

**ODEBRECHT  
FOUNDATION**



*Opportunities that  
Transform*

We invite everyone to follow together:  
**On the Path to Sustainability**  
Performance Report 2016

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# Presentation

## Opportunities that Transform

It is no exaggeration to say that a simple opportunity can transform a person's life. Yes, it is possible.

Hundreds of youths and their families now have the opportunity to build a sustainable life in the countryside. They have gained the opportunity to access knowledge and new technologies that allows them to produce food with quality and safety, to negotiate with fair markets and to have returns worthy of their efforts. All this with citizenship, without harming the environment and ensuring that the next generations are entitled to current assets.

It is with great pride and a great deal of awareness of its responsibility that the Odebrecht Foundation has the honor to contribute, in a daily basis, so that these opportunities reach people of talent, endowed with strength of will and a great spirit of service. We believe that Human Beings have an incessant desire to evolve and that they only need the correct and adequate tools to develop their full capacity. Our commitment is to foster this projection.

Creating these opportunities requires immediate actions that can generate effective changes in the scenarios where our beneficiaries are inserted. It is for this reason that we focus not only on promoting decent work and fair distribution of income but also on providing a contextualized and quality education with access to public policies.

Learn more, in the next pages, about the initiatives we support and check our Programs' results and indicators for the year of 2016.

Good Reading!



## Word of the Executive President



**Eduardo Odebrecht de Queiroz**  
Executive President and Vice-Chairman of the Odebrecht Foundation's Board of Trustees

### We are ready!

It is almost common talk to say that 2016 has been a challenging year. However, there is no better word to describe what last year has represented to us. It has been a great challenge. We have planned and adapted. We reset routes and strengthened directions. We succeed in strategy, we have admitted failures and we corrected them. It has been 12 months of intense and exhaustive learning, which consolidated us as a serious and transparent institution.

We continually prioritize the improvement of results, business security, ethics, professionalism, accountability, and finally have focused on building a Governance that has given us the necessary foundation to go through a year of crisis holding our head high and working. We have conquered the loyalty of partners, established new ones, attracted people and companies interested in promoting the construction of opportunities that would effectively and positively transform the lives of youths and their families.

These opportunities allowed that more than one thousand students benefit from the Family Houses, having access to a quality and contextualized education in the rural environment. New production and marketing technologies were also made available to more than 800 family farmers, allowing them to reach R\$ 43 million in revenue in 2016 alone. All these



We will build new OPPORTUNITIES to foster a qualified education for the countryside, promote the generation of decent work and fair distribution of income, with citizenship and respect for nature.



achievements would not be sustainable without due attention to the environment and the construction of policies capable of ensuring the perpetuity of our water resources, our fauna and flora. That is why we also support institutions that have achieved 305 thousand citizenship services offered and 201 thousand trees planted in areas of the Atlantic Rain Forest in Bahia.

For 2017, the scenario is even more provocative and stimulating. With our three Programs (Editorial, Tribute to the Future – New Generations and PDCIS – Development and Integrated Growth Program with Sustainability), we will build new opportunities to foster a qualified education for the countryside, promote the generation of decent work and fair distribution of income, with citizenship and respect for nature. We have maintained and will maintain alive the social legacy of Norberto Odebrecht, our founder, based on the Odebrecht Entrepreneurial Technology (TEO in Portuguese), developed by him. It is in TEO that the ethical and moral pillars that will underpin the reconstruction and success of the new strategy, presented for consolidation, are rooted.

We are ready and convinced of our capacity to add value by serving the challenges of perpetuating Norberto Odebrecht's legacy.

## 2016 Highlights

# 51 years

building opportunities that generate transformation

## R\$ 24 million

(USD 7.7 million)  
invested in  
Supported  
Programs

## 305 thousand

citizenship services  
(since 2002)

## Aberje Award 2016

North and  
Northeast:  
Category Historical  
Responsibility and  
Business Memory

**Social Business:** Transparency,  
Equity, Accountability and  
Socio-environmental Responsibility

Operating in the  
Southern Bahia  
Lowlands  
**11 municipalities**  
benefited

Focus on  
strengthening  
**Family  
Agriculture**

Incentive  
to Youth  
**Protagonism**

Around  
**1,100  
students**  
benefited by the  
Family Houses

Facebook – more than  
**155 thousand**  
followers and an  
average reach of  
**1 million people**  
per month

**201  
thousand  
trees**  
planted  
(since 2012)

**20 thousand**  
people in  
**390**  
communities  
directly  
benefited

**R\$ 43 million**  
(USD 13.8 million)  
in revenues and more than  
**810 family farmers**  
organized in Cooperatives

## Editorial Program

Campaign  
"Valuing and  
disseminating  
our Culture"

## Tribute to the Future Program – New Generations:

Campaign 2016/17 involving  
more than **6,500** people, with a  
collection of **R\$ 3.3 million**  
(USD 1.1 million)





## 01 Organization & Governance

- Our Identity
- Organizational Structure
- Business Strategy





## Our Identity

The Odebrecht Foundation is one of the oldest business foundations in the world. Created by Norberto Odebrecht in 1965, it is a private, non-profit institution whose mission is to "Educating for Life, through Work, on the Basis of Values and surpassing Limits". In its 50-year plus history, the Odebrecht Foundation has always kept People as its priority and defended the value of the Human Being, based on the belief in its capacity and constant desire to evolve. The practice of Odebrecht Entrepreneurial Technology's (TEO in Portuguese) principles, concepts and criteria represent its values and the organizational culture that underpinned its progress and achievements.

In fulfilling its social and environmental responsibility role, as a social business, the Odebrecht Foundation acts with transparency, equity and a focus on qualified accountability. These interconnected elements serve as its frame of reference as an institution with a guarantee of governance and an effective potential to promote positive social transformation.

