



**2010
SUSTAINABILITY
REPORT**

REFER TO EVEN PERFORMANCE,
ITS GOALS AND COMMITMENTS

**CARBON
INVENTORY**

SPECIALIST ADVISES ON THE PIONEERING
INITIATIVE IN THE CIVIL CONSTRUCTION
SEGMENT

**JOBSITE
LIABILITY**

ABSOLUTE CARE BY EVEN WITH LABOR
IN JOBSITE WORKS, IN THE USE OF RESOURCES
AND IN DISCARDING RESIDUES

**AND THE
CUSTOMER, DOES
HE KNOW THE
TRUTH?**

INITIATIVES TO IMPROVE OUR
RELATIONSHIP CYCLE

**OPEN
DOORS
TO INNOVATION**

WHAT EVEN DOES TO MINIMIZE IMPACTS AND GUARANTEE CUSTOMER SATISFACTION

even

OPEN DOORS TO INNOVATION

WHAT EVEN DOES TO MINIMIZE ITS IMPACTS AND GUARANTEE CUSTOMER SATISFACTION



14 SUSTAINABILITY PERFORMANCE

GOAL CHART



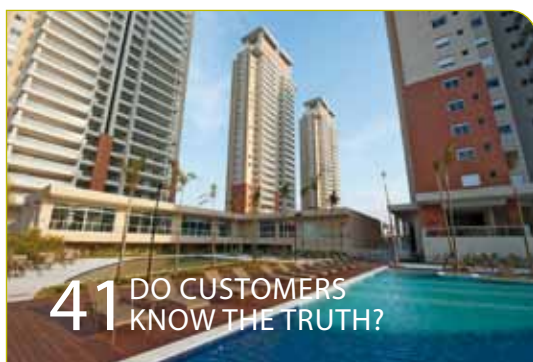
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A CULTURE IN EVOLUTION

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A report within everybody's reach. More than that: a report for everyone's use. That was the great focus of Even in the construction of its sustainability report. Starting from the question "What is the purpose of such a report for Even?", we have developed a work intended to become a management tool for all of the company areas.

We have designed this 2010 Sustainability – the 3rd prepared for Even under the directives of the Global Reporting Initiative (GRI) – for it to attract the interest of both the laypeople and those already familiar with this subject. This proposal guided our decision to submit a report using an attractive format such as that of a magazine. Our aim was to create a communication piece that would motivate readers and contribute to the dissemination of the key sustainability issues and knowledge to the civil construction sector and the society. We want all our stakeholders, with customers, collaborators, suppliers, community, shareholders and competitors among them, to participate in the discussions and help us creating a better and better scenario for the sector.

To that effect, we have tried to listen to each of those voices and define, in partnership, the mate-

With this report we hope to be contributing to a debate in favor of a better scenario for civil construction

rial themes of our publics of interest. In a criticality analysis, we have further identified that the group of stakeholders most demanding Even's attention is constituted by its customers. We have thus focused our actions and our report on that public, in search for an even more transparent relationship. We believe that our approach to such a public – without setting aside the dialog with all others – will help us having a better knowledge of Even and its impacts.

Last but not least, we have tried to use the GRI and the ISE (Corporate Sustainability Index) indicators of BM&FBOVESPA not only as a tool to construct this report, but also as a company management instrument, in line with our performance goals. The purpose of this publication is to render accounts to all our publics of interest and to establish more and more in our relations. **GRI 4.12**

DEVELOPMENT WITH RESPONSIBILITY AND

FOCUSED ON OUR CUSTOMER

Product Quality, ethics and transparency are the guidelines of our activities

One of the largest builders and developers of the State of Sao Paulo and of Brazil, we base our business transactions on the maintenance of quality and excellence of the products and services offered to our customers in all phases of the project – planning, commercialization, execution, delivery and post-delivery.

Our management is oriented by the highest standards of ethics and transparency, which reflect

on responsible practices in the economic, social, environmental and governance spheres. Even's development strategy includes its commitment to build a business model that will contribute to the integration of sustainability in all spheres of our activities.

OUR HISTORY

The Even Construtora e Incorporadora S.A. originated from the merger, in 2002, of ABC Investimentos and Terepins & Kalili, founded in 1974 and 1980, respectively. **GRI 2.1**

In 2006, the Spinnaker Capital, an investment fund with head offices in London, became part of our stock ownership. As of 2007, we are a publicly held company, listed in the Novo Mercado (EVEN3), the maximum corporate governance level of Sao Paulo Stock Exchange (BM&FBOVESPA). **GRI 2.3**

► **Where we operate** GRI 2.4, 2.5 and 2.7

Sao Paulo (headquarters)

Rio de Janeiro

Minas Gerais

Rio Grande do Sul, in partnership with Melnick Even Incorporações e Construções S.A. (Joint Venture).

► **Affiliated companies** GRI 2.3

Even Vendas – real estate commercialization

Green – a company providing specialized labor

► **Our trademarks, products and services** GRI 2.2 and 2.7

Open – real estate for the accessible segment

Excludeven – a service offering various finish and floor plan options

Even Vendas – a direct commercialization service to customer

Green – uses its own labor to provide services to construction works



R\$ 2.064 bi

this was the result of
contracted sales (Even's share)
in 2010

TIME LINE

Note the evolution of Even, from its foundation up to date the site:



www.even.com.br/su/profile

In 2010, we have preserved the status of being the only company of the sector to integrate the portfolio of the Corporate Sustainability Index (ISE) of BM&FBOVESPA

OUR MISSION

Positively marking the life of our customers and see that they will be proud of the property they have selected. **GRI 4.8**

OUR VIEW

To obtain return on invested capital above the average of our listed competitors, occupying one of the first three sales positions in the regions where we operate, by the end of 2011.

Acting in a sustainable way and being a reference in terms of customer satisfaction.

To be a company formed by motivated persons proud of working in a cooperative environment where they will be able to grow and develop their careers.



2008 Sustainability Report

ONE OF THE BEST REPORTS GRI 2.10

The first Sustainability Report by Even, developed in 2008, acknowledged in 2010 as one of the best ten reports from the "On the Way to Credibility" list. In its second edition, the acknowledgement is granted by FBDS (Brazilian Foundation for Sustainable Development) and by the English consultancy, SustainAbility, after a quality evaluation of the leading sustainability reports from Brazilian companies.

The check is carried out on basis of the Global Reporters methodology, divided into four themes under specific criteria: governance and strategy,

management, performance presentation, and accessibility and check. Even reached the third position on governance and strategy.

Such acknowledgement further encourages us to follow our evolution path at each step of the report process, in search for more effective and transparent communications.

To see the complete list of prizes granted to Even in 2010, please visit the site www.even.com.br/su/prizes

Corporate Information GRI 2.6 e 2.8

Corporate name: Even Construtora e Incorporadora S.A.

Legal nature: Publicly-traded company

Listed securities: BM&FBOVESPA (EVEN3)

	2010	2009
Net revenues	R\$ 1.96 billion	R\$ 1.17 billion
Number of on-going works	52 active construction sites	52 active construction sites
Deliveries	17 projects	15 projects
Launched PSV (Potential Sales Value)	R\$ 1.53 billion	R\$ 927 million
Launches	33 projects	26 projects
Contracted sales (Even's share)	R\$ 2.064 billion	R\$ 1.23 billion
Built-up area	520,158 m ²	393,866 m ²
Delivered units	2,204	1,688
Number of collaborators	Even: 1,154 (including apprentices) Green: 629 and Even Vendas: 50 + 596 brokers	Even: 1,213 (including apprentices) Green: 262 and Even Vendas: 26 + 346 brokers

INNOVATION GENERATING RESULTS

Carlos Eduardo Terepins, president of Even, answers an interview on the company income statement in 2010, warm up market for real estate and future challenges

What were Even highlights in 2010?

The company's most relevant aspects in 2010 are first related to the organization operating performance. We have experienced all-time record sales at Even; have fully complied with our guidance for launches, having delivered 17 different projects while achieving a highly appreciable profitability in the industry. We have also broken our own record for profits, by exceeding the R\$ 250 million level. From an ideological point of view, regarding our company trademark, we have definitively consolidated the question of innovation and sustainability as the two major pillars identifying the organization. I believe we were highly successful in this respect. These results are not only linked to market warm up, rather to the company operating virtue as, in order to collect good results, it has to excel in playing its role, particularly in a competitive market such as this of civil construction. It is a combination of internal and external agents – the external market well lit up, but supplied and hit by a competitive and efficient company.

How has Even been positioned in face of the present scenario of an expanding civil construction industry? How should it get ready for the coming years?

Even is a modern company, a nimble organization that has been able to benefit from some interesting market opportunities. Obviously, as this is a market with no entrance barriers, insofar as it is well lit it is also an invitation to intensify the operation of our competitors, as well as the entrance of new ones. Therefore, we have to be permanently provided with a volume of updated information and be prospecting trends to make sure we will not be

surprised by super offer movements or by cutthroat competition from the point of view of the lowering of inventory prices, for instance.

How would the relationship of Even with its clients be impacted by such market growth? What measures has the company been adopting to maintain a good relationship with its clients?

It happens that, on the one side, there has been a strong increase in demand and, on the other the delivery capabilities of companies were not able to follow this growth. Unquestionably, the client will be somehow penalized by issues resulting from quality and delivery terms. In this sense, we have adopted a few measures. The first of them was to transmit, top-down in the organization, the idea that clients are our greatest asset. We do not use this as a figure of speech, rather as an inspiration to a set of procedures and action plans. For example, in the technical area we are continuously bringing to perfection the client service and assistance center aimed at more and more reducing the time to service client requests. We have also increased our team, focusing the hiring of highly qualified professionals to manage the client Relationship Center. All such measures will enable the company to face the growing client base. Should we be capable of ensuring a good performance, even under such a vertiginous growth of our client base, then we would have successfully achieved our mission.

What are Even's strategic priorities and fundamental subjects related to sustainability?

I believe in sustainability as a set of values with respect to concerns about both environmental and social responsibility. Hence, Even's concerns have

“Innovation perceives that the company is not an individual, being rather a team that is continuously interacting and being qualified. Innovation cannot just be a creative delirium.”

generated attitudes over time. In the environmental issue, for example, we have been acting on several fronts, among which the treatment of residues, the rational use of water, the responsible assessment of greenhouse gas emissions, the use of certified wood and the ever increasing attempt to avoid the use of environment hazardous materials. We also endeavor to guarantee the proper destination of residues such as gypsum plaster and to adopt construction processes that will allow for future maintenance procedures with no residue generation. Likewise, we endeavor to maintain good relationship with all existing communities around our projects, thus minimizing any possible impacts of the works on the routine of people living in the neighborhoods, and adopt certain practices to guarantee safety and quality in the building contractor work environment.

And how do you assess the evolution of the sustainability subject as a client selection criterion?

Consumers have been progressively tutored on this subject, and companies are clearly associating their brands and image to this subject matter. In this respect, Even is a pioneer in its sector. Such a link does not originate from opportunism, rather from an ideological and conscious practice, and will have its value insofar as the organization provides, primarily, satisfactory products to our clients. There is no point in having an interesting image from the point of view of sustainability, yet conflicting with product quality and with rendered client services. Those who come on board for this trip will be more easily recognized, though also much more demanded than the companies that restrict themselves to simply produce goods to be sold in the marketplace. This is the difference between a citizen company and all others.

How will innovation be incorporated in the day-to-day operations of Even?

Quite often it is thought that innovation is just restricted to technology. Innovation also resides in a product, in the production process, architecture, detecting different market trends and in perceiving, particularly in large cities, that there is a multiplicity of interested publics. Innovation is also a differentiated capability of the collaborators, a creative interaction with stakeholders and the adoption of a direct, unobstructed and correct language with clients. Innovation perceives that the company is not an individual, being rather a team that is continuously interacting and being qualified. Innovation cannot just be a creative delirium. By definition, it has to generate uses, values and results.

What are the major challenges for 2011?

The major challenge in 2011 will be to maintain the pace and quality of growth achieved in the past couple of years, side by side with forming the nation's best talent team of the industry. Even will certainly grow organically as, at this time, it shows a solid financial operating capability and clearly relies on the enthusiastic adhesion of a body of young, qualified and ambitious collaborators. As to the market as a whole, I'm under the impression that the sector will keep growing in the coming years, notwithstanding the assumption that, from the macro-economic point of view, the nation will experience some reduction in its economic activity. Therewith, the most cohesive and articulated companies will come to view in this scenario of fierce competition. Even is prepared, by I've never saw this as a finished task – it is rather a task in continuous movement. ■

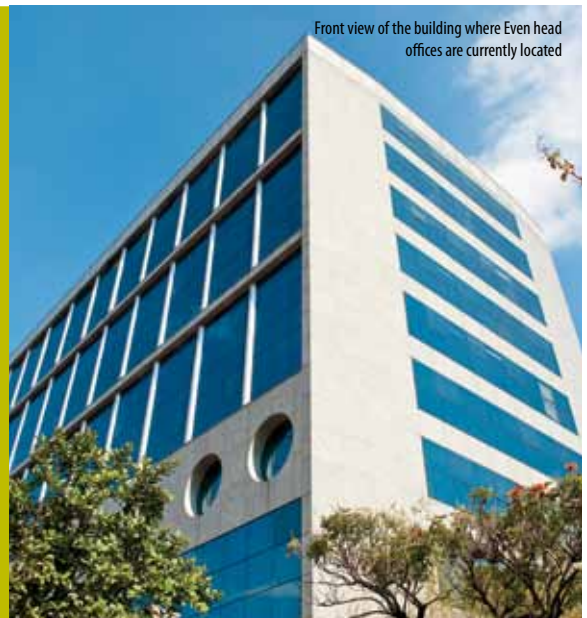
BUSINESS STRATEGY

Founded on business expeditiousness, gained competitive edge in the acquisition of the best tracts of land, execution and delivery capabilities, focus on customers, sustainability innovation and practices, Even's business strategy differentiates from traditional market models. In general, we could highlight:

- **Decision models** – In 2010 we have appointed the director for Strategic Planning, to act as a facilitator in discussions on the definition of goals and to follow-up the progress of projects defined by the Strategic Map. All such decisions are made in a balanced manner, after frequent discussions among the areas comprising the multidisciplinary committee model (*see more on committees under Governance*).
- **High turnover** – we show preference for high turnover projects, characterized by short-term developing, construction and commercialization processes. On average, the time between the acquisition and launching of our projects was below 12 months in 2010. Our preference has been for smaller and well-located lots capable of optimizing the speed of sales, diluting the risks of performance, execution and possible market changes. Therefore, we are capable of working with a land bank that is smaller than the market average.
- **Concentrated operation** – We are present in the metropolitan areas of Sao Paulo, Rio de Janeiro, Belo Horizonte and Porto Alegre, which jointly represent 61% of Brazil's Gross Domestic Product (GDP). We strive for our leadership in those areas, a posture that adds value to the brand and to the experience

STRATEGIC MAP

The quick market recovery after the 2008 crisis determined the need for intensifying the Company strategic planning with respect to actions focused on Company growth. With that in mind, Even defined its Strategic Map in 2009, initially establishing 33 projects focusing the Company organization and expansion. Two of these projects have turned into operations, with the remaining 31 being completed along 2009 and 2010. Early in 2011, the Presidency and the Executive Board reached a new deliberation that resulted in the creation of 17 new projects of a strategic and procedural nature. The whole development will take place along 2011 and 2012.



Front view of the building where Even head offices are currently located



The strategic model of Even differentiates
from that of other companies

of our operations. Likewise, we endeavor to control all stages of our business, including the acquisition of slots, planning, development, sales and construction, leading to a strong contribution toward gains in efficiency and improvements in customer service.

- **Units up to R\$ 500 thousand** – Using our expertise in the medium and medium-high segments, we have developed the Open brand, focused on the emerging segment of residential units ranging from R\$ 150 thousand to R\$ 350 thousand. By the

end of 2012 we intend to launch 75% of our products up to R\$ 500 thousand – and most of them launched under the Open brand. In 2010, this brand represented 33% of our launches.

- **Sales force** – 596 brokers, fully dedicated to our products, were responsible for 54% of Even sales in 2010. This public is subjected to frequent training programs on customer service and on the sustainability aspects of our projects, which enhances the relationship with our customers.

SUSTAINABILITY STRATEGY

Since 2007 we have been trying to insert sustainability into Even's routine strategy and practices. In 2010, we have integrated those practices into the constitution of the recently created Sustainability area, thus intensifying the actions and dialog with all publics of interest, promoting the engagement of the internal public, anticipating risks, constantly thinking of ecoefficiency alternatives and redesigning products and services.

We regard the requests from our stakeholders as opportunities for innovation and a competitive edge and direct to the area a strategic and long-term focus. Such actuation will sooner or later reflect on the accounting statements, on the Company market value, as well as in the satisfaction of our customers and of other publics of interest.

The Sustainability area provides support to the company board of directors, for them to incorporate sustainability practices in their routines,

and avoid acting autonomously and fostering decentralized decisions, the initial focus of Even concern when conceiving the area. (*Refer to the organization chart*) One of the leading works developed by that area is the engagement of the internal public, acting as a multiplier of sustainability practices for those publics with which we are related.

