



SUSTAINABILITY REPORT • 2021

PRESENTATION • 03
_MESSAGE FROM MANAGEMENT • 05

COGNA • 08

Our ecosystem • 12
 2021 Highlights • 13

STRATEGY AND VISION OF FUTURE • 15

Innovation and technology • 18
 Advances in the ESG agenda • 22
 Commitments for a Better World • 24
 Business model • 25

CORPORATE GOVERNANCE • 27

Ethics, transparency and compliance • 33
 Data security and infrastructure • 36
 Risk management • 37

**FINANCIAL AND OPERATIONAL
 PERFORMANCE • 38**

EDUCATION THAT CHANGES THE WORLD • 43

Teaching quality and our solutions • 44
 Primary and secondary education • 44
 Higher education • 54
 Education for sustainability • 71

RELATIONSHIPS OF VALUE • 73

Inclusive and diverse culture • 74
 Employee and faculty development • 80
 Health, safety and well-being • 81
 Social impact • 84
 Environmental management • 97

_COMPLEMENTARY INFORMATION • 100
_SUMMARY OF GRI AND SASB CONTENT • 106
_CORPORATE INFORMATION • 117



PRESENTATION GRI 102-40, 102-46, 102-50

As part of its commitment to accountability and transparency, Cogna is publishing its 2021 Sustainability Report, which presents the company's main results and actions for the year in the financial-operational, environmental, social and corporate governance dimensions (ESG).

The publication, covering the period from January 1 to December 31, 2021, adopts the Core option of the Standards version of the Global Reporting Initiative (GRI) guidelines for the seventh consecutive time. The report also employs the guidelines of the Sustainability Accounting Standards Board (SASB) for education sector indicators. Pursuing alignment with best practice, we have also adopted the IBC Stakeholder Capitalism Metrics, from the *World Economic Forum* (WEF). The organization's financial statements are compliant with International Financial Reporting Standards (IFRS).

The content was elaborated based on the most relevant topics for the company and its stakeholder groups (investors, financial market, employees, students and customers, suppliers, public authorities, non-governmental organizations and the press). These were determined during the most recent updating of the Cogna materiality matrix.

Any doubts, suggestions and comments about the publication may be addressed to the email: esg@cogna.com.br.



Images: the photographs that illustrate this report portray real situations, experienced by our employees, students and customers.

CONVENTIONS ADOPTED

GRI and **SASB** information is identified throughout the report. The complete list of indicators may be found in the **GRI and SASB Content Summary**.

For the contents addressing the Cogna material topics, there is also a correlation between the United Nations Organization (UNO) Sustainable Development Goals (SDGs).

Whenever we refer to the company, we consider the Cogna group, including all its subsidiaries. The latter may be referred to as "companies" and "businesses".

Vasta Educação, one of our subsidiaries, is also known as SOMOS Educação, the brand name presented to its customers.

MATERIALITY MATRIX

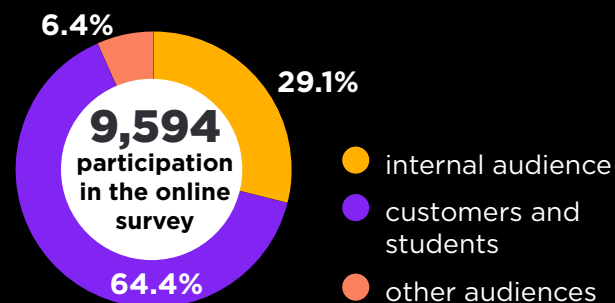
GRI 103-1, 102-21, 102-43, 102-47

The revision of our materiality matrix was conducted in 2020. In the first stage, we analyzed internal and external documents: The Dow Jones Sustainability Index (DJSI), the Sustainability Accounting Standards Board (SASB), the World Business Council for Sustainable Development (WBCSD) and the World Economic Forum, among others. This stage also included a global and sector benchmark study.

Based on the 18 topics mapped initially, we conducted online research. People with whom the different company areas maintain relations, with a view to covering the main strategic stakeholder groups, such as employees, teachers, students, suppliers, business partners, market analysts, investors, civil society representatives and non-governmental organizations, were invited to participate in the consultation. Interviews were also conducted with C-level company executives. This process resulted in ten material topics. The list may be seen ahead, with further details available on the [website esg.cogna](https://www.esg.cogna.com)

MATERIALITY MATRIX

Audiences consulted for the definition of the material topics



MATERIAL TOPICS	CORRELATION WITH THE SDGS	CAPITALS
Access to education	4 EDUCAÇÃO DE QUALIDADE	Intellectual, Social and Relationship
Student and customer satisfaction	4 EDUCAÇÃO DE QUALIDADE	Social and Relationship
Health, safety and well-being	3 SAÚDE E BEM-ESTAR, 8 TRABALHO DECENTE E CRESCIMENTO ECONÔMICO	Human
Innovation and technology	9 INDÚSTRIA, INOVAÇÃO E INFRAESTRUTURA	Intellectual
Data security and infrastructure	9 INDÚSTRIA, INOVAÇÃO E INFRAESTRUTURA	Intellectual, Social and Relationship
Ethics, transparency and compliance	16 PAZ, JUSTIÇA E INSTITUIÇÕES EFICAZES	Human, Social and Relationship
Quality of teaching	4 EDUCAÇÃO DE QUALIDADE	Intellectual
Employability and enterprise	8 TRABALHO DECENTE E CRESCIMENTO ECONÔMICO	Intellectual, Human, Social and Relationship
Diversity and inclusion	8 TRABALHO DECENTE E CRESCIMENTO ECONÔMICO, 10 REDUÇÃO DAS DESIGUALDADES	Human
Employee training and education	4 EDUCAÇÃO DE QUALIDADE, 8 TRABALHO DECENTE E CRESCIMENTO ECONÔMICO	Intellectual and Human

MESSAGE FROM MANAGEMENT GRI 102-14

2021 was a very significant year for Cognia. In addition to re-suming our growth path, we took a major step forward in our sustainability journey, continuing to strengthen the ESG (environmental, social and governance) aspects inherent to our strategy. Our achievements during the year demonstrate our resilience in overcoming challenges, such as those experienced in the last two years due to the Covid-19 pandemic, as well as our commitment to putting our purpose of impacting people through education for a better world into practice.

The result of a rich collective construction process, which brought employees and leaders of different areas together for months, in November we launched the **Cognia Commitments for a Better World**, a manifesto comprising 14 targets to boost the sustainable value of our business for society and for our stakeholders. The ambitions, which should be achieved by 2025 and are aligned with the Sustainable Development Goals (SDGs), will permit us to evolve as an organization, whilst in parallel contributing to society by educating people to preserve the environment and to guarantee human rights.

On the Balance between People and Nature front, we are committed to the efficient use of natural resources and, based on the com-

pany's essence, to driving environmental education and awareness in society. In Education, Diversity and Human Rights, we intend to contribute to public education, foster the enterprise ecosystem and employability in the country, taking even greater care of the health and well-being of our employees and reinforcing diversity in the company. On the third front – Governance and Integrity –, our efforts are aimed at enhancing corporate governance practices, including diversity and equality in senior management.

In 2021, our social actions positively impacted more than 3.5 million people, and each R\$ 1 invested generated R\$ 7.68 in benefits for society. Another highlight in the year was the receipt of Women on Board (WOB) certification for the representation of women on our

“The Cognia Commitments for a Better World will enable us to evolve as an organization and support the development of society.”

Board of Directors. This is an independent initiative supported by UN Women. In addition to our participation in the Global Compact Brazil Network, to which we have been signatories since 2010, in 2021 we formalized our adhesion to the Women's Empowerment Principles (WEPs), to the Fórum de Empresas e Direitos LGBTI+ and to the Instituto Ethos, which will permit us to share experiences and to participate in key discussions in the ESG agenda.

In parallel with the advances in our sustainability journey, 2021 will be marked by our capacity for reinvention in the face of adversity. The year saw the launch of Kroton Med, the partnership between Ampli and Tim, a pioneering initiative in Brazil, as well as the beginning of the MVP tests for the Cogna Platform marketplace. Cogna's consolidated net revenue was in excess of R\$ 5.3 billion, a 10.5% reduction compared with 2020. Recurring Ebitda grew 96.4% compared with the same period of the previous year, reaching R\$ 1.4 billion, while cash generation after capex more than doubled, ex-

In parallel with the advances in our sustainability journey, 2021 will be marked by our capacity for reinvention in the face of adversity.

ceeding R\$ 494 million, an increase of 105.6%. The results reflect the robustness of our strategy, grounded in three growth fronts – hybrid and digital teaching, medicine courses and platform businesses –, that accounted for more than 40% of the company's total revenue in 2021 and will continue to grow in the coming years.

The deliveries and results in 2021 have enabled us to address some important decisions. After 11 years as CEO, at the end of March 2022 I will assume the position of Chairman of the Cogna Board of Directors. My entire career has been dedicated to education, and this will not change as a result of this transition. I will continue at Cogna, seeking to identify opportunities to help shape a future in constant transformation, now more focused on strategic questions that will ensure the future continuity of the company and its capacity for differentiation over time.

This change is part of a transition process initiated in 2018, with my communication to the board of my intention to change roles within the organization. As part of the process of building this new phase, in 2019 I accumulated the functions of CEO and vice chairman of the Board, and we initiated the preparations for the executive succession. As a natural successor, Roberto Valério, CEO of Kroton, will take over as CEO of Cogna, backed by the experience and knowledge to advance our strategy. In the company since 2014 and having headed a very successful transformation in Kroton, the business unit that encompasses the higher education operations (campus and digital) and accounting for 70% of the company's revenue, Valério has in-depth knowledge of our main needs, challenges and opportunities.

In the course of these 11 years as executive leader of Cogna, we have had over 1.7 million higher education graduates. In 2010, we offered quality higher education to 80,000 students in 28 cities. We now reach more than 1,900 municipalities, with more than 1 million students in higher education, in addition to 1.6 million primary and secondary education students in our partnering schools. As a result of our digital transformation process, which accelerated from 2017, currently 31% of our corporate employees work in the technology and product areas. There are now 950 employees in these areas compared with 120 in 2010. In this decade, we have developed internally or acquired nine technology startups and consolidated Plurall, the biggest primary and secondary B2B and B2B2C platform in the country. In terms of finance, our revenue grew from R\$ 599 million in 2010 to over R\$ 5.3 billion in 2021, an average annual growth rate of almost 22%.

I take this opportunity to thank our more than 23,000 employees and teachers, the true agents of all the transformations we have experienced in this last decade, as well as our students, customers, suppliers, investors and other stakeholders for their support and credibility. I would also like to welcome Roberto Valério and to reiterate that we remain committed to making Cogna the educational benchmark in Brazil for children, young people and adults, soundly anchored in technology. Furthermore, I would emphasize that the company will continue to extend the positive impact it generates for society.

Enjoy reading it!



Rodrigo Galindo, CEO of Cogna from 2011 until March 2022, when he assumed the position of Chairman of the company's Board of Directors

12 • Our ecosystem
13 • 2021 Highlights

• COGNA

GRI 102-3, 102-4, 102-6

Engaged in the education area for 55 years, Cogna is a Brazilian company and one of the leading educational organizations worldwide. This work began when five teachers set up a pre-university entrance course in Belo Horizonte (MG). The company continued to acquire important brands in its commitment to impact people through education.

The organization consists of the companies Kroton and Platos, in higher education; SOMOS Educação, with a complete portfolio of solutions for private primary and secondary education schools; and Saber, a unit of other businesses that include supplying Brazil's PNLD national educational book program, B2G (Business to Government), the Red Balloon chain of English schools, and SETS. The Cogna portfolio includes iconic brands in Brazilian education, encompassing the Anglo, Pitágoras and pH teaching systems in primary and secondary education, the universities Anhanguera and Unopar, and the four largest publishers in Brazil: Ática, Scipione, Saraiva and Atual.

In the primary and secondary education area, in November 2021 we terminated our participation in the management of the organization's own schools with the sale of the more than 50 units we had in order to focus on the development and supply of teaching solutions

Purpose

GRI 102-16

To impact people
through education
for a better world

Vision

To be a benchmark education
platform for children, young
people and adults in Brazil

Our values

Entrepreneurship

Customer focus

Collaboration

Transparency

Sustainability

Diversity

Innovation

for private schools nationwide. The proposal combines digital transformation, science-based teaching and the integral education of students. Through the PNLD national education book program, our contents also reach more than 36 million students in Brazil's public school network.

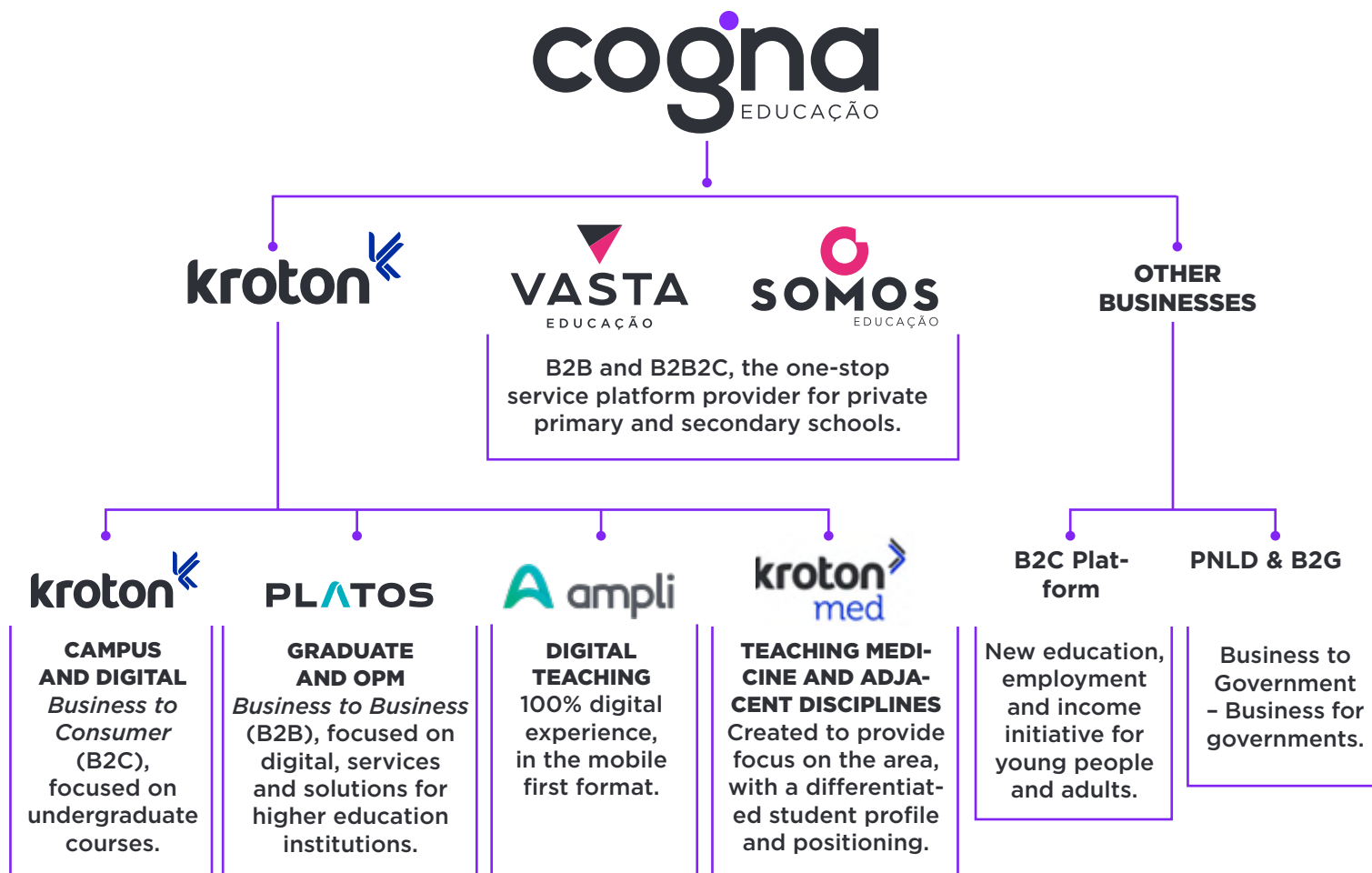
Our activities are based on innovation and the capillarity of our operations. We are present in the entire Brazilian teaching ecosystem, serving more than 2.4 million students, of which 860,000 in higher and graduate education and another 1.6 million through partnering primary and secondary schools.

By means of our social arms, Fundação Pitágoras, Instituto SOMOS and the Aliança Brasileira pela Educação movement, we want to contribute towards enhancing public education, employability, the enterprise ecosystem and improving local development, in particular in the regions in which we operate.

Our social activities and programs generate a positive impact on society estimated to be worth R\$ 9 billion, based on SROI or social return on investment methodology.

The Cogna administrative headquarters are located in São Paulo (SP), and we have a presence in over 1,900 municipalities in all the states of the country. Our headcount consists of 23,300 direct employees.

OUR ORGANIZATION GRI 102-7



TIMELINE

The 60s

In 1966, five young people set up the university preparatory course Pitágoras in the city of Belo Horizonte (MG).



The 70s

- Inauguration of the first Pitágoras school.
- Start up of operation of the largest Pitágoras Group unit in primary and secondary education, Colégio Pitágoras Cidade Jardim.

The 80s

In partnership with a construction company engaged in infrastructure works in Iraq and Mauritania, Pitágoras managed schools with over 1,000 Brazilian students in these countries..

The 90s

- Creation of the Pitágoras Network.
- Creation of the Fundação Pitágoras to enable educational projects in public and private institutions.

The 2000s

- Creation of the first Pitágoras university.
- Pitágoras IPO on the BM&FBovespa exchange, as Kroton Educacional (KROT11).
- New financial injection from one of the largest private equity funds in the world, *Advent International*, which assumes joint control of the company with the founding partners.

