



Annual
Report
2017

+ Summary

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+ Presentation

This Ocyan Annual Report gathers the most relevant information on its economic, environmental and social performance between January 1st and December 31st, 2017. The document follows the GRI Standards of the Global Reporting Initiative (GRI), in the option Essential. [GRI 102-50, 102-52, 102-54]

The contents presented herein were organized based on the correspondence between the six themes most relevant to the business, pointed out in a materiality study conducted in 2016, the ten principles of the Global Compact, an initiative of the United Nations (UN) that the company voluntarily supports, and the Sustainable Development Goals (ODS), which make up the UN Agenda 2030. These topics are detailed in the item About the Report, on page 47.



The document is available for download on the corporate website (www.ocyan-sa.com). Portuguese and English versions were printed.

[GRI 102-14]

+ A message from the president

The year 2017 was marked by many challenges and lessons learnt. We reinforced our positioning and projected ourselves with a new brand, closing a cycle of financial restructuring. Now, we are Ocyan, a company with a sustainable attitude and knowledge to provide solutions for the offshore upstream oil and gas industry in Brazil and abroad.

After two years of hard work, with the support of our creditors and our shareholder, we completed the process of debt restructuring, with the issuance of new securities with profile and characteristics that are appropriate to our financial capacity. This represents a fresh start for the company and allows us to look towards the future.

We are further advancing the consolidation of a robust compliance system, reinforcing our commitment to ethical, upstanding and transparent business practices.

Another highlight was the arrival of the FPSO Pioneiro de Libra in Brazilian waters in May, after 19 million man/hour performed without any lost time due to work-related incidents. In November, we met another goal, with the production of the first oil by the asset. We marked our name in history being the pioneers in the exploration of the Libra block, one of the largest oil deposits of the Brazilian pre-salt.

It is also worth mentioning the performance achieved by some of our offshore units. The FPSO Cidade de Itajaí continued its successful trajectory, achieving record performance in uptime and safety indicators. As well as our PLSVs, which had the best year of operation, having completed the period

with zero accident with or without lost time. In the same way, the performance of the Offshore Maintenance and Services teams deserves to be highlighted. We have obtained the best safety indexes in the history of their operations.

Unfortunately, the achievements of the year do not erase the tragedy of losing three lives in an incident occurred on the drilling rig Norbe VIII in June, in a boiler explosion. We have learnt a lot and we have resumed the activities even more focused on the safety of our personnel and operations. A number of process improvements are being adopted at the units to minimize exposure to risk. Among them, the implementation of a safety program based on requirements of the American Navy. It is not possible to reverse what happened, but it is our duty to provide a safer work environment for everyone and minimize risks.

In the financial arena, our net revenue totaled R\$ 2.8 billion in the year and EBITDA of R\$ 1.5 billion. Some setbacks have contributed to the fall in the indicators, among them the maintenance of a negative scenario for the Offshore Drilling segment, with a large number of rigs available and few business opportunities. Furthermore, we continue working to discharge our company in the suppliers' register of Petrobras, the largest player in the oil and gas sector in Brazil. This is one of the most important goals for 2018.

Despite the austere financial discipline in which we have dedicated ourselves in recent years, in view of the survival of the business, we have maintained our commitment to the development of our relationship communities. Among the projects that we support we mention the #inovareaprender, of introduction to robotics at the schools from Macaé. During the year, 1,400 students, instructors and teachers from 18 communities benefited from the initiative, which aims at contributing to innovation and technological development in the country, as well as providing a better chance of insertion of these youngsters into the labor market. This action, along with other sustainability initiatives, shows our agreement with and respect for the terms of the UN Global Compact, of which we have become signatories in 2016.

I would like to thank for the hard work, dedication and commitment of each one of our employees in the various obstacles that we had to face and the confidence that our shareholder and other stakeholders have placed in our work and in our ability to overcome obstacles. Today, I feel that we are effectively ready and strengthened for the challenges that the future holds for us. We will remain firm and focused on diversifying our services, expanding our geographical boundaries, and winning new customers.



Roberto Lopes Pontes Simões
President



With 11 years of experience in the market, Ocyan - the new brand of Odebrecht Óleo e Gás - is a company with a sustainable attitude and knowledge to provide solutions for the upstream oil and gas industry in Brazil and abroad. Its main values are the safety of its personnel and the operation, a trustful partnership with its customers, and commitment to ethics and transparency. **[GRI 102-1]**

Allying experience, commitment to customer's needs, use of cutting-edge technologies, and operational excellence, Ocyan offers to its customers integrated services, from engineering design and offshore project management to the operation of rigs. Therefore, it operates in the areas of charter and operation of offshore rigs; supply and installation of subsea infrastructure; charter and operation of offshore production units; and offshore maintenance and services. **[GRI 102-2, 102-6]**

Its assets are made up of six drilling units, i.e. four drilling vessels and two semi-submersible platforms, in addition to two Floating Production Storage and Offloading (FPSO) platforms, and two Pipe Laying Support Vessels (PLSV). Ocyan also has a team with technical expertise to meet, on demand, maintenance needs and specialized services for the upstream oil and gas industry in Brazil. **[GRI 102-7]**

A Brazilian private company, with 100% of its capital stock held by Odebrecht S.A. Its administrative headquarters is located in the city of Rio de Janeiro. The company maintains four Logistic Support bases: two in Macaé (RJ), one in Itajaí (SC), and one in Santos (SP), as well as an office in Austria. **[GRI 102-3, 102-4, 102-5]**

As of December 31st, 2017, it had 3,434 employees. Its net revenue reached R\$ 2.8 billion, 11.4% lower than the result registered in 2016, while the EBITDA was R\$ 1.5 billion, with a margin of 53%. **[GRI 102-7]**

Integrated solutions for the upstream oil and gas industry **[GRI 102-2]**



OFFSHORE SERVICES AND MAINTENANCE

Services for management of integrity, inspection, installation, maintenance and engineering for offshore assets



DRILLING

Charter and operation of ultra-deep water rigs



SUBSEA CONSTRUCTION

Charter, operation of pipe laying units, SURF projects, manufacture and installation of equipment



OFFSHORE PRODUCTION

Charter and operation of floating production units

+ Corporate profile

A new brand for a new time

|GRI 102-10|

As of January 15th, 2018, Odebrecht Óleo e Gás was renamed Ocyan. The change of brand ends a cycle of renewal of the company, with the completion of its financial restructuring, completed at the end of 2017. With a renewed and healthy capital structure, appropriate to its operations and needs, Ocyan is preparing for a new cycle of growth.

Ocyan is the mixture of ocean, field of activity of the company, and the name of the blue color 'cyan' from the different layers of the sea. The choice was made for a name that shows the company's operation, contributing to consolidate its position in the offshore oil and gas market and enhancing the experience gained throughout its history.

The symbol that accompanies the new name uses geometric shapes that reinforce attributes of the personality of the company: transparency, shown by the overlap of shapes; and technical capacity, represented by the precise fit between the semicircles.

The blue tone denotes the universe of the company's operation and the meaning of the name. In turn, the most vibrant tones is evidence of determination, which is part of the company's personality (green, blue and the colors of the images).



Scenario of the oil and gas sector

- Need for survival of the businesses by all the companies linked to the sector;
 - Excess capacity in most segments of the production chain of the oil and gas industry, which should remain with excess supply of assets, mainly drilling rigs, adversely affecting daily rates and re-contracting capacity;
 - A positive agenda in the Brazilian oil and gas industry has attracted new entrants. New bidding rounds, with no mandatory participation of Petrobras in the pre-salt auctions, provided optimism and greater attractiveness to international operators, whose interest and participation are increasing at each auction;
- Challenges of Customers and Suppliers:**
- At a new level, adjust the number of personnel and the size of operations, seeking greater efficiency, capital and financial discipline, and cost reduction;
 - Leverage adjustment, by seeking partners and shareholders for portfolio optimization and service scope review;
 - Market is still very pulverized and; therefore, verticalization of the chain through mergers and acquisitions is necessary;
 - Search for cost reduction in the industry through new technologies, by means of automation or standardization projects.

Highlights of 2017



FPSO Pioneiro de Libra
Capable of operating at water depths of up to 2,400 meters

Brand

New brand platform. The name Ocyan is a blend of ocean, field of operation of the company, and the blue color 'cyan' from the different layers of the sea.

Compliance

Improvement on all fronts of the compliance system and structuring of the Internal Audit activity, in line with best market practices.

Operational

Average economic uptime (operational availability of the rig in relation to daily rate) of all rigs in the year of 93.7%.

Drilling: Exceed the Agreed EBITDA; creation of the Drilling and Marine Operational Support Center (CSD) integrated with Petrobras.

Offshore Services and Maintenance: Award of two new contracts.

Offshore Production: FPSO Pioneiro de Libra produces 1st oil in November.

Subsea Construction: No accident recordable in the year on both vessels; TOP Estrela do Mar wins 1st place in Petrobras ranking of operational performance.

Finance

Completion of the corporate debt restructuring process, increasing the company's liquidity and strengthening the short- and long-term financial position.

Suppliers

Redesign of the entire supply chain, with important advances in the form of management, among them: implementation of Supplier Approval process; optimization of the base of procured services; and hiring of an OHSE audit company.

People

More than 552 thousand hours dedicated to training and qualification of the staff, with an average of 170 hours per employee.

Society

R\$ 3.1 million invested in the Project #inovareaprender, of introduction to robotics at Macaé schools, through its own resources and partners; 1,400 students benefited in 18 communities.

Main indicators | GRI 102-7

Revenue (R\$ million)

	Gross revenue	Net revenue	EBITDA	EBITDA margin
2013	2,192	2,134	1,042	49%
2014	2,950	2,833	1,212	43%
2015	3,790	3,640	1,848	51%
2016	3,252	3,130	1,698	54%
2017	2,864	2,773	1,483	53%

Shareholders' equity

2013	2,837
2014	2,977
2015	3,354
2016	136
2017	2,372

Total assets

2013	14,159
2014	16,482
2015	22,286
2016	15,635
2017	14,316

Employees

2013	3,137
2014	5,816
2015	5,398
2016	4,110
2017	3,434

Corporate governance

ocyan annual report 2017

Ocyan's corporate governance framework is governed by the criteria of transparency, fairness, accountability and liability. The company follows the guidelines defined by the parent company, Odebrecht S.A., based on the Odebrecht Entrepreneurial Technology (TEO) principles and on the policies and codes that support its business, including the Code of Conduct and Compliance Policy. (The documents can be accessed at the company's institutional website, at the link <http://www.ocyan-sa.com/pt-br/conformidade>)



Governance structure

The governance structure consists of the Board of Directors, three permanent advisory committees (Finance and Investment; Culture, People Communication and Sustainability; and Compliance) and Executive Board. According to their competence and level of authority, these management bodies make decisions aiming at business continuity. **[GRI 102-18]**

■ The Board of Directors is Ocyan's highest governance body and is made up of seven acting members - all appointed by the sole shareholder, Odebrecht S.A. - and three of them are independent directors¹. None holds an executive position (including the president) and the term of office is one year, with possibility of reelection. The body is responsible for directing and guiding the business in relation to economic, social and environmental matters, setting strategic guidelines for the company. **[GRI 102-19, 102-22, 102-23, 102-26]**

¹On April 2nd, 2018.

The Board of Directors is also responsible for electing the members of the Executive Board and for monitoring and appraising the performance of the Business Leader. The board meets six times a year and the Executive Board twice a month.

It is incumbent upon the Business Leader - the highest level position within the company - to analyze and formally approve the information published in the Annual Report. **[GRI 102-32]**

Ocyan Participações S.A. is the new corporate name of Odebrecht Óleo e Gás Participações S.A., according to the minutes of the Shareholders' Meeting held on February 23rd, 2018.

