



# **NORBERTO ODEBRECHT FOUNDATION**

## **SUSTAINABILITY POLICY**

# The Norberto Odebrecht Foundation`s Sustainability Policy

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## Stakeholders

Formed of members, the Board of Trustees, the Norberto Odebrecht Foundation`s sponsor, civil society organizations, the communities in which it operates, participating families, social investors, including the Third Sector, social and economic partners, such as cooperatives and producers, state governments and regulatory agencies, the media, opinion makers, and service providers that may affect or be affected by our activities, objectives or policies.

## 1 OBJECTIVE

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The objective of this Policy is to establish references for the Norberto Odebrecht Foundation to operate sustainably. The basic concepts that guide the Norberto Odebrecht Foundation`s operations, commitments, impact assessment, roles and responsibilities are defined in this Policy.

At the Norberto Odebrecht Foundation, operating sustainably is conducting actions so that positive, tangible and intangible results are produced for its **Stakeholders** both today, and in the future.

## **2 BASIC CONCEPTS OF SUSTAINABILITY AND SUSTAINABLE DEVELOPMENT**

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For this Policy, the Norberto Odebrecht Foundation adopts the concepts of sustainable development published in the Brundtland Report:

“[...] a process of transformation in which the exploitation of resources, the direction of investments, the orientation of technological development, and institutional change are all in harmony and enhance both current and future potential, to meet human needs and aspirations [...] that meets the needs of the present without compromising the ability of future generations to meet their own needs” (World Commission on the Environment and Development, 1991, p. 46)

Thus, sustainability is the set of conditions and practices that lead to sustainable development, that are able to meet the needs of the current generation, without compromising the capacity to meet the needs of future generations. It is development without depleting the planet`s resources.

The concept of sustainable development is present in Odebrecht Entrepreneurial Technology (TEO), especially when we take on the commitments established in this Policy: with people, with social and economic development, with the environmental and cultural dimensions, and acting ethically, with integrity and transparency. These are the results achieved that will ensure the survival, development and perpetuity of the Norberto Odebrecht Foundation and its programs.

“To Survive, Grow and Perpetuate”, one of the pillars of TEO, assumes that we are responsible for the right to life of future generations, ensuring they have better conditions than those we received from previous generations.

Acting with the aim of sustainability implies going beyond our duty of complying with laws and the provisions that regulate the Norberto Odebrecht Foundation`s activities. It means understanding the tendencies and priorities of society and complying with the agreements and global commitments applicable in the communities in which we operate, ensuring a balance of life flows (fauna, flora, water, soil, the atmosphere, and human beings and their businesses) in the biosphere. It also means ensuring the appropriate

### **Socio-environmental Risks**

Refers to the risk that an event resulting from the initiatives of the institutions that the Norberto Odebrecht Foundation supports, which may cause an impact on the environment or the people or communities.

### **Material Topics**

Those which directly or indirectly impact our capacity to create, innovate or preserve value, or that generate a risk of its destruction in economic, environmental and social terms, taking the Norberto Odebrecht Foundation's vision of its stakeholders as a reference.

management of **Social and Environmental Risks** at the projects and activities of the civil society organizations that we support.

Acting sustainably involves knowing and giving priority to our **Material Topics**, evaluating the benefits to society resulting from the practice guided by this Policy. The effects of our operations extend both to members, beneficiaries, the communities where we operate, suppliers and social investors.

By adding innovation to social technologies and sustainable development, we improve our capacity to increase the benefits to the society that we serve, with an improved quality of life, associated to protection, and the conscious use of natural resources, keeping life flows balanced.

In line with the practice of TEO, we serve society, contributing towards sustainable development and generating tangible and intangible results, and we have also achieved recognition for our activities, generating value for the Norberto Odebrecht Foundation, its Sponsor, Novonor S.A., new denomination of Odebrecht S.A., its Businesses, and our partners and social investors.

## SDG

The Social Development Goals (SDG) are a world agenda adopted during the United Nations Summit on Sustainable Development in September 2015, which are made up of 17 objectives and 169 targets, to be achieved by 2030.

### 3 AREAS OF ACTIVITY AND COMMITMENT TO SUSTAINABILITY AND SUSTAINABLE DEVELOPMENT

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For us, acting with a focus on sustainability means serving society, promoting sustainable development through ethics, integrity and transparency. It means generating a positive statement of results for those who may affect or be affected by our activities, today and in the future.

