



Annual Report OEC

Message from
the Leadership

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Message from the Leadership

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Serious and widely known past events have recently imposed extraordinary and unprecedented challenges to OEC. To face these challenges, we have focused on the Company's financial stabilization, on the restoration of its reputation, and on the construction of the future of the Business.

In recent years, we have executed consistent changes. We have published

our own policies and guidelines, completed the renovation of our executive structure, and changed our governance model — led now by an even more independent and diverse Board of Directors. We have established new practices, improved our control mechanisms, and consolidated the operation of a system compliant with global standards. We have absorbed everything that has been learned as values intrinsic to our business.

Fábio Januário,
OEC Business
Leader



Carlos Hermany,
OEC Engineering,
Innovation,
Sustainability
and Industrial
Knowledge
Management OBS



Simultaneously, we have conducted operations in various countries, dedicating ourselves entirely to achieving understanding with competent authorities, control bodies, and multilateral agencies so as to enable us to move on, dedicated to what we know best: building works that transform people's lives.

In 2018, we signed important deals and committed ourselves to recovering the company's financial equilibrium, thus continuing our restructuring process. This process culminated in 2019 on the closure of an important step in renegotiating commitments involving international bonds ensured by OEC. Concluding this step represented significant progress for the Company and demonstrated to its teams, to the market, and to its external partners that we are on the path to resume our financial solidity.

Throughout last year, we conducted the changes required to regain a consistent backlog. The efforts made to increase the Company's productivity, to maintain its capacity to deliver high-complexity enterprises, to encourage innovation, and to increase the participation of young people in its management structures were concretely acknowledged through the addition to the Company's portfolio of new and important works.

In 2018, we were once again recognized as a company that aims at entrepreneurship and innovation — that

considers impact solutions to optimize the resources required to execute its services. During that period, for the seventh consecutive year, we were recognized with an award by the US magazine Engineering News Record and, once more, in Brazil, we were named "The Young People's Dream Company."

In early 2019, we celebrated our 75th anniversary and decided to include in our renewal the adoption of a new identity that celebrates the company's long trajectory, throughout which we delivered over 2,500 large-scale works, while simultaneously celebrating the progress made during our recent intense journey of transformation.

The restrictions, achievements, disappointments, and victories we have experienced through seven decades of history, everything we have learned, everything we have decided to leave behind, plus our teams' resilience, technical expertise, and motivation, which is our greatest asset, make it evident that we remain active, define our priorities, and demonstrate how focused we are in restoring reliability, which is essential for us to resume growth and build a better future.



If it is concrete, it is true.

Members,
Panama



About this Report

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102-52 | 102-53 | 102-54 |

The ethical, principled, and transparent conduct to which OEC (Odebrecht Engineering & Construction) has unreservedly committed itself ensures accurate, comprehensive, accessible, and timely communication of the company's performance to all stakeholders. In this spirit, OEC presents its third annual report.

This publication features the results of the company's operations in Brazil and abroad from January 1st to December 31st, 2018. However, to ensure that all reported information is up to date, the report also includes significant changes that happened during 2019, up to the publication of this document.

This year, OEC has once again valued the ability of data comparison, and designed its Annual Report according to the Global Reporting Initiative (GRI)¹ standards, following the GRI's Essential option.



Chaglla
Hydroelectric
Plant, Peru

¹ Access to know more about GRI

The financial statements were devised according to the Brazilian Accounting Standards, whose audit was conducted by an independent entity, following Brazilian and international rules. The evaluation of social-environmental compliance follows international performance standards and regulations of territories where OEC operates. Meanwhile, the production of the greenhouse-gas emission inventory has followed the Brazil GHG Protocol Program.

In this year's report, OEC has aimed at amplifying the report's objectivity, and as it has done in past years, the company has also evaluated its disclosure process, consequently flagging priorities for its evolution over the next cycles.

The 2018 Annual Report has been approved by OEC's Board of Directors through the evaluation of the People, Culture, and Sustainability Assessment Committee. Please send questions, comments, suggestions, or reviews regarding the content of this Report to relatorio.anual.oec@odebrecht.com.

Materiality

| 102-21 | 102-40 | 102-42 | 102-43 | 102-46 |
| 102-47 | 103-1 |

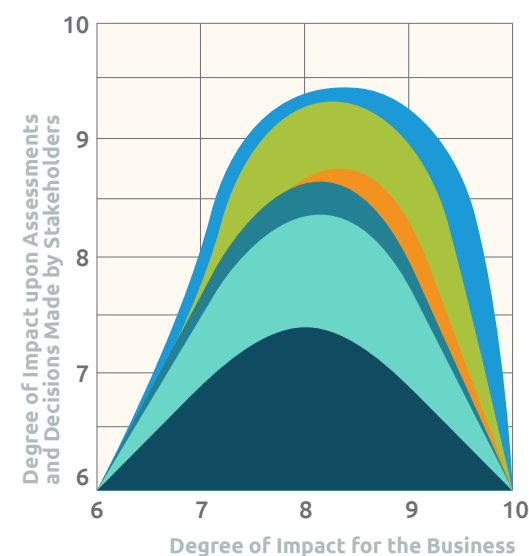
The content of this publication has been designed according to the GRI Materiality Principle recommendations, which establish reporting of significant aspects that reflect a company's economic, social, and environmental impacts or that may significantly influence its stakeholders' evaluations and decisions.

The most relevant or material the-

mes presented in this Report have been listed in the materiality matrix, updated by OEC In 2018 at the publication of its second Annual Report. Potentially material themes for OEC were analyzed, as well as trends in the engineering, construction, and industrial assembly segments, and, for the first time in the company's history, the impressions of external stakeholders to the Business were also taken into account².

The study remains timely and can be used as a reference for the reporting of this cycle. The materiality matrix, which has been validated by OEC, brought together 29 material themes for the Company in six groups of primary focus.

Materiality Matrix



- Market position
- Governance
- Commitment to people
- Excellence in operations
- Engagement with local community
- Environmental performance

² Access to know more about OEC's materiality updating process.

Material Themes

- Very relevant
- Relevant



- Company's financial health
- Fulfilling commitments to employees
- Fulfilling commitments to suppliers
- Fulfilling commitments to society (taxes, etc.)



- Fighting corruption
- Promoting legal compliance
- Managing reputation
- Promoting ethics, integrity, and transparency in actions
- Fostering corporate culture and governance
- Fighting unfair competition
- Managing governmental relations



- Quality management
- Relationship to clients
- Supplier management
- Innovation management



- Supporting employees' professional development
- Promoting occupational health and work safety
- Promoting human rights
- Showing respect for diversity



- Water and effluents management
- Biodiversity management
- Emissions management
- Energy-consumption management
- Waste management
- Materials and input management



- Prioritizing local workforce
- Developing the local community
- Engaging with stakeholders

Chavimochic,
Peru

Via Nova de Gaia,
Portugal


Company Profile

102-1 | 102-2 | 102-4 | 102-5 | 102-6 | 102-7 | 102-10 | 102-45 |

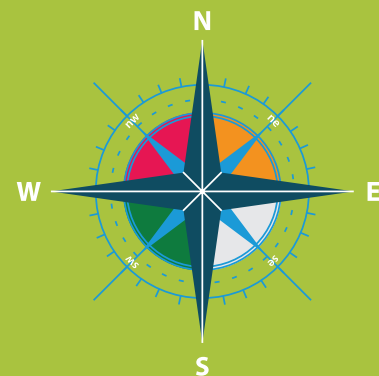
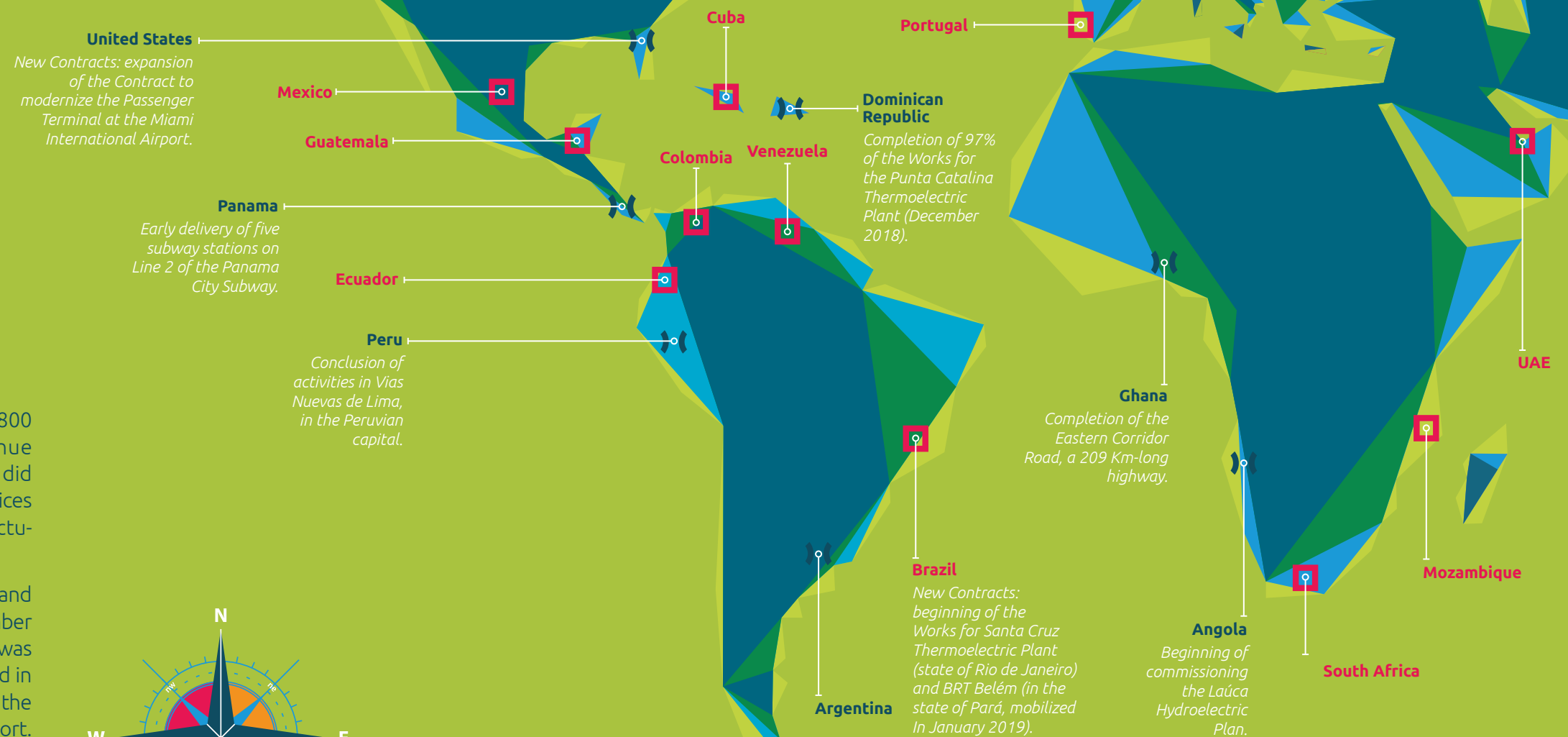
OEC³ is a privately held company and a wholly owned subsidiary of Odebrecht S.A. The company is active in the segments of heavy civil construction and building, assembly and management of industrial ventures. OEC is based in Brazil and is present in eight markets, each defined geographically: Brazil; Africa; Central America and Mexico; the Caribbean and the US; Colombia and Ecuador; Argentina and Bolivia; and Peru and Venezuela.

In 2018, OEC had offices and representation in ten countries and registered significant operations in eight more countries: Angola, Argentina, Brazil, the US, Ghana, Panama, Peru, and the Dominican Republic.



 ³ Access to know more about OEC.

Global Presence



At the end of 2018, OEC employed 17,800 people. During that year, its gross revenue amounted to US\$ 1.92 billion. That period did not present any changes in the company's services portfolio nor in its equity stake, capital structure, or business model.

In the same year, six Works were delivered and two new Projects were initiated. The total number of active Works, encompassing 32 Contracts, was 47% lower than in 2017. This variation resulted in a decrease in the volumes benchmarked by the performance indicators featured in this Report. The completed Works in 2018 brought the Company's operations in Ecuador and Ghana to an end, and decreased significantly its operations in Peru and Venezuela.



Carretera
Interoceánica,
Peru

Miami Arena,
United States

2

Our Commitments

| 102-12 | 103-2 | 103-3 |

At OEC, it is understood that the achievement of results involves additional responsibilities, such as compliance in the Company's processes, environmental preservation and the promotion of the development of the societies that have hosted the Works.

This belief is conveyed through commitments that have been formalized by the Company's own policies⁴ to direct the Business and to shape the offer of useful engineering services that have been developed upon sustainable, ethical, principled, and transparent processes to generate benefits for all stakeholders, today and in the future.

