

SUSTAINABILITY
REPORT
2014



WWW.ISAEBRASIL.COM.BR

SUMMARY



PRESIDENT'S MESSAGE 04



SUSTAINABILITY REPORT 05



INSTITUTIONAL OVERVIEW 07



COMMITMENTS AND PARTICIPATIONS 12



GOVERNANCE 24



EDUCATIONAL PERFORMANCE 37



SOCIAL PERFORMANCE 52



ENVIRONMENTAL PERFORMANCE 86



ECONOMIC PERFORMANCE 95



GRI INDEX 99

COMMUNICATION ON PROGRESS

Signatory to:

PRME Principles for Responsible
Management Education



ISAE has projects and actions to support the Millennium Development Goals.





PRESIDENT'S MESSAGE

GRI – 1.1 | PRME – 1

ISAE has disseminated its sustainable practices to society through sustainability reports since 2004. This year, the 11th edition brings innovation as a premise. More than a report of actions, the document reflects the way ISAE inspires globally responsible leaders.

Developed in a participatory manner – with the support of all areas and guided by stakeholders –, ISAE Sustainability Report presents a series of actions and programs that integrate environmental responsibility with the institution's products and management, guided by the Global Reporting Initiative methodology (GRI).

Aligned with the UN Global Compact, Principles for Responsible Management Education (PRME) and

Millennium Development Goals (MDGs) – in transition to Sustainable Development Goals (SDG) –, ISAE's actions are a practical initiative for the efficient implementation of these themes in school curricula and in the institution.

As you will see in the following pages, by means of this report ISAE reinforces its effective commitment to internationally accepted principles towards sustainable global management and responsible management education.

Have a good read!

Norman de Paula Arruda Filho
President of ISAE



SUSTAINABILITY REPORT

GRI – 2.1, 2.4, 2.5, 2.6, 3.1, 3.2, 3.3, 3.5, 3.6, 3.7, 3.8, 3.9

PRME – 1, 2, 3, 5, 6

Since 2004, ISAE – a nonprofit scientific and technological institution, organized under non-economic objectives – has published its sustainability report annually. This is the third report produced according to the G3 Guidelines from the Global Reporting Initiative (GRI).

The previous document was published on May 6th, 2014. The actions described in this report were developed in 2014 – between January 1st and December 31st.

The report was developed with the support of managers from all areas in the institution, who provided essential information for its elaboration. Besides, the results obtained in the 3rd Multi-Stakeholder Panel were also used, for they reveal the perception of

different ISAE audiences. The process of developing the report is conducted by the President's Advisory Board and the final report is approved by the Corporate Management Board. The report's working group also referred to internal control files, management reports, official documents and institutional advertising.

Following the GRI G3 Guidelines, ISAE declares an Application Level B. The document includes 23 core indicators and 8 additional indicators, besides the institution's profile and management approach. The information in this report shows ISAE's performance through its management model, in the Curitiba headquarters and Londrina branch.

Information on the report | GRI – 3.4

Gabriella Pita
gabriella.pita@isaebrazil.com.br | 55 (41) 3388-7822

Líria Rodrigues
liria.rodrigues@isaebrazil.com.br | 55 (41) 3388-7864

Hearing Office
ouvidoria@isaebrazil.com.br

Working Group

Graphic Design
André Miranda – Communication and Marketing

Report Coordinator
Gabriella Pita – President's Assistant

Institutional Articulation
Líria Rodrigues – President's Assistant

Reporting Team
André Massolin – Commercial Relationship
Bruno Hack – Communication and Marketing
Carolina Benelli – President's Assistant
Cleyton Caetano – Environmental Management Committee
Cristina Pschera – Project Office
Danielle Hernandez – Corporate Solutions
Fernanda Santos – People Management
Isabela Ferrarese – Quality Management
Josemar Chved – Controllershship
Maira Ruggi – Research Center
Marlon Souza – Academic Management
Rebecca Giese – Perspectivaction
Rosane Zancan – Financial Department
Simone Domorato – Solution Development
Tania Lopes – Corporate Management Board

Address
Av. Visconde de Guarapuava, 2.943, Centro | Curitiba-PR, Brasil
CEP: 80.010-100



INSTITUTIONAL OVERVIEW

PROFILE

ISAE | *Responsible Management Education*

GRI – 2.1, 2.2, 2.3, 2.8 | PRME – 1, 2, 3

The Higher Institute of Administration and Economics (ISAE) is a non-profit, scientific and technological institution that has the goal of forming globally responsible leaders. ISAE trains professionals to promote social, corporate and economic development through the innovation of management models, offering short and medium-term courses, international modules, postgraduate and MBA courses (open and in-company), and the Professional Master's in Governance and Sustainability.

Since 1996, ISAE has transcended geographical barriers and operated on a global basis, dialoguing with the most modern trends and educational frameworks that tackle the challenges in this millennium. The institution also contributes to the growth of the market by training professionals with a systemic vision of sustainability and its importance. ISAE is a signatory of the Global Compact and the Principles for Responsible Management Education (PRME) – both United Nations initiatives.

The institute has trained more than 20 thousand students, having academic excellence evinced by the high quality scientific production of faculty and students – which has been awarded at various knowledge forums.

ISAE is located in Curitiba, with a branch in Londrina. The workforce is composed of 117 professionals, including staff (CLT), trainees, young learners and service providers. Its gross annual turnover in 2014 was R\$ 27,636,947 million (US\$ 9 million). The institute had 4,800 students in 2014.

GETULIO VARGAS FOUNDATION (FGV)

The tradition of an institution that is a model in Latin America

GRI – 2.2 | PRME – 1, 2

Getulio Vargas Foundation (FGV) is one of the largest academic institutions in Brazil focusing on Social and Economic Sciences. Founded in 1944, it is a center of excellence in research and intellectual production.

ISAE is licensed by the Getulio Vargas Foundation in Paraná since it was established in 1996, and offers lato

sensu courses (postgraduate and MBA) certified by FGV – which are designed according to FGV programs, but with some ISAE extras to complement responsible management education, such as Perspectivation educational model.





Market

GRI - 2.7 | PRME - 2,3

ISAE operates in the state of Paraná offering open courses and in-company solutions. In 2014, the institute had 1,651 students in the headquarters in Curitiba, 369 students in the Londrina branch, and 2,780 students in corporate courses.

ISAE students come from 123 municipalities in Brazil, located in the following states and Federal District:

OPEN COURSES - CURITIBA AND LONDRINA

STATE	%
PR	93.68%
SC	2.30%
Not informed	1.21%
SP	0.86%
DF	0.40%
RS	0.40%
RJ	0.34%
MT	0.23%
PE	0.23%
MG	0.17%
AM	0.06%
ES	0.06%
PI	0.06%



Table - ISAE students per program - Curitiba and Londrina

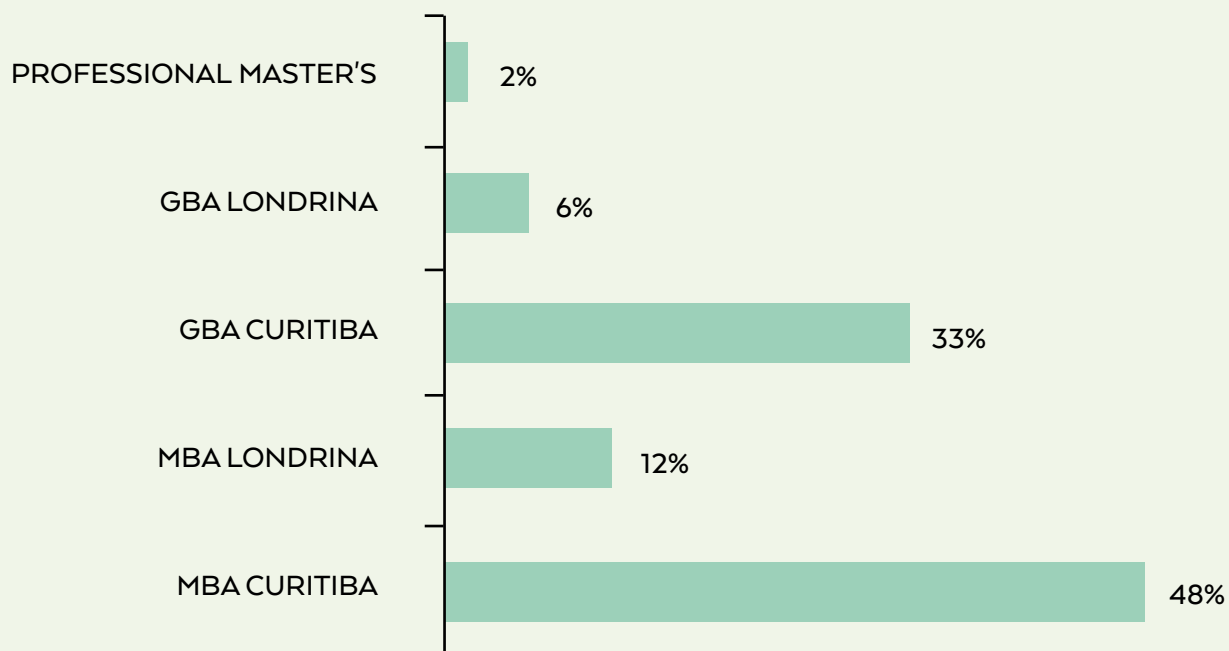


Table – ISAE students per program – Curitiba and Londrina

CORPORATE COURSES

STATE / COUNTRY	STUDENTS	%
Paraguay	10	0.4%
Paraná	2520	90.6%
Santa Catarina	100	3.6%
Bahia	25	0.9%
São Paulo	50	1.8%
Minas Gerais	75	2.7%
Total	2780	100%

Table – ISAE in-company students

% STUDENTS PER PRODUCT

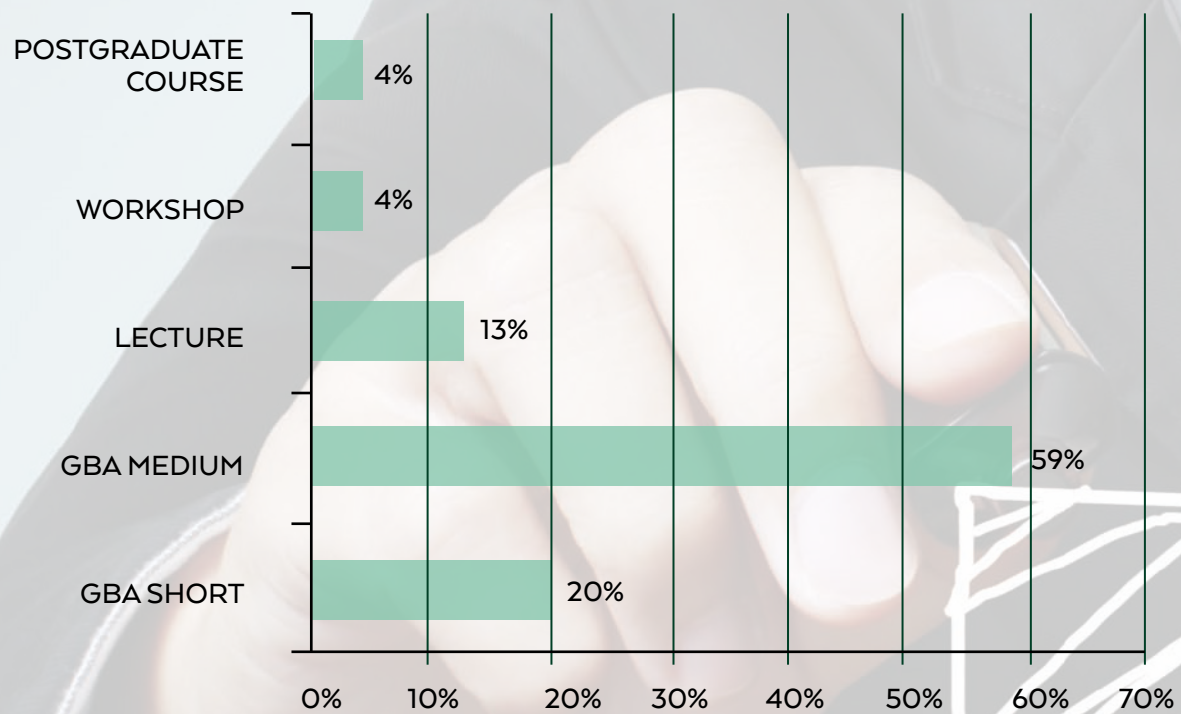


Chart – ISAE in-company students



COMMITMENTS AND PARTICIPATIONS

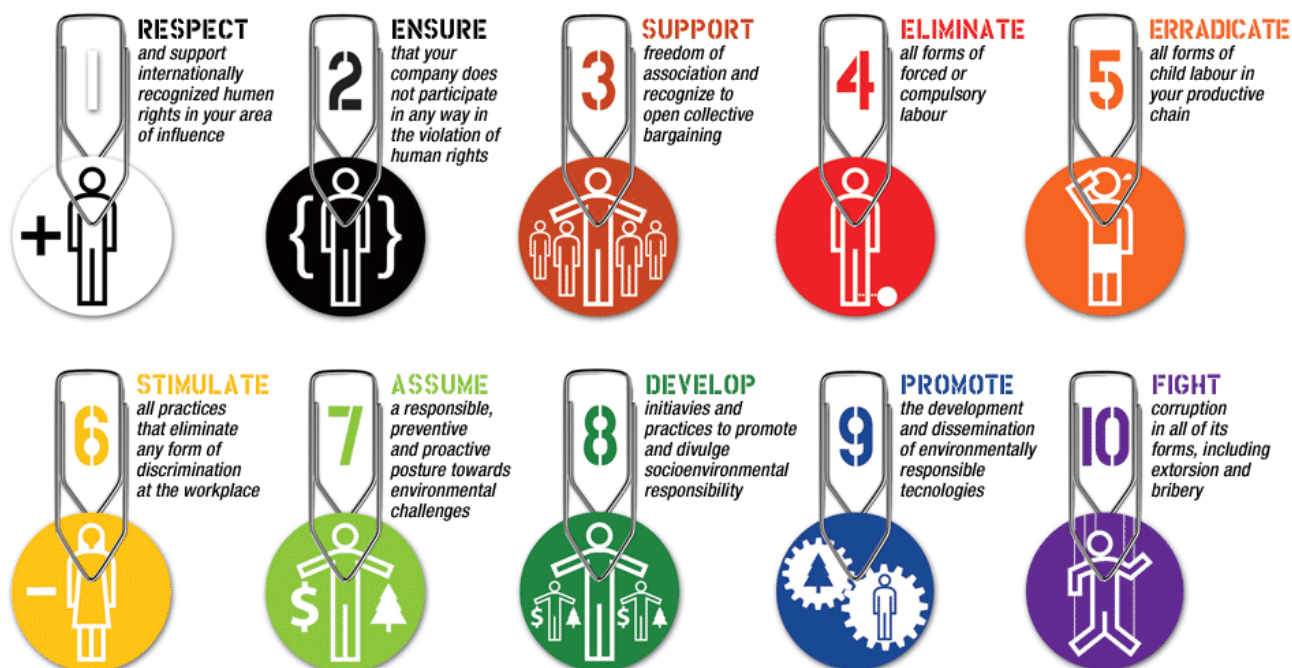
GRI – 4.11, 4.12, 4.13, SO1 | PRME – 1, 2, 3, 4, 5, 6

Global Compact – 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 | MDG – 1, 2, 3, 4, 5, 6, 7, 8

GLOBAL COMPACT

ISAE has been a UN Global Compact signatory since 2001. The Global Compact is an initiative developed by former UN Secretary-General Kofi Annan that aims at mobilizing the international business community to adopt, in their practices, internationally accepted values of human rights, labor, environment and anti-corruption, stated in 10 principles.

GLOBAL COMPACT PRINCIPLES



GLOBAL COMPACT BRAZILIAN COMMITTEE (CBPG)

The Global Compact's governance in Brazil is carried out by the Brazilian Committee (CBPG), which is formed by 39 companies. Besides being one of the committee members, the president of ISAE Norman de Paula Arruda Filho was vice-president of the group in 2014, along with three major Brazilian companies: Petrobras, Itaipu and Companhia Paulista de Força e Luz (CPFL). The company Braskem held the presidency of the group.

This board's term ended in December 2014. The following companies were elected for the next term:

Grupo Abril – Presidency

Basf, Beraca, Grupo Libra, Itaú Unibanco – Vice-presidency

GLOBAL COMPACT ACTIONS

One of the actions undertaken for the development of the CBPG is a pro bono consultancy for the committee. The work was conducted by ISAE and provided important information for understanding the signatories' perceptions of the Brazilian network. During the process, ISAE developed an online survey with members of the Global Compact Network Brazil, and interviewed CBPG leaders and executives from the following networks: Brazilian Business Council for Sustainable Development (CEBDS), Ethos Institute and Global Compact Network Spain. The institute also analyzed official CBPG documents. Thus, a final report was presented to CBPG with suggestions and proposals for improvement in respect with the group's performance in Brazil. The consultancy study was then used as the basis for voting on the new CBPG governance model.

The president of ISAE also delivered a lecture on November 4th at the Global Compact Network Brazil Annual Meeting. The event was also attended by George Kell, executive director of the UN Global Compact.



On November 5th, Norman de Paula Arruda Filho delivered a lecture at the event *Estação Sustentabilidade*, promoted by the Global Compact in the HSM Expomangement fair.



In December 2014, the Global Compact celebrated the 10th anniversary of the 10th principle (fight corruption). At the occasion, nearly 250 companies – signatories of the initiative *Call to Action: Anti-Corruption and the Global Development Agenda* – were acknowledged for their public commitment to transparency and fighting corruption in the last decade. ISAE and other Brazilian companies have signed the initiative's letter of commitment – thus Brazil became the country with the largest number of signatory companies.

BRAZILIAN COMPANIES SIGNATORIES OF THE CALL TO ACTION (UNTIL DECEMBER 10TH, 2014)

1. Add Value
2. Banco Industrial E Comercial S.A.
3. Beraca Sabara Químicos
4. Camargo & Campos Recursos Humanos
5. Copel
6. Copagaz Distribuidora de Gás S/A
7. DISOFT
8. Eletromil Engenharia e Energia
9. Engpiso
10. Grupo Abril
11. Grupo Boticário
12. Grupo Libra
13. HI Technologies
14. ISAE/ FGV
15. Itaipu Binacional

Source: www.pactoglobal.org.br

PRINCIPLES PRME



Purpose

We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.



Research

We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporations in the creation of sustainable social, environmental and economic value.



Values

We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.



Partnership

We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.



Method

We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.



Dialogue

We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.

PRME

The Principles for Responsible Management Education (PRME) were developed in 2006, at the invitation of the Global Compact executive director Georg Kell, by a group of 50 rectors of educational institutions in the world – including ISAE, represented by its president. The six principles guide the management of academic institutions, corporate universities and support organizations – such as regional councils, federations and business associations – that have committed to follow them.

As a PRME signatory, ISAE has incorporated the principles proposed to business schools in its curricula transversally, besides heading the PRME Chapter Brazil.

PRME CHAPTER BRAZIL

GRI 4.13

Due to its geographical position and active network, Brazil is the only country with significant mobilization to have its own chapter in the PRME governance structure.

Similarly to the UN Global Compact trajectory, the PRME initiative has started a governance process by investing in local leadership, with the goal of expanding the number of signatories and improving the group's performance in the implementation of the six principles, thus impacting the actions of each signatory. Today, the Brazilian network is a major local network of the initiative, gathering 24 universities, one corporate university and two support organizations.

PRME ACTIONS

Member institutions of the PRME Chapter Brazil participated in four official group meetings.



Major activities of the group include:



Promoting the Sustainability Literacy Test

The Higher Education Sustainability Initiative (HESI) and Kedge Business School (France) launched the Sustainability Literacy Test in 2004 – a tool to assess the minimum level knowledge in economic, social and environmental sustainability for higher education students, applicable all over the world

In order to develop and disseminate research in Brazil, HESI and Kedge Business School had the support of ISAE and PRME Chapter Brazil. ISAE produced the questions about the reality of sustainability in Brazil and applied the test. The chapter contacted other schools to promote the application of the test.

With this work, Brazil was the second nation with the largest number of students taking the test – 2,067 students (the first was France, where the project was developed). 9 out of 18 participating schools in Brazil were PRME signatories.



Promoting UNDP's Iniciativa Incluir

In 2014, the United Nations Development Program (UNDP) launched Iniciativa Incluir – an innovative online platform that seeks to disseminate initiatives and businesses focused on sustainability and social inclusion.

A publication will disseminate best practices of sustainable businesses and initiatives with the potential to be applied in different economic sectors and Brazilian regions. To produce the case studies of this project, the UNDP had the support of the PRME Chapter Brazil to promote the initiative among member institutions. ISAE, Dom Cabral Foundation (FDC), Higher School of Publicity and Marketing (ESPM), and Faculty of Economics, Administration and Accountability (FEA-RP/USP) were interested and thus selected to compose the project's working group.

The institutions have to develop 20 best cases of Brazilian companies on inclusive businesses to be published in 2015.

PRME CHAPTER BRAZIL COMMUNICATION CHANNELS

To help in the dissemination of the principles in Brazil, some signatory institutions undertook the production of the chapter's communication as follows:

- Administration Institute Foundation (FIA/USP) – develop the website
- Higher School of Publicity and Marketing (ESPM) – production of an institutional video
- SENAI/PR – Produce a booklet describing the principles
- SESI/PR – Translation of the Inspirational Guide (PRME publication on cases of best practices in educational institutions with respect to the implementation of the principles)



PARTICIPATION IN THE PRME LAC

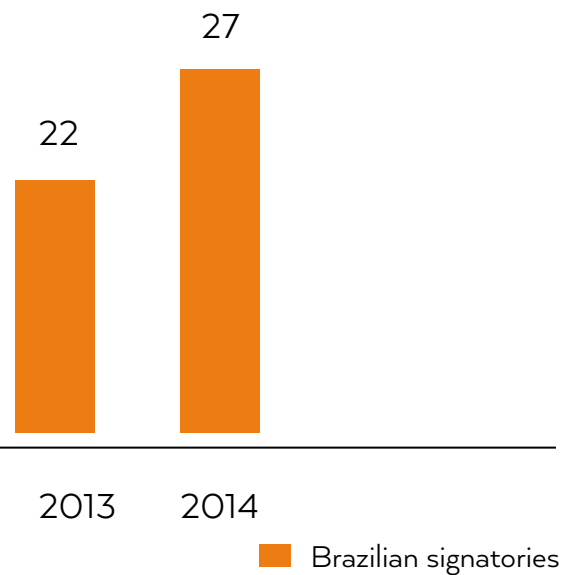
PRME Chapter Brazil is participant in Chapter Latin America and the Caribbean. In June, the president of the Brazilian chapter and president of ISAE, Norman Paula Arruda Filho, attended the 3rd PRME Regional Meeting Latin America and the Caribbean (PRME LAC) in Mexico.

Arruda Filho participated in the conference as a moderator and speaker, presenting the case *ISAE Perspectivaction – A New Responsible Management Education Framework*.



INCREASING THE NUMBER OF SIGNATORIES

In 2014, due to the work of dissemination of the principles carried out by the Brazilian chapter, the number of signatories increased 18%.



PRME CHAMPIONS GROUP

The PRME Champions Group was launched in 2013, gathering the 30 most active academic institutions in the implementation of the six principles – a kind of think tank in responsible management education. The group's goals include: define methodologies to measure various results in the implementation of the principles, define high performance benchmarks, and establish partnerships for research. Until the publication of this report, ISAE was the only Brazilian educational institution in the PRME Champions Group.

In July 2014, ISAE and other members of the Champions Group were in New York for a debate and a meeting with the Global Compact board of directors and the United Nations Secretary-General Ban Ki-Moon.

The discussion focused on the next steps of the UN educational initiative and the role of the Champions Group in transforming management

education in the world. In a lunch organized in partnership with the ambassadors of Brazil, Nigeria and Switzerland, the UN Secretary-General met with representatives of the PRME and the Principles for Responsible Investment (PRI). Participants discussed the preliminary version of the Sustainable Development Goals (SDG), which bring new objectives from the post 2015 Development Agenda.

The PRME Champions Group also launched a video competition called *The Future of Organizations*, for students of the group's member schools. ISAE students submitted 18 videos – two of which were among the finalists. Students Sandra Choma and Leonardo Boesche, from the Professional Master's in Governance and Sustainability, received honorable mention.

MILLENNIUM DEVELOPMENT GOALS (MDGs)

In 2000, 189 UN-member countries, including Brazil, gathered at the Millennium Summit, committed themselves to building a more peaceful, prosperous and just world. To do so, eight Millennium Development Goals (MDGs) were defined, which are part of ISAE's business strategies for developing a more just, inclusive and equitable society.



SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The Sustainable Development Goals are to be pursued by all UN member countries after 2015 – deadline for accomplishing the Millennium Development Goals.

ISAE has already started internal discussions on the transition to the SDGs. In order to advance the dialogs, the institution invited the Resident Coordinator of the United Nations System in Brazil and Resident Representative of the United Nations Development Program (UNDP) Jorge Chediek to teach a master class for students of the Professional Master's in Governance and Sustainability – topics included the SDGs. Students were also encouraged to advance knowledge on the new UN sustainable goals.

MOVIMENTO NÓS PODEMOS PARANÁ (WE CAN PARANÁ MOVEMENT)

Created in 2004 by the Paraná State Industry Federation (FIEP), to promote social awareness, citizenship and solidarity in an integrated manner, the movement's goal is to make Brazil achieve the eight Millennium Development Goals by 2015. ISAE is part of the group that discusses the advances of the goals in Paraná state.

CLADEA

ISAE is a member of the Latin American Council of Business Schools (CLADEA), organization that gathers the most important business schools in the world and offers a system of cooperation at global level, maintaining links with leading academic institutions. CLADEA has over 140 affiliate colleges in Latin America, North America, Europe and Oceania. All of them are higher education institutions dedicated to research in the field of public and private administration.

2014 CLADEA General Assembly

ISAE was one of the institutions participating in the council's annual assembly in Barcelona, on September 3rd to 5th. The president of ISAE presented his article on the interaction of the Professional Master's in Governance and Sustainability with the PRME.

EFMD

ISAE is a member of the European Foundation for Management Development (EFMD), a global organization dedicated to the continuous development of management, which also directs certification programs such as CEL (Technology Enhanced Learning), EPAS-EFMD Programme Accreditation System, EQUIS (the world's leading international accreditation for business schools) and CLIP (Corporate Learning Improvement Process). EFMD has over 760 members from 80 countries, playing an important role in the development of an international approach for education management. It is a source of information, network research, debate on innovation and best practices in management development.

PROJECT MANAGEMENT INSTITUTE

ISAE is a member of the program *Registered Education Provider* (REP) from the Project Management Institute (PMI). Following the PMI methodology – a worldwide standard for large corporations –, the institution is among the qualified providers of education in Project Management.

CEEMAN

CEEMAN is an international association for management development created in 1993 with the objective to accelerate the growth of management development, with respect to quality, in Central and Eastern Europe. Currently, it is a global network of management development institutions interested in quality of education and innovation, having over 210 institutions and individual members from more than 50 countries in Europe, Americas, Africa and Asia. ISAE is the only CEEMAN signatory institution in Brazil.

The CR3+ Conference is the result of a partnership between the Higher Institute of Administration and Economics, Hanken School of Economics (Finland), Audencia School of Management (France) and La Trobe University (Australia) – all of them PRME signatory institutions.

CR3+

The event's main objective is to promote the exchange of global knowledge about the various subjects that involve corporate sustainability and sustainable leadership training, by presenting previously selected national and international papers. This way, CR3+ intends to intensify exchange among global institutions, promote networking and share information to feed the PRME Brazil Chapter.



CR3+ 2014 – Australia

The 2014 conference was held in Melbourne, Australia, at La Trobe University on March 26-28. The president of ISAE, Norman Paula Arruda Filho, attended the meeting and presented a case on ISAE's educational model Perspectivaction.

ISAE IS ALSO MEMBER OF THE FOLLOWING INSTITUTIONS:

- Editorial Board of “Gestão” Magazine – ISCTE/INDEG
- Paraná Council of Corporate Citizenship (CPCE)
- Our Sustainable Paraná Alliance
- Higher Board at Paraná Commercial Association (ACP)
- Global Compact Brazilian Committee
- PRME Chapter Brazil
- PRME Champions Group
- United Nations Development Program (UNDP)
- Curitiba City Hall's Climate Change Forum
- Council of the program Service and Citizenship at Instituto GRPCOM

AWARDS RECEIVED IN 2014

GRI 2.10 | PRME – 5

Global Compact – 7, 8 | MDG – 1, 2, 7, 8

SELO ODM (MDG SEAL)

The Paraná State Industry Federation (FIEP) develops the movement *Nós Podemos Paraná* (We Can Paraná Movement). Thus, aiming to recognize and disseminate good practices to achieve the MDGs, the federation launched the certification MDG Seal in 2011, which is awarded to companies and institutions (public and third sector) that develop projects to fulfill the MDGs, thus advancing local development. For the second consecutive year ISAE was awarded for the Uná Management Volunteer Program.

The ceremony was held at FIEP and attended by 400 people from 148 awarded institutions, Curitiba municipal authorities, representatives of the Paraná state, FIEP / SESI / IEL System, General Secretary of the Presidency of Brazil, and United Nations System in Brazil.



GLOBAL COMPACT HONOR

For his role as vice-president of the Global Compact Brazilian Committee (CBPG), the president of ISAE Norman de Paula Arruda Filho was honored at the UN headquarters in Brasília, December 2014.





GOVERNANCE

GRI – 2.9, 4.1, 4.2, 4.3, 4.4, 4.7, 4.9, LA13 | PRME – 1, 2, 6

Global Compact – 1, 2, 3, 4, 5, 6, 7, 8, 10 | MDG – 3, 7, 8

ISAE has well structured governance management that values ethics, transparency, corporate responsibility, equity and accountability. ISAE's governance follows these guidelines:



Clear and contributory information for all audiences, fostering an atmosphere of trust and partnership.



Presenting annual results to the Fiscal Council and Administrative Council, as well as an independent audit every semester. ISAE also shares results with employees every month.



Fair treatment for all stakeholders. Discriminatory attitudes or policies under any pretext are unacceptable at ISAE.



Strategic objectives focused on best practices of governance and sustainability.



ISAE's corporate governance has 12 members (two women) who are part of the following structure: General Assembly, Administrative Council, Fiscal Council and Executive Directory.

On December 10th, due to the passing away of councilor Luiz Antonio Veloso de Souza, Norman de Paula Arruda Neto was appointed member of the Administration Council.

Board of Directors

Norman de Paula Arruda Filho
Roberto Pasinato
Tania Mara Lopes
Antonio Raimundo dos Santos

Administration Council

Ademar Cury da Silva
Maria José Bettega
Norman de Paula Arruda Neto
Helio Maya
Carlos Fernando Faria

Fiscal Council

Gilberto Luiz Pereira
Cezar Moreno de Carvalho
Nilson Pohl

To protect stakeholders' rights, at the end of each social exercise (the period from January 1st to December 31st) the Directory sends the financial report – correlating revenue and expenditure recorded in the respective period – to be analyzed by the Fiscal Council, then by the Administrative Council. Finally, it has to be approved by the General Assembly. In 2014, ISAE began to perform accounting audits every semester, seeking to improve processes and good practices of corporate governance.

Direction's acts are assessed in meetings of the Administrative Council by means of the strategic planning, management and financial reports, and trial balances of the year.

Directory meetings (REDIR) are held weekly with focus on strategic decisions for the organization. Risks and relevant opportunities are also analyzed, as well as ISAE's economic, environmental and social performance. These meetings involve the presidency, vice-presidency, education directory, corporate management directory and president's advisory board.



GENERAL ASSEMBLY

The General Assembly decides on all ISAE's matters of interest, with the exception of those which, by virtue of the Social Statute, are reserved for the bodies or the directory.



ADMINISTRATIVE COUNCIL

Composed of five members elected by the General Assembly, the council has competence to: decide and authorize the hiring of members of the Executive Directory and define their functions; approve the Internal Rules; assess the acceptance of donations, legacies, the acquisition and conveyance of real or equity estate; analyze the balance sheet, annual accounts and activity reports – which are then assessed by the General Assembly.



FISCAL COUNCIL

Composed of three members elected by the General Assembly, the council supervises the social bodies' fiscal and accounting acts, examines the balance sheet and annual accounts, and ensures compliance with the tax and labor legislation.



EXECUTIVE DIRECTORY

Composed of a president director, vice-president director and up to three directors, whether ISAE associates or not. The Directory, in college, is responsible for directing ISAE's activities, implementing management acts defined in the social statute, producing and submitting reports to the General Assembly and councils, establishing guidelines, as well as paying, recruiting and dismissing employees.

The Executive Directory produces and submits ISAE's multiannual planning proposal and annual programming, which include strategies, budgets, forecast of investments and expenses, etc.

The organizational framework stimulates ISAE team towards more synergistic actions, with focus on consolidating strategic projects, potentiating results and management excellence.

In order to strengthen communication between employees and the Executive Directory, ISAE area managers have monthly meetings, called REMAR – Monthly Meeting for Evaluating Results. And all employees participate in REGAR – General Meeting for Presenting Results, whose main objective is to present the achievement of goals and results (there were three meetings in 2014).

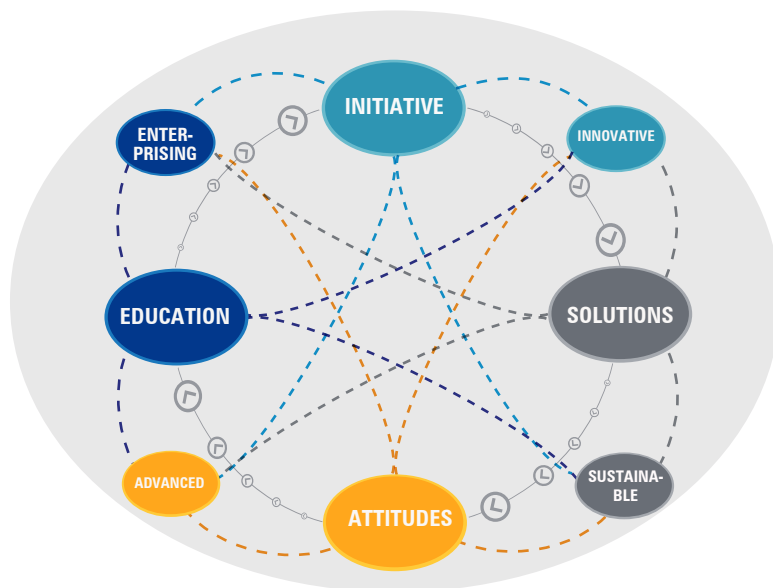
Since 2012, strategic committees have enabled the effective participation of employees in the organization's strategy and expanded the communication channel between internal public and Executive Directory. There are no formal communication channels between employees and councils. The Executive Directory provides reports to the Fiscal and Administrative councils every trimester.

STRATEGIC PLANNING

Our work follows guidelines with focus on initiatives, solutions, opinions and education, developing intercession and transversality with advanced, innovative, sustainable and entrepreneurial postures.

The flexibility of the combination of guidelines and postures inspires a different perspective about our way of being and doing, increasing the perception of value by stakeholders – thus moving the institutions towards building its legacy.

In 2014, the new organizational composition promoted more synergistic actions for the ISAE team, seeking the consolidation of strategic projects, besides maximizing results and excellence in management.



Strategic Plan Framework

ISAE Strategic Plan Framework is inspired by the criteria of the Management Excellence Model (MEG) and best management practices from the Brazilian Institute of Corporate Governance (IBGC). The strategic base is composed of permanent elements that guide the actions to be developed.

STRATEGIC BASE

MISSION GRI 4.8

Defines the reason for the existence of our institution:

"Contribute to sustainable development by promoting personal, business and social development through innovation, generation, stimulation and dissemination of knowledge in management".

VISION

Describes the long-term goal we want to reach:

"Be the best partner in developing sustainable solutions and generating results."

VALUES GRI 4.8

Represents the ethical guidelines for the institution's relations:

- Commitment towards sustainable results
- Assertive and effective communication
- Ethical relationship
- Team Spirit: collaboration, responsibility and synergy

STRATEGIC MAP

Graphical representation of the strategy

STRATEGIC OBJECTIVES

Short, medium, and long term

STRATEGIC PROJECTS

These are initiatives that directly contribute to the achievement of our strategic objectives, aligned to our mission.

TARGETS AND INDICATORS

Indicators help monitor our goals.

Strategic Map

ISAE's strategic planning process follows the pillars of the Balanced Scorecard methodology:



LEARNING AND GROWTH: Sets the objectives for the development of people, technological basis and internal culture, with focus on management excellence.



PROCESSES: Lists the processes that demand excellence to meet the expectations of customers.



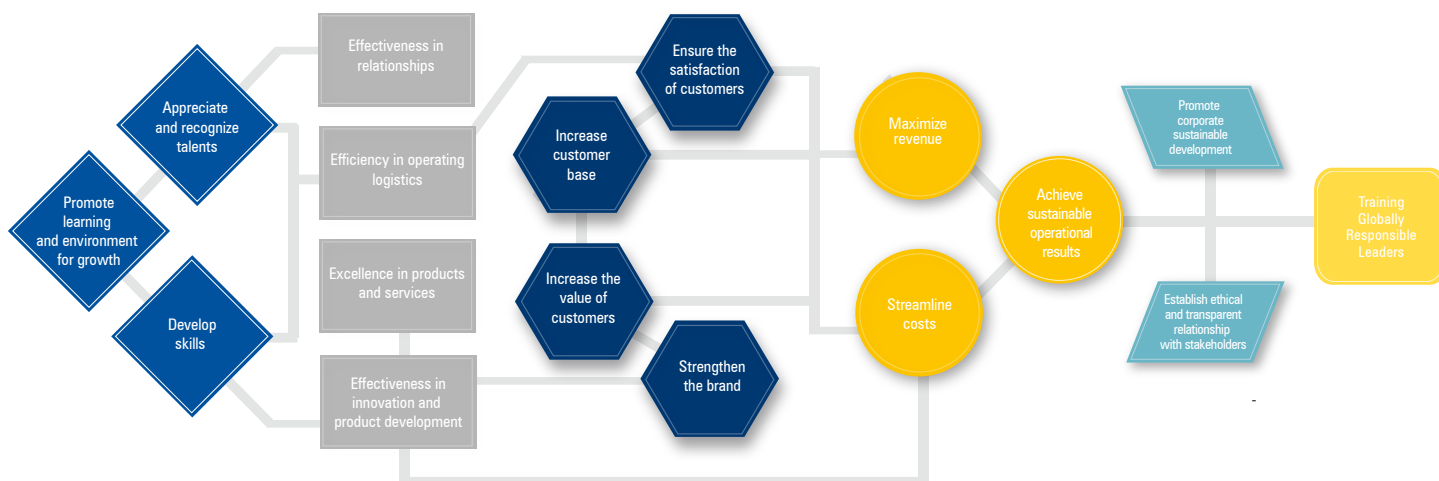
CLIENTS AND MARKET: Our main focus of interest, the perception of value by customers and the market is essential for achieving good results.



FINANCIAL RESULTS: Describes the conditions to develop and maintain the company in a sustainable way.



SOCIAL RESULTS: Concerns sustainable corporate results, contemplating social, environmental and economic sustainability.



Systemic Vision

ISAE's key competence is knowledge in management with focus on developing globally responsible leaders. We are directly connected with the market, aiming to create value for clients through collaboration and synergy of the value chain processes – thus obtaining innovation and excellence in relationships and quality in products and services.

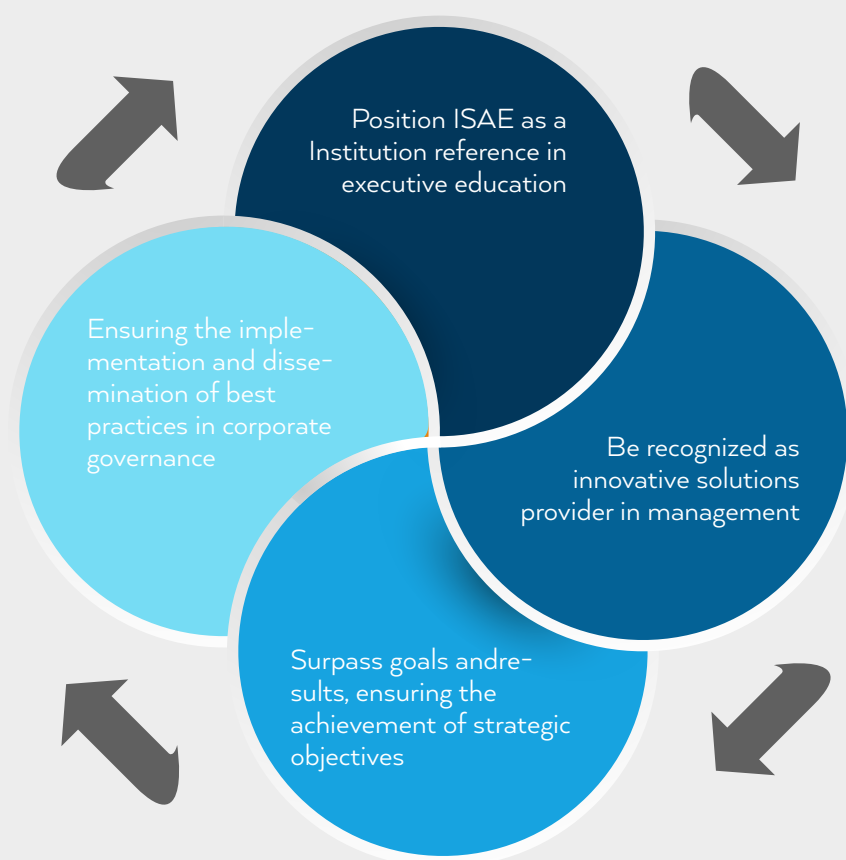


New Strategy

At the end of 2014, ISAE redesigned its Strategic Planning, presenting a new direction in the long-term, until 2025, using the methodology Sustainability Scorecard. In synergy with UNESCO's 5th Pillar of Learning – *Learning to transform oneself and society* –, the institution also rewrote its mission and vision, for believing that everything is in constant transformation, including the institute's positioning in society.

MISSION	VISION	VALUES
GRI – 4.8 PRME – 1, 2, 6 Global Compact – 1, 2, 3, 4, 5, 6, 10 MDG – 3, 7, 8	GRI – 4.8 PRME – 1, 2, 6 Global Compact – 1, 2, 3, 4, 5, 6, 10 MDG – 3, 7, 8	GRI – 4.8 PRME – 1, 2, 6 Global Compact – 1, 2, 3, 4, 5, 6, 10 MDG – 3, 7, 8
Be a protagonist of sustainable development, inspiring globally responsible leaders with transformative education.	Position ISAE as a model business school in transformative education, innovative solutions and sustainable results.	<ul style="list-style-type: none"> Ethical relationship Team spirit: collaboration, co-responsibility and synergy Clear and effective communication Commitment to sustainable results

STRATEGIC ACTIONS



Short term

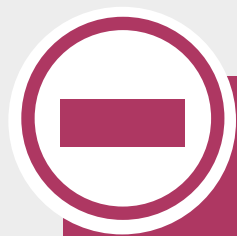
To consolidate our presence in an increasingly competitive market, we will focus on some fronts. Gaining scale is a mandatory phenomenon for surviving in the short-term. Similarly, we will define a portfolio of ISAE products – aligned with new market trends and our values with respect to forming globally responsible leaders.

Thus, an integrated performance with our customers, students and faculty (with special emphasis on local professors) is essential, as well as the constant quest for innovation. The training of employees with focus on management excellence will be the key for the success of the proposed actions. We have Perspectivaction as main guide and great advantage.



Medium term

Over the next three years, the challenge is to continue strengthening our portfolio of innovative products as a Higher Education institution. The goal is to conquer the education market with our recognized, high quality products through ISAEBRASIL Faculty. We will also promote actions with a focus on management excellence, consolidate the program of the Professional Master's in Governance and Sustainability, and implement distance education products.



Long term

Our great challenge over the next five years is to strengthen the ISAE brand. The goal is to be recognized by society as a company that advances innovation and spreads sustainability through products and actions to form responsible entrepreneurs – and also to be recognized locally, nationally and internationally as a model company for management excellence.





STRATEGIC COMMITTEES

GRI – 4.1 | PRME – 1, 2 Global Compact – 10

The Strategic Committees (Innovation, Potential Business, Risks, Management Excellence) are part of the participatory management that aims at developing teams aligned with organizational and strategic objectives, as well as adopting best management practices and stimulating organizational growth.

ISAE's organizational framework seeks to consolidate strategic planning actions with focus on the process of excellence in management, innovation and organizational growth.

In order to integrate actions into the institution's organizational model, the Strategic Committees adopted a new posture in 2014. When working with integrated agendas – following guidelines of the board of directors and in synergy with the Administration Council and Fiscal Council –, the committees discuss solutions and improvements for ISAE's procedures, always with the strategic approach of Innovation, Potential Business, Risks and Management Excellence. The new posture is based on best practices in the market.

CODE OF ETHICS AND CONDUCT

GRI – 4.6, 4.8, 4.9 | PRME – 1, 2, 6

Global Compact – 1, 2, 3, 4, 5, 6, 10

MDG – 3, 7, 8

To ensure that conflicts of interest are avoided, since 2010 the organization has provided a code of ethics and conduct for stakeholders. The Ethical Guidance Council – a collegiate body administratively linked to the Presidency – is in charge of its effective implementation. The Administration Council is responsible for applying penalties in cases of acts incompatible with the social statute and internal rules.

The document is a formal institutional reference of personal and professional conduct for employees, professors and service providers. The objective is to advance ethical behavior based on relevant fair values for everyone. The Code of Ethics and Conduct is delivered to the new employee along with the Integration Manual, and is also available on ISAE's website.

ETHICAL ORIENTATION COUNCIL

GRI – 4.6, 4.8, 4.9 | PRME – 1, 2, 6

Global Compact – 1, 2, 3, 4, 5, 6, 10

MDG – 3, 7, 8

Established in 2012, the Ethical Orientation Council aims to promote, guide and enforce compliance with the principles and commitments established by ISAE's Code of Ethics. With meetings held every trimester – besides extraordinary meetings to address specific or emergency issues –, the council deals with all subjects according to confidential information rules adopted by the institute. Reports are emailed directly to the council – conselho.etica@isaebrazil.com.br.

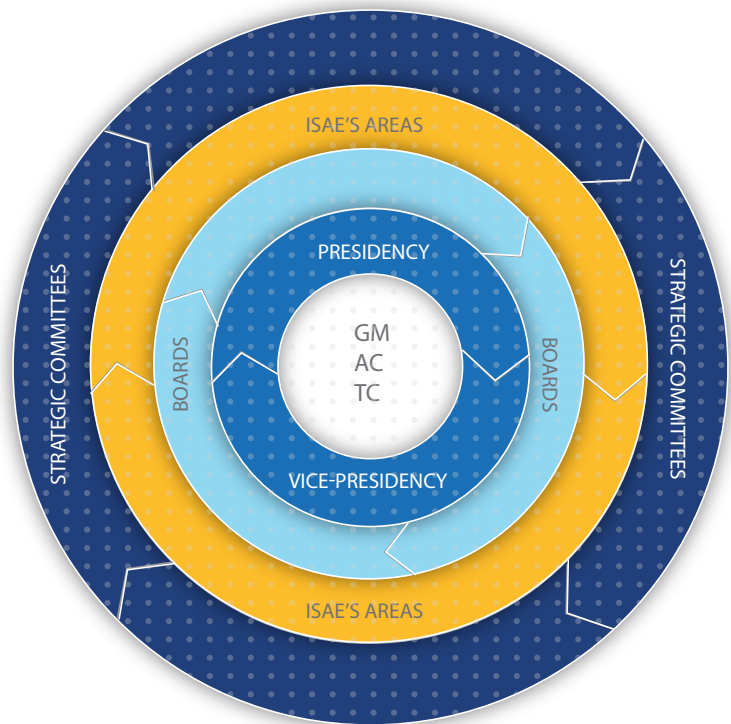
CULTURE OF EXCELLENCE

GRI – 4.10 | PRME – 2

Global Compact – 1, 2, 3, 4, 5, 6

MDG – 8

ADMINISTRATIVE
PRESIDENCE ADVISORY
BUSINESS INTELLIGENCE
COMMUNICATION AND MARKETING
CONTROLLER
SOLUTIONS DEVELOPMENT
DISTANCE EDUCATION
PROJECTS OFFICE
FINANCIAL
ACADEMIC MANAGEMENT
QUALITY MANAGEMENT
CORPORATE CONTRACTS MANAGEMENT
HUMAN RESOURCES
PERSPECTIVATION
ALIANCES AND PARTNERSHIP PROJECTS
BUSINESS RELATIONSHIP
ACADEMIC DEPARTMENT
CORPORATE SOLUTIONS
INFORMATION TECHNOLOGY



CORPORATE BOARD
EDUCATION BOARD

MANAGEMENT EXCELLENCE
COMMITTEE
INNOVATION COMMITTEE
POTENTIAL BUSINESS
COMMITTEE
RISKS COMMITTEE

GENERAL MEETING
ADMINISTRATIVE COUNCIL
TAX COUNCIL

ISAE follows the Management Excellence Framework (MEG) disseminated by the National Foundation of Quality (FNQ). The framework is structured into eight criteria (leadership, strategies and plans, customers, society, information and knowledge, people, processes, results) and 13 principles (systemic thought, network action, organizational learning, innovation, agility, trans-

forming leadership, look to the future, knowledge about customers and markets, social responsibility, valuing people and culture, reasoned decisions, process-based guidance, value creation), which express the comprehension about management excellence and are adopted by global organizations.

The school also has a daily process of financial control, with a dashboard in the Directory's room displaying strategic information on the goals of each area, finance reports and monthly academic performance.

For two consecutive years, the institution received the Paraná Award of Quality in Management (PPrQG). In 2014, ISAE worked internally to implement actions and practices suggested in the assessment report from the National Quality Award (PNQ), with focus on management excellence.

The management system also includes the performance of the strategic committees – Innovation Committee, Potential Business Committee, Risks Committee, Management Excellence Committee. They act in an integrated manner, with focus on ISAE's sustainability. Identified strategies are presented to the board of directors. In 2014, some of the committees' actions included: benchmarking of the best business schools in the world; benchmarking of premium products in business schools; production of an online scientific journal; map development and risk mitigation actions.

QUALITY AND AUDIT

To ensure the quality of management processes and the development of a culture committed to excellence, ISAE has a set of work regulations, processes, procedures and instructions to organize, standardize and measure performance.

Along with the Quality Management area, the procedures are subject to periodic analysis by the impacted sectors and, in a process of continuous improvement, are reviewed and updated. Internal audits are held every semester in order to assess the implementation, systematic maintenance of established procedures, and improvement actions.

ISAE's employees are also encouraged to suggest improvements for the Quality Management System through an established procedure.

Besides periodic benchmarking, the commitment to process quality is also linked to ISAE's representativeness in bodies such as the Management Excellence Benchmarking Committee (CBEG) and volunteer work for MPE Brasil – Competitiveness Award for Micro and Small Enterprises.

SUSTAINABILITY MANAGEMENT

GRI – 4.9, 4.10, 4.11 | PRME – 2
Global Compact – 1, 2, 3, 4, 5, 6, 10
MDG – 3, 7, 8

For ISAE, the concept of responsibility and sustainability is an organizational commitment that takes into account the impact of decisions and activities on society and the environment. In this context, the institution has a set of institutional and managerial arrangements to stimulate values and attitudes in favor of a global, inclusive and sustainable economy.



Strategies

- Integrate processes, policies, instruments and indicators consistent with sustainable development, quality of life and the society's well being into management practices.
- Consider stakeholders' interests and expectations in business practices.
- Ensure compliance with legal requirements and applicable regulations.
- Promote the integration of principles, guidelines and internationally accepted fundamental values throughout the organization.

Currently, the direction of the institution's sustainable practices is carried out by the Presidency. At the end of 2014, by applying sustainability transversally and following good governance practices, ISAE planned sustainability goals for all areas, in synergy with the strategic planning. Thus, in 2015, the operation of sustainable actions will be carried out by all areas, with the support of the Presidency. The sustainability goals are one of the components of ISAE's strategic remuneration program.

Recognizing that the pursuit of corporate sustainability requires organizations to establish *caring management*, creating value for stakeholders, ISAE has a Risk Committee. Its goal is to map and implement strategies for minimizing negative risks and making positive risks (opportunities) viable, as well as to ensure the operationalization of mechanisms and controls related to risk management, the coherence of policies with strategic guidelines and risk profile of the business.



EDUCATIONAL PERFORMANCE

STRATEGIC ACTIONS

ISAE students are, on average, 30 years of age. Of the total, 51% are up to 30 years of age, 32% between 31 and 37, 11% between 38 and 44, and 6% are over 44. Note: Londrina has 58% of students up to 30 years of age, as shown in the following table.

AGE	TOTAL	CURITIBA	LONDRINA
Up to 30	51%	55%	58%
31-37	32%	26%	25%
38-44	11%	12%	10%
Over 44	6%	7%	6%

Table – Distribution of students per ISAE school / age

With respect to gender, 67% of students are male and 33% female. Note: Londrina has 71% male students.

GENDER	TOTAL	CURITIBA	LONDRINA
Female	33%	31%	29%
Male	67%	69%	71%

Table – Distribution of students per ISAE school / gender

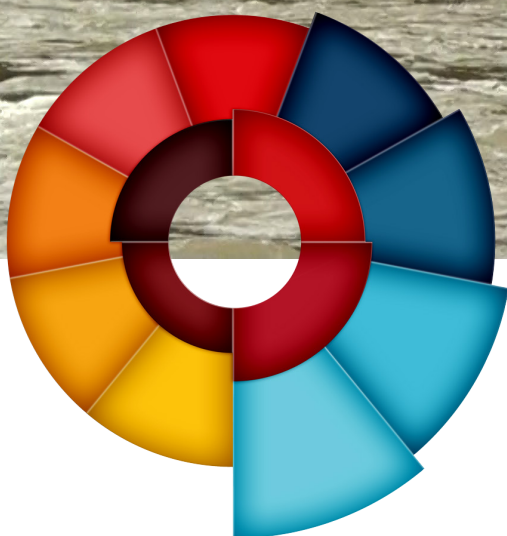
95.5% of ISAE students are currently employed – 25.5% are managers, 18% analysts, 13.5% coordinators, 18.5% company owners / partners. Note: 21% of Londrina students are company owners / shareholders.

OCCUPATION	TOTAL	CURITIBA	LONDRINA
Employed	96%	95%	96%
Unemployed	4%	5%	4%

Table – Distribution of students per ISAE school / occupation

POST	TOTAL	CURITIBA	LONDRINA
Manager	25,5%	28%	23%
Analyst	18%	25%	11%
Coordinator	13,5%	15%	12%
Owner / partner	18,5%	16%	21%
Supervisor	7%	6%	8%
Director	5,5%	4%	7%
Not registered	12%	-	-

Table – Distribution of students per ISAE school / post



PERSPECTIVACTION

GRI – ES9 | PRME – 1, 3, 5

Global Compact – 8, 9 | MDG – 7, 8

Perspectivaction is ISAE's great advantage. It is a unique and systemic educational model. By interrelating skills developed in the program, it integrates theory into practice to provide a global view of corporate processes, aiming at the holistic formation of globally responsible leaders.

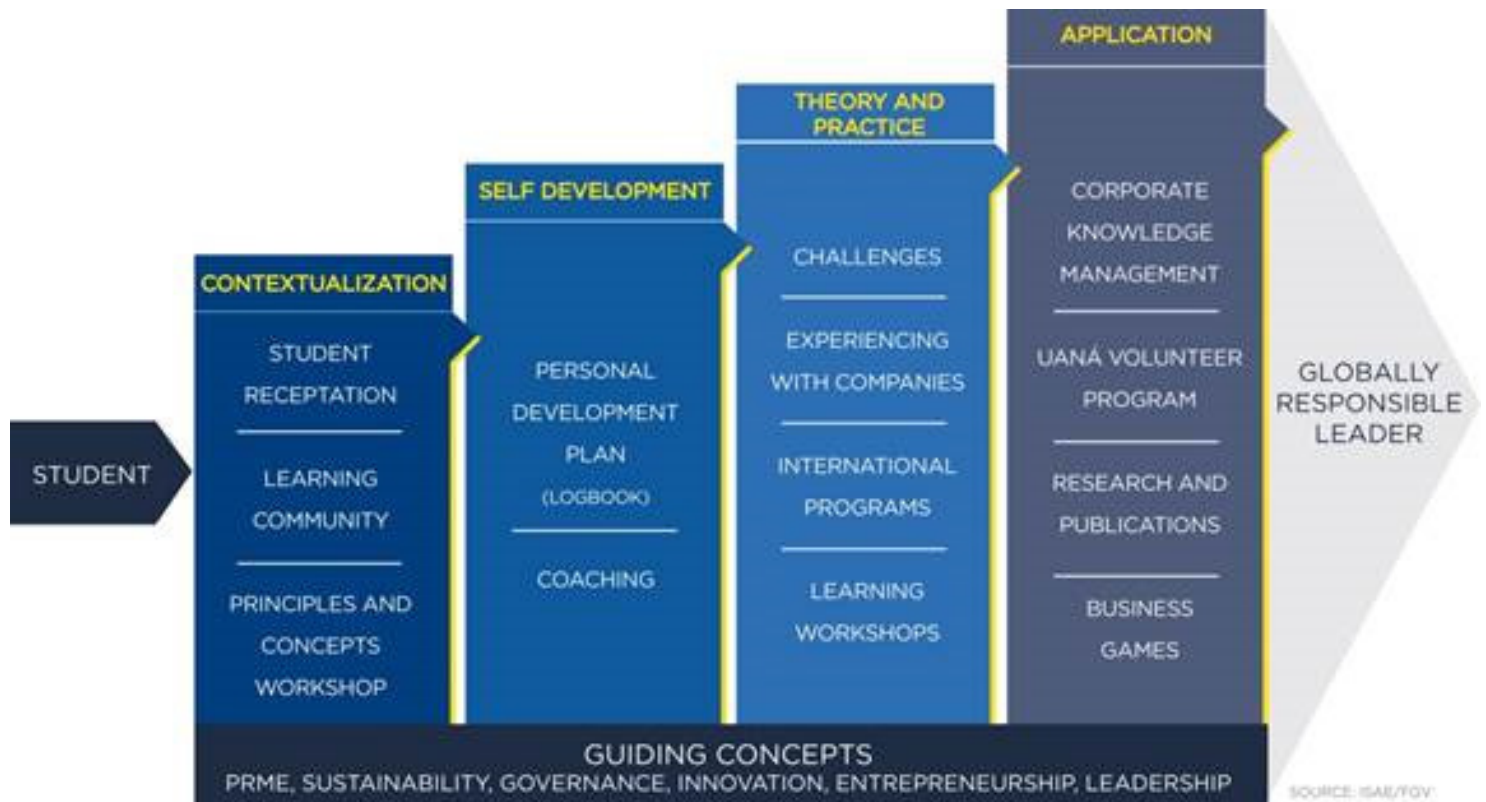
It was designed with the objective of supplementing the traditional MBA courses, based on the experience of complex thinking. Perspectivaction brings educational approaches focused on values and the student's individual characteristics.

Based on ISAE's guiding concepts and pedagogical assumptions, the institution structured a set of activities and tools to support the student's integral self-education, integrating specific skills developed throughout the course into skills applicable to various learning contexts for the development of leaders in the contemporary world.

This systematization offers students new visions and experiences outside of the school environment, expanding knowledge in management, with a proposal of responsible executive education.

The educational framework supports multiple dimensions of the human being, focusing on the self-education of a responsible leader, who knows how to deal with knowledge, who is able to respond adequately to the challenges with a new way of thinking, and also to mobilize their life trajectory in the integrated plan of the individual, person, professional and citizen. In addition, one of Perspectivaction's major advantages is to consider the student as the main protagonist in the process of learning and social change.

Perspectivaction consists of a set of 14 optional activities that permeate the student experience from the beginning to the end of the course, with the faculty acting as stimulating agents. Its pedagogical engineering favors cooperation, freedom of thought, individual and group research, with characteristics of internal and external interdependence.



All Perspectivaction activities seek to meet the principles of the Global Compact and the PRME.

STUDENT GUIDANCE

It's the student's first contact with the institution, happening before enrollment. The objective is to align expectations according to interests and needs, and give information on the course content and pedagogical methods.

STUDENT RECEPTION

Students are welcomed by the president and informed about Perspectivaction and the global platforms in which ISAE participates. They are also guided on how to get the most out of their experience at ISAE. Finally, course regulations and group managers are presented.

PRINCIPLES AND CONCEPTS WORKSHOP

It is a workshop held at the opening of classes, right after the Student Reception. The activity seeks to raise awareness and involve students in initiatives such as the UN Global Compact, PRME, Millennium Development Goals and ISAE Guiding Concepts.

LEARNING COMMUNITY / CAREER AND LEGACY

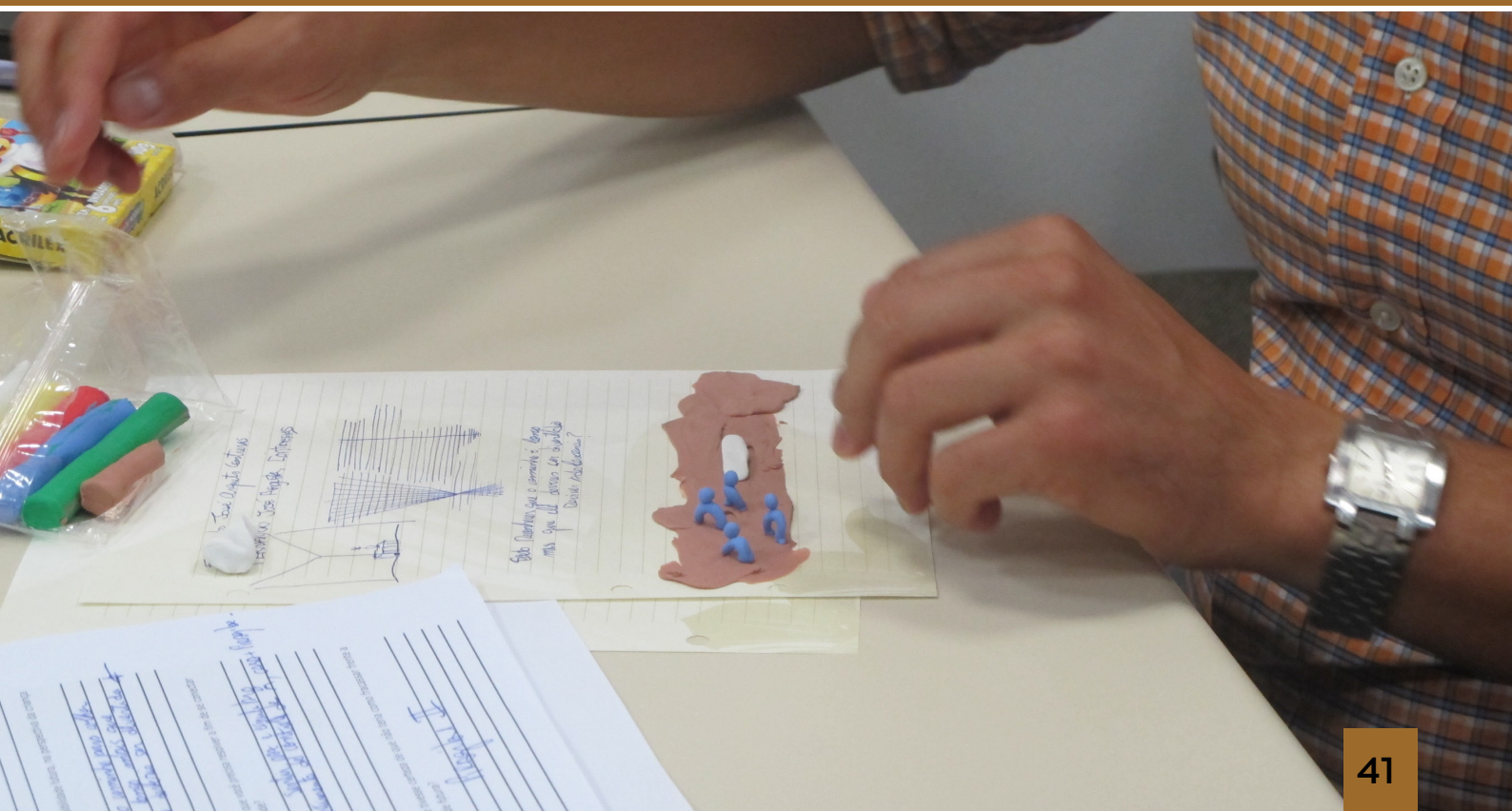
This workshop aims to prepare students for a new attitude towards learning, with exchange of experiences and concepts, pro-activity and group learning based on several principles (relearning; questioning, analyzing and synthesizing; sustainable commitment; collaborating, sharing and valuing diversity), thus setting an agreement for living together between every person in the group.

PERSONAL DEVELOPMENT PLAN

It is a structured process that develops the student's capacity to reflect on their learning, realization, education and career planning. This activity helps students to plan their careers with concepts like self-management and skill development, with focus on their life goals.

COACHING

It supports the student to implement the Personal Development Plan. The sessions are individual with the aim of directing and developing the career, advancing the process of professional growth and maximizing their potential and performance.





LEARNING WORKSHOPS

These workshops allow students to broaden their personal, professional and career skills in a participative, questioning and reflexive way. Participants acquire skills that complement the course contents. With focus on current themes and life stories related to business management, the workshops also encourage students to expand their professional network by meeting people from other courses and areas of expertise.

EXPERIENTIAL CHALLENGES

The activity stimulates the student to develop creative skills and greater flexibility in relations in an environment ideal for learning and exchanging experiences. Participants potentiate channels of cognitive, emotional, social, and psychomotor learning, improving the level of motivation and encouraging proactive attitudes in pursuit of common objectives.

EXPERIENCING THE COMPANY

This activity consists of technical visits, whose goal is to bring new experiences, combining theoretical knowledge addressed in the classroom with innovative and sustainable practices developed in the corporate environment.

UANÁ MANAGEMENT VOLUNTEERING PROGRAM

It aims to facilitate the participation of ISAE community in projects of voluntary consultancy, contributing to education, social participation, sustainable development and poverty reduction.

BUSINESS GAMES

The business games aim to reproduce reality by simulating real-life situations of companies and the market, using the students' knowledge in corporate management and encouraging the exchange of experiences in all disciplines. The activity aims to develop critical sense and decision power amid complex real-life experiences in the corporate environment.

RESEARCH AND PUBLICATIONS

This activity enables scientific, technological and innovative research, in order to contribute to the generation of knowledge, wealth and sustainable social development.

CORPORATE KNOWLEDGE MANAGEMENT

It consists of a process to gradually build up new knowledge, skills, attitudes, values and an expansion of consciousness, necessary for the scientific thought applied to technical, human and cultural business practices. It provides students with the means to conduct their self-education towards intellectual autonomy.

INTERNATIONAL PROGRAMS

Besides developing the participant's professional network, these programs offer a comprehensive view of economic and cultural elements that make up the global market dynamics, allowing managers to analyze the new role of companies, as well as their responsibility to society and the environment.

TRANSVERSALITY IN EDUCATION

GRI – 2.2, ES9, IN2 | PRME – 1, 2, 3, 4, 5, 6

Global Compact – 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 | MDG – 1, 2, 3, 4, 5, 6, 7, 8

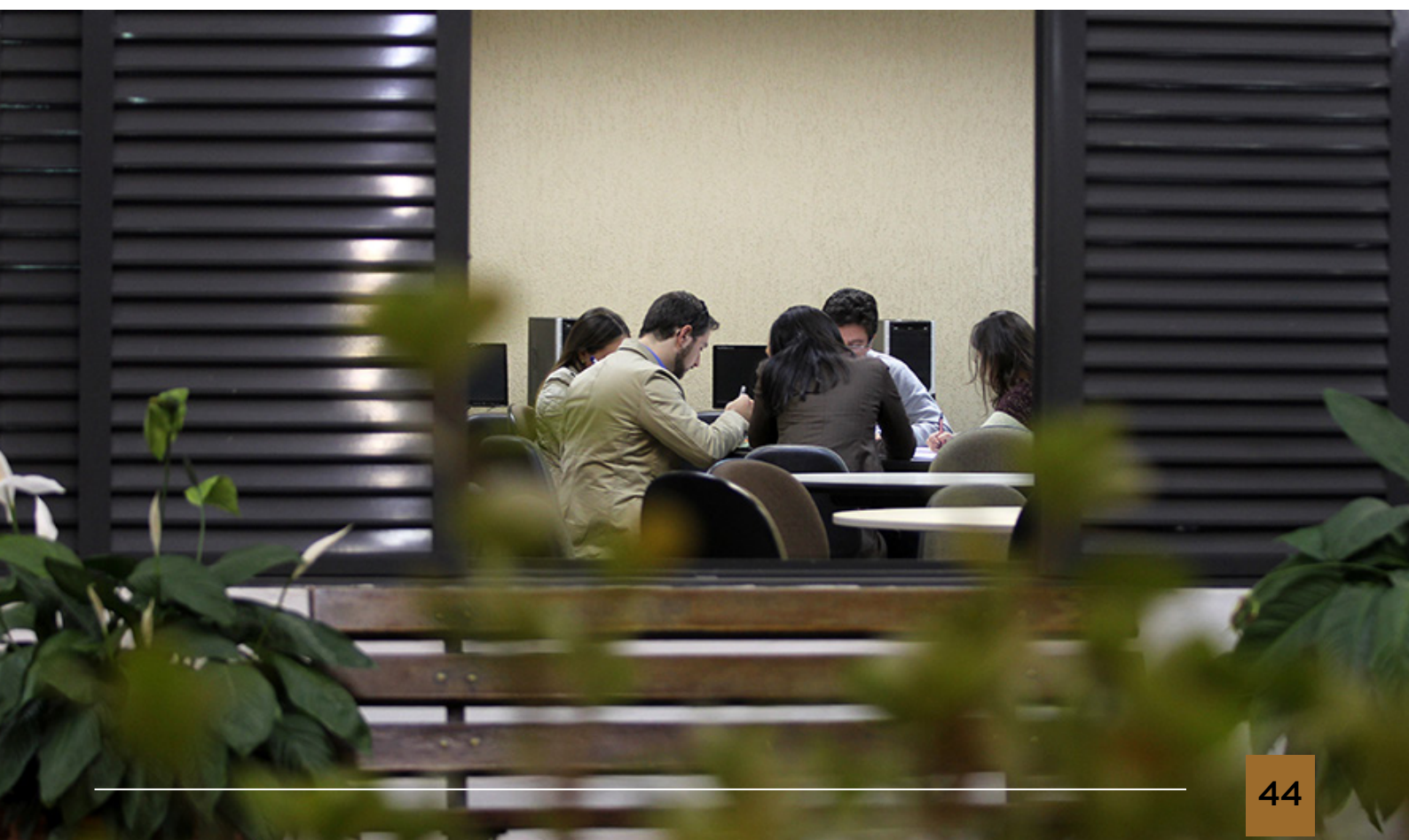
Transversality of the sustainability theme is treated by means of ISAE guiding concepts: ethics, sustainability, leadership, governance, innovation and entrepreneurship.

The MBA courses have disciplines related to leadership, corporate responsibility and sustainability. The disciplines vary according to the cognitive axes of the courses:

- Specific axis with the contents: innovation, corporate governance, ethics, social responsibility and sustainable development
- Strategic axis: leadership, people management and entrepreneurship
- Experimentation axis: activities of the Perspective educational model

The practice of transversality in education integrates guiding concepts into traditional curriculum contents in order to influence the process of changing society. At ISAE, transversal themes are related to responsible management education, focusing on the transition from the current society to a more sustainable, responsible, fair and supportive society. These concepts are present in all ISAE's activities, thus creating an institutional environment that advances the formation of globally responsible leaders.

Norman de Paula Arruda Filho



MBA

GRI – ES3

PRME – 1, 2, 3

GC – 8, 9

MDG – 7, 8

ISAE's MBA curricula offer disciplines focused on environmental responsibility and corporate sustainability.

COURSES

SUBJECTS FOCUSED ON SUSTAINABILITY

LL.M. in Corporate Law

Environmental Law

Real Estate and Construction Management

Environmental Aspects in Real Estate

Corporate Sustainability

Corporate Strategic Management

Corporate Sustainability

Business Ethics

Strategic Management of People

Ethics and Sustainability

Corporate Governance and Succession

Human Development for Managers

Ethics, Corporate Governance, Socio-
Environmental Responsibility

Commercial Management

Corporate Sustainability

Commercial Ethics

Financial Management, Controllanship and Audit

Corporate Sustainability

Marketing

Branding and Marketing in the
Sustainable Economy

Corporate Management

Sustainability

Corporate Governance

Industrial Management

Business Ethics

Executive in Health

Social Responsibility and Ethics in
Health

Corporate Governance in Health

PERSPECTIVATION WORKSHOPS

GRI – ES3, ES8 | PRME – 1, 2, 3
Global Compact – 8, 9 | MDG – 7, 8

The following workshops were promoted in 2004:

- Sustainability Workshop (4 hours) for 20 students
- Corporate Governance Workshop (4 hours) for 28 students



PROFESSIONAL MASTER'S IN GOVERNANCE AND SUSTAINABILITY

GRI – ES3 | PRME – 1, 2, 3
Global Compact – 8, 9 | MDG – 7, 8

The pursuit of sustainability in all processes is a constant in the current global context. More than a necessity, strategic adequacy, governance and sustainability processes are a social demand expressed by public policies, companies and society.

In this scenario, governance emerges as a strategy for aligning organizational goals with these demands. Therefore, the master's course aims to: evaluate problems, solutions and practices related to governance and sustainability, which are essential for public, private and third sector organizations; generate knowledge; and form citizen professionals.

Following ISAE's guidelines and with the support of the United Nations' Principles for Responsible Management Education (PRME), the Professional Master's in Governance and Sustainability is the only one in Brazil to address these areas of knowledge. Its goal is to form conscious leaders to deal with the new paradigm of corporate sustainability.

The program follows one of the main global trends for executive education, which consists in offering training based on values, with a strong grounding in transdisciplinarity and experiential education, focusing on the individual's personal characteristics.

With a view to promote the exchange of knowledge between academia and the market, thus seeking to add a competitive edge, the Professional Master's in Governance and Sustainability proposes the development of research lines to leverage the management of organizations in respect to corporate sustainability.

Research lines:

■ Governance

Research is focused on good governance practices, comprising several aspects, such as organizational strategies, articulation, integrated management between councils and board of directors, external audit and stakeholder relations.

■ Sustainability

It emphasizes sustainability from the triple bottom line (economic, social, environmental) and in the context of organizational management. This line also includes research in urban and rural areas, in the public and private sectors.

The first group of the Professional Master's in Governance and Sustainability started in October 17, 2013. A new group started in 2014.

In order to integrate the market into academia, students had classes in the subject of Sustainability in Organizations with the following leaders:

- Jorge Miguel Samek – Director General of *Itaipu* (September)
- Ricardo Voltolini – President of *Sustainable Idea*; and Marcelo Bertoldi – Coordinator General of *IBGC Chapter Paraná* (October)
- Jorge Chediek – Resident Coordinator of the *United Nations System in Brazil*, Resident Representative of the *United Nations Development Program* (October)
- João Redondo – Corporate Manager of Sustainability of *Duralex S.A.* (November)

In the same subject of Sustainability in Organizations, students were invited to rewrite the concept of Sustainable Development, which was shared with Jorge Chediek and the UN Secretary-General Ban Ki-moon.

INTERNATIONAL RELATIONS

GRI – ES3, ES8 | PRME – 1, 2, 3
Global Compact – 8, 9 | MDG – 7, 8

In the formation of a globally responsible leader, international experiences are great opportunities to expand knowledge, establish new contacts and provide a more comprehensive view of the world of international business.

Experiencing different cultures leads to an analysis of the economic, financial, business, cultural, educational and managerial elements that make up the world market. It also allows business managers to assess and improve the performance standard of their organizations in order to face ongoing changes in the world.

Learning about other realities and new ways of doing business in different cultural environments are some of the advantages to add a competitive edge to a professional curriculum.

ISAE promoted three international programs in 2014:

■ International Module in Project Management

It is a program that was developed on the basis of a cooperation agreement signed between ISAE, Getulio Vargas Foundation (FGV) and George Washington University (GWU). The objective is to present a systemic view of the project management field, by means of theoretical classes with professors from the GWU School of Business and technical visits to major US corporations.

In 2014, 35 students participated in the International Module in Project Management, which was held on August 13-22. For more information on the program, visit:

www.isaebrasil.com.br/curso/modulo-internacional-gerenciamento-de-projetos-the-george-washington-university

■ International GBA in Luxury Market

ISAE developed this program in partnership with the ISC Paris Business School. The goal is to provide students with an overview of luxury – an important phenomenon of social life in contemporary societies – and knowledge on fashion, wines, haute couture, jewelry, tourism and arts for them to act in the world luxury market. Participants learn through lectures, classes, case studies, technical and cultural visits to major companies in the industry.

In 2014, 20 students participated in the International GBA in Luxury Market, which was held from October 27th to November 9th. For more information on the program, visit:

www.isaebrasil.com.br/curso/gba-internacional-em-mercado-de-luxo-paris

■ International Module in Sustainability

GRI – ES3

In December 2014, ISAE launched the International Module on Sustainability in South Africa, in partnership with the *Sustainability Institute and the University of Stellenbosch*. The course will be held in October 2015, with a special approach: besides having classes, students will experience real life situations to advance learning.

Cape Town – South Africa



RESEARCH

GRI – 2.9, IN1

PRME – 4

Global Compact – 9

ISAE created the Research Center in 2014. The strategic role of the center is to strengthen the brand ISAE by developing closer bonds with schools and companies that have similar goals – both in national and international contexts. The center reiterates the institution's commitment to the UN initiatives Global Compact, Principles for Responsible Management Education (PRME) and Sustainable Development Goals (SDG).

Main activities:

- Bring academia closer to companies
- Create space for mobilization and convergence of resources to provide solutions through research
- Develop and foster the production of applicable knowledge, especially related to governance and sustainability

In 2014, the group started the following activities:

- Research on World Cup legacies
- Production of a chapter for the book *Doing Business with the BRICS – Brazil*
- Research in partnership with the Lucknow University
- Partnership with UNDP
- Production of the book *Learning with Business Experiences*
- Organization of the event *ISAE Master's 1st Anniversary*
- Publication of *Paraná Cooperativo* magazine
- Organization of CR3+ Conference 2015

The president of ISAE had a series of articles and research supported at national and international conferences:

- Perspectivaction: A new responsible management education framework, by Norman de Paula Arruda Filho – CR3+ Conference: CRS Expanding Horizons. Melbourne, Australia, March 26-28.
- Perspectivaction: A new educational framework to include sustainability in Responsible Management Leadership, by Norman de Paula Arruda Filho – The Global Conference on Business Management. Singapore, June 12-13.
- Perspectivaction: A new educational framework to include sustainability in Responsible Management Education, by Norman de Paula Arruda Filho – 2nd World Symposium on Sustainable Development at Universities. Manchester, United Kingdom, September 3-5.
- Professional Master's in Governance and Sustainability: a Brazilian experience in developing Globally Responsible Leadership, by Norman de Paula Arruda Filho – IASIA Annual Conference. Port Elizabeth, South Africa, from June 30th to July 4th.
- Perspectivaction: A new responsible management education framework, by Norman de Paula Arruda Filho – PRME Latin America and Caribbean (PRME LAC). Mexico City, Mexico, June 16th.

- Professional Master's in Governance and Sustainability: a Brazilian experience in developing Globally Responsible Leadership, by Norman de Paula Arruda Filho – CLADEA Annual Assembly (Latin American Council of Administration Schools). Rio de Janeiro, Brazil, October 22nd.

Article Contest

GRI – 4.16 | PRME – 6

Integrated with the Partner Network Development Program, ISAE promotes a sustainability article contest for students, encouraging them to apply classroom knowledge in Perspectivaction workshops and training programs on sustainability. 2014 winner was Rafael Brenner and Silva, who is studying for an MBA in Real Estate and Construction Management, with the article *Sustainable Construction and Cities (A Construção Civil Sustentável e as Cidades)*. He was awarded with a tablet. The article was published in the institution's magazine *Perspectiva ISAE*.





SOCIAL PERFORMANCE

GRI - 4.4

SOCIETY

GRI - SO1

PRME - 1, 2, 3, 4, 5, 6

Global Compact - 1, 2, 3, 4, 5, 6, 7, 8, 9, 10

MDG - 1,2,3,4,5,6,7,8

STAKEHOLDER ENGAGEMENT

Stakeholder Groups

GRI – 4.14, 4.15

At ISAE corporate relations management is a continuous process that seeks to generate shared value along with stakeholders. Ethics in relationships is a value that guides the institute's actions with all publics. In order to develop strategies for stakeholder relations, the institution keeps an updated profile of its publics:

PUBLICS	DESCRIPTION
Students	Students enrolled in ISAE's short, medium and long-term courses
Corporate clients	Organizations requesting specific services from ISAE
Employees	All those people who work at ISAE – employees and service providers
Competitors	Institutions that operate in the same market niche and have a similar profile
Faculty	Professionals from education and other fields who teach courses developed by ISAE
Financial entities	Financial credit agencies
Suppliers	Agents that provide products and services for ISAE
Getulio Vargas Foundation	Information available on page 8
Government	Municipal and state's public authorities
Environment	Public and private agents whose main objective is to restore and protect the environment
NGOs	Third sector organizations that participate in the Uaná Volunteer Program (more information on page 73)
Global Compact	Information available on page 12
Institutional partners	Organizations that support or participate in initiatives established by means of collaboration agreements with ISAE
PRME	Information available on page 16
Trade Union	Institution that protects ISAE employees' labor rights by means of collective agreements

3rd Multi-Stakeholder Panel

GRI – 4.16

To engage the stakeholders previously described, ISAE has promoted the Multi-Stakeholder Panel since 2012 – an event that seeks to identify the main themes to be reported in this document, besides collecting perceptions about the institution's sustainable practices for continuous improvement.

The 3rd Multi-Stakeholder Panel was held on September 25, with the support of NOZ Consulting, to identify ISAE's contributions, each public's perceptions and interest with respect to the institution, thus showing appropriate ways for stakeholder relations and engagement. The activity reflected on the continuous process of improving relations with these publics.

229 participants were invited by email, including students, professors, employees, counselors, suppliers and partners, out of which 29 confirmed participation. Finally, there were 17 people participating (some partially), and only 12 participated fully by answering the questionnaire.

■ Event objectives

- Create an environment favorable to dialog and stakeholder engagement
- Collect perceptions about ISAE's sustainability actions
- Clarify interests and responsibilities in ISAE's value chain
- Offer shared value propositions in ISAE's businesses
- Collect and prioritize materiality issues in accordance with stakeholders
- Propose future actions for each theme prioritized by stakeholders
- Reflect on the continuous process of improving relations with stakeholders

■ The process of choosing guests, invitations and participants

The process of survey and selection of representatives among invited stakeholders followed the criteria shared between NOZ's team and ISAE's team. These criteria were:

- Perception of the group of stakeholders' degree of influence and interest in ISAE
- Perception of ISAE's degree of influence and interest in a particular group of stakeholders
- Diversity of internal and external publics
- Diversity within the same public (e.g.: inviting an engaged employee or student, or a less engaged one)

As well as in 2013, ISAE expected to capture a broader vision of various internal and external stakeholders. However, due to the low adherence to the meeting, the results offer only a narrow vision, restricted to representatives of some relevant stakeholder groups. The institution will develop strategies to obtain greater engagement in the 2015 event.



■ Risks and Opportunities

GRI - 1.2

The 3rd Multi-Stakeholder Panel also identified main risks and opportunities according to the perception of participants. Responses are compiled in the table below:

PUBLIC	POSSIBLE RISKS, INCONVENIENCES OR CONCERNS IN THE RELATIONSHIP WITH ISAE	POSSIBLE OPPORTUNITIES IN THE RELATIONSHIP WITH ISAE
EMPLOYEES	<ul style="list-style-type: none"> o Not all employees respect the institution's values o Lack of proper orientation, generating lack of confidence to delegate actions (lack of training) o Difficult internal communication o Improve knowledge management, so that employees understand the processes in essence, not only performing isolated actions o Concern with how to do more in sustainability for the institution o Risk of problems in interpersonal relations, for not understanding that everyone is focused on common goals 	<ul style="list-style-type: none"> o Develop the issue of values o Understanding that each one acts according to their mental model or <i>world map</i> o Frequent personal and professional development within the reach of all employees o Personal growth and knowledge of good practices o Scale of experiences, with more and more points to develop and share

STUDENTS	<ul style="list-style-type: none"> o Unsolved problems that students have with ISAE o Concern about how to keep high quality education and form good professionals for the market, who are also concerned about ethics and sustainability o Risk of losing the sustainable vision and the commitment to doing (sustainability and practice) o Problem with number of absences (student say they were present, ISAE claims they were absent) o Difficulty to access the correct information and the correct person (who will solve the problem) o Dependence on the "personal efficiency" of employees – some are efficient and others are not; the process is not efficient as a whole; no manual or clear processes o Employees find it difficult to say "no" or "I don't know" – there is a need for open, transparent communication, which generates more credibility and confidence 	<ul style="list-style-type: none"> o Personal and professional growth o Be more useful to society with knowledge acquired at ISAE o Perspectivation contributes greatly to forming students, complementing curricula with various themes o Opportunity for partnerships to contribute to society o Experience exchange and value sharing o Opportunity for networking (personal and professional) o Opportunity to disseminate ideas that contribute to a fairer society o Opportunity of repositioning in the labor market o Opportunity to create bonds in a human and collective way o Opportunity to carry the name ISAE, for the excellence in doing / bringing / gathering people (with more values)
SUPPLIERS	<ul style="list-style-type: none"> o Risk with regard to the quality of the product supplied o Concern with regard to quantity and partnership, thinking of sustainability as a whole o Risk of not maintaining the contract, if the company lost the focus on "best technique to show the best content" 	<ul style="list-style-type: none"> o Opportunity to better understand sustainability as a whole (environmental and financial ethics, etc.) by attending events like the Multi-Stakeholder Panel o Personal and professional growth, besides human relations o Opportunities always appear, in all senses, provided you keep a receptive mind, a correct life and a decent work
PROFESSORS	<ul style="list-style-type: none"> o Copyright issues in academic research o Risk of not recognizing the "participating arms" internally and externally through good communication 	<ul style="list-style-type: none"> o Personal and professional development o Opportunity to replicate the concepts in society and companies, strengthening the agendas of the Millennium Development Goals and the Sustainable Development Goals

■ Prioritization of Issues GRI – 1.2

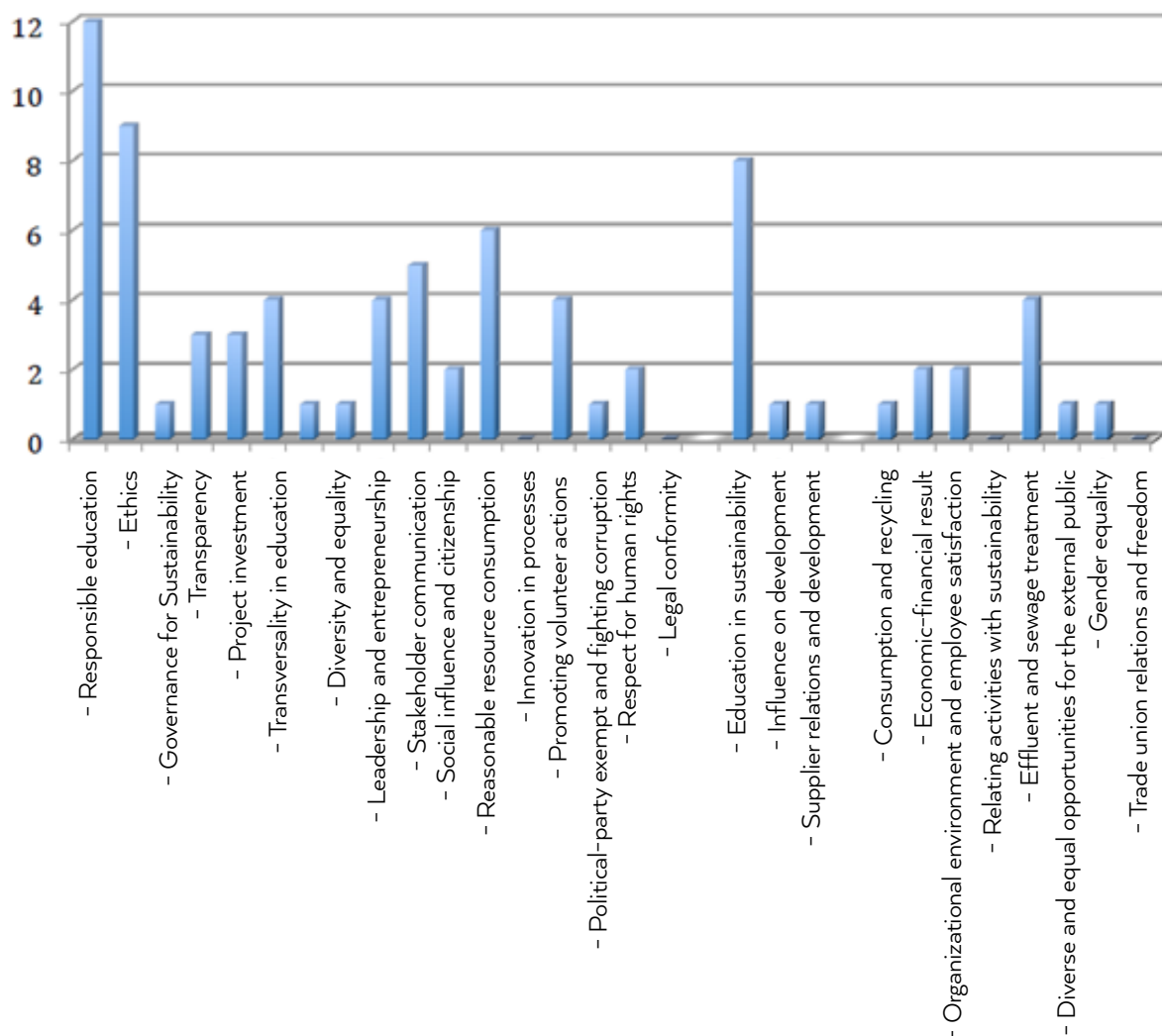


Prioritization of issues demanded a more thorough expository reflection focusing on the current context of sustainability and important topics for the education sector.

The discussion emphasized the perspective of green economy as a trend in which responsible and sustainable companies shall endeavor to develop products and services and promote an inclusive market – increasingly including sustainability in the core business, not simply as individual actions of social responsibility. It also highlighted the ability to

influence public policies and systemically work out the impacts of the value chain, and the inclusion of fundamental sustainability themes in strategic planning and in the corporate governance system.

The reflection also confirmed the upward trend to transversally include sustainability in curricula – not just as isolated disciplines, but as concepts and practices that permeate transdisciplinarity, emphasizing faculty training, the use of new methods, internal public training, the role of public opinion leaders and social mobilization.



■ Actions Suggested by Stakeholders

GRI – 4.17








From the moment of collective prioritization, were chosen from the five themes with more votes, which were discussed in a circle (with the whole session), with the objective to suggest actions to the ISAE, relating to these themes. The issues prioritized and the suggested actions were:

TOPICS	ACTIONS SUGGESTED BY STAKEHOLDERS
Responsible Education (forming leaders who contribute to social sustainable development)	<ul style="list-style-type: none"> • Actions should transcend the school environment and reach leaders' homes and professional life • Measure impacts (development in homes and companies)
Education in sustainability for employees	<ul style="list-style-type: none"> • Visit departments to deliver information • Raise awareness and consciousness
Stakeholder communication (expanding channels among various publics)	<ul style="list-style-type: none"> • Wristband for Panel participants • Promote videos during the coffee break for students • Viral video • Students promoting campaigns (e.g., leukemia, right fit – health and well-being) • ISAE as a model institute for raising consciousness in other publics, including other FGV schools
Reasonable consumption of natural resources (water, energy, materials, etc.)	<ul style="list-style-type: none"> • Develop and distribute communication for students, lectures in classes, create a screen background for classes • Suggestion for campaign: Bring your cup, or make a deposit of R\$ 1 (or a symbolic amount) – at the end of the year the total amount will be revealed and used in a sustainable manner
Ethics (anti-corruption practices, respect for human rights, respect for competitors, respect for labor laws, etc)	<ul style="list-style-type: none"> • No suggestions for specific actions

COMMUNICATION CHANNELS

GRI – LA5, PR5

With focus on ethical, assertive and friendly relationship with all stakeholders, ISAE offers a comprehensive range of communication channels (either impersonal or personal), which promote dialog with the institution's publics. The main communication channels are described in the table below.

CHANNEL	DESCRIPTION
 ISAE website	The website publishes institutional and commercial information, news, articles, interviews and stories.
 Social networking sites	ISAE has pages on the following websites: Twitter, Facebook, Google+, LinkedIn, Foursquare and YouTube, which are used for promotion and interaction with stakeholders.
 ISAE Week newsletter	Weekly newsletter emailed to all employees, containing relevant ISAE information to the internal public.
 ISAE Week – Last Minute News (GRI LA5)	Urgent news and information not published on ISAE week newsletter are emailed to all employees.
 Student's area	It contains the student's entire academic history and offers access to grades, exam dates, Perspectivaction activities and institutional news.
 ISAE TV	Through interviews, ISAE TV features topics of management, communication, business, economy and social responsibility. The schedule is segmented and updated weekly. Program subjects are defined based on current relevant subjects and suggestions.
 Class relationship managers	Class Relationship Managers are the bridge between students and ISAE. They are always ready to meet students and send their requests to the respective areas. They are also responsible for delivering ISAE communication to students.



Press

ISAE has a press office that promotes the institution's events and courses in the local and national press. The office is also responsible for answering requests from journalists.



ISAE Perspectiva magazine

It is an online bimonthly publication addressed to all stakeholders and submitted to more than 100 thousand contacts. The magazine covers various topics related to management, including cases from different companies. It offers creative content with business-oriented editorial approach on a dynamic layout – everything to ensure a stimulating reading.



Events

ISAE promotes a series of events to discuss current issues and disseminate knowledge on management practices and market trends. In 2014, the major events were Cycle of Lectures, Meeting With and Ozires Silva Sustainable Entrepreneurship Award.



FGV Hearing Office

ISAE deals with issues related to students' reports registered at the FGV Hearing Office – compliments, complaints or requests. It is expected that students are very well treated and the report is answered efficiently. When ISAE cannot interfere in the request, the student should get a clear and objective answer.



ISAE Hearing Office

Employees are encouraged to make suggestions for the continuous improvement of the institution through the link *Employee Says* on ISAE Week newsletter. Suggestions should be related to ISAE's daily routine or to the newsletter events.



Ethical Council

Information on page 33



REMAR

The Monthly Meeting for Evaluating Results is attended by the Directory, leaders and members of strategic committees. The objective is to share strategic information on the organization and establish action plans.



REGAR

The General Meeting for Presenting Results has the objective to disseminate strategic information for all employees.



Strategic committees

Information on page 32



Multi stakeholder panel

Information on page 54



Sustainability report

Information on page 05



Focal group

Annual qualitative research in which students and professors gather in groups to assess the satisfaction of the target public.



Student satisfaction survey

Annual quantitative research with students in the cities of Curitiba and Londrina to evaluate the satisfaction of the target public.



Internal public satisfaction survey

Annual survey that aims to evaluate satisfaction in relation to processes and areas, as well as to improve labor relations and the value perceived by internal and external clients.



Student newsletter

Sent by the Academic Secretary's Office, the newsletter keeps students informed about the institute's regulations, events, procedure deadlines, lectures and workshops. The objective is to bring the institution closer to the students, periodically sending important information as a frequent and effective communication channel.



Manuals

Varied documents offered by ISAE in order to align information with different relationship groups. Main manuals are Communication and Etiquette, Strategic Planning, Code of Ethics and Conduct, IT Policies, Employee Integration Manual.

PARTNER NETWORK DEVELOPMENT PROGRAM

GRI – 4.16, HR2, HR3

Following the Supplier Relationship Program, ISAE has strengthened the set of processes and activities for selecting, qualifying, evaluating and developing suppliers in order to ensure an ethical and transparent relationship, guided by sustainable principles.

By means of an online form sent to suppliers, requirements are evaluated with general questions about the organization, main clients, internal and external social responsibility, environmental responsibility, and also by monitoring documentation from the vendor company.

This relationship is strengthened by the Partner Network Development Program, which last year promoted seven workshops to various ISAE stakeholders with key concepts of sustainability and information on the principles guiding the institution, like PRME and Global Compact.

This theme is disseminated because caring for the supply chain is a demand of the UN programs. The intention is to make ISAE suppliers and employees become promoters of sustainability in their sphere of influence, besides applying the concepts.

Workshops in 2014:

<p>1. TITLE: ISAE – PRME AND GLOBAL COMPACT</p> <p>Date: 3/5/2014 Public: Professors of the Master's in Governance and Sustainability Venue: ISAE Curitiba Participants: 8</p>	<p>2. TITLE: SUSTAINABILITY AND SUSTAINABLE ATTITUDES</p> <p>Date: 26/5/2014 Public: ISAE Londrina's employees and suppliers Venue: ISAE Londrina Participants: 30</p>
<p>3. TITLE: WORLD ENVIRONMENT DAY</p> <p>Date: 5/6/2014 Public: ISAE MBA and Master's students Venue: ISAE Curitiba Participants: 45</p>	<p>4. TITLE: SUSTAINABILITY FOR LEADERSHIP</p> <p>Date: 2/7/2014 Public: Bourbon Hotel Senior Management Venue: Bourbon Hotel, Curitiba Participants: 25</p>

5. TITLE: ISAE INSTITUTIONAL

Date: 23/10/2014
Public: ISAE employees
Venue: ISAE Curitiba
Participants: 90

6. TITLE: SUSTAINABILITY FOR A HEALTHIER SOCIETY

Date: 11/11/2014
Public: Santa Cruz Hospital employees
Venue: Santa Cruz Hospital, Curitiba
Participants: 150

7. TITLE: SUSTAINABILITY IN THE VALUE CHAIN AND SOLID WASTE MANAGEMENT PLAN

Date: 14/11/2014
Public: ISAE Curitiba employees and suppliers
Venue: ISAE Curitiba
Participants: 25

OZIRES SILVA CHAIR IN SUSTAINABLE ENTREPRENEURSHIP AND INNOVATION

GRI – 4.16, HR2, HR3

The Ozires Silva Chair in Sustainable Entrepreneurship and Innovation was launched in Curitiba on February 8, 2011, during the 4th Ozires Silva Award ceremony – ISAE/FGV's 15th anniversary. Patron of the chair, Ozires Silva is a renowned personality in Brazil and around the world.



The overall objective of the chair is to be a center of reference in sustainable entrepreneurship and innovation. By disseminating this culture, it aims to foster an entrepreneurship sense for people to build, lead and implement the creative process of elaborating new plans for life, work, education and business.

According to the Strategic Plan 2014 – developed by the chair's Executive Committee and approved by the Deliberative Council –, the objective was to develop activities to set the chair as a network of knowledge construction in emerging and relevant issues related to entrepreneurship, innovation and sustainability – thus promoting the change of the educational process. Activities were focused on the following main themes:

- Lectures
- Training programs
- Publication of articles, books and magazine
- Events
- Designing a new logo
- Content production for the chair's blog

Global Entrepreneurship Monitor



The Chair participated in the GEM by preparing questions on the concepts of sustainability and corporate socio-environmental responsibility for the global research 2014. After several meetings, the group included questions to assess the sensitivity levels and consequent attitudes of Brazilian entrepreneurs with respect to sustainability in a wider conception.

Lectures

- *PRME*, with Dr. Norman de Paula Arruda Filho. Mackenzie University, São Paulo, January 23rd
- Sustainability, with Dr. Norman de Paula Arruda Filho. ISAE *Ponto e Contraponto*, February 6th
- Perspectivaction, with Dr. Norman de Paula Arruda Filho. CR3 Australia, March 27th
- Social Capital, with Dr. Norman de Paula Arruda Filho. CICI 2014, May 8th
- Sustainability no ISAE, with Dr. Norman de Paula Arruda Filho. Lecture for professors of the master's, May 10th



- Perspectivaction, with Dr. Norman de Paula Arruda Filho. PRME LAC, June 16th and 18th
- Developing Responsible Leadership, with Dr. Norman de Paula Arruda Filho. UTFPR, May 29th
- Sustainability, with Dr. Norman de Paula Arruda Filho. World Environment Day, June 5th
- PRME *Chapter Brazil*, with Dr. Norman de Paula Arruda Filho. PRME Champions, July 3rd
- Sustainability, with Dr. Norman de Paula Arruda Filho. STCP, August 19th
- Presentation of the Global Compact Consultancy, with Dr. Norman de Paula Arruda Filho. CBPG, August 27th
- Professional Master's in Governance and Sustainability and the PRME, with Dr. Norman de Paula Arruda Filho. CLADEA, September 4th
- PRME, with Dr. Norman de Paula Arruda Filho. AMCHAM, September 30th
- Sustainability and Governance, with Dr. Norman de Paula Arruda Filho. 1st Anniversary of the Master's, October 16th
- PRME and Perspectivaction, with Dr. Norman de Paula Arruda Filho. HSM / Global Compact, September 4th, November 5th
- Sustainability and Governance, with Dr. Norman de Paula Arruda Filho. ACP, November 10th

- Corporate Experiences and Dysfunctions, with Prof. Tomas Drunkenmölle for chair members, April 8th
- Sustainability: Adjective or Noun, with Prof. Mário Alencastro for chair members, April 29th
- *Business Imagination*, with Prof. Marcelo Fernandes for chair members, June 27th
- Workshop for Authors, delivered by several professionals, for the chair team, professors, students of the Professional Master's in Governance and Sustainability and professionals interested in publishing books, July 10th
- Creativity and Innovation – Training in Knowledge Replicability, with Prof. Marcelo Fernandes. *Elo Apoio Social e Ambiental*, July 17th
- Creative Entrepreneurship: Tendencies, Technological Standards and Convergences of Creative Economy in the 21st Century, with Prof. Patrizia Bittencourt Pereira. 1st Information and Communication Event, Federal Institute of Paraná (IFPR), October 13th
- Design as the ENGINE of the New Economy in the 21st Century: Trends, Convergences and New Technological Standards, with Prof. Patrizia Bittencourt Pereira. 11th Regional Meeting of Design Students of the South, *Pontifícia Universidade Católica* (PUC-PR), November 15th
- Entrepreneurship and Innovation, with Prof. John Buettgen. National Week of Science and Technology, Vitória, October 13th



Courses

1. Crowdfunding / Crowdknowledge / Croud sourcing, with Prof. Ricardo Dellamea. ISAE, October 23rd, November 11th
2. Creating and Accelerating Startups, with Prof. Ricardo Dellamea. ISAE, May 27th
3. Canvas, with Prof. Ricardo Dellamea. ISAE, May 8th
4. Innovation Management, with Prof. Marcelo Alessandro. ISAE, October 17th

Training Programs

With the objective of multiplying knowledge, the Chair held training programs for teachers of the institution *Elo Social and Environmental Support in Curitiba*. The NGO develops social projects and environmental responsibility services. Its goal is to qualify young apprentices under social risk to work in the market.

The training programs covered the following issues:

- *Creativity and Innovation – Training in Knowledge Replicability*, with Prof. Marcelo Fernandes, July 17th
- *Personal Success*, with Prof. Tomas Drunkenmolle, August 14th
- *Oratory / Interpersonal Communication*, with Prof. Plinio Ribeiro, September 16th
- *Ethics in Organizations*, with Prof. John Buettgen, October 7th
- *Management, Leadership and Self-Knowledge*, with Prof. Sandro Bizinelli, for *Elo Apoio Social*, November 26th
- *Mental Maps*, with Prof. Gianfranco Muncinelli, December 15th





Articles and Books

Creative Economy – With content written in poetry, the book has light, playful texts, in order to disseminate knowledge and reach distinct, strategic publics.

Gazeta do Povo newspaper published the following articles by Norman de Paula Arruda Filho along the year:

- *Sustainability as a Competitive Advantage* – February
- *Education at the Service of Entrepreneurship* – April
- *Accelerate your Innovative Idea* – June
- *Governance Values* – August
- *Entrepreneurial Education* – November

Workshop

The Chair and GPCOM promoted a workshop for authors to help professionals interested in publishing books.

Events and Initiatives

The Chair was represented at the International Conference of Innovative Cities, on May 8th, collaborating with various lectures and participating in a round table discussion at the Innovative Dialog Forum.

To encourage entrepreneurship and innovation in academia, on October 7th the institution launched ISAE Business – an accelerator that will support entrepreneurs' ideas. An examination group selected four initiatives to be monitored by ISAE.



Logo

The Strategic Plan 2014 included the creation of a visual identity to the Chair, with a strong brand. Developed in partnership with the communication agency Evonline, the logo aims to transmit the Ozires Silva Chair's guiding concepts, bringing the idea of innovation and dissemination. The logo was officially launched in 2015, at the 8th Ozires Silva Entrepreneurship Award.



C tedra
Ozires Silva

Chair's Blog

In its first year, the Chair's blog had 29 publications directly and indirectly related to the Chair's working themes. The publications are available at:

<http://catedraozires.blogspot.com.br>

CHAPTER LONDRINA

The Ozires Silva Chair's Chapter Londrina was launched in June 2012. In 2014, the performance proposal gathered a set of actions in order to investigate and disseminate social initiatives in sustainable entrepreneurship and innovation for the construction of citizenship in Londrina.

■ Lectures



Social Entrepreneurship: Fair Commerce

The objective was to disseminate the concept of social entrepreneurship and map sustainable and innovative initiatives in Londrina.

Therefore, the Chair organized a series of lectures and meetings, mapped social initiatives considered important for the development of Londrina, and launched a book on these cases.



Social Business: A Research Proposal articulated by the Chair

The objective was to hold a public consultation on the main aspects that guide the development of social entrepreneurship in Londrina. The meeting allowed participants to imagine an ideal scenario for 2025, besides identifying "what we already have" and "what we need" to make it become real.

■ Event

Dialoguing with Social Initiatives

The objective was to hold a public consultation on the main aspects that guide the development of social entrepreneurship in Londrina.

■ Workshops

How to Prepare Case Studies

The objective was to investigate social initiatives in sustainable entrepreneurship and innovation that advance the construction of citizenship.



■ Book

In commemoration of Londrina's 80th Anniversary, the Chair launched the book *Social Entrepreneurship – Legacy of Citizen Training for Londrina's 80th Anniversary*, in the symposium *How to Industrialize with High Value Added*, held on December 2nd.



OZIRES SILVA AWARD IN SUSTAINABLE ENTREPRENEURSHIP

GRI - 4.16

ISAE and *Grupo Paranaense de Comunicação* (GRPCOM) promoted the 8th Ozires Silva Award in Sustainable Entrepreneurship on February 12th. The award's goal is to assess projects in the fields of entrepreneurship and sustainability that contribute to the development of society. There were 90 projects registered from seven Brazilian states: Bahia, Ceará, Pará, Paraná, Rio de Janeiro, Santa Catarina, São Paulo.



Winners of the 8th Ozires Silva Award in Sustainable Entrepreneurship



Environment

ISAE and *Grupo Paranaense de Comunicação* (GRPCOM) promoted the 8th Ozires Silva Award in Sustainable Entrepreneurship on February 12th. The award's goal is to assess projects in the fields of entrepreneurship and sustainability that contribute to the development of society. There were 90 projects registered from seven Brazilian states: Bahia, Ceará, Pará, Paraná, Rio de Janeiro, Santa Catarina, São Paulo.

- *Improving the health of family farmers through the deployment of sanitation techniques in family farming* (category Student) – Jefferson de Queiroz Crispim, Campo Mourão, PR
- *Restoration of the vegetation in a stretch of Figueira Beach (Itapoá, SC) with the participation of local social actors* (category Medium and Large Enterprises) – Port of Itapoá
- *Private Sustainable Development Reserve* (category Micro and Small Enterprises) – Brazilian Company of Forest Conservation, Curitiba, PR
- *Sustainable fish farming: from waste generation to bio-business* (category Micro and Small Enterprises) – Piscis, Jaguaribara, CE
- *Sustainable homes built with environmental liabilities* (category Individuals) – Eglimaria Pereira Munhoz, Foz do Iguaçu, PR



Society

- *Socioeconomic and environmental responsibility in sustainability and local development: a case study of the collectors association Resol* (category Student) – Elgson Decarle de Oliveira, Curitiba, PR
- *Program "Cuide-se+" (Take more care of yourself): Preventing the use of alcohol and other drugs and preventing cancer* (category Medium and Large Enterprises – tie) – Social Service of Industry of Parana, Curitiba, PR
- *Project Income Generation* (category Medium and Large Enterprises – tie) – Dudalina, Blumenau, SC
- *Special Education Development Index as a tool for continuous improvement of management at Special Schools* (category Micro and Small Enterprises) – ASID Brazil, Curitiba, PR



Economy

- *Increasing ethanol production and valuing fusel oil by producing isoamyl alcohol integrated into ethanol production* (category Student) – Magno Jose de Oliveira, Campinas, SP
- *Project I Did It Selecta / Duas Rodas* (category Medium and Large Enterprises) – Duas Rodas, Jaraguá do Sul, SC
- *Pre-incubation of company projects in Telêmaco Borba generating new business* (category Micro and Small Enterprises) – National Service for Industrial Training (SENAI), Telemaco Borba, PR
- *Productive and oriented credit: Innovation and gradual growth* (category Micro and Small Enterprises) – Confia Microfinanças e Empreendedorismo, São Paulo, SP



Education

- *The adventures of Bomberix* (category Student) – Marcelo Carvalho, Curitiba, PR
- *Water: Knowledge for management* (category Medium and Large Enterprises) – Fundação Parque Tecnológico Itaipu, Foz do Iguaçu, PR
- *Program Cultivating Good Water / Environmental Education for Sustainability* (category Medium and Large Enterprises) – Itaipu Binational, Foz do Iguaçu, PR
- *Program Young Professionals for Development* (category Micro and Small Enterprises) – Sociedade Global, Curitiba, PR
- *Educational aspects of a measuring system with applications in design, architecture and engineering: Didactic approach of a portable case* (category Individuals) – Paulo Urbano Ávila, Cotia, SP

UANÁ MANAGEMENT VOLUNTEER PROGRAM

GRI – 4.16

Uaná program seeks to promote sustainable development through the participation and engagement of ISAE students, former students and professors. Volunteers use the knowledge acquired in the classroom and during their professional career. Uaná's objective is to enlighten the path for organizations that need support in management through knowledge exchange and transfer.

The initiative promotes the volunteers' personal and professional growth, besides advancing an economic development that is environmentally sustainable and socially fair.

Uaná Management Workshops



The workshops are an opportunity for ISAE professors – professionals with extensive experience in management – to share their knowledge for empowering third sector institutions (NGOs, OSCIPs and other non-profit organizations). In 2014, three workshops were promoted:

Curitiba

- *Project Management workshop*, with Prof. Fabiana Crivano, for 19 NGOs
- *Strategic Management of Companies workshop*, with Prof. Geraldo Castaldi, for 20 NGOs

Londrina

- *Project Management workshop*, with Prof. Tiago Garcia, for 13 NGOs

Management Workshops – NGOs

	WORKSHOP THEME	DATE	CITY	HOURS	NGOS*	STUDENTS	ACTIVE VOLUNTEERS
1	Strategic Management of Companies	May 15th May 22nd	Curitiba	16	20	39	1
2	Project Management	May 29th June 5th	Curitiba	16	19	37	1
3	Project Management	November 3rd November 6th	Londrina	16	13	26	1



Strategic Management of Companies workshop.



Strategic Management of Companies workshop



Project Management workshop



Project Management workshop in Curitiba



Project Management workshop in Londrina

Uaná Volunteer Consulting Projects



Through projects, advising on organizational management (with a duration of four months), volunteers help organizations to strengthen their management and achieve, with work plans structured and methodical, enhance their initiatives and actions to achieve institutional goals.

Kinds of volunteer consultancy offered:

- Strategic Planning in Organizations
- Project Management
- Financial Management / Consulting
- People Management
- Strategic Management in Services
- Commercial Management (sales)
- Process Management
- Marketing (communication)
- International Management

SOLIDARITY CAMPAIGNS

GRI – 4.16

The Christmas Campaign – Toy Library collected toys at ISAE for needy children. The institution chosen was the nursery Cenaza, located in the Parolin district (Curitiba, PR), which serves 107 children aged 6 months to 5 years. Santa Claus and ISAE employees gave them 110 toys.



CORRUPTION

GRI – SO2

In December 2014, the Global Compact celebrated the 10th anniversary of the 10th principle – against corruption. In the event ISAE signed the initiative *Call to Action: Anti-corruption*, along with other 33 Brazilian companies. For more information on the action, check page 14.

ISAE also has the Ethical Orientation Council and the Code of Ethics and Conduct, as described on page 33, to prevent and combat any act related to corruption.

PEOPLE MANAGEMENT

MANAGEMENT APPROACH

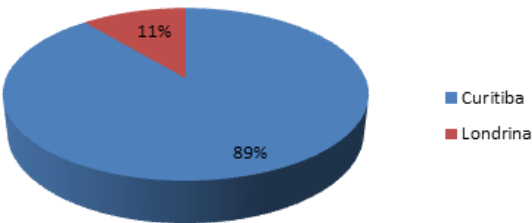
ISAE is focused on keeping a humanized management framework. The institution invests in the development of employees, believing that this adds competitive value to the business. Ethical commitment, focus on people and sustainable actions are assumptions of results-based management.

OVERVIEW OF EMPLOYEES

- GRI – LA1, LA2, LA4
- PRME – 1, 2, 6
- Global Compact – 1, 3, 4, 5, 6
- MDG – 3

ISAE has 117 employees – 104 work at the headquarters in Curitiba and 13 at the Londrina branch. 108 employees are hired under the Brazilian CLT law (Consolidation of Labor Laws) in accordance with the SENALBA-PR Collective Convention – out of which: 10 under the Collective Convention of the National Union of Higher Education Professors (SINPES); 6 Juridical Persons (PJ); 2 young apprentices under the rules of *Centro de Integração Empresa Escola do Paraná* (CIEE – Paraná Center of Integration Company School); and 1 trainee.

City

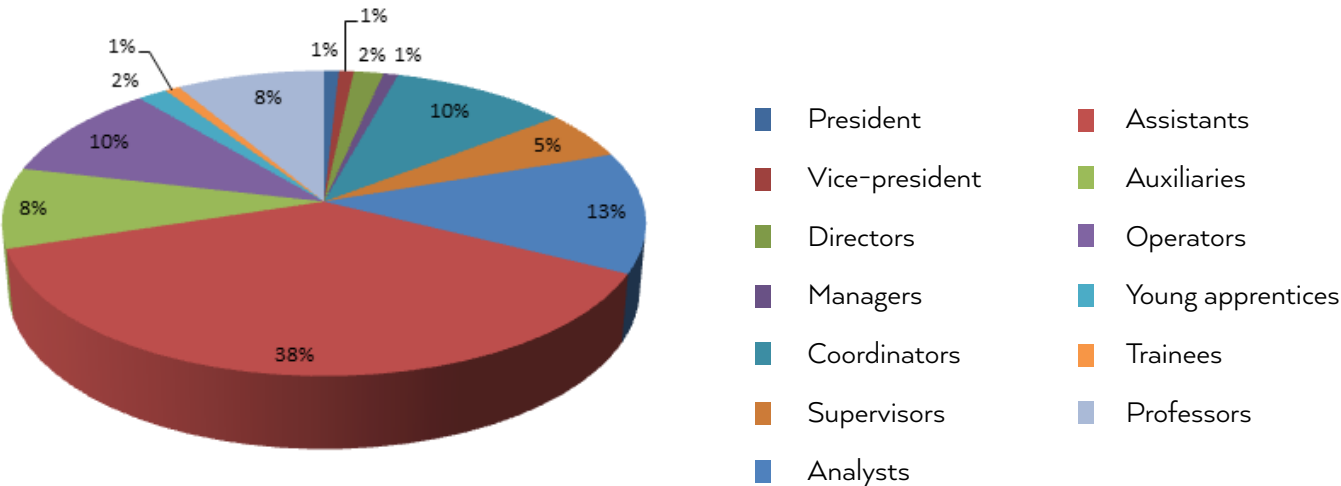


CITY	MEN	WOMEN	TOTAL
Londrina	30,76%	69,24%	13
Curitiba	43,26%	56,74%	104

Occupational Group Structure

POST CATEGORY	NUMBER
President	1
Vice-president	1
Directors	2
Managers	1
Coordinators	12
Supervisors	6
Analysts	15
Assistants	44
Auxiliaries	10
Operators	12
Young apprentices	2
Trainees	1
Professors	10

Occupational Group



Variation between the lowest salary and the local minimum wage at important operational units

GRI – EC5 | PRME – 1, 6

CITY	LOWEST BASE SALARY (R\$)	VARIATION (%) COMPARING TO BRAZILIAN MINIMUM WAGE*
Curitiba	1.026,51	42%
Londrina	1165,83	81%

* Brazilian minimum wage was R\$ 724.00 in 2014

Proportion of base salary between men and women

GRI – LA14 | Global Compact – 1, 6
MDG – 3

There are no wage differences between men and women at ISAE. The Competency-Based Management program strategically remunerates employees every year.

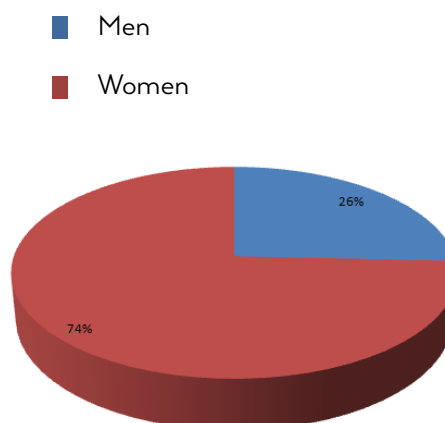
Turnover Rate

GRI – LA2 | PRME – 1, 2, 6
Global Compact – 6 | MDG – 3

TURNOVER RATE = 37,17%

Current employees	117
Turnover rate in 2013	35
Women	26
Men	09

Turnover Rate per Gender



INTERNAL COMMUNICATION

GRI – 4.4, LA5, PR5

PRME – 6

Global Compact – 3

Channels

- Integration process
- ISAE Week newsletter
- Events and internal campaigns
- Internal research
- Meetings – REMAR (Monthly Meeting for Evaluating Results), REGAR (General Meeting for Presenting Results) – and presentation of the strategic planning.

Communication of significant organizational issues, changes, definitions and collective negotiations is disseminated by internal communication channels, considering the complexity and urgency of the information to be delivered.

Organizational Environment Survey

Applied every two years, this survey aims to assess the employee's level of satisfaction and well being in relation to aspects of the organizational environment.

After the implementation of the research, the People Management department produces graphics and presents them to the board of directors. Then, they are sent to the leaders, who suggest improvements along with the team. It is

Internal Customer Satisfaction Survey

Applied annually, the survey aims to assess the satisfaction in relation to processes and areas, as well as to build actions to improve labor relations and the value perceived by internal and external customers.

After the application of the survey, the People Management department tabulates and presents it to the board in charge. Then, it is sent to the leaders, who design the action plan.

The area leadership shares it with the team and together they set the action plan. The average mark is 8.0 – items that are below this figure have to be included in the action plan.

worth noting that analysis and suggestions from the areas are valuable tools for continuous improvement.

The People Management department, along with the board of directors, performs the final validation and communicates the actions arising from the survey to everyone in the organization.

QUALITY OF LIFE

GRI – LA7, LA8 | PRME – 1, 2, 3, 6
Global Compact – 1, 7, 8 | MDG – 7, 8

In order to provide a healthy environment and develop employees' quality of life, ISAE offers labor gymnastics, recreation room and periodic preventive health monitoring. The institute also promotes a program of guiding lectures based on monitoring results, seeking to create an atmosphere of openness and participation.

Every year, the institute maps and treats risks related to occupational medicine, security and ergonomics, through environment improvement programs. The conditions of work and physical, mental and social health are established in the Occupational Health Medical Control Program (PCMSO) and the Environmental Risk Prevention Program (PPRA).

PCMSO performs diagnostics that guide medical procedures and actions to promote people's health. PPRA identifies environmental, ergonomic, physical, chemical and biological agents – as well as the type, origin, intensity and classification of these agents –, thus indicating corrective actions and the use of protective equipment (individual and collective).

Since 2009, ISAE has promoted the Program Quality of Life and Prevention of Health Problems (PREVISAIE), which aims to encourage the habit of regular physical exercises, prevent postural damage and monitor the employee's health. It focuses on preventing sedentary lifestyle, high blood pressure, obesity, diabetes and smoking. No illnesses and deaths related to work were recorded in the headquarters in Curitiba or in the Londrina branch. The absence rate was 2.42% in 2014.

ABSENCE RATE

2013	2.50%
2014	2.42%

In 2014, the Quality of Life Week promoted lectures related to emotional, professional and financial health. Employees were offered quick massage and reflexology.

Since 2008, ISAE has promoted labor gymnastics with a team of physical educators every week. As an improvement in 2011, the program was restructured and started to offer quick massage sessions in the recreation room.

The recreation room was designed to offer comfort, relaxation and socialization for employees.





MAIN BENEFITS

Education sponsorship: 80% funding for MBA and postgraduate courses offered to employees that present projects aligned to ISAE's goals, and 50% funding for undergraduate courses.

Medical assistance: AMIL health plan with state coverage, 80% funded by ISAE, without co-participation and additional costs to exams, with the right to individual apartment hospitalization.

Dental plan: MetLife dental assistance plan, with national coverage for 230 dental procedures

Food or meal voucher: Employees choose between food and meal ticket, provided by Ticket card.

Life insurance: MetLife life insurance with international coverage, including family funeral assistance.

Financial assistance: No interest loan for emergencies, such as family deaths and diseases.

Loans: Granted by Itaú Bank with reduced rates.

Medical emergencies: 24-hour service by Plus Santé in Curitiba Metropolitan Region in case of emergencies, with no cost for the employee.

English course: Available to all employees, the course is delivered at ISAE in basic, intermediate and advanced levels. The monthly cost is R\$ 35.00 for the employee.

Birthday day-off: Employees have the day off on their birthday.

Birthday gift: ISAE gives a R\$ 100.00 voucher as a birthday present for all employees.

Christmas basket: Delivered in December to all employees.

St. John's Party and end-of-year celebration: Open to all employees and their families, the celebrations are held in June and December. Gifts are raffled and there is a moment for acknowledging employees.

Special date gifts: ISAE offers gifts to employees on special dates like Women's Day, Easter, Mother's Day, Father's Day.

INTEGRATION

When joining ISAE, new employees go through an integration process that includes training in all areas. This experience provides a systemic view of the business and its processes.



TRAINING AND DEVELOPMENT

GRI – 4.5, SO3, LA10, HR3

PRME – 1, 2, 3, 6

Global Compact – 1, 2, 3, 4, 5, 6, 7, 8, 10

MDG – 7, 8

Managed by ISAE Academy, T&D programs aim to develop employees' skills. Held in an environment of learning, construction, upgrading and new talent development, the programs are aligned to the institute's perspective of excellence in management.

Training workload in 2014 was 6,407.10 hours. There were also 200 hours of workshops related to the Global Compact and PRME.

*Perspectivaction Quality Management, EAD, BI, Project Office, Corporate Delivery Management, Corporate Contracts Management, Projects, Alliances and Partnerships, Library, Research Center and Master's Course.