2007

IPO and creation of Kroton Educacional

2010

Acquisition of IUNI Educacional



2011

The acquisition of Unopar made Kroton the leader in distance learning



2014

- Launch of the Conecta Channel, to drive employability for students
- Acquisition of Anhanguera, making the group the largest in the world in the education segment in terms of market value and student numbers



2017

Beginning of our digital transformation journey

2018

Acquisition of SOMOS, the largest primary and secondary education platform in Brazil



2019

Creation of Cogna, a holding company positioned as a collection of companies



2020

Vasta listed on the Nasdaq exchange (USA)



2021

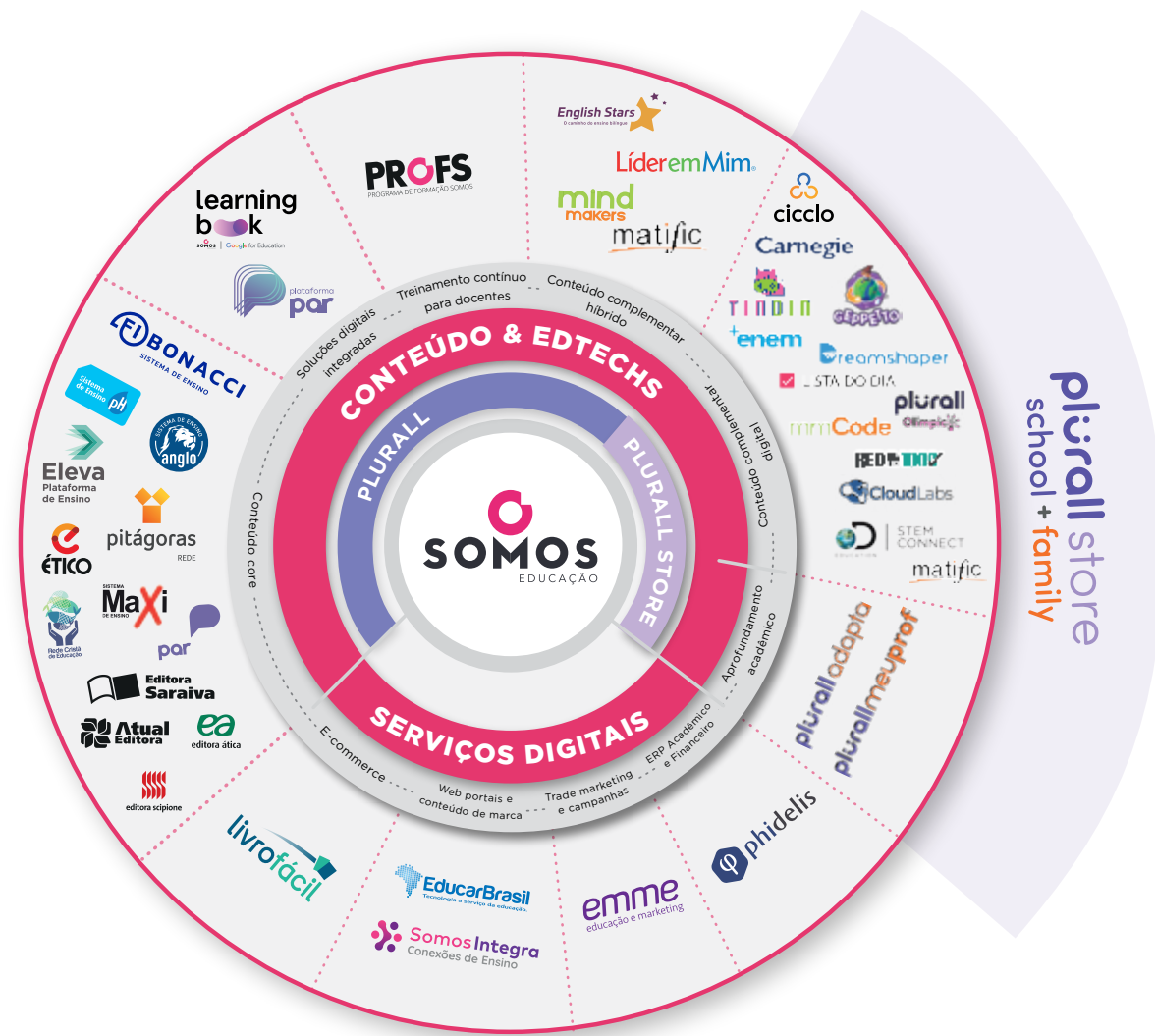
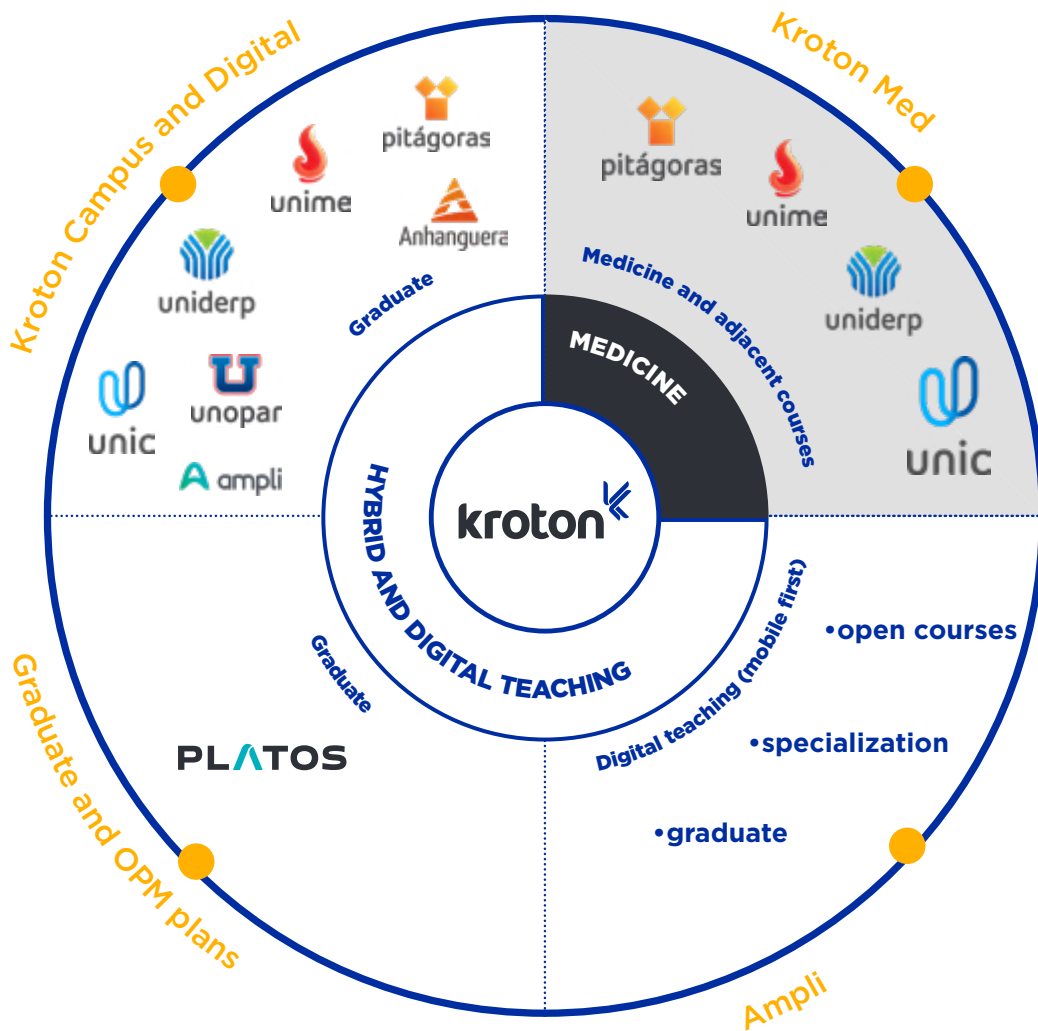
- Partnership with TIM for digital teaching based on mobile platforms with the Ampli brand
- Acquisition of the Eleva teaching system



To know more about our history access

more than 20 acquisitions since 2010

OUR ECOSYSTEM GRI 102-7



2021 HIGHLIGHTS

HIGHER EDUCATION

804,000 students

in campus and distance learning (DL) undergraduate programs

56,000 students

in graduate programs

2,517 accredited distance learning (DL) centers

124 own units

PEOPLE

more than 23,300 employees

PRIMARY AND SECONDARY EDUCATION

5,600

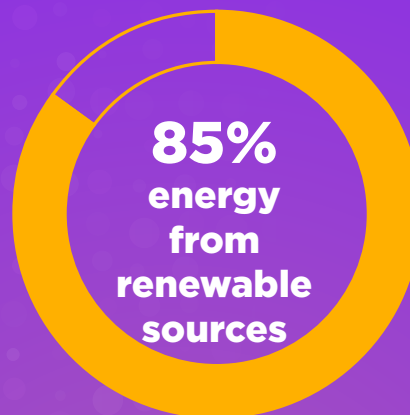
partnering schools

1.6 million students served

22,000

Red Balloon students

ESG ENVIRONMENTAL



ESG SOCIAL

R\$ 1 billion

annual impact on society

R\$ 9 billion

in socioeconomic assets

For each R\$ 1 real invested,

social return of R\$ 7.68

Source: SROI (Social Return on Investment)

Creation of affinity groups to debate gender, race, LGBTQIA+ and the disabled

ESG GOVERNANCE

Definition of targets in the Cogna Commitments for a Better World manifesto

Creation of People and ESG Committee

Women on Board (WOB) certification for female participation in the Board of Directors

Mobilization: we joined the WEPs and the Instituto Ethos

Quarterly reporting of ESG information
esgcogna.com.br

AWARDS AND RECOGNITION



THE 100 MOST INNOVATIVE IN USE OF IT - ITFÓRUM

SOMOS Educação
1st place | Education

VALOR INNOVATION AWARD

Cogna
2nd place | Service

OPEN CORPS - TOP 5 EDUCATION SERVICE

Cogna
1st place | Education
TOP 20

BEST LEGAL DEPARTMENT

Cogna
Education Sector – Brazil
Filasa (Finance and Law Summit and Awards)

EXAME BIGGEST AND BEST

Cogna
1st place | Education
The company received a score of 9 within the group of companies distinguished in ESG in their sectors

ESTADÃO EMPRESAS MAIS

Cogna
2nd place in overall Education ranking
1st place in sector in thematic rankings of Innovation, Sustainability and Corporate Governance

INSTITUTIONAL INVESTOR - LATIN AMERICA EXECUTIVE 2021

Winners Index 2021 Overall | 3rd place in ranking

Best CEO – Rodrigo Calvo Galindo | 3rd place
Nominated by Sell Side, Buy Side and Overall analysts

Best Investor Relations Program | 3rd place
Nominated by Sell Side, Buy Side and Overall analysts

Best Investor Relations professional – Bruno Giardino | 2nd place

Nominated by Sell Side (3rd), Buy Side (2nd) and Overall (2nd) analysts

Best Investor Relations team | 2nd place

Nominated by Sell Side (3rd), Buy Side (2nd) and Overall (2nd) analysts

Best Investor Day – Overall | 3rd place

Best ESG/SRI Metrics – Overall | 3rd place

Management of Covid-19 Crisis Overall | 3rd place

SUSTAINALYTICS

6th place in Consumer Services Industry category ranking.
Classified among the top 2% of companies with the best ESG performance
Top place in Latin America in its category

KROTON REGIONAL

Top Brands Londrina – Unopar
1st place | DL
1st place | University

TOP OF MIND

Award for Pitágoras Divinópolis university

- 18 • Innovation and technology
- 22 • Advances in the ESG agenda
- 24 • Commitments for a Better World
- 25 • Business model

• STRATEGY AND VISION OF FUTURE



We want to be consolidated as an ecosystem that provides educational solutions for all stages of the lives of children, young people and adults and to concretize our purpose of contributing to the transformation of the world through education. These principles became even clearer in 2021 with the review of our culture, a process that was conducted inclusively, involving almost 200 people from all the business units and different hierarchical levels. Each business sought to define its purpose, reassess its strategic drivers and indicate values and cultural behaviors that should be prioritized to achieve these goals.

In strategic execution, we continue to evolve towards making the company an asset light business, that is, an efficient model based on the best possible use of technology, competency and knowledge, reducing physical assets. Present throughout the education ecosystem, we envisage three pillars of growth for the coming years: hybrid and digital teaching, medical education and platform businesses.

After the rationalization of the undergraduate portfolio announced at the end of 2020, Kroton has produced gains in efficiency and a significant increase in the number of enrollments in online courses and, at a slower pace, in campus courses in the engineering, law and healthcare areas, representing a change in the profile of higher education students.

We also increased the annual number of places on medicine courses by 180 and initiated two new courses in 2021. These were both in the state of Maranhão, in line with our commitment to the geographical reach of our education offering.

PURPOSE

To impact people through education for a better world

STRATEGY

We want to increase our EPS (earnings per share) consistently, prioritizing asset light segments and business models having greater growth potential to maximize the return on capital invested.

STRATEGIC DRIVERS

Growth

Efficiency

People and culture

ESG

Innovation & technology for the business

SOMOS is a platform-based business, with complete solutions and services for schools. It is also progressing in another transformation: the migration of commercial contracts to a subscription format, which already corresponds to over 85% of the business's revenue. This recurring income source, based on long-term products and partnerships with schools, makes the company more resilient. We lead digital teaching in the country with our Plurall platform, which accounts for 48% of online education traffic¹. This performance and a student base numbering 1.6 million provide us with countless opportunities for growth. In 2021, SOMOS launched two first products focused on B2C, with innovative models for private reinforcement classes and support for adaptive teaching.

We also initiated a new platform that combines education, employment and income aimed at young people and adults (*further information in **Platform***). It is aimed at consolidating this audience's journey, encompassing education, specialization, improvement courses and employability.

Moreover, in line with our asset-light strategy, we sold off the company's own primary and secondary education schools to Eleva Educação S.A. This negotiation involved the acquisition of the Eleva teaching systems, which were incorporated by SOMOS, and a ten-year contract as the exclusive supplier of teaching systems to all the Eleva network schools.

These changes were accompanied by the advance in the company's ESG (environmental, social and governance) agenda. Through-

out the year, we brought together people from different areas and business units in three working groups that were responsible for boosting knowledge about our material topics and building targets and commitments to be achieved in the coming years.



Plurall Platform:
48% of the
primary and
secondary online
education traffic
in the country.

¹ Data on private primary and secondary education traffic. Source: SimilarWeb.com. Cumulative visits over time: from January to July 2021.

INNOVATION AND TECHNOLOGY

GRI 103-2, 103-3

Fundamental elements of Cogna strategy, ongoing growth in innovation and technology enables key results for the business. These are essential for the development of new services, products and businesses and for the automation of processes, generating greater operational and financial efficiency, boosting the quality of the solutions provided and enabling Cogna to offer new options in its portfolio for current and potential students and customers. Externally, we help drive an innovative educational environment in the country.

The importance of this topic is evident in the involvement of senior management, especially in the Strategy and Innovation Committee, which advises the Board of Directors and is manned by diverse company leaders and external consultants. In addition to the Open Innovation team and areas like the Product structure, which is centered on innovation, the company seeks to consolidate the drive for distributed innovation, with all its employees engaged in the innovation agenda. To this end, more than 60 employees help to disseminate the vision of innovation in their areas and among their colleagues.

In 2021, we formed two new partnerships with digital hubs: *Innovation Intelligence*, a North American platform that has connections with 250,000 global startups, of which 20,000 are Brazilian; and



Distrito, a Brazilian innovation hub with more than 600 resident startups, more than 13,500 startups monitored in Latin America and 65 sponsoring companies. Furthermore, we initiated other collaboration processes with *100 Open Startups*, *Scaleup in Brazil* and *Abstartups* (Associação Brasileira de Startups), among other actors. All these new partnerships should help us to scale up our future solutions more rapidly. We also terminated our activity as education sponsor of Cubo Itaú, which permitted us to interact with over 1,400 startups and develop hundreds of businesses in the format of experiments or partnerships over the last three years.

**more than 60
employees help
to disseminate
the vision of
innovation in their
areas and among
their colleagues.**

INNOVATION IN PRACTICE

The Plataforma de Educação de Jovens e Adultos (Young People and Adult Education Platform), a recently launched educational marketplace was built by an entirely dedicated innovation team with contributions from a number of startups.



ACQUISITION

Redação
Nota 1000

a startup close to Cogna, which was developed in partnership with our brands and was acquired by SOMOS in 2021. Available on the Plural Store platform.

INTRAPRENEURSHIP

Stoodi, Ampli and Consultoria Educação (an autonomous reseller platform to attract Kroton students) are startups created within Cogna.

NEW PARTNERING HUBS

Innovation Intelligence
(USA)

with 250,000 global startups, of which 20,000 are Brazilian

Distrito (Brazil),
with more than 600 resident startups and 13,500 monitored startups in Latin America



2018-2021

1,429

startups mapped

**more than
3,000**

hours dedicated to conversations with startups/companies in the innovation ecosystem

627

business opportunities and **178 INNOVATION CHALLENGES** mapped

150

innovation experiments conducted

72 partnerships

with startups since the beginning of the Cogna Open Innovation Program (**48% IN EDUCATION** and **52% IN OTHER AREAS**), with a **57% SUCCESS RATE**.

IN 2021

**more than 100
hours**

of speedating with startups

54 innovation

challenges mapped, **28% RESOLVED**

35 innovation

experiments conducted

17 experiments in

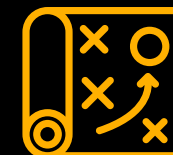
progress in 2022

18 partnerships

with startups formed after innovation experiments **WITH A 51% SUCCESS RATE**

**~12,000
people directly or
indirectly**

involved in and impacted by innovation experiments



771

**new startups
mapped**

YOUTH AND ADULT EDUCATION PLATFORM

GRI 102-2, 102-6, 102-7

During the course of 2021, we were engaged in building our Youth and Adult Education Platform, a disruptive initiative aimed at the education and professional, personal and financial development of Brazilians at different stages of their lives and careers.

Launched in the fourth quarter of 2021, the initiative combines our brands and new partners to create a complete structured solution on five business fronts: marketplace, infoproducers, affiliates, fintechs and employment and income. The first was launched in 2021, and the others are under development and should be launched gradually throughout 2022 and 2023.

The academic and professional education courses in the undergraduate, graduate, language, preparatory and open course areas were launched with the full portfolio of Cogna brands for young people and adults and two external partners who also provide their products, the *Xpeed School*, the XP education brand, and *Carnegie*, which offers open courses.

The infoproducer and affiliate fronts involve, respectively, professionals who develop their own courses and those interested in commercializing courses and trails for their audiences on the platform, paying a sales commission. They will be supported by a network that fosters digital market development to drive the digital commercialization of the products.



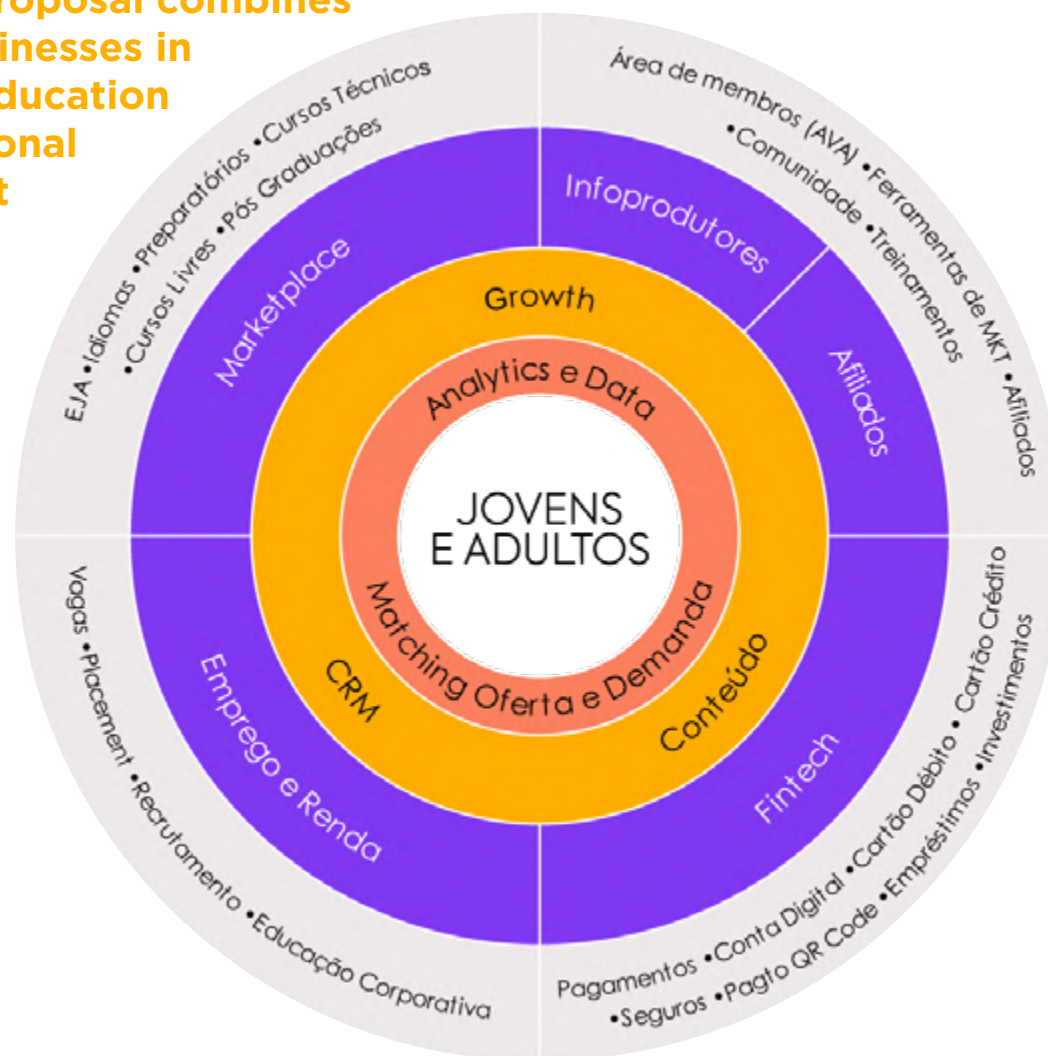
Further information on the platform [website](#).