At OEC, it is everyone's duty to act appropriately, especially when the Business's activities may affect other people, directly or indirectly.



[www](#) ⁴ Learn more about OEC policies.

Adopting innovative, effective, and preventive practices that lower risks, help preserve life and the environment, and promote social development are priorities for all the Company's Operations.

The relationships that have been established by its teams are guided by respect, transparency, integration, and the development of the most diverse group of people, representing the unique plurality in the Company's global presence.

The materialization of commitments made by OEC complies with specific guidelines and instructions that have been structured by management systems to monitor the results of the Company's material-themes management strategy.



Action Program

| 404-2 |

The individual development plan for all of OEC's members is established by the Action Program (AP).

This Plan is agreed upon every year and outlines personal and professional challenges for each member, as well as how the challenges are tied to Business results. The AP describes each member's responsibilities and their delegation to economic, environmental, and social topics.

The established goals and objectives are assigned in proportion to the member's attributes and leadership level, and reflect the commitments made by the Business Leader to the Board and the Company's Management. The execution of the AP defines the variables applied to the performance evaluation of all employees at OEC. This established standard ensures transparency while guaranteeing that similar metrics are applied at different hierarchical levels and across Company operations.

External Commitments

| 102-12 | 102-13 |

OEC also shows its commitment by strengthening its voluntary role in collective actions that reflect the maturity of its business practices and Compliance System, while legitimating the Company's wish to influence the market in a positive manner.

Highlights in 2018 include the Company's partnering with the Ethos Institute of Companies and Social Responsibility and with the Institute for the National Pact to Eradicate Slave Labor (InPacto), which are leading organizations in the promotion of fundamental and internationally celebrated values regarding human rights, work relations, the environment, and integrity.

This year, OEC has participated in a series of seminars and events for the promotion of integrity in Brazil and abroad and has established a more active presence in social media by launching its own digital communication tools⁵.



⁵ Learn more about OEC's digital experience.

Observ Institute

Observ is an open and free digital platform that flags the risk of illicit procedures in tenders for infrastructure projects in Brazil.

The initiative's permanent monitoring of public notices and bidding for public works adds more transparency to those procedures and aims at curbing corruption, should contracts be steered or awarded illegally.

The Observ Institute was founded by non-profit Ethos Institute, IT start-up Jusbrasil, global strategy firm Albright Stonebridge, and law firm Barros Pimentel Advogados. OEC encouraged its development in line with the Company's commitment to promote public-interest initiatives to adapt the market to best practices against corruption.

Vias Nuevas de Lima, Peru



Santo Antonio, Hidroelectric
Power Plant, Brazil



Naval Base
Shipyard Project,
Brazil

3

Corporate Governance

102-11 | 102-18 | 102-19 | 102-20 | 102-24 | 102-27 |

In 2018, OEC published its own policies and reinforced the propositive character and the independence of its Board of Directors, increasing the protagonist role of its executive leadership, at and reinforcing Its new governance⁶

The policies published in the period, together with its Policy on Compliance in Acting Ethically with Integrity and Transparency implemented in 2011, promoted the update of a series of guidelines and corporate procedures, reiterating that the mastery of sustainable business practices and the unrestricted compliance with the principle of precaution⁷ are fundamental requirements for performance and mark OEC's differentiation everywhere it operates.



⁶ Access and know more about OEC Policies.

⁷ Precaution is related to humanity's respectful and functional association with nature, absorbing concepts that guide responsibilities regarding the preservation of life for future generations.



Baixo Iguaçu Hidroelectric Power Plant, Brazil

Structure

In 2018, OEC made adjustments to its executive structure. The Business Leader began to be assisted by Operational Directors (ODs) who, by directly coordinating the operations in Brazil and abroad, added objectivity to the management, ensuring that patterns of homogeneous performance will be implemented in different OEC territories and scopes of services.

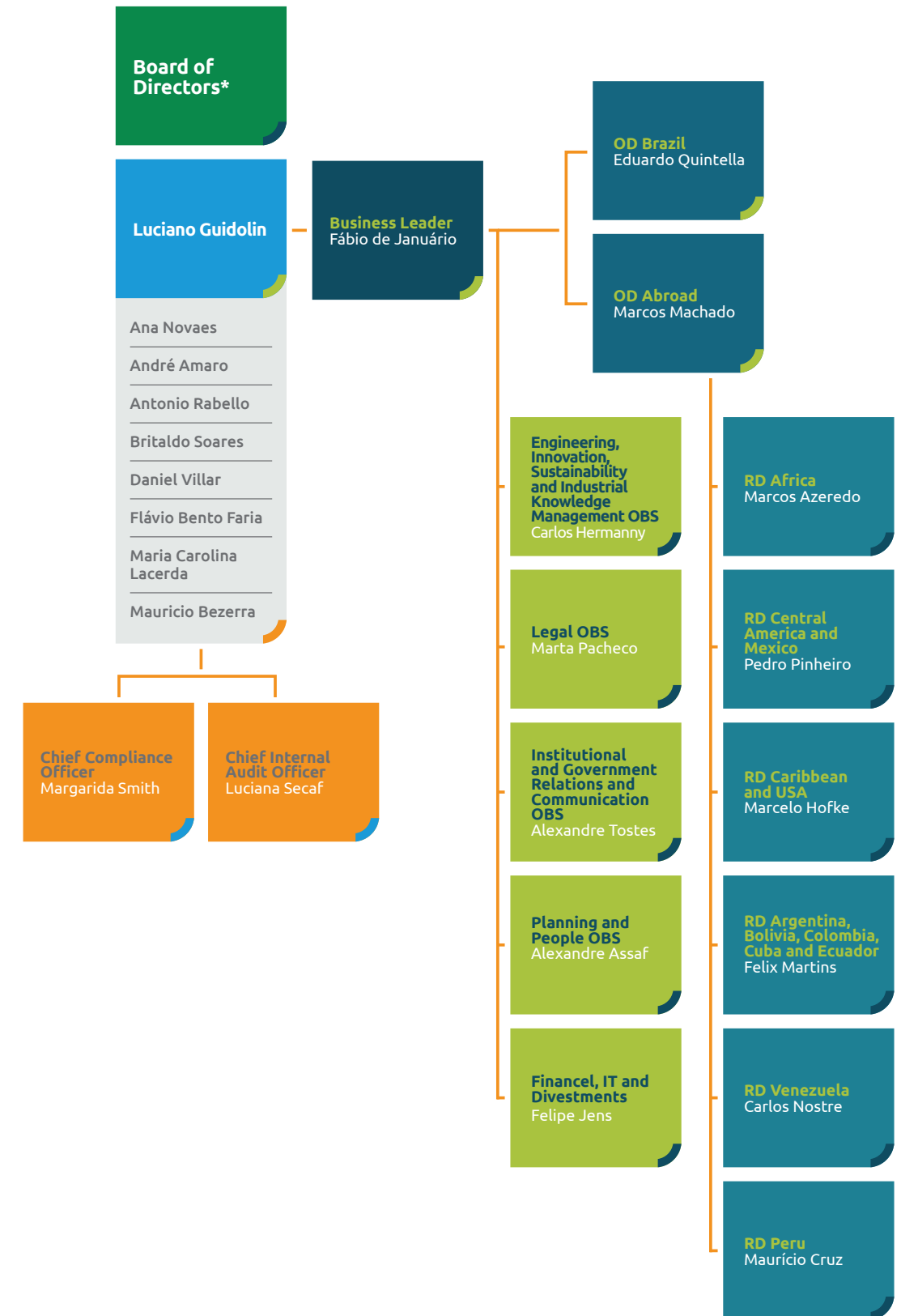
The Operations Office Brazil brings together the infrastructure and industrial-engineering teams in this territory, while the Operation Office Abroad coordinates teams that operate internationally. These Offices increased the efficiency and the technical skill of the Company, favoring the broad recogni-

tion of the quality of its deliveries in different markets. The Regional Director Offices (RDs), which are now led by the ODs, remained the same, organized according to the geographic locales where the Company operates. In some cases, Regional Directors were maintained, especially abroad.

Among the Officers for Business Support (OBS), that in the market is equivalent to a vice-presidency, a woman holds the position for the first time. This movement materializes OEC's efforts to promote greater gender integration, which is fundamentally based upon valuing women's leadership.

OEC Organizational Chart

| 102-22 | 102-23 | 405-1 |

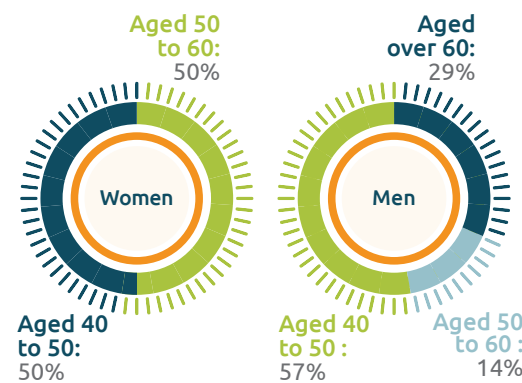


* Composition on July 1st, 2019.

Board of Directors

102-16 | 102-18 | 102-24 | 102-26 | 102-28 |
102-29 | 102-31 | 102-33 | 102-34 | 102-35 |
102-36 |

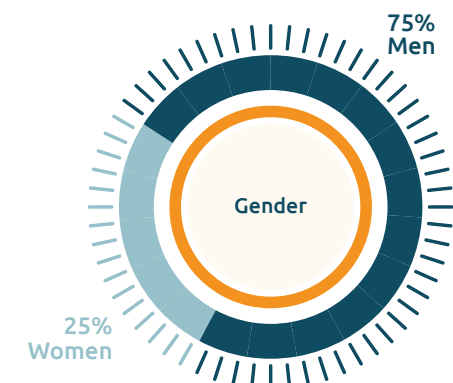
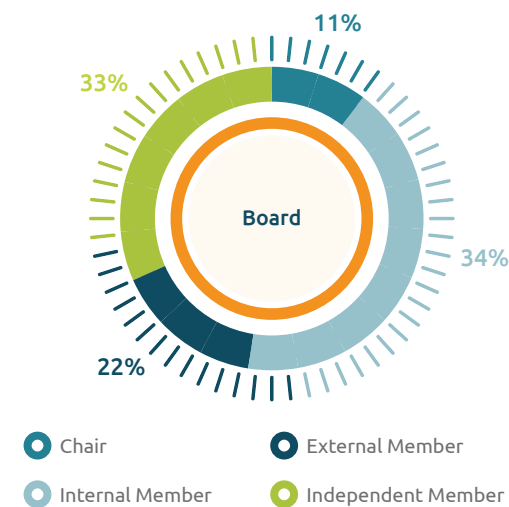
The Board of Directors (BD) is the Company's highest governance level and has a deliberative role. This Board is responsible for the communication between OEC and its controlling company and must preserve the organizational culture, define the policies that guide operations practices, follow up on and evaluate the performance of the Business Leader's Action Program, in addition to ensuring the effective application of the Compliance System. It is also the BD's role to ensure that the Company's governance applies the best practices of the market.



At OEC, council members are elected by the General Shareholders Assembly, which has increased the Board's independence — out of the nine council members, 55% are independent or external members. None of the council members play an executive role in OEC, and 78% of members' terms are equivalent to two years or less. In 2018, OEC's first independent councilwoman was elected, and in early 2019, the second one was integrated.

OEC's Board represents the Company's plurality and brings together skills that contribute strategically for the Business, offering renowned experience and knowledge of engineering, people, and planning, in addition to adding cultural, generational, and gender diversity that enables more qualified and safer analyses.

The Council operates independently. Its actions aim at preserving OEC's interests and the interests of its controlled companies, adding value for shareholders and showing respect for all stakeholders.



The Company's performance with regard to economic, environmental, and social issues is monitored by the Board based on the Business Leader's PA. The registered results are communicated by the Business Leader through monthly, quarterly, and semiannual reports. Deliberation Proposals (DPs) formally address the information that will be evaluated and decided upon by the Board.

In 2018, the Board held 24 meetings: 11 ordinary on-site meetings, 9 extraordinary on-site meetings, and 4 extraordinary online meetings. In that year, 35 DPs were sent.

OEC's board has three permanent and consultative Advisory Committees that support its decisions. The Committees ordinarily meet at least three times per year and extraordinarily when requested.

Culture, Communication, People, and Sustainability Committee

Evaluates and follows up on the execution of policies related to the following themes: pay, people, sustainability, cultural program, succession, and diversity. In 2018, there were six ordinary meetings and three further extraordinary meetings on site.

Businesses and Finance Committee

Monitors and analyzes issues involving financial matters of OEC and its controlled companies; evaluates the

Annual Report sent by Administrators and Financial Statements. This Committee met 15 times in 10 ordinary meetings, 1 extraordinary on-site meeting, and 4 extraordinary online meetings.