TRAINING HOURS

AREA	HOURS
Academic	1,035.00
Administrative	426.00
Financial	417.00
Commercial	752.00
Marketing	479.00
People Management	380.60
Solution Development	278.00
Corporate Solutions	258.50
Directory	91.00
Centers*	1,229.50
IT	144.00
Consultancy	270.00
Controllershship	140.50
IT – LD	85.00
Commercial – LD	202.00
Education – LD	105.00
Administrative / Financial – LD	114.00
TOTAL	6,407.10

Average training hours per year, by post category

POST	%
President	0.11
Vice-president	0.11
Director	1.20
Manager	1.11
Coordination	10.20
Supervision	9.04
Analyst	16.98
Assistant	47.14
Auxiliary	7.43
Young Apprentice	0.95
Trainee	1.65
Operator	5.08

ISAE also evaluates the effectiveness of training, considering the development of skills and practical results arising from the applicability of learning on the work environment.

While identifying training needs, the People Management department and the leadership define the criteria and deadline for assessing effectiveness.

COMPETENCY-BASED MANAGEMENT

GRI - LA 11, LA12 | Global Compact - 6 MDG - 3

The program aims to stimulate the continuous updating of staff, apply meritocracy, and enhance professional development and employability, thus advancing organizational results.

Implemented in November 2012, it was supported by a modeling group formed by ISAE employees and managers. Career axes and profiles were defined for each kind of function, forming a management system for training employees. The program aims to advance the effective management of processes of selection, evaluation, development and Competency-Based remuneration.

In order to improve the practice, in 2013 and 2014 the program's competencies were reviewed to support the organization's strategy and raise the employees' level of commitment by means of developing skills.

It should be noted that 90% of employees are guided with respect to the analysis of performance and development. Besides, in 2014, 9% of employees were relocated internally - either for changing posts or moving to another area.



SELECTION

The criteria for selecting new talents are based on the ethical principle of transparency, promoting the selection of skilled professionals whose behaviors are aligned to the

institute's values. For hiring and promotions, Competency-Based selection processes are carried out, prioritizing internal recruitment.



YOUNG APPRENTICE PROGRAM

Since 2011, ISAE has developed the Young Apprentice Program – a project created by *Centro de Integração Empresa Escola do Paraná* (CIEE – Paraná Center of Integration Company School). The institute hired five 15 to 16 year-old apprentices. This

initiative prepares young professionals for the labor market and advances social inclusion. When the apprentice fits the job requirements and the post is available, ISAE prioritizes hiring them after the learning period.



STRATEGIC REMUNERATION

In 2014, ISAE implemented Strategic Remuneration policies, for the institution believes that, when the remuneration system is aligned to the organization's strategy, interests harmonize, thus leveraging results. The remuneration model has organizational and individual goals for employees.

- Performance Policy aligned to the Competency-Based Assessment results and fulfillment of indicators from the Results Contract. The policy pays a bonus of R\$ 2,000.00 for employees who have a satisfactory assessment and reach 100% of the indicators. Employees who comply with the

two items participate in a draw for a trip for two and R\$ 1,000.00 in cash for expenses.

- Commission Policy for employees of the Financial Department who are responsible for collecting, with participation of area coordinators.
- Commission Policy for the Enterprise Solutions Department, composed of five areas.

The program also includes: Competency-Based Remuneration, Variable Remuneration and Indirect Salary (such as: sponsorship for master's, MBA, postgraduate, graduate and English courses).



ENVIRONMENTAL PERFORMANCE

GRI – 4.8, EN7 | PRME – 1, 2, 3

Global Compact – 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 | MDG – 3, 7, 8



GESTÃO
AMBIENTAL
ISAE

Um compromisso. Nosso legado.

MANAGEMENT APPROACH

ISAE's Environmental Management System develops a series of processes and actions comprising ISAE Community (the institution's stakeholders). The Environmental Policy describes the institute's responsibility towards the environment, guiding the Committee of Environmental Management in the treatment of environmental issues, organizational impacts and respective actions to strengthen the institution's sustainability.

In order to identify and control environmental liabilities arising from the institution's activities, ISAE improved the measurement system for indicators concerning the generation of solid waste, greenhouse gases, water and electricity consumption.

ENVIRONMENTAL MANAGEMENT COMMITTEE

GRI – 4.9, 4.10 | PRME – 2

Global Compact – 1, 2, 3, 4, 5, 6, 10 | MDG – 3, 7, 8

With the purpose of engaging the internal public and bringing effective solutions to environmental challenges, ISAE implemented the Committee of Environmental Management in 2013. The group – which had previously been responsible for Solid Waste Management – is formed by people from different areas of the institution, who gather to discuss, deliberate, supervise and implement actions to minimize environmental impacts.

In 2014, the committee gathered to define topics of work for the year. The actions focused on strengthening communication in ISAE's environments, raising awareness on the importance of the employee attitude for the process of optimization and use of resources.

SOLID WASTE

GRI – EN22

Global Compact – 7, 8, 9 | MDG – 7

The Solid Waste Management Plan comprises a set of procedures to manage waste produced in the institute. Developed in partnership with Ecosoluções Environmental Consultancy, the plan included all necessary actions to minimize waste generation, as well as all procedures for waste segregation, collection, sorting, packaging, storage, transport, recycling, reuse and disposal – the whole cycle. All waste generated at ISAE has a correct and certified final disposal.

Companies and organizations that collect waste at ISAE headquarters in Curitiba

COMPANY / ORGANIZATION	WASTE TYPE	DISPOSAL METHOD*
Transportec**	Waste carrier (various)	-
Bulbox	Light bulbs	Recycling
M1Info	Electronic equipment, computer peripherals and batteries	Recycling
Microtelnet	Toner	Reuse
Ecodetritos	Civil construction and plaster	Recycling
Secretaria Municipal do Meio Ambiente de Curitiba	Organic waste	Landfill

* Information provided by the companies / organizations

** Companies visited by ISAE's Environmental Management Committee

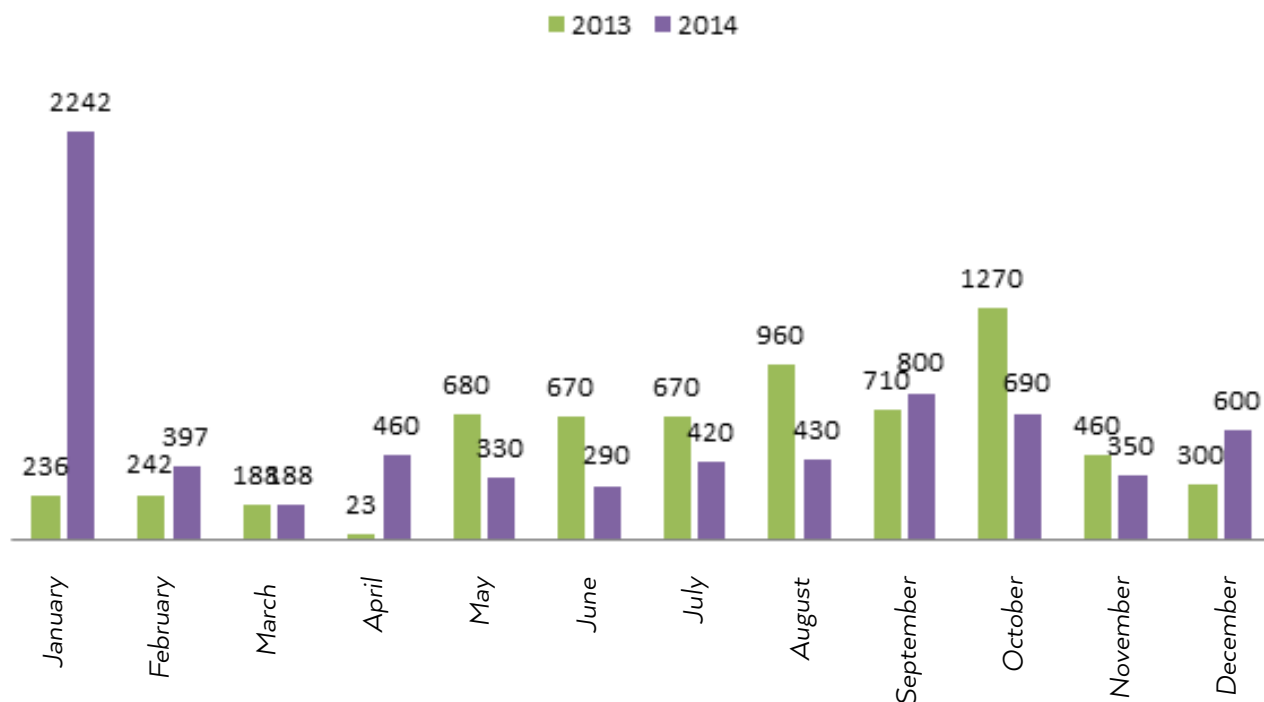
ISAE's Solid Waste Management Plan was elaborated in accordance with guidelines in the Reference Term for Elaborating Waste Management Plans, provided by the Municipal Secretary of Environment (Curitiba), guidelines from the Brazilian Association of Technical Standards (ABNT), resolutions from competent environmental bodies, such as the National Environment Council (CONOMA), state and municipal decrees.

One of the plan's main achievements was to map and update the process of solid waste management at the headquarters in Curitiba. This action was of extreme importance, for it structured a key activity

for the institution to responsibly manage its environmental liabilities. The process was presented to the staff in 2014, promoting engagement in waste segregation and destination.

The following information shows the amount of solid waste (paper, cardboard, metal, plastic, batteries and electronics) generated in 2013 and 2014 in the headquarters in Curitiba. The considerable increase in the amount of solid waste produced from May on is mainly related to the hiring of new collection services, which contributed to improve the measurement of the indicator.

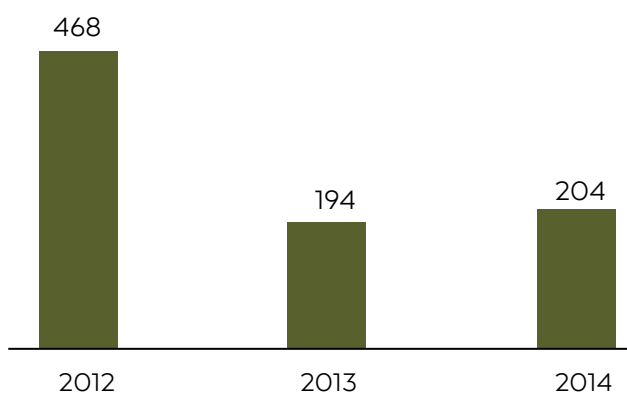
AMOUNT OF SOLID WASTE (KG)*



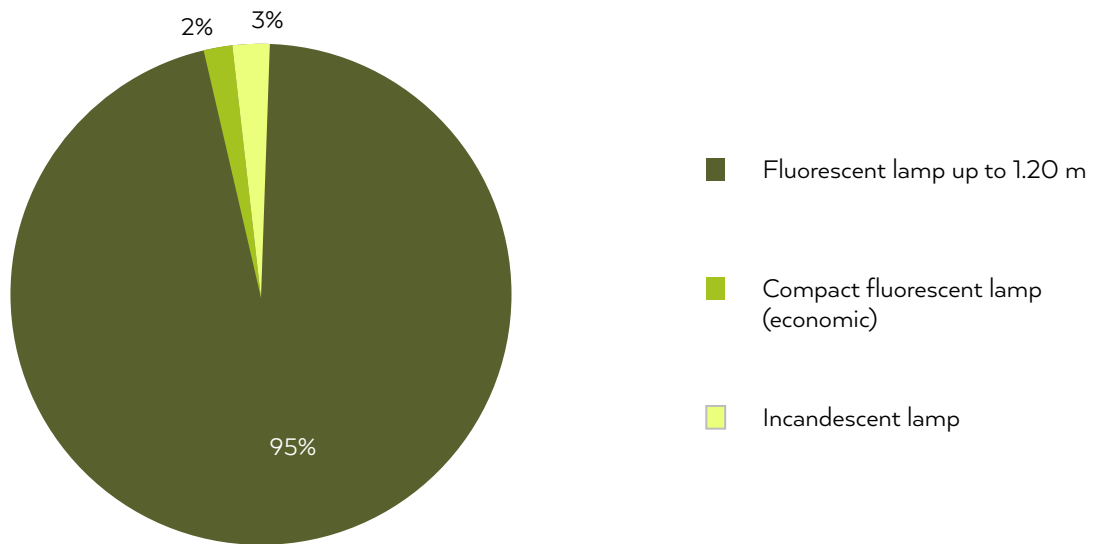
BATTERIES	ELECTRONIC EQUIPMENT	PAPER, CARDBOARD METAL, PLASTIC*	TOTAL
0 Kg	150 kg	7,197 kg	7,347 kg

* The process of segregation of these materials does not contemplate weighing them separately. In Solid waste increased in January 2014 due to the disposal of advertising material (folders and posters).

NUMBER OF LAMPS USED



CONSUMPTION OF LAMPS PER TYPE

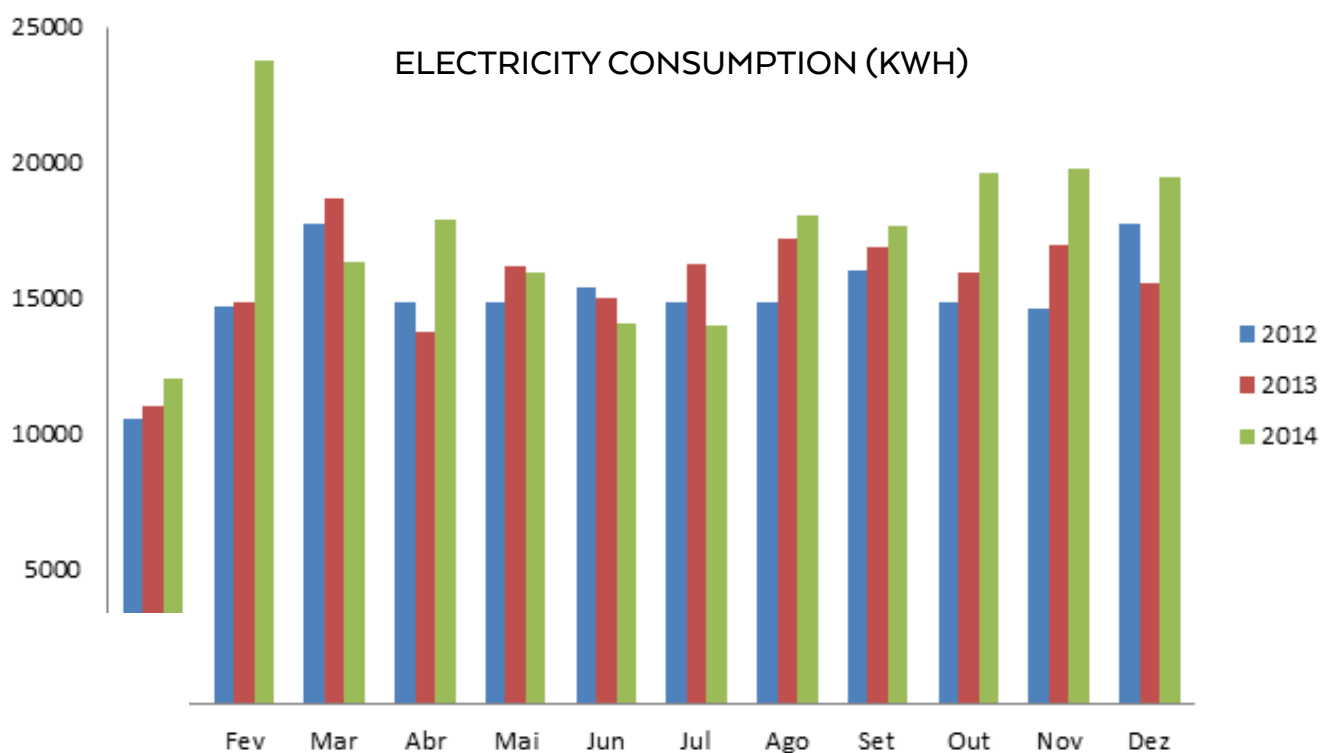


ENERGY

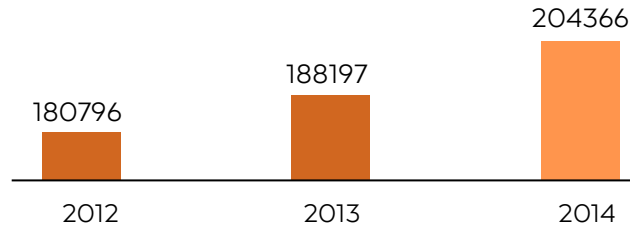
GRI - EN3

Global Compact - 7, 8 | MDG - 7

ELECTRICITY CONSUMPTION (KWH)



TOTAL CONSUMPTION (KWH)



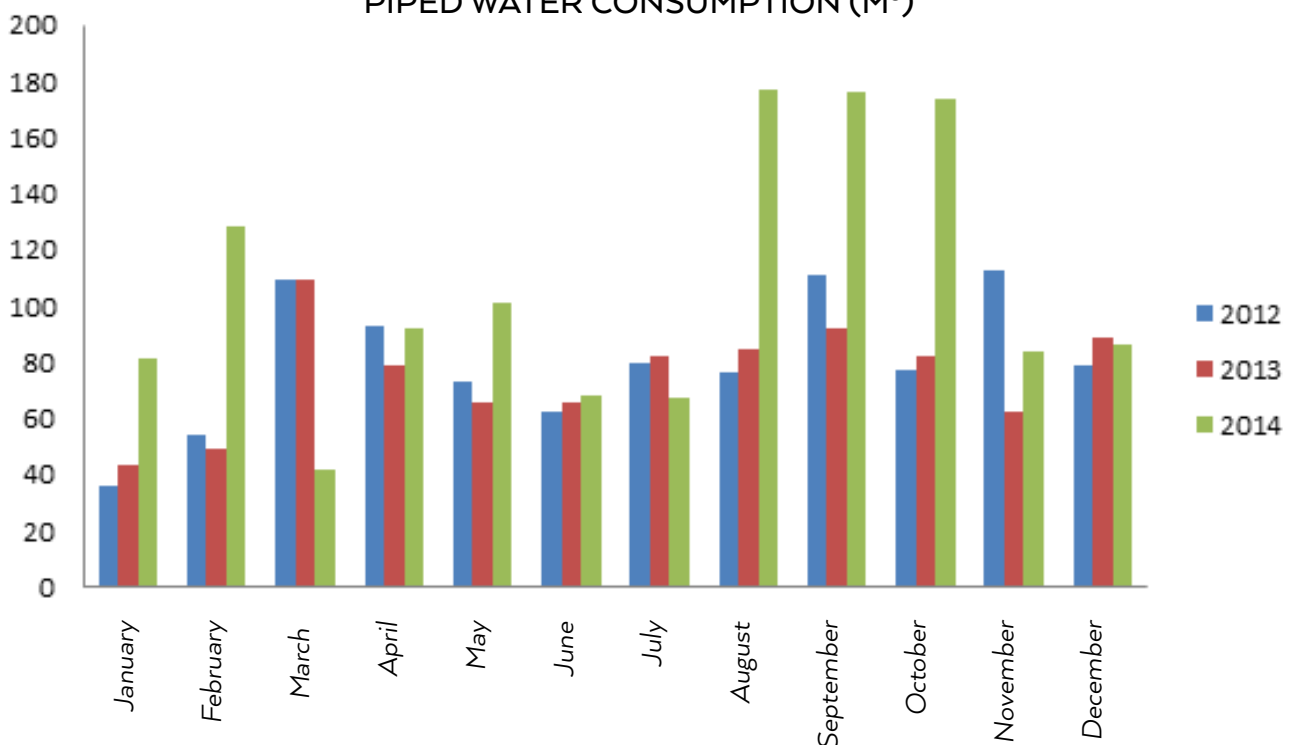
Electricity is supplied by Companhia Paranaense de Energia (Copel).

In 2014, ISAE implemented air-conditioning in various offices, thus there was an increase in consumption.

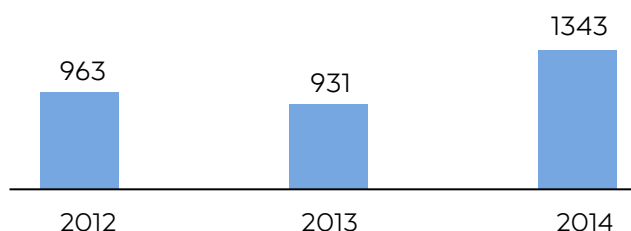
WATER

GRI - EN8, EN10
Global Compact - 7, 8, 9
MDG - 7

PIPED WATER CONSUMPTION (M³)



TOTAL CONSUMPTION (M³)



Water is supplied by Companhia de Saneamento do Paraná (Sanepar).

During the year of 2014, the use of rainwater totaled 67 m³ and ISAE held investments to identify possible points of leakage that became evident in August, September and October. Thus, the consumption of drinking

water is expected to be lower as a result of that interference in 2015, and the institute intends to implement the use of rainwater in women's toilets.

GREENHOUSE GASES

GRI – EN16, EN17

Global Compact – 7, 8, 9 | MDG – 7

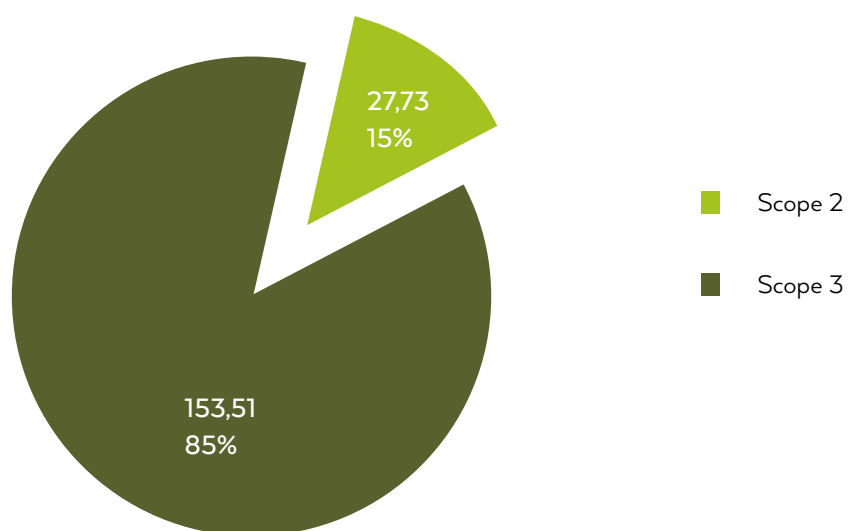
The development of the greenhouse gas inventory provides subsidies for monitoring environmental impacts by revealing the profile of emissions from an organization's activities. In partnership with Ecomind Environmental Consultancy, ISAE published the Greenhouse Gas Emissions Report 2014.

The methodology used in the inventory followed guidelines from the international Greenhouse Gas Protocol (GHG), which is a tool used worldwide by governments and business leaders to understand, quantify and manage greenhouse gas emissions. In Brazil, the GHG Protocol has a version adapted to the national context – the Brazilian GHG Protocol Program, which guided the process of estimating, verifying and reporting emissions.

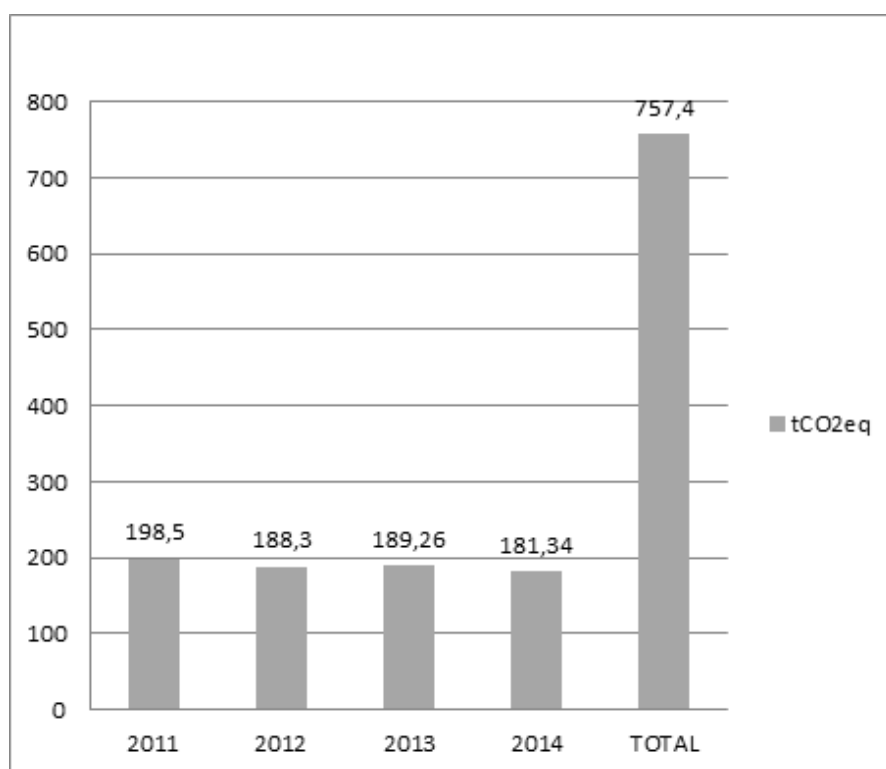
Calculation was done considering electricity consumption (GHG scope 2 – indirect emissions), air transport, water consumption and waste generation (GHG scope 3 – indirect emissions). There weren't emissions from the company's energy sources (GHG scope 1). Emissions in 2014 totaled 181.34 tonnes of CO₂eq.

According to the GHG Protocol, it is necessary to compare emissions between scopes for reporting. The image below reveals that scope 3 has 85% of the total CO₂eq emissions in this inventory. Air transport generated the largest share: 74% in scope 3.

EMISSION BY SCOPE (TCO₂E)



EVOLUTION OF GREENHOUSE GAS EMISSIONS



ENVIRONMENTAL EDUCATION

GRI – EN7

Global Compact – 7, 8, 9 | MDG – 7

In the year 2014, the ISAE held various skills in sustainability, all aligned to the Program of Development of the Network of Partners ISAE, as the event described below:

Curitiba Students / June 5th World Environment Day

Actions with students in Curitiba to raise awareness with respect to the World Environment Day. Students were presented with seedlings of native trees.



Training programs are described on page 66.

INVESTMENT IN ENVIRONMENTAL MANAGEMENT

GRI – EN30

Global Compact – 7, 8, 9 | MDG – 7

Environmental Protection Expenditure

CONCEPT	COST
Waste collection, treatment and disposal	R\$ 6.107.00
Eco-efficient infrastructure maintenance	R\$ 2.896.00
External services of environmental management	R\$ 12.699.00*
Internal staff for general activities of environmental management	_ **
TOTAL	R\$ 21.702.00

* Approximate value of exchanges according to partnerships.

** Value not contemplated.



ECONOMIC PERFORMANCE

GRI – 4.8 | PRME – 1, 2, 6

Global Compact – 1, 2, 3, 4, 5, 6, 10 | MDG – 3, 7, 8

ISAE manages the aspects that impact financial sustainability through budget management for areas and projects. The Administration Council reviews and approves the annual programming, which includes strategies, budgets, investment and expenditure forecast. The council also assesses the balance sheet, annual accounts, equity operations and the annual activity report, which afterwards is assessed by the General Assembly. In 2014, the institution's annual accounts were also analyzed by an external audit company.

ISAE is a non-profit organization and its annual revenue, which is the result of the provision of services, should be sufficient to cover operating costs. Therefore, the challenge of management is to ensure economic-financial balance in a sustainable and innovative way.

FINANCIAL INDICATORS

GRI – EC1

ISAE had a growth of 35% in revenue compared to 2013. This result was due to factors such as an increase of students per class in MBA courses, increase in sales of in-company courses, launching of a new product (Master's course), increase of revenue from International Modules.

Revenue (R\$)

	2014	2013	Variation
Gross Income	27.636.947	20.359.337	35,75%
Cancellations	-901.288	-619.282	45,54%
Net Income	26.735.659	19.740.055	35,44%

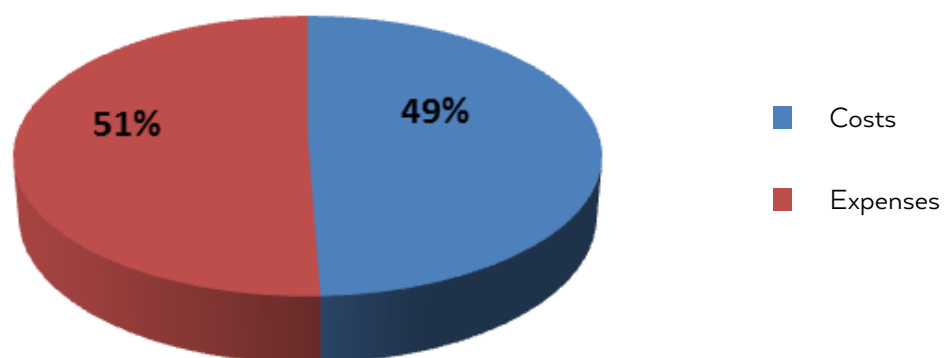
Operational Cost / Expenditure (R\$)

	2014	2013	Variation
Costs	12.856.994	11.256.055	14,22%
Expenses	13.173.729	11.376.419	15,80%
Total	26.030.723	22.632. 474	15,01%

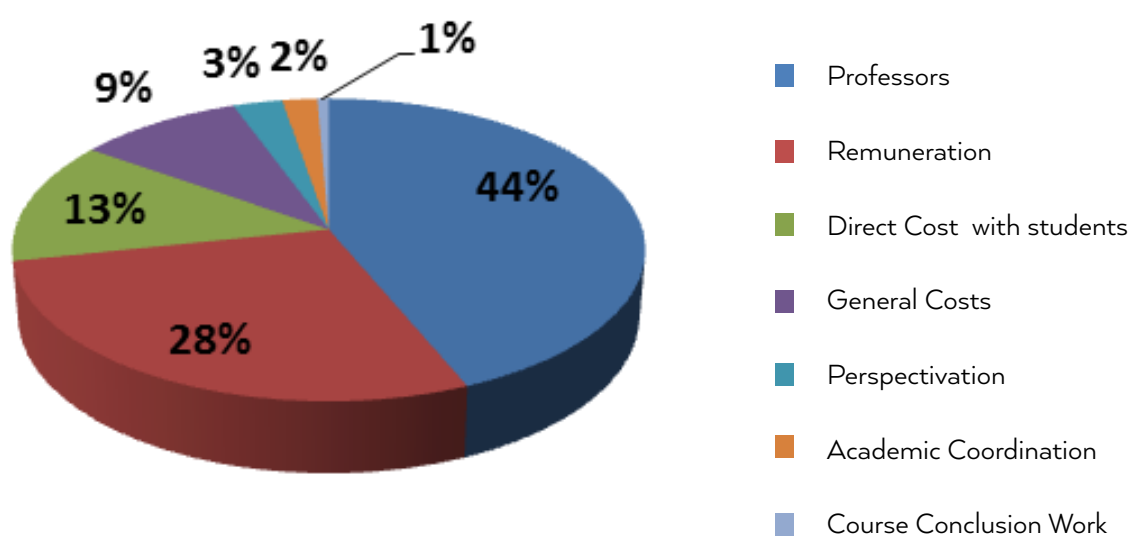
Employees' salaries and benefits (R\$)

	2014	2013	Variation
Remuneration	9.061.913	7.227.753	25,38%

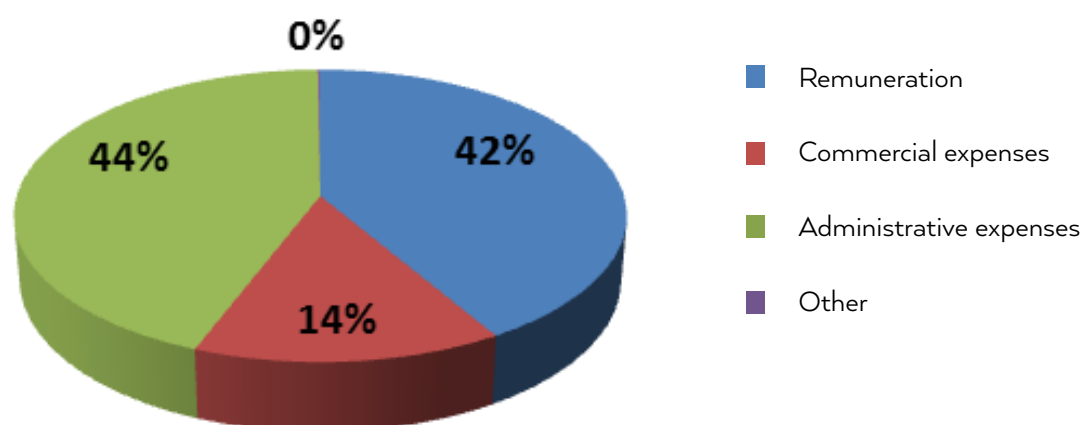
COSTS AND EXPENSES 2014



COST DISTRIBUTION 2014



EXPENSE DISTRIBUTION 2014



	2014	2013	Variation
Profit	704.936	-2.892.419	124,37%

GOVERNANCE

ISAE is a nonprofit scientific and technological institution, organized under non-economic objectives. Therefore, the institute is exempted from paying taxes.

COMMUNITY

This report does not include values related to investments in the community. Next year's report shall include expense related to Social Performance – Society.



GRI INDEX

GRI 3.12

Reference	Indicator	Global Compact	PRME	MDG	Page	Answered
PROFILE						
Strategy and analysis						
GRI 1.1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and its strategy.		1		04	Fully
GRI 1.2	Description of key impacts, risks, and opportunities.		6		55, 57	Fully
Organizational profile						
GRI 2.1	Name of the organization.		2, 3		05, 07	Fully
GRI 2.2	Primary brands, products, and services.		1, 2		07, 08, 44	Fully
GRI 2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.				07	Fully
GRI 2.4	Location of organization's headquarters.				05	Fully
GRI 2.5	Number of countries where the organization operates and that are specifically relevant to sustainability issues.				05	Fully
GRI 2.6	Nature of ownership and legal form.				05	Fully

Reference	Indicator	Global Compact	PRME	MDG	Page	Answered
PROFILE						
Organizational profile						
GRI 2.7	Markets served – including geographic breakdown, sectors served, and types of customers / beneficiaries.		2,3		09	Fully
GRI 2.8	Scale of the reporting organization, including: number of employees, net sales, total capitalization, quantity of products or services provided.				07	Fully
GRI 2.9	Significant changes during the reporting period regarding organization's size and structure.				24, 50	Fully
GRI 2.10	Awards received in the reporting period.	7,8	5	1, 2, 7, 8	23	Fully
Report parameters						
GRI 3.1	Reporting period (e.g., fiscal/calendar year) for information provided.				05	Fully
GRI 3.2	Date of most recent previous report 30/12/2014				05	Fully
GRI 3.3	Reporting cycle.				05	Fully
GRI 3.4	Contact point for questions regarding the report or its contents		6		06	Fully
GRI 3.5	Process for defining report content, including: relevance, prioritizing topics within the report and stakeholders.		5,6		05	Fully

Reference	Indicator	Global Compact	PRME	MDG	Page	Answered
PROFILE						
Report parameters						
GRI 3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).				05	Fully
GRI 3.7	State any specific limitations on the scope or boundary of the report. If boundary and scope do not address the full range of material economic, environmental, and social impacts of the organization, state the strategy and projected timeline for providing complete coverage.				05	Fully
GRI 3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.				05	Fully
GRI 3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.				05	Fully
GRI 3.12	GRI content index				99	Fully

Reference	Indicator	Global Compact	PRME	MDG	Page	Answered
PROFILE						
Report parameters						
GRI 3.13	<p>Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).</p> <p>Answer: The Sustainability Report 2014 was not subject to external verification. The prospect is that this process shall be included in the next years through the implementation of internal audit and, after, external audit.</p>					Fully
Governance, commitments and engagement						
GRI 4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	10	1,2		24, 32	Fully
GRI 4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).				24	Fully
GRI 4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.				24	Fully
GRI 4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.		6		24, 52, 80	Fully

Reference	Indicator	Global Compact	PRME	MDG	Page	Answered
PROFILE						
Governance, commitments and engagement						
GRI 4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance). *Variable remuneration x organizational performance	6			83	Fully
GRI 4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	10			33	Fully
GRI 4.7	Process for determining the expertise of the members of the highest governance body to define the organization's strategy towards economic, environmental and social issues.	7,8			24, 58	Fully
GRI 4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	1, 2, 3, 4, 5, 6, 10	1, 2, 6	3, 7, 8	29, 33, 86, 95	Fully
GRI 4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	1, 2, 3, 4, 5, 6, 10		3, 7, 8	24, 33, 36, 87	Fully

Reference	Indicator	Global Compact	PRME	MDG	Page	Answered
PROFILE						
Governance, commitments and engagement						
GRI 4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	1, 2, 3, 4, 5, 6	2	8	34, 36, 87	Fully
Commitments to external initiatives						
GRI 4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.				12, 36	Fully
GRI 4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	1, 2, 7, 8, 9, 10	1-6	7, 8	12	Fully
GRI 4.13	Memberships in associations and/or national/international advocacy organizations in which the organization has positions in governance bodies, participates in projects or committees, provides substantive funding beyond routine membership dues, or views membership as strategic.	3,7	1, 5, 6		12, 16	Fully
Stakeholder engagement						
GRI 4.14	List of stakeholder groups engaged by the organization.	7, 8	5,6	7, 8	53	Fully
GRI 4.15	Basis for identification and selection of stakeholders with whom to engage.				53	Fully

Reference	Indicator	Global Compact	PRME	MDG	Page	Answered
PROFILE						
Stakeholder engagement						
GRI 4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.		6		51, 54, 62, 63, 71, 73, 76	Fully
GRI 4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns.		6		58	Fully
RESPONSIBLE EDUCATION PERFORMANCE – Indicators established by the reporting institution						
ES3	Number of courses with at least one subject related to sustainability.	8, 9	1,2,3	7, 8	45, 46, 48	Fully
ES8	Number of students who participated in workshops related to sustainability.	8, 9	1,2,3	7, 8	46, 48	Fully
ES9	Programs focused on global executive education.	8, 9	1,2,3,5	7, 8	39, 44	Fully
IN1	Percentage of research projects related to sustainability.	9	4		50	Fully
IN2	Transversality of the sustainability theme in education (stakeholder panel demand)	1 - 10	1-6	1-8	44	Fully

Reference	Indicator	Global Compact	PRME	MDG	Page	Answered
SOCIAL PERFORMANCE - Society						
Community						
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	1-10	1-6	1-8	12, 52	Fully
Corruption						
SO2	Percentage and total number of business units analyzed for risks related to corruption.	10	1, 2		76	Fully
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	10	1, 2		83	Fully
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations. Answer: There are no accounting records of penalties by fines of significant value or non-monetary sanctions resulting from non-compliance with laws and regulations.	10	1, 2			
Labor Practices and Decent Work						
Employment						
LA1	Total workforce by employment type, employment contract, and region.	4, 5, 6	1, 2	3	77, 79	Fully
LA2	Total number and rate of employee turnover by age group, gender, and region.	6	1, 2, 6	3	77, 79	Fully

Reference	Indicator	Global Compact	PRME	MDG	Page	Answered
Labor / management relations						
LA4	Percentage of employees covered by collective bargaining agreements.	1, 3			77	Fully
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.				59, 80	Fully
Occupational health and safety						
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	1		7, 8	81	Fully
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	7, 8	1, 2, 3, 6	7, 8	81	Fully
Training and education						
LA10	Average hours of training per year per employee, by gender, and by employee category.	7, 8	1, 2, 3, 6	7, 8	83	Fully
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	6		3	84	Fully
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	6		3	84	Fully

Reference	Indicator	Global Compact	PRME	MDG	Page	Answered
Diversity and equal opportunity						
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	1,6		3	24	Fully
Equal remuneration for women and men						
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	1,6		3	79	Fully
Human Rights						
Investment and procurement practices						
HR2	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.	1-6		3,8	62	Fully
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	1-6			62, 83	Fully
Non-discrimination						
HR4	Total number of incidents of discrimination and corrective actions taken.	1,2,6		3		Fully

Reference	Indicator	Global Compact	PRME	MDG	Page	Answered
Remediation						
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	1-2		3	24	Fully
Product Responsibility						
Product and service labeling						
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.				59, 80	Partially
Compliance						
PR9	<p>Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.</p> <p>Answer: There are no accounting records of penalties by fines of significant value or non-monetary sanctions resulting from non-compliance with laws and regulations.</p>					Fully
ENVIRONMENTAL PERFORMANCE						
Energy						
EN3	Direct energy consumption by primary energy source.	7, 8		7	90	Fully
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	7, 8, 9		7	86, 94	Fully

Reference	Indicator	Global Compact	PRME	MDG	Page	Answered
Water						
EN8	Total water withdrawal by source.	7, 8, 9		7	91	Fully
EN10	Percentage and total volume of water recycled and reused.	7, 8, 9		7	91	Fully
Emissions, effluents and waste						
EN16	Total direct and indirect greenhouse gas emissions by weight.	7, 8, 9		7	92	Fully
EN17	Other relevant indirect greenhouse gas emissions by weight.	7, 8, 9		7	92	Fully
EN22	Total weight of waste by type and disposal method.	7, 8, 9		7	87	Fully
Overall						
EN30	Total environmental protection expenditures and investments by type.	7, 8, 9		7	94	Fully
ECONOMIC PERFORMANCE						
Economic performance						
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.				96	Partially
Market presence						
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	1, 6			79	Fully