Currently, the Odebrecht Foundation coordinates three initiatives:

**Tribute to the Future Program – New Generations:** contributes to transform the reality of children and adolescents through socio-educational projects.

**Editorial Program:** values and disseminates the Odebrecht Entrepreneurial Technology (TEO), the Odebrecht Organization's culture applied in its social actions.

**PDCIS – Development and Integrated Growth Program with Sustainability.**

The challenges for the future are stimulating, as they focus on the retention and attraction of new Partners, with philosophies adhering to our institution's mission, giving scale to the socio-environmental technology developed and improved in the programs coordinated by the Odebrecht Foundation. And also by the vision of encouraging the reapplication of its actions to other places, in and out of Brazil, promoting the valorization of its brand and the perpetuity of Norberto Odebrecht's social legacy.

## Organizational Structure

The Odebrecht Foundation's governing body is led by Eduardo Odebrecht de Queiroz, its Executive President and the Vice-Chairman of the Board of Trustees. Political-Strategic sphere also includes: Graciela Mendes Ribeiro Reis, Vice President of Organization & Governance and also Responsible for the Editorial Program and Tribute to the Future Program – New Generations; Delcy Machado Filho, Vice President for Sustainability Operations, Development and Integrated Growth Program with Sustainability (PDCIS in Portuguese); And Joaquim Cardoso Filho, Special Advisor to the Executive President.

Our mission

***Educating for Life, through Work, on the Basis of Values and surpassing Limits.***

### Macrostructure





## Highlights – Team Performance in 2016

With approximately 30 Members, the Odebrecht Foundation has several areas that support the implementation of the social programs it coordinates. Check out some highlights of the performance of these teams in 2016:

### Governance and Legal Area

Consolidation of the Odebrecht Foundation Governance Policy; Transparency, Equity, Accountability and Socio-environmental Responsibility.

Governance Pact with the institutions that are part of the PDCIS: leadership in the action focused on Discipline, Respect and Trust in Institutional Relations.

### Business Security Area

Continuous monitoring of the implementation of the Governance institutional commitments established for the Programs through the Odebrecht Foundation's Governance Pact.

Qualified support to the entrepreneurship of the institutions that integrate the PDCIS.

Accountability monitoring aligned with the social investors.

### Partnerships and Social Investments Area

Articulation of new Institutional Relations adhering to the Odebrecht Foundation's action strategy and the strengthening of the current ones.

Tribute to the Future Program – New Generations: follow up of the actions executed in 2016 and leadership of the 2016/17 campaign, which mobilized more than 6,500 thousand people and R\$ 3.3 million in investments.

### Communication Area

Consolidation of the positive image in Social Networks: highlight for Facebook with more than 155 thousand followers (in December 2016).

Achievement of the 2016 Aberje Award – North and Northeast, in the Category Historical Responsibility and Business Memory.

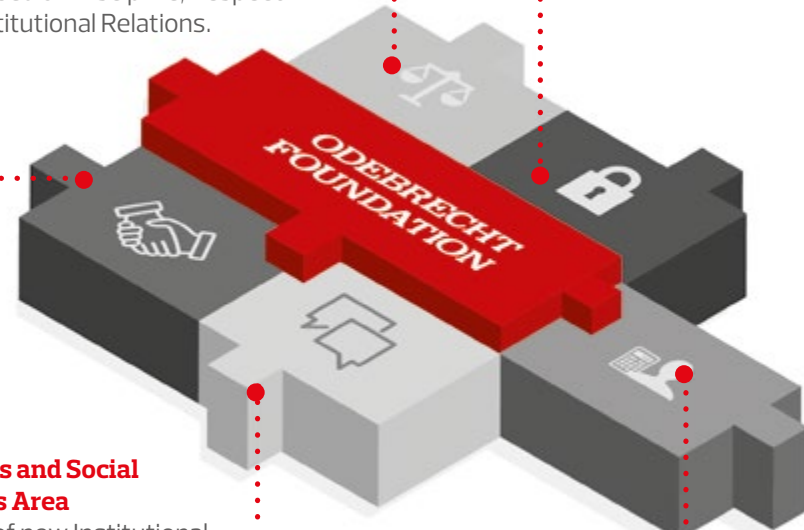
Development of campaigns: highlight for the creation of the brand signature "Opportunities that Transform" and campaigns of the Editorial Program and Tribute to the Future Program – New Generations.

### People, Organization and Finance Area

Restructuring and improvement of internal policies, focusing on Governance.

Priority in People and the adaptation of forces and competences.

Editorial Program: leadership of the campaign focused on the valorization and dissemination of Odebrecht Entrepreneurial Technology.



## Business Strategy

With the experience of more than five decades of social work, the Odebrecht Foundation recognizes that one cannot get anywhere alone. Together with Partners and Investors sensitized to the cause of social transformation, it is possible to find the synergy that will lead to a more just and egalitarian society.

For this reason, the actions supported by the Odebrecht Foundation build their results through Participatory Governance, involving the community, the Government (Federal, State and Municipal), private initiative and the civil society. The building of solutions in conjunction, based on the potential and real needs of those involved, values the capacity of human beings, the willingness to serve and the desire to evolve.

While consolidating its programs, important partners know and adhere to the current proposal as an integrated and sustainable development and growth

model, and start to contribute to productive socio-environmental inclusion.

The strategy is to simultaneously foster four fronts in order to promote the socioeconomic and environmental advancement of the rural environment, with a focus on youths and their families. These are:

**Contextualized Education** (technical professional formation adapted to the reality of the countryside).

**Generation of Work and Income** (incentive to cooperativism).

**Building a more Just and Egalitarian Society** (valorization of citizenship).

**Environmental Conservation** (guaranteeing that the future generations have sustainable access to natural resources).





## 02 Programs

- Tribute to the Future Program – New Generations
- Editorial Program
- PDCIS Program
  - Education
  - Work and Income
  - Citizenship
  - Environment





**Tribute to the  
Future**  
Odebrecht Foundation

## Opportunity to Make the Difference

The choice to transform the reality of children and adolescents is what moves the participants of the Tribute to the Future Program – New Generations: Odebrecht Organization collaborators, other citizens and partner companies. These are thousands of people, financing socio-educational projects, uniting for a cause and offering the opportunity to build a different future.

The resources are directed to the Municipal Funds for the Rights of Children and Adolescents (FMDCA in Portuguese). With the funds raised by the 2015/16 Campaign – amounting to about R\$ 4.2 million raised through donations or the allocation of part of the Income Tax – six projects were executed during 2016 by non-profit institutions that are part of the Odebrecht Foundation's Development and Integrated Growth Program with Sustainability (PDCIS in Portuguese). In total more than 1,000 children and adolescents have been directly benefited.

### 2016 Highlights

**06 Projects carried out** benefited

**1,000**  
**Children and Adolescents, directly**

**7,500**  
**People indirectly**

**170**  
**Communities**

**17 Municipalities of Bahia**

## Featured Projects



### Formation of Adolescents Future Rural Entrepreneurs and Treading Paths:

349 multiplying actions carried out by the youth themselves for people from the community.



### Counselors in Action – Pathways to Social Protagonism:

19 Trained Counselors.



### Treading Paths and Culture of Mediation in School:

265 training workshops held.

## 2016/17 Campaign

In the last campaign, even with the challenging scenario faced throughout 2016, the Tribute to the Future Program – New Generations was able to raise the needed funds for the execution of the six projects that are to be financed in 2017. More than 6,500 participants and R\$ 3.3 million collected. With this, more than 10,000 people will benefit directly and indirectly.

More than

**6,500 Participations**

Around

**R\$ 3.3 Million**

(USD 1.1 Million)

**Collected**

## From opportunity to achievement

Young rural entrepreneurs, who had the support of the Tribute to the Future Program – New Generations, visited the Odebrecht Salvador's Office for a meeting with leaders of the Odebrecht Foundation and of the institutions that are part of the PDCIS Program. At the time, they shared their achievements and life stories, as well as recounting the importance of the Tribute to the Future Program – New Generations in supporting the first steps in their professional journeys.





## Opportunity to Share Knowledge

The Editorial Program is one of the Odebrecht Foundation's initiatives which concentrates the administration of more than 60 titles on diverse themes. The Program was created in 1983, when Norberto Odebrecht ceded the copyright to his theoretical legacy to the Odebrecht Foundation. This composition constitutes the systematization of the Odebrecht Entrepreneurial Technology (TEO in Portuguese), molded on values received in family education and applied in practice. The principles, concepts and criteria of this philosophy have been materialized in books written since the late 1960s.

In 2016, the Odebrecht Foundation launched a campaign focused on the valorization and dissemination of the Odebrecht culture, through the books of the Editorial Program. Videos and info mails about the works were made available to the Organization's internal public, in Portuguese, English and Spanish. Besides this the content published in

### 2016 Highlights:



**60**  
Copyrights  
Managed



Marketing for  
**20 Countries**

### Increase in book sales (2015 x 2016 comparative):

More than  
**91.3%** Title: What Do  
We Need?

More than  
**217.14%** Title: The Essential on  
Points of Reference

the Foundation's social channels also reinforce the Program for the external public. We highlight the increase in the demand for titles such as "What do we need?" And "The Essential on Points of Reference".

The books, some available in three languages and also in a digital version

(e-book), are marketed to more than 20 countries where the Odebrecht Organization operates. All the revenue the Odebrecht Foundation obtains through the Editorial Program is reverted to the programs promoted by it.



Watch testimonials from the beneficiaries and the institutions supported by the programs coordinated by the Odebrecht Foundation, who shared their pride in experiencing the TEO. The script of each video was based on concepts present in the Technology: Spirit of Service, Education through Work and Discipline.

Access: [bit.ly/VideosEN](http://bit.ly/VideosEN)

**Know the works present in the commercial circuits through the Editorial Program.**

Access: [bit.ly/CatalogoEN](http://bit.ly/CatalogoEN)





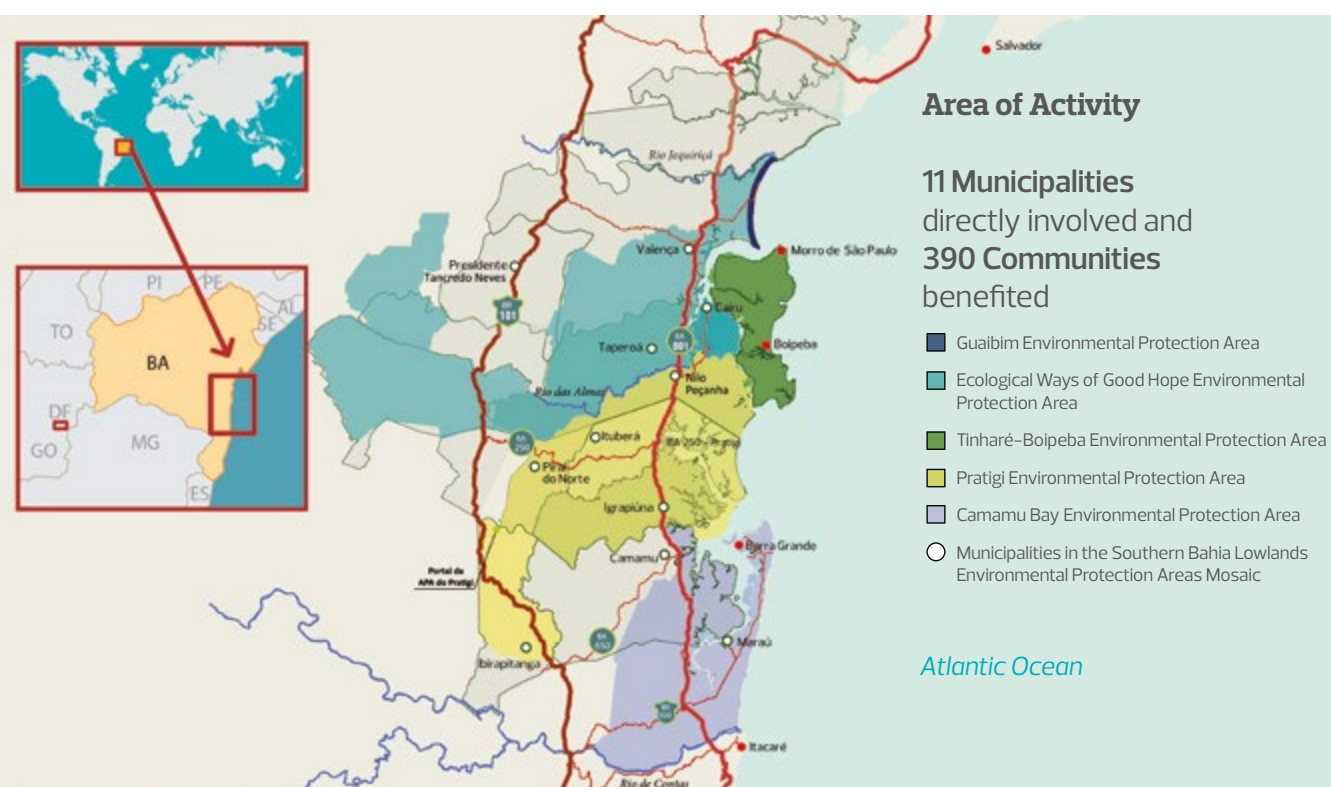


## Opportunity to Transform Lives

Odebrecht Foundation through the Development and Integrated Growth Program with Sustainability (PDCIS in Portuguese) also creates transformation opportunities. The PDCIS is the result of the stimulus to Participative Governance, that is, the joint action between Governments (Federal, State and Municipal), private initiative and civil society. Its focus, whose model is currently in the Southern Bahia

Lowlands, where 285 thousand people live, is the youth and its family, who represent the productive and propelling force of local development.

As a strategy, the PDCIS Program simultaneously fosters Contextualized Education, with Generation of Work and Income, Citizenship and respect for the Environment.



## Education

Throughout 2016, different expectations were met by the four Family Houses that integrate the Odebrecht Foundation's PDCIS Program. As new adolescents entered these educational units, others graduated. In total, 323 youths had access to a contextualized education, focused on the positive transformation of their realities in the rural area and the development of their skills as new entrepreneurs.

They learned about rural management, soil management, irrigation, drainage and cooperativism, as well as the appropriate techniques for the most diverse crops, including fish farming and the curriculum of the national base. The methodology used by the institutions is the Pedagogy of Alternation, in which students spend one week boarded in school, with classes in the classroom and in the field, and two weeks

in their families' properties, applying and reapplying the new knowledge they have acquired, under the supervision and guidance of specialized monitors. The Family Houses are partners, in the execution of socio-educational projects, of the Tribute to the Future Program – New Generations.

In addition to these educational units, there is also Civil Society Organization of Public Interest (OSCI in Portuguese) Youth House, which promotes quality education in the countryside through the development of an educational technology oriented to rural work, is also included in this context. The educational campus, supported by OSCI, offers Basic Education: kindergarden, elementary, secondary education and Youth and Adult Education (EJA in Portuguese). In total, 654 students have been benefited in 2016.

### Supported Institutions





# Indicators

2016

About  
**1,100 youths**  
Graduated and in formation  
by the Family Houses

**205 Family-Units**

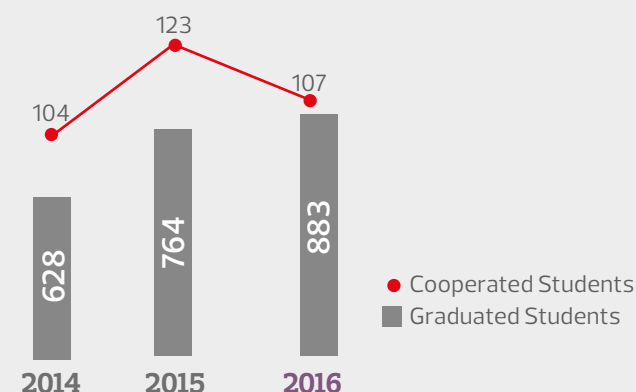
They joined Cooperatives  
motivated by the contact with  
the Family Houses

**264 Youths**

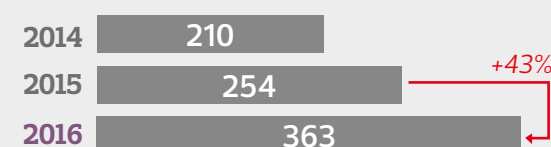
Accompanied in their 615  
Educational-Productive Projects\*

\*The same youth may have access to more  
than one Educational-Productive Project in  
different years of his/her formation.

## Graduated Students x Cooperated Students



## Educational Productive Project – Implementation

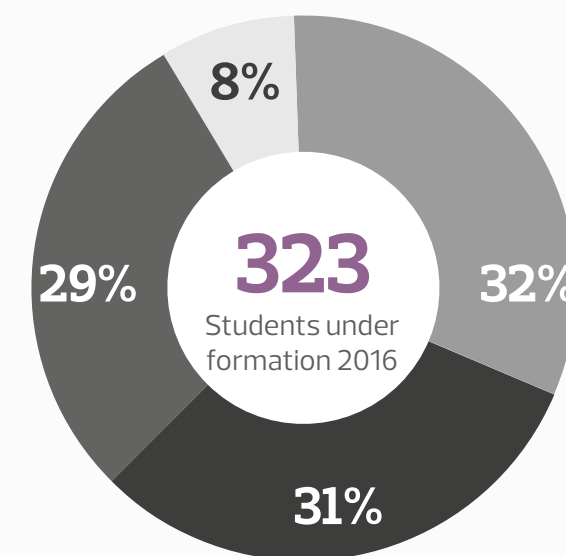


## Number of Students in formation in the Family Houses – 2016

- Rural Family House of Presidente Tancredo Neves (102 students)
- Agroforestry Family House (100 students)
- Rural Family House of Igrapiúna (94 students)
- Water Family House (27 students)

Since 2006,  
**883 Students Graduated**  
by the Family Houses

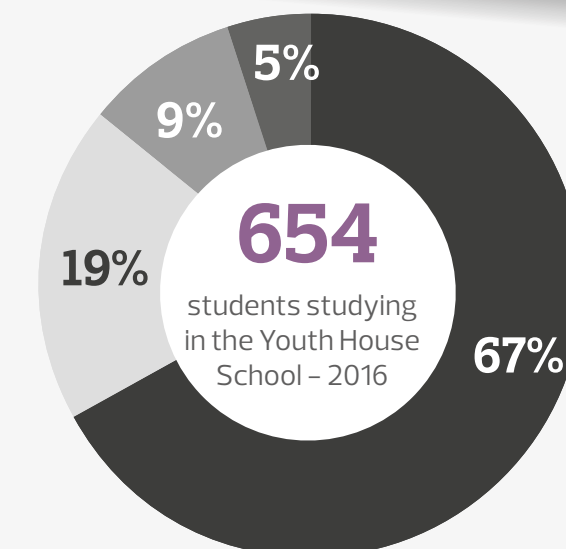
In 2016,  
students from the Family Houses conducted  
**324 Rural Seminars**, impacting directly  
**8,700 people**



## Number of students studying in the Youth House School – 2016

- Elementary (438)
- Secondary (122)
- Youths and Adults – EJA (62)
- Kindergarten (32)

Since 2005,  
**616 Youths graduated**  
from Secondary Education







## Reflections Future in the Countryside

Brazilian agriculture has been positively standing out on the world stage. We see therecognitionofagriculture'simportance as it has become a relevant factor in the resilience of macroeconomics, presenting good results, both in productivity and in the commercial performance of products. One of the most relevant factors in the success cases is technical capacity building in the countryside, which has made a lot of difference in the improvement of productivity indicators, especially in family agriculture.

The PDCIS Program consolidates the vision of a better future in the countryside, presenting increasingly a consistent and proven way to generate the opportunity for social transformation, from the inside out, from local to global. The Family Houses educate for life and for values and provide the tools that allow the emergence of a new generation of rural entrepreneurs, within the families of small producers. In 2016, we moved in that direction. By 2017, we shall reach the mark of more than 1,000 youths graduated in the Family Houses to overcome their limits and build a new reality in the Southern Bahia Lowlands.

## Highlights

**1<sup>st</sup> Seminar on Pedagogical Practices:** promoted by the State of Bahia's Education Board, the event presented six educational experiences that enhance the learning of its students, the teaching of Family Houses supported by the Foundation being one of those.

**Strengthened support:** Agroforestry Family House's Beekeeping project was one of the 51 proposals approved by the Banco do Brasil Foundation's Rural Youth Bid Invitation 2015/16, in partnership with BNDES. Rural Family House of Presidente Tancredo Neves was selected in the Bid Invitation for the Bank of the Northeast's Fundraising of the Child and Adolescent Fund, with the Rural Young Entrepreneurs Formation Project.



## Work and Income

The cooperatives that are part of the Odebrecht Foundation's PDCIS Program, enable family farmers and fish farmers to access technologies that allow them to increase productivity and add economic and social values to their produce. They also have the support in the marketing, through specialized partnerships, that allow them to sell tons of foods that they cultivate every year, like pineapple, banana, manioc, cassava, fish and hearts-of-palm.

The aim is to provide work and income opportunities for young farmers to settle in the countryside, alongside their family and the community in which they live. 814 producers are writing their stories and guaranteeing a higher return on their income through been associated with the cooperative of the Presidente Tancredo Neves Rural Producers' Cooperative (Coopatan in Portuguese), Continental Waters Fish Farmers' Cooperative (Coopecon in Portuguese) and Southern Bahia Lowlands Hearts-of-Palm Producers' Cooperative (Coopalm in Portuguese).

### Production of the Cooperative Members 2016

**5,200** Tons of food

**4,669.450**  
units of hearts-of-palm  
stems equivalent to 667 tons

**1,308** Tons  
of manioc roots

**1,589** Tons of banana

**288,838** Units of pineapple  
equivalent to 289 tons

**638** Tons of cassava

**767** Tons of fish

### Supported Institutions

**COOPATAN**  
Cooperativa de Produtores Rurais  
de Presidente Tancredo Neves - BA  
*Juntos somos mais fortes*

**COOPALM**  
Cooperativa dos Produtores  
de Palmito do Baixo Sul da Bahia

**coopecon**  
cooperativa de águas continentais



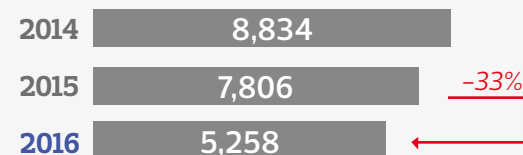
# Indicators

2016

## Cooperative Revenue – R\$ thousand



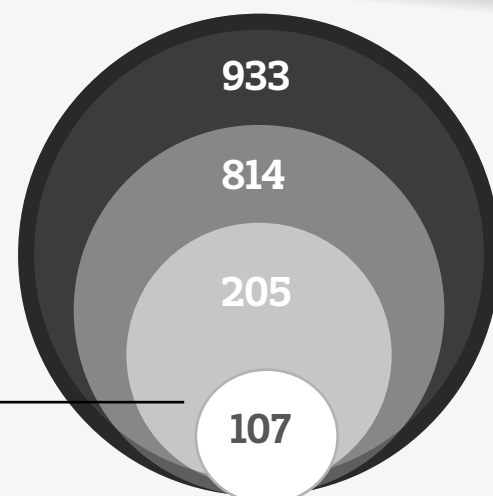
## Cooperative Member Production – Ton



## Number of Cooperative Members

- Total Number of Cooperative Members (933)
- Cooperative Members from Family Agriculture (814)
- Cooperative Members coming from contact with the Family Houses (205)
- Student who became a Cooperative Member (107)

**Strategy Nucleus**  
Youths exposed to the Family Houses and their Family-Units Promote a new reality in the countryside.



## Reflections Looking Forward

The year of 2016 may have been the period of greatest evidence of the survival capacity of the cooperatives adhering to the PDCIS Program, as it was for many other Brazilian companies. The climatic adversities experienced since the end of 2015 have had their effects throughout the year as cooperatives work in productive cycles ranging from 7 to 18 months as well as perennial crops. These conditions made 2016 especially challenging.

We learned from the crisis. Improvements in financial processes, product innovations, diversification of customers and suppliers, and improvements in Governance were some of the positive effects observed. Lessons learned and absorbed, it is expected that 2017 will be the year for the beginning of the recovery of the national economy, already signaled from the end of 2016, and that the families of the farmers of the Southern Bahia Lowlands can reap the results potentiated by the associativism and the capacity to unite in order to resist and move forward.

## Highlights

### New products:

In 2016, Coopatan started marketing tapioca and passion fruit. Diversification of products increases the income of the cooperated members.

### Fish Farming Pilot Program AH Lauca:

Developed by Odebrecht Engineering & Construction International in Angola, follows the model of the Fish Farming production chain of the PDCIS Program.





## Citizenship

Acting to promote the full exercise of citizenship. This is the role developed by the Right and Citizenship Institute (IDC in Portuguese), in the Southern Bahia Lowlands, as the social aspect of the PDCIS Program. The opportunities are created from three fronts: Nucleus of Citizen Assistance, Nucleus of Education for Citizenship and Socio-productive Inclusion.

Throughout its history, the IDC has already surpassed the mark of 305 thousand social services carried out and capacity building of more than 80 thousand people. The Institute is also a partner of the Odebrecht Foundation's Tribute to the Future Program – New Generations, in the execution of socio-educational projects aimed at children and adolescents.

Supported Institution



## Operational Fronts

### Nucleus of Citizen Assistance

It offers, free of charge, the issuance of basic civil documentation and the service of conflict mediation – elements of social empowerment.

### Nucleus of Education for Citizenship

It performs capacity building actions for municipal councilors of the Rights of the Children and the Adolescent and of the Guardianships, besides socio-educational projects.

### Socio-productive Inclusion

It facilitates the access of family farmers to the Federal Government Programs, such as the National Program for Strengthening Family Agriculture (Pronaf in Portuguese) and the Food Acquisition Program (PAA in Portuguese).

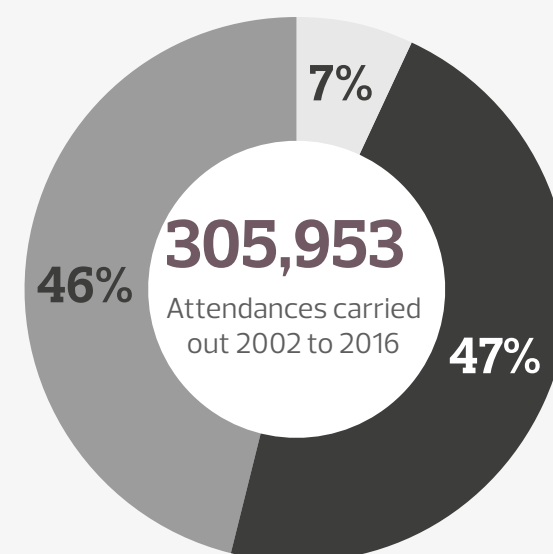
## Indicators

2016

### Attendances carried out

from 2002 to 2016

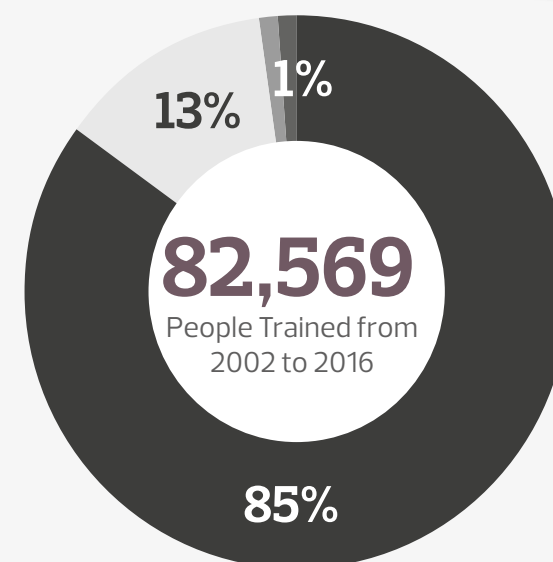
Documents Issued (144,130)	■
General Social Attendances (140,874)	■
Legal and Conflict Mediation (20,949)	■



### People Trained

from 2002 to 2016

Rural Producers, Elderly and Women (70,438)	■
Students (10,754)	■
Counselors (1,023)	■
Young Protagonists (354)	■



In 2016:  
**83 Young**  
Protagonists Formed

**101 Municipal**  
Counselors Formed





In 2016:

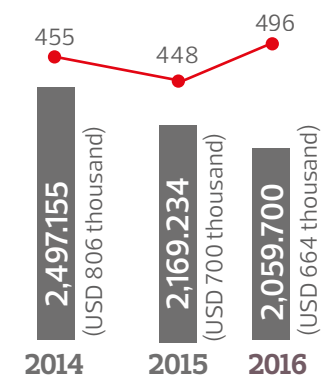
**4,884 Attendances**  
carried out

**977 People trained**

(Adolescent Protagonists, Counselors, Educators of the Mediation Project and the Community in general – focus on Citizenship and Human Rights)

**Food Acquisition Program (PAA in Portuguese):**

Amount Collected with IDC's Support – R\$



Benefited Producers  
Amount Collected with IDC's Support



Reflections

## The change we want to see in the world

The PDCIS Program has its work anchored in ethical values, based on the common good, nourishing the belief that the transformation we aim for can begin in each and every citizen. In fact, our challenge is to increasingly contribute to the formation of ethical, conscious and participatory people who understand their role in the social transformation they themselves intend to achieve.

IDC, based on the maturity of its social work methodology, continues believing that human development and the construction of full citizenship is a continuous process, perceiving in future generations the fertile ground for planting seeds of hope and peace.

2016 was a year of achievements beyond quantitative data. We have improved our work methodology, through projects, and began actions in the area of confronting with domestic violence against women and a unique experience of conflict mediation in school, where the aim is to prepare children and adolescents for the positive management of conflicts and respect to differences.

## Highlights

### Partnership with the Prosecutors Office of the state of Bahia:

Implementation of the "Health + Education – Transforming the New Millennium" Program, which aims to supervise, monitor and propose solutions to issues related to health and education, seeking its quality offer, specially aimed at guaranteeing the rights of children and adolescents.





## Environment



The Land Conservation Organization (OCT in Portuguese), which celebrated 15 years of operation in 2016, is the environmental arm of the Odebrecht Foundation's PDCIS Program. Its efforts are concentrated in the Pratigi Environmental Protection Area (EPA), which has 171,000 hectares and is part of the Atlantic Rain Forest Central Corridor, located in the Southern Bahia Lowlands. OCT operates through three operational fronts – Environmental Conservation, Productive Conservation and Environmental Planning, contributing so this agenda is intrinsically related to the economic development of family farmers.

Last year, it also expanded its partnership with the Federal University of the Recôncavo da Bahia (UFRB in Portuguese). As a result, the institutions concentrated their efforts to monitor methodologies that will be tested in the Water Producer project, located in Pratigi – Ibirapitanga (Bahia) and executed by the OCT. The project provides technical and financial support to family farmers who adopt good soil and water conservation practices. In September, the restoration of the first spring of one of the project's beneficiaries greenlighted UFRB's

monitoring work, an endeavor which mobilized the team of its Ecology and Vegetation Restoration Laboratory. The idea is that the conservation work carried out be validated.

### Supported Institution



## Operational Fronts



### Environmental Conservation

Develops environmental services and the strengthening of natural resources, by guiding farmers in a technical manner.



### Productive Conservation

It encourages agricultural crops with low environmental impact, stimulating reforestation and the balance of the ecosystem.



### Environmental Planning

Seeks the identification of areas with aptitude for low impact crops, striving for the establishment of sustainable agricultural activities in the region.



# Indicators

2016

## Preserved/Recovered Springs

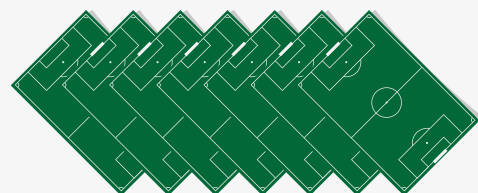


## Conserved area – hectares

Since 2012:

9,122  
Hectares  
Since 2012

8,400  
Soccer  
Fields



Since 2012:

2,308

**Carbon  
Neutralized**  
Tons

1,669

**Families Attended**  
Fifteen already certified with the Rainforest Alliance Seal and 18 have the Participatory Organic Certification

753

**Regularized  
Properties**  
Rural Property State Forestry Register

201,825

**Native Atlantic**  
Rain Forest trees planted in restorations



## Reflections Environmental Governance

As the world faces the reality of the impacts of global warming, society is witnessing a new trend arising from the establishment of agreements and initiatives for a sustainable-based economy, where the ways of production adapts itself to the needs for the conservation of the planet.

The PDCIS Program, through those institutions adhering to the Odebrecht Foundation's Governance Pact, is at the forefront of these initiatives in the Southern Bahia Lowlands. In 2016, the OCT evolved the strategy of forming governance for sustainability, executing broad programs in partnership with several public and private institutions, such as the Prosecutors Office of the State of Bahia and the Ibirapitanga Municipality (Bahia).

The belief is in the transformation parting from the performance of the Family-Units, seeking the conversion of a degrading technological and economic matrix, through effective environmental education in full alignment with public policies and other actors. These practices inspire producers to adopt environmental technologies of low impact. All these actions converge on one objective: to transform the territory where we engage our efforts having as a frame of reference, development in conservationists bases.

## Highlights

### Ibirapitanga Municipal Program of Payments for Environmental Services:

Partnership between the City Hall, the National Water Agency, the Prosecutors Office of the State of Bahia, through the Atlantic Rain Forest Nucleus and OCT. The city officially became the first Water Producer of Bahia. Farmers began to receive, in addition to the technical guidance, financial support: for the integrated planning of their properties, adopting good practices and; the protection and conservation of water and soil.

### Odebrecht Prize for Sustainable Development:

In partnership with the Foundation, Odebrecht neutralized greenhouse gas emissions for the 8th award ceremony and the average carbon emissions of the guests for a 15-day period. With the action, the spring of family farmer Elizeu de Oliveira, from Ibirapitanga (Bahia), will be restored by OCT, which will also give support for maintenance and technical assistance for two years.





## 03 Partnerships

- Highlights
- Germination Project – Youth that Promotes Transformation



## Highlights

The actions of the Odebrecht Foundation are conducted in accordance with the appreciation for the qualified partnership of relationships established between individuals, groups of society and social investors that adopt the practice of discipline, which generates respect and consolidates trust.

Throughout 2016, the articulation of the relationships adhering to the Foundation's strategy of action has been broadened. For this purpose, it has worked in conjunction with the Bahia state Court of Justice, Prosecutors Office of the state of Bahia, Bahia Education and Planning Departments, Feira de Santana State University, Microsoft, Inter-American Development Bank, Alstom, Alstom Foundation, Mitsubishi Corporation and Sebrae. Besides this, the support from the Odebrecht Group's business has allowed it to surpass the R\$ 3.3 million mark in revenue to the Tribute to the Future Program – New Generations.

In conjunction with these Partners, real opportunities for transformation were built for thousands of families in the Southern

## Partnership with Trust is the Key to Success.

Bahia Lowlands. All together, they worked for a noble socio-environmental responsibility cause: the development of current and future generations.

Another highlight of the year was the signing of the Odebrecht Foundation's Governance Pact by the institutions that are part of the PDCIS Program, which undertook to follow procedures to strengthen and consolidate Governance in the areas involving Social Partnerships and Investments, People & Organization, Communication, Business Security and others. The instrument values transparency, equity, accountability and socio-environmental responsibility.

## Germination Project – Youth that Promotes Transformation

In 2016, the partnership established between the Inter-American Development Bank Group (IDB Group), through the Multilateral Investment Fund (MIF), and the Odebrecht Foundation was intensified around the actions of the "Germination Project – Youth that Promotes Transformation". The focus is to develop entrepreneurial skills of the young family farmers in the Southern Bahia Lowlands through the diffusion of socio-environmental technologies, incentive to rural youth entrepreneurship and the strengthening and qualification of access to marketing channels. It directly involves the institutions that make up the PDCIS Program.

In short, the Germination Project has four priority areas:

- Formation of Young Leaders in sustainable rural practices.
- Creation of new market opportunities for young farmers.
- Promotion of sustainable agricultural practices.
- Management of developed knowledge – consolidation of good practices.

One of the actions in progress is the realization of the course "Landscape Planning: Management of small farms and sustainable agricultural practices". The capacity building action lasts one and a half years and is aimed at the Family House's monitors and the educators assistants of the Cooperatives that are part of the PDCIS Program.







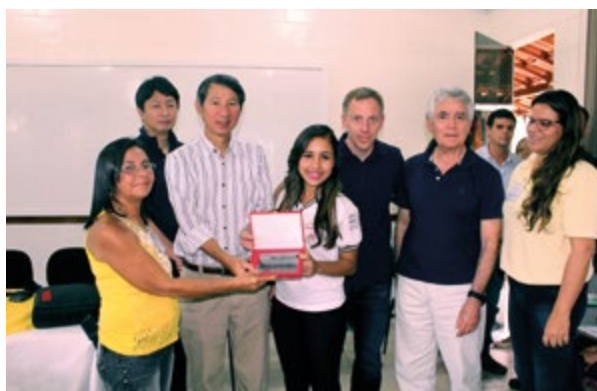
## 04 Image Results

- Exchange of Experiences
- Social Media – Facebook
- Aberje Award





## Exchange of Experiences:



### Visit of the Mitsubishi Corporation

Executives from the Mitsubishi Corporation of Latin America and the Mitsubishi Corporation of Brazil were in the Southern Bahia Lowlands to visit the Family Houses that integrate the PDCIS Program and are supported by the company. The Partnership has been in place since 2009.



### Visit of Braskem

Between September and December, about 150 members of Braskem visited the Southern Bahia Lowlands to learn about projects supported by the Tribute to Future Program – New Generations. At the occasion, they interacted with students from Family Houses who are benefited by the initiative.



### Odebrecht Award

The winners of the Odebrecht Award for Sustainable Development in Mexico visited the Southern Bahia Lowlands and met the social actions supported by the Odebrecht Foundation. The meeting was part of the award, won through a project aimed at the reforestation and commercialization of endemic plants threatened with extinction.

## Social Media – Facebook

In 2016, the official page of the Odebrecht Foundation reached more than 155 thousand followers and an average reach of 1 million people per month. More than 400 posts were made throughout the year, with 90% of the comments received been positive.



## Aberje Award

The Odebrecht Foundation was the winner of the North and Northeast regional stage of the 42<sup>nd</sup> Aberje Award in the category Historical Responsibility and Business Memory, with the 50-year Communication Campaign – The Infinite Commitment. Developed and implemented by the Foundation's Communication team, with the support from partners and suppliers,

the Campaign worked on the concept of Integrated Communication, uniting the forces of institutional, external and internal actions. The creation of a commemorative seal, special publication, historical video and exhibition were some of the actions developed that recall a trajectory marked by challenges and dedication to current and future generations.





# Expedient

## ODEBRECHT FOUNDATION

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Vice-President for Organization & Governance

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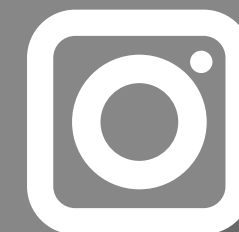
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