Compliance and Audit Committee

Supervises internal control mechanisms, monitoring of risk exposure, and audit processes, in addition to monitoring compliance with laws, rules, and regulations as well as with OEC's Policies. During the period reported, this Committee met 14 times in 12 ordinary meetings and 2 extraordinary on-site meetings.

It is the sole responsibility of the Board to deliberate and to execute matters such as the determination of high-leadership individual remuneration and evaluation of the Board's own performance, profile, and skills. The terms of the Board's performan-

ce-evaluation processes are defined by the Company's Governance Policy. The structure of the first performance evaluation cycle (2017–2018) is being analyzed by the Culture, Communication, People, and Sustainability Committee.

Legal Settlement

| 206-1 |

The progress of legal actions due to OEC's involvement in unlawful acts, especially in the Operação Lava Jato investigations, is monitored by the Business Leader, by the CCO, by the Officer for Business Support, and by the Board.

The Company remains committed to contributing to the clarification of all events in which it is involved. This year, its cooperation with investigations, the solidity of its governance, and the results of its Compliance System have reached relevant agreements to confirm the Company has moved on. The agreements signed were covered by

the provision originally negotiated by Odebrecht S.A., which considered the imputations that will enable the full effectiveness of redress. The agreements established in Brazil and abroad complied with the concept of ability to pay, in which the payment of fines shall be enabled through the Company's generation of cash.

In 2018, 5 out of the 53 executives involved in the leniency proceeding arising from Operação Lava Jato investigations continued to make technical contributions in the Company's proceedings. The said contributions shall continue until late 2019, when they will be evaluated by OEC's Board.

Brazil

Brazil's Office of the General Counsel for the Federal Government (AGU) and the Brazilian Antitrust Authority (CADE) – Signed agreements that make redress within the scope of Operação Lava Jato investigations effective.

Petrobras – Signed an Affirmation authorizing the participation of Odebrecht's companies in its public bids.

International

The Company has already signed agreements in eight countries and will continue to seek similar understandings in other territories where there are ongoing investigations. These settlements strengthen the

legal safety of operations in these places and contribute to the commitment assumed by the Company to act as a transformation agent in its markets.

Guatemala e Peru – Signed agreements that set the bases to continue the cooperation between the Company and the Court System of these two countries, enabling structural progress in the relationship between private companies and public authorities.

World Bank – Signed an agreement that imposes its ineligibility, for three years, in projects funded by the said institution.

Compliance System

OEC operates ethically with integrity and transparency, in compliance with the world's best governance practices and with the legislation applicable in places where it operates. The Company is committed to permanently improving its governance, consolidating the effective practice of its Compliance System, as well as to promoting the evolution of the insti-

tutional context in countries where it operates. To OEC, these elements are factors inseparable from the Company's differentiation.

The commitments assumed involve individual and collective contributions that aim at effective transformations, executed by improving control systems and inhibiting misconduct and noncompliance in all of the Company's operational activities.



OEC's Compliance System is comprised of 10 integrated risk-prevention, detection, and remediation measures that guide and monitor all operations while influencing busi-

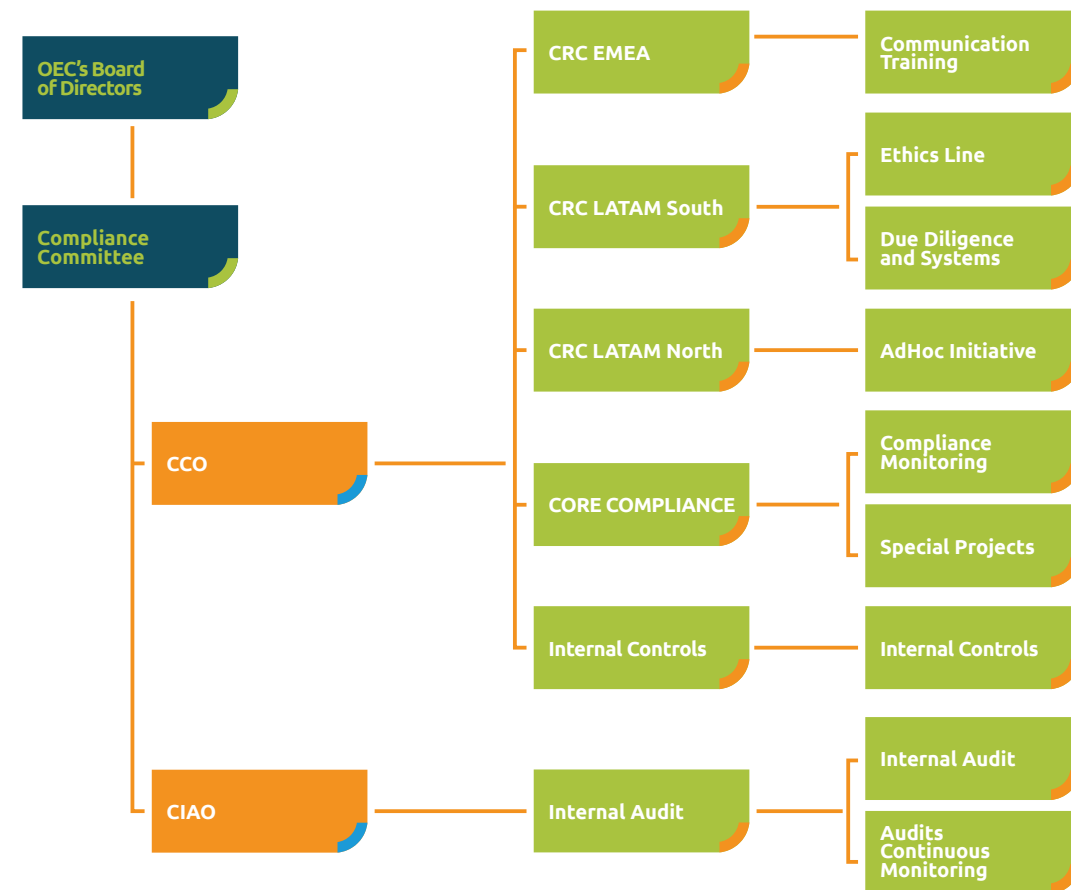
ness partners and value chains.

The Business Leader is responsible for implementing the Compliance System. The BL works in alignment with the CCO, directly linked to OEC's

Board, and it is systematically monitored by the OEC Compliance and Audit Committee. The practice of this System is the responsibility of all members and occurs in the dynamics of the planning-cycle and pact of the Program of Action.

The Chief Compliance Officer (CCO) has autonomy and independence to coordinate the implementation of actions as necessary for the effectiveness of the Compliance System. The Chief Internal Audit Officer (CIAO) drafts and proposes the Internal Audit Annual Plan, monitors the Company's performance, and ensures transparent and efficient communication of its results to the Business Leader, to the Board, and to other stakeholders.

Compliance Organizational Chart



Political Contributions

| 415-1 |

OEC forbids political contributions in its name in countries where they are prohibited. In countries where donations, monetary or not, are authorized by law, these donations must be approved beforehand by the Board, as part of a specific program proposed by the Business Leader. Each and every contribution shall be widely disclosed to all of the Company's stakeholders. In 2018, the Company made no political donations of any nature in any of the territories where OEC operates.

Ethics Commission

The Ethics Commission supports the Compliance and Audit Committee on matters that involve possible violations of the Compliance Policy. The Commission, coordinated by the CCO, holds six annual ordinary meetings and relies upon the participation of the Heads of Functional Support Planning and People; Legal; Institutional and Government Relations, and Finance and Information Technology.

The Compliance System is coordinated regionally. The Regional Coordinators, distributed according to the geographic location of OEC operations, besides being responsible for coordinating Core Compliance and Internal Audit and 19 other local Focal Points, are responsible for promoting ethical practices with integrity and transparency in the countries where the Company operates.

Core Compliance

The department, structured in 2018, is responsible for permanent monitoring of key processes of the Compliance System based on continuous tests and data mining. Core Compliance is dedicated to identifying improvement opportunities; evaluating tendencies in risk activities to give feedback to control and mitigation actions; and informing leadership, assigning problems and risks to the appropriate decision-making levels. The new department offers a consolidated view of compliance with OEC's policies and guidelines, generating metrics that evaluate the level of compliance obtained in processes and determining, objectively, the impact of performance reviews.

Transnordestina Railway, Brazil



Continuous Auditing and Monitoring

Internal audits are conceived to follow and evaluate OEC's risk-management and internal control processes and to make recommendations aimed at improving them. The definition of the risk level considers several variables that consolidate indexes for each project. Annual planning considers the registered indexes to define priorities.

The dedicated department, established in 2018, is responsible for improving audit processes and identifying the "root cause" of noncompliance. In addition, it leads to engagement at various hierarchical levels when the adopted solutions are monitored.

Monitoring and evaluation of the Compliance System are assisted by the availability of a digital platform dedicated to registering the department's processes. The management results are analyzed in the responsible leaders' Action Program cycle. The goals are agreed upon annually. For 2018, the following points were defined:

- Drafting and approving Policies on Sustainability, People, and Corporate Governance.
- Full compliance with the requirements of the Due Diligence Guideline.
- At least 90% of members trained, according to target-groups and requirements defined by the Compliance Training Program.
- Full compliance with the requirements of the Gifts, Entertainment, and Hospitality Guideline.
- Inclusion of anti-corruption clauses in 100% of new consortiums and joint venture agreements, and in new contracts with suppliers.
- Full compliance with the requirements of the Donation and Social Investment, Sponsorship, Political Contribution, and Relations with Public Servants Guidelines.

The Compliance System also employs a tool dedicated to monitoring training processes and an exclusive and confidential channel for safe and, if desired, anonymous reporting of conduct that violates OEC's Compliance Policy.

Training on Compliance

| 205-2 | 404-1 |

The Annual Training Plan is established based on a risk-assessment approach that defines priority groups in view of the level of exposure of its members.

In 2018, the group at greatest risk of business exposure, identified as the target-group, was comprised of members of the strategic payroll with a managerial role and more access to digital resources.

The training sessions conducted during the period successfully engaged 96% of the members of this group as well as 100% of the Company's upper leadership.

Ethics Line Channel

| 102-17 | 102-33 | 102-34 | 102-44 |

The Ethics Line Channel is the main tool for reporting conduct that violates OEC's Commitment to Ethical Operation with Integrity and Transparency. It is broadly publicized so that all the Company's members, contractors, suppliers, business partners, clients, and communities feel safe and able to report any violation regarding the Company's practices.

Reports may be submitted digitally or over the phone through toll-free direct lines available 24 hours a day, in three languages — Portuguese, English, and Spanish⁸.

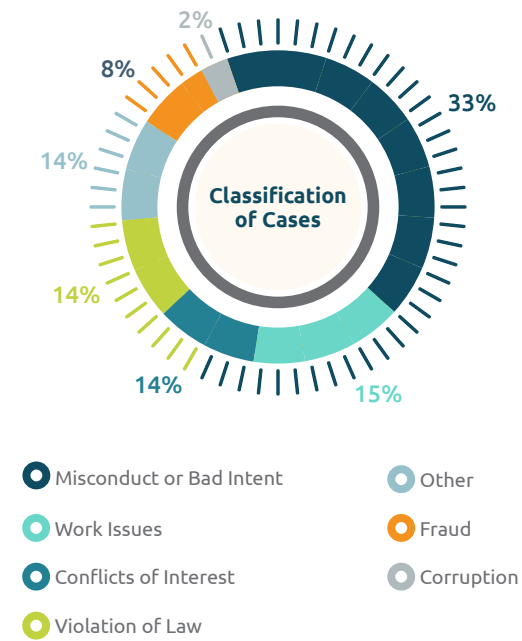
OEC seriously considers and objectively, impartially, and confidentially evaluates each and every report received. In 2018, 190 reports were made to the Ethics Line Channel; 62% were made anonymously and 77% were reported electronically.

⁸ To find out more about the Ethics Line Channel, or to file an ethics complaint, access the website or get in touch via the toll-free line available in your country (0800-377-8016, in Brazil).

Callao Port,
Peru

Ethics Line

| 205-3 | 406-1 |



The investigations arising therefrom considered 10% of the cases as being beyond the scope, while identifying 41% of the reports as valid, resulting in the application of 12 notices, the blockage of 2 suppliers, and the discharge of 14 members. Investigations also motivated the creation of three training and communication initiatives, as well as eight review processes and improvement actions.

Beyond the Ethics Line Channel, all operations and all offices are encouraged to create their own complaints office. This recommendation, which was made formal through corporate procedure, reinforces OEC's legitimate interest in establishing a relationship with its stakeholders. The received communications are consolidated by Operations and reported to the parent-company through an institutional indicators system. The results uncovered by the channels established in the operations are represented in this Report#.

Conflict of Interest

| 102-25 |

Biannually, members who occupy leadership positions update the Transparency Form, an instrument created by OEC to map out and minimize potential situations of conflict of interest. Information reported refers to the relationship of these members to partners, clients, suppliers, service providers, public servants, and politically exposed people. Each identified risk is immediately mitigated through review of assignments and processes under the responsibility of the exposed member.

