

CODE OF ETHICS

ODEBRECHT

To all Odebrecht Group Members

It is increasingly necessary to disseminate our Code of Ethics as widely as possible to ensure that it reaches all of the Group's Members in Brazil and the other countries in which we are present.

Each Leader is personally responsible for ensuring that the contents of this Code are understood and applied in every workplace throughout the Group.

As an organization that pioneers practices leading to the achievement of entrepreneurial objectives, Odebrecht must also be increasingly recognized for its ethical business practices.

São Paulo, May 20, 2003

Pedro Novis

President and CEO of Odebrecht S.A.

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The principles and concepts that guide the Odebrecht Group's entrepreneurial actions are consolidated in the Odebrecht Entrepreneurial Technology (TEO), which serves as a common ethical and cultural touchstone for all Odebrecht Members.

The following ethical principles are extensions of TEO's Philosophical Concepts applied to specific areas.

Relations with Clients

The Client's satisfaction is the basis for the Odebrecht Group's existence.

Therefore, the basic principle underlying all Odebrecht Group Members' entrepreneurial actions is serving the Client with an emphasis on quality, productivity and creativity while caring responsibly for society, the community and environment and fully respecting the laws and regulations of each country and region in which they are present.

Relations with Shareholders

Shareholder satisfaction is guaranteed by adequate returns and steady appreciation of their Tangible and Intangible Assets.

Relations with Shareholders must be based on accurate and timely disclosure of information that will enable them to keep track of the Company's performance and trends, particularly those which impact its market value.

- Insider Trading

It is expressly forbidden for any Odebrecht Group Member who has access to privileged information to buy or sell shares in any Group subsidiary or to pass on such information so that others can do so.

In this regard, information is considered privileged when it has not been made known to all investors and it could be deemed important to them when deciding to buy, sell or keep hold of shares in any Group subsidiary.

It should be stressed that any Member could have access to privileged information, no matter their level of responsibility or position in the Group.

Examples of privileged information include investment and divestment plans, projected results, new products and processes being developed, legal problems or disputes, and unannounced contract awards.

Relations among Members

The work and interrelationships of Odebrecht Group Members are based on the principle of Confidence in People and their potential and desire to develop.

- On-the-Job Opportunities

All Odebrecht Group Members have equal work opportunities.

Therefore, when recruiting, hiring, delegating challenges and responsibilities, evaluating performance and determining remuneration, all of these procedures must be based exclusively on the individual's merit, personal and professional qualifications and potential, in accordance with the Group's Personnel Policies.

Everyone has the right and duty to share his/her performance evaluation with his/her Leader.

- Equality

The Odebrecht Group does not permit prejudice or discrimination of any kind on the grounds of race, color, nationality, place of birth, religion, gender, sexual orientation, social class, marital status, age, weight, height or physical condition.

- Working Environment

All Odebrecht Group Leaders must guarantee their team members a working environment free of insinuations or restrictions of any kind to prevent personal embarrassment.

No intrusion into people's private lives will be allowed in or outside of the workplace. The monitoring or interception of telephone calls, correspondence or emails is not countenanced.

All Odebrecht Members are expected to maintain secrecy and confidentiality regarding the company's affairs as well as to safeguard the Group's good name and image through their individual behavior.

Leaders are not allowed to use their position to solicit favors or personal services from team members. No threats or harassment will be tolerated.

Relations with Government

It is expressly forbidden for any Odebrecht Group Member to make any illegal, improper or questionable payment to a public official or the like, whether directly or through third parties.

It is also forbidden to give gifts, benefits or even pay travel expenses for public officials and their families with a view to influencing decisions.

Everyone must be capable of determining what forms of entertainment and leisure may be legitimately offered to public officials and the like, while adhering to the guidelines herein and the laws and regulations of the country or region in which they are present.

If there is any doubt as to the propriety of an action being considered, Members must seek their Leader's advice.

Being unaware that an action was questionable due to ignorance or omission is not an acceptable defense.

- Campaign Contributions

Any and all campaign contributions must be made in accordance with the applicable laws, with the prior approval of the President and CEO of Odebrecht S.A.

Any questions regarding such contributions must be submitted to the Company's Officer Responsible for Legal Affairs.

- Exercising Political Rights

In accordance with its entrepreneurial principles and values, the Odebrecht Group is apolitical and is not aligned with any political party. Therefore, it must not be involved in or affected by its Members' political activities.

Nevertheless, the Group reaffirms the importance of its Members' full exercise of their civil rights, which include the right to free expression and the individual choice to engage in politics, join a party and be a candidate for public or political office.

Members who choose to stand for political or public office must not use their position with the Group or any of the Group Companies' resources and means to do so.

Instead, they must leave their jobs and resign from the Group.