The financial services (fintechs) will include digital accounts, credit and debit cards, cashback products and investment options that can be used in other courses, for example, as well as providing support for interests and financial opportunities on other fronts of the platform.

The employment and income front will complete the platform. On this front, we want to further develop the connection between employers and students seeking placement in the labor market based on our consolidated experience in the Conecta Channel, which has already disseminated over 130,000 employment opportunities and partners with 34,000 companies all over Brazil (*further information in [Conecta](#)*).

Based on synergic digital businesses, we believe that the platform will create new investment and growth opportunities for the company, extracting value from the convergence of our solutions and our exponential potential to generate businesses. The students and users are the end beneficiaries, who have access to a complete portfolio, supported by technology and data analytics, as a foundation for their future plans. The platform will indicate the most recommended programs and courses based on the users' interests and their performance in the services used, as well as offering guidance on the job vacancies best suited to their profile.

Innovative proposal combines synergic businesses in support of education and professional development



ADVANCES IN THE ESG AGENDA

We contribute to building a better world by using education to empower people and make them transformation agents, offering high quality teaching available to all, promoting balance between people and environmental resources and best practices in integrity and transparency.

2021 saw the consolidation of diverse environmental, social and governance (ESG) initiatives at Cogna. These not only indicate the course we expect to follow in the coming years, but also demonstrate the results of investments made in recent years and our deepened understanding of the ESG agenda and its influence on the company.

This greater maturity culminated in the launch of the ***Cogna Commitments for a Better World***, a public manifesto of our reflections on the challenges and opportunities the company should pursue, such as diversity, and urgent global demands which we believe we have the potential to contribute to, such as the environmental agenda and the climate crisis. Thus, we established 14 goals, organized in three pillars, to be achieved between 2022 and 2025: Balance between People and Nature; Education, Diversity and Human Rights; and Governance and Integrity.

The construction of these goals involved mapping all the company's actions and a diagnosis of its maturity. Three working groups, comprising over 30 people from diverse areas, were engaged in this collaborative process. The goals and targets were approved by the Board of Directors. In addition to the public commitments, we also have internal targets to enable us to advance in other aspects in the coming years. With the working groups, we also formulated ten new policies, reviewed another 15 and conducted more than 20 benchmark studies for priority topics during the year. Since March 2021, the company has had a hotspot for the quarterly communication of its performance in ESG indicators, enhancing transparency and governance in these areas. **GRI 102-26**

Other advances that influenced this agenda were the reinforcement of the Sustainability area, with the establishment of a Sustainability management area (previously this was a coordination), that reports directly to the Institutional Relations and Sustainability Director, and the formal linkage of the ESG agenda to the Board of Directors with the creation of the People and ESG Committee (*further information in **Advisory Committees***).

This change strengthened the company's sustainability strategy in all the business units and should gain further traction with the implementation of ESG criteria in leaders' remuneration, another of the challenges incorporated into the *Cogna Commitments for a Better World*.

CONNECTION WITH THE GLOBAL AGENDA

We aligned the establishment of our commitments for building a better world with the challenges set forth in the Sustainable Development Goals (SDGs). We also seek to align our activities with the principles of the Global Compact, an organization to which we have been signatories since 2010, assuming commitment to the principles related to human rights, labor, the environment and anti-corruption.

OBJETIVOS
DE DESENVOLVIMENTO
SUSTENTÁVEL

SUSTAINABILITY JOURNEY IN CONSTANT EVOLUTION



*Anhanguera Educacional, a group company, had published GRI standard reports from 2009, until it joined Cogna (in 2014).

ADVANCE MONITORED

	2018	2019	2020	2021
GRI SUSTAINABILITY DISCLOSURE DATABASE	76 indicators reported	106 indicators reported	125 indicators reported	136 indicators and contents reported, including the GRI and SASB protocols and the company's own metrics
SUSTAINALYTICS	-	neg. low med. high severe LOW RISK	neg. low med. high severe LOW RISK	neg. low med. high severe - LOW RISK Among the top 2% in consumer services; best in the Americas; 6 th globally
MSCI MSCI ACWI Index	CCC B BB BBB A AA AAA BB	CCC B BB BBB A AA AAA BB	CCC B BB BBB A AA AAA BB	CCC B BB BBB A AA AAA BBB Among the top 10% in Diversified Consumer Services
S&P Global	-	-	-	Above sector average in the CSA (Corporate Sustainability Assessment). 4 th place globally and 1 st in comparison with peers in Brazil

COGNA COMMITMENTS FOR A BETTER WORLD

BALANCE BETWEEN PEOPLE AND NATURE

ENERGY

Year for conclusion: 2025

Have 90% of the energy consumed in the network from renewable sources.

ENVIRONMENTAL EDUCATION

Year for conclusion: 2025

Impact 1.8 million people with environmental education contents.

CLIMATE CHANGE

Year for conclusion: 2022

Measure the impact of GHG (Greenhouse Gas) emissions on the company's operation, stipulating mitigation and offsetting targets and commitments.



EDUCATION, DIVERSITY AND HUMAN RIGHTS

SOCIAL IMPACT

Year for conclusion: 2025

Benefit 5 million people through community services and social projects in our and our partners' teaching units.

Benefit 150,000 public school teachers with educational products and services.

Train 150,000 people in business and enterprise competencies, to foster entrepreneurship in the country.

HEALTH AND SAFETY

Year for conclusion: 2022

Train 100% of company employees in health and safety.



DIVERSITY

Year for conclusion: 2025

Achieve equality (50%) in leadership positions (\geq managers) occupied by men and women.

Increase the number of positions occupied by black and mixed race people to 40%.

Increase the number of leadership positions occupied by black and mixed race people to 40%.

Maintain the favorability of the LGBTQIA+ audience at or higher than 93 in the Engagement Survey.

Train 100% of company leaders in the contents of the Corporate University diversity program.

GOVERNANCE AND INTEGRITY

GOVERNANCE

Year for conclusion: 2023

Incorporate ESG targets into the variable remuneration policies of 100% of senior management.

DIVERSITY

Year for conclusion: 2023

Have at least 1/3 women, black and LGBTQIA+ people on the Board of Directors.



BUSINESS MODEL

Through our companies, we strive to ensure the longevity of our businesses and value generation for students, employees, society, shareholders, investors and other audiences.

INTELLECTUAL CAPITAL

Recognized, high-yield teaching systems, digital platforms and investment in research and innovation

HUMAN CAPITAL

More than 23,300 employees



FINANCIAL CAPITAL

Net equity:
R\$ 13.8 million

Leverage:
indebtedness ratio
2.16 times
Ebitda

Access to market,
issue of securities

SOCIAL AND RELATIONSHIP

**SASB SV-ED 000.A,
SASB SV-ED-000.B**

5,600 primary and secondary education schools using our teaching systems, reaching more than 1.6 million students. And 860,000 students in undergraduate and graduate courses

HOW COGNA ADDS VALUE

HIGHER AND GRADUATE EDUCATION

Capillarity and offer of courses that expand access to university education nationwide

Courses oriented to the labor market. We also maintain one of the largest employability platforms in the country

PRIMARY AND SECONDARY EDUCATION

Teaching systems with the highest approval rates and complementary education for 21st century skills

Promotion of Science in Learning to enhance learning for students and preparation of teachers

Innovative technologies

Ongoing education for teachers

COMMITMENT TO THE ESG AGENDA

We define common goals for the entire organization to advance in internal processes and global challenges

Our social impact platform drives investments to improve public education; fosters enterprise; and invests in local development

RESULTS AND IMPACTS GENERATED

RETURN FOR SHAREHOLDERS

R\$ 5.3 billion in net revenue

Ebitda of R\$ 1.4 billion

In 2021, more than 138,400 jobs published in the Conecta channel, promoting employability for students and former students

36 million public education teachers benefiting from educational products and services

R\$ 9 billion in socioenvironmental impact (SROI)

PRESENCE IN MUNICIPALITIES:

91% are small (fewer than 100,000 inhabitants above 17 years)

88% have an HDI below the Brazilian average

In 543, we are the only higher education institution (HEI)

NUMBER OF MUNICIPALITIES' IN WHICH WE ARE THE ONLY HEI OFFERING:

10 Mechanical engineering
9 Civil engineering
194 Nursing
54 Nutrition
30 Physiotherapy
62 Agronomy

ACCESS TO EDUCATION AND EMPLOYABILITY

To minimize the risk of indebtedness and income commitment, our proposal combines more affordable prices, diversity of courses and support in job hunting (Conecta Channel).

1. 2021 data.

MAINTENANCE OF SOCIAL ARMS



STAKEHOLDER PARTICIPATION

GRI 102-40, 102-42, 102-43, 102-44

We seek to interact with our diverse stakeholder groups through different channels because we believe that closeness and attention to the needs of our stakeholders leverage our actions, both in social investment and in the strategic direction of our business.

Accordingly, we seek to include the voice of stakeholders in our strategic actions. In building the social impact platform, for example, our concern with capturing the perceptions of the main stakeholder groups with whom we relate involved visits to schools and higher education institutions, interviews with employees and with our founders, in addition to prior research into public education, a workshop with leaders, and contacts with potential partners.



In 2020, the materiality process involved consultation of almost 10,000 people, inside and outside the organization. This helped to define the ten material topics (*further information in **Materiality matrix***).

We conducted research into investor perceptions of our actions in 2019 to gain insights into metrics to be enhanced and suggestions for engaging with the financial community.

We also maintain contact with public authorities in areas that involve the formulation of efficient public policies that are in accordance with the country's regulatory and educational requirements. In these cases, the Institutional Relations area has structured practices and compliance rules that encompass requests, official appointments and disclosure of the topics addressed. Meetings must always involve the participation of at least two company employees and be recorded.

Our relationships also involve participation in key sector associations and movements in Brazil and abroad, such as the private university association Anup (Associação Nacional das Universidades Particulares), the educational book publishing association Abrelivros (Associação Brasileira de Editores e Produtores de Conteúdo e Tecnologia Educacional), the São Paulo state higher education establishment association Semesp (Sindicato das Entidades Mantenedoras de Estabelecimentos de Ensino Superior do Estado de São Paulo) and the private higher education association Funadesp (Fundação Nacional de Desenvolvimento do Ensino Superior Particular) (*see the complete list in **Complementary information***).

See more about our relations with strategic stakeholders in ***Education to change the world*** and ***Relationships of value***.

33 • Ethics, transparency and compliance
36 • Data security and infrastructure
37 • Risk management

● CORPORATE GOVERNANCE

We have been listed on the Novo Mercado B3 index under the ticker symbol COGN3 since 2012. This attests to our commitment to corporate governance and transparency practices that go beyond legal requirements and are aligned with the recommendations of the Brazilian Institute of Corporate Governance (IBGC).

We are a full corporation (without a group of controlling shareholders) and, as members of the Novo Mercado, we adhere to the Market Arbitration Chamber for the resolution of potential conflicts and corporate legal questions, in particular between the company and minority shareholders.

BOARD OF DIRECTORS GRI 102-18, 102-22, 102-23, 102-24

The highest corporate governance body is the Board of Directors, whose main attributions are formulating and overseeing the execution of company policies and strategies. The Board is also responsible for appointing the members of the Statutory and Executive Board and monitoring their management of the business.

In January 2021, Rodrigo Galindo, hitherto CEO of Cogna and vice chairman of the board, was elected chair of the organization's main governance body. The change, which became effective at the end of March 2022, is the result of a transition process initiated in 2019, which was postponed in function of the effects of the Covid-19 pandemic on the business. On the same date, the board elected Roberto Valério, who was head of the Kroton unit, to assume the position of CEO of the company.

FOCUS ON DIVERSITY GRI 102-24



In April 2021, as one of the company's first measures to address its commitment to diversity, we elected Ângela Regina Rodrigues de Paula Freitas as a member of the Board of Directors. Accordingly, we ended 2021 with two women on the board (33%) and one representative of the LGBTQIA+ audience (17%).

With the launch of the *Cogna Commitments for a Better World*, we established the target of having at least one third of the Board of Directors consisting of women, black and mixed race and LGBTQIA+ people by 2025.

The Cogna Policy on the Indication of Members of the Board of Directors, Committees and Executive Board, launched in 2021, also helps to promote diversity in the company's governance bodies.

The document determines that, whenever possible, the company should encourage the consideration of factors related to ethnicity, race, socioeconomics, age, gender, regional/national diversity, as well as the disabled, when filling positions. Other requirements set forth in the policy are candidates' alignment with the company's values and culture, academic background compatible with the position, the non-existence of conflicts of interest and personal integrity.



A material fact about the change in the Board of Directors may be consulted on the [Investor Relations website](#) .

The term of office for members is two years, with re-election permitted. Both in December 2021 and at the end of March 2022, there were six board members, three of whom are independent. The chairman does not exercise an executive function in the company.

We have a corporate policy that sets forth general guidelines for regulating and establishing roles, responsibilities and methodology for the assessment of competencies and the succession of statutory directors and board members. The document encompasses performance reviews, as well as training and development for the senior management succession process. Access the [Competency Assessment and Succession Policy](#).

ADVISORY COMMITTEES 102-22, 102-28, 102-29, 102-31, 102-32, 102-33, 102-34

The governance structure provides for four advisory committees to the Board of Directors. These have three or four members, indicated by the board members. In 2021, the statute of the People and Governance Committee was revised, reinforcing questions related to managing sustainability in the company. Accordingly, it was renamed the People and ESG Committee and incorporated responsibility for the organization's ESG commitments, ensuring they would be considered in our strategy, as well as being tracked and discussed periodically in meetings. ESG-related topics are featured in all the committee's quarterly meetings. They are also assessed by the Board of Directors in conjunction with the quarterly results disclosed to the market within the same time frame.

The other advisory committees are the Finance and M&A (Mergers and Acquisitions) Committee, the Strategy and Innovation Committee and the Audit and Risk Committee.

The areas responsible for economic, social and environmental matters present their results on a quarterly basis to the corresponding committee, comprising board members whose duty it is to update the others in the board meetings.

BOARD OF EXECUTIVE OFFICERS GRI 102-18, 102-19, 102-20

The Cogna executive board members are appointed by the Board of Directors for two-year terms of office, with re-election permitted. The directors are responsible for implementing the policies and strategies approved by the Board.

In accordance with company bylaws, up to one third of the members of the Board of Directors may exercise executive roles. In 2021, the CEO of Cogna was also vice chairman of the Board of Directors. The current CEO, elected to the position in the beginning of 2021, is not a board member.

In December 2021, there were four statutory directors among the five members of the executive board.

The main executive responsible for managing and reporting economic performance is the Chief Financial Officer, who reports directly to the Cogna CEO and the Financial and M&A Committee, which refers critical questions to the Board of Directors. Sustainability is the responsibility of the Institutional Relations and Sustainability officer, who reports to the Cogna CEO. We also have three working groups to track action plans and associated topics with C level

To see the complete composition of the Board of Directors, the Advisory Committees, the Executive Committee and the Fiscal Council, click [here](#)



The CVs of the board members and directors are also available on the [website](#).

officers as sponsors: environmental (CFO), social (vice president of People, Culture and Innovation) and governance (legal officer). From 2021, the ESG agenda was also incorporated into the People and ESG Committee, with periodic meetings.

FISCAL COUNCIL

The Fiscal Council is responsible for overseeing management activities, reviewing the company's financial statements and reporting its conclusions to shareholders. As established in the company bylaws, the Fiscal Council does not function on a permanent basis and is installed at the request of the shareholders.

In 2021, the installation of the Fiscal Council was approved during the Ordinary General Meeting, at the request of a shareholder holding over 2% of the company's stock.







LEADERSHIP SKILLS AND COMPETENCIES GRI 102-27

In addition to diverse, the composition of the Board of Directors promotes a combination of diversified knowledge and experience to support company executives in business decisions. Since 2019, members have been undergoing training in sustainability and social impact-related topics. This work began with the definition of the ***Company Social Impact Platform***. Between 2020 and 2021, the focus was on the dissemination of diversity with measures and talks for members of the Board, the Executive Board and other management levels. The board members also participated in building and validating our ESG targets and commitments and are constantly invited to participate in planning and monitoring company projects.

COGNA BOARD OF DIRECTORS

In December 2021¹

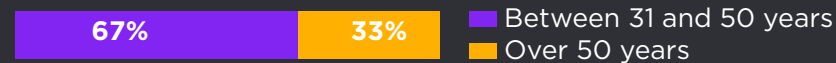
SKILLS GRI 102-27

	 Ângela Regina Rodrigues de Paula Freitas	 Juliana Rozenbaum Munemorim	 Luiz Antonio de Moraes Carvalho	 Nicolau Ferreira Chacur ² <i>Chairman</i>	 Rodrigo Calvo Galindo ³ <i>Vice Chairman</i>	 Walfrido Silvino dos Mares Guia Neto <i>Founder</i>
		(E) (P)	(A) (P)	(F) (A)	(F) (P) (E)	(F) (E)
Independent		●	●	●		
Digital transformation and innovation*		●			●	
Data security*			●			
Education sector*	●				●	●
Finance	●			●		
Risk management and compliance*			●	●		
Corporate governance			●			
Customer relations*		●				
People management*		●	●			
Date of election:	04/29/2021	12/9/2019	12/9/2019	12/9/2019	12/9/2019	12/9/2019
Number of terms of office	0	0	6	4	0	6
Number of boards of which person is member (including Cogna)⁴	2	5	3	1	4	3

COMPOSITION BY GENDER (2021)



BY AGE GROUP (2021)



100% presence in ordinary Board of Director meetings in 2021

Advisory Committees:

(A) Audit and Risk (P) People and ESG

(F) Finance and M&A (E) Strategy and Innovation

*Skills correlated to materiality matrix topics. **1.** Thiago Piau left the Cogna Board of Directors in the last quarter of 2021. **2.** Elected vice chairman of the Board of Directors in January 2022. **3.** Elected chairman of the Board of Directors in meeting in January 2022, having left the position of Cogna CEO. **4.** Membership of other boards: Ângela Regina Freitas (Gamaro Desenvolvimento); Juliana Munemorim (Renner, Dexco, Eurofarma and EDP); Luiz Antônio Carvalho (Lojas Quero-Quero and C&A Modas S.A.); Rodrigo Galindo (Endeavor, Suzano and Vasta Educação); and Walfrido Mares Guia Neto (Biom SA and Fundação Pitágoras). More details on the [Investor Relations](#) website

COMPENSATION GRI 102-35, 102-36, 102-37

Our senior management compensation practices are described in detail in item 13 of our [Reference Form](#) and include rules for the remuneration of board members, members of advisory committees and the Fiscal Council, as well as statutory and non-statutory directors.

In accordance with the company's remuneration policy, the compensation of members should be reviewed annually based on market benchmarks. The amounts proposed should be approved by the General Shareholders' Meeting. Members receive fixed monthly remuneration. The independent members are eligible for long-term share-based variable remuneration. The chairman of the body and members participating in the advisory committees are entitled to an additional monthly payment.

The statutory directors receive fixed monthly remuneration, variable remuneration consisting of a bonus (short-term incentive) and a restricted share plan. The bonus program covers statutory and non-statutory directors and an eligible group of leaders. It is geared to financial, commercial, operational, quality and area performance targets, including student enrollments, retention, institutional assessment, student and customer satisfaction (NPS) and the performance of the HEIs in the Enade national student performance exam (Exame Nacional de Desempenho de Estudantes).

In accordance with the *Cogna Commitments for a Better World*, our next step is to incorporate ESG indicators

into the set of targets linked to remuneration, aimed at further strengthening our leaders' commitment to the advance of this agenda (*see all the ESG targets [here](#)*).

In 2021, we also launched the *Cogna Partners Program*, aimed at high performing and high impact executives, whose focus and strategy are aligned with value generation for shareholders. The selection of participants in the long-term incentive program, which is related to significant growth targets for the coming years, is oriented to valuing inspirational leadership, with life-changing deliveries for our students and cus-

tomers and the capacity to drive our results beyond models and projections.

Fixed remuneration represented 77% of the amounts received by board members and 19% of the amounts received by statutory directors. In the case of the board members, the variable portion corresponds to the restricted stock plan, since they are not eligible for the company's Variable Remuneration Plan. Remuneration for work on the committees and the Fiscal Council is 100% fixed.