Due Diligence

| 205-1 | 308-1 | 308-2 | 407-1 | 408-1 |
| 409-1 | 414-2 |

Due diligence is a requirement for the establishment of new commercial relations and the extension of the Company's previously established bonds. The process is mandatory and applicable to all operations, suppliers, service providers, and clients, in addition to partners in joint ventures and consortiums.

The diligence and the extent of each evaluation will be proportionate to the risk each third-party represents to the Company. Verification routines are defined in a specific guideline, and their results are registered in a global digital platform⁹.

In 2018, 100% of commercial relations intended by OEC were verified in advance. In the period, 17,532 due diligence procedures were conducted and only seven suppliers were blocked; five of these were blocked due to non-compliance associated with corrupt practices; the other two due to conflicts of interest.

Independent Monitoring

In 2018, the second year of the independent monitoring voluntarily adopted by OEC was completed. The process, conducted by the US Justice Department and by Brazil's Federal Prosecution Service, is the first transnational monitoring conducted in these countries.

The said monitoring, which results from the largest leniency agreement to be signed in the world, offers important elements that have supported OEC in its establishment of necessary, complex structural changes for the effective transformation of the Company's governance and control systems.

⁹ Acces and know more about Due Diligence at OEC.

Etileno XXI,
Mexico

Laúca Hydroelectric Power
Plant, Angola



Economic Performance

| 102-7 |

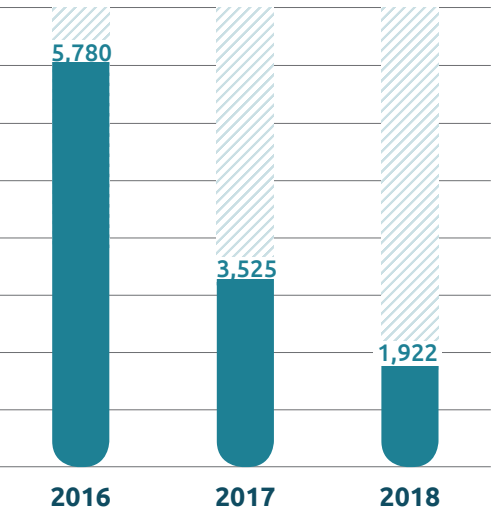
Results

The effects of the severe crisis faced by the Company remained evident in OEC's economic performance in 2018. During that year, its gross income dropped by 45% as compared to 2017. This variation occurred mainly because of the company's decrease in size due to the reduction of its operations, production adjustment in response to changes in clients' payment capacity in active works, and the decreased rate of adding new contracts resulting from lower demand for infrastructure projects in countries where OEC operated.

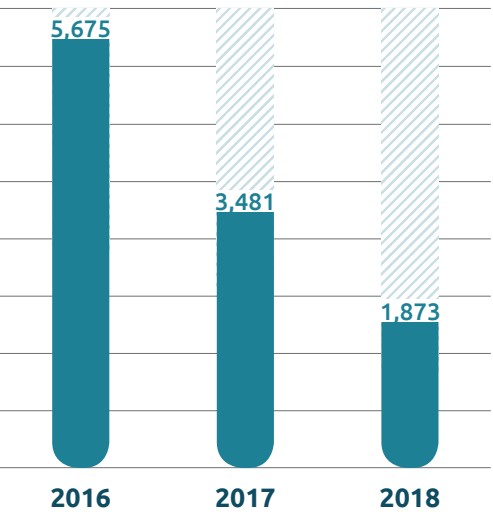


Members,
Ecuador

Gross Income (US\$ millions)



Net Income (US\$ millions)



Angola, Panama, Brazil, and the Dominican Republic represent 84% of the company's gross income. The main contracts currently executed in these countries are the implementation of the Lauca Hydroelectric Plant and its respective transmission line, in Angola; the construction of Line 2 of the Panama City Subway, Panama; the installation of the Punta Catalina Thermoelectric Plant in the Dominican Republic, and the Shipyard Project in Brazil.

Evolution of Control Mechanisms

However, the decreased results in the period did not stop the Company from continuing its efforts to consolidate the centralization of financial control mechanisms that OEC began in 2017. The actions enabled the optimization of processes while strengthening compliance and assertiveness of administrative and cost-management control mechanisms. The Centro de Serviços Compartilhados [Shared Services Center, in Portuguese] (CSC), the body responsible for unifying these control mechanisms, addresses the Company's operations through regional-services platforms located in Brazil and Panama.

In 2018, in order to mitigate the decrease in its revenue, the Company made efforts to optimize its operational costs and administrative expenses. However, the cash flow of the period was compromised due to the extension of the payment deadline and the reduction of retainer receivables. OEC's gross indebtedness, in its turn, declined late 2018 when compared to previous accounting periods.

During the period, renegotiation of financial commitments involving international bonuses promised by OEC started. The main terms and conditions for their restructuring were agreed upon in 2009 in dialogue with a significant portion of these bonds' owners. The success of this step strengthens the Company's capital structure, favoring the resumption of its competitiveness and growth.

Value Added Statement

| 201-1 |

The distribution of wealth generated by the Company is set forth in its value-added statement. In 2018, 27% of the sum distributed by OEC was destined to collaborators through the payment of salaries and benefits, 2% was destined to financial institutions, and 19% was paid to governments. The portion allocated to paying for operational expenditures, which was 37% smaller in 2018, reinforces gains resulting from the strengthening of operational control mechanisms already established in 2017.

Joint Action

In October 2019, the Ethos Institute, FGVethics, and International Finance Corporation was launched in Brazil, a joint action to promote the strengthening of the infrastructure industry in the country. The initiative, supported by OEC, intends to establish premises for the collective operation and self-regulation of the industry, mainly with regards to themes such as ethics, transparency, and integrity, which are essential for the long-term sustainable development of this market in Brazil.

	2017	2018
Generated Direct Economic Value (US\$ thousands)		
Gross Income	3,402,164	1,922,905
Distributed Economic Value (US\$ thousands)		
Operational Costs	2,398,546	1,278,728
Employees' Salaries and Benefits	953,207	654,049
Dividends Paid to Shareholders	-	-
Interest Payments to Financial Institutions	110,230	51,310
Payments to Government	585,071	473,188
Other Expenses (Income)	(290,929)	222,322
Losses	(353,961)	(756,692)
Net Income	3,351,842	1,873,503
Net Sales	3,351,842	1,873,503
Net Profit	(353,961)	(756,692)
Net Debt	(519,821)	(342,436)
Net Equity	1,464,148	648,024
Ebitda	163,756	(55,836)



Members,
Brazil

5 People

In 2018, OEC published its People Policy. This document reinforced values and beliefs historically adopted by the Company and set the bases for its human-resources management, aiming at both the present and the future. The practice of the Policy, combined with the diligent exercise of an ethical conduct with integrity and transparency, will directly contribute to resuming the Company's growth.

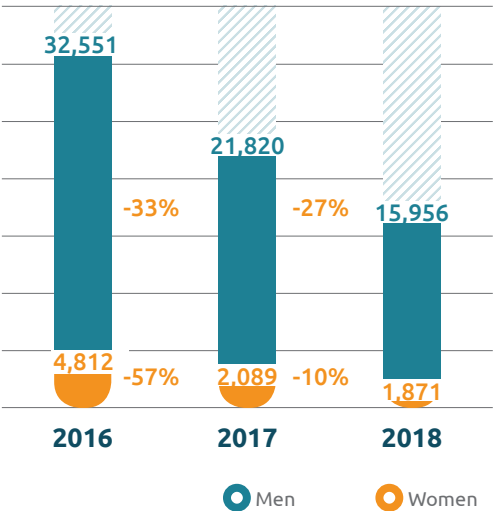


Employee Profile

| 102-7 | 102-8 | 201-3 | 202-2 | 401-1 |
| 404-2 | 405-1 |

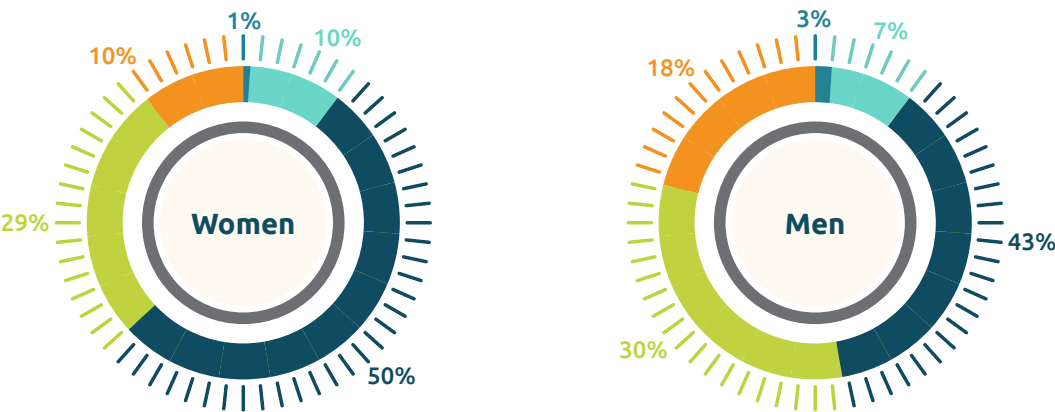
In 2018, local workforce corresponded to 91% of OEC's total staff. That year, the career progression of local workers consolidated very significant rates. Abroad, 40% of leaders were recruited locally and, in Brazil, this amount was 60%. As further regards leadership roles, during the period, 53% of supervising positions and 31% of management and direction positions were occupied by young leaders, people under 35.

Staff Evolution - 2018

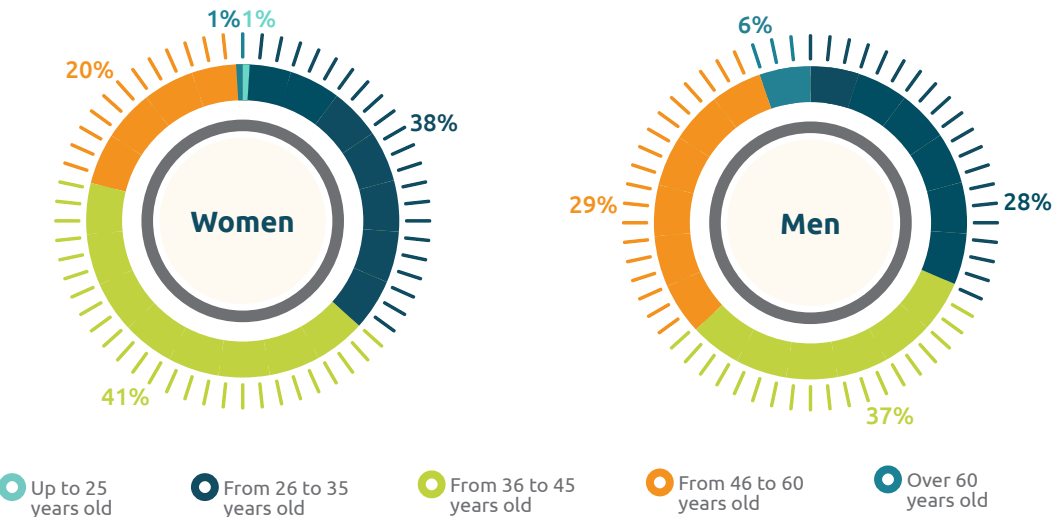


Composition of Leadership - 2018

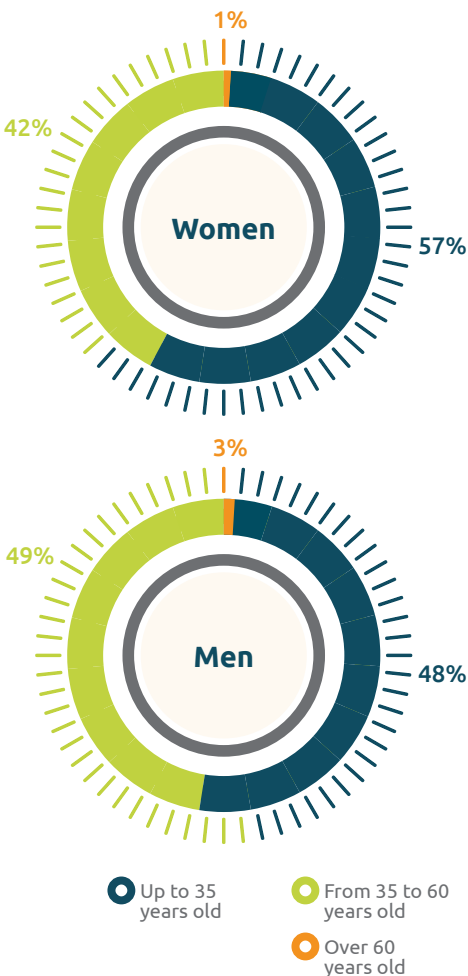
Supervisory Positions



Management and Leadership Positions



Staff by Gender and Age Group - 2018



Vacation Internship

In 2018, OEC registered a new record in registrations for its Vacation Internship Program. A total of 84,239 registrations were received in the period. The results of the Program show that Brazilian university students evaluate the company positively. OEC is conceiving a robust relationship strategy that will activate more and more effective communication channels with this audience.