Relations with Suppliers

The identification and hiring of suppliers of products and services of any kind must be based on the Company's requirements and guided by technical and professional standards.

The identification and hiring of such suppliers of products or services must be based on researching prices or holding tenders to ensure the best combination of cost, schedule and quality.

Dealings with suppliers with questionable reputations are expressly forbidden.

Relations with Competitors

Fair competition is the cornerstone of all the Odebrecht Group Companies' operations. The competitiveness of the Group's entrepreneurial actions is exercised and assessed on the basis of this principle.

No comments should be made that might negatively affect a competitor's image, and rumors about competitors must not be spread. Competitors must be treated with as much respect as the Company would expect to receive.

It is expressly forbidden to pass on information owned by the Odebrecht Group to its competitors.

Conflicts of Interest

When undertaking professional responsibilities and personal actions, Odebrecht Group Members must ensure that such responsibilities and actions do not involve any conflict of interest with the Group or harm the Group's image.

Generally speaking, conflicts of interest are easily perceived and must always be avoided.

However, situations frequently occur that could give rise to questions. Such situations must be discussed with the Member's immediate Leader, and this process must be carried on along the line until the question is resolved.

The following are some situations in which a Member might experience a conflict of interest:

- Having personal interests that might affect their ability to objectively evaluate a business that is of interest to the Group.
- Possessing confidential information that could bring them personal benefits if utilized.
- Accepting an outside job or responsibility that could affect their performance at the Company.
- Accepting gifts, entertainment, travel or direct or indirect benefits from third parties that could be interpreted as a reward for gaining the Odebrecht Group's support in transactions of interest to third parties.

- Acquiring shares in companies that are clients or suppliers of the Group on the basis of privileged information, or passing on such information to third parties.
- Utilizing the company's resources for personal gain.
- Maintaining private business relationships with Clients, Suppliers and Business Partners that result in privileges derived from the Member's responsibilities at the Odebrecht Group.
- Requesting employment by or recommending job candidates to Clients, Suppliers and Business Partners.
- Hiring relatives directly or inducing others to do so without regard to the established principle of hiring on the basis of competence and potential.

Accounting Records

The accuracy and disclosure of Group Companies' financial statements are essential because they enable market agents to accurately assess the Group's business performance and prevent liability exposure.

Laws, standards and generally accepted accounting practices must be strictly observed in order to produce consistent records and reports that can be used to publicize and evaluate the Group's operations.

Respect for the Law

Odebrecht Group Members' entrepreneurial actions must always respect and comply with the laws and regulations of the country and/or region in which they are present.

The diversity of the Group's businesses and geographic locations requires ethical behavior from Odebrecht Members that goes beyond observance of the law.

All Members must observe the spirit of laws and regulations, maintain the highest standards of honesty and integrity and avoid even the semblance of impropriety.

This responsibility also extends to taking appropriate measures when Members learn of irregularities perpetrated by third parties that could compromise the Group's reputation or interests.

Social Responsibility

Odebrecht Group Members fulfill their basic social responsibility by doing high-quality, productive work, providing excellent services and products, obeying the law, preventing waste and caring responsibly for the environment.

As a result, they satisfy their Clients, create work opportunities, contribute to the development of the countries and regions in which they are present and generate wealth for society at large.

The Group spontaneously undertakes to expand these contributions to the community through its subsidiaries' sponsorship of educational and cultural initiatives, the work of the Odebrecht Foundation and support for the Hospitality Institute.

Odebrecht Group Members should be encouraged to get involved in volunteer work and community service. Members must not use Company time or funds when engaging in such actions.

Environment, Health and Safety

All Odebrecht Group Members' entrepreneurial actions must take into account safety concerns, their own health, the health of other Members, and environmental preservation, while scrupulously observing local legislation.

Questions about this Code of Ethics

Generally speaking, the people confronting ethical issues do not create them. They arise from the wide range of situations we face in the course of our personal and professional activities.

The definitions contained in this Code will help you assess and identify most such situations and avoid engaging in conduct that would be considered unethical. However, this Code does not necessarily describe all such situations in detail. Therefore, Members could come across an event or situation in which the best course of conduct is unclear.

In such cases, do not think twice. Discuss the situation openly and candidly with your immediate Leader.

If questions persist, your Leader's Leader should be consulted, and so on down the line, if necessary involving the Entrepreneurial Leader of the business area in question, and even the President and CEO of Odebrecht S.A.

Any Members who are found to be in violation of this Code or who allow any of their Team Members to do so will be subject to disciplinary action.

Any Member who is aware that any other individual is in violation of this code must inform his/her Leader of the matter. By doing so, the Member will be bolstering the Odebrecht Group's ethical principles and helping keep this Code alive and up-to-date.

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