Compliance

[GRI 103-1, 103-2, 103-3, 205-1]

■ ● Linked directly to the Board of Directors, Ocyan's Compliance area has the autonomy to conduct independently all processes of prevention, detection and remediation of irregularities, fraud and corruption. The theme is a priority and is part of the central business agenda. In addition to a dedicated multidisciplinary team, the Compliance structure relies on the reinforcement of 20 ethical agents spread through the other areas and vessels on the high seas, thus assuring effective dissemination of concepts to all employees.

In 2017, Ocyan improved its Compliance System with the implementation of various anticorruption policies, guidelines and instructions, interaction with public agents, and hiring of suppliers and service providers, based on the Policy on Compliance with Ethical, Upstanding and Transparent Operation published by the company at the end of 2016.



10. WORK AGAINST INEQUALITY
Businesses should work against corruption in all its forms, including extortion and bribery.

+ Corporate governance

The document, which describes the Ocyan Compliance System is available for reference and/or download, in Portuguese and English, on the institutional website (www.ocyan-sa.com/conformidade). **|GRI 102-16|**



Furthermore, the Compliance area informed and trained all employees in the new concepts and procedures, by all means available, tailoring the content to different audiences. **|GRI 205-2|**

The Code of Conduct, for example, which was reformulated and released in early 2017, was made available in digital and printed versions, in Portuguese and English, being read and accepted by all employees without exception. For new employees, a welcome kit is provided, consisting of the Code of Conduct, a conceptual video, and a transparency form, which must be read, completed and signed at the end of the hiring process. **|GRI 102-16|**

In addition to the employees, suppliers and service providers have also undergone a risk assessment to make sure that they comply with the company's compliance rules, in order to minimize reputational, corruption and money laundering risks. In this evaluation, when necessary, Ocyan also conducts on-site audits at partner institutions.

Other actions taken throughout 2017 were: Outsourcing of the Complaints Channel; Structuring of the Internal Audit activity; Creation of Pages dedicated to Compliance at the institutional site and the Intranet; Review of the Corporate Risk matrix; Disclosure of a Video about the Compliance system available at the institutional website; Internal survey on Compliance; Sanitation of the supplier base; and Implementation of the Third-Party Integrity Due Diligence process, which assesses risks of corruption and money laundering prior to its contracting.

Ethics Line Channel

|GRI 103-1, 103-2, 103-3, 102-17|

The Compliance System also has the Ethics Line Channel, an exclusive and confidential space to receive complaints - external and internal - of acts that do not comply with internal standards and laws in force. Operated by an outsourced, independent and specialized company, the tool assures strict secrecy and non-retaliation against the complainant. After a pre-analysis, the operator sends the complaint directly to the Compliance area, which verifies the facts reported in a totally confidential and exempt process.

The Ethics Line Channel can be accessed by the website (www.linhadeeticaocyan.com.br) or by calling 0800 377 8020 (domestic) and +55 11 2739 0985 (international), 24 hours a day and in two languages - Portuguese and English. On the institutional site, there is also the option Contact Us, through which you can contact the company to submit suggestions, questions, complaints or criticisms.

In 2017, 87 reports were registered in the Ethics Line Channel, which demanded 34 cases of investigation, of which 16 were deemed to be appropriate (47%) and 15 were unfounded (44%), while three (9%) were under analysis at the end of the year. No case of corruption was determined. **|GRI 205-3|**



Risk Management

|GRI 103-1, 103-2, 103-3|

Ocyan adopts tools and processes to mitigate key business-related risks, in order to always seek the best opportunities to maintain the expected results in each operation, thus ensuring its continuity.

Risk management inside and outside the company is also aimed at assessing future aspects, which may have an adverse impact on both the activities and its reputation in its markets and in the relationship with its stakeholders.

Risk management at Ocyan is treated synergistically, with active participation of all areas. The process involves planning, identification, evaluation, response and monitoring of the control environment, aiming at eliminating potential risks to the business.

In 2017, as part of the current Compliance System, a new mapping of corporate risks was carried out, with the support of a team specialized in the topic, generating a consolidated risk matrix, based on the identification, analysis and consolidation of the risks, based on criteria to measure the metrics of frequency and impact (occupational, environmental, operational, image and financial) established.

The main methodological references were ABNT NBR ISO 31000:2009 and COSO - Enterprise Risk Management 2017, considering external information, internal reports and previous evaluation history. The risks identified were categorized into four areas of concentration: Strategic, Financial, Occupational, and Compliance.

In addition to mitigating actions that are being prepared for the effective management of the risks mentioned, the result of the work served as one of the sources for the preparation of the annual Internal Audit plan.



8. UNDERTAKE
Initiatives to promote greater environmental responsibility.

+ Strategic vision

Business orientation

[GRI 103-1, 103-2, 103-3]

Ocyan positions itself as a company with a sustainable attitude and knowledge to provide solutions for the upstream oil and gas industry in Brazil and abroad. The target audience is companies with operations in the oil and gas industry that seek a partner with a strategic look and technical ability to propose excellence solutions that will boost their business.

Its strategy focuses on the diversification of the client portfolio and the search for real opportunities to expand the services provided. These pillars are considered fundamental to ensure the survival of the business and to build new foundations for its perpetuity.

The Action Program (PA) is the main strategic management tool maintained by the company. The instrument guides and defines the challenges and results to be achieved for the development, growth and sustainability of the business. The political-strategic alignment and practice of the PA cycle take place at the meetings of the Board of Directors (CA), as well as in its committees, in accordance with the company's annual calendar and the interaction, whenever necessary, between the Business Leader and the chairman of the CA.

After the Business Leader PA is approved, the objectives and goals are deployed to the Leaders' PA and, consequently, to the employees' PA.

Strategic agenda

2018-2020

- Total focus on survival, with performance excellence and financial health in the oil and gas market in Brazil, focusing on new clients and services;
- Assurance of Sustainability as an inalienable value, seeking to eliminate the occurrence of incidents, reinforcing zero tolerance to situations of risks to people, operations and the environment;
- Through quality in the delivery of the commitments taken, market practices in governance and *compliance*, and by reaching international standards of Sustainability, to transform customers, suppliers and financial institutions and society into allies in the reconstruction of the company's image;
- To promote the continuous increase of competitiveness with greater productivity, having OHSE and Quality management as factors of differentiation of Ocyan;
- To ensure excellence in contractual management with customers, financial institutions, suppliers and partners;
- To evaluate the gas market in Brazil, seeking project opportunities;
- To permeate throughout the company's value chain the practice of *compliance* with ethical, upstanding and transparent performance, ensuring the engagement of the leadership, "Ethics Agents" and other employees in the continuous improvement of the system, acting with high standards of governance and *compliance* in the relationship with public and private agents, and creating a positive and sustainable agenda with the various *stakeholders*;
- To ensure austerity in administrative expenses, having as reference the metrics of the sectors of operation.

Sustainability management

Sustainability is the foundation of business management and a long-term commitment to its stakeholders. It is the continuous creation of value, privileging the balance among the economic, social and environmental spheres, aiming at increasing and sustainable results for the entire value chain.

The company manages sustainability based on the priority themes of the sector and together with its main stakeholders: employees, local communities, shareholders, clients, suppliers, financial agents, government and regulatory bodies. These audiences were prioritized based on the materiality and the evaluation of the impacts carried out inside and outside the company. **[GRI 102-40, 102-42]**

The continuous incentive for the adoption of best practices in operations is supported by its Sustainability Policy and Sustainability Guidelines, which contain the guidelines to be followed by all employees, both in offshore and onshore environments.

The company also maintains a series of channels that enable communication with its stakeholders.

In partnership with the Reputation Institute, Ocyan started in 2017 to manage its reputation, as a way to promote continuous improvement in its role as a company, and to strengthen ongoing dialogue with stakeholders. From this partnership, an annual reputation survey shall be conducted with 100% of its employees, in all company environments (onshore and offshore), and representatives of strategic external audiences: customers (current and potential), financial market, entities / associations and press.



Communication with stakeholders

[GRI 102-40, 102-43]

Customers

Meetings, forums and industry meetings | Institutional Site | Performance Assessment Report (BAD): issued at frequencies and weights that vary according to the scope of each contract, the document evaluates equipment and materials; human resources; facilities and effectiveness

Employees

Permanent dialogue between leader and led parties | Ocyan Portal (Intranet) | Radar Ocyan (mural) | TV Ocyan | Internal Communications Ocyan Informs (e-mail)

Employees hired from third parties

Daily safety dialogues and managers of contractor teams in onshore and offshore operations

Suppliers

Meetings | Business events | Institutional Site | Supplier website

Shareholders and investors (banks, financial agents)

Meetings | Events | Telephone contacts | Institutional site

Local communities (associations, leaderships)

Meetings in communities | Social projects supported | Institutional site

Government

Meetings | Participation in public hearings | Institutional site

Regulatory bodies

Meetings | Institutional site

Press/media

Meetings | Institutional Site (Press Room)

External initiatives

[GRI 102-12]

Ocyan signs and participates in external initiatives for sustainability. Among them, it is a signatory of the UN Global Compact, Ethos Institute's Integrity and Anti-Corruption Business Pact, and it is a member of the Compliance committee of the Brazilian Institute of Petroleum, Gas and Biofuels (IBP), and the Open Letter to Brazil on Climate Change, coordinated by the Ethos Institute and the Business Forum on Climate Changes.

It also participates voluntarily in events and seminars on the fight against corruption, human rights, antitrust policies, among other topics deemed relevant for an ethical and transparent action. Furthermore, the company's person in charge of the Compliance area is a member of the Compliance Committee of the Brazilian Petroleum Institute (IBP).

PARTICIPATION IN ASSOCIATIONS **[GRI 102-13]**

Entity	Project/Committee	Participation
Brazilian Association of Petroleum Service Companies (Abespetro)	QHSE Committee Coordination	It is part of the leadership that prepares the NR together with Petrobras and the MT.
	Technical Group of FPSO	Discusses initiatives in the sector.
American Chamber of Commerce of Rio de Janeiro (AMCHAM)	Oil and Gas Committee	Discusses initiatives in the sector.
International Association of Drilling Contractors (IADC)	Technical Committee of the sector and OHSE	Discusses initiatives in the sector.
Brazilian Institute of Petroleum, Gas and Biofuels (IBP)	Social Responsibility Committee	Supports RS activities and works with other companies in the sector.
	Human Resources Committee	Discusses laws and initiatives and exchanges experience with other companies in the industry.
	Compliance Committee	Develops sector-specific pact to fight corruption.
UN Global Compact	Human Rights Committee	Discusses initiatives in the sector.
	Integrity Committee	Discusses initiatives in the sector.
Ethos Institute	Compliance Indicators	Monitoring of performance indicators.

Operational results

Drilling

The company offers charter services and operation of Offshore Drilling rigs for ultra-deep waters.


Its fleet consists of four drilling vessels and two semi-submersible platforms: Norbe VIII, Norbe IX, ODN I, ODN II, Norbe VI and ODN Delba III. With cutting edge technology, the units are designed to operate with the highest degree of efficiency and productivity, with safety excellence.

The average economic Uptime (rig operational availability versus daily rate) of all rigs in the year, without the effects of Scheduled Shutdowns, was 93.7%. The result was below the previously agreed (97.1%).

Offshore services and maintenance

With operation in the market in the Offshore Services and Maintenance (MSO) area, Ocyan has a team with technical expertise to meet, on demand, maintenance needs and specialized services for the upstream oil and gas industry in Brazil.

