



( 2014 BASE YEAR )

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AFTER SAILING UNDER DAUNTING CONDITIONS SUCH AS VIOLENT STORMS AND CHALLENGES, **THE MOST IMPORTANT LEGACY** IS THE LOG BOOK WITH ITS NOTES WHICH WILL SERVE AS REFERENCE IN **IDENTIFYING FLAWS AND OPPORTUNITIES FOR THEIR RESPECTIVE CORRECTIONS.**

( Amyr Klink )

# REAL LIFE

IN SCENARIOS OF UNCERTAINTIES, A COMPANY'S TRACK RECORD AND ITS ABILITY TO ADAPT TO THE SITUATION AND PRODUCE A SAFE HAVEN WHEN CONFRONTING AND CIRCUMVENTING OBSTACLES.

2014 phased out amidst a problematic scenario in macroeconomic terms. Faring ensuing storms, hurdles and risks that turned out to be even more challenging than those indicated in the surveys, Even displayed adroitness in settling important economic decisions. Actions aimed at reducing the amount of dissolutions and administrative costs, further to reviewing the strategy for launches and sales, all ensured positive financial results and gave sequence to the company's sustainability management program.

This furthermore proved to be a year when environmental issues in fact materialized on account of water and climate crisis, causing lengthy discussions on the part played by companies to preserve natural resources. In such a scenario, Even adopted a stance of self-confidence considering that it had already for quite some time been monitoring and managing water and power consumption, further to treating residues at the work sites, concentrating efforts in seeking innovation, besides addressing targets already at hand.

In this 2015 edition (2014 Base Year), the Even Annual and Sustainability Report discloses information on economic-financial performance and practices that have been making us more sustainable in the course of time. With the purpose of drawing up this report, we opted

for using GRI G4 guidelines – with essential requirements for giving greater highlight to specific impacts generated by our business and our sector. A review of material aspects has also been performed with involvement from high management in order to provide a more comprehensive understanding of the relationship among matters that have been permeating the organization at all stages of the business and which are all in the best interest of civil society.

Even has upheld its commitment of disseminating to both its external and internal publics, information on its sustainability management via its web Platform called Even Sustentável. This has contributed to achieving our aim of making our publics more aware of our daily practices and not only of posted results.

Certain that a company's perpetuity only occurs when that company holds structured processes, values and strategies focused on sustainability and transparency issues, it is our belief that these solid bases we have constituted are responsible for our smooth sailing on calm waters. Grounded on these principles, the soundness of our company has regularly produced positive results throughout the years.

# SUMMARY

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CEO'S  
MESSAGECEO'S  
MESSAGE

(G4-1 | G4-2)

The real estate market is traditionally of seasonal character. However, several atypical situations that occurred in our sector in 2014 caused direct impact over our results, affecting the growth rhythm Even had been showing in previous years.

Two major nationwide events, namely the World Soccer Cup and presidential elections both put pressure on our launch manifest, resulting in our concentrating the manifest into the fourth quarter of that year. A deteriorated macroeconomic environment which gradually aggravated as the year unfolded further forced us to make adjustments to our structure and revise several points in our strategy for the period. These actions permitted that we face a sales slump without compromising our ability of creating value for our shareholders and remaining publics of interest.

Notwithstanding all the encountered difficulties, we obtained positive results in 2014. In that year, we delivered 36 buildings at an amount of R\$ 2.3 billion in our Potential Sales Value (PSV), posting a R\$ 2.5 billion in receivables from customers due to the speed in our onlending process and portfolio control - the highest volumes in Even's history. In addition to that, we also posted a positive cash generation at R\$ 98.5 million.

On account of a slowdown to sales, Even closed the calendar year of 2014 with a R\$ 3 billion inventory. The sales of these units will be the company's primary focus in 2015, even when considering the fact that out of the total, 10% are finished products whereas 75% are units still to be delivered as of 2016.

For the purpose of allowing our sales team to remain focused on commercializing the inventory during the first half of the year, we have concentrated the 2015 launches on the second semester. With that in mind, we will also be in a position of making a safer assessment to the country's economy, adapting the launching strategy to market conditions and sales performance of products in stock.

Preference shall also be given to launching products considered more resilient to oscillations in an economic scenario, in markets with high structural demand, such as São Paulo and Rio de Janeiro, always with focus on the final user with whom we wish to preserve an increasingly closer and more effective relationship.



CEO'S  
MESSAGE

## SUSTAINABLE PRACTICES

Corruption scandals surfaced in 2014. In addition to that, the water and energy crises besetting the country since last year also served to exemplify how Even's commitment with sustainability was farsighted and one of the key pillars that ensures organizational perennity.

The fight against corruption and intensifying of corporate governance are major priority topics to conclude our strategy. Our control mechanisms have been increasingly evolving in order to preserve an ethical, transparent behavior. In 2015, we plan to continue magnifying our practices referent to those issues so that we may undergo this period of socioeconomic difficulties faced by the country creating value not only for our shareholders and employees, but also for society.

Our sustainable practices applied in a constructive process and development of new products, further to contributing to minimizing environmental impacts – a crucial practice in periods of scarcity of resources such as the one we have been experiencing – have also delivered financial gains. Last year Even was awarded the Federal Savings Bank Casa Azul Seal for one of its developments. This seal further includes the benefit of reducing production financing costs.

Nonetheless, these practices and behaviors employed by Even, which used to be previously seen merely as a pioneering spirit receiving scarce attention from civil society, are currently no longer being observed from that particular angle. The political, economic and environmental turbulences the country has been going through since 2014 have brought in its wake an important change in the scenario. People's awareness has been escalating when realizing that resources are not only finite but also scarce. Moreover, corruption produces negative waves on a country's development in economic and social terms.

Along these lines, from now on rules shall apply to all players in the market while sustainability emerges as an important differential. For us, this has become an opportunity to reaffirm our commitment of doing what we say, as well as sharing with the market our knowledge related to the topic.

One of these actions performed in 2014 was in the sense of reviewing the company's vision and values in such manner as to clarify to our publics, Even's vocation and strategy that orient its growth in the short and medium run. In 2015, our focus will be geared towards engaging and aligning all employees around these values to ensure meet our targets.

## CEO'S MESSAGE

It is our belief that the greatest legacy Even may leave is a leading, victorious, sustainable company of proven compatibility, combining a responsible operating style with a successful business.

For such, we must increasingly invest in maintaining management profoundly aligned with the country's factual socioeconomic reality. The preferred practice is to promote appreciable net financial reserves, subject company investments to attentive, thorough, focused scrutiny, maintain a lean yet efficient structure, keep employees motivated and continuously narrow relationships with customers. By means of such actions, we will be able to manage risks that may arise in the next few years.

The parts played by our employees were crucial to overcome market turbulences without affecting Even's financial health, side by side with operational effectiveness and the company's elevated control levels. For that reason, I would like to thank everybody's commitment and dedication during last year and reaffirm my confidence in your ability to contribute with the company so that in 2015, it may also remain solid and profitable.

**CARLOS TEREPIÑS**  
Chief Executive Officer



## EVEN'S LEGACY



### ▶ COMPANY

Sustainable  
Victorious  
Leader

CHAPTER 1

# TRANSPARENCY



## TRANSPARENCY

## CHAPTER 1 TRANSPARENCY

The year of 2015 at Even set off with more strategic Board Meetings in terms of Corporate Governance. This breakthrough was made possible on account of decisions made in 2014. Even has been seeking to expand the independence of its highest organ of governance, further to creating guidelines for relations with its stakeholders.

### ► UNFOLDINGS

Greater transparency to the Conduct Committee and awarding of vitality to anticorruption policies are constantly exercised in the company, inasmuch as our processes were not affected when the new Anticorruption Law came into effect during the first semester of 2014. We have been practicing strict internal policies with the purpose of checking, verifying and punishing occurrences involving inadequate behaviors from employees or executives which might jeopardize the company's management or reputation.

In 2014, there was one formal accusation of corruption filed with the Conduct Committee. This accusation involved one employee and suppliers, however not being proven during the internal audit opened to check the case. There were no accusations involving public organs.

### ► COMBAT AGAINST CORRUPTION AND CODE OF CONDUCT

Even's corporate behavior is governed by guidelines in our Code of Conduct, embodying our commitment to ethical, transparent and responsible relations with all publics of interest.

This document orients all employees to act with honesty and ethics, to avoid conflicts of interest in both their personal and professional relations, to inform their immediate superior or Even Compliance department whenever any potential risks may be identified or whenever they feel uncertain about some relationship or transaction. In cases that call for settling conflicting situations, the Board and Conduct Committee must be mobilized. The Code also addresses the approach of intangible assets and Even's asset protection including human capital and information and reputation, including confidentiality of non-permitted practices and information. (G4-41)

Even though the Even Code of Conduct already addresses the topic of corruption – a recurring problem in the civil construction sector, a problem against which Even positions itself in a compelling manner in its daily policies and daily practices – in 2014 this document was revised and reformulated in order to comply with the new Anti-Corruption Law. In addition to that, an Even Anti-Corruption Policy was also implemented including guidelines and procedures to be followed in reference to public agents.

## TRANSPARENCY

With this revision to the Code and a new policy, the corruption issue came to receive stricter treatment inside the company in such way as to make a zero tolerance position with this kind of attitude very clear inside the organization.

An independent outsourced channel was also created to receive reports of violations to the Code of Conduct and remaining company policies to guarantee confidentiality and exemption in ascertaining cases.

All company employees are introduced to the Code of Conduct and Anti-corruption Policy during the period of their integration. At that moment, they are all given a copy of the document and sign a term of consent to comply with the norms therein. This document is then filed at the company's head office. In 2014, a full campaign was conducted to disseminate the new code, policy and channel for reporting suspicious activities, further to providing employees with training courses on the guidelines in the said document.

The code is also available for consultations from all publics on the intranet and on the Even site ([www.even.com.br/PDF/codigo\\_conduta\\_even.pdf](http://www.even.com.br/PDF/codigo_conduta_even.pdf)), including an electronic formulary for anyone to contact the Conduct Committee. The document is also available on the Sustainability Platform, in the Publications section ([www.even.com.br/sustentavel/](http://www.even.com.br/sustentavel/)), as well as the Anti-corruption Policy. (G4-56)

Thus, 100% of employees receive formal communication about company policies and procedures related to fraud and corruption practices, besides internal processes and controls to combat those practices. In 2014, in addition to all those people who work at the company having received formal communication, 75% of the São Paulo employees received specific training on anti-corruption practices. 66% were trained in Rio de Janeiro. The course was administered to all functional categories. As to high management, anti-corruption policies and procedures were broadly divulged. In São Paulo, 88.89% of high management members received specific training on the issue, in Rio de Janeiro, 25%. (G4-SO4)

In 2014, Even suppliers were also informed about the Code of Conduct and the new outsourced channel to receive reports on wrongdoings. Further to that, the company implemented a platform that allows for an internal check of all of Even's potential suppliers through two large databanks on corruption and fraud: the American site InstantOface and Transparency Brasil - Empresa Sancionada. (G4-SO3 | G4-DMA)

## ▶ THE PURPOSE OF SUSTAINABILITY

### TRANSPARENCY

In Even's view, Sustainability is building a path to meet the company's Core Objective, which is to consistently generate value for its shareholders while simultaneously reducing social and environmental impacts resulting from its operations, while doing so strengthening ties with its stakeholders and embracing the challenge of contributing towards evolution of cities, acting in favor of a scenario of ethical relations.

The Even Sustainability strategy unfolds into six pillars:



### TRANSPARENCY



### CUSTOMER SERVICE EFFICIENCY



### VALUING EMPLOYEES



### CORPORATE SOCIAL RESPONSIBILITY



### SUSTAINABLE PRODUCTS



### SUSTAINABLE CITIES

**EACH PILLAR HAS ITS OWN CHALLENGES TO MAKE SURE THAT THE PURPOSE OF SUSTAINABILITY IS ADDRESSED.**

The Transparency pillar, for example, has the objective of broadening visibility of Even management for all of the company's stakeholders via clear information in its periodical reports, further to adopting management transparency mechanisms initiated with the Even Sustainable Platform to be expanded as of 2015.

This platform is currently the main channel to disseminate the Even Sustainability strategy to our internal and external publics. This role has been consolidated throughout 2014 after its launch jointly with the 2014 Sustainability Report (2013 Base Year).

In the Customer Service Efficiency pillar, Even seeks to establish relations of trust with its customers via transparent communications. Relations are long-term between Even and its customers and should remain consistent at all stages, ranging from prospecting to technical assistance.

## TRANSPARENCY

We must act in an absolutely cooperative manner, still more intensively than at any other period. Focus and cooperation must be placed on operations. For the Valuing Employees pillar, our task is to award value to and develop our employees, ensure a safe, diverse work environment, attracting, retaining and developing the best talents in the market.

Throughout the years, Even has been intensifying its Private Social Investment Policy (PISP) in order to meet the objective in the Corporate Social Responsibility pillar. There we attempt to manage Even's participation in the development of social projects aligned to long-term company objectives promoting a fair society and Sustainable Cities.

In 2014 we further advanced to another stage in the Empreendedor AQUA certification in the Sustainable Products Pillar. In it we acted to ensure that Even business enterprises are carried out complying with top standards from social, environmental and economic points of view, developing products that have become increasingly more sustainable.

And finally, in the Sustainable Cities Pillar, our purpose is to ensure management of natural resources, transportation and disposal of emissions and residues in such way as to reduce impacts from our operations in cities where we act, from the project's conception to its use by the final customer.

## ▶ ORGANIZATIONAL PROFILE

Even Construtora e Incorporadora S.A. (G4-3) holds a prominent position in the Brazilian Market as one of the largest construction companies in the country. Even acts in the metropolitan regions of São Paulo, Rio de Janeiro, Belo Horizonte and in a joint-venture with Melnick Even, in Porto Alegre. Company focus is on the residential segment and in undertakings with unit values above R\$ 250 thousand. (G4-8)

It is the 6th largest construction company in the country according to the last ITC Net ranking, divulged in March 2015, further to being the 1st incorporator and 2nd constructor in the São Paulo Metropolitan region (primary focus of action), according to the 21st edition of the Top Imobiliário award, taken place in 2014 jointly with O Estado de São Paulo newspaper in partnership with the Brazilian Wealth Studies Company (Embraesp).

For the sixth consecutive year Even has been part of BM&F-BOVESPA's Corporate Sustainability Index (ISE) portfolio, da BM&FBOVESPA, as the single civil construction company in this condition. The tenth ISE 2013/2014 portfolio, in effect since January 2015, encompassing 40 companies of proven commitment to social responsibility and corporate sustainability and with the best economic, social, environmental and governance practices. For the second consecutive year Even has been a highlight in the Exame Magazine Sustainability Guide. In 2014 Even stock started to be traded at the Bovespa Index portfolio from the BM&FBOVESPA (Ibovespa), through its EVEN3 asset.



## TRANSPARENCY

## ▶ FROM BEGINNING TO END

Even is currently 100% accountable for executing all of the phases of product development. This high level of verticality ensures greater control of the processes and costs. We seek excellence, efficiency and quality at all stages.

A constant search for innovation and operational efficiency,

high levels of operational and financial control, differentiated architectural concept of the developments, innovation capacity and focus on market demands to deliver products that meet market demands are some of the fundamentals of continuous growth and obtaining good results. All of this has kept Even cruising calm waters during the last few years.





## TRANSPARENCY

## ▶ LOOK TO THE FUTURE

Through revising its strategic planning in 2014, Even has updated its text covering the company's vision of the future in order to adjust it to the new context. The Innovation and Sustainability essences were maintained.

### MISSION

Have a positive impact on our customers' lives and make them proud of the property they have chosen. (G4-56)

### VISION

- To be a leader or vice-leader in launches and sales in the upmarket residential segment, meeting all requirements for creating value and sustainability as per the Core Objective.
- Keep a customer-oriented culture permeated throughout the entire organization, providing to them services according to each profile's needs.
- To be a reference in the industry for attracting, developing and retaining talents, with people who are motivated and proud to work in a cooperative and meritocratic environment.

### VALUES

**Transparency:** We try to practice what we say! We appreciate clear, coherent communication in all situations. We act according to ethical and moral standards, and customs accepted in civilized society.

We observe principles defined by our company in all of our relations, observing good conduct in each of those situations.

**Commitment:** We are all engaged with Even! We try to act and arrive at decisions assessing their impacts, aiming at Even's success. We are very clear with the idea that we are responsible for the company's acts. We do not cover up problems and place our best efforts in solving them. We are not satisfied with average results; we always seek to excel and develop.

**Meritocracy:** We give recognition to results! We try to act fairly and coherently awarding recognition to skills and obtained results, valuing individual and collective efforts.

**Sustainability:** We think of the future and seek company perennity in all of our decisions. We act responsibly assessing impacts resulted from our activities with all those people we interact with. Within existing limits we try to foster, follow and perfect our governance practices.

**Entrepreneurship:** We wish to do more and better! We stimulate an entrepreneurial spirit in our activities. Notwithstanding good past and present results, we carry on searching for alternatives that may improve the levels of our activities. We are in a process of opening to new initiatives that will facilitate interaction among people, groups and processes.

# CORPORATE INFORMATION

## TRANSPARENCY

**Company Name:** Even Construtora e Incorporadora S.A. (G4-3)

**Legal Nature:** Publicly held company. (G4-7)

**Traded Bonds:** BM&FBOVESPA (EVEN3)

Present in the following indexes: BM&FBOVESPA Index (Ibovespa), Corporate Sustainability Index (ISE), Broad Brazil Index (IBra), Brazil 100 Index (IBrX), Corporate Governance Trade Index (IGCT), Differentiated Corporate Governance stock index (IGCX), Differentiated Corporate Governance shares index – New Market (IGC-NM), BM&FBOVESPA Real Estate index (IMOB), Industrial Sector Index (INDX), Differed Tag along stock Index (ITAG), BM&FBOVESPA Small cap index (SmII).

**Corporate Name:** Even Construtora e Incorporadora S.A. (G4-3)

## AREAS OF ACTIVITY

(G4-5 | G4-6 | G4-8)

**São Paulo** (Head Office) | **Rio de Janeiro**

**Minas Gerais** and **Rio Grande do Sul** – joint venture Melnick Even Incorporações e Construções S.A (80% Even equity and 20% Melnick).

## RELATED COMPANIES

**Even Vendas** (Evenmob Consultoria de Imóveis Ltda.) — Real estate marketing services.

**Green** (Green Prestação de Serviços de Construção Civil Ltda.) — Company with its own skilled labor workforce performing services where structural masonry technology is used.

**Even More** — Commercializing of real estate property, focused on the São Paulo Market.

## BRANDS, PRODUCTS AND SERVICES (G4-4)

**Even**

**Open** — Real estate property for low-income and emerging segment.

**Excluseven** — System that provides finishing and floor plan options.

## ► ORGANIZATION SIZE (G4-9)

### TRANSPARENCY

	2014	2013	2012
Net Income (in billions of R\$)	2.205	2.458	2.162
Potential sales value (PSV) entered (in R\$)	2.079 bi	2.422 bi	2.517 bi
Even commissioned sales (in billions of R\$)	1.496	2.118	1.758
Gross debt (in thousands of R\$ with financing of production)	1,870,300	1,883,500	1,448,700
Long-term loans and financing (in thousands of R\$)	1,054,453	1,007,635	848,814 <sup>1</sup>
Debentures (in thousands of R\$)	305,400	410,900	409,100
Net Equity (in thousands of R\$)	2,419,495	2,315,876	2,123,497 <sup>1</sup>
Total capitalization (in thousands of R\$)	3,984,354	3,443,925	3,204,264 (adjusted)
Net assets (in thousands of R\$)	4,880,080	4,804,693	4,372,827
Active construction sites	61	70	76
Delivered projects	36	31	28
Units launched	3,835	5,004	6,359
Units delivered	7,057	6,673	6,425
Launched projects	20	27	38
Useful floor area launched (in m <sup>2</sup> )	280,593	355,230	587,803
Number of employees (Even) <sup>2</sup>	1,253	1,360 <sup>3</sup>	1,617 <sup>3</sup>

<sup>1</sup> Numbers have been corrected related to those divulged in the previous report due to a difference in rounding up numbers.

<sup>2</sup> Number relative to CLT (Consolidation of Brazil Labor Laws), interns (excluding minor apprentices, third party and temps).

<sup>3</sup> Since the Even Head Office in São Paulo (SP) gives managerial, technical, administrative and consulting support to units from other markets Even has settled for reporting the number of employees together from all the markets with the purpose of avoiding distortions in interpretations.

## TRANSPARENCY

## ▶ ECONOMIC PERFORMANCE

Both the World Soccer Cup and presidential elections produced significant impacts over the country's economy in 2014 and consequently, over Even results during that period. Due to uncertainties in a macroeconomic scenario, consumers started delaying their decisions regarding the purchase of real estate property. This in turn impacted company sales which turned out lower than those in the previous year.

In 2014, Even posted a R\$ 323.2 million operational profit, 14.5% lower than that of 2013. This variation occurred mainly on account of a decrease to the volume of launches and lower sales speed. Also posted was a drop to net profit which accounted for R\$ 252.4 million, R\$ 30.5 million short in comparison with 2013. The same thing occurred with a net margin at 12.4%, 0.9 of a percentage point lower than in 2013. A reduced year revenue further impacted directly over the EBITDA, which slid from R\$ 378 million against R\$ 473 million in 2013. The EBITDA margin dropped from 19.2% to 17.1%.

In spite of these variations, we were able to maintain the net debt and leverage level (47.4% net debt/net equity), even after acquiring plots of land equal to R\$ 3.6 billion in potential sales value. Our financial soundness results form a favorable level of receivables from customers and an excellent onlending of real estate funding even in a record year of deliveries. (G4-DMA)

## ▶ POTENTIAL SALES VALUE (PSV)

In 2014, 15 undertakings were launched and five phases distributed among São Paulo, Rio de Janeiro and Porto Alegre, totaling a whopping R\$ 2,079.5 million in PSV. The average PSV by building accounted for R\$ 111.3 million. Of the 20 launches in the year, 12 were in the city of São Paulo, which corresponds to 72% of the launched PSV; 17 of those come from the low-income, emerging segments, medium and up-scale standards.

In late 2014, contracted sales equaled to R\$1,496 million during that period. Even Vendas accounted for 65% of the company's sales total in 2014, in São Paulo and Rio de Janeiro, launches accounting for 57% of these sales and 69% of the sales of remaining units.

## ▶ INVENTORY

We closed the year with an inventory of R\$ 2,996 million PSV, this sum accounting for 24 months of sales, considering the rhythm in the last 12 months. 10% corresponded to finished units even with a high volume of deliveries in the past twelve months, totaling R\$ 2,261 million in PSV.

In the accumulated for 2014, we acquired 30 plots of land summing up R\$3.6 billion in potential sales value, 51% of these in São Paulo.

