IOS INSTITUTO DA OPORTUNIDADE SOCIAL

Annual
Report 2016

Mission, Vision and Values

Seek out, support and monitor the employability of young people and people with disabilities, who have less access to the job market.

To be a reference and have excellence in training, education and relationships, which will promote job opportunities for young and disabled people, turning them into modifying agents of their communities.

We are a transformation agent founded on: Integrity, Ethics, Respect, Dedication, in Search of Knowledge and Team Spirit.

Table of Contents

Highlights 2016

Social Impact of **47%** on the **students family income**.

Increase of 9,4% in the number of students with supported employability in comparison to 2015.

Creation of the first group of **students with total visual impairment**.

Improvement in the educational support team, with the hiring of a psychologist, a psycho-pedagogue and social workers.

Achievement of the classroom occupation goal, with **2,432 offered openings and 2,586 enrolled students**, generating a 106% classroom occupational rate.

About the report

This is the 2016 Annual Report of the Institute of Social Opportunity (IOS), a document that presents in a simple and objective way the strategy and main results of IOS in its mission to transform the lives of young people and people with disabilities in the period of 1st January to December 31st, 2016.

This report adopts the guidelines of the Global Reporting Initiative (GRI) – G4 version – a standard recognized and used by organizations and companies worldwide.

CONSULTED PUBLIC

- Students
- Partners
- Participants and
- Suppliers

The fact that IOS is one of the few social organizations in Brazil to publish reports following the GRI format, demonstrates the strategic value that the Institute gives to the transparency of its management and accountability to its partners.

Following the GRI recommendations, the content definition process for this publication follows a matrix of relevance structured in 2014 and revalidated in 2015 and 2016.

Both the preparation and the revalidations involved the participation of the Institute's stakeholders, selected by an alignment with IOS Management. They shared their views

on the issues most relevant to the Institute's sustainability which, as a consequence, should be addressed in more depth in the Annual Report.

For the last revalidation, conducted in 2016, the IOS conducted a benchmark survey (a study to evaluate best practices) with other third sector organizations. In possession of the outcome, IOS consulted with its public relationships, in order to provide their opinion on what subjects they judged more important.

From this work, the IOS revisited its material themes, which were grouped into new topics and received new names, in order to make them more precise and facilitate their assimilation by the public relationship of the Institute. In addition, a new material theme was introduced: the Student Cycle. At the end of the process, the list of material topics received seven titles (instead of the nine submitted in 2015). They are:

IOS MATERIAL THEMES

- Dialogue with Stakeholders
- Employability
- Investment and Fundraising
- Program Quality
- Partnerships of Value
- Ethics
- Student Cycle

Following the methodology proposed by the GRI, the material themes were correlated to indicators which were answered in this publication and can be identified by the acronym "GRI-G4". In accordance with the GRI G4 "Essential" option, the report committed itself to meet at least one indicator for each selected aspect.

A complete list of the indicators can be found on the GRI Index, on page 53.

For questions, suggestions or more information about the Report, please contact: relacionamento@ios.org.br

IOS Message GRI G4-1
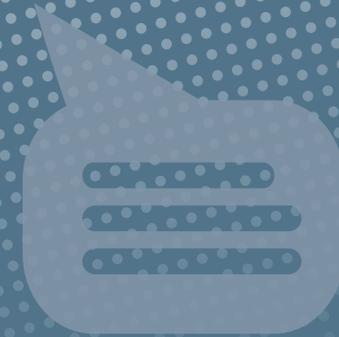
Welcome to the IOS Annual Report, which shows our key results throughout 2016. Before you begin reading, we would like to emphasize that behind every paragraph of text, number and color chart presented, there are inspiring stories of students who have overcome great personal difficulties to study, develop and acquire their first job.

The importance of these stories became even clearer for us in 2016, during the IOS' 18th anniversary celebrations. In order to mark the date, which suggests the arrival of maturity, we have taken stock of our own history, recalling everything we have built and conquered from the earliest days to the present moment. As a result, it became evident that the lives we have transformed over the years are the most precious thing we have.

The evolution of our students in search for better employment opportunities is so important to us that it is present in our mission, and for this reason it is a theme in this Report.

We also updated our materiality matrix this year, in search of the most relevant themes for our sustainability. The student's trajectory, shown in our material through the Student Cycle, stood out again during this process, showing its relevance to the Institute and its stakeholders.

The Cycle encompasses the first moments of our relationship with young people and people with disabilities: when we approach them in schools or through the press and social networks, passing through the courses themselves until the achievement of their employment opportunity. Each of these steps require the passionate dedication of our participants so that the students can learn, improve and achieve a significant improvement in their lives.

To demonstrate this process, we present

Luanda's story in the Report, a fictional IOS student, whose life unites remarkable moments such as the ones faced by the majority of our students. In addition, at each opening of a chapter, we tell the story of other students who have passed through IOS.

All this to exemplify that our advances in 2016 have as their main goal the supporting and monitoring of the development of our students.

We were able to increase the employability of our students by 9%, thus increasing the income of their families by 47%. Such an achievement was made possible by our dedication to increasingly close our relationship with our partner employers. From their feedback, we know that they seek out the IOS student both, for their technical knowledge, and for their demonstrated behavior in the job market.

Our student also becomes a reference in the community, both for their ability to yield or for the principles of active citizenship that they learned in IOS. In 2016, 80% of the students who graduated from the Institute participated in voluntary social actions in other organizations. They were encouraged by the IOS Solidarity Project which was proposed by the Educational team during the IOS courses. The Project's purpose is that students give back to their communities the benefits they received. Our goal is that the student becomes an agent of social transformation by the end of the course.

We evolved in the digital field, opening the possibility for students to carry out parts of the Student Cycle via the internet. In 2016, we created online contact channels, opening up the possibility to register online for the first phases of enrollment and continued with the semi-attendance courses. In addition, we created the first group of students with total visual impairment and invested in the educational team, hiring social workers, psycho-pedagogue and psychologists to support students in the psychosocial field.

We also developed throughout the year the IOS Social Technology Project, which aims to use technology to take our teaching methodology to places where we cannot be present. It should be deployed throughout 2017.

IOS business partners are essential in each of our achievements. Without them, we would not have the ability to transform the lives of our students. And we have also evolved in this aspect, reaching about 100 partners in 2016. This has been achieved thanks to the credibility we have built up over time, accounting transparently on every investment made.

The presentation of solid results is essential for the continuity of our projects, as our partners are interested in monitoring how their investments transform the lives of young people and people with disabilities. They know that investing in education and employment is investing in a better future for our society, and here, the IOS becomes a reference option, based on ethics, compliance, credibility and transparency in all relationships.

And we could not fail to mention that all these stories of success, and consequent growth of IOS occurred in a year of political-economic crisis and increasing unemployment in our country. Surviving and thriving through so much difficulty translates our DNA of social engagement and our competence in the leadership of the Institute.

In closing, we want to give you a sample of what is about to come by letting you know that we entered 2017 on the right foot: we will have a new headquarters, making the work environment much more collaborative for our participants, with more space and options of rooms and courses for our student trainings. Speaking of courses, three new courses in Information Technology will be developed and inserted into our curriculum, which will assist us in making new strategic partners and in increasing the employability quality of our students.

And you can assist with all this. Join us!

Enjoy your reading!
IOS Team

18 years of Social Opportunity

The **Institute of Social Opportunity** is a Public Interest Civil Society Organization (OSCIP), not for profit, headquartered in Sao Paulo (SP), Brazil, which focuses on the training and the employability of young people and **people with physical, visual or hearing disabilities**.

The IOS was created in 1998, from the voluntary initiative of a group of employees from Microsiga Software S/A, currently TOTVS, aiming to provide access to information technology to low income youth, through programs that assisted with their educational training.
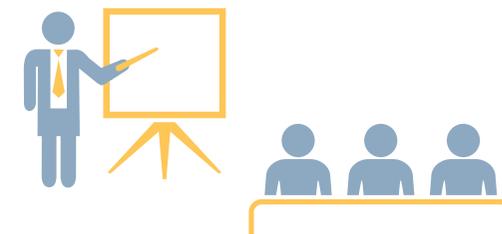
Nowadays the Institute offers **professional training courses** using the ERP TOTVS and other Information Technology tools in four Brazilian states. It aims to increasingly expand the reach of its work. To achieve this, it counts on the support of about 100 companies, which act as employers for former students, or supporting projects.

STUDENT PROFILE

YOUTH

- Between 14 and 24 years old
- Attending the last year of middle school, high school or EJA*, a youth and adult education school, preferably within the public school system

PERSON WITH DISABILITY

- Starting at 16 years old
- Presents physical disabilities such as reduced mobility, reduced vision, partial or complete deafness

*EJA- Brazilian initiative that offers a better chance for people whom, for whatever reason, have not completed elementary and / or middle school at an appropriate age.

PERFORMANCE UNITS GRI G4-6

The Institute has its own management unit called, **Core IOS**, located in the northern area of the city of Sao Paulo. During the period covered by the Report, the Institute also conducted its activities in **seven other Service Units in the Greater Sao Paulo area**: Diadema, Itaquera, Jabaquara, Jardim Angela, Santana and Barueri.

The IOS also has six service units, spread throughout Brazil, two Units in **Joinville (SC)**, two in **Belo Horizonte (MG)**, one in **Rio de Janeiro (RJ)** and one in **Duque de Caxias (RJ)**. Besides the Service Units, the Institute also has a **social franchise in Sacramento (MG)**

Sacramento (MG)
1 franchise unit

Belo Horizonte (MG)
Branch with 2 service units

Rio de Janeiro (RJ)
Branch with 2 service units

São Paulo (SP)
Core Unit + 7 service units

Joinville (SC)
Branch with 2 service units

More information about the history and the IOS performance model can be accessed at:
http://ios.org.br

In 2016, IOS opened two new Service Units. One of them was inaugurated in Barueri, in the Greater Sao Paulo area, in partnership with the Rotary Youth Program (Projov). The students had all the contents of the IOS ERP Business Management course as a complement to the contents already taught by Projov.

The other Service Unit was in Duque de Caxias, in Rio de Janeiro, in partnership with the UNIGRANRIO. The new Service Unit allows IOS to service the students from the Greater Rio area.

In addition, IOS decided to stop its activities in the Jabaquara Service Unit, in Sao Paulo. In recent years, indicators have been pointing to a significant increase in the number of student dropouts in the region, reaching 34% in relation to the total number of students enrolled. After making a series of efforts to attenuate this problem, the Institute identified that the local context presented a series of variables which interfered in the pedagogical process, most of them depended on a greater articulation of public policies in the area. Therefore IOS decided to end the partnership in the region, recognizing all the lessons it provided.

PARTNER ORGANIZATIONS

The IOS works in the serviced communities through well-established local organizations. This partnership is important to us, not only because they let us use their physical space, but also because they help us understand the local reality, essential for the Institute's work. In addition, they are well known and trusted by the local community, making the courses and projects offered more attractive. The educational partners in 2016 were:

Barueri – SP	Diadema – SP	Itaquera – SP
Jabaquara – SP	Jd. Angela – SP	Pirituba – SP
Santana – SP	B. Horizonte – MG	B. Horizonte – MG
Joinville – SC	Rio de Janeiro – RJ	Rio de Janeiro – RJ

Learn more about our partner organizations at: **www.ios.com.br/unidades**.

PERFORMANCE PILLARS

To support the employability of young people and people with disabilities, the IOS supports itself on six pillars, as follows:

TRAINING

he IOS offers free training courses in the areas of Business Administration and Information Technology. Classes are focused on a theoretical and practical teaching of business management software, addressing business rules in an experiential way. In addition contents associated with citizenship, employability, behavior and school reinforcement for Portuguese and Mathematics are taught.

CUSTOMIZED TRAINING

The Institute offers the IOS Program for Professional Inclusion, with emphasis on Administrative Management and Information Technology for young people and people with disabilities, including internship and apprenticeship programs. They are developed with the aim of promoting equal opportunities and supporting companies in their social inclusion actions, facilitating compliance with the Quotas Law[1] for people with disabilities.

EMPLOYABILITY

Employability is one of the most important areas for the IOS to fulfill its mission. Its actions consist of supporting the students in the search to obtain their first formal employment or to re-enter the job market. To achieve this goal, the Institute offers:

· Theoretical and practical courses focused on the job market; and
· Technical and behavioral preparation of the students to acquire their first job.

It is also part of the Employability Pillar, the monitoring of the students after they are hired and the relationship with the hiring company.

LEARNING COURSES

IOS has a seal from the Ministry of Labor and Employment to offer professional learning in the administrative area. Through the IOS Apprentice Program, the Institute provides support for partner companies to recruit young people as apprentices and to make it easier to comply with the Learning Law[2].

This way the Institute offers the necessary structure for the companies to have a capable professional in their operation and it also assists with any doubts or needs arising from its legal obligations.

SOCIAL TECHNOLOGY

The IOS develops Social Responsibility and Private Social Investment Programs directed at companies and organizations that have an interest in supporting the Institute. The main programs of this pillar are:

· Sponsorship and support of classes, service units, differentiated courses, material infrastructure, events and customized projects;
· Corporate Volunteering Program which includes mentoring, lectures circuit, technical mini courses and voluntary translations;
· Employability and Learning Course, including the hiring of the young people who have been approved in the free professional training and Learning Courses.

SOCIAL TECHNOLOGY

The IOS Social Technology project aims to create a self-sustaining service network, expanding the performance and geographical coverage of the Institute's projects. This network is supported by the multiplication of the IOS proposal through other organizations that take ownership of the educational model, pedagogical content and professional training format developed and apply them in their projects.

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[1] Article 93 of Law No. 8.213 / 1991 establishes the requirement for companies with 100 or more employees to fill their positions with 2% to 5% of rehabilitated or disabled people.

