
2013 / 2014

Sustainability Report

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2013 /2014
Sustainability Report

 Instituto Presbiteriano Mackenzie

summary



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Introduction

About the Report

The Mackenzie Presbyterian Institute (IPM), a not-for-profit educational association, hereby presents its second Sustainability Report, which describes its activities between January 2013 and December 2014. The previous report, also covering a two-year period, focused on 2011 and 2012. From 2015, the institution will be reporting on its activities to society on a yearly basis.

This report follows the GRI (Global Reporting Initiative) methodology, one of the most widely used and recognized worldwide. The GRI methodology is designed to promote the practice of assessing, describing and informing internal and external stakeholders about the organization's performance, with the ultimate goal of furthering sustainable development. The IPM has used the fourth and latest version of the GRI guidelines, called G4, to produce this document. All the IPM's units, described in the "Our Structure" section, were involved in this process.

The IPM conducted an online survey with its main stakeholders, selected based on how often they engage with the institute. Thus, the survey involved suppliers, faculty, staff, surrounding communities and the student body. These stakeholders expressed their opinions about the relevance of each of the GRI aspects. The findings were assessed by a Mackenzie team as to their feasibility and consistency with the industry. The aspects rated "very important" and "relevant" in the materiality matrix (*see the table below*), based on this examination, are addressed throughout this report by means of both its contents, taken from materials and interviews with the institution's executives, and the indicators for each aspect. This report has been prepared 'In accordance' with GRI's G4 Guidelines' Core option.

Materiality Matrix

g4-20 | g4-21



Materiality to the company according to stakeholders

Current or potential impact on organization

● Internal stakeholders to which the aspect is material

Fa | Faculty
St | Staff
Sb | Student body

○ External stakeholders to which the aspect is material

So | Society
Su | Suppliers
Sc | Surrounding communities

⊗ Topics not to be addressed

Mission, Vision, Principles and Values

g4-56

Mission

To educate the human being, created in the image of God, to exercise active citizenship in an environment based on the Reformed Christian faith.

Vision

To be recognized by society as a philanthropic Presbyterian denominational institution dedicated to the divine and human sciences, committed to social and environmental responsibility, in an ongoing pursuit of academic and management excellence.

Principles and Values

In personal conduct: dignity, character, integrity, and the Mackenzie spirit

At work: ethics, competence, creativity, discipline, dedication and willingness to do volunteer work

In interpersonal relationships: loyalty, mutual respect, understanding, honesty and humbleness

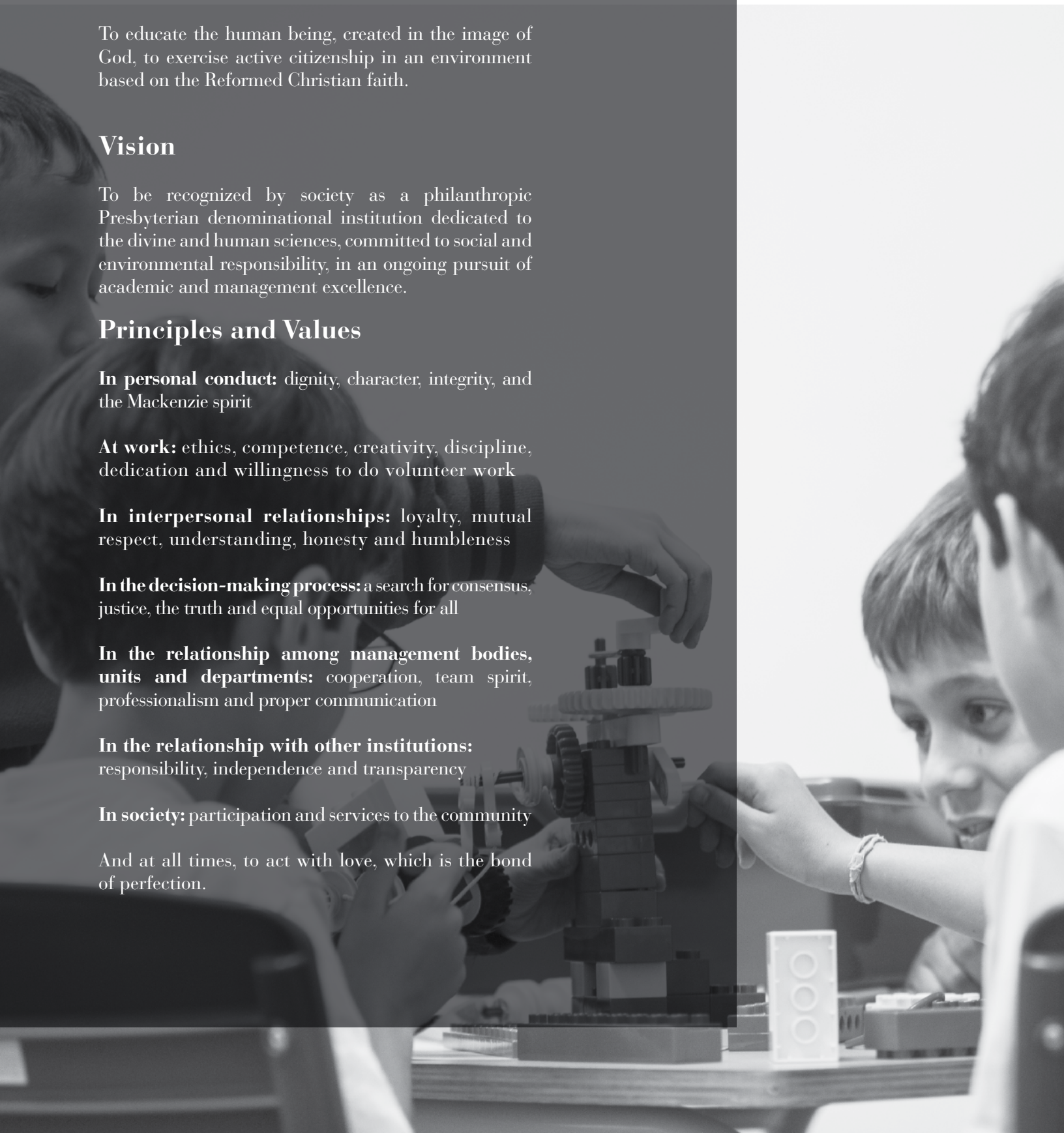
In the decision-making process: a search for consensus, justice, the truth and equal opportunities for all

In the relationship among management bodies, units and departments: cooperation, team spirit, professionalism and proper communication

In the relationship with other institutions: responsibility, independence and transparency

In society: participation and services to the community

And at all times, to act with love, which is the bond of perfection.



Our work is based on sustainable management, which involves all employees and their families, as well as the Mackenzie community and all those who depend on, and participate in, our initiatives



Message from the President Director

g4-1

We are very pleased to present our Sustainability Report for the period of 2013-2014, marked by major challenges and achievements. Our work is based on sustainable management, which involves all employees and their families, as well as the Mackenzie community, companies, clients, suppliers, partners and all those who depend on, and participate in, our initiatives directly or indirectly.

Throughout our 144-year history, we have always been ahead our time and are proud to have been the first educational institution to publish a report following the GRI guidelines, thus reporting to society on our performance as a whole, always bearing in mind that we do not seek profit and accountability is a requirement for us. Mackenzie's performance strengthens our confidence in our future soundness and competitiveness. We managed to achieve excellent results in the period thanks to everyone's commitment to improving our numbers consistently.

This report highlights the key moments and the results achieved by our management by describing the challenges and opportunities. We have reason to celebrate some of these results, such as our annual revenue, which rose by almost 10%, and operating income, which shot up more than twofold, leading to a 40% increase in net income. This allowed us to invest more in infrastructure, in the educational area and in philanthropic initiatives since we used 100% of net earnings to upgrade and upkeep our operations and improve sustainability.

Since we are a philanthropic institution, the numbers to be celebrated are the investments benefiting nearly 21,000 of our students: R\$183 million allocated to scholarships, discounts and philanthropic initiatives. As a result, the default rate fell to 3.76% due to preventive measures taken by the Institution, which offered students different possibilities to pay their tuitions. In 2014, we recorded a total of 43,100 students, with a significant year-over-year rise of 21% in the number of

pre-elementary, elementary and high school students. In addition, all openings were filled. Our challenge now is to ensure the quality of the teaching-learning process while maintaining the Institution's financial sustainability. In fact, this concern about our financial soundness allowed us to invest R\$53.8 million in the upkeep of our campuses—largely in classrooms and laboratories—to improve the well-being of their users.

Remaining at the forefront, our Institution revised its Strategic Plan for the 2014-2024 period to set five major goals: Denominationalism, Higher Education, Elementary Education, New Businesses and Expansion & Management—which led us to develop 224 indicators, 67 of which the Board of Regents monitors directly at its quarterly meetings.

It is also essential to note the importance we attach to research. Indeed, we aim to be the private Higher Education Institution (HEI) investing the most in this aspect. In 2014, nearly R\$45 million—involving MackPesquisa and government bodies—was raised in connection with 155 projects.

We also increased our international reach by maintaining agreements with 120 universities from different countries and introduced graduate-level dual degree programs. Concerning Secondary Education, the students from the Mackenzie Presbyterian School (CPM) in Brasilia have been able to obtain a dual high school diploma, by means of a partnership with Texas Tech University, since 2014. The system is scheduled to be introduced in Alphaville in 2015 and in São Paulo in 2016.

As far as Expansion is concerned, we made great strides. In 2014, we completed the construction of Phase 1 of the facility that will house MackGráphe, a project budgeted at R\$22 million, part of which has been invested. The construction of Escola Modelo [Benchmark School] in Palmas, currently in the pre-design stage, is scheduled to start in the second half of 2015. In addition, the Alphaville campus is going to be expanded, with the Cidade Mackenzie [Mackenzie City] project.

Our University's Undergraduate and Graduate Programs have been receiving higher and higher ratings. In fact, six programs were assigned top, or 5, Program Ratings (PR) or Preliminary Program Ratings (PPR). We occupied the 35th position in Folha de S. Paulo newspaper's overall ranking of the best Brazilian universities. Among private institutions, we were ranked fourth in Brazil and first in the State of São Paulo for the third straight year. Guia do Estudante [Student Guide] assigns five stars to six of our programs. Concerning our graduate programs, five are rated 5 by the Ministry of Education's CAPES [Coordenação de Aperfeiçoamento de Pessoal de Nível

Superior, or Commission for the Improvement of Higher Education Faculty and Staff], and 92% of the University's professors have a Master's degree or a Doctor's degree.

Concerning UPM, it is also worth noting that the Campinas and the Rio de Janeiro Colleges have consolidated themselves, and we still have to implement the master plan for the São Paulo campus. We can also celebrate the introduction of distance learning programs, the expansion of the Mackenzie Educational System (MES) and the implementation of a university bookstore and book distributor.

We invested R\$60 million in the Higienópolis campus to adapt Mackenzie to a new reality. We opened snack bars and restaurants, and landscaped different areas to offer our student all the amenities so that they would no longer have to leave the campus. In parallel, we improved security by installing electronic turnstiles, as well as surveillance cameras inside and around Mackenzie.

Our commitment to sustainability is an integral part of our DNA; as a result, we undertake a number of environmental initiatives, such as a pilot project to reduce water consumption on the Alphaville campus, in the João Calvino and Amantino Vassão buildings, on the Higienópolis campus, in addition to the buildings on Itacolomi and Piauí Streets. This reduction is made possible by installing devices such as water flow regulators, among others, at each point of use.

In addition, we are seeking renewable energy generation solutions, which cause less environmental impact by producing clean solar energy and lead to a cost reduction as well. We replaced fluorescent bulbs, which consume more energy and are more hazardous to the environment, by LED light bulbs to reduce our environmental impact. We also assessed the amount of light required by the activities performed in each area and installed more efficient lighting systems adapted to users' actual needs, preferably based on natural illumination.

In view of such positive facts and figures, there is no doubt that our main goal is to continue providing top quality education for the community at large. Accordingly, we remain committed to investing in people, as well as in an ethical and professional relationship with our students, staff, partners, society and the environment.

This is how we see sustainability and put it into practice. We do not believe sustainability is just a term, a concept, but an attitude that serves as a guideline for our activities, steps, values and policies. ○

To God, all the Glory!

Dr. Maurício Melo de Meneses

President Director of the Mackenzie Presbyterian Institute

Highlights 2013/2014

Net Value Added

R\$ 413.19 million 2013

R\$ 460.84 million 2014

Distribution of value added

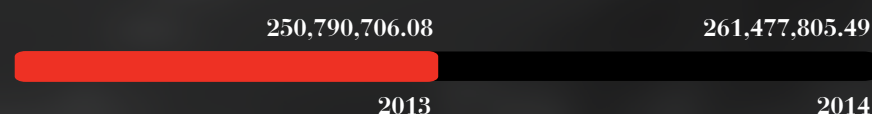
R\$ 429.92 million 2013

R\$ 483.06 million 2014

Personnel and payroll charges (in R\$)



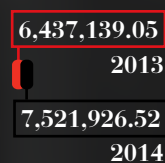
Economic value retained (in R\$)



Taxes, fees and contributions (in R\$)



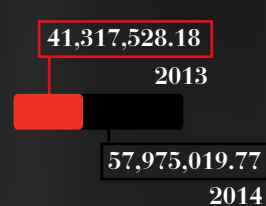
Interest and lease (in R\$)



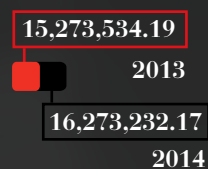
Dividends and interest on equity (in R\$)



Retained earnings / loss for the year (in R\$)



Investments in the community (in R\$)



Highlights 2013/2014

Educational Quality



2014 Folha de S. Paulo University Ranking

- o 35th best Brazilian University in the overall ranking
 - o 4th best private institution in Brazil among non-public universities
 - o 1st in the State of São Paulo for the third straight year
-

Graduate Programs

- o 5 programs rated 5 by CAPES
-

Guia do Estudante ratings

- o 6 5-star programs
 - o 14 4-star programs
 - o 5 3-star programs
-

Brazilian Ministry of Education and Culture's (MEC) ratings

- o 6 programs rated 5
 - o 28 programs rated 4
 - o 8 programs rated 3
-

- o The dropout rate fell from 26.3% (2013) to 22.2% (2014)
- o All openings filled in 2014
- o Research: Nearly R\$45 million raised in connection with 155 projects (2014)

Social Projects



- o R\$15,273,534.19 and R\$16,273,232.17 invested in the community through social projects in 2013 and in 2014 respectively



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Our Structure

The Presbyterian Church of Brazil (IPB)

The Presbyterian Church of Brazil (IPB) came into being as a result of the Protestant Reformation of the 16th century. An Evangelical Christian Church following the Calvinist Reformed theological tradition, it is the only Lifelong Member of the Mackenzie Presbyterian Institute.

The Mackenzie Presbyterian Institute (IPM)

The Mackenzie Presbyterian Institute is the supporting organization of the Mackenzie Educational Complex, which consists of the Mackenzie Presbyterian School (CPM), which has branches in São Paulo City (Higienópolis), Barueri (Alphaville) and Brasília, responsible for Pre-Elementary, Elementary and Secondary Education; the Mackenzie Presbyterian

University (UPM), which has campuses in São Paulo City (Higienópolis), Barueri (Alphaville) and Campinas; and the Mackenzie Rio Presbyterian College, in Rio de Janeiro City. UPM and Mackenzie Rio offer undergraduate and *latu sensu* (specialization) graduate programs. UPM also has *stricto sensu* (Master's and Doctor's) graduate programs.

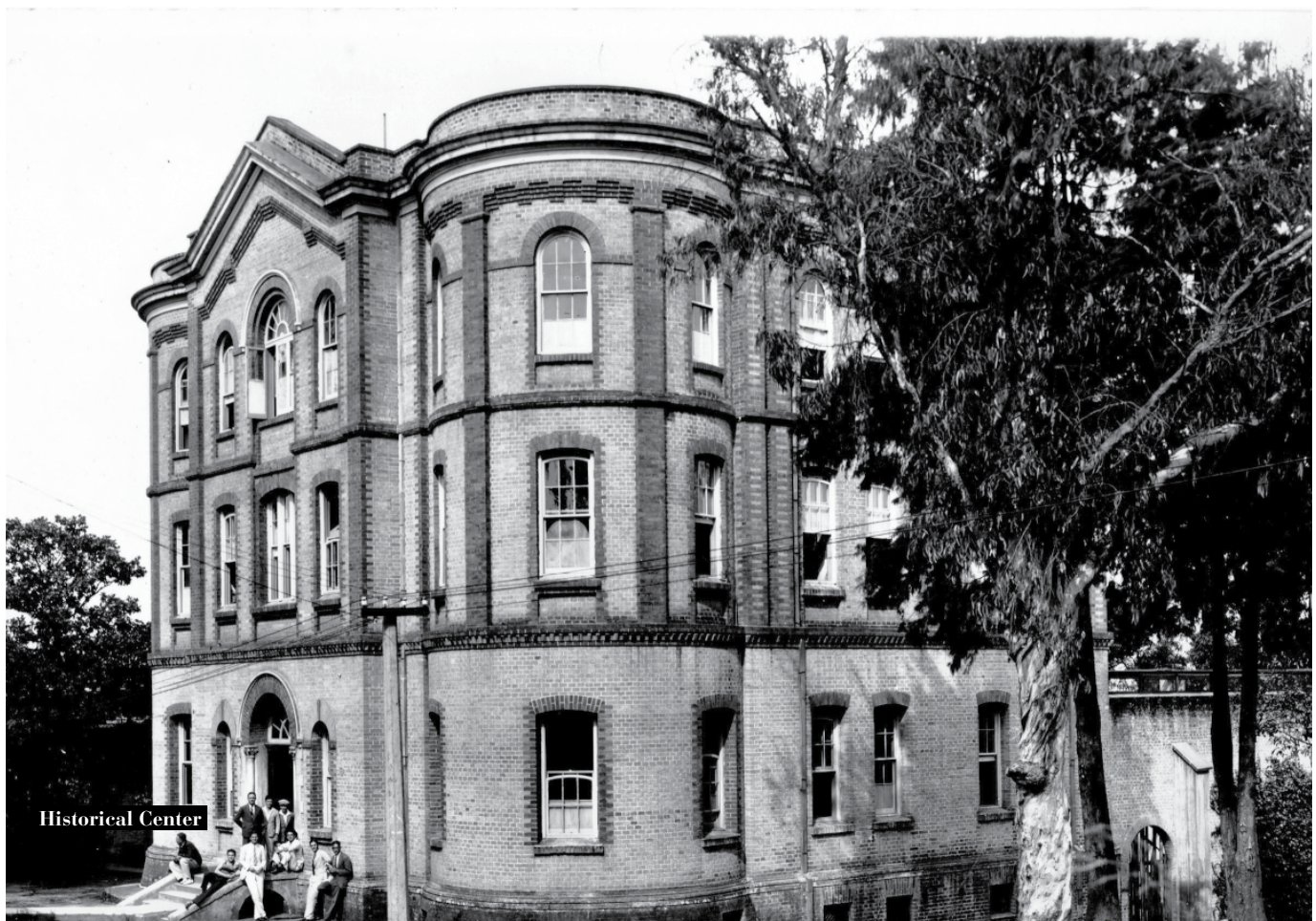
The IPM's governance structure is comprised by the Board of Regents, the institution's top governing body, and the Executive Board. The Board of Regents is composed of the Board of Trustees, which represents the Lifelong Member (7 members appointed by the IPB's Supreme Council every four years), and elected members (12 Regents who serve four-year terms and may be re-elected once). The Board of Regents deliberates on all matters concerning the IPM, approves its activities and develops the Institution's Strategic Plan. The Regents are volunteers and receive no compensation for performing their duties toward the Institution.

The Executive Board, subordinate to the Board of Regents, is responsible for planning, guiding, coordinating, executing and monitoring Mackenzie's administrative activities. The directors are selected by the Board of Regents to focus entirely on conducting the Institution's business, which is set forth in the Strategic Plan and reviewed every two years. Their compensation package is not connected with the Institution's performance.

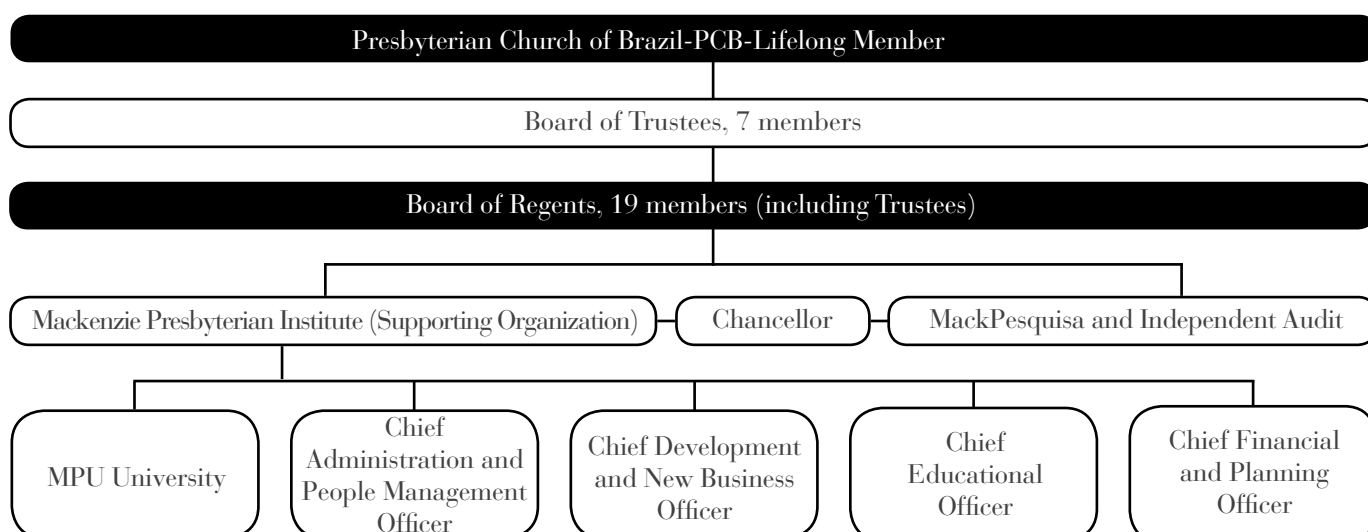
There were some changes in the composition of the Board of Regents and the Executive Board in 2013-2014. In addition, the position of Education and Development Director was split into four positions: Financial and Planning Director, Development and New Business Director, Administration and People Management Director and Educational Director.

“I would like to emphasize how serious about governance Mackenzie is, with regents and executives aware of their duties and responsibilities, and trained on this issue on an ongoing basis”

*Dr. José Inácio Ramos
President of the Board of Regents*



Structure of the Association



The Mackenzie Presbyterian University (UPM)

Authorized to go into operation by Executive Order 30511, dated February 7, 1952, UPM was officially opened on April 16, 1952 and has been building a history of tradition, innovation and academic excellence over the years. Guided by a Christian Presbyterian worldview, the University has as its goal to educate the human being by seeking to develop responsible, ethical enterprising citizens who act as agents of change.

In addition to its denominational identity, UPM was officially declared a Community Institution of Higher Education (CIHE) by the Brazilian Federal Government, as one of the largest educational complexes in Latin America, in 2014. It is worth noting CIHEs are firmly committed to their academic activities and the social and economic growth of the areas in which they are located.

UPM offers 43 undergraduate programs, 19 *stricto sensu* graduate programs and 65 *lato sensu* graduate programs, as well as a number of activities connected with extension studies*, covering a vast range of fields of human knowledge.

“We seek to provide support services on campus so that our University students can interact with one another in a healthy and comfortable environment and, therefore, perform their supplementary academic activities in a convenient and safe manner”

*Prof. Dr. Benedito Guimarães Aguiar Neto
Head of UPM*

*When the same program is offered by two Mackenzie units, it is recorded as two different programs so that they can be evaluated independently.

Our Structure

It invests continuously in infrastructure improvements, curriculum updates and faculty training to enhance academic excellence. Academic quality also involves developing core activities—education, research and extension studies—in an integrated manner. Consequently, UPM always ranks high among institutions of higher education in Brazil.

Concerning infrastructure, it is worth noting we invested R\$ 53.8 million in 2014 in the upkeep of our campuses to improve the well-being of their users. For example, we spent R\$20 million on air conditioning systems, thus bringing the number of air conditioned classrooms and laboratories up to 88% in the period.

Also in this regard, we expanded peer tutoring in undergraduate programs. About 250 tutors facilitate the teaching-learning process in subjects with high failure rates and help professors conduct practical laboratory activities.

Finally, UPM has been expanding its international partnerships through collaborative educational and research projects in view of the current trend toward the globalization of educational and professional relations.



Partnership with NASA

The UPM's School of Engineering's CRAAM [Centro de Rádio Astronomia e Astrofísica Mackenzie, or Mackenzie Center for Radio Astronomy and Astrophysics] coordinates experimental activities in the field of space geodesy with operations of the ROEN [Rádio Observatório Espacial do Nordeste, or Space Radio Observatory of the Northeast Region], in Eusébio/Fortaleza, Ceará State, jointly with INPE [Instituto Nacional de Pesquisas Espaciais, or Brazilian National Institute for Space Research]. The funds from the NASA-Mackenzie agreement, a part of the Cooperation Agreement between NASA and AEB [Agência Espacial

Brasileira, or Brazilian Space Agency] complement those provided by Mackenzie and the INPE.

Research focuses on space structures and typical quasar activity. The activities are an integral part of the IVS (International VLBI Service for Geodesy and Astrometry), in close cooperation with the IERS (International Earth Rotation Service). The research findings are available to the whole Geodesy, Geophysics, Astrometry and Astrophysics community on <http://ivs.nict.go.jp/mirror/publications/annualreport.html>.

The Mackenzie Presbyterian University offers 43 undergraduate programs, 19 stricto sensu graduate programs and 65 lato sensu graduate programs, as well as a number of activities connected with extension studies, covering a vast range of fields of human knowledge

The Institutional Pedagogical Project (IPP)

The Institutional Pedagogical Project, required by MEC, is an integral part of the Institutional Development Plan (IDP) and expresses the institution's philosophy regarding the policies of UPM's activities: education, research and extension studies.

Academic activity should be focused neither on the professor/teacher nor on the student, but on the teaching-learning process. Emphasis should be placed on pedagogical work, which: a) combines expertise from different fields of knowledge in an articulated manner; b) takes into account students' learning processes in their own search for intellectual, professional and personal development; c) focuses on faculty's systematic, intentional and planned action. Under this interaction-based approach, the professor/teacher is supposed to develop the student's ability to seek contents and play the main role in his or her own education.

In 2013-2014, we reviewed extensively and introduced the new educational projects for 43 programs offered by UPM to modernize them and align them with the dynamics of the labor market. For example, Entrepreneurship became a mandatory course in all programs from the second half of 2014. In addition, the number of programs in which students are encouraged to establish junior enterprises, which simulate the actual operation of various professional fields such as Business Administration and Communications, had been increased to six by the close of 2014.

The results of the review ranged from a restructuring of UPM's academic management, with the formal introduction of positions focused on aspects inherent in student and faculty follow-up, to the creation of several committees to work on redesigning and modernizing the IDP.

The junior agency as a distinguishing feature

Seeking to have a distinguishing feature on his résumé, advertising student *Ciro Soares de Faria* was a freshman when he applied for the account manager position at the Mackenzie Junior Communication Agency in 2013. "I wanted to have a college experience that would allow me to be an intern in a large advertising agency in the future," he says. *Faria* points out the junior agency, although considerably smaller, works in much the same way as the agencies in the market.

His expectations about the "future" soon materialized. He was promoted to department head as early as his first month at the agency. Shortly thereafter, he became CEO, a position he held between mid-2014 and early 2015. Currently at only age 18, he is an intern at *J. Walter Thompson Publicidade*, one of Brazil's top 10 agencies.

Among his projects at the agency, *Ciro* highlights the communication campaign for the Mackenzie Voluntário Program, which the Philanthropy Department entrusted to the agency for the first time. It was a complex campaign because it offered the possibility of using different online and offline media.



Higienópolis

Deanships

The Presidency, the University's top executive office, is assisted by three Deanships in implementing the activities related to each focus area: education, research and extension studies. There were some structural and functional changes in 2014 to define the Deanships' duties more clearly, in line with their core activities, and manage the goals set in UPM's IDP and Strategic Plan more efficiently.

Deanship of Undergraduate Education and Academic Affairs

From the prism of our institutional mission, the Deanship of Undergraduate Education and Academic Affairs oversees undergraduate activities, always guided by the principle that the three pillars—teaching, research and extension studies—are inseparable. It sets the pedagogical guidelines concerned with selection processes, learning processes and undergraduate students' follow-up on UPM's campuses. It also provides the means needed to implement policies and strategies designed to improve faculty's skills, as well as the concepts of both on-campus and distance educational programs, learning and evaluation.

The Deanship of Undergraduate Education and Academic Affairs consists of the following bodies:

- o Office of the Institutional Academic Attorney
- o Office of the Educational Support Coordinator
- o Office of the Academic Development Coordinator
 - Center for Entrepreneurial Education
- o Office of the Selection Process Coordinator
- o Office of the Coordinator of the Academic Collection, and Registration of Diplomas and Documents
- o Office of the General Coordinator of Libraries
- o Office of the Academic Coordinator of the Alphaville Campus
- o Office of the Academic Coordinator of the Campinas Campus

Deanship of Research and Graduate Education

The Deanship of Research and Graduate Education is a high-level, executive regulatory decision-making body that coordinates and oversees the research activities conducted by UPM's professors' and students', as well as the *Stricto Sensu* Graduate Programs.

The Deanship of Research and Graduate Education consists of the following bodies:

- o Office of the General Coordinator of *Stricto Sensu* Graduate Education
- o Office of the General Coordinator of Research
 - Center for Project Management Support

Deanship of Extension Studies and Continuing Education

The Deanship of Extension Studies and Continuing Education is the Presidency's executive regulatory decision-making body that coordinates and oversees the activities related to extension studies, services provided for the both internal and external communities, and continuing education in all fields of knowledge (*Lato Sensu* and MBA.) Those benefits are offered by means of programs, projects, courses, events and services.

The Deanship of Extension Studies and Continuing Education consists of the following bodies:

- o Office of the Coordinator of Continuing Education Programs (*Lato Sensu* and MBA)
- o Office of the Arts and Culture Coordinator
- o Office of the Development and Innovation Coordinator
 - Center for Technological Innovation
 - Business Incubator
- o Office of the Mackenzie Foreign Languages Coordinator
- o Office of the Coordinator of Programs, Projects and Extension Studies Events
 - Caminhando Juntos [Walking Together] Program
 - EducaMACK Program
 - Social and Environmental Responsibility Program
 - Universidade Aberta do Tempo Útil [Work Time Open University] Program
 - MackVIDA [MackLIFE] Program

Sustainability at UPM

Viewed as a cross-cutting issue, sustainability is addressed in classroom discussions in all courses offered by UPM. The idea is to raise sustainability awareness so that students can develop thorough knowledge of the related concepts and sustainable practices.

Sustainability issues were underscored in the revision of the Pedagogical Projects so that all professors, with the guidance of their coordinators, can place a heavy emphasis on discussions about them and on sustainable practices.

The inclusion of sustainability issues in undergraduate curricula is discussed initially by the Structuring Faculty Group of each program, deliberated on by the respective Program Faculty, forwarded to the Academic Chamber, which issues an opinion about it, and submitted to UPM's Education, Research and Extension Studies Board for approval. The Deanship of Undergraduate Education and Academic Affairs is in charge of monitoring this process. The same procedure relating to sustainability described above takes place whenever the PPC is altered.

UPM's academic curricula address the following sustainability topics:

Social aspect: distribution of wealth (social justice); universal access to education and health care; gender, ethnic, social and religious equality, among others;

Environmental aspect: responsible use of natural resources and environment preservation;

Economic aspect: growth based on more efficient use of energy and natural resources, and on new consumption and production patterns;

Institutional: assessment of society's participation in, and influence on, public and private institutions, the State's apparatus to deal with environment issues, involvement in international agreements, investment in environment protection, science and access to new technologies. The main focus points are society's political leaning, as well as its ability and effort to introduce the changes needed to implement a new development paradigm.

Given its denominational nature, the University has naturally adopted a policy of using the available resources sparingly since its foundation. In addition, it has been using other mechanisms to put theory constantly into practice, such as encouraging students to write Final Term Papers about sustainability, mainly in fields such as engineering, architecture, business administration; as well as projects within the

Institutional Scholarship Program for Undergraduate Research Mentorship and the Institutional Program for Extension Studies Scholarships. Sustainability is also an integral part of one of the seven preferred fields of research in MackPesquisa, UPM's own research fund, managed by Mackenzie.

UPM also encourages the organization of institutional events addressing the issue, such as that which was held on the Campinas campus to launch the "DEZ Pró-Ambiente" campaign, focused on environmental protection and awareness. The campaign involves recycling projects, the planting of seedlings and a series of talks. It is also worth noting the Práticas de Sustentabilidade nos Cursos de Administração [Sustainable Practices in Business Administration Programs] Project, with the publication of a book, and the organization of a seminar and a symposium; and the Sustentabilidade Financeira [Financial Sustainability] Project, both undertaken by the Center for Social and Applied Sciences. In the social area, the MackVida Program is a communication channel with the community through different projects, such as campaigns against smoking, alcoholism and substance abuse.

In 2013, MackVida held the Brazilian National Anti-Smoking Day, at the São Paulo Museum of Art. Students, professors and volunteers measured passers'-by lung capacity and provided information about how harmful smoking can be to the body. The initiative was intended to help people willing to stop smoking by offering them information about institutions specialized in dealing with drug addicts.

Because of increased competition among institutions of higher education in Brazil, our challenge now is to ensure the quality of the teaching-learning process while maintaining UPM's financial sustainability. In this regard, the University has been resorting to compensatory mechanisms that provide support for UPM as a whole instead of ceaselessly seeking the financial sustainability of each program.

Academic Units

UPM is composed of eight Academic Units:

- o Center for Biological and Health Sciences
- o Center for Communications and Literary Studies
- o Center for Social and Applied Sciences
- o Center for Education, Philosophy and Theology
- o School of Engineering
- o College of Architecture and Urbanism
- o College of Computer Science and Information Technology
- o College of Law

“Sustainability is addressed in the Bible as stewardship, as the importance of managing time, interpersonal relationships and the natural resources provided by God wisely”

*Rev. Dr. Davi Charles Gomes
Chancellor of the Mackenzie Presbyterian
University*

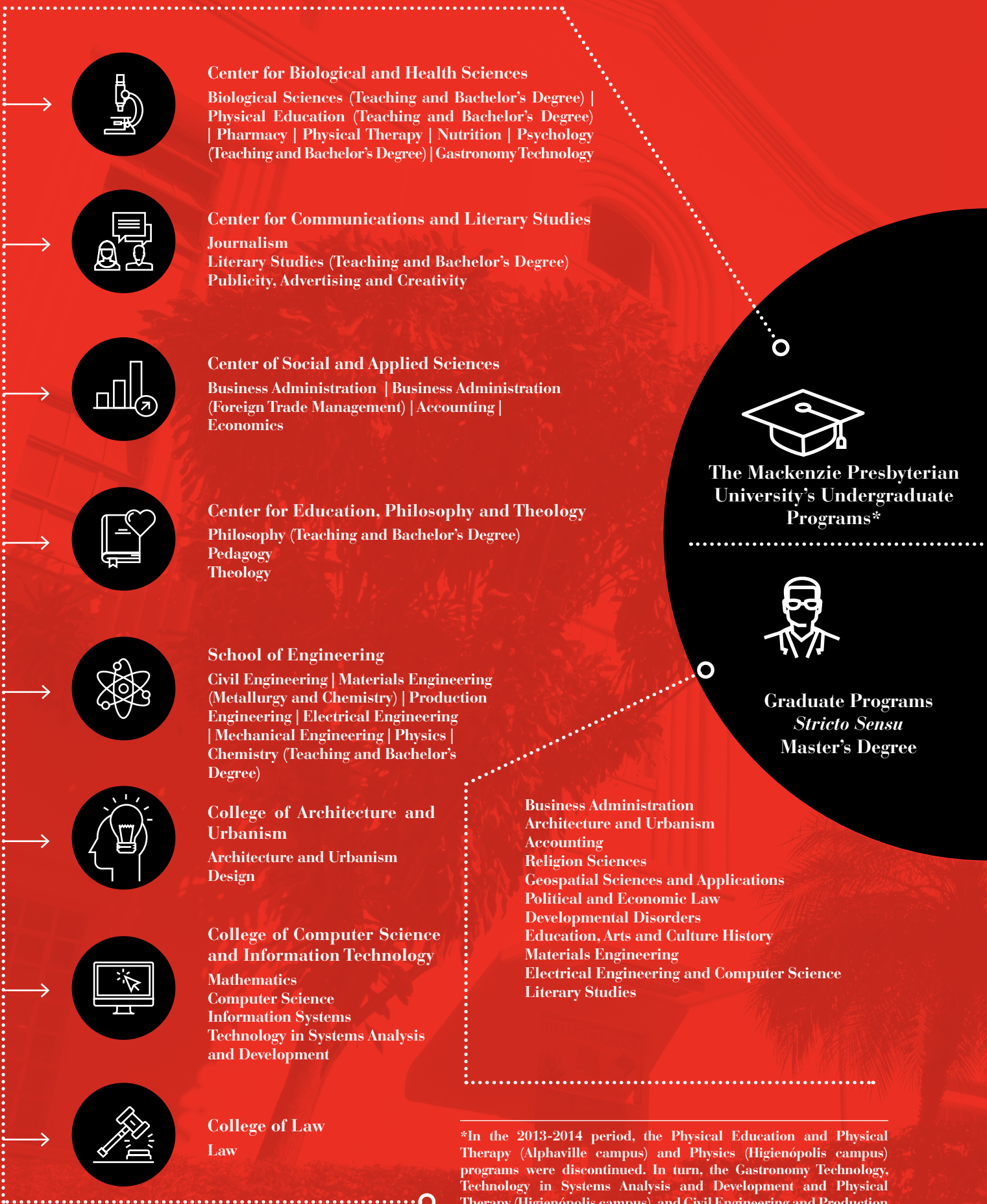


Higienópolis

Academic Programs and Services Offered

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The academic programs offered by the Mackenzie Presbyterian University and in partnership with the Mackenzie Soluções are listed below:



*In the 2013-2014 period, the Physical Education and Physical Therapy (Alphaville campus) and Physics (Higienópolis campus) programs were discontinued. In turn, the Gastronomy Technology, Technology in Systems Analysis and Development and Physical Therapy (Higienópolis campus), and Civil Engineering and Production Engineering (Campinas campus) programs were introduced.

Business Administration, Economics and Accounting
 Marketing Management | Business Administration | Banking |
 Controllership | Economics Applied to Management | Corporate Finance
 | Service Business Management | Insurance and Private Pension Fund
 Management | Strategic Management of Corporate Sustainability and
 Governance | Strategic People Management | Strategic Sales Management |
 Corporate Logistics | Contemporary Marketing | Strategic Marketing |
 Financial Markets | International Business



Finance and Controllership
 Controllership



Business, Strategy and Management
 Business Administration
 Strategic People Management
 Strategic Marketing
 Corporate Logistics



Law

Civil Law | Digital and Telecommunications Law
 | Labor Law and Procedure | Criminal Law and
 Procedure | Business Law | Civil Procedure Law |
 Corporate Law | Tax Law



Architecture and Design

Architecture and New Urban Territories | Visual
 Communication and Fashion Image | Concept and
 Management of Metropolitan Architectural Designs |
 Civil Construction Project Management | Management of
 Urban Plans and Designs | Building Sustainability



Center for Education, Philosophy and Theology

Professorship
 Entrepreneurial Education for Children
 Brazilian Sign Language
 Contemporary Aesthetics



Health Sciences

Clinical Psychological Evaluation | Clinical
 Pharmacy | Neuroscience and Applied Psychology
 | Organizational and Labor Psychology |
 Psychopedagogy | Psychotherapy, Counseling and
 Family Mediation | Cosmetics Technology



Computer Science

Computer Forensics | IT Governance |
 Systems Design and Development |
 IT Security



Communications and Literary Studies

Communications and Image Production
 Practices: Photography and Audiovisual
 Production | Contemporary Journalism |
 Portuguese Language and Literature | Marketing
 and Integrated Communications



Engineering and Technology

Business Administration for Engineers | Civil Construction – Building
 Excellence and Anomalies | Industrial Operations Engineering |
 Occupational Safety Engineering | Telecommunications Engineering |
 Project Management | Chemistry for Scientific Expert Examinations



Specialization Programs
Lato Sensu



Graduate Programs
Stricto Sensu
 Doctor's Degree



Business Administration
 Architecture and Urbanism
 Geospatial Sciences and Applications
 Political and Economic Law
 Developmental Disorders
 Education, Arts and Culture History
 Electrical Engineering
 Literary Studies

Awards

In line with its Visão 150 [150 Vision] Project of pursuing academic excellence in a sustainable manner, UPM constantly seeks to improve the performance of its undergraduate programs on ENADE [Exame Nacional de Desempenho de Estudantes, or National Examination of Student Performance], as well as their MEC Program Ratings or Preliminary Program Ratings and their positions in the Folha de S. Paulo's and Guia do Estudante's university rankings.

UPM's ambitious goal is for at least 70% of its undergraduate programs to achieve top MEC Program Ratings (5) by 2020. The University is on the right track to achieving it: almost 14% of those programs are rated 5 and 65% are rated 4. Academic programs rated 3 comply fully with MEC's quality criteria whereas those rated 5 are considered excellent and, as such, represent a benchmark for the industry.

MEC Evaluation – Program Ratings (PR) or Preliminary Program Ratings (PPR)

	Rating	# of Programs	%
PR/PPR 43 rated programs	5	6	13.9%
	4	28	65.1%
	3	8	18.6%
	not rated	1	2.4%

In 2014, Mackenzie occupied the 35th position in Folha de S. Paulo's overall ranking of the best Brazilian universities. Among non-public institutions, it was ranked fourth in Brazil and first in the State of São Paulo for the third straight year.

Concerning UPM's graduate programs, five were rated 5 by CAPES [Coordenação de Aperfeiçoamento de Pessoal de Nível Superior, or Commission for the Improvement of Higher Education Faculty and Staff], vs. only one in the previous year. The Materials Engineering program, the only one rated 3, is being restructured to reach the same level of excellence of the other programs.

Graduate Program	Level	CAPES Rating
Business Administration	M and D	5
Architecture and Urbanism	M and D	5
Religion Sciences	M	4
Accounting	MProf	4
Geospatial Sciences and Applications	M and D	4
Political and Economic Law	M and D	5
Developmental Disorders	M and D	5
Education, Arts and Culture History	M and D	4
Electrical Engineering and Computer Science	M and D	4
Materials Engineering	ProfM	3
Literary Studies	M and D	5
# of Programs		19

M - Master's Degree | D - Doctor's Degree
MProf - Professional Master's Degree

As far as ENADE is concerned, UPM has been raising students' awareness of the importance of taking the exam and committing to achieving the highest possible score, which is reflected in the reputation of the program in society as a whole and among employers in particular. The Pharmacy program was rated 5, the top ENADE rating, in 2013.

Guia do Estudante assigned 4 or 5 stars to 80% of UPM's 25 programs assessed in 2014. The highlights were the Business Administration, Accounting, Law, Journalism, Pedagogy and Psychology programs, offered on the Higienópolis campus.

Guia do Estudante Ratings

	Stars	# of Programs	%
25 rated programs	5	6	24%
	4	14	56%
	3	5	20%

It is also important to note the high percentage of students employed by the time they graduate, between 90% and 95%, 85% in their own respective fields as reported by the students themselves.

Recognition for UPM's educational excellence and social engagement is also shown by the awards the University received in the period.

Awards Won in 2013

- o 2013 EXPOCOM [Exposição de Pesquisa Experimental em Comunicação, or Exhibition of Experimental Research in Communication] Award
- o 6th CBCA/ALACERO [Centro Brasileiro da Construção em Aço/Asociación Latinoamericana del Acero, or Brazilian Center for Steel Construction/Latin American Steel Association] Contest for Architecture students – 2013 Steel Structures – Theme: Public Media Library

Awards Won in 2014

- o CREA-SP [Conselho Regional de Engenharia e Arquitetura-São Paulo, or Brazilian Regional Council of Engineering and Architecture-São Paulo State Chapter] Professional Training Award – 2013 Graduating Class
- o 2014 CAPES Award for Doctoral Theses in Law – Special Mention
- o 2014 CAPES Award for Doctoral Theses in Chemistry – Special Mention



New Facilities

Mackenzie Século XXI Building

The procedures to obtain a license for the construction of the Mackenzie Século XXI [21st Century Mackenzie] Building, an investment estimated at R\$190 million, are underway. The facilities will house the College of Law, as well as the Graduate and other programs. There will be two towers with a total area of 66,140 sq. m. (711,925 sq. feet), in addition to an underground garage. The facilities will also feature a four-story central library, auditoriums, a videoconference room and a food court.

In November 2013, the project received the AQUA certification—Program Stage, a seal for sustainable constructions originated in France that attests to the high environmental quality of Mackenzie Século XXI Building.

The construction of the building progresses simultaneously with that of the Higienópolis Metro Station and depends on whether land is ready for use. Therefore, there have been some delays—and there may be even more—due to internal problems of the Metro Company

MackGraphe

MackGraphe (Center for Advanced Research on Graphene, Nanomaterials and Nanotechnology) is a research project that involves Photonics, Materials Engineering and Chemistry professors and researchers by means of an agreement with the National University of Singapore's Graphene Center. Graphene, a transparent impermeable flexible material, is a symbol of the ongoing technological revolution, and UPM has been investing heavily in research about it, which puts Brazil in the forefront of these studies.

The construction of Phase 1 of the facility that will house MackGraphe was completed in 2014. The original project involved a seven-story building, but UPM obtained approval for a ten-story building from the CONPRESP [Conselho Municipal de Preservação do Patrimônio Histórico, Cultural e Ambiental do Estado de São Paulo, or City Council for the Preservation of the Historical, Cultural and Environmental Heritage of the State of São Paulo]. Consequently, UPM will be able to maximize land use and meet its demand for laboratories. With the revised plan, Mackenzie expects to invest in the project R\$22 million—R\$10.4 million of which provided by the BNDES [Banco Nacional de Desenvolvimento Econômico e Social, or Brazilian National Bank for Economic and Social Development]. The construction is scheduled to be completed in June 2015.

Mackenzie Rio

A private multidisciplinary institution of higher education, Mackenzie Rio exists to develop high-level human talents able to perceive and interpret the current paradigms, envision new possibilities and propose the creation of alternative paths in the face of the demands of the present-day world.

Acquired by Mackenzie in 2008, this unit in Rio de Janeiro has 70 administrative employees, 25 of whom in the academic area, and 74 professors, totaling 144 employees and 1,717 students. It offers undergraduate Law, Accounting, Economics and Business Administration programs.

Mackenzie Rio's Institutional Project is designed to expand on and innovate the conventional goals of today's institutions of higher learning, based on top quality education guided by an understanding of reality. This depends on a sense of collectivity and, consequently, on active knowledge, that is, a combination of knowledge, a critical sense and the construction of society.

IPM's Executive Board and Board of Regents are seeking a property in a part of town compatible with these plans to expand Mackenzie's involvement in the local market by introducing new courses.



Loss incident

The Mackenzie Rio building was affected by a fire starting in a neighboring building in December 2014. The fire spread to all nine floors and damaged the façade cladding, air conditioning system, windows, curtains, computers and desks. Fortunately, nobody was injured.

The repair works began immediately so the academic year could start as scheduled.

The Mackenzie Presbyterian School (CPM)

g4-4

American missionaries George and Mary Chamberlain founded the American School in 1870. Back then, they could not have imagined the educational project that started in the dining room of their modest house would become what is now: the Mackenzie Presbyterian School, which has three branches and 6,227 students, and is widely recognized for its educational quality.

Despite this astounding growth, CPM still embraces the original philosophy of an egalitarian education—with children of both sexes and from all social classes attending school side by side, with no physical punishment or memorized lessons—, its main distinguishing feature. Education still focuses on developing citizens with values and principles to act consciously in society.

CPM offers Pre-Elementary Education, Elementary Education (Stages I and II) and Secondary Education, and has branches in the cities of São Paulo, Barueri (São Paulo State) and Brasília (Federal District). Under CPM's Elementary Education Expansion Plan, one more branch will be built in Palmas, Tocantins State, in 2016 based on a framework named "Mackenzie Model School", a modular school that can be built in places where the Church believes there should be a denominational school aligned with the local physical and social context. It will be funded by investors embracing Mackenzie's principles and values.

The new school will follow an educational model that encourages deductive reasoning and have a curriculum featuring a wide range of activities, thus offering students an all-round education. The project is being developed by a highly-skilled technical-pedagogical team committed to monitoring student learning.

Another goal is to foster an entrepreneurial culture at the School by providing concrete experiences for students, as well as helping them develop skills that will allow them to play the main role in their own lives in a sustainable and responsible manner.



Two in One

The students of CPM in Brasilia have been able to obtain a dual high school diploma—in other words, their high school diplomas are recognized both in Brazil and in the U.S.—by means of a partnership with Texas Tech University. Specific subjects from U.S. high school curricula are taught alongside the compulsory subjects of Brazilian secondary education curricula for three years. The system is scheduled to be introduced in Alphaville in 2015 and in São Paulo in 2016.

Sustainability at CPM

Sustainability is addressed from an environmental, social, economic and cultural perspective in all subjects at CPM, from Preschool to High School, in activities in and out of the classroom. Therefore, it is safe to say all the students are impacted by this cross-cutting approach on the issue, which also reaches the administrative departments and the chaplaincy. There are activities and discussions suitable for each age group and curriculum so that the different subjects complement one another in addressing such a complex issue with so many variables.

These activities cover the cognitive, emotional, physical and social aspects and include targeted research, environment studies, laboratory classes, text writing, seminars, material reuse workshops, production of posters and pamphlets, waste collection drives, sports competitions, food and clothing drives, debates, data analysis and collection, among others.

The sustainability topics to be addressed are integrated into curricula by means of the annual planning and monitored by educational advisors.

CPM is part of the Associated Schools Program Network (ASPnet) of UNESCO (United Nations Educational, Scientific and Cultural Organization) and sent members of its faculty to UNESCO's 2013 and 2014 National Educators' Conferences.

The School holds transdisciplinary educational meetings and lectures addressing the annual themes determined by UNESCO. The 2013 theme was "Water, Essence and Life" whereas the 2014 themes were "I'm Mackenzie! I make a difference by promoting the culture of peace," "International Year of Crystallography" and "International Year of Sustainable Agriculture" (UNESCO's themes), as well as ASPnet's core themes: intercultural learning, peace and human rights, education for sustainable development and UN priorities.

The School also held the 4-hour workshop *Mottainai for Educators in Higienópolis*, about the perception of waste in the classroom, during the 2014 Pedagogical Journey.

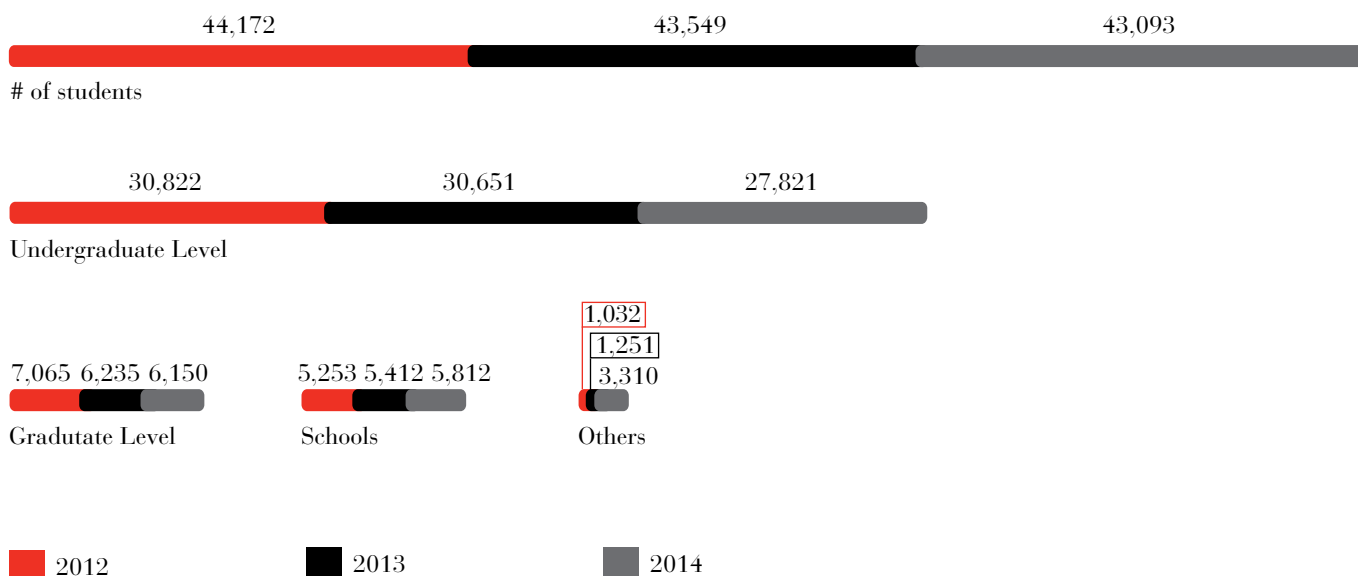
Levels offered

- o Pre-Elementary Education
- o Elementary Education (Stage I)
- o Elementary Education (Stage II)
- o Secondary Education

Awards

The São Paulo, Tamboré and Brasilia CPM branches came respectively in 49th, 3rd and 16th places in the ENEM [Exame Nacional do Ensino Médio, or Brazilian National Secondary Education Examination] scores.

Mackenzie's Students



The Mackenzie Educational System (MES)

g4-4

Mackenzie has developed a proprietary educational system intended to provide top quality education by using teaching material designed from a Christian perspective. The MES is Mackenzie's aspect influencing society the most in view of the number of students it impacts. A total of 50,000 students and 219 denominational partner schools use that material. Since those numbers are on an upward trend, 250 schools are expected to use it by 2015.

In 2014, the books for the first year of Secondary School were completed, and other previously published books were revised and reprinted. The development of the Secondary School books is expected to be completed in 2016. In parallel, the MES is expanding its reach to Latin America, initially to Mexico.

The MES includes a magazine published every four months and a newsletter posted monthly on its website, both of which serve as sources of information and papers relevant to all partner schools. In addition, a contract was entered into with Chile's L'Hermitage Foundation's Educar Portal, which features important contents and management tools for participating schools.

The development of a secular educational system for use in non-denominational schools, jointly with Ediouro publishing house, remains in progress. The partnership agreement was not renewed due to Ediouro's difficulties; however, Mackenzie still provides support for the few schools that have acquired the material and is redesigning the project so it can be continued. ○

Educational System

of partner schools



177
in 2013

219
in 2014







Universidade Presbiteriana Mackenzie



g4-15
g4-16

Our Management

Constantly seeking to improve its management, Mackenzie hires consultants specializing in its field of business to provide support for the Board of Regents and discuss the best market practices. To advance even further in this discussion, the Institution has been hiring mainly professionals who have thorough knowledge of the operation of an HEI—since higher education is Mackenzie’s core business—and can assess the impact of our denominational nature on corporate governance.

In line with its Mission, Vision, Principles and Values, Mackenzie publishes on a yearly basis its Charter of Principles, a document prepared by the Chancellery expressing the Institution’s views on current challenges. The issues addressed were “Violence and Education” in 2013 and “University, Relationships and Digital Media” in 2014. Mackenzie is also a signatory to the UN Millennium Development Goals (MDGs). Its main initiative in this regard is Mackenzie Voluntário [Mackenzie Volunteer], a volunteering program introduced in 2004.

In addition, Mackenzie is a member of ABRUC (Associação Brasileira das Universidades Comunitárias, or Brazilian

Association of Community Universities), CRUB (Conselho de Reitores das Universidades Brasileiras, or Council of Brazilian Universities’ Heads), FAUBAI (Fórum de Assessorias das Universidades Brasileiras para Assuntos Internacionais, or Forum of Brazilian Universities’ Advisors for International Affairs) and the GCUB (Grupo Coimbra - Associação de Dirigentes de Universidades Brasileiras, or Coimbra Group-Association of Brazilian Universities’ Executives). As a member of those groups, it is involved in industry advocacy and creates strategic partnerships. Mackenzie joined FAUBAI and GCUB, associations that promote international relationships among universities to encourage exchange and other opportunities, in 2014.

Further information is available on:
http://www.mackenzie.br/grupo_coimbra.html
<http://www.mackenzie.br/faubai0.html>

It is important to note that Mackenzie receives no financial contributions from political parties or related organizations and there are no legal actions for anti-competitive behavior, anti-trust and monopoly practices.



Strategic Planning

The IPM sets its administrative and educational strategies based on the goals set forth in its Strategic Plan, which governs all the Institution's activities. The Strategic Plan is revised every two years. It was last revised in 2013, for the 2014-2024 decade, and involved Mackenzie's whole management team: the deans of all UPM's academic units, all CPM principals, the Head and Deans, the IPM Directors, the Chancellor, in addition to the Strategic Planning Committee and the Board of Regents.

Five Strategic Goals

- o Denominationalism
- o Higher Education
- o Elementary Education
- o New Businesses and Expansion
- o Management

This revision of the Strategic Plan, the eighth since its first edition in 1997, focused mainly on producing a detailed description of all the initiatives considered relevant in a thorough debate involving the whole of Mackenzie.

In addition, the strategic guidelines were restructured into five main lines of action so that the number Mackenzie's main goals for the next ten years was reduced from 12 to 5: Denominationalism, Higher Education, Elementary Education, New Businesses and Expansion & Management. The five goals are broken down into 87 main guidelines and 72 strategic initiatives.

The five strategic goals led to the development of 224 indicators or targets, 67 of which the Board of Regents monitors directly at its quarterly meetings.

Risk Management

g4-dma anti-corruption | g4-so3 | g4-so5

Mackenzie seeks to manage the risks inherent in its business conservatively and carefully through an Internal Audit Committee, which responds to the Board of Regents and the President Director.

Concerning legal issues in 2014, it recorded 927 legal actions, 277 of which were labor lawsuits mostly involving contractors, with a remote possibility of loss. There were 71 civil actions and some property tax foreclosures, which are unfounded since Mackenzie, as a philanthropic institution, is tax exempt.

Mackenzie has been examining cases of default, which account for only 3.36% of its gross revenue, individually to offer longer deadlines for payment, as well as partial or full scholarships, where appropriate. There were 569 collection lawsuits against students in 2014. Provisions connected with them totaled R\$ 2.3 million.

We are implementing the Oracle PeopleSoft Project, which comprises the administrative-financial system (ERP) and the people management system (HCM). The former was implemented in October of 2012 whereas the latter went into operation in April 2013 (first stage-introduction to the system) and May 2014 (payroll). HCM allows examining the different stages of internal administrative processes more effectively since it automates workforce dynamics management, contains a performance evaluation module and assesses user productivity. We are currently considering upgrading CPM's systems.

The Information Technology Division provided full support for the introduction of online registrations for non-freshman undergraduate students, with several features to meet the requirements of both distance learning programs and the MEC, such as online enrollment for entry exams, online registration, interactivity with Moodle and publication of students' grades on the web. In addition, it created a new optical fiber link for broadcasting distance learning classes via satellite, included new curricula of all UPM and Mackenzie Rio undergraduate programs and provided the infrastructure, systems, academic support, multimedia equipment and laboratories for about 400 UPM and CPM events throughout 2014.

Mackenzie currently has no corporate governance or anti-corruption policies, procedures, risk assessment mechanisms or training programs in place. These issues are going to be addressed in Mackenzie's Code of Ethics, which is pending approval by the Board of Regents.

Mackenzie seeks to manage the risks inherent in its business conservatively and carefully through an Internal Audit Committee, which responds to the Board of Regents and the Chief Executive Officer

Internal and Independent Audit

g4-dma anti-corruption

The Internal Audit Committee ensures Mackenzie's activities comply with good governance practices. It works independently and reports to the Board of Regents. The activities of all operational, administrative and financial departments are audited on a preventive basis. Auditors have unrestricted access to all the documents and information of those departments.

Mackenzie's Code of Ethics/Conduct is being developed. Consequently, there are no corruption risk assessment procedures or mechanisms, nor any specific anti-corruption training programs and communications yet in place.

During the period, no incidents of corruption were reported and no complaints concerning breaches of privacy were received.

Mackenzie is audited annually by independent auditors. The 2014 audit was conducted by Grant Thornton do Brasil.

People Management

g4-10 | g4-dma employment | g4-la1 | g4-dma non-discrimination

Managing people is definitely one of the greatest challenges for and a key reason for the success of Mackenzie, whose goal is to rank among the ten best Brazilian institutions to work for. The People Management Department selects and hires employees committed to our philosophy and provides the means for their human and professional development.

To prevent conflicts of interest, Mackenzie’s Bylaws ban hiring relatives up to the third degree of members of the Board of Regents, the Executive Board, the Chancellor and the Presiding Board of the IPB’s Supreme Council. The Institution’s Ombudsman’s Office is the main mechanism for employees to offer suggestions or guidance to the highest governance body. In line with its Charter of Principles and denominational values, the Mackenzie Presbyterian Institute stands out for its non-discrimination policy. It also has open grievance mechanisms, runs campaigns and addresses grievances in connection with discrimination.

In 2014, the IPM focused mainly on preventive strategic management, thus preventing labor liabilities, for example. It also restructured the People Management Department to optimize the services provided and reduce its operating costs. With the introduction of the payroll module of the Oracle system, documents such as payslips, letters, statements and vacation notices are no longer printed, which makes the process faster and sustainable.

Workforce Profile

g4-9

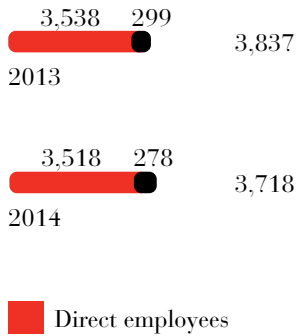
We check applicants’ psychological profiles and skills in relation to the requirements of the requesting department when recruiting and selecting employees. We hired 317 employees, 21 apprentices and 80 interns in 2014.

Mackenzie’s turnover rate, which remained stable between 2013 and 2014, is considered reasonable and within the normal range for the size and nature of the Institute. The highest turnover rate was recorded in São Paulo, where Mackenzie has the largest workforce.

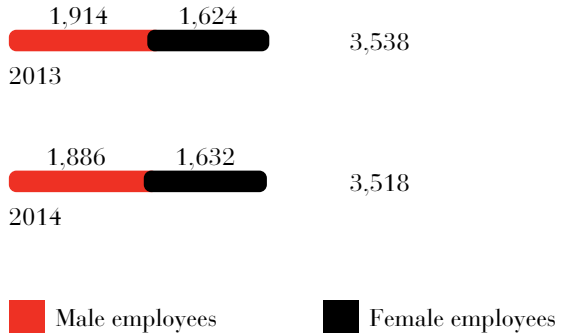
	2013			2014		
	New hires	Dismissals	Turnover rate*	New hires	Dismissals	Turnover rate*
São Paulo (SP)	260	224	6.88%	188	260	6.33%
Alphaville (SP)	43	28	1.01%	64	41	1.48%
Campinas (SP)	16	17	0.47%	32	25	0.81%
Brasília (FD)	49	32	1.15%	44	40	1.19%
Rio de Janeiro (RJ)	25	36	0.87%	21	21	0.59%
Total	393	337	10.37%	349	387	10.40%

*The turnover rate was calculated as follows: (New hires + Dismissals) / 2 / # of employees * 100.

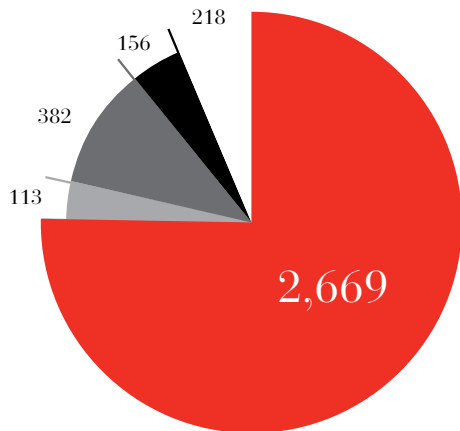
Total workforce



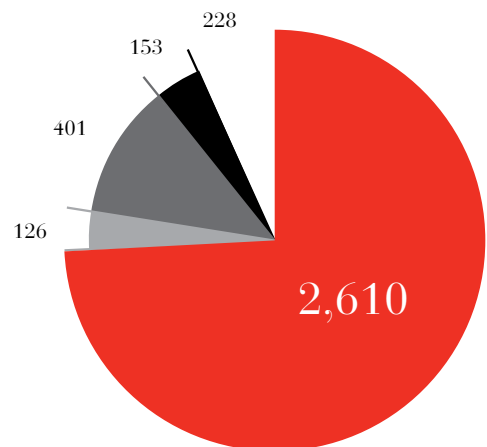
Direct employees by gender



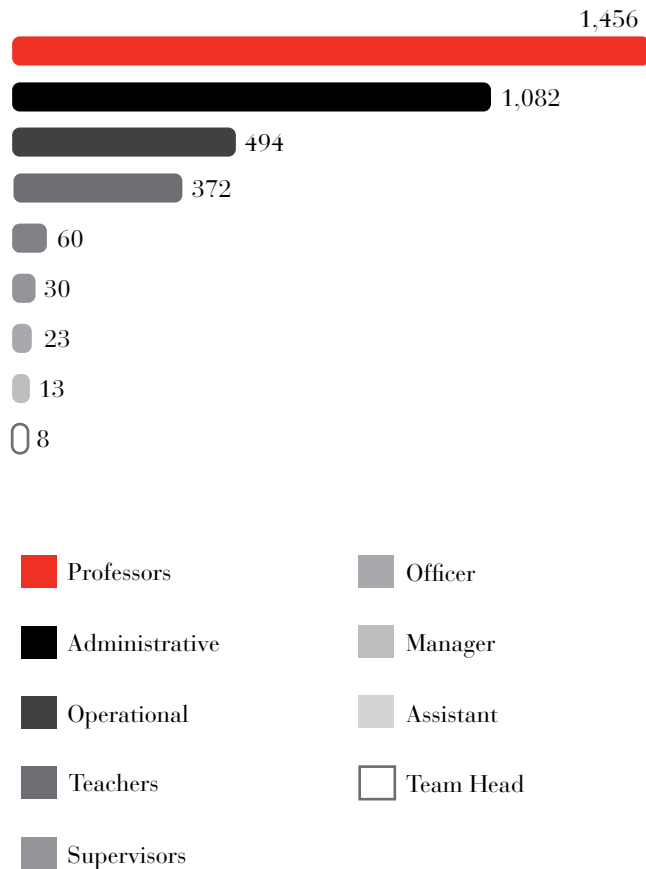
Direct employees by region in 2013



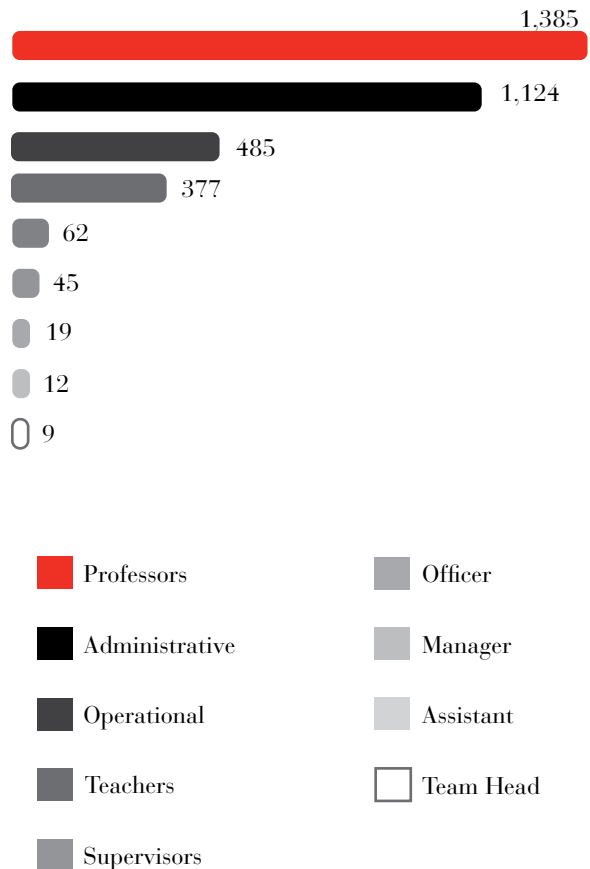
Direct employees by region in 2014



Direct employees by category in 2013



Direct employees by category in 2014



Organizational Climate

The IPM addresses the employment issue by managing its organizational climate through focus groups, development courses, and internal recruitment to allow professional growth, among other policies. The effectiveness of this approach is assessed by monitoring the timely and successful execution of related activities and seeking ongoing feedback. Mackenzie relies on its own professors’ consulting services to develop organizational climate surveys, the findings of which are shared with the head of the People Management Department and supplemented by focus group reports. Based on those findings, management designs and implements training programs focused on skills and attitudes management to train officials to interact with their workteams and resolve any possible conflicts.

Compensation policies

g4-11

Mackenzie is recognized for paying salaries above the market average. Its compensation policy does not discriminate based on gender, race or color. All employees must have the same skills required by their respective positions. Mackenzie follows the resolutions set forth in Collective Bargaining Agreements (CBA). Occasionally, there are negotiations over agreements about matters not covered by CBAs, involving all employees. Any changes in the Institution’s operations are announced to employees at least five business days in advance.

No situations where the right to exercise freedom of association and collective bargaining was at significant risk were identified.

There is a career plan under which employees are promoted based on their performance evaluations. A merit-based system currently in place the IPM’s employees will be extended across the Institution by 2017.

Benefits

g4-la2 | g4-la3



Even in times of crisis, Mackenzie seeks improve its employee benefits. In 2014, the group life insurance policy was transferred to an insurer offering a better cost-benefit ratio after careful market research. The new contract led to a cost reduction for the institution and is more flexible to meet employees's needs.

	Male		Female		Total	
# of employees entitled to parental leave	1,914	1,886	1,624	1,632	3,538	3,518
# of employees taking parental leave	18	18	48	20	66	38
# of employees returning to work after parental leave	18	18	48	20	66	38
# of employees still	17	17	48	20	65	37
Retention rate	100%	100%	100%	100%	100%	100%

2013 ■ 2014 □

*Only Mackenzie's own employees are entitled to parental leave.

The following benefits are currently offered to all employees:

	Health care		Monthly staples baskets		Pension plan
	Dental care		Daycare center		Group life insurance
	Drugstore discounts		Disability insurance		Meal vouchers
	Scholarships*		Parental leave		Transit passes

*Mackenzie's employees, their children or legal dependants are entitled to full scholarships at CPM and UPM in compliance with the collective bargaining agreements in force in each city.

** Temporary employees are entitled to transit passes.

*** Data for the São Paulo, Alphaville, Campinas (SP), Brasília (FD) and Rio de Janeiro (RJ) branches.

Training Programs

g4-dma training and education | g4-la9 | g4-so4

Mackenzie believes training faculty and staff is crucial to a good institutional performance. Accordingly, it has the Permanent Education, Research and Extension Studies Forum and holds the Educational Preparation Week at the beginning of each term to encourage ongoing development.

Education experts renowned worldwide, such as Portuguese António Manuel Seixas Sampaio da Nóvoa, a Professor at the University of Lisbon's Institute of Education and Honorary Head of the same University (2013), and French researcher Bernard Charlot, a Visiting Professor at the Federal University of Sergipe, Emeritus Full Professor at the Paris 8 University and Visiting Full Professor at the University of Porto, Portugal, have participated in these events.

In 2014, the Training and Development Department held three events to integrate new employees, internal and external training programs (for both administrative staff and faculty). In addition, it made it possible for faculty members to participate in different events. It also organized the Conference of Schools and conducted surveys, studies and research jointly with Human Resources consulting firms to develop and introduce the Competency-Based Management Program, which will go into place in 2015, as scheduled in Mackenzie's Strategic Plan.

Training and educational activities allow us to align the expectations of our administrative staff and faculty as regards professional development with the Institution's general goals and objectives as set forth in the Strategic Plan for People Management. They are also essential to develop the skills needed for Mackenzie to be recognized internally and externally as an institution that offers top quality education and services to its students and to maintain its competitiveness in the education market. Training and educational activities are managed by a skilled team that uses as references the Institutional Strategic Plan, the Standards and Procedures for Training and Development of Mackenzie's Staff and automatic tracking systems. They are planned according to an annual Training Needs Assessment, which serves as a basis for the execution of different programs in this regard.

Mackenzie is a member of organizations such as the Brazilian Association of Staff Training and Development and the Brazilian Association of Human Resources, through which it offers professionals from the Staff Training and Development department the opportunity to participate in external events, thus allowing these teams to improve their skills in an ongoing basis.

The Institution makes no communications and offers no training on anti-corruption policies and procedures yet.

Average hours of training per year per employee by gender, and by employee category

	Faculty		Assistants*		Total	
# of employees trained	952	795	2,242	2,066	3,194	2,861
Hours of training	7,690	5,182	14,607	6,264	22,297	11,446
Average training hours	8.07	6.51	6.51	3.03	6.98	4.00

2013 ■ 2014 □

* Supervisors, Administrative Staff, Directors, Team Heads, Managers and Operational Staff



Campinas

Health and Safety

Property security and the safety of all those who frequent Mackenzie's units are matters of great importance for the Institution's management. There are over 450 surveillance cameras and trained professionals to take action in different situations.

The number of thefts fell from 50-60 per month to just 3 after those cameras, as well as turnstiles to monitor entry into the Higienópolis campus, Mackenzie's most "exposed" unit, with 56 buildings and their surroundings, were installed.

In 2013-2014, the Occupational Safety Engineering Service trained 290 volunteers of Mackenzie's Fire Brigade and performed maintenance of fire protection equipment (2,400 pieces tested and recharged.) It also helped the CIPA (Comissão Interna de Prevenção de Acidentes, or Internal Commission for the Prevention of Accidents) organize the SIPAT (Semana Interna de Prevenção de Acidentes do Trabalho, or Internal Occupational Accident Prevention Week), which takes place every year in compliance with the current legislation, to give guidance to and raise awareness of staff about preventing occupational accidents and diseases.

Concerning occupational health, Mackenzie has an Interdepartmental Health Committee, composed of the head of the People Management Department, the coordinator of the Qualimack Program, the Associate Development and Services Manager, the head of the Occupational Medicine team, the head of the Occupational Safety Engineering team and the Media Manager. The Committee develops, introduces and oversees joint Occupational Health and Quality of Life initiatives.

The Higienópolis campus has a health center, with a doctor on duty for emergency care. In the other branches, there are occupational doctors working part time. In 2014, 947 employee medical examinations were performed, and there were 16 occupational accidents. In addition, the health center provided care for 18,954 students.

Qualimack

The Mackenzie Program for Quality of Life and Health systematically undertakes educational and awareness-raising initiatives among students and staff to encourage habits that promote physical, psychological and social well-being.

The following educational, training, counseling, prevention and risk management programs are offered:

- o Chronic disease management
- o Healthy slimming
- o Follow-up of employees on leave of absence
- o Annual check-up for directors
- o Vaccination against the HPV virus for employees, their relatives and students
- o Eye health campaign for CPM students and staff

Marketing and CRM

Marketing has been playing a key role in Mackenzie. Structural changes and substitutions of strategic partners have allowed us to improve the number and quality of events with no impact on the original budget. Internal and external events drew audiences of 6,602 and 5,800 people respectively in 2013, vs. 16,690 and 33,900 in 2014.

In the period, two major projects for students were introduced: the Redação Virtual [Virtual Newsroom] blog and the Way relationship website.

Through its press office, Mackenzie was mentioned in over 10,000 articles run in 2014, an average of 915 per month. This gave Mackenzie spontaneous media exposure corresponding to R\$287,000 worth of ad space.

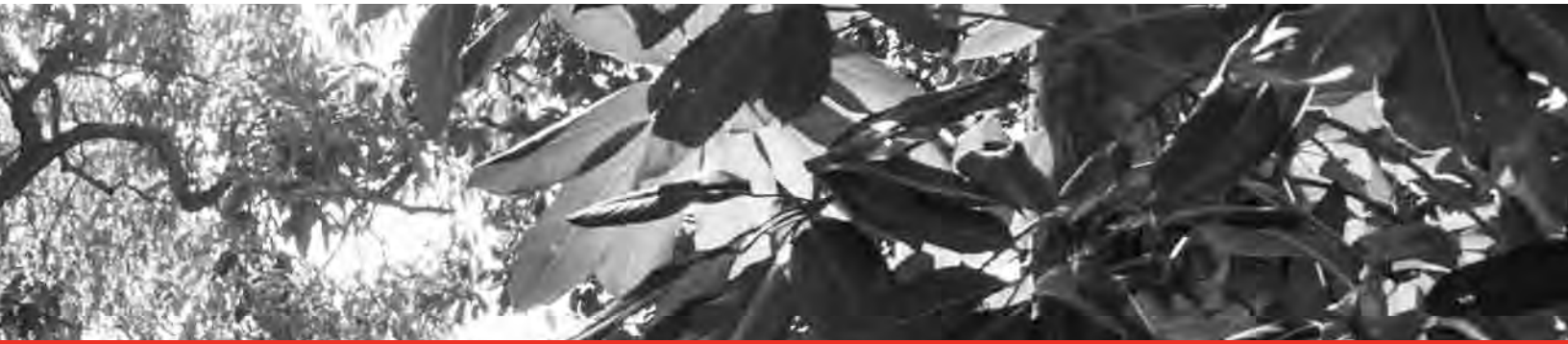
Business Intelligence (BI)

In 2014, 20 surveys were conducted, six business plans were developed and a great deal of information was collected to help the Executive Board and UPM make decisions and improve the internal environment. We focused mainly on the on-campus undergraduate education market, the *lato sensu* graduate education market and the development of a business plan for expansion projects.

Academic Research

UPM invests heavily in hiring and encouraging researchers, and equipping laboratories, as well as seeks to obtain research funds, to achieve the goal of being a benchmark for research in Brazil. In 2014, nearly R\$ 45 million was raised from external sources (CAPES, CNPq [Conselho Nacional de Desenvolvimento Científico e Tecnológico, or Brazilian National Council for Scientific and Technological Development], FAPESP [Fundação de Amparo à Pesquisa do Estado de São Paulo, or State of São Paulo Research Foundation], FINEP [Financiadora de Estudos e Projetos, or Funding Authority for Studies and Projects], among others) and from MackPesquisa, Mackenzie's own research fund) to fund 155 research projects.

MackPesquisa is designed to encourage pure and/or applied scientific inquiry by funding research projects of institutional interest, depending on the economic feasibility and the scientific relevance of the project. It funds only projects fully compatible with Mackenzie's Strategic Plan, including sustainability research.



Mackenzie Soluções

g4-4

Mackenzie Soluções [Mackenzie Solutions] offers support in the Institution's fields of expertise to the corporate market. Joinly with clients, it goes from the preliminary analysis of the business to the implementation of customized solutions to meet their individual needs. It also provides consulting services, develops special and applied research projects, and in-company courses. Mackenzie Soluções' net income rose by 25% in 2014. ○

In-Company Courses – Mackenzie Soluções

- Bank Administration
- Marketing
- Labor Law and Procedure
- Corporate Finance
- People Management
- Project Management
- Strategic Business Management
- Strategic People Management
- Business Financial Management
- IT Governance
- Governance in Regulation
- Leadership and Human Development
- Marketing and Business Relations
- Financial and Capital Markets
- Metallurgical Manufacturing Processes
- Systems Design and Development

Consulting – Mackenzie Soluções

- Biological and Health Science
- Communications and Literary Studies
- Education, Philosophy and Theology
- Engineering
- Architecture and Urbanism
- Computer Science and Information Technology
- Law

Research and Development (R&D) – Mackenzie Soluções

- Systems Enhancement
- Assessment of the feasibility of new products
- Product, Service and Process Development



Economic and Financial Data

g4-ec1

Value-Added Statement (in R\$)

	2013	2014
Revenue	680,711,042.11	744,542,366.79
Sales of merchandise, products and services	684,453,694.30	749,176,353.65
Allowance for doubtful accounts – Reversed/Booked	-3,742,652.19	-4,633,986.86
Non-operating	0.00	0.00
Inputs acquired from third parties (including ICMS (state vat) and IPI (federal excise tax))	251,502,386.22	265,212,481.16
Cost of services sold	0.00	0.00
Materials, energy, third-party and other services	251,502,386.22	265,212,481.16
Loss/recovery of asset values	0.00	0.00
Gross value added	429,208,655.89	479,329,885.63
Retentions	16,009,743.92	18,480,138.75
Depreciation, amortization and depletion	16,009,743.92	18,480,138.75
Net value added produced by the organization	413,198,911.97	460,849,746.88
Value added received by transfer	16,721,424.06	22,214,814.42
Equity pickup	0.00	0.00
Financial Income	16,721,424.06	22,214,814.42
Total value added to distribute	429,920,336.03	483,064,561.30
Distribution of value added	429,920,336.03	483,064,561.30
Personnel and payroll charges	366,560,939.86	400,923,985.35
Taxes, fees and contributions	331,194.75	370,397.49
Interest and lease	6,437,139.05	7,521,926.52
Dividends and interest on equity	0.00	0.00
Retained earnings / loss for the year	41,317,528.18	57,975,019.77
Investments in the community	15,273,534.19	16,273,232.17
Economic value retained (economic value generated – economic value distributed)	250,790,706.08	261,477,805.49

*MackPesquisa
is designed to
encourage scientific
inquiry by funding
research projects of
institutional interest*



4

Responsibility for Education

Educational Quality Survey

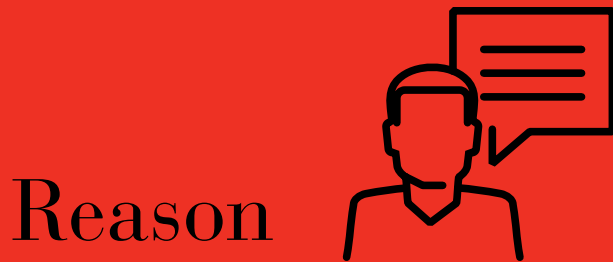
UPM conducts surveys about students' satisfaction with academic programs, professors, coordinators and directors to ensure top quality education. The data collected every year allow the University to assess its performance and improve its academic programs on an ongoing basis.

The 2014 survey showed students are satisfied with Mackenzie's educational quality. UPM was rated between good and very good (4.2) on the INEP [Instituto

Nacional de Estudos e Pesquisas Educacionais, or Brazilian National Institute for Educational Studies and Research] scale—well above the minimum required by MEC, or 3.

Retention

Mackenzie has set up a permanent committee that monitors withdrawals and leaves of absence to retain as many students as possible. The main reasons for withdrawals were mapped, and measures to contain them were taken. As a result, withdrawals fell from 26.3% in 2013 to 22.2% in 2014. ○



Transfer to public universities

Lack of adaptation to program

Dissatisfaction with program

Financial reasons

Action



-
- o Scholarship offered to the student with the highest score on the entry exam for each academic program
-
- o Possibility to transfer to another program with the same candidate/opening ratio
 - o Career counseling
-
- o Academic projects revised to be more compatible with the labor market and students' expectations
-
- o Assessment of social and economic profile
 - o Assistance in obtaining private student loans from partner banks
 - o Student loan offered by Mackenzie itself
 - o FIES [Fundo de Financiamento Estudantil, or Student Loan Fund]
-



o bem faz bem
o ano todo

Voluntário

5

Social and Environmental Responsibility

To manage its social and environmental initiatives more and more efficiently, Mackenzie has set up a Sustainability Committee consisting of representatives from both administrative and academic departments and teams connected directly with sustainability issues. The Sustainability Committee:

- o Brings together information about the different initiatives undertaken by all Mackenzie organizations
- o Promotes the interaction of those initiatives
- o Develops and manages the Sustainability Plan



Environmental Management

Mackenzie's concern about environmental issues is expressed in its vision and strategic plan. Aware of its educational mission, Mackenzie undertakes countless environment preservation and education projects. It is worth noting the Environmentally Responsible Mackenzie (ERM) Program, designed to bring about behavioral changes regarding the use of natural resources. The ERM currently comprises the following projects:

- o Water Management
- o Energy Management
- o Solid Waste Management
 - Sorting and Preparation for Disposal Center (Dry Waste Recycling)
 - Composting Center (Organic Waste)
 - Proper collection and disposal of e-waste

In 2014, the Program led to the collection of a large amount of waste generated on the Higienópolis campus, as well as the donation of 56 metric tons of paper and about 10 metric tons of scrap metal to the Reviravolta-Coorpel project, thus benefiting 120 families of waste pickers. In addition, 3.5 metric tons of waste paper was sold, hundreds of empty print cartridges were reused and over 10,000 fluorescent light bulbs were disposed of properly.

About 70 metric tons of waste (or 8% of all the waste generated by all campuses per year) was recycled in 2014. Our goal is to recycle twice as much solid waste by involving surrounding communities. To that end, Mackenzie has established a partnership with AES Eletropaulo, whereby clients can get discounts on power bills.

Recycling

The consumption of paper, one of the materials used most frequently at Mackenzie, increased by 2.4% year-over-year in 2014. In 2013-2014, 37,005 reams of A4 paper, most of which (36,385 reams) from well managed sources, were consumed.

To reduce its environmental impact, Mackenzie reuses materials and uses recycled products, such as recycled paper, which accounted for 1.7% of total consumption in the period. Suppliers of white bond paper undergo a strict selection process. Only those that have social and environmental certifications (ISO9001, ISO14001, OHSAS18001, Cerflor and FSC) and offer prices compatible with the market are chosen.

Paper consumption in 2013 and 2014

Material	2013	2014	Total	Change
A4 alkaline bond paper	17,895	18,490	36,385	3.32
A4 recycled paper	388	232	620	-40.21
Total	18,283	18,722	37,005	2.40

The Mackenzie Voluntário [Mackenzie Volunteer] T-shirts used to be made of polymers obtained from recycled PET bottles until 2012. In 2013-2014, Mackenzie decided to introduce T-shirts made from certified cotton to ensure quality and meet the time limits to produce the T-shirts required by volunteering initiatives.

Environmental Impact

g4-dma energy | g4-en3 | g4-en5 | g4-en6 | g4-dma water | g4-en8 | g4-en10

Year by year, Mackenzie seeks to improve its indicators for conservation and efficient use of natural resources by means of administrative measures and awareness-raising campaigns.

Energy Consumption

The IPM manages energy consumption with power meters installed in each one of the substations, which distribute power according to the needs of the campus buildings. The distribution flow is monitored by specific software that controls consumption peaks during the day so there are no overloads.

Lighting and air conditioning systems account for most of Mackenzie's energy consumption. Conventional light bulbs are replaced by more economical, energy-efficient LED light bulbs every semester to reduce energy consumption. They are replaced as they burn out or the buildings are refurbished, leading to an average drop of 40% in energy consumption. Air conditioning systems are also being replaced by more economical models, resulting in an estimated decrease of 30% in energy consumption. New facilities, in turn, are already designed for energy efficiency. Mackenzie is also undertaking a pilot project that involves installing

The MPI manages energy consumption with power meters installed in each one of the substations

solar panels to supply power for one of the Engineering laboratories in buildings 31 and 33. This is mainly an educational initiative since the 20kWh power generation potential falls short of the energy required by the Higienópolis campus.

The IPM only uses renewable power from hydroelectric sources supplied by local power utilities.

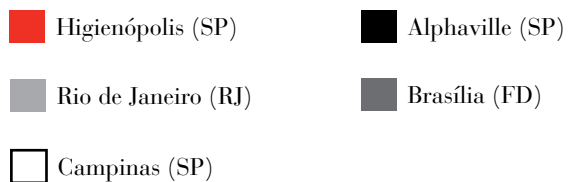
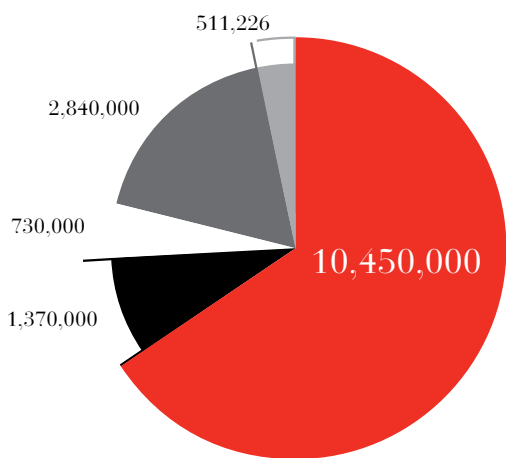
Energy 2013/2014



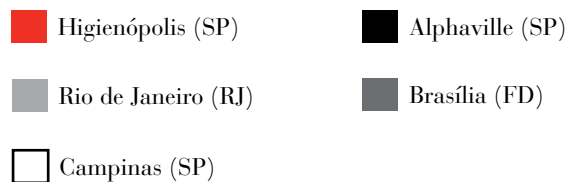
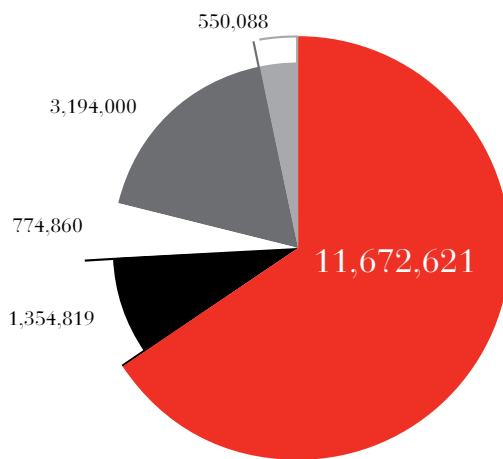
	Campinas	Alphaville
Rio de Janeiro		
511,226	730,000	1,370,000
550,088	774,860	1,354,819

Total - 15,901,226/ 17,546,388

Energy consumption in 2013 (in KWh)



Energy consumption in 2014 (in KWh)



Brasília

2,840,000

3,194,000

Higienópolis

10,450,000

11,672,621

Water Consumption

As regards water consumption, Mackenzie's key goal is to be self-sufficient. Accordingly, it is having artesian wells dug and capturing rainwater. There are two 25,000-liter rainwater tanks on the Higienópolis campus, a reservoir of about 50,000 liters on the Campinas campus and a water well for cleaning purposes on the Alphaville campus. In addition, there is a project for a Water Treatment Plant (WTP), and a pilot project to reduce water consumption by monitoring for leaks and installing water flow regulators, among other measures, is underway.

The Higienópolis campus, which accounts for most of Mackenzie's consumption, is currently supplied by seven entry points from the State of São Paulo's public utility. About 1,314.98 m³ of water is stored in tanks and distributed among all campus buildings. Flow is controlled by stop valves and meters. A pilot project to curb waste and reduce consumption by installing flow regulators, finding leaks in the facilities and installing dual flush toilets was introduced in the João Calvino, Amantino Vassão and Francisco Santos Saraiva Buildings, as well as

on the Alphaville campus, in late 2014. As a result of the project, the drop in water consumption was as follows:

- o João Calvino and Amantino Vassão Buildings: 28%,
- o Francisco Santos Saraiva Building: 64%,
- o Alphaville campus: 14%.

There is also a joint project with the General Water company to create a proprietary water service company, with artesian wells and a WTP, to meet Mackenzie's water needs.

The IPM uses more than one type of water sources; however, most of the water it uses is supplied by local public utilities.

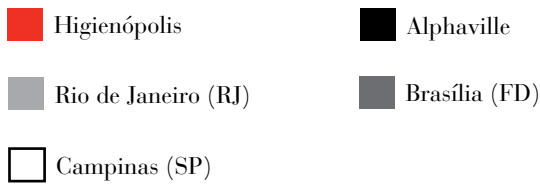
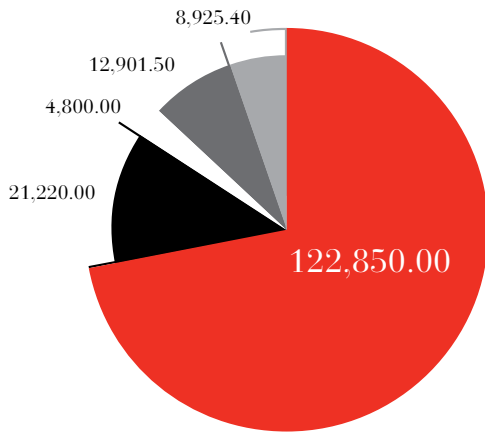
Water 2013/2014



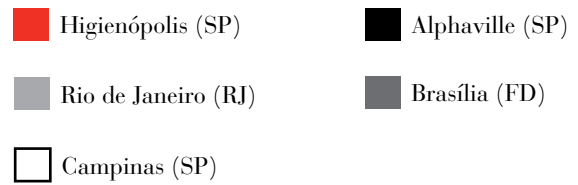
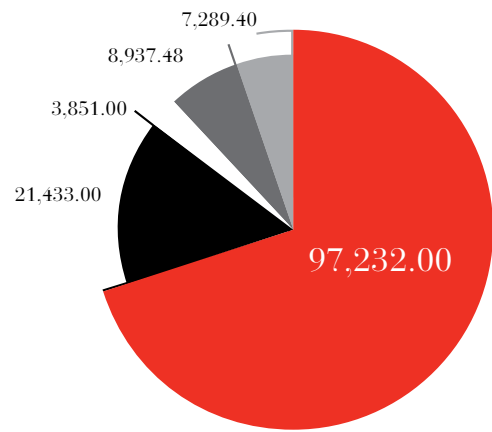
	Rio de Janeiro	Brasília
Campinas		
4,800.00	8,925.40	12,901.50
3,851.00	7,289.40	8,937.48

Total - 170,696.90/ 138,742.88

Water consumption in 2013 (m³)



Water consumption in 2014 (m³)



*The 3,600m³ supplied to the Mackenzie camp in Cabuçu by an artesian well is included in the amount supplied to the Higienópolis campus.

Alphaville

21,220.00

21,433.00

Higienópolis

122,850.00

97,232.00

Water consumption by source (in m³)

	2013	2014
Surface water	120.00*	120.00
Groundwater	3,600.00	3,600.00
Rainwater collected directly and stored by the organization	150.00	150.00
Municipal water supplies	166,826.90	134,872.88
Total	170,696.90	138,742.88

Volume of water recycled and reused (in m³)

	2013	2014
Volume of water used	170,696.90	138,742.88
Volume reused	150.00	150.00
Volume reused (%)	0.087	0.108

*Collected on the Alphaville campus and stored in pools.

Social Commitment

Mackenzie reaffirms its social commitment to society through its social and environmental projects, philanthropic initiatives and scholarship program. To manage these projects, it created the Social Responsibility and Philanthropy Department in 2005 by consolidating the Scholarship, Social Projects and Historical and Cultural Center Departments and creating the Social Balance Department, which would later be renamed Sustainability Department. Two years later, the Sports Department was also merged into the Social Responsibility and Philanthropy Department. Once consolidated, those departments are able to serve internal and external stakeholders more quickly, communicate more efficiently with all parties and make institutional development more intense and efficient.

The Social Responsibility and Philanthropy Department is also responsible for minimizing the negative impacts caused by academic and administrative activities on surrounding communities, mainly noise and traffic when students enter and leave Mackenzie's campuses. In fact, Mackenzie undertakes initiatives jointly with the city and police departments to eliminate those negative impacts.

Philanthropy and Scholarships

As a philanthropic institution, Mackenzie is a tax-exempt organization. In turn, 20% of its revenue goes to scholarships for students who cannot afford tuition. The benefit is granted after an assessment of the student's social and economic situation. In addition, Mackenzie offers partial or full scholarships of its own volition (by foregoing tuition revenue, to retain students and in strategic cases) or as benefit to employees and their direct dependents, which accounted for about 10.5% of the Institution's revenue. Over 20,000 students—half of Mackenzie's student body—were benefited with different types of scholarships in 2014.

Amounts invested (in million Reais)

	2013	2014
Own volition	22	25
Employee benefit	20	23
Discounts	19	25
Philanthropy*	101	107
Total	162	183

*Including social-educational projects

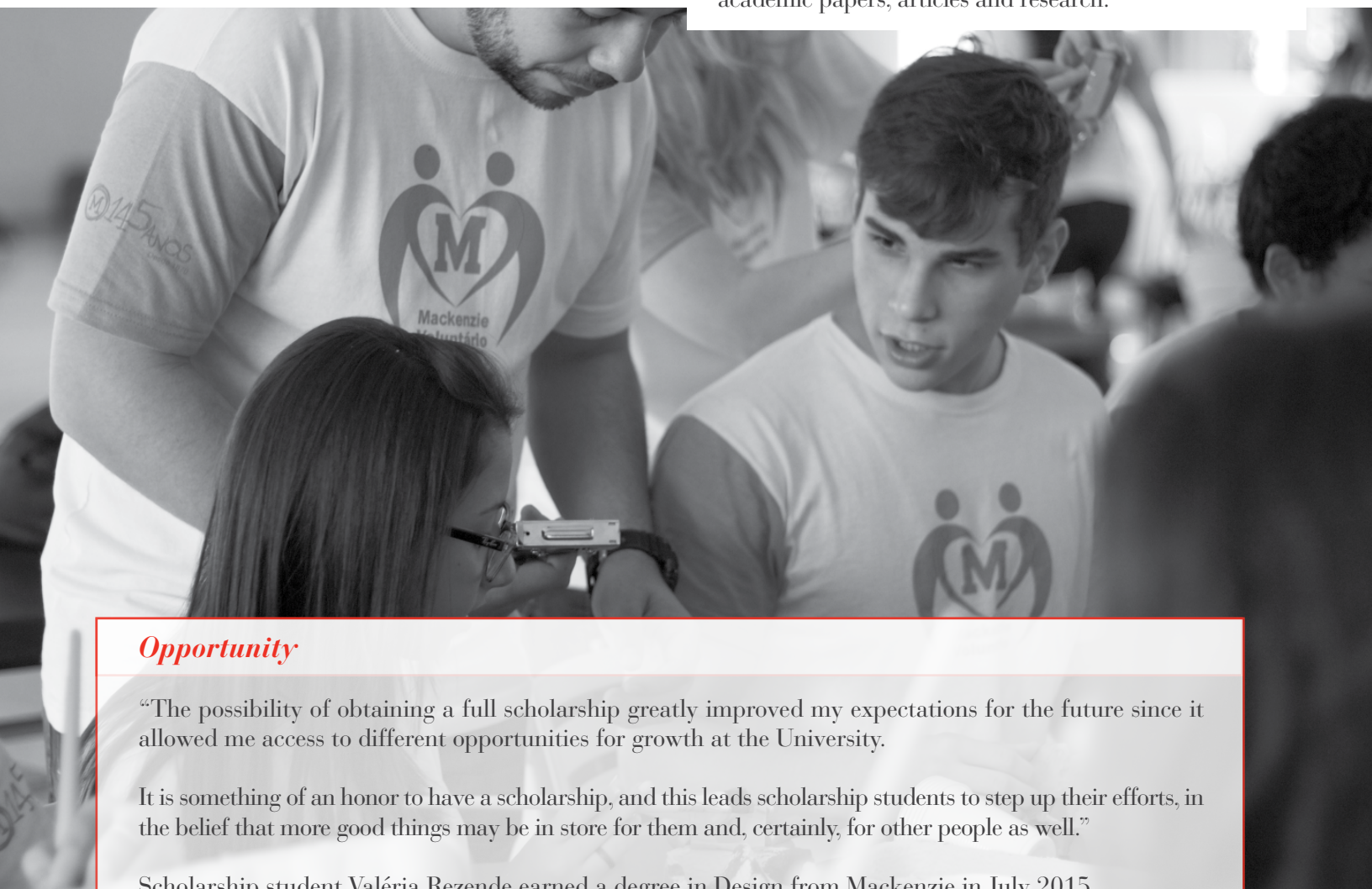
Social Projects

In 2013-2014, Mackenzie carried out 23 (2013) and 19 (2014) social philanthropic and non-philanthropic projects, in which it invested over R\$9 million per year to strengthen the ties between the University and the community. About 450,000 people were directly impacted in 2013 and almost 195,000 in 2014.

The main projects are described below.

Amazon Vida

Amazon Vida [Amazon Life], a joint project with Visão Mundial and the Manaus Presbyterian Church, provides access to quality health and educational services to riverside children and families in the Amazon Region. About 75 communities have been provided medical visits, lectures, educational workshops, and educational and playful activities. As part of this project, the Deanship of Extension Studies and Continuing Education has been organizing trips of UPM's students and professors to the Amazon Region since 2010; as a result, they develop academic papers, articles and research.



Opportunity

“The possibility of obtaining a full scholarship greatly improved my expectations for the future since it allowed me access to different opportunities for growth at the University.

It is something of an honor to have a scholarship, and this leads scholarship students to step up their efforts, in the belief that more good things may be in store for them and, certainly, for other people as well.”

Scholarship student Valéria Rezende earned a degree in Design from Mackenzie in July 2015

Mackenzie Voluntário

Encouraging professors, students, staff and members of the community to volunteer is one of Mackenzie’s missions. The idea is for them to exercise active citizenship and human solidarity effectively. That is why Mackenzie Voluntário [Mackenzie Volunteer] was created in 2004 and has been consolidating itself ever since by attracting new participants and undertaking more and more initiatives each year.

Many social assistance, cultural, health, educational and environmental initiatives are undertaken each year. They are mainly designed to promote and protect the rights of socially vulnerable children, adolescents, youth and elderly people. All Mackenzie Voluntário’s initiatives are based on the UN Millennium Development Goals (MDGs), thus reaffirming Mackenzie’s and its volunteers’ commitment to social and global development.

	Volunteering	
	2013	2014
	10 th Edition of “Multiplique essa ideia” [Spread that idea]	11 th Edition of “Começou com você” [It Started with You]
Participants	39,255	42,337
Initiatives	1,216	1,479
Beneficiaries	422,571*	158,257

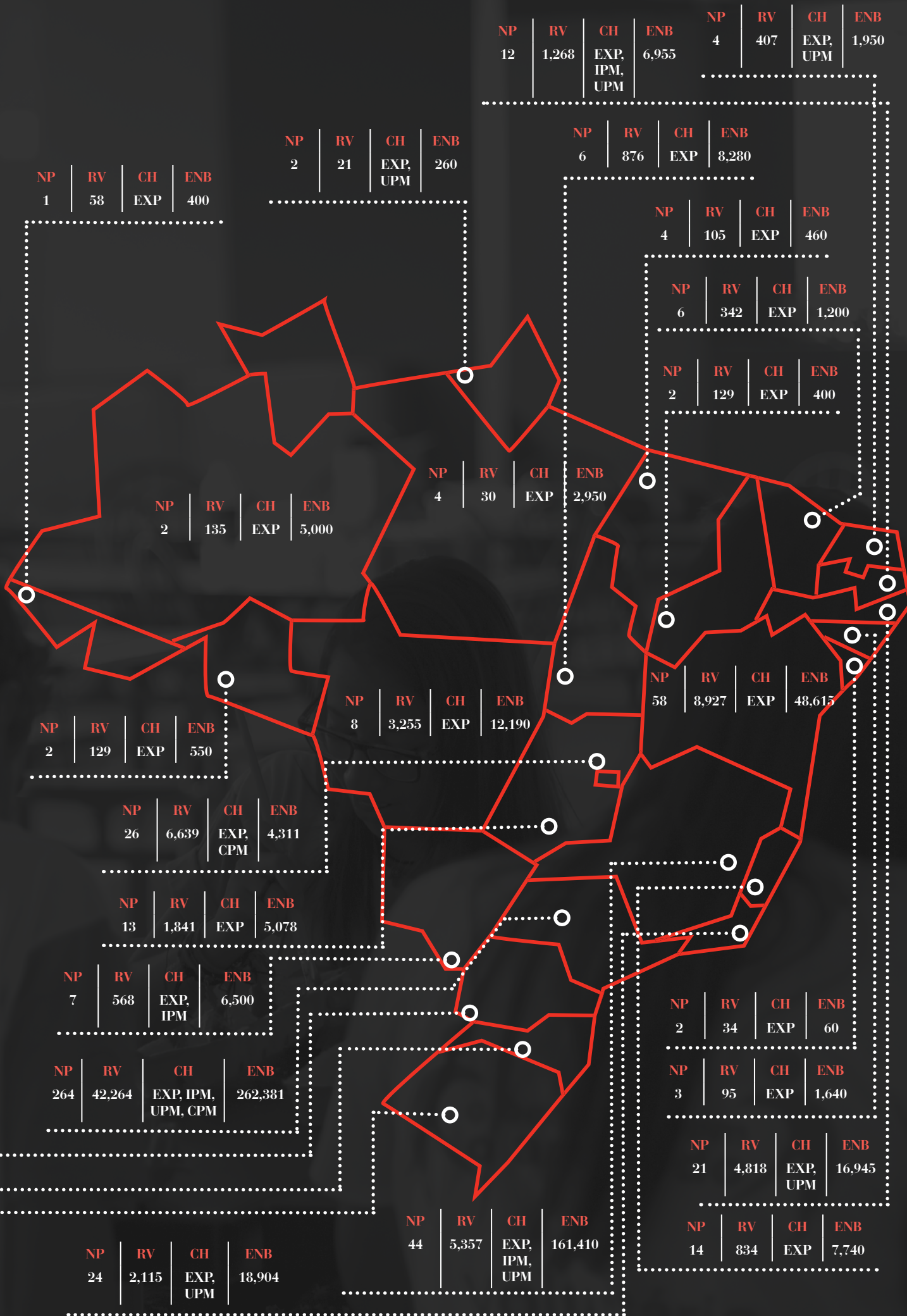
Region	# of projects	Registered volunteers	Estimated # of beneficiaries*
North	17	1,249	17,440
Northeast	112	16,125	78,225
Central-West	54	12,303	28,079
Southeast	346	50,570	450,435
South	15	1,345	6,709
TOTAL	544	81,592	580,888

Connection of project head with Mackenzie
 CPM | Teacher, Education Assistant or Student
 UPM | Professor, Education Assistant or University student
 IPM | Institute Assistant
 EXP | External partner

Legend
 NP | # of projects
 RV | Registered volunteers
 CH | Connection of head with Mackenzie
 ENB | Estimated # of beneficiaries

NP	RV	CH	ENB
11	941	EXP, UPM	4,409
1	130	EXP	1,000
3	274	EXP	1,300

*The 2013 numbers include direct and indirect beneficiaries.



BIS (Basketball with Social Inclusion)

Carried out by the Tamboré CPM, the BIS (Basquete com Inclusão Social, or Basketball with Social Inclusion) Project promotes the social inclusion of children and adolescents aged between 9 and 15 and the development of young athletes through school support. The participants are students from public schools in the cities of Carapicuíba, Santana de Parnaíba and Barueri, in the São Paulo Metropolitan Area.

Social Certifications in 2013-2014

- o Municipal Public Interest
- o State Public Interest
- o Federal Public Interest
- o Barueri CMAS (Conselho Municipal de Assistência Social, or Municipal Social Assistance Council)
- o CEBAS - Certificado de Entidade Beneficente de Assistência Social (Certificate of Benevolent Social Assistance Association)

Sports

Mackenzie believes sports are an important aspect of active citizenship and has encouraged the practice since its inception. Mackenzie students stood out in many sports as early as the beginning of the 20th century. In fact, they took part in the first official soccer match in the State of São Paulo and were also the first to play basketball in Brazil.

The Institution organizes some major competitions, among which the traditional MAC-NAV tournament, a multi-sport event with students from UPM and Escola Naval [Naval School]. Another major competition is AFA-MACK, involving Academia da Força Aérea [Air Force Academy] and Mackenzie.

In addition to encouraging students to play sports and always having a certain number of scholarship athletes, Mackenzie also sponsors high-performance athletes, such as divers César Castro and Hugo Parisi, paralympic swimmers Daniel Dias and Felipe Marino, and Formula 1.6 racing driver Leandro Guedes. It also has a partnership with Escola Naval in sponsoring the Quiricomba Sailboat. Mackenzie invested R\$595,450.00 in these athletes in 2014.



Arts and Culture

The Arts and Culture Coordinator's Office (ACC), under the Deanship of Extension Studies and Continuing Education, undertakes various initiatives. Among them, it is worth noting over 20 student choirs that perform both in and out of the University.

The ACC is also responsible for other choirs in the community at large, such as Instituto do Câncer Infantil's [Children's Cancer Institute] choir and the senior citizens' choir at EJA (Educação de Jovens e Adultos, or Youth and Adult Education). One of the most striking performances takes place at the windows of the seminary on the Campinas campus every year at Christmas time and involves the local community as a whole.

The Viradinha Cultural event, organized by the CPM branches, the traveling exhibitions and the events at the Mackenzie Historical and Cultural Center are other examples of initiatives undertaken by the ACC.



Human Rights

Mackenzie places a heavy emphasis on promoting active citizenship and respecting Human Rights in its relationship with, and the education and development of, its staff and students. It believes all human beings are equal in dignity and rights, endowed with reason and conscience, and should act fraternally towards one another. Accordingly, Mackenzie promotes freedom of speech, freedom of thought and equality among all human beings in its educational, research and extension studies activities.

Concerned about the social inclusion of people with permanent or temporary disabilities, Mackenzie has developed a project to improve accessibility on its campuses. In late 2014, the installation and maintenance of 15 pieces of accessibility equipment—12 lifts and 3 platforms—were underway, an investment totaling over R\$1 million. ○

Concerned about the social inclusion of people with permanent or temporary disabilities, Mackenzie has developed a project to improve accessibility on its campuses





Mackenzie

Edifício João Calvin

Higienópolis

6

Goals for 2015/2016

Below are Mackenzie's short-term goals, the Institution's commitment to its investors and society.

Our Commitment

Institutional

- o To consolidate UPM's position as a benchmark for quality among Brazil's top universities
- o To disseminate the concept of denominationalism throughout the Institution
- o To open a College in Brasilia
- o To increase the number of students at the Schools, Undergraduate and Graduate Programs
- o To open a university bookstore, with a solid distributor for the books published by Editora Mackenzie [Mackenzie Publishing House]
- o To finish installing air conditioning systems in all classrooms and laboratories
- o To fully implement the Master Plan on the Higienópolis campus and,
- o To establish a scholarship fund involving alumni so Mackenzie can expand its scholarship program.

Elementary Education

- o To build the Mackenzie Model School in Palmas, Tocantins State, and seek investors for new projects in other parts of Brazil
- o To introduce the Mackenzie Educational System into Secondary Education and expand its use in Pre-Elementary Education by 20%
- o To improve students' grades on ENEM and,
- o To introduce bilingual literacy.

Undergraduate Level

- o To introduce the Faculty Guidance Program to accommodate students with disabilities and learning difficulties better
- o To set up the Pedagogical Innovation Center to maximize the use of new technologies
- o To seek mechanisms and strategies to train faculty for elementary and higher education
- o To maintain all openings in undergraduate programs filled
- o To implement Distance Education
- o To expand the offering of academic programs on, and adapt the infrastructure of, the Alphaville campus and,
- o To complete the facilities for MackGraphe.

Graduate Level

- o To expand graduate programs in unexplored fields
- o To increase the number of programs with top CAPE ratings
- o To expand international and dual degree programs
- o To consolidate research excellence centers to turn graduate programs into benchmarks in their respective fields in Brazil
- o To introduce the Economic Freedom Center, with two new Master's programs and,
- o To implement the Financial Observatory.

Relationship with the Community and the Environment

- o To revise 20 extension studies programs to bring them closer to the community's needs
- o To seek water self-sufficiency
- o To expand the reach of social and environmental programs and,
- o To develop and manage the Sustainability Plan. ○







g4-32

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GRI Index's Attachment

g4-4 – Primary brands, products, and/or services

Please refer to pages 15, 24, 30, 32 and 45. The following are also considered Mackenzie's brands, products and/or services:

- o Mack Pesquisa
- o Mackenzie Day
- o Mackenzie Voluntário [Mackenzie Volunteer]

g4-12 – Describe the organization's supply chain

Suppliers	Type of supplier	Country
Disal S/A-Distribuidores Associados de Livros	Books	Brazil
Mogiglass Artigos para Laboratórios LTDA.	Laboratory supplies	Brazil
Braslimpo Comercial LTDA.	Food	Brazil
Real Tools Comercial LTDA.	Building materials and supplies	Brazil
Dell Computadores do Brasil LTDA.	IT	Brazil
Metrohm Pensalab Inst. Analítica LTDA.	Imported supplies	Brazil
Datasupri Distribuidora LTDA.	Office supplies	Brazil
# of suppliers	2013	2014
	6,663	7,839

The Mackenzie Presbyterian Institute is not authorized to disclose the number of suppliers in its suppliers' chains.

g4-13 – Significant changes regarding the organization's size, structure or ownership

There were no significant changes during the reporting period regarding the organization's size, structure, ownership or its supply chain.

g4-14 – Report whether and how the precautionary approach or principle is addressed by the organization

The Mackenzie Presbyterian Institute adopts the precautionary principle by conducting an impact assessment whenever it starts and monitors any activities. These assessments are submitted to the competent public bodies depending on the type of the activity to obtain the licenses required by legislation. Activities are monitored by Mackenzie's technical staff as needed and in compliance with all regulatory requirements.

g4-17 – Entities included in the organization's consolidated financial statements or equivalent documents

All the units composing the Mackenzie Presbyterian Institute are included in the financial statements. All of them are equally covered by this Report.

g4-22 – Effect of any restatements of information provided in previous reports

This is the Mackenzie Presbyterian Institute's first report following GRI G4 guidelines. There have been no restatements of information provided in previous reports.

g4-23 – Significant changes from previous reporting periods in the Scope and Aspect Boundaries

This is the Mackenzie Presbyterian Institute's first report following GRI G4 guidelines.

g4-27 - Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns

Stakeholder	Topics and concerns that were raised in 2013 and 2014	Measures adopted to address those topics and concerns
Students and faculty members	Accessibility for people with disabilities	Adaptation of campus and investment in accessibility.
Surrounding communities, students, faculty members and suppliers	Waste disposal	Development of environmental projects and partnerships for sustainable disposal.
Students and their parents	Scholarship programs	In addition to existing programs, new encouragement and merit-based programs were created. A scholarship student support initiative was also introduced.
Public authorities	Changes in Philanthropy Legislation	Adaptation to the new legislation and to government agencies' requirements.
Staff	Work quality	Development of sports programs, monitoring of, and guidance for, participating employees.

g4-33 – Policy and current practice with regard to seeking external assurance

There is no external assurance for this Report.

g4-56 – The organization’s values, principles, standards and norms of behavior such as codes of conduct and codes of ethics

The Mackenzie Presbyterian Institute’s principles, standards and norms of behavior are its Mission, Vision and Values and Principles, created and adopted with direct approval of the Board of Regents and the University’s governance bodies. Both the Mission and the Vision were developed to reflect the Institution’s Strategic Plan and were implemented as guidelines for all its units. The Values and Principles also serve as a guideline for the execution of the Strategic Plan, but were developed as part of the Charter of Principles. They were made public externally and internally.

All members of the corporate governance structure, employees and business partners must read and acknowledge them regularly. In addition, there is an executive-level position responsible for overseeing the application of each of them. All members of the corporate governance structure, employees and business partners are also offered regular training in them. The Mission and Vision are available in Portuguese and English.

g4-dma – Economic performance

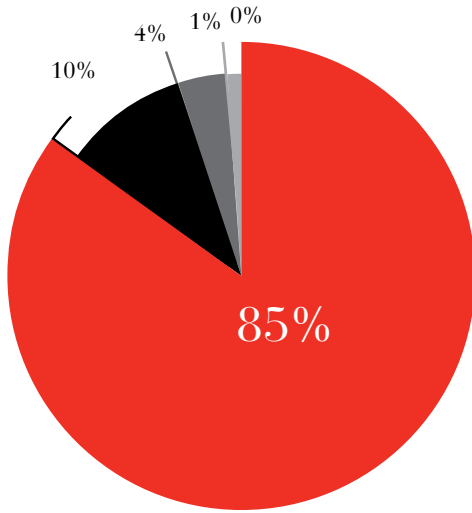
Mackenzie’s economic-financial performance is managed through monthly reports, which are reviewed by the Institute’s senior management to serve as a basis for decisions. These reports are submitted to the Board of Regents, which, as the top governing body, indicates to the Executive Board whether adjustments in management practices should be made.

g4-ec1 – Direct economic value generated and distributed

Value-Added Statement (in R\$)

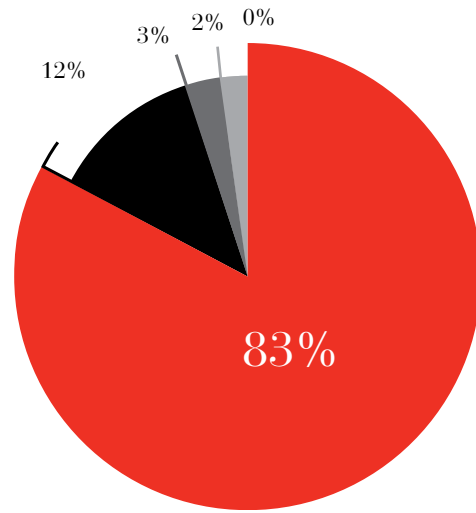
	2013	2014	Change
Revenue	680,711,042.11	744,542,366.79	9.38%
Sales of merchandise, products and services	684,453,694.30	749,176,353.65	9.46%
Allowance for doubtful accounts – Reversed/ Booked	-3,742,652.19	-4,633,986.86	23.82%
Non-operating	0.00	0.00	–
Inputs acquired from third parties (including ICMS (state vat) and IPI (federal excise tax))	251,502,386.22	265,212,481.16	5.45%
Cost of services sold	0.00	0.00	–
Materials, energy, third-party and other services	251,502,386.22	265,212,481.16	5.45%
Loss/recovery of asset values	0.00	0.00	–
Gross value added	429,208,655.89	479,329,885.63	11.68%
Retentions	16,009,743.92	18,480,138.75	15.43%
Depreciation, amortization and depletion	16,009,743.92	18,480,138.75	15.43%
Net value added produced by the organization	413,198,911.97	460,849,746.88	11.53%
Value added received by transfer	16,721,424.06	22,214,814.42	32.85%
Equity pickup	0.00	0.00	–
Financial Income	16,721,424.06	22,214,814.42	32.85%
Total value added to distribute	429,920,336.03	483,064,561.30	12.36%
Value added distributed	429,920,336.03	483,064,561.30	12.36%
Personnel and payroll charges	366,560,939.86	400,923,985.35	9.37%
Taxes, fees and contributions	331,194.75	370,397.49	11.84%
Interest and lease	6,437,139.05	7,521,926.52	16.85%
Dividends and interest on equity	0.00	0.00	–
Retained earnings / loss for the year	41,317,528.18	57,975,019.77	40.32%
Investments in the community	15,273,534.19	16,273,232.17	6.55%
Economic value retained (economic value generated – economic value distributed)	250,790,706.08	261,477,805.49	4.26%

Distribution of value added in 2013



- Employees
(compensation and benefits for employees)
- Investments in the community
- Interest and lease (operating costs)
- Retained earnings
- Government

Distribution of value added in 2014



- Employees
(compensation and benefits for employees)
- Investments in the community
- Interest and lease (operating costs)
- Retained earnings
- Government

g4-dma – Materials and g4-en1- Materials used by weight or volume—Partially disclosed

In 2013, Mackenzie consumed 17,895 reams of A4 alkaline bond paper and 388 reams of A4 recycled paper, both considered renewable materials. In 2014, those numbers were 18,490 and 232 respectively. Suppliers of both types of paper undergo a strict selection process. Only those that have social and environmental certifications (ISO9001, ISO14001, OHSAS18001, Cerflor and FSC) and offer prices compatible with the market are chosen.

g4-en2 - Percentage of materials used that are recycled input materials

Share of recycled paper in total paper consumption

Material	2013	2014	Total
A4 alkaline bond paper	17,895	18,490	36,385
A4 recycled paper	388	232	620
Total	18,283	18,722	37,005
Share*	2.12%	1.24%	1.68%

*This ratio was calculated as follows: Total recycled inputs used/Total inputs used*100.

g4-la9 - Average hours of training per year per employee by gender and by employee category

Please refer to page 42. The Mackenzie Presbyterian Institute does not monitor total hours of training by gender or by each one of the employee categories currently, only by faculty and assistants.

g4-hr3 - Total number of incidents of discrimination and corrective actions taken

There were two incidents of discrimination in 2013. The first allegation was received, examined and addressed directly by the MPU's Presidency. The second was received, examined and monitored by the Ombudsman's Office. No incidents of discrimination were recorded in 2014.

g4-dma - Security Practices and g4-hr7-Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations

The security personnel referred to in this indicator are employed by the Mackenzie Presbyterian Institute. This security team attends recycling and retraining sessions every two years depending on the year and on the professional's situation at the time of hiring.

	2013	2014
Total security personnel	51	51
Total trained in the organization's human rights policies or procedures	22	27
Percentage of security personnel trained	43.14%	52.94%

g4-dma - Customer privacy-Partially disclosed

Mackenzie takes responsibility for the security of its students' personal information. The IT Security Department manages those data by using specific software.

g4-pr8 - Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data

The Ombudsman's Office is the channel through which Mackenzie receives complaints regarding breaches of customer privacy and losses of student data. No such incidents were recorded in 2013 and 2014. ○



Higiênópolis

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The digital versions of this Sustainability Report
in Portuguese and English, as well as the opinion
survey about the Sustainability Report, are available
on mackenzie.br/sustentabilidade.html