**TRANSPARENCY**
**▶ SÃO PAULO (SP) MASTER PLAN**

In the last few months, on account of the master plan for the city of São Paulo having been revised establishing incentives for the construction in less inhabited areas, we have directed our efforts into acquiring land plots in the capital city with the purpose of maintaining launches in this market subject to the previous master plan's rules.

This effort in acquisitions guaranteed that the company maintain in its portfolio, products with a greater constructive potential, in accordance with the highest coefficient established in the previous Plan's zoning. This strategy further gave us more time to launch products governed by the new urban rules.

**R\$2.3 BILLION AND  
7,057 UNITS**

During the year, 36 projects at a R\$2.3 billion total and 7,057 units were delivered. All undertakings launched by the company until 2009 were delivered as well as part of the 2010 harvest, to be fully concluded until early 2015. Upon revising the construction work schedule, the volume of deliveries forecasted for 2015 moving from R\$ 1.7 billion to R\$ 2.1 billion was increased, this confirming the quality of our controls and operational capability.

**▶ FINANCING**

Our construction financing rate continues at a high threshold in accordance with company strategy. Out of the total projects launched and ongoing construction, a mere two of them launched in the 2nd and 3rd quarters of 2014 still did not hold a formal financing agreement.

On account of our commitment with sustainability, both in the development of our projects as well as our productive process, in 2014 we were awarded the Blue Seal (Selo Casa Azul) by the Federal Savings Bank (Caixa Econômica Federal). Undertakings that obtain this certification receive a cost reduction benefit to production financing.

**▶ QUALITY OF OUR CUSTOMER PORTFOLIO**

The process of transferring property to Even customers via bank loans became even more effective in 2014. We maintained a high level of concluded transfers in up to 90 days starting as of the date of issuing the certificate.

The year generated a total of R\$ 2.4 billion customer receivables, considering both ongoing and concluded units. This means we have maintained an effective collection operation, especially those of onlending, which proves quality to our portfolio.



## TRANSPARENCY

Even policy is to closely monitor our customers' payment behavior in order to quickly solve any identified problem in such way as to preserve a compliant portfolio of big success at the moment of onlending. Frequent credit analyses are performed throughout our relations with our customers in order to monitor an evolution of a defaulting portfolio. The volume of dissolutions is estimated for each year and preventive actions are taken to reduce that which has maintained things in line with our planning.

## 2014 HIGHLIGHTS

**R\$ 252** | million  
of net profit

**R\$ 98.5** | million in cash  
flow generation

**36** | delivered  
developments

**34.6%** | gross  
margin

**R\$ 2.3** | billion  
in PSV

**R\$ 2.5** | billion customer  
receivables

## ► INCOME STATEMENT

### TRANSPARENCY

	2014	2013	2012
Net Revenue (thousands of R\$)	2,205,895	2,458,987	2,511,482
Gross Profit (thousands of R\$)	614,240	695,339	711,233
Gross margin Adjusted (%) <sup>1</sup>	34.6%	33.5%	31.8%
Profit/loss in the period (in million R\$)	252,412	282,886	403,321
Net Margin (%) – Before Minority Part.	12.4%	13.4% <sup>2</sup>	14.4%
Earnings per share (R\$ / share)	1.12	1.21	1.10
# of shares (million shares)	233,293	233,293	233,293
EBITDA (million R\$)	378,233	472,747	515,506
EBITDA Margin (%)	17.1%	19.2%	20.5%

<sup>1</sup> Excluding only the effects of financial charges appropriate to the cost (corporate debt and financing of land plots and production).

<sup>2</sup> Number corrected in reference to that divulged in the previous report due to a difference in rounding up the number.

## ► OPERATIONAL DATA

LAUNCHES	2014	2013	2012
Number of launched developments	20	27	38
PSV (100%) (million R\$)	2,225,306	2,930,526	2,800,709
PSV (% company) (million R\$)	2,079,465	2,422,901	2,516,821
Number of launched units	3,835	5,004	6,359
Floor area of launched units (100% – in m <sup>2</sup> )	280,593	355,230	587,803

**SALES****TRANSPARENCY**

	2014	2013	2012
Contracted sales (100%) (million R\$)	1,725,749	2,439,992	2,028,567
Contracted sales(% company) (million R\$)	1,496,280	2,118,495	1,758,308
Floor area of sold units (100% – in m <sup>2</sup> )	239,426	309,583	318,692
Number of sold units	3,629	4,888	3,849

## ▶ STATEMENT OF ADDED AND DISTRIBUTED VALUE

(in R\$ million) (G4-EC1)

	2014	2013	2012
Direct economic value generated (Revenues)	2,415,870	2,608,858	2,283,843
Economic value distributed	-2,223,406	-2,393,159	-2,087,942
- Operational Costs	-1,799,927	-1,964,607	-1,654,207
- Salaries and employee benefits	-198,664	-183,886	-162,181
- Payments to capital providers	-103,610	-112,619	-138,134
- Payments to government	-119,896	-131,114	-132,986
- Investments in the community	-1,309	-933	-434
Accumulated economic value	192,464	215,699	195,901

Access Even complete results in the standard Financial Statement document in the period ended on December 31st, 2014, published by the Brazil Securities Exchange Commission (CVM) on March 10th, 2015, available at:

[http://www.mzweb.com.br/Even/web/conteudo\\_pt.asp?idioma=0&conta=28&tipo=2047](http://www.mzweb.com.br/Even/web/conteudo_pt.asp?idioma=0&conta=28&tipo=2047)

## TRANSPARENCY

## ▶ CORPORATE GOVERNANCE STRUCTURE (G4-38)

Even's shares are traded on the BM&FBOVESPA New Market, a segment consisted of companies that are committed to observing stricter corporate governance practices than those required by law. Even's corporate governance contributes to the establishment of trust relations between the company and all its publics. It is composed of the Board of Directors, the Statutory Board, a statutory committee and other supporting non-statutory committees that act on specific topics.

In March of 2014, Even claimed and obtained an extension to the deadline for observing the BM&FBOVESPA New Market requirement determining that the functions of executive president and chairman of the board may not be exercised by the same person at companies with this governance level. Therefore, Carlos Eduardo Terepins shall remain filling both positions until November 15th, 2015. This period may be extended until the 2016 General Meeting that will approve accounts from the prior year. For the purpose of dealing with this situation, the Management Board decided to create a Statutory Succession Committee now in progress.

**BOARD OF DIRECTORS (BOD)** — Even's highest governance body consisted of six elected members. One of these is the company's Chief Executive Officer, Carlos Eduardo Terepins, who accumulates the position of President of the Board. All are elected and appointed at the Annual General Meeting (AGO in Portuguese). (G4-38 | G4-39)

The board observes the New Market rules. They are chosen based on qualifications, sector knowledge and proven experience as market executives, further to the absence of conflicts of interest. (G4-40) Out of the six currently elected members, four are independent members -over the minimum 20% required. The General Meeting that re-elected the members took place on April 30th, 2015.

Ordinary meetings are conducted quarterly but extraordinary sessions may be convened whenever considered necessary. Impacts, risks and opportunities are thoroughly discussed in all of them. (G4-47) Among the BOD's responsibilities are establishing and approving strategic business operations, appointing directors, supervising administration, monitoring implementations and periodically assess the president's and directors' actions. (G4-44) Implementing the board's decisions rests with Even's statutory and executive boards. They further analyze performance appraisals and the Even yearly report that includes socio-environmental indicators considered relevant to the company.

It is of BOD's accountability to determine and monitor the implementing of company strategy, projects in expansion, investment programs and definition of the Even employee's profit-sharing program. The board is also accountable for monitoring the evolution of all strategic risks and have direct influence on situations of low, medium and high risk, based on information obtained in consultation programs with

## TRANSPARENCY

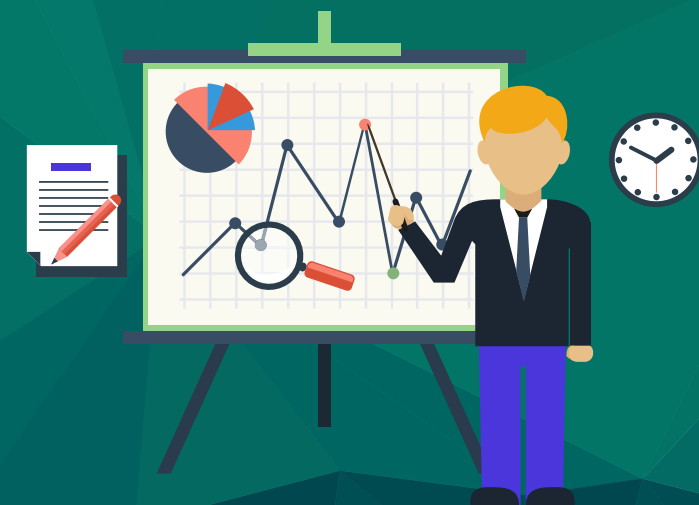
stakeholders, customer satisfaction surveys, and meetings with shareholders. The executing of BOD decisions is of the Even Statutory Board and Executive Board's responsibility. (G4-45 | G4-46)

**STATUTORY BOARD** — composed of members elected by the BOD. This board's function is that of putting business strategy approved by BOD into practice and developing action plans and projects. It remains further accountable for the company's operational and financial performance. This board convenes weekly.

**FISCAL BOARD** — This board is not of permanent character. When established, it remains accountable for overseeing and checking management activities, reviewing and analyzing financial statements and annually reporting their opinions to the shareholders. In this case, it remains in effect until the General Meeting after it was established. A Fiscal Board was not established in 2014.

**STATUTORY SUCCESSION COMMITTEE** - Established in 2014 by BOD, this committee has the objective of advising the BOD until the positions of Chairman of the Board and company CEO are no longer filled in by the same person. The Succession Committee is composed of at least three members and coordinated by one of the BOD's independent members. Among the attributions is monitoring the implementing of this plan besides identifying, analyzing, and proposing candidates for BOD Chairman and President and giving support to this selection plan.

**SUSTAINABILITY COMMITTEE** — Sustainability management conducts this Committee, which is composed of the President and Directors of all Even business areas. This Committee's goal is to assess the company's economic, environmental and social performance in order to delineate its sustainability strategy. Occasionally it has invited participants, such as market experts, to deal with specific issues. It has support from the sustainability committees at operational units in Minas Gerais, Rio de Janeiro and Rio Grande do Sul, which apply the guidelines defined by the main committee in their respective business units. Its meetings take place every four months in São Paulo and fortnightly or monthly in other business units. (G4-38) In 2014, the Sustainability Committee performed a broad assignment to disseminate Even's Sustainability strategy among its stakeholders using its internet platform.





## TRANSPARENCY

**CONDUCT COMMITTEE** — Acting independently and autonomously, its function is to assess suggestions, complaints and reports of violations to the Code of Conduct's guidelines and norms that may be forwarded by employees and other internal and external Even publics. This is done through a communication channel available on the internet. Confidentiality is assured. In 2014, the Committee underwent a reformulation in order to adjust to the new company guidelines covering anti-corruption conducts and practices. The conduct committee is currently composed of four directors from four different Even areas. Whenever necessary the committee may count on the President's presence. This Committee is not of a deliberative character. Its recommendations are forwarded to the boards accountable for applicable actions and each case is reported to the President. Meetings are bi-monthly yet can be convened extraordinarily whenever this becomes necessary.

### ▶ SHAREHOLDING STRUCTURE

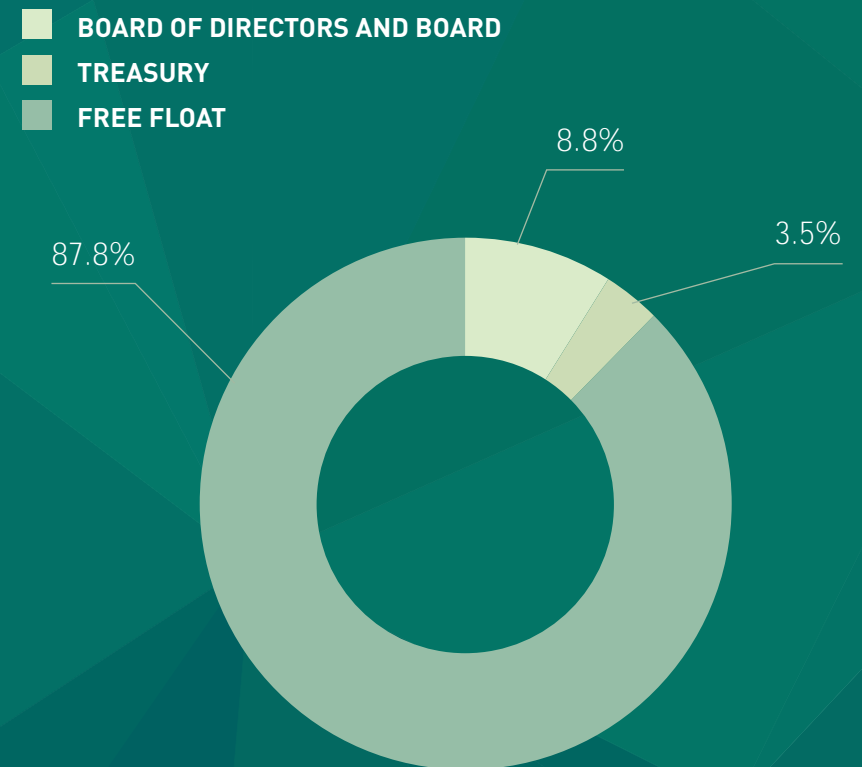
In February 2014, Even embarked on its share buyback program. The program fulfilled 100% of its target, including the acquisition of 5.1 million shares in the fourth quarter of 2014 and 409.1 thousand shares in early 2015.

In spite of the company's share buyback, the shareholding structure displayed minor changes in 2014, only a small reduction to free float. No significant changes were posted to the composition of shareholders in 2014, nor was there any corporate reorganization or alteration to the company's

structure. There were also no changes to the social capital's structure or other capital formation, maintenance or alteration, or alterations to locations or to the organization's operations, such as openings, closing or expansion of facilities. (G4-13) The government does not take part in the organization's shareholding structure. (G4-EC4)

### Shareholding Structure

(on 12-31-2014)



(Total Shares: 233,293,408)

## ▶ GOVERNANCE CHART

(G4-34)

### TRANSPARENCY

#### BOARD OF DIRECTORS ON 30/04/2015

Carlos Eduardo Terepins – President  
 Michel Jacques Levy - Vice-President and Independent Counselor  
 Luis Terepins – Counselor  
 Nicolau Ferreira Chacur - Independent Counselor  
 Roberto de Aguiar Attuch Jr. - Independent Counselor  
 Adriano Cives Seabra – Independent Counselor

Members elected during Ordinary General Meeting held on April 30th, 2015

#### STATUTORY BOARD

Carlos Eduardo Terepins - President  
 Silvio Luiz Gava - Chief Technical and Sustainability Director  
 Dany Muszkat - Chief Financial Officer and Investor Relations Director  
 João Eduardo de Azevedo Silva - Chief Real Estate Development Director  
 Paulo Otávio Gonçalves de Moura - Chief Corporate Affairs Director

#### EXECUTIVE BOARD

Daniella Sasson de Figueira - Financial Executive Director  
 Eduardo Cytrynowicz - People and Management and IT Executive Director  
 Fabio Terepins - Executive Director /RJ  
 Meyer Alberto Cohen - Even Vendas Executive Director

#### MANAGING DIRECTORS

André Penteado Zaidan - Director of Supplies  
 Bruno Ghiggino - Financial Administrative Director/RJ  
 Eduardo Artimonte Rocca - Projects and Planning Director  
 Fabiano Andrade Delvaux - Compliance Director  
 João Paulo Laffront dos Santos - Commercial Director Even More  
 João Roberto Balan Barbosa - Operations Director - Even Vendas/SP  
 Marcello Saicaly Zapparoli - Operations Director/SP  
 Marcelo Dzik - Director of Real Estate Development/SP  
 Marcelo Lenttini de Moraes - Operations Director/SP  
 Marcelo Simões Serra Serio - Operations Director/RJ  
 Maurício Duarte Belo - Director of Real Estate Development/RJ  
 Vinicius Ottone Mastrorosa – Strategy, Management and Economic Studies Director

## ▶ TOP MANAGEMENT REMUNERATION

### TRANSPARENCY

The goal of the remuneration policy for statutory directors, non-statutory directors and members of the Board of Directors is to attract and retain the best talents in the market. Even's remuneration values paid to its administrators are based on market surveys and are composed of a fixed income for delivered services.

In the cases of directors, variable remuneration model allows us to align the interests of our shareholders with the company executives' interests. This variable model is transparent and intended to reaching both solid results and our perennity. (G4-51 | G4-52)

Members of the Fiscal Board, when one is established, earn an income as contemplated in the Brazilian Corporations Law. This means the remuneration is established during the General Meeting when they were elected and must not be inferior for each exercising member, to 10% of the average remuneration attributed to each Director without the addition of benefits, representation funds or profit sharing. Additionally, Fiscal Board members are entitled to compulsory reimbursement of expenses made with transfers and lodging necessary to perform their functions.

Members of the Statutory and non-Statutory Boards earn a fixed income including a fixed monthly salary plus multiple benefits such as life insurance, meal ticket, medical and den-

tal assistance and a variable remuneration based on profit sharing or buying Even company shares. The strategy of fixed and variable remuneration, share option plans and indication of beneficiaries are approved by the Management Board.

Fixed salaries are periodically compared with market rates allowing us to concentrate a significant part of the total remuneration of variable incentives which makes our Directors share the company's risks and results. Through that, we create tighter alignment between our executives and our shareholders.

The objective of short-term variable remuneration rewards the year's result if targets set for that period have been met.

### SHORT-TERM VARIABLE REMUNERATION REWARDS THE YEAR'S RESULT

Likewise, action-based long-term variable remuneration aims at rewarding the result from a longer period, a value resulting from an increase to Even's value.

## TRANSPARENCY

## ▶ INVESTOR RELATIONS

In order to maintain its course sailing on calm waters, the Even Investor Relations area established a direct communication process with shareholders and market analysts via telephone calls, e-mail and physical presence meetings. The objective is to be constantly available for the purpose of solving doubts, offering qualified information and responding to demands that the shareholders may eventually come up with.

Further to this customized service there is still a specific site for the area ([www.even.com.br/ri](http://www.even.com.br/ri)) offering information on the company's performance and guidelines for those who wish to acquire company shares. Moreover, in order to provide further explanations to our investors and current results, we arrange conference calls, annual non-deal road shows, and public meetings arranged by the Associação dos Analistas e Profissionais de Investimento do Mercado de Capitais (API-MEC), an association of investment professionals with the objective of providing further clarifications to our investors. In 2014, further to broaching regular financial topics, the annual meeting included an exclusive presentation to drive the Sustainability agenda forward among these stakeholders.

Even still offers other channels for shareholders and other publics of interest get in touch directly with the company's high management, in addition to our Committee of Conduct. In 2014 there were no complaints made to the highest governance organ although channels, such as the Talk to the President were all active, further to ordinary and extraordi-

nary meetings during which there is a Q&A with Even managers. (G4-37 | G4-26 | G4-49 | G4-50)

## ▶ RELATIONS AMONG THE SECTOR

We also seek to establish quality relationships with our competitors, government and financial institutions, based on respect for the legislation in force, ethics, and transparency. Regarding competitors, we encourage good sector practices and seek to contribute to reducing negative impacts and increasing the positive impacts of civil construction through our activities and investments in innovation and sustainability. Even is affiliated to the sector's trade unions and also participates in top entities that promote sustainability in civil construction: (G4-16)

- Brazilian Council for Sustainable Building (CBCS in Portuguese);
- Trade Union for Purchase, Sale, Leasing and Management of Residential and Commercial Real Estate Property (Secovi – Union for Housing) – Even is affiliated to Secovi in the states of São Paulo and Rio de Janeiro;
- Civil Construction Industry Trade Union (SindusCon);
- Association of Real Estate Property Managers (ADEMI/RJ);
- Brazil Association of Publicly-Held Companies (Abrasca).



## TRANSPARENCY

## ▶ PREVENTION AND RISK MANAGEMENT (G4-14)

Even applies the prevention principle in its management and construction processes supplementary to product development in order to guarantee safety to its employees, customers and suppliers under several aspects, and to minimize risks inherent to their activities.

The principle of precaution refers to the approach used to face potential environmental impacts.

In accordance with the Rio Statement referent to the United Nations Document on the Environment and Development (Declaration do Rio sobre Meio Ambiente e Desenvolvimento das Nations Unidas), "whenever there are threats of serious or irreversible damage, the absence of pure scientific certainty shall not be used as a reason to delay economically feasible measures to prevent environmental degradation".

Even works with the objective of adopting increasingly more sustainable practices, an attitude directly linked to risk management in its economic, social and environmental operations. Further to applying the precaution principle to its management, building and product development processes, Even also performs self-appraisal, producing internal audit reports, investigating reports received by the Ombudsman and issues eternal reports.

Health and employee safety issues are objects of special at-

tention at Even construction sites, due to occupational risks inherent to characteristics of civil construction activities. Through worksite routines and committee actions, the company strives to reduce these work-related risks. As to our customers, Even considers for their undertakings, items of health, comfort and safety in the building projects, as well as protection to registered information on customer files.

“

**AT EVEN, OPERATIONAL RISK MANAGEMENT IS CONDUCTED BY THE COMPLIANCE AREA. INTERNAL AUDIT WAS DEACTIVATED IN 2014, ITS PROCESSES INCORPORATED BY THE COMPANY'S REMAINING AREAS.**

”

Compliance accomplishes management of Even operational risks. Internal Audit was deactivated in 2014, all of its processes incorporated by remaining areas in the company. Major operational risks are related to productivity with the increase of operational volume (number of customers, assignments, launches etc.) and internal controls.

Among major benefits of Even's risk management process are the strengthening of the brand, increased trust from



## TRANSPARENCY

customers and investors, creation and improvement of internal procedures, increased internal safety conducts and improved efficiency in divulging information and pointing out possible risks, resulting in a safer conducting of the company.

In an environmental aspect, the sustainability area performs two kinds of inspections in all of Even's works. One of those is the sustainability Inspection split into two categories: environmental, where 25 items are verified, among those, waste management; Inspection 5S (Total Quality Methodology) where 17 points related to organization are monitored, cleanliness, selection, conservation, and self-discipline at building site. Furthermore, we have the Quality audit that handles certifications ISO 9001, PBQP-H and AQUA. (G4-DMA)



Even also maps financial risks resulting from events related to climate change, such as excessive or scarce rainfall. The company draws up this process jointly with the development's feasibility study, prior to the purchase of land plots. In order to approve necessary investments, consideration is given to issues ranging from flooding of the region slated as building site for the development, up to the amount of forecasted rainfall at the time of initiating construction work.

This mapping acquired an even greater importance in 2014, considering the draught occurred during this period provoking a water supply crisis and which will carry reflexes to the 2015 construction works. Through improvement to the management of such risks, Even may be prepared to face a possible shortage in supply from the water concessionaires. (G4-EC2)

Due to the above described processes, no significant fines were applied to the company in 2014, as well no administrative sanctions related to non-conformity with laws and regulations. (G4-S08)

CHAPTER 2

# CUSTOMER SERVICE EFFICIENCY

São Paulo (SP) Pateo Vila Pompeia Building



## CHAPTER 2

## CUSTOMER SERVICE EFFICIENCY

CUSTOMER  
SERVICE  
EFFICIENCY

A relationship between a construction company and its customers is usually one of long-term character. From the purchase of property at the stand until the final period of warranty and technical assistance upon delivering the property, all adds up to years of relationship. In 2014, customer profile went back to a customer who invests in a dream home, in a property where they will live. In order to balance this relationship, Even has established an overall vision to guide relationship actions, which equals to remaining close to their customers. It is being aware of what that customer wants and needs so getting to know them better is a must.

In 2014 Even invested a great deal of time to understand who these people are, what they place value on and what they do not like. The results of this study should surface in 2015 through the adopting of CRM tools and segmenting.

A major challenge in this process is getting the customers to understand the importance of the efforts placed by Even in sustainability issues so that they may use all of the benefits forecasted when this project was conceived.

In 2014, an insertion of topics such as crisis in the energy and water supply opened a door for deeper discussions about these and other long-term management issues that may be

reverted to adequate usage as well as an increase to a potential use of Even products. (G4-DMA)

► **FOR A BALANCED RELATION**  
(G4-PR5)



Understanding a customer's mood towards a company is a constant challenge since this is a long-term relationship swaying through totally distinct moments along the way. In order to continue on calm waters, the Even Customer Service Area performs a yearly customer satisfaction survey at all regions where it is present with the purpose of identifying points for improvement and forwarding them to the responsible areas.

In 2014, this survey was carried out with customers from São Paulo, Rio de Janeiro and Belo Horizonte, having produced a quite satisfying result: there was a 44% drop to the number of dissatisfied customers for the item General Satisfaction with Even (company general average). Areas with the highest drops in the number of ticks for 'dissatisfied' were:

**CUSTOMER  
SERVICE  
EFFICIENCY**



<p><b>EXCLUSEVEN SP (mid works)</b> 33% drop to dissatisfied.</p>	<p><b>EXCLUSEVEN RJ (mid works)</b> 65% drop to dissatisfied.</p>
<p><b>ENGENHARIA SP (mid works &amp; key-handing)</b> 50% drop to dissatisfied.</p>	<p><b>ENGENHARIA RJ (mid works &amp; key-handing)</b> 76% drop to dissatisfied.</p>
<p><b>SP TECHNICAL ASSISTANCE (post key-handing)</b> 44% drop to dissatisfied.</p>	<p><b>RJ TECHNICAL ASSISTANCE (post key-handing)</b> 59% drop to dissatisfied.</p>

These rates point out that Even has evolved in its customer services processes and actions during delivery and key-handing phases. Currently, the most critical phase in relations with customers happens during the onlending process, i.e., when the property financing is transferred to the banks. In 2014, a pilot Project was initiated to improve the support given to the customer during this stage of the relationship. Our best efforts will be placed in this aspect during 2015.

An additional function emphasized in 2014 was the segmenting of our customer base. It is Even's understanding that there is a need to define who these customers are in order to offer them adequate customer service at this significant occasion in their lives. For such, information concerning our customers has been consolidated into one single database so that this information may be used to define relationship strategies with each Even customer profile.

**CUSTOMER  
SERVICE  
EFFICIENCY**

► **HIGH DEMAND**

In 2014, 288,669 calls from customers were received, out of these, 282,905 (98%) were classified as requests, information inquiries and compliments, whereas 5,764 (2%) were entered as complaints. Of those entered as complaints, 3,635 (63.2%) were received by the Customer Services Central while 2,120 (36.8%) were received by the Ombudsman. Out of the complaint total, 5,670 (98.5%) were solved during that period. (G4-S011)



**282,905** (98%) CALLS  
classified as requests, information  
inquiries and compliments.

► **ONE PORT AT A TIME**

The launch of a development is generally the first moment when Even comes in touch with a customer. This takes place through marketing communication actions, materials and through customer services provided by real estate agents at sales stands.

As of this moment, all of Even's communication and marketing material undergo evaluation from the Compliance area that must ensure we are releasing efficient, clarifying information. Communication guidelines include procedures for disseminating advertisements and promotional actions, internal policy for publishing marketing campaigns (product launches) and footnotes standards for advertisement. As requirements for advertisement material approval, we seek to respect the basic principles of consumer protection by releasing clear and objective information. (G4-DMA)

Due to this meticulousness, in 2014 Even did not record any case of non-conformity with regulations or internal or voluntary codes of marketing and advertising communications. (G4-PR7)

► **PERSONAL OPTIONS**

With the purpose of increasing customer satisfaction, for all residential projects during their construction phase, Even offers the possibility of adapting a differentiated floor plan and choice of distinct options of finishing among several models made available by the company, all complying with technical feasibility and safety norms. This may avoid environmental impacts that may be caused when customers who upon receiving the keys, decide to make alterations and renovations to the property on their own.

The company also invites customers to make programmed visits to the building during its construction. During these



**CUSTOMER  
SERVICE  
EFFICIENCY**

visits, they have an opportunity to check progress made at the construction site and enjoy a first contact with their own units. These visits convey greater tranquility and safety to the customer, besides creating a relationship of greater trust with the company. During the visit, customers are hosted by Even teams prepared to clarify doubts and to explain construction details, including those linked to the Empreendedor AQUA certification. (G4-26)

► **MANAGING ANXIETY**

One of the critical factors for the entire sector is the delivery deadline of units. Aware of the impact a delay to a construction carries to a customer's life, we always try to keep them well-informed about deadlines for concluding the property acquired by that customer. This task is conducted by Customer Relations Central. This is a manner of following up which also has to do with a stable relation since the moment of handing over the keys is such an awaited one. Even faced with the pressure of deadlines, we make a commitment to deliver real estate units with prime technical quality and complete legal documentation, protocol of registration included so that customers may proceed with their financing processes and other actions necessary upon receiving units after conclusion of the works.

The handing of the keys to the units takes place at a very special moment so that once more we may establish a closer relationship with our customers. At that moment, we show the customers the important points in the Proprietor's Manual, procedures that follow the handing over of the keys, further to available services for an adequate use of the property.

These are Technical Assistance and Assets Conservation and Condominium Management.

The Technical Assistance area is responsible for catering to requests during the entire after-delivery period that starts three months following the meeting for establishment of the condominium and ends at the closing of the period of warranty. These requests may come through the Relationship Central or through an Ombudsman. All repairs made by Technical Assistance adhere to the same sustainability guidelines and procedures used during the construction. With this information at hand, customers may use the potential offered for their property.

When better informed, customers will have less day-to-day doubts yet, should there be any problem with the property, they can always rely on the Technical Assistance area. The Technical Assistance area is responsible for catering to requests during the entire after-delivery period that starts three months following the meeting for establishment of the condominium and ends at the closing of the period of warranty. All repairs made by Technical Assistance adhere to the same sustainability guidelines and procedures used during the construction.

In 2014, 95.91% of the requirements incoming calls received by the Technical Assistance area were addressed in a 25 day period, as contemplated in the agreement.

## ▶ TECHNICAL ASSISTANCE- 2014 SERVICES

### CUSTOMER SERVICE EFFICIENCY

Time Frame	Percentage of solved requests (accumulated)
0 to 5 days	60.82%
6 to 10 days	71.78%
11 to 15 days	81.92%
16 to 20 days	91.34%
21 to 25 days	95.91%

## ▶ LONG-LASTING RELATIONSHIP

Upon handing over the keys and establishing a condominium Even maintains a relationship of around five years with its customers. For that reason, the Assets and Condominium Management area, accountable for protecting company assets, gives support to condominium management established in operations delivered by Even, as of the initial phase for establishing a condominium up to its full maturity. Received requests are compiled and studied in order to detect opportunities for project improvement.

CHAPTER 3

# VALUING EMPLOYEES



Bringing Internal Public on Board – HR Event Sustainability Week in São Paulo (SP)



## CHAPTER 3

# VALUING EMPLOYEES

### VALUING EMPLOYEES



The only possibility of navigating safe waters is having a top-notch crew to anchor the company, who in turn, engages its employees to a formidable challenge. Through the strengthening of its culture, Even attempts to overcome this barrier. It is our belief that a motivated team that profoundly identifies itself with our values and commitments, is crucial to make this company live through more difficult periods without deviating from its course, thus ensuring its solidity and perennity.

Since transparency is one of the strategic pillars of Sustainability at Even, the first step towards that engagement was awarding greater visibility to planning the employees'

remuneration and careers. In 2013 with the development of this engagement and its application in 2014, Even promoted an alignment between company objectives and those of the people who were then working, as well as the newly-hired. Thus the process became clearer and more transparent to our employees. An enlargement to the access to information is planned to be continued as a core engagement focus in 2015.

The civil construction industry – one of the greatest employers of manpower in Brazil. Labor relations, health and safety conditions at the construction sites are some of the major challenges faced by the sector. Even operates in such way as to make its construction sites an example of relationship with the people who build their products.

In conceiving each and every construction site, Even assesses operational impacts related to human rights, such as, respect to the right to life, rejection of child labor or slavery at construction sites, offering of dignified, comfortable and safe work conditions, complying with work agreements for each category and promoting educational inclusion for the employees, among other aspects. (G4-HR9)

The company also considers it crucial to develop career growth through merit and transparency in processes of People Management. (G4-DMA)

## ▶ PERFORMANCE APPRAISAL

In 2014, the People Management area gave sequence to new routines focused on meritocracy and on the empowerment of managers putting into practice projects outlined in the previous year.

The new model for performance appraisal based on a combination of skills versus results scored by employees, for measuring their performance was applied throughout the whole company. Since this model awards greater transparency, the process obtained high accession from Even employees with the addition of actions for promotions, remuneration and training.

Just as in the previous year, in 2014, 100% of the employees received feedbacks linked to their performance and career development appraisals. (G4-LA11) Operational level employees took part only in the result appraisal. As of the analyst level, employees took part in skills and results appraisals that considered three factors: company grade (result), area grade and individual grade. (G4-LA11)

### VALUING EMPLOYEES





▶ **EMPLOYEES WHO RECEIVED REGULAR PERFORMANCE AND CAREER DEVELOPMENT APPRAISALS (G4-LA11)**

**VALUING  
EMPLOYEES**

	NUMBER OF EMPLOYEES	NUMBER OF EMPLOYEES WHO RECEIVED REGULAR PERFORMANCE AND CAREER DEVELOPMENT APPRAISALS	%
<b>Employees Total</b>	<b>1,253</b>	<b>1,253</b>	<b>100%</b>
<b>Women</b>	<b>363</b>	<b>363</b>	<b>100%</b>
<b>Men</b>	<b>890</b>	<b>890</b>	<b>100%</b>
ANALYST	204	204	100%
ASSISTANT	179	179	100%
COORDINATOR	98	98	100%
DIRECTOR	21	21	100%
ENGINEER	82	82	100%
SPECIALIST	64	64	100%
MANAGER	92	92	100%
OPERATIONAL	490	490	100%
TECHNICIAN	23	23	100%

## ▶ TRAINING

Training was one of the People Management area's most active fields in 2014. Actions were split into two groups: technical involving the know-how needed to perform one's job at the construction site; then general training based on exchanging accounts of business-relevant experiences and Even related culture and values, e.g., innovation, sustainability and career development. In both cases focus remained on an employee as lead actor/actress in their development and alignment of training activities with their daily professional activities.

Among the undertaken initiatives, highlight goes to the Leader Development Program (PDL in Portuguese), targeted to managers; Engineers Development Program (PDE in Portuguese), targeted to site managers and engineers; Development Weeks, featuring lectures open to all employees; Visits to the sites, which permit that employees have direct contact with Even developments during their various stages (sales stands, sites, ready units); and Getting to Know Our Business which through an intranet tool and lectures, provides details on our company's role and performance.

Based on the outcome of a performance appraisal, employees were encouraged to set up a training plan called Individual Development Program (PDI in Portuguese). PDI was devised based on the necessary skills to develop one's career and to perform activities made available by Even. (G4-DMA)

### VALUING EMPLOYEES

**THE FOCUS** remained on an employee as **LEAD ACTOR/ACTRESS IN THEIR DEVELOPMENT.**



▶ **TRAINING COURSES CONDUCTED IN 2014** (G4-LA9)

**VALUING  
EMPLOYEES**

	NUMBER OF TRAINING HOURS OFFERED	NUMBER OF EMPLOYEES	AVERAGE OF TRAINING HOURS/EMPLOYEE
<b>Total</b>	<b>9,841</b>	<b>1,253</b>	<b>7.85</b>
<b>Women</b>	<b>3,846</b>	<b>363</b>	<b>10.60</b>
<b>Men</b>	<b>5,995</b>	<b>890</b>	<b>6.74</b>
ANALYST	1,380	204	6.76
ASSISTANT	683	179	3.82
COORDINATOR	1,601	98	16.34
DIRECTOR	32	21	1.52
SPECIALIST	816	64	12.75
ENGINEER	2,726	82	33.24
MANAGER	2,108	92	22.91
OPERATIONAL	467	490	0.95
TECHNICAL	28	23	1.22

## ▶ TRAINING COURSES CONDUCTED BY THE SUSTAINABILITY AREA

	NUMBER OF PARTICIPANT EMPLOYEES	HOURS OF TRAINING PER EMPLOYEE
Administrative	44	4
Interns	27	4
Engineers	38	2

### VALUING EMPLOYEES

## ▶ REMUNERATION

Forever concerned about adhering to the best practices around, Even remuneration policy follows main market practices and seek to ensure salary competitiveness, in order to appeal to, retain and motivated talents, in 2014 Even devised a new remuneration policy to be implemented in the course of 2015. The objective is that the remuneration reflect as a complement of the performance appraisal, remaining aligned to company strategy and to each of the areas.

Even does not differentiate its remuneration practices according to gender, age bracket or race, but instead, in accordance with job positions. We practice an eminently fair remuneration policy, covering all employees with clear, transparent rules for each of the remuneration programs, which undergo yearly evaluations. With these remuneration guidelines the company has become a reference in the industry for attracting, developing and retaining talents, with people who are motivated and proud to work in a cooperative and meritocratic environment. (G4-DMA)

▶ **RATIO OF THE LOWEST SALARY PAID BY EVEN, COMPARED TO THE LOCAL MINIMUM SALARY AND THE PROPORTION OF THE HIGHEST SALARY IN THE ORGANIZATION AGAINST REMAINING SALARIES (G4-EC5)**

**VALUING  
EMPLOYEES**

DESCRIPTION	2014	2013	2012
Tranche for employees whose remuneration is subject to minimum wage rules	0	0	0
Ratio between the lowest salary paid by the company against minimum wage (women)	162%	142%	132%
Ratio between the lowest salary paid by the company against minimum wage (men)	154%	147%	132%
Lowest wage in the organization (women)	R\$ 1,173.05	R\$ 1,028	R\$ 819
Lowest wage in the organization (men)	R\$ 1,112.00	R\$ 1,067	R\$ 819
Local minimum wage officially instituted by the government	R\$ 724	R\$ 678	R\$ 622

\* A minimum salary at R\$724 as instituted by the Government was used for the calculations.



▶ **RATIO BETWEEN REMUNERATION FOR MEN AND WOMEN IN THE SAME JOB POSITION**  
(G4-LA13)

**VALUING  
EMPLOYEES**

CATEGORY	WOMEN	MEN	RATIO
DIRECTOR*	NA	49,364.22	NA
SPECIALIST	6,040.97	6,608.67	0.91
MANAGER	15,798.30	19,884.44	0.79
OPERATIONAL	2,282.44	2,938.87	0.78
TECHNICAL	4,728.38	3,683.21	1.28
ANALYST	4,280.83	4,276.68	1.00
ASSISTANT	2,054.43	2,508.48	0.82
COORDINATOR	8,470.31	9,045.70	0.94
ENGINEER	6,370.66	8,094.26	0.79
<b>Average</b>	<b>5,970.78</b>	<b>5,958.40</b>	<b>1.00</b>

\* Since there is only one women Director, we did not identify her base salary in order not to disclose her salary individually.

▶ **PERCENTAGE FOR THE HIGHEST PAID PROFESSIONALS' ANNUAL SALARY INCREASE AGAINST THE AVERAGE PERCENTAGE INCREASE PAID TO REMAINING PROFESSIONALS IN THE ORGANIZATION (G4-55)**

Very well paid - 9% raise (2013 to 2014)

Remaining employees - 5% raise (2013 to 2014)

\* Considered for calculating: base salary+13<sup>th</sup>+bonus.

**VALUING  
EMPLOYEES**

▶ **ANNUAL REMUNERATION OF PROFESSIONAL WITH HIGHEST SALARY IN REFERENCE TO THE AVERAGE ANNUAL REMUNERATION OF REMAINING PROFESSIONALS IN THE ORGANIZATION – 2014 (G4-54)**

8.8

\* Considered for calculating: base salary+13<sup>th</sup>+bonus.

## VALUING EMPLOYEES

### ▶ BENEFITS

Even benefits policy considers all employees, regardless of their working hours scheme. In reference to outsourced parties, we comply with current legislation in effect. Benefits offered by the company are the following: life insurance, health plan, meal ticket, transportation voucher, and grocery subsidy (Rio de Janeiro unit), dental plan (optional), private pension fund (optional) and the Employee Support Program (PAE in Portuguese). (G4-LA2)

### ▶ DIVERSITY

Regarding gender issues, Even, as well as the entire civil construction sector still has to evolve in relation to promoting more opportunities for women. Even displays peculiarities that are inherent to the civil construction sector, where there is a clear majority of men working in operational functions. On the other hand, women are majority in coordination and administrative positions. In 2014, we posted approximately 71% men professionals against 29 % of the women gender. (G4-DMA)

### ▶ COMPOSITION OF GOVERNANCE ORGANS AND DISCRIMINATION OF EMPLOYEES BY GENDER AND AGE BRACKET IN THE FUNCTIONAL CATEGORY (G4-LA12)

GOVERNANCE ORGANS	QUANTITY	%
<b>Total</b>	<b>8</b>	<b>0.6%</b>
<b>Women</b>	<b>1</b>	<b>0.1%</b>
<b>Men</b>	<b>7</b>	<b>0.6%</b>
Below 30	0	0.0%
From 30 to 50	7	0.6%
Over 50	1	0.1%

FUNCTIONAL CATEGORIES	QUANTITY	%
<b>ANALYST</b>	<b>204</b>	<b>16.3%</b>
<b>Women</b>	<b>108</b>	<b>8.6%</b>
<b>Men</b>	<b>96</b>	<b>7.7%</b>
Below 30	95	7.6%
From 30 to 50	108	8.6%
Over 50	1	0.1%

**VALUING  
EMPLOYEES**

<b>ASSISTANT</b>	<b>179</b>	<b>14.3%</b>
<b>Women</b>	<b>88</b>	<b>7.0%</b>
<b>Men</b>	<b>91</b>	<b>7.3%</b>
Below 30	139	11.1%
From 30 to 50	39	3.1%
Over 50	1	0.1%

<b>ENGINEER</b>	<b>82</b>	<b>6.5%</b>
<b>Women</b>	<b>18</b>	<b>1.4%</b>
<b>Men</b>	<b>64</b>	<b>5.1%</b>
Below 30	50	4.0%
From 30 to 50	32	2.6%
Over 50	0	0.0%

<b>COORDINATOR</b>	<b>98</b>	<b>7.8%</b>
<b>Women</b>	<b>57</b>	<b>4.5%</b>
<b>Men</b>	<b>41</b>	<b>3.3%</b>
Below 30	23	1.8%
From 30 to 50	73	5.8%
Over 50	2	0.2%

<b>SPECIALIST</b>	<b>64</b>	<b>5.1%</b>
<b>Women</b>	<b>44</b>	<b>3.5%</b>
<b>Men</b>	<b>20</b>	<b>1.6%</b>
Below 30	34	2.7%
From 30 to 50	29	2.3%
Over 50	1	0.1%

<b>DIRECTOR</b>	<b>21</b>	<b>1.7%</b>
<b>Women</b>	<b>1</b>	<b>0.1%</b>
<b>Men</b>	<b>20</b>	<b>1.6%</b>
Below 30	0	0.0%
From 30 to 50	18	1.4%
Over 50	3	0.2%

<b>MANAGER</b>	<b>92</b>	<b>7.3%</b>
<b>Women</b>	<b>40</b>	<b>3.2%</b>
<b>Men</b>	<b>52</b>	<b>4.2%</b>
Below 30	8	0.6%
From 30 to 50	81	6.5%
Over 50	3	0.2%



## VALUING EMPLOYEES

<b>OPERATIONAL</b>	<b>490</b>	<b>39.1%</b>
<b>Women</b>	<b>3</b>	<b>0.2%</b>
<b>Men</b>	<b>487</b>	<b>38.9%</b>
Below 30	136	10.9%
From 30 to 50	290	23.1%
Over 50	64	5.1%

<b>TECHNICAL</b>	<b>23</b>	<b>1.8%</b>
<b>Women</b>	<b>3</b>	<b>0.2%</b>
<b>Men</b>	<b>20</b>	<b>1.6%</b>
Below 30	5	0.4%
From 30 to 50	18	1.4%
Over 50	0	0.0%

Note: members of the governance organs are also part of the Directors category. For that reason, the sum in the table is different from the total of Even employees.

In reference to the number of disabled people working for us, we closed 2014 with three employees, a higher amount than that of the previous year (1 in 2013). This issue is however being discussed at the company so that we may increase the inclusion of disabled working at the company. (G4-LA12)



## ▶ TURNOVER

We closed 2014 with 1,253 direct employees (BH, SP and RJ). We posted a reduction of 48 people from 2013 to 2014, this partly due to the completion of construction works in Belo Horizonte. There were 577 dismissals during the year accounting for a 3.2% turnover rate. (G4-LA1)

## ▶ HIRINGS AND DISMISSALS BY AGE, GENDER, REGION AND TURNOVER RATE (G4-LA1)

ADMISSIONS	
Total number of Admissions	406
Total number of employees	1,253

**VALUING  
EMPLOYEES**
**AGE BRACKET OF NEW ADMISSIONS**

17	1
18 to 25	130
26 to 30	112
31 to 40	109
41 to 50	36
51 to 60	18
> 60	0
New Admissions - 18 to 25	32%
New Admissions - 26 to 30	28%
New Admissions - 31 to 40	27%
New Admissions - 41 to 50	9%
New Admissions - 51 to 60	4%
New Admissions - > 60	0%

**NEW ADMISSIONS BY GENDER**

Women	104
Men	302
Women (%)	26%
Men (%)	74%

**NEW ADMISSIONS BY REGION**

Southeast Region	406
New Admissions- Region Southeast (%)	100%

**DISMISSALS OF NEWLY HIRED**

18 to 25	32
26 to 30	20
31 to 40	15
41 to 50	13
51 to 60	4
> 60	0
Dismissals of newly hired - 18 to 25	38%
Dismissals of newly hired - 26 to 30	24%
Dismissals of newly hired - 31 to 40	18%
Dismissals of newly hired - 41 to 50	15%
Dismissals of newly hired - 51 to 60	5%
Dismissals of newly hired - > 60	0%

VALUING  
EMPLOYEESDISMISSALS OF NEWLY HIRED  
BY GENDER

Women	19
Men	65
Women (%)	23%
Men (%)	77%

DISMISSALS OF NEWLY HIRED  
BY REGION

Southeast Region	84
Dismissals of newly hired- Southeast Region (%)	100%

## TURNOVER RATE

Total number of employees	1,253 (Dec/14)
Number of dismissals	577 (2014)
Total Turnover (%)	3.2%

EMPLOYEES LEAVING THE JOB  
DURING THE PERIOD COVERED  
BY THE AGREEMENT BY GENDER

Women	271
Men	306
Women (%)	47%
Men (%)	53%

EMPLOYEES LEAVING THE JOB  
DURING THE PERIOD COVERED  
BY THE AGREEMENT BY AGE

18 to 25	143
26 to 30	139
31 to 40	202
41 to 50	62
51 to 60	28
> 60	3
Turnover - 18 to 25	54%
Turnover - 26 to 30	53%
Turnover - 31 to 40	77%
Turnover - 41 to 50	24%
Turnover - 51 to 60	11%
Turnover - > 60	1%

EMPLOYEES LEAVING THE JOB  
DURING THE PERIOD COVERED  
BY THE AGREEMENT BY REGION

Southeast Region	577
Turnover - Southeast Region (%)	100%

## ▶ NUMBER OF EMPLOYEES PER MARKET AND PER COMPANY IN THE GROUP (G4-10)

### VALUING EMPLOYEES

DESCRIPTION	2014	
	RJ	SP + BH
<b>Total workers (hired and own employees)</b>		
Own employees - Work agreement to be considered own framework (including leased) Consider position on Dec. 31st	190	1,063
Hired - Consider position on Dec. 31st and those that deliver continuous services (cleaning, security and others)	3	2,240

Own employees by gender	RJ	SP + BH
Women	77	286
Men	113	777
% Women	41%	27%
% Men	59%	73%

Own employees per type of agreement	RJ	SP + BH
Own employees – Agreement for an indefinite period – Men	113	777
Own employees - Agreement for an indefinite period – Women	77	286



**VALUING  
EMPLOYEES**

Own employees per period	RJ	SP + BH
Full time - Men – Employees working shifts are considered full employees	113	777
Full time - Women – Employees working shifts are considered full employees	75	285
Part time - Men	0	0
Part time - Women	2	1

**▶ HEALTH AND SAFETY**

Health and safety issues are objects of special attention for own and outsourced workers at Even construction sites, due to occupational risks inherent to characteristics of civil construction activities. All operations have formal committees for safety management composed of site managers, site engineers, site safety engineer, foremen, (Even and outsourced), work safety technicians, site supervisors, administrative managers and interns. In 2014, circa 580 persons were part of the work safety committees that convene on a monthly basis. (G4-LA5)

The company maintains a periodically monitored Health and Safety at Work System (SST) which identifies non-conformities, assessing risks and determining control measures for all routine and non-routine activities performed by Even. This system covers all parties of interest, including the construction sites' surrounding areas. Monitoring and measuring of the SST system's performance is performed monthly through technical visits when Even health and safety professionals use electronic tools and tablets to make information available in real time which allows for greater agility in issuing reports, streamlining stratification of data for analyses and deliberations. All of this allows the team to invest more time in training and providing consultations at construction sites. (G4-DMA)

Even also relies on an Internal Commission for the Prevention of Work Accidents (CIPA). Its objective is to contribute towards preserving life and promoting health in the work environment. Among its many activities CIPA holds an Internal Week for the Prevention of Work Accidents (SIPAT) with participation from all construction sites.

For purposes of minimizing accident risks, 100% of Even employees and 100% of outsourced workers undergo a compulsory integration training module, which is updated every other year. There, topics such as basic notions of firefighting, use of individual protective gear (EPI), use of collective protective equipment (EPC), notions of hygiene and cleanliness at the construction site, the company's Safety Policy, notions of first aid and information on occupational diseases, sustainability, respect to human rights and humane treatment is shown to all employees, suppliers and customers.

Even maintains storage space where company assets and collective protection systems are kept. All items are organized and identified at this location. Therefore, should a construction site be in need of any material, this makes it much easier to find the material in question and have it sent to the construction site. Sustainability and Occupational Health and Safety Services (SESMT) that encompasses Safety, Medicine and HR teams (works), operates at the same building where the Distribution Center is located. In this space an integration of Work Safety and classes for five groups from the School Project in São Paulo occurs daily. Classes are ministered at the construction sites for the remaining four groups.

Due to this watchfulness, in 2014 Even posted 14 accidents requiring sick leaves equal to or over 15 days; 16 accidents posted leaves under 15 days; 4 accidents did not require sick leaves. (G4-LA6)



## VALUING EMPLOYEES

► **TYPES AND RATES OF LESIONS, OCCUPATIONAL DISEASES, LOST WORKDAYS, ABSENTEEISM, AND NUMBER OF FATALITIES BY REGION AND GENDER**

DESCRIPTION	2014	2013	2012*
<b>Fatalities by gender</b>	-	-	-
Men	0	0	2
Women	0	0	0
<b>Fatalities by region</b>	-	-	-
Southern Region	0	0	0
Southeast Region	0	0	2
Midwest Region	0	0	0
Northern Region	0	0	0
Northeast Region	0	0	0
<b>Injury rate by gender</b>	-	-	-
Men	2.97	4.51	2.61
Women	0	0	0
<b>Rate of occupational diseases by gender</b>	-	-	-
Men	0	0	0
Women	0	0	0

Rate of lost workdays by gender	-	-	-
Men	11	10.46	6.97
Women	0	0	0

\* In 2012, there was one flaw in allocating fatalities that occurred in the company. Both occurred in the Southeast Region as per the table above, conversely to what had been reported before (South and North).

**VALUING  
EMPLOYEES**

► **OCCUPATIONAL HEALTH**

The Even occupational health area underwent restructuring in 2014 with the hiring of consultants to give support to the reformulating of the sector and creation of new programs to follow up on occupational health. (G4-LA7) Among actions created in 2014 to become effective in 2015 with emphasis on the São Paulo and Rio de Janeiro construction sites, are the following: mapping employees with chronic non-communicable diseases (NCD –DCNT in Portuguese), such as diabetes mellitus, hypertension, obstructive pulmonary diseases, among others; the implementing of treatment actions for NCD; monitoring pregnant women to avoid delivery complications; monthly absence control for the purpose of reformulating an absenteeism management program at the construction sites and at the office; restructuring of the Occupational Health Control programs (PCMSO), Hearing Conservation program (PCA) Respiratory Protection (PPR); adjustment of the complementary medical exams grid requested by the occupational M.D.; improvement to deadline control for expired medical exams; maintenance of vaccination campaigns and health guidance.

## ▶ LABOR PRACTICES

Collective agreements signed with unions cover 100% of employees.

### EMPLOYEES INCLUDED IN COLLECTIVE AGREEMENTS (G4-11)

#### VALUING EMPLOYEES

	2014	2013	2012
<b>AMOUNT</b>	1,253	1,301	1,042
<b>PERCENTAGE (%)</b>	100%	100%	100%

In 2014, Even was the object of 74 labor claims filed by own employees, out of which, 10 were settled. The Even Legal department is accountable for managing labor lawsuits. Once the company is notified of a legal proceeding, the sector monitors the lawsuit through a lawsuit management system until the procedure has been settled. (G4-DMA)

### NUMBER OF CLAIMS RELATED TO FILED LABOR PRACTICES (G4-LA16)

		SUED	SETTLED
<b>2014</b>	Own employees	74	10
<b>2013</b>	Own employees	47	33
<b>2012</b>	Own employees	32	10

Note: considered settled claims that are closed within the year - either when we win the case or when we pay the settlement.





CHAPTER 4

# CORPORATE SOCIAL RESPONSIBILITY

Corporate Volunteer Program – Sustainability in School Educational Project in São Paulo (SP)

## CHAPTER 4

**CORPORATE SOCIAL RESPONSIBILITY****CORPORATE SOCIAL RESPONSIBILITY**

Even's social responsibility carries a long-term perspective that includes stakeholders in the decision-making processes. The company adopts an agenda where principles, e.g., ethics and transparency are considered before starting any construction venture. This is a question of being structurally strong in order to aim permanence in the future.

When a Construction Company launches or delivers a real estate development, it is fully aware that this spawns significant social impacts mainly in the surrounding community. The company creates many job openings, hires local suppliers, thus boosting the local economy. On the other hand, it also changes the neighborhood's daily life, with the conveyance of trucks that produce more noise and increase traffic, among other inconveniences. For that reason, it is of the company's understanding that the responsibility of developing actions to mitigate these impacts and contribute by providing information to society, lies with the company as a manner or remaining viable in the long run.

In order to make these actions effective, we try to establish a close relationship with our stakeholders, one of solid bases with a profound understanding of the impacts set forth by our operations and countering them by developing initiatives that engage everyone around the Sustainability topic. (G4-DMA)

## ▶ **ENGAGEMENT OF STAKEHOLDERS** (G4-26)

As part of our objective to exert influence over society through example, we attempt to relate with our stakeholders in such way as to make them become aware of, award value to and adopt increasingly more sustainable practices. This engagement is encouraged through the applying of different approaches for each public. Several different communication channels are held, e.g., we have actions in the sustainability area and increasingly attempt to engage our employees so that they may internalize these principles and act directly with their direct stakeholders in their daily work. Many existing forums are already being used to expand the topic of sustainability.

In that which refers to customers, the customer services area has also been reformulated to amplify the dialogue with this public during the period of their relationship with Even. For shareholders, Market analysts and financial institutions, Investors' Relations becomes accountable for their engagement. For involvement with the community, we have invested in vol-

unteer programs, in the participation of our executives at sustainability events, in proactively addressing press relations and in the Neighbor Action program that introduces selective waste collection around the construction site.

In 2014, the Neighbor Action program collected over 18 tons of paper, plastic, ferrous metal and glass, all sent out for recycling. Since the beginning of the program in 2011, over 83 tons of residues were collected with the involvement of a considerable number of neighbors of the Even construction site. Our objective is to incentivize conscientious and sustainable consumption so that at the end of the construction, the selective waste collection practice may remain with that neighborhood and with that community.

## NEIGHBOR ACTION PROGRAM - DECEMBER/14

CORPORATE SOCIAL RESPONSIBILITY

**73** TOTAL OF PARTICIPATING WORKSITES

**83** .52 TONS OF GENERATED RESIDUE

### WE PRESERVED



1,084.89 M<sup>2</sup> OF FOREST LAND



619,937.20 LITERS OF WATER



25,916.51 LITERS OF OIL



8,141.93 KILOS OF IRON MINERALS

**METAL** 6.78t

**GLASS** 19.8t

**PAPER** 30.9t

**PLASTIC** 25.9t



## CORPORATE SOCIAL RESPONSIBILITY

We simultaneously seek good relationships with companies that share our values, also placing efforts in stimulating and influencing our suppliers to adopt increasingly more sustainable practices. This is a complex task requiring constant evolution since our partner network comprises companies of multiple segments and sizes, with very distinctive maturity levels both from management, as well as from sustainability points of view.

Furthermore, the civil construction sector in Brazil displays some characteristics that may spawn critical situations for the organization. Some of these are work conditions experienced by laborers at the building sites, difficult hiring and retaining labor, the low level of schooling of laborers at the sites, recycling of materials and large amounts of suppliers' GEE emissions. For all of these reasons, Even acts significantly geared towards improving the scenario in its value chain. In 2014, we further set up a work plan for 2015, to constitute a supplier committee to strategically treat this group with the purpose of ensuring company targets in the next three years. (G4-12)

### ▶ SUPPLIER SELECTION AND MANAGEMENT (G4-12)

Getting to know and managing companies' value chains is a major sustainability frontier to be braved by companies throughout the world. At Even, this chain is composed of suppliers of materials and services and, to quantify its size,

we consider that each service supplier has three more linked to it, summing up a whopping 6,591 partners. As to materials suppliers, we have seven more summing a 10,101 partner total. The Supply area is accountable for decisions related to managing suppliers. This area centralizes the hiring of suppliers for developments in all states.

Our goal is to ensure quality to our undertakings, delivery deadlines, customer satisfaction, our employees' safety and the reduction of social and environmental impacts, therewith minimizing risks for the company. Thus, the supplier selection process at Even undergoes constant improvement, in such way as to make the company only expand relations with companies that act responsibly in all aspects – economic, environmental and social.

The selection process of our suppliers, further to costs, quality and the partners' delivery ability, also contemplates issues such as financial health, legal restrictions, environmental performance and human rights. We have implemented a global process for appraisal of our partners. This process is conducted by external consultants who regularly verify these issues. We also analyze prices practiced by them in order to detect eventual distortions that may cause negative impacts to the supply of products and services during the course of operations. (G4-DMA)

We additionally make periodic technical visits to their units where we assess their socio-environmental practices in loco. Further to that, our standard contact with suppliers contains



rights social clauses that contemplate human rights issue. (G4-DMA) In 2014 - 35,034 agreements of strategic importance were signed, without considering size or strategic importance, disregarding Even suppliers, outsourced employees to provide manpower to Even, utilities and registry offices), out of which 98.57% included these clauses. Also inserted in that year, was a clause specifically related to child/slave labor and/or any form analogous to this condition.

(G4-HR10 | G4-HR1)

valuing of diversity, fight against sexual exploitation, moral and sexual harassment. In comparison with last year, there was a decrease since 61.11% signed the checklist.

(G4-HN32 | G4-EN33| G4-LA14)

### PERCENTAGE OF NEW SUPPLIERS SELECTED BASED ON ENVIRONMENTAL CRITERIA (G4-EN32)

DESCRIPTION	2013	2014
Total number of new suppliers	36	25
New suppliers that meet socio environmental criteria	22	10
<b>PERCENTAGE</b>	<b>61.11%</b>	<b>40%</b>

### CORPORATE SOCIAL RESPONSIBILITY

### PERCENTAGE OF NEW SUPPLIERS SELECTED BASED ON HUMAN-RIGHTS RELATED CRITERIA (G4-HR10)

2014	2013	2012
<b>98.08%</b>	<b>99.29%</b>	<b>97.61%</b>

\* Excluded from this calculations, concessionaires, Even Manpower and registry offices.

In 2014, 25 new suppliers were assessed and hired. Out of these, 10 suppliers of materials (accounting for 40% of the new suppliers) signed our sustainability check-list, a formulary through which we appraise suppliers in accordance with their maturity level in reference to sustainable practices. They were also surveyed regarding human rights, including topics such as child labor, slavery or forced work, safety practices,

## PERCENTAGE OF SUPPLIERS APPRAISED BASED ON CRITERIA REFERENT TO LABOR PRACTICES (G4-LA14)

DESCRIPTION	2014	2013	2012
Total number of suppliers	3,640	3,646	2,051
Suppliers that meet criteria referent to labor practices	3,570	3,620	2,002
<b>PERCENTAGE</b>	<b>98.08%</b>	<b>99.29%</b>	<b>97.61%</b>

## APPRAISED SUPPLIERS (G4-HR11 | G4-LA15)

Suppliers submitted to appraisals <sup>1</sup>	3,640
Suppliers identified as those who cause significant impacts <sup>2</sup>	3,570

<sup>1</sup> Those who had their performance appraised for their work in terms of quality, deadline and other operational factors –not including socio-environmental issues  
 Note: 70 partners not identified as those who caused impacts were service suppliers who do not sign the Even agreement draft.

<sup>2</sup> Significant impacts that refer to impacts that constitute apprehensions to communities of specialists or those that have been identified with basis on known tools, such as methodologies for evaluating impacts or life cycles. Impacts considered sufficiently meaningful to require active engagement from management or the organization tend to be considered significant.

### CORPORATE SOCIAL RESPONSIBILITY

In 2014, in a joint assignment, the Supply and Compliance areas performed appraisals of approximately 1,000 suppliers that already had relations with Even. 100% of our suppliers of materials and services were appraised in reference to their performance with the developments (G4-HR11). The Supply area, with support from the Legal area, has been developing an appendix to be incorporated to agreements for suppliers who do not sign the Even standard contract. This appendix contains clauses that deal with child work/slavery plus all sustainability requirements present in our agreements.

## ▶ TRAINING MANPOWER

Due to historically poor qualifications and low academic levels, all of which are still a characteristic of the civil construction sector, employee education is one of the fronts of action for Even. In order to contribute towards increasing our own and outsourced employees' educational levels, we have enlarged the School Project that gathers four programs: the Escola na Obra (Construction Site School), the new Telecurso (televised-course), High School and Digital Inclusion.

## CORPORATE SOCIAL RESPONSIBILITY

Since 2008, the Schooling Program has been offering first to fourth grade Elementary school contents to employees and services suppliers participating in the certification issued by the Ministry of Education and Culture (MEC) and Sesi. From the beginning, there have been 673 qualified employees, out of which, 73 in 2014 and service suppliers, all having received their certificates from the Ministry of Culture (MEC) and Sesi. The new Telecurso (televised course), conducted in partnership with Sesi, covering 5th to 8th grade junior high school contents, had its first group formed in 2014. Also conducted in partnership with Sesi, the High School program is going to have its first group formed of Even and Green employees and services suppliers in 2015. Even employees were additionally offered the Digital Inclusion project, an itinerant computing course also conducted jointly with Senai which is ministered traveling among the construction sites.

### ▶ VOLUNTEER WORK

The Even Sustainability area has coordinated and developed copious social projects through the Social Responsibility nucleus in 2014, with the objective of engaging employees, partners and the community in producing citizen awareness. We further intended to broaden the positive impacts through the implementing of our undertakings, through actions that promote sustainability at the community in a permanent way, thus transforming society.

Even volunteer projects are planned in line with guidelines from its Private Social Investment Policy (PISP) that contem-

plates activities in communities in the environs of our developments, establishing clear criteria of social intervention.

The three projects carried out in São Paulo during the year, namely Educação para a Sustentabilidade na Escola (Education for Sustainability in School Project), Jovem Empreendedor (Young Entrepreneur) and Pé Direito (Junior Achievement) all have directly affected circa 257 students from five schools, relied on participation of 76 volunteers from multiple company areas - a significant increase compared with 2013 when we had 57 volunteers. For Even, embracing these projects, really getting down to hands-on and coordinating to make a difference, stands for interfering with society, leaving in its wake, a legacy of multipliable knowledge. The objective is to transform the lives of those who take part in the projects and also of other people with whom the students and company relate to.

The Education for Sustainability in School Project had for its objective carrying contents on the topics of biodiversity, water, energy, climatic change, solid residues, foods, cultures, people and finances for fourth graders in Elementary School at the state school Escola Estadual Bibliotecária Maria Luisa Monteiro da Cunha, in São Paulo – SP. The Even volunteer employees received training to perform activities with the students inside and outside the classroom. The teachers and the school also took part in that training which had the objective of raising their awareness to the Project in such way as to use it as a tool to assist them in their own activities and daily challenges faced by them in their classrooms.

## CORPORATE SOCIAL RESPONSIBILITY

The Jovem Empreendedor (Young Entrepreneur) Project worked on topics geared towards financial education and entrepreneurship with high school level students from two state technical schools. Technical School Escola Técnica Estadual José Rocha Mendes in the Vila Prudente district, was accountable for developing the Personal Finances program, while Escola Técnica Estadual Takashi Morita, in the Santo Amaro district developed Meu Dinheiro, Meu Negócio (My Money, My Business) program.

In the Pé Direito (Junior Achievement)t program, focus went to preparing for the work market three students from the Junior year in high school from two schools in the surroundings of the construction site - Escola Municipal Professor Derville Allegretti and Escola Estadual Professora Maria Petronila Limeira dos Milagres Monteiro. Activities included programs Habilidades para o sucesso (Skills for Success), Conectado com o amanhã (Connected with Tomorrow) and Empresário sombra por um dia (Shadow Business Person for a Day) where Even volunteers were accompanied by a student throughout an entire day with the purpose of their becoming familiarized with a professional routine.

In addition to the projects, the Sustainability area promoted an International Volunteer Day celebration (December 5th), in São Paulo (SP), at Praça Victor Civita, Even partner. Volunteers took part in a picnic and an activity with the topic "Volunteer work is solidarity everywhere, the whole time". Volunteers received as a party favor, the book "Solidariedade – Depoimentos de um beija-flor" (Solidarity – Testimonials from a Hummingbird) whose profits were reverted to NGO, Amigo Beija-Flor Association.

Still in the field of actions performed during the year was the revitalizing of the Cooperativa Mofarrej (Co-p), composed of nine families in São Paulo. This enterprise counted with participation from 40 suppliers, involving the removal of non-recyclable inputs, restoration of the location, creating new spaces such as a cafeteria and office, donation of uniforms, safety items such as fire extinguishers, and training on how to use these pieces of equipment of personal safety, among other activities.

One single donation operation was carried out by Even in 2014, namely the Easter campaign to collect Easter eggs. Throughout the year, several financial and material donations were made benefitting many non-profit organizations. In Rio de Janeiro, 11 Even volunteers took part in an educational activity at the shelter Abrigo Minha Casa that caters to underprivileged children on shelter and day boarding school basis.

Belo Horizonte turned out five projects with participation from circa 25 Even volunteers: Arraial Solidário (collection of warm winter clothing during the company's June Festivities event), blood donation (in August and December of 2014), theater children's play (Fundamigo institution) and Donation of Materials (to the Fundamigo institution and Escola Estadual João Felipe da Rocha state school). An Eco-electronic Project was also held including a collection island for discarding electro-electronic appliances further to distributing an informative booklet at the Icon Vila da Serra development.



Also taken place in 2014 at Even construction sites was the Olhares Sustentáveis no Canteiro program (Sustainable Eyes at Construction Sites) performed jointly with Oscip (Organização da Sociedade Civil de Interesse Público - Civilian Society of Public Concerns Org.). A 36 master builders team from São Paulo construction sites plus another six from Rio de Janeiro were gathered in photography workshops. Employees learned how to manipulate cameras made from paint cans using the pin hole technique applying a dark box with no lens to capture images. Using these cameras, master builders portrayed sustainable practices at construction sites. These practices were totally related to their work routines, the results later serving the purpose of contributing to the program for construction sites performance appraisals. The core objective was to maximize the use of these practices to improve indicators. It also served to showcase a master builder's value as a multiplier of these practices and bring new perspectives to the activities of these professionals at the company.

The produced photography resulted in their exhibition in an event for guests held at the Pinacoteca do Estado de São Paulo (State Art Gallery), in December of 2014. Viewers were amazed, not only at the technical quality, but also at the sensitive view they had of their own routine work environment.

## CORPORATE SOCIAL RESPONSIBILITY



Sustainable Eyes at Construction Sites Program at the São Paulo State Art Gallery



CHAPTER 5

# SUSTAINABLE PRODUCTS

Rio de Janeiro (RJ) Royal Blue Building

## CHAPTER 5

# SUSTAINABLE PRODUCTS

### SUSTAINABLE PRODUCTS

Global and local environmental challenges are directly connected to construction civil activities. In 2014, a water and energy crisis placed matters related to the environment at the forefront of concerns. People have become more aware, their attention driven to topics linked to impacts, interdependence among businesses and quality of life, arousing their interest, making them understand the importance of sustainability. Therefore Sustainability, which has always been one of the pillars in the Even strategy, now plays a lead role and has become a major differential in guiding the company in its route towards successful growth.

Even operates in an innovative manner, developing increasingly sustainable products that consume a smaller amount of natural resources. Accordingly, Even acts intensely on issues concerning climate changes, so that all aspects of environmental impacts caused by construction sites are measured and mitigated. The company adopts the Empreendedor AQUA certification to manage its consumption of materials, energy and water in its operations (further information on controls over water consumption and waste management in chapter Sustainable Cities). (G4-DMA)

## ▶ SALES

The task of commercializing our products is done by Even Vendas and partner companies. Even Vendas is a pillar of extreme importance in the company's strategy, accountable for the largest part in commercializing our products, mainly remaining units – to be a focus of our action in 2015. In times of crisis, when the forecast for growth of civil construction, according to Sinduscon, rates at zero, commercial creativity becomes a differential. In a difficult year, Even still stands out in the market.

With its 729 realtors, Even Vendas was considered the seventh major real estate managers in São Paulo Metropolitan Region, according to the Top Imobiliário award released in 2014. (G4-10)

Both Even Vendas realtors and partners receive training and constant guidance in order to commercialize the units with as much transparency as possible, in observation of company's guidelines. The goal is to make the sale moment, as well all communication, a clear, ethical, precise occasion.

To that end, we provide the customers who purchased the property with a copy of all the documentation they signed at the sales booth, together with the contact details for the Customer Service Center, which is the main point of contact with Even from that moment on. In addition, all contract closure is carried out in the presence of a lawyer who reads the contract with the customer and highlights the most critical points, such as adjustment rates, incidence of interest payments, financing commitments and procedures for receiving the keys.

It is important to highlight that our contracts are periodically revised so that the customer is able to clearly understand all points, preserving a balanced relationship, as in the case of a forecasted fine in case of delay in delivering the building. The documents may also serve to comply with a condition requested by the customer. Moreover, special attention is given to the protection and confidentiality of the customer's data.

Our guidelines and procedures to prevent any information leaking or the loss of information are expressed in the data protection and confidentiality policy, must be practiced by all employees and suppliers. (G4-DMA) In case of customer complaints, the compliance area follows up on the case and sends a notification to the service provider. In 2014, 76 complaints were filed at our Relationship Center. These concerned customers whose information had been passed on to third parties who in turn offered them products and services. Of this total, the compliance area contacted the third party companies regarding 7 cases. (G4-PR8)

Since the first contact, the Even sales team also has the responsibility of providing the customer with information on sustainability aspects practiced at the developments. For this purpose, the team receives training and communication materials for distribution.



## SUSTAINABLE PRODUCTS



## ▶ EMPREENDEDOR AQUA CERTIFICATION (G4-15)

Initiatives for the Empreendedor AQUA certification begin with the Real Estate Development area. With this seal we make the public commitment to conceive and prepare for the certification of all our residential products in the cities of São Paulo and Rio de Janeiro, without partners except investors, and built by the Company itself. The certification is composed of three phases (Pre-project, Project and Execution) and comprises from development planning to the delivery of the housing units to customers. (G4-EN27)

Since Even is an Empreendedor AQUA, all of our projects and developments privilege solutions that contemplate water and energy saving, acoustic comfort, thermal, visual and olfactory issues, further to promoting adaptation of the development surrounding areas, conveying information of the environment-related actions to customers and users of the residential units.

For all of our developments to obtain the AQUA certification, they must comply with 14 categories defined to ensure more comfort to development residents, lower environmental impact, higher quality and lower property maintenance costs. The categories are grouped into four areas:



**ECOCONSTRUCTION** – Relation between the building and its surroundings. Integrated selection of products, systems and production processes; and low environmental impact building sites.



**ECOMANAGEMENT** – Energy management; Water management; Management of waste from use and building operation; and Maintenance – permanence of the environmental performance.



**COMFORT** – Hygrothermic comfort (temperature and humidity); acoustic comfort; visual comfort; and olfactory comfort.



**HEALTH** – Sanitary quality of the environment; sanitary quality of the air; and sanitary quality of the water.

After the audit, the development must have at least three categories ranked base, good practices or best practices, four categories in “good practices” and seven categories ranked “base”. The development must display at least three categories ranked as “best practices”, four categories in “good practices” and seven categories ranked “base”. Further information available at [www.even.com.br/certificacaoaqua](http://www.even.com.br/certificacaoaqua).

SUSTAINABLE  
PRODUCTS

Currently the Even product portfolio includes 44 developments with AQUA certification for at least one of the phases (Pre-project, Project and Execution). This seal makes Even products commercially more attractive with a strong differentiating factor for the buying decision for contemplating sustainability-related requirements, comfort and rational use of natural resources, e.g., water and energy.

## ▶ OTHER SEALS AND CERTIFICATIONS (G4-15)

In 2014 Even maintained the NBR ISO 9001:2008 certification, which certifies the implementation of a quality management system as a process optimization tool in an organization and of continued improvement of the products and services provided, and of the Brazilian Habitat Quality and Productivity Program. (pBQp-H), which encourages the implementation of actions aimed at improving the quality of the habitat and production modernization.

Even's Occupational Safety Management System uses as reference requirements in OHSAS 18001. In 2014, due to the analysis of detected perils and risk assessment associated to the constructive sequence, we made hefty investments to training and in customizing our electronic inspection checklist establishing specific controls for the risks ranked as intolerable by the company for the purpose of gradually reducing risks of accidents.



In alignment with Even's strategy geared towards the promotion of sustainable development, in 2014 we also enhanced our manner of presenting the initial documents and that for maintaining employees of service providers at construction sites. A system called Gdfor (Supplier Documents Management) was drawn up for the purpose of managing and controlling this documentation. Gdfor provides a more streamlined method of granting access to these employees at distinct construction sites, cost reductions with transfers for the presenting of documents, elimination of printings, improvements to the communication process between Even and the service provider and reduced loss of documents, among other benefits. (G4-CRE6)

Even also integrates Santander Bank's Sustainable Building Program which assesses the extension of socio-environmental impacts of developments financed by the bank in order to grant credit. In 2014, with the delivery of Alameda Santos, Viverde and Vista Mariana developments, we now have a total of six developments recognized by the program. [G4-CR8]

### SUSTAINABLE PRODUCTS



In 2014, the BC Bela Cintra development achieved a Gold Casa Azul Seal granted by Caixa Econômica Federal (Federal Savings Bank) – this was the first undertaking in the São Paulo Metropolitan area, outside of the Minha Casa Minha Vida government program to receive a certification for this category. Further to attesting that Even practices contribute to minimizing environmental impacts, the seal additionally carries the benefit of reducing building financing costs. Therefore, as of now, all of the Even undertakings financed by Caixa Econômica Federal shall be submitted to the institution to obtain the seal.

The Casa Azul Caixa Seal was the first Sustainability ranking system for housing projects developed in line with the reality of the Brazilian housing construction. Criteria for analyzing practices are split into six categories: Urban Quality, Project & Comfort, Power Efficiency, Preservation of Material Resources, Water Management and Social Practices.

Furthermore, the Commercial Urbanity development in São Paulo (SP), received a pre-Silver certification from LEED (Leadership in Energy and Environmental Design) jointly with the Green Building Council Brasil (GBC).

## ► REDUCTION OF ENVIRONMENTAL IMPACTS

To constantly seek alternatives and Technologies to reduce the impacts resulting from its constructions and products is

one of Even's commitments. Even prior to the Empreendedor AQUA, certification, which contemplates the reduction of energy consumption, Even's developments already presented energy savings of 18% as compared to a standard development. With the certification, this rate reached 39%. As to water, consumption at Even's developments was 25% lower than that of a standard development. After the AQUA, certification savings reached 27%. Check the tables below for a comparative for four Even developments with a standard undertaking. (G4-EN6)



## SUSTAINABLE PRODUCTS

## RESULT FOR PRIMARY ENERGY CONSUMPTION (CEP)

### BATATAES BUILDING - DESIGN ARTE (SP)

UTILIZATION	CEP (KWH,EP/M <sup>2</sup> .YEAR)		EFFICIENCY
	CURRENT BUILDING	LEVEL C BUILDING	
LIGHTING	39.22	54.17	0.72
COOLING	21.70	24.51	0.89
OTHER EQUIPMENT	80.02	79.64	1.00
EXHAUST VENTILATION	0.73	0.73	1.00
<b>TOTAL</b>	<b>141.67</b>	<b>159.06</b>	<b>0.89</b>

SUSTAINABLE  
PRODUCTS

Captions:

$E > 1.0$	Efficiency higher than 1 – Projected building consumes more energy than an Imetro C standard reference building.
$0.9 < E < 1.0$	Efficiency close to 1 – Calculations to be refined by professionals during the CONCEPTION phase.
$E < 1.0$	Efficiency lower than '1': Projected building consumes less energy than an Imetro C standard reference building.

## NATINGUI BUILDING - (DISEÑO ALTO DE PINHEIROS - SP)

UTILIZATION	CEP (KWH,EP/M <sup>2</sup> .YEAR)		EFFICIENCY
	CURRENT BUILDING	LEVEL C BUILDING	
LIGHTING	29.64	46.86	0.63
COOLING	3.61	3.62	1.00
OTHER EQUIPMENT	60.84	60.84	1.00
EXHAUST VENTILATION	0.56	0.56	1.00
<b>TOTAL</b>	<b>94.64</b>	<b>111.88</b>	<b>0.85</b>

SUSTAINABLE  
PRODUCTS

Captions:

$E > 1.0$	Efficiency higher than 1 – Projected building consumes more energy than an Imetro C standard reference building.
$0.9 < E < 1.0$	Efficiency close to 1 – Calculations to be refined by professionals during the CONCEPTION phase.
$E < 1.0$	Efficiency lower than '1': Projected building consumes less energy than an Imetro C standard reference building.

## CAMPINEIROS BUILDING (AUTÊNTICO MOOCA - SP)

UTILIZATION	CEP (KWH,EP/M <sup>2</sup> .YEAR)		EFFICIENCY
	CURRENT BUILDING	LEVEL C BUILDING	
LIGHTING	18.99	37.01	0.51
COOLING	0.47	0.52	0.89
OTHER EQUIPMENT	23.34	23.34	1.00
EXHAUST VENTILATION	0.61	0.61	1.00
<b>TOTAL</b>	<b>43.41</b>	<b>61.49</b>	<b>0.71</b>

SUSTAINABLE  
PRODUCTS

Captions:

$E > 1.0$	Efficiency higher than 1 – Projected building consumes more energy than an Imetro C standard reference building.
$0.9 < E < 1.0$	Efficiency close to 1 – Calculations to be refined by professionals during the CONCEPTION phase.
$E < 1.0$	Efficiency lower than '1': Projected building consumes less energy than an Imetro C standard reference building.

## CAJURU BUILDING (VERTE - SP)

UTILIZATION	(KWH,EP/M <sup>2</sup> .YEAR)		EFFICIENCY
	CURRENT BUILDING	LEVEL C BUILDING	
LIGHTING	18.68	32.66	0.57
COOLING	0.34	0.38	0.89
OTHER EQUIPMENT	22.80	22.80	1.00
EXHAUST VENTILATION	0.87	0.87	1.00
<b>TOTAL</b>	<b>42.69</b>	<b>56.72</b>	<b>0.75</b>

SUSTAINABLE  
PRODUCTS

Captions:

$E > 1.0$	Efficiency higher than 1 – Projected building consumes more energy than an Imetro C standard reference building.
$0.9 < E < 1.0$	Efficiency close to 1 – Calculations to be refined by professionals during the CONCEPTION phase.
$E < 1.0$	Efficiency lower than '1': Projected building consumes less energy than an Imetro C standard reference building.



In new projects, systems allow for a more rational and efficient use of energy, eliminating waste and reducing condominium maintenance charges, demands from utilities and consequently, impacts on the environment. The same occurs with a rational use of water and other materials used in our products. (G4-DMA)

“ IN 2014  
**THERE WERE NO REGISTERS**  
OF ANY CASE OF  
NON-CONFORMITY WITH  
REGULATIONS OR  
INTERNAL OR  
VOLUNTARY CODE ”

**SUSTAINABLE  
PRODUCTS**

In 2014, there were no registers of any case of non-conformity with regulations or internal or voluntary code of impacts caused by products or health and security services during a life cycle. (G4-PR2) Further to that, no significant fines were applied to the company, as well no administrative sanctions related to non-conformity with environmental laws and regulations, besides no reports or complaints related to environmental impacts.  
(G4-EN29 | G4-EN34 | G4-DMA)



CHAPTER 6

# SUSTAINABLE CITIES

São Paulo (SP) Braz Leme Offices Building

## CHAPTER 6

# SUSTAINABLE CITIES

An accelerated growth to cities, especially those referred to as metropolis, has generated a series of challenges referent to preserving spatial, social and environmental balance, both for the people who live in those areas as well as for governments, companies and other organizations. For this reason, Even has committed itself to act in cases ranging from climatic changes to the consumption of water and energy, effluents and waste management and greenhouse gas emissions (GEE). Our objective is to not only contribute to making more sustainable cities, but also to ensure that the company may be prepared to appropriately and responsibly face risks and opportunities it comes across, thereby ensuring its perennity and solidity.

### SUSTAINABLE CITIES

#### ▶ MONITORING ENVIRONMENTAL INDICATORS

Monitoring environmental indicators allows us to control the entirety of the company's water, energy, and fuel consumption. Through this, it becomes possible to establish targets for reduced consumption and to make assertive arrangements when we identify any sharp drop or rise to some indicator, to study the implementing of new, constructive practices, as well as managing the control of the transportation of waste (CTRs), among other actions.

The calculation for consumption is worked out by ongoing square meter in all markets where we act which ensures consumption comparability regardless of each development's size. The volume of used materials varies each year on account of the number and stage of the work.

#### ▶ MATERIALS MANAGEMENT

Consumption of the materials most used at the construction site (steel, mortar, recycled gravel, aluminum, sand, blocks, ceramic parts, cement, concrete, complete door kits, crushed stone, wood and glass) has been monitored since 2008. Every month, construction sites send a report breaking down the amount of each purchased piece of material and distance between suppliers and destination of those materials (requirement to maintain the Empreendedor AQUA certification).  
(G4-DMA)

Consumption of the other materials did not vary significantly from one year to the other and sometimes there is a direct relation with the stage of the, construction work. In view of the AQUA, certification, we specify in all residential developments the use of 20% of recycled aggregate (recycled gravel) in nonstructural functions, such as floor of the last subsoil and garden drainage and garden drainage.



Check below the consumption of material at Even for the past three years: (G4-EN1)

## MATERIALS USE BY WEIGHT OR VOLUME (G4-EN1)

MATERIAL	INDEX 2014 (UNIT/M <sup>2</sup> )	INDEX 2013 (UNIT/M <sup>2</sup> )	INDEX 2012 (UNIT/M <sup>2</sup> )	UNIT
Steel	0.0308	0.0331	0.0383	t
Aluminum	0.0006	0.0004	0.0013	t
Mortar	0.0678	0.1587	0.1009	t
Medium Washed Sand	0.1128	0.3111	0.2362	t
Recycled Gravel	0.0449	0.0110	0.0012	m <sup>3</sup>
Concrete Block	20.9457	21.4463	21.1331	Unit
Ceramic / Tile	1.2210	1.0238	1.2787	t
Cement (all CPs)	0.0543	0.0644	0.0483	sc
Concrete	0.4594	0.7191	0.5010	m <sup>3</sup>
Complete Door Kit	0.0014	0.0020	0.0019	t
Crushed Stone	0.0319	0.1601	0.0912	t
Sawed Wood	0.4288	0.4090	0.3430	t
Glass	0.0863	0.0988	0.1841	m <sup>2</sup>
Gypsum	0.0066	*	*	t
Drywall	0.0014	*	*	t
Granite	0.0045	*	*	t
Mineral Wool Insulation	0.0484	*	*	m <sup>2</sup>

Note: \*Prior to 2014, the purchase of these materials was not monitored. With the Empreendedor AQUA certification, it became necessary to increase control over acquired materials to comply with the requirement for 30% of materials to be acquired from suppliers located under 300 kilometers from the construction site. For that reason, in 2014, we added Gypsum, Drywall, Granite and Mineral Wool Insulation to the list.

Further to greater precision in verifying information via the B.I (Business Intelligence) system, forwarding information from the construction site is compulsory and a fundamental part of the Variable Remuneration Program that further includes Sustainability Inspections Indicators, reduced water and energy consumption besides reduced waste generated at the construction sites and participation in social programs and HR (works). An increased consumption of Recycled Gravel was verified in comparison with natural gravel on account of the Empreendedor AQUA certification, since this is a necessary item in the Low Environmental Impact Category construction site.

Many suppliers do not use recycled materials in the production process for fear that the quality of the final product would be altered. For that reason, Even always tries to engage and train the production chain so that suppliers may consider the possibility of using less pollutant productive processes via adding a percentage of recycled materials to the final product. Every year we request that suppliers inform us the percentage of recycled content in the materials. The objective is that in a few years we have passed this piece of information to 100% of our suppliers. (G4-EN2 | G4-12)

SUSTAINABLE  
CITIES



## ENVIRONMENTAL PERFORMANCE - % CONTENT OF RECYCLED MATERIALS (G4-EN2)

2014		
MATERIAL	SUPPLIER <sup>1</sup>	% RECYCLED <sup>1</sup>
Steel	1	71%
	2	73%
Aluminum	1	88%
Mortar	1	0% <sup>3</sup>
Recycled Gravel	1	100%
	2	100%
Concrete Block	1	1%
	2	1%
Ceramic	1 - Flooring	7%
	1 - Porcelain tile	36%
	1 - Tile	5%
	2	65%
Roughcast	1	0% <sup>3</sup>
Cement	1	59%
	2	10%
Concrete (all FCK's)	1	59%
	2	19% and 49%
	3	65%
Drywall	1	0,5%
Gypsum	1	0%

### SUSTAINABLE CITIES

MATERIAL	SUPPLIER <sup>1</sup>	% RECYCLED <sup>1</sup>
Sawed Wood	1	Reforestation (FSC Seal)
	2	Reforestation (FSC Seal)
	3	Reforestation (FSC Seal)
Native Wood <sup>2</sup>	1	Decks, kiosks and decoration objects
Grouting	1	0% <sup>3</sup>

Note 1: Data supplied in technical bulletin signed by the suppliers themselves. In 2014, there was a 26% increase to the number of suppliers that have sent information on the rate of recycled materials.

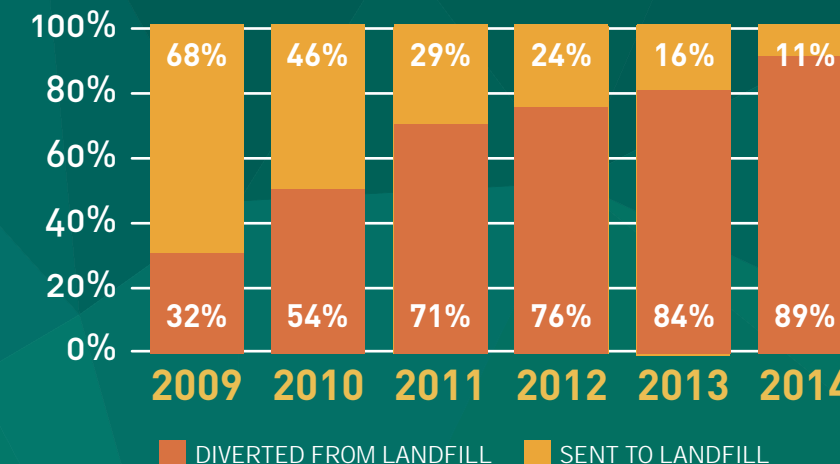
Note 2: In previous years the indicator contemplated information on wood from reforestation. This is actually native wood.

Note 3: Types of cement used for the production of Adhesive Mortars, Roughcast and Grout are CPV Cement and White Cement. For these, the use of blast furnace slag is not compulsory in its composition, conversely to Cement CPII or CPIII, habitually used for structural purposes.

In 2014, Even maintained its focus on reverse logistics, i.e., dispatching solid residues to materials suppliers for reuse in their production cycles. (G4-12 | G4-EN33)

The reverse logistics program for debris from concrete blocks which is currently a company standard routine, returned to the supplier 146 tons of material for recycling, saving the company R\$ 4 thousand and a production of 15,100 new blocks. On the other hand, the Gypsum recycling Project returned 2,964 tons of material to cement manufacturers, an 86% reutilization rate. In 2014 the process with suppliers was enhanced so that the greatest part of the Gypsum was destined to the transport and screening area (ATT), that sends material for recycling or incorporation in a cement factory. On account of that we posted an increase to the reutilization rate in comparison with 2013 when that rate was 73%.

## LANDFILL RESIDUE DIVERTING HISTORY (%)



from painstaking work of engaging suppliers since they are the ones accountable for receiving and recycling residues from the materials they sell to Even. Year by year they have become increasingly more involved in the topic of recycling. Positive results are owed to the adoption of improvements to the process of reusing materials and an improved segregation at the construction sites.

Four pilot projects were implemented in 2014 for the reutilization of the following materials: scrap metal, bagged products (plastic packaging), shards of ceramics and burned light bulbs. 2014, 555 light bulbs were collected to be then decontaminated and recycled - this Project was standardized still in 2014. Another one was the reverse logistics project for steel (scrap metal), which in two months of acting gathered 17,010 kilos of material sold to a metalworking company for reutilization, generating a R\$ 4,702.48 revenue. Prior to this project, the steel used by Even already used to be recycled however without using reverse logistics with the supplier of the material. (G4-DMA)

Another project was the reverse logistics for ceramics, which in three months of being applied, accumulated 9,900 kilos of ceramic shards reutilized in manufacturing laminated floorings. The fourth project was for bagged goods in early November of 2014, collecting 11.5 kilos of bags until late December of 2014. The weight of empty bags is insignificant because this project was carried out in construction sites serviced by the mortar supplier.

These initiatives in 2014 resulted in 89% of residues emerging from our recycling operations, excelling the 85% target stipulated for the year. This rate has been in an upswing year by year as shown on the table below. (G4-EN33)

The Even reverse logistics program was established in 2012 including only three types of materials. A significant revolution took place in 2014 when the Project started including seven types of materials, (see table below); this results

### SUSTAINABLE CITIES

## REVERSE LOGISTICS PROGRAM

2012	2013	2014
Blocks	Blocks	Blocks
Gypsum	Gypsum	Gypsum
Packaging ceramics	Packaging ceramics	Packaging ceramics
		Bagged*
		SMetal scrap (Steel)*
		Light bulbs*
		Ceramics**

\* Projects implemented and standardized in 2014.  
 \*\* Pilot Project in 2014.

### SUSTAINABLE CITIES

### ► WASTE MANAGERMENTS (G4-EN23)

In 2014, Even generated over 47 thousand tons of residues, approximately 12 thousand tons short of the previous year – accounting for a 20% reduction. This drop is owed largely to environmental educational actions focused on conscientious consumption that reduces the amount of residues generated and internally reutilizes these materials. Via sustainability inspections and specific training carried out by the sustainability area and suppliers (in specific cases) and DDS (Daily Safety Log) training, the topic is discussed with contractors

at the construction sites for an improved segregation of residues. Moreover, the construction area (ongoing) was smaller in 2014 in comparison with the area of 2013.

At our construction sites, residues are segregated by type: Gypsum, debris (masonry and concrete), mix of wastes (sent to sanitary landfills), wood and recyclables.

## RESIDUES GENERATED (IN TONS)

	2012	2013	2014
Masonry and Concrete	43,283.35	37,498.85	30,148.83
Recyclables	881.17	1,867.58	780.19
Wood	4,408.40	6,874.87	6,542.30
Gypsum	4,025.85	3,527.95	3,469.47
Mix	12,777.49	9,798.03	6,436.63
<b>Total</b>	<b>65,376.25</b>	<b>59,567.28</b>	<b>47,377.42</b>

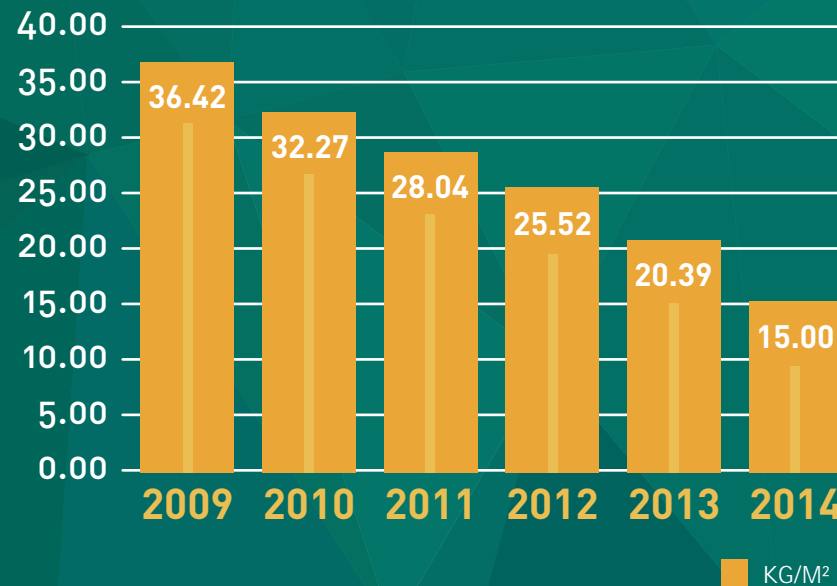
Note: Taken into consideration that the residue mix is sent to transportation and screening (ATT) areas in the majority of developments while reject is sent to sanitary landfills. As to Gypsum, in RJ undertakings, it is usually destined to sanitary landfills.

Residues are segregated, stored and allocated in accordance with the Solid Residue Management Plan (PGR). PGR relies on a technical manager, duly qualified by the respective professional class, in accordance with legal requirements. Each development holds a PGR approved by the Sustainability area and updated depending upon the stage, suppliers and types of generated residue, among other factors. A target was established in 2014 with the purpose of forecasting that all developments should make a joint effort to move up to 85% of residues generated at landfills be sent for recycling. The result was 89% while the target was moved up to 90% for 2015.

One of the main causes for this increased amount of residue diverted from landfills is owed to a decreased generating of debris mix that merges multiple materials and for that reason, cannot be forwarded to recycling. This reduction is mainly due to an improved segregation of materials at the construction sites and their forwarding to the transportation and screening areas to then carry everything to debris recycling plants or other locations that reutilizes these residues.

As of 2014, residue transportation control (CTRs) came under the Cost Control area's accountability, with the objective of centralizing all measurements and thereby keeping a more precise management of information and process. A flaw was detected in the process now being evaluated so that actions for correction may be implemented along with greater periodicity to data monitoring and updating.

## REDUCTION OF DEBRIS MIX



SUSTAINABLE CITIES

## ENERGY CONSUMPTION

Indirect energy consumed at construction sites results from electric energy that feeds cranes, racks, elevators and installations of the engineering office, among other equipment. Other sources are applied to specific activities (see tables below).



## TOTAL CONSUMPTION OF FUEL IN THE ORGANIZATION (G4-EN3)

SOURCE (KWH)	2014	2013	2012	2011	MEASURE
<b>Nonrenewable</b>	3,385.95	4,852.94	12,270.42	8,173.09	GJ
<b>Diesel and Biodiesel</b>	2,567.17	3,550.57	8,998.08	6,452.97	GJ
<b>Gas</b>	818.78	1,302.37	3,272.34	1,720.12	GJ
<b>Total Purchased</b>	<b>3,385.95</b>	<b>4,852.94</b>	<b>12,270.42</b>	<b>8,173.09</b>	GJ
<b>Electricity</b>	21,633.96	20,347.48	15,314.35	16,136.44	GJ
<b>Total Purchased</b>	<b>21,633.96</b>	<b>20,347.48</b>	<b>15,314.35</b>	<b>16,136.44</b>	

## AVERAGE CONSUMPTION OF ELECTRIC ENERGY PER STAGE IN THE WORKS (G4-CRE1)

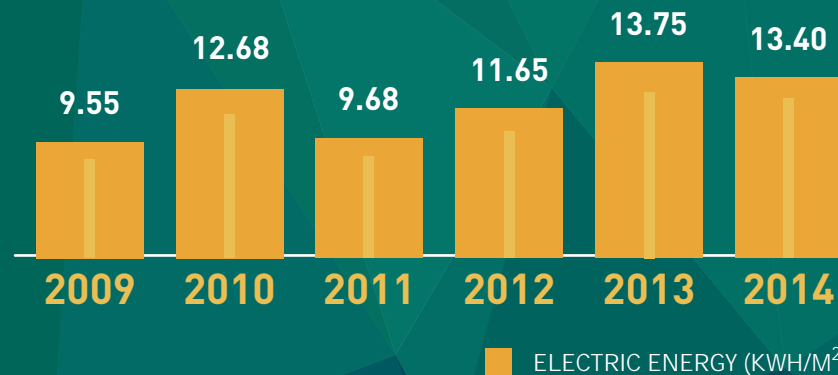
EVEN AVERAGE (KWH/M <sup>2</sup> ONGOING/BUILT)	FOUNDATION	STRUCTURE AND MASONRY	FINISHING
<b>2014</b>	<b>5.82</b>	<b>10.38</b>	<b>16.39</b>

Note: in the course of 2014 the form for accounting phases was altered. Instead of four, only three phases were given consideration, adding internal coatings to the Structure and Masonry item. This change was made because the internal coating phase usually comes together with the structure and masonry phase in the construction timeline.

## TRACK RECORD OF ELECTRIC ENERGY CONSUMPTION

(KWH/M<sup>2</sup> EM IN PROGRESS/BUILT) (G4-EN7)

SUSTAINABLE CITIES



Direct energy consumed at the construction sites refers to diesel and biodiesel used as fuel for generators, bobcats and backhoe excavators. In 2014, diesel consumption dropped, which had already occurred in 2013 (G4-EN4). This reduction was due to an increasingly more specific use of diesel generators in cases where it is impossible to connect with the electrical matrix.

## TOTAL FUEL CONSUMPTION

SOURCE (KWH)	2011	2012	2013	2014
Diesel and Biodiesel	1,538,143.04	2,499,666.85	983,542.07	713,101.54
Gas	477,849.38	909,055.35	414,104.67	227,438.84
<b>TOTAL</b>	<b>2,015,992.42</b>	<b>3,408,722.20</b>	<b>1,397,646.74</b>	<b>940,540.38</b>

Note: Diesel and biodiesel values were summed up because the consumption of biodiesel in 2014 was practically insignificant. Further to that, fuel was no longer acquired in its pure form, only blended with diesel.

Another source of indirect energy used at the construction sites is natural gas, which is used to heat the water of showers in workers' living quarters. The drop in 2013 and expansion in 2014 was due to a reduction to the number of employees at the construction sites.

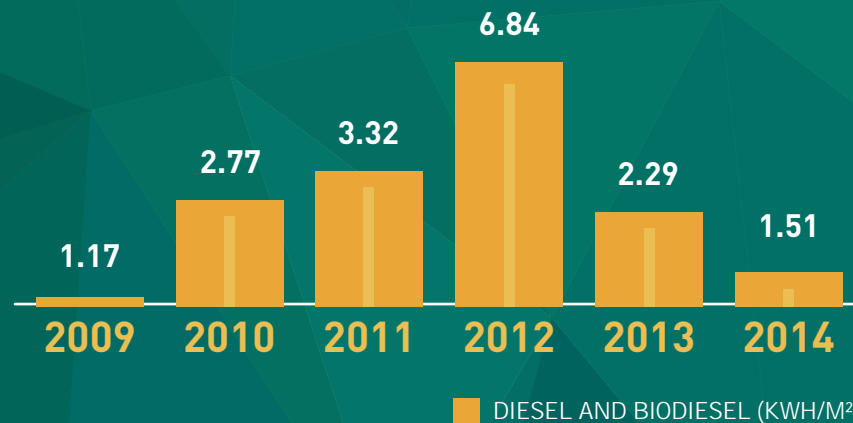
## GAS CONSUMPTION HISTORY (KWH/M<sup>2</sup> IN PROGRESS / BUILT) (G4-EN7)



Note: we have been recordings downswing trends to the number of employees at construction sites throughout the years. In 2012 there was a staff of 54,714 employees. In 2013, this number moved down to 48,653, an 11% drop in comparison with 2012. In 2014, there were 44,231 employees at the construction sites, 9% less than in the previous year.

## DIESEL/BIODIESEL CONSUMPTION (KWH/M<sup>2</sup> IN PROGRESS/BUILT) (G4-EN7)

SUSTAINABLE CITIES



Note: the variation to consumption in the course of time is pegged to stages the construction work was going through, something variable at each year depending on launches during the period.

## TOTAL ENERGY CONSUMPTION (G4-EN5)

DESCRIPTION	2011	2012	2013	2014	MEASURE
Total energy consumption (G4 EN3 + G4 EN4)	6,498,696.52	7,663,050.58	6,982,410.88	5,989,828.36	KWh
Denominator – built area	463,089.08	365,276.84	409,657.98	448,342.92	m <sup>2</sup> in progress
Energy Intensity	14.03	20.98	17.04	13.36	KWh/m <sup>2</sup> in progress

Note: the variation to consumption over time is pegged to phases the construction work was going through, something variable at each year depending on launches during the period.

## ▶ WATER CONSUMPTION

The water used in all of Even's constructions is obtained through the utility network and tanker trucks. Sewage generated by Even is disposed of through the treatment network offered by local concessionaires. (G4-EN8) (G4-EN22)

### SUSTAINABLE CITIES

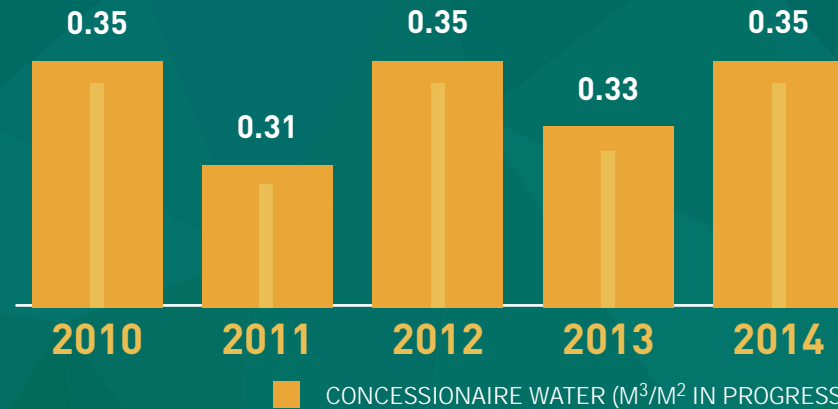
## TOTAL WATER DRAWN BY SOURCE

DESCRIPTION	2012	2013	2014
Total Concessionaires (m <sup>3</sup> )	128,237	135,301	157,759
SP	108,787	116,964	148,279
MG	5,270	8,362	1,931
RJ	14,179	9,975	7,548

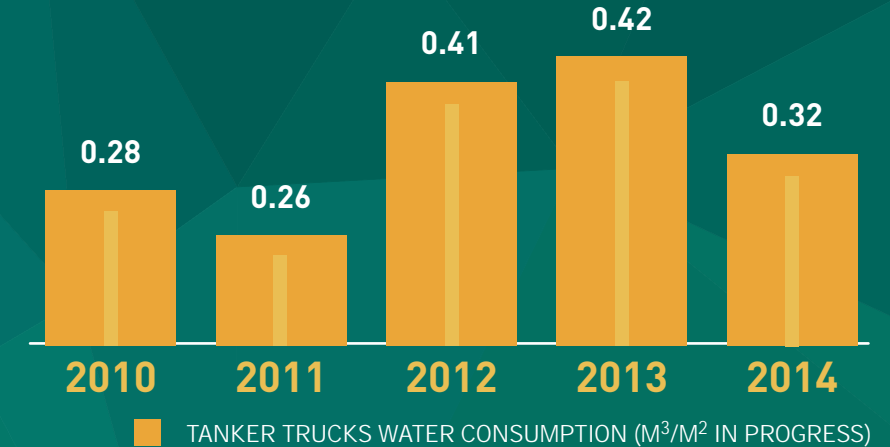
DESCRIPTION	2012	2013	2014
TANKER TRUCK (m <sup>3</sup> )	149,205	170,507	144,499

Note: consumption increased in 2014 because the Paulistano development consumed 57.639 m<sup>3</sup>, which equaled to 37% of the total, on account of finishing services to deliver the building. In addition to that situation this was a large-scale Project with seven towers and approximately 400 houses in a constructed area of roughly 172.000 m<sup>2</sup>.

### CONCESSIONAIRE WATER CONSUMPTION HISTORY (M<sup>3</sup>/M<sup>2</sup> IN PROGRESS)

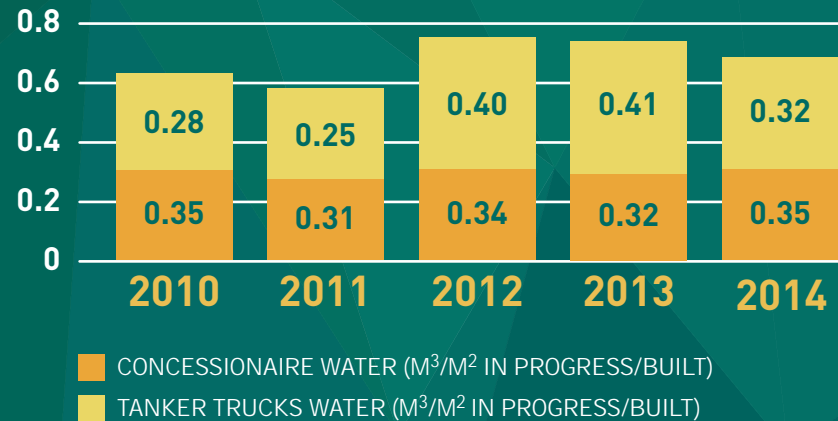


### TANKER TRUCKS WATER CONSUMPTION HISTORY (M<sup>3</sup>/M<sup>2</sup> IN PROGRESS)



### SUSTAINABLE CITIES

### EVEN WATER CONSUMPTION COMPARATIVE



### THE TABLE BELOW SHOWS EVEN'S WATER CONSUMPTION IN THE CONSTRUCTION PROCESS BY AREA AND BY CONSTRUCTION PHASE (G4-CRE2)

EVEN AVERAGE (M <sup>3</sup> /M <sup>2</sup> )	FOUNDATION	STRUCTURE AND MASONRY	FINISHING
2014	0.10	0.26	0.38

Note: in the course of 2014 the form for accounting phases was altered. Instead of four, only three phases were given consideration, adding internal coatings to the Structure and Masonry item. This change was made because the internal coating phase usually comes together with the structure and masonry phase. Targets shall be adjusted in 2015 considering water consumption both from the concessionaire as well as from the tanker trucks.



In 2014, water withdrawal was quantified according to its source, in the process finding water bodies considerably affected by these consumptions identified in our developments in São Paulo, Rio de Janeiro and Minas Gerais. An analysis demonstrated that Even did not cause any significant impact to any water body. All rates remained below 0.02%. (G4-EN9)

## WATER SOURCES

WATERSHED	FLOW M <sup>3</sup> /S 2013	FLOW M <sup>3</sup> /S 2014	EVEN CONSUMPTION (M <sup>3</sup> )	EVEN CONSUMPTION (M <sup>3</sup> ) 2014	AVERAGE ANNUAL VOLUME (M <sup>3</sup> )	REPRESENTATIVENESS%
GUANDU	47.00	47.00	9,975	7,549	1,482,192,000	0.0005%
GUARAPIRANGA	14.00	15.17	41,376	87,809	478,401,120	0.0184%
CANTAREIRA	33.00	13.97	62,475.24	55,729	440,557,920	0.0126%
RIO DAS VELHAS	320.00	320.00	8,362	1,932	10,091,520,000	0.0000%
ITUPARANGA	39.12	39.12	13,113	4,741	1,233,688,320	0.0004%

### SUSTAINABLE CITIES

#### TOTAL WATER DRAWN BY SOURCE REACHES APPROXIMATELY 0.0319%

Note 1: Consumption data by source in 2013 was wrongly published in the previous report. For that reason, a column referent to 2013 with the correct data was inserted onto the table.

Note 2: monitoring is performed considering only the water acquired from the concessionaire since it is impossible to control water provided by a tanker truck.

Construction sites have adopted a (truck-wheel wash) system to minimize dust and mud tracks dispersed by trucks. This water goes through a filtering and decanting system prior to being sent back to the water tank. Later this water is reutilized to wash other trucks or to wash floors, garages and watering gardens, among other purposes. This reutilized volume however is not measured since it is scarcely representative.

In 2014, a water reuse system was developed to reuse water at the Central Mortar and Grout process; this was done with a decanting tank, pumping the water into a storage tank. Water reuse may be applied to wash the pug mill, the floors and other unassuming purposes, just as with the wheel-washer, for example. This system is applicable to works that use Structural Masonry methodology, in this way complying with the guidelines to implement the Empreendedor AQUA certification. (G4-EN10)

## ► MORE SUSTAINABLE CONSTRUCTION WORKS

The More Sustainable Construction Work (Obra Mais Sustentável) was an initiative implemented at worksites in 2014 with the objective of further expanding actions for reducing water and power consumption, the generating of residues and other episodes that are part of the company's daily work. This actually worked as a gymkhana held among groups participating in the PDTO 2014 construction works. Site managers displaying the best performance in handling sustainability routines at the worksites each won a trip for two.

## ► DEGRADED OR REMEDIATED AREAS

In 2014, we ended the year with a land bank holding 1,359,169 m<sup>2</sup> – of which 75,521 m<sup>2</sup> corresponded to the year's launches out of which 34.50% were in need of some kind of intervention for displaying some level of contamination. These areas were submitted to remediation for the purpose of their total rehabilitation for a risk-free occupation, duly approved by competent organs when necessary. 24.96% displayed some level of alteration however with no need for intervention/remediation, for it did not generate any risk from its usage while the remaining 40.54% displayed no contamination whatsoever.

SUMMARY		
Contamination with intervention	26,059 m <sup>2</sup>	34.50%
Contamination with no need for intervention	18,849 m <sup>2</sup>	24.96%
No contamination	30,614 m <sup>2</sup>	40.54%

Environmental and contamination analyses are performed for 100% of our land plots, not only areas part of the Cetesb file. (G4-CRE5)

## ► INVESTMENTS IN SUSTAINABILITY

Investments of approximately R\$ 14.6 million in control and prevention actions related to sustainability issues were made by Even. Part of these investments were directed to control actions such as auditing of Greenhouse Gas Emissions, production and external verification of the Annual Sustainability Report, and actions related to transportation and disposal of residues. (G4-DMA) Investments in preventive actions include the costs involved in the Empreendedor AQUA and ISO 9001 certifications, the purchase of certified wood for the developments and tree-protection actions, among other initiatives. (G4-EN31)

SUSTAINABLE  
CITIES

**INVESTMENTS IN SUSTAINABILITY 2014**

Investments to control	10,801,305.28
Investments to prevention	3,811,811.06

**▶ CARBON EMISSIONS**

Even was the first homebuilder in Brazil to publish an inventory of Greenhouse Effect Gas emissions (GEE). This work involved data assessment, an information survey and mapping of the company's processes and emission factors that characterize our supply chain including all of the company's facilities and emission sources in the country. An external verification, conducted by KPMG was also made.

Even's carbon inventory follows the standards of the Greenhouse Gas Protocol (GHG) and the ISO 14064-1 Norm which establishes rules and standards for the preparation of the inventory. The calculation includes emissions under three scopes: I) direct emissions of the company; II) indirect emissions from the energy purchased, and III) indirect emissions related to the activities that occur outside the company, such as production of raw materials by suppliers. Scope III has the greatest impact on our inventory, corresponding to 98% of our emissions, precisely due to the activities of our suppliers.

Among the largest emission factors is the production of largely used materials, such as cement and steel, which result from a high carbon emission industrial activity. It is important to stress that the mix of projects and the stage of the construction work interfere directly in the overall rate of emissions. For example, the higher the volume of pre-cast constructions, the lower the index. Our emission reduction plan considered the carbon emissions arising from each type of construction systems.

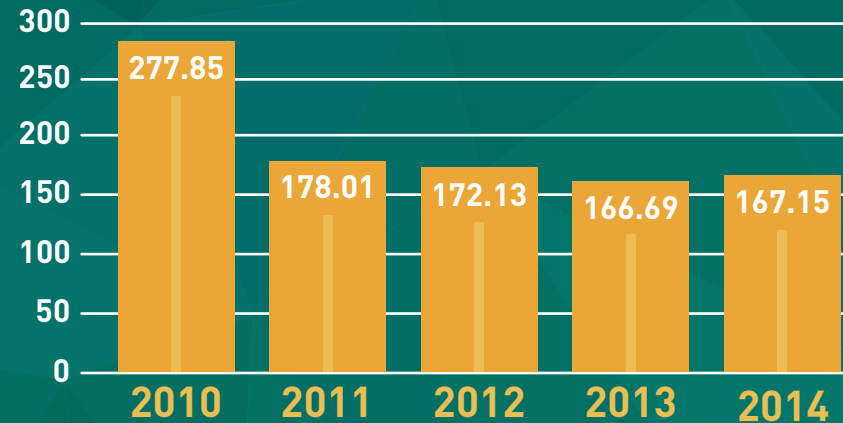
YEAR	2012	2013	2014
kg CO <sub>2</sub> e/m <sup>2</sup> Index	172.13	166.40	164.89

Note 1: The 2013 data has been updated in this edition with values calculated after the audit which in the past, had taken place after the publication of the previous report.

Note 2: In publishing the report, scope III data for 2014 had still not been audited.

**SUSTAINABLE CITIES**

## EVEN GENERAL INDEX (KG CO<sub>2</sub>E/M<sup>2</sup> BUILT)



Note 1: Data from 2013 has been updated in this edition with values calculated after the audit which in the previous year, had taken place subsequently to publishing the report.

Nota 2: In the publication of the report, scope III data for 2014 had still not been audited.

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### ► CARBON EMISSIONS INVENTORY

Even's emission index in 2014 presented small variation in comparison with the previous year. This assignment covered constructed and/or under construction works equivalent to 656,845.95m<sup>2</sup> constructed and/or under construction. Our emission index in 2014 was 164.89 CO<sub>2</sub>e/m<sup>2</sup>.

The emissions index by type of development was calculated based on the average rate of emissions generated by con-




struction area delivered. Melnick Even construction works are not included in the index and Even Vendas units and demolition processes are not accounted for in the inventory.



CONSTRUCTION METHOD	M <sup>2</sup> DELIVERED IN 2014	INDEX KGCO <sub>2</sub> E/M <sup>2</sup>	TOTAL TCO <sub>2</sub> E
Conventional Structure	447,214.66	169.58	75,839.63
Masonry structure	119,260.71	149.42	17,819.55
Commercial	90,370.58	162.10	14,648.62
Pre-cast	-	136.10	0.00
Administration	-	-	0.00
	<b>656,845.95</b>		<b>108,307.80</b>



## EMISSIONS SCOPE I (G4-EN15)

DESCRIPTION	2010	2011	2012	2013	2014	MEASURE
Emissions of CO <sub>2</sub> e	370.00	963.90	1,136.78	754	553.61	tCO <sub>2</sub> e
AUDITING:	 Gasoline		 Diesel		 Gas	

Note: Data from 2013 has been updated in this edition with values calculated after performing the audit which in the previous year had taken place after the publishing of the previous report.

## EMISSIONS SCOPE II (G4-EN16)

DESCRIPTION	2010	2011	2012	2013	2014	MEASURE
Emissions of CO <sub>2</sub> e	433.18	151.35	335.53	612.66	814.82	tCO <sub>2</sub> e

Note: Data from 2013 has been updated in this edition with values calculated after performing the audit which in the previous year had taken place after the publishing of the previous report.

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## EMISSIONS SCOPE III (G4-EN17)

DESCRIPTION	2012	2013	2014	MEASURE
Production and Transportation of Materials, Air Travel and Residues	122,687.16	93,854.24	108,307.80	tCO <sub>2</sub> e

Note 1: Data from 2013 has been updated in this edition with values calculated after performing the audit which in the previous year had taken place after the publishing of the previous report.

Note 2: at the time of publishing the report, the 2014 data had still not been audited.

Obs.: In order to account for emissions, we verify all the materials and services quantified in the budgets of the construction works, separated into four Construction Methods (Conventional Structure - Residential, Conventional structure- Commercial, Structural Masonry - Residential and Pre-Cast). Emissions arising from air travel and disposal of unused residues are also accounted for.

### GEE EMISSIONS RATE (G4-EN18)

DESCRIPTION	2012	2013	2014	MEDIDA
Emissions (Scope I+ Scope II + Scope III)	0.172	0.166	0.167	tCO <sub>2</sub> e/m <sup>2</sup>

Note 1: Data from 2013 has been updated in this edition with values calculated after performing the audit which last year had taken place after the publishing of the previous year's report.

Note 2: When publishing the report, data from scope III in 2014 had still not been accounted for.

Obs.:

Scope I: Fuel Consumption (fuel voucher), GLP and Diesel

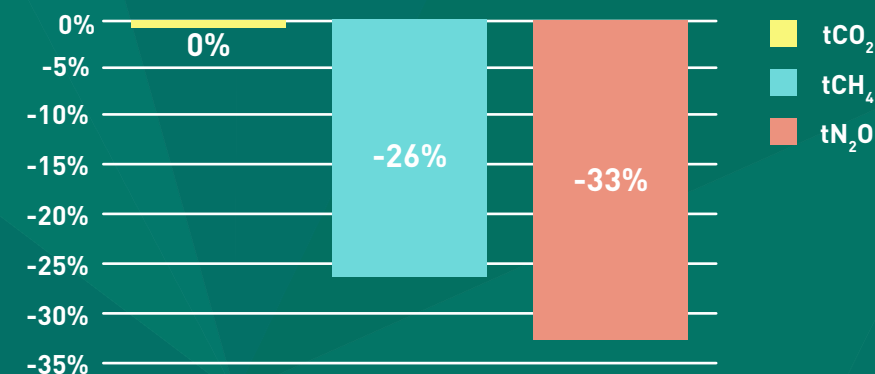
Scope II: Electric Energy at Construction Sites and at Administrative Buildings

Scope III: Materials Production & Transportation + Air Travels + Waste + Printed Matter + Taxi Cabs

### GEE EMISSION REDUCTION (G4-EN19)

DESCRIPTION	2012	2013	2014	VARIATION
tCO <sub>2</sub> Emissions	123,829.96	109,815.99	109,624.65	0%
tCH <sub>4</sub> Emissions	0.098	0.2019	0.148	-27%
tN <sub>2</sub> O Emissions	0.034	0.0668	0.045	-33%

### EMISSION REDUCTION PERCENTAGE (2013 TO 2014)



Note 1: Data from 2013 has been updated in this edition with values calculated after performing the audit which last year had taken place after the publishing of the previous year's report.

Note 2: When publishing the report, data from scope III in 2014 had still not been accounted for.

## SUSTAINABLE CITIES

We have also quantified the emissions arising from direct stationary combustion generated by diesel driven equipment. Nitrous oxide (N<sub>2</sub>O) is one of the generated gases recorded in these atmospheric emissions. (G4-EN21)

### EMISSIONS TN<sub>2</sub>O 2014

Substance	Source	tCO <sub>2</sub> e
N <sub>2</sub> O	Scope I	12.80
N <sub>2</sub> O	Scope III	0.62

Emissions from nitrous oxide occurs with the following services:

Source - Scope I: Fuel for employees' car tanks

Source - Scope III: Cab rides and Air Travels

We have also measured emissions generated by employee transportation by air or surface. For surface transportation a 17% reduction to emissions was registered, from 503.48 tons in 2013 to 421.86 tons in 2014. The number of emissions related to air travel also registered a drop from 148.63 tons to 60.47 tons (40%). (G4-DMA) The publication of a separate spreadsheet for the GHG Protocol made it easier to monitor this indicator at the company. There were no reports of travels with distances over 3,700 kilometers. Distance is most

representative for emissions since the methodology performs its calculations based on traveled distances. (G4-EN30)

See in the tables below the measurement of Even's emissions by the construction method in relation to built area and gross profit. Indicators below are compiled in this manner in compliance with the GRI G4 report. This format however is not used for company emissions management.

### MEASUREMENT OF EVEN EMISSIONS BY CONSTRUCTION METHOD IN RELATION TO THE BUILT AREA AND GROSS PROFIT BY THE COMPANY'S ACTING REGIONS (G4-CRE3)

#### EMISSIONS SCOPE I + SCOPE II BY CONSTRUCTION METHOD

CONSTRUCTION METHOD	KGCO <sub>2</sub> E	BUILT AREA (M <sup>2</sup> )	KGCO <sub>2</sub> E/M <sup>2</sup>
Conventional Structure - Residential	411,740.78	447,214.66	0.92
Conventional Structure - Commercial	190,986.48	90,370.58	2.11
Structural Masonry-Residential	99,720.71	119,260.71	0.84

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## (G4-CRE4)

EMISSIONS SCOPE I + SCOPE II BY CONSTRUCTION METHOD			
CONSTRUCTION METHOD	KGCO <sub>2</sub> E	LUCRO BRUTO (MI)	KGCO <sub>2</sub> E/LUCRO
Conventional Structure - Residential	411,740.78	614,240,000.00	0.0011
Conventional Structure - Commercial	190,986.48		
Structural Masonry- Residential	99,720.71		
<b>TOTAL</b>	<b>702,447.97</b>		

SCOPE I - STATIONARY COMBUSTION (DIESEL)		
CONSTRUCTION METHOD	LITROS	KGCO <sub>2</sub> E
Conventional Structure - Residential	53,421.70	133,122.68
Conventional Structure - Commercial	261.00	650.39
Structural Masonry- Residential	3,095.00	7,712.50

SCOPE I - GAS GLP		
CONSTRUCTION METHOD	KG	KGCO <sub>2</sub> E
Conventional Structure - Residential	10,916.24	32,039.43
Conventional Structure - Commercial	2,501.52	7,342.02
Structural Masonry- Residential	3,159.03	9,271.84

SCOPE II - ELECTRIC ENERGY		
CONSTRUCTION METHOD	KWH	KGCO <sub>2</sub> E
Conventional Structure - Residential	3,037,458.45	411,575.62
Conventional Structure - Commercial	1,409,383.23	190,971.43
Structural Masonry- Residential	735,872.96	99,710.79

SCOPE I + II - ADMINISTRATIVE	
TOTAL EMISSIONS	KGCO <sub>2</sub> E
SP	338,336.68
RJ	94,176.19
BH	16,147.03

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Results were disclosed in 2014.

### SCOPE I - MOBILE COMBUSTION

TOTAL EMISSIONS	KGCO <sub>2</sub> E
SP	252,240.37
RJ	74,706.79
BH	8,773.95

### SCOPE II - ELECTRIC ENERGY (OFFICES)

TOTAL EMISSIONS	KGCO <sub>2</sub> E
SP	86,096.31
RJ	19,469.40
BH	7,373.07

## SUSTAINABLE CITIES

### ► REDUCTION OF EMISSIONS PROGRAM

One purpose of our emissions reduction program is to engage the civil construction sector in the climate change topic, especially our suppliers, requiring continuous engagement year after year. Thus, in 2013 Even participated, together with the Construction Industry Union (Sinduscon/SP) in a work group with various civil construction companies to define a GEE quantification methodology for the sector, which would make it possible to make comparisons among different companies.

### ► COMMUNITY

Fully aware that putting up constructions spawns countless inconveniences in the surroundings of worksites, Even implements a range of care actions to minimize impacts before the beginning of each development even before the launch and opening the sales stand.

Before beginning the work, we perform surveys in homes and commercial premises in the neighborhood of all operations to detail their state of preservation to detail possible direct or indirect impacts caused to the region by the construction work.

During the construction work, we also perform a series of actions to avoid disturbances to neighbors, such as optimizing schedules for delivering materials, further to using materials that produce less dust and dirt in the surrounding area. We also act in the sense of making our own and outsourced teams aware of unnecessary noise and cleaning of the construction sites and surrounding areas, further to offering additional protection. (G4-EC7)

Furthermore, we promote a reduction and correct disposal of residues, the reuse of materials and the reduction of water and energy expenses. We also perform periodical surveys at the construction sites with the objective of assessing and identifying possible problems with sidewalks, dumpsters, litter out on the street, traffic, unnecessary noise, among

others, all described in reports sent to everyone accountable for the construction and to the Compliance area. We also make available to the neighbors a dedicated communication channel in our Relationship Center so that any request may be met in the most appropriate manner. (G4-S01 | G4-S02)

Among measures for improvement and compensation of the surroundings, whether demanded by the legislation in effect or not, the company renovates and maintains sidewalks, plants, trees, recovers public squares and green areas, paints walls and façades. In the case of developments that generate heavy traffic flow, under the guidance of public agencies, we make improvements to traffic lights and signs in the local traffic infrastructure.

In 2014, Even invested R\$ 13,542,182.31 in compulsory compensation actions such as enlargement of infrastructure, services, extension of the water and sewage grids and reinforcement of the power grid (see table below). Further to volunteer actions, we also intervene and remediate by increasing green to formerly decayed surrounding areas.

## SUSTAINABLE CITIES



## INVESTMENTS IN INFRASTRUCTURE AND SERVICES PERFORMED IN 2014 (G4-EC7)

IMPACT	2014	2013	2012
COMPLIANCE WITH THE ENVIRONMENTAL COMMITMENT TERMS (DEPAVE)	R\$ 1,902,596.90	R\$ 2,375,264.59	R\$ 2,887,122.91
COMPLIANCE WITH THE ROAD IMPROVEMENT TERMS (SMT/CET)	R\$ 2,930,931.64	R\$ 1,115,529.92	R\$ 5,929,342.99
COMPLIANCE WITH THE ENVIRONMENTAL QUALITY TERMS (DECONT/CETESB)	R\$ 389,791.50	R\$ 135,066.76	R\$ 843,969.60
REINFORCEMENT OF POWER GRIDS	R\$ 5,170,000.46	R\$ 3,832,856.76	R\$ 1,959,647.29
EXTENSION OF THE WATER AND SEWER GRIDS	R\$ 3,148,861.81	R\$ 1,937,520.71	R\$ 1,526,160.83
<b>TOTAL</b>	<b>R\$ 13,542,182.31</b>	<b>R\$ 9,396,238.74</b>	<b>R\$ 13,146,243.62</b>

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## ► INDIRECT ECONOMIC IMPACTS (G4-EC8)

The construction of one or more Even developments creates a new configuration in scarcely built, degraded or abandoned districts. Besides promoting the urbanization of such areas, with the installation of infrastructure that did not previously exist (water and sewage networks, electricity, streets), the developments attract various businesses to the surrounding areas, such as pharmacies, bakeries, restaurants, shops, among others, to meet the needs of the new inhabitants.

With the new São Paulo master plan, which establishes the offer of incentives for the construction of developments in less inhabited regions of the city, Even has the opportunity to increase its operations with this focus, not only with respect to economic aspects, but social and environmental as well, improving the lifestyle of their populations.

### SUSTAINABLE CITIES

## ► INVASION OF LAND PLOTS (G4-EC7)

In 2014, the Homeless/Roofless Workers Movement (MTST - Movimento dos Trabalhadores Sem Teto) occupied a plot of land legally owned by Even – this took place among several other actions of squatters moving into private property in São Paulo during this year. The company did not consider this a negative episode for its operations, whereas the invaded plot had been regularly acquired three years ago, all respective

taxes paid, further to a Project to put up a residential development registered at the São Paulo City Hall immediately after the land plot's acquisition.

Even understands that the country is faced with a huge housing deficit and that a desire to own a place to live is a valid aspiration. However, we believe that MTST issues should be forwarded to and addressed by public authorities. For that reason, the company took the legally required measures to execute repossession of the land plot, reiterating its confidence in the legal system in guaranteeing the right to private property, as provided in the Brazilian Constitution.







# ABOUT THIS REPORT

Nova Lima (MG) E. Office Vila da Serra Building



# ABOUT THIS REPORT

In this Even 2015 Annual and Sustainability Report (base year 2014), we give an account of our economic, social and environmental performance in an integrated form, as per the guidelines of the Global Reporting Initiative (GRI). The previous report was published in 2014 (base year 2013). (G4-29 | G4-30)

The organization opted for the GRI G4 reporting option - . We attempted to consider suggestions made by an external consultancy that executed the verification of the 2014 report further to evaluations from stakeholders who were engaged for the construction of materiality during the years of 2011, 2012, 2013 and 2014. (G4-32)

## REPORT LIMITS

In this document we present company results and information related to 2014, including operations of Even Construtora e Incorporadora S.A., Even Vendas (Evenmob), Green (Green Prestação de Serviços de Construção Civil Ltda.) and the Rio de Janeiro and Minas Gerais business units. (G4-18)

As with previous reports, we did not report data related to Melnick Even Incorporações e Construções S.A., our joint venture located in Rio Grande do Sul, although we make ref-

erence to its operations in various chapters. The joint venture's accounting results are included in Even's consolidated balance sheet. Melnick Even holds independent actions in the environmental, social and economic spheres, these reported separately in the organization's site: <http://www.melnickeven.com.br> (G4-20 | G4-28)

The list of entities included in the organization's financial report in 2014 and 2013 is described in the standard financial statements for the period ended on December 31st, 2014, published at the Brazilian Securities Commission (CVM) on March 10th, 2015, available at: [http://www.mzweb.com.br/Even/web/conteudo\\_pt.asp?idioma=0&conta=28&tipo=2047](http://www.mzweb.com.br/Even/web/conteudo_pt.asp?idioma=0&conta=28&tipo=2047). (G4-17)

ABOUT THIS REPORT



## ▶ LIMITS OUTSIDE THE ORGANIZATION

The focus of Even material-related actions refers to surrounding areas of developments at capitals where the organization acts - São Paulo, Rio de Janeiro, Belo Horizonte, Porto Alegre. However, in some cases, actions go beyond these limits in issues referring to reduction of GEE Emissions and waste management. (G4-21)

## ▶ REFORMULATIONS AND CHANGES (G4-22 | G4-23)

In 2014 there were no reformulations to information. To report them, Even opted for GRI's G4 reporting guidelines. The previous year's scope was maintained however with focus on elements essential to impacts generated by its economic, environmental and governance performance.

In reference to the information on GEE Emissions, the 2013 data has been updated in this edition, these values obtained after the audit, which last year occurred after the publication of the previous report.

## ▶ MATERIALITY

The year of 2014 was one of intense reflection from Even high management with the purpose of consolidating the sustainability strategy at the company. In previous years, formal consultations made to major stakeholders – employees,

customers, shareholders, suppliers, financial institutions, and community– detected a need for Even to detail its sustainability strategy so that its publics of interest may understand the organization's purpose in a coherent, objective and consistent manner.

This process was considered when updating the Even Materiality Matrix, now structured as shown below:

**Pillar 1:** Transparency.

**High materiality:** Preventing and combating corruption; and Corporate Governance.

**Pillar 2:** Customer Service Efficiency.

**High materiality:** Customer services and communications.

**Pillar 3:** Valuing employees.

**High materiality:** Attraction and Retention of Talents and Health and Safety.

**Pillar 4:** Corporate Social Responsibility.

**High materiality:** Training of Labor Force and Private Social Investment Policy.

**Pillar 5:** Sustainable Products.

**High materiality:** Sales Process and Value Chain Management.

**Pillar 6:** Sustainable Cities.

**High materiality:** Water, Energy, GEE and Emissions of Residues.

ABOUT THIS  
REPORT

## ABOUT THIS REPORT

For the purpose of consolidating topics of materiality and consequently, the main themes in the strategy through which EVEN intends to assume public targets, via a questionnaire and discussions, a document containing major aspects was drawn up. The objective was that the respondents themselves identify the materiality in relevant aspects using a Likert scale. They accept the challenge of ranking the topics confronting internal issues against municipal, regional and global challenges.

The decision to strategically review materiality aspects did not however, produce a breakdown to relations with stakeholders. This relationship conversely has become closer. In 2014, Even invited architects, designers and drafters, all professionals at the starting point of the construction company's value chain, to discuss how sustainability at the company can be applied to their daily work. In addition to that, the company also tried to establish a closer relationship with the press to debate and consolidate sustainability topics that extrapolate company limits. The Customer area also included in their customer survey, formal questions about. Then monitored by the team, these became indicators. (G4-19 | G4-20 | G4-25)

The formalizing process of a sustainability strategy for Even also involved a discussion around the comprehension of the organization's sustainable development and its correlation with company activities. The objective of this debate was to enhance the understanding of the part played by Even in light of the impacts it generates, further to related risks and long-term opportunities.

This evaluation occurred at a moment when the discussion about the management of natural resources has been in the limelight due to the water and energy crises, adding to this a national political-economic that makes corporate governance and companies' commitment with ethics and transparency stand out. To arrive at material aspects, all of these points were considered from entities' viewpoints in this case, considered benchmarks for these issues. Some of these were the Brazilian Institute of Corporate Governance (IBGC), Civil Construction Industries Union (Sinduscon), São Paulo Residential and Commercial Real Estate Sale, Purchase, Location and Administration Union (Secovi-SP), Transparency Brazil, Ethos Institute and Global Reporting Initiative (GRI), among others. (G4-24 | G4-26)

Topics raised in the stakeholder-engagement process and answered by the organization were the following (G4-27):

- \* Business Management (employees, financial institutions, shareholders). Answer: Consolidation of the sustainability strategy.
- \* Environmental and social impacts (employees, customers, financial institutions, community, suppliers). Answer: GEE Emissions inventory, inclusion of preventive clauses in agreements, adoption of the Principle of Precaution.
- \* Corporate Social Responsibility (employees, community). Answer: volunteer projects; Private Social Investment policy.

\* People Management (employees, shareholders). Answer: implementation of a performance appraisal policy, review of the remuneration policy, career management for attracting and retaining talents.

\* Financial impacts (customers, shareholders, employees, suppliers, financial institutions). Answer: transparency in reporting financial information.

In 2014, all Even Executive Board members, including the President, were involved in the sustainability strategy's revision process, strategic planning for the coming years and review of company values, as well as participating in individual engagement meetings conducted by the Sustainability area. (G4-42 | G4-43)

## ▶ INTERNAL AND EXTERNAL VERIFICATION

As with all editions, the Annual and Sustainability Report has been submitted to Even high management for approval. The outset of the process, preparation for reporting, initial decision making, information gathering and publication only proceed with approval from the company President. (G4-48)

The report then underwent an external process evaluated by KPMG Independent Auditors for the purpose of certifying consistency and transparency to the data and information disclosed herein. The Assurance and results involve the

Executive Board's decisions and participation, including the president's. (G4-33)





# CORPORATE INFORMATION

São Paulo (SP) 701 Arizona Building



# CORPORATE INFORMATION

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CORPORATE  
INFORMATION

## ▶ LIMITED ASSURANCE REPORT ISSUED BY INDEPENDENT AUDITORS

The Board of Directors and Shareholders of  
Even Construtora e Incorporadora S.A.  
São Paulo - SP

### INTRODUCTION

We have been engaged by Even Construtora e Incorporadora S.A. ("Company" or "Even") to perform an independent verification on the preparation process of 2015 Even Annual and Sustainability Report, related to the year ended December 31st, 2014.