Vacation Internship Program Registration

43,314
2016

66,472
2017

84,239
2018

Cultural Integration

Encouragement to establish diverse work environments was possible due to the varied nationality of participants and the promotion of female leadership.

In 2018, professionals from 32 countries worked in the company. Compliance with regulations and good practices to integrate minority

groups was achieved by the inclusion of 144 apprentices.

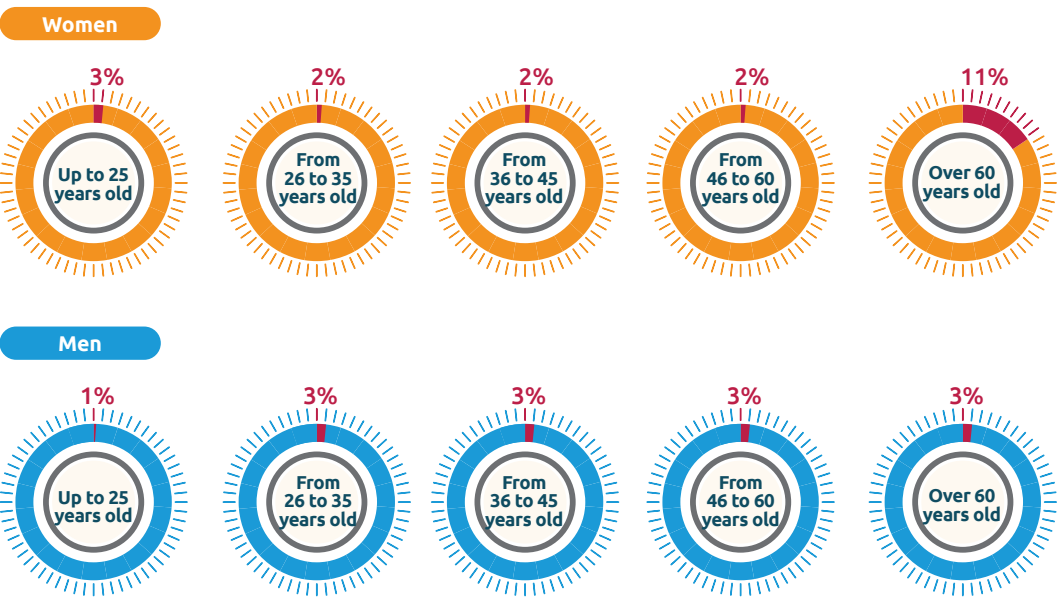
That year, for the first time at OEC, a woman became Business Support Officer, a position whose equivalent in the market is vice-presidency. At the Company's parent, in São Paulo (Brazil), women represented 44% of the total staff by the end of the first quarter of 2019.

Turnover

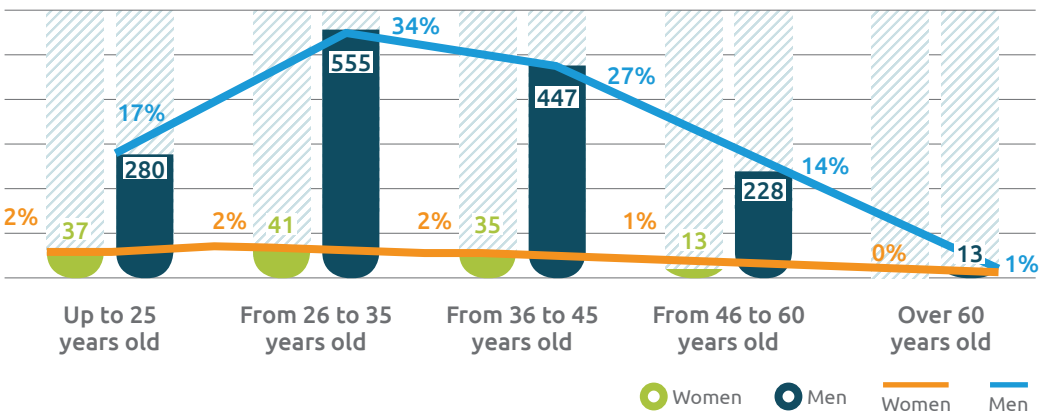
The turnover rate registered by OEC reflected its staff reduction, already noticed in 2017. Once again in 2018, the hiring of men aged 26 to 45 prevailed — the dominant profile in the construction-

industry workforce. During the period, the Company remained committed to supporting the post-career planning of mature workers, who were then engaged in a labor transition program.

Turnover Rate by Gender and Age Group - 2018



Admission Rate by Gender and Age Group - 2018



Development, Compensation, and Benefits

| 102-35 | 102-36 | 102-38 | 102-39 | 401-2 |
| 404-3 | 405-2 |

OEC considers it a priority to integrate and develop workers who are ready to work in the new infrastructure markets in which technical and operational efficiency, compliance, and sustainability will be their differential.

So, in 2018, members' technical and behavioral requirements were reviewed, especially those of employees occupying leadership positions. This initiative restructured the modeling applied in the Action Program performance evaluation and influenced recruitment and selection processes, both for entering the Company and internal movements. The 2019 agenda envisions the development of digital tools that facilitate the objectivity of these evaluations based on new grounds.

The evaluation strategy and the compensation policy practiced in the Company apply identical parameters for men and women working in the same professional category, sharing skills, maturity, and challenges. At OEC, employees are evaluated and compensated equitably, regardless of gender.

Common values reinforce the identity of OEC



Collective Negotiation Agreements

| 102-41 | 404-2 | 403-4 | 407-1 |

All OEC operations are in compliance with the legislation and local collective agreements that, where in effect, are applied 100% to all members and subcontractors. So the minimum deadlines for prior notifications of workers with regards to significant operation changes are respected and the right to freedom of association and collective negotiation is ensured.

In addition, although OEC is subject to different regulations in the various countries where it operates, its Commitment to Ethical Operation with Integrity and Transparency, or to the OEC Code of Conduct, ensures that all employees shall comply with the legal requirements and respect internationally recognized human rights.

At OEC, total compensation is made up of the monthly remuneration, short-term incentives, and additional transportation benefits if the employee's workplace or residence is transferred. Granting remuneration and benefits complies with the market practices and local collective conventions. As to the senior leadership remuneration, it is defined and approved by the Board of Directors; strategic program leaders may be

offered long-term incentive plans.

In 2019, OEC registered, in Brazil, a ratio of 74:1 between the top annual compensation of the highest-paid person and the average of the annual compensation of all other workers. The annual percentage increase of the top compensation was equivalent to 0.4% of the average annual percentage increase for all other workers.

Vexty

Vexty, sponsored by OEC, offers retirement plans to its members. OdePrev is a non-profit, closed supplementary pension entity that offers employees support in their post-career planning. Participants contribute with part of their monthly fixed income, influencing the sponsors' mandatory matching contribution, which will be proportional to the percentage of the contribution the worker has invested.

Parental Leave

| 401-3 |

In 2018, OEC continued to monitor parental leaves. During the period, 3% of women requested the benefit and 73% of them returned to work after the license period ended.

Employee Health and Safety

| CRE6 | 403-1 | 403-2 | 403-3 | 403-4 | 404-1 |

People's safety is one of OEC's values and a shared commitment. In the Company, everyone is committed to establishing safe and healthy work environments in which the priority is to prevent accidents and protect the physical, mental, and social health of employees and people who live in or go to areas under the influence of Operations.

At OEC, well-being is understood as a factor critical for the full exercise of one's labor capacity. Therefore, promoting well-being is a task that must be conducted by all leaders, who assume additional commitments to pass on knowledge that encourages the adoption of healthy habits and safe behaviors.

Raising awareness and training people about Workplace Health and Safety (WHS) are part of the daily routines of all Operations. In 2018, communication and training actions engaged all employees, producing nearly 1.7 million hours of specific WHS training, equivalent to 2.1% of the total of man-hours worked. In addition, training sessions on integration with the Company and Daily Work Training¹⁰ have consolidated an additional 1.4 million hours, addressing themes related to adequate work practices and sustainability.

Labor Compliance¹¹

| 401-3 |

In 2018, the number of lawsuits (4,367) in which OEC was mentioned decreased 33% compared with 2017; as for the number of adjudicated lawsuits (2,759), it was 3.5 times higher than last year's. The lawsuits settled in court resulted in the payment of compensation amounting to US\$ 7 million, among which 3% registered a significant unit value (higher than US\$ 17 thousand). Among the most common complaints were requests to review amounts attributable to the termination of employment contracts. In 2018, there were no cases related to harassment, discrimination, child exploitation, or labor analogous to slavery.

¹⁰ Daily, all teams gather before the beginning of the workday to discuss topics related to the tasks scheduled for the day. In a few minutes, associated risks, the necessary safety equipment, and the conduct [or: procedures] adequate to prevent accidents are reviewed. These events [or: discussions] also address the activities' social and environmental impacts.

¹¹ Applied Conversion Rate: US\$ 1.00 = R\$ 2.88 (30 Dec. 2018).

Health and Safety Committees

At OEC, 100% of workers are represented by formal joint-management workplace health-and-safety committees, such as, in Brazil, the *Comissões Internas de Prevenção de Acidentes (Cipa)* [Internal Accident-Prevention Commissions].

The Sustainability Management Integrated System implemented by OEC guarantees the establishment of work environments that are free from risks that may cause the illness, injury, or death of persons or damage to the environment. So all OEC Operations conduct detailed prior evaluation of processes and activities, identifying dangers and risks that may cause severe events and adopting immediate solutions for their elimination or adequate mitigation once identified. These solutions may involve adaptations in processes and activities. In situations which it is impossible to eliminate a danger, blocks and controls that reduce the risk of accidental events will be incorporated.

The operationalization of this System is achieved through the mobilization of teams of specialists who offer technical support, coordinate, and draw attention to initiatives that promote health and safety. The management of the WHS pro-

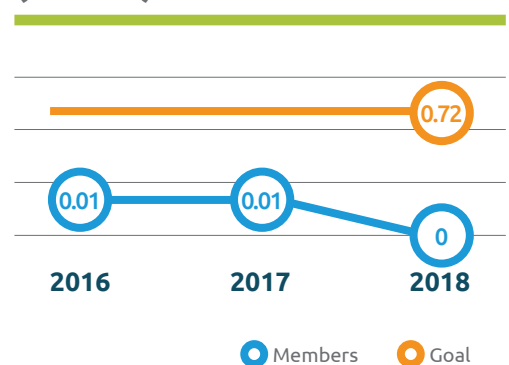
grams at OEC has been compliant with the OHSAS since 2002.

In 2018, the work-related and non-work-related absenteeism rates monitored only for members followed the positive tendency registered in previous years, positioning the company's results in intervals smaller than the indices considered acceptable for the period.

Non-Work Related Absenteeism Rate (NWRAR)



Work Related Absenteeism Rate (WRAR)

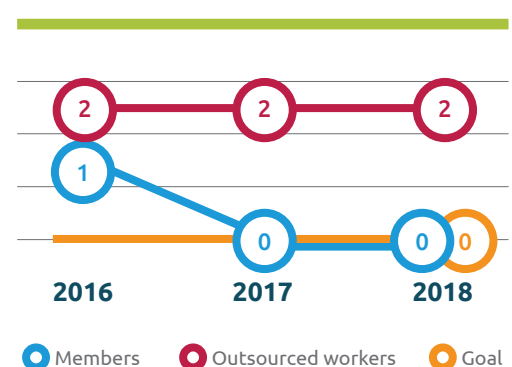


However, all the efforts exerted did not prevent the occurrence of severe accidental events. In 2018, the company mourns the occurrence of four events in which two outsourced workers lost their lives and two members became permanently partially disabled.

During that year, the registered accidents and the global reduction of man-hours worked, in view of production reduction or the demobilization of low-risk works, influenced the accident rate increase. Likewise, the occurrence of events that caused a higher number of days lost increased the registered Severity Rate.

Aware of these results, OEC reinforces its commitment to the promotion and preservation of health and safety by implementing, in 2019, a program designed specifically to strengthen workplace safety. In this initiative, it is worth highlighting the direct involvement of senior leadership as facilitator for the engagement of different audiences, which will enable the consolidation of an effective multidisciplinary action on behalf of safety.

Fatalities



Days Away Frequency Rate (DAFR)



Lost Days Severity Rate (LDSR)



Human Rights

| 408-1 | 409-1 | 410-1 | 412-1 | 412-2 | 412-3 | 414-1 |

At OEC, respect for human rights is detailed in its policies and in its Commitment to Acting Ethically with Integrity and Transparency. These instructions state that the Company will not tolerate any form of forced labor, child labor, harassment and discrimination, nor sexual exploitation and human trafficking in its own operations, in those of its partners, or in its value chain.

Meeting this Commitment is promoted through the establishment of engagement, training, and monitoring actions. At OEC, all workers, both direct and indirect, receive the Company's Code of Conduct upon their entrance. The system that publicizes the Code's content is combined with the promotion of awareness-raising campaigns and training sessions, ensuring that everyone has access to full information on his/her role in the promotion of human rights.

The *Due Diligence* Compliance process, applied to all the Company's

commercial relationships, in its turn, checks for past links of each potential partner or supplier to human rights violations. This process includes consultation of public lists disclosing companies that have submitted workers to conditions similar to slavery, such as Brazil's *Lista Suja do Trabalho Escravo* [Slave Labor "Dirty List"]. In 2018, over 17 thousand diligence checks were conducted, and there were no cases in which new hires were prevented or commercial relationships suspended due to rights violations committed by third parties.

Sectorial Engagement

The Company's association, in 2018, with Instituto Ethos de Empresas e Responsabilidade Social (Instituto Ethos) and with the Instituto Pacto Nacional para a Erradicação do Trabalho Escravo (InPacto), place OEC in the group of organizations that, in Brazil, publicly commit themselves to promote a fairer and more sustainable society. This involvement will favor learning that will support the inclusion of important references, useful for the strengthening of this OEC agenda.

Relationships and Social Investment

| 102-15 | 102-43 | 203-1 | 203-2 | 406-1 | 413-1 | 413-2 |

The identification of impacts and the characterization of stakeholders enable the customization of relationship actions that suit the different characteristics noticed in each Work. These processes favor the establishment of more efficient relationship agendas and channels of participation. In 2018, 83% of Operations implemented the said elements, and once again the registered participation relating to operations' nuisances (noise, dust, vibration etc.) prevailed over road-safety and other communications that also involved suggestions and information requests. That year, each communication received was registered, analyzed, addressed, and, whenever possible, replied to.

The Ethics Line Channel , a tool

that allows reports of violations of the Company's commitments to act ethically with integrity and transparency to be registered, also continued to be available in all territories in which OEC operates.

Resettlement and Traditional Populations

There is no report of involuntary displacement of people in processes conducted by OEC in 2018. That year, there were no violations of traditional populations' rights.

Social Action,
Dominican Republic



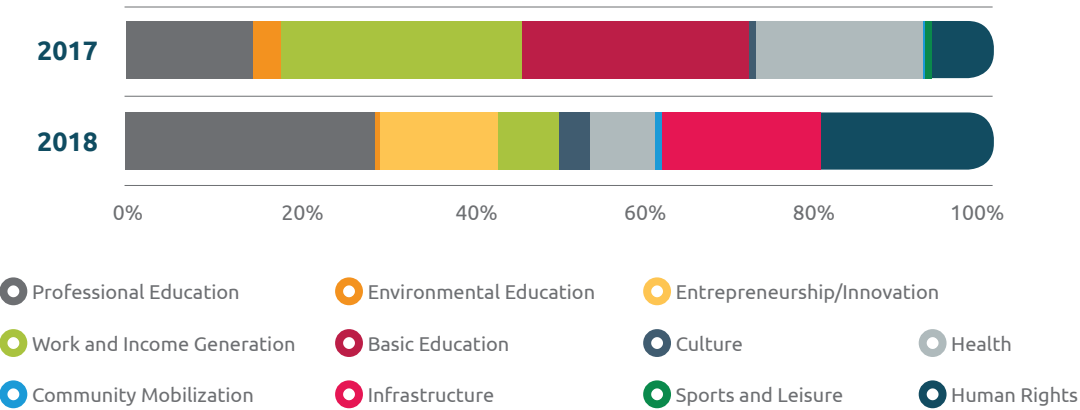
The Company recognizes its most significant impacts and benefits and applies an integrated approach in which the benefits inherent to its activities, the management of impacts, and corporate social responsibilities reinforce one another.

In 2018, although OEC registered the reduction of its economic indicators, efforts were made to enable continued development support for areas under the influence of Operations. In the period, convergent with what is provided for in Sustainability Policy and Guidelines, a series of initiatives were combined with social-en-

vironmental control mechanisms to promote professional education, entrepreneurship, and innovation.

Social Investment (US\$ millions) ¹²	2016	2017	2018
Total Investment	22.47	4.43	1.61
Volunteer Investment	4.97	0.82	0.59
Operational Cost	17.50	3.61	1.02

Voluntary Social Investments –Area of Activity (%)



Colón, Panama



¹² Applied Conversion Rate: US\$ 1.00 = R\$ 2.88 (30 Dec. 2018).

Local Development

The Lauca Hydro Power Plant (Angola) Impact Studies identified 15 communities within the work's area of influence in which rural populations, mainly peasants, resided. The AgroLauca Program was therefore structured to coordinate the social investments of entrepreneurship established in five priority fronts: health and sanitation, education, income generation, well-being, and gender equality. The methodology sought to ensure full engagement and self-development of communities, in addition to the sustainability of the subprograms themselves. The following elements were important to achieve the registered results:

- Renovation and equipping of a health unit.
- Training of health technicians, traditional midwives, and sanitation agents.
- Conducting malaria tests and distribution of protective equipment.
- Holding campaigns and lectures.
- Renovation and equipping of two schools.

- Teacher mobilization and training and creation of new courses, aiming mainly at literacy and extra-curricular activities.
- Issuance of identification documents.
- Construction of fountains, water reservoirs, and public restrooms.
- Promotion of family agriculture, entrepreneurship, and women empowerment.
- Implementation of industrial units (soap, flour, and bread factories).
- Social integration and valuing local culture, among other achievements.

Odebrecht S.A. annually evaluates and recognizes the best practices implemented in its businesses. OEC has been the winner in the Relationship with Communities category of the Prêmio Destaque [Highlight Awards] since its creation in 1995. In 2018, the AgroLauca Program achieved first place in the category.

Members,
Portugal

6

Operational Efficiency

| 102-11 | CRE 6 |

51

Environmental Performance

OEC's Sustainability Policy, which was published in 2018, reaffirmed the guidelines that influence the business's decisions and established commitments to consider the proposed engineering solutions' life cycles, including the reasonable use of natural resources, employment of cleaner technologies, mitigation of environmental impacts, and protection of ecosystems and biodiversity.

At OEC, the results of environmental controls established at work sites are diligently monitored, and a series of engagement and awareness-raising actions influence business partners, subcontractors, and suppliers to adopt practices that are equally sustainable in their operations.



Punta Catalina,
Dominican Republic

The management system practiced in the Company defines the procedures, parameters, and frequency of control mechanisms that will be applied to the various identified risks, aspects, and impacts. The definitions of this system comply with what is provided for in the local environmental legislation as well as other regional and international requirements applicable to the Operations. OEC's environmental management system has been certified by the ISO 14001 International Standard since 1998.

Compliance

| 307-1 |

OEC's environmental compliance is periodically checked through the implementation of routine inspection, review, and audit. In 2018, 2,572 internal verification events and 190 external verification events were registered with an average of 0.9 and 0.3 notifications per event, respectively. That year, there was no attribution of responsibility to OEC for environmental legislation violations.

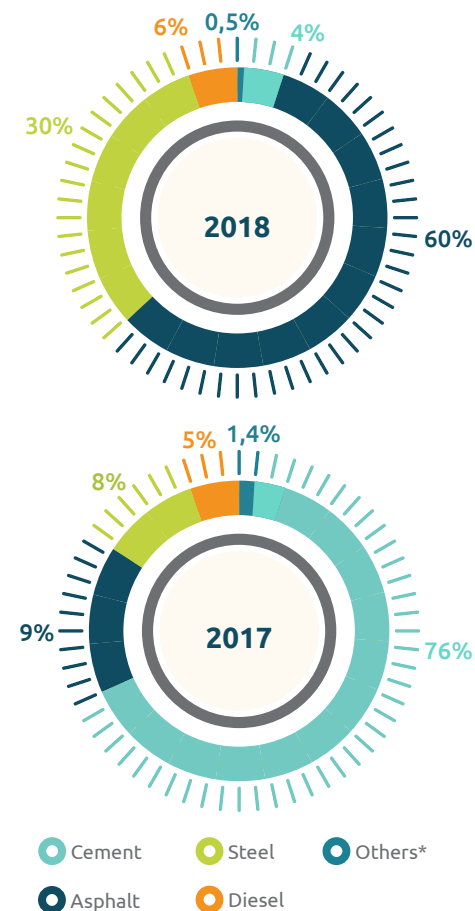
The reduction in the number and size of Operations that OEC has been experiencing in the last three years has been significantly influencing environmental performance indicators. The Company, despite the reduction in its portfolio and the restrictions arising therefrom, continues its efforts to achieve results that are environmentally adequate and compliant.

Materials

| 301-1 | 301-2 |

The material consumption matrix registered in 2018 reflected the characteristics of OEC's work portfolio; which in that year conducted road construction and industrial assembly projects. In that period, asphalt and steel were the materials in highest demand and, as already verified in previous years, almost the totality of consumption required items from non-renewable sources.

Consumption of materials - t (%)



*2018: Gasoline, LPG, Grease, Ethanol

*2017: Gasoline, LPG, Native Wood, Grease, Ethanol, Re-forested Wood, Recycled Wood, and Suppressed Wood

Energy and Climate Change

| 302-1 | 302-2 | 302-3 | 302-4 | 302-5 |
| 305-1 | 305-2 | 305-3 | 305-4 | 305-5 |

OEC's Inventory of Greenhouse Gas (GHG) Emissions, which has been conducted since 2010, is the main reference for the Company's energy-performance assessment. It considers projects' equity and applies internationally renowned methodologies such as those of the Intergovernmental Panel on Climate Change (IPCC, 2007) and the Brazilian Greenhouse Gas Program (GHG Protocol).

Climate Agenda

In 2018, for the seventh year in a row, OEC's GHG Inventory received the Brazilian GHG Protocol Program Gold Seal, which acknowledges independent third-party-verified inventory processes.

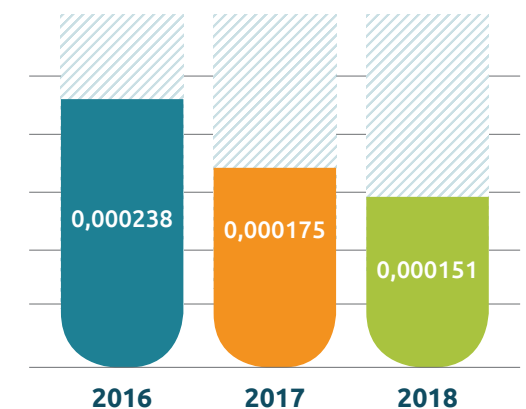
During this period, the Company remained engaged with the Climate Forum, a work group coordinated by Instituto Ethos (Brazil) that monitors the private sector's contribution to the reduction of negative impacts on climate change.

Although the use of raw materials associated with lower GHG emissions are premises considered by OEC, the activities conducted and the fleet employed at work sites are determinant in terms of the Company's energy demand and emissions profile.

In 2018, the mobilization of works and the dynamics of active contracts in Brazil increased the consumption of renewable fuels, even though the fossil-fuel matrix was responsible for nearly 80% of the energy consumed by the Company.

Energy Consumption (GJ)	2017	2018
Non-Renewable		
Diesel	1,198,760	850,430
Gasoline	33,902	55,572
Liquefied Petroleum Gas (LPG)	13,845	12,325
Other Non-Renewable	15,103	444
Renewable		
Hydrous Ethanol	50	2,877
Electricity		
Electricity	713,104	213,415

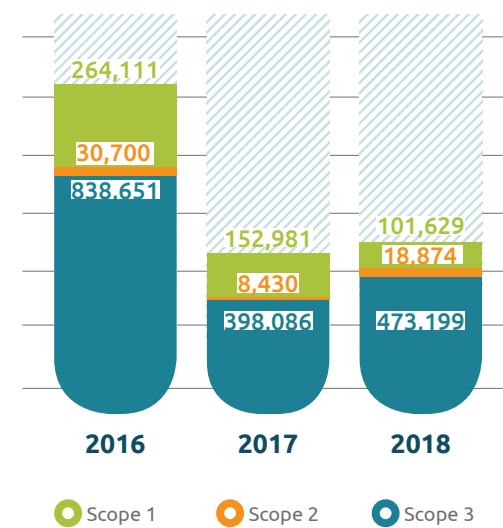
Energy Intensity¹³



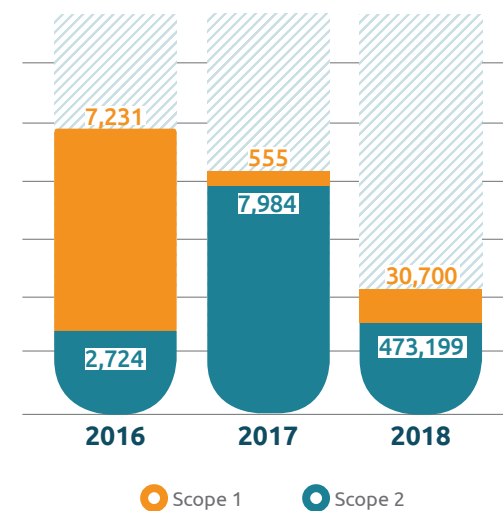
¹³ The intensity considers the energy consumption in GJ and the gross revenue in Brazilian Reais.

In 2018, the qualification of the parameters established to the precursors of emission caused a relative increase in the participation of Scope 2 and 3, even though the total amount of emissions remained stable in comparison with the 2017 results.

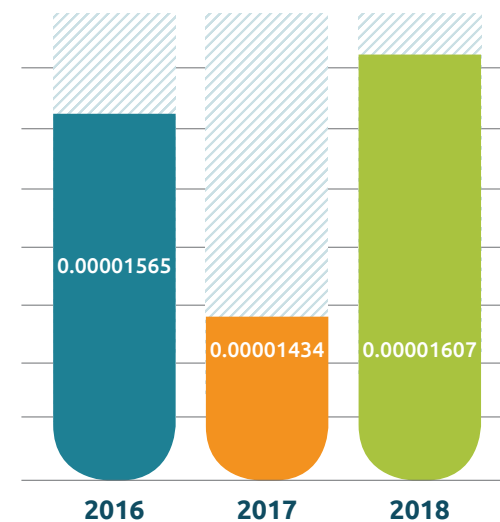
Total GHG Emissions (tCO₂eq)



Biogenic Emissions (tCO₂eq)



Intensity of GHG Emissions ¹⁴



The increase in the intensity of emissions in the year 2018 results from the variation in the Company's gross income, which decreased that year, and the maintenance of the emission indexes registered in 2017.

¹⁴ The intensity considers the Scopes 1 and 2 emissions in metric tonnes of CO₂e and the gross revenue, in Brazilian Reals.

Water and Effluents

| 303-1 | 303-2 | 303-3 | 306-1 | 306-5 |

The productive processes practiced by OEC require the use and incorporation of large volumes of water. So the relevance of this resource, the possible access restrictions, and the potential social-environmental impact resulting from large water withdrawals make its management a priority for OEC.

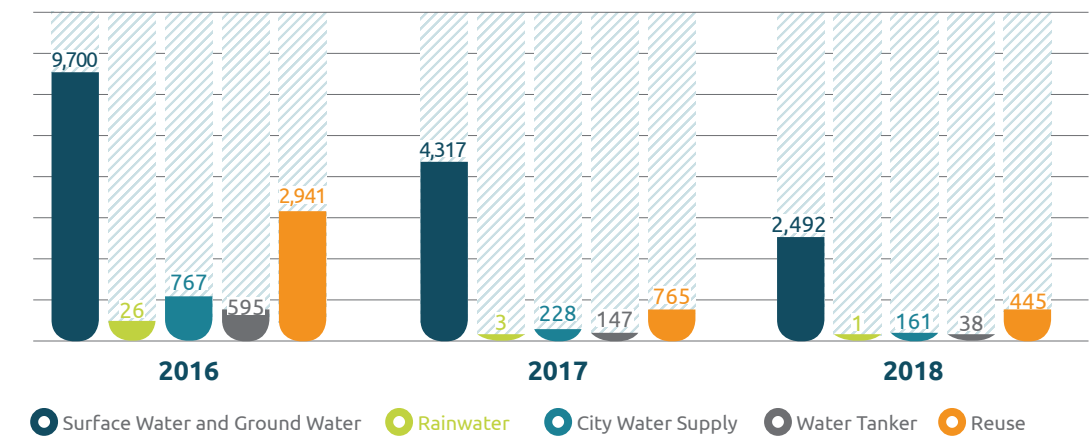
In the Company, all Operations conduct careful monitoring of its consumption and, whenever possible, apply constructive methods that

reduce demand and adopt reuse and re-purposing.

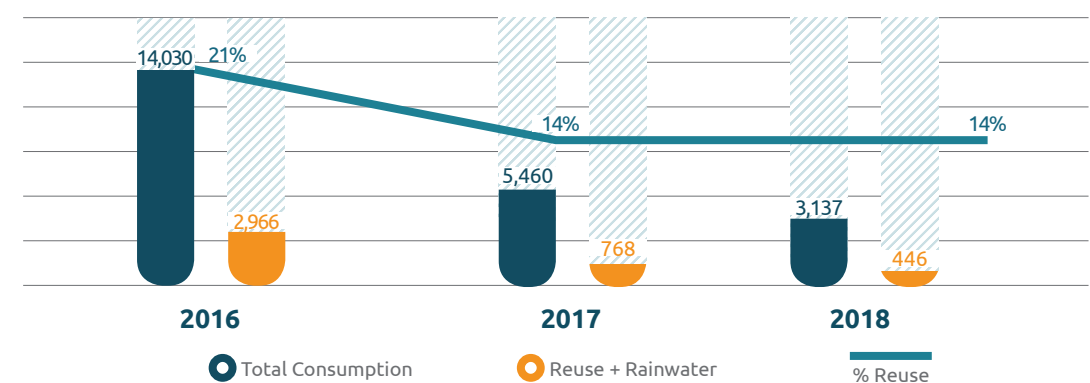
The significant reduction in consumed volume in 2018 was mainly due to the conclusion of civil construction activities at the Punta Catalina Thermoelectric Plant (Dominican Republic) and at the Lauca Hydroelectric Plant (Angola).

Nevertheless, consumption reduction and variations in works' sizes and portfolios did not interfere in reuse and re-purposing practices, whose volume once again corresponded to 14% of the total water consumed by OEC.

Water Consumption per Source (thousands m³)

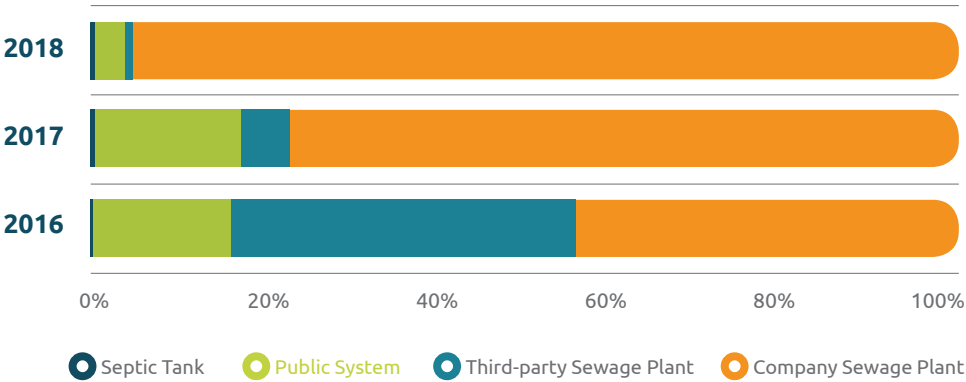


Total Consumption x % Water Reuse (thousands m³)



During the period, the generation of effluents was 65% lower than the amount registered in 2017. This index results from staff and size reductions at active works. The increasing destination of effluents to proper treatment plants in the triennial, in its turn, was due to remote location and the establishment of self-sufficient solutions at the larger-size works active in the period.

Sanitary and Industrial Effluent (thousand m³)



Waste

| 306-2 |

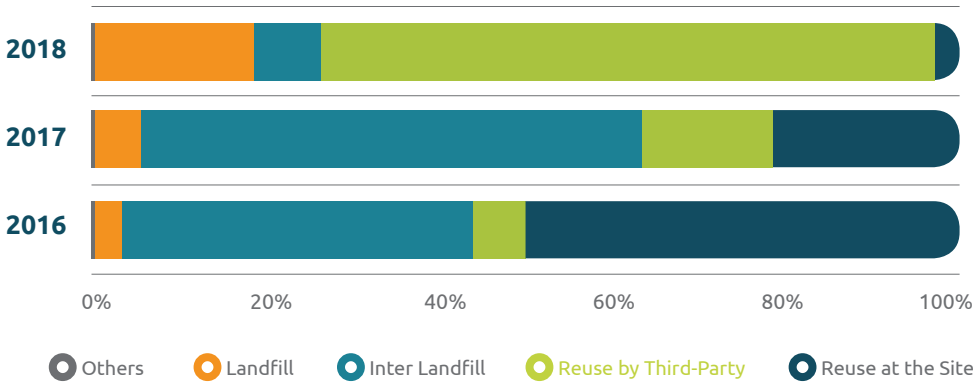
OEC monitors the destination of its waste, defining the most suitable treatment for each type based on legal compliance and the operational feasibility of each process.

The reduction of generated volume registered in the last triennial reflects the number and the characteristics of the active works in the period. Changes in the works por-

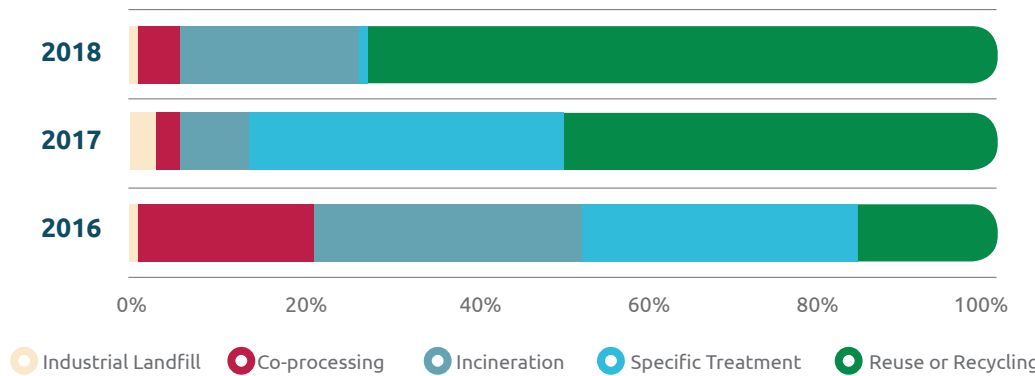
tfolio, however, did not prevent the consolidation of reuse and recycling practices and a resulting reduction of waste sent to landfills.

In 2018, the total of waste generated by OEC was 90% lower than the previous year's; as to the Company's recycled or reused volume, it increased 37% for non-hazardous and 20% for hazardous waste.

Destination of Non-Hazardous Waste (%)



Destination of Hazardous Waste (%)



Biodiversity

| 304-1 | 304-2 | 304-3 | 304-4 |

The continuation of works at which the influence on protected areas had already been registered and the inclusion, in 2018, of projects that did not offer new impacts resulted in no change to the configuration of the chart of interactions between the Company and the biodiversity of are-

as around Operations.

During the period, at three Works, units managed by OEC were located in preservation areas or buffer zones and, although there has not been any impact, incident, or accident, 108 species listed by the International Union for Conservation of Nature (IUCN) were in areas under the Company's influence.

	Transbrasil Consortium	Baixo Iguaçu	Eastern Corridor Road
Location	Rio de Janeiro – Brazil	Paraná – Brazil	High-East and North Regions – Ghana
Position in relation to the protected area*	Site partially located within the area	Site at buffer zone	Site at buffer zone
Designation and category of the protected area**	Environmental Protection Area (EPA)	Iguaçu National Park	Daka Forest Reserve
Ecosystems considered	Terrestrial	Terrestrial and freshwater	Terrestrial

*The consultation did not register the size of the area comprised by OEC's infrastructure and working sites.
**For the Brazilian territory: established by the National System of Conservation Units (Law No. 9.985/2000). For Ghanaian territory: established by the local law.

Innovation in Baixo Iguaçu

OEC's operations pursue the application of new constructive methodologies that optimize processes and reduce the associated environmental impact. So the construction of the Baixo Iguaçu Hydroelectric Plant in the State of Paraná (Brazil) developed creative solutions during the launch of the energy-transmission line cables. The use of drones during the

launch, mainly in the remaining dense forest areas, obviated the suppression of nearly 18,350 m² of vegetation along the 6 km transmission line. In 2018, the Baixo Iguaçu experience won in the Environment category of the Prêmio Destaque [Highlight Awards], which is an initiative organized by the holding company to recognize good practices implemented in the Odebrecht Group's different businesses.