As of 2011, we have expanded the specific sustainability goals to all Even areas, including the Technical and Sustainability Board, and harnessed them to the variable compensation scheme (bonus) of our collaborators. We have also other goals for 2011, such as remaining with ISE, creating and coordinating Work Groups, preparing and defining Action Plans to reduce greenhouse gas emissions by the company and integrating and enhancing the sustainability practices of Even corporate governance. **GRI 4.5**

THE INNOVATION DIFFERENTIAL

In 2010, we developed a Branding project, one of those 33 defined in the Strategic Map. The purpose of that was to define the position of the Even brand, to ensure the consistency of new actions toward the brand for all publics. After taking the opinion of our stakeholders into consideration and assessing other factors inherent to Even and to the sector, we were identified as a Company with a young mind, which values all new ideas and the contemporary architecture, mainly characterized by two aspects: sustainability and innovation. Those two pillars differentiate us from our competitors and have been determining our communications since September 2010.

The definition of this positioning encouraged us to expand the innovation processes already developed by the Technical and Sustainability Board for our other areas. As of 2011, we will start an innovation project similar to the one we had developed with sustainability in 2007, thus officializing our innovation procedures in a comprehensive way.

Presently, this process is open to new ideas com-

The positioning of our trademark is defined by two main subjects: innovation and sustainability

ing from all our collaborators interested in product improvement, for them to become more and more sustainable. Some demands also come from our partners, suppliers and customers.

Each suggestion brought to the company will be evaluated and then work groups are mounted to deepen the feasibility studies regarding the suggestion. The result of such studies is submitted to the Technical and Sustainability Board, who evaluates whether the suggestion will be implemented or discarded. The participation in the work groups is voluntary, though remunerated according to the performance of the collaborator.

STRUCTURES SUPPORTING THE SUSTAINABILITY MANAGEMENT

The Work Groups conduct activities dedicated to specific Even publics

Work Groups (WGs) – Created to perform specific activities focused on improving the relationship with out publics of interest and that benefit the Company as a whole, it is the responsibility of the WGs to define action plans and lead the conduction of such activities. In order to encourage the internal engagement and the exchange of know-how, our WGs are of a multidisciplinary and volunteer nature, being formed by a leader of the sustainability area and other members coming from the various areas of the Company. “Pilot projects” are created within each WG related to those specific publics of interest and, after the preparation, implementation and analysis of the project efficacy, the actuation is incorporated in the routine of a given area of the Company.

Internal Public WG – Acting since 2008, conducting and fostering volunteer actions and internal donation, health and safety campaigns. One of its leading projects is the Even Volunteerism Program. *(Learn more under Collaborators)*

Community WG – Also created in 2008, it supports all projects based on Even’s Private Social Investment Policy. Among its most important projects we have the Neighbor Action and the work with the Emiliano Di Cavalcanti school. Actuates in line with the Internal Public WG to perform actions benefiting the Community located around Even projects, such as volunteering actions. Also responsible for mapping the surroundings of all our projects to enable us preparing the actuation strategy for that particular community. *(Learn more under Community)*

Suppliers WG – Acting since 2008, it had its activities incorporated in the Company Procurement area in late 2009. Based on the restructuring of the Procurement area our understanding is that it is ex-

tremely relevant to reactivate it to provide this new structure with a better assistance in conducting the activities of supplier’s relationship and engagement. *(Learn more under Suppliers)*

Customers WG – Still in the formation stage, the WG elaborates upon concepts of sustainability and conscious consumption with customers, dwellers and collaborators of our projects, during the period of works and after delivery.



COMMITMENTS AND GOALS FOR 2011

GOALS FOR 2010	WHAT WE DID
Governance	
Finalized the on-going projects of the Strategic Map	 ACCOMPLISHED. We have completed the 33 projects initially deliberated in the Map
Transmit the sustainability concept to our branches (MG and RJ)	 ACCOMPLISHED. We have created internal channels and expanded the dialog with our branches on sustainability subjects and practices
Be provided with a dedicated Sustainability Governance structure	 ACCOMPLISHED. Implementing sustainability management comprised of expert professionals in the area
Implementing the Legal Risks Management Project	 ACCOMPLISHED. We have implemented a Risk Management sector, reporting directly to the Compliance Director, initially focused on legal and compliance matters
GOALS FOR 2011 <ul style="list-style-type: none"> • Complete the 17 new Map projects • Perform, at least, 4 internal public engagement activities under the sustainability theme in each of our branches • Implementing local Sustainability committees in our branches • Expanding the reach of the Risk Management area to the management of financial risks 	
Relationship with Stakeholders	
Maintaining the routine of events and presentations to stakeholders	 ACCOMPLISHED. Panel with the six most critical stakeholders (Customers, Collaborators, Community, Suppliers, Investors and Financial Institutions)
Increasing the repercussion of the 2009 Sustainability Report	 ACCOMPLISHED. We have carried out an internal campaign in the Report; expanded our actuation in the social media and created several electronic channels (both internal and external) – in addition to direct e-mails - covering sustainability themes – including RS
Expanding the participation of the various publics in the Stakeholders Panel	 ACCOMPLISHED. We have promoted the panel in 2010 with the help of a company specialized in focus groups for stakeholder recruitment
Creation of an indicator to measure neighbors' complaints	 NOT ACCOMPLISHED. We have identified the need for deepening our knowledge on this public prior to implementing a specific client service channel
Creating education resources for sustainability within the Company	 ACCOMPLISHED. An Even Challenge has been implemented to disseminate conscious consumption concepts among our collaborators
GOALS FOR 2011 <ul style="list-style-type: none"> • Creation of the Customers WG and resuming the Suppliers WG to tighten the relationship with those publics • Developing a campaign to disseminate the 2010 Report, expanding stakeholder participation • Promoting two Stakeholder panels this year • Creation of the indicator to measure neighbors' complaints and a channel within the Relationship Center to serve this public • Continuing engagement works of the internal public on conscious sustainability and consumption - Even Challenge 2011 – will focus the internal public engagement in innovative subjects and ideas on the Effect of Greenhouse Gas Emission theme 	

GOALS FOR 2010


WHAT WE DID

Community

Deepening the experience with the pilot project on community education

 **ACCOMPLISHED.** We have invested in the pedagogic qualification of teachers of the Emiliano Di Cavalcanti school and carried out volunteer actions in that same place

Implementing the Neighbor Action pilot project around its erection works

 **ACCOMPLISHED.** We have implemented the Neighbor Action pilot project in 5 worksites and expanded our communications with the community

GOALS FOR 2011

- Engaging the Internal Public in volunteer actions in the school
- Expanding the pilot project to our new works in Sao Paulo and our branches

Collaborators

Implementing the Volunteering Program

 **ACCOMPLISHED.** The Program has been officialized and founded on our Private Social Investment Policy

Implementing Management Program and Apprentice Program Projects

 **ACCOMPLISHED.** Both have been implemented (the program for Apprentices has been christened FuturEven)

GOALS FOR 2011

- Expanding campaigns and volunteer actions and promoting the formal qualification of volunteers
- Implementing the Sustainability Academy in all areas
- Measuring the perception of Collaborators relative to Management Project
- Reaching the quota for hiring apprentices

Environment

Reducing by 10% the volume of residue mix in our works

 **ACCOMPLISHED.** 12.85% reduction

Carrying out an inventory of emissions in all other Even works yet to be started, and in our central offices

 **ACCOMPLISHED.** We have developed a specific indicator and finished the inventory of emissions involving all works

GOALS FOR 2011

- Reducing again by 10% the volume of residue mix in our works
- Preparing action plans toward reducing greenhouse gas emissions
- Extending the work of mortar recycling to all other works
- Auditing the inventory

Suppliers

Having ten assessed and certified suppliers

 **ACCOMPLISHED.** We have expanded the assessment procedure with the Risk Management area

Improving by 10% the percentage of hiring local suppliers

 **NOT ACCOMPLISHED.** Even considered more adequate not to proceed with this goal before the actuation and support of Suppliers WG

GOALS FOR 2011

- Resuming the Suppliers WG
- Developing suppliers to support Residue Management in MG and RJ
- Developing together with cement suppliers a packaging collection system

Customers

Increasing the percentage of satisfied customers identified in Customer Satisfaction Surveys

 **NOT ACCOMPLISHED.** Customer assessment was the same as in previous year

GOALS FOR 2011

- Implementing the sustainability theme in the customer satisfaction survey
- Disseminating the Information Secrecy Policy regarding customer data
- Solving 60% of customer calls in the first contact
- Launching the Real Estate Financing Primer
- Maintaining 85% of answered calls within the average time period, which shall be reduced by 10%
- Increasing the percentage of satisfied customers identified in Customer Satisfaction Surveys

CORPORATE GOVERNANCE AND TRANSPARENCY

We have expanded the actuation of the Sustainability Committee and kept on enhancing our governance structure

A publicly held Company since 2007, Even develops and enhances its governance structure each year to guarantee the trust of its investors and other stakeholders. Our stocks are listed in the Novo Mercado of BM&FBOVESPA, a Corporate Governance segment comprised of companies committed to comply with stricter practices than those required by the applicable legislation.

As the result of the constant evolution of our practices in 2010, the Sustainability Committee expanded its scope of actuation.

GOVERNANCE STRUCTURE

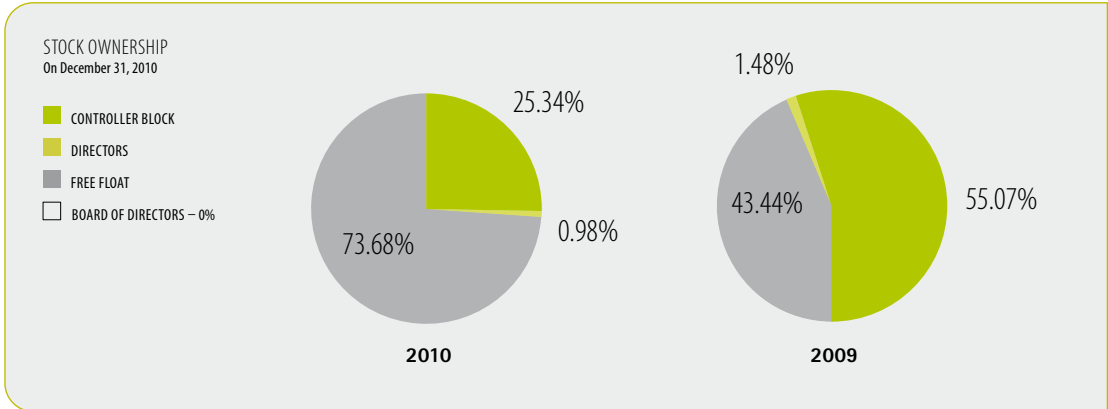
Board of Directors – Even topmost governance body, it comprises seven elected members, being one of them the Chief Executive Officer, who accumulates the functions of Chairman of the Board, plus two independent counselors and other permanent councilors elected and appointed in General Meetings. The Board of Directors meets ordinarily on a quarterly basis and holds extraordinary meetings as required. The execution of its decisions is incumbent upon the Executive Board. They are responsible for establishing the company overall policies, selecting directors, supervising the administration and approving strategic business operations. The term of office of the elected members is two years, with re-election being allowed. **GRI 4.2, 4.3 and 4.9**

Board of Executive Officers – Is comprises of members elected by the Board of Directors. It is responsible for putting into practice the business strategy approved by the Board of Directors and developing action plans and projects. It further responsible for the operating and financial performance of the company. Each director further assumes some individual responsibilities. The Board of Executive Officers meets on a half-monthly basis. **GRI 4.7**

Statutory Fiscal Council – In 2010, the council was installed upon request of minority shareholders, and maintained in 2011, as provided in our Articles of Association. It is responsible for overseeing and analyzing the activity of the administration, review the financial statements and report their opinion to shareholders. The Statutory Fiscal Council will be functioning on a non-permanent basis and its operating period, whenever installed, shall reach completion in the first Regular General Meeting held after its installation.

Investment Committee (Coin) and Launch Committee (Colan) – Both formed by the CEO and the Board of Executive Officers.

The Coin analyzes the acquisition of land prior to any obligations being established and Colan monitors the feasibility of launching the company-projects. The committee members examine the initiatives as to the legal aspects of their financial, regulatory and environmental risks.



Sustainability Committee – It is comprised of Even CEO and the directors of all business areas and conducted by the sustainability management. An autonomous body reporting directly to the CEO and integrating the Executive Board it is an evolution of the Social-Environmental Responsibility Committee created in 2008. Meetings are held every other month and is intended to establish the Company sustainability strategy. In 2011, the goal is for the Rio de Janeiro and Belo Horizonte branches to also have their Sustainability Committees.

Conduct Committee – An independent body comprised of directors and managers represent-

ing the various company areas. In their monthly meetings they evaluate suggestions, complaints and report violations against the directives and standards of the code of conduct. Extraordinary meetings may be called whenever required. Access is open to the Company internal and external publics. The collaborators have an intranet communication channel available, which ensures complete anonymity. The Committee is not deliberative and directs its recommendations to the directors responsible for the applicable procedures. In 2010 we have recorded 60 contacts, forwarded for record and investigation. **GRI 4.6**

EVEN REMAINS WITH ISE GRI 4.13

For the second year in a row Even is part of the 2010/2011 ISE (Corporate Sustainability Index) of BM&FBOVESPA. This renewal was important for us to keep on deepening the use of the questionnaire and index as a management tool, the same as we do with GRI indicators. This practice will be essential for our evolution in terms of governance and processes, implying an intensive work in 2011 to ensure our consistent permanence in the index. In 2011, the area of Strategic Planning, in partnership with that of Sustainability, developed

goals based on ISE for all Company areas. For such goals to be met and ISE fully understood by all, we have prepared a specific training program and an action plan to ensure Even evolution in the index.

Learn more about Even governance:



www.even.com.br/su/governance

ETHICAL BEHAVIOR ON A DAY-TO-DAY BASIS

Prepared in 2008, our Code of Conduct guides the company relationship with all its publics. The content clarifies the expected relationship standard among all hierarchic levels and between the company and the groups with which it relates. It also includes guidance on how to act in case of conflicts of interest, information secrecy, non-permitted hierarchies and practices. The code can be accessed at the address www.even.com.br/codigo_conduta.aspx and is presented to every new collaborator in the integration program. However, no specific training is delivered on policies and practices related to human rights, other than the presentation of the code of conduct. In 2010, no discrimination cases related to human rights have been identified. **GRI 4.8**

In 2010 there were no records of discrimination with respect to human rights **GRI HR4**

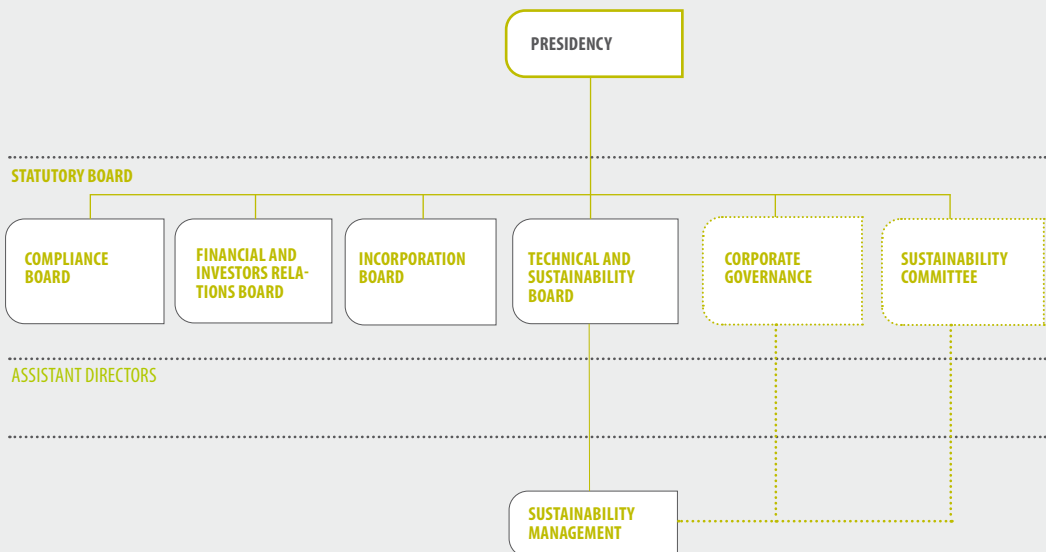
LEARN MORE AT WEBSITE:



www.even.com.br/su/governance

Governance organization chart GRI 4.1

As a result of our enhanced practices, the Sustainability Management, previously leashed directly to a committee was transferred, in 2010, to the scope of actuation of the Technical and Sustainability Director.



RISK PREVENTION

Structured in 2009, the area for the Management of Legal Risks started addressing its first processes in 2010. Created to analyze issues capable of generating conflicts in the Company, it centralizes documents, analyzes supply contracts and assists the Company governance process, by identifying and assessing future risks.