It maintains 14 units serviced and develops activities and projects of engineering, manufacturing, maintenance, installation, modification, integrity management and inspection of displaced assets. In 2017, the operation registered 341 tons of manufactured materials; 648 tons of materials assembled on board; 73 thousand square meters painted on board; and made eight production shutdowns.

- 
- **Completion** of the deployment of the iDrake (System for management of people for boarding);
 - **Creation** of the Drilling and Marine Operational Support Center (CSD) integrated with Petrobras;
 - **Recognition** by ANP of the Maintenance Management System;
 - **Enhancement** of performance in the Rig Performance Index (IDS). Ocyan left the 9th position in 2015 to 3rd position in 2017;
 - **Mapping** of all processes and restructuring of all documented base and operational information;

- 
- **Rigs:** Four production shutdowns conducted without occurrence of incidents with lost time;
 - **Braskem:** Award of contract for Service of Supervision of Flare Cable Exchange;
 - **Joint venture TK-Ocyan:** Signature of maintenance contract;
 - **PLSV:** Servicing of five portcalls (welding and inspection services).

+ Economic-financial performance

Offshore production

Operation of Floating, Production, Storage and Offloading (FPSO) platforms is part of Ocyan's growth strategy.

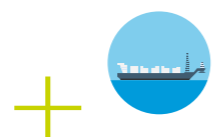
The company operates in this segment with two vessels: FPSO Cidade de Itajaí and FPSO Pioneiro de Libra. The former, a joint venture with Norwegian Teekay, has production capacity of 80,000 barrels of oil/day and 650,000 barrels of storage, and it is capable of operating at water depths of up to 1,000 meters. The asset operates in the Santos Basin, near the coast of the State of Santa Catarina.

In the year, FPSO Cidade de Itajaí produced 12 million barrels of oil, accumulating a total of 86.3 million since the beginning of the operation.

The second vessel, FPSO Pioneiro de Libra, also a joint venture with Teekay, went into operation in 2017. On November 26th, the unit produced first oil in the Libra block, located in the Santos Basin, approximately 180 kilometers from the coast of Rio de Janeiro.

The unit can operate at water depths of up to 2,400 meters, with production capacity of 50,000 barrels of oil per day, and gas compression and reinjection capacity of a total volume of 4 million cubic meters per day.

FPSO Pioneiro de Libra will operate in the next 12 years at the service of the consortium formed by Petrobras (Operator, with 40%), Total (20%), Shell (20%), CNPC (10%) and CNOOC Limited (10%), with Pre-Sal Petróleo S.A. (PPSA) as manager of the Production Sharing Contract.



- **FPSO Cidade de Itajaí:** 99.9% of economic uptime and 994 days without accidents with lost time;
- **FPSO Pioneiro de Libra:** start of the contract on November 27th.



- **Sem acidente registrável no ano nas duas embarcações;**
- **TOP Estrela do Mar foi o 1º colocado no ranking de desempenho operacional da Petrobras no ano.**

Subsea construction

With focus on the provision of flexible and rigid pipe laying services and on the installation and manufacturing of subsea equipment, the company operates in partnership with TechnipFMC, through the TOP joint venture (TechnipFMC - Ocyan PLSV), in the operation of two units of PLSV (Pipe Laying Support Vessel): TOP Estrela do Mar and TOP Coral do Atlântico, along the Brazilian coast. The vessels have the capacity to launch flexible pipelines with up to 550 tons of cargo at water depths that reach 2,500 meters, and are the only ones in the Petrobras subsea interconnection fleet to successfully install production lines with silicon layer. The average economic uptime of the two vessels in 2017 was 97.3%.

Financial results

Revenues and results

Ocyan ended 2017 with a gross revenue of R\$ 2.9 billion, compared to R\$ 3.3 billion in 2016. Cash generation, expressed by recurring EBITDA, was R\$ 1.5 billion, compared to R\$ 1.7 billion in the previous year.

The gross value added, which represents the company's wealth generation capacity and the social effects produced by the distribution of these resources, totaled R\$ 6.1 billion.

Financial restructuring

In December 2017, Ocyan completed the restructuring of its financial debt, with the exchange of securities maturing in 2021 and 2022 and the perpetual bonds issued by certain subsidiaries. The operation took place after the ratification of the extrajudicial recovery plans of the company carried out by the Courts of Rio de Janeiro and New York.

Following the Brazilian and US legal ratification, the terms of the restructuring became mandatory, encompassing all the holders of securities, as well as the corporate financial creditors of the company and some of its subsidiaries, including the issuer of perpetual bonds in 2014.

Debt restructuring has increased liquidity and strengthened the short- and long-term financial position of the company, with enhancement of the capital structure, so that the company can grow again, taking advantage of the opportunities to be created with the resumption of investments in the oil and gas industry in Brazil.

The agreement entered into, in relation to securities issued against the guarantee of the drilling units of Ocyan and its subsidiaries assured the exchange of securities with new bonds, with updated terms accompanying the current cash flow of the assets.

Corporate creditors, including holders of perpetual bonds issued in 2014 received new perpetual participatory bonds that assure the right to participate in any distribution of Ocyan dividends, in exchange for their current credits.

The company also carried out the sale of the drilling unit ODN Tay IV. Revenue from this transaction entered as part of the corporate debt renegotiation process.

Ocyan's financial statements for the year ended December 31st, 2017 (Odebrecht Óleo e Gás Participações S.A.) were audited and the unqualified opinion issued by the auditors in charge was approved on March 8th, 2018.

ADDED VALUE (R\$ million) | GRI 201-1

Consolidated (R\$ million)	2015	2016	2017
Revenues ¹	4,609	3,550	3,127
Inputs acquired from third parties	(1,620)	(1,032)	(963)
Depreciation, amortization and impairment	(1,821)	(2,503)	(2,260)
Revenue from equity interests and financial income	566	782	6,173
Total added value to distribute	1,734	797	6,077
Distribution of added value			
Personnel	930	802	738
Tax, rates and contributions	236	124	(21)
Providers of shareholders' equity and third-party equity	568	(129)	5,360
Added value distributed/absorbed	1,733	797	6,077

¹ Includes gross revenue, other net revenues and expenses and revenues related to the construction of own assets. It does not include financial income.

Internal audience

[GRI 103-1, 103-2, 103-3]

Ocyan believes in the development and in the ongoing search for productivity and high performance of its employees. Its purpose is to keep people committed and engaged to the business, to act responsibly and to promote sustainable growth.

The company seeks to create a participative environment of mutual trust, sharing its achievements and developing programs for professional improvement and qualification, health, leisure and well-being. It is committed to the generation of equal employment opportunities and supports the philosophy of creating and maintaining an inclusive environment, where contributions are recognized and all people are valued and respected, having opportunities for professional achievements. Similarly, it seeks to maintain a compensation and benefits policy that is attractive and compatible to the reality of the Brazilian oil and gas sector.

The relationship with its employees is based on the dialogue between leader and led parties, on education for work and its Policies and Codes that address respect, ethics and education among the parties. The company also invests in the strengthening of prevention concepts, in order to improve and consolidate the standards and processes related to the safety, health and quality of life of its own workers or service providers.

Throughout the year, 100% of the staff underwent performance appraisals. The evaluation cycle of the Action Program takes place every year and involves - in addition to leader and led parties - the People area, which qualifies, accompanies and integrates the results obtained. **[GRI 404-3]**

■ ● Ocyan also respects and preserves the freedom of union association and collective bargaining. This right is assured in its Policies and Codes, including in the Code of Conduct of Suppliers, understanding that all related parties must share values and principles that govern interpersonal relationships. Throughout the year, there were no cases of violation of this right. Of the total number of employees, 90.1% (3,093 employees with a labor agreement managed in Brazil) were covered by collective bargaining agreements. **[GRI 102-41, 407-1]**

Through the Ethics Line channel, any employee or contractor of a supplier may notify deviations of conduct or register complaints with total confidentiality. All contacts are analyzed independently and receive proper forwarding.

Social commitments



3. UPHOLD
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

EMPLOYEES PER GENDER AND REGION |GRI 102-8|

		Female		Male		Total	
		2016	2017	2016	2017	2016	2017
		Brazil	Southeast	403	401	3,568	2,940
	South	25	22	77	65	102	87
Abroad	Austria	5	4	1	1	6	5
	Singapore	4	0	27	0	31	0
	Netherlands	0	0	0	1	0	1
Total		437	427	3,673	3,007	4,110	3,434

EMPLOYEES PER AREA OF ACTIVITY |GRI 102-8|

	Female		Male		Total	
	2016	2017	2016	2017	2016	2017
Dynamic Organization (OD) + Austria	100	98	89	84	189	182
Offshore Drilling	116	134	1,079	1,196	1,195	1,330
Consolidated Integrated Services ¹	221	195	2,505	1,727	2,726	1,922
Total	437	427	3,673	3,007	4,110	3,434

¹Offshore Services and Maintenance, Offshore Production and Subsea Construction.

EMPLOYEES PER TYPE OF AGREEMENT |GRI 102-8|

	Female		Male		Total	
	2016	2017	2016	2017	2016	2017
Member with permanent labor agreement	378	375	3,625	2,961	4,003	3,336
Minor-Apprentices	59	52	48	46	107	98
Trainees ¹	16	30	17	21	33	51
Total	453	457	3,690	3,028	4,143	3,485

¹ Trainees are not considered in the number of employees

Profile of employees

On December 31, 2017, Ocyan had 3,434 employees in its staff (194 on leave) - all with permanent employment agreements - being 3,007 (87.6%) men and 427 (12.4%) women, in addition to 51 trainees. Of the total number of employees, 2,486 (72.4%) professionals worked under the offshore and 948 (27.6%) under the onshore regime. Throughout the year, there was a 16.4% reduction in the effective staff due to economic downturn and the specific situation of the oil and gas industry. |GRI 102-8|

Diversity

|GRI 103-1, 103-2, 103-3, 405-1|

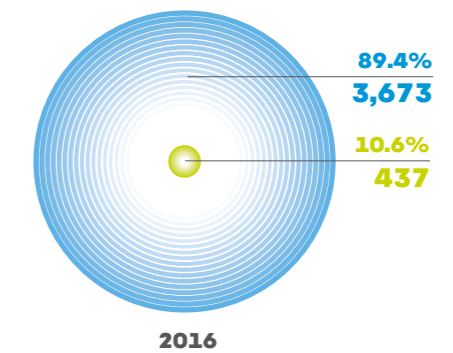
One of the strategies of the Ocyan's strategic planning for the three-year period of 2018-2020 is to evolve in the diversity agenda, fostering a meritocratic and non-discriminatory environment.

For gender equity topic, Ocyan considers the same opportunities at the time of hiring and evaluates, on equal terms, the levels of competence and experience, as well as the development of a career in the company.

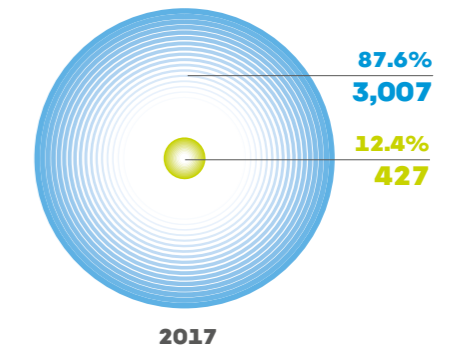
On the institutional site, there is a field for people with special needs (PCD) who want to apply for a job position, in addition to the necessary training so that they can develop their functions in agreement with the intended areas. In 2017, Ocyan had 42 PCDs in that condition in its staff.

