



1st place

"Época Negócios 360°"
– Época Negócios Magazine –
services category*

1st place

"The Most Valuable Brands in Brazil"
– IstoÉ Dinheiro Magazine –
education category*

35th place

"The Most Valuable
Brands in Brazil" –
IstoÉ Dinheiro Magazine*

80th place

"Biggest & Best" –
Exame magazine – 100
Biggest Publicly Traded
Companies*

250th place

"Valor 1000" Valor
Econômico newspaper*

1.6 million

beneficiaries of social
responsibility programs

Main results in 2013

- > More than 25,000 students took part in the Um Pé no Futuro (Step Forward) program, providing support for secondary school students.
- > 98% of the Anhanguera units received positive scores on the Ministry of Education General Course Index (IGC) released in 2013.
- > Anhanguera courses had an average rating of 3.1 on a scale from 1 to 5 in the Ministry of Education Preliminary Course Rating (CPC).
- > The Universidade Anhanguera de São Paulo, ex-Uniban, had a 97% score in the CPC rating, compared with 29% in 2009. Its performance was also higher than the 82% average for private post-secondary institutions.
- > The master in Mathematical Education degree-level course scored 5 on a scale from 1 to 7 in the National Postgraduate Course System (SNPG) in its first full three years of evaluation.
- > Creation of the Universidade Anhanguera de São Paulo from two acquired institutions: Uniban and UniABC. With the synergy generated and complementary competencies, the organization creates a strong university with recognized academic quality in São Paulo.
- > In recent years, Anhanguera has been the post-secondary education institution with the most works submitted to the CONIC Congress (National Scientific Initiation Congress). The event was hosted at the institution's Campinas unit in São Paulo in 2013.
- > The organization was also the post-secondary education institution with the most projects submitted to the SEBRAE University Entrepreneurial Challenge and the Santander Universities Award.
- > A leading figure in the administration field in Brazil, Idalberto Chiavenato assumed the educational coordination of Anhanguera distance MBA courses during the year.
- > Beneficiaries of Anhanguera social responsibility programs totaled more than 1.6 million in 2013.
- > Anhanguera inaugurated its 100% online distance education programs on which students study via the internet and attend the units twice a semester to do exams.

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PRESENTATION

Transforming lives


For 20 years, Anhanguera Educacional has been driven by the conviction that education is indispensable for the development and the real transformation of a society. The complex task of teaching and promoting learning as a means of driving employability and socio-economic ascension and improving quality of life for thousands of young people is extremely rewarding. In an ongoing exchange, all the students who study at Anhanguera also leave a little of themselves at the institution. The organization learns and improves based on their histories and challenges, and more importantly, their dreams and their accomplishments.

With the goal of opening access to better quality higher education in the country, Anhanguera is currently one of the largest private post-secondary education institutions in the world and is proud of having contributed to transforming the lives of around 1 million people and their families. It has done this with its differentiated academic model,

challenge-based learning, a unified curriculum, multiplatform methodology and recognized quality.

Aligned with its policy of social responsibility and its commitment to transparency, Anhanguera publishes its *2013 Social Responsibility Report*, showing its main accomplishments and its strategy to consolidate the organization's mission to teach efficiently and to help transform the lives of so many Brazilians and the country itself.

Most relevant topics

The organization's key topics, defined jointly with its stakeholders, are identified at the beginning of each chapter by the symbol . These questions oriented the definition of the content of this report and are at the core of Anhanguera's business strategy.

Our values GRI G4-56

Mission

To promote efficient, high quality teaching that enables students to become proficient, ethical professionals, pursuing their life plans as citizens fully aware of their rights, duties and social responsibilities.

Vision

To be the first choice in private post-secondary education **for the “new Brazilian middle class” in all the markets in which we operate.**

Beliefs and values

That quality education, administered efficiently and seriously, translates into effective learning that is useful for students, enabling them to develop the skills and competencies necessary to pursue their life plans.

That quality higher education, in addition to fulfilling the interests and wishes of the students, is based on the quality of the teachers and the other educational agents interacting in the learning process. That the ongoing education of the teaching faculty and their emotional and functional stability are essential to ensure qualification, proficiency and leading edge services for students.

That to ensure effective learning, quality higher education should be underpinned by theory and practice, be it through the use of appropriate methodologies, be it through support from education and information technologies, in addition to the systematic use of text books for each subject.

That to be efficient and effective, the learning process should be fomented and implemented constantly; it should also be continuously

evaluated in the light of the objectives proposed and the educational plan for each course.

That formal learning should be complemented by the study and practice of ethics, to develop individuals aware of their duties and their rights in promoting a fair, supportive society. That students share the responsibility for efficient and effective learning and should show dedication to the commitments, targets and goals they have assumed.

That students will develop their skills and competencies encouraged by the teaching faculty, understood to be facilitators of the learning process.

That the Institution's social responsibility encompasses the principles of social inclusion and the promotion of equal rights and equality of opportunity, aimed at ensuring the ascension of individuals in globalized society.

That it is the duty of the Institution and its students to respect, **promote and defend human rights, quality of life and preservation of the environment.**

MESSAGE FROM THE PRESIDENT

Prepared for the future GRI G4 1.1

Anhanguera Educacional will complete 20 years of existence in 2014. Throughout this time it has remained true to its vocation of opening the path to quality higher education and enabling students to pursue their life plans. In this period, the organization has transformed the lives of more than 1 million Brazilians using an innovative teaching model focused on preparing students for the labor market. Today, more than 440,000 students are enrolled in our teaching units.

We ended 2013 convinced that it had been a very important year for the company, marked by a number of improvements both in the academic and administrative spheres, driving increased operational excellence.

In the Executive Committee, we assumed the term with the goal of reinforcing professional administration. To this end, we implemented measures such as the restructuring of the internal audit area, the establishment of new performance indicators and management processes, and expanded internal controls, particularly over budgets. We also

announced the creation of Projects and Processes offices, respectively to manage the group's investment portfolio and internal processes.

We continued to grow in the Higher Education segment – the organization's core business: our campus student base increased by 8.5% and the student base in our learning centers increased by 12.8%, leading to overall growth of 9.5% in the number of students enrolled.

Overall, the student base in 2013 totaled 441,900, growing 5.4%. This, in conjunction with the average 7% increase in fees, generated organic growth of approximately 13% in net revenue, which totaled R\$ 1.8 billion. Gross profit in the year also grew 20.2% as a result of operational improvements.

Our robust academic model allies growth in the student base with quality. Through operational standardization, Anhanguera ensures that every student has access to the same academic materials at all units and in both the on-site and distance learning courses. The effectiveness of this measure is

demonstrated by the ratings published by the Ministry of Education. In 2013, 100% of the organic Anhanguera campuses received positive IGC (General Course Index) ratings, with scores of 3 or above, while the acquired institutions had a rate of 97%. This score is higher than the 82% average for private universities and the 88% average rate obtained by public institutions.

During the year we also celebrated the arrival of Idalberto Chiavenato as the educational coordinator of the distance MBA program, boosting the excellence of our postgraduate courses. Also worthy of note during the year were the initial results of the new 100% online undergraduate programs.

Another management strength at Anhanguera is investment in data analysis, such as the SAS Campaign and MicroStrategy tools, global leaders in the Campaign Management and Business Intelligence (BI) software, implanted in 2013. The solution integrates the institution's academic and financial systems, providing managers with rapid access to full information about the student body. This enables us to be more proactive in identifying the risk of students dropping out or encountering academic difficulties.

All these initiatives are supported by increasingly active governance. In 2013, Gabriel Mario Rodrigues, who has more than 40 years experience in the education sector, took over as president of the Board of Directors. We also formed eight management committees during the year to enhance business monitoring.

Committed to corporate responsibility and sustainable development, Anhanguera promotes measures to enhance the quality of public education, medical and psychosocial services, in addition to fomenting entrepreneurship through its community work programs. With the participation of students and teachers, total attendances last year reached 1.6 million. While benefiting surrounding communities, these initiatives also contribute to the development of our students as citizens aware of their rights, duties and social responsibilities. Since 2010, the institution has been a signatory to the United Nations Organization (UNO) Global Compact program. **GRI G41.2** These transformations qualify Anhanguera to



continue to grow and develop in the coming years, pursuing new business opportunities, such as the intended merger with the Kroton Educacional group, an organization which we believe would generate synergy with our mission and values, helping to leverage our geographical expansion and boost access to affordable education. The decision depends on the approval of regulatory authorities.

We would like to thank our employees, students, suppliers, investors, partnering organizations and communities for their ongoing trust in our organization and hereby present our *2013 Social Responsibility Report*, describing the main developments and challenges associated with the business.

Enjoy reading it!

Roberto Valério
CEO

INSTITUTIONAL PROFILE

Anhanguera came into being in 1994 based on the dream of the teacher Antonio Carbonari Netto, who identified an opportunity to provide quality education for young people and workers who could not enter higher education because of the cost and the lack of options in areas distant from large urban centers.



Anhanguera

GRI G4-3; 4; 5; 6; 7; 8; 9

Anhanguera Educacional was created with the objective of making higher education accessible for young students and preparing them for the labor market. On the eve of completing 20 years of existence, Anhanguera is the largest private higher education organization in Latin America and one of the biggest in the world in student numbers – more than 440,000. A company whose shares have been traded on São Paulo's BM&FBovespa stock exchange since 2007, Anhanguera offers on-site and distance learning in more than 88 undergraduate and 79 postgraduate programs. It also offers ongoing education through its own courses and the LFG brand, acquired in 2008, which offers preparation for civil service examinations, the Brazilian Bar Association examinations (OAB) and specialized law courses.

The institution maintains 70 campuses and more than 500 distance learning centers throughout the country. A leader in the use of innovative educational resources, Anhanguera has an operational and broadcasting center in which it produces and broadcasts approximately 6,000 hours of classes and support contents via satellite. These are available to students 24 hours a day, enabling them to access the content via internet whenever they want or are able to. With a capacity comparable to many television channels, the company has 18 TV studios in the city of São Paulo and a further 20 in other units, in addition to 39 satellite broadcasting channels.

With its headquarters in the city of Valinhos (São Paulo), Anhanguera has 17,200 employees, of which 10,100 are teachers and tutors. The quality of all the courses maintained by Anhanguera Educacional in its universities, university centers and faculties is recognized by the Brazilian Ministry of Education (MEC). This entire structure is available to students, providing Anhanguera with the scale necessary to offer quality education at an affordable price.

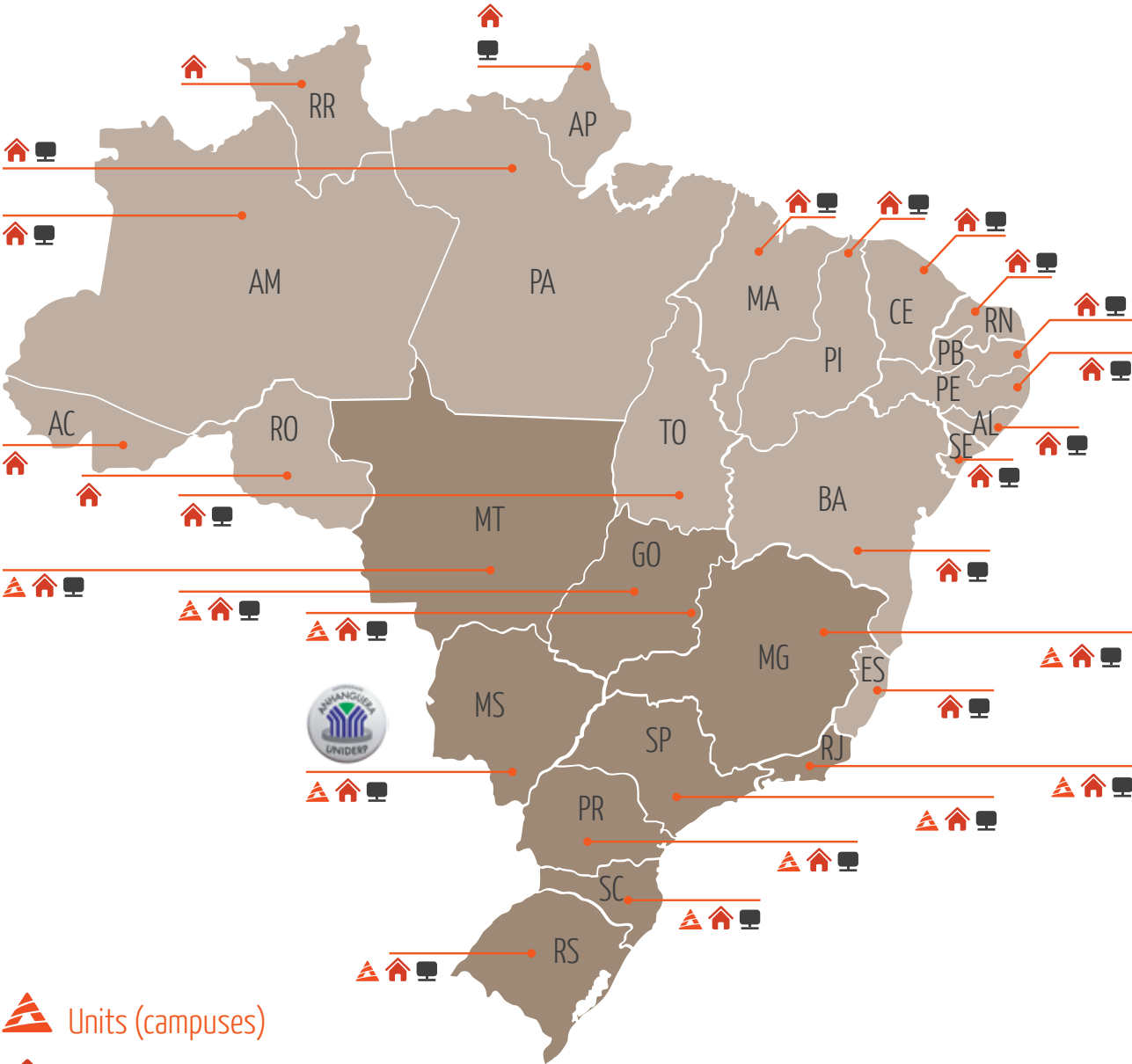
With a proposal of offering quality education at an affordable price and aligned with market needs, Anhanguera Educacional has more than 440,000 students in units and centers located nationwide

In numbers

- > Anhanguera has 441,900 students.
- > It has a 7.6% share in the Brazilian private higher education market.
- > The organization employs 17,207 people, of which 10,100 are teachers and tutors.
- > It has 70 campuses in nine states and in the Federal District.
- > It runs more than 500 centers in every state in Brazil, providing support for distance education.
- > The institution's market value on December 31st 2013 was R\$ 6.5 billion.

INSTITUTIONAL PROFILE

LOCATION OF ANHANGUERA UNITS AND CENTERS



Courses and services offered

Anhanguera offers its students courses in diverse educational segments.

Undergraduate – the undergraduate programs are offered both as on-site and as distance learning courses. They follow a single curriculum ensuring the same teaching quality through resources such as the Virtual Learning Environment (AVA in the Portuguese acronym), support materials and support from teachers and tutors. There are two options in the distance model: semi-face-to-face, with one or two weekly encounters, and the 100% online distance model, in which the student attends the center only twice a semester.

17,207

employees, of which

10,100

are teachers and tutors.

Undergraduate courses

Bachelor degree: four to six year programs forming generalist professionals in determined fields of knowledge.

Teacher training: three to four year programs for people wishing to pursue a teaching career.

Technology: two to three year technology programs.

Postgraduate: Anhanguera offers non-degree and degree-level postgraduate courses such as masters and doctorates. The non-degree courses have both an on-site and a distance component, and include specialized and Master in Business Administration (MBA) programs in the areas of Management, Law, Health and Education. They last on average 14 months. The degree level courses – master and doctorate – are available only in face-to-face format. They are full-time programs with emphasis on teaching and research.

INSTITUTIONAL PROFILE

Degree level postgraduate courses

Academic Master degrees:

Mathematical education

Biotechnology and innovation in health

Professional Master degrees:

Pharmacy

Adolescent in conflict with the law

Balance rehabilitation and social inclusion

Biomaterials in dentistry

Doctorate:

Biotechnology and innovation in health and mathematical education (Capes score 5)

Agro-industrial production and management

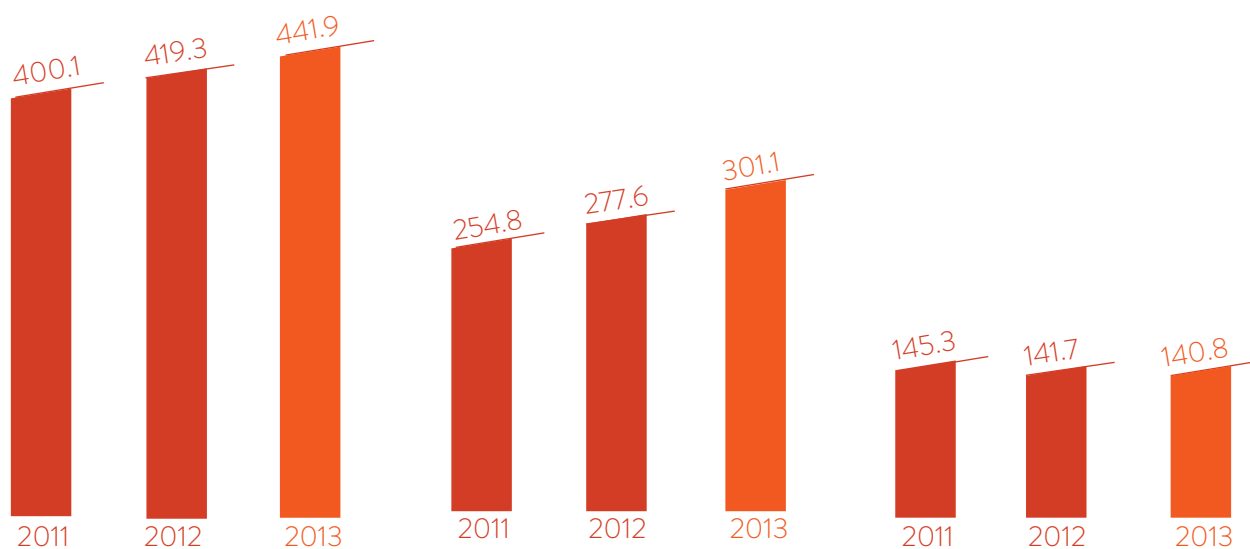
Environment and regional development

STUDENTS

Average no. of
students enrolled

Campus

Centers



Technical courses: from 2014, Anhanguera will be offering 30 technical vocational courses at 50 units, with a course load ranging from 800 to 1,200 hours. Places are offered through the Federal Government's Vocational/Technical Programs, aimed at facilitating access to vocational education for students who are concluding or have concluded their secondary education and done the ENEM secondary education examination.

The institution offers
face-to-face and
distance teaching in 88
undergraduate and 79
postgraduate courses.

Extension courses: more than 100 short courses providing technical and practical knowledge in different areas of interest.