[2] Learning Law No. 10,097 / 2000 and expanded by Federal Decree No. 5,598 / 2005, determines that all medium and large companies employ a number of apprentices equivalent to a minimum of 5% and a maximum of 15% of its employees whose duties require professional training.

TRAINING COURSES

There were five courses offered in 2016:

Business Management with ERP Software	Addresses the management structure of a company by practicing through an ERP management software.
Materials Management	Theory and practice of administrative processes, operating TOTVS ERP software in the modules: Purchasing, Inventory and Costs, Billing and Financial.
AdvPL* Programming	Aimed at the programming language developed by TOTVS and applied in the development of TOTVS ERP. The participant becomes able to customize the system according to the need of the business rule.
Entrepreneurship	It presents the entrepreneurial process, addressing the business plan, financial education, teamwork and personal marketing.
Materials Management – Semi-attendance	This is a semi-attendance course. It addresses the structure and operation of the Purchasing and Inventory departments of a company, operated through the ERP software.

Advantage Protheus Language.

CUSTOMIZED TRAINING COURSES GRI G4-DMA (former NGO4)

In 2016 there were four courses taught in this category:

Rehabilitating	Aimed at people going through the rehabilitation process by the INSS (National Social Security Institute). Its goal is to increase their opportunities for re-entering the job market. In order to do so, it presents the structure and operation of the Purchasing and Inventory departments of a company, operated through the ERP software.
Business Management for people with disabilities	It teaches the complete vision of the company, Workflows, Purchasing, Inventory, Invoicing and Financial, among other topics for people with disabilities.
Project Management	Professionally trains visually impaired people in information technology, administrative processes and project management, supporting their referral to the job market.
Customized TOTVS Classes	Supports TOTVS in the training of people with disabilities, in compliance with the Quotas Law, and in the IOS Apprentice Program with customized workload and content.

SUPPORTING ENTREPRENEURSHIP

The new Entrepreneurship course, based at the Pirituba service unit, focuses on the entrepreneurial process as a whole, from the development of a business plan to opening. The classes were aimed at students who wanted to start their own business or apply strategies in family business and in corporate life.

NEW COURSES FOR PEOPLE WITH VISUAL IMPAIRMENT

In 2016, the IOS began offering new vocational courses catering to people with partial or total visual impairment. The contents offered cover digital education, citizenship, project management, employability and the job market.

To make the course possible, IOS needed to work on the accessibility of its headquarters, on the conversion of its course material into audio books and on the acquisition and installation of the IVONA voice software to train students.

LEARNING COURSE

In 2016, the IOS Apprentice Program taught the following courses:

Administration with Business Management software | It covers the disciplines of Purchasing, Inventory and Costs, Billing and Marketing, Financial, Project Management, Entrepreneurship, Storage Management, Accounting, People Management, Communication and Expression, Mathematics and Transversal Themes, with the objective of bringing the student closer to the administrative routines of a company, teaching business rules, through use of a management software. For more information on the courses offered by IOS, please visit http://ios.org.br/index.php/cursos

THE IOS SOCIAL TECHNOLOGY PROJECT

In 2017, the Institute plans to implement the IOS Social Technology Project in order to create a network of social organizations that appropriate and apply the educational model, pedagogical content and professional training format developed by IOS. The partnership with the organizations will be structured as follows:

IOS

- Provides semi-attendance training to teachers and assistants assigned to the activity.
- Accompanies the teaching and learning process of those involved.
- Provides the content via online platform to the students and educators of the partner organization.
- Certifies the partner organization with an IOS Social Technology seal as a way of recognizing the initiative to multiply a professional training model that has results and social transformation of individuals.

PARTNER ORGANIZATION

- Offers costs for materials, uniforms, infrastructure and educational staff.
- Promotes the course and recruits interested students.
- Periodically reports to IOS its activities related to the project.

The objective of the IOS Social Technology Project is to increase the coverage area of the Institute, bringing with it a high scalability potential versus low investment in technology, infrastructure and human resources. In this way, it is possible to expand the geographic scope of its mission to support the inclusion of young people and people with disabilities in the job market, reaching more distant places in Brazil or even beyond its borders in other Portuguese-speaking countries.

In 2016, IOS completed 18 years of activities and during this time it transformed the lives of more than 28,000 young people and people with disabilities. As part of this milestone, the Institute has launched awareness materials which demonstrate how the third sector can change lives, with real examples of people who have gone through the Institute, and who can inspire new people to seek knowledge and begin to change their future.

BOOK

Portraits of Opportunities - The third sector and the social development

The main piece was a book that tells 18 stories of transformation, in which the Institute had –

together with other social organizations – a determining social impact. The production of this book was recorded in video, a work that lasted eight months and involved interviews and filming in Sao Paulo (SP), Diadema (SP), Ferraz de Vasconcelos (SP), Poa (SP), Rio de Janeiro (RJ) , Joinville (SC), Goiania (GO), Belo Horizonte (MG) and Manaus (AM).

The publication has been used as an incentive tool for new participants, and has been addressed in the classroom to exercise the student's text interpretation and used to sensitize partners. Some copies were also donated to public libraries.

Book Launch

The book was officially launched on October 25th at an event that celebrated the Institute's 18th anniversary. Held in Sao Paulo, the event was attended by organizations such as IBM, Credit Suisse Institute, Banco Bradesco, BRASSCOM, Bethel Baptist Church, Dom Bosco Social Work and representatives of TOTVS. The guests received copies of the publication and could watch the video of the making of the book, which shows a little about each story told.

To see the book and the photos of the event, visit: **http://ios.org.br/index.php/sobre-o-ios/nossa-historia/ios-18-anos-42i**.

Ageu Antonio

Ana Carolina

Beatriz

Genilton

Jefferson

Jucelino

Juliana and Lucienne

Julio Cesar

Leidevan

Liliane Samira

Luana

Mariana

Matheus

Raquel

Rodrigo Alexandre and Alexandro

Rodrigo

Thaieny

Willians

Leadership and directors

ORGANIZATIONAL STRUCTURE GRI G4-34

IOS counts on a management focused on bringing the best results to students and partners, bringing social value to all its stakeholders. The organizational structure follows what is required by law for OSCIPs (Public Interest Civil Society Organization).

General Assembly — Most important body of deliberation and decision making, responsible for electing Board Members and the Executive Director.

Board of Directors — Consisting of a CEO, a Deputy Director and a General Director. They are responsible for managing the implementation of the decisions and strategies of IOS.

Supervisory Board — It´s function is to supervise the administrative acts and ensure compliance with legal and statutory obligations. It is composed of three member.

Advisory Board — Comprised of six members with experience in the Institute's area of operation. They are responsible for supporting and grounding the IOS strategic planning.

CEO | **Deputy Director** | **General Director**

Executive Management

- Administration and Finances
- Educational
- Employability and Communication
- Infrastructure and Technology
- Human Relations
- Institutional Relations

Diversity Committee — Created in 2015, it is comprised of 12 members and its function is to better understand the demands of people with disabilities.

DIVERSITY COMMITTEE

GRI G4-DMA
(former NGO4)

The Diversity Committee is composed of employees who represent all areas of IOS. Its purpose is to discuss the diversity actions carried out with the students and the Institute's partners on a monthly basis. In 2016 the role of the Committee was to discuss IOS projects that directly involved issues of diversity and inclusion.

Based on the Institute's mission, the most discussed topics are related to people with disabilities. The highlight of the year was the start of the first class for the blind. In this case, the group sought information and solutions for welcoming this group, from both, the infrastructure and the relationship point of view.

ETHICS, COMPLIANCE AND TRANSPARENCY

GRI G4-SO3

The compliance and transparency principles are fundamental for the IOS strategy and performance, representing an important differential for attracting increasingly demanding partners regarding the ethical destination of their resources.

In this sense, the IOS strictly complies with the legislation that regulates its operation as an OSCIP, annually informing the details of its performance and activities to the Ministry of Justice. In addition, the entire financial flow of the Institute is annually evaluated by an external audit, in order to guarantee the reliability of the results to society.

The Institute is also dedicated to maintaining a standard of excellence in accountability for partners through documents that detail how and where the investment received was applied - as well as the results generated in the medium and long term. IOS is dedicated to ensuring accountability for all projects, including for partners who do not require predefined formats.

RECOGNITION

Over the last few years, IOS excellence in the production of accountability reports was recognized by many institutions such as:

- **9.2 grade in accountability by the International Bank**
  Acknowledgment from one of the biggest financial institution in the world to the Organization and for the transparency in information provided by IOS
- **IOS was evaluated as excellent in accountability by the Credit Suisse Hedging-Griffo Institute.**
  The Institute was evaluated as great and excellent on the 2 accountability reports provided in 2015 for one of the largest Private Banking institutions in Brazil.

Other than the recognition by its accountability, IOS excellence also comes from other awards. In 2016, for example, the Institute received the **Professional Rehabilitation Award – Pro Rehabilitation Project,** recognition for its work in the IOS Professional Rehabilitation.

To learn about other awards received by IOS, please visit: **http://ios.org. br/index.php/sobre-o-ios/ios-hoje/ relacoes-institucionais/premios-e- reconhecimentos**.

GLOBAL PACT GRI G4-15

UN GLOBAL COMPACT

Network Brazil
WE SUPPORT

Throughout its history, the IOS has established partnerships with various institutions and has adhered to external commitments – always in line with its mission. Since 2015, the Institute has joined the Global Pact, an initiative of the United Nations (UN) focusing on human rights, labor relations, the environment and the fight against corruption.

In its membership letter, IOS committed to support and disseminate the **10 principles of the Global Pact**:

RESPECT and support the protection of internationally proclaimed human rights in its area of influence.

STIMULATE practices that eliminate discrimination in respect to employment and occupation.

ENSURE that they are not complicit in human rights abuses.

SUPPORT a precautionary, responsible and proactive approach to environmental challenges.

UPHOLD the freedom of association and the effective recognition of the right to collective bargaining.

DEVELOP initiatives to promote greater social and environmental responsibility.

ELIMINATE all forms of forced and compulsory labor.

ENCOURAGE the development and diffusion of environmentally friendly technologies.

ABOLISH all forms of child labor from its productive chain.

WORK AGAINST corruption in all its forms, including extortion and bribery.

In the document, IOS also committed to participating and engaging with the principles of the Global Pact through five items, and to regularly report on its evolution:

MEMBERSHIP LETTER ITEM	IOS EVOLUTION
Engagement with the local network	IOS usually participates in local networks in the regions where its Service units operate. **Sao Paulo:** Youth Park Council. **Belo Horizonte:** Municipal Council of Social Assistance, Committee for the Mobilization for Education and Coordination of Rights of Persons with Disabilities (CDPD). **Joinville:** Municipal Council of Rights of the Disabled (COMDE). **Rio de Janeiro:** State Forum of Learning (FEAP).
Project proposal for corporate sustainability, within its area of activity	One of the pillars of IOS is to train and promote the employability of its students, generating qualified workforce for partner companies and the job market as a whole.
Engage companies to participate in initiatives related to the Global Pact	The IOS has not acted on this item yet.
Engage with initiatives or work groups within its area of expertise	The Institute participates in various groups, debates and forums, such as the Funcad Force Group. It has connections with public high schools and participates in meetings of the Children and Adolescents Council.
Participate in local events promoted by or related to the Global Pact	IOS participated in online events, such as the COE Webinar, for non-business participants.

PARTICIPATION IN ASSOCIATIONS GRI G4-16

The Institute works to strengthen the Third Sector and, in order to do this, it participates in 14 associations and entities. In 2016, the IOS participated in:

- Brazilian Association of Fundraisers (ABCR).

- Brazilian Association of Information Technology and Communication Companies (BRASSCOM), as an Institutional Member.

- Brazilian Federation of socio-educational Adolescent Associations (FEBRAEDA).

- Municipal Council for the Rights of Children and Adolescents (CMDCA) of Belo Horizonte (MG), Diadema and Sao Paulo (SP), Joinville (SC) and Rio de Janeiro (RJ).

- Paulista Professional Forum of Learning of Sao Paulo (FOPAP) and State Forum of Professional Learning of Rio de Janeiro (FEAP).

- Municipal Council of Social Assistance (COMAS), in Sao Paulo (SP).

- Regional Board of Development and Social Assistance (DRADS), in Sao Paulo (SP).

- Regional Superintendence of the Ministry of Labor and Employment in the State of Sao Paulo (SRTE / SP).

- National Institute of Social Security (INSS), in Sao Paulo (SP) and Joinville (SC).

- Department of Education of the State of Sao Paulo (SEESP).

- Support Program for the Persons with Disabilities of the Government of the State of Sao Paulo (PADEF).

- Department of Employment and Labor Relations of the State of Sao Paulo (SP).

- State Council for the Rights of the Child and Adolescents of the State of Sao Paulo (CONDECA).

- National Program to Support Health Care of the Disabled (PRONAS / PCD).

COMMUNICATION CHANNELS GRI G4-37 | DMA (former NGO2)

The relationship public can contact the IOS Core Unit via phone or email:

(+55 11) 2503-2617
(+55 11) 2503-2618
instituto@ios.org.br

Or directly:

- Employability Partners:
  (+55 11) 2283-3180
  empregabilidade@ios.org.br

- Institutional Relations Public:
  (+55 11) 2503-2617
  relacionamento@ios.org.br

- Financial:
  (+55 11) 2503-2617
  financeiro@ios.org.br

If you wish to contact the Branches and other Service units directly, please access: **http://ios.org.br/index.php/unidades**.