EMPLOYEES |GRI 102-8|

Per gender



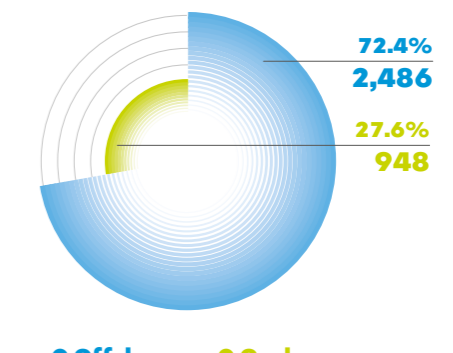
2016



2017

● Men ● Women

Per work regime



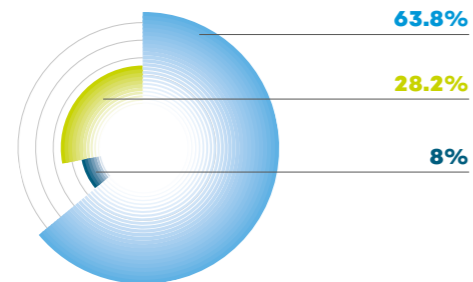
● Offshore ● Onshore



6. ELIMINATE
The elimination of discrimination in respect of employment and occupation.

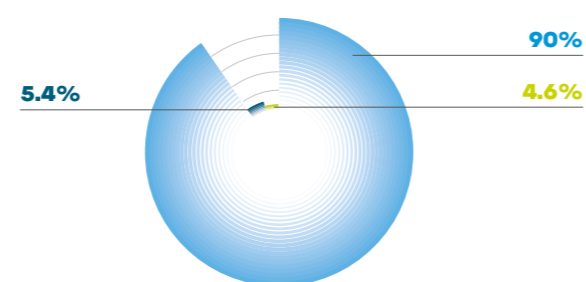
+ Social commitments

Employees per age group | GRI 405-1



● Up to 30 years ● 31 to 50 years ● 51 or above

Employees per functional category | GRI 405-1



● Operational ● Business ● Management

DIVERSITY INDICATORS | GRI 405-1

	2016 ¹				2017 ¹			
	Men		Women		Men		Women	
Per functional category	N°	%	N°	%	N°	%	N°	%
Board of Directors	5	62.5%	3	37.5%	6	86%	1	14%
Members	3,673	89.4%	437	10.6%	3,007	87.6%	427	12.4%
Business Leader	1	100.0%	-	0.0%	1	100%	0	0.0%
Business Group ²	142	80.2%	35	19.8%	124	78.5%	34	21.5%
Management Group ³	108	57.1%	81	42.9%	106	57.6%	78	42.4%
Operational Group ⁴	3,422	91.4%	321	8.6%	2,776	89.8%	315	10.2%
Per age group - Directors	N°	%	N°	%	N°	%	N°	%
Up to 30 years	0	0.0%	0	0.0%	0	0.0%	0	0.0%
From 31 to 50 years	6	75.0%	6	60.0%	6	60.0%	6	60.0%
Over 51 years	2	25.0%	4	40.0%	4	40.0%	4	40.0%
TOTAL	8	100.0%	10	100.0%	10	100.0%	10	100.0%
Per age group - Members	N°	%	N°	%	N°	%	N°	%
Up to 30 years	1,303	31.7%	968	28.2%	968	28.2%	968	28.2%
From 31 to 50 years	2,490	60.6%	2,192	63.8%	2,192	63.8%	2,192	63.8%
51 years or above	317	7.7%	274	8.0%	274	8.0%	274	8.0%
TOTAL	4,110	100.0%	3,434	100.0%	3,434	100.0%	3,434	100.0%
Other	N°	%	N°	%	N°	%	N°	%
People with special needs	41	1.0%	42	1.2%	42	1.2%	42	1.2%
Foreigners	150	3.6%	131	3.8%	131	3.8%	131	3.8%

¹Total number of members (active + non-active)

²Business Group: Business Leader, Support Leaders, Project Managers and Officers, Contracts and Platform and employees in strategic position.

³Management Group: Persons in Charge of the Program, Young Partners and Young Technicians.

⁴Operational Group: other members.

Training and development

| GRI 103-1, 103-2, 103-3 |

■ ■ ■ ● Qualification and development of personnel are always on the radar of the company.

In 2017, the Professional Development and Qualification Programs conducted internally and externally reached approximately 552 thousand hours, an average of 170 hours per employee. | GRI 404-1 |

Development and qualification actions are of an institutional and sector-specific nature. The company's financial participation in institutional and non-mandatory programs varies between 50% and 100% of the total value. All of these actions aim at empowering employees to take on greater challenges.

TOTAL TRAINING HOURS | GRI 404-1 |

Functional Category	Total number of employees in the position ¹	N° of participants in the training sessions ²	Total n° of training hours	Average hours per employee
Total number	3,240	3,259	552,373	170
Leadership (LN)	1	1	0	0
Men	1	1	0	0
Women	0	0	0	0
Business Group	157	115	14,535	93
Men	123	100	13,340	108
Women	34	15	1,195	35
Management Group ³	181	213	27,918	154
Men	105	172	21,965	209
Women	76	41	5,953	78
Operational Group	2,901	2,930	509,920	176
Men	2,595	2,759	470,303	181
Women	306	171	39,617	129

¹ Does not include employees on leave in the year (205).

² The number considers the total number of trained employees in the year, regardless of the total figure recorded on December 31st.

³ The Management Group concentrates information from the Management and Business groups, which represent groups considered strategic.



The elimination of discrimination in respect of employment and occupation.

Social security plan

[GRI 103-1, 103-2, 103-3]

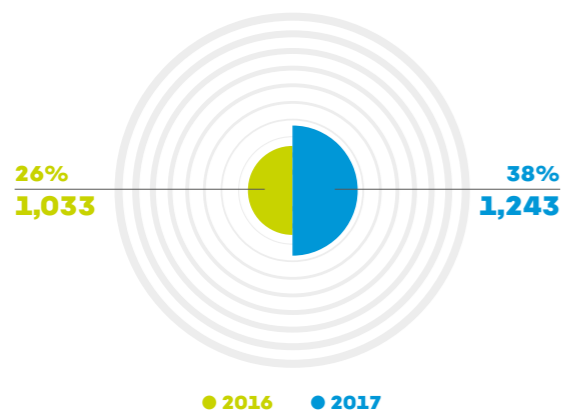
Ocyan provides to its employees with a Brazilian labor agreement the Odeprev private pension plan - maintained and managed by the Odebrecht Group, the company's controlling shareholder. Throughout the year, 1,243 employees benefited from the plan, or 38% of total employees, an increase of more than 46% compared to the result of 2016 (26%), with a contribution of R\$ 9.7 million. The total amount collected was R\$ 14.2 million (already with the company's participation), against R\$ 12.3 million in the previous year. The plan has the format of contribution defined, without liability for the company. [GRI 201-3]

Each employee contributes with an amount varying from 1% to 12% of his/her compensation. The monthly contribution of the company can be 30%, 40% or 50%, depending on the employee's monthly contribution.

For expatriates - non-Brazilians and non-Americans - the International Pension Plan (IPP) is offered, which follows the same model as Odeprev.

ODEPREV

Percentage of personnel participating in the Pension Plan



Health and safety

[GRI 103-1, 103-2, 103-3]

Health and safety are inalienable values for Ocyan. They are always present in their strategic planning and every employee must act in a safe manner and keep a healthy work environment. The Sustainability Policy expresses the guidelines that govern the subject, so that the established goals are reached. Moreover, the company takes a series of measures and uses a number of tools to improve safety management, with several actions, such as: workshops, lectures, emergency drills and periodic training with teams on the subject.

The purpose of the company is to achieve zero accident with lost time and an incident-free environment. For this to be possible, it works to strengthen prevention concepts, improve and consolidate the standards and processes related to the pillars of OHSE and Social Responsibility, both of its own employees and its service providers.

Despite the reduction in the number of recordable incidents from 19 in 2016 to 17 in 2017, the Recordable Incident Frequency Rate (TFIR) remained at 1.6, the same result as in the previous year. This was due to the reduction of man-hours worked (HHT), from 11,939,227 man-hours in 2016 to 10,559,220 men-hours in 2017. There was no incidence or prevalence of work-related diseases in the positions described in the business (number of new cases of an event in a period of one year). [GRI 403-3]

The units also have the support of Internal Accident Prevention Commissions (Cipas), representing 100% of the employees. The committees play a leading role in the adoption of programs and measures related to the subject, including behavioral audits, facility inspections, qualification and development of leaderships in Occupational Health and Safety. [GRI 403-1]

Commitments

Among the Safety management tools is Ocyan's 12 Golden Safety Commitments program. The initiative aims at ensuring continuous improvement and excellence in operational safety, guiding the leaders on the adoption of administrative procedures, alignment of practices and strengthening of the discipline culture to comply with Policies, Guidelines, Principles, standards and procedures. In addition to disciplining safety conducts, the program also seeks to improve the quality of communication, investigation, identification, and treatment of the causes of accidents with or without lost time, operational incidents, as well as any breach of the Golden Commitments.

The activities are carried out in an integrated manner, with the prevention and control of risks in the first place, so that each employee understands their role as a multiplying agent of a great effort to value life. Furthermore, the theme is linked to the Action Program (PA) of the employees, and their indicators are monitored and evaluated periodically.

The company also conducts internal audits to assess the level of adherence and effectiveness of management, in addition to always seeking industry benchmarking at institutions such as IMCA (International Marine Contractors Association), IOGP (International Association of Oil & Gas Producers) and IADC (International Association of Drilling Contractors) as a reference to be able to compare in terms of performance excellence.

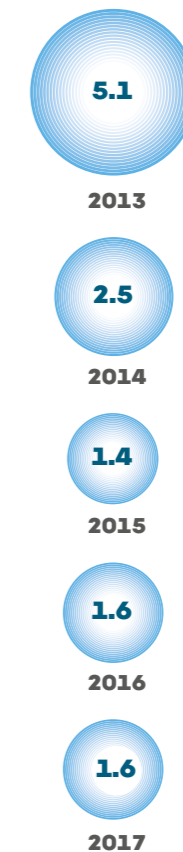
All incidents are investigated and for each one an action plan is drawn up to correct the problem and prevent it from repeating at the unit in question and at the other units.

As part of the process for continuous improvement in OHSE, the company has invested in the restructuring of its management system,

focusing on the integration and standardization of processes, practices and procedures. The following tools are among the actions of improvement taken: Credit 360 (Deviation, Audit and Incident Management System); Quality Management System; Operational Management System; Crisis Management and Emergency Response Plan; Program Restricting Undue Use of Alcohol and Psychoactive Substances; and compliance with standards ISO 9001, ISO 14001 and OHSAS 18001.

FREQUENCY RATE [GRI 403-2]

Recordable incident (TFIR) with or without lost time



HEALTH AND SAFETY METRICS | GRI 403-2|

Rate of Injuries	Employees ¹			Outsourced workers ²	Total
	Male	Female	Total		
Rate of injuries – total ³	7.0	1.2	4.7	4.7	4.7
Frequency Rate with lost time – total	1.0	0	0.9	2.5	0.9
Severity Rate – total	883.0	0	787.3	4,377.1	1,720.4
Number of deaths	1	0	1	2	3
Rate of lost time – total	0.6	0	0.6	3.2	1.3
Absenteeism rate – total ³	4.2	4.7	4.3	ND	4.3

¹ The numbers refer only to Employees in Brazil.
² Data on outsourced workers are not listed per gender due to the volume, turnover and different periods of the year.
³ There is no control of absenteeism of outsourced workers.
 Note: The Company follows the ILO (NBR 14.280).