ETHICS, TRANSPARENCY AND COMPLIANCE

GRI 102-16, 103-2, 103-3

Cogna is committed to the highest standards of ethical conduct and transparency. Our main document is the Code of Conduct, which sets forth the guidelines and principles that should orientate our conduct in different contexts and our interactions with diverse stakeholder groups. We concluded the updating of the code, which will be released in 2022. In it we have made the Cogna positioning and guidance in relation to socioenvironmental topics and our commitment to our people even more explicit. The code encompasses human rights, diversity and inclusion, health and safety, data privacy, among other questions, such as community relations, recognizing that these are part of our employees' function, in addition to relations with customers, mainly students, suppliers and shareholders.

Another advance during the year was the updating of our Corporate Anti-Corruption Policy, which is now compliant with North America anti-corruption legislation (*Foreign Corrupt Practices Act/FCPA*). The previous document only reflected the requirements of Brazilian anti-corruption legislation (law 12.846/2013). The new document also placed greater emphasis on guidance for relations with public authorities.



All projects or institutions selected for social investment undergo a social impact and compliance analysis (with background assessment). In the case of incentive laws, the projects are selected by a committee and the institutions supported are required to provide certain documents, such as declarations of politically exposed persons and declarations of prohibition of nepotism.

In 2021, 100% of our operations were submitted to assessments for risks of corruption. As in the previous year, no cases of corruption were substantiated. Neither were there any lawsuits related to anti-competitive conduct or monopolistic and trust practices.

GRI 205-1, 205-3, 206-1

TRAINING AND AWARENESS GRI 205-2

The Code of Conduct and Corporate Anti-Corruption Policy are available on the Cogna, Kroton, SOMOS, Platos, and Saber institutional websites and on the internal corporate portal. Employees undertake mandatory training on the code and on Corporate University policy as soon as they join the company. In 2021, 100% of company employees received communications on anti-corruption practices, and 5% of the work force completed training on the Anti-Corruption policy (1,181 people). A total of 1,430 people were trained in the Code of Conduct. It should be noted that service providers must adhere formally to these documents.

On a monthly basis, all employees receive the Compliance Newsletter, which presents the main updates in the Compliance structure, comprising the Compliance, Risk, Data Privacy, Internal Controls and Internal Audit areas. The subjects addressed in the 2021 editions included psychological and sexual harassment, bullying, discrimination, anti-corruption practices, conflicts of interest and relations with government bodies. The publications also emphasized the importance of the Cogna Confidential Channel and explained the circumstances in which it should be used. The channel was also the object of specific courses and workshops conducted by the Compliance area.



The Code of Conduct and the Anti-Corruption policy may be accessed in the Corporate Governance section of the [website](#).

JUSTICE FRIENDLY COMPANY (EMPRESA AMIGA DA JUSTIÇA)



Cogna was certified as a Justice Friendly Company, by the São Paulo State Court because of its adherence to the court's initiative to stimulate the resolution of conflicts by means of administrative agreements and solutions, reducing the resolution of cases in the court room.

Justice Friendly Companies are considered to be ones committed to institutional policies that improve communication with their clients, develop service channels to address divergences and participate on platforms that favor the administrative resolution of conflicts, among other measures.

We are the first company in the education segment to receive this certification. As one of the main education groups in the world, serving more than 2 million students in Brazil, from primary to higher education, the adoption of best practices in customer relations is highly important.

The Cogna Legal Department was also awarded the Best Legal Department in Education Companies prize in the Finance & Law Summit and Awards (Fila-sa). The award is organized by the *Leaders League*, a French publisher that assesses and produces reports and research in the legal and finance areas.

ADAPTATION TO THE SARBANES-OXLEY ACT

With Vasta's debut on the Nasdaq exchange in 2020, we initiated a wide-ranging review of our internal controls to ensure compliance with the Sarbanes-Oxley Act (SOx), which applies to all companies with shares listed on the US stock exchanges. The SOx is aimed at ensuring the transparency and accuracy of the financial information disclosed by organizations, preventing and combating fraudulent practices.

A specific team was set up to review all processes, map the gaps and implement action plans and additional control measures. More than 600 controls were updated by the end of 2021 and came under the scope of continuous monitoring, which includes conducting periodic tests and implementing measures aimed at driving continuous improvement in procedures.

COGNA CONFIDENTIAL CHANNEL GRI 102-17

The Confidential Channel is open to employees, students, customers, suppliers and other stakeholders who want to report any breaches of the Code of Conduct and Cogna corporate policies. It is also used to register violations of any laws, with full guarantee of anonymity and non-retaliation.

The information documented in this channel is stored by a specialized independent company to avoid conflicts of interest and guarantee confidentiality. After initial processing, the reports are forwarded to the Compliance area for investigation and the evaluation of any applicable measures. The investigation may be communicated to senior management and request support from other areas of the company. Confirmed violations generate corrective actions, determined by a group of executives from the pertinent areas.

The Compliance area reports cases to the Audit and Risk Committee, linked with the Board of Directors, on a quarterly basis. In 2021, 369 reports were recorded, of which 80% were pertinent to the scope of the channel. There was a 2,360% increase in reports compared with 2020, a direct reflex of the intensification of awareness measures taken with the internal audience, the purpose of which was to clarify major doubts about the Confidential Channel.



**Cogna
Confidential
Channel: further
information on
the [website](#).**

DATA SECURITY AND INFRASTRUCTURE

GRI 103-2, 103-3 • SASB SV-ED 230a1, 230a.2, 230a.3

With the growing digitalization of our businesses, it is indispensable to have robust structures that guarantee the security of our information technology environments and compliance with Brazil's Personal Data Protection Law or LGPD (Lei Geral de Proteção de Dados Pessoais), in force since September 2020.

All of our practices are based on recognized international standards, such as ISO 27001 (information security management) and NIST CSF (the cybersecurity framework of the National Institute of Standards and Technology), and follow the guidelines in our related corporate policies, such as Data Protection and Privacy, Information Security and Security Incidents.

To ensure compliance with legislation, employees receive training in information security, encompassing the main points of data privacy in the Corporate University.



In 2021, in continuation of the Information Security Steering Plan, established in 2019 and with actions programmed up until 2023, we set up the Data Privacy management area, which reports to the Compliance structure. We also nominated a Data Protection Officer (DPO), responsible for the data protection strategy and governance structure in the company and for accountability to the federal government data protection authority ANPD (Autoridade Nacional de Proteção de Dados). During the year, there were no incidents of data loss or complaints to the ANPD. **GRI 418-1**

The newly created Data Privacy area works in conjunction with the Legal and Information Security management areas, led by a Chief Information Security Officer (CISO), and is subdivided into five areas: Cyber Security, Information Security Architecture, Information Security Governance, Access Control and Security Apps.

RISK MANAGEMENT

GRI 102-11, 102-15, 102-29, 102-30

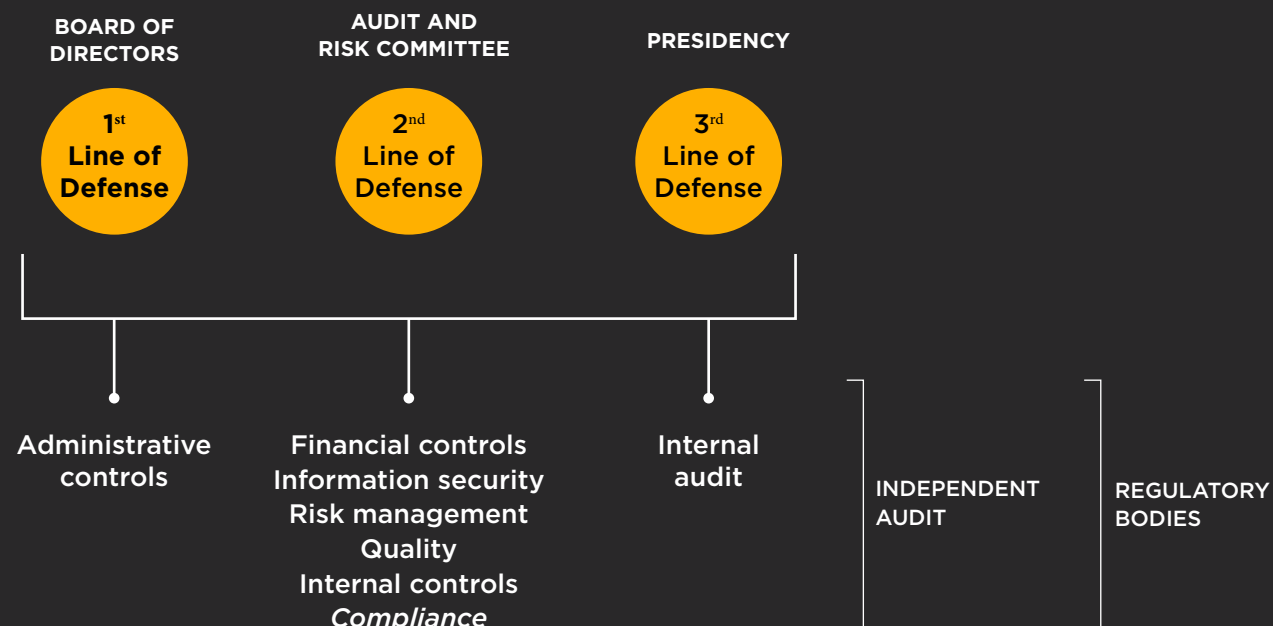
Risk management in the company is governed by the principles of the Risk Management policy, which encompasses the concepts, approaches and general guidelines, as well as the roles and responsibilities of Cogna and its subsidiaries in the process. The methodology is aligned with market benchmarks such as COSO-ERM, issued by the *Committee of Sponsoring Organization of the Treadway Commission*, and ISO 31000/2018, related to risk management, as well as guidance from the Brazilian Institute of Corporate Governance (IBGC).

Risk management is overseen by the Compliance structure, comprising the Risk, Internal Controls and Internal Audit management areas, which are all involved in the process. In addition to the Legal area, this instance reports directly to the Audit and Risk Committee and is responsible for identifying and mitigating risks, continuously improving control mechanisms and independent internal audits.

At least once a year, the Board of Directors assesses the governance structure and the methodology adopted for risk management. The body also validates the risk map generated by the General Assessment of Risks (AGR in the Portuguese acronym), a process which occurs annually and takes into account the company's strategic planning, the analysis done by executives, the results of the external audits and external analytical reports. In 2021, Cogna started to develop specific risk maps per company. These reflect the characteristics of the subsidiary and its area of operation.

THREE LINES OF DEFENSE

Cogna adopts Three Lines of Defense methodology in its risk management process:



All risks are addressed by action plans, the results of which are reported to the Audit and Risk Committee on a quarterly basis. Depending on their importance, questions may be submitted to the Board of Directors.

From 2022, ESG-related topics will be addressed by the Board of Directors and the People and ESG Committee.

FINANCIAL AND OPERATIONAL PERFORMANCE

In yet another year reflecting the effects of the Covid-19 pandemic, Cogna's performance demonstrates the company's resilience and the opportunities its complete and diversified portfolio can generate. The results indicate the resumption of performance based on the Kroton transformation plan and focus on strategic execution, prioritizing an asset light business model.

NET REVENUE AND EBITDA

We ended the year with net revenue of R\$ 5.3 billion, with an already expected 10.5% reduction compared with the previous year. This result was offset by the advance in recurring Ebitda of R\$ 1.4 billion, growing 96.4% against the same period of the previous year. With this performance we reached the level of 25.6% recurring Ebitda margin.

RESULTS FOR THE FISCAL YEAR

In Kroton, 2021 was also marked by a major restructuring of the company's accounts receivable, which involved the optimization of its units and the portfolio of campus and distance learning courses, in a process which reduced costs with rents, payroll and other infrastructure expenditures, even in a period of increased inflation. We also improved the credit profile of paying students and delinquency; we reduced the provision for doubtful debts (PDD) and reinforced digital marketing strategy, with lower investment and no loss in commercial traction.

This process resulted in the resumption of profitability for Kroton, with an Ebitda of 28.5%, an increase of 568%, and a reduced slowdown in revenue. Student enrollment grew by 40.3% in 2021, worthy of note being digital undergraduate courses, which correspond to

76.8% of our total student base, compared with 70.2% in 4Q20. This evolution is the result of the hybridization/digitalization of higher education, a movement that was accelerated by the pandemic, but which had already been a key focus since the digital transformation initiated by Kroton in 2017.

SOMOS was affected significantly by the second wave of the Covid-19 pandemic in Brazil, between the end of 2020 and the beginning of 2021. The reflex of the increase in cases and internments and greater restrictions on mobility resulted in an unexpected evasiveness of students from partnering schools and the reuse of educational materials as a means of containing costs.

SOMOS revenue was reduced by 6.7% in the 2021 commercial cycle, which ended in the third quarter of the year. The scenario projected for 2022 indicates a resumption in growth. SOMOS concluded the commercial cycle with an Annual Contract Value (ACV) of R\$ 1 billion, corresponding to 35% growth compared with the 2021 subscription cycle (from the fourth quarter of 2020 to the third quarter of 2021). In terms of the organic result (excluding the Eleva Teaching Platform), the 2022 ACV represents a 22% increase compared with the 2021 cycle. Eleva delivered an ACV of R\$ 98 million, contributing 13 p.p. to consolidated ACV growth in 2022.

Efficiency gains in Cogna, as well as the increase in enrollments in Kroton and in sales in the national educational book program (PNLD) offset part of these impacts and resulted in an Ebitda margin increase for Cogna of 24.3%, a 132% improvement in a year. Cash generation after Capex (budget control management) was R\$ 494 million, demonstrating a healthy balance sheet.

ADVANCES IN THE YEAR

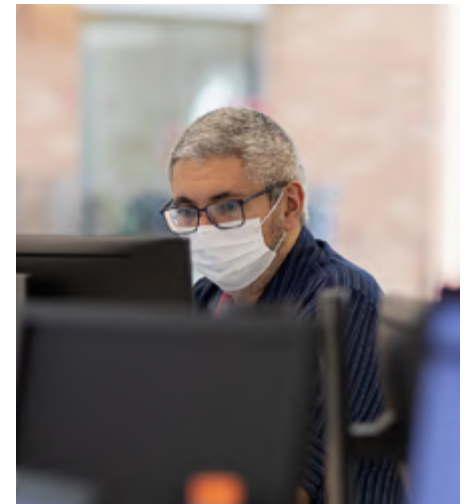
KROTON

Delinquency improved by 15.1 p.p from 2019

Ebitda Margin grew 568% compared with the previous year

SOMOS

ACV already contracted for 2022 with growth of 35%





CASH

Other strategies adopted to balance cash were the issue of Cogna debentures in the amount of R\$ 900 million, a R\$ 500 million capital injection for SOMOS and the extension of the payment term of a R\$ 220 million issue of debentures. With these operations, the company ended 4Q21 with a net debt of R\$ 7 billion, with an average term of 28 months and approximately 70% of the total due in over one year. The company's net debt reached 2.16 times Ebitda, with balanced leverage that maintains the robustness of our financial balance sheet. As a result, our Capex cash position ended the year at R\$ 490 million.

FINANCIAL HIGHLIGHTS (THOUSANDS OF R\$)

	2019	2020	2021
Net revenue	R\$ 7,027,194	R\$ 5,899,176	R\$ 5,281,955
Ebitda	R\$ 2,422,084	R\$ 4,011,822	R\$ 1,282,341
Ebitda Margin	34.5%	-68.0%	24.3%

Access the detailed financial statements [here](#).

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (R\$ thousands) GRI 201-1

	2019	2020	2021
Revenue	6,340,576	4,294,078	5,466,660
Sales of goods, products and services	7,027,194	5,899,183	5,282,731
Other revenues	224,175	32,406	729,671
Provision/reversal of doubtful debts	-910,793	-1,637,511	-545,742
Inputs acquired from third-parties	-1,092,120	-5,661,509	-1,737,357
Cost of products, goods and services sold	-479,172	-442,937	-495,034
Materials, energy, third-party services and others	-612,948	-1,092,409	-1,243,810
Impairment losses	0	-4,126,163	0
Gross value added	5,248,456	-1,367,431	3,729,303
Withholdings	-1,197,739	-1,153,001	-1,046,568
Net value added produced	4,050,717	-2,520,432	2,682,735
Value added received in transfer	346,360	290,718	322,830
Equity income	-157	5,665	1,557
Financial income	346,517	285,053	321,273
Total value added for distribution	4,397,077	-2,229,714	3,005,565
Personnel	2,303,631	2,022,679	1,859,962
Direct compensation	1,598,379	1,394,579	1,314,943
Benefits	149,402	134,850	128,903
F.G.T.S.	555,850	493,250	416,116
Taxes, duties and contributions	-14,975	-105,730	18,629
Federal	-26,538	-119,679	14,796
State	685	10,022	2,113
Municipal	10,878	3,927	1,720
Remuneration of third-party capital	1,865,833	1,659,135	1,639,959
Interest	1,179,670	958,691	968,609
Rents	572,669	590,487	565,610
Others	113,494	109,957	105,740
Remuneration of own equity	242,588	-5,805,798	-512,985
Retained profits	4,397,077	(2,229,714)	3,005,565

MACROECONOMIC CONJUNCTURE

Still marked by the consequences of the pandemic and economic instability, there was a recovery in the economy in 2021, with GDP (Gross Domestic Product) growing 4.6% over the previous year, reaching R\$ 8.7 trillion. With this performance, GDP recovered the losses from 2020, when greater restrictions on mobility led to a 3.9% decrease compared with 2019. The benchmark Selic interest rate reached 9.25%, increasing 7.2 p.p in the year.

Another factor affecting business performance and the education sector in which we operate, primary, secondary and higher education, is the increase in inflation. In 2021, the Extended Consumer Price Index (IPCA in the Portuguese acronym) was 10.06%, the highest accumulated rate since 2015, according to the Instituto Brasileiro de Geografia e Estatística (IBGE). This increase was driven mainly by Transportation, with the highest variation (21.03%), Housing (13.05%) and Food and Beverages (13.05%). In the education sector, the variation in inflation was 2.81%.

On the other hand, the reduction in the restrictions on mobility and the functioning of different economic segments led to the generation of 2.7 million formal jobs in 2021, according to the Caged Registry of Employed and Unemployed Workers. This represents the highest generation of jobs in one single year, positioning unemployment at pre-crisis levels, with a rate of 11.6% in November 2021.

CAPITAL MARKET

ORDINARY SHARES	1,876,606,210
Treasury	2,860,602
Free float	1,873,745,608

With a total capital of 1,876,606,210 ordinary shares, Cogna stock is traded on the São Paulo B3 exchange, under the ticker symbol COGN3. The shares are traded on diverse indexes, including Ibovespa, the Differentiated Corporate Governance Index (IGC), the Differentiated Tag Along Index (ITAG) and the Consumer Stock Index (ICON) in Brazil. We are also on global indexes such as MSCI Brazil, CSA and Sustainalytics (see *the list [here](#)*).

The company's shares were negotiated in 100% of the trading sessions, with a total volume of R\$ 6.2 billion traded. The average daily trading volume was R\$ 38 million. At the end of the year, Cogna's market value was R\$ 4.6 billion. Cogna shares were accompanied by 15 different local and international research brokers.



INVESTOR ASSESSMENT

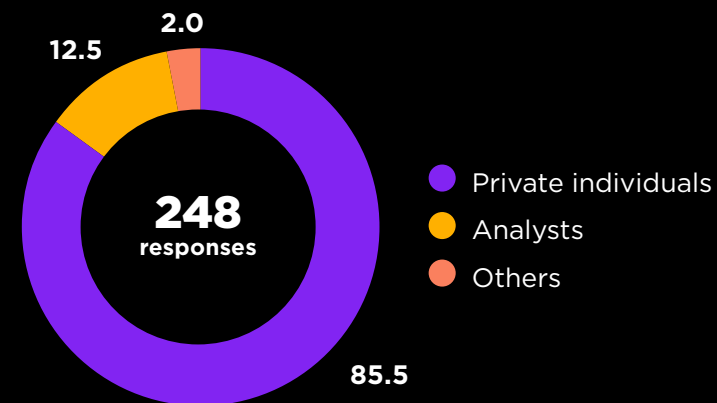
We conduct a survey to assess the company's relations with the investor market, including levels of information transparency and management exposure, among other factors. The online questionnaire was responded by almost 250 sell side/buy side analysts and individual investors, who gave ratings from zero to 10 for a number of items.