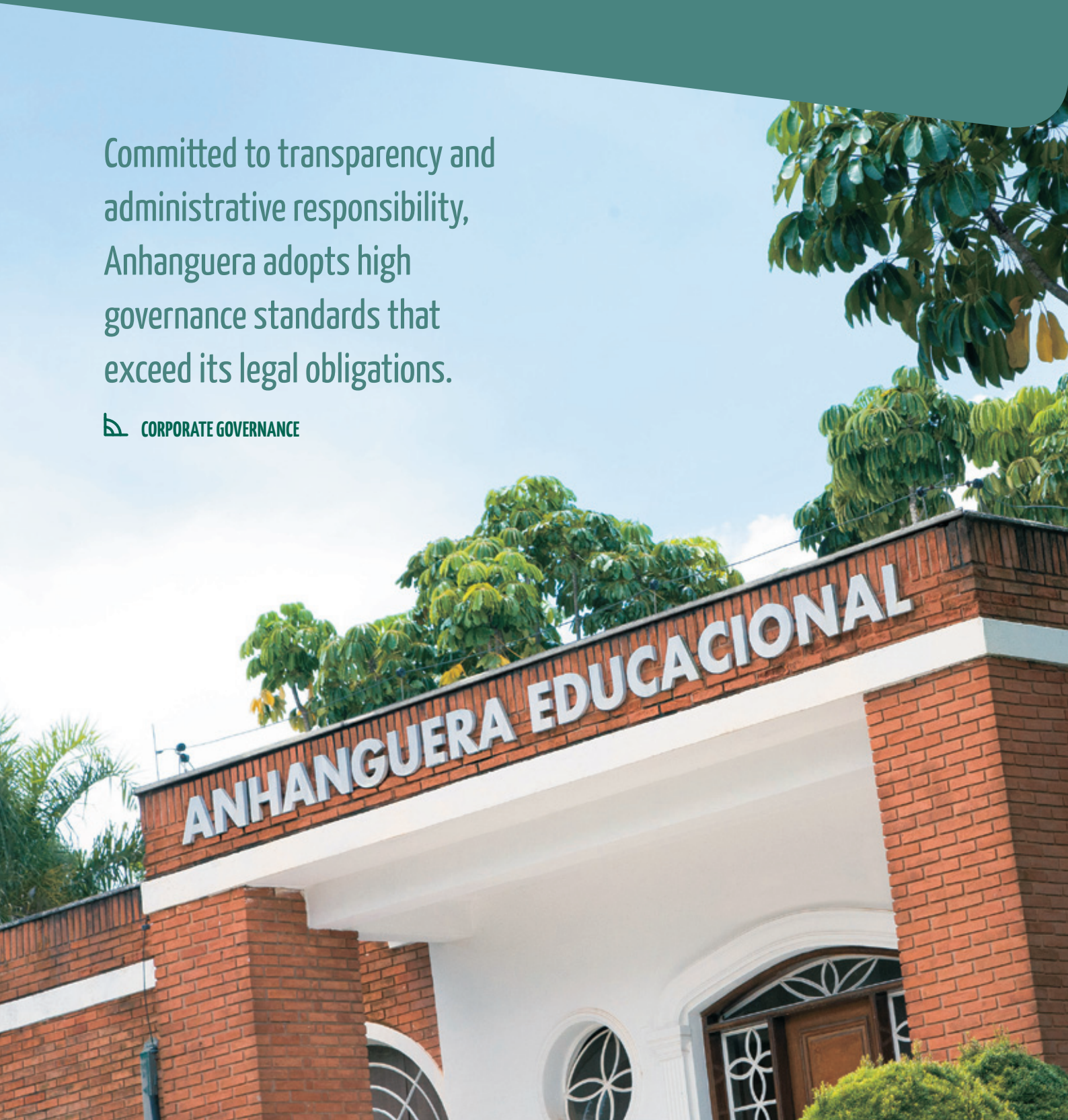
LFG: specialized in preparation for civil service examinations and examinations for the Brazilian Bar Association (OAB), renowned for its teaching faculty and success rate, with more than 620,000 candidates approved. Also known for its postgraduate law courses and its MBA program, accredited by the Universidade Anhanguera-Uniderp.

With more than 400 units located nationwide, LFG expands access to learning through courses in telepresence (satellite broadcast via 22 TV channels) and online format, with an efficiency that has been experienced by more than 1 million students.

CORPORATE GOVERNANCE

Committed to transparency and administrative responsibility, Anhanguera adopts high governance standards that exceed its legal obligations.

 CORPORATE GOVERNANCE



Close monitoring by management

Anhanguera Educacional is a publicly traded company listed on the BM&FBovespa Novo Mercado – the highest standard of corporate governance in Brazil. This listing is voluntary and entails the adoption of a set of rules and good practices that elevate corporate governance standards and exceed the legal requirements for companies in the country.

Committed to transparency and administrative responsibility, the organization has a corporate governance structure comprising the Annual General Meeting, a seven-member Board of Directors, one of whom is independent and has no link with the company, a Statutory Board, a Fiscal Council, and committees that provide support for the Board of Directors. [GRI G4-34](#)

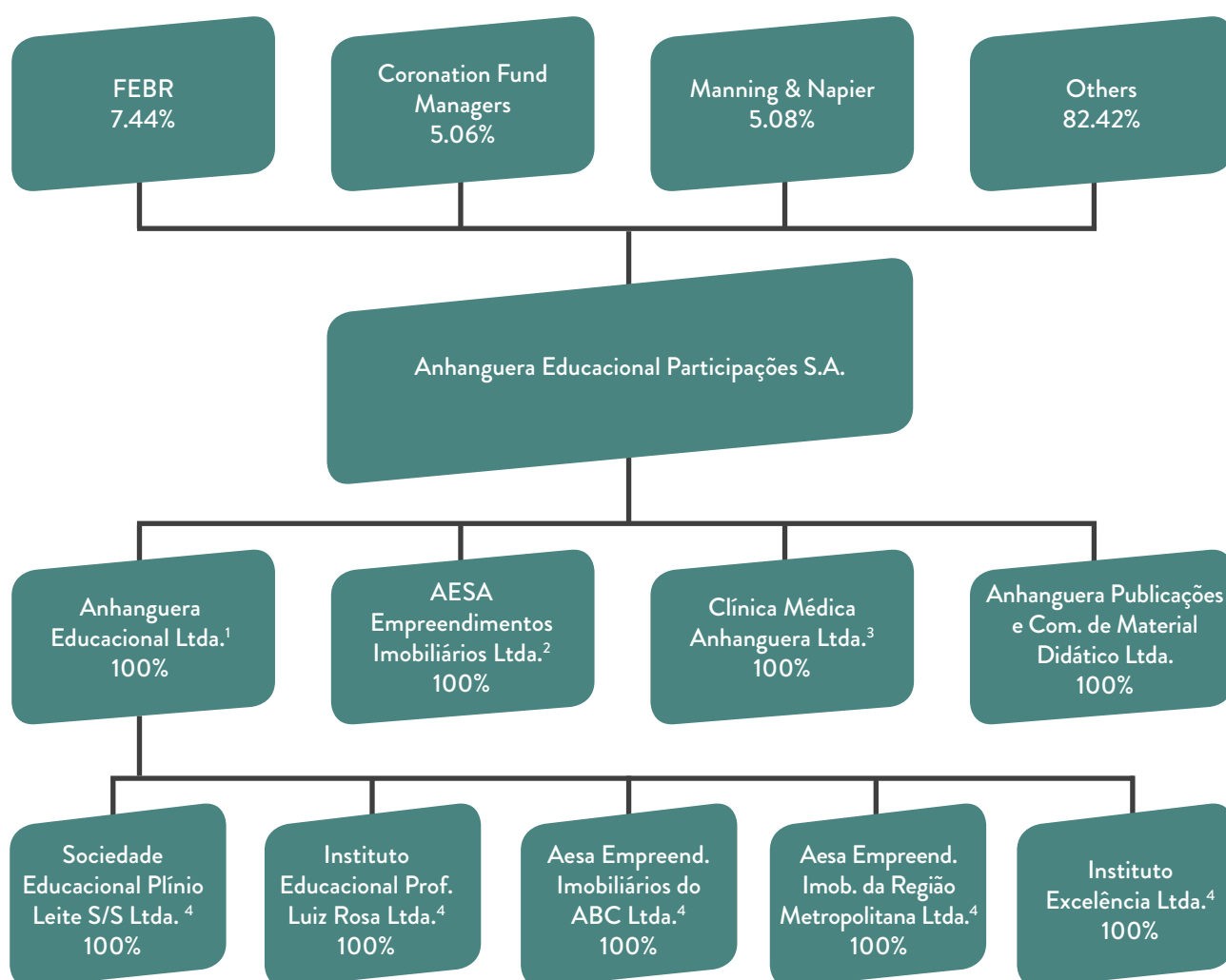
In 2013, Anhanguera modified its governance structure in order to further enhance processes and drive professionalization. The organization also created new management and monitoring processes. The Board of Directors gained six support committees linked with the main organizational areas: Financial, Academic, Strategic, Marketing and Relationship, HR and Remuneration, and Innovation. These committees are formed by directors and members of the Board of Directors and enable tighter monitoring of company management, bringing Board members into closer contact with the business and providing support in strategy formulation and decision making. Changes were also made to membership of the existing Audit and Social Responsibility committees. [GRI G4-13](#)

These alterations are indicative of Anhanguera's concern with the question of governance and its permanent quest to upgrade the organization and develop a transparent, wide-ranging information disclosure policy. Anhanguera also observes the IBGC (Brazilian Institute for Corporate Governance) Corporate Governance Code of Best Practices.

To further enhance standards, in 2013 Anhanguera modified its corporate governance structure aimed at promoting transparency and best practices.

CORPORATE GOVERNANCE

OWNERSHIP STRUCTURE GRI G4-17



¹Roberto Afonso Valério Neto holds one quota of the capital.

²Ananguera Educacional Ltda. holds 250 quotas of the capital.

³Ananguera Educacional Ltda holds one quota of the capital.

⁴Ananguera Educacional Participações S.A. holds one quota of the capital.

The organizational chart is based on December 31, 2013.

**There have been no alterations since December 31, 2013, with the exception of Ananguera Publicações.

***On December 31, 2013, Ananguera Publicações was wholly owned by Ananguera Educacional Participações S.A. (100% of the capital).



Board of Directors

The Board of Directors is responsible for creating and implementing business policies and guidelines, drafting long-term strategy, nominating and overseeing the Anhanguera directors.
GRI G4-34; 35; 36; 38; 42

Elected by the Annual Shareholder Meeting, all board members are elected for a two-year term and may be re-elected or removed at any time by the shareholders.

Comprising individuals who have broad academic and market experience, the Anhanguera Board of Directors provides a balanced mix of competencies to oversee management of the organization.

In 2013, Gabriel Mário Rodrigues assumed as president of the board. With more than 40 years experience in the education sector, Mr. Rodrigues is also president of the higher education association Associação Brasileira de Mantenedoras (ABMES).

BOARD OF DIRECTORS*	POSITION
GABRIEL MÁRIO RODRIGUES	PRESIDENT
ANTONIO CARBONARI NETTO	VICE PRESIDENT
MARCOS SHIGUERU HATUSHIKANO	MEMBER
MARIA ELISA EHRHARDT CARBONARI	MEMBER
PAULO ROBERTO DE FREITAS	MEMBER
RICARDO LEONEL SCAVAZZA	MEMBER
SÉRGIO VICENTE BICICCHI	INDEPENDENT MEMBER

*More information including the résumés and experience of the executives is available in the Corporate Governance section of the Investor Relations website (www.anhanguera.com/ir)

CORPORATE GOVERNANCE

Board of Executive Officers

The directors are Anhangüera's legal representatives. Their main responsibilities are managing and running the business and implementing the policies and guidelines established by the Board of Directors. They have a three-year mandate which is renewable. Currently the executive board comprises six members linked with the major organizational areas.

In 2013, Ricardo Leonel Scavazza relinquished the position of CEO of the group, remaining as an effective member of the Board of Directors. His substitute as CEO was Roberto Valério Neto. The current CEO worked for the group for three years before assuming his present position. His experience is mainly in the areas of marketing, technology and telecommunications. The Chief Financial and Administrative Officer (CFO) and Investor Relations Officer were also substituted in 2013. GRI G4-34; 35; 36; 38; 42

STATUTORY BOARD*	POSITION
ROBERTO VALÉRIO NETO	CHIEF EXECUTIVE OFFICER
MARON MARCEL GUIMARÃES	CHIEF FINANCIAL AND ADMINISTRATIVE OFFICER (CFO)
ANA MARIA COSTA DE SOUSA	ACADEMIC VICE PRESIDENT
ANTONIO FONSECA	EXPANSION DIRECTOR
KHALIL KADDISSI	LEGAL VICE PRESIDENT
VÍTOR ALAGA PINI	INVESTOR RELATIONS OFFICER

*More information including the résumés and experience of the executives is available in the Corporate Governance section of the Investor Relations website (www.anhanguera.com/ir).

Fiscal Council

The Fiscal Council is independent from the Company's management and external audit. Its main responsibility is to oversee management's acts and analyze the financial statements, reporting its observations to the shareholders. The Company does not have a permanent Fiscal Council; however, it may be installed in any fiscal year. The Company had a Fiscal Council installed for 2013, as seen below.

MEMBERS OF FISCAL COUNCIL	POSITION
JOSE ANTONIO RAMOS	PRESIDENT
WAGNER MAR	INCUMBENT MEMBER
WALTER MACHADO DE BARROS	INCUMBENT MEMBER
RAUL TODÃO FILHO	ALTERNATE MEMBER
MARCELLO LOPES DOS SANTOS	ALTERNATE MEMBER
JOSÉ SIMONE NETO	ALTERNATE MEMBER

Board of Executive Officers support committees

- > Academic
- > Audit
- > Strategic
- > Financial
- > Innovation
- > Marketing and Relationship
- > HR and Remuneration
- > Social Responsibility

Audit Committee

The Audit Committee oversees the manner in which the organization monitors compliance with risk management policies and procedures. It is also responsible for reviewing the risk management structure in the light of the risks faced by the company.

The committee is supported by the Internal Audit department, which carries out regular audits and reviews risk management controls and procedures. In 2013, the audit area was restructured with support from the consultancy Deloitte to ensure greater alignment with the organization's risk management practices. This included the identification and analysis of priority risks; assessment of the control structure; implementation of controls to minimize residual risks; identification, design and calculation of risk indicators; and the definition of a working model.

The mapping exercise led to the identification of around 90 strategic (political/economic, governance, business model and academic); compliance (legislation and regulations); and financial and operational risks.

Deloitte will continue this restructuring in conjunction with the Audit Committee and the board. The most recent election of committee members was on August 12th, 2013. GRI G4-2; 14

AUDIT COMMITTEE	POSITION
PAULO ROBERTO C. F. DE FREITAS	PRESIDENT
SÉRGIO VICENTE BICICCHI	EFFECTIVE MEMBER
RICARDO LEONEL SCAVAZZA	EFFECTIVE MEMBER
ROBERTO AFONSO VALERIO NETO	EFFECTIVE MEMBER
MARON MARCEL GUIMARÃES	EFFECTIVE MEMBER

CORPORATE GOVERNANCE

Remuneration criteria

The remuneration levels at Anhanguera Educacional, as well as the indicators used to determine them, utilize as a reference market averages identified via surveys. The policy is designed to attract and retain talent and is used as an effective tool for aligning executives' interests with those of the institution and its shareholders.

Managers receive fixed and variable remuneration, as well as direct and indirect benefits, in line with the strategy to generate broad-based value and enable both risks and results to be shared with the organization's key executives. The variable remuneration is linked with performance in a series of operating and financial indicators which are approved by the Board of Directors on an annual basis. This ensures transparent relationships oriented to the achievement of solid results for Anhanguera.

Policy designed to attract and retain talent and to link executives' interests with those of the institution and shareholders.

In the short term, the company believes that this remuneration policy attracts and motivates employees and managers and maintains the organization's competitiveness in relation to other companies in the market. In the medium to long term, Anhanguera is able to retain its employees and managers for longer and benefit from the return on investments in remuneration in terms of performance and productivity.

The company also has a share purchase option plan aimed at engaging managers in long-term performance. Enabling managers and employees to become shareholders provides an incentive for them to commit to effectively generating value and driving growth in the company.

Management remuneration is impacted by:

Quality indicators

- > Student Satisfaction Rate (ISD in the Portuguese acronym)
- > ENADE (National Student Performance Examination) results
- > CC/CPC – course ratings
- > CI/IGC – institutional ratings

Operational indicators

- > Number of students on campus (new students and renewals)
- > Number of students in centers (new students and renewals)

Financial indicators

- > Net revenue
- > Ebitda
- > Student accounts receivable (days)
- > Operating cash generation

Conflicts of Interests

The company adopts governance practices recommended or required by law, and those required under BM&FBovespa Novo Mercado regulations. Since 2010, the organization has had a transactions with related party policy which stipulates that all such company transactions, regardless of the amount involved, be submitted for approval by the Board of Directors. Approval depends on agreement by the majority of members and consent of the independent member.

Anhanguera seeks to ensure that all decisions which may result in personal benefit are taken in a transparent manner, demonstrating good faith and protecting the interests of the institution. Upon identifying any situation of this nature, administrators must immediately declare the potential conflict of interest and abstain from any associated discussions and votes.

CORPORATE GOVERNANCE

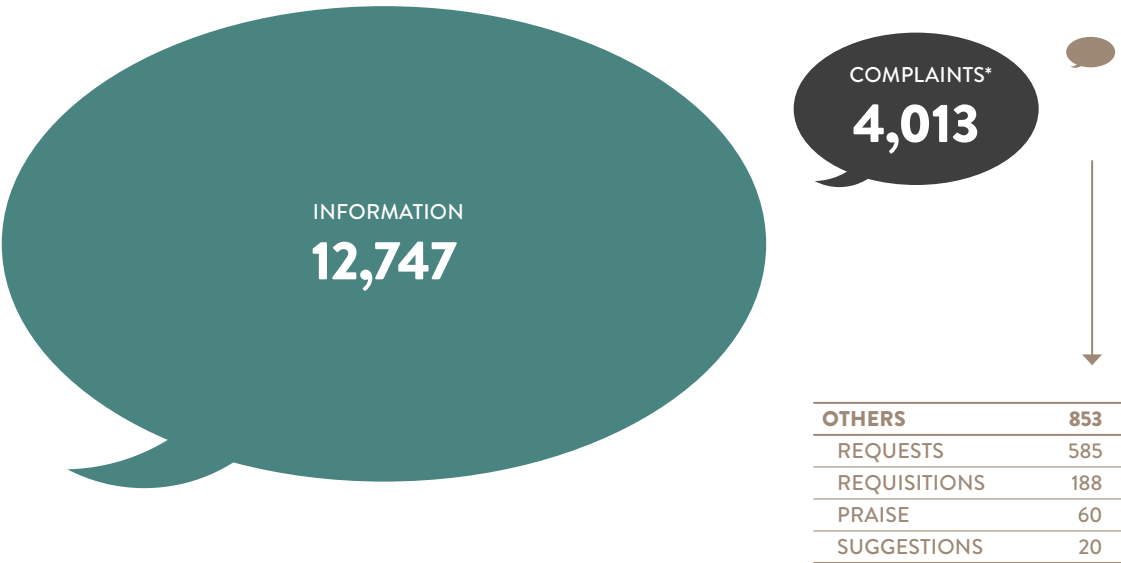
Ombudsman service and transparency

Anhanguera maintains an ombudsman service which functions as a communication channel between students, teachers, employees and other stakeholders. The service may be accessed electronically, by telephone, or in person at the units.

The channel may be used to clarify doubts, request information, as well as to make criticisms and suggestions, thus exercising the principle of democracy and contributing towards improvements in management.

CONTACTS RECEIVED BY THE OMBUDSMAN IN 2013

TOTAL CONTACTS: 17,613



*The total number of complaints received represents less than 1% of the student body.

In 2013, Anhanguera decided to create its own Ombudsman team to ensure the desired professional profile and integrate the system throughout the organization. This streamlines the monitoring of contacts and feedback, boosting user satisfaction. General reports and reports by unit are produced regularly for purposes of service analysis and assessment.

In addition to the Ombudsman, teachers and employees have access to the Corporate Ombudsman service, which reports to the Ethics Committee, handling all contacts in strict confidentiality

The Ombudsman service has channels for both internal and external stakeholders.

Code of Conduct

To provide guidance on conduct for managers and employees Anhanguera drafted a Code of Conduct setting forth a series of principles and policies approved by the Board of Directors. Compliance with the code is overseen by the Ethics Committee, nominated by the president and comprising representatives of different areas. The document addresses important questions, including: information security policy; handling of confidential information; hiring policy; press relations; union relations; conflicts of interest, such as presents received from suppliers; and guidelines on combating child and slave labor. The full document is available in Portuguese via the internet on the Investor Relations website. GRI G4-56

CORPORATE GOVERNANCE

Lawsuits GRI G4-PR9

To minimize lawsuits, Anhanguera implements systems improvements, personnel training and committees to investigate the main causes leading to legal actions, as well as contracting specialized companies to undertake audits.

Anhanguera only has ongoing lawsuits related to the normal course of business. During the reporting period, the institution received no significant fines.

To ensure transparency
the company developed
an information
disclosure policy for
shareholders and for
the market in general.

Transparency with shareholders

The company has a specific information disclosure policy setting forth guidelines for the proper provision of information to shareholders and to the market. This establishes the company's obligations and mechanisms for disclosing material facts to the market.

Dialogue with shareholders and investors occurs through several channels. One of these is the Contact Investor Relations section on the website www.anhanguera.com/ir. It is also possible to contact the area via the email dri@anhanguera.com and the telephones (19) 3517-3799 and (19) 3517-3771.