Fatalities

In 2017, three deaths (one of own employee and two of outsourced workers) were recorded due to the explosion of a boiler located on the main deck (stern/port) at the Drilling Unit Norbe VIII, in June.

All the procedures to determine the accident have been carried out and actions are being implemented so that events of this nature will not occur again. The safety program called

Proseg was developed for Drilling units. The initiative, inspired by the US Navy's safety program, is based on four pillars: Commitment to process safety, Understanding of risks; Risk Management; and Learning from experience. These pillars focus on risk-based process safety. Implementation of the program is planned for 2018.

PILLARS AND ELEMENTS OF THE PROSEG PROGRAM

Commitment to process safety	Understanding of risks	Risk management	Learning from experience
Safety Culture	Process knowledge management (Engineering and Management System documentation) Risk analysis	Operational procedures	Incident investigation
Leadership		Safe work practices	Measure performance (proactive and reactive indicators) and promote continuous improvement
Communication		Asset reliability and integrity	
Engagement of the workforce		Supplier management	Knowledge management
		Qualification and performance assurance of the employees	
	Change management	Perform operations (develop and maintain a high standard in the conduct of operations)	
		Emergency management	

External audience

| GRI 103-1, 103-2, 103-3|

With its communities, business partners, customers, suppliers and public authorities, Ocyan seeks to maintain transparent, ethical and respectful relationships based on trust. Determined to build long-term partnerships, it develops excellence solutions to better meet this audience, fulfilling its commitments and focusing on operational quality.

Customers

Ocyan seeks to maintain a close relationship with its customers, which contributes to the identification of the solutions most appropriate to their needs and to ensure loyalty of the contracts. Highly-qualified and responsible teams are maintained in the performance of operations and the preservation of assets.

The company is committed to expanding its geographical boundaries, both in Brazil and in other countries, in order to diversify its customer portfolio. To this end, it has been maintaining initiatives focused on the development of new projects and services that require smaller volumes of investments and which allow greater entrance into the oil and gas segment.

One of the greatest challenges for 2018 is to return to the Petrobras suppliers register, its main customer. In 2015, due to the investigations of the operation Lava Jato, involving other companies from the Odebrecht Group, Ocyan was prevented from participating in new tenders, in addition to having the contract of the drilling vessel Tay IV terminated.

To measure the satisfaction of the customer Petrobras, Ocyan uses the Performance Appraisal Report (BAD). Issued at frequencies and weightings that vary according to the scope of each contract, the document evaluates the

PERFORMANCE APPRAISAL REPORT (BAD) IN 2017

DRILLING:

8.9
(average of six rigs)

FPSO CIDADE DE ITAJAÍ:

9.5

PLSV TOP CORAL DO ATLÂNTICO:

9.8

PLSV TOP ESTRELA DO MAR:

9.0

OFFSHORE SERVICES AND MAINTENANCE:

9.0

following data: Equipment and Materials; Human Resources; Facilities and Efficiency.

Highlight

The Integrated Services Business Unit encompasses the areas of Offshore Production, Subsea Construction and Offshore Services and Maintenance. In 2017, the Subsea Construction business signed two new contracts: (i) Doris Engenharia, for the development of the basic design of the CMHR (Composite Multi-Bore Hybrid Riser) and (ii) exclusivity agreement with Magma Global, for the supply of composite pipelines for CMHR. The purpose of this action is the development of a new solution to compete in the developments of pre-salt fields, with Petrobras and IOCs (International Oil Companies).



Risks and impacts inherent to the hiring of suppliers |GRI 308-2, 414-2|

Compliance:
Corruption, money laundering, transparency, reputation.

Human rights:
Occupational accidents, work in hazardous or degrading conditions, discrimination.

Environment:
Oil and chemical leaks, atmospheric emissions, improper disposal of waste.

Labor practices:
Delay or non-payment of salaries and social charges; freedom of association.

Society:
Excess use of public equipment and infrastructure, unemployment after conclusion of contracts, non-integration with communities, corruption.

Suppliers

|GRI 103-1, 103-2, 103-3|

The management model adopted by Ocyan acts from the supplier register in its database to the monitoring and development of these partners. Regardless of the size, the company engages all in the best practices of sustainability, considering in addition to economic criteria the responsible use of natural resources and respect for workers' rights.

In 2017, the work of redesign of the supply chain started in 2015 was resumed, which represents a milestone in the company in terms of investments in the supply chain. New procedures and improved processes have been implemented to improve the management and performance of the partners, resulting in a more accurate base, with better documents and technical capacity.

One of the changes was the creation of the Supplier Approval System. The work involved the classification of all types of services procured and the definition of necessary and desirable documents and certifications for each of these activities. Once cataloged, this documentation is verified by an external company, to validate the prerequisites determined for the contracting. The registration is carried out directly on Ocyan's institutional site, on the tab Suppliers (<http://www.ocyan-sa.com/pt-br/suppliers>).

|GRI 102-10|

The purpose of this process is to qualify the supplier base in relation to legal, tax, financial, compliance and technical requirements; and support the areas of Procurement, Health, Safety and Environment, and the technique in the assertive choice of its partners. The social and environmental criteria were not applied in 2017, because there were no new suppliers hired in the period. |GRI 308-1, 414-1|



Furthermore, an Integrity due diligence questionnaire is included, with evaluation of compliance, anti-corruption and money laundering practices. In 2017, approximately 200 suppliers were submitted by the Ocyan Compliance area to the due diligence process, to evaluate these requirements. *(More information on page 14)*

Register of items

One of the consequences of the changes implemented in the Supply Chain area was the optimization of the base of service items procured, which ranged from approximately 4,000 to 500 items in the year. The work was carried out in conjunction with the company's knowledge areas - Environmental, Maintenance, Procurement and Quality. For each item of the register an analysis of environmental and operational risks and impacts involving the product or service in question was carried out.

The risks were listed in four levels - high, medium, low and zero - and arranged in a matrix that is available for internal reference in the registration system, together with the description of the required documentation and the procedures to be adopted. Each new item must first pass through this process, in order to check the impacts and avoid overlaps in the register.

Safety

O The improvement process implemented in the year also involved a change in training required for outsourced parties. Every employee who is performing a service on board one of the oil platforms operated by Ocyan must undergo a system of control of specific trainings for execution of services on board, called Drake.





Social commitments

This methodology, which is integrated with the Supplier Approval System and that already existed for the employees of the company is applied to the individual and not to the company. Thus, even if the supplier is already approved, whenever there is a new service to be performed on board, the system will confront the data of the person allocated to the work and check whether or not they have already gone through specific training for that activity. Thus, Ocyan ensures that its training matrix is also complied with for third parties, thus assuring greater safety for the operation and the assets.

Performance appraisal | GRI 103-2, 103-3|

There has also been an improvement in the suppliers' PDCA (Plan - Do - Check - Act) system. The program, aimed at evaluating the performance of high and medium criticality partners, has monthly frequency and scores assigned from zero to ten, with the cut score being less than six. If the supplier is ranked in this scoring zone, the contract manager is required to have an action plan to improve that partner's performance.

An OHSE audit firm was also retained to check compliance of the suppliers classified in the matrix as high and medium risk. The process takes place through face-to-face visits to these partners, especially those of offshore services, whose exposure to safety and environmental risks are greater. The first wave of work focused on the companies already registered in the system. The goal is for audits to take place at the pre-registration phase.

In case of noncompliance with any legal regulation or sustainability requirement requested by Ocyan, a process of investigation is started to check the facts and take the applicable actions, which may result even in contractual termination.

Chain of suppliers

Ocyan's supply chain is made up of equipment manufacturers, contractors, consultants, service providers and maintenance companies, which are characterized by high expertise in the oil

and gas industry. In all, it covers more than 3,000 suppliers located in various parts of the world. |GRI 102-9|

Ocyan does not have a specific policy to hire local suppliers, but if possible, preference is given to regional companies, as they can satisfactorily meet its demand for products and services.

In 2017, approximately 60% of contractors had local structures. The total amount spent on suppliers in the year totaled R\$ 707 million; 58.8% corresponded to purchases made in the country. |GRI 204-1|

As a signatory to the Global Compact, Ocyan adopts core value practices in the areas of human rights and labor relations, contributing to a more inclusive and egalitarian market. The Code of Conduct repudiates any risk of child or forced labor, or labor analogous to slavery, and this risk is mitigated with the support of Integrity due diligence processes. In 2017, such occurrences were not recorded in the operations. |GRI 103-1, 103-2, 408-1, 409-1|

Among the highlights in cost reduction achieved through the improvements in supplier management implemented in the year we mention the procurement of inspection services (lifting gear, derrick and drops), which after standardization and formatting, based on the fleet overview, will result in a cost reduction of approx. R\$ 2 million per year for the six rigs.

For 2018, the perspective is to increase the contractual scope of suppliers, the intensification of the audit work, with a view to creating more lasting relationships that ensure greater adherence to its policies. The purpose is to have a chain with more recurring partners, adhering to the established guidelines of conduct, as well as to minimize the volume of spot purchases, those for immediate delivery and payment at the price of the acquisition date.

- 1 NO POVERTY
- 2 ZERO HUNGER
- 3 GOOD HEALTH AND WELL-BEING
- 8 DECENT WORK AND ECONOMIC GROWTH
- 10 REDUCED INEQUALITIES
- 15 LIFE ON LAND
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
- 3. UPHOLD

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- 4. ELIMINATE

The elimination of all forms of forced and compulsory labour.
- 5. EFFECTNELY

Businesses should uphold the effective abolition of child labour.



■■■■ In 2017, efforts were concentrated on the #inovareaprender program, supported since 2014, to which the amount of R\$ 3.1 million was allocated, of which R\$ 246,000 through own funds and R\$ 2.9 million* by partner organizations (*investment through the provision of people, spaces for carrying out activities, as well as technical and pedagogical materials). In all, 1,400 people were directly benefited, among students, monitors and teachers in 18 communities. |GRI 203-1|

Conceived by the Municipal Secretariat of Education of Macaé (SEMED) and developed in partnership with the Secretariat of Science and Technology and the Federal University of Rio de Janeiro (UFRJ), the program has the concept of technological education with a proposal for pedagogical innovation. Through these aspects, participants use technology to solve real-world problems in an innovative and playful manner. Everyone participates in decisions through collaborative management. The activities take place at the schools of Macaé, joining elementary, middle school and university students of the engineering courses, besides the faculty of the municipality. The purpose of the program is to encourage and provide technical knowledge for the development of innovation among participants.

The School in Action program, through the projects and initiatives supported, promotes the exchange of knowledge and offers opportunities to initiate the professional market through the Young Apprentice program. The link between the initiatives developed and Ocyan's Young Apprentice program foster social inclusion in the labor market and encourage youngsters in the pursuit of education and knowledge to build a professional and life project.

Concepts of the program #inovareaprender

- Creation and construction of prototypes for thematic missions with robots and sensors
- Creation of technological solutions for real life problems
- Creation of sensors with Arduino board (open electronics prototyping platform)
- Creation of scrap prototypes
- Portability: installation of applications for programming through the mobile device
- Creation of applications, games and programming
- Focus on continuous improvement of mechanical design, software and robots

Volunteers

In 2017, Ocyan sponsored the first volunteer program of the oil and gas sector in the country: the entrepreneurial Trail, through an agreement signed by the Brazilian Institute of Oil, Gas and Biofuels (IBP) with the State Secretariat of Education for Rio de Janeiro.

The initiative, sponsored by Ocyan and ten other companies in the sector, aimed at empowering volunteers on the importance of staying in school and continuing their studies, as well as passing their professional experiences to approximately 1,000 high school students in 11 public schools in the state of Rio de Janeiro, which are part of the MEC's Innovative Middle School Program (Proemi). The objective is to show to these youngsters, between the ages of 15 and 17, the importance of the studies in the professional formation and the obtaining of employment in major companies.