### RESPONSIBILITIES OF COMPANY'S MANAGEMENT

The management of Even is responsible for preparing and adequately presenting the information presented in 2015 Even Annual and Sustainability Report in accordance with the Sustainability Reporting Guidelines of the Global Reporting Initiative – GRI (GRI-G4), and with the AA1000 principles "Accountability Principles Standard 2008 (AA1000APS)", and the internal controls determined necessary to ensure this information is free from material misstatement, resulting from fraud or error.

### KPMG' RESPONSIBILITY

Our responsibility is to express an independent conclusion about the quality and content of 2015 Even Annual and Sustainability Report based on the Guidelines for Sustainability Reports of the Global Reporting Initiative – GRI (GRI-G4), and with AA1000 principles "Accountability Principles Standard 2008 (AA1000APS)", in accordance with the standard criteria of AA1000 Assurance Standard - 2008 -Type 1 ("AccountAbility Principles"), Moderate Level.

To carry out the work, procedures were performed to ensure the independence and the absence of conflicts of interest in conducting the engagement.

The work was conducted by a sustainability specialized team, properly trained to apply independent verification procedures and with experience in the client's business sector.

KPMG Brazil is licensed by AccountAbility as an assurance provider (AA1000 Assurance Licensed Provider) under the registration number 000-177.

### APPLIED PROCEDURES

The procedures consisted of:

(a) Interviews with senior management and with managers of the key areas of the organization to understand the accountability process and governance practices to manage sustainability in the Company and for assessing the relevance of in-

formation for reporting;

(b) media and public information research about the company and the business sector;

(c) analysis of the nature and extent of the organization's adherence to the principles of AA1000: Stakeholders Inclusion, Materiality and Response Capacity;

(d) understanding the procedures applied to obtain, consolidate and report non-financial information contained in 2015 Even Annual and Sustainability Report and applying analytical procedures and substantive tests, based on sample testing on relevant performance information;

(e) analysis of the structure, content and limits of 2015 Even Annual and Sustainability Report, based on the content and quality principles of the Sustainability Reporting Guidelines of the Global Reporting Initiative - GRI (GRI-G4);

(f) understanding and analysis of the adherence to the Sustainability Reporting Guidelines of the Global Reporting Initiative - GRI (GRI-G4) and the material aspects approach management related to the performance indicators disclosed in 2015 Even Annual and Sustainability Report;

(g) plausibility analysis of the reasons for omissions of performance indicators associated with topics and aspects identified as material through the Company's materiality assessment; and

(h) improvement opportunities identification for adherence to

the AccountAbility principles - AA1000 Accountability Principles Standard (AA1000 APS).

## SCOPE AND LIMITATIONS

The procedures applied do not represent an examination in accordance with financial statements auditing standards. Additionally, our declaration does not provide assurance on the achievability of future information (eg, goals, expectations and ambitions), descriptive information subject to subjective evaluation and financial information.

## CONCLUSIONS AND RECOMMENDATIONS ON ADHERENCE TO THE AA1000 ACCOUNTABILITY PRINCIPLES

### 1. Principle of Inclusivity

Between 2011 and 2012, Even held public consultations with its stakeholders to define materiality, through engagement panels. From 2013 onwards, the identified subjects were submitted to a validation process and internal reflexion involving members of senior management and managers from different areas of the Company, in order to consolidate its sustainability strategy based on priority issues and setting public goals.

Despite the stakeholders not being involved directly in the process in the last two years, there was no breakdown of the relationship of Even with them, since other forms of engagement were carried out through various dialogue channels that the Company offers.

specific analysis of the sector.

Later, the Company sustainability area presented the consolidation of the topics to the top management for final validation. Thus, the priority issues that underlie Even sustainability strategy and the construction of its 2015 Annual and Sustainability Report were: Preventing and Combating Corruption; Corporate Governance; Customer Service Efficiency; Customer Services and Communications; Attraction and Retention of Talents; Health and Safety; Training of Labor Force; Private Social Investment Policy; Sales Process; Value Chain Management; Water; Energy; GHG emissions; and Residues.

For the next process, it is recommended further evaluation on the impact and scope related to material issues in order to refine their limits and improve reporting. It is also recommended the formalization of the prioritization criteria of material topics, ensuring its access and replicability for the next cycles of report. Additionally, it is important to maintain the history and justification of reviews, in order that the revisions are understandable and balanced in the view of the stakeholders.

### 3. Principle of Responsiveness

In order to disseminate to its internal and external stakeholders the sustainability strategy and practices on the issue, in 2014 Even has launched its web platform called Even Sustentável, which has become an important channel between the Company and its stakeholders.

For the coming years, it is recommended to structure a plan for Stakeholder Engagement aligned with the sustainability strategy to guide the actions and programs related to their priority public and ensuring the continuity of dialogue channels.

Additionally, since the topics were reviewed, it is recommended that they are presented and validated by the main stakeholders, as well as the goals and commitments to be assumed by the Company.

Among the priority groups, Even must study mechanisms for consultation of Realtors, one of the main stakeholders of Even Vendas. Formed by independent professionals and with remuneration linked exclusively to the sale, the relationship between realtors and construction companies is nowadays one of the main challenges of the sector

### 2. Principle of Materiality

The starting point of the materiality review process, began in 2013, with the topics identified in the engagement panels performed in previous years.

In this process, the topics were evaluated and scored by the senior management team from the perspective of relevance to the company and to its key stakeholders, also considering the risks and opportunities for the Company.

Besides the senior manager analysis, the review of materiality also considered the current context of sustainability and a



Regarding the sustainability report, the Company opted for reporting in Core level, according to the GRI G4 Guidelines, aiming a effective communication to stakeholders, through the reporting of indicators associated with material issues.

Even's commitments that reflect their sustainability strategy are in process of external validation and shall be applied as guidelines for actions to be implemented in order to meet the needs and expectations of its diverse public.

In order to ensure that all channels of communication with stakeholders have a response process aligned with the sustainability strategy, it is recommended to structure a formal process for responses, including the prioritization of actions and response time for each channels of communication.

São Paulo, June 30th, 2015

#### **KPMG Financial Risk & Actuarial Services**

**CORPORATE  
INFORMATION**

**Ricardo Algis Zibas**  
Partner/ Director



# GRI G4 CONTENT INDEX

São Paulo (SP) Praças da Lapa Condomínio Clube Building

# GRI G4 CONTENT INDEX



**Content Index**  
Even construtora  
e incorporadora

Jul 2015  
Service

## GRI CONTENT INDEX FOR 'IN ACCORDANCE' – CORE

General Standard Disclosures	Page	External assurance	Description of the indicator
<b>STRATEGY AND ANALYSIS</b>			
G4-1	Page 5	-	CEO´s Message.
G4-2	Page 5	-	Description of main impacts, risks and opportunities.
<b>ORGANIZATIONAL PROFILE</b>			
G4-3	Page 12, 15	-	Name of the organization.
G4-4	Page 15	-	Primary brands, products and services.
G4-5	Page 15	-	Location of organization´s headquarters.
G4-6	Page 15	-	Countries where the organization operates and names of countries where its principal operations are located.
G4-7	Page 15	-	Nature and legal form of ownership.
G4-8	Page 12, 15	-	Markets served.
G4-9	Page 16	-	Size of the organization.
G4-10	Page 51, 66	Yes, page 106	Total number of professionals by type of job, employment agreement and region, by gender.
G4-11	Page 55	-	Percentage of professionals covered by collective negotiation agreements.
G4-12	Page 59, 79	-	Description of the organization´s supply chain.

GRI G4  
CONTENT INDEX



## GRI CONTENT INDEX FOR 'IN ACCORDANCE' – CORE

General Standard Disclosures	Page	External assurance	Description of the indicator
<b>ORGANIZATIONAL PROFILE</b>			
G4-13	Page 24	-	Major changes during the reporting period, including the supply chain.
G4-14	Page 28	-	Explanation of if and how the organization applies the precaution principle.
G4-15	Page 68, 69	-	Letters, principles or other initiatives developed outside the company.
G4-16	Page 27	-	Participation in associations and/or national/international agencies.
<b>IDENTIFIED MATERIAL ASPECTS AND LIMITS</b>			
G4-17	Page 100	Yes, page 106	Entities included in the organization's financial report.
G4-18	Page 100	-	Definition of the contents of the report.
G4-19	Page 102	Yes, page 106	Material aspects identified during the definition of the contents of the report.
G4-20	Page 100, 102	Yes, page 106	Limits inside the organization.
G4-21	Page 101	Yes, page 106	Limits outside the organization.
G4-22	Page 101	Yes, page 106	Reformulation of information provided in previous reports.
G4-23	Page 101	Yes, page 106	Significant changes in scope, limit or measurement methods applied in the report.



## GRI CONTENT INDEX FOR 'IN ACCORDANCE' – CORE

General Standard Disclosures	Page	External assurance	Description of the indicator
<b>STAKEHOLDER ENGAGEMENT</b>			
G4-24	Page 102	Yes, Page 106	List of stakeholder groups engaged by the organization.
G4-25	Page 102	Yes, Page 106	Basis to identify and select stakeholders with whom to engage.
G4-26	Page 27, 34, 57, 102	Yes, Page 106	Approaches to engage stakeholders.
G4-27	Page 102	Yes, Page 106	Topics raised by the involvement of stakeholders, and how the organization responded to these topics.
<b>REPORT PROFILE</b>			
G4-28	Page 100	Yes, Page 106	Period covered by the report for the information provided.
G4-29	Page 100	Yes, Page 106	Date of the most recent previous report.
G4-30	Page 100	Yes, Page 106	Cycle of report issues.
G4-31	Page 105	Yes, Page 106	Data for contact in the event of questions related to the report or to its contents.
G4-32	Page 100	Yes, Page 106	Reporting option selected by the organization.
G4-33	Page 103	Yes, Page 106	Current policy and practice related to the search for external verification of the report.

## GRI CONTENT INDEX FOR 'IN ACCORDANCE' – CORE

General Standard Disclosures	Page	External assurance	Description of the indicator
<b>GOVERNANCE</b>			
G4-34	Page 25	-	Governance structure of the organization.
G4-37	Page 27	-	Consultation processes between stakeholders and the highest governance level on social, environmental and
G4-38	Page 22, 23	-	Composition of the highest governance body and its committees.
G4-39	Page 22	-	President of the highest governance body.
G4-40	Page 22	-	Processes for the selection and appointment to the highest governance body and its committees.
G4-41	Page 9	-	Processes to ensure that conflicts of interest be avoided.
G4-42	Page 103	-	Involvement of the executives in the highest governance body, in updating and developing policies, procedures, strategies, goals, values and missions.
G4-43	Page 103	-	Actions aimed at developing and improving the knowledge of all members of the highest governance level.
G4-44	Page 22	-	Process to evaluate the performance of the highest governance body.
G4-45	Page 23	-	Role of the highest governance body in identifying and managing the impacts, risks and opportunities of the economic, social and environmental topics.
G4-46	Page 23	-	Role of the highest governance body in risk assessment processes.
G4-47	Page 22	-	Frequency of the revision of impacts, risks and opportunities of the highest governance body.
G4-48	Page 103	-	Approval of the sustainability report by the governance body and committees.

GRI G4  
CONTENT INDEX

## GRI CONTENT INDEX FOR 'IN ACCORDANCE' – CORE

General Standard Disclosures	Page	External assurance	Description of the indicator
<b>GOVERNANCE</b>			
G4-49	Page 27	-	Communication with the highest governance body.
G4-50	Page 27	-	Issues communicated to the highest governance body.
G4-51	Page 26	-	Policies and procedures on remuneration of the highest governance body.
G4-52	Page 26	-	Process to define the remuneration of the highest governance body.
G4-54	Page 45	-	Annual remuneration of the professional with the highest salary, in relation to the average annual remuneration of the other professionals in the organization.
G4-55	Page 45	-	Percentage of increase of the annual remuneration of the professional with the highest salary, in relation to the average percentage of increase of the annual remuneration of the other professionals in the organization.
<b>ETHICS AND INTEGRITY</b>			
G4-56	Page 10, 14	-	Statement of missions and values, codes of conduct and internal principles.

## SPECIFIC STANDARD DISCLOSURES

### CATEGORY: ECONOMIC

Material Aspects	DMA and Indicators	Page	Omissions	External assurance	Description of the indicator
Economic Performance	G4-DMA	17	-	-	Form of management.
	G4-EC1	21	-	-	Direct economic value generated and distributed.
	G4-EC2	29	-	-	Financial implications and other risks and opportunities for the activities of the organization, arising from climate change.
	G4-EC4	24	-	-	Financial assistance received from the government.
Market Presence	G4-DMA	42	-	-	Form of management.
	G4-EC5	43	-	-	Variation of the proportion of the lowest salary differentiated by gender, compared to the local minimum salary in important operational units.
Indirect Economic Impacts	G4-DMA	95	-	-	Form of management.
	G4-EC7	95, 97, 98	-	Yes, page 106	Development and impact of investments in infrastructure and services offered.
	G4-EC8	98	-	-	Significant indirect economic impacts, including the extent of the impacts.

### CATEGORY: ENVIRONMENTAL

Material Aspects	DMA and Indicators	Page	Omissions	External assurance	Description of the indicator
Materials	G4-DMA	77	-	-	Form of management.
	G4-EN1	78	-	-	Materials used by weight or volume.
	G4-EN2	79	-	-	Percentage of recycled materials used.



## SPECIFIC STANDARD DISCLOSURES

### CATEGORY: ENVIRONMENTAL

Material Aspects	DMA and Indicators	Page	Omissions	External assurance	Description of the indicator
Energy	G4-DMA	66	-	-	Form of management.
	G4-EN3	83	-	-	Energy consumption inside the organization.
	G4-EN4	83	-	-	Energy consumption outside the organization.
	G4-EN5	85	-	-	Energy intensity.
	G4-EN6	70	-	-	Reduction of energy consumption.
	G4-EN7	84	-	-	Reduction of energy requirements related to products and services.
	G4-CRE1	83	-	-	Energy used in construction works.
Water	G4-DMA	66	-	-	Form of management.
	G4-EN8	85	-	-	Total water withdrawal by source.
	G4-EN9	87	-	-	Water sources significantly affected by withdrawal of water.
	G4-EN10	87	-	-	Percentage and total volume of recycled and reused water.
	G4-CRE2	86	-	-	Water used in construction works.

## SPECIFIC STANDARD DISCLOSURES

### CATEGORY: ENVIRONMENTAL

Material Aspects	DMA and Indicators	Page	Omissions	External assurance	Description of the indicator
Emissions	G4-DMA	66	-	-	Form of management.
	G4-EN15	91	-	Yes, page 106	Total direct greenhouse gas emissions (Scope 1).
	G4-EN16	91	-	Yes, page 106	Total indirect greenhouse gas emissions (Scope 2).
	G4-EN17	91	-	-	Other indirect greenhouse gas emissions (Scope 3).
	G4-EN18	92	-	-	Greenhouse gas emissions index.
	G4-EN19	92	-	-	Reduction of greenhouse gas emissions.
	G4-EN21	93	-	-	NOx, SOx and other significant air emissions.
	G4-CRE3	93	-	-	Emission of greenhouse gas by construction works.
	G4-CRE4	94	-	-	Emission of greenhouse gas by new construction works or renovations.
Effluents and Waste	G4-DMA	66	-	-	Form of management.
	G4-EN22	85	-	-	Total discharge of water, by quality and destination.
	G4-EN23	81	-	-	Total weight of waste, by type and disposal method.
Products and Services	G4-DMA	66	-	-	Form of management.
	G4-EN27	68	-	-	Initiatives to mitigate environmental impacts or products and services and the extent of the reduction of these impacts.

## SPECIFIC STANDARD DISCLOSURES

### CATEGORY: ENVIRONMENTAL

Material Aspects	DMA and Indicators	Page	Omissions	External assurance	Description of the indicator
Compliance	G4-DMA	75	-	-	Form of management.
	G4-EN29	75	-	-	Monetary value of significant fines and total number of non-monetary sanctions, applied for non-compliance with environmental laws and regulations.
Transport	G4-DMA	93	-	-	Fom
	G4-EN30	93	-	-	Significant environmental impacts caused by the transportation of products and other goods and materials used in the operations of the organization, as well as in the transportation of laborers.
Overall	G4-DMA	88	-	-	Form of management.
	G4-EN31	88	-	-	Total investments and expenditures on environmental protection, by type.
Supplier Environmental Assessment	G4-DMA	78	-	-	Form of management.
	G4-EN32	60	-	-	Percentage of new suppliers selected on the basis of environmental criteria.
	G4-EN33	60, 79 e 80	-	-	Significant actual and potential negative environmental impacts in the suppliers chain and steps taken in this respect.
Environmental Grievance Mechanisms	G4-DMA	75	-	-	Form of management.
	G4-EN34	75	-	-	Number of claims and complaints related to impacts on society, recorded, processed and solved through a formal mechanism.
	G4-CRE5	88	-	Yes, page 106	Land and other remediated assets and need for remediation of the existing or intended land.

## SPECIFIC STANDARD DISCLOSURES

### CATEGORY: SOCIAL

#### SUBCATEGORY: LABOR PRACTICES AND DECENT WORK

Material Aspects	DMA and Indicators	Page	External assurance	Description of the indicator
Employment	G4-DMA	38	-	Form of management.
	G4-LA1	48	-	Total number and rate of new employee hires and employee turnover by age group, gender and region.
	G4-LA2	46	-	Benefits provided to full-time employees that are not provided to temporary or part-time employees, differentiated by major operational units in the organization.
Occupational Health and Safety	G4-DMA	52	-	Form of management.
	G4-LA5	52	-	Percentage of total workforce represented in formal health and safety committees, composed of employees from different hierarchical levels, that help monitor and advise on occupational health and safety programs.
	G4-LA6	53	-	Types and rates of lesions, occupational diseases, lost days, absenteeism and number of work-related fatalities, by region and gender.
	G4-LA7	54	-	Employees with high incidence or high risk of work-related diseases.
	G4-CRE6	69	-	Percentage of the organization operating in compliance with an internationally recognized health and safety management system.



## SPECIFIC STANDARD DISCLOSURES

### CATEGORY: SOCIAL

#### SUBCATEGORY: LABOR PRACTICES AND DECENT WORK

Material Aspects	DMA and Indicators	Page	External assurance	Description of the indicator
Training and Education	G4-DMA	41	-	Form of management.
	G4-LA9	41	-	Average hours of training per year per employee, by gender and employee category.
	G4-LA11	38 e 39	-	Percentage of employees receiving regular performance and career development reviews, by gender and employee category.
Diversity and Equal Opportunity	G4-DMA	46	-	Form of management.
	G4-LA12	46 e 48	-	Composition of governance bodies and breakdown of employees per employee category, according to gender, age group, minority group and other diversity indicators.
Equal remuneration for women and men	G4-DMA	42	-	Form of management.
	G4-LA13	44	-	Ratio of basic salary and remuneration of women to men, differentiated by employee category and major operational units.
Supplier Assessment for Labor Practices	G4-DMA	59	-	Form of management.
	G4-LA14	60 e 61	-	Percentage of new suppliers selected on the basis of criteria related to labor practices.
	G4-LA15	61	-	Significant actual and potential negative impacts related to labor practices in the suppliers chain and steps taken in this respect.
Labor Practices Grievance Mechanisms	G4-DMA	55	-	Form of management.
	G4-LA16	55	-	Number of claims and complaints related to labor practices recorded, processed and solved through a formal mechanism.

## SPECIFIC STANDARD DISCLOSURES

### CATEGORY: SOCIAL

#### SUBCATEGORY: HUMAN RIGHTS

Material Aspects	DMA and Indicators	Page	External assurance	Description of the indicator
Investments	G4-DMA	60	-	Form of management.
	G4-HR1	60	-	Percentage and total number of significant investment agreements that include clauses incorporating human rights or that have undergone human rights screening.
Assessment	G4-DMA	38	-	Form of management.
	G4-HR9	37	-	Percentage and total number of operations that have been subject to human rights reviews or assessments, of impacts related to human rights.
Supplier Human Rights Assessment	G4-DMA	60	-	Form of management.
	G4-HR10	60	-	Percentage of new suppliers selected on the basis of criteria related to human rights.
	G4-HR11	61	-	Significant actual and potential negative impacts related to human rights in suppliers chain and measures taken in this respect.

#### SUBCATEGORY: SOCIETY

Material Aspects	DMA and Indicators	Page	External assurance	Description of the indicator
Local Communities	G4-DMA	57	-	Form of management.
	G4-S01	96	-	Percentage of operations with local community engagement programs implemented, assessment of impacts and local development.
	G4-S02	96	Yes, page 106	Operations with actual and potential negative impacts on local communities.

## SPECIFIC STANDARD DISCLOSURES

### CATEGORY: SOCIAL

#### SUBCATEGORY: SOCIETY

Material Aspects	DMA and Indicators	Page	External assurance	Description of the indicator
Anti-corruption	G4-DMA	10	-	Form of management.
	G4-S03	10	-	Total number and percentage of operations submitted to assessment of risks related to corruption, and significant risks identified.
	G4-S04	10	-	Communication and training in anti-corruption policies and procedures.
Compliance	G4-DMA	29	-	Form of management.
	G4-S08	29	-	Monetary value of significant fines and total number of non-monetary sanctions, applied as a result of non-conformity with laws and regulations.

#### SUBCATEGORY: PRODUCT RESPONSIBILITY

Material Aspects	DMA and Indicators	Page	External assurance	Description of the indicator
Customer Health and Safety	G4-DMA	31	-	Form of management.
	G4-PR2	75	-	Total number of cases of noncompliance with regulations and voluntary codes, related to impacts caused by products and services on health and safety during their life cycle, broken down by type of outcome.

## SPECIFIC STANDARD DISCLOSURES

### CATEGORY: SOCIAL

#### SUBCATEGORY: PRODUCT LIABILITY

Material Aspects	DMA and Indicators	Page	External assurance	Description of the indicator
Product and Service Labeling	G4-DMA	31	-	Form of management.
	G4-PR5	31	Yes. Page 106	Results of customer satisfaction surveys.
	G4-CRE8	69	-	Type and number of sustainability certifications, classification and labeling of projects for new construction works, management and occupancy.
Marketing Communications	G4-DMA	33	-	Form of management.
	G4-PR7	33	-	Total number of cases of noncompliance with regulations and voluntary codes, related to communication and marketing, including advertisements, promotions and sponsorship, broken down by type of outcome.
Customer Privacy	G4-DMA	67	-	Form of management.
	G4-PR8	67	-	Total number of complaints related to violation of privacy and loss of customer data.

# CREDITS

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# CREDITS

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The Even Annual and Sustainability Report is based on Global Reporting Initiative (GRI) G4 guidelines.

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The production of this Annual and Sustainability Report has only been possible through the dedication and goodwill of EVEN employees. We thank the participation of each person who put in so much effort to raise and check information shared with all of the company's stakeholders.



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