Employees may use the Ombudsman service via the intranet or the email address comite.etica@anhanguera.com. Contacts are received by the Ethics Committee, which analyzes anonymous reports of corruption, bribery and discrimination. GRI G4-37; 58

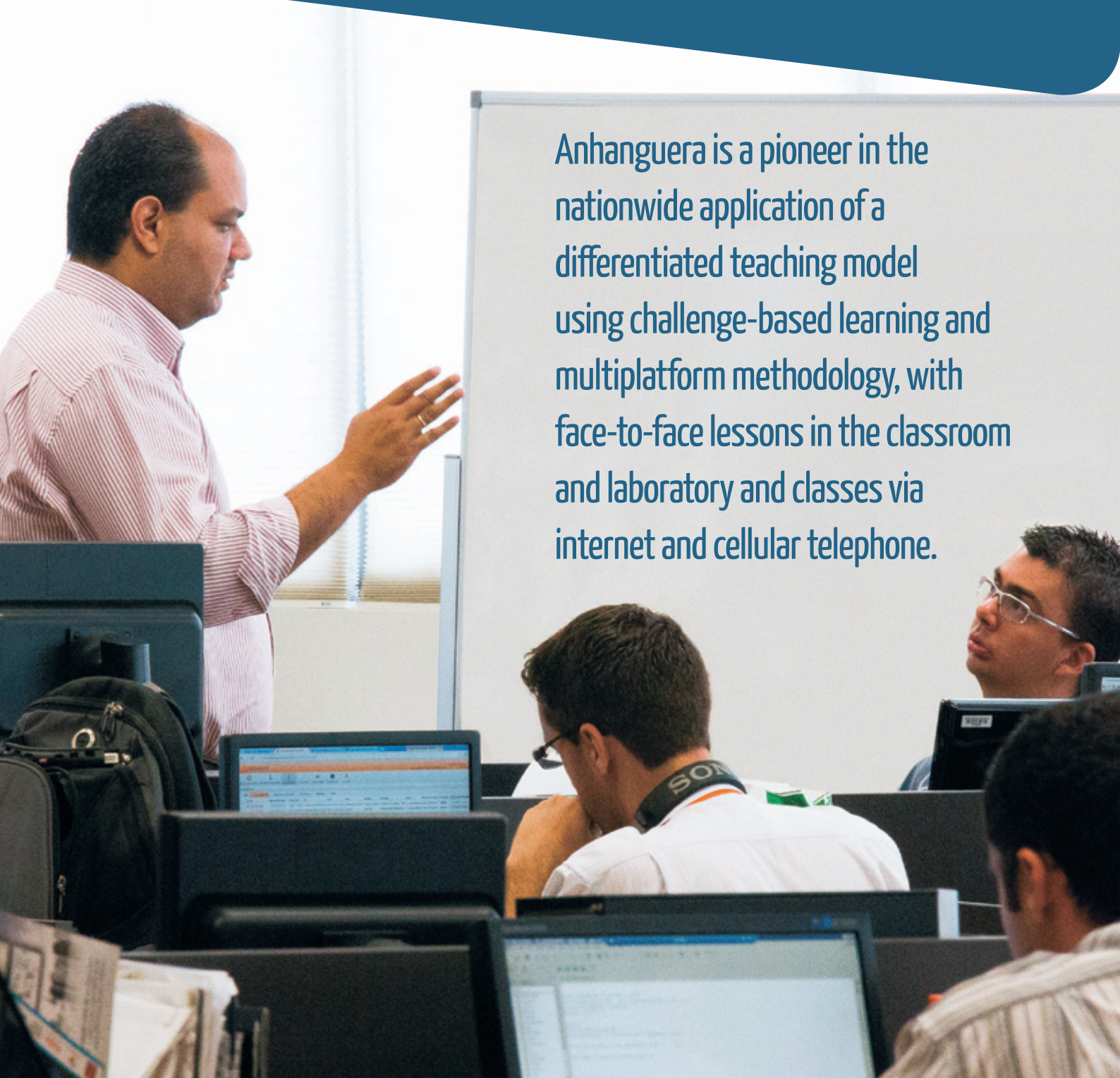


Distribution of dividends

Shareholders are compensated under the terms of Brazil's *Sociedades Anônimas* corporate law. In accordance with its bylaws, Anhanguera must hold an Annual Shareholder Meeting by April 30th every year, when the distribution of annual dividends shareholders are entitled to is decided.

In the annual meeting, shareholders also vote on the Board of Directors' proposal related to the net profit for the previous year. Under relevant Brazilian corporate law, net profit is defined as the amount left over from the previous fiscal year after deduction of accumulated losses from previous years, income tax and social charges and any amounts related to employee and management profit share schemes.

STRATEGY AND OUTLOOK



Anhanguera is a pioneer in the nationwide application of a differentiated teaching model using challenge-based learning and multiplatform methodology, with face-to-face lessons in the classroom and laboratory and classes via internet and cellular telephone.

Differentiated model

GRI G4-2

Completing 20 years of existence in 2014, Anhanguera Educacional is one of the largest teaching institutions in the world, recognized for its inclusive social model. The institution is dedicated to promoting efficient, high quality teaching, to boosting access to education, to forming proficient professionals and to promoting the socio-economic ascension of the Brazilian people, while furthering the business interests of its shareholders.

The organization pioneered the application on a national scale of a learning model which uses simulations of real situations to develop competencies that are important in students' personal and professional lives. The objective is to present real challenges from the labor market in the classroom and to value the student's entrepreneurial spirit. Competency and skill development is driven by multiplatform methodology, using combined face-to-face and electronic support solutions, where the teacher acts as a facilitator of learning and technology drives self-learning. Contents are transmitted via lessons in the classroom, laboratory and via internet and mobile phones.

Anhanguera business strategy is based on four pillars – Quality, Viability, Innovation and Support. In essence, this means quality education, both face-to-face and at a distance, investment in technology and innovative methodologies, making education viable for students, with affordable fees, support for student loans, as well as discounts in teaching materials (*read more in the following box. About educational quality, read more on page 33*).

The business model is based on the efficient use of the multiple unit network and gains in scale to offer quality education at affordable prices.

STRATEGY AND OUTLOOK

Business strategy

Quality

The Teaching and Learning Plan is an instrument that provides a guide for the activities of teaching and learning, organizing and tracking progress in the diverse subjects and driving academic quality. The plan encompasses orientation and constant training for educators, the standardization of contents at all Anhanguera units nationwide and the development of methodologies that enable students to develop their capabilities, such as leadership, interpersonal relations, flexibility, time management and initiative. This is the case with the Supervised Practical Activity for undergraduate students, and the Professional Challenge for postgraduate students. Throughout the course, students are also encouraged to develop scientific initiation projects and participate in congresses and academic symposiums.

Innovation

Technology for learning must extend beyond the walls of the classroom and involve more than software and equipment. The Anhanguera teaching faculty, comprising specialists, masters and doctors, is versed in the latest, most innovative teaching tools. This results in teaching methodology that brings the student in higher education as close as possible to the reality of the labor market.

Viability

Part of the Anhanguera vision is to develop tools and benefits that make higher education viable for students – be it in financial terms, with affordable fee structures and assistance in getting student loans, be it in terms of geography, with units located throughout the country.

Support

Students receive the support they need throughout their academic life. They may obtain the books from their basic course bibliography with up to 80% discount. Bureaucratic issues may be resolved using the largest self-service platform in the educational sector, accessed via the Student Portal. All units also provide access to the Student Service (SAE in the Portuguese acronym), which offers guidance for students with respect to doubts and academic difficulties.

Growth and integration

Anhanguera sustains its growth through robust performance in its Campus and Center operations and implements its academic model accomplishing its mission of opening access to education in Brazil and creating value for shareholders.

One of the challenges in this strategy is the rapid integration of new units to Anhanguera standards of operational excellence and academic quality. Results so far prove that this is being done successfully. 2013 saw the successful operational, management and academic integration of Uniban – now called Universidade Anhanguera de São Paulo, with a significant increase in the latest Ministry of Education (MEC) assessment. The institution received a positive rating in 97% of the courses offered in the Preliminary Course Rating (CPC), compared with 29% in 2009, before it was acquired by Anhanguera. This result was also above the overall average of 82% for private teaching institutions. The data refer to the 2012 academic year and were released by the Ministry of Education in 2013.



Consistent value proposition: affordable prices, accessible locations and flexible schedules.

In continuation of the organization's growth strategy, in 2013 Anhanguera announced its intention to merge with the Grupo Kroton Educacional – a transaction still under review by the antitrust authority Cade. This movement is aimed at forming the largest group in the education sector worldwide, with more than 1 million students, generating synergies between the two institutions and boosting the offer of affordable, accessible education in new regions of the country, benefiting students, society and shareholders.

Regardless of the intended merger, the organization persistently demonstrates the efficiency of its academic model and its commitment to students, positioning it favorably to take advantage of opportunities arising in one of the fastest growing sectors in Brazil.

A series of new teaching products, courses and improvements are scheduled for 2014. The first novelty will be the introduction of technical courses, a new area of activity for Anhanguera. The courses are aligned with the Federal Government's Vocational/ Technical Programs, which provides scholarships for technical and vocational training. Anhanguera is preparing to offer 30 technical courses at 50 units. In addition to facilitating access to vocational education for secondary school leavers, these will optimize use of the institution's available space during the daytime, when there is greater idle capacity. New distance learning courses will also be introduced during the year. *(read more on following page).*

STRATEGY AND OUTLOOK



Distance learning – a growing market

Anhanguera believes that a technological transformation that will revolutionize the concept class-time-place is underway. The children of today who have grown up with smartphones and tablets will generate faster and faster changes in social relations.

According to the Ministry of Education educational research institute Inep 1, between 2011 and 2012 enrollments in distance courses grew by 12.2% compared with 3.1% in face-to-face courses. As a result of this growth, distance learning already represents 15% of all enrollments in undergraduate courses in the country. The number of students increased from 50,000 in 2002 to 1.1 million in 2012. Over the next three years, the number of students enrolled in distance courses should increase to 2.5 million.

Its nationwide structure and experience in the use of technology and innovation in teaching – with lessons broadcast via satellite and more than 500 support centers for distance learning – position Anhanguera favorably to participate in this growing market segment.

The institution is stepping up investments in the segment. In 2013, it expanded its distance teaching options with the new semi-face-to-face modality, with just one lesson in the classroom per week. Applied during three semesters in 2013 with 3,500 students, this option will be expanded in 2014.

To meet the needs of students who work and require flexibility in their study schedule, in the second semester of 2013 Anhanguera inaugurated its online distance learning platform, attracting approximately five thousand students. With this option, the student attends the support center either two to three times per semester – the first visit is for the opening class and the other two to do the term tests.

Among the new course options, Anhanguera was the first institution in the country to offer a distance undergraduate course in Nursing recognized by the Ministry of Education. The course is offered in centers equipped with the necessary infrastructure, including specific laboratories for practical activities. Only the theoretical classes are given online. In 2014, a series of new distance undergraduate courses will be offered: Mechanical Engineering, Electrical Engineering, Civil

¹2011/2012 Census from the Instituto Nacional de Estudos e Pesquisas Educacionais Anísio Teixeira (Inep), available at: http://download.inep.gov.br/educacao_basica/censo_escolar/resumos_tecnicos/tabelas_divulgacao_censo_2012.xls.

Engineering, Control, Automation and Production Engineering, and teacher training courses in Physical Education, Mathematics, History and Geography

For 2014, the organization is expecting the Ministry of Education inspections for the authorization of new centers to begin – Anhanguera has requested permission to open 200 new centers –; these will permit a significant increase in terms of distribution and capacity to serve new distance learning students (*read more about Distance Learning on page 44*).

BRAND MANAGEMENT

Image and reputation

Anhanguera marketing and communication strategy is aimed at attracting new students, increasing retention and consolidating perception of brand value. The company runs integrated and differentiated campaigns in all the regions in which it operates. These meet the needs of the diverse business units and converse with different audiences. The media used include television, billboards, radio, newspapers and internet.

The brand seeks to transmit an authentic, truthful message using the histories of real student and ex-students.

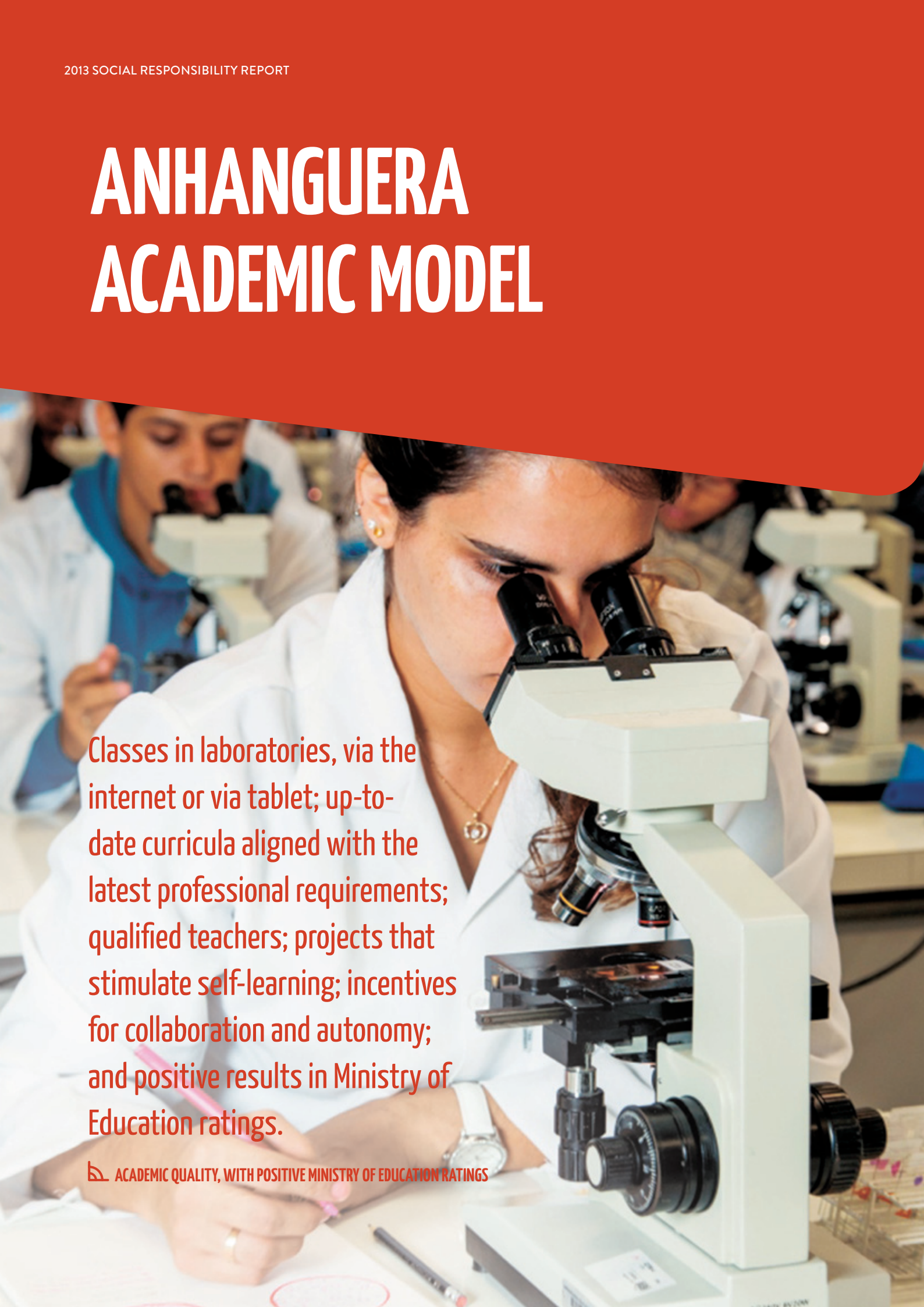
Perception of brand value among ex-Anhanguera students confirms that these values are recognized and shared by students. An internal survey conducted in 2013 found that 77.9% of Anhanguera graduates would recommend the courses and units to their friends, colleagues and families.

To continue to reinforce brand values, Anhanguera invests in building relationships with the agents who influence future students' decisions, such as local companies –potential employers – and secondary schools. It also works with sector associations, regulatory bodies and government. Academic production and participation by teachers and students in events that are relevant for the sector also help to drive perception of quality in the delivery of educational services.

Recognition by students

In an internal survey undertaken among students, 77.9% stated that they would recommend Anhanguera higher education courses and institutions.

ANHANGUERA ACADEMIC MODEL



Classes in laboratories, via the internet or via tablet; up-to-date curricula aligned with the latest professional requirements; qualified teachers; projects that stimulate self-learning; incentives for collaboration and autonomy; and positive results in Ministry of Education ratings.

 ACADEMIC QUALITY, WITH POSITIVE MINISTRY OF EDUCATION RATINGS

Across all platforms


Anhanguera Educacional students, regardless of whether they attend a campus in São Paulo (São Paulo) or in Dourados (Mato Grosso do Sul) or do their studying at home, receive the same high quality course content, with orientation from a teacher or a tutor and every possible learning tool.

This is made possible by a sophisticated combination of factors. One of these is investment in technology, which enables the organization to provide education over different platforms, from the more conventional classroom and laboratories to state-of-the-art virtual environments and infrastructure for recording and broadcasting classes to more than 500 teaching centers (*read more about technology on page 35*).

Teaching methodology is another differential. This brings the student close to the labor market. The academic model is aligned with Anhanguera's mission of helping students to pursue their life plans. This means preparing them professionally so that they may achieve their personal goals of doing better financially, gaining recognition and improving their quality of life. To achieve this, curricular activities encourage students to seek responses through individual investigation and analysis of results in conjunction with their colleagues. The exercises are based on challenges, on simulations of real situations which lead to the acquisition of important competencies, such as autonomy and self-learning.

Lastly, a single curriculum for the face-to-face and online courses which is applied throughout the Anhanguera network ensures teaching quality standards.

Quality is ensured
in all company units
and centers through
a combination
of investment in
technology, teaching
methodology and a
unified curriculum for
the face-to-face and
distance classes.



ANHANGUERA ACADEMIC MODEL

What Anhanguera offers:

- Challenge-based learning: the students learns by doing
- Multiplatform methodology: lessons in the classroom, in laboratories, via internet and cellular telephone
- Distance learning and standardized curriculum: quality and content are the same as in the face-to-face courses

Campus x center

CAMPUS – Anhanguera has 70 units in nine states and in the Federal District, with full infrastructure, classrooms, libraries and laboratories. These host the face-to-face undergraduate and postgraduate courses. Each campus also provides guidance, professional placement and psychological and educational assistance services.

CENTERS –Anhanguera has more than 500 distance learning support centers located in every state of Brazil, many of which are in face-to-face teaching units. Students attend these centers on a weekly basis either for classes and tests or just for tests (in the online distance programs). Some of the centers are owned by Anhanguera, and some are managed in conjunction with local partners.

They contain classrooms with audio-visual resources for the teleclasses, study rooms, information technology laboratories and libraries.

Many of these centers are installed in primary and secondary schools, enabling greater approximation between Anhanguera and this audience of potential students, in alignment with business strategy.



Students and teachers
interact remotely via
the virtual learning
environment.

TECHNOLOGY

Innovative resources

With a structure similar to that of many TV stations, Anhanguera has modern studios where programs and classes are recorded and broadcast via satellite or posted on the internet so that students may watch them whenever and however many times they want to.

This technology enables interaction between teacher and student during the broadcast via virtual discussion environments or chat-rooms that connect the central studio with the local classrooms. A class produced using this model may be broadcast to the more than 570 Anhanguera units, as well as being made available later in the Virtual Learning Environment (AVA in the Portuguese acronym). The distance learning classes also use additional resources, such as newspaper reports, interviews with specialists, illustrations, animations and video effects to enrich class content.

Anhanguera invests constantly in increasing its video class production, recording and broadcasting capacity. In 2013, approximately R\$ 40 million was invested in IT, in particular in resources for distance learning. Of this amount, R\$ 10 million was invested in the new production center in the city of São Paulo (São Paulo), which has 18 studios. The company has another 20 studios located in Valinhos (São Paulo), Campo Grande (Mato Grosso do Sul), Rio de Janeiro and Salvador (Bahia).

A partnership was also established with Harris Broadcast to modernize the platform, provide support for distance learning and educational content management. Another novelty was the creation of a Digital Media Center, with an advanced high definition video editing and storage system.

ANHANGUERA ACADEMIC MODEL

Google Apps for Business

To encourage students and teachers to interact beyond the classroom, Anhanguera adopted the collaborative platform Google Apps for Business. This tool offers a series of benefits, including the creation of email accounts with a storage capacity of 30 GB and websites, which permit students to host and share contents, such as work, tests, complementary texts, press reports, videos and audiocasts. It also offers instant communication tools (Gtalk), with the possibility of creating groups and communities of interest, and giving or watching classes via the web or even mobile devices. Another advantage is that it permits everyone to access the institution's events calendar, test dates, grade lists and fee payment billets. It also enables the exchange of information and contents among class mates and teachers, regardless of whether they are in the unit or not.

In 2012, the tool was incorporated into the Student Portal, integrating the Google Apps accounts and providing rapid access to the last unread messages in the students' email inbox, an integrated calendar with class schedules and access to Google Drive. The Postgraduate department also started to use Hangout (a Google web-conferencing tool) for the defense of course conclusion papers for students on online courses, with more than one hundred defenses conducted a day. Additionally, the department uses the tool for sharing documents, such as surveys and forms.