Society

|GRI 103-1, 103-2, 103-3|

■■■● Ocyan is committed to fostering sustainable development in the communities where it operates, in synergy with the Sustainable Development Goals of the UN Agenda 2030 (ODS). To this end, it prioritizes actions that aim at promoting social inclusion, through incentives to education, culture, sports and environmental awareness for children, youngsters and adolescents, integrating the school and the community.

These actions are concentrated on the municipality of Macaé, in the State of Rio de Janeiro, where the company has two bases of logistical support, and focuses on the development and qualification of youngsters from local communities identified by the Secretariat of Education with high levels of social vulnerability. |GRI 413-1|

In order to understand the needs of these communities and to develop sustainable

projects, Ocyan carries out a mapping work, which involves a process of engagement with the stakeholders (managers, communities, public authorities, NGOs and local schools) through meetings at which possible requests for support and opportunities for implementation of actions are discussed.

Program 'School in Action'

The School in Action Program is the main social engagement initiative developed by Ocyan. The actions contemplated in the program are defined based on its Sustainability Policy and the Social Responsibility Directives.

Implemented since 2007 in Macaé, the program is maintained according to the guidelines of the United Nations for Education, Science and Culture (Unesco), and in partnership with the Secretary of Education.



1. SUPPORT & RESPECT
Businesses should support and respect the protection of internationally proclaimed human rights.



Responsible management

[GRI 103-1, 103-2, 103-3]

For Ocyan, the commitment to sustainability means ensuring the conservation and preservation of the environment and the natural resources essential for the maintenance of ecosystems and biodiversity.

By protecting the ecosystem, the company follows internal policies guided by international standards and legal requirements of each country. It maintains a series of measures, such as audits, certifications and training, to ensure that the Precautionary Principle is adhered to in all its operations. [GRI 102-11]

All the operating units have modern equipment and have the basic procedures necessary to perform the tasks in a more efficient and safe manner. Moreover, they have a Basic Environmental Management Plan, with standards, guidelines and guidelines for emergencies, which provides for:

- Diagnosis of foreseeable impacts and definition of measures to eliminate or minimize them;
- Preparation for recovery of degraded areas;
- Proper waste management;
- Training and qualification of all employees to work with a focus on prevention;
- Preparing for emergencies.

The planning of environmental impact prevention and control activities includes the management of solid waste generation, sanitary liquid effluents, industrial liquid effluents, atmospheric emissions and the use of natural resources and inputs, such as water, changes in aquatic habitats and energy, among others.

■ ■ ■ ■ ● The main focus of attention in Ocyan's operations is the risk of oil spills into the sea, which can also cause serious damage to local communities, customers, company's business and image. In 2017, there were no significant spills, considering the parameter of 100 barrels or spills in sensitive areas. Likewise, there were no significant fines for non-compliance with environmental laws and regulations. [GRI 306-3, 307-1]

Ocyan conducts audits to assess compliance with environmental requirements. The main parameter evaluated is the Sea Leakage Index (IVM). In the year, the IVM result was 100%, compared to 96% recorded in 2016.

All incidents are investigated and, for each of them, an action plan with objectives and targets is drawn up to correct possible deviations and eliminate the root causes, thus minimizing to a maximum the risk of a new occurrence.

+ Environmental commitments



8. UNDERTAKE
Initiatives to promote greater environmental responsibility.

Conscious use of resources

Power | GRI 103-1, 103-2, 103-3|

■ ■ ■ ■ ■ ● Ocyan consumed a total of 428,141 GJ in its operations in 2017. The volume of power consumed was greater than that used in 2016 (59,057 GJ), mainly due to the start of operations of the FPSO Pioneiro de Libra.

POWER CONSUMED WITHIN THE COMPANY (GJ) | GRI 302-1|

	2016	2017
Non-renewable sources		
Gasoline	2,470	2,184
Diesel	4,010	2,257
Natural gas from the well	40	18,753
Aviation kerosene	40	35
Maritime diesel oil	34,110	378,403
Renewable sources		
Electricity	18,387	26,509
Total	59,057	428,141

POWER CONSUMED OUTSIDE THE COMPANY (GJ) | GRI 302-2|

	2016	2017
Chain of suppliers before company operation		
Goods and services acquired	52,705	8,369
Activities related to the fuel and energy sector	56,829	13,998
Transportation and distribution	5,475	0
Waste generated in the operations	0	0
Business travels	45,417	67,034
Transportation of employees	79	456
After the operation, including logistics suppliers, resellers and customers		
Leased assets (downstream)	4,590.335	3,589.654
Total	4,750.840	3,679.511

Water | GRI 103-1, 103-2, 103-3|

● ● Water consumption at Ocyan totaled 234,851 m³ in 2017, 12.7% higher than in the previous year (208,387 m³). Most of this volume was destined for use in offshore units, for both human and industrial consumption. Exception is the amount allocated to heat exchangers, which is not accounted for in the total of the company, because it is an open system.

■ The water used by the company does not significantly compromise water sources, as much of the resource used at offshore units is produced on board, by seawater desalination process. Only a small part comes from rivers, in this case captured by customer's tugs. The bases of logistical support are supplied by public concessionaires, with water only for human consumption and sanitary sewage. | GRI 303-2|

The company does not recycle or reuse water in its operations | GRI 303-3|

TOTAL WITHDRAWAL OF WATER PER SOURCE (m³)¹ | GRI 303-1|

Water sources ¹	2016	2017
Surface waters (rivers, lakes and oceans)	196,544	224,160
Groundwater	0	0
Rain waters	0	0
Effluents from other organization	0	0
Municipal or concessionaire supply	11,843	10,691
Total	208,387	234,851

¹ The use of cooling water is not considered. Water used in the marine units for the cooling of heat exchangers is subsequently released into the sea in equal volume and with the same properties.



7. SUPPORT
Businesses should support a precautionary approach to environmental challenges.



8. UNDERTAKE
Initiatives to promote greater environmental responsibility.



7. SUPPORT
Businesses should support a precautionary approach to environmental challenges.



8. UNDERTAKE
Initiatives to promote greater environmental responsibility.

Waste and effluents

[GRI 103-1, 103-2, 103-3]

Responsibility for waste management at maritime units lies with the customer. However, Ocyan monitors the risks that this activity can pose to people, the environment and business. It is incumbent upon the company to control the separation, storage and transportation of hazardous and non-hazardous waste from its operation.

The disposal given to byproducts is defined according to its type and is based on criteria based on the procedures of its Environmental Management System. Ocyan does not import, export or transport waste classified as hazardous internationally. [GRI 306-4]

Drilling units have targets for volume as a percentage of recycled waste in relation to total production. All the teams receive training on the Effluent and Waste Management Policy maintained by the client.

In 2017, the total volume of water discharged in public network by Ocyan was 224,160.00 m³, compared to 176,183.96 m³ in 2016. All the parameters set by the applicable legislation are observed and monitored, in addition to the requirements defined by the customer. The method of treatment used for disposal on Subsea Drilling and Construction rigs was the water and oil separator (SAO) and on the FPSOs, three-phase separator and flotation cells. [GRI 306-1]

DISPOSAL OF WASTE ¹ [GRI 306-2]

Hazardous waste	Weight (t)	Method of disposal
Batteries ²	8.0	Recycling
Electronics and fluorescent lamps ³	34.5	Recycling
Health waste (t)	1.2	Incinerator
Oils and greases	397.2	Recycling
Oily water	2,138.2	Reuse

Non-hazardous waste	Weight (t)	Method of disposal
Paper/Cardboard Waste	81.7	Recycling
Mixed urban waste (common)	437.5	Landfill
Metal	552.3	Recycling
Plastic	69.1	Recycling
Glass	3.7	Recycling
Wood	199.6	Incinerator
Kitchen oil	11.1	Recycling

¹ Waste from the Offshore Production and Logistics area is managed by the Customer

² 1 battery = 0.0001 t

³ 1 Lamp = 0.0002 t

Climate changes

[GRI 103-1, 103-2, 103-3]

Ocyan adopts a set of initiatives aimed at the management and monitoring of its atmospheric emissions, including the Greenhouse Gas (GHG) emission inventory, which covers scopes 1 (direct emissions, under company control), 2 (acquisition of power) and 3 (indirect emissions in the supply chain).

The company has no management over the use of fuel / energy efficiency of the facilities, as the input is provided by the customer, which sets the related operating requirements.

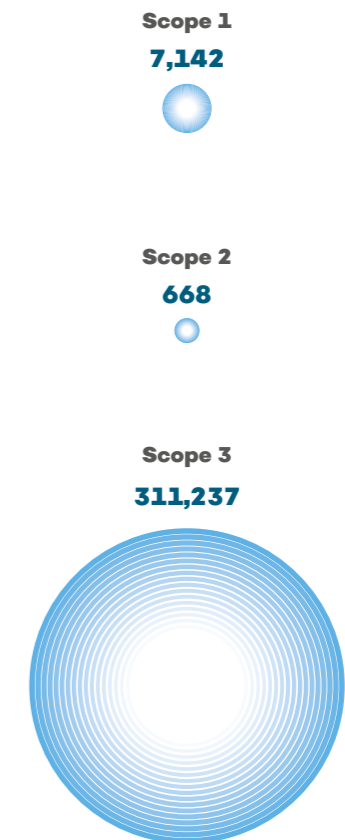
In 2017, there were no climate changes that could impact the development of offshore activities, in addition to suppliers, customers and neighboring communities. The same applies to changes or probable changes in regulations with the potential to impact the company. [GRI 201-2]

Emissions

In the year, Scope 1 emissions totaled 7,142 tCO_{2e}, while Scope 2 emissions, related to electricity consumption, resulted in 668 tCO_{2e}, and Scope 3 emissions in 311,237 tCO_{2e}.

There was a 119.3% increase in the emission of the gases of scope 1 and 2 in 2017 compared to the result of 2016, due to the start of operation of the asset Pioneiro de Libra; while emissions of scope 3 registered a reduction of 9.5% in the period analyzed.

GREENHOUSE GAS EMISSIONS (TCO_{2e})



7. SUPPORT
Businesses should support a precautionary approach to environmental challenges.



8. UNDERTAKE
Initiatives to promote greater environmental responsibility.

DIRECT GREENHOUSE GAS EMISSIONS (tCO₂e) [GRI 305-1, 305-2, 305-3]

	2016	2017	Variation 2017/2016
Combustion – Fixed Sources	2,675	5,440	103.4%
Combustion – Mobile Sources	413	698	69.0%
Fugitives – Refrigeration	20	993	4,865.0%
Fugitive – Extinguishers	0	0	
Combustion – Cut and Welding	37	11	- 70.3%
Total Scope 1	3,145	7,142	127.1%
Electric power	418	668	59.8%
Total Scope 2	418	668	59.8%
Products, goods and services purchased	2,842	0	-
Capital goods	10,330	531	-94.9%
Fuels purchased	512	597	16.6%
T&D losses	105	48	-54.3%
Transportation of waste	7	17	142.9%
Transportation of materials	110	36	-67.3%
Waste	2	0	-
Air travels	3,004	4,305	43.3%
Transportation of employees	5	0	-
Operation of assets	326,959	305,703	-6.5%
Total Scope 3	343,876	311,237	-9.5%
OVERALL TOTAL (1+2+3)	347,438	319,047	-8.2%

INTENSITY OF GREENHOUSE GAS EMISSIONS [GRI 305-4]

(tCO₂e/Active participants)

	tCO ₂
Administrative headquarters – Dynamic Organization	81
Offshore Production (Offshore Production Logistic Support Base + offshore units)	6,415
Offshore Services and Maintenance Logistic Support Base	200
Subsea Construction	0
Offshore Drilling (Logistic Support Base + offshore units)	1,114
Types of Greenhouse Gas emissions, included in the intensity rate	Escopos 1 e 2
Gases included in the calculation	CO ₂ , CH ₄ , COVNM, NO _x , HF ₆ , SF ₆ , R-22, MP, POP e HAP

+ About the Report

[GRI 102-46]

Identification of the relevance of the topics for Ocyan's sustainability management resulted in a materiality matrix based on the Global Reporting Initiative (GRI) guidelines and the application of the standard Accountability AA1000. GRI is a global organization that provides guidelines for the drawing up of internationally recognized reports. The methodology allows to compare the performance between companies from all over the world that adopt the GRI, and to follow the evolution of sustainability management in the company over the years.