Operational Excellence

The Company understands that compliance and the efficiency of its practices as well as the quality of its deliveries are critical factors for its differential and, consequently, for its business to resume its growth. So it makes efforts to implement its services so as to offer useful and sustainable infrastructure based

on ethical, honest, and transparent processes that add value for its different stakeholders. The experience and expertise that OEC has acquired in its 75 years and its permanent search for innovative solutions are employed in the study, development, and implementation of each one of its Works. In the Company, the deci-

sion to get involved in a specific project considers processes' risks and impacts, necessary controls, and benefits that result from OEC's

contribution. Thus the Company legitimately integrates sustainability in its Business strategy.

Recognition

In 2018, the American magazine Engineering News-Record (ENR), the main international reference in monitoring and evaluating the construction industry, gave its Global Best Project to the São Paulo Subway Line 5 implementation work, conducted by OEC in Brazil. In 2019, it has already recognized the expansion of the Tocumen International Airport in Panama with an award. The prizes were acknowledgments of these projects' performances with regard to employed safety standards, innovation, and quality, in addition to the consideration paid to the reach of the said works and the populations that benefited from them. In the last seven years, OEC has been recognized by the ENR 15 times:

- 2019**
 - Tocumen International Airport, Panama
- 2018**
 - São Paulo Subway Line 5, Brazil
- 2017**
 - Rio Galeão International Airport, Brazil
 - Olympic Park, Brazil

- 2016**
 - Nacala International Airport, Mozambique
 - Ethylene XXI, Mexico
- 2015**
 - Lima Subway, Peru
 - Cinta Costera, Panama
- 2014**
 - Urban Renovation of Curundú, Panama
 - Waste Water Treatment Plant of Panama City, Panama
- 2013**
 - Miami Airport North Terminal, United States
 - AirportLink Metrorail Miami, United States
 - MIA Mover, United States
 - West Return Floodwall, United States
 - Autopista Del Coral, Rio Chavon, Dominican Republic

Members,
Brazil

GRI Index

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Cambambe Hidroelectric
Power Plant, Angola

GRI Index / 102-55		
Material Topics	Indicators and Content	Page
General Content	General Content	
	102-1 / Company name	11
	102-2 / Activities, brands, products, and services	11
	102-3 / Location of the company's headquarters	77
	102-4 / Location of operations	11
	102-5 / Nature of ownership and legal form	11
	102-6 / Markets of operation	11
	102-7 / Company size	11, 33, 38
	102-8 / Information about employees and other workers	38
	102-9 / Supply chain The Company gives preference to hiring local suppliers and establishing capacity-building and training actions within the said chain. OEC requires its suppliers and service providers to operate in compliance with the standards applied to its Operations concerning labor issues, occupational safety and health, social-environmental requirements and practices, respect for legislation, as well as anti-corruption practices. All hiring of goods and services is preceded by a long diligence process formalized in guidelines and corporate directions.	-
	102-10/ Significant changes in the company and in the supply chain The main changes regarding our supply chain result from the reduction in the Company's portfolio of construction works.	11
	102-11 / Precautionary approach or principle	19, 51
	102-12 / External initiatives	15, 17
	102-13 / Participation in associations	17

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Material Topics	Indicators and Content	Page
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	102-15 / Main impacts, risks, and opportunities	4, 47
	Ethics and Integrity	
	102-16 / Values, principles, standards, and rules of conduct	22
	102-17/ Advisory mechanisms and concerns about ethics	29
	Governance	
	102-18 / Governance structure	19, 22
	102-19 / Delegation of authority	19
	102-20 / Executive level's responsibility for economic, environmental, and social topics	19
	102-21/ Consultation with stakeholders on economic, environmental, and social topics	8
	102-22/ Composition of the highest governance body and its committees	21
	102-23 / President of the highest governance body	21, 76
	102-24 / Nominating and selecting the highest governance body	19, 22
	102-25 / Conflicts of interest	30
	102-26 / Role of the highest governance body in defining the company's purpose, values, and strategy	22
	102-27 / Collective knowledge of the highest governance body	19
	102-28 / Performance review of the highest governance body	22

GRI Index / 102-55		
Material Topics	Indicators and Content	Page
General Content	Governance	
	102-29 / Identification and management of economic, environmental, and social impacts	22
	102-30 / Effectiveness of risk-management processes The effectiveness of management processes is represented by the compliance of processes and results verified in the indicators 307-1, 416-1, and 419-1	-
	102-31 / Review of economic, environmental, and social impacts Material Topics were not reviewed for this report Para elaboração desta publicação não houve revisão de tópicos materiais.	-
	102-32 / Role of the highest governance body in the sustainability report	7
	102-33/ Communication of critical concerns	22, 29
	102-34 / Nature and total number of critical concerns	22, 29
	102-35 / Compensation policies	22, 41
	102-36 / Process to define compensation	22, 41
	102-38 / Proportion of the total yearly compensation	41
	102-39 / Ratio among the percentage increase of the total compensation	41
	Engagement with Interested Parties	
	102-40 / List of interested parties	8
	102-41 / Collective negotiation agreements	42
	102-42/ Identification and selection of interested	8
	102-43 / Approach for the engagement of interested parties	8, 47
	102-44 / Main topics and concerns addressed	29

GRI Index / 102-55		
Material Topics	Indicators and Content	Page
General Content	Reporting Practices	
	102-45 / Entities included in consolidated financial demonstrations	11
	102-46 / Definition of the report's content and limits of this topic	7, 8
	102-47 / List of material topics	8
	102-48 / Reformulation of information There was no reformulation of information.	-
	102-49 / Changes in reports There were no changes in previous Reports.	-
	102-50 / Period covered by the report	7
	102-51 / Date of the last report	7
	102-52 / Reports' issuing cycle	7
	102-53 / Point of contact for questions regarding the report	7
	102-54 / Declaration of agreement with GRI standards	7
	102-55 / Table of contents pertaining to the GRI	61
	102-56 / External verification This document was not verified externally.	-
Economic Performance	103-1 / Explanation of the material topic and its limits The aspects and impacts associated with the identified material topics occur inside and outside the Company and may affect all of its interested parties. The Company either is responsible for, or contributed to, or is directly connected with these impacts	8
	103-2 / Management method and its components	15
	103-3 / Management method evaluation	15

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Material Topics	Indicators and Content	Page
Economic Performance	201-1 / Generated and distributed direct economic value	35
	201-2 / Financial implications and other risks and opportunities originating from climate change The planning of Works considers the evaluations of risks and opportunities originating from climate change. The financial implications addressed in this evaluation are not presented in this Annual Report.	-
	201-3 / Obligations of the defined benefits plan and other retirement plans	38
Market Presence	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	202-2 / Proportion of senior-executive members hired from the local community	38
Indirect Economic Impacts	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	203-1 / Investment in offered infrastructure and services	47
	203-2 / Significant indirect economic impacts	47
Anticorruption	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	205-1 / Operations evaluated for risks related to corruption	31
	205-2 / Communication and training in anticorruption policies and procedures	29

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Material Topics	Indicators and Content	Page
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Unfair Competition	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	206-1 / Lawsuits due to unfair competition, trust, and monopoly practices	24
Materials	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	301-1 / Materials used per weight and volume	52
	301-2 / Materials used from recycling	52
Energy	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	302-1 / Energy consumption inside the company	53
	302-2 / Energy consumption outside the company	53
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	302-4 / Reduction of energy consumption	53
	302-5/ Reduction of energy requirements by products and services	53

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	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	303-1 / Water consumption by source	55
	303-2 / Water sources significantly affected by withdrawal	55
	303-3 / Recycled and reused water	55
Biodiversity	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	304-1 / Owned, rented, or managed operational units within or around protected areas and areas of high biodiversity value located outside of protected areas	57
	304-2 / Significant impacts of activities, products, and services on biodiversity	57
	304-3 / Protected or restored habitats	57
Emissions	304-4 / Species included in IUCN's Red List and national conservation lists with habitats in areas affected by the company's Operations	57
Emissions	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15

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Material Topics	Indicators and Content	Page
Emissions	103-3 / Management-method evaluation	15
	305-1 / Direct greenhouse-gas emissions (GHG, Scope 1)	53
	305-2 / Indirect greenhouse-gas emissions (GHG) from energy acquisition (Scope 2)	53
	305-3 / Other indirect greenhouse-gas emissions (GHG, Scope 3)	53
	305-4 / Intensity of greenhouse-gas emissions (GHG)	53
	305-5 / Reduction of greenhouse-gas emissions (GHG)	53
Effluents and Waste	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	306-1 / Water disposal by type and method of disposal	55
	306-2 / Waste by type and method of disposal	55, 56
	306-5 / Bodies of water affected by water disposal and drainage In the period, there is no report of affected bodies of water.	-
Environmental Compliance	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	307-1/ Noncompliance with environmental laws and regulations	52
Environmental Evaluation of Suppliers	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15

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Material Topics	Indicators and Content	Page
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	308-2 / Negative environmental impacts in the supply chain and actions taken	31
Employment	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	401-1 / New hires and employee-turnover rates	38
	401-2 / Benefits granted to full-time employees that are not offered to temporary or part-time employees	41
	401-3 / Maternity/paternity leave	42, 43
Labor Relations	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	402-1 / Minimum notice period in case of operational changes	-
Health and Safety at Work	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	403-1 / Workers' representation in formal health and safety committees, comprising employees of distinct hierarchic levels	43
	403-2 / Types and rates of injury, occupational diseases, lost days, and absenteeism and number of work-related fatalities	43

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Material Topics	Indicators and Content	Page
Health and Safety at Work	403-3 / Workers with high incidence or risk of occupationally related diseases The nature of the services provided by OEC involves ergonomic and accident risks.	43
	403-4 / Health and safety topics covered by formal agreements with unions	42, 43
Management System	GRI-CRE6 / Percentage of the Company's operations compliant with internationally recognized health-and-safety-management systems	43, 51
Training and Education	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	404-1 / Average number of training hours per year, per employee, itemized by gender and role category The indexes presented were not detailed per gender or position category.	29, 43
	404-2 / Employee programs to develop competencies and assist in career transitions	16, 38, 42
	404-3 / Percentage of employees who receive regular performance and career-development reviews	41
Diversity and Equality of Opportunity	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	405-1 / Diversity in governance bodies and among employees	21, 38
	405-2 / Ratio of women's base salary and compensation in comparison to men's	41

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Material Topics	Indicators and Content	Page
Non-Discrimination	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	406-1 / Discrimination incidents and corrective actions taken	30, 47
Freedom of Association and Collective Negotiation	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	407-1 / Operations and suppliers in which the right to freedom of association and collective negotiation may be at risk	31, 42
Child Labor	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	408-1 / Operations and suppliers that have been identified as being at high risk for child-labor cases and actions taken to contribute to the effective eradication of child labor	31, 46
Forced Labor or Labor Similar to Slavery	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	409-1 / Operations and suppliers that have been identified as at significant risk for cases of forced labor or labor in conditions similar to slavery and actions taken to contribute to the elimination of all types of forced labor or labor in conditions similar to slavery	31, 46

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Material Topics	Indicators and Content	Page
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	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	410-1 / Safety staff trained in human-rights policies or procedures Security personnel are part of the total trained staff.	46
Rights of Indigenous and Traditional Peoples	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	411-1 / Cases of violation of indigenous peoples' rights	47
Human-Rights Evaluation	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	412-1 / Operations submitted for analysis or evaluation of human-rights impacts	46
	412-2 / Employee training in human-rights policies or procedures	46
	412-3 / Significant agreements and investment contracts that include clauses on human rights or have been submitted for human-rights evaluation	46
Local Communities	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15

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Material Topics	Indicators and Content	Page
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Social Evaluation of Suppliers Child Labor	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	414-1 / New suppliers selected based on social criteria	31, 46
	414-2 / Negative social impacts on the supply chain and actions taken	31
Public Policies	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	415-1 / Political contributions	26
Client Health and Safety	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	416-2 / Noncompliance with voluntary regulations and codes related to impacts on users' health and safety	-
	During the period, there were no cases of noncompliance related to impacts upon health and safety caused by products and services.	

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Material Topics	Indicators and Content	Page
Social-Economic Compliance	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
	419-1 / Noncompliance with social and economic laws and regulations	43
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	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
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	103-2 / Management method and its components	15
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Client Relationship	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
Reputation	103-1 / Explanation of the material topic and its limits	8
	103-2 / Management method and its components	15
	103-3 / Management-method evaluation	15
Involuntary Displacements	CRE-7 / Number of people voluntarily and involuntarily displaced or resettled per Project	47

Corporate Information¹⁴

Board of Directors

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Engineering, Innovation, Sustainability, and Industrial Knowledge Management OBS
Carlos Hermann

Sustainability Team
Paulo Campos
Paquiza Brandão

Design and Publishing
Arteleria – Estúdio de Criação

Photos
OEC Collection

Address

| 102-3 |

Rua Lemos Monteiro, 120 | Butantã
05501-050 | São Paulo | SP | Brazil

¹⁴ Composition on July 1st, 2019.
¹⁵ Officer for Business Support.

Metrô de Lisboa,
Portugal