The item receiving the best rating both by analysts and individual investors was Cognia's set of ESG attributes, demonstrating recognition of our commitments to the environmental, social and governance agenda.

ESG is highlighted in investor survey.



WHO RESPONDED TO THE SURVEY (%)



IR ASSESSMENT SURVEY¹

Frequency of management exposure to the capital market	6.16
Assessment of IR website	7.09
Level of disclosure of financial information	6.76
Cognia set of environmental, social and governance (ESG) attributes	7.14
Work done by Investor Relations area	6.82
Access to Cognia IR professionals	6.82

1. Ratings from zero to 10.

44 ● Teaching quality and our solutions
44 ● Primary and secondary education
54 ● Higher education
71 ● Education for sustainability

● EDUCATION THAT CHANGES THE WORLD

TEACHING QUALITY AND OUR SOLUTIONS

PRIMARY AND SECONDARY EDUCATION

GRI 102-2, 102-6, 102-7, 103-2, 103-3

We are present at all stages of primary and secondary education with a wide-ranging portfolio of educational solutions, including teaching systems, publishing companies, complementary teaching solutions and a technological learning platform.

A benchmark in educational technology and innovation, SOMOS Educação has the mission of helping the Brazilian private school to be better, more efficient and prepared to undergo digital transformation. The company combines its experience with education systems and the production of educational materials with the offer of management services for schools, investments in science applied to education and its leading digital learning platform, Plurall. Accordingly, our value proposition integrates teaching systems whose excellence is recognized with science and technology to offer our partnering schools the best teaching-learning processes in the classroom.

We have eight teaching systems and four publishers, responsible for the educational propositions and for the educational and pa-



We ended 2021 with 5,600 partnering schools, responsible for educating 1.6 million students.

ra-educational materials for schools' different needs, which also incorporate regional characteristics. We also offer support and information that facilitates school management, including commercial management and digital marketing.

We offer PROFS, a continuing education platform for teachers, which pays special attention to those who exercise the most important role in students' learning.

OUR EDUCATIONAL SOLUTIONS

Teaching solutions

With innovative methodologies that favor science in education, our portfolio includes traditional brands such as Anglo, Ético, pH, Maxi and the Pitágoras network. We also provide an educational platform for schools that use the educational books produced by the publishers Ática, Scipione, Saraiva and Atual.

Platform and digital training

We provide a series of services that include the online study and teaching platform Plurall, the most complete technology solution for primary and secondary schools in the country. We also offer a program with the provision of computers for access to digital materials to facilitate the digital inclusion of students (Learning Book) and a continuing education community for teachers (PROFS).

Complementary solutions

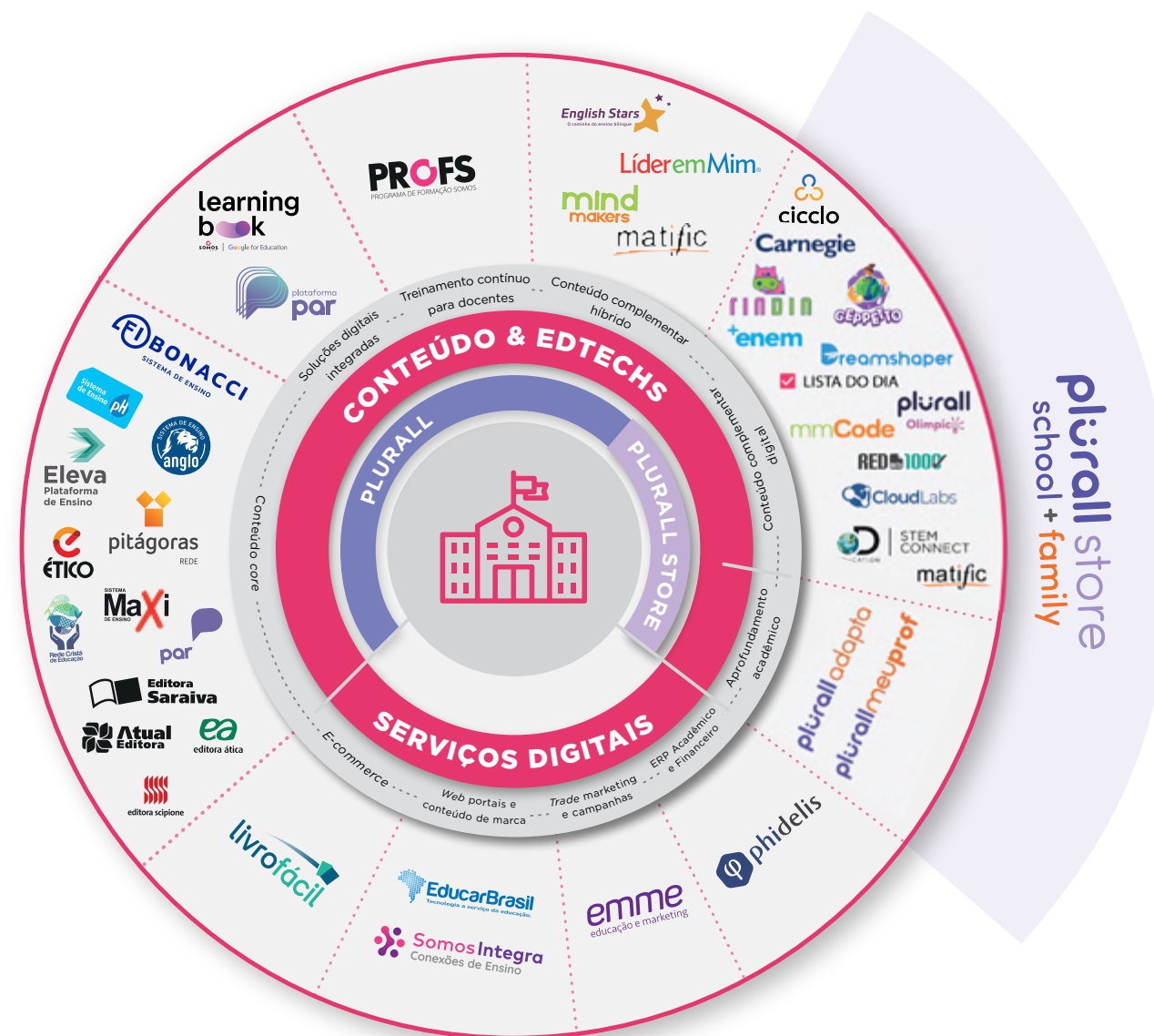
Additional contents enhance the educational offer in the schools and expand the student's experience. We present tools such as English Star, the proposal of which is quality bilingual education that promotes the development of competencies for the 21st century, and Mind Makers, our Educational Publisher, that stimulates computational thinking, employed in more than 100 partnering schools in 19 Brazilian states.

E-commerce

We offer all the material on school material lists in a single environment, Livro Fácil. This platform facilitates the practical and secure sale of educational material.

PAR

An educational platform for the schools that use the books from the publishers Ática, Scipione, Saraiva and Atual.





DIGITAL TRANSFORMATION IN THE SCHOOLS

Plurall is a practical, organized online study and teaching environment accessible by cell phone, tablet or desktop computer for students, teachers, guardians and coordinators. The platform is part of the package of resources that all partnering schools have access to, with customizable areas depending on the teaching system contracted and the needs of each institution.

Use of the platform grew exponentially in the pandemic as a tool for remote classes given live with support from the SOMOS team. More than 22 million live classes have been given since the beginning of the pandemic. In terms of student volume, Plurall serves 21% of the students in private primary and secondary education in the country, totaling 1.6 million students. Furthermore, we concentrate almost half of all the digital educational traffic in Brazil¹,

proof of excellent acceptance in the market. Our user base comprises 5,600 schools.

The process accelerated the implementation of Plurall in the schools' routines, which demonstrated the platform's benefits and potential to boost learning in the classroom. Much more than just a means of providing support for studies, Plurall enriches our teaching systems with the creation of more attractive and challenging environments, employing methodologies that enable more personalized and engaging learning. The more teachers and students use the tool, the clearer the vision its algorithms offer of the quality involved and the points that require work for better educational results – individually, by specific group or even by segment.

The adoption of Plurall as a tool in the daily routines of students and teachers should constitute a legacy from the period of the pandemic, resulting in a better balance between the traditional classes and materials used by teachers and students and the digital resources that enrich the teaching-learning process.

The platform has been acquiring increasingly important attributes in this support for schools, such as the inclusion of Redação Nota 1000, a startup acquired by SOMOS that has a network of people dedicated to evaluating writing, streamlining the analytical process and offering greater support in enhancing writing skills. Plurall also offers a bank of questions, preparatory tests, video lessons, virtual laboratories and tutors for doubts, among other resources. For the first time, we also launched services focused on the needs of the students and their families (*further information ahead*).

END OF 2021

PLURALL
5,600
schools registered

1.6
million students

22
million
live lessons since
the beginning of the
pandemic

1. Data on private primary and secondary education traffic. Source: [SimilarWeb.com](https://www.similarweb.com). Cumulative visits over time: from January to July 2021.

LEARNING BOOK

Launched in 2020, the solution connects students and teachers by means of an appropriate secure device linked with Plurall, leveraging the digital transformation of participating schools. Available for the Anglo and pH systems and the PAR educational platform, the program is certified by Google and works in partnership with Lenovo, which provides the computers for the schools or for the parents at no additional cost.

SOMOS is the first company in the world to have a joint educational certification with Google. This certification recognizes schools that are engaged in and committed to an innovative digital learning experience. At the end of 2021, 103 schools had joined the program, representing 20,000 students.



learning book

Google
for Education

Lenovo

NEW SERVICES FOR FAMILIES

The growth in use of Plurall by the school community has opened up new possibilities of more complete services and solutions for schools and families. In 2021, we launched two products aimed directly at students and teachers, SOMOS's first B2C services.

Meu Prof connects students who need tutoring with the network of teachers registered on the platform who offer this type of service. In Plurall Adapta, the focus is on adaptive teaching, where the student follows his/her learning trail and the platform identifies and suggests new contents based on the main gaps in learning.

NEUROSCIENCE FOR BETTER LEARNING

We believe that neuroscience should go hand in hand with learning, enabling education professionals to better understand the functioning of the brain and how processes such as memory and cognition function — learning windows, literacy, acquisition, the complexification of languages and operations, the development of executive functions, among others.

We have our SOMOS Science in Learning department, and we invest in research with specialized partners such as the national science for learning network Rede CpE (Rede Nacional de Ciência para a Educação) – a network of researchers of which SOMOS is the only maintainer in the education segment.

Our gateway to science in learning.

Partnerships with startups, technology giants and research groups



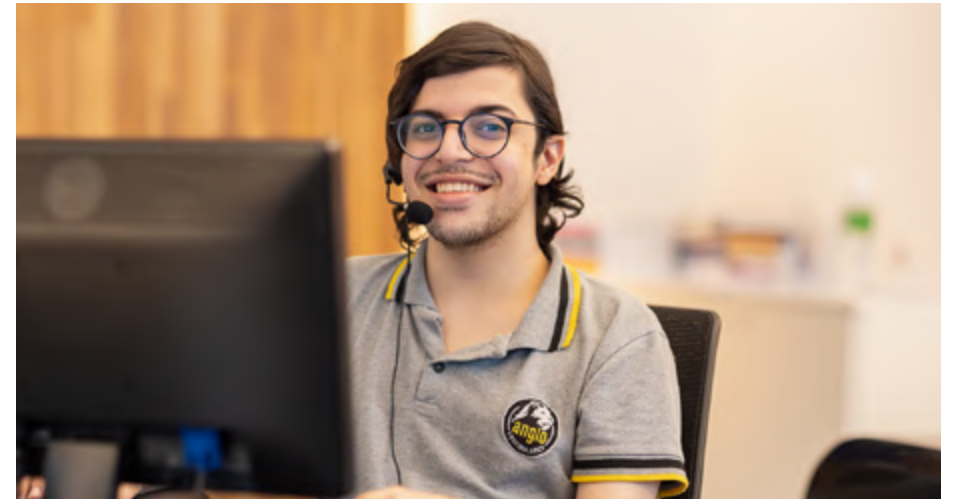
Psychomeasure



This structure helps us to generate scientific evidence, develop more efficient educational solutions that are in line with the requirements of the 21st century and that in fact contribute to the full development of the students.

In a pilot project, we are expanding our knowledge of teaching strategies that generate greater engagement and learning for students in class. Initiated in 2020, the research was broadened in 2021, with the resumption of campus classes. The number of groups and the observation period were also increased. The more than 400 students in the 7th grade of primary education and in the 1st grade of secondary education wear a headband to capture signals and stimuli in the brain during class. Twelve schools are participating in project. These are located in São Paulo (09), Paraná (1), Mato Grosso do Sul (1) and Rio Grande do Sul (1). The experiment was concluded in December and the resulting data are currently under analysis. The goals of the study include verifying whether student engagement varies between classroom and online teaching or between the morning and afternoon groups and, principally, measuring the impacts of the different educational strategies used by teachers in the classroom. Evidence obtained through this correlation will help educators in the choice of the most efficient strategies to improve the learning relationship.

The first stage of the research, conducted in 2020, generated a course for teachers in the PROFS continuing education community comprising teachers in the network of partnering schools (*further information in [PROFS Community](#)*).



COMPETENCIES THAT THE STUDENTS NEED

SOMOS offers a series of complementary teaching solutions for the integral education of the student, such as socio-emotional education, languages, leadership, computing, among others, in a catalog that includes excellent courses in Brazil and international benchmarks. The purpose is to prepare the students in the skills necessary for everyone in the 21st century.

The options include Matific, an award-winning platform that teaches mathematics through playful, gamified activities, while Mind Makers combines computational thinking, programming and robotics with creative entrepreneurship, enabling young people to draft their own path to the future. The contents are aligned with Brazil's national common school curriculum, the BNCC (Base Nacional Comum Curricular).

COMPANY-OWNED SCHOOLS

In October 2021, Cogna concluded its negotiations to transfer management of 51 company-owned schools to Eleva, in addition to the Saber contact. The educational units are located in 13 states and in the Distrito Federal and number over 31,000 students. The transaction is part of the Cogna strategy to become an asset light company, concentrating its activities and its differential in primary and secondary education in its teaching systems, complementary solutions

and technology to support schools in their teaching-learning process.

SOMOS will continue to supply the teaching systems for these units, ensuring maintenance of the quality of their educational projects. The contact signed with Eleva guarantees that SOMOS will be the official supplier of materials and teaching systems for the more than 500 schools in the group for the next ten years.

SOMOS will be the official supplier of materials and teaching systems to the Eleva schools for the next 10 years.



ACQUISITION OF THE ELEVA SYSTEM EXPANDS NETWORK GRI 102-10

At SOMOS, we work hard at being a full-service partner for the schools, providing a growing portfolio of leading brands, developed to support the entire school community.

In 2021, we acquired the Eleva teaching systems, a negotiation that opened the doors for participation in the benefits of the consolidation of the K-12 school market and is aligned with the SOMOS proposition of promoting accelerated organic growth through the acquisition of nationwide teaching systems and startups with complementary contents. The transaction made us the largest Brazilian primary and secondary education service platform, with more than 1.6 million students and over 5,600 partnering schools.

In parallel during the year, we helped to develop the Fibonacci teaching system, linked with the chain of schools with the same name founded in Minas Gerais in 2011. In ten editions of Brazil's Enem national secondary school exam (Exame Nacional do Ensino Médio), the brand has achieved important milestones, such as first place in rankings in Brazil and in Minas Gerais. Fibonacci combined a demanding, modern methodology with a qualified teaching body and expanded its university preparation activities.

Another new feature in our teaching system portfolio was the exclusive distribution agreement with the Instituto Presbiteriano Mackenzie for the supply of content for its teaching system from 2022, which represents a new growth opportunity in the segment.



PROFS COMMUNITY

Inspired by the culture of schools and educators who not only teach, but also learn, the PROFS continuing education platform for educators is available for over 120,000 teachers in the SOMOS partnering schools, as well as offering contents and courses for 245,000 public school teachers.

PROFS ensures access to online continuous improvement programs in a different environment from the usual e-learning model, based on the passive transmission of knowledge. The content is distributed via different media and formats, such as a distance learning platform, interactive activities, podcasts and e-books. A large archive of articles and materials related to school and educational activities is available in the PROFS Library for partnering schools.



With PROFS, schools can plan course trails for their teachers, effectively driving ongoing updating and education.

The courses offered include digital literacy, fake news, neuro-cognitive stimulation and active methodologies. To encourage inclusion, the platform also offers courses in Brazilian sign language, Libras, and bilingual teaching for the hearing impaired.

Over time, the platform is becoming the PROFS Community, a large social network for teachers to share experiences. Periodic events on major educational questions are also organized.

Further information at [profseducação](https://profseducação.org).

IN 2021

14,000 teachers from the private network and **26,000** from the public network participated in PROFS

40 education courses

16 online events

30 e-books, 31 videos, 4 *podcasts*, 85 articles.

more than 40,000 certifications

more than 13,000 schools

more than 290,000 content views

RED BALLOON

Linked with Cogna, Red Balloon goes beyond English teaching, integrating complementary skills and knowledge for students aged from 3 to 17 years. The chain has its own language schools and also offers solutions for private primary and secondary schools.

In 2021, the methodology was used in 115 schools, totaling 22,000 students in 14 Brazilian states.



STUDENT AND CUSTOMER SATISFACTION GRI 103-2, 103-3

We established a CX (Customer Experience) area which, from 2022, will map, integrate and enhance the entire customer journey, providing a holistic vision of all the service stages, from prospection to post-sale, empowering the customer with satisfaction surveys and indicators throughout the experience. Continuous service improvement committees, such as the customer, executive and employee committee, were also created to enable the company to capture feedback.

SOMOS EDUCAÇÃO: PROVEN QUALITY

1st place in Medicine USP (Fuvest/SISU), Unifesp and UFRJ

National leader in entry to USP: 1,487 candidates approved, of which: 100 in Medicine, 93 in Administration; 86 in Law, 246 in Engineering, 28 in Architecture, 38 in Communication and Arts;

More than 930 approved in entrance to Unesp, 99% of the disciplines;

Unicamp: 381 approved, 1 in each 3 candidates approved is from the Anglo Teaching System;

The main goal of the area will be to study all the navigability data and the needs of each user, encompassing students, teachers and/or schools to increase proximity with our customers and ensure we are prepared to provide them with full service, evolving in cross-selling and upselling products. We also want to generate experiences that are more adherent to the reality of each customer and that generate sustainable results for the company.

Another means of measuring the effectiveness of our systems is tracking the academic performance of students in partnering schools in the Enem national secondary education exam. According to data from October 2021, SOMOS partner schools obtained the best results in their municipality in the Enem in 191 cities in the country, outperforming the runner up in the index by 48%. In 372 cities, at least one school partner is among the top three in best performance in the exam.

SOMOS also places 70% more students in the University of São Paulo (USP) and Campinas State University (Unicamp) compared with the runner up in the market. These two institutions occupied respectively second and third place in the ranking of the ten best universities in Latin America in the 2021 Latin American University Ranking, according to the Times Higher Education consultancy.

4.01 is the satisfaction rating for Plurall given by teachers, coordinators and principals on the Likert scale

8 out of each 10 calls resolved. Score of 9 in customer service on the CSAT scale

ACCESS TO EDUCATION GRI 103-2, 103-3

Educational books for public schools

Brazil's National Educational Book Program (PNLD) is part of Saber, one of the Cogna business units. It encompasses more than 36 million students and 1.5 million primary and secondary education professionals nationwide.