For this process, held in October 2016, executive board members and the company's main leaders, including the Business Leader (top-level position within the company, who formally analyzes and approves the information contained in this document) were consulted. **[GRI 102-32]**

Of the topics presented, those that were considered of greater relevance for society and for business are: Ethics and Transparency; Risk management; Commitment to People; Economic Performance; Environment; and Local Development. For each of them, the company has set a series of goals and targets to be met in the short-, medium- and long-term.

Indicators

The financial statements of Ocyan (OOG Participações SA) for the fiscal year ended December 31st, 2017 were prepared and submitted in accordance with the accounting practices adopted in Brazil, including pronouncements issued by the Accounting Pronouncement Committee (CPC) and according to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and were examined by independent auditors who issued an unqualified report, dated March 8th, 2018. The social and environmental data underwent internal verification. The survey of the standard contents, as well as complementary information, was under the responsibility of the Sustainability area. Any revisions of data published in other years are signaled and clarified throughout the document. **[GRI 102-56, 102-48]**

The consolidated financial statements, the relationship with the entities included in them and the external audit report are available for consultation of stakeholders (shareholders and investors) on the company's corporate website: www.ocyan-sa.com, under Investors Relations. **[GRI 102-45]**

Materiality process [GRI 102-46]

STEP 1 Prior identification of material topics, based on:

- Ocyan strategy (growth/ vision of future)
- Topics considered relevant by the controlling shareholder Odebrecht S.A.
- Topics prioritized in a previous materiality process, carried out in 2013
- Topics considered material by customers of the company and presented in their sustainability reports
- Outstanding issues for the oil and gas sector in the Sustainability Topics survey - What the Stakeholders Want to Know, from GRI
- Press releases about the industry and the company
- Correlation of topics with the Global Compact, an initiative of which Ocyan is a signatory

- Context of sustainability (country and sector)

STEP 2 Selection of topics grouped into four dimensions:

- Governance/Ethics
- Economic
- Social
- Environmental

STEP 3 Consultation with business leaders that highlighted three aspects:

- Probability of occurrence of risks to value addition
- Economic impact on value addition
- Influence on the perception of stakeholders (topics on which they decide on their relationship with the company)

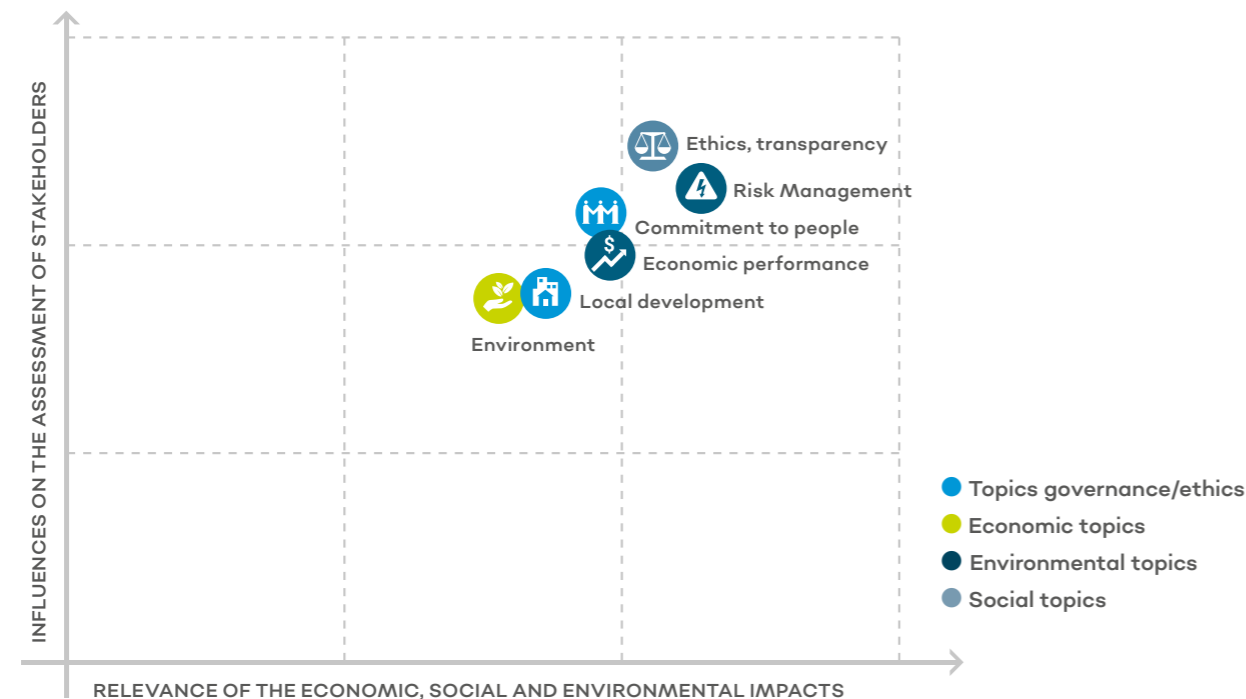
STEP 4 Prioritization on six major topics and 26 topics:

1. Ethics and transparency
2. Risk management
3. Commitment to people
4. Economic Performance
5. Environment
6. Local development

STEP 5 Preparation of the materiality matrix

- Horizontal axis presents the vision of the company, about the importance of the impacts
- Vertical axis portrays the influence on stakeholder assessment

MATERIALITY MATRIX [GRI 102-44]



MATERIAL TOPICS AND LIMITS

Topic	GRI Topic <small>[GRI 102-47]</small>	Internal limit <small>[GRI 103-1]</small>	External limit <small>[GRI 103-1]</small>	Related contents GRI Standards
ETHICS AND TRANSPARENCY				
+				
Anticorruption		All operations	Shareholders, Customers, Government, Creditors, Suppliers, Communities	102-16, 102-17, 205-1, 205-2, 205-3
Compliance		All operations	Shareholders, Suppliers	307-1, 419-1
Unfair competition		All operations	Competitors	206-1
Public policies		All operations	Shareholders, Customers, Government, Suppliers, Communities	415-1
RISK MANAGEMENT				
+				
Risk management		All operations	Shareholders, Customers, Government, Suppliers, Communities	102-15
Preparing for emergencies		All operations	Customers, Suppliers, Communities	102-15
COMMITMENT TO PEOPLE				
+				
Occupational health and safety		All operations	Suppliers	403-1, 403-2, 403-3, 403-4
Human rights (discrimination, freedom of association, child labor, forced labor)		All operations	Customers, Suppliers, Communities	406-1, 407-1, 408-1, 409-1
Training and education		All operations	Suppliers	404-1, 404-2, 404-3
Diversity and Equal opportunities		All operations	Suppliers, Communities	405-1, 405-2

MATERIAL TOPICS AND LIMITS

Topic	GRI Topic GRI 102-47	Internal limit GRI 103-1	External limit GRI 103-1	Related contents GRI Standards
ECONOMIC PERFORMANCE				
Economic performance		All operations	Shareholders, Customers, Government, Creditors, Suppliers	201-1, 201-2, 201-3, GRI 201-4
Climate changes		All operations	Suppliers, Communities	201-2
Innovation		All operations	Customers, Suppliers	-
ENVIRONMENT				
Waste/Leakages		All operations	Suppliers	306-2, 306-3, 306-4, 306-5
Effluents – water pollution		All operations	Suppliers	306-1
Emissions		All operations	Suppliers	305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7
Water		All operations	Suppliers	303-1, 303-2, 303-3
Energy		All operations	Suppliers	302-1, 302-2, 302-3, 302-4, 302-5
LOCAL DEVELOPMENT				
Procurement practices		All operations	Suppliers, Communities, Government	204-1
Socio-environmental assessment of suppliers		All operations	Suppliers, Communities, Government	308-1, 308-2, 414-1, 414-2
Indirect economic impacts		All operations	Suppliers, Communities	203-1, 203-2
Local communities		All operations	Suppliers, Communities	413-1, 413-2

GRI Content Index

|GRI 102-55|

This report has been prepared in accordance with the GRI Standards: Core option |GRI 102-54|



Omission

GRI Standards	Disclosure	Page number (s) and/or URL(s)	Part omitted	Reason	Explanation	Global Compact	SDG
GRI 101: FOUNDATION 2016							
GENERAL DISCLOSURES							
GRI 102: General Disclosures 2016	Organizational profile						
	102-1 Name of the organization	7	-	-	-	-	-
	102-2 Activities, brands, products, and services	7	-	-	-	-	-
	102-3 Location of headquarters	7	-	-	-	-	-
	102-4 Location of operations	7	-	-	-	-	-
	102-5 Ownership and legal form	7	-	-	-	-	-
	102-6 Markets served	7	-	-	-	-	-
	102-7 Scale of the organization	7, 11	-	-	-	-	-
	102-8 Information on employees and other workers	26, 27	-	-	-	6	8
	102-9 Supply chain	37	-	-	-	-	-
	102-10 Significant changes to the organization and its supply chain	8, 34 In the year, there was also the physical change of the Office / Administrative Headquarters, which left the neighborhood of Botafogo to Santo Cristo, in the city of Rio de Janeiro / RJ.	-	-	-	-	-
	102-11 Precautionary Principle or approach	41	-	-	-	-	-
	102-12 External initiatives	18	-	-	-	-	-
	102-13 Membership of associations	19	-	-	-	-	-
Strategy							
	102-14 Statement from senior decision-maker	4	-	-	-	-	-

GRI Standards	Disclosure	Page number (s) and/or URL(s)	Omission			Global Compact	SDG
			Part omitted	Reason	Explanation		
GRI 102: General Disclosures 2016	Ethics and integrity						
	102-16 Values, principles, standards, and norms of behavior	14	-	-	-	10	16
	102-17 Mechanisms for advice and concerns about ethics	14	-	-	-	10	16
	Governance						
	102-18 Governance structure	13	-	-	-	-	-
	102-19 Delegating authority	13	-	-	-	-	-
	102-22 Composition of the highest governance body and its committees	13	-	-	-	-	16
	102-23 Chair of the highest governance body	13	-	-	-	-	16
	102-26 Role of highest governance body in setting purpose, values, and strategy	13	-	-	-	-	-
	102-32 Highest governance body's role in sustainability reporting	13, 47	-	-	-	-	-
	Stakeholder engagement						
	102-40 List of stakeholder groups	17, 18	-	-	-	-	-
	102-41 Collective bargaining agreements	25	-	-	-	3	8
	102-42 Identifying and selecting stakeholders	17	-	-	-	-	-
	102-43 Approach to stakeholder engagement	18	-	-	-	-	-
	102-44 Key topics and concerns raised	48	-	-	-	-	-
	Reporting practice						
	102-45 Entities included in the consolidated financial statements	47	-	-	-	-	-
	102-46 Defining report content and topic Boundaries	47, 48	-	-	-	-	-
	102-47 List of material topics	49	-	-	-	-	-
102-48 Restatements of information	47	-	-	-	-	-	
102-49 Changes in reporting	There was not	-	-	-	-	-	
102-50 Reporting period	3	-	-	-	-	-	
102-51 Date of most recent report	2016, published April 2017	-	-	-	-	-	