For 2011, the goal is to map not only the legal, but also the financial risks, together with the involvement of the Controller area. Additionally, the services of an external consulting firm have been retained to provide support to the Risk Management area in carrying out previous analyses of the financial standing of suppliers. **GRI 4.11**

▶ Board of Directors*

Carlos Eduardo Terepins – Chairman
Claudio Kier Citrin – Vice President
Luis Terepins – Counselor
Affonso Celso Pastore – Counselor
Rubens Antonio Tiburski – Counselor
Lars Reibel – Independent Counselor
João Cox Neto – Independent Counselor

▶ Statutory Audit Committee **

Sérgio Bernstein
Jediel Lima da Rocha
Maurício Ribeiro de Menezes

▶ Statutory Executive Board***

Carlos Eduardo Terepins – Chief Executive Officer
Silvio Luiz Gava – Chief Technical Officer
Dany Muszkat – Chief Financial Officer
João Eduardo de Azevedo Silva – Chief Development Officer
Paulo Otávio Gonçalves de Moura – Chief Compliance Officer

▶ Assistant Directors

Andre Penteado Zaidan – Assistant Supplies Director
Cassio Luiz de Morais Ferro – Assistant Projects and Planning Director
Claudio Kawa Hermolin – Assistant Adm/Financial Director – RJ
Dan Suguio – Assistant Legal Director
Daniella Sasson de Figueira – Assistant Controlling Director
Eduardo Cytrynowicz – Assistant Financial Director
Fabiano Andrade Delvaux – Assistant Adm/Financial Director
Joao Roberto Balan Barbosa – Assistant Operations Director
Jonas Marcelo Carlomagno – Assistant Sales Director
Marcello Saicaly Zapparoli – Assistant Technical Director – SP
Marcelo Dzik – Assistant Incorporation Director – BH
Marcelo Khan Carvalho de Castro – Assistant Financial Director
Marcelo Simoes Serra Serio – Assistant Director Technical – RJ/ MG
Mauricio Duarte Belo – Assistant Incorporation Director
Meyer Alberto Cohen – Sales General Director
Ricardo Grimone – Assistant Incorporation Director
Valeria Fernandes da Silva – Assistant HR Director

Please access the site for further information on counselors* and the Executive Board.



www.even.com.br/su/board

*Appointed in a Regular and Extraordinary General Meeting held on April 29, 2011 **Installed on a non-permanent character. Members appointed in a Regular General Meeting held on April 29, 2011.

*** Members appointed in a meeting of the Management Board held on May 6, 2011.

BULLISH REAL ESTATE MARKET

The rapid expansion of the sector demands careful attention with our clients

The real estate market currently undergoes a period of strong expansion and Even follows suit. In 2010, we launched 33 projects, acquired new lands totaling R\$ 3.07 billion PSV (Potential Sales Value) and approximately 80% of our launches were sold within the same year, an extremely positive index in the sector. Despite the market, in early 2011, showing signs of having stabilized, the total value of Sao Paulo launches will still be a record in this year.

The market expansion, however, causes a considerable increase in building costs, mainly influenced by the shortage of specialized labor and the resulting increase of professional salaries. In order to by-pass this scenario, building contractors are constantly investing in new technologies, in the use of pre-fabricated materials, in labor training and in partnerships to improve the management of our projects.

From this standpoint, the increase in business volume could result in delayed deliveries and a drop in quality of the offered product, thus weakening the relationship with our customer. In the case of Even, in 2010 we managed to reduce the average delay of our works by 1.09 month, closing the year with an average delay of 3.41 months still within the grace period of six months stipulated in contract.

This index does not meet our satisfaction and could be one of the factors impacting the customer assessment of Even, as measured by the Satisfaction Survey. Our strategy is to always praise the delivery dates and the quality of our projects (common areas 100% finished, inspection index above 70% and all legal formalities such as certificate of occupancy and annotations duly completed on the date of AGI (the undertaking Installation General Meeting), uncommon market practices.

The customer dissatisfaction, however, occurs throughout the civil construction sector which, due to the rapid growth, has not developed an adequate structure to meet the needs of this public. Our main focus is currently to create a closer and transparent relationship to improve our servicing culture. Last year, Even doubled the number of collaborators and increased its investments in the areas of Technical Support, Onlending and in the Relationship Center.

At the same time, we have tried to raise awareness of our customers regarding their rights. To that effect, in 2010 we have identified, for example, that our contracts would not include penalty clauses in case of breach of contractual conditions by the company, only by the customer. We then started determining penalties for Even itself, in case of breach of agreement conditions. Still on this theme, we decided to prepare our contracts with more simpli-



fied texts – in addition to sending an explanatory leaflet on the terms of the contract, an initiative led by the Marketing Relations area. Early in 2011, we prepared our Policy on Information Secrecy, which is a guarantee to the customer that all of its data shall be safeguarded and kept in strict confidentiality. A campaign will be started this year to disseminate such company policy. Other measures taken by Even to improve the relationship with its clients are described further down in this report.

80%
of our launches have been
sold in the same year

EMISSIONS CLEARLY DISCUSSED

We kicked off the definition of goals to reduce the emission of greenhouse gases

Even is the first Brazilian residential builder to make public an inventory of the emission of greenhouse effect gases. The decision to prepare such inventory came with the need for having tools to accurately quantify our emissions, to be able to measure our impacts and establishing the reducing strategies. We are, therefore, part of the increasing community of governments, companies and individuals committed to solving the problem of global climate changes.

Due to our pioneering initiative on this subject, our first challenge when preparing such inventory was to create a methodology to measure the annual emissions in civil construction works. We use the specifications defined by the GHG Protocol, the most used tool worldwide to quantify and manage such emissions, and by the ISO 14064-1 standard, which establishes standards and lead to the construction of consistent inventories.

Our methodology resulted in an index of emissions in metric tons per square meter of built-up area (expressed in $\text{tCO}_2\text{eq/m}^2$ constructed), which brings with it the advantage of representing a unit of measurement that will not depend on the volume of sales or on the number of built-up projects

in the year. An essential aspect that the methodology has contemplated is the diversity of stages of project execution and the production date of the applied materials, which would demand an excessive control volume to obtain the emission results. In an attempt to by-pass this difficulty, we have studied an easily determined milestone date capable of being replicated over the years for the consolidated results of company emissions would not be jeopardized and subject to extreme oscillations.

With the development of a specific and innovative methodology for the sector, we have compiled the emissions from projects in 2010 added to the inventory of the administrative area, which resulted in an emission of $0.276 \text{ tCO}_2\text{eq/m}^2$ constructed. All works delivered in 2010 were part of the inventory of Even administrative area. The limits were the scopes 1, 2 and 3 of the GHG Protocol (see chart at page 24).

Another important data, as mentioned in the 2009 report, is that we were able to confirm that the construction methodology adopted prior to 2007, which issued an average of $0.310 \text{ tCO}_2\text{eq/m}^2$ constructed, was optimized by the new constructive mode: (see chart at page 24)



Further details about emissions inventory:



www.even.com.br/su/carbon

*Bird's eye view of Jardim
Paulista, São Paulo West Zone*

Emission index per type of projects in 2010 GRI EN16

Project	Index
Projects with conventional structure system	0.284 tCO ₂ eq/m ² constructed
Projects with structural masonry system	0.267 tCO ₂ eq/m ² constructed
Commercial projects	0.236 tCO ₂ eq/m ² constructed
Precast projects	0.171 tCO ₂ eq/m ² constructed

Greenhouse Gas Emissions in tCO₂eq/m² per scope GRI EN17

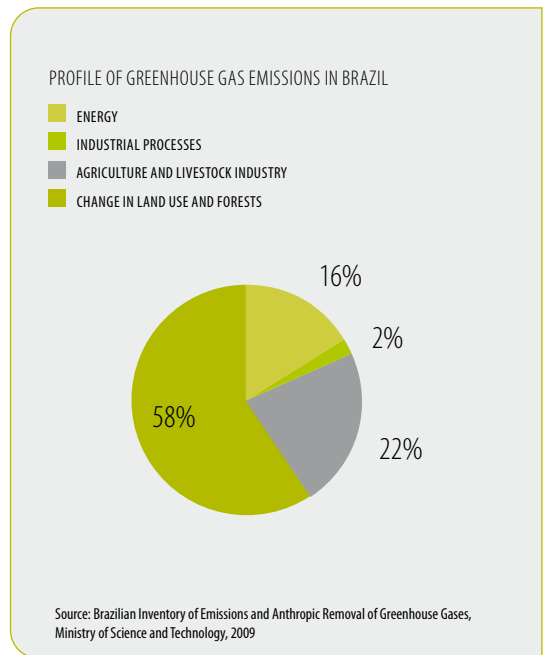
Scope 1	Scope 2	Scope 3
0.001 tCO ₂ eq/m ² constructed	0.001 tCO ₂ eq/m ² constructed	0.276 tCO ₂ eq/m ² constructed

As noted in the above table, the mix of company projects causes a direct interference in the general emission index. Therefore, the more precast projects the less will be the emission index and, in the wrong way, the more works with conventional structures the higher will be the index. For this reason, we will focus our efforts to reduce not only at global level, but also in the various constructive systems.

From these results it is possible to analyze much easily the potential reduction, in addition to set future goals for reducing the emission factors of greenhouse effect gases, thus enabling the incorporation of such goals into our management process. For characterizing an activity of long production cycles, there must be an immediate mobilization of civil construction regarding such emissions. Once knowing the difficulties of changing the processes inherent to the sector, particularly when it comes to projects under construction, one knows that the impact reductions shall only be felt two or three years after the setting of goals.

INFLUENCE ON THE VALUE CHAIN

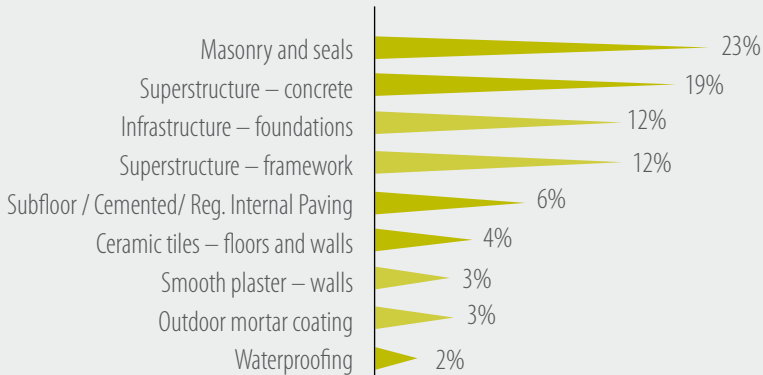
Even, as well as the rest of the sector where it belongs, features a particularity: the emissions of scope 3, which occur outside the Company, but are directly linked to their activity, are much significant. Among the largest sources of emission under this scope we have the cement and steel production, both being industrial activities with a high intensity of greenhouse effect gas emission. Another important impact occurs during the transport of such materials to the job-site. Brazil faces another unique characteristic: native forests from which wood is being illegally extracted



to supply several sectors, including the civil construction sector. That is why the largest source of emission of greenhouse gases in the country originates from deforestation and from the conversion of rainforests into agricultural or grazing fields (see, above, graph of Brazilian emissions).

It is worth reminding that this Nation has been demonstrating its commitment as to climatic conditions. Upon being faced with this awareness and commitment picture, we consider that Even plays an important leadership role in its supply chain.

PROFILE OF EVEN EMISSIONS



GROUPS CONTRIBUTING WITH ABOUT 1% OF EMISSIONS:

- Elevators
- Mortar coatings – ceilings/walls
- Jobsite operation
- Earth moving
- Smooth plaster – ceilings
- Aluminum sashes
- Outdoor ceramic coating
- Painting
- Electrical installations
- Marbles and granites
- Hydraulic installations
- Suspended ceilings
- Iron sashes
- Toilet fixtures and fittings

GROUPS CONTRIBUTING WITH LESS THAN 1% OF EMISSIONS

- Complementary services
- Dry wall
- Permanent staff
- Metal structure
- Glazing
- Jobsite facilities
- Equipment and tools
- Other façade coatings
- Superstructure – formwork and propping
- Wood sashes
- Other installations
- Roofing
- Designs and technical services
- Other coatings – indoor floors and walls
- General expenses
- Woods on floors, walls, ceilings and complements
- Superstructure – labor
- Air conditioning

We intend to use our position of influence with our suppliers, service providers and other partners to reduce the emission of greenhouse effect gases not only in our works, but all along the value chain.

For the specialist in climatic changes Jean Pierre Ometto, a researcher of the Center for Earth System Science of National Institute of Space Research (Inpe), the civil construction sector may look at those issues from an opportunity perspective. *“In Brazil, the issue of illegally extracted wood is highly important and a substantial part of such wood goes to the civil construction sector”*, states Ometto. *“The sector can contribute to reduce illegal deforestation in search for using more and more certified wood.”* Such a practice is already part of Even’s routine, which uses only reforested or native and fully traced wood, as evidenced by the Document of Forestial Origin (DOF) – a mandatory registration that controls the transportation and storage of forestial products and by-products of native origin

in this country. In case of door kits, we work only with wood certified by the Forest Stewardship Council (FSC) seal.

In this scenario, the preparation of the inventory of emissions by the companies is an essential step, according to the researcher. *“The inventory preparation is an opportunity for the company to rethink a series of procedures”*, believes Ometto. *“Reducing emissions could render internal processes to be more efficient, and the company can also help improving those in their value chain.”* In this case, in addition to transforming into profit for the company, the reduction of emissions also transforms into a social benefit.

On 2011, Even will define an action plan to reduce the emissions of greenhouse effect gases, aimed at influencing the civil construction sector and the value chain. In addition to suppliers, we also intend to sensitize and influence the other link of the chain – our customers. ■



even **GESTÃO AMBIENTAL**

**RECICLAR
É CONSTRUIR UM
FUTURO MELHOR**



Civil construction generates large amounts of residues – about 450 kg per inhabitant per year

ON SOLID BASES

The strict application of sustainability technologies helps minimizing the impacts of Even projects

The civil construction sector responds for a significant portion in the sum of the key factors leading to the Nation's growth. In the year 2010, the civil construction sector represented about one fifth of the Brazilian GDP (Gross Domestic Product). Still as an economic benefit, it is responsible for mobilizing several other sectors of the economy and directly and indirectly generating employment opportunities.

On the other hand, civil construction generates large amounts of residues (about 450 kg per inhabitant per year), according to studies made by the United Nations Environment Programme (UNEP), being one of the largest world's consumers of raw materials. Its productive chain may further cause huge impacts on the environment on account of the emission of greenhouse effect gases, of the use of illegally extracted wood, of the water proofing of soils and of the high water and energy consumption.

In order to reduce such impacts, we have developed a series of practices as listed below. It is worth highlighting, however, the determining role played by those involved in the process. The customer, upon becoming more conscious, starts valuing a lot more the sustainability attributes, engaging Even itself and its competitors in those same practices. With the popularization of such attributes, the cost will also be reduced, as suppliers will be capable of lowering their final prices, due to gains in large-scale sales. Builders will be responsible for improving the detailing of the descriptive memorandum, to render both memoranda and contract more objective and transparent. The sales company and its brokers, in turn, should be well aware of the product and its benefits, to be capable of highlighting the real advantages and differentials of the project, in addition to the financing conditions and the items in the areas of common use.

ENVIRONMENTAL MANAGEMENT SYSTEM

The whole water, energy and fuel consumption by Even is being constantly monitored by the Environmental Management System. As the use of each consumable item is determined in a different way, there was the need for developing a specific work to deal with that issue. We have thus created a way of obtaining such data in a reliable manner, as well as a methodology to calculate the on-going consumption per square meter.

This parameter was created to have a method of comparison available among all projects, irrespective of their sizes. Therefore, the water, energy or fuel consumption of a 5-tower work, for example, could

be comparable to the erection of just one tower, since the measurement is not absolute.

MATERIALS USED BY WEIGHT OR VOLUME

As compared with 2009, the volume of used materials, such as aluminum, has been reduced by 33.5%. The exception applies only to ceramics and tiles that, in 2010, had their consumptions increased by 35%. The reason for that lies on the stage of works – the more we deliver our projects, the more finish material will be consumed compared to other types, as can be seen in the table below:

Materials used in 2010 GRI EN1				
Material	Unit	Weight in tons	Total	Total in 2009
Aluminum	Kg	444	443,788	1,326,456
Cements (all CPs)	50 kg bag	19,446	388,915	505,170
Ceramic tiles	m ²	13,118	795,033	588,547 *
Concrete (all FCKs)	m ³	**	178,608	271,891
Concrete blocks	ea	114,888	10,131,208	10,208,271 *
Crushed stone	Kg	26,214	26,213,971	29,021
Cut lumber	Kg	141,108	141,108,067	313,214
Door kits	Kg	511	511,280	15,354
Glazing	m ²	**	25,333	184,904
Medium Grade Washed Sand	Kg	77,436	77,436,260	76,840
Mortar	40 kg bag	55,859	1,396,470	2,726,945
Recycled gravel	Kg	3,324	3,323,656	**
Steel	Kg	11,376	11,375,804	18,997,852

* Average weight.

** Unable to measure weight.

Direct and indirect power consumption (GJ)
GRI EN3 and EN4

	2009	2010
Diesel	36	1,478
Biodiesel	1,618	2,541
Light – utility company	13,542	18,380
Gas	1,431	2,611
Total	16,627	25,010

Total water withdrawals per source (m³) GRI EN8

	2009	2010
Utility company	103,341.10	141,534.23
Underground (well or tank truck)	50,447.54	114,084.81
Total	153,788.64	255,619.04

Ongoing consumption variation
GJ/m² - Direct and Indirect Energy

	2009	2010
	0.064	0.062
Reduction		2.69%

On the above table one notes that the company efficiency in terms of energy experienced some evolution, as the on-going consumption per square meter showed a drop of 2.69%.

On-going consumption variation GRI EN21
Water (m³/m² In Progress)

	2009	2010
	0.590	0.635
Increase		7.53%

The increased water consumption is due to the number of works in the final finish stage, when normally more water is consumed. At Even, 100% of all water used in our works is discarded into the public sewer network, with no specific treatment.

Impact of investments in infrastructure and services GRI EC8

Materials checked	2010	2009	2008
Compliance with the Statement of Environmental Commitment	R\$ 704,984.14	R\$ 280,213.40	R\$ 1,709,739.00
Compliance with the Statement of Roadway Improvements	R\$ 393,664.00	R\$ 60,000.00	not available
Electric network reinforcements	R\$ 245,010.39	R\$ 79,014.82	R\$ 89,000.00
Extension of water and sewage network	R\$ 612,164.66	R\$ 82,810.76	R\$ 110,560.00

CERTIFICATIONS

Even is always in search for international certifications stating the excellence of its works, considering social, environmental, and financial aspects. We were awarded the NBR ISO 9001:2008 and PBQP-H international certifications and several of our adopted practices meet various aspects of the Leadership in Energy and Environmental Design (LEED) and AQUA (High Environmental Quality) seals.

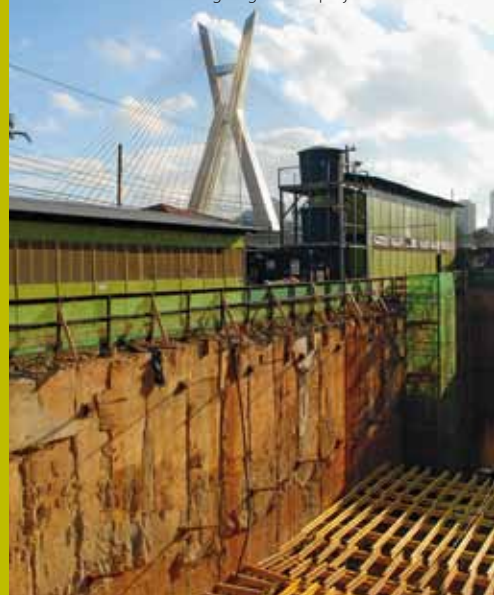
Also in 2010, three Even works have been certified by the Sustainable Work Program, of Santander Bank: *e.Office Berrini*, *Oscar Freire Office* and *True Chácara Klabin*.

Learn more about certifications used by Even at site:



www.even.com.br/su/certification

Building stage of the project *e.Office Berrini*



RESIDUE MANAGEMENT

Residue management



The management of residues is one of the most critical aspects of the construction sector, particularly for the high level of waste and for the lack of professionalization of collecting companies. Over the years, however, we have found solutions to face this challenge and adequately carry out the management of materials used in our works. At present, 54.04% of the residues generated at Even's works are being recycled or reused, and the remaining volume is properly discarded by means of the Transshipment and Screening Areas (ATTs).

Precast system



In order to assist this work, Even developed in 2010, in partnership with a transport service provider, the proper methodologies to work with surplus materials from construction works. We note today that other companies of this sector are adopting similar initiatives based on Even example.

Other actions have been adopted to optimize residue generation in 2010:

Precast system – with focus on reducing waste, Even uses in its brand Open precast concrete parts, thus optimizing productive processes and reducing the consumption of various materials in the jobsite.

Buckets



Bucket – The bucket is a plastic concrete mold. In our works we use 30% by volume of forms of this material, as its reuse is five times as much as that of the most commonly used wood forms.

Visible shaft and exposed piping



Visible shaft and exposed piping – the hydraulic installations of all our projects are meant to be surface-mounted, with a PVC opening for easy access to them. Therefore, should maintenance works be required, the dweller will not have to break the house walls.

Metal protection – in order to guarantee the safety of works, protection structures normally made of wood and screen are used and later discarded at the end of each project. Even adopts a metallic protection, for being more resistant and capable of being reused for a much greater number of times as compared to wood protection.

From 2009 to 2010, the percent of used materials originating from recycling has shown no significant increase or reduction

Discard of packaging material – Even developed with its ceramic tile suppliers a system for the reuse of packaging, whereby, after using the material, the supplier itself collects the packaging from the works to be recycled. In 2011, the big challenge will be to develop this work also with cement suppliers.

Plaster disposal – A procedure already being used by Even for a number of years, is being improved. Three pilot projects are now being developed in this sense: the use of adequate bags and carts for transporting this type of material within the jobsite, in addition to the special care taken at the time of applying this material, such as floor-protection tarpaulin sheets. The purpose of such initiatives is to prevent plaster residues from being “contaminated” by other substances, thus allowing for the acceptance of possible surplus material by recycling companies. The third project involves the use of a substance called “set retarder”, which, upon being mixed to plaster cause it to harden more slowly, thus allowing for longer application times and reducing waste by 64%.

Mortar recycling – at the works, all solid residues, such as dust, sand and grit are separated from any construction remnants. Those three materials are sent to a small plant mounted on the jobsite itself that will grind and mix them to form an aggregate that could be reused at the works as sub-floor mortar and in other similar applications. With this process, started in one of our projects, we were spared to send 737 m³ of such residues to the earth-fill. Likewise, we have not had to acquire and haul a volume of mortar equivalent to the generated residue. The saving generated by this initiative amounted to R\$ 34,581.15. In the course of 2011, we will be extending this practice to other works.

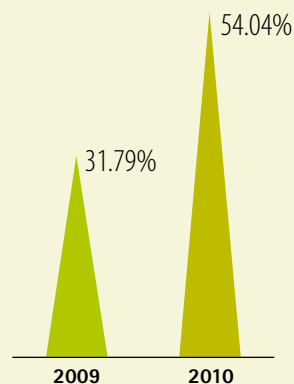


54.04%

was the percentage of residues generated by Even works deviated from backfills in 2010

RESIDUES GENERATED

Percent of used material originating from recycling



Material originating from recycling GRI EN2

Material	Supplier	Percent Content of Recycled Product
Aluminum	A	65%
	B	30%
	C	100%
Cements (all CPs)	A	57%
	B	34%
	C	63%
Ceramic Tiles	A	40%
	B	65%
Concrete Blocks	A	1%
	A	0%
	B	0%
Crushed Stone	C	0%
	D	0%
	A	Reforestation
Door kit	A	Reforestation (FSC seal)
	B	Reforestation (FSC seal)
Glazing	A	30%
	B	30%
Medium-grade Washed Sand	A	0%
	B	0%
	C	0%
Mortar	A	60%
	B	0%
	C	0%
Recycled Gravel	A	100%
	B	100%
Steel	A	69%
	B	66%

**Total weight of residues GRI EN22
per type and disposal method**

Class	Type (description)	2009	2010
II B	Masonry and Concrete	16,271	17,665
II B	Recyclable	151	580
II B	Lumber	1,248	2,558
II B	Metals	15	52
II A	Gypsum	3,550	4,232
II A	Mix	3,476*	11,904
Total		24,711	36,140

**Variation of residue generation
In kg/m² on-going**

	2009	2010
	94.82	89.72
Reduction		5.38%

*Measured from September to December 2009.
The above table shows an increase in the volume of wood and recyclables versus a Mix on-going index reduction in kg per m², from 36,419 in 2009 to 32,272 in 2010.
*The destination depends on the type of material comprising the residue. Plaster and mix will be discarded on either of the several landfills in Sao Paulo Metropolitan Region. Wood, metals, paper and plastics are sent to recycling companies.

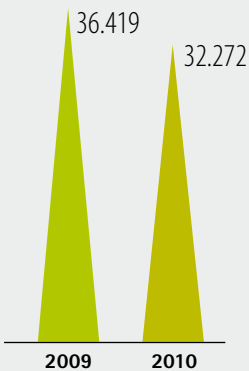


100%
of the native wood used
in works are certified wood

WOOD

In 2010, all works conducted by Even were inserted in the Ibama Federal Technical Registry, thus providing for the traceability of 100% of the native wood used in the works by means of the Forest Origin Document (DOF). **GRI EN26**

INDEX FOR THE GENERATION ONGOING (kg/m²)



Residue Mix

In 2010, we have extended to all of our projects in Sao Paulo the program of collecting solid residues by a specialized company, started in 2009. The separation per type and the measurement of rejected materials to be later adequately disposed of, helps establishing more objective goals for reducing waste and determining the guiding actions to be followed by those responsible for the jobsites.

We have thus achieved good results as to the destination of the mix, i.e., formed by the various types of mixed materials from the works which, precisely for that reason, will have destinations other than those of residues that may be separated according to their types.

In the past year, we have reduced by 12.85% the generation of mix, exceeding our established goal of a 10% reduction. For 2011, the goal is to reduce an additional 10% of the produced volume of such material.

Another challenge for 2011 is to work with the development of companies engaged in the management of this kind of residue in the Rio de Janeiro and Belo Horizonte marketplaces, where there is still a shortage of specific places to segregate this material.

CONSTRUCTION SITE AND THIRD PARTIES

The civil construction labor, whose more common characteristic is the reduced qualifying degree, is another critical point of the sector. On account of this, civil construction professionals are faced with quite often precarious labor conditions. At Even, where this labor force is mostly outsourced, we try to transmit our respect and concern about the individual welfare of this public. The collaborators have at their disposal gas-heated showers, clean towels every day – provided by the Projeto Toalha - liquid toilet soap, sunscreen products and mess room with formica-covered tables, adequate illumination and ventilation.

The use of individual protection equipment is mandatory in all jobsites, where it inspects, controls and monitors their use. The company also often promotes internal campaigns to increase the awareness of collaborators regarding them. Prior to entering an Even jobsite, all collaborators go through an Integration training of one year validity term. The content is based on the 5S methodology (work environment

improvement), and on labor safety management subjects, sustainability directives, respect to human rights and a dignified thoughtfulness for all publics of interest to the company. The program was implemented in 2006 and, since then, we have already trained more than 45,273 persons.

Another action is the Project School, created in 2006 for Even collaborators and service providers present in the works. The course comprises the contents of Elementary and High School. Classes are delivered at the jobsite and, in 2010, 50 persons received the certificate from the Brazilian Ministry of Education and Culture (MEC).

Further information about jobsite practices will be found at:



www.even.com.br/su/sustainable-construction

SOLUTIONS APPLIED TO THE WORKS

Even uses a set of technologies to reduce the environmental impacts on its works, such as:

- **paints with low VOC** (volatile organic compounds), with less solvents, reducing air pollution and risks to human health;
- **ceramic tiles directly glued to the block**, thus reducing the need for using coatings;
- use of **recycled gravel** for underground and garden drainage, thus reducing the volume of residues generated by the works;
- in some projects, **flow reducers** for showers and faucets, to help saving water;
- **aluminum sashes, recyclable material**, rather than **iron sashes**;
- **Illumination** - In 2010, We have standardized the use of more efficient lamps in the common areas of most of our projects. In

areas such as stairways and social hall, we were already using human presence detectors and automatic switch off, which, in combination with the concept of efficient lighting, enables reducing energy consumption by up to 95% on stairways and up to 25% in the social hall, in addition to promoting an increased operating life of lamp bulbs. In case of outdoor illumination, we are using a detector that automatically switches the lamp off in the presence of natural lighting, thus ensuring savings of 40% to 50% in energy consumption; **GRI EN5**

- **Dual flush toilet** – since 2009, all toilet bowls installed in Even projects are equipped with dual flush system.

TECHNOLOGIES APPLIED ON A PILOT BASIS

Live Roof – in 2010, Even conducted a few pilot projects to study the device that reduces the thermal load on the highest pavements and on watch tower slabs and similar spaces. Approved later that year, the live roof will be used as of 2011 in 100% of Even works.

Photovoltaic panel – in Guarulhos, a new project shall be provided with solar panels (Sao Paulo's metropolitan city) on their roofs to catch solar energy and transform it into electric energy.

Ready Bathroom – We have studied the feasibility of using a ready bathroom during the whole year of 2010; this system shall be tested for the first time this year. The ready bathroom is fully factory-mounted and arrives at the works as a box – with ceramic tiles, toilet, mirror, and all other necessary elements of a toilet/bathroom. This system restates an Even trend to more and more favor the use of industrialized systems to reduce waste, rework and the emission of greenhouse gases on the jobsite.

Use of rain water – with the study of the AQUA certification in the *True Chácara Klabin*, this item has become pilot for a couple of other projects. One of them is the catching of rain water into a cistern for it to be used later on the garden and for floor cleaning.

Solar panels – the company studies the convenience of installing solar panels on the roof of two of its projects to heat the water to be used in the whole complex, including their swimming pools. The installation of a complementary gas system was also required to guarantee the regular supply of hot water. The first works to receive such innovation was the *Alto Alto de Pinheiros* and the second was the *True Chácara Klabin*, both in Sao Paulo.

Live Roof



Photovoltaic panel



Ready Bathroom



Use of rain water





There is a number of items that render a real estate sustainable. Could you identify them?

MUCH BEYOND PRICE AND LOCATION

There was a time when buying a house would be a dream come true, with the candidate concerned only with issues such as price and financing terms, location, size and real estate layout. Today, other items are equally important when closing such a deal. Under this new panorama of the market for real estate projects, the social-environmental management, which dynamizes the efficiency and quality, and brings with it some positive results for the sector, is also a point of concern on the part of end users – the ones most interested in the proper conduction of the process of construction of his real estate.

Obviously, selecting a region close to the place of work, served by a decent public transportation system, having green areas and a basic infrastructure is still a valid thought. However, living in a building whose construction details comply with all technical standards and meet specific environmental resolutions guaranteeing greater safety to dwellers

will also make a difference. Or further still, that bring direct benefits to the owner when very simple sensors for the automatic illumination of common areas of the building cause a reduction in the amount to be paid for the condominium charges.

And how to identify whether the project will be renowned for its quality, efficiency and economy, i.e., will be sustainable? One very good first step will be to know if the materials used during construction would cause less environmental impact, like the case of paints with a lower content of VOC (less toxicity), of floors and cements containing recycled materials and reforested or certified woods, coming from fully legal commercialization sources. During work execution, it is essential to ensure the proper disposal of solid residues, with emphasis on the well known 3 R's: to recycle, reuse and reduce. The architectural projects must also contemplate actions aimed at ensuring energetic efficiency and the proper use of water, transformed in reality thanks to the implementation of solar panels, LED lamps, reclaiming rain water, green roofs, among other examples.



The customer should review the environmental and social impacts of the real estate intended for acquisition

Moreover, one should not forget the social impacts of the works. And if the project causes inconveniences to the neighborhood due to machine noise during construction and later change of landscape? And if workers will not enjoy ideal work conditions? Would that still be worth their while?

The true sustainability of civil construction is not restricted to being concerned with the environment. It also involves the safety, respect, health and hygiene of the people – dwellers, professionals and the neighboring community. Such a vision may and shall be extended to all those directly involved in the process, from business directors, to suppliers, to real estate brokers and finally reaching the end user.

After all, what would be the point of having a new real estate project offering all those solutions if future dwellers will not adopt the new practic-

es? A simple program of selective garbage collection makes no sense if owners fail to understand and internalize the reasons whereby one should separate organic garbage from other materials. Keeping an eye on such attitudes when closing a deal will turn each buyer into a leading character in the gradual process of changing the society, and for the better.

**See the technologies employed by
Even in its projects in the website**



www.even.com.br/su/beyond-price

THE BROKER MUST KNOW

Does the real estate you are looking for praise sustainability?
Know what to take into account when deciding

1. Does the construction prioritize materials of least environmental impact, such as low VOC paints (with reduced toxicity) and floors and cements with recycled products?

2. Is all used wood certified or coming from reforestation processes?

3. During the erection works, had solid residues been properly disposed of, with programs for the selective collection of materials?

4. Does the project contemplate the selective collection program?

5. Does the project include bowls, faucets, douches and showers fitted with water economizer features?

6. Is the projet fitted with sensors for the automatic illumination of common areas, automatic switch off of equipment, monitoring energy, all this in favor of energetic efficiency?

7. Does the project place due value on a healthy relationship with its collaborators, manipulating he environmental awareness of all?

Floors and cements with recycled products



Bowls, faucets, douches and showers fitted with water economizer features



Certified wood seal



Even's website provides tips for the customer who has just moved in:



www.even.com.br/su/avoiding-problems



Illustrative picture

RELATIONSHIP CYCLE WITH A CLIENT

1 Launching

I bought an apartment house on the floor plan and had no problems with Even along the whole process. I have always been very well looked after. The broker that sold the apartment to me was excellent and helped me further with all the required documentation. The only issue occurred in the final step only, when I needed a progress report that would be more specific than the ones I had been receiving.

Luciana Azevedo de Oliveira – Vida Viva Parque Santana

CLIENT WARNINGS

- Before selecting, a client should have an in-depth knowledge of all real estate characteristics: location, erection stage, price, size and sustainability issues
- Getting as much information as possible on builder's fitness
- Assess its forecasted expenditures

EVEN INITIATIVES

- We operate with a sales force of 596 brokers solely and exclusively dedicated to Even real estate sales, all of them subjected to frequent training programs on client service and on the sustainability aspects of our projects

A CULTURE IN EVOLUTION

The assessment of stakeholders criticalities identified, for the second year in a row, customer relationships as the priority requirement for the development of our business. With the accelerated growth of the civil construction market and of our company, maintaining the quality of deliveries and of customer services becomes a critical factor.

In 2010, we served 17 thousand customers and delivered 17 projects. With the increasing demand, the challenge is not only to maintain, but to raise the levels of customer satisfaction.

We recognize that the relationship with our customers could always be improved. In this sense, we have been developing a work to change the company internal culture to make sure all areas will be focused on our customers – rather than just those in direct contact with that public. Our aim is to broaden the perception of the house public on the need for team work so that customer demands

In order to acquire a client, our most critical public, we strive to constantly enhance our processes at all levels

will be more rapidly met. By advancing in this work, our challenge is to make sure this evolution is in fact perceived by the customer.

Most of our customer interactions occur after delivering the keys to the property. It is as of that stage that the real estate warranty is enforced and the Technical Support area possibly actuates, should there be any request from the customer or from the project. Such a relationship is maintained for up to eight years, a long and obviously critical period. Considering the number of deliveries made so far – 17 in 2010 – and 29 deliveries and 6,758 units expected for 2011, we have identified the need to re-structure the area to guarantee service quality.



The customer service team at Even takes regular training courses

► **Relationship Center GRI PR8**

We try to avoid customer data leakage or loss by means of control and record procedures of all customer contacts and follow up of those contacts. We also have included a specific clause in the contracts with our suppliers on the secrecy of information, as well as we developed a protection and secrecy policy involving our customer data. We have recorded 35 complaints on breach data – yet to be confirmed. No complaints were recorded as to the leakage or loss of customer data.

We have restructured our Relationship Center and will be doubling the Technical Support team by the end of 2011

This is why we are increasing the number of Technical Support collaborators – in early 2010 we had 22 collaborators and will reach 45 professionals in late 2011 - and created a systemic feedback system for the raised questions to be forwarded to other areas for due consideration in Even future projects and works.

In 2010 we have also reorganized our Relationship Center, by creating specialist attendant hubs for recurring and specific subjects. Each hub has a leader, responsible for identifying the major customer doubts and enhancing the training programs to attendants. We believe that, by doing so, our customers will be served in a more expeditious way. With all those changes, the problem-solving procedure increased from 49% to 52% in the first contact. The goal for 2011 is to achieve 60% problem solving in the first contact.

See the customer service flowchart on the website:



www.even.com.br/su/customers

RELATIONSHIP CYCLE WITH A CLIENT

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● **2 Contract**

The contract was closed just before Christmas, and I believe that document delivery took some more time because of that. Even is, in a sense, somewhat “shielded”. It is hard to have direct access to people, but we were very well looked after by the financial area and by the works engineer. Even commended an advisory bureau to help us with the financing procedure, which delivered precisely on his promise.

Carla and Marcelo Bari – *The View*

CLIENT WARNINGS

- Know your consumer rights
- Make sure that the contract is well balanced, its clauses are fair to both sides
- Identify real estate financing conditions

EVEN INITIATIVES

- We have reviewed the contract to obtain a better balance between the parties
- We produce contracts with texts that are easily understood
- We have prepared an explanatory primer for our contracts, using a simple language, sent to our clients one month after contract signature
- In 2011, we will be launching a primer on real estate financing



CUSTOMER SATISFACTION

In order to measure the degree of customer satisfaction we carry out annual surveys covering all stages of the relationship. Within the company, interactions with customers cover a long period of eight years – two to three years in the launching and erection phase, and five years in real estate warranty phase. Such surveys are being carried out since 2006, meeting a standard of application and being part of the company internal and external audits.

In 2010, we have trebled the surveyed customer base (from 600 in 2009 to 1,978 in 2010), maintaining the same degree of satisfaction as in the previous year. While the initial goal of increasing such

The results of our survey involving 1,978 clients show the attitudes we should adopt to improve our approval

index was not achieved, the figures indicate that the company growth has not negatively affected this indicator; rather, it made us rethink the processes possibly resulting in their improvement. **GRI PR5**





Building stage of the Boulevard Sao Francisco

RELATIONSHIP CYCLE WITH A CLIENT

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● **3 Half works**

Acquiring a property is like a dream that we would like to share and show to other people. Therefore, we could have more visiting dates and a less rigid scheme. Location was an important factor in our choice, and some professionals of Even made an important difference.

Sandra and César Aymoré Filho – Double Campo Belo

CLIENT WARNINGS

- Checking the quality of materials used and labor conditions of the professionals involved in our works
- Visiting and assessing the progress of our works

EVEN INITIATIVES

- The client may visit the works in two phases: the erected model-apartment and, later, in the building itself
- We use certified materials and developed several initiatives to reduce the generation of residues and water, energy and material consumption. Our contractors rely on a series of benefits, and the company tries to provide comfort in the work, relax and meal environment

In the overall context, the note assigned to Even as a whole indicates that, overall, there is still much room to improve our posture vis-à-vis our customer. A long-term relationship, with its different steps and demands, place challenges to maintaining customers' approval. In the final phases one would, traditionally, observe an increase in the number and intensity of critical points.

We have disseminated internally the results of the survey, thus enabling the obtained information to be used as an effective management tool in 2011. The work performed in each area has encouraged the creation of a pilot project on customer satisfaction, whereby some critical areas decided to adopt the assessment items as indicators in their routines. The presentation of the survey to company areas also brought with it improvement suggestions including sustainability aspects.

Still as a result of this process, we have reassessed our Relationship Center and had its critical points restructured. The result was an improvement

By and large, 96% of the calls have been solved within the time period agreed with the client. In 2009, such rate had been 70%

in the management system that will now provide us with additional information on customer history, thus expediting customer services. We have created an articulation hub among the areas and promoted training and meeting programs to internally improve communications and integration. All those modifications produced their fruits by improving the quality of customer services, but we still recognize several evolution opportunities.

CUSTOMER SERVICE EFFICIENCY

In 2010, some actions have been implemented to address possibly existing critical issues in all areas and to found the changes to be implemented in 2011.

The whole company has been committed to meet the improved relationship goals. For example, the Technical Support area, for example, whose actuation interfere most in the customer routine, created an evolution index that controls the speed of customer service on a weekly basis. In 2010, the goal was that 85% of all calls should be serviced within an average period to be internally stipulated. The area reached 91% of all calls serviced within the established period. For 2011, the objective is to maintain the 85% level, thus reducing the average period by 10% - even considering the increased number of customers. In order to assist the area, the company has further adopted a standard for project delivery whereby the Technical Support area will only start working in the works pursuant to an inspection procedure and after having all identified anomalies solved by an external expert contracted by Even, who will provide the company with an independent view of our product quality.

We have also instituted in that area a management line focused on possibly detected issues and subsidized by an information feedback system. Therefore, the area will not only solve its current issued, but also report all non-conformities to other areas and works. The purpose for 2011 is that such information will be directed to the Product area, for such failures to be minimized right from the start of the project.

Customer visiting a real estate and analyzing the progress of Even's work





RELATIONSHIP CYCLE WITH A CLIENT

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4 Delivery of keys

When the apartment is ready you will note how fantastic it became, exceeding your expectations. But it is precisely in this final step that I think the builder's feedback is missing. My work have been delayed, and I received no position from Even – I had to call them to know. This jeopardizes the relationship with the client.

Eduardo Fernando de Assis Darini – *Terrazza Mooca*

CLIENT WARNINGS

- Checking that the property was delivered in the initially pre-established conditions
- Knowing the neighboring infrastructure and checking the business hours of shops and utility services, such as markets, drugstores, hospitals, restaurants, etc.

EVEN INITIATIVES

- We accompany our client in an inspection visit to the apartment prior to key delivery
- We have the District Action, a way of introducing the region to our clients (with useful addresses and phone numbers), to facilitate their adaptation to the new address

RELATIONSHIP CYCLE WITH A CLIENT

5 Post-delivery

Prior to moving, with my apartment still being remodeled, the veranda had settled a little, causing water infiltration on the walls. Even sealed the crack and repainted the wall. Between the call and the service completion, only five days have elapsed. On the week I moved, some ceramic tiles of the building façade had gone loose. Even detected the problem and replaced all building ceramic tiles, in addition to paying a fine to the condominium. Despite such problems, I trust Even very much for being always serious in their attitudes.

Marcos Rogério Lopes Marçal – *Vida Viva Mooca*

CLIENT WARNINGS

- Paying attention to the owner's manual and its relevant warranties
- Avoid making changes not recommended by builders

EVEN INITIATIVES

- Investing in qualifying and increasing the number of teams comprising the Relationship and Technical Support Center
- We have developed efficiency and quality surveys, indicators and goals for all company areas



CUSTOMER DAY

On the Customer Day, celebrated in September, Even conducted an action to disclose the work of the Relationship Center to our internal public and submit its evolution and the investments made to our managers. The idea was that managers should experience the routine of an attendant to be able to directly feel the work difficulties and perceive the opportunities for system improvement.

See testimonials from Even's collaborators who joined this action on the website:



www.even.com.br/su/client



Collaborator experiences the routine of an attendant

CUSTOMER FACILITIES

The Relationship Marketing area performs several actions, which may vary depending on the works, and is intended to facilitate the life of our customers. Among them, the Customer Primer and District Action should be highlighted.

The Primer was created in 2009, and presents the most interesting and critical aspects of the contracts with our customers in a practical guide. In 2011, in addition to reviewing the guide for enhancement purposes, the area will further launch the Real Estate Financing Primer, dealing on financing, inspection and possession at the time the property is passed along.

The District Action is an introduction of the region to the new dweller. On a date close to the unit delivery, the customer receives a kit containing a letter and some suggestions on interesting sites to be visited within the district itself where his real estate is located, discount coupons, and a map with the local

establishments and a catalog with further information. The box and its contents will be made with FSC-certified raw materials, recycled material and Huber Green – a type of paint for low environment impact.

THE MARKETING COMMUNICATION

Our Risk Management area, together with several other company departments, prepared internal marketing standards to be followed by everybody. These are: procedure to disclose publicity announcements; procedure to disclose promotional actions; internal policy to disseminate marketing campaigns – launching of products; internal procedures to conduct promotional campaigns including the distribution of gifts. **GRI PR6**

We endeavor to develop clear and responsible communication pieces. As a reflex of this concern, in 2010 there were no cases of non-conformities with regulations and volunteer marketing or advertising communication codes. **GRI PR7**



We carry out an intensive qualifying, development and valuation work on Even collaborators

Investments in training programs for the house public and in social-environmental responsibility generate satisfaction and pride to be part of the company

ENGAGEMENT AND QUALIFICATION

The development of our collaborators is the basis for the growth and success of our business. Aimed at retaining talents in a more and more competitive market, our People Management area performs an intense work to qualify, develop and value our collaborators.

The engagement of the internal public, as well as of our labor providers, allows for the whole company production chain to reflect its principles and values, disseminating responsible practices that will stimulate a sustainable development.

In the civil construction sector, the relationship with labor providers is a critical point. The segment characterizes for contracting workers of low professional qualification and schooling, exposed to harsh labor conditions, informality and violation of labor laws.

In an attempt to revert such a picture, Even promotes several engagement and qualifying actions, always in search for improving the quality the quality of life work of its collaborators and outsourced employees, as well as its projects and services.

OUR COLLABORATORS – 2010 GRI LA1

	Even	SP	MG	RJ	SALES	SP	MG
Direct Collaborators	898	755	72	71	50	43	0
Board	10	10	0	0	2	2	0
Management	66	57	4	5	3	3	0
Coordination	53	43	5	5	5	4	0
Specialist	143	118	11	14	7	6	0
Administrative Half-time	7	5	0	2	0	0	0
Administrative Full time	280	241	20	19	31	26	0
Operational	306	254	29	23	2	2	0
Technical	33	27	3	3	0	0	0
Apprentices	256	216	20	20	7	7	0
Temporary	8	7	0	1	0	0	0
Outsourced	5,992	4,569	635	788	370	370	0
Total	7,154	5,547	727	880	427	420	0

*These hierarchical levels have not been open in the 2009 report

TURNOVER RATE – 2010 GRI LA2

	Even	H	D	T	Sales	H	D
Gender							
Female	261	103	49	19%	34	30	11
Male	637	282	148	23%	16	6	0
Total	898	385	197	22%	50	36	11
Age bracket							
Below 30 years	361	201	70	19%	28	23	5
30 to 50 years	470	163	110	23%	20	12	6
Over 50 years	67	21	17	25%	2	1	0
Total	898	385	197	22%	50	36	11
SP	755	319	165	22%	43	26	7
BH	72	31	15	21%	0	0	0
RJ	71	35	17	24%	7	10	4
Total	898	385	197	22%	50	36	11

The data for 2009 and 2008 have been recalculated according to the adjustment in the formula for turnover rate applied in 2010: number of dismissed collaborators from each subdivision / headcount number in each subdivision.
*The division per region had not been open in the 2009 report.

DEFINITIONS:

Even: headcount for the month of December 2010.

H: Hiring: total hired in 2010.

D: Dismissals: Total dismissals (for all reasons) in 2010.

T: Dismissal Rate: division of total Even dismissals by effective headcount.

LABOR-RELATED ACCIDENTS IN 2010 GRI LA7

Total No. of Accidents	No. of accidents with Leave of Absence		No. of accidents without Leave of absence		No. of deaths		
Even	5	Even	5	Even	0	Even	0
Green	16	Green	15	Green	1	Green	0
Third Parties	25	Third Parties	22	Third Parties	3	Third Parties	1

*The Frequency Rate measures the number of accidents per million worked man-hours

**The Severity Rate measures the time, in hours, computed per million man-hours exposed to risk

RELATIONSHIP WITH STAKEHOLDERS – COLLABORATORS

									2009	2008
RJ	GREEN	SP	MG	RJ	TOTAL	SP	MG	RJ	TOTAL	TOTAL
7	629	597	32	0	1,577	1,395	104	78	993	979
0	0	0	0	0	12	12	0	0	9	11
0	0	0	0	0	69	60	4	5	57	63
1	0	0	0	0	58	47	5	6	*	*
1	1	1	0	0	151	125	11	15	270	141
0	0	0	0	0	7	5	0	2	*	*
5	2	2	0	0	313	269	20	24	69	310
0	624	592	32	0	932	848	61	23	588	454
0	2	2	0	0	35	29	3	3	*	*
0	1	1	0	0	264	224	20	20	220	195
0	0	0	0	0	8	7	0	1	*	*
0	0	0	0	0	6,362	4,939	635	788	*	*
7	630	598	32	0	8,211	6,565	759	887	1,213	1,174

									2009	2008
T	Green	H	D	T	Total	H	D	T	TOTAL	TOTAL
32%	3	2	1	33%	298	135	61	20%	25.89%	29.92%
0%	626	705	362	58%	1,279	993	510	40%	41.79%	41.67%
22%	629	707	363	58%	1,577	1,128	571	36%	100%	100%
18%	284	341	175	62%	673	565	250	37%	30.80%	44.02%
30%	301	324	174	58%	791	499	290	37%	38.92%	34.28%
0%	44	42	14	32%	113	64	31	27%	50.00%	12.77%
22%	629	707	363	58%	1,577	1,128	571	36%	100%	100%
16%	597	665	353	59%	1,395	1,010	525	38%	*	*
0	32	42	10	31%	104	73	25	24%	*	*
57%	0	0	0	0	78	45	21	27%	*	*
22%	629	707	363	58%	1,577	1,128	571	36%	100%	100%

Occupational disease	Accident frequency rate *	Accident severity rate**
Even	3	Even 17.47
Green	2	Green 10.16
Third Parties	0	Third Parties 60.08



TRAINING PROGRAMS AND INTERNAL PUBLIC VALUATION

Well prepared collaborators – In 2010, we started the Even Manager Program focused on developing leaderships. Among the contemplated activities, we performed a coaching procedure, together with behavioral and psychological evaluations and courses in person on managing people. The program, which started with 62 managers, reached completion with 55 participants. At the end of the process, each of those leaders was evaluated for his competencies and behavior.

In 2011, the goal i set at measuring the perception of collaborators regarding this project. The big idea is to prepare our leaderships to increasingly support their teams in their development.

Youngsters with a future – Another program started in 2010, the FuturEven, is focused on young professionals. Through its implementation, the 264 Even apprentices, most of them engineering students, participated in special integration events held every month to help them identifying possibly existing company opportunities, to obtain the maximum benefits from their experience. The program further offers a specific grid of courses, with each apprentice being able to

develop his own project, which will be subjected to an examining panel before being implemented at Even. At the end of each year, all apprentices will receive a scoring based on a specific evaluation and on course, trainings and project grades, if effectively held. The final scoring may represent a salary raise equivalent to two and a half times the salary of such young professional. The ten better ranked apprentices will participate in meetings with the company CEO and provides the opportunity to reckon upon a mentor (an Even executive officer) prepared to offer guidance in their careers.

Sustainability at everybody's reach – In the second half of 2010, an event called Even Challenge was held for purposes of stimulating the interest on the company sustainability actions, in a participative way. In one site, the collaborators would include their suggestions for improvement related to the sustainability for individuals, company, and community. Even Sustainability Report was the reference basis for all collaborators. Overall, more than one hundred people participated in the Challenge, with 195 ideas. Two winning ideas were immediately implemented, with prizes being awarded to their authors.

Permanent development – For the continuing qualification of its collaborators, Even created a program called Academy of Development, initially focus-

Training GRI LA10				
Category	2010			2009
	Credit Hours	Number of Collaborators*	Mean hours of training / collaborator	Mean hours of training / collaborator
Board of directors	336	12	28.0	14.0
Management	2,852	69	41.3	26.5
Coordination	2,422	58	41.8	26.5
Specialist	4,000	151	26.5	***
Administrative	4,991	320	15.6	12.1
Technician	281	35	8.0	16.1
Operational	416	932	0.4	4.0
Apprentices	5,143	264	19.5	9.1
Outsourced (Even Vendas)	9,030	370	24.4	***
Minor Apprentice	864	3	288.0	10.4
Total	30,335	2,214	13.70	13.30

* The number of collaborators refers to the Even Group, however, they are calculated for the outsourced of Even Vendas only.

** Mean hours of training/collaborator.

*** These hierarchical levels were not opened in the 2009 report.

ing the Technical and the Financial areas. Its format covers a course grid that will meet the requirements of each director, more specifically and broadly speaking, dealing with technical and behavioral themes. The Technical area is currently offering 33 courses and the financial area, about 20. In 2010, over one hundred collaborators have participated in the program. In 2011, a program is being prepared for the areas of Incorporation, Management of People and Sustainability, with the latter being transversal, rather than being exclusive of one single director.

Valued talent – As a means to value and keep our best professionals, we have developed a policy of positions and salaries, with its own portal for managers to record the promotion of their collaborators, thus forming a history. The variable compensation of our collaborators is measured by the capabilities

of achieving their goals and to the competencies desired by the company. And, in 2010, 119 Even collaborators have been promoted.

Performance management – All the effective collaborators of Even have been subjected to a performance evaluation. The purpose of this initiative is twofold: The first is to assist in the analysis for quantifying the compliance with goals to define the Variable Compensation. There are specific rules, including deadlines, for those hired during the year, in order to preserve the characteristics of a Variable Compensation program. **GRI LA12**

The second is the performance management and the development of all collaborators, by applying specific metrics and concepts that will ensure the coherence and transparency of continuing development processes.

Gender diversity is a challenge in the civil construction sector



DIVERSITY

Even hired 4 young apprentices in 2010. In 2011, the goal is to have 14 young professionals – number corresponding to its minimum quota. The company will also start a process to raise the awareness and orientation of the boards to encourage the hiring of people with handicaps – the goal is to hire three collaborators by the end of the year. The increase in the number of women in Brazilian civil construction can also be seen among Even's in-house public, according to the table on this page.

See how has Even evolved in this indicator, also considering the year 2008, at site:



www.even.com.br/su/collaborators

Diversity of public at Even Group - Expressed in number of collaborators (percent relative to total) GRI LA13

	Directors		Managers		Coordinators **		Specialists	
	2010	2009	2010	2009	2010	2009	2010	2009
Female	2 (17%)	1 (11%)	19 (28%)	15 (26%)	41 (71%)		63 (42%)	141 (52%)
Male	10 (83%)	8 (89%)	50 (72%)	42 (74%)	17 (29%)		88 (58%)	129 (48%)
Total	12	9	69	57	58	*	151	270
Below 30 years of age	0	0	8 (12%)	13 (23%)	17 (29%)		81 (54%)	130 (48%)
30 to 50 years of age	10 (83%)	7 (78%)	61 (88%)	43 (75%)	38 (66%)		68 (45%)	134 (50%)
Over 50 years of age	2 (17%)	2 (22%)	0	1 (2%)	3 (5%)		2 (1%)	6 (2%)
Total	12	9	69	57	58	*	151	270
Yellow	1 (8%)	0	1 (2%)	0	1 (2%)		4 (3%)	3 (1%)
White	11 (92%)	9 (100%)	61 (88%)	51 (89%)	46 (79%)		121 (80%)	190 (70%)
Indigenous	0	0	0	0	0		0	0
Pardos	0	0	7 (10%)	6 (11%)	10 (17%)		22 (15%)	69 (26%)
Black	0	0	0	0	1 (2%)		4 (3%)	8 (3%)
Disabled	0	0	0	0	0		0	0
Total	12	9	69	57	58	*	151	270

*There is no history involving this indicator in previous years.

** These hierarchical levels have not been open in the 2009 report.

MAN/WOMAN SALARY RATIO – Grupo Even* GRI LA14

		Directors	Managers	Specialists	Coordinators	Administrative	Operational	Technical	Apprentice
2010	Male	1.00	1.09	1.12	1.09	1.05	1.00	1.02	1.00
	Female	1.01	0.76	0.90	0.95	0.94	0.82	0.92	0.98
2009	Male	1.00	1.00	1.00	**	1.00	1.00	**	1.00
	Female	0.89	0.97	0.92	**	0.93	0.92	**	1.00
2008	Male	1.30	1.00	1.00	**	1.13	1.00	**	1.00
	Female	1.00	1.08	1.00	**	1.00	1.00	**	1.00

* The calculation was made based on the Salary average of the type / Salary average of the category.

** There is no history regarding such hierarchical levels.

The data used in the information and calculations of the above table follow the compensation criteria equivalent for similar works, considering Even collaborators and excluding Even Vendas and Green.

Administrative		Technical **		Operational		Apprentice		Total	
2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
156 (49%)	38 (55%)	8 (23%)		9 (1%)	20 (3%)	84 (32%)	63 (29%)	382 (21%)	305 (25%)
164 (51%)	31 (45%)	27 (77%)		923 (99%)	568 (97%)	180 (68%)	157 (71%)	1.459 (79%)	908 (75%)
320	69	35	*	932	588	264	220	1.841	1.213
225 (70%)	54 (78%)	8 (23%)		334 (36%)	208 (35%)	244 (92%)	201 (91%)	917 (50%)	606 (50%)
93 (29%)	15 (22%)	27 (77%)		494 (53%)	324 (55%)	20 (8%)	19 (9%)	811 (44%)	542 (45%)
2 (1%)	0	0		104 (11%)	56 (10%)	0	0	113 (6%)	65 (5%)
320	69	35	*	932	588	264	220	1.841	1.213
6 (2%)	1 (1%)	0		3 (0%)	1 (0%)	4 (2%)	3 (1%)	20 (1%)	8 (1%)
247 (77%)	51 (74%)	28 (80%)		511 (55%)	392 (67%)	248 (93%)	182 (83%)	1.273(69%)	875 (72%)
1 (0,0%)	0	0		4 (0%)	6 (1%)	0	0	5 (0%)	6 (0%)
56 (18%)	13 (19%)	6 (17%)		303 (33%)	160 (27%)	8 (3%)	27 (12%)	412 (23%)	275 (23%)
10 (3%)	4 (6%)	1 (3%)		111 (12%)	29 (5%)	4 (2%)	8 (4%)	131 (7%)	49 (4%)
0	0	0		0	0	0	0	0	0
320	69	35	*	932	588	264	220	1.841	1.213



R\$ 739

thousand was the approximate amount spent with the company complementary social security plan and related contributions performed in 2010 **GRI EC3**

► Benefits GRI LA3

All our collaborators, regardless of the system of working hours, receive the same benefits. In the case of third parties and temporary collaborators, we assure the meeting of the legislation in effect. The benefits provided are: meal voucher, health plan, dental plan, life insurance, transport voucher, private pension. The company's complementary pension plan was implemented in 2008 and the contributions made by the company totaled R\$ 739,039.30 in 2010.

Further information on how this plan works at the site:



www.even.com.br/su/collaborators

CLIMATE SURVEY

Conducted annually and directed toward, our Climate Survey assesses satisfaction and enables the identification of critical points of the business and work conditions for the in-house public. Only those who gave scores above 8 are considered to be satisfied. The methodology used measured the personal satisfaction (perception of stability) and environment assessment (leadership, HR, the company). It thus became possible to trace determinant points for lack of satisfaction or delight and raise some topics called "Red Flags" – that demand greater attention from the management.

In 2010, Even reached 8.58 satisfaction points, in a scale of zero to ten. The goal, forecasted based on last year's result (8.18), was 8.38.

According to the results, what generates delight most among is the practice of the profession itself in the company and socio-environmental responsibility. Among the topics that demand more attention from Even is organization climate and teamwork. These are points in which Even seeks to improve its operation continuously, since they had already been identified in previous surveys. Our action plan is to transform lack of satisfaction into satisfaction, and satisfaction into delight by prioritizing the areas of relationship.

In 2010, 1,100 collaborators answered the survey. To meet the points surveyed, the Personnel Management department debated the results with the other department and, from this dialogue, an annual planning was elaborated to address the issues with lower satisfaction rate. This planning remains in the company's intranet and is followed up monthly.

RELATIONS WITH UNIONS

The collective bargaining agreements with unions cover 100% of our, as determined in the national legislation, and Even has the historical practice of always notifying eventual changes in advance and making room for dialogue and clarifications of all professionals involved.

No cases in which the rights to practice freedom of association and collective bargaining were at risk have been identified in our operations. **GRI LA4 and LA5**

The construction company is affiliated to Secovi (Housing & Condominium Union) and Sinduscon (Civil Construction Industry Union). Majority of its affiliates are affiliates of Sintracon (Civil Construction Worker Union).

HEALTH AND SAFETY AT THE WORKS

The civil construction worker, due to the nature of his activities, is exposed to occupational risks. The use of mandatory protective equipment and the observance of safety rules are essential to avoid accidents. With the aim of minimizing these risks, all Even and providers of labor at the works undergo integration training, updated annually. (See more on *Integration in Sustainable Construction*).

We also have a formal and organized Accident Prevention Internal Committee (CIPA) made up of 22 (2.45% of the company's total staff). Its aim is to discuss and disseminate knowledge on occupational safety and health and to encourage preventive practice by disclosing practices, premises and procedures.

Communication channel between collaborators and Even:

- Talk to HR
- Talk to the President
- Conduct Committee
- sobreorelatorio@even.com.br **GRI 4.4**

LOCAL DEVELOPMENT

Our operations are located in the big Brazilian capitals, which represent 61% of the Brazilian GDP (according to census by IBGE 2007). Despite this scenario, already privileged within the national context, we seek to promote social inclusion by valuing local talents. Although there is no policy for local contracting to top management posts, Even prefers professionals residing in the regions we operate in. In 2010, cases of discrimination in the company were neither registered nor documented.

VARIATION IN THE RATIO OF THE LOWEST SALARY TO THE LOCAL MINIMUM WAGE GRI EC5

Lowest salary / Minimum Wage*	Even			Even Vendas			Green		
	MG	RJ	SP	MG	RJ	SP	MG	RJ	SP
	157%	171%	155%	0	158%	127%	144%	0	154%

*This indicator was not reported in the 2009 report.
Calculation base: lowest salary paid by Even in the region divided by the country's minimum wage.

Our operations are located in areas representing over 60% of Brazil's GNP



Pedestrian walking under protection in Even works

SPACE AND LIFE SHARING

Truly integrating the community around our works demands an effort to understand such a public and its expectations

We recognize the importance of developing and maintaining a permanently open and balanced dialogue with our surrounding communities, defined as those located within a 1-km radius from the real estate ventures and impacted directly by our works. As a way of converting this understanding into effective practices, a series of initiatives started in 2008 to enrich each day the relationship with this public of interest, essential to the continuity of our business.

Defined by the Sustainability Committee and coordinated by the sustainability area, such actions have budget defined in the annual strategic planning and become a reality during the year. The idea is

to contribute toward the region's development beyond the period of the works, when so many people have their routines changed by us, whether due to change in the local landscape or the noise caused. The aim is to introduce structural changes, whose fruits can be reaped in the present and future. We thus prioritize educational projects – including environmental education actions, in which we also seek to get other groups of interest involved, such as our collaborators and suppliers.

In 2010, we started actions geared toward improving the relationship with the community through our Community WG (Work Group). These actions are listed below. (*See more on Community WG in the chapter on Sustainability Strategy*).

► **Revitalized space**

Those who passed sometime ago through Dr. Gastão Vidigal Avenue, west zone of Sao Paulo, found several homeless people in that region. Today, however, the situation has changed, there are no more people leaving under the viaduct, in conditions of great social vulnerability. On the contrary, they were placed in a context of citizenship, were able to request for new ID documents, learned an occupation and obtained the opportunity of working for their own means of survival. This reality started to change in the first half of 2010 thanks to Even's partnership with the local borough.

The proposal to revitalize the region arose with the start of the works of a new project, with three towers - two residential and one commercial. The buildings were

launched to approach living and work, preventing carbon emissions due to great displacement by car. The idea is that one can live in a building and set up one's business in the commercial building that is part of the complex, thus obtaining quality of life and contributing toward the sustainability of a big city like Sao Paulo.

Having defined the revitalization strategy, we enabled the space, where the homeless once lived, to shelter the selective collection cooperative (today in full operation). We then hired a specialized consulting firm to work in the qualification of these people. A unique and simple initiative that added value to the region, promoted advantages to future dwellers of the project and rescued people who were formerly forgotten by society.



Revitalized space formerly occupied by homeless people



Volunteering activity coordinated by Internal Public Work Group

ESCOLA EMILIANO DI CAVALCANTI

Near several of Even's projects, Escola Estadual Emiliano Di Cavalcanti [Emiliano Di Cavalcanti State School], located in Vila Leopoldina (a district of Sao Paulo), is a pilot project conducted in conjunction with the NGO Parceiros da Educação [Partners of Education]. The project started in 2009 and, in 2010, we offered pedagogical lectures and workshops that focused on the continuous education teachers from the institution. We hired the external assessment system of the Cesgranrio Foundation to measure, through scores of the students, the pedagogical improvements obtained each year. The partnership also enabled the purchase of pedagogical material for the disciplines of History, Arts and Physical Education, in addition to conventions with a copier and a transporter to provide support to the students. Another part of the resources was destined to improve the school's physical structure, reverted in the purchase of eight blackboards, painting of the sports court, installation of wire fences on the walls and purchase of

50 m of electric power extension. In 2011, we took the opportunity of this project's continuity to mobilize our in-house public for the Volunteering Program, launched officially in 2010.

VOLUNTEERING PROGRAM

The creation of the Volunteering Program was one of Even's goals for 2009, which was attained by the end of 2010. Developed by the Internal Public WG (see more in the chapter on Sustainability Strategy), lead by the Sustainability department, the program started with donation campaigns and had the participation of collaborators, suppliers and partners in the collection of school material kits and other activities performed on behalf of charity institutions.

In 2011, the WG had the objective of increasing the range of institutions to be benefited, based on our Private Social Investment Policy, engaging the in-house public to use not only its time, but also its knowledge and skills in the volunteer actions.

NEIGHBOR ACTION

We have implemented in 2010 recyclable material collectors serving the neighborhood of five Even works

The Neighbor Action project is a program of relationship with the community surrounding the works. We elected five projects in initial phase of construction to implement a pilot project. The first measure was to send a letter to the neighbors in the radius of 1 km, introducing ourselves, informing the deadline to start and conclude the works and providing communication channels. To make the community surrounding the works aware of the importance of recycling materials, Even also implemented in these five projects recyclable material collectors, at the community's disposal. In 2010, the following was collected:



Material	Weight
Cardboard	360 kg
Paper	405 kg
Plastic	450 kg
Ferrous material	105 kg
Glass	270 kg
Aluminum	40 kg
Total	1,630 kg

Natural resources preserved	Quantity
Forest	27 m ²
Water	15,300 liters
Petroleum	450 liters
Iron ore	126 kg
Bauxite	200 kg

In the internet

In Construtor Verde [Green Builder], Even's online game, the player can set up a sustainable district, constructing buildings, choosing the materials of the works, planning the urbanization and creating green areas. To play, access www.construtorverde.com.br.

Even also provides the site www.canaldasustentabilidade.com.br in the internet and the 2009 Sustainability Report at www.even.com.br/sustainability



To play, please access:



www.construtorverde.com.br

COMMUNICATION WITH THE COMMUNITY

Even is sometimes approached by some stakeholders (usually neighbors of projects under construction) to give clarifications on its works.

We always meet this kind of request from the community. We seek to use such contacts as an opportunity to learn and improve our external communication, our processes and our attitudes. In 2010, we made a presentation to the main representatives of the community in the surroundings of the works *Alto Alto de Pinheiros*, in Sao Paulo, providing information on the project, its characteristics and

other matters of importance to that public. One of Even's plans for 2011 is to create a specific channel to attend to the community.

For the actions developed by Even in Rio de Janeiro see the website



www.even.com.br/su/community



Adequacy of visual communication to meet the demand of this community



We try to encourage responsible practices in our supplies chain

The complexity of our sector leads us into maintaining a relationship with a wide range of suppliers – with our goals very much depending on such a relationship

BUILDING PARTNERSHIPS

SUPPLIERS

The development of new ways of doing business, which integrate sustainability with the various phases of our activities, is a central part of the strategy of relationship with our suppliers.

With a growth of 11.6% in 2010, civil construction is regarded as one of the activities with the highest amount of residue generation and that modify the landscape, in all its phases, from raw material extraction to the end of an project's service life.

Through relations with our commercial partners, we seek to encourage responsible practices in our sphere of influence, in addition to the constant search for innovations guided by sustainability attributes.

However, the great diversity of companies and sectors that make up our base of suppliers renders complex and difficult the task of adding

sustainability differentials and values to day-to-day practices. The commercial practices include different activities like suppliers of basic raw material (like cement, wood and steel), contractors (who execute the construction of the project and provide labor); and equipment lease companies (like elevators, cranes and racks), inter alia.

Our greatest objective with this public is responsible management of the relationship in order to create value to both and to the society, reducing negative impacts along the chain. In 2011, we intend to resume activities of Suppliers WG, work group that will begin to coordinate initiatives already adopted by the Supplies department. The group should also straiten the ties with suppliers, seeking partnerships and offering Even's experience for this public to develop its own social, environmental, governance and collaborators valuation practices.



Building contractor during the phase of erecting the Inspiratto project in São Paulo

PROGRESSES IN 2010

To perfect the management of purchases, in 2010, the Supplies department began to centralize the hiring of suppliers for all of Even's works and areas. The criteria used by the department to choose a partner assess its delivery capacity, cost, service quality, in addition to sustainability aspects like respect for human rights and source of raw material. We also make in loco visits to assess the socio-environmental practices of our more critical suppliers – according to

ISE [Corporate Sustainability Index] criteria.

In 2011, an external consultancy will start to make a full assessment and follow up of the financial health, legal aspects, environmental pending issues and any other irregularities with our suppliers. With the hiring of this consulting firm, we seek to minimize risks in the commercial relationships, thus assuring our own capacity to deliver products without delay to customers. **GRI 4.11**

THE FOCUS SHIFTS

In 2007, when we started working systematically with focus on sustainability, our actions reflected this moment of the company and were similar to those developed by all beginning companies: they included, for example, recycling of materials and eco-efficiency actions. To develop these first actions, we created a partnership with a non-governmental organization (NGO) that performed activities in the worksites, making artworks out of materials that would be disposed of.

With the aim of improving our sustainability

practice, already integrated to the business, the work of the NGO is being reevaluated. With the maturing of the sustainability culture in Even, other critical themes become priority. One of them is the need to educate collaborators of the works to become citizens with greater awareness of the impacts of their daily activities and their ability to influence society. In this process, we broadened the focus of our work, which was formerly environmental and economic, to include the social and governance dimensions at the base of our strategy.

ENCOURAGING DEVELOPMENT

The hiring of local suppliers – in the case of Even, in our Minas Gerais and Rio de Janeiro branches, helps in promote regional development on increasing job opportunities, in addition to favoring development of the business itself. We therefore assure preference in the contracting of local companies in our branches – 60.28% of the budget of the Rio and Minas Gerais units is spent on local suppliers.

In addition to the region, costs, production capacity, supply history, environmental and social performance are also criteria used in selecting suppliers. For 2011, one of the goals of the Supplies department is to develop new materials, provided by suppliers in line with the company's strategy. **GRI EC6**

HUMAN RIGHTS

As part of our work of encouraging good practices in our chain of supply, all our contracts with suppliers include clauses referring to nonuse of child labor and respect for human rights.

In 2010, this clause was required from service providers only. Out of those, 100% have signed the commitment. Contracts for material suppliers would not include this clause and, therefore, we were prevented from assuring compliance with this item. Thus, the result was that 54% of our suppliers have been committed to our subject. As of 2011, this clause will be present in 100% of our new contracts. **GRI HR2**

SHAREHOLDERS, COMPETITORS AND GOVERNMENT

The assessment of stakeholder criticalities also identified the importance of shareholders, competitors and government for Even, which seeks to relate to these groups in an ethical and transparent way. In the case of shareholders, the good results of the business, a solid governance structure and the strategy governed by transparency in our policies and strategies form the basis on which the relationship with our shareholders is established, lead by the Investor Relations department. The department is supported by a specialized communication structure and performs road shows and teleconferences to transmit the annual balance sheet and periodical reports on the company's activities and performance.

For our relationship with competitors, we intend, by improving our actions, to encourage good practices in the sector that contribute toward reducing the negative impacts of civil construction on society.

In the case of public agencies, due to the nature of our business, we maintain relationship with various areas and instances of the government. Our activities are regulated in different spheres, from purchase of real estate, approval and regulation of projects to construction and conclusion of the projects. We have not to date taken part individually in any negotiation of public policies. Also, during the 2010 presidential campaign, we invested a sum of R\$ 500 thousand as party support. **GRI S06 and S05**

See more on these publics at the website:



www.even.com.br/su/other-publics



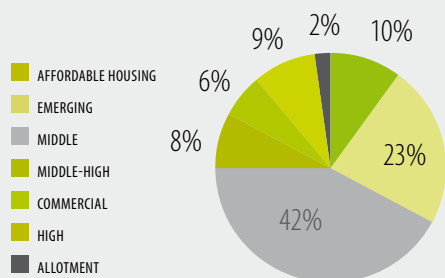
Gabrielle, Particolare, Du Champ and Campo Bellissimo, Even enterprises, in Campo Belo, southern area of Sao Paulo

BUSINESS PERFORMANCE

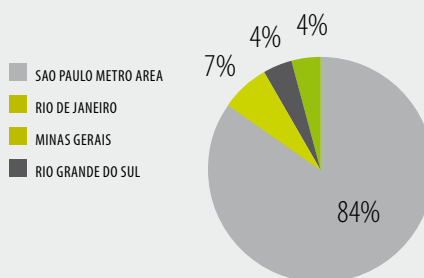
Value-Added Statement GRI EC1

	2010	2009
Directly generated economic value	2,090,368	1,253,153
Revenues	2,090,368	1,253,153
Distributed economic	(1,897,844)	(1,158,432)
Operating costs	(1,494,335)	(907,341)
Collaborator's salaries and benefits	(103,309)	(69,835)
Payments to capital providers	(131,234)	(75,955)
Payments to government	(168,689)	(104,939)
Investments in the community	(810,694)	(362,000)
Accrued economic value	192,524	94,721

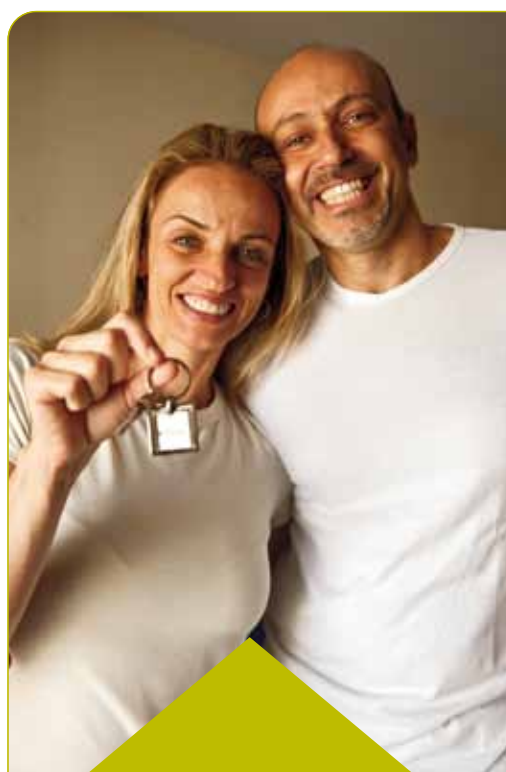
LAUNCHES PER SEGMENT IN 2010



SALES PER REGION IN 2010



- In 2010, we have broken a new record of sales volume, reaching R\$ 2.064 billion. We have launched 33 projects, amounting to a Potential Sales Value (PSV) of R\$ 1.528 billion, of which 80% were sold in the same year.
- Our net revenues from sales and services was 67.4% higher in relation to 2009, reaching R\$ 1.96 billion.
- We delivered 17 projects in 2010, which corresponds to R\$ 939 million in Potential Sales Value (PSV), considering the sales price at the time of the launching. In all, 2,204 units were delivered.
- We currently have 52 active construction sites. Out of the projects scheduled for delivery by the end of 2011, 88% have already been sold.
- In 2010, we purchased lands corresponding to R\$ 3.07 billion in Potential Sales Value (PSV).
- Our land bank reached the end of 2010 with 2,894,530 m², with potential to launch 75 projects or 18,051 units.
- Even Vendas was responsible for 54% of sales in its area of operation and was consolidated as one of the biggest real estate agencies in the country.
- Out of the launchings in 2010, 75% correspond to units of up to R\$ 500 thousand, which covers the sales segment: affordable housing (R\$ 150 to R\$ 250 thousand), emerging (R\$ 250 to R\$ 350 thousand) and middle (R\$ 350 to R\$ 500 thousand).



88%
of projects expected to be delivered by the end of 2011 have already been sold



The civil construction segment in Sao Paulo employed 739 thousand workers in 2010

ECONOMIC PERFORMANCE

The year 2010 was marked by the growing level of Brazil's economic performance, by the resumption of economic activity and increase in the offer of credit and trust of the consumer. This year, the increase in the Gross Domestic Product (GDP) from Civil Construction was 11.6%, the highest since 1986. In the Metropolitan Region of Sao Paulo alone, commercial and residential projects were launched with amount equivalent to R\$ 24.38 billion – 50% above that of 2009.

Regarding the offer of jobs in the sector, the level of formal employment grew by 13% in 2010, with the creation of 319 thousand workstations - a record level since 2001. In the Southeast alone, main area of Even's operations, almost 120 thousand vacancies

were created for workers. By the end of 2010, Sao Paulo State employed 739 thousand workers - 8.2% more than in 2009. This growth, however, should not be repeated in 2011, remaining at about 6%.

REFLECTIONS OF THE ECONOMY IN EVEN

Within this context, Even has, since the second half of 2009, returned to buying lands, reaching the mark of R\$ 3.07 billion in Potential Sales Value (PSV) in 2010. We also had a record sales performance, which reached over R\$ 2 billion, and our total number of customers reached 17 thousand. In 2011, we will have about 22 thousand consumers of our products.

In 2010, Even achieved a record sales performance, following the level of Brazilian economy performance

In the beginning of 2010, we made a subsequent offer for shares to capitalize the company and generate funds for our continuous growth. In the operation, we also sold part of the shares of Even's majority shareholder (owner of about 37%). This operation, held in April, widely distributed the free float (which went from 43.44% to 73.68%) and increased the company's liquidity from about R\$ 3 million per day to an amount of R\$ 18 million daily.

In March 2011, we liquidated a significant market debenture operation, a modality unexplored by Even until then. We went to the market to raise R\$ 250 million, which increased our business generating capacity, without increasing our gross debt – we also settled, in 2011, R\$ 145 million maturing in 2011, 2012 and 2013. With this, Even maintains the low leverage of 45.9% (net debt/net shareholder's equity) but it has considerably increased its investment impetus.

PERSPECTIVES

At Even, we work with three pillars: construction capacity, cash and consumer. Currently, both our cash and our construction capacity are above what we proposed to the market. With the deliveries made in 2011, we should also have a significant number of specialized labor, available for other projects. This factor, combined with the two other points, gives Even a privileged position in the market.

See additional Even economic highlights and financial statements at the website:



www.even.com.br/su/performance



R\$3.07bi

being the Potential Sales Value (PSV) with plots acquired by Even in 2010

ABOUT THE REPORT

In our third sustainability report based on the Global Reporting Initiative (GRI) model, we have consolidated the information and data recorded in 2010, related to the operations of Even Builder and Incorporator, of Even Vendas, of Green and of Rio de Janeiro and Minas Gerais branches. Likewise our previous reports, we have not reported data from the operations of Melnick Even Incorporações e Construções S.A., our joint venture located in Rio Grande do Sul. **GRI 3.1, 3.6, 3.7, 3.8 and 3.9**

Since 2008, we have been searching for an evolution in the management and collection of indicators, a fact that led us to achieving, in 2010, the requisites for level B+ of GRI application, considering the new directives established by the organization, exceeding the number of indicators reported in previous years. Hence, we are now showing the data related to 41 indicators, 33 of which are essential and 8 are additional ones. **GRI 3.2 and 3.3**

Another novelty is that, this year, the information included in the report has gone through a checking procedure by a third party named **BSD Consulting**. We understand that this procedure, in addition to reflecting our quest for report evolution and a demand by our stakeholders, is, in fact, a major guarantee that the information present in this publication are all consistent and transparent. **GRI 2.9, 3.10, 3.11 and 3.13**

In order to maintain a dialog with Even on the company sustainability practices and information in this report, please send an e-mail to sobreorelato-rio@even.com.br. **GRI 3.4**

MATERIALITY AND STAKEHOLDERS PANEL

In 2010, the process of defining Even relevant subjects followed four sequential steps. Firstly, we have retained the services of an external consultant to conduct a Criticality Workshop for Stakeholders with the Board of Directors and managers. On basis of the workshop results, a specialized company in focal groups (market surveys) began contacting certain publics and inviting them to being part of the Stakeholders Panel. Provided with the opinion of different publics, we went back to the Board for a presentation of material subjects, according to the chart in the opposite page.

The panel gathered 15 stakeholders representing the groups of collaborators, of the community, suppliers, investors, financial institutions, govern-

ment, associated companies, unions and media. Competitors were not invited for strategic reasons, and clients have not participated despite being invited – which ratifies the need for having the engagement of this public. The purpose of such event was to establish a dialog and obtain a heading for the content of the 2010 Sustainability Report. **GRI 3.5**

As regards the Stakeholders Criticality Workshop its purpose was to assess the importance of those publics of interest to the company. Regarding last year’s classification, the first six places maintained their positions, with just a change between collaborators and community.

Ranking of stakeholders’ criticality

	2010	2009	2008
Clients	1 st	1 st	7 th
Collaborator	2 nd	3 rd	5 th
Community	3 rd	2 nd	1 st
Suppliers	4 th	4 th	3 rd
Shareholders	5 th	5 th	2 nd
Competitors	6 th	6 th	8 th
Financial Institutions	7 th	N/A	N/A
Government	8 th	9 th	4 th

RELEVANT SUBJECTS AND THE 2010 REPORT

The building process and the analysis of materiality integrate the evolutions in the management of company sustainability and is part of the efforts to include different perspectives. The material subjects resulting from the process are being worked out by Even and are shown in the contents if this publication. In addition to bringing its positioning related to each its aspects, it addressed the subjects following the criteria that covered the impacts and opportunities related to the construction sector and the relationship with the company strategic commitments. The challenge for the coming years is to expand the survey to ensure more consistency to material subjects. **GRI 4.14, 4.15, 4.16 and 4.17**

Material Subjects of Even	Where to find
<p>SUSTAINABILITY MANAGEMENT AND STRATEGY IN THE REPORT</p> <ul style="list-style-type: none"> - Disseminating sustainability practices among small-sized companies of the sector - Promoting corporate governance actions ensuring company health (control, transparency and management) - Measuring, even if qualitatively, the results of performed actions - Demonstrating, whenever possible, the direct and indirect investments in sustainability - Rendering sustainability tangible adds economic value - Bringing the subject to the product and office 	<p>Matters:</p> <ul style="list-style-type: none"> • Development with Responsibility and Focused on Client • Sustainability Strategy • Business Strategy • Structures Supporting Sustainability Management • Ethics and Transparency • Building Partnerships • Economic Performance • Innovation Generating Results • Technologies Applied on a Pilot Basis
<p>SUSTAINABILITY REPORT AND INDICATORS</p> <ul style="list-style-type: none"> - Showing more clearly the report preparation procedure - Showing the sustainability practices adopted by the company with its clients, Suppliers and other publics - Emphasizing sustainable products, showing their impact (quantitative and qualitative indicators) - Introducing satisfaction indicators from clients, suppliers, collaborators and neighboring community - Ensuring a more explicit relationship between the sustainability objectives and commitments, and the company business objectives and goals 	<p>Matters:</p> <ul style="list-style-type: none"> • On the Report • Bullish real estate market • Building Partnerships • Innovation Generating Results • Commitments and Goals for 2011
<p>VALUE CHAIN</p> <ul style="list-style-type: none"> - Prioritize sustainable practices when selecting partners, incorporators and builders - Showing practices in the sustainable value chain - Reporting on the supply project 	<p>Matters:</p> <ul style="list-style-type: none"> • Building Partnerships • On Solid Bases • Jobsite and Third Parties • Far Beyond Price and Location • Emissions Clearly Discussed
<p>CLIENTS</p> <ul style="list-style-type: none"> - Advance the delivery of the client primer, evidencing the important aspects in the purchase process - Evolving client complaint indicators and adopted actions - Expanding actions of awareness and continued education in implemented condominiums - Communicating with clients through digital means not impacting the environment 	<p>Matters:</p> <ul style="list-style-type: none"> • Development with Responsibility and Focused on Customer • Innovation Generating Results • A Culture in Evolution • Far Beyond Price and Location • On Solid Bases • Client Satisfaction
<p>COMMUNITY</p> <ul style="list-style-type: none"> - Showing the business impact on the neighborhood - Positively interacting in the neighboring community - Evolving the School Program - Giving more visibility to urban kindness practices - Evolving neighbors complaint indicators and adopted actions 	<p>Subject:</p> <ul style="list-style-type: none"> • Sharing Space and Life • Far Beyond Price and Location
<p>COLLABORATORS</p> <ul style="list-style-type: none"> - Carrying out a continued qualification of suppliers and collaborators - Forming new talents in the areas correlated to company business - Evolving the training of collaborators and third parties - Acting to re-educating collaborators relative to sustainable practices - Ensuring more visibility to corporate volunteering actions - Conducting training/awareness of collaborator familie 	<p>Subject:</p> <ul style="list-style-type: none"> • Engagement and Qualifying • Ethical Behavior on a Day-to-Day basis • Emissions Clearly Discussed • Commitments and Goals for 2011
<p>ENVIRONMENT AND ECO-EFFICIENCY</p> <ul style="list-style-type: none"> - Report on carbon inventory - Promoting carbon reduction actions - Establishing procedures to measure the effective environmental impacts of our works - Using ecologically correct materials/practices in the construction process - Delivering properties leading to more sustainable use - Describing the use of sustainable construction certification methodology (AQUA, LEED) 	<p>Matters:</p> <ul style="list-style-type: none"> • On Solid Bases • Environmental Management System • Residue Management • Emissions Clearly Discussed • Technologies Applied on a Pilot Basis • Commitments and Goals for 2011

GRI CONTENTS

The remissive index below shows the information and reference to the pages containing the replies to consolidated GRI (G3) indicators in this

report. *Even 2010 Report* meets Level B+ of GRI Application, according to the directives below:

		C	C+	B	B+	A	A+
Report Content	G3 Profile	Reply to items: 1.1; 2.1 a 2.10; 3.1 a 3.8, 3.10 a 3.12; 4.1 a 4.4, 4.14 a 4.15;	With External Verification	Reply to all criteria listed for Level C plus:1.2; 3.9, 3.13; 4.5 a 4.13, 4.16 a 4.17	With External Verification	The same is required for Level B	With External Verification
	G3 DMA	Not required		Information on the Management Way for each Indicator Category		Way of Management disclosed for each Indicator Category	
	G3 Performance Indicators and Performance Indicators of Sectoral Supplement	Reply to a minimum of 10 Performance Indicators, including at least one of each of the following social performance, economic and environmental areas.		Reply to a minimum of 20 Performance Indicators, including at least one of each of the following performance areas: economic, environmental, human rights, labor practices, society, product liability.		Reply to each essential G3 indicator and Sectoral Supplement* with due consideration to the Materiality Principle of each of the following ways: (a) by replying to the indicator or (b) by explaining the reason for the omission.	

MANAGEMENT WAYS

		Aspects	Page
EC	Economic Performance Market Presence	Indirect Economic Impacts	10, 13, 14, 20
EN	Materials Energy Water Biodiversity Emissions, Effluents and Wast	Products and Services Compliance Transport Overall	12, 13, 14, 28
LA	Employment Labor/Management Relations Occupational Health and Safety	Training and Education Diversity and Equal Opportunity	13, 14, 51
HR	Investment and Procurement Practices Non-discrimination Freedom of Association and Collective Bargaining Child Labor	Forced and Compulsory Labor Security Practices Indigenous Rights	13, 14, 67
SO	Community Corruption Public Policy	Anti-competitive Behavior Compliance	13, 14, 61
PR	Customer Health and Safety Product and Service Labelling	Marketing Communications Customer Privacy Compliance	13, 14, 27, 29

To learn more about the set of protocols and the detailed content of each indicator, please access the electronic address:



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OVERALL INDICATORS

1. Strategy and analysis			
Indicator	Description	Reported	Page
1.1	Statement from the most senior decision-maker of the organization	Partial	8
1.2	Description of key impacts, risks, and opportunities	Partial	8, 12 e 14
2. Perfil Organizacional			
Indicator	Description	Reported	Page
2.1	Name of the organization	Complete	5
2.2	Primary brands, products, and/or services	Complete	5
2.3	Operational structure	Complete	5
2.4	Location of organization's headquarters	Complete	5
2.5	Number of countries where the organization operates	Complete	5
2.6	Nature of ownership and legal form	Complete	7
2.7	Markets Served	Complete	5
2.8	Scale of the reporting organization	Partial	7
2.9	Significant changes during the reporting	Complete	74
2.10	Awards received in the reporting period	Partial	7
3. Report parameters			
Indicator	Description	Reported	Page
3.1	Reporting Period	Complete	74
3.2	Date of most recent previous report	Complete	74, annual
3.3	Reporting cycle	Complete	74, annual
3.4	Contact point	Complete	74
3.5	Process for defining report content	Complete	74
3.6	Boundary of the report	Complete	74
3.7	State any specific limitations on the scope or boundary	Complete	74
3.8	Basis for reporting	Partial	74
3.9	Data measurement techniques and the bases of calculations	Complete	74
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	Complete	74
3.11	Significant changes from previous reporting periods	Complete	74
3.12	Table identifying the location of the Standard Disclosures in the report	Complete	76
3.13	Policy and current practice with regard to seeking external assurance for the report	Complete	74

REMISSIVE INDEX

4. Governance, Commitments and Engagement			
Indicator	Description	Reported	Page
4.1	Governance structure of the organization	Complete	18
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	Complete	16
4.3	State the number of members of the highest governance body that are independent and/or non-executive members	Complete	16
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Partial	59
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives and the organization's performance	Complete	12 - Not in top management
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	Complete	17
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy	Complete	16
4.8	Internally developed statements of mission or values, codes of conduct, and principles	Complete	6, 18
4.9	Procedures of the highest governance body for overseeing the organization's identification	Partial	16
4.10	Processes for evaluating the highest governance body's own performance	Complete	None
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	Partial	19, 68
4.12	Externally developed economic, environmental, and social charters and principles	Complete	4
4.13	Memberships in associations	Partial	17
4.14	List of stakeholder groups engaged by the organization	Complete	74
4.15	Basis for identification and selection of stakeholders	Complete	74
4.16	Approaches to stakeholder engagement	Complete	74
4.17	Key topics and concerns that have been raised through stakeholder engagement	Complete	74

PERFORMANCE INDICATORS

ECONOMIC PERFORMANCE

Indicator	Description	Reported	Page
DMA Economic performance			
EC1	Direct economic value generated and distributed	Complete	70
EC3	Coverage of the organization's defined benefit plan obligations	Partial	58
Presence in the market			
EC5	Range of ratios of standard entry level wage compared to local minimum wage	Complete	59
EC6	Policy, practices, and proportion of spending on locally-based suppliers	Complete	69
Indirect economic impacts			
EC8	Development and impact of infrastructure investments and services provided primarily	Partial	29

ENVIRONMENTAL PERFORMANCE

Indicator	Description	Reported	Page
Materials			
EN1	Materials used by weight or volume	Complete	28
EN2	Percentage of materials used that are recycled input materials	Complete	32
Energy			
EN3	Direct energy consumption by primary energy source	Complete	29
EN4	Indirect energy consumption by primary source	Complete	29
EN6	Initiatives to provide energy-efficient or renewable energy based products and services	Complete	34
Water			
EN8	Total water withdrawal by source	Complete	29
Emissions, effluents and residues			
EN16	Total direct and indirect greenhouse gas emissions by weight	Complete	24
EN17	Other relevant indirect greenhouse gas emissions by weight	Complete	24
EN21	Total water discharge by quality and destination	Complete	29
EN22	Total weight of waste by type and disposal method	Partial	32
Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services	Complete	31, 33
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Complete	

There are no condemnations related to the payment of fines and/or sanctions for environmental legislation violations

DMA LABOR PRACTICES AND DECENT LABOR

Indicator	Description	Reported	Page
Employment			
LA1	Total workforce by employment type, employment contract, and region	Complete	52
LA2	Total number and rate of employee turnover by age group, gender, and region	Complete	52
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	Complete	58
Relationship between workers and administration			
LA4	Percentage of employees covered by collective bargaining agreements	Partial	58
LA5	Minimum notice period(s) regarding significant operational changes	Complete	58
Occupational safety and health			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees	Complete	59 - 100%
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Complete	52
Training and education			
LA10	Average hours of training per year per employee by employee category	Complete	55
LA12	Percentage of employees receiving regular performance and career development reviews	Complete	55
Opportunity diversity and equality			
LA13	Composition of governance bodies and breakdown of employees per category	Complete	56
LA14	Ratio of basic salary of men to women by employee category	Complete	57

DMA HUMAN RIGHTS

Indicator	Description	Reported	Page
Management practices and investments			
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	Complete	69
HR3	Total hours of employee training on policies and procedures	Complete	
<i>There is no specific training on policies and practices related to human rights other than the introduction of the code of conduct to employees.</i>			
Non-discrimination			
HR4	Total number of incidents of discrimination and actions taken	Complete	18

DMA SOCIETY

Indicator	Description	Reported	Page
Public policies			
SO5	Public policy positions and participation in public policy development and lobbying	Complete	69
SO6	Total value of financial and in-kind contributions to political parties	Complete	69
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Complete	
<i>In 2010 there were no legal suits arising out of unfair trade competition, trust and monopoly practices and their results.</i>			

Conformity			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Complete	
<i>In 2010, we made payments regarding labor claim agreements amounting to R\$ 118,650.98 related to supplier suits, as well as the amounts related to agreements with neighbors of our undertakings amounting to R\$ 163,752.19.</i>			

SOCIAL PERFORMANCE – RESPONSIBILITY FOR THE PRODUCT

Indicator	Description	Reported	Page
Customer Health and safety			
PR2	Total number of incidents of non-compliance with regulations and voluntary codes	Complete	
<i>In 2010 there were no condemnations for non-conformity with rules and volunteer codes relating to impacts caused by products and services on health and safety during the product life cycle.</i>			
Communications and marketing			
PR5	Practices related to customer satisfaction	Complete	49
PR6	Programs for adherence to laws, standards, and voluntary codes	Partial	44
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	Complete	49
PR8	Total number of substantiated complaints	Complete	42
Compliance			
PR9	Monetary value of significant fines for non-compliance with laws and regulations	Complete	
<i>In 2010 there were no condemnations or significant fines for failing to conform with laws and regulations on product supplies and on rendering of services.</i>			

ASSURANCE

BSD Consulting carried out, for the first time, an independent check on Even 2010 Sustainability Report preparation procedure, developed according to GRI (Global Reporting Initiative) G3 directives. The purpose of the checking procedure is to provide Even interested parties with an independent opinion on: the report quality; engagement processes with stakeholders; adherence to AA1000AS 2008 principles; and management of company sustainability.

INDEPENDENCE

We work independently and assure that no member of BSD has entered into any consultancy contract or other commercial ties with Even. BSD Consulting is licensed by AccountAbility as a warranty provider (AA1000 Licensed Assurance Provider), under registration number 000-33.

OUR COMPETENCE

BSD Consulting is a company specialized in sustainability. The works have been conducted by a team of experienced and qualified professionals in external checking procedures.

EVEN AND BSD RESPONSIBILITIES

The preparation of the sustainability report, as well as the definition of its contents is the responsibility of Even. The report assessment and check of the GRI application level has been the object of BSD work.

SCOPE AND LIMITATIONS

The scope of our works includes information on the printed version of Even 2010 Sustainability Report, for the period covered by the report. The independent check procedure was conducted in accordance with AA1000AS:2008 standard (AA1000 Assurance Standard 2008), Type 1, providing a moderate level of assurance. The procedure covers the adherence assessment of Even to the process of rendering of accounts based on the three principles: Inclusion, Materiality and Response Capability.

METHODOLOGY

The checking approach of the AA1000 process consisted of:

- assessment of the 2010 Sustainability Report contents;
- understanding the process of generating information for the sustainability report, considering the engagement procedure and definition of materiality;
- survey of public information on the sector and the company (press, sites and legal bases) for identifying relevant subjects from an external point of view;
- interviews with executives, managers and employees from key areas to assess relevant matters, the sustainability management context and information made available in the report;
- whenever relevant, confirmation of information on the sustainability performance with the company board of directors; and
- based on sampling tests, confirmation of sustainability report information with the support documentation, internal management reports and the official mail.

KEY CONCLUSIONS – AA 1000AS PRINCIPLES

According to BSD Consulting assessment, Even defined the pillars for innovation and sustainability for identifying its trademark, aimed at the sustainability of its business. The company directs the strategic actions to its clients, the public being defined as priority. The enhancement of the stakeholders' identification and engagement process is essential for consolidating the sustainability strategy. We give below the conclusions related to the three principles of AA1000AS.

Key Conclusions on the Adherence to AA1000AS 2008 Principles

Inclusion – addresses the participation of stakeholders in the development of a transparent and strategic sustainability management process.

Even top management recognizes importance of the sustainability subject for the sector and for

the company business. The company demonstrates its concern about organizing its internal structure, by means of creating new board areas, such as the Strategic Planning and Legal Directors, as well as the sustainability area.

As regards its governance structure for sustainability, Even expanded its actuation in the Sustainability Committee and was committed to create committees in its Rio de Janeiro and Belo Horizonte branches. The support structures to sustainability management, i.e., internal work groups dedicated to some specific publics, also show how the organization conducts its actions focused on its stakeholders.

There is presently a process for identifying, prioritizing and engaging stakeholders. According to the ranking of criticality established by Even, clients are its most critical public. However, representatives of that public were not heard in the survey procedure conducted in 2010. For the next report period, we would recommend identifying the ways of specific engagements to guarantee the inclusion of clients in the process.

A clear definition of clients as the critical public for the company helps Even to focus its efforts on its strategic and sustainability actions. This being said, it is possible to observe the alignment of sustainability strategies with Even business strategies.

We should highlight the importance of maintaining a continuous engagement process, aimed at enhancing the dialog with strategic publics from the company point of view, for example, clients and financial institutions. The engagement by means of the involvement of such publics is essential, as the contributions and critical visions raised on company activities could help directing its environmental practices, thus increasing the transparency and credibility of its communications.

Materiality (or Relevance) – the necessary subjects for stakeholders to draw their conclusions on the economic, social and environmental performance of the organization.

The content of *Even Sustainability Report* was defined by the top management on basis of an analysis of the list of material subjects that, in turn, was obtained from a process of querying internal and external stakeholders.

Even material subjects are addressed in the course of this report, and it was noted that they have been internally treated by the sustainability management. Some specific actions requiring improvement have been translated into Even goals and commitments. The enhancement itself of ma-

terial subject defining process was established as a challenge for the company in the coming years. We would recommend expanding and consolidating the materiality analysis in order to obtain consistent results reflecting stakeholder demands and contributing toward a strategic steering.

Critical subjects and any adverse impacts of its activities are treated in the report. The company understands its challenges and shows its limitations. Even addresses such critical issues and challenges as, for example: an improved relationship with its clients, aimed at raising the levels of satisfaction; the dissemination of sustainability concepts to the internal public, brokers and clients; labor qualification of its suppliers; and the management of social-environmental impacts on the communities where it actuates.

Response Capability – addresses the actions adopted by the organization as a result of stakeholders' specific demands.

The progress of projects is monitored by means of an internal control tool, thus contributing to a proper follow-up of works, as it provides detailed information on the delivery schedule.

The report mentions the goals directed to sustainability, aligned with the company business strategy, as well as the results of the goals established in the previous year.

For the next reporting period, we would recommend maintaining and enhancing the indicator monitoring and assessment process over the year.

GRI-G3 Application Level

Following the instructions in GRI-G3 directives, BSD confirms that the 2010 sustainability report of Even S.A. is ranked as Application Level B+. The report provides a response to those items related to the company profile and offers a description of sustainability management and approach processes. Information will be provided on all performance indicator categories: economic, environmental, human rights, labor practices, society and responsibility for the product.

Sao Paulo, May 10, 2011

BSD Consulting – Brazil



CREDITS

General Coordination

Responsible Director

Silvio Luiz Gava

Sustainability Manager

Flavia Sinopoli Lafraia

Report Coordinator

Mariana Ugeda Sanchez de Brito

Sustainability Area

Aline Pires

Djanio Alves

Flávia de Lima Haury

Flavia Sinopoli Lafraia

Mariana Ugeda Sanchez de Brito

Stephano Slepicka Lattanzi

Members of the work team

Even Directors, Amanda Pimenta Knijnik, Ana Paula Barizon, Ariel Mizrahi, Ary Miné Filho, Carla Altman, Cezar Calligaris, Elisa Mara Ballam de Assiz, Fernanda Calcopietro, Geovana Luiza Berta, Marcela Scarparo, Maria José Sousa de Oliveira, Maria Rita Nogueira Augusto das Graças, Maurício Costa, Priscila Handa Sano, Rodrigo Ribeiro Leite

GRI Consultancy, editorial office

Report Comunicação

Translation

CHOICE Traduções

Graphic Project, page layout and graphic production

Report Comunicação

Photos

Paulo Brenta

PC Pereira (page 7)

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BSD Consulting

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Hungria Street, 1.400 – 3rd floor - Jardim América – Sao Paulo – SP
01455-000 - Tel.: + 55 11 3377-3777