Through the Ática, Scipione, Saraiva and Atual publishing operations, we are a benchmark in the offer of educational books, used in 113,000 schools in the country. With this expertise in public education, we are expanding relations and the offer of solutions to municipal and state education departments, to provide support for schools in access to quality technologies and contents. We want to expand our participation beyond the national educational book program market, investing in technological innovation oriented to public education and allying methodology, technology, quality content with the promotion of effective and engaging learning experiences. In partnership with SOMOS Educação, we can offer solutions adapted from the teaching systems to municipalities and states, as well as complementary solutions that promote new competencies and skills for the students.

During the pandemic, we expanded access to the digitalized versions of the national educational book program titles at the request of municipalities. More than 3 million students benefited in 2021, ensuring the continuity of their studies during remote classes.

We maintain the e-docente portal to share additional resources with teachers, such as test preparation tools, articles and videos with important educational contents and contemporary questions in education discussed by specialists.



Based on PROFS, the continuous education program for teachers in the SOMOS partnering private schools, we also offer educational content for educators and coordinators in public schools. A total of 6,182 professionals in the public education networks enrolled in courses in the PROFS portfolio. (*further information in [PROFS Community](#)*).

**REACH OF
THE NATIONAL
EDUCATIONAL
BOOK PROGRAM
more than 36
million students
more than 1.5
million primary
and secondary
education
professionals**



Disseminating knowledge

During the year we promoted 5,578 events to discuss key questions in public education. This involved the offer of more than 11,100 hours of training in topics from the Educational Support portfolio most requested by the public schools, such as: BNCC and curriculum, textual genres and literacy.

We also promoted *Dialogues in Education*, an online series with 35 editions in 2021 which were broadcast live on the e-docente YouTube channel. The content received around 150,000 views, with 21,000 professionals certified (Unopar certification).

Attentive to international discussions

In 2021, Cognia joined the Educational Publishers Forum (EPF), organized by the International Publishers Association, based in Geneva (Switzerland). The group consists of educational publishers from all over the world and is engaged in valuing and enhancing the work done by publishers of educational materials. Through the exchange of experiences, data collection and the publication of studies, the forum enables a wide-ranging vision of educational trends and their impact on content production.

For the period 2022-2023, Cognia assumed the coordination of the EPF for Latin America. This role implies greater company engagement in sector associations and active participation in international events and studies, contributing to the development of solutions for the evolution of education.

IN SOMOS

Accelerating talents

Somos Futuro, offered by the Instituto SOMOS since 2017, is a talent acceleration program for the public education network. Participants receive full secondary education study scholarships at partnering schools, as well as mentoring and career guidance for the duration of the course.

Support for social organizations

We offer educational materials for social organizations that promote studies for children and young people. And, through Anglo, we provide the Fera Social course, which enables low-income students to prepare for university entrance.

Further information about these actions in [Instituto SOMOS](https://www.instituto-somos.org.br).

HIGHER EDUCATION

GRI 102-2, 102-6, 102-7, 103-2, 103-3

Our presence in higher education is materialized through Kroton, whose purpose is to “extend to many the transformation that is currently accessible to few”. The company is one of the main educational organizations in the world, with strong, well-known brands in its portfolio and a base of 804,000 students enrolled in its more than 180 undergraduate courses.

With a value proposition that combines affordable prices, broad geographical coverage and a constantly evolving learning experience, Kroton helps a growing number of Brazilian youth and adults to enter higher education. This enables better employment opportunities, increases their level of income and boosts their quality of life, provoking a positive impact on the educational prospects of future generations.

More than 180 undergraduate courses are offered by the Kroton higher education institutions.

KROTON BRANDS



During the course of 2021, the company accelerated its transformation plan, split into three main thrusts: revitalization of Kroton Campus (campus and hybrid platform), growth of Kroton Digital (distance learning (DL) platform) and the evolution of the student experience.

The Kroton Campus and Kroton Digital strategies are interlinked. The trends towards hybridization and digitalization in higher education, intensified by the restrictions on mobility imposed by the Covid-19 pandemic, forced the company to review the portfolio of courses available per unit, with the re-adjustment of the offer of campus and digital courses. As a result, 45 of Kroton's own units (campi and DL centers) underwent alterations, corresponding to 25% of the total, including the unification of campi and the migration of some company-owned DL centers to partners, as well as the resizing of some campi. The rationalization process generated operational efficiency, with reductions in costs related to rent, running expenses, land taxes and electricity.

In parallel, Kroton invested in casting 100% of the campus courses offered in its own units via Kroton Digital and in the launch of distance learning courses that meet recent and very specific demands from the labor market, such as ones in the information technology area. In 2021, more than 40 digital courses were launched, corresponding to a 62% expansion in the distance learning portfolio compared with 2020, followed by the opening of 700 new DL centers (company owned and third-party) in the year.

KEY NUMBERS SASB SV-ED 000.A, SASB SV-ED 000.B

Launched in 2021
42 Distance Learning Courses

46%
increase in distance learning centers (company owned and managed by partners) in 2021

Total number of campi active in December 2021:
124, - 26%

Total number of distance learning centers active in December 2021:
2,517, plus 46%

Students enrolled in engineering, healthcare and law courses:
288,000, plus 8%



The effectiveness of the transformation plan is demonstrated by the numbers in 2021. Student enrollment in digital undergraduate courses grew 27% compared with 2020.

In the campus segment, the focus is on boosting the offer of some specific courses in which there has been a growth in demand after the gradual opening up of the economy and which will continue to have campus teaching as the priority format. This is the case with undergraduate courses in the healthcare (medicine, dentistry and veterinary medicine, among others), law and engineering areas.

CARE WITH STUDENTS AND EMPLOYEES

The review of the course portfolio and the changes in units generated impacts for students, the teaching faculty and other Kroton employees. To conduct this process, the company drafted a specific plan, executed by a multidisciplinary team that met on a weekly basis.

Approximately 4,500 employees, including teachers, were laid off. The process was conducted in a transparent manner with timely communications and constant dialogue between the individuals who would leave the company and the rest of the team.

The changes also impacted around 57,000 students, whose courses were transferred to other campi or migrated to distance learning. It should be noted that Kroton maintained its presence in 100% of the municipalities served previously. Communications were centralized in the Student Digital Portal, and all unit directors and teams in customer service centers received orientation on how to clarify any questions or doubts. Kroton also facilitated the transfer for students who opted to migrate to other higher education institutions outside the company's portfolio.

The direct reflex of this care is evident in the low number of law suits brought by former employees and students and former students, which did not differ significantly from 2020.

RESUMPTION OF CAMPUS CLASSES IN THE HIGHER EDUCATION INSTITUTIONS

As the Covid-19 immunization program progressed and the municipalities relaxed restrictions on movement, the higher education institutions gradually started to resume campus classes.

THE SAFETY PROTOCOL ADOPTED ON THE CAMPI INCLUDED:

- Continuous use of masks;
- Signs and markers for social distancing;
- Installation of hand sanitizer dispensers at key points in the units;
- Verification of temperature upon entry to the units;
- Communication of all suspected and confirmed cases of Covid-19 to the medical team for monitoring;
- Questionnaire and health declaration filled out before entry into unit.



Care in gradual resumption of classes during the Covid-19 pandemic.

Platos GRI 102-2, 102-6, 102-7

We operate in the *lato sensu* graduate course market exclusively via distance learning through Platos, an educational services platform that offers partnering higher education institutions an integrated value proposition. The proposition encompasses a broad portfolio of courses, a virtual learning environment (VLE), educational material, with a support system for the student, back office, payment, student monitoring, marketing and e-commerce management customized for each HEI.

To simplify the Cogna organizational structure and capture even more synergies, given that a large part of the platform's current revenue comes from the Kroton digital graduate programs, Platos was integrated into the Kroton operation in the second half of 2021, making it a business unit of the company. In addition to the Kroton brands, Platos has active contracts with another three HEIs and is also engaged in prospecting new customers.


PLATOS

Enhancing the student experience and boosting their engagement in the course was one of the pillars of the Kroton transformation plan.

56

active
students

51.2

students
graduated in 2021

218

distance learning
graduate courses
offered**STUDENT AND CUSTOMER SATISFACTION GRI 103-2, 103-3**

The third pillar of the Kroton transformation plan is aimed at enhancing the students' transversal experience of the campus, hybrid and distance learning models, including their academic, customer service and financial experience with all the brands in the portfolio.

In the student's learning journey, the company is consolidating what it has called a new academic model, a set of strategies that enhances the experience and boosts the student's engagement in the course. One of these is the hybridization of campus courses, with a course load distributed between 60% lessons in the classroom and 40% remote learning – the latter cover contents that may be offered in distance format without jeopardizing learning, avoiding the need for the student to go on campus at predetermined times.

Another example is the ongoing student performance assessment process, which combines formal evaluations with other complementary activities conducted during the course of the semester, incorporating other aspects of the students' education into the grades they need to pass in a subject.

In the customer service area, examples are the Student Digital Portal, with a high degree of adhesion, and the Digital Secretary, which currently provides more than 18 self-service features. In the finance area, the Digital Finance platform is being implemented. This has a new, more modern IT system that centralizes financial data, simplifies processes and reduces the number of setbacks, such as unwarranted charges.

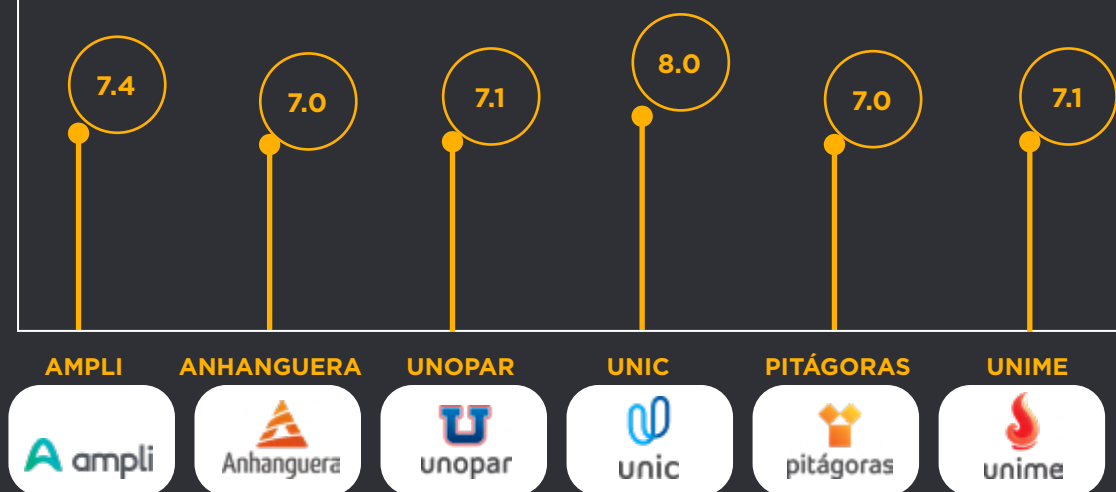
These initiatives directly impact student satisfaction, which is measured using Net Promoter Score (NPS) methodology (see the following chart). We also measure student satisfaction by means of assessments made on the Reclame Aqui portal. From June to November 2021, Kroton's reputation achieved a score of 7.1, on a scale from 0 to 10. This was the highest rating in the ranking, which included another four players in the sector.

VARIATION IN NPS - 2021 X 2020 (in pps)

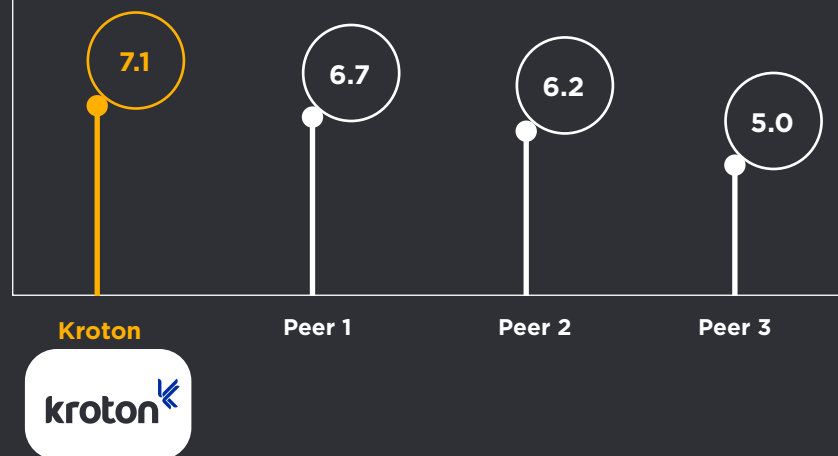
	CAMPUS FORMAT	DISTANCE FORMAT
Academic NPS	8	4
Customer Service NPS	15	19
Financial NPS	9	31
Overall NPS	9	12

EVALUATION OF KROTON AND BRANDS ON THE RECLAME AQUI PORTAL¹

KROTON BRANDS



HIGHER EDUCATION COMPANIES



1. Refers to the period from June to November 2021.

DIFFERENTIATED DIGITAL EXPERIENCE

To stay abreast of digitalization in education, since 2020 Kroton has conducted a project to update its entire IT systems architecture, with the implementation of latest generation, lighter and more flexible systems. The project is aimed at offering all students – enrolled in 100% online, campus or semi campus courses –, a differentiated digital experience, including the induction, academic, administrative and financial components, prioritizing the mobile first concept.

The project is a Cogna priority and should extend to 2023. For 2022, the investments scheduled are around R\$ 40 million.



QUALITY OF TEACHING

GRI 103-2, 103-3

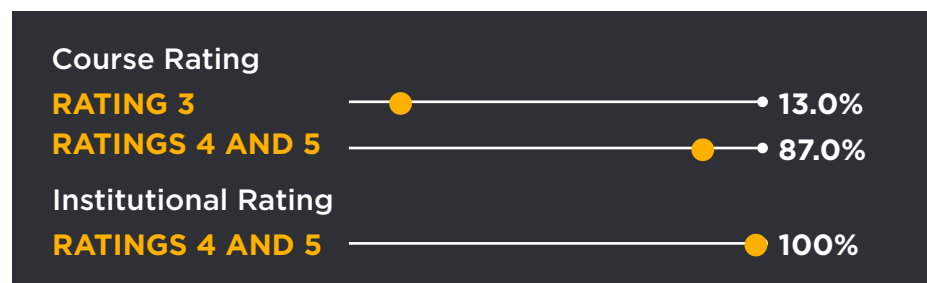
Teaching quality is a priority for Kroton. We focus on guaranteeing the regularity of the HEIs in our portfolio and our undergraduate, graduate, campus and DL courses, in alignment with legislation, and on providing all the resources necessary for the satisfactory

education of the student. In addition to our internal monitoring to measure the quality of the teaching we offer and the level of engagement and learning of our students (*further information ahead*), we are evaluated by the Ministry of Education via the National Higher Education Evaluation System Sinaes (Sistema Nacional de Avaliação da Educação Superior).

Kroton continues to invest heavily in IT with R\$ 40 million earmarked for the area in 2022.

COURSE RATING (CC) AND INSTITUTIONAL RATING (CI)

The first one assesses the courses, on a scale from 1 to 5, covering the educational plan, teaching body and infrastructure. The second assesses the teaching institutions based on their planning and institutional development, academic and management policies.



Due to the pandemic, in 2021 one institutional rating (CI) and 23 course ratings (CC) were disclosed. Source: **E-MEC**. Accessed: January 10, 2022. Filter: Kroton HEIs and active courses.

2021: 100% of our courses and HEIs were evaluated as satisfactory (rating 3 and above)

ENADE NATIONAL STUDENT PERFORMANCE EXAM (EXAME NACIONAL DO DESEMPENHO DOS ESTUDANTES)

The student evaluation is applied to students in the last year of undergraduate courses by Inep (Instituto Nacional de Estudos e Pesquisas Educacionais Anísio Teixeira). The last evaluation cycle with indicators disclosed is for 2019, due to the pandemic.

2019 Enade: 41.2% of our courses have a rating of 3 and above.



INDICATOR OF DIFFERENCE BETWEEN OBSERVED AND EXPECTED PERFORMANCE (IDD)

The Enade measures the students' overall knowledge, not taking into account each individual's progress in their academic work. This is why the Ministry of Education created the IDD (Indicator of Difference between Observed and Expected Performance), an indicator that presents the difference between the Enem and Enade scores. This enables measurement of how much higher education has added to the student's knowledge.

Considering the student profile of each teaching institution, we believe that this indicator is more accurate in showing how much value our activities have generated for the student, helping to measure the transformation we have caused in their life. The last results disclosed by the ministry are from 2019.

**2019 IDD:
62% of our course
have satisfactory
performance.**

PRELIMINARY COURSE RATING (CPC)¹

Indicator calculated based on Enade, IDD and data on the teaching body, infrastructure and student perception of their education at the end of the undergraduate course.

2019: 80.1% of our courses have a satisfactory CPC rating (3 and above).

GENERAL COURSE INDICATOR (IGC)¹

Indicator calculated for the teaching institution considering the average ratings of its undergraduate (CPC) and graduate (Capes) courses, weighted by the number of enrollments in the year

2019: 92.3% of our HEIs classified with a satisfactory IGC (rating 3 and above).

1. The most recent data is from 2019.

AVALIAR (EVALUATE) SYSTEM

All Kroton institutions undertake self-evaluation, as established by law 1.0861/2004 (Sinaes). The evaluation, comprising Kroton's own indicators obtained from the annual application of an online survey with the academic community (students, teaching faculty, course coordinators and technical/administrative employees) is the main survey with this objective.

To guarantee that the research provides a true portrait of the reality of our HEIs and courses, we have a target of ensuring the participation of 70% of the students, 100% of course coordinators and 90% of the other participants.

All the Kroton higher education institutions have their own Evaluation Committee (CPA), comprising representatives of the students, the technical-administrative team, coordination and a member of civil society. It is the responsibility of the committees to engage the academic community in Avaliar, monitor the execution of institutional development plans and forward information requested by Inep.



The research is applied annually to the academic community (students, teaching faculty, course coordinators and technical-administrative area employees).

THE INDICATORS ARE CALCULATED ON A SCALE FROM 0 TO 5 AND THERE ARE INDEXES TO MEASURE THE QUALITY OF EACH DIMENSION EVALUATED

CAMPUS:

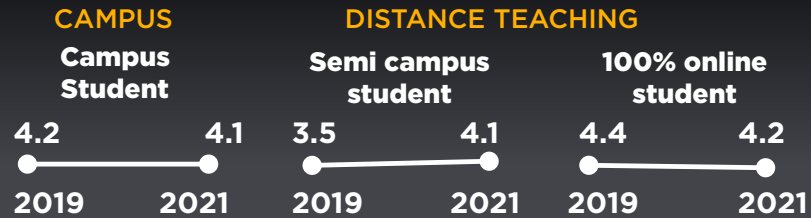
- Infrastructure Quality Index (IQF): evaluates the virtual environment, library, employability platform, classrooms and accessibility resources;
- Course Quality Index (IQC): evaluates didactic-educational organization, the classroom performance of the teacher and the performance of the course coordinator; and
- Institution Quality Index (IQI): evaluates the Transformation of the Students' Future indicator, customer service for the students and the mean IQC and IQF of the unit.

Distance Teaching:

- Infrastructure Quality Index (IQF): evaluates the virtual environment, library, employability platform, classrooms and accessibility resources;
- Course Quality Index (IQC): evaluates didactic-educational organization, the performance of the remote teacher and the performance of the remote course coordinator;
- Institution Quality Index (IQI): evaluates the Transformation of the Students' Future indicator, customer service for the students and the mean IQC and IQF of the unit.

