

(Convenience translation into English from the original
previously issued in Portuguese)

FUNDAÇÃO NORBERTO ODEBRECHT

Independent auditor's report

Financial statements

As at December 31, 2024

FUNDAÇÃO NORBERTO ODEBRECHT

Financial statements
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Contents

Independent auditor's report on the financial statements

Statements of financial position

Statements of activities

Statements of comprehensive surplus

Statements of changes in net assets

Statements of cash flows

Notes to the financial statements

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the
Board Members and Management of
Fundação Norberto Odebrecht
Salvador - BA

Opinion on the financial statements

We have audited the financial statements of Fundação Norberto Odebrecht ("Entity"), which comprise the statement of financial position as at December 31, 2024 and the respective statements of activities, comprehensive surplus, changes in net assets and cash flows for the year then ended, as well as the corresponding notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Fundação Norberto Odebrecht as at December 31, 2024, its financial performance and its cash flows for the year then ended, in accordance with the Brazilian accounting practices applicable to non-profit entities (ITG 2002 R1).

Basis for opinion on the financial statements

We conducted our audit in accordance with Brazilian and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Entity in accordance with the relevant ethical principles established in the Code of Ethics for Professional Accountants and in the professional standards issued by the Brazilian Federal Council of Accounting (CFC), and we have fulfilled our other ethical responsibilities in accordance with these standards. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those charged with governance for the financial statements

The Entity's Management is responsible for the preparation and fair presentation of the financial statements in accordance with Brazilian accounting practices, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian standards and ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and disclosures made by Management;
- Conclude about the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation;

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

Salvador, March 14, 2025.

FUNDAÇÃO NORBERTO ODEBRECHT

Statements of financial position
As at December 31, 2024 and 2023
(In thousands of Brazilian Reais)

Assets				Liabilities and net assets			
	Note	2024	2023		Note	2024	2023
Current				Current			
Cash and cash equivalents	5	1,717	1,289	Trade accounts payable		13	32
Loans granted		20	-	Taxes, fees and contributions		156	152
Advances to third parties		33	39	Salaries, charges and social contributions	6	271	389
Other assets		214	200	Other liabilities		525	471
		1,984	1,528			965	1,044
Non-current				Net assets			
Fixed assets		294	306	Net assets		838	2,855
Intangible assets		46	48	(Deficit)/Surplus for the year		521	(2,017)
		340	354			1,359	838
Total assets		2,324	1,882	Total liabilities and net assets		2,324	1,882

The accompanying notes are an integral part of these financial statements.

FUNDAÇÃO NORBERTO ODEBRECHT

Statements of activities

For the years ended December 31, 2024 and 2023

(In thousands of Brazilian Reais)

	Note	2024	2023
Gross revenue	7	8,069	5,951
Donations to social projects	8	(9)	(43)
Deductions from gross revenue		(20)	(33)
		8,040	5,875
General and administrative expenses	9	(7,759)	(8,570)
Recovery of expenses		4	96
Other revenues		2	87
		(7,753)	(8,387)
Operating income		287	(2,512)
Financial revenues		234	495
Net financial income		234	495
Surplus for the year		521	(2,017)

The accompanying notes are an integral part of these financial statements.

FUNDAÇÃO NORBERTO ODEBRECHT

Statements of comprehensive surplus
For the years ended December 31, 2024 and 2023
(In thousands of Brazilian Reais)

	2024	2023
Surplus for the year	521	(2,017)
Other comprehensive surplus (deficit)	-	-
Total comprehensive surplus (deficit)	521	(2,017)
The accompanying notes are an integral part of these financial statements.		

FUNDAÇÃO NORBERTO ODEBRECHT

Statements of changes in net assets

For the years ended December 31, 2024 and 2023

(In thousands of Brazilian Reais)

	Net assets	Surplus for the year	Total
Balances as at December 31, 2022	924	1,931	2,855
Surplus absorbed by net assets	1,931	(1,931)	-
Surplus for the year	-	(2,017)	(2,017)
Balances as at December 31, 2023	2,855	(2,017)	838
Surplus absorbed by net assets	(2,017)	2,017	-
Deficit for the year	-	521	521
Balances as at December 31, 2024	838	521	1,359

The accompanying notes are an integral part of these financial statements.

FUNDAÇÃO NORBERTO ODEBRECHT

Statements of cash flows

For the years ended December 31, 2024 and 2023

(In thousands of Brazilian Reais)

	2024	2023
Cash flows from operating activities		
Surplus for the year	521	(2,017)
Adjustments to reconcile surplus (deficit) for the year with cash from operating activities:		
Depreciation and amortization	46	42
Income (loss) from write-off of fixed assets	6	33
	573	(1,942)
Changes in assets and liabilities		
Advances to third parties	6	(20)
Loans granted	(20)	31
Other assets	(14)	(23)
Trade accounts payable	(19)	16
Salaries, charges and social contributions	(118)	(72)
Taxes, fees and contributions	4	(34)
Other liabilities	54	151
Net cash from operating activities	466	(1,893)
Cash flows from investing activities		
Additions to fixed and intangible assets	(38)	(121)
Net cash from investing activities	(38)	(121)
(Decrease)/Net increase in cash and cash equivalents	428	(2,014)
Cash and cash equivalents at beginning of year	1,289	3,303
Cash and cash equivalents at end of year	1,717	1,289
(Decrease)/Net increase in cash and cash equivalents	428	(2,014)
The accompanying notes are an integral part of these financial statements.		

1. Operations

Fundação Norberto Odebrecht ("Foundation" or "FNO") is a private, non-profit institution maintained by Novonor S.A., conceived and founded by Norberto Odebrecht in 1965. The institution is guided by the humanist philosophy of the Odebrecht Entrepreneurial Technology (TEO), based on the education and work that gave rise to "Our Culture," the entrepreneurial culture practiced in the Novonor Group.

The Foundation's actions have always been focused on human development, contributing towards the fight against poverty and inequality for the purpose of building a more responsible, harmonic, and solidary society, with equal opportunities for all. It has the mission of "educating to impact lives that transform our tomorrow" and the vision of "being recognized for multiplying social and environmental impact solutions to build a sustainable future."

To multiply social and environmental impact solutions, FNO coordinates technologies and manages non-reimbursable resources to promote sustainability. The work focuses on three fronts: execution of Programs and Projects, rendering of Technical Consulting Services, and Production of Knowledge. With these actions, the Foundation promotes its Environmental, Social and Governance (ESG) commitment and contributes to the achievement of the Sustainable Development Goals (SDGs), global agenda established by the UN (United Nations) in 2015, with goals to be achieved by 2030, adopted by 193 countries, including Brazil.

Its main Social Program, PDCIS (Integrated Development and Growth Program with Sustainability) has been running since 2003 in municipalities of the lowlands of southern Bahia, and from 2021 to 2024, it was reapplied in Macaé - RJ, in the Sana district, with initiatives articulated on six fronts to promote sustainable territorial development in socially vulnerable regions, namely: education for sustainable development; environmental conservation; economic development; innovation and technology; citizenship and governance; and cohesion and social mobilization.

To implement PDCIS, partnerships are entered into with domestic civil society organizations, which are institutionally strengthened by FNO, with support, for example, for planning, resource mobilization and accountability, in order to guarantee to beneficiaries and investors the effectiveness of results and transparency in execution of projects. Other agents also participate in the initiative, forming the participatory governance of the Program, such as public authorities, teaching and research institutions, and the private sector, which, acting collaboratively towards the sustainable territorial development of the regions, enhances the results of the action.

Financial resources for the maintenance of the Foundation come from donations, specially from its Sponsor, Novonor, and from its controlled or affiliated companies, and also from FRVJ Patrimonial Ltda ("FRVJ Patrimonial"), a controlled company of Kieppe Participações e Administração Ltda. - Under Court-Ordered Reorganization, indirect parent company of Novonor, in the copyrights and trading of books. All these resources are applied in the fulfillment of its purpose, in the rendering of technical consulting services aiming at the replication of the concepts and practices of its social program, as well as in the promotion or coordination of projects for the raising of technical or financial resources, intended for the achievement of its basic purpose.

In 2024, the Foundation received double recognition at the Vol Awards for its VOCÊ corporate volunteering program, carried out in partnership with OEC, a construction company of the Novonor Group. In addition, it renewed its Doar A+ Seal certifications, which attests to excellence in management and transparency, and Great Place to Work, showing that the institution is an excellent place to work. In terms of knowledge production, it launched two relevant publications to foster discussions in the third sector: the "Diversity, Equity & Inclusion" booklet, which aims to increase awareness and engagement among members, beneficiaries and stakeholders, guiding them to exercise respect, diversity and inclusion every day; and the "Systematization of Our Culture applied to the PDCIS", which articulates how the Novonor Group's culture is being practiced and disseminated to the Foundation's beneficiaries and partner institutions.

The Foundation is a private, non-profit Civil Society Organization, ruled by Brazilian Civil Code and by Laws No. 13.019/2014 and No. 9.249/95, among other applicable standards, not distributing to its partners or shareholders, board members, directors, employees, donators or third parties any surplus, operating surplus values, gross or net, dividends, ownership interest or portions of its net assets, earned by the performance of its activities.

In case of termination of its activities, by means of proposal from the Board of Trustees and approval from the State Prosecutor's Office, the net assets recognized shall be fully transferred to the net assets of non-profit Institutions with identical or similar legal nature and social purpose to FNO, as long as properly registered with the National Social Care Council (CNAS), or to government agency in the state of Bahia.

Considering its legal nature and compliance with legal requirements, FNO is entitled to tax immunity in relation to Corporate Income Tax (IRPJ), Social Contribution Tax (CSLL), Contribution for Social Security Funding (COFINS) and Contribution to the Social Integration Program (PIS) levied on the year's revenues.

Regarding PIS, all revenue earned by foundations and civil associations exempt from income tax, whether related or not to its own activities, is not subject to the levy of PIS. The Foundation's PIS contribution is determined based on its payroll, at the rate of 1%.

Despite the tax exemptions, the Foundation is required to meet other tax obligations, though considering its legal nature, including accessory obligations, which are being complied with throughout fiscal years.

Novonor's Court-Ordered Reorganization

On June 17, 2019, Novonor, sponsor of the Foundation, filed a request for court-ordered reorganization at the 1st Court of Bankruptcies and Reorganization of the Judicial District of the City and State of São Paulo, as per Law No. 11.101/05.

Since then, Novonor and some controlled companies under reorganization have continued to maintain its normal activities, focused on the common purpose of guaranteeing the financial stability and recovery of the Group, therefore preserving its social role of guaranteeing and generating jobs, disseminating technological knowledge, and creating sustainable value in the interest of society and other interested parties.

The Foundation remains firm in continuing its social and environmental activities and actions, counting on investments from the operating companies of Novonor Group out of the scope of the court-ordered reorganization and from the other social investors external to the group that continue to support the actions promoted by the Foundation and partner Institutions.

2. Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set forth below. Policies have been applied consistently across all reporting periods unless otherwise stated.

The present financial statements were authorized for issue by the Foundation's Management on March 14, 2025.

2.1. Basis of preparation

The financial statements were prepared and are being presented in accordance with Brazilian accounting practices, including the pronouncements issued by the Committee of Accounting Pronouncements (CPC) and the provisions of ITG 2002 (R1) - Non-Profit Entities.

2.2. Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other highly liquid short-term investments, with maturities of 90 days or less and subject to an insignificant risk of change in value.

2.3. Financial assets

2.3.1. Classification

CPC 48/IFRS 9 establishes three main categories for the classification of financial assets: measured at amortized cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL). The standard eliminates the categories existing in CPC 38/IAS 39 of held to maturity, loans and receivables, and available for sale.

The Foundation classifies its financial assets as measured at amortized cost. Classification depends on the purpose for which the financial assets were acquired.

Financial assets are recorded as current assets, except those with maturity higher than 12 months after the reporting date.

The Foundation has financial assets represented by cash and cash equivalents and loans granted.

2.3.2. Recognition and measurement

Regular purchases and sales of financial assets are recognized on the negotiation date - the date on which the Foundation undertakes to buy or sell an asset.

Financial assets are written off when the rights to receive cash flows from investments have expired or have been transferred; in the latter case, provided that the Foundation has transferred substantially all risks and benefits of ownership.

Financial assets are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method.

2.3.3. Impairment of financial assets

(a) Assets measured at amortized cost

As at reporting date, the Foundation evaluates if there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of assets is considered impaired only when there is objective evidence of impairment due to one or more events occurring after the asset's initial recognition ("loss event") and affecting estimated future cash flows of the financial asset or group of assets that can be reliably estimated.

The criteria adopted by the Foundation to determine the objective evidence of impairment include:

- (i) Relevant financial difficulty demonstrated by the issuer or debtor;
- (ii) A breach of contract, such as default or delinquency in interest or principal payments;
- (iii) For economic or legal reasons related to the borrower's financial difficulty, the Foundation grants a concession to the borrower, which a lender normally would not consider;
- (iv) It is probable that the borrower declares bankruptcy or goes into another kind of financial reorganization;
- (v) Observable data indicating a measurable reduction in future cash flows estimated from a portfolio of financial assets since the initial recognition of those assets, although the reduction cannot yet be identified in the individual financial assets in the portfolio, including:
 - Adverse changes in the payment situation of borrowers in the portfolio;
 - National or local economic conditions that are correlated with the default on assets in the portfolio.

If, in a subsequent period, the amount of impairment loss is reduced and this reduction can be objectively related to an event which occurred after impairment being recognized (as an improvement in debtor's credit rating), a reversal of the loss previously recognized will be recorded in the statement of activities.

2.4. Fixed assets

Fixed assets are stated at acquisition or construction cost, net of accumulated depreciation.

Expenses directly attributed to the acquisition of the items and costs of financing related to the acquisition of qualifying assets are capitalized as part of fixed assets.

Depreciation is calculated using the straight-line method to allocate costs to the residual values of the assets during their estimated useful life, as follows:

- IT equipment: three - five years;
- Furniture and fixtures: eight - ten years;
- Others: seven - ten years.

Gains and losses resulting from disposals are determined by the comparison of sales amounts with book value and recognized in the statement of activities.

2.5. Other current assets

The other assets are stated at cost or realizable value, plus related surplus and monetary variations earned, when applicable.

2.6. Trade accounts payable

Accounts payable to suppliers are obligations payable for assets or services acquired from suppliers in the ordinary course of business. They are classified as current liabilities if payment is due in the period of up to one year. Otherwise, accounts payable are presented as non-current liabilities.

They are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method. In practice, they are usually recognized at the corresponding billed amount.

2.7. Other liabilities

Other liabilities are stated at known or estimated amounts, plus the related charges and monetary changes incurred, when applicable.

2.8. Taxes, fees and contributions

For being a non-profit entity, the Foundation is entitled to tax immunity. Accordingly, no taxes are levied on its operations, which include PIS, COFINS, IRPJ and CSLL. The amount payable basically refers to amounts withheld on payroll, in addition to Severance Pay Fund (FGTS) and employer's Social Security Tax (INSS).

2.9. Net assets

It is represented by initial donations, plus surplus or deficit accumulated through the years.

2.10. Results of activities

The Foundation's revenues mainly include donations from its Sponsor, Novonor S.A., and its controlled or affiliated companies, and also from FRVJ Patrimonial Ltda. ("FRVJ Patrimonial"), a controlled company of Kieppe Participações e Administração Ltda. - Under Court-Ordered Reorganization, indirect parent company of Novonor. Such records comply with the provisions established by CPC 47, the pronouncement that regulates the revenue recognition. Surplus or deficit of the activities is recognized on the accrual basis except for income from donations received, which is recognized on a cash basis, i.e. on the date the funds are received.

Revenues from donations received to be applied in the programs are recognized at the amounts corresponding to the expenses incurred in each year for the execution of these programs.

3. Financial risk management

The Foundation cannot contract Derivatives, as per the rules detailed in its Financial Management guidelines. Therefore, there was no such operation in 2023 and 2024. As a third sector entity, the Foundation makes low-risk, short-term financial investments with the aim of honoring its commitments within the agreed terms.

(a) Liquidity risk

It is the risk of the Foundation not having sufficient funds to fulfill its financial obligations due to a mismatch between expected receipts and payments in maturity and volume.

To manage cash liquidity, assumptions are made about future disbursements and receipts, daily monitored by the Finance Department of the Foundation.

FUNDAÇÃO NORBERTO ODEBRECHT

Notes to the financial statements
As at December 31, 2024 and 2023
(In thousands of Brazilian Reais)

4. Financial instruments by category

	2024	2023
Amortized cost		
Assets		
Cash and cash equivalents	1,717	1,289
Advances to third parties	33	39
Loans granted	20	-
	<u>1,770</u>	<u>1,328</u>
Amortized cost		
Liabilities		
Trade accounts payable	13	32
Other liabilities	525	471
	<u>538</u>	<u>503</u>

5. Cash and cash equivalents

	2024	2023
Cash and banks	5	2
Financial investments	1,712	1,287
	<u>1,717</u>	<u>1,289</u>

Short-term bank deposits refer to financial investments in Funds and Bank Certificates of Deposit (CDB), at floating rates, whose average return ranges from 83.0% and 100.0% of the Interbank Deposit Rate (CDI), respectively, with immediate liquidity.

6. Salaries, charges and social contributions

	2024	2023
Provision for vacation pay	190	283
INSS on vacation pay	48	72
FGTS on vacation pay	15	22
Others	18	12
	<u>271</u>	<u>389</u>

7. Gross revenue

	2024	2023
Donations received (a)	7,643	5,260
Sale of books	15	12
Copyright	8	9
Welfare	403	538
Technical consultancy	-	132
Total	<u>8,069</u>	<u>5,951</u>

FUNDAÇÃO NORBERTO ODEBRECHT

Notes to the financial statements As at December 31, 2024 and 2023 (In thousands of Brazilian Reais)

- (a) In December 2022, R\$2,000 was received as a donation for 2023, which was recorded as donation income in the result for 2022, resulting in a surplus of R\$1,931. As a result of this entry in 2022, the result for 2023 showed a deficit of R\$2,017.

8. Donations to social projects

	2024	2023
OCT	(7)	(13)
CFRI	-	(10)
CFAF	-	(10)
CFR-PTN	-	(10)
Hora da Criança	(2)	-
Total	<u>(9)</u>	<u>(43)</u>

The 2024 donations were to support the structural reform of the OCT and IT equipment (notebooks) for Hora da Criança.

In 2023 donations were mainly for IT equipment (laptops).

9. General and administrative expenses

	2024	2023
Wages and salaries	(5,599)	(6,196)
Third-party services	(966)	(1,125)
Travel and lodging	(133)	(208)
Infrastructure (headquarters)	(535)	(521)
Others	(526)	(520)
Total	<u>(7,759)</u>	<u>(8,570)</u>

10. Income (loss) from ownership interest

The Foundation has ownership interest of 1.566% in ODBINV S.A. - Under Court-Ordered Reorganization ("ODBINV"), parent company of Novonor. This investment in ODBINV was recorded and valued according to the equity method up to the limit of the investment balance.

Considering that as at December 31, 2016, ODBINV reported deficit in equity ("Unsecured liabilities"), on that same date, the balance of investments was written off by the Foundation (provision for losses on ownership interest).

As at December 31, 2024 and 2023, ODBINV remained with deficit in equity ("Uncovered liabilities").

11. Contingencies

The Foundation has labor lawsuits, involving a risk of loss classified by Management as possible, based on the assessment of its legal advisors, in the estimated amount of R\$554.

12. Endowment Fund

In March 2023, the Foundation set up an Endowment Fund to serve as a stable and perennial source of funds, with the aim of contributing to its long-term financial sustainability, as well as the funding, maintenance, and expansion of its activities, in order to achieve its corporate purpose. As of the date of this report, no funds have been allocated to the Asset Fund.