GRI Standards	Disclosure	Page number (s) and/or URL(s)	Omission			Global Compact	SDG
			Part omitted	Reason	Explanation		
GRI 102: General Disclosures 2016	102-52 Reporting cycle	3	-	-	-	-	-
	102-53 Contact point for questions regarding the report	61	-	-	-	-	-
	102-54 Claims of reporting in accordance with the GRI Standards	3, 51	-	-	-	-	-
	102-55 GRI content index	51	-	-	-	-	-
	102-56 External assurance	Except for the financial data, the report was not audited.	-	-	-	-	-

MATERIAL TOPICS

GRI 200 ECONOMIC STANDARD SERIES

Economic Performance							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	30, 45, 50	-	-	-	-	-
	103-2 The management approach and its components	15, 17, 30, 45	-	-	-	-	-
	103-3 Evaluation of the management approach	17, 30, 45	-	-	-	-	-
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	23	-	-	-	2, 5, 7, 8, 9	-
	201-2 Financial implications and other risks and opportunities due to climate change	45	-	-	-	7	13
	201-3 Defined benefit plan obligations and other retirement plans	30	-	-	-	-	-
Indirect Economic Impacts							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	51	-	-	-	-	-
	103-2 The management approach and its components	51	-	-	-	-	16
	103-3 Evaluation of the management approach	51	-	-	-	-	-
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	39	-	-	-	2, 5, 7, 9, 11	-

GRI Standards	Disclosure	Page number (s) and/or URL(s)	Omission			Global Compact	SDG
			Part omitted	Reason	Explanation		
Procurement Practices							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	34, 50	-	-	-	-	-
	103-2 The management approach and its components	34, 36	-	-	-	-	16
	103-3 Evaluation of the management approach	34, 36	-	-	-	-	-
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	37	-	-	-	-	12
Anti-corruption							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	13, 14, 49	-	-	-	-	-
	103-2 The management approach and its components	13, 14	-	-	-	-	16
	103-3 Evaluation of the management approach	12, 14	-	-	-	-	-
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	13	-	-	-	10	16
	205-2 Communication and training about anti-corruption policies and procedures	14	-	-	-	10	16
	205-3 Confirmed incidents of corruption and actions taken	14	-	-	-	10	16
Anti-competitive Behavior							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	13, 49	-	-	-	-	-
	103-2 The management approach and its components	13, 14	-	-	-	-	16
	103-3 Evaluation of the management approach	13, 14	-	-	-	-	-
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Did not occur.	-	-	-	-	16
GRI 300 ENVIRONMENTAL STANDARDS SERIES							
Energy							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	41, 50	-	-	-	-	-
	103-2 The management approach and its components	41	-	-	-	-	-
	103-3 Evaluation of the management approach	41	-	-	-	-	-
GRI 302: Energy 2016	302-1 Energy consumption within the organization	42	-	-	-	7, 8	7, 8, 12, 13
	302-2 Energy consumption outside of the organization	42	-	-	-	8	7, 8, 12, 13

GRI Standards	Disclosure	Page number (s) and/or URL(s)	Omission			Global Compact	SDG
			Part omitted	Reason	Explanation		
Water							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	43, 50	-	-	-	-	-
	103-2 The management approach and its components	41, 43	-	-	-	-	16
	103-3 Evaluation of the management approach	41, 43	-	-	-	-	-
GRI 303: Water 2016	303-1 Water withdrawal by source	43	-	-	-	7, 8	6
	303-2 Water sources significantly affected by withdrawal of water	43	-	-	-	8	6
	303-3 Water recycled and reused	43	-	-	-	8	6, 8, 12
Emissions							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	41, 45, 50	-	-	-	-	-
	103-2 The management approach and its components	41, 45	-	-	-	-	16
	103-3 Evaluation of the management approach	41, 45	-	-	-	-	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	46	-	-	-	7, 8	3, 12, 13, 14, 15
	305-2 Energy indirect (Scope 2) GHG emissions	46	-	-	-	7, 8	3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	46	-	-	-	7, 8	3, 12, 13, 14, 15
	305-4 GHG emissions intensity	46	-	-	-	8	12, 13, 14, 15
Effluents and Waste							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	41, 44, 50	-	-	-	-	-
	103-2 The management approach and its components	41, 44	-	-	-	-	16
	103-3 Evaluation of the management approach	41, 44	-	-	-	-	-

GRI Standards	Disclosure	Page number (s) and/or URL(s)	Omission			Global Compact	SDG
			Part omitted	Reason	Explanation		
GRI 306: Effluents and Waste 2016	306-1 Water discharge by quality and destination	44	-	-	-	8	3, 6, 12, 14
	306-2 Waste by type and disposal method	44	-	-	-	8	3, 6, 12
	306-3 Significant spills	41	-	-	-	8	3, 6, 12, 14, 15
	306-4 Transport of hazardous waste	44	-	-	-	8	3, 12
Environmental Compliance							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	41, 50	-	-	-	-	-
	103-2 The management approach and its components	13, 41	-	-	-	-	16
	103-3 Evaluation of the management approach	13, 41	-	-	-	-	-
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	41	-	-	-	8	16
Supplier Environmental Assessment							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	34, 50	-	-	-	-	-
	103-2 The management approach and its components	34, 36	-	-	-	8	16
	103-3 Evaluation of the management approach	34, 36	-	-	-	-	-
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	34	-	-	-	8	-
	308-2 Negative environmental impacts in the supply chain and actions taken	34	-	-	-	-	-

GRI Standards	Disclosure	Page number (s) and/or URL(s)	Omission			Global Compact	SDG
			Part omitted	Reason	Explanation		
GRI 400 SOCIAL STANDARDS SERIES							
Occupational Health and Safety							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	30, 49	-	-	-	-	-
	103-2 The management approach and its components	30	-	-	-	-	16
	103-3 Evaluation of the management approach	30	-	-	-	-	-
GRI 403: Occupational Health and Safety 2016	403-1 Workers representation in formal joint management-worker health and safety committees	30	-	-	-	-	8
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	31, 32	-	-	-	-	3, 8
	403-3 Workers with high incidence or high risk of diseases related to their occupation	30	-	-	-	-	3, 8
Training and Education							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	25, 29, 49	-	-	-	-	-
	103-2 The management approach and its components	25, 29	-	-	-	-	16
	103-3 Evaluation of the management approach	25, 29	-	-	-	-	-
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	29	-	-	-	6	4, 5, 8
	404-3 Percentage of employees receiving regular performance and career development reviews	25	-	-	-	6	5, 8
Diversity and Equal Opportunity							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	25, 27, 49	-	-	-	-	-
	103-2 The management approach and its components	25, 27	-	-	-	1	16
	103-3 Evaluation of the management approach	25, 27	-	-	-	-	-
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	27, 28	-	-	-	6	5, 8

GRI Standards	Disclosure	Page number (s) and/or URL(s)	Omission			Global Compact	SDG
			Part omitted	Reason	Explanation		
Non-discrimination							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	14, 25, 49	-	-	-	-	-
	103-2 The management approach and its components	14, 25	-	-	1	16	-
	103-3 Evaluation of the management approach	14, 25	-	-	-	-	-
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Did not occur.	-	-	6	5, 8, 16	-
Freedom of Association and Collective Bargaining							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	25, 49	-	-	-	-	-
	103-2 The management approach and its components	25	-	-	1, 3	16	-
	103-3 Evaluation of the management approach	25	-	-	-	-	-
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	25	-	-	3	8	-
Child Labor							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	37, 49	-	-	-	-	-
	103-2 The management approach and its components	34, 36, 37	-	-	1, 5	16	-
	103-3 Evaluation of the management approach	34, 36, 37	-	-	-	-	-
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	37	-	-	5	8, 16	-
Forced or Compulsory Labor							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	37, 49	-	-	-	-	-
	103-2 The management approach and its components	34, 36, 37	-	-	1, 4	16	-
	103-3 Evaluation of the management approach	34, 36, 37	-	-	-	-	-
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	37	-	-	4	8	-

GRI Standards	Disclosure	Page number (s) and/or URL(s)	Omission			Global Compact	SDG
			Part omitted	Reason	Explanation		
Local Communities							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	38, 50	-	-	-	-	-
	103-2 The management approach and its components	38	-	-	-	16	-
	103-3 Evaluation of the management approach	38	-	-	-	-	-
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	38	-	-	1	-	-
Supplier Social Assessment							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	34, 50	-	-	-	-	-
	103-2 The management approach and its components	34, 36	-	-	-	16	-
	103-3 Evaluation of the management approach	34, 36	-	-	-	-	-
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	34	-	-	2	5, 8, 16	-
	414-2 Negative social impacts in the supply chain and actions taken	34	-	-	-	-	-
Public Policy							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	13, 14, 49	-	-	-	-	-
	103-2 The management approach and its components	13, 14	-	-	-	16	-
	103-3 Evaluation of the management approach	13, 14	-	-	-	-	-
GRI 415: Public Policy 2016	415-1 Political contributions	Did not occur.	-	-	10	16	-
Socioeconomic Compliance							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	13, 49	-	-	-	-	-
	103-2 The management approach and its components	13, 14	-	-	-	16	-
	103-3 Evaluation of the management approach	13, 14	-	-	-	-	-
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	There were no cases in the year.	-	-	-	16	-



10 Principles of UN Global Compact



1. SUPPORT & RESPECT

Businesses should support and respect the protection of internationally proclaimed human rights.



2. RESPECT

Make sure that they are not complicit in human rights abuses.



3. UPHOLD

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.



4. ELIMINATE

The elimination of all forms of forced and compulsory labour.



5. EFFECTIVELY

Businesses should uphold the effective abolition of child labour.



6. ELIMINATE

The elimination of discrimination in respect of employment and occupation.



7. SUPPORT

Businesses should support a precautionary approach to environmental challenges.



8. UNDERTAKE

Initiatives to promote greater environmental responsibility.



9. ENCOURAGE

Businesses should encourage the development and diffusion of environmentally friendly technologies.



10. WORK AGAINST

Businesses should work against corruption in all its forms, including extortion and bribery.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Sustainable Development Goals – The United Nations 2030 agenda



Corporate information

BOARD OF DIRECTORS OF OCYAN PARTICIPAÇÕES S.A.

(Composition on April 2nd, 2018)

Luciano Guidolin

President

Daniel Bezerra Villar

André Amaro da Silveira

João Pinheiro Nogueira Batista

José Coutinho Barbosa

Roberto Prisco Paraíso Ramos

Álvaro Fernandes da Cunha

Nir Lander

Responsible for Compliance

EXECUTIVE BOARD

Roberto Lopes Pontes Simões*

Business Leader

EXECUTIVE BOARD

Heitor Luiz Gioppo*

Chief Offshore Drilling Officer

Jorge Luiz Uchoa Mitidieri*

Chief Offshore Services and Maintenance, Offshore Production and Subsea Construction Officer

Guilherme Pacheco de Britto

Legal Counsel

José Claudio Breviglieri Grossi*

Responsible for Planning, People Support and Communication

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Comments, suggestions, doubts or criticisms regarding its content, as well as the operations and initiatives of the company in Brazil can be sent through the channel: www.ocyan-sa.com/fale-conosco.

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