KROTON CAMPUS

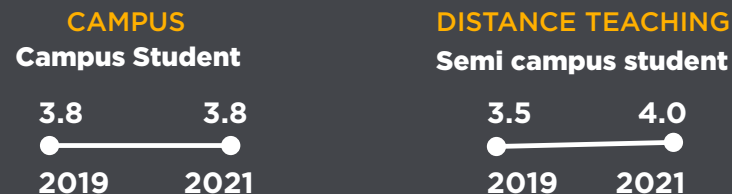
COURSE QUALITY INDEX - IQC



INFRASTRUCTURE QUALITY INDEX - IQF

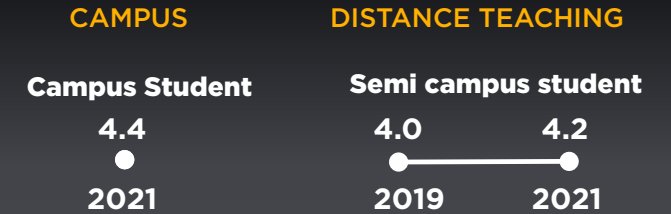


INSTITUTION QUALITY INDEX - IQI

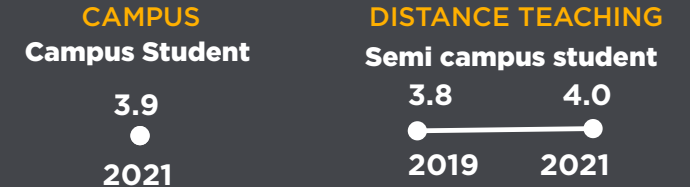


KROTON DIGITAL

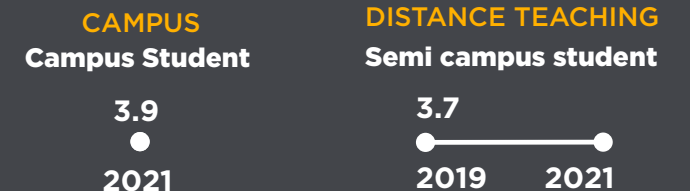
COURSE QUALITY INDEX - IQC*



INFRASTRUCTURE QUALITY INDEX - IQF*



INSTITUTION QUALITY INDEX - IQI**



*In 2019, there was no campus operation in Digital.

One of the Avaliar indicators is called Transformation of the Students' Future, which seeks to measure the students' and employees' perception of their practices in the teaching institutions. The attributes evaluated comprehend the promotion of actions and innovations that contribute to and expand the world view of the students; stimulus to develop projects and participate in activities that transform life and the local reality; as well as valuing people, their differences and achieving their professional goals. The scores of this indicator are calculated on a scale from 0 to 5. In 2021, this indicator demonstrated high quality levels related to the positive impact we generate in people's lives.



Kroton average in AVALIAR for each audience – TRANSFORMATION OF THE STUDENTS' FUTURE INDICATOR

KROTON CAMPUS

Campus Teaching:

- Students: **3.6**
- Teachers: **4.3**
- Course coordinators: **4.7**
- Technical-administrative employees: **4.4**

Distance Learning:

- Students (semi campus): **3.9**
- Students (100% online): **4.1**
- Teachers: **4.0**
- Course coordinators: **3.5**
- Distance tutors: **4.2**

KROTON DIGITAL

Campus Teaching:

- Students: **3.7**
- Teachers: **4.2**
- Course coordinators: **4.5**
- Technical-administrative employees: **4.4**

Distance Learning:

- Students (semi campus): **3.9**
- Course coordinators: **3.5**
- Teachers: **4.0**
- Distance tutors: **4.2**

Source: 2021 AVALIAR Report.

Another indicator measured is accessibility resources, which is aimed at measuring our students' perceptions of the resources available in the institutions since we seek to prioritize quality teaching accessible to everyone. The indicators that measure the teaching spaces (Teams and VLE), video with Libras sign language window and the virtual library archive were prioritized.



Kroton average in AVALIAR for each audience – RESOURCE ACCESSIBILITY INDICATOR

Campus Teaching:

- Students: **3.6**

Distance Learning:

- Students (semi campus): **3.9**
- Students (100% online): **4.2**

Campus Teaching:

- Students: **3.6**

Distance Learning:

- Students (semi campus): **3.9**

Source: 2021 AVALIAR Report.

PROFILE OF OUR STUDENTS

KROTON CAMPUS

DISTANCE LEARNING SEMI CAMPUS STUDENT

- **91% of the students** mostly did their secondary education in **public schools**;
- Only **17% do not work** and **77%** are the ones mainly responsible for paying the monthly **fees**;
- The **personal income** of **62%** of the students is up to **two minimum salaries** and the **family income** of **79%** of them is up to four **salaries**; and
- **72% of the students** had a **decrease in** their **personal income** during the Covid-19 pandemic.

100% ONLINE DISTANCE LEARNING STUDENT

- **91% of the students** mostly did their secondary education in **public schools**;
- Only **15% do not work** and **79%** are the ones mainly responsible for paying the monthly **fees**;
- The **personal income** of **60%** of the students is up to **two minimum salaries** and the **family income** of **76%** of them is up to four **salaries**; and
- **60% of the students** had a **decrease in** their **personal income** during the Covid-19 pandemic.

CAMPUS STUDENT

- **86% of the students** mostly did their secondary education in **public schools**;
- Only **26% do not work** and **55%** are the ones mainly responsible for paying the monthly **fees**;
- The **personal income** of **57%** of the students is up to **two minimum salaries** and the **family income** of **76%** of them is up to four **salaries**; and
- **76% of the students** had a **decrease in** their **personal income** during the Covid-19 pandemic.

KROTON DIGITAL

DISTANCE LEARNING SEMI CAMPUS STUDENT

- **94% of the students** mostly did their secondary education in **public schools**;
- Only **19% do not work** and **73%** are the ones mainly **responsible** for paying the monthly **fees**;
- The **personal income** of **68%** of the students is **up to two minimum salaries** and the **family income** of **86%** of them is up to **four salaries**; and
- **69% of the students** had a **decrease in** their **personal income** during the Covid-19 pandemic.

CAMPUS STUDENT

- Only **19% do not work** and **71%** are the ones mainly **responsible** for paying the monthly **fees**;
- The **personal income** of **52%** of the students is **up to two minimum salaries** and the **family income** of **86%** of them is **up to four salaries**; and
- **76% of the students** had a **decrease in** their **personal income** during the Covid 19 pandemic.

SCIENTIFIC PRODUCTION

The scientific production of our higher education institutions contributes to science, technology and innovation in Brazil. Kroton has 16 master's and nine doctoral *stricto sensu* graduate and postgraduate level courses, with more than 2,254 masters' and doctoral degrees granted.

178 books

and chapters between 2017 and 2021: **45 in 2021 alone**

32 patents

(26 Brazilian and 6 international)

8 scientific

journals maintained by Kroton

516 projects

under development (universities, university centers and faculties):

- **166** in Research
- **350** in Scientific Initiation

2,125 undergraduate

students:

- **915** campus students
- **1,210** distance learning students

2,690 scientific

articles (Brazilian and international) between 2017 and 2021

371 in 2021 alone

All the journals are classified in Qualis/Capes and indexed in national and international data bases.

Articles by researchers in diverse institutions in Brazil

Conclusion papers, monographs, dissertations and theses available for consultation in the Kroton Repository.

FURTHER INFORMATION

[Scientific initiation programs - campus and DL](#)
[Scientific journal portal](#)
[Repository](#)
[Stricto Sensu Programs](#)
[Events Portal](#)

ACCESS TO EDUCATION GRI 103-2, 103-3

Our wide-reaching geographical coverage and affordable prices ensure that the company accomplishes what is established in its purpose: to enable access to higher education for more and more Brazilians. Ampli, based on the mobile first format for specialization and development distance learning courses, announced a partnership with TIM – which will multiply the solutions available for people seeking professional education and qualification (*further information ahead*).

In 2021, the HEIs in the Kroton portfolio reached 1,893 municipalities, covering all the states in Brazil, counting the campi and the distance learning centers. In 543 cities, Kroton was the only teaching institution present. In great part, this is due to the so-called light Distance Learning centers, located in smaller cities (the traditional centers are installed in medium to large sized cities). They enable the young people and adults in these small municipalities, who often would otherwise be unable to travel to seek study opportunities in larger cities, to take a higher education course.

Regarding financial access, the expansion in the offer of 100% digital teaching makes Kroton's prices even more attractive. This is because the infrastructure necessary is reduced and there is no need to contract the teaching body locally, which directly impacts the amount students are charged.



We reached
1,893
cities all
over Brazil

In **543**
of these municipalities,
we are the only HEI
present

STOODI

We also drive access to higher education for more Brazilians by means of Stoodi, another startup in the Cogna innovation ecosystem:



- A 100% online course that prepares students for Brazil's Enem National Secondary Education Exam (Exame Nacional do Ensino Médio) and other university entry exams. In 2021, more than 1.8 million people were impacted by the platform.
- The plans are affordable and offer thousands of video lessons and exercises, correction of compositions and a personalized study schedule.
- In the more premium packages, there are study clinics with monitors and simulations with performance reports, among other solutions.
- With *Stoodi de Portas Abertas (Open Door Stoodi)*, students have free access to the platform's video classes and exercises. Since the launch, more than 3 million students have been impacted.

IMPACT

More than
1.8 million
people impacted
by Stoodi in 2021

More than
3 million
benefited
by Stoodi
Portas Abertas since
its launch

WITH AMPLI, IT IS POSSIBLE TO STUDY FROM ANYWHERE

Another example of innovation at the service of democratizing access to higher education is Ampli, which offers Kroton distance learning courses in mobile first format. With the popularization of smartphones, we have managed to attract and educate students who would otherwise be unable to take a distance learning course in the traditional format.



Edtech was created by Kroton in 2020 and in 2021 took a decisive step towards expanding the offer of undergraduate, graduate and open courses all over Brazil by forming a partnership with the operator TIM. The telephony company started commercializing this educational solution to its customers, a base of more than 50 million users who could become potential Kroton customers.

The Ampli application is light and does not overload the cellular telephone's memory. For TIM customers, it does not consume the internet data package, thus eliminating barriers to online courses for low-income students. The student can watch video lessons and do exercises offline and send them in for assessment when they connect to the internet. The lesson format is aligned with the characteristics of the mobile journey: it contains content pills on average ten minutes long. New features are added to the application periodically to ensure student engagement.

In the third quarter of 2021 alone, the first after the beginning of the partnership, Ampli corresponded to 8 p.p. of the growth in enrollment of students in Kroton's digital segment. From July to November, the average growth rate was 23% a month, demonstrating the platform's potential and acceptance of this format by students. With authorization from the Ministry of Education (MEC), students may join the courses at any time of the year and conclude them in a shorter time, from 18 to 36 months. Ampli has 400 open courses and 200 undergraduate and graduate courses.

Kroton will offer digital Youth and Adult Education (EJA)

Kroton will initiate its first 100% digital Youth and Adult Education or EJA (Educação de Jovens e Adultos) in 2022, after receiving authorization from the São Paulo state Education Council (CEE) and the Santo André Regional Education Board, granted at the beginning of 2022.

The course will be conducted online, but in this first offering the student will have to take an on-campus test at the support center in the Centro Universitário Anhanguera Pitágoras Ampli, located in Santo André. The first groups will have 60 places for the final years of primary education and 60 for secondary education.

Since this format involves primary and secondary education, the state has regulatory responsibility. Accordingly, the format will only be offered in other states after the requirements of each one have been met.

This digital format is aimed at providing an education that overcomes barriers such as time and distance to enable more people to conclude primary and secondary education and develop as citizens. According to the IMDS, Instituto Mobilidade e Desenvolvimento Social (Social Mobility and Development Institute), 58% of the Brazilian population interrupted their studies without concluding secondary education, replicating the schooling of their parents and representing a significant social cost for the country.

**100% DIGITAL YOUTH
AND ADULT EDUCATION**

120

**places for the
final years
of primary and
secondary education**

**The digital format
overcomes barriers such
as time and distance**

58%

**of Brazilians interrupted
their studies without
concluding secondary
education***

*Source:
Instituto Mobilidade
e Desenvolvimento
Social (IMDS).



EMPLOYABILITY AND ENTERPRISE GRI 103-2, 103-3

As made explicit in our Employability and Accompaniment of Leavers policy, we are committed to providing support for our students and former students in finding the best professional placement in their area of study, either as the employee of an organization or running their own business. The success of our students and former students represents the success of our business model, impacting the reputation of our brand and our financial results, since this is directly linked with our delinquency and evasion rates.

Our commitment to employability, however, goes even further, thanks to the Conecta Channel. This is a portal in which our students and former students have access to job vacancies all over Brazil, posted by partnering companies. The channel algorithms cross reference the vacancies posted with the best qualified students, initiating the selection process. We also promote virtual and campus employability fairs, talks on the labor market for students and meetings between students and human resources managers, among other actions. In 2021, an unprecedented partnership with LinkedIn helped to disseminate job vacancies which were first offered to Kroton students.

Through both the Conecta Channel and our annual employability survey, we manage to have access to important and constantly updated information about the labor market, which is incorporated into our strategic decisions.

The Youth and Adult Education Platform, a recently launched disruptive initiative, also has a strong connection with the labor mar-

ket. It was built to offer students educational and professional development at different times in their life and career (*further information in [Platform](#)*).

Beyond students and former students, Cogna is mobilized to drive employability and entrepreneurship for other people by means of the social projects run by its higher education institutions in surrounding communities and in some activity fronts of the company's social arms: Instituto SOMOS, Fundação Pitágoras and Aliança Brasileira pela Educação. *Further information in [Social Impact](#)*.

SOME CONECTA CHANNEL PARTNERING COMPANIES



In addition to the **Conecta Channel**, an exclusive job placement portal for students and former students, Kroton formed an unprecedented partnership with LinkedIn in 2021.



CONECTA CHANNEL

more than 138,400 jobs disseminated

more than 36,700 students and former students registered

more than 35,500 partnering companies, of which **1,696** joined in 2021

EDUCATION FOR SUSTAINABILITY

Believing in the transformational power of education, we also strive to impact society and the planet positively by stimulating socioenvironmental awareness and knowledge. One of the goals set forth in the *Cogna Commitments for a Better World* establishes that the company should impact 1.8 million people by 2025 through the dissemination of environmental education contents.

Our goal is to use our expertise and teaching structure to expand the awareness of our main stakeholders about the need for environmental education. This includes contents of open and graduate courses, talks and rounds of conversation. Among the measures already scheduled, we offer educational courses and trails in the Corporate University for suppliers and partners, open courses for the community in general, as well as for public school teachers and students.

In primary and secondary education, our educational materials are aligned with the guidelines of the National Curricular Parameters (PCNs) and the National Common Curricular Base (BNCC). The National Curricular Parameters consider environmental education to



More than 170 environment-related undergraduate and graduate courses.

be a cross cutting topic that should be incorporated into different disciplines. In the BNCC, one of the general competencies – Responsibility and citizenship – incorporates sustainability as one of the fronts to be worked on with students. Moreover, 100% of the materials have sustainability-related contents.

Questions such as respect for diversity and topics associated with conscious consumption are also incorporated into the SOMOS educational materials on a multidisciplinary basis.

Sustainability is also part of one of the complementary solutions in the SOMOS portfolio: STEM Connect – Discovery Education, an interdisciplinary action that proposes the resolution of real challenges for students, stimulating critical thinking, creativity and collaboration. The activities are aligned with the Sustainable Development Goals (SDGs). Furthermore, Líder em Mim (Me the Leader) develops the students' socio-emotional capabilities, broadly covering topics linked with civic awareness. Both STEM and Líder em Mim are available in the Plurall Store.

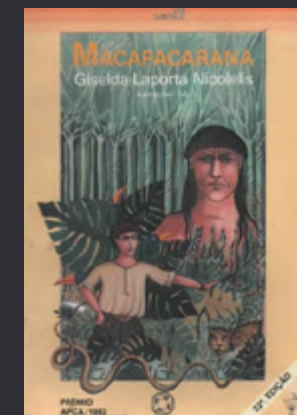
In higher education, Kroton offers more than 170 environment-related undergraduate and graduate courses, such as a degree in environmental management and an MBA in environmental assessment, verification and audit. We also have three lines of research at *stricto sensu* graduate level: environmental sciences, environment and health; and environment and regional development.

Furthermore, we seek to encourage the alignment of our HEI students' social projects with the 17 SDGs, so that they may contribute to achieving the goals (*further information in **Social Impact***).

SDGS FOR CHILDREN

Two books from our publishers were chosen for the SDG Reading Club in Portuguese, a UN initiative to encourage reading and knowledge about the Sustainable Development Goals for children aged from 6 to 12 years.

Selected from among 175 books, these were: *Macapacarana*, by Giselda Laporta Nicolelis, related to SDG 10, reducing inequality; and *Old Hat*, by the English writer Emily Gravett and translated into Portuguese, related to SDG 12, sustainable production and consumption.



- 74 • Inclusive and diverse culture
- 80 • Employee and faculty development
- 81 • Health, safety and well-being
- 84 • Social impact
- 97 • Environmental management



RELATIONSHIPS OF VALUE

INCLUSIVE AND DIVERSE CULTURE

2 021 saw the conclusion of our organizational culture transformation project, initiated in 2020, which included the review of our purpose, vision, values and priorities to ensure alignment with the company's current strategy (*further information in Strategy*). The process was overseen by the executive board and the People and ESG Committee and approved by the Board of Directors. **GRI 102-26**

This change took into account the definition of the behaviors that should be adopted by employees, since they are the ones responsible for transforming our business plans into reality.

As major allies in the dissemination and consolidation of the organizational culture, company leaders were the first to become officially acquainted with the company's new culture during its annual leaders' meeting – the Cogna Summit. After the launch, the People, Culture and Innovation area started to implement the other actions mapped to ensure the culture is incorporated and experienced by everyone and reflects positively on business results.

NEW CULTURE

Focus on co-creation

The process of co-creating the new Cogna culture involved

188 company employees
and a total of over
60 hours
of meetings and alignment.

NEW CULTURE BEHAVIORS

- 1 Continuous learning
- 2 Trust. Teams that build together
- 3 The collective above the individual
- 4 Owner and entrepreneurial mindset
- 5 Empathy. Always put yourself in the place of the customer
- 6 Long-term focus
- 7 Proactive mindset, agility with simplicity, excellent and sustainable deliveries

EMPLOYEE JOURNEY AND DIGITALIZATION OF THE EXPERIENCE

In addition to the culture review, in 2021 the People, Culture and Innovation area advanced in its two other work fronts: the employee journey (from joining to leaving the company) and digitalization. With the goal of delivering the best possible experience for the team, it was necessary to discover the characteristics, specificities and wishes of our employees. This is why we selected 14 personas (profiles) from the Cogna team, from higher education teachers who work on campus, through distance learning model tutors and corporate professionals, to company executives.

This mapping exercise has permitted the company to develop increasingly customized and more attractive digital products and services for employees. During the year 20 solutions were delivered, such as the diversity and inclusion strategy (*further information in [Diversity and inclusion strategy](#)*), the development program for leaders, called the Leadership Academy (*further information in [Employee and teacher development](#)*), and My Portal, which centralizes all the information essential in employees' daily routines on a single platform.

The safe return to the office project was implemented as the Covid-19 vaccination rates in the country advanced. The hybrid work format was consolidated, as was the 100% remote regime, which was offered to members of the Information Technology and

Product teams. This latter format meets a demand that was detected and is aimed at attracting and retaining Z generation (born after 1995) talents, as well as permitting the company to hire people from different parts of the country, which is not feasible in on-site work.

The detailed diversity indicators are in [Complementary Information](#).



OUR TEAM IN 2021 GRI 102-8, 401-1, 419-1

We ended 2021 with 23,354 employees, a slight increase compared with 2020, in line with the resumption in business growth, with a series of projects and products focused on enhancing the customer experience and strengthening the culture and performance pillars.

The results were seen in the increase in the hiring rate both for men and for women, and the reduction in staff turnover, which fell from 51% in 2020, to 36% in 2021. The rate was also lower than the 46% seen in 2019.

With the acquisition of the Eleva teaching system by SOMOS, and the sale of Cogna's Saber schools, part of the employees from the two brands migrated to SOMOS.

As a reflex of the adjustments undertaken in the Kroton Campus operation (on-campus higher education), with changes in 25% of the units (*further information in **Care for students and employees***), around 4,500 employees were laid off in the year. A specific plan was developed to conduct this process. In addition to honoring all legal requirements, the plan was characterized by transparency and respect for those involved.

On a consolidated level, Cogna hired 9,309 employees in the year. The company's turnover rate was 36%, lower than the previous two years (*see the detailing in the chart in **Complementary information***).

KROTON TEACHING FACULTY SASB SV-ED 000.D

In 2021, our teaching body comprised 10,041 people (565 course coordinators, 7,861 teachers and 1,585 tutors), representing 43% of the total company work force.

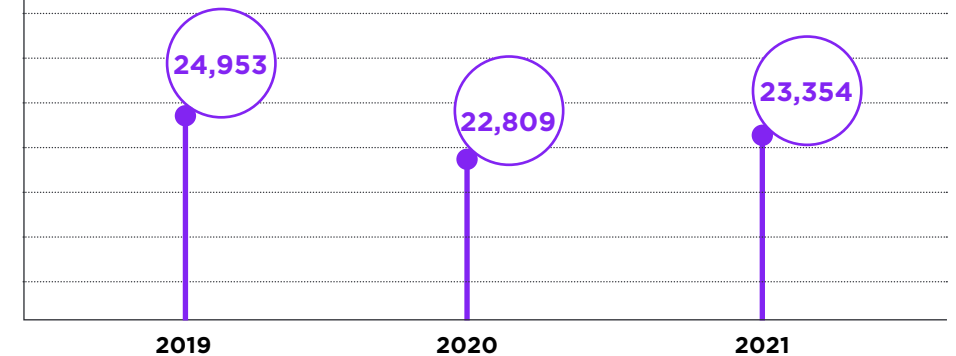
ENGAGEMENT

The effectiveness of the strategy adopted by the People, Culture and Innovation area is evident in the engagement surveys conducted with the team.

In the survey held in the second half of the year, Cogna's NPS was in the quality range, with a score of 58 points, an increase of 7% compared with the previous semester.

Also noteworthy in the year was the significant expansion in the perception of the company's social impact and sustainability. This increased employee awareness in these areas is associated with internal discussions and the dissemination of the company's *Cogna Commitments for a Better World*.

TOTAL EMPLOYEES



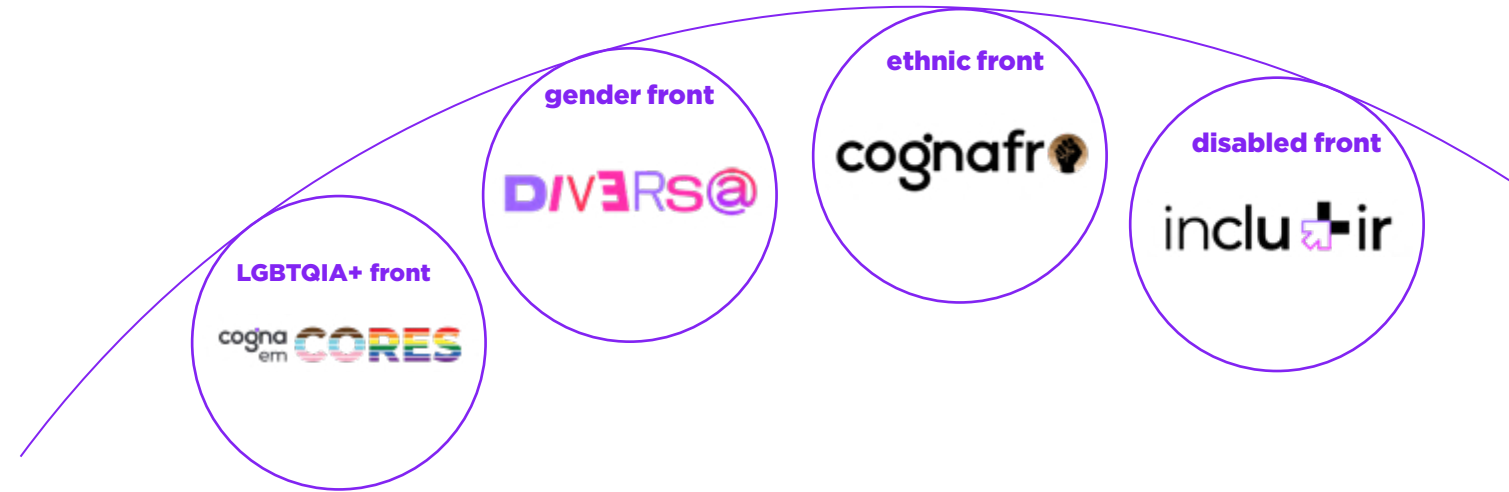
1. The indicator does not take interns, apprentices and third-parties into account. With these workers, the total number of people in 2021 was 23,978.

DIVERSITY AND INCLUSION STRATEGY GRI 103-2, 103-3

At Cogna, the drive towards diversity and inclusion gained greater traction in 2019, when we launched the #BeYourSelf movement, aimed at promoting an increasingly open and secure work environment, where people could feel they were respected for who they really are. It is this commitment, made explicit in the company's Diversity and Inclusion Policy, that shapes our strategy in this area.

In 2021, we continued to advance in the Diversity and Inclusion program launched the previous year. According to plan, we held a census with our employees to understand just how diverse we are and what the team's perception was of our work environment, an important portrait which has been supporting our initiatives. We recorded the highest ever participation in our surveys, with approximately 13,700 respondents.

We also selected four priority areas of activities (*see ahead*), set up affinity groups with volunteer employees from diverse areas of the company, who are supported by a patron and a sponsor (leaders), as well as a representative of the People team. All of the program actions are developed collaboratively with the participants in the affinity groups, who meet periodically to assess deliveries and ensure the continuity of the strategic plan.



DIVERSITY CENSUS

Participation rate

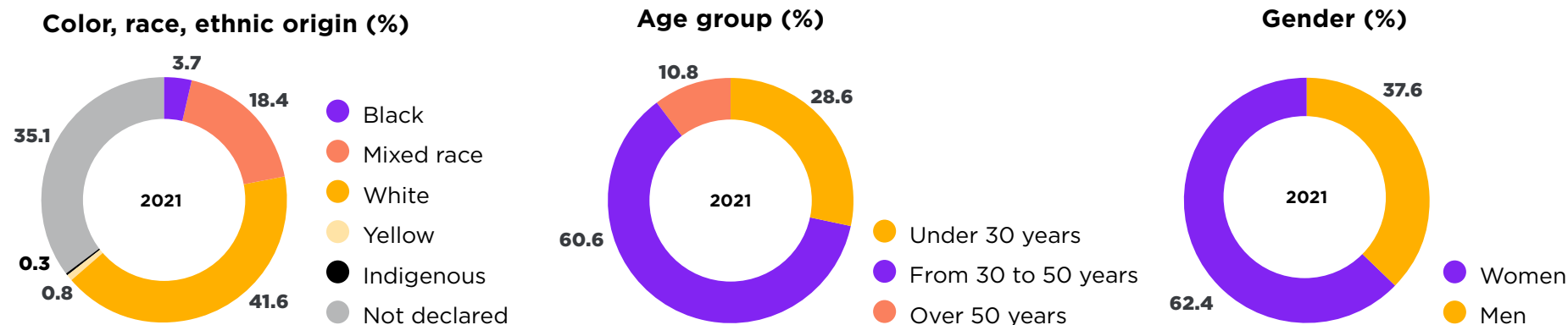
61.1%

13,681 respondents

FAVORABILITY ABOVE 90% FOR:

Respect for color and ethnic origin
Respect for sexual orientation
Respect for gender
Respect for age

2021 EMPLOYEE PROFILE GRI 405-1



CURRENT PORTRAIT GRI 102-8, 405-1

In 2021, women accounted for 62.4% of the work force. At higher levels, female representation varies from 48% among managers and 41% among directors and regional directors to 16.7% at C-level, which includes leaders who report directly to the Cogna CEO. If we take coordination and supervision level positions into account, female participation exceeds 50%. The breakdown of black and mixed race people in the headcount was 3.7% and 18.4%. These rates are based on self-declarations made by the employees. A significant part, 35%, did not declare their race, color or ethnic origin. Accordingly this information needs to be developed further.

Our ESG commitments, launched in November, establish five targets linked with diversity and inclusion. These targets should be achieved by 2025, including growth in the representativeness of women and black people in leadership positions.

FEMALE PARTICIPATION

48.8% Management	41% directors and regional directors	20% Vice presidents	16.7% C-level (directors reporting to the CEO)
----------------------------	--	-------------------------------	--

10 COMPANY COMMITMENTS TO PROMOTING LGBTI+ RIGHTS

One of the work fronts in our program is participation in business forums and civil society initiatives so that we may stay abreast of major discussions and share learning and experience.

In 2021, we formalized adhesion to the 10 Commitments to LGBTI+ Rights, an initiative by the Brazilian organization Fórum de Empresas e Direitos LGBTI+.

The detailed diversity indicators are in [Complementary Information](#).

MAIN ACTIONS IN 2021

We believe that education and dialogue are essential to achieve a more diverse and inclusive world. We continue to invest in measures to build literacy and awareness in our work force. By training our employees, we are contributing to the transformation of the whole of society because this kind of learning, in addition to impacting the way employees interact with their colleagues, students, customers and other company stakeholders, may be transmitted to others, such as friends and family members, generating a virtuous circle.

In 2021, we reinforced the Diversity and Inclusion trail in the Corporate University. This has eight courses, which were taken by 17,000 people.

To engage company leadership, we organized a talk with an external specialist for members of the Board of Directors and executives. We also encouraged executives to take the course “The Importance of Diversity” — by December, 26% of company leaders (managers and above) had concluded the course. Another measure was the establishment of the People Radar, a customized dashboard that enables each leader to consult key information about their team. This includes diversity indicators, such as the breakdown of the team by gender, ethnic origin and age group, the number of disabled people and apprentices in the team, among other data.

We also launched the #BeYourSelf newsletter, which is curated by the affinity groups and presents the updates to the Diversity and Inclusion program, as well as external contents that in-

vite the whole team to reflect. The groups also participated in the production of videos and podcasts. Moreover, we organized special events on key dates, such as the live transmission to celebrate LGBTQIA+ Pride Day (June 28), with the participation of the Cogna CEO.

Also worthy of note in the year was the company’s adhesion to Brazil’s Empresa Cidadã program, which grants extended parental leave to employees: six months of maternity leave and 20 days of paternity leave. For the next step, the company intends to prepare a specific project to ensure the permanence and career growth opportunities for women returning from maternity leave. Interns and apprentices are also entitled to this benefit. When necessary, contracts are extended to ensure employees receive their full leave.



WOMEN ON BOARD



In June 2021, we received Women on Board (WOB) certification, granted by UNO Women in recognition of corporate environments that are committed to gender diversity at the highest levels of governance.

This certification reflects female representation on the Cogna Board of Directors. We are the first holding company in the education sector to be certified. The diversity of the Vasta Board of Directors was also recognized with WOB certification (*further information in [Board of Directors](#)*).

During the year, we also formalized our adhesion to the Women’s Empowerment Principles, a UN Women initiative that promotes gender equality in the business environment.

EMPLOYEE AND TEACHER DEVELOPMENT GRI 103-2, 103-3, 404-2

We provide over 560 courses in the Corporate University, which resulted in more than 204,000 certifications in 2021. The areas include diversity and inclusion, mental health and financial education trails. To support the deployment of our business strategy, we also have courses aimed at developing skills for the future, innovation for results, lean thinking, reskilling, agile mindset and open innovation.

Although there is no formal career transition program, the portfolio does encompass areas such as overcoming challenges, resilience and reskilling, among others, which are pertinent in this kind of transition.

Around 40% of the Cogna employees took the courses on offer. The number of training hours totaled 346,000, employing different teaching methodologies. On average, each employee took 6.9 hours of training.

TRAINING AND PERFORMANCE REVIEW GRI 404-1, 404-3

	AVERAGE NUMBER OF HOURS TRAINING	EMPLOYEES WHO RECEIVED PERFORMANCE REVIEWS
BY GENDER		
Men	6.1	92.20%
Women	7.4	92.10%
BY FUNCTIONAL CATEGORY		
C-level	0.2	92.20%
Vice presidents	1.1	66.70%
Director level	10.6	50.00%
Management	6.2	65.40%
Coordination	11.4	86.00%
Course coordination	10.5	85.00%
Teachers	3.4	97.80%
Tutors	19.9	70.80%
Administrative/operational	6.6	85.60%
Total	6.9	79.20%

Obs.: the calculation took into account all the employees in the company in 2021, including those who joined and left in the year.

HEALTH, SAFETY AND WELL-BEING

GRI 103-2, 103-3. 403-1, 403-2, 403-5, 403-7, 403-8

As set forth in Cogna's specific policy, formulated in 2021, health and safety are a non-negotiable value. The company has consolidated procedures and systems with professionals dedicated to promoting health, safety, quality of life and the well-being of employees and ensuring a safe and suitable work place for all.

The Specialized Service in Safety Engineering and Occupational Medicine (SESMT) continuously monitors a set of indicators (number of work-related accidents and cases of ill-health, absenteeism rate and occupational exams undertaken, among others), by business unit and region. Based on the results, the area organizes meetings with representatives for the critical analysis of indicators and the establishment of action plans. This work is also supported by the results of the engagement survey, which has a specific section on health, safety and well-being, and the emotional health survey, which was implemented for employees from 2020.

To ensure the lowest levels of work-related accidents and ill-health in the company, the SESMT area has permanent targets, such as keeping the absenteeism rate below 2%, maintaining the Cipa Internal Accident Prevention Committees (Comissão Interna de Prevenção de Acidentes) and the fire brigades in the units and keeping the occupational exams of all employees up to date.

To ensure the maintenance of a safe and healthy work environment, we have permanent targets, such as keeping the absenteeism rate below 2% and keeping employee occupational exams up to date.



To guarantee that all employees are engaged from the very beginning, newly hired workers take a health and safety e-learning course provided by the Corporate University and are instructed to report any risks identified to the SESMT or Cipa teams. To continue to progress in this agenda, one of Cogna's ESG targets is to train 100% of company employees in health and safety by the end of 2022.

All workers, employees and third-parties are considered in the company's health and safety policy. Third-parties must comply with legal requirements and with Cogna's complementary requirements, including the provision of evidence of compliance before beginning work.

There were 62 accidents among company employees and 12 among third-party workers. None of them were severe.

Risks are identified through the Risk Management Program, which is reviewed annually, in addition to reports on unhealthy and hazardous working conditions. The work schedule is monitored by the SESMT team to ensure continuous improvement and compliance with the control plan. The reviews include interviews and observation by technicians and engineers. The internal audience also participates by means of the CIPAs, which hold monthly meetings. The main risks in the work place are related to biological and chemical hazards in the healthcare areas, clinics and hospitals; physical risks and accidents in the operational teams, and ergonomic risks in administrative activities. We guarantee the provision of personal protective equipment (PPE), training, risk maps and inspections in work places. Psychosocial risk for the company was mapped in 2021 and has resulted in the offer of psychological support for employees (further information in [Health](#)).

The Stop, Think, Prevent safety campaign was one of the measures implanted to strengthen the Cogna safety culture.

SAFETY GRI 403-2, 403-4, 403-9, 403-10

In addition to practices incorporated into the Occupational Safety routines, in 2021 the area prioritized some measures to promote safety, such as the design of a new safety assessment flow in third-party companies, the elaboration of all the Emergency Plans (PAEs in the Portuguese acronym) which were submitted to the Ministry of Education (MEC) and the standardization of new practices for high risk work and work at height. The area also launched its Stop, Think, Prevent safety campaign (3Ps in the Portuguese acronym) and training for good health and safety practices for remote working, as well as a live transmission on work-related accidents for the whole team.

Due to the pandemic and the fact that employees were working remotely, there was a reduction in training for the accident prevention committees and fire brigade members in the units. Another consequence was the delay in the implementation of new accident prevention committees. 18% of the operations are scheduled to finalize this process in 2022.

In 2021, the company recorded 62 accidents among its employees and 12 among third-party workers. However, none of these were severe, that is causing injuries or limitation of the capacity of the employee for over six months (*further details in [Complementary information](#)*). It should be noted that all incidents are investigated in accordance with the Work-Related Incident and Ill Health Procedure, by the CIPA and the SESMT areas. For near misses, we have an electronic reporting tool that may be accessed by any employee.

HEALTH GRI 403-3, 403-6

On the Occupational Health front, worthy of note in the year was the creation of the Health Committee, an internal body aimed at enhancing health strategies for all Cogna employees. The group tracks health analytics, maps improvement opportunities and works with health plan operators to optimize use by employees. It also develops programs and initiatives to improve the experience and, consequently, the health and quality of life of beneficiaries of the plan.

In addition to telemedicine, we offer online nutritional guidance for employees in the corporate units and psychological support for those suffering from stress. Employees who are on leave, hospitalized or in mourning receive support from the social service. To complement the mental health initiatives, a Mindfulness Program

was created with three weekly sessions to facilitate inclusion of the practice in the routine of those interested.

Another significant measure related to the Diversity and Inclusion Program was the mapping of disabled employees in the company and infrastructure in the units to accelerate the hiring of disabled people and ensure their adequate inclusion in the work environment.

On a continuous basis, we monitor those on sick leave and employees who use the health plan recurrently to provide support in ensuring they receive the most suitable treatment. We also provide mothers-to-be with prenatal, birth and postnatal support.

In 2021, we continued to monitor employees with Covid-19 until their complete recovery. We also conducted a census to track the progress of vaccination in the work force. The presentation of proof of vaccination is mandatory for those working on a hybrid or on-site basis. Another reflex of the pandemic and remote working was a significant reduction in the number of occupational exams conducted periodically because this practice was interrupted for part of the year and resumed in September. We ended 2021 with 72.6% of these exams up-to-date and a schedule to reach 100% by mid-2022. All health information is recorded electronically, with access permitted only to the nursing and medical teams.

FOCUS ON HEALTH

Health calendar

Awareness campaigns and live transmissions for

- Pink October
- Blue November
- plus exemption from

co-participation in costs of breast and prostate cancer preventive exams.

5 clinics

that provide first aid, health guidance, , and health and mental health assistance, as well as social services.

- São Paulo (SP)
- Valinhos (SP)
- Londrina (PR)
- Campo Grande (MS)
- Cuiabá (MT)

**more than
15,000 medical
consultations
(telemedicine and
in the clinics).**

SOCIAL IMPACT GRI 103-2, 103-3, 203-1

Given the capillarity of Cogna units around the country, be it the Kroton higher education institutions (IES) or the network of partnering schools that use our teaching systems in every region of Brazil, we have the opportunity to expand the impact of our activities on society.

In 2021, we worked on consolidating the activity fronts of the Social Impact Platform, divided into priority areas to boost the reach of our initiatives and the number of people benefited: we want to contribute to public education in the country, to educate young people and support their financial autonomy and promote local development by offering people healthcare and well-being. These three pillars are supported by two cross-cutting topics: valuing inclusion and diversity and the use of innovation and new technologies to maximize the teaching-learning experience.

Our social activities are conducted directly through the Kroton teaching units and through our social arms – Fundação Pitágoras, Instituto SOMOS and Aliança Brasileira pela Educação.

We worked on formalizing new guidelines and reviewed the Private Social Investment and Donation policies, in place since 2017, to update procedures and include the direct sponsorship and donation processes, regulating the flows and giving the areas greater autonomy. A social impact and compliance approval flow must be followed for donations. The Sustainability management area, re-



porting to the Institutional Relations and Sustainability structure, also assesses the social investment projects conducted by these areas of the company.

The investments are managed directly by the Cogna Institutional Relations and Sustainability area. The Fundação Pitágoras is managed and acts independently but shares the company's strategic vision for social impact. Cogna also undertakes investments through tax incentive laws: Rouanet, the Elderly Law, Sport Incentive Law and the Municipal Child and Adolescent Fund (Fumcad) to support projects linked with the three pillars of the Social Impact Platform. In 2021, however, there were no tax-incentive related investments.



IMPACT ASSESSMENT GRI 203-1, 203-2

To deepen understanding of the positive impacts our social activities generate and to continue to evolve in our investments, we strive to continuously improve tracking indicators. Two of the most complete instruments we use for this assessment are the social return on investment (SROI) and measurement of social impact that provides relief for public authorities.

We have applied SROI methodology since 2019. This is an internationally recognized indicator that makes a comparative analysis between the funds invