, Fatima intends to continue to be a supporter of the Tribute to the Future in the coming years. "I know the importance of the Odebrecht Foundation in the Southern Bahia Lowlands, the growth that has taken place there is impressive. I believe in these projects", she emphasized.







Social Investors mobilized 4.800 people

R\$ 2.2 million



It will directly benefit more than

320 students and, indirectly, around

8.200 people



2016/17 2017/18

56%

Increase in the Retention Rate<sup>3</sup>

\* Number of donors that the Odebrecht Group maintains in its base for a given period.



Check out Cristiane Nascimento's video, Responsible for the PDCIS.



Commitment to the Supported Institutions

The relationship between the Odebrecht Foundation and the supported institutions are evidenced daily. Involved in the cause of education and the generation of work and income, aligned with the environmental commitment, this union is strengthened by the Odebrecht Foundation by sharing the principles, concepts and criteria of Odebrecht Entrepreneurial Technology (TEO) with corporate vision, transforming these resources into breakthrough results and contributing to sustainable development. A Cooperation and Partnership Agreement establishes the link between the Odebrecht Foundation and each of the institutions supported, establishing along the instrument rights and obligations side by side, reflecting the best practices in Governance for the Third Sector.

## Highlights of the year:

- In the educational sphere, the Teaching Staff Development Program of the Family Houses of the Southern Bahia Lowlands, administered by the Foundation's Educational Coordination, continued. The action aims to develop the pedagogical activity of educational institutions that are part of the PDCIS.
- The dialogue between leaders of the Odebrecht Foundation and the institutions supported has been intensified with respect to the the construction of goals and transforming challenges for their Action Programs in 2018.

## Relationship with the Odebrecht Foundation

CFR-I Director Francisvaldo Roza talks about the partnership between the Odebrecht Foundation and the supported institutions.





Commitment to Governance

The actions supported by the Odebrecht Foundation build their results through Participatory Governance, involving, in addition to the private sector, the community, government organizations and civil society. The construction solutions in conjunction, based on the potential and the actual needs of those involved, values the ability of human beings, the willingness to serve and the desire to evolve.

#### Highlights of the year:

- In 2017, the Odebrecht Foundation signed a Technical Cooperation Agreement with Municipal Councils on the Rights of Children and Adolescents (CMDCAs) and promoted the capacity building formation of 50 counselors from the Southern Bahia Lowlands region. Topics such as legal and historical frameworks for child protection in Brazil, laws and regulations of the Funds for Children and Adolescents means whereby the funds raised through the Foundation's Tribute to the Future are transferred on to projects aimed at the promotion and defense and the rights of children and adolescents.
- The Odebrecht Foundation's Financial Statements were audited by an Third Party Audit

and then approved by the Board of Trustees. The annual accountability of the actions carried out by the Foundation strictly followed the deadline for delivery to the Public Ministry of the State of Bahia.

In 2017, the Odebrecht Foundation became closer to entities in the Third sector through the GIFE (Group of Institutes, Foundations and Companies), a reference in Brazil on private social investment. The institution inserted indicators and its Bylaws in the "GIFE Transparency Panel", an online groundbreaking tool in the country that gathers, organizes, and makes available relevant institutional information about its members.



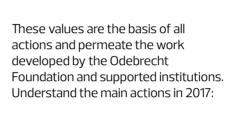
- Students for Family Houses studied ethics, integrity and transparency in Sociology disciplines; Philosophy; Ethics and Citizenship also in a transversal way in other classes.
- Institutional Documents were Implemented in the supported institutions: Bylaws, School Rules, Code of Conduct and Procurement and Contracting Regulations.
- Continuous Business Security Program conducted by the Odebrecht Foundation with the supported institutions.
- Rural House of Presidente Tancredo Neves: capacity building meetings for commercial and institutional partners on Code of Ethics and good management practices.

In 2017, the Odebrecht Foundation reached 30,000 followers on Instagram and around 250,000 followers on Facebook, reaching an average of 600,000 people per month with its publications. The great reach intensified the communication of the actions with society.

In the mainstream media, about 20 reports were released in Bahia and National television vehicles, as Bom Dia Brasil and Jornal Nacional, from Rede Globo.









Odebrecht Foundation — On the Path to Sustainability Performance Report - 2017





In May 2017, the Odebrecht
Foundation underwent management
changes, with Fabio Wanderley
assuming the position of new
Superintendent. This leadership
sought to intensify a new agenda for
the future (triennium 2018–2020) for
the Odebrecht Foundation, in dialogue
with the benefited communities,
members and companies of the
Odebrecht Group and with the Board
of Trustees.

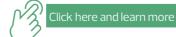
For the 2018 cycle, the Odebrecht Foundation's main challenges are to evaluate the impacts of its actions and to systematize the social technology it has developed. This work has already begun, with the support of a specialized consultancy, in the Southern Bahia Lowlands. The proposal that is being implemented is based on a scientific methodology that measures the real return of social investments, analyzing the

financial impacts (management and cost-effectiveness), economic (cost-benefit) and socio-environmental (equity/sustainability).

## Building the Future in the Present

Check out this video as young students from the Family Houses connect with the future.









## Corporate Information

#### **ODEBRECHT FOUNDATION**

Fabio Wanderley Superintendent

Cristiane Nascimento Responsible for the PDCIS

Augusto Cruz Governance & Legal

Beatriz Lepkison
People & Organization

José Ernesto Gonzalez Finance & Compliance

Vivian Barbosa Communication

#### Board of Trustees (Mandate 2017)

Emílio Alves Odebrecht (President)
Gilberto Pedreira de Freitas Sá
Luiz Antônio Schneider Alves de
Almeida Luiz Fernando Souza Villar
Newton Sergio de Souza
Renato José Baiardi (Vice-President)
Rubens Ricupero
Sergio Foguel

#### **EXPEDIENT**

Production Odebrecht Foundation Communication Area

Texts and Videos Camila Giuliani

Creation and Design Marcus Valadão

Acquis: Agroforestry Family House,
Rural Family House of Igrapiúna,
Rural Family House of Presidente
Tancredo Neves, Click Interativo,
Presidente Tancredo Neves Rural
Producers' Cooperative, Odebrecht
Foundation, Odebrecht S.A. and Land
Conservation Organization
Almir Bindilatti
Fernando Flores
Valdomiro Vicente Junior

Linguistic review (Portuguese) Gilcia Beckel

Translation (English and Spanish) Sérgio Senna