NEW COMMUNICATION CHANNELS WITH STUDENTS

We launched two communication channels for the relationship with our students, which may be identified by the following characters:

Edu, represents the **Ombudsman**. The character has a big ear, intended to listen to the young people's needs, including doubts, suggestions, complaints and requests. Once received, the demand is sent directly to the superintendent of IOS, who will personally take care of the cases. To contact Edu, e-mail: **falecomoedu@ios.com.br**

Lupita, takes care of the **Employability area**. The character has this name due to the magnifying glass (lupa in Portuguese) she carries in order to look for the first job for the young people of the Institute. To contact Lupita, e-mail: **lupita@ios.com.br**

IOS CONTENT AND THIRD SECTOR

In its constant search to be a reference in matters related to the training and employability of young people and people with disability, IOS participants generate content which is posted on the website (in the Press and Blog session), on social networks, bulletins for partners and specific portals. To learn more about these contents, go to:

http://ios.org.br/index.php/sobre-o-ios/dialogo-ios/blog

http://ios.org.br/index.php/sobre-o-ios/dialogo-ios/imprensa

Our action strategy GRI G4-DMA
(former NGO1)
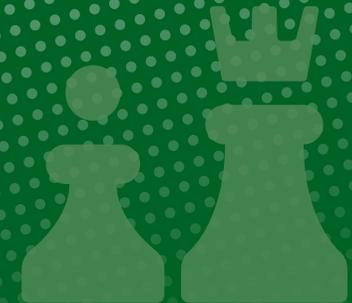
It is part of the IOS strategy to broaden the relationship with its stakeholders, in order to generate value throughout the Institute's chain, always seeking for a more sustainable performance.

HOW IOS GENERATES VALUE TO ITS PUBLIC

PUBLIC	RELATIONSHIP WITH IOS	IOS STRATEGY	VALUE GENERATED
Participants	Development of educational programs and the areas of support, planning and management.	Improvement of internal processes, application of organizational climate surveys and functional monitoring.	Professional performance generating income. Association with projects that impact society.
Young people and people with disability	Participation in the IOS programs and employment in the hiring companies.	Expansion of course offer, greater presence of the Employability team and continuous training through lectures and workshops.	Expansion of employability and increase of family income.
Maintaining Companies	Donation of financial resources or infrastructure equipment.	Diversification of funding sources. Transparent accountability.	Association of the brand with social programs that generate impact on society.
Partner Companies	Hiring of young people or people with disabilities trained by IOS.	Expansion of the partners'network. Relationship progress through satisfaction surveys and continuous support.	Hiring of skilled labor.
Partner Organizations	Offer of physical space and support in the insertion in the local communities.	Implementation of studies to understand the demands of the communities. Search for new partnerships to establish new service units.	Improvement on local community.
Government Entities	Regulation of IOS activities, funding, and student hiring categories.	Building partnerships through the work of the Institutional Relations team.	Improvement on employability and economic indicators.

COMMITMENTS AND GOALS

In its 18-year history, IOS has grown steadily and sustainably. One of the main tools of the Institute to maintain its development was the stipulation of goals and the work to fulfill them in the established period. In 2016, IOS had the following goals to meet:

Commitments made in 2016

COMMITMENT MADE IN 2016	WHAT WAS DONE	COMMITMENT STATUS
Implement the pedagogical renewal in all IOS Service units in Brazil.	The pedagogical renewal took place in all IOS Service units.	Mission accomplished ✓
Make at least 100 openings available in the IOS semi-attendance platform (EAD).	The IOS made 120 openings available in the semi-attendance course, but the demand was not as expected. More information on page 33.	Mission accomplished ✓
Implement the "IOS Social Technology" pilot project.	During 2016, IOS structured and planned its Social Technology project. It will only be deployed however, in 2017. More information on page 15.	Partially accomplished ⚠
Create new channels to receive questions, complaints and suggestions from students.	The Institute created the channels Edu and Lupita, in order for the students to correspond to the Ombudsman and the Employability department. More information on page 21.	Mission accomplished ✓
Improve the articulation of the Institute's network, including third sector organizations, public network agencies such as schools, State Departments of the city of Sao Paulo and city halls among other organizations.	IOS carried out several activities in partnership with third sector organizations and public agencies, drawing up a joint agenda. One example is the renewal of the Cooperation Agreement with the Sao Paulo State Department of Education, which allows for easy communication between IOS and schools of the public school system in Sao Paulo. Another example is the Funcad Force Movement, which proposed changes in the way its funds are allocated.	Mission accomplished ✓
Introduce new courses, in partnership with the Ministry of Labor and Employment (MTE), in the cities of Sao Paulo (SP), Belo Horizonte (MG) and Rio de Janeiro (RJ).	IOS undertook a new course through this partnership, approved in February 2016, in Belo Horizonte and Sao Paulo. Other courses were designed, but have not yet been rolled out due to internal processes of the Ministry of Labor and Employment.	Partially accomplished ⚠

COMMITMENT MADE IN 2016	WHAT WAS DONE	COMMITMENT STATUS
Plan and apply Human Resources actions such as the description of tasks and responsibilities, update processes of employee attraction, selection and integration, work climate survey, 180^0 evaluation, create behavioral and institutional trainings, as well as assist in the creation of internal policies.	The Human Resources area of IOS had its first strategic planning prepared in 2016, based on the Institute's strategic objectives. Many actions have taken place, such as the participants' training in behavioral issues and the preparation of the Description of Tasks and Responsibilities, which only needs to be validated by leadership at this point. The Attraction & Selection and climate survey processes were innovated and can now count on new tools for their execution (platform Survey Monkey). Internal policies were produced and are being validated by management. The New Participants Integration format is under review. In 2017 the area intends to sensitize all the participants about the new processes, as well as continue the analysis of the Institute's Career Plan.	Partially accomplished ⚠
Preparation of the IOS Code of Ethics and Conduct.	The Institute started to discuss the theme, however the Code of Ethics and Conduct has not been prepared yet.	Not accomplished ✖
Increase by at least 5% the number of employed students with the Employability area of the Institute.	The number of employed students has risen 9.4% in relation to the 2015 number. More information on page 37.	Mission accomplished ✔
Launch the Communication platform IOS 18 Years.	IOS released a book, held events, produced a 'making of' and seven short videos. More information on page 16.	Mission accomplished ✔
Increase IOS revenue from services and donations by 9% compared to 2015 results, diversifying sources of resources and increasing financial sustainability.	IOS increased revenue from donations and partner services by 21%. More information on page 44.	Mission accomplished ✔
Expand the dialogue with the government to form alliances and influence public policies.	The Institute extended its dialogue with government agencies in 2016, mainly with the Public Ministry. Along with other social organizations, it started to carry out advocacy work with the government, influencing the agenda of regular meetings, calls for bids and election of counselors.	Mission accomplished ✔

2017 GOALS: A NEW CYCLE FOR IOS

With only six years of operation, the IOS Core Unit, located in Sao Paulo, has become too small to accommodate the growing volume of activities and new partnerships put in place by the Institute. For this reason, IOS rented a larger building, just 300 meters away from the previous headquarters, in a unique location: in front of the Parque da Juventude (Youth Park), the Sao Paulo Library and only one block from the subway.

The IT and Infrastructure team is totally focused on the remodeling of the new physical space in order to make it available. It is affectionately being called #newhome and the move is scheduled for the third quarter of 2017.

It is not just about a physical change, but also a Cycle change. For this, the IOS assumed the following principal commitments for the year:

Commitments for 2017

Professional Training and Employability	• Develop at least five new partnerships in the Social Technology model, expanding opportunities for access to courses offered by IOS in new locations. • Develop and implement three new professional courses which would prepare students to be IT professionals. • 12% growth in the annual indicator of employability of graduates (student life cycle considers three years after the completion of the IOS courses to receive referrals from the Employability area for job openings).
Financial Sustainability	• Increase by at least 10% the volume of resources mobilized on an accrual basis. • Reduce by at least 10% the dependence of projects encouraged by the Government, replacing this percentage by direct contributions of private companies. • Implement at least one effective strategy for mobilizing resources in each branch.
Corporate Governance	• Invest in the administrative and personnel management of the Institute, with the implementation of the concept of Controller and People. • Develop and implement the Code of Ethics and Conduct of IOS, and the guidelines for the relationship with the Government. • Prepare the strategic planning for the next three years (2018-2020).
Human Resources	• Finalize the implementation of Human Resources policies and processes, highlighting: 180 degrees Performance evaluation, Job, salary and approval program and the IOS Certification. • Invest in the professional qualification of our participants, providing academic subsidy for undergraduate, postgraduate or specialization courses.
Communication and Institutional Visibility	• Expand the IOS brand visibility, making it better known for the cause of job training by supporting the inclusion of young people and people with disabilities in the job market.

Student Cycle

The great reason for the existence of the IOS is to transform the lives of its students and, consequently, of their families and communities. All the actions of the Institute, from the search for partners to the structuring of new projects, aim to provide knowledge and thereby create opportunities for social change for young people and people with disabilities.

In order for this transformation to take place, the students of the Institute must go through a cycle. The cycle begins with their arrival at IOS, then goes through training and access to the job market, and ends with a post-employment relationship. All of these steps are important and require great dedication from both IOS and the student.

STUDENT CYCLE

ARRIVAL

10 11

RELATIONSHIP
How the student survives
in the job market

ATTRACTION
How the student
arrives at IOS

1

EXIT

2

9

8

7

EMPLOYABILITY
How the student
gets a job

3

6 5 4

DEVELOPMENT
How the student
gets trained
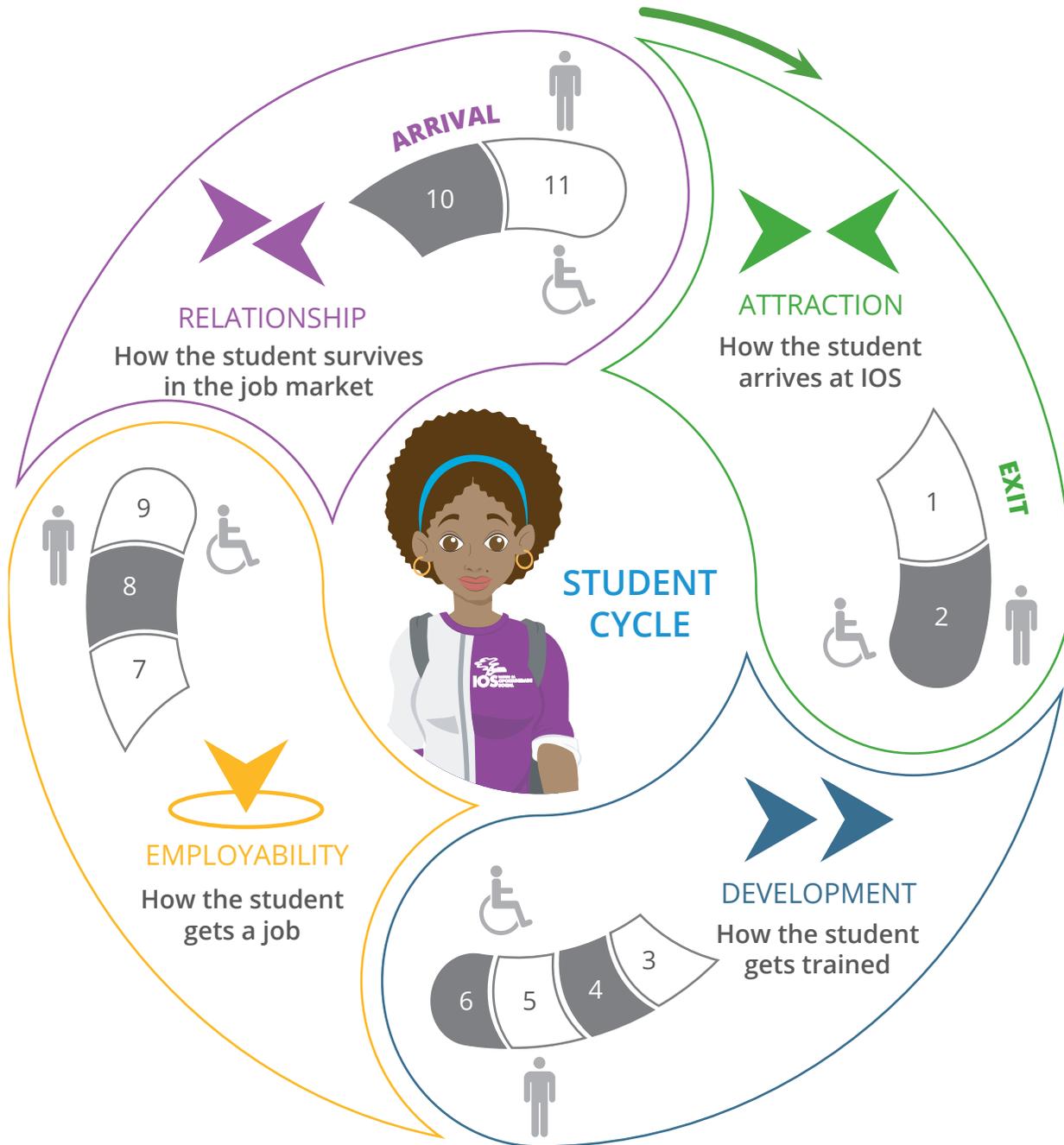
In the following content, it is possible to learn each stage of the Student Cycle in depth while following Luanda's life, a fictional student created to tell a story of overcoming, very similar to those witnessed by IOS every day in our classrooms.

ATTRACTION

GRI G4-DMA (former NGO5)

First stage of the Student Cycle. Here the young person or person with a disability receives information about IOS and becomes interested to know more about the Institute.

INTRODUCTION

"Nice to meet you. My name is Luanda. I am 17 and I study in a public school in Sao Paulo."

The main initiatives to attract new students are:
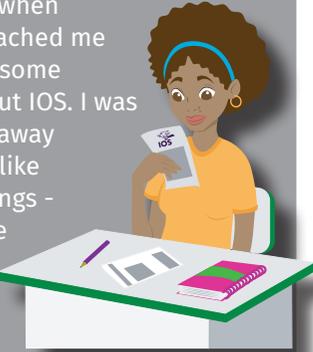
- **Internet and social media:** Focus on online advertising work on Facebook. This medium is one of the most important because it allows the student to enroll directly for the desired course. In the year 2016, the number of IOS Facebook followers reached 11,136, a growth of 45% over 2015.

- **Partner relationships:** Even with all new technologies, face to face interaction is still central to the attraction of students. For this reason, IOS maintains an agreement with the Department of Education of the State of Sao Paulo in order to be able to directly disclose its actions to the Regional Educational Departments and schools in the public system. Working together with teachers and principals is essential for the information to reach the students. In addition, the Institute seeks to engage with the social organization where it is present and with local community leaders.

- **Press office:** The IOS uses a third party press office that works with the media to publicize the work of the Institute. The press office also works with smaller, lesser known media outlets, which focuses on the neighborhoods where the IOS has service units. In 2016 there were 88 news articles released by the press office on openings available for the IOS courses.

- **#OperationFullClassroom:** When the number of enrollments is not sufficient in one of our service units, members of IOS visit schools in the public school system, to share the IOS work with the students. This initiative is called Operation Full Classroom. Due to the many other initiatives mentioned previously in this report, plus the relationship with schools, there was no need for this operation to take place in the second semester of 2016.

Throughout 2016, 2,432 openings were offered in the IOS Professional Training Program. Based on the aforementioned initiatives, IOS attracted 2,586 students, reaching a rate of 106% of students enrolled.
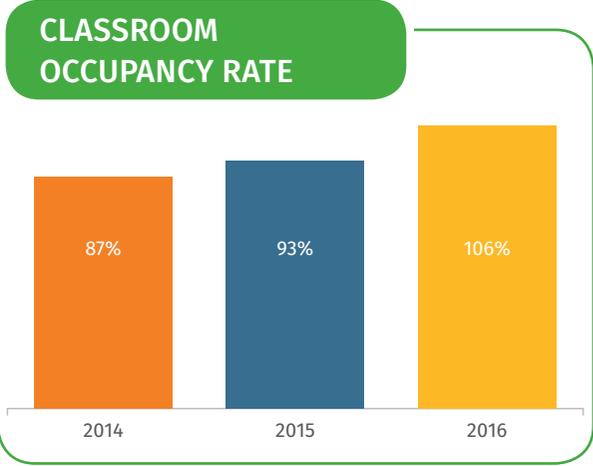
CLASSROOM OCCUPANCY RATE

2014	2015	2016
87%	93%	106%

ENROLLMENT

In 2016, IOS started to accept the first phase of the course enrollment via online, making it easier for the student, since he/she no longer needs to go to a service unit, and to the Institute. As a result, the Institute no longer needs the physical space to allocate hundreds of registration forms, it also improves data security.

After registering online, the student is called to an IOS service unit to deliver the necessary documents and have their first contact with the participants. Along with the analysis of the documents, the student completes a test that evaluates his basic knowledge in Portuguese and Mathematics and indicates whether he will be able to follow the course.

▶▶ DEVELOPMENT

The development stage is where the relationship between the student and IOS is narrowed. This stage encompasses the courses themselves: the day to day of the classes, delivery of course work and behavioral maturation.

As a means of evaluation, the Institute works with individual tests, the IOS Solidarity Project and Course Completion Work is done in a group.

The final grade, assesses not only the student's assimilation of contents, but it also takes into account their behavioral improvement, such as respect for colleagues and ability to work in groups.

You can find more information on courses offered by IOS on page 14.

MORE PORTUGUESE AND MATHEMATICS
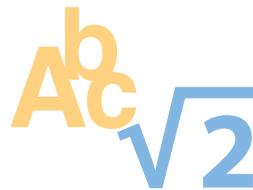
The students attending the IOS usually demonstrate difficulty with the basic contents taught in school, mainly referring to Portuguese and Mathematics. To reduce this shortfall, the pedagogical proposal of IOS includes reinforcement classes in these two disciplines.

The business-based methodology draws students to content that is often not valued at school. In 2016, students in the IOS Professional Training Program had an average grade of 7.3 in Portuguese and 6.7 in Mathematics, while the IOS Program of Professional Inclusion had an average of 6.5 and 7.1, respectively.

STRENGTHENING THE EDUCATIONAL AREA

In 2016, the IOS started to count on other professionals, important for the Educational area: two social workers, one psychologist and one psych pedagogue. The purpose of these new participants is to collaborate with the school, social and psychological monitoring of the students, and to detect factors that may hinder their development and their employability.

The psychologist, for example, assists in inclusion work, training the Institute staff, and following the behavioral evolution of students with disabilities. Social workers, in turn, focus on solving student problems in the environment in which they are inserted - family, community, school - which can affect their performance.

While the psych pedagogue acts directly with the instructor's team, monitoring if the applied content is being absorbed by the students or if there is difficulty in learning.

2016 RESULTS
GRI G4-DMA (former NGO3)

IOS Professional Training Program

In 2016, IOS had 2,586 students in its professional training courses, both in Sao Paulo and in the branches. Of these, 55% were women, 69% were minors and of these 71% were in high school, keeping the trend of previous years.

KNOWLEDGE

"I started the course and, in addition to the theoretical knowledge regarding the use of the business management software, I also have classes in Portuguese, Mathematics and concepts about the job market, good behavior, citizenship and politics."

GENDER

55% Female
45% Male

○ Female   ○ Male

AGE GROUP

31%
69%

○ Minors   ○ Adults

EDUCATIONAL LEVEL

3%
0%
1%
2%
23%
71%

○ Middle School
○ High School - Attending
○ High School - Completed
○ Technical School
○ University Level
○ Not informed
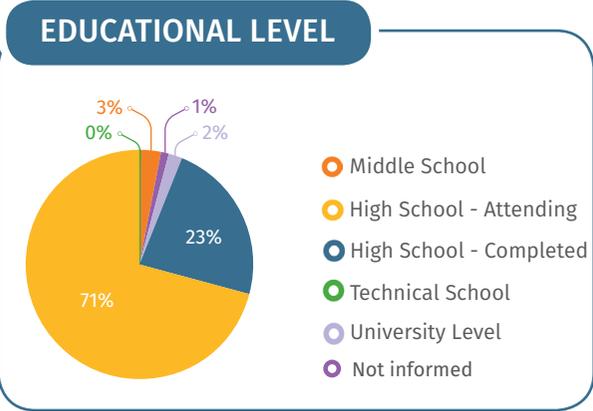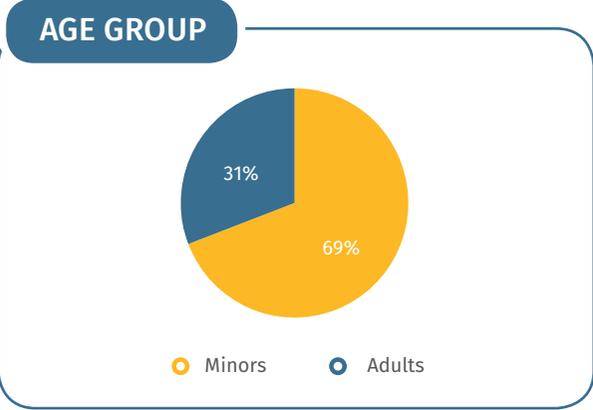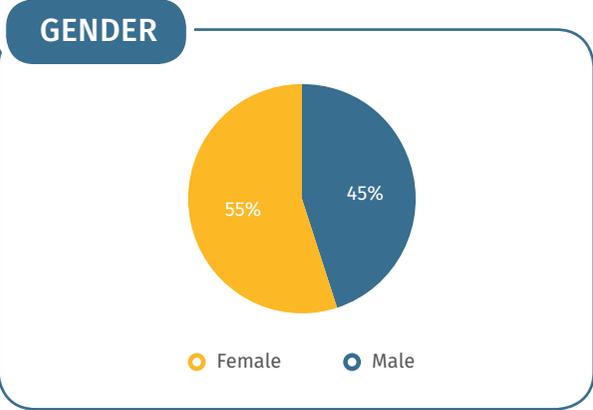
From the 2,586 enrolled students, 2,117 made it to the end of the course, generating a dropout rate of 18%.

ENROLLED STUDENTS VS. DROP OUTS

20%   18%   18%

2014	2015	2016
298	361	469
1481	1995	2586

○ Passed/ Falied   ●— Drop out rate
○ Drop outs

▷ Continue
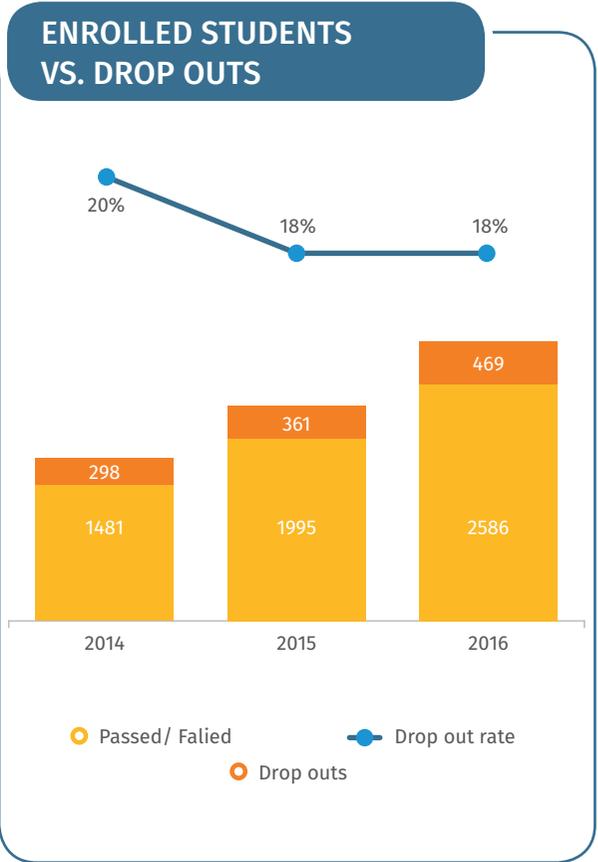
Of the students that made it to the end of the course, 1,920 passed, a number 28% higher than in 2015, generating a passing rate of 91%.

EDUCATIONAL RETENTION

Bar chart showing:
- 2014: Passed 1108, Failed 75, Passing Index 94%
- 2015: Passed 1499, Failed 135, Passing Index 92%
- 2016: Passed 1920, Failed 197, Passing Index 91%

Legend: ○ Passed ○ Failed ● Passing Index
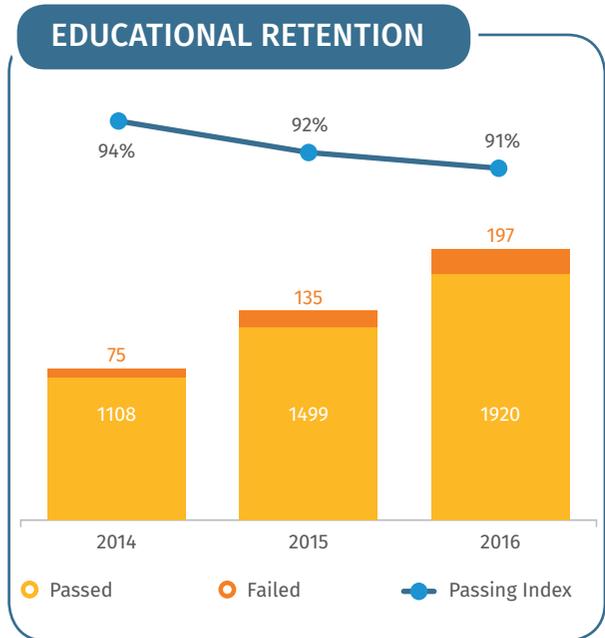
IOS Program of Professional Inclusion

GRI G4-DMA (former NGO4)

In 2016, the program welcomed 164 students, taking into account Sao Paulo and the branches. Out of these, 59% were male, 100% were adults and 56% had concluded high school, maintaining the trend of previous years.

GENDER

Pie chart: Male 59%, Female 41%

Legend: ○ Male ○ Female

AGE GROUP

Pie chart: 100%

Legend: ○ Adults

EDUCATIONAL LEVEL

Pie chart: 28%, 56%, 13%, 2%, 1%

Legend:
- ○ High School – Completed
- ○ High School – Attending
- ○ University Level
- ○ Middle School
- ○ Technical School

TYPE OF DISABILITY

Pie chart: 49%, 25%, 18%, 6%, 1%, 1%

Legend:
- ○ Permanent Disability – Physical
- ○ Permanent Disability – hearing
- ○ Re-habilitated disability*
- ○ Multiple disabilities
- ○ Intellectual disability
- ○ Permanent Disability – parcial visual

Out of the 164 enrolled students, 90% made it to the end of the course and 80% passed.

RETENTION

Pie chart: 80%, 10%, 10%

Legend:
- ○ Passed
- ○ Failed
- ○ Drop outs
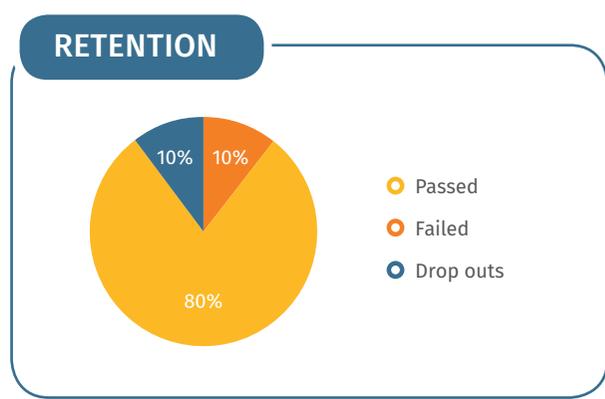
*Ministry of Labor and Employment (MTE) definition for people who have had, or still have a non-habilitated deficiency within a company quota (such as panic disorder), but that after professional re-habilitation, will be re-inserted into the job market, and can be used as part of the company´s disability quota.

"As I walked through the IOS corridors, I discovered that the Institute offers courses aimed at people with disabilities. The coexistence with these students opened my mind and helped me eliminate prejudice both in my personal life and in my professional future.

At the end of the class, for example, I was always concerned if Daniel, a friend of mine attending the visually impaired class, had someone to help him to the subway. Over time, however, I realized that he did not need help, but rather some company to talk to. Just like me!"

CURSOS IOS

Semi-attendance courses

Continuing the implementation of the semi-attendance courses, in 2016 IOS offered the

Materials Management course to its students. The Institute's semi-attendance methodology allows the student to study through a computer, in a Virtual Learning Environment that offers video classes and exclusive course material. On Saturdays, students meet face-to-face with the tutor, to answer questions and reinforce what they have learned.

In 2016, there were 120 openings available for the semi-attendance course, 66 students enrolled. In 2015, still as a pilot project, 15 vacancies were filled.

OCCUPATION RATE

	2015	2016
Unfilled openings	5	54
Filled openings	15	66

○ Filled openings   ○ Unfilled openings

Out of the students enrolled in 2016, 58% were women, 61% were adults and 42% were in high school.

GENDER

42% Male
58% Female

○ Female   ○ Male

AGE GROUP

39% Minor
61% Adults

○ Adults   ○ Minor

EDUCATIONAL LEVEL

2%
3%
11%
42%
42%

○ Middle School
○ High School – Attending
○ High School – Completed
○ University Level
○ Interrupted / Not informed

Out of the 66 students, 41 passed, 11 failed and 14 dropped out of the course.

RETENTION

- ● Passed
- ● Failed
- ● Drop outs

21%
17%
62%

FUTURE TALENTS IN TECHNOLOGY

A new course called, Future Talents in Technology is planned for 2017, in partnership with the JP Morgan Chase Foundation and Arcos Dourados. The course will not only teach the students to use information technology tools, but will also enable them to be producers of these technologies through three paths: Support Analyst, Software Implementation Analyst and Programmer. Therefore, the selection process will be more complete, requiring an aptitude test in the areas of Math and Science.

SUMMARY TABLE

	IOS PROFESSIONAL TRAINING COURSE	IOS PROFESSIONAL INCLUSION PROGRAM	SEMI-ATTENDANCE COURSE	TOTAL
GENDER				
Female	1410	67	38	1515
Male	1176	97	28	1301
AGE GROUP				
Minor	1788	0	26	1814
Adult	798	164	40	1002
EDUCATIONAL LEVEL				
Middle School	88	4	2	94
High School – attending	1840	21	28	1889
High School – completed	588	92	28	708
Higher Education	46	46	7	99
Technical Education	11	1	0	12
Interrupted/Not informed	13	0	1	14
RETENTION				
Enrolled	2586	164	66	2816
Passed	1920	131	41	2092
Failed	197	17	11	225
Drop-out	469	16	14	499
TOTAL	2586	164	66	2816

SACRAMENTO RESULTS

ADDING NEW KNOWLEDGE

In 2016, the IOS Social Franchise in Sacramento (MG) had 16 students, of whom 75% were women, 56% were minors and 69% were in high school. All the students passed at the end of the course.

GENDER

25%

75%

○ Female ○ Male

AGE GROUP

44%

56%

○ Minor ○ Adult

EDUCATIONAL LEVEL

31%

69%

○ High School- attending
○ High School - completed

RETENTION

100%

○ Passed

To stimulate students' interest and ability to assimilate, IOS also promotes a series of extracurricular activities that assist them in their growth as both citizen and professional. In 2016, the following activities took place in Sao Paulo:

- **Circuit Lectures in Partnership with IBM and Individuals –** which addressed issues such as the presence of women in the technology sector, internet of things, social media and games.

- **Circuit Lectures in Partnership with the Cia dos Clownáticos**, volunteers that present content which refer to humanitarian awareness, coaching for vestibular* and development of character, among others.

- **Life Projects at the Tip of the Pencil Mini-course**, in partnership with Brasilprev, aiming to financially educate young people and people with disability.

- **Political Initiation Mini-course**, which encourages young people to get to know their rights and responsibilities in a democratic country.

- **My Money, My Business Mini-course**, in partnership with Junior Achievement, aiming to promote financial education.

- **Book Reading "A chat about IT"**. All students

*Brazilian test which grades students and their ability to get into the university course of their choice.

received a book that approaches themes related to technology through the transcription of a humorous dialogue, which they read with the assistance of an instructor. At the end of the reading, students had a test, and those who received the highest scores, won a course offered by the Educational IT as a prize.

- **Employability Visits**, made by the IOS Employability team in order to prepare the young people for the job market selection process. The actions include lectures on social media behavior, resume preparation, work environment behavior, performance in interviews and other type of selection processes, among others themes.

- **IOS Mentor Program**, in partnership with Microsoft, TOTVS and Votorantim Cements, it offers the young people the possibility to correspond with experienced professionals, through face-to-face meetings, or through WhatsApp, e-mail, phone calls or social networks.

The branch students were also able to participate in the following activities:

- **TOTVS Technical Tour**, in which students from Belo Horizonte were able to get to know firsthand how a company works.

- **Lecture at the Legislative Assembly**, in Belo Horizonte, addressing the fight against sexual violence against children and adolescents.

- **My Money, My Business Mini-course**, offered to the students of Belo Horizonte and Rio de Janeiro by Junior Achievement, with the objective of promoting financial education for young people and people with disabilities.

- **Lectures at the Catholic University of Santa Catarina**, aimed at the students of Joinville addressing topics such as: vocational testing, tips on how to behave in a work environment, labor rights, learning laws, personal finance and robotics.

- **IOS Lecture Circuit**, held in partnership with IBM in Rio de Janeiro and Belo Horizonte, focusing on topics such as: Cognitive Computing, Social Networks, Sharing Economy and First Steps in a Career in Technology.

STUDENT SATISFACTION
GRI G4-PR5

Every year, IOS conducts a Satisfaction Survey among the IOS Professional Training Program students about the services provided by the Institute. In this way, IOS seeks to evaluate its courses and continuously improve the services provided. In 2016, 1,740 students evaluated the Institute generating the following result:

INFRASTRUCTURE

COMPUTERS

- 1%
- 1%
- 4%
- 24%
- 70%

Legend:
- Excellent
- Good
- Regular
- Bad
- Terrible

AUDIO VISUAL RESOURCES

- 2%
- 2%
- 5%
- 27%
- 64%

Legend:
- Excellent
- Good
- Regular
- Bad
- Terrible

CLEANLINESS

- 1%
- 1%
- 4%
- 27%
- 67%

Legend:
- Excellent
- Good
- Regular
- Bad
- Terrible

ACCESSIBILITY

- Excellent — 49%
- Good — 34%
- Regular — 11%
- Bad — 4%
- Terrible — 2%

LECTURES AND EVENTS

- Excellent — 63%
- Good — 31%
- Regular — 5%
- Bad — 1%
- Terrible — 0%

COURSEWARE

IT BOOKLET

- Excellent — 66%
- Good — 27%
- Regular — 5%
- Bad — 1%
- Terrible — 1%

EXTENSION BOOKLET

- Excellent — 56%
- Good — 29%
- Regular — 12%
- Bad — 2%
- Terrible — 1%

EDUCATIONAL TEAM – INSTRUCTORS, MONITORS AND PEDAGOGUES

KNOWLEDGE

- Excellent — 81%
- Good — 15%
- Regular — 3%
- Bad — 0%
- Terrible — 1%

PUNCTUALITY

- Punctual — 96%
- Not punctual — 4%

POSTURE

- Excellent — 76%
- Good — 18%
- Regular — 4%
- Bad — 1%
- Terrible — 1%

CLASSES

- Excellent — 68%
- Good — 26%
- Regular — 5%
- Bad — 1%
- Terrible — 0%

EMPLOYABILITY
GRI G4-DMA (former NGO3 e NGO6)

Entering the job market is one of the most important steps in the accomplishment of the IOS mission - and is often expected by the students.

In order to accomplish this task, IOS has structured a program for the relationship with employer partnering companies, in order to learn about their main demands and receive feedback on the work of the alumni of the Institute.

In 2016, the Institute counted on 86 partner companies that offered vacancies to IOS students and alumni, 6% higher than in the previous year. Of these, 26 were established partnerships, which were maintained throughout the year, and 60 were new partnerships, earned by the area of employability.

FIRST JOB

"With the help of IOS, I put together a good resume and managed to impress my future bosses during the job interview. For the first time in my life, I have my work permit signed!"

LACK OF PROFESSIONALS

A survey published by IDC in 2016 showed that Brazil is the country with the greatest demand for Information Technology professionals in all of Latin America. In 2015, the demand was higher than the labor supply generating a deficit of 195 thousand professionals in the job market, with the tendency to maintain itself for the next years. The main explanation for this phenomenon is the lack of employee training - generating an important professional niche for young people trained by IOS to invest.

EMPLOYABILITY PARTNERING COMPANIES

30%

70%
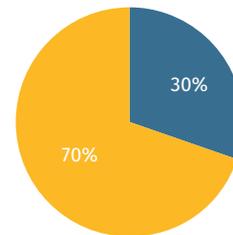
○ New partners   ○ Maintained partners of 2015

The great turnover in the Employability partners is due to the fact that these companies tend to be small, with a low quota of apprentices and susceptible to fluctuations in their number of employees.

The IOS Employability area also works in the education of students, training them for all stages in the search for their first job, from the development of their resume to the job interview.

In 2016, an edition of the Mutirão do Emprego, aimed at young people and people with disabilities, was held. The event was attended by more than a thousand people who were able to apply for vacancies at the 19 partner companies which were present, participate in four lectures, issue their work permits and receive guidance on professions and resumes.

The contact with the alumni is also essential, giving continuity to the work of the classroom, referring them for the participation in selective processes, offering feedback on their participation, giving guidance on finding an opportunity and support in doubts about the job market. At this stage, the former student himself is an important actor, who must use the tools offered by IOS to achieve his professional appreciation.

Through its work on these fronts, the Institute was able to employ 860 students in 2016, a 9.4% increase from the previous year.

EMPLOYED STUDENTS

Increase of 9,4%

2014	2015	2016
731	786	860
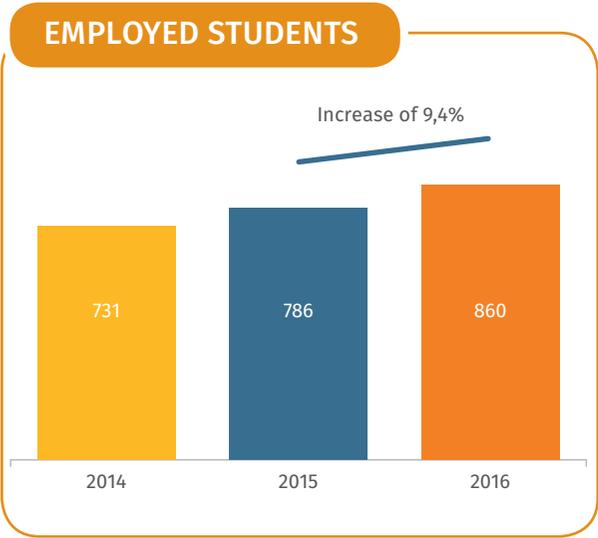
It is important to note that this result was reached in a year in which the country's political and economic scenario, with high unemployment rates, represented a challenge for the employability of IOS students. Even so, the Institute reached and surpassed the goal that had been proposed for 2016.

Of the 860 students employed, 46% were hired as permanent hires with contracts recognized under the Brazilian labor law (CLT), 41% as apprentices, 12% as trainees and 1% were entrepreneurs.

EMPLOYMENT RELATIONSHIP

1%
12%
41%
46%

- Permanent Hires (under CLT)
- Apprentice
- Internship
- Entrepreneur
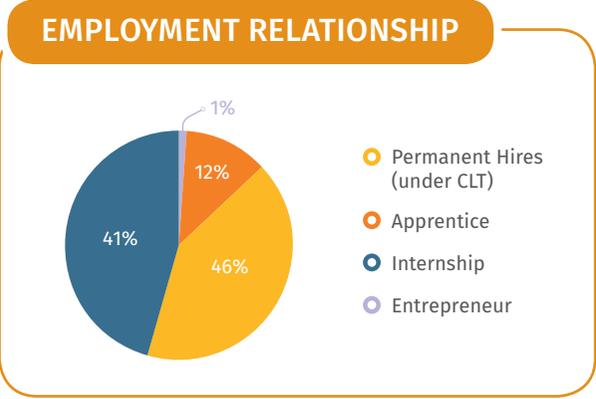
It is important to point out that the Employability works in the referral of young people regardless of the semester in which they graduated. The result presented by IOS considers employees who graduated up to three years prior to landing their position.

During the year 2016, IOS also employed 34 former students for the second time, a new indicator that has begun to be monitored by the Institute and shows its concern about the continuity of its impact over time.

The figures show that the employability of young people is constantly evolving and that the continued effort of the area leads to better and better results. In 2016, for example, the Institute developed a new module within the IOS Management System, integrated with the Educational Management System, to systematically control student employability. It should be utilized in 2017, making it possible to extract more efficient reports, with data on employees by employment relationship, average student income, and number of referrals per student, service units, Branches, among others.

Learning Courses

Throughout 2016, 255 young people attended the Learning Courses in the IOS four service units that offer this type of course. The number was 11% higher than that presented in 2015. The number of young people enrolled surpassed the 230 places offered, leading to an occupancy rate of 111%.

GENDER

33%
67%

- Female
- Male

Continue

39
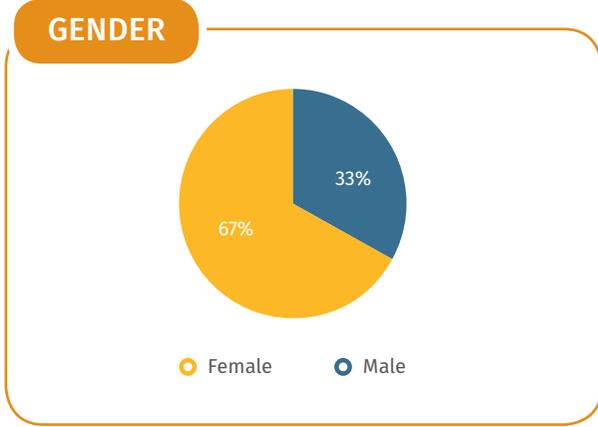
ONE MORE OPPORTUNITY

"During the course, I discovered that you can get hired as a Young Apprentice by some companies. In this case, the young person has to divide their activities between the course in the Institute and their work in the company.

I found this to be very cool. It's another opportunity we have to work! "

AGE GROUP
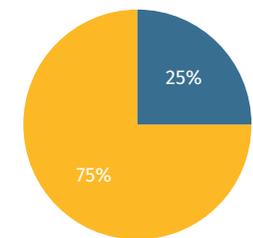
- 25%
- 75%

○ Adults ○ Minor

EDUCATIONAL LEVEL

- 9%
- 35%
- 56%
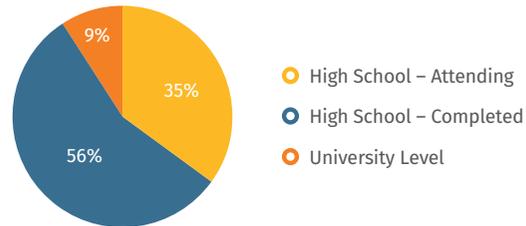
○ High School – Attending
○ High School – Completed
○ University Level

In all, 70% of the young students were enrolled in the IOS Core Unit, and 30% in the Branches, present in the cities of Rio de Janeiro, Belo Horizonte and Joinville. The Learning Course groups in Diadema were closed at the end of the first semester of 2016.

LEARNING COURSE STUDENTS DIVIDED BY SERVICE UNIT

- 0%
- 10%
- 9%
- 11%
- 70%
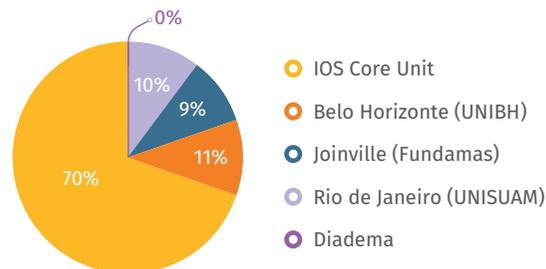
○ IOS Core Unit
○ Belo Horizonte (UNIBH)
○ Joinville (Fundamas)
○ Rio de Janeiro (UNISUAM)
○ Diadema

Of the 255 apprentices of 2016, 135 were IOS alumni, 4% lower than that presented in 2015.

As far as the student's performance at the end of 2016, 65% were active – they will complete their learning process in 2017 –, 18% completed the course, 6% got permanently hired in the same company where they worked as apprentices, 10% dropped out of the course and 1% were dismissed from the course.

STATUS OF LEARNING COURSE STUDENTS ON DEC. 31ST, 2016

- 6%
- 1%
- 10%
- 18%
- 65%
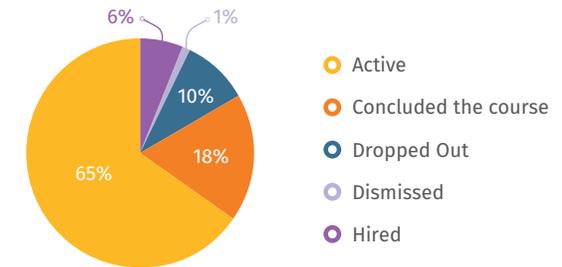
○ Active
○ Concluded the course
○ Dropped Out
○ Dismissed
○ Hired

Impact on the family income
GRI G4-EC8 | SO1

The activities developed by IOS directly affect the economy of the communities hosting their service units and Branches. Once the young or the disabled persons have access to an opportunity in the job market, it increases their ability to generate income and contribute to the microeconomics of their region.

Students qualified by the IOS and recommended by the Employability department in 2016 had an average salary of BRL 738.51, 2% higher than the average registered in 2015. This salary increase reflects directly in their family reality.

In 2016, the IOS student profile indicated that they lived in a household with an average of 3.5 people whose family income was BRL 1,574.37. This number is approximately 10% lower than the average family income in 2015, demonstrating that families were directly affected by Brazil's political-economic scenario.

Although the average salary of students increased by only 2% in the year, their impact on family income increased by 6 percentage points, reaching 47% and helping the family to receive, on average, BRL 2,312.88 per month. This demonstrates the importance that the job opportunity has for young people and their families, especially in times of crisis.

HELPING AT HOME

"With my salary, I started to help pay the bills back home. Thanks to my money, we were able to put more food on the table and even buy the appliances we needed. Not only that, I'm starting to really think about what I want to study in college!"

FAMILY INCOME – EMPLOYABILITY IMPACT

	2014	2015	2016
Increase in Family income	46%	41%	47%
Average salary of employed students (in BRL)	734.29	721.48	738.51
Family income (in BRL)	1,606.83	1,755.16	1,574.37

- Average salary of employed students (in BRL)
- Family income (in BRL)   Increase in Family income

FAMILY SUPPORT

In addition to working with students, the IOS also works on awareness activities with their families. In meetings held at the service units, the Institute's team encourages parents to support their children during this stage of their professional journey, as well as to evaluate how they have evolved in the family environment.

In 2016, more than 1,320 people were present at meetings at the service units, 80% of whom considered that the IOS contributed to their children's school performance, and 95% would recommend the IOS for other young students.

RELATIONSHIP

The IOS work does not end after the student is employed. The Institute seeks to accompany its alumni throughout the first years of their career, both to measure the success of the work performed and to continue supporting their employability.

The IOS effect

The research published by IDC and quoted on page 38, regarding the Information Technology market in Latin America, showed that the great deficit of IT professionals in Brazil was caused not only by the lack of technical knowledge, but also by deficiencies in issues related to employee behavior, such as teamwork, problem solving, communication skills and entrepreneurship.

The IOS students and alumni, however, stand out because of their good behavior in the companies in which they work. This information comes from the Institute's relationship with companies that employ young people and people with disabilities trained in the IOS service units.

In this sense, it is worth mentioning that all the students of the Institute receive content on behavioral development (known as soft skills), which include lessons about acceptance of criticism, social interaction, respect, good manners and healthy competitiveness. Internal evaluations, based on the perception of IOS educators, point to an evolution in skills such as discipline, autonomy, responsibility, motivation and collaboration among students.

IN THE JOB MARKET

"Since I was not used to the business routine, I was a bit worried about being able to handle all the tasks, but gradually I got used to the environment.

Although the day-to-day is fast paced, I am still able to impress my leaders with my technical knowledge and commitment to work. They have already told me that my behavior is a differential compared to other employees. And it's great when your manager compliments you!"

Social Protagonism

The IOS seeks to stimulate the concept of citizenship among its students. The Institute has classes on World Vision and Life Project. It also offers lectures and debates on current topics. In 2016, a Political Initiation course was also given.

Every year the Institute develops the IOS Solidarity Project, which aims to stimulate students to practice volunteering in charitable institutions, elderly care centers and shelters, as well as encouraging the collection of food, clothing, toiletries, etc.

In this way, the Institute seeks to place them in the position of social protagonists and show their potential to transform the communities where they live, work or study.

In 2016, the IOS Solidarity Project invited students to organize themselves into teams and select institutions to carry out fieldwork, which could generate extra points for their approval in the course. Thus, 80% of the students were directly involved with the project, raising 9,938 donations for 310 institutions.

PROTAGONIST IN LIFE AND IN THE COMMUNITY

"The IOS classes and activities have helped me look at the world in a new way. I have discovered that I can be the protagonist of the changes I desire for my life, family and community. When asked, I say I learned all this from the IOS!"

VOLUNTEERING AMONGST YOUNG PEOPLE

BRAZIL

20%

80%

IOS

20%

80%

○ Have never been involved   ○ Practice

Mobilization and use of resources

FUND-RAISING

GRI G4-9 | EC4 | NGO8

Diversifying sources of resources while establishing long-term relationships with former partners is critical to the sustainability of IOS. In 2016, the Institute signed new and maintained old partnerships with renowned institutions, which collaborated to continue and strengthen its activities.

For TOTVS and other companies that sponsor the IOS, their social investment is strategic: professional qualification of young people who will be part of their human capital in the future.

Throughout 2016, the IOS maintained all the partners of the previous year, reflecting the good results presented over time and adding credibility to the Institute.

VOLUNTEERING

In addition to encouraging students to volunteer, the IOS offers partner companies the chance to participate in the Corporate Volunteer Program, in which their employees can engage in initiatives such as youth mentoring, teaching mini-courses, workshops and lectures.

In 2016, the Institute counted 344 volunteers from the states of Minas Gerais, Rio de Janeiro and Sao Paulo.

IOS fund-raising partners in 2016

MAIN SPONSORED COMPANY — TOTVS

SUPPORTERS — associação CitiEsperança · cielo · VOITH · Atlas Schindler · Momenta · zendesk · Eurofarma Ampliando horizontes · Instituto CSHG Credit Suisse Hedging-Griffo · BRASILPREV · FUNDAÇÃO SALVADOR ARENA · IBM · J.P.Morgan · VEDACIT impermeabilizantes

CORPORATE VOLUNTEERING — BRASILPREV · Votorantim Cimentos [1] · Junior Achievement · Konrad Adenauer Stiftung · raízen · IBM [1]

INSTITUTIONAL (NO DIRECT TRANSFER OF RESOURCES BRL) — Microsoft [2] · Prezi [2] · SurveyMonkey [2] · peixe urbano explore a cidade [3] · polen [2]

GOVERNMENT — PRONAS Programa Nacional de Apoio à Atenção da Saúde da Pessoa com Deficiência · SUS Ministério da Saúde · PADEF · BRASIL GOVERNO FEDERAL · PREFEITURA DE SÃO PAULO DIREITOS HUMANOS E CIDADANIA · CMDCA · PREVIDÊNCIA SOCIAL INSTITUTO NACIONAL DO SEGURO SOCIAL · GOVERNO DO ESTADO SÃO PAULO Secretaria da Educação · GOVERNO DO ESTADO SÃO PAULO Secretaria de Desenvolvimento Social · condeca Conselho Estadual dos Direitos da Criança e do Adolescente · Etec Artes · FUMCAD Fundo Municipal dos Direitos da Criança e do Adolescente

[1] Donations through volunteering. [2] Doação of software licenses. [3] Transfer resources from Private Individuals.

Partnership with major renowned institutions provides the IOS the stamp of approval on the quality of services provided, showing new partners that the Institute presents transparency and compliance in the execution of projects.

In all, IOS raised BRL 9.2 million in 2016, a 21% increase over the previous year. Of this amount, 54% came from its main sponsor, TOTVS, and 20% were donations made directly by other companies.
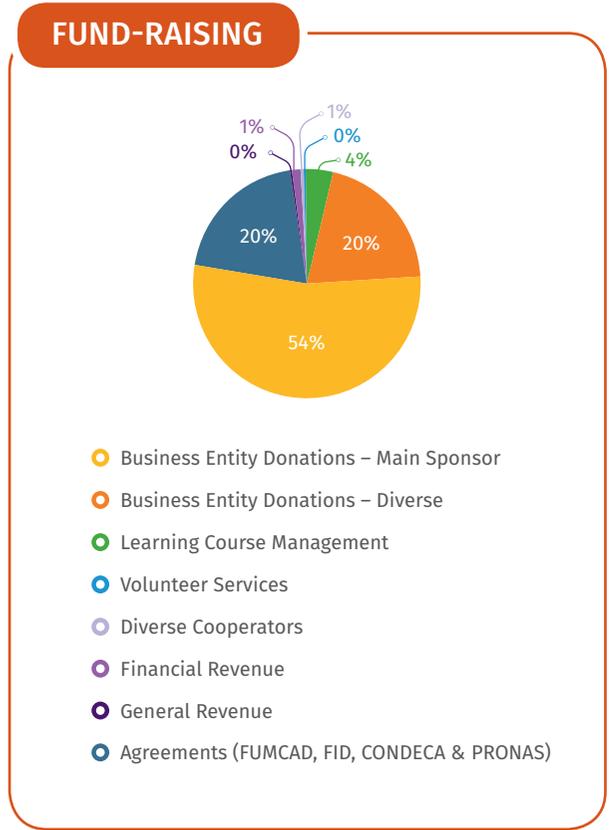
In 2016, the IOS also had a series of projects approved for funding through Fiscal Incentives, in partnership with the State Government of Sao Paulo, Federal Government and City Hall of Sao Paulo. In this way, it was able to raise BRL 1.8 million through FUMCAD, CONDECA and PRONAS / PCD.

APPLICATION OF RESOURCES

GRI G4-12 | EC1 | EC7 | DMA (former NGO7)

Efficiency in resource allocation is critical to the operation of the IOS. In 2016, the Institute invested BRL 9.2 million in its operations. This value was assigned to the contracting of suppliers, staffing, payment of social security contributions and investments in fixed assets of companies and in providers of materials and services in the categories described below:

FUND-RAISING

1% 1%
0% 0%
0% 4%
20% 20%
54%

- Business Entity Donations – Main Sponsor
- Business Entity Donations – Diverse
- Learning Course Management
- Volunteer Services
- Diverse Cooperators
- Financial Revenue
- General Revenue
- Agreements (FUMCAD, FID, CONDECA & PRONAS)

ATTRACTING INTERNATIONAL INVESTMENTS

In 2016, the IOS captured, resources from international partners such as Zendesk, for the first time. The new partnerships are the result of work which has been done since 2014 by the Institutional Relations area of the Institute and demonstrate its high level of management and corporate governance.

International partners are an important source of funds because they are mostly modern companies with less bureaucracy and with a culture of investing in projects that deliver significant results. The new partnerships demonstrate that the IOS is able to meet this expectation.

ALLOCATION OF RESOURCES

5%
29%
66%

- Personnel Expense
- Educational, Administrative and General Expenses
- Fixed Assets

PARTNER SATISFACTION SURVEY

GRI G4-PR5

The opportunity to make a social investment is very valuable for both companies and individuals. As the recipient of this investment, the IOS strives to allocate every penny in a competent and responsible way and, in this way, achieve the results expected by its partners.

To find out if partners' expectations are being met, the IOS conducts an annual satisfaction survey. In 2015 the evaluation had taken into account only 20 partners, all from Sao Paulo. The most recent survey, which took place between January and February 2017, included 38 partners of projects executed in 2016, divided into:

- Eight Institutional Relations partners who supported with donations of material, financial and human resources

- 30 Employability partners, fourteen from Sao Paulo, nine from Minas Gerais, five from Rio de Janeiro and two from Santa Catarina.

SERVICE PROVIDED BY THE IOS TEAM

IN THE MOMENT OF SIGNING THE AGREEMENT

2015
- 75%
- 25%

2016
- 73%
- 21%
- 2%
- 2%
- 2%

IN THE PROJECT DEVELOPMENT

2015
- 75%
- 15%
- 10%

2016
- 63%
- 24%
- 5%
- 3%
- 2%
- 3%

AT THE CONCLUSION OF THE PROJECT

2015
- 75%
- 20%
- 5%

2016
- 60%
- 24%
- 3%
- 2%
- 8%
- 3%

Legend:
- Great
- Average
- Terrible
- No answer
- Good
- Bad
- Not applicable

PROJECT EVALUATION

2015
- 80%
- 15%
- 5%

2016
- 79%
- 11%
- 10%

- Done to perfection, partnership will be renewed
- Executed well, however there are areas for improvement in order for the partnership to be renewed
- There are areas for improvement, we will most likely support other initiatives

Proud to be IOS

PROFILE GRI G4-9 | G4-10

To ensure compliance with the proposed commitments and to implement the objectives of the IOS, the Institute's participants are the most engaged public with the cause of professional qualification. The IOS people management seeks to value these professionals by investing in their training and recognition.

As of December 31, 2016, the professional staff was divided as follows: 96 of its own participants and three outsourced (1), distributed in four states of Brazil.

PARTICIPANTS GEOGRAPHICAL DISTRIBUTION

MG — 6
— 2

RJ — 6
— 2

SC — 6
— 2

SP — 44
— 28
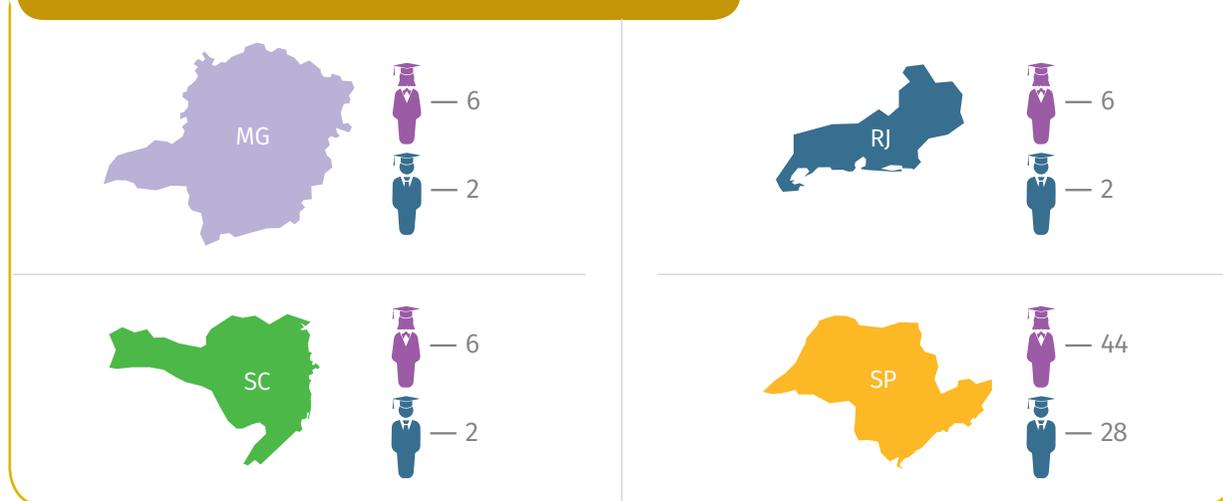
³ The three third party participants are male, stationed in Sao Paulo and are do not appear in the image above.

DIVERSITY GRI LA12

The IOS seeks and values the diversity among its participants. At the end of 2016, the IOS team had the following profile:

GENDER

- Female — 65%
- Male — 35%

ETHNICITY

- White — 60%
- Black — 9%
- Grayish-brown* — 31%

AGE GROUP

- 17 to 20 years old — 13%
- 21 to 30 years old — 44%
- 31 to 40 years old — 30%
- 41 to 50 years old — 10%
- More than 50 — 3%
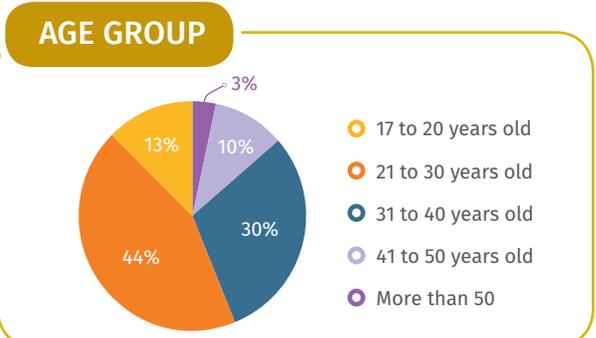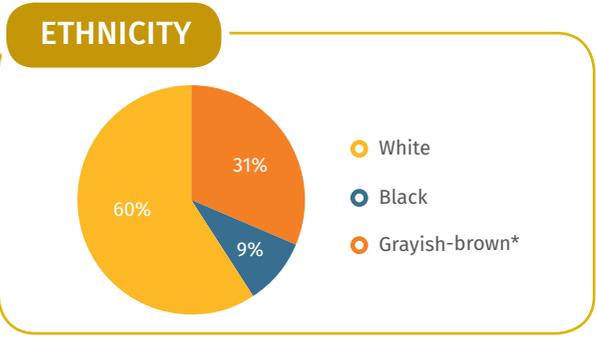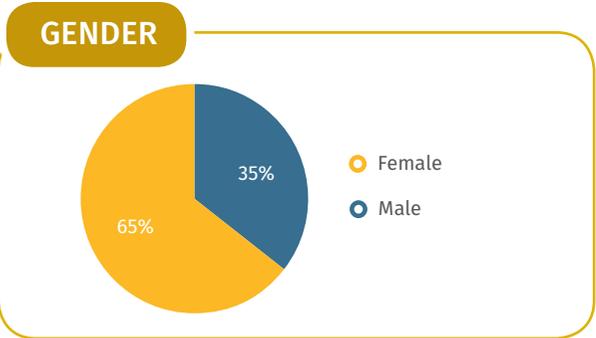
As far as the Institutes leadership, Board, Directors and Management, the IOS had the following profile:

GENDER

- Female — 38%
- Male — 62%

ETHNICITY

- White — 84%
- Asian — 8%
- Grayish-brown — 8%

AGE GROUP

- 30 to 40 years old — 31%
- 41 to 50 years old — 46%
- More than 50 — 23%
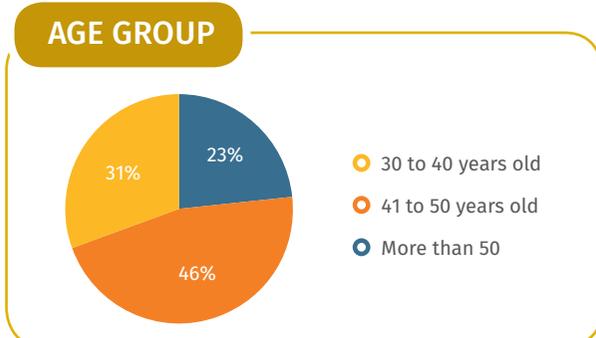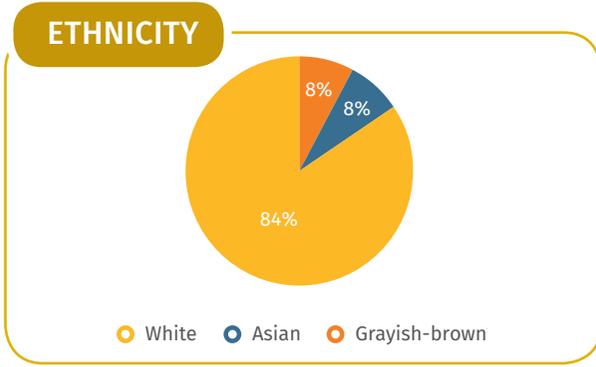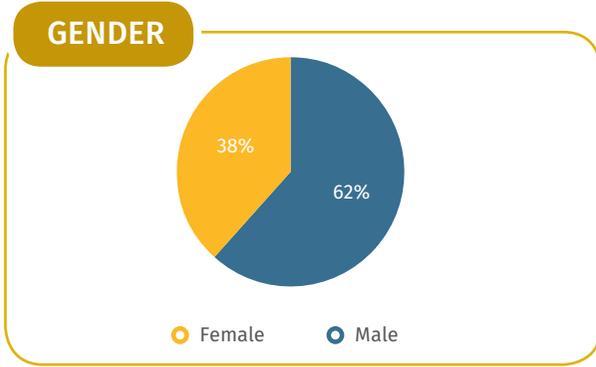
IOS TEAM TRAINING

GRI G4- LA9 | HR2

Always seeking excellence in its work, the IOS continuously invests in the qualification of its participants. As an example, in 2016, the Institute trained its leadership - Coordinators, Leaders and Specialists - through an immersive one-week training session conducted by an external consultant.

There were 2,474 total hours of training offered in 2016, with emphasis on the following topics:

- Leadership training
- IOS Strategic planning
- Integration of new participants
- Fund-raising
- Behavioral development
- Introduction to the Khan Academy platform
- Pedagogical orientation
- Project Management

*The IBGE (Brazilian Institute of Geography and Statistics) manual defines grayish-brown as people with a mixed skin color, whether this mix is mulata (a descendants of whites and blacks), cabocla (descendants of whites and indigenous people), cafuza (descendants of blacks and indigenous people) or mixed races.

Trainings with themes focused on human rights and diversity, were also highlighted:

- Social Responsibility

- Brazilian Sign Language

- Inclusion and diversity

- Assistive technology for accessibility

- Learning, awareness and development of the visually impaired

TOTAL HOURS OF TRAINING BY POSITION IN 2016

- Educational Team
- Assistants and Analysts
- Management and leadership
- Other participants

2%
15%
18%
65%
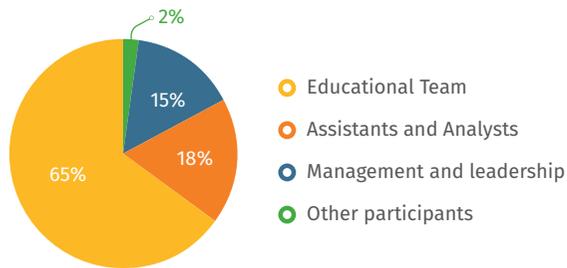
CAREER GRI G4-LA11

The IOS is committed to providing participants with the opportunity for development, learning and steady growth in their careers. The

---

Institute has always encouraged performance reviews by leaders, but over the last year it has expanded the use of tools designed to perform performance analysis in a more structured and standardized way.

Thus, in 2016, 17.7% of the participants received the 180º Performance Evaluation, which was applied in the subsidiaries of Belo Horizonte, Joinville and Rio de Janeiro, as a pilot project. This assessment gives the leader and the participant the opportunity to self-assess and score each other's performance, based on the core competencies of the organization and function.

PARTICIPANTS THAT HAVE UNDERGONE A 180^0 EVALUATION BY GENDER

29%
71%

- Female
- Male

PARTICIPANTS THAT HAVE UNDERGONE A 180^0 EVALUATION BY POSITION

- Pedagogue
- Monitor
- Instructor
- Leader
- Assistant

18%
18%
6%
29%
29%
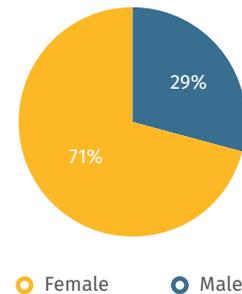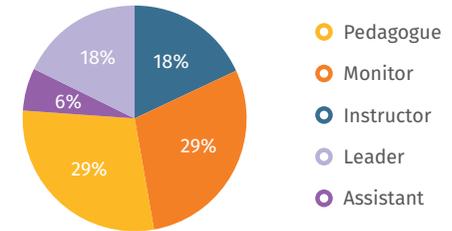
Another group of participants, selected to be trained by a partner institution on leadership and self-management practices, underwent a 360º Performance Evaluation, where each person chooses professionals to assess their performance throughout the year. In total, 8.3% of participants participated in this evaluation.

PARTICIPANTS THAT HAVE UNDERGONE A 360^0 EVALUATION BY GENDER

25%
75%

- Female
- Male

PARTICIPANTS THAT HAVE UNDERGONE A 360° EVALUATION BY POSITION

- Analyst — 62%
- Leader — 12%
- Coordinator — 13%
- Instructor — 13%
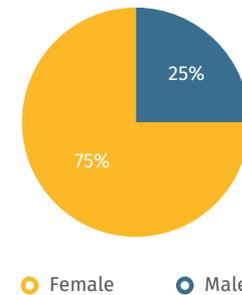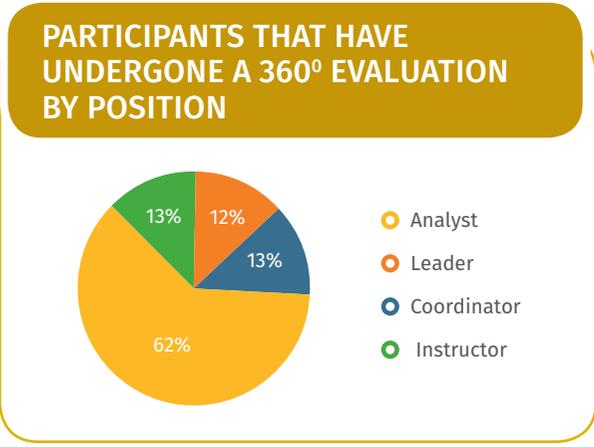
As far as career development, 20 participants received a salary increase due to merit and nine due to a promotion.

COMPENSATION AND BENEFITS   GRI G4-LA2

The IOS has a compensation policy in line with best practices in the market. All participants are hired under the Consolidation of Labor Laws (Brazilian CLT), and have the following benefits:

- Meal Tickets
- Transportation Tickets
- Health Plan
- Dental Plan
- Life Insurance
- Private Pension Plan (optional)
- Academic subsidy for the 1st graduation
- Childcare Assistance for participants who have children up to five years old
- Agreement with SESC (Commerce Social Service)
- Agreement with SENAC (National Service for Commercial Apprenticeship)
- Agreement with HOPI HARI (amusement park)

ACADEMIC SUBSIDY

A great achievement for 2016. Participants received BRL 300 monthly as a subsidy.

Pre-requisites:

- Minimum 6 months working at the IOS
- Not having acquired a degree yet

Twelve participants benefited.

PARTICIPANT SATISFACTION

To measure the satisfaction of its participants, IOS conducted an Organizational Climate Survey with all of its internal population. The research findings are that:

- **100% were proud to work for the IOS;**
- 81% were satisfied with their activity at the IOS;
- 97% recommended the IOS courses to the people they know;
- 98% considered themselves continuously learning;
- 73% felt recognized and valued by the IOS as a result of the work they perform;
- 91% felt that the IOS provides opportunity for professional growth.

TURNOVER   GRI LA1

In 2016, the IOS hired 36 new participants, which generated a turnover rate of 46%, a rate 10 percentage points higher than 2015. Admissions are linked to new projects and partnerships signed throughout the year.

Turnover by gender

GENDER	TOTAL NUMBER OF NEW-HIRES	TURNOVER RATE
Masculine	16	20%
Feminine	20	40%

Turnover by age group

AGE GROUP	TOTAL NUMBER OF NEW-HIRES	TURNOVER RATE
17 to 20	9	46%
21 to 30	16	31%
31 to 40	9	22%
41 to 50	1	5%
Over 50	1	16%

Turnover by region

REGION	TOTAL NUMBER OF NEW-HIRES	TURNOVER RATE
São Paulo	25	23%
Rio de Janeiro	6	56%
Minas Gerais	4	50%
Santa Catarina	1	12%

GRI Index

GRI INDICATORS		LOCATION ON THE REPORT (PAGE)/ DIRECT ANSWER
Profile Indicators		
1. Strategy and Analysis		
G4-1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization	Page 8
2. Organizational Profile		
G4-3	Name of the organization	Page 6
G4-4	Primary brands, products or services	Page 10
G4-5	Localization of organization's headquarters	Page 10

GRI INDICATORS		LOCATION ON THE REPORT (PAGE)/ DIRECT ANSWER
G4-6	Number of countries the organization operates	Page 11
G4-7	Nature of ownership and legal form	Page 10
G4-8	Markets served	Page 11
G4-9	Scale of the organization	Pages 10, 44 and 48
G4-10	Workforce profile	Page 48
G4-11	Percentage of total employees covered by collective bargaining agreements	100% of the employees are covered by a collective bargaining agreement. Five interns are not included in the calculation.
G4-12	Describe the organization's supply chain	Page 46
G4-13	Significant changes in the structure of the organization during the reporting period	Page 12
Commitments with external initiatives		
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	Not applicable.
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	Other than the Global Pact (Page 19), the IOS also supports the Millennium Development Goals and the 10 anti-corruption measures of the Federal Public Ministry*.
G4-16	Significant participation in associations and/or national/ international advocacy organizations in which the organization: holds a position on the governance body, participates in projects or committees, provides substantive funding beyond routine membership dues	Page 20
3. Identified Material Aspects and Boundaries		
G4-17	List entities included in the organization's consolidated financial statements	All service units are considered in the financial statements (headquarter and branches).

A permanent institution, essential to the judicial function of the State, which is responsible for defending the legal order, the democratic regime and the unavailable social and individual interests.

GRI INDICATORS		LOCATION ON THE REPORT (PAGE)/ DIRECT ANSWER
G4-18	Process for defining the report content and the aspect boundaries	Page 6
G4-19	List the material aspects identified in the process for defining report content	Page 6
G4-20	Material aspect boundary within organization	All aspects are material within the organization.
G4-21	Material Aspect Boundary outside the organization	Dialogue with Stakeholders: material theme for Students, Partners, Participants and Suppliers. Employability: material for Students and Partners. Investments and Fundraising: material for Students, Partners and Participants. Program Quality: material for Students. Valuable Partnerships: material for Students and Partners. Ethics: material for Partners and Suppliers. Student Cycle: material for Students.
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements	No incorrect information was found.
G4-23	Report significant changes from previous reporting periods in the scope and aspect boundaries	There were no significant changes in scope and aspects boundaries reported in relation to the previous report.
4. Stakeholders Engagement		
G4-24	List of stakeholder groups engaged by the organization	The IOS regularly engages its internal public: students, alumni, students' families, partner social organizations hosts of IOS service units, sponsors, financial supporters and project supporters, Employability partners and suppliers. But for the current process of materiality, only the public described on Page 6 were consulted.
G4-25	Basis for identification and selection of stakeholders with whom to engage	Page 6.
G4-26	Organization's approach to stakeholder engagement, including frequency of engagement	In addition to the query for materiality (described on Page 6), the IOS performs: student satisfaction survey, partner satisfaction survey, and events for students and partners.

GRI INDICATORS		LOCATION ON THE REPORT (PAGE)/ DIRECT ANSWER
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and measures adopted by the organization on how to address them	Page 6
5. Report Profile		
G4-28	Reporting period	Page 6
G4-29	Date of most recent previous report	From January 1st to December 31st, 2015.
G4-30	Reporting cycle	Page 6
G4-31	Contact point for questions regarding the report or its contents	Page 6
G4-32	GRI Index for the chosen option (essential or comprehensive) and external assurance	The report follows the G4 Essential Guidelines.
G4-33	Description of organization's policy and current practice with regard to seeking external assurance	The report will not be audited before its publication. There will be a subsequent audit of the Institute's financial statements, which will be provided to interested parties.
6. Governance		
Governance Structure and Composition		
G4-34	Governance structure, including committees	Page 17
G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body	Page 20
G4-39	Report whether the Chair of the highest governance body is also an executive officer	Yes, the IOS has a CEO. The accumulation of functions occurs because the responsibility for day-to-day decisions does not rest with the CEO, but with the Executive Management. The CEO supports the Executive Management in more strategic decisions.

GRI INDICATORS		LOCATION ON THE REPORT (PAGE)/ DIRECT ANSWER
G4-40	Process for nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members (including shareholders)	The members of the Board of Directors are appointed by the sponsoring companies and founding associates, as well as by the Management team of the Institute. There is maximum of three years for the director's office term. It may be renewed for another three years, and the main criteria used are the level of knowledge and engagement in the Third Sector.
Highest Governance Body's role in risk management		
G4-45	Highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities	The IOS consulted its stakeholders and the findings of this work have been used as a road map for the Board and Executive Management in the Institute's main decisions. In addition, in 2016 and early 2017, the Institute's Leadership, Coordination and Management defined a new Strategic Planning for the next three years of the Organization. This Planning had voluntary consulting from IBM and will be validated by the Board of Directors and Advisory Board in order to mitigate risk and design better paths for the Organization.
7. Ethics and Integrity		
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	Page 3
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	The IOS does not have an internal mechanism specifically designed to communicate ethical issues. However, students have an Ombudsman channel, described on Page 21. For participants, the IOS provides an open channel with the HR department. And for the external public, all relationship channels and social networks.
Economic Performance		
Aspect	Economic Performance	
EC1	Direct economic value generated and distributed	Page 46
EC4	Financial assistance received from government	Page 44

GRI INDICATORS		LOCATION ON THE REPORT (PAGE)/ DIRECT ANSWER
Aspect	Indirect Economic Impacts	
EC7	Direct economic value generated and distributed	Page 46
EC8	Financial assistance received from government	Page 40
Aspect	Procurement Practices	
EC9	Proportion of spending on local suppliers at significant locations of operation	100% of the IOS suppliers are locally hired.
Social Performance: Labor practices and decent work		
Aspect	Employment	
LA1	Total number and rate of new employee hires during the reporting period, by age group, gender and region	Page 52
LA2	Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees, by significant locations of operation	Page 51
Aspect	Training and Education	
LA9	Average hours of training that the organization's employees have undertaken during the reporting period, by gender and employee category	Page 49
LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Page 50
Aspect	Diversity and Equal Opportunity	
LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	The three directors are white males. The division by age group which considers the Board of Directors, the Advisory Board and the Executive Officers can be found on page 49.

GRI INDICATORS		LOCATION ON THE REPORT (PAGE)/ DIRECT ANSWER
Aspect	Labor Practices Grievance Mechanisms	
LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	The IOS did not receive any labor complaints in 2016.
Social Performance: Human Rights		
Aspect	Investment and Procurement Practices	
HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Page 49
Social Performance: Society		
Aspect	Local Community	
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	The engagement takes place through the service unit deployment model, in which the IOS places its structure in the Social Organizations already recognized by the Communities. The impact percentage is measured by the impact on family income (Page 40).
Aspect	Anti-Corruption	
SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	Page 18
SO4	Communication and training on anti-corruption policies and procedures	The IOS does not conduct formal training on anti-corruption policies and procedures, however, the entire transparency structure of the Institute provides a high level of engagement of participants on this issue.
SO5	Confirmed corruption cases and measures taken	No corruption cases were identified in the Institute within the period covered by the report.

GRI INDICATORS		LOCATION ON THE REPORT (PAGE)/ DIRECT ANSWER
Social Performance: Product's Responsibility		
Aspect	Product and Service Labeling	
PR5	Results of surveys measuring customer satisfaction	Page 36 and 47
NGO Sector Supplement		
NGO-DMA: Resource allocation (former NGO7)	Resource allocation	Page 46
NGO-DMA: Affected stakeholder engagement (former NGO1)	Processos para o envolvimento de grupos de *stakeholders* afetados no projeto, implementação, monitoramento e avaliação de políticas e programas	Page 22
NGO-DMA: Feedback, Complaints and Actions (former NGO2)	Mecanismos de *feedback* e reclamações relacionadas a programas e políticas e para determinar medidas a tomar em resposta a violações de políticas	In addition to the mechanisms described on page 20, the IOS works with outsourced legal and accounting advice, which values the Institute's policies and practices.
NGO-DMA: Monitoring, Evaluation and Learning (former NGO3)	Sistema para monitoramento, avaliação e aprendizagem de programas (inclusive medição de eficácia e impacto dos programas) que resulte em mudanças nos programas e como estas são comunicadas	Page 31 and 37
NGO-DMA: Gender and diversity (former NGO4)	Medidas para integrar gênero e diversidade no projeto e implementação dos programas, e no monitoramento, avaliação e ciclo de aprendizagem	Pages 14, 18 and 32
NGO-DMA: Public Awareness and Advocacy (former NGO5)	Processos para formular, comunicar, implementar e mudar posicionamentos de *advocacy* e campanhas de conscientização do público	Page 28
NGO-DMA: Coordination (former NGO6)	Processos para levar em consideração e coordenar-se com as atividades de outros atores	In addition to the processes described on page 37, the Institute has other actions to maintain relationships with employers of former students, such as monthly sending them the Connect Bulletin (with the news of the Institute), frequent visits, telephone contact and contact monitoring via CRM system. In addition, the IOS develops content for LinkedIn and the Administrators Portal, e-books, booklets and info graphics

GRI INDICATORS		LOCATION ON THE REPORT (PAGE)/ DIRECT ANSWER
		to keep its partners informed on topics such as training, employment, third sector, Quota Laws and Learning Law.
NGO8	Sources of funding by category and five largest donors and monetary value of their contribution	Page 44
NGO-DMA: Grievance and Complaints Mechanisms Related to Labor Practices (former NGO9)	Mechanisms for workforce feedback and complaints, and their resolutions	The participant who has a suggestion or criticism may look for the immediate leader to share his/her opinion. If the issue cannot be resolved quickly, the issue will be shared with the other leaders who will then come together to think about an alternative. By 2017, the IOS plans to formalize an ombudsman channel, to access the Organization's executive management, through a specific e-mail, to send doubts, criticisms and suggestions.
NGO10 (former PR6NGO)	Adherence to standards for fundraising and marketing communications practices	The Institute has not received any complaints about a violation of good fundraising practice standards and marketing actions.

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