Also worthy of note was the construction of a Google Site shared with teachers for the Academic Tracking to Promote Student Retention Program. Similarly, a project control system was built in Google App Engine for the Scientific Initiation Program (PIC in the Portuguese acronym), through which teachers may recommend projects and students may enroll in projects in which they are interested. Anhanguera also uses chat rooms such as Google Sites, which provide support for the face-to-face courses, in which the majority of subjects do not use the distance learning model.

R\$ 40 million
is the approximate
amount invested in
technology in 2013.

Virtual environment

A virtual bookcase in which the student may access class contents and complementary materials at any time, anywhere using any electronic device (computer, cellular telephone, tablet): this is the AVA, Anhanguera's Virtual Learning Environment.

This enables students to access teaching materials and online tutorials and participate in discussion forums. It is also possible to carry out searches oriented to learning activities, in which almost all the resources used come from the web. The contents are complemented by texts indicated by teachers, exercises, videos and interactive activities.

The objective of the virtual learning environment is to train students to learn in a digital environment, an increasingly important competency in the labor market. Due to the importance of this tool, recently Anhanguera invested in an upgrade to host it in a cloud system. Traditionally businesses needed to create and maintain the infrastructure for hosting applications on internal servers. Cloud hosting infrastructure is more secure and more reliable, maximizing performance while reducing costs.

ANHANGUERA ACADEMIC MODEL

LEARNING WORKSHOPS

Improving basic education

To reinforce the basic education of students entering higher education at Anhanguera, the organization offers Learning Workshops that provide a revision of the secondary education contents (Mathematics, Portuguese Language, Chemistry, Physics, Biology) necessary for future learning at no additional cost.

The initiative arose from a need identified in permanent student tracking surveys. Difficulty in accompanying courses is also one of the reasons students give for dropping out. Additionally, students have access to other practical workshops on computing, financial mathematics, reading and writing.

Curriculums have common subjects that reinforce Anhanguera's social mission of forming citizens who are aware of their rights, duties and social responsibilities. The subjects covered include Personal and Professional Development, Social Responsibility and the Environment, Law and Legislation, Human Rights and Economic Development.

With this, the organization believes that it is playing an important role in helping to broaden access to quality education and social inclusion through education.

ACADEMIC MANAGEMENT

Ongoing monitoring

Anhanguera employs a differentiated academic management model, with monitoring indicators, management practices and action plans to guarantee teaching quality, provide greater control over results, and to develop innovative solutions based on this accompaniment. This model, known as Radar, is unique in the education sector and enables faster decision making and a more detailed information flow between units and the head office, helping to mitigate potential business risks.



The entire institution is engaged in achieving excellence and quality, including course coordinators, unit, academic and commercial directors, superintendents and members of the Executive Committee, among others. Radar tracks all the management processes in the company in conjunction with the commercial areas and the Comex support committees, providing integrated performance analysis.

Radar management indicators are divided into three categories:

1. Demonstration of academic performance against Ministry of Education regulations (MEC) and the Internal Assessment Program (PAI).
2. Five management indicator concepts for tracking and monitoring all the units, academic, superintendence and central areas.
3. Complementary indicators, each directly associated with a secondary level indicator, facilitating the identification of causes and the formulation of action plans within Radar management procedures.

Radar is a management tool that monitors indicators throughout the organization to accelerate decision making.

ANHANGUERA ACADEMIC MODEL

SATISFACTION

Students' opinions

Management of the quality of the services provided to students is monitored every semester via the Institutional Assessment Program (PAI), a major diagnosis based on student opinions. Each year, student and teacher participation reinforce the importance of this instrument, integrating the perceptions of each stakeholder group to assist in the construction of a single educational model. **GRI G4-PR5**

In 2013, approximately 441,900 students took part in the survey which attributes a Student Satisfaction Rate (ISD) to the various services provided: administration, laboratories, Text Book Program (PLT), libraries, classrooms, coordinators and teachers.

With the exception of the assessments of infrastructure and coordinators, all the ratings in the 2013 assessment were the same or higher than in 2012. The item receiving the best assessment from students is the teaching faculty, with an approval rate of 88%. The use of the Text Book Program received a rating of 84% (*read more about the program on page 55*). The item receiving the lowest rating was the secretarial service. Even so this improved 7% compared with the previous survey, showing a perception of improvement in quality in this area. There was a drop in the assessment of information technology infrastructure and classroom infrastructure, which received scores of 70% and 68% respectively. This is explained by the fact that there was a record number of student enrollments in both semesters in 2013 and the increase in

THE ITEMS RECEIVING THE HIGHEST STUDENT SATISFACTION RATINGS IN 2013



student numbers on the campuses led to a greater negative impact in this area. These questions have been under consideration since the second semester of 2012 and have been included in the improvement plans for the units, which are being adapted to accommodate this growth. Some examples are the units in Sumaré, São Jose dos Campos and Ribeirão Preto, where buildings are either being remodeled or new installations are being built to meet the demand. Infrastructure investments are aimed at improving service quality. Anhanguera strives continually to invest in equipment and resources that provide students with a complete learning experience, with proficient teachers and the most adequate technological resources available in the education market.

In 2013, approximately 441,900 students took part in the Student Satisfaction survey (ISD) which rates services such as administration and laboratories.

At the end of each semester, armed with the results of the survey conducted among students and administrative technicians, the unit directors, coordinators, teachers, and members of the Permanent Assessment Commission (CPA, comprising the educational coordinator, administrative technician, teachers, students and community member) analyze the unit's strengths and weaknesses. This leads to the elaboration of improvement plans, with proposals of actions to be implemented in the coming semesters. In 2013, all the units took part in this stage of the assessment and assumed the commitment to make changes aimed at enhancing the quality of the products and services offered to students.

Anhanguera also conducts a self-assessment coordinated by the Internal Institutional Assessment area and by the CPA of each unit. The Institutional Assessment survey provides inputs for the CPA to prepare its six-monthly action plan.

Students are also monitored under the Student Information and Management System (SIGA in the Portuguese acronym) (*read more on page 57*). This tracks the academic life of undergraduate students from the time they enter the institution until two years after they graduate.

ANHANGUERA ACADEMIC MODEL

QUALITY INDICES

Ministry of Education Assessment

Ministry of Education Assessment

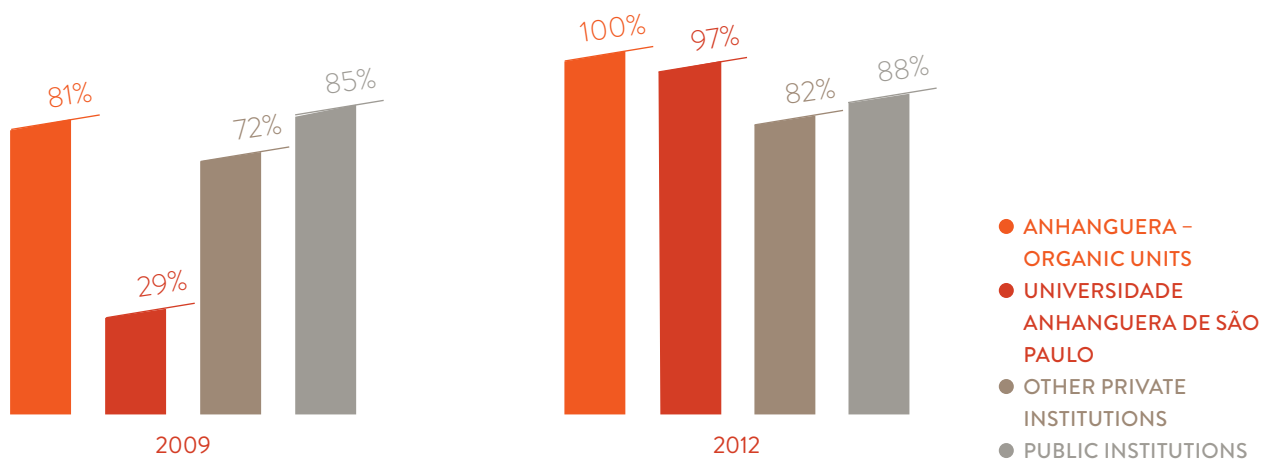
Anhanguera's investments in academic quality, in management practices and in integrating all its units once again resulted in positive ratings from the Ministry of Education (MEC) in 2013.

The overall assessment includes the ENADE National Student Performance Examination (Exame Nacional de Desempenho de Estudantes), which measures students' performance in undergraduate courses; the CPC (Preliminary Course Rating) course quality rating and the general evaluation of the teaching institution (IGC - General Course Index).

This assessment serves as a measure for Anhanguera's ongoing development. These data are so important that they are incorporated into the institutions' managers' annual targets, impacting their variable remuneration (read more about remuneration on page 20). The most noteworthy case was the improved performance of Universidade Anhanguera de São Paulo, ex-Uniban (*read more on the following page*).

COURSES ASSESSED (CPC – PRELIMINARY COURSE RATING)

CPC ≥ 3



Institutions assessed (IGC - General Course Rating)

57 Anhanguera institutions assessed

98% satisfactory ratings compared with 92% in the previous assessment. Performance was also higher than the 82% average for private higher education institutions, and the **88%** obtained by public institutions

Organic:* 100% satisfactory ratings (same as 2011)

Acquired:** 97% satisfactory ratings (89% in 2011)

*Organic: units created by Anhanguera over the years.

**Acquired: institutions acquired by Anhanguera over the years.

Quality at the Universidade Anhanguera de São Paulo

One challenge Anhanguera faces is maintaining educational quality at all its units and centers, ensuring that the entire structure achieves the same standard of operational excellence and academic quality. The results obtained by the Universidade Anhanguera de São Paulo, ex-Uniban, in the most recent Ministry of Education assessment demonstrate in practice how successful this policy is.

Acquired in 2011, the unit received investments to raise academic quality, implement the Anhanguera curricula, hire teachers with masters and doctoral degrees, train the teaching faculty, build and remodel laboratories and expand the library archive.

The MEC assessment data recognize the improvement in the institution's infrastructure.

Of the courses assessed in 2013, 97% received a positive rating, compared with 29% in 2009, reaching a score of 3 in the IGC General Course Rating. This score was also above the overall CPC average score of 82% for private teaching institutions.

Also worthy of note was the assessment carried out by Capes, a Ministry of Education body responsible for assessing degree-level postgraduate courses. The Universidade Anhanguera de São Paulo's Master in Mathematical Education program received a score of 5, positioning it among the best in Brazil. The course cooperates and maintains agreements with Oxford University and the University of Massachusetts, among others.

ANHANGUERA ACADEMIC MODEL

DISTANCE TEACHING

Wherever the student may be

Distance education has facilitated access to higher education for people who are unable to attend classes during the week or who live in remote locations where there are no quality higher education institutions. This flexibility, allied with new technologies that drive increased interaction and accessibility, has led to the expansion of this market in Brazil.

Anhanguera offers distance education in the three segments in which it operates: undergraduate, postgraduate and continued learning, with approximately 200,000 enrollments (more than one third of the total Anhanguera student body).

The institution's differentials are its first-rate technology infrastructure (*read more on page 33*) and its integrated curricula for distance and face-

to-face courses, enabling students to switch between courses whenever necessary. The distance learning undergraduate courses are offered in the same subjects, with the same content, the same quality and the same course load as the face-to-face course, permitting students to migrate from one modality to the other at the end of the semester, should they want to.

The infrastructure in the more than 500 distance learning centers located nationwide provides support for students in all activities. Anhanguera has noted that flexible study times are an important requirement for distance learning students, mainly because this permits them to reconcile study with their professional, personal and family commitments. The model is also advantageous for the organization, boosting its capacity to absorb students.

Expanding market

According to the 2011/2012 census conducted by the Brazilian Distance Learning Association Abed (Associação Brasileira de Educação a Distância), 14.6% of all students enrolled in undergraduate higher education in Brazil are on distance learning courses. The survey also shows that the profile of students seeking distance learning has changed from people just looking for professional certification to individuals who want to develop their skills further as a means of improving their employability.

The growth projected for institutions offering distance learning is directly linked with the attention the

federal government has been paying to this segment. In 2013, the government indicated that it might be interested in extending the FIES student loan program to students on undergraduate distance learning courses.

New information and communication technologies and the convergence of diverse media have resulting in the emergence of different educational formats in distance learning, offering results that are on a par or even superior to those in conventional face-to-face education. (*read more on page 30*).

¹Brazilian Distance Learning Association Abed 2011/2012 Census available at: <http://www.abed.org.br/censoead/censo2012.pdf>.

Experience in distance education enabled Anhangüera to be the first university to offer a semi-face-to-face distance learning undergraduate degree course in Nursing approved by the Ministry of Education. Offering the same content and quality as the face-to-face course, this program gives professionals already working in the health area and unable to attend class five days a week the opportunity to obtain a higher education degree. Due to the complexity of the course, it is offered in 31 units which already operate with the face-to-face Nursing program. The theoretical content is covered by distance learning while the practical classes are given in the laboratories of the teaching institutions.

In 2014, new distance courses will be initiated: Mechanical Engineering, Electrical Engineering, Civil Engineering, Control, Automation and Production Engineering, and teacher training courses in Physical Education, Mathematics, History and Geography.

In 2013, the postgraduate area at Anhanguera grew by 49%, with more than 13,000 new students enrolled in face-to-face, distance and extension programs. The Anhanguera postgraduate courses are designed to aggregate knowledge and technique to professional qualification, supplying competencies required for the labor market. One of the means used by students to obtain these competencies is the Professional Challenge, which involves the performance of tasks that simulate professional activities in an academic environment. This helps students to develop in self-learning, team work, intellectual production and research, creative reading and writing. These tasks integrate practical experience into the curriculum, making it more dynamic and helping the student to gain greater autonomy.

The differentials of the Anhanguera distance learning postgraduate courses include classes transmitted live via the internet, meaning the students only have to go to the support center to do the tests and to defend their course conclusion papers, that is, only four times during the program (live online). Additionally, in the virtual learning environment they have access to the recorded lessons and to the reading materials in flipbook format, known in Portuguese as “Palavra Digital” (Digital Word).

ANHANGUERA ACADEMIC MODEL

More than half the teachers on the postgraduate courses are masters or doctors. In distance learning, 85% of the faculty are masters or doctors.

The MBAs certified by Anhanguera Uniderp are offered simultaneously at Anhanguera units, at interactive centers and through the LFG network.

Three models of distance learning postgraduate courses are available through the LFG network:

- > The prime model: classes are transmitted live at the unit (center). The student must be present on the day the class is transmitted.
- > The online model has recorded web classes transmitted via the internet, which the students may watch from their own computer.
- > The live online model has lessons transmitted live via the internet – the students do not need to go to the unit to watch the classes –, with interaction between the teacher and the students. After some days, a recording of the class is also made available in the Virtual Learning Environment.

In the first two models, there are also non-degree level postgraduate law courses, while the third model is focused on the management area (MBAs).

More than half the teachers on the MBA programs have masters or doctorate degrees. In distance learning, 85% of the faculty for all the courses are masters or doctors.

Another program differential is the presence of teachers who are references in their fields of knowledge. This is the case of Idalberto Chiavenato, who assumed the position of educational coordinator of the Anhanguera distance learning MBA programs in 2013. Author of more than 40 books used by administrators and academics in Latin America, Portugal, Spain and Portuguese-speaking African countries, Chiavenato is a member of the São Paulo State Regional Administration Council (Conselho Regional de Administração do Estado de São Paulo - CRA-SP) and president of the Instituto Chiavenato de Educação.

The year also saw the introduction of the doctorate in Environment and Regional Development. The program is aimed at preparing professionals qualified to meet regional growth targets and needs, driving development and improvement while conserving quality of life.

Going beyond

Interview:
Idalberto Chiavenato



Which sectors require more specialized professionals?

Today learning has become a requirement and a priority for individuals who intend to advance in their career and grow intellectually and professionally. Administration is one of the areas that will most require professionals with high levels of knowledge and competencies. And what is the reason for these heavy demands? Today managers must be eternal apprentices throughout their professional lives in order to do their jobs, continuously upgrading their performance to meet the changing demands of the work place. The speed of change is introducing planned obsolescence into the existing knowledge base.

What are the differentials of the Anhanguera programs?

The construction of theoretical and conceptual capital, leadership, the formation of high performance teams and expertise in each of these learning processes. What company doesn't want a manager having these characteristics?

What is special about the Anhanguera distance MBAs?

We do not just want to offer yet another distance postgraduate program. We propose much more than what people expect from a postgraduate course. This

means an excellent curriculum, a multicurricular and multidimensional approach, first class faculty members, excellent teaching materials, constant relationship and support for students, ideas, ideas and more ideas. Everything that enables us to offer a rich, intensive, broad, engaging and innovative program.

Traditionally postgraduate students are professionals who, in addition to working, want to invest in studying, in specialization and in acquiring more knowledge. How does Anhanguera develop its courses to meet the expectations of this audience?

For my whole life I have worked during the day and studied at night. I know perfectly well what it means to spend years and years doing both. We have very little time to be successful and do everything well. For this reason, the educational content needs to be essential, basic, straightforward, synthetic and concise, but it must also be deep and meaningful, it must help the student make the right decisions, oriented to change and innovation, aimed at the future and the goals of the business, focused on forming managers as leaders and entrepreneurs. In other words, our programs make intensive use of the participants' available time and offer them what is best for their professional growth. The cost/benefit ratio is truly worthwhile.

ANHANGUERA ACADEMIC MODEL

1,800

students were involved in the Scientific Initiation Program, supported by around 400 advisors.

SCIENTIFIC INITIATION

Producing knowledge

Involvement in research projects helps students become familiar with and apply scientific method, improving classroom performance and driving the development of critical sense and creativity. Anhanguera Educacional encourages participation in these activities through its Scientific Initiation Program (PIC), which approved more than 800 projects in 2013, engaging more than 1,800 students, including scholarship holders and students, and 400 advisors.

Coordinated by the Institute of Applied Research and Educational Development (IPADE), the program fosters student participation in research activities through the concession of study scholarships – of the total number of students participating last year, 426 received grants consisting of a 25% discount in monthly fees. The remaining participants are student volunteers.

The IPADE helps to certify the quality of research at the teaching units, oversees scientific and intellectual production, collects and collates the data generated and discloses the results. The institute also coordinates, assists and represents Anhanguera's Committee for Ethics and Research into Human Beings (CEP) and the Commission of Ethics in the Use of Animals in dealings with regulatory bodies such as the Public Prosecution Office, industry and trade associations, the Ministry of Health and the Ministry of Science and Technology. The quality of scientific research work has been certified through awards and relevant events, such as the number of projects submitted to CONIC (National Congress of Scientific Initiation) – the highest among higher education institutions. Approximately 85% of the works produced by Anhanguera were approved for participation, and one received an award for being the best in its category. Anhanguera also hosted the 2013 event, which was held in Campinas (São Paulo).



Teachers are also encouraged to undertake scientific and educational work. With support from Funadesp (National Foundation for the Development of Private Higher Education), 113 faculty members received grants to develop their research (*Read more about ongoing education activities for teachers on page 72*).

SCIENTIFIC INITIATION PROGRAM (PIC)	2011	2012	2013
PROJECTS APPROVED	607	625	853
PIC GRANTEE STUDENTS	312	477	426
VOLUNTARY STUDENTS	589	530	995
TOTAL STUDENTS	901	1,007	1,421
PROJECTS SUBMITTED TO CONIC 2 ²	273	191	369
PROJECTS APPROVED FOR PRESENTATION AT CONIC 2 ²	220	177	315
UNITS WITH PIC	54	59	68

¹Data up to June 2013.

²CONIC is the National Scientific Initiation Congress.

ANHANGUERA ACADEMIC MODEL

Anhanguera Academic Production Seminar: held since 2007, this event brings together the scientific and intellectual work done by students in the undergraduate and postgraduate courses. The event awards the best works submitted in the diverse categories and areas of knowledge, in addition to recognizing teaching faculty whose work has been outstanding. In 2013, 2010 works were submitted, almost four times more than the 550 works entered in 2012. All the works submitted are published in the annual event.

56,000 titles,
from all knowledge areas are at the students' disposal via any mobile device.

Scientific journals

The institution provides its academic community with access to diverse journals worldwide, such as the international EBSCO databank and the Revista dos Tribunais (RT). Anhanguera Students may access more than 56,000 titles from all areas of knowledge using any mobile device.

The organization also publishes 15 scientific journals that disseminate Anhanguera's academic and intellectual production. The works published cover a wide range of subjects. The complete versions are available free to the general public on the Anhanguera Electronic Journals System (SARE) and in the journals portal of the Universidade Anhanguera of São Paulo. The system was adapted to control the editorial flow and to centralize publication, guaranteeing greater quality and visibility. The number of downloads of articles and abstracts from the SARE is now in excess of 8.1 million. In 2013 alone, there were 2.6 million downloads, with a monthly average of more than 220,000.

Feet firmly in the marketplace

Danielle Mello, 22 years of age, graduated in Digital Design from the Centro Universitário Anhanguera de São Paulo in 2013. Following the recommendations of friends, she found the higher education course she was looking for. As she puts it, being able to learn both the theory and practice using multiplatform methodology gave her the preparation she needed to work in the communication area. “I graduated fully prepared to work in precisely the area I wanted to”, says Danielle. “Since the classes are stored on the internet, I was able to access the content via cell phone, tablet or email at any time of the day or night.”


Always connected and on the go, Danielle wakes up early to give classes in digital design at a school that teaches art, games and animation. Now her time is divided between teaching and her pet project. Encouraged by her teachers, she and four friends decided to turn their course conclusion work into a business. This led to the birth of the company Estúdio Lanterna, which prepares projections for corporate events and shows. Even before she concluded her course work, the studio was creating projections for advertising agencies and big companies. “I found a course which prepared me professionally and which

gave me my work mates into the bargain”, she says. Now, newly-graduated, Danielle and her colleagues are making a name for themselves in the projection market all over the country.

Friendship, a passion for technology and art and the quest for professional success. Danielle’s example also inspires other people. Her youngest brother, Vitor, aged 13, intends to get into the communication and visual languages area, following Danielle’s example. “This is what is truly inspiring”, she comments. “Seeing that my family really believes in me.”



ACCESS AND EMPLOYABILITY

A photograph of two young men in a laboratory or workshop. The man in the foreground is wearing safety glasses and a light blue polo shirt, looking down at a piece of equipment. The man in the background is wearing a blue polo shirt and is smiling, looking towards the camera. They are surrounded by various electronic components and equipment.

Differentiated methodology helps to prepare students for the labor market and to pursue their life plan.

 OPENING ACCESS TO TEACHING;
EMPLOYABILITY AND INCOME

Qualification drives employment and income

Achieving one's life plan, improving one's socio-economic status and promoting personal transformation are the major ambitions of students who enter higher education. Research shows that higher education is now more inclusive in Brazil. According to the overall results of the 2010 census sample, published by the IBGE (Instituto Brasileiro de Geografia e Estatística), the number of people with a university diploma has doubled in a decade, reaching 12.8 million in 2010. However, the proportion of the Brazilian population who have a degree is still small: 7.9%.

According to Instituto Hoper² data from 2013, at the beginning of the 1990s more than 90% of higher education students belonged to the wealthier classes. Currently, classes C and D account for almost 30% of university students, an indication of high growth potential, with Class C growing 53% and Class D growing 95.3% over the last four years. Class B continues to be the main class, corresponding to approximately 50% of the overall student population and growing at 29.3%. The advance during the last 30 years is due to private higher education, which accounts for two thirds of all enrollments.

With a business model based on the efficient use of its multi-unit network, on the centralization of activities and gains in scale to offer quality education at affordable prices, Anhanguera is the pioneer in opening access to higher education in the country. In 2013 alone, the student base increased by 5.4%, with the entry of 237,300 new students, out of a total of 440,000 in the Anhanguera network. More than half of these students are working adults from classes C (52%) and B (40%). Women account for 55% of the student body. In distance learning, the breakdown is 30% men and 70% women. The predominant age group is from 21 to 34 years (56%).

90% of the students have to pay all or the most part of their expenses, showing that the main challenge in getting a university degree is the financial investment.

¹General Results of the 2010 Instituto Brasileiro de Geografia e Estatística (IBGE) Census Sample, published in April 2013 and available at http://www.ibge.gov.br/home/estatistica/populacao/censo2010/resultados_gerais_amostra/default_resultados_gerais_amostra.shtm.

²Article published by the Instituto Hoper de Pesquisa in 2013, available at <http://www.hoper.com.br/artigo-hoper.php?id=8>

ACCESS AND EMPLOYABILITY



Around 90% of the students have to pay all or the most part of their expenses, showing that the main challenge in getting a university degree is the financial investment. Present in almost the whole of Brazil, the Anhanguera network permits the organization to offer more attractive fee alternatives. Fees are established based on an analysis of the cost structure of each of the units, as well as the prices of local competitors – and vary depending on the course, the location and the academic term.

In the face-to-face undergraduate programs for example, monthly fees ranged from R\$ 299.99 to R\$ 979.99 in 2013 (except for the Medicine and Dentistry courses). In the distance and semi-face-to-face courses, prices ranged from R\$199.99 to R\$359.99 last year.

The tracking of students up to two years after graduation helps to assess the real impact higher education has on students' professional future. Implemented in 2012, the Student Information and Management System (SIGA) promoted a survey in partnership with the Instituto de Pesquisas Iopeq, involving 1,228 Anhanguera graduates. The study found that 79% of them are employed, and that 74% improved their professional situation after graduating. The financial situation of more than half the sample also improved.

This information enables better understanding of the students' social, financial, professional and personal transformations and will provide inputs for new Anhanguera strategic actions. **GRI G4-EC8**

Anhanguera students:

- > 73% work and study;
- > 90% pay all or most of their personal expenses;
- > 45% have an income between 1 and 3 minimum salaries;
- > 48% are the first in their family to enter a higher education institution;
- > 60% believe that ease of access to university is very important;
- > Approximately 90% think that preparation for the labor market is extremely important.

After graduation:

- > 79% are employed, with 67.3% working in the area for which they studied;
- > 74% have improved their professional situation, with an average 122% increase in income;
- > 65% think that labor market requirements in terms of their professional qualification are compatible with the training they received at Anhanguera; 27% consider their education superior to what is required by the market;
- > 65% of the women say their financial situation has improved;
- > 55% think their financial situation improved as a result of graduating from Anhanguera.

Books with a discount of up to 80%

The Text Book Program (Programa do Livro-Texto - PLT) is the largest Anhanguera Educacional institutional program and is the largest higher education text book program in Brazil. It is aimed at helping students achieve their life plan by providing them with high quality educational material at a low cost.

The program includes diverse titles from large Brazilian and international publishing houses at prices up to 80% lower than in bookstores, providing Anhanguera students with the opportunity to acquire the books used in their courses every semester.

Other benefits of the Text Book Program:

- > It enables the Anhanguera student to build up his/her personal library;
- > It is an incentive to read and develop professional competencies;
- > It contributes to the learning process throughout the undergraduate course.

ACCESS AND EMPLOYABILITY

Student loans GRI G4-EC4

The wider range of student loan alternatives and the increase in the number of higher education institutions and courses catering for the middle and working classes represent an opportunity to expand enrollments in higher education in Brazil.

At Anhanguera, 110,000 students benefit from the FIES (Finance Fund for Higher Education Students) fund, and a further 33,000 from the Prouni (University for All) program, jointly corresponding to 33% of the student base. The organization provides students with support and guidance in obtaining credit to ensure their continuity in the courses.

Anhanguera also provides different types of study scholarships by means of agreements with public organizations and private companies. Students may register on the website www.vestibulares.br. The registration process includes a socio-economic profile which is analyzed by the institution the student is interested in attending.

The website also provides information about scholarship policy, discounts, a list of associated companies and types of agreements and transfers, in addition to offering information on available vacancies, locations and the various course modalities available at Anhanguera universities.

Further information:

- > **Prouni:** exemption from federal taxes for private higher education institutions granting study scholarships to low-income students;
- > **FIES:** finances up to 100% of the monthly fees of students who are unable to afford the costs. Repayment is made after the student concludes the course. The institution shares in the risk by guaranteeing the loan. The percentage of students entering Anhanguera with student loans in 2013 was 41% (first semester) and 56% (second semester);
- > **Other scholarships and discount agreements:** Military Police agreement (for the São Paulo state Military Police), civil servants (employees in the civil services) and standard and special agreements (employees in partnering companies).

Combating drop out rates

Combating student disengagement is one of Anhanguera's main challenges and is a setback for the ongoing education of the students. Using a predictive model developed in partnership with Serasa Experian, Anhanguera works on reducing drop out rates by offering special conditions to students who are behind in fee payments and by providing support for those experiencing difficulties in specific course subjects.

According to an internal study conducted among students who dropped out in 2013, the main reasons for giving up undergraduate courses include: financial problems, personal issues, infrastructure and services, as well as academic issues.

The Student Information and Management System (SIGA – Disengagement) identifies, contacts and proposes actions for students who are considering dropping out. The students are approached by a special team consisting of Student Service coordinators, educational coordinators and course coordinators, and receive advice or incentives depending on their reasons for wanting to give up.

The students' situation is analyzed, taking into account variables such as attendance, amount owed, academic performance and credit variables, among others. For each item there is a metric and a specific action. These vary in accordance with the profile identified, ranging from an SMS message, email, communication via the restricted access area of the Student Portal or contact via the course coordinator, among other possibilities. In general, these are personalized messages designed to provide a specific solution for each case.

The system assesses student performance, identifying those experiencing academic difficulties, providing them with support in pursuing their life plan and obtaining a diploma.

Learning support

Anhanguera also provides special programs for those experiencing learning difficulties or difficulties in keeping up with the course – two of the major reasons for dropping out.

These include the Learning Workshops, which offer reinforcement classes for basic content (read more on page 38), and the Student Follow Up and Retention Program, aimed principally at students in the first year, where the risk of disengagement is higher. This seeks to develop measures to support students in adapting to the course and in improving their academic performance.

ACCESS AND EMPLOYABILITY

These initiatives, allied with the greater availability of FIES loans for first year students, helped to increase the renewals rate from 80.5% to 83.7% in 2013 – growth of 4%. Considering only the units and the courses participating in the Retention Program, the retention rate grew by 7.8%, reaching 95.6%.

Allied with this, the institution has its New Student Relationship program, a set of actions to provide new students with information and encouragement. This measure is deployed with all new students in the face-to-face, semi-face-to-face and online courses, including those on postgraduate programs. The mechanism provides metrics to be monitored and follow up actions aimed at reinforcing Anhanguera attributes and demonstrating the cost effectiveness of studying at the institution. In place since 2012, the New Student Relationship program pioneered the effort to prevent students from dropping out in the first year.

Job Vacancy Portal

According to SIGA data, more than 80% of the students think that the institution should provide a program to help them to find employment. In 2013, Anhanguera established a partnership with the Contratanet portal, providing students with free access to job vacancies in more than 100,000 companies. The website, which is made available to the students under the name Anhanguera Job Vacancies Portal, combines job offers from more than 300 portals in Brazil. In addition to applying for jobs, students may access individualized professional advisory services at a reduced cost, such as résumé preparation and interview simulations.

The Anhanguera Job Vacancies Portal connects teaching institutions, companies, candidates and partnering portals, providing students with professional and other opportunities, as well as disseminating, facilitating and managing participation in selection processes.

Technical courses: new educational options

In addition to higher education, as of 2014 Anhanguera is offering vocational technical courses. The organization will be offering up to 30 face-to-face courses in 50 units as part of the federal government PRONATEC (National Access to Technical Teaching and Employment) program to facilitate access to vocational education.

The courses are free for the students. Those who are concluding or have concluded their secondary education and completed the ENEM secondary examination also receive a study scholarship.

The scholarship is provided to the students by the federal government, which remunerates the private universities offering the courses. In addition to expanding the educational possibilities for young people, the technical courses boost the student base and optimize the use of infrastructure in the Anhanguera units during the mornings and afternoons, times when there are fewer undergraduate and postgraduate courses, thus increasing the company's profitability.

The course load for the PRONATEC programs ranges from 800 to 1,200 hours. The subjects offered are:

- > Community Health Agent
- > Industrial Automation
- > Computer Graphics
- > Environmental Control
- > Cooking
- > Caring for the Elderly
- > Civil Construction Design
- > Interior Design
- > Edifications
- > Electronics
- > Technical electrical studies
- > Nursing
- > Esthetics
- > Pharmacy
- > Health Management
- > Tourist Guide
- > Information Technology
- > Information Technology for the Internet
- > Logistics
- > Computing Maintenance and Support
- > Therapeutic Massage
- > Mechanics
- > Environment
- > Community Guidance
- > Computer Networks
- > Occupational Safety
- > Restaurant and Bar Services
- > Traffic
- > Health and Animal Control
- > Animal Husbandry



OUR RELATIONS



Anhanguera believes in promoting dialog in a dynamic manner, base on socio-environmental responsibility and its institutional values.

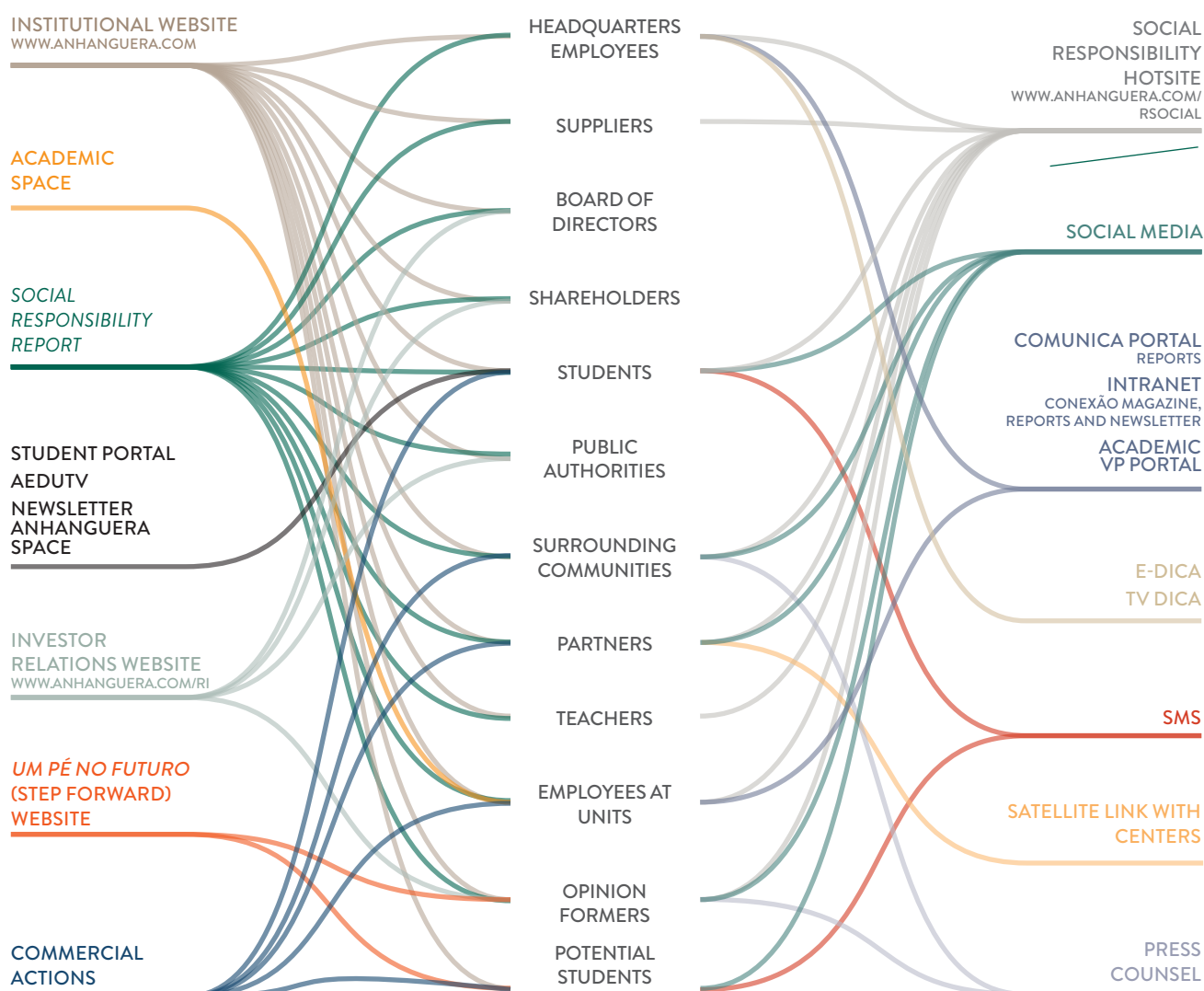
 EMPLOYEE TRAINING AND EDUCATION

Open to dialogue

Shareholders, employees, students and teachers are priority stakeholders with which Anhanguera maintains open communication and relationship activities and more. Through its units and centers, the organization engages with local communities in actions that reached out to more than 1.6 million people in 2013. Company stakeholders also include government, regulatory authorities, partners, suppliers and the press.

GRI G4-24; 25; 26; 27

In 2013, Anhanguera's community and social responsibility activities reached more than 1.6 million people in the regions in which the organization operates.



OUR RELATIONS

Students

Anhanguera believes in the importance of quality and respect for its students, providing a series of relationship programs and channels through which the institution strives to fulfill the expectations of this stakeholder group.

Students have a number of channels through which they may communicate and receive information, such as the Student Portal, the internal TV system, cellular telephone messaging and others (*read more between pages 63 and 68*).

The approach used for potential clients is advertising campaigns, which use real students providing statements about their experiences and telling how their life was changed by contact with the academic environment.

Another important field is the analysis and intelligent use of the data collected from the moment potential students seek information about a higher education course until they graduate with a diploma. For example, informed analysis of this data base enables the identification of students having academic difficulties who require help to conclude the course. This work results in the provision of support ensuring that students do not give up on their life plan and the opportunity to receive a diploma. From the corporate perspective, these actions ensure constant growth in retention and re-enrollment rates.

Student satisfaction levels are measured by regular surveys that gauge perceptions about the academic environment and performance and the level of service offered (*read more on page 40*).

Anhanguera constantly strives to enhance the services it provides, offering adequate infrastructure, well stocked libraries, well equipped laboratories, as well as tools that help forge closer relations with students and improve their performance.

The quality of the services provided is guaranteed by qualified and well trained teams and by standardized academic planning that facilitates learning. The courses are elaborated and reviewed by a team of supervisors from different fields of knowledge, who receive ongoing support from specific coordinators. This group of professionals ensures up-to-date academic content and innovative methodologies that drive constant renovation in teaching methods and technology (*see results on page 30*).

Student Portal

The Student Portal is the main communication channel with students. This is a complete tool which is easy and intuitive to use and provides full support throughout the student's academic life. In this virtual environment, students may request enrollment certificates with a digital signature, their academic record, resolve doubts about fees, consult their course grades and attendance records, make requests and receive a constant stream of important information, among other services.

The student also uses the portal to access the Virtual Learning Environment (AVA) in order to watch web classes and to access academic contents, perform tasks, resolve doubts or engage in online debates with colleagues and teachers (*read more about o AVA on page 37*).

Student Portal in numbers^{*}



More than
32 million
accesses



Average of
5.69
pages /visit



More than
8.5 million
single visitors



Average length of access
5min26s

^{*}Period: 2013.

OUR RELATIONS



Quality service

In 2013, Customer Service was updated and is now executed exclusively via the internet through a chat service on the Student Portal. Previously the service was conducted by telephone. This service stays abreast of changes in student behavior and advances in digital media, helping students to solve any academic or administrative problems more rapidly, while alleviating the work load of secretarial staff.

One of the new tools is an electronic answering service in the chat which, by means of a system of automatic responses, provides rapid virtual solutions for the students' most common enquiries. In conjunction with the commercial area, which was also reformulated to provide improved support, the system was the winner of the 2013 National Teleservices Award organized by the ABT (Brazilian Teleservices Association), for being a key initiative in promoting customer relationship excellence. GRI G4-37

Other services also migrated to the online environment, such as service requests and the issue of academic documents. These measures resulted in an improvement from 58% to 62% for the item “secretarial service” in the 2013 student satisfaction survey.

Personal service is still the norm at the units and the support centers. The major difference in 2013 was the improved training for teams, ensuring that Anhanguera organizational guidelines are put into practice at the units.

Student Service (SAE)

Available at all Anhanguera units, the Student Service (SAE) provides guidance regarding any doubts or academic difficulties students may have. More than just a legal requirement, it ensures higher quality service for students and helps reduce drop out rates, since it provides support for the Follow Up and Retention Program in the institution. The measures include welcoming new students; assistance for disabled students; reinforcement of educational support through academic adaptation workshops; diagnosis of students’ main difficulties in conjunction with course, educational and SAE coordinators and teachers; and research into aspects considered important for teachers in the initial stages. In 2013, the service was used by more than 185,000 thousand students.

SAE SERVICE	TOTAL
SERVICES FOR POTENTIAL STUDENTS	51,148
SERVICES FOR STUDENTS	18,080
EDUCATIONAL AND ACADEMIC GUIDANCE	37,055
ORGANIZATION AND DELIVERY OF WORKSHOPS, SHORT COURSES AND LECTURES	27,077
REFERRAL FOR PSYCHOLOGICAL TREATMENT	258
FINANCIAL SERVICES	19,453
DISENGAGEMENT, TRANSFERS AND CANCELLATIONS OF ENROLLMENT	15,348
REGISTRATION OF DISABLED STUDENTS	643
OMBUDSMAN SERVICE	17,613
TOTAL	186,675

OUR RELATIONS

Dual benefit: support for students, enabling them to pursue their life plan and get a diploma, and boosting the Anhanguera retention and re-enrollment rate.

Aedu TV

Aedu TV is a communication channel between Anhanguera and the students at the teaching units. The channel was introduced in 2012 in partnership with Atmo Digital, the company responsible for providing the technical infrastructure and selling advertising space, the proceeds from which are shared between the two organizations. Anhanguera decides on the subjects to be aired, segmenting communication by campus.

The project involves more than 45 television monitors installed in five Anhanguera units: Campo Limpo, Marte, Guarulhos, UniABC and Vila Mariana, all in the São Paulo metropolitan region.

Contents are presented in different formats and include: i) advertising and promotions; ii) news and entertainment, including news items on leisure, the arts and culture, the labor market, Brazil and the world; iii) institutional, with information about Fies, re-enrollment and ENADE; iv) institutional, offering news about the units, events, talks, lectures and communications.

The channel also plays a role in social responsibility providing space to support campaigns run by non-governmental organizations, foundations and institutes. In 2013, support was provided for campaigns from Action Aid, the child cancer support group Graacc, the AACD and the Instituto Ayrton Senna.

The project is scheduled to be extended to other units in 2014. Based on this experience, a study is underway to sell advertising space on the campuses (banners, promotional activities and commercials on the channel).

Social networks

Anhanguera uses the social networks to communicate with its students, potential students and the general community, in accordance with the characteristics of each network – Facebook, Twitter, Youtube, LinkedIn and Google+.

In 2013, an innovative initiative was the live broadcast of lectures over the institution's Facebook page. Free and open to all, the lectures covered subjects such as branding in the digital age, career planning, electronic commerce and business and personal strategies, with the participation of lecturers such as Antonio Carbonari Netto, the founder of Anhanguera, Alexandre Mazza, Doctor in Administrative Law, Geraldo Caravantes, of the Fundação Getulio Vargas (FGV), and Eduardo Sabbag, who lectured on tax law, among others. The action was part of the Postgraduate Week, organized by the Anhanguera postgraduate area. For the first time, students participating in the event received a certificate.

Another noteworthy action was the creation of the Anhanguera page on LinkedIn, a social network oriented to business and professional contacts. In addition to strengthening the Anhanguera brand in the digital environment, the page is designed to attract new talent to the institution and to debate and foment questions related to the labor market, careers and professions.

Facebook

<http://www.facebook.com/anhangueraedu>

196,282 fans

353% increase in fans in 2013

Youtube

<http://www.youtube.com/anhanguera>

1,386 enrollments

160% increase in enrollments in 2013

Google+

<https://plus.google.com/+anhanguera>

80,000 followers

at the end of 2013

LinkedIn

<https://www.linkedin.com/company/anhanguera-educacional-s.a>

18,178 followers

Twitter

https://twitter.com/Anhanguera_Edu

4,000 followers

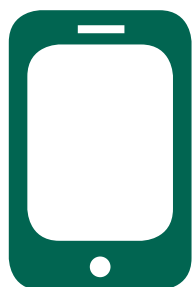
103% increase in followers in 2013

OUR RELATIONS

Aedu Blog

Launched in 2013, the Aedu blog (<http://blog.aedu.com.br>) is a space dedicated to new and existing students, addressing subjects such as benefits, employability, graduation, career, success stories, as well as educational and institutional questions, and is open to whoever is interested.

- > Total accesses: 119,075
- > Page views: 275,628
- > Average length of visit: 1min45s



SMS

A direct channel normally for important subjects requiring urgent communication. Easy to create and send, messaging is normally used as a complement to other marketing and relationship channels.

- > Approximately 7 million messages in 2013
- > Segmented, high impact, direct communication

Informativo Espaço Anhanguera (Anhanguera Information Space)

This is a newsletter that publishes content of interest to the student and information about the institution's academic products. The objective is to keep students informed, drive closer relations and direct them to the Student Portal.

- > 7 editions in 2013
- > Sent to all undergraduate and postgraduate students

Anhanguera Accessibility and Inclusion Unit (NAIA)

The Anhanguera Accessibility and Inclusion Unit (NAIA) is focused on promoting the inclusion of disabled students or students with special educational needs to ensure their integration into higher education.

The unit's objective is to promote access to information and provide materials, services and resources that meet the needs of these students, improving service and boosting activities for this group whose participation in higher education institutions is growing.

To better serve this group, the institution provides services such as workshops in audio description and in Brazilian sign language, Libras, for teachers and technical and administrative staff, in the Corporate

110 works to adapt facilities for disabled students in 2013.

Education Portal. The organization also has 85 sign language interpreters who work in the classrooms and in the videoclases.

In 2013, the NAIA team produced 110 files in accessible format drawn from the basic bibliography of the face-to-face and distance courses.

Equally important is the engagement of a number of areas in promoting inclusion in the units and centers.

DISABLED STUDENTS	2012	2013
VISUAL	115	186
HEARING	108	170
PHYSICAL	138	243
INTELLECTUAL	6	21
GLOBAL DEVELOPMENT DELAY	3	8
DYSLEXIA	3	7
OTHERS (HEALTH PROBLEMS REQUIRING SPECIAL SERVICES)	2	8
TOTAL	375	643

OUR RELATIONS



Anhanguera has
a network of
10,100 teachers
and tutors.

Teachers

The teacher is a key figure in Anhanguera's mission of promoting efficient teaching with the quality levels necessary to guarantee the future professional performance of students.

As the institution's representatives in the classroom, with full responsibility for the students' learning, Anhanguera teachers are encouraged to act as facilitators, helping students to maximize their potential. As Anhanguera employees, teaching staff have a Corporate University dedicated to their professional enhancement and development.

Ongoing investment in teacher training, driving higher educational levels occurs through six projects: Institutional Teacher Training Program (PICD), Ongoing Teacher Training Program (PPCD), Student Learning Assessment Workshop, Ongoing Education Program, Specific Distance Learning Training and the Institutional Assessment Program (PAI).

Teaching staff qualification

The Institutional Teacher Training Program (PICD) provides support for teachers in courses designed to develop pedagogical skills. The program provides access to research and training scholarships granted by Funadesp (National Foundation for the Development of Private Higher Education). The agreement between Anhanguera and Funadesp enabled the establishment of 28 research groups comprising 113 doctors and 31 scientific initiation students throughout 44 Grupo Anhanguera institutions.

In the research projects, the groups are organized with the participation of doctors and scientific initiation students from different areas of knowledge in Anhanguera. These produce articles, books, teaching materials and other relevant technical productions. The PICD also provides financial support to encourage teachers to participate in scientific events, such as congresses, seminars and symposiums for all Anhanguera units.

Teacher and tutor

The teaching faculty comprises specialized teachers, masters and doctors who are encouraged to act as facilitators, helping students to maximize their academic potential.

The faculty also includes tutors, teachers who provide students with additional support either virtually or personally, mainly in the distance courses.

OUR RELATIONS

Ongoing Teacher Training Program

The Ongoing Teacher Training Program (PPCD) comprises regular and periodic measures to provide teachers with pedagogical support, promoted by Anhanguera to ensure ongoing improvement in the quality of undergraduate teaching. Program objectives include: training teachers to enhance their classroom performance, in line with organizational culture; training and updating teachers; reaching the targets of the Improvement Plan generated by the Institutional Assessment Program (PAI) as it relates to teacher training.

Anhanguera offers teachers 100% discount on its undergraduate and postgraduate courses and also provides innumerable free courses on the Corporate University Portal. Teachers and tutors are also entitled to a 50% discount on the postgraduate Methodology and Management distance course.

3,400

teachers took part in the ongoing training program in 2013.

Ongoing Education Program

The Ongoing Education Program offers distance courses for course and academic coordinators, teachers, tutors, administrative staff, managers and directors. The subjects addressed are related to distance learning and to employees' personal and professional growth. In the specific distance learning training program, employees take courses directly related to their activities in the Distance Education Center (Cead), driving personal and professional improvement and growth. In 2013, three courses were organized (Audio Description Workshop, Supervised Practical Activities (ATPS) workshop - Face-to-Face modality, and Student Learning Assessment), with 3,457 teaching staff participating.



Employees

As one of the largest higher education institutions in Latin America, Anhanguera has 17,207 employees, of which 7,891 are men and 9,316, women. This is a diverse body distributed throughout the regions in which organization has units: the South, Southeast and Center-West, as well as the regions in which the partnering centers are located. In 2013, there was an increase of just over 2% in employee numbers, while headcount has grown 28.8% over the last three years. This growth increases the need for employee training and development to ensure internalization of the Anhanguera culture and preparation to execute the organization's strategic planning.

17,007 employees
undertook 93,770 hours
of training in 2013, with
an average of 5.5 hours
training per employee

GRI G4 LA9

OUR RELATIONS

Anhanguera employs more than 17,200 people and prioritizes training and development so that employees internalize the organizational culture and are prepared to execute its strategic planning.

Every year, Anhanguera assesses the performance and potential of all employees. This process determines access to promotion and the development of succession planning. In 2013, 100% of the organization's administrative staff were submitted to performance appraisals. Among the programs the institution maintains to contract and retain talent – including the disabled and minor apprentices – is the Anhanguera Opportunities Program (OPA). This posts the job vacancies available in the company via the intranet on a weekly basis, giving each employee the chance to choose the opportunities they consider best for their growth in the company. [GRI G4-LA11](#)

Team Analysis and Succession Plan are two corporate programs which drive annual employee training and development actions. Team Analysis assesses the performance and potential of administrative staff up to coordination level. It is run annually and is conducted by the employee's manager, with support from an HR consultant. The program results in a variety of training measures, ranging from broad-based ones for an entire corporate area or unit, to more specific ones focused on a particular group.

The Succession Plan is also executed annually and is focused on developing leaders aligned with company culture and strategy for management positions. The plan is overseen by candidates' immediate superiors. Individuals are appraised by a committee which assesses their profile, personal and professional maturity, in addition to management skills and achievement of performance targets.

Corporate University

Anhanguera training activities are developed to comprehend all employees, both in the corporate area in Valinhos (São Paulo) and in the educational units and distance learning centers. For this reason, all the activities are centralized in the Corporate University Portal, a web tool providing a broad range of professional and personal self-development courses for employees.

Inaugurated in July, 2013, the portal currently offers more than 100 titles classified by job and area of activity. Since its launch, the portal has issued around 15,000 certificates.

The training courses are developed internally or in partnership with third-party providers and are made available on the web. The programs are publicized throughout the organization, and employees are constantly encouraged to further their professional development. The courses available in the Corporate University are divided into five categories in accordance with function and area of activity:

Administrative: focused on area operations and procedures with tutorials designed to provide employees with technical training.

Commercial: covering commercial practices in alignment with student body growth and retention strategies.

Academic: aimed at teaching faculty and academic managers, providing content of educational interest.

Corporate training: courses on company macro-processes and procedures related to corporate tools.

Behavioral training: programs designed to provoke reflection and changes in behavior and mindset, based on modern distance learning techniques.

Management training: courses presenting market best practices in people management.

15,000

certificates issued
by the Corporate
University Portal in
just one semester.

OUR RELATIONS

Developing new leaders

As an organization that has grown significantly over recent years, Anhanguera needs to maintain a pipeline of leaders attuned with its organizational culture and prepared to command new teaching institutions.

For this reason, it has a Succession Plan which maps professionals who have the potential to become managers and leaders and provides ongoing training for the individuals targeted. The succession plan is utilized whenever an opportunity arises in the corporate area or in the educational units, selecting the best candidate in terms of personal and professional maturity and management track record, subject to evaluation by the Executive Committee.

Unit directors trained internally

Being a dynamic institution with high growth potential, the number of opportunities for new executives to head units is growing constantly. To supply this demand, Anhanguera has its New Unit Director Training Program providing face-to-face training to prepare appropriate candidates for these positions.

Elaborated to prepare course coordinators identified by the succession plan as potential candidates for senior management positions in the units, the program provides the candidates selected with a strong cultural base, a broad vision of the varied aspects of unit management, with a focus on business vision, the customer and an orientation to results. In addition to preparing unit leaders, the program is aimed at retaining high potential talent.

For the first program, initiated in January 2013, 12 employees were chosen from 850 candidates. The group spent more than three months in training at the Anhanguera headquarters in Valinhos (São Paulo). The program is delivered in immersion format with more than 600 hours of class, with an integrated approach combining both conceptual and practical content. Part of the content is focused on expanding participants' knowledge base, while the other concentrates

12

employees took part in the first New Unit Director Training Program.

on cultural and attitudinal aspects. The overall objective is to exploit the organization's internal transformational potential, proactively responding to the demands of growth.

The program is supported by the Anhanguera Operations, Commercial and Marketing and Academic areas, with corporate leaders providing instruction in the diverse technical contents. This means that at the end of the program, the successful participants are prepared to assume the position of assistant director.

An offshoot of this program was also developed and implemented in 2013. This is Current Unit Director Training Program aimed at presenting the same content to those already occupying leadership positions in the educational units.



Our employees

In December 2012, Anhanguera had 17,207 employees, of which 7,891 were men and 9,316, women, in addition to 127 interns and 63 apprentices. In 2013, 6,247 employees were admitted and 5,869 were discharged, resulting in an employee turnover rate of 35.2%. In an expanding market, employee turnover has been a challenge for Anhanguera, which works continuously to create mechanisms to promote talent retention. [GRI G4-10](#)

In spite of salary differences due to performance and recognition in line with the institution's remuneration policy, Anhanguera does not promote distinctions in function of gender, race, age or any other aspects of diversity in its payment and promotion system, which is based on the principle of equality. [GRI G4-LA13](#)

The lowest salary at Anhanguera is 7.38% higher than the minimum salary in the country (R\$ 678 in 2013), and the base salary of each professional category is established in accordance with the category's contribution to the institution's activities. The ratio of male to female board members' salary and remuneration is 1.28. [GRI G4-EC5](#)

OUR RELATIONS

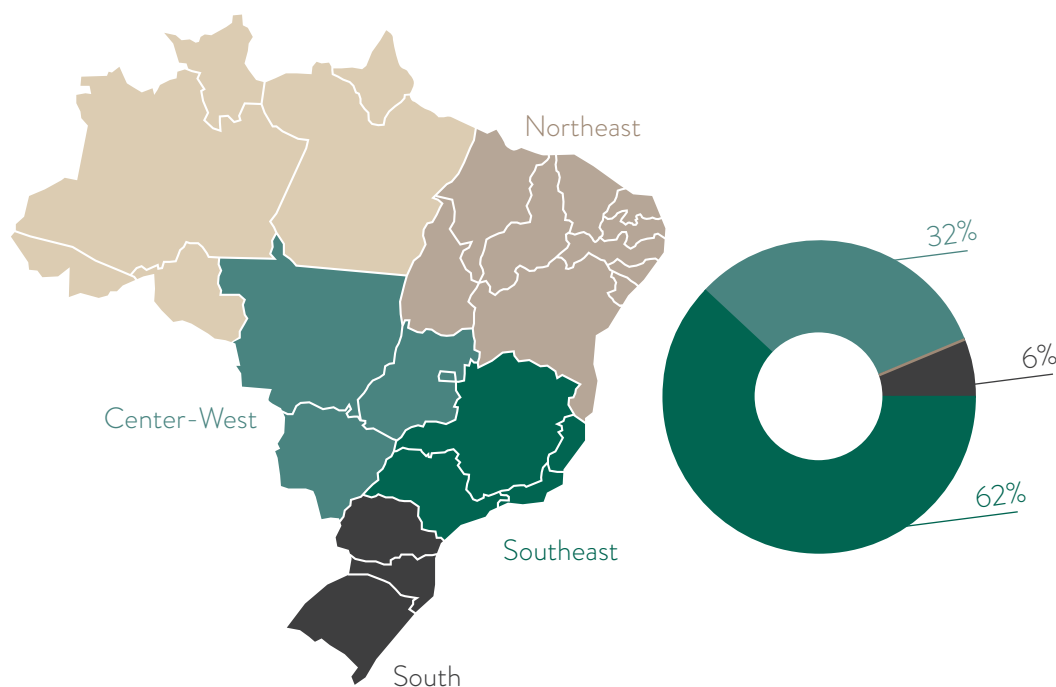
Employees BY FUNCTIONAL LEVEL GRI G4-10



	2012	2013	
BOARD	7	6	1
DIRECTOR-LEVEL	100	62	34
MANAGEMENT	128	69	54
HEAD/COORDINATION	1,508	688	862
ADMINISTRATIVE	2,689	597	2,110
OPERATIONAL	12,182	6,422	6,109
APPRENTICES	68	29	34
INTERNS	136	15	112
TOTAL BY GENDER	16,816	7,891	9,316
TOTAL¹	16,816	17,207	

¹100% of employees are on permanent contracts and 93% work full-time.

Employees BY REGION GRI G4-10



¹In the Northeast region, Anhanguera has 42 employees (less than 1% of total headcount).

Proud to be Anhanguera

Monica Corbano, 43 years old, is the academic records manager (Diploma sector) and has been an Anhanguera employee for 17 years. She accompanied the organization's transition from a family company with a small number of units to one of the largest teaching institutions in the world. Monica joined the company as a secretarial assistant in 1997, working in the secretarial area and providing support for teaching faculty and the personnel area. Her performance was soon recognized and rewarded when she was invited to assume the position of general secretary in 2000. "The fact that the work I did was recognized in such a short time meant a lot to me", she recalls.

In 2005, Monica became the general secretary of the Faculdade Anhanguera de Campinas 3 and in 2007 was invited to take on the pioneering task of integrating the units acquired by Anhanguera, training

staff and implanting the Anhanguera model in four units. It was at this time that Anhanguera became a publicly traded company. "Seeing the arrival of the investors and the transformation from a family company to one of the biggest in the world made me feel really proud", she adds. Monica has been academic records manager since 2011.

During this time, with support from employee scholarships, Monica has done four extension courses, including two MBAs. "I owe everything I have achieved in my personal and professional life to Anhanguera", she claims. One of the reasons she feels that she belongs to Anhanguera is the organization's proposal. "I share its mission of making students' life plans possible through quality teaching at affordable prices. I believe we really help to transform people's lives", says Monica.



OUR RELATIONS

TOTAL EMPLOYEE
TURNOVER RATE

GRI G4-LA1



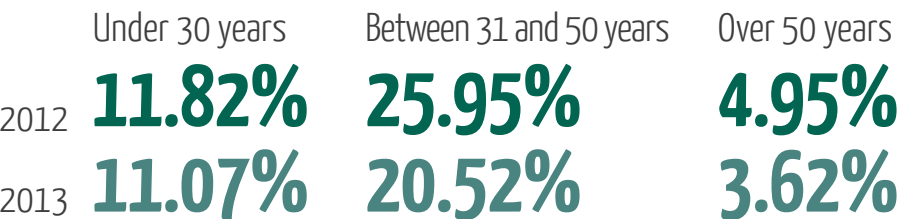
BY GENDER



BY REGION



BY AGE GROUP



NUMBER OF EMPLOYEES HIRED GRI G4-LA1

BY GENDER	2012	2013
MALE	3,728	2,809
FEMALE	4,393	3,438
BY AGE GROUP	2012	2013
UNDER 30 YEARS	2,424	2,150
BETWEEN 31 AND 50 YEARS	4,825	3,546
OVER 50 YEARS	872	551
BY REGION	2012	2013
SOUTH	461	375
SOUTHEAST	5,387	3,948
CENTER-WEST	2,250	1,904
NORTHEAST	23	20
TOTAL	8,121	6,247

NUMBER OF EMPLOYEES DISCHARGED GRI G4-LA1

BY GENDER	2012	2013
MALE	2,968	2,603
FEMALE	3,279	3,266
BY AGE GROUP	2012	2013
UNDER 30 YEARS	1,551	1,659
BETWEEN 31 AND 50 YEARS	3,902	3,515
OVER 50 YEARS	794	695
BY REGION	2012	2013
SOUTH	322	312
SOUTHEAST	4,112	3,793
CENTER-WEST	1,794	1,717
NORTHEAST	19	47
TOTAL	6,247	5,869

AVERAGE REMUNERATION BY FUNCTIONAL CATEGORY¹ GRI G4-LA13

DIRECTOR-LEVEL	2012	2013
FEMALE	R\$ 16,997.55	R\$ 18,968.49
MALE	R\$ 21,363.84	R\$ 21,713.37
RATIO	0.80	0.87
MANAGEMENT	2012	2013
FEMALE	R\$ 9,978.89	R\$ 10,396.78
MALE	R\$ 10,691.30	R\$ 11,001.05
RATIO	0.93	0.95
ADMINISTRATIVE	2012	2013
FEMALE	R\$ 1,542.57	R\$ 1,681.29
MALE	R\$ 1,984.40	R\$ 2,046.77
RATIO	0.78	0.82
APPRENTICES	2012	2013
FEMALE	R\$ 703.03	R\$ 739.22
MALE	R\$ 692.04	R\$ 732.00
RATIO	1.02	1.01
INTERNS	2012	2013
FEMALE	R\$ 753.05	R\$ 767.55
MALE	R\$ 772.27	R\$ 844.65
RATIO	0.98	0.91

¹No employees receive the legal minimum salary.

OUR RELATIONS

6,923

Anhanguera's active supplier base encompasses categories such as: general services, maintenance, communication and marketing.

Suppliers GRI G4-12

Anhanguera suppliers are selected based on service proposals, the objective being to identify the best conditions and terms in each case. In addition to cost, supplier selection and contracting decisions are based on ethical criteria, such as transparency, social and environmental responsibility and institutional values.

In 2013, 1,776 new suppliers were registered, bringing the total active Anhanguera supplier base to 6,923. Payments to these suppliers totaled approximately R\$ 675 million during the year. The types of services rendered include: general services (reception, cleaning, security), maintenance (laboratories, machinery and equipment), communication and marketing (media, events, flyer distribution), consulting, telephony, network and IT services, as well as office, laboratory and academic material supplies, among others.

It is Anhanguera's understanding that hiring adolescents aged 14 years and over in compliance with the law represents a positive incentive; however, the organization does not maintain relations with companies engaged in child, forced or slave labor. In electronic equipment purchases, the company guideline is to avoid transactions of doubtful origin which may involve irregular importation.

The institution has a Code of Conduct which sets forth guidelines for relations with suppliers and which determines the immediate termination of any contracts in which this code is breached or in cases of violations of human dignity, ethics or the environment. These principles are also established in specific clauses in Anhanguera contracts.



Society GRI G4-SO1

In 2013, Anhanguera's more than 1,250 social responsibility programs and projects reached out to more than 1.6 million people.

Anhanguera's organizational culture is firmly rooted in the principles of social inclusion and socio-environmental responsibility. The organization believes that it is making an important social contribution by offering the alternative of an accessible, affordable, high quality education to young lower and middle class workers. Additionally it seeks to integrate local communities through the production of knowledge and the generation and exchange of ideas driving civic awareness and autonomy through the engagement of students, teaching faculty and employees.

Teacher and student community interaction occurs through a series of Community Extension Programs (PECs in the Portuguese acronym). These are articulated through partnerships with government and non-governmental organizations and are aimed at driving civic awareness and improved quality of life in the communities. Projects are implanted and expanded based on a study of the social, environmental and economic characteristics of each city and the courses offered by group institutions, supported by the Social Action and Community Extension Group (IASec - Instituto de Ação Social e Extensão Comunitária) and the academic area.

OUR RELATIONS

1.6 million
people reached.

At the end of 2012, the Marketing area took over the IASEC's functions to ensure the continuity and expansion of social responsibility actions and align them with institutional communication strategies, the objective being to drive scale, attract investment, consolidate management of the projects and create institutional guidelines.

IASEC goals include fomenting entrepreneurship; promoting civic awareness and encouraging Anhanguera students, teachers and employees to engage in social work; and contributing to improvements in public education in surrounding communities. This in turn helps to build the Anhanguera brand reputation and align social responsibility measures throughout the institution's units and centers.

Actions are centralized via a Community Extension Project Management system in which the units record all their community extension activities and social projects. The IASEC is responsible for analyzing and approving the actions, assessing their social impact, academic viability and the investment necessary. After an activity has been developed, the unit is responsible for monitoring and reporting on it in the project management system.

Some initiatives of note in 2013 were Trote Solidário (Solidarity Prank), Responsible Teaching Week and Global Entrepreneurship Week.

Social responsibility actions

- > Promoting social inclusion, equal rights and equality of opportunity, aimed at preparing individuals to react more effectively to the challenges of a globalized society;
- > Promoting and protecting human rights and the environment.

Social Responsibility Committee GRI G4-35; 36; 48

Created in 2012, the Social Responsibility Committee is linked with the Anhanguera Board of Directors and is responsible for overseeing and encouraging social actions based on the principles of social inclusion and promoting equality. The committee drafts the strategic planning for social actions and studies and approves new projects, as well as supervising the preparation and approving the Social Responsibility Report. All subjects deemed relevant in terms of sustainability at Anhanguera are approved by the Committee and define the report content.

The Social Responsibility Committee members are the president of the Anhanguera group, Roberto Valério Neto, the vice president of Human Resources, João Daniel, the Marketing director, Patrícia Abreu, the external consultant Paulo Freitas, as well as the Anhanguera founders, Maria Elisa Ehrhardt Carbonari (president of the committee) and Antônio Carbonari Netto. As a member of the Board of Directors, the committee president represents and refers all social responsibility-related questions to Anhanguera senior management.

Millennium Goals

The Anhanguera community extension activities are linked with the following Millennium Goals:

- > **Eradicating extreme poverty and hunger:** during the year numerous campaigns to raise food for donation to non-profit organizations working with the needy were conducted. Actions: food donation campaigns and the Inclusive University Entrance Examination (Vestibular Solidário).
- > **Achieving universal basic schooling:** activities involving Anhanguera student volunteers focused on students and educators at public secondary schools. Actions: Um Pé no Futuro (Step Forward) program and the Futuro Certo (Guaranteed Future) project.
- > **Combating HIV/Aids:** during the year, the units carried out awareness and preventive campaigns.
- > **Ensuring environmental sustainability:** one example of the kind of actions Anhanguera undertakes is Environment Week, which explores environmental preservation measures aimed at raising the awareness of the university community.
- > **Establishing a global partnership for development:** Anhanguera encourages students to do volunteer community work.

OUR RELATIONS

Social projects



Um Pé no Futuro (Step Forward): this program is aimed at helping public secondary school students and teachers. For students, the goal is to prepare and encourage them to enter higher education, while teachers are offered specialized extension and updating courses. These activities require the development of relationship actions with secondary students, teachers and schools in the public education network. In 2013, 25,800 students from 500 schools benefited.

Two types of student-oriented activities are undertaken: online classes (virtual platform with courses on information technology, reading, personal finance and preparation for the ENEM examination etc.), and face-to-face meetings, with activities such as vocational tests, resolution of doubts about the ENEM examination, organization of university entrance examinations in the school and professional fairs.

Educators participating in the project receive a grant offering a 40% discount on any Anhanguera face-to-face or distance postgraduate course. All teachers, educational coordinators and principals also are invited to participate in debates held twice a year focused on classroom activities and the exchange of experience. As with the students, activities are divided into two parts, one via an online platform and the other involving face-to-face training. The courses offered include Time Management, Personal Finances, Basic IT and reading workshops. The courses are available free of charge via the Um Pé no Futuro website: <http://penofuturo.anhanguera.com/professor>.

Goals:

- To improve student performance in the ENEM examination;
- To motivate students to go on to higher education upon terminating their secondary studies, to develop their self-esteem and vision of the future;
- To present the reality of university education and the labor market to secondary students;
- Partnerships with schools to help resolve difficulties encountered in their daily routines.

OUR RELATIONS

The Futuro Certo (Guaranteed Future) project: to support the graduation of high school students, in 2013 the Anhanguera Academic area created the Guaranteed Future project. This provides tutoring to help secondary public school students, in particular in Portuguese Language and Mathematics. Offered fortnightly at Anhanguera units, this permits students to obtain better results, reinforcing their prospects in the labor market.

The tutoring is provided by Anhanguera student volunteers, with approximately 10 students per group.

The classes were held in the computing laboratories of the Anhanguera teaching units, providing access to the teaching material available in the Virtual Learning Environment (AVA). A total of 3,808 students from 434 public schools benefited in 2013.

Responsible Teaching Week: between September 16 and 21, 2013, around 70 Anhanguera units nationwide engaged in the Responsible Teaching Week. Over one thousand community social actions were undertaken, reaching more than 275,000 people. The activities were developed by the students with support from teachers providing free attendance for the population in a number of areas. The activities ranged from leisure, culture, health and recreation, to professional qualification and sport, among others.

The initiative is aligned with Social Responsibility Day, organized by the Brazilian higher education association Abmes (Associação Brasileira de Mantenedoras de Ensino Superior) on September 21st.

Global Entrepreneurship Week: Anhanguera participates in this event with programs for the public and students at all its units. The activities were organized at 66 units throughout November. A total of 381 activities were developed for an audience of around 80 thousand students, teachers and community members. These included exhibitions of innovative works and projects, a round of discussions with entrepreneurs, enterprise fairs, as well as consulting services for students interested in starting businesses.

Environment Week: actions aimed at promoting environmental awareness among the university community. In 2013, some one thousand students from different Anhanguera units participated in activities from June 10 to 14. The week is designed to raise public awareness of the need for sustainability and to reduce impacts. Activities included talks on environmental education, ecotourism, sustainability and reusing waste, as well as recycling workshops.

Trote Solidário (Inclusive Prank): designed to promote the integration of students, teaching staff, the institution and community in undergraduate courses at all the units, reinforcing Anhanguera's commitment to social responsibility. In 2013, some 1,500 students took part in this project the objective of which is to welcome new students with socially oriented actions promoting civic awareness, leadership and team work.

The focus was on support for public schools. Students would sponsor a school and undertake a social responsibility task in conjunction with the school and produce a video clip of up to 3 minutes. Participating students formed teams of ten and organized the tasks with the school selected. The best projects and the best videos received prizes of tablets and cellular telephones. The schools involved in the winning actions also received prizes of multimedia kits with a notebook computer, projector and screen.

Inclusive University Entrance Exam : Social support through the university entrance exam: in December 2013, instead of paying the university entrance examination fee, candidates were asked to donate 3 kg of non-perishable food. With this action, more than 17 tons of food were raised and donated to non-profit organizations, Rotary Club partnering institutions and others in the areas around Anhanguera units, with more than 150 organizations benefiting.

The Zilda Arns Open Library: a reading incentive project for basic level public school students, developed in the libraries of the Anhanguera teaching institutions. In 2013, the library provided support for 2,638 students in eight sessions held in the course of the year, always on Saturdays. The students were exposed to a diverse range of literary genres, such as poetry, short stories, fables, chronicles, cartoons and novels. The project is aimed at interesting the communities surrounding the units in reading.

OUR RELATIONS

School Reinforcement: support project for students in the lower grades of basic public schools. In 2013, the project benefited 2,325 children. Students on Anhanguera undergraduate and postgraduate courses monitored the activities undertaken with the students under the supervision of teachers and course supervisors from the areas involved. The project goals include: i) provide students with the opportunity to improve school performance through reinforcement activities; ii) help students to learn study methods; iii) support children requiring special assistance; iv) provide students on the Anhanguera teacher training courses with experience in teaching, enabling them to develop related skills and competencies, such as observation, analysis, teaching techniques and practices; v) help Anhanguera trainee teachers to identify learning difficulties.

Digital Inclusion: the project provides young people and adults with the fundamentals of information technology in courses given by undergraduate students working as voluntary educators. The project benefited 1,337 people in 2013. The objective is to promote social inclusion by boosting civic awareness and social ascension.

Qualification Program: Training activities and courses for the communities surrounding the units aimed at qualification and preparation for the labor market. Open to the general community, the courses offered include: Administrative Assistant, Human Resources Assistant, Basic Accounting, Basic English and Basic Computing. In 2013, 23,797 people benefited from the program.



Third Age Open University: Anhanguera promotes the social inclusion of the elderly through a program focused on developing skills to ensure better quality of life. In 2013, 10,874 students aged 45 years and over took part in the initiative. The courses involve an average of six hours of class per week during the semester at specific Anhanguera units.

Medical care clinics: the Anhanguera Physiotherapy, Nursing, Nutrition, Pharmacy, Dentistry and Psychology courses develop projects in partnership with the SUS public health system and hospitals in the areas around the units. These are focused on disease prevention, rehabilitation and promoting and maintaining public health. In 2013, 216,904 people received treatment at Anhanguera clinics and laboratories. *GRI G4-EC7*

OUR RELATIONS



Medical care for indigenous and rural populations: medical services as part of the supervised internship on the Anhanguera-Underp Medicine course in Mato Grosso do Sul – the state with the fourth largest indigenous population in the country. In 2013, a total of 57,375 people received care. The program is undertaken in partnership with Funasa (Brazil's National Health Foundation) and with Indigenous Health Teams (ESI).

Veterinary hospital and farm-school: students and teachers on the Veterinary Medicine courses undertake social actions with animals of all sizes. In 2013, a total of 89,462 cases, ranging from clinical care and surgical interventions to clinical and laboratory exams and other activities, were treated in the veterinary hospitals of eight units.

Legal practice center: the center provides free assistance and guidance through the Small Claims Court (JEC in the Portuguese acronym), the Escritório Modelo (Model Office) and other spheres. In 2013, 14,666 people benefited from the service, with the provision of legal assistance in 2,035 cases. The program is associated with the Legal Practices Center of the Law course. Students on the Law course provide free legal assistance to the public in partnership with the State of São Paulo Court system.

Charity campaigns: campaigns in support of charity institutions (nurseries, homes for the elderly and hospitals), as well as emergency campaigns to raise food, toys, clothing, diapers and school materials. A total of 106,316 people benefited in 2013.

Outubro Rosa (Pink October): the Anhanguera units in Santo André (São Paulo), São José (Santa Catarina), Ribeirão Preto (São Paulo), Sorocaba (São Paulo), Limeira (São Paulo), Dourados (Mato Grosso do Sul) and Jaraguá do Sul (Santa Catarina) engaged in the Pink October campaign to combat and prevent breast cancer. Around 1,400 students and teachers took part in the activities, which included walks, seminars, community and awareness activities, talks and a public hearing, among others.

Toy libraries: play areas for children aged from 3 to 12 years installed in Anhanguera Educacional units to value learning through recreation and leisure. In 2013, 2,094 children benefited from the program.

Sports: In the communities surrounding its units, Anhanguera develops activities designed to engage children, young people and adults in sports. These activities benefited 57,688 people in 2013.

Fundação Cafu: in 2013 Anhanguera Educacional partnered with the Fundação Cafu, providing financial support and eight full undergraduate course study scholarships for employees, volunteers and students at the institution. To see the work the foundation does, access www.fundacaocafu.org.br.

McHappy Day: the Anhanguera units in the state of São Paulo, in the Distrito Federal and in Goiás took part in the 25th McHappy Day organized by the McDonald's fast food chain and the Ronald McDonald Institute. As happens every August 31st, the proceeds

NOSSAS RELAÇÕES

from Big Mac sales (excluding taxes) are donated to institutions caring for children suffering from cancer all over the country. Anhanguera students and teachers dressed in Ronald McDonald Institute t-shirts took part in the event, organizing free educational and recreational activities, such as story telling, face painting, balloon sculptures, games and dance presentations at McDonalds outlets. Additional activities included talks, measuring people's blood pressure, providing physical check ups, as well as dancing and gymnastics.

Community Extension Mobile Unit: the Anhanguera Community Mobile Extension Unit operates in the São Paulo Metropolitan region. Throughout 2013, Anhanguera students promoted physical fitness and health care activities, such as dental assessments, stretching exercises, assessments of glycemia, flexibility, body mass index, blood pressure, cholesterol, anemia, HIV and hepatitis C, providing guidance on eating habits and the correct disposal of medication past its due date. Overall, a thousand students provided services for 10,000 people.

Joy in the Streets: in another noteworthy action in the metropolitan region, students and teachers provided residents in the north of São Paulo with health care consultations and advice. The event included free educational and leisure activities promoted by the Associação Beneficente Expansão Ágape and supported by small, midsize and large industrial, commercial and service companies. This annual event focused on culture, the environment, health and leisure was created in 1998 and has been growing year on year, providing support and assistance to families in the region.



Summer and Winter Courses: in January and February and in June and July, Anhanguera offers free holiday courses in different subject areas, aimed at driving academic development and professional qualification. In 2013, courses were offered in health, computing, engineering, economics, marketing and photography, benefiting approximately 18,000 people. Everyone completing the courses receives a certificate of conclusion.

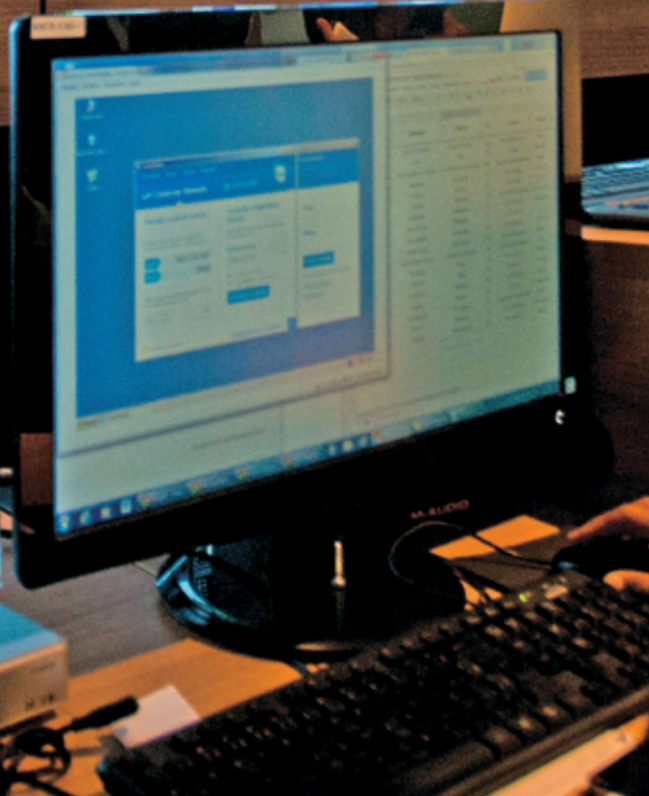
Prêmio Victor Civita Educador Nota 10 (Victor Civita Top Grade Educator Award): The award is aimed at valuing teaching and successful teaching practices and was sponsored by Anhanguera in 2013. This relationship action is aimed at increasing perception and building Anhanguera brand reputation, generating greater visibility among opinion formers in the educational area. The initiative inspired the organization, which intends to create an award along similar lines for its own teachers in 2014.

OPERATIONAL PERFORMANCE



A series of changes and advances implemented in 2013 have prepared Anhanguera to take advantage of new opportunities, boost revenue and improve margin and the quality of services offered to students.

 OPERATIONAL EXCELLENCE; EFFICIENT USE OF RESOURCES



Consistent results

Last year Anhanguera saw continued growth in its student base (5.4%), in revenue (12.8%) and in gross margins (2.8 p.p.). EBITDA stayed abreast of this growth, reaching R\$ 337.7 million, 5.1% up on the previous year. Net profit totaled R\$ 125.4 million.

This improved performance was driven by growth in the average number of students, which totaled 441,900, and a 7% increase in average fees. Worthy of note were the campus and distance center undergraduate programs, with increases in revenue and gross margin, proving the efficiency of the Anhanguera business model both in recently acquired institutions and in the existing campuses.

However, performance for the LFG operation was below expectations, affected by higher competition in online courses (hitherto unavailable in the course portfolio) and a reduced number of national civil service examinations. Anhanguera expects to revert this situation by restructuring its telepresence course portfolio, boosting competitiveness and average margin, launching online courses and opening new centers, as well as developing new internet sales channels.

More information is available on economic-financial results at <http://www.anhanguera.com/ri/>.

Value distributed GRIG4-EC1

growth in
student base
5.4%

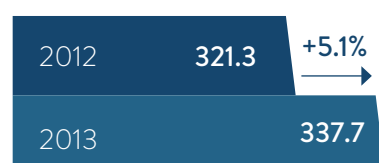
441,900
students

FINANCIAL RESULTS

Net revenue (R\$ MM)



Ebitda (R\$ MM)



OPERATIONAL PERFORMANCE

The value added shows the organization's capacity to generate wealth and the social effects produced by the distribution of this wealth to shareholders, employees, financiers, government and society. It is calculated based on the difference between the revenue from the commercialization of goods and services and the expenditures on the acquisition of goods and services from third parties and depreciation and amortization costs.

In 2013, the added value distributed by Anhanguera totaled R\$ 1,348 million (an increase of 8.9% over 2012), corresponding to 0.10% for shareholders, 9.2% in retained profit, 16.7% for government and society (taxes), 23.8% for financiers (interest and rents) and 50.2% for employees.

VALUE ADDED STATEMENT – SUMMARIZED (IN R\$ MM)	2011	2012	2013
REVENUE	1,321	1,606	1,787
INPUTS ACQUIRED FROM THIRD PARTIES	384	370	415
GROSS ADDED VALUE (1 - 2)	938	1,235	1,372
RETENTIONS	76	70	96
NET ADDED VALUE PRODUCED BY THE ORGANIZATION (3 - 4)	861	1,165	1,277
VALUE ADDED RECEIVED IN TRANSFER	116	73	71
TOTAL ADDED VALUE TO BE DISTRIBUTED (5 + 6)	977	1,238	1,348

Internal organization

Anhanguera has grown constantly, driven by knowledge and intelligence-based initiatives to further operational cohesion between the head office and business units, optimizing operational costs and reinforcing its culture centered on the customer. In 2013, new adjustments, improvements and investments were made to promote operational excellence in all units and sectors.

Execution of the organization's growth strategy requires the implementation of infrastructure projects and updated, aligned processes. For this reason, in 2013 the Processes and Strategic Management Offices were created. These are manned by senior

management teams and enable diffusion of the methodologies necessary to ensure these initiatives are prioritized, planned, implemented and monitored with the utmost precision.

The objective of the Processes office is to implant a process management culture throughout the organization, establishing governance and promoting operational excellence in all units.

The Strategic Management office is designed to prioritize the most important actions and initiatives in line with Anhanguera strategy. The department established criteria and prioritized projects encompassing the major business activities: academic products, student services, commercial and marketing activities, quality, operational efficiency, people, finance and investments. Some 250 projects were selected for 2014 from a total of 398.

Standardized management practices were established to ensure operational alignment in all units.

Best practices

To enhance management at the units, standardize routines and provide a basis for training employees involved in the operation, in 2013 Anhanguera launched its Campus Management Excellence Program.

This broad-based project involved more than 100 people, including unit directors and staff from headquarters in the identification of best practices throughout the Anhanguera network. The exercise enabled the mapping of operational processes, the selection of best practices and standardization throughout the units by means of procedures that describe “what to execute and how to execute” for each routine.

2013 also saw the implementation of the Suricato (Meerkat) or hidden client project, a management tool to monitor the operation and identify improvement opportunities. A hired researcher poses as a student to assess the services provided, check the practical application of company processes and evaluate quality standards. Managers at headquarters also participate in this exercise as hidden clients in order to familiarize themselves with the specific reality at each unit.

In 2014, the program will be extended to all Anhanguera products and teaching modalities.

OPERATIONAL PERFORMANCE



Força A (A Force) — Commercial excellence program

A major highlight during the year – which has already boosted new enrollments – was the training and updating of the commercial team: the A Force Program. Aimed at disseminating and reinforcing a sales culture and commercial excellence, the program is divided into four major fronts:

Recruitment and selection: redesign of the employee profile for the commercial area. Changes affected 90% of the team in 2013.

Training: involving e-learning videos focused on the organization's academic and commercial differentials, service, quality and performance, made available through the Corporate Education Portal. Every six months employees do a test aimed at measuring their knowledge of the content and their performance in their function. There were more than 200 tests in 2013, with overall scores exceeding 90%.

Communication: the monthly TV program, *Papo Comercial (Commercial Talk)*, provides employees with interactive content, statements, priority questions according to the sales cycle and entry examinations and best commercial practices.

Performance appraisal: each employee is appraised, receives a report on performance and undertakes training in the area.

Investment in technology

To track student development, Anhanguera implanted a Student Relationship Management platform, investing in intelligence technology and tools to provide fuller, more integrated information on the student body.

This consists of the tools SAS Campaign and MicroStrategy, respectively world leaders in the supply of campaign management and business intelligence (BI) software. The solution integrates these systems into academic management and financial processes and distance learning management systems. These provide course coordinators with access to strategic information about students' academic life, such as academic performance, attendance, participation in workshops, conclusion of supervised practical activities, as well as fee payment status. Armed with this information, coordinators have a better understanding of each student and may provide proactive support in helping them to pursue their life plan. More than R\$ 1.5 million was invested in this project in 2013, including the acquisition and implementation of the systems, staffing and equipment.

Anhanguera invested more than R\$ 1.5 million in business intelligence and campaign management systems to integrate and enhance student profile analysis.

Environment

Efficient use of resources

The conscious and efficient use of available resources is also an integral part of Anhanguera's operational excellence plans. Managing the environmental impact generated by its units, such as water and energy use, are important organizational priorities.

In 2011 and 2012, Anhanguera had an integrated management system as part of its Environmental program to monitor and develop environmental protection and preservation measures. However, this system was discontinued in 2013 to permit the organization to reformulate its environmental guidelines and establish a new environmental monitoring program in 2014.

Initiatives developed last year include a project specification report for all new constructions incorporating efficient building criteria, such as energy and water savings and space optimization.

OPERATIONAL PERFORMANCE

Efficiency

The energy consumption program launched in 2013 is aimed at generating financial gains and corporate value.

Energy GRI G4-EN3; EN6

Environmental measures, particularly those related to energy consumption were analyzed and planned in 2013 and implantation was initiated in 2014. Last year, the organization had a 28.56% increase in energy consumption due to the entry into operation of new units. There was, however, an 83.37% reduction in diesel consumption resulting from turning off five generators supplying peak time energy requirements during ten months of the year.

In 2013, steps were taken to create an energy efficiency program that promotes financial savings and adds value for the company. Some energy consumption reduction initiatives worthy of note are:

- > Air conditioning systems –20% reduction in consumption through a program to rationalize use, including the installation of automatic control systems and prioritization of the purchase of low consumption models.
- > Low consumption light bulbs –50% cost reduction from the installation of economical bulbs and LED bulbs; gradual substitution of lighting installations to permit the use of more efficient light bulbs.
- > Building automation –50% cost reduction using building automation technology to control and manage installations.
- > Energy monitoring – a system developed to reduce waste in the organization's headquarters in Valinhos (São Paulo). At the end of the working day, an automatic luminous alert is activated to see if anyone is in the room; to respond to the system, the employee just presses the light switch. If the switch is not pressed, the lighting turns off automatically.
- > Time windows – installation of a control system to turn off lighting and air conditioning at predetermined times

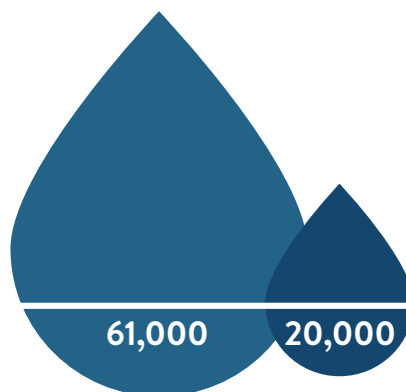
Water GRI G4-EN8; EN22

To reduce costs and water consumption at the head office, a well was drilled and a water treatment plant was installed in 2013. This enabled a 67% reduction in cost compared with having water delivered by tanker truck. In the first three months in which the plant was in operation, costs were reduced from R\$ 61,000 to just over R\$ 20,000.

Similarly, automatic faucets and flow reducers were installed to reduce water consumption. Developed in partnership with Indeco, a company specialized in water and energy supply management, the initiative led to a 50% reduction in consumption by this equipment

SAVINGS IN THREE MONTHS

(in R\$)



The paper used has the FSC seal, which attests to a socially fair and economically sustainable production chain.

Waste and materials

As a provider of educational services, Anhanguera does not generate significant quantities of hazardous waste in its activities. Academic activities such as human and animal health services include routines which generate such kinds of waste. This waste is pretreated, receiving special storage before being forwarded for external treatment and disposal. The removal, transportation and disposal of hazardous waste is outsourced to specialized licensed companies.

The waste generated is listed as groups A and E (perforating, cutting and scarring materials) and group B (waste presenting the risk of chemical contamination and diverse medications). Anhanguera's total weight of waste in the three categories was 98.4 tons, an increase of 193% compared with 2012. This variation was in function of the acquisitions made by the company during the previous years, the largest of which was the Universidade Anhanguera de São Paulo, ex-Uniban. GRI G4-EN23

Anhanguera takes socio-environmental criteria into account in its supplier selection processes. However, due to the reformulation of its environmental guidelines, in 2013 the organization did not acquire recycled paper. The main reason for this was the poor quality of paper acquired previously, which resulted in unforeseen costs with reprinting and with printer maintenance. GRI G4-EN2

Recycled paper was substituted with white / mixed paper with FSC – Forest Stewardship Council – certification, which attests to a socially fair and economically sustainable production chain. In 2013, the organization acquired 148,130 thousand reams of printing paper, which was 100% FSC certified.

ABOUT THE REPORT

GRI G4-13; 18; 19; 20; 21; 22; 23; 28; 29; 30; 31;32

Anhanguera is publishing its fourth *Social Responsibility Report* relative to 2013, in accordance with the core option of the Global Reporting Initiative (GRI) G4 guidelines. This means that the content reported is based on the most relevant topics identified during the construction of the Materiality Matrix with respect to the company profile, governance, stakeholder engagement and information about the preparation of the report, in addition to indicators on each GRI aspect deemed relevant for Anhanguera. The data refer to the period from January 1st to December 31st, 2013.

The scope of the social, environmental and economic information covers Anhanguera activities in the whole of Brazil.

Review of the materiality matrix GRI G4-22; 23

The Materiality Matrix was constructed to facilitate understanding of the convergence between the viewpoints of external and internal stakeholders. It is the graphical representation of the most relevant sustainability topics for Anhanguera, which are the ones presented in the report.

In 2013, a review of the matrix was initiated based on the result of the process undertaken between 2011 and 2012, which engaged the main stakeholder groups – students, teachers, tutors, employees, suppliers, representatives, service providers, companies in the education sector, the community and social, environmental and educational organizations, among others.

In addition to the responses to the indicators, GRI guidance stipulates that the institution's stakeholder groups be consulted in order to define the relevant topics (*read more about the main stakeholders and forms of engagement between pages 61 and 95*). However, in the preparation of the 2013 report there was no consultation of internal and external stakeholders as occurred in the 2011 and 2012 reporting cycle.

The last stakeholder consultation took place in the previous reporting process with the organization of face-to-face and online panels involving the participation of over 450 people. Participants were chosen from among representatives of Anhanguera's main stakeholder groups. The combination of these two methodologies generated quantitative and qualitative information with which to analyze results.

In addition to the consultations, a series of different internal and external documents were analyzed, including: a sector analysis conducted by the Instituto de Pesquisa Hoper; data from the Ministry of Education (MEC); criteria for analyzing financial and sustainability data from BM&FBovespa; codes and policies (Anhanguera Educacional Strategy); Code of Conduct; HR Policy; Internal Assessment Program (PAI); institutional financial results releases; Extension Policy; Integrated Management Policy; and Procurement Standards.

Cross-referencing the 2011 and 2012 matrices led to the identification of 14 topics, which were compared using three different types of methodology: GRI educational indicators, Graphic Assessment Sustainability in Universities (GASU) indicators and SAM Yearbook (Specialized Business Services) indicators, the latter containing recommendations from financial analysts based on a combination of financial sustainability criteria.

ABOUT THE REPORT

The result of this process was a list containing the relevant GRI topics and aspects and their respective impacts on our stakeholders and operations (*see table at the side*). The list was validated by the Anhanguera executive board, which also makes up the Social Responsibility Committee. This ensures that the company maintains its commitment to ongoing progress in its materiality definition process in each reporting cycle.

The material topics GRI G4-19

1. Operational excellence
2. Academic quality with positive Ministry of Education ratings
3. Employee training and education
4. Opening access to education
5. Social and environmental programs and projects for the community
6. Economic and financial performance
7. Distance education
8. Corporate governance
9. Employability and income
10. Efficient resource use (materials, energy, water etc.)

10 topics

The main topics impacting the organization based on stakeholder consultation and document analysis.

Any significant changes in relation to data reported in previous years and alterations in the basis of calculations or indicator measurement techniques are indicated throughout the text and tables in the report.

GRI G4-13

If you require further information or have any doubts or suggestions related to this report, the contact address is Alameda Maria Tereza, 4.266, bairro Dois Córregos, Valinhos, São Paulo (CEP 13278-181). Contact is also possible via the email iasec@anhanguera.com or the website www.anhanguera.com/rsocial. GRI G4-31

Relevant topics GRI G4-19; 20; 21	Material aspects GRI G4-19	Indicators	Stakeholders involved
Operational excellence	<ul style="list-style-type: none"> > Product labeling > Communication and marketing > Compliance 	G4-PR5; PR7; PR9	<p>Internal: employees</p> <p>External: sector regulatory bodies (Ministry of Education), students, shareholders, investors, CONAR, PROCON, opinion leaders and community</p>
Academic quality with positive Ministry of Education ratings	<ul style="list-style-type: none"> > Product and service labeling > Compliance 	G4-PR5; PR9	<p>Internal: teachers</p> <p>External: students, opinion leaders, regulatory bodies, CONAR, PROCON, shareholders, investors, community, media and sector associations</p>
Efficient resource use	<ul style="list-style-type: none"> > Materials > Energy > Water > Effluents and waste 	G4-EN2; EN3; EN4; EN6; EN8; EN22; EN23	<p>Internal: employees</p> <p>External: service providers, community and students</p>
Employee training and education	<ul style="list-style-type: none"> > Training and education 	G4-LA9; LA11	<p>Internal: employees</p> <p>External: service providers, community and students</p>
Opening access to education	<ul style="list-style-type: none"> > General content items – strategy and analysis 	No GRI indicator for topic	<p>Internal: teachers</p> <p>External: students, community, government and Ministry of Education</p>
Social and environmental programs and projects for the community	<ul style="list-style-type: none"> > Indirect economic impacts > Local communities 	G4-EC7; EC8; SO1	<p>Internal: volunteers and teachers</p> <p>External: students, NGOs, partnering institutions, municipal departments and Ministry of Education</p>
Economic and financial performance	<ul style="list-style-type: none"> > Indirect economic impacts 	G4-EC1; EC4	<p>Internal: employees</p> <p>External: shareholders</p>
Distance education	<ul style="list-style-type: none"> > General content items – strategy and analysis 	G4-EC7	<p>Internal: employees and partners</p> <p>External: third-parties, students and partners</p>
Corporate governance	<ul style="list-style-type: none"> > General content items – corporate governance 	G4-2	<p>Internal: employees</p> <p>External: shareholders, investors and market</p>
Employability and income	<ul style="list-style-type: none"> > Employment > Diversity and equality of opportunity > Market presence 	G4-EC8; LA1; EC5; LA13	<p>Internal: employees</p> <p>External: students, market, competitors and shareholders</p>

GRI SUMMARY

INDICATOR TABLE

GRI G4-32

Description		Page/response	External assurance
Strategy and analysis			
G4-1	Message from president	6-7	No
Organizational profile			
G4-2	Description of key impacts, risks and opportunities	19	No
G4-3	Name of organization	9	No
G4-4	Primary brands, products, and services	9	No
G4-5	Location of organization's headquarters	9	No
G4-6	Countries where the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	9	No
G4-7	Nature of ownership and legal form	9	No
G4-8	Markets served	9	No
G4-9	Scale of organization	9	No
G4-10	Employee profile	77-78	No
G4-11	Percentage of employees covered by collective bargaining agreements	100% of employees are covered, except interns and free-lancers, who do not have CLT contracts	No
G4-12	Description of organization's supply chain	82	No
G4-13	Significant changes in organization's size, structure, ownership and supply chain	15,104 and 106	No
G4-14	Description of how the precautionary approach or principle is addressed by the organization	19 The aspects covered by risk management comprehend aspects that are not directly related to the precautionary principle.	No
G4-15	Charters, principles or other externally developed initiatives	Since 2010 Anhanguera Educational has been a signatory to the United Nations Organization's Global Compact, the National Commitment for the Eradication of Slave Labor, organized by the Instituto Ethos, the International Labor Organization (ILT) and the NGO Repórter Brasil, and the Business Pact for Integrity and against Corruption, an initiative by UniEthos, Patri Relações Governamentais & Políticas Públicas, the United Nations Development Program (UNDP), The United Nations Office on Drugs and Crime and the Brazilian Global Compact Committee.	No

	Description	Page/response	External assurance
G4-16	Membership of associations and national or international advocacy organizations	Anhanguera Educacional is a member of the Brazilian higher education association Abmes (Associação Brasileira das Mantenedoras de Ensino Superior) and the São Paulo state higher education association Semesp (Sindicato das Entidades Mantenedoras de Estabelecimentos de Ensino Superior do Estado de São Paulo).	No
Material aspects identified and boundaries			
G4-17	Entities included in the consolidated financial statements and entities not covered by the report	16	No
G4-18	Process for defining the report content	104	No
G4-19	List of material aspects	104-107	No
G4-20	Boundary, within organization, for each material aspect	104-107	No
G4-21	Boundary, outside organization, for each material aspect	104-107	No
G4-22	Restatement of information provided in previous reports	104	No
G4-23	Significant changes in scope and boundaries of material aspects compared with previous reports	104	No
Stakeholder engagement			
G4-24	List of stakeholder groups engaged by the organization	61	No
G4-25	Basis for identification and selection of stakeholders with whom to engage	61	No
G4-26	Approach to stakeholder engagement	61	No
G4-27	Key topics and concerns raised through stakeholder engagement, by stakeholder group	61	No
Report profile			
G4-28	Reporting period	104	No
G4-29	Date of most recent previous report	104	No
G4-30	Reporting cycle	104	No
G4-31	Point of contact for questions regarding the report or its content	106	No
G4-32	Option of application of guidelines and location of GRI table	108	No
G4-33	Policy and current practice with regard to seeking external assurance for the report	The 2013 Social Responsibility Report was not submitted to external assurance. Only the annual balance sheet (financial information for the year) was validated by independent auditors.	No
Governance			
G4-34	Governance structure in the organization	15-18	No
G4-35	Process for delegating authority for economic, environmental and social topics	17-18; 85	No
G4-36	Executive level positions with responsibility for economic, environmental and social topics	17-18; 85	No
G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	24	No

GRI SUMMARY

	Description	Page/response	External assurance
G4-38	Composition of the highest governance body and its committees	17-18	No
G4-42	Role of highest governance body and executives in development of impact management policies and targets	17-18	No
G4-48	The highest position responsible for formally approving the sustainability report and ensuring all material aspects are covered	85	No
Ethics and integrity			
G4-56	Values, principles, standards and norms of behavior in the organization	5	No

Specific content

ECONOMIC DIMENSION

	Description	Page/response	External Assurance
G4-DMA	Economic performance	97-98	No
G4-EC1	Direct economic value generated and distributed	98	No
G4-EC4	Significant financial help received from government	56	No
G4-DMA	Market presence	77 and 91	No
G4-EC5	Ratio of lowest salary in organization to local minimum wage, by gender	77	No
G4-EC7	Impact of infrastructure investments offered for public benefit	91	No
G4-DMA	Indirect economic impacts	55	No
G4-EC8	Description of significant indirect economic impacts	54	No

ENVIRONMENTAL DIMENSION

	Description	Page/response	External Assurance
G4-DMA	Materials	103	No
G4-EN2	Percentage of recycled materials used	103	No
G4-DMA	Energy	102	No
G4-EN3	Energy consumption within the organization	102	No
G4-EN6	Reduction in energy consumption	102	No
G4-DMA	Water	103	No
G4-EN8	Total water withdrawal by source	103	No
G4-DMA	Effluents and waste	103	No
G4-EN22	Total water discharge by quality and destination	103	No
G4-EN23	Total weight of waste, by type and disposal method	103	No

SOCIAL DIMENSION

	Description	Page/response	External Assurance
G4-DMA	Employment	73	No
G4-LA1	Total number and rates of new employee hires and employee turnover	80-81	No
G4-DMA	Training and education	74	No
G4-LA9	Average hours training per year	73	No
G4-LA11	Percentage of employees receiving performance reviews	74	No
G4-DMA	Equal remuneration between women and men	77	No
G4-LA13	Ratio of women's basic salary to men's by functional category and relevant units	77; 81	No
G4-DMA	Local communities	83-95	No
G4-SO1	Percentage of operations with implemented local community engagement, impact assessment and development programs	83	No
G4-DMA	Product and service labeling	40	No
G4-PR5	Results of surveys measuring customer satisfaction	40	No
G4-DMA	Marketing communication	31	No
G4-PR7	Cases of non-compliance related to product and service communication	There were no cases of non-compliance in 2013	No
G4-DMA	Compliance	24	No
G4-PR9	Fines for non-compliance regarding the provision and use of products and services	24	No

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