

ACTIVITIES REPORT

ESPAÇO ECO® FOUNDATION

2017



FUNDAÇÃO
ESPAÇO ECO

Sustentabilidade que se mede

Instituidora:

 **BASF**
We create chemistry

SUMMARY

1	Summary	2
2	Letter from the Managing Director	3
3	Institutional	4
4	Highlights	5
5	Measuring Sustainability	11
6	Integrating Management in Sustainability	14
7	Diversity and Inclusion: from theory to practice	16
8	Communication and Recognition	18
9	Financial Performance	21
10	Credits	22

LETTER FROM THE MANAGING DIRECTOR



We have transformed sustainability into tangible indicators by measuring the benefits generated and sharing the knowledge accrued by our team in project execution activities.

2017 was yet another year of progress at the Espaço ECO® Foundation. How precisely did we advance? We began the year with a review of our strategic plan. We reaffirmed our role as a facilitator of the sustainability strategies pursued by our clients and partners. Throughout 2017, we adapted the actions adopted to our new goals and bolstered our value offer: incorporating innovative methodologies such as design thinking and empathy maps in our analyses, conducting studies on how to better capture and measure the social impact of projects and promoting initiatives to foster diversity, inclusion and sustainable management in the various organizations with which we interacted, as well as other activities.

We systematically connected all of the projects we coordinated to the UN Sustainable Development Goals (SDG), as you will see in the pages below. In this way, we clearly laid out how our initiatives contribute to meeting the SDGs – an increasingly prominent issue on the agenda of organizations.

We have continued to transform sustainability into tangible indicators, measuring and realizing the benefits of sustainability and, at the same time, sharing the experiences and knowledge accrued by our team through the analysis and projects we execute. We ourselves have changed to adapt to new challenges, while remaining faithful to the original mission defined for us by our sponsor BASF in 2005: to promote sustainable development in the business environment and in civil society. Similarly, our driving purpose has remained the same: to serve as an agent of change, raise awareness on sustainability and, in this way, effect a positive impact on the world.

It is critical that we continue to think and act differently to ensure we can in the – near – future all live on a sustainable, more diverse and integrated planet, with quality of life for all.

Guided by this mission and purpose, in 2017 we continued to be recognized for our expertise in sustainability. Of particular note, we occupied a prominent position in the leading global conference on Life-Cycle Management in Luxemburg. Six of the studies prepared by our consultants were presented, and the Sustainable Management Program developed for the Agrária Cooperative was awarded the event’s prize for Best Poster among a selection of 200 submissions. Yet another honor, and this time on the international stage, to confirm that we are in the right path!

Finally, I want to thank the Espaço ECO® Foundation team and everyone who has supported us on this journey! These accomplishments could not have been possible without the team’s engagement, competence and capacity to execute or without the backing of all of those who have supported us. We remain driven to produce more effective outcomes and, in this way, contribute to a sustainable future!

In keeping with the sustainability principles that guide us, we have prepared only an electronic version of this report. In addition to reducing environmental impacts, the electronic format offers greater convenience to our readers by enabling them access on their computers or cell phones.

Enjoy!

RODOLFO VIANA
MANAGING DIRECTOR
ESPAÇO ECO® FOUNDATION

The Espaço ECO® Foundation is a leading promoter of sustainability. It is a change agent made available by BASF to the broader society to ensure we realize the benefits of sustainability for the full diversity of markets, clients and partners.”

ANTONIO LACERDA

SENIOR VICE-PRESIDENT OF CHEMICALS,
PERFORMANCE PRODUCTS AND SUSTAINABILITY

Our innovative model allows us to keep pace with the dynamic nature of business.

WE ARE A UNIQUE FOUNDATION IN THE WORLD. Our business model is innovative, providing the support to ensure we are able to track the changes of this dynamic and complex age.

BASF SET UP THE FOUNDATION IN 2005 as a not-for-profit organization. We develop specific projects for each specific demand, with a view to understanding and measuring the economic, social and environmental impacts of products and processes from the perspective of sustainability, thereby improving business performance. We support sustainability certifications and protocols, environmental conservation projects and the development and measurement of shared value projects. We also foster, develop and support diversity and inclusion programs.

The resources we obtain from commercial projects are reinvested to fund new studies, research and actions aimed at benefitting society.

We are a signatory of the UN Global Pact, we hold ISO 9001:2008 and ISO 14001:2004 certifications, which serve to ensure transparency, technical rigor and substantive governance process. **We challenge existing models by translating science into business language**, working to incorporate sustainability in the day-to-day operation of organizations.

The purpose of these efforts is to work toward a more sustainable and economically viable future and to promote changes in people that generate a positive impact on the world!



ENVIRONMENTAL IMPACT OF LOGISTICS AT THE SUVINIL PAINTS – BASF

GOAL: TO MEASURE ENVIRONMENTAL IMPACTS (CARBON FOOTPRINT, WATER CONSUMPTION, RESOURCE CONSUMPTION AND ENERGY CONSUMPTION) IN 2017

CLIENT: **BASF**

TOOL: **LIFE-CYCLE ASSESSMENT (LCA)**

The goal of the assessment was to integrate an environmental perspective in indicators previously measured by the BASF logistics team in order to contribute, for example, to the decision-making process on redefining the organization’s logistics mode. Namely, a significant environmental gain was secured by replacing the ground transportation mode employed at BASF’s plants with water transportation.

The study revealed that if the volume of business in 2017 was maintained at 2016 levels the resulting emissions reduction would correspond to 3.6 trips around the world by a 14-ton truck.



Every **5,000 tons** of cargo transported **by ship prevents** emissions **corresponding to 15 trips** around the world by a **14-ton** truck.

This tool contributes to opportunities for improved performance – by merging production and sustainability.



CONTRIBUTION OF THE MATA VIVA FOREST TO ATMOSPHERIC CARBON SEQUESTRATION

PARTNERS: **BASF, GUARATINGUETÁ (SP) CHEMICAL COMPLEX**

TOOL: **VALUATION OF ECOSYSTEM SERVICES**

In 1984, BASF inaugurated a forest restoration project at its Guaratinguetá (São Paulo) plant along the banks of the Paraíba do Sul River. In an area once covered by pasture land, the Mata Viva® forest thrives.

For purposes of the study, we assessed the benefits generated by the forest's existing 33.5 million-ton carbon stock. Based the **Social Cost of Carbon (SCC)** for agricultural production, human health and infrastructure, the study arrived at a total of R\$ 4.4 million (US\$ 1.3 million). The study reaffirmed the importance of Natural Capital to society and demonstrated how BASF's investments in green infrastructure improvements are aligned with sustainability-oriented management processes.

BASF INITIATIVE TO IMPLEMENT ENVIRONMENTAL RESTORATION AND CONSERVATION ACTIONS WITH THE SUPPORT OF THE ESPAÇO ECO® FOUNDATION.

Evolution of Reforesting in Guaratinguetá (São Paulo)



CSC: REPRESENTS THE ESTIMATED COST OF LIKELY IMPACTS ARISING FROM THE ADDITION OF ONE TON OF CARBON TO THE ATMOSPHERE



PILOT ASSESSMENT OF TOYOTA FOUNDATION BRAZIL'S “AMBIENTAÇÃO PROJECT”

GOAL: TO ASSESS THE IMPACT OF THE TOOL

PARTNER: TOYOTA FOUNDATION BRAZIL

TOOL: LIFE-CYCLE ASSESSMENT (LCA)

Neste caso, escolhemos a metodologia de Avaliação de Ciclo de Vida (ACV) para avaliar os impactos ambiental e econômico do Ambientação, projeto da Fundação Toyota que disponibiliza a ferramenta de solução de problemas fabris, criada pela montadora, Toyota Business Practices (TBP) para escolas e órgãos públicos com o objetivo de disseminar práticas de redução de consumo e hábitos mais sustentáveis.

Em uma avaliação piloto, a FEE® mensurou os impactos de uma das iniciativas do projeto, a referente ao desperdício de alimentos em uma creche no município de Indaiatuba (SP). O estudo constatou que ao evitar o desperdício de 69kg de alimentos por mês, em todas as creches do município, utilizando a ferramenta de boas práticas da Toyota do Brasil, serão economizados R\$ 515 mil ao ano. Além disso, o município reduzirá a emissão de gases efeito estufa (GEE) em mais de 1,09 tonelada de CO₂-eq, o equivalente a oito ônibus realizando o transporte de 490 alunos das áreas rurais até as escolas e creches de Indaiatuba.



A 1.09-ton CO₂-eq reduction in Greenhouse Gases (GG) equals the impact produced by 8 buses transporting 490 students from rural areas to schools and kindergartens in Indaiatuba (São Paulo).



ASSESSING THE IMPACTS OF RTRS CERTIFICATION ON SOY PRODUCTION IN BRAZIL

GOAL: **SUPPORT TO CERTIFICATIONS**

CLIENTS: **RTRS, AMAGGI AND BASF**

TOOL: **PERCEPTION STUDY | HOTSPOT ANALYSIS**

We applied the HotSpot Analysis (HSA) tool to demonstrate that the certification process generates real gains in productivity, cost reductions, improvements in operationalization processes and, by extension, improvements in the competitiveness of Brazilian soy in the first stage.

The Espaço ECO® Foundation team kicked off the second stage by approaching producers to lay out the benefits of certification.

In 2016, the volume of certified soy in Brazil grew 23%, representing 70% of all certified soy in the world. BASF, AMAGGI and the Round Table on Responsible Soy (RTRS) commissioned the study to verify the environmental, social and economic gains generated in RTRS certified soy fields.



GOAL: TO RAISE AWARENESS AND CAPACITATE COMPANIES IN VALUING AND IMPLEMENTING PARTNER DIVERSITY AND INCLUSION

PARTNERS: THE GERMAN-BRAZILIAN CHAMBER OF COMMERCE AND INDUSTRY (AHK)

TOOL: WORKSHOPS ON DIFFERENT ASPECTS OF DIVERSITY

Through a partnership with The German-Brazilian Chamber of Commerce and Industry (AHK), we conducted a series of workshops on the most important issues in connection with diversity, including race, gender, sexual orientation and diversity of thought.

In all, we reached 160 professionals from companies engaged in a variety of sectors. The partnership resulted in the opportunity to coordinate AHK's recently created Permanent Committee of Diversity.

“A major demand of AHK’s associates was training on the questions of diversity and inclusion. In respect of this question, the partnership with the Espaço ECO® Foundation could not have arrived at a better time. The technical knowledge of AHK’s associates, in conjunction with our capacity for mobilization, made possible the organization of three events in which a variety of companies actively engaged. The partnership proved to be a match made in heaven!”

DR. BERND MAYER
CONSULTANT ON COOPERATION FOR SUSTAINABLE DEVELOPMENT
GERMAN-BRAZILIAN CHAMBER OF COMMERCE (AHK).



From left to right: Wolf Dio, GIZ National Director, Theo van der Loo – CEO Bayer, Ralph Schweens, CEO BASF, Guilherme Bara, Inclusion and Diversity Manager – Espaço ECO® Foundation

“Diversity is one of humanity’s greatest treasures on the planet, and the presence of different individuals in a given city, country or company from distinct cultures, ethnicities, genders and generations makes for a world that is more complete, more respectful and richer in content. Our aim through this important initiative is to satisfy an important demand of our associates.”

THOMAS TIMM
VICE-PRESIDENT OF AHK





SUSTAINABLE FARM PRIZE: ENVIRONMENTAL AND SOCIAL ASSESSMENT OF FARMS

PARTNERS: **GLOBO RURAL MAGAZINE AND RABOBANK**

TOOL: **CARBON FOOTPRINT AND THE FARM PRIZE METHODOLOGY**

The outgrowth of a partnership with Globo Rural magazine and Rabobank, the purpose of the Prize – which drew the participation of farms engaged in a variety of crops – is to develop good agricultural practices and management processes for sustainability. Now in its fourth year, the gender equality has been included as a theme of the initiative. Through the Eco-Efficiency Analysis – EEA (NSF 2015) and AgBalance® methodologies, both created by BASF to foster good agricultural practices and social indicators, the Espaço ECO® Foundation assesses the environmental, social and economic performance of farms, on the basis of which the most sustainable establishments are selected.

The analysis examined production processes at each farm throughout the life-cycle, namely before (the input stage), during (the production stage) and product shipment (farm gate stage) to identify the strengths and opportunities of evaluated farms.



The Rio do Pedro Farm in Santa Maria do Oeste (Paraná) **Sustainable Farm Prize 2017 – National Champion**. The central criterion of the Prize centers on the multiple use of land based on good practices of agriculture and efficient resource use.

SUSTAINABILITY THAT IS MEASURED AND GENERATES VALUE

To generate value for our customers, we measure sustainability through Life-Cycle Thinking (LCC), which looks at the environmental impacts of products or processes throughout the supply chain or useful life of a product. In response to the demands of customers and partners, we developed a variety of individualized methodologies, studies and processes to assist them with strategic business decision-making. The methodologies are applied by our multidisciplinary team: **Hotspot Analysis, Life-Cycle Assessment (LCA), Eco-Efficiency Analysis (EEA), AgBalance™**.

In addition to the analyses and studies conducted in 2017 in the corporate and academic spheres, we also took part in national and international congresses.

ECOINVENT – PARTNERSHIP WITH THE INTERNATIONAL LIFE-CYCLE ASSESSMENT DATABASE

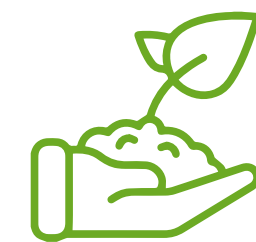
In partnership with Brazilian Agricultural Research Corporation (EMBRAPA) and National Laboratory for Biofuels (CTBE), we provided more than 100 Life-Cycle of inventories on Brazilian agricultural products for entry in Ecoinvent – a Swiss International Database and the world’s leading reference in the field. The inventories were also made available to the National Life-Cycle Inventory Database (SICVBrasil). According to experts in Life-Cycle Thinking, the initiative offers opportunities for enhancing the sustainability of Brazilian production processes and increasing Brazilian competitiveness in international trade, by expanding the range of comparative databases. In 2017, we coordinated a series of training programs in Life-Cycle Assessment – ‘ACV from A to Z’ in São Paulo (São Paulo) with Ecoinvent and a consortium of local organization, with a view to connecting multiple data sources and facilitating the exchange of technical and scientific information among ACV Brazilian Network participants.

PROJECT INVENTORY



80

Inventories of agricultural, forestry, cattle-raising and agro-industrial products



35

Inventories of agricultural operations



more than
30

sets of information on transport of inputs and intermediate products

SUSTAINABILITY THAT CAN BE MEASURED AND GENERATE VALUE

PORTUGUESE LANGUAGE MUSEUM A SUSTAINABLE RENOVATION

We are currently engaged in the reconstruction of the Portuguese Language Museum, in partnership with the Roberto Marinho Foundation and the Center for Building Technology (CTE). Application of the Life-Cycle Assessment methodology, ongoing in the building since the 2015 fire, will allow for measuring the reduction in environmental impact at the new building, now LEED certified.

The certification is recognized internationally for applying guidelines that have a direct influence on issues ranging from the selection of building materials through energy efficiency and water consumption. While this process directly impacts building operation, it nonetheless fails to measure or value the reduction in those impacts. Our team quantified the tangible gains accrued from investing in sustainable design for the Roberto Marinho Foundation.

Therefore, the Museum will be designated a green building, as it will meet a number of sustainability criteria. FEE® will assess the reduction in impacts from the building's reconstruction stage through the operational stage. Visitors to the Museum will clearly appreciate how much more sustainable the new building is in relation to its predecessor and how they, as citizens, can do their part.

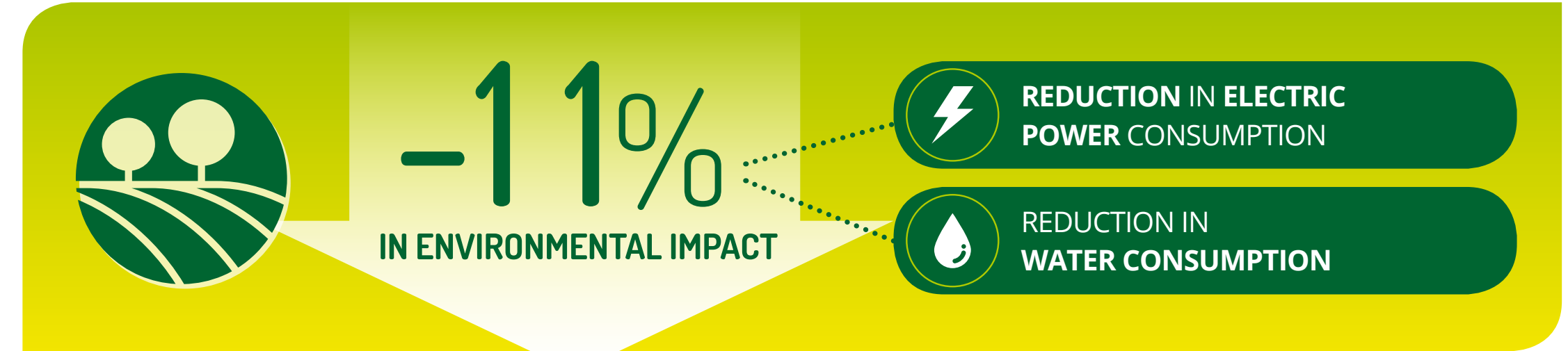
"For us, this has represented a singular opportunity to measure the reduction in impacts stemming from a construction project by directly comparing the impacts before and after the project."

RAQUEL FERREIRA
ARCHITECT - HERITAGE AND CULTURE
ROBERTO MARINHO FOUNDATION

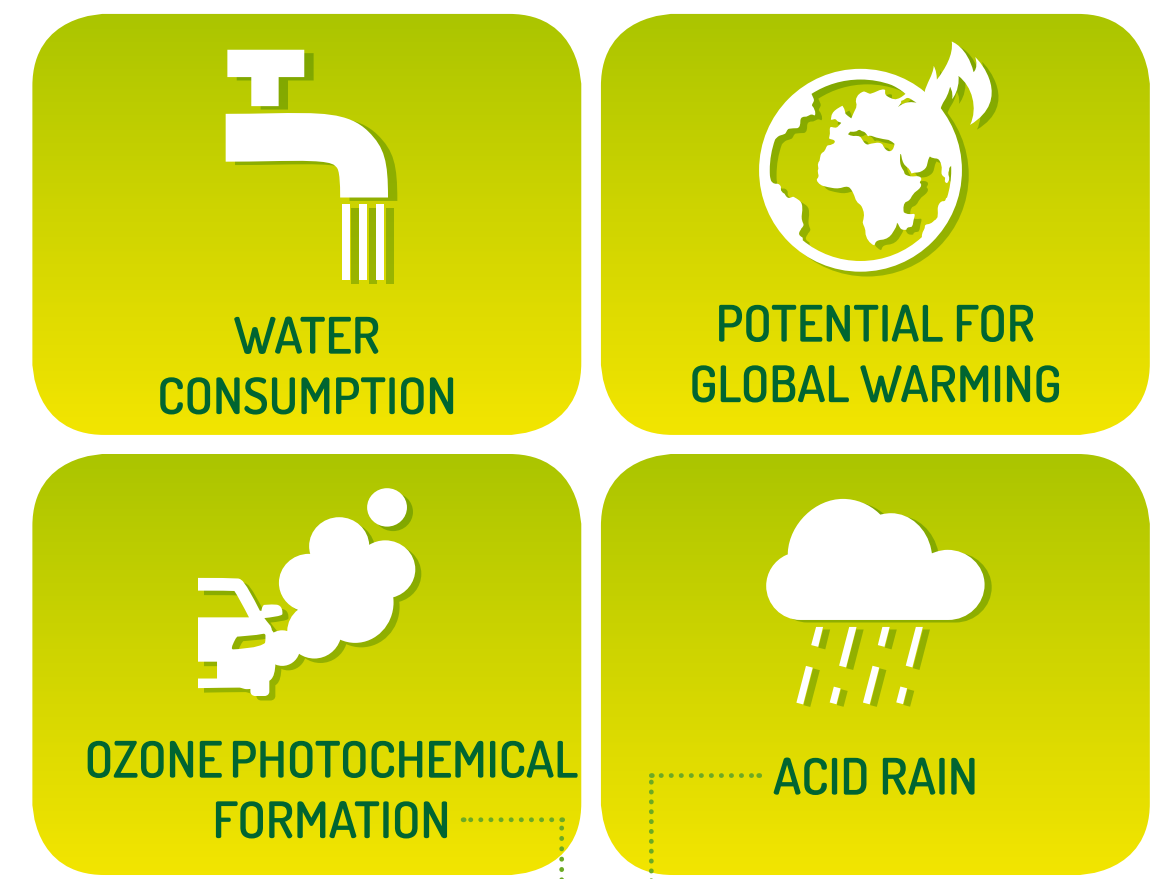
"Enterprises obtaining the new LEED certification will be those that actually measure and evaluate their facilities and manage their consumption and environmental, economic and social impacts. The resulting benefits will accrue to the construction industry and society as a whole."

FELIPE FARIA
EXECUTIVE DIRECTOR
GREEN BUILDING COUNCIL BRASIL

IMPACT OF THE LEED CERTIFICATION ON MUSEUM OPERATIONS

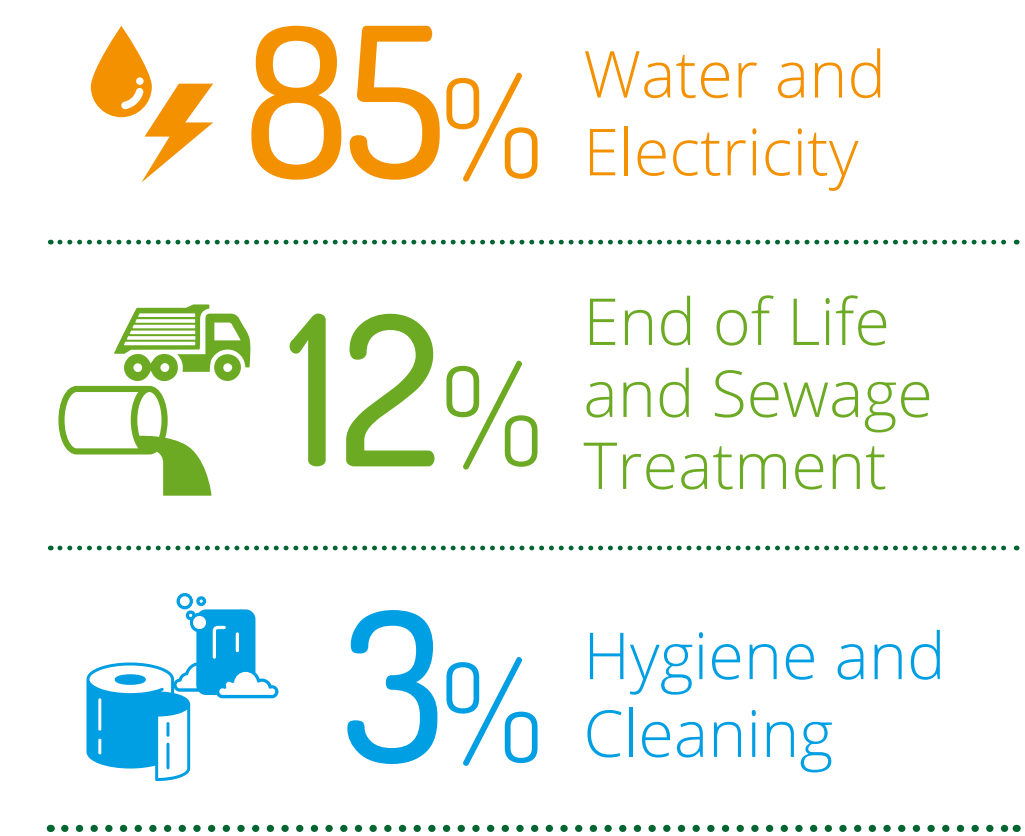


MOST SIGNIFICANT IMPACT CATEGORIES



RESPONSIBLE FOR **80%** OF TOTAL IMPACT

KEY POINTS OF THE SUPPLY CHAIN



INTEGRATING SUSTAINABILITY IN MANAGEMENT

WE HELPED OUR CLIENTS SECURE LASTING CHANGES
SO AS TO EFFECTIVELY IMPLEMENT SUSTAINABILITY
IN BUSINESS STRATEGY

Edmundo Lima, executive director of the **Brazilian Association of the Retail Textile Industry** – ABVTEX, which accounts for a **23% share of Brazil's** retail apparel sector, a market still characterized by significant fragmentation, explains our contribution to one of the sector's most important efforts: "The ABVTEX Program's new orientation was strategically planned among stakeholders through a process of in-depth reflection and the application of positive methodologies aimed at fostering a consensus vision for the future. The role played by the **Espaço ECO® Foundation** as a facilitator was of fundamental importance to this achievement."

SUPPORT TO SUSTAINABILITY CERTIFICATION AND PROTOCOLS

We assisted in meeting certification requirements, as well as creating custom protocols to ensure timely responses to new market demands and trends in consumer behavior.

SUSTAINABILITY IN STRATEGIC PLANNING

DESCRIPTION: co-creation of the Strategic Planning 2025 process

TARGET AUDIENCE: representatives of Brazil's leading retail chains

IMPORTANCE OF NATURAL CAPITAL TO BUSINESS

Environmental services are processes generated by nature for the well-being of society, among them water purification, climate regulation, pollination, etc.

ECOSYSTEM SERVICES AND ENVIRONMENTAL CONSERVATION

In 2017, we offered a variety of capacity-training programs to farms, cooperatives, companies, and other interested parties on environmental compliance and natural resource management. We contributed toward the planning and adoption of measures to restore degraded areas, in addition to adapting rural properties to meet the requirements prescribed under the applicable environmental legislation.

One example was the support provided by the Espaço ECO® Foundation to Guaratinguetá Water Producers through the **Environment Services Payment (PSA) program**, aimed at boosting water production in the Guaratinguetá River Basin, from which the municipality derives its water supply.

The agricultural producers who joined the Program after taking part in initiatives to improve the environmental quality of their properties, through, for instance, forest restoration measures along river banks and in headwater areas located on their farms, received financial support for maintenance and conservation efforts. In all, 350 hectares of native forest have been conserved and another 90 hectares of permanent preservation area restored, while improved agricultural practices have contributed to soil conservation over a 255-hectare area.

Case study in partnership with the Center for Sustainability Studies at the Getúlio Vargas Foundation – FGV/SP (GVCes)

The Guaratinguetá Water Production Program study was presented at the “Applications of economic instruments for water resource management” workshop as an example of private sector support to programs aimed at improving water quality and supply. The event included the participation of representatives of the National Water Agency (ANA), the Brazilian Economic and Social Development Bank (BNDES), the World Bank, Itaú Bank, the Society for Water Supply and Treatment (SANASA – Campinas), the Water Basin Committee, the Headwaters Project, and the Getúlio Vargas Foundation.

FROM THEORY TO PRACTICE: DIVERSITY AND INCLUSION



“The challenge is to move from good intentions to corporate governance.”

GUILHERME BARA
DIVERSITY AND INCLUSION MANAGER

Valuing diversity has been an increasingly prominent theme of the strategic agenda on the business environment. Companies in Brazil and around the world view it as a practice that should be fostered by organizations from inside-out. In this light, diversity and inclusion have been incorporated not only for purposes of hiring and retaining talent, but, above all, improving the quality of relationships, whether between associates or beyond the confines and target groups of companies.

Clear positions, employee engagement, and management of strategic indicators are necessary components to this end. In 2017, we contributed significantly to this new trend. Our team not only possesses know-how on disseminating the benefits of a business strategy for diversity but on executing projects within client companies or in partnership with other organizations, as well as supporting the formulation of public policies in this area.

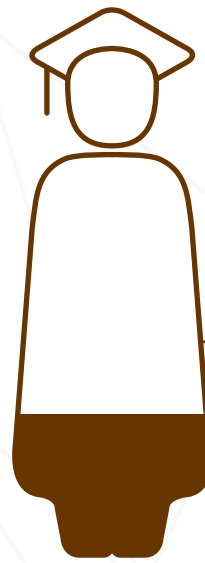
Given the unique organizational identity and culture of each company, we have co-authored custom programs that take into account the current realities of these organizations by bringing the question of diversity and inclusion into alignment with the respective strategies and, in this way, offer solutions to the respective target audiences.

IBGE CENSUS*



57%

OF **UNIVERSITY GRADUATES OVER THE AGE OF 25 ARE WOMEN**



27,5%

OF **UNIVERSITY GRADUATES ARE AFRO-BRAZILIANS**

YET THIS IS NOT TODAY THE REALITY AMONG THE EMPLOYEES OF COMPANIES.

*Most recent census performed in 2010

FROM THEORY TO PRACTICE: DIVERSITY AND INCLUSION



In 2017, we worked to reconcile this highly conceptual question with the everyday practices of companies. We possess the capacity to understand the needs of the **business environment** and to deliver projects connected to **its real-world challenges.**

In partnership with the Brazilian Network for the Global Compact, we developed an innovative strategy consisting of a webinar on the current setting and challenges of implementing a strategic program to value diversity. Rather than offering a purely conceptual approach, we delivered examples of good practices and instruction on their implementation, thereby directly meeting the demands of participants.



By transparently reporting on the results of our studies, we stimulate positive changes in business and society.

Our ongoing interaction with the media and opinion leaders has transformed us into a leader in the fields of sustainability that can be measured, management for sustainability, environmental conservation and diversity and inclusion.

Transferring the science to the business realm remains a major challenge. In 2017, we invested in specialized training to better prepare our consultants to serve active communicators of the purpose and excellence of our activities. Thanks to this active communication strategy, we were a frequent presence in the mainstream and trade media, sharing the knowledge accrued with the broader society. We were again a highlight of the Guia Exame de Sustentabilidade. The most recent edition reviewed our study on the environmental impacts of the paint logistics plan developed for BASF. With each bit of recognition, our team is spurred to carry on. Some examples are provided below:



DEMARCHI + ECO-EFFICIENT – PIONEER IN ORGANIZATIONAL LIFE-CYCLE EVALUATION

The project evaluated the sustainability of the entire production process at six plants located in the Demarchi Complex in São Bernardo do Campo. Consisting of one of the very first Organizational Life-Cycle Evaluations conducted in Brazil, we applied the methodology throughout the organization, measuring the respective impacts along the entire supply chain.

The Demarchi + Eco-Efficient initiative was an important component of the recognition conferred on BASF in the Sustainability category because of tangible improvements in socio-environmental performance achieved at the Industrial Paints and Varnishes Complex, as calculated through the environmental and economic impact assessment of production and the related changes made to the process.

The United Nations Environmental Program (UNEP) selected the Demarchi + Eco-Efficient Program as one of the world's 12 best practical applications of the Organizational Life-Cycle Assessment (LCA), placing the initiative alongside those of such renowned companies as DaimlerChrysler and Natura.



The work of FEE® enables us to tangibly measure, monitor and communicate the results stemming from management of the automotive paints division, a factor that contributed to BASF's recognition as FCA Supplier of the Year in the Sustainability category.

The award has driven us to continue implementing ever-more eco-efficient natural resource management practices. The outcomes derived from the "Demarchi + Ecoeficiente" program as measured by the ECO® Foundation serve to demonstrate by the numbers how we at BASF combine economic with environmental and social responsibility."

GISELA PINHEIRO

VICE-PRESIDENT OF MATERIALS AND OPERATIONAL SOLUTIONS FOR BASF SOUTH AMERICA

SUSTENTABILIDADE COMPROVADA

Dentre as iniciativas relacionadas à sustentabilidade que foram avaliadas, destaque para o Demarchi+Ecoeficiente, uma iniciativa da BASF pioneira no mundo, idealizada no Complexo Industrial de Tintas e Vernizes da BASF em São Bernardo do Campo (SP), que contou com um estudo de Avaliação de Ciclo de Vida Organizacional realizado pela FEE®.

**2017 ANNUAL FIAT CHRYSLER
AUTOMOTIVE SUPPLIER
CONFERENCE & AWARDS**

**CLIENTS: BASF, BASF INDUSTRIAL PAINTS AND VARNISHES
COMPLEX IN SÃO BERNARDO DO CAMPO (SÃO PAULO)
TOOL: ECO-EFFICIENCY ANALYSIS**

BASF's automotive paint division was honored in the Sustainability category at the "2017 Annual Supplier Conference & Awards," an award bestowed on Fiat Chrysler Automobile (FCA) suppliers in Latin America. Sustainability was demonstrated through an analysis of the environmental and economic impacts arising from the manufacture of one ton of products (predominantly paints and varnishes) at the plant. The objective was to identify continuous improvements both internally and along the supply chain. In addition, the effort fostered sustainable development through training programs, workshops and efforts to promote behavioral changes among associates through the construction of social and environmental values and attitudes geared to the efficient use of resources.

In addition to the Latin American initiative, the FCA award also recognized BASF as supplier of the year in the Sustainability category for the NAFTA-member countries.

BEST POSTER AWARD AT THE LIFE-CYCLE MANAGEMENT 2017 (LCM) – ONE OF THE WORLD’S LEADING LIFE-CYCLE ANALYSIS CONFERENCES

Our Sustainable Management Program (PGS) was among the papers presented at the LIFE-CYCLE MANAGEMENT 2017 (LCM 2017) and recipient of the best poster award. Through the PGS, we provided capacity-training to Small- and Medium-Sized Businesses (SMEs), organizations and agricultural producers on the adoption of sustainability-based management models.

Held in Luxembourg, the LCM 2017 was attended by more than 700 researchers, academics and professionals from around the world and drew approximately 200 paper submissions. The 2017 edition focused on integrating the concept of Life-Cycle in the everyday routines of organizations.

The international recognition conferred on the ECO® Foundation underscores our quest for excellence in the projects we execute. In addition, it reinforces the importance of our mission to “promote sustainable development in the business environment,” irrespective of the size of a given organization and its business segment.



The independent auditors of **PriceHouseCoopers** audited the financial statements of Espaço Eco Foundation, consisting of the balance sheet as of December 31, 2017, as well as the respective statements of income (DRE) and changes in equity and cash flows for the respective fiscal year.

BALANÇO PATRIMONIAL 2017

	2017	2016		2017	2016
Assets			Liabilities		
Short-Term Assets			Short-Term Liabilities		
Cash and Banks	420.072	28.028	Accounts Payable	120.788	80.402
Financial Investments	3,977.472	5,239.036	Advance Payments	448.339	305.148
Accounts Receivable	409.142	88.433	Tax obligations	42.115	46.351
Anticipation of Payments	1.800	0		611.242	431.901
Recoverable Tax	17.047	16.165			
Court Deposits	0	8.485	Long-Term Liabilities		
Assets	4,825.533	5,380.147	Provision for legal claims	-	220.000
				-	220.000
Long-Term Assets			Equity		
Fixed	22.108	29.232	Authorized Capital	300.000	30.000
	22.108	29.232	Retained Earnings	3,936.399	4,457.478
			Total Shareholder Equity	4,236.399	4,487.478
Total Assets	4,847.641	5,409.379	Accumulated Surplus	4,847.641	5,139.379

DRE

	2017	2016
Income	6,977.557	6,303.570
Third-party Services – Legal Entity	(7,585.202)	(7,481.760)
Administrative Expenses	(244.229)	(304.380)
Tax Expenses	(145.414)	(136.799)
Depreciation	(7.123)	(7.740)
Total Expenses	(7,981.970)	(7,930.679)
Financial Income	495.589	788.765
Financial Expenses	(12.255)	(2.714)
Net Earning	483.334	786.050
Period Earning	(521.078)	(841.058)

PRICEWATERHOUSECOOPERS OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position, results of operations and cash flows of the Espaço ECO® Foundation for the year ended December 31, 2017, in accordance with the generally accepted accounting practices adopted in Brazil for small- and medium-sized companies – Technical Pronouncement CPC SME – “Accounting for Small- and Medium-Sized Enterprises” and non-profits – Technical Interpretation ITG 2002 – “Not-for-Profit Entities.”

São Paulo, April 6, 2018

PricewaterhouseCoopers Auditores Independentes CRC 2SP000160/O-5

Sérgio Antonio Dias da Silva Contador CRC 1RJ062926/O-9

Coordenação e Edição:

Comunicação e Marketing da Fundação Espaço ECO®: Julia Paglerani Monteiro de Andrade

Realização: Consultoria de Conteúdo e Redação: Lead Comunicação Ltda

Edição: Janine Saponara/Fabio Kato

Redação: Janine Saponara

Revisão: Alícia Toffani

Projeto Gráfico: e21/De21gn

Fotos: Banco de Imagens BASF, Banco de Imagens FEE®, Camila Thomazette. Divulgação AHK, Divulgação Facebook, Divulgação FIEP, Divulgação Rede Brasileira do Pacto Global, Film3, Revista Globo Rural, Banco de Imagens BNP Paribas.

Contatos:**Fundação Espaço ECO®**

+ 55 11 2349.3006

Estrada Ribeirão do Soldado, 230 – Botujuru 09822-010 – São Bernardo do Campo – SP

www.espacoeco.org.br

espacoeco@basf.com

 /fundaçãoespaçoeco

 Fundação Espaço ECO

Lead Comunicação

Tel: (11) 3046.2525

Rua Afonso Bráz, 408/101 – VI Nova Conceição 04511-001 – São Paulo – SP

www.lead.com.br

e21

+55 51 3092-7400

Av. Independência, 1299, 4º andar, sala 403 - Porto Alegre – RS

www.e21.com.br



FUNDAÇÃO
ESPAÇO ECO

Sustentabilidade que se mede

Instituidora:

 **BASF**
We create chemistry