As a strategy, the Norberto Odebrecht Foundation applies its social technology to promote sustainable territorial development, through its Development and Integrated Growth Program with Sustainability ("PDCIS"), and young people playing a leading role. It is connected to the **Sustainable Development Goals (SDG)**, striving to overcome global challenges, such as ending poverty in all its forms and dimensions, the reduction of inequalities, educating people for production in the countryside, the rational use and protection of natural resources, and strengthening citizenship.

Therefore, the Norberto Odebrecht Foundation prioritizes six areas of activity, in an integrated and synergistic way:

**Cohesion and Social Mobilization** – allows people to join together on common objectives, by encouraging engagement in socio-productive organizations, educating new leaders, encouraging them to remain in the countryside, empowering communities, forming a collective consciousness and strengthening people's self-esteem and identity.

**Citizenship and Governance** – makes citizens aware of the set of rights related to economic and social well-being, allowing them access to public and credit policies, and strengthening the System to Guarantee Children and Adolescents` Rights.

**Education for Sustainable Development** – offers people, particularly the young, the skills, competencies and knowledge required to construct sustainable development, by promoting quality education, guided by environmental conservation and sustainability, contextualized education, ethical formation and values, and young people playing a leading role in the rural economy.

**Economic Development** – strengthens economic development and social inclusion, by encouraging farming and the rural economy, supporting management, production, processing and sales processes, promoting food security, increased income, access to fairer markets, guidance on reinvestments, and structuring productive sustainable systems.

**Environmental Conservation** – encourages conservation of the environment and biodiversity, allowing the rational use of natural resources, with an emphasis on the protection of water resources, by restoring and conserving riparian forests and springs, promoting avoided deforestation, soil and water conservation, the implementation of agroecological practices, carbon neutralization and revegetation in degraded areas, support for access to basic sanitation and guidance on the correct management of supplies and solid waste.

**Innovation and Technology** – promotes the development of new forms of production, the sale of new products, and application of technologies to increase productivity, crop diversification, and the dissemination of best agricultural and agroecological practices, including the reconversion of areas into agroforestry systems.

Our commitment to sustainability is the references that we use to define priorities and targets in our Action Programs (PAs), and they unfold in our:

Tribute to the Future

Find out more about Tribute to the Future on our site

<https://www.fundacao-no.com.br/support-our-cause/tribute-to-the-future/index.html/>

The institutions supported in the Southern Bahia Lowlands are three Rural Family Houses - CFRs, the Land Conservation Organization (Organização de Conservação da Terra – OCT) and the Presidente Tancredo Neves Rural Producers' Cooperative (Coopatan).

Participative Governance within PDCIS involves the communities, public authorities, private initiative and civil society.

**Commitment to People** – We promote sustainable development, with an emphasis on people. We understand that they, within and outside the Norberto Odebrecht Foundation, through education for life and work, values and overcoming limits, the agents of transformation, who have the capacity to identify and introduce a sustainable development model that is appropriate for every environment, as set out in the People Policy.

**Commitment to social and economic development** – We promote productive social inclusion through educating young people contextualized to the region of activity, generating job and income opportunities, focused on valuing family production, contributing to citizenship and cohesion and social mobilization, to improve living conditions in these communities.

**Commitment to the environmental dimension** – We make decisions on projects and actions, while considering the balance of life flows (fauna, flora, soil, water, the atmosphere, human beings and their businesses) in the biosphere, the conscious and efficient use of natural resources, as well as supporting actions with the goal of conservation, the restoration of degraded environments, and the use of clean technologies and renewable resources.

**Commitment to acting ethically, with integrity and transparency** – acting ethically, with integrity and transparency is a component of sustainability, as demonstrates the alignment of this Policy with the Governance and Compliance Policies.

**Commitment to the cultural dimension** – we support preservation and valuing memory, history and

cultural heritage, respecting the different uses and customs that distinguish the communities in which we take part.

## **4 DEVELOPMENT AND INTEGRATED GROWTH PROGRAM WITH SUSTAINABILITY - PDCIS**

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As a way of materializing its commitment to sustainability and sustainable development, the Norberto Odebrecht Foundation established and coordinates the Development and Integrated Growth Program with Sustainability ("PDCIS") through **supported institutions**. The elected territory is a deprived region in the State of Bahia, made up of 11 municipalities, where 285,000 people live: the Southern Lowlands.

The program`s overall objective, with its activities focused on the Southern Bahia Lowlands region, is the social, economic and environmental transformation of the people`s living conditions, through the six areas of activity mentioned above in this Sustainability Policy.

It acts based on a **Participative Governance** model that allows objectives and actions to be joined between the public authorities, private initiative and civil society, particularly Civil Society Organizations (OSCs), which are private entities with social participation for initiatives of public interest.

The Norberto Odebrecht Foundation`s relationship with these institutions is supported legally by a Partnership and Technical Cooperation Agreement, called a Governance Pact, which establishes joint commitments, governed by ethical and transparent activity with integrity, and application of the Principles, Concepts and Criteria of TEO.

### **4.1 FISCAL INCENTIVES**

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As part of its commitment to the sustainable development of the region in which it operates, the Norberto Odebrecht Foundation encourages the use of fiscal incentives through voluntary and spontaneous actions by Novonor Group members and other individuals and companies, to benefit productive, educational and/or environmental projects.

## **5 RESULTS**

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The commitment to results is one of the indicators of PDCIS actions, starting from the planning phase, in which the institutions agree their Action Programs, and commit to generating tangible and intangible results. These results also are also included in the Agreements with Social Investors, and are followed-up and assessed periodically by the Norberto Odebrecht Foundation.

The results are followed-up through indicators, within the domain of management and the impact generated.

### **5.1 INDICATORS AND IMPACT ASSESSMENT**

We should demonstrate the results of practicing this Policy through indicators that enable us to measure the results related to our objectives, the areas of activity and commitments adopted.

The results of actions from executing PDCIS should be evaluated periodically, using previously defined indicators, including those related to the impacts resulting from the activities of the civil society organizations supported by the Norberto Odebrecht Foundation.

Due to its very nature, the impact assessment takes place in a longer interval than the annual PA cycle of the institutions supported within PDCIS.

Therefore, the Norberto Odebrecht Foundation Superintendent should include the indicators and targets for planning, follow-up and evaluation of their PA.

## **6 ROLES AND RESPONSIBILITIES**

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In relation to commitments to this Policy, they hold the following responsibilities:

### **The Norberto Odebrecht Foundation Superintendent:**

- a) ensures the implementation of this Policy within the Norberto Odebrecht Foundation and, respecting the institutions' autonomy and provisions of the Governance Policy, follow the evolution of the performance practices and results of the Civil Society Organizations and communities that we support, aligned with the commitment to sustainability and sustainable development;
- b) keeps the Norberto Odebrecht Foundation Board of Trustees (BT-FNO) informed of our performance in sustainability and evolution of the results measured by the indicators of the projects supported; and
- c) suggests alterations to this Policy to the BT-FNO, in order to keep it permanently updated on its commitments, and the evolution of the topic of sustainability and sustainable development.

### **The Responsible for Sustainable Development:**

- a) supports the Superintendent with the update and practice of this Policy;
- b) coordinates execution of PDCIS, being in direct contact with the civil society organizations, the institutions supported by the Norberto Odebrecht Foundation, to execute the Program and the communities involved;
- c) is responsible for the topics of Governance and Compliance within the scope of PDCIS;
- d) supports the institutions which are members of PDCIS in their relationship with social investors, including direct or indirect fundraising;
- e) orientates the Communication area on sustainability related topics;
- f) proposes and follows the evolution of the common indicators, to consolidate the results;
- g) ensures transparent and consistent communication of these results to the Stakeholders; and

- h) represents the Norberto Odebrecht Foundation at forums and debates on the topics of sustainability and sustainable development.

**Members of the Norberto Odebrecht Foundation:**

As activating agents of transformation for sustainability and sustainable development, we are responsible for following-up the development of PDCIS with civil society organizations and the communities in the region where we operate, with an awareness of the need to understand the meaning of sustainability in each environment in these regions, and that the consolidated results in this field contribute towards the Stakeholders` recognition of our actions.

## **7 SCOPE, SCIENCE AND CERTIFICATION**

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The Norberto Odebrecht Foundation`s Sustainability Policy applies to its members.

All Norberto Odebrecht Foundation members must be aware of this Sustainability Policy, in a maximum of 30 (thirty) days following its approval.

The Civil Society Organizations supported by the Norberto Odebrecht Foundation must be aware of the entire content of this Policy, with the Foundation being responsible for influencing these institutions to adopt the conceptions, concepts and values included in this document.

## **8 GENERAL PROVISIONS**

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If they have any doubts about the content of this Policy, the member should seek clarification from their direct Leader or, if necessary, the Responsible for Sustainable Development or the Responsible for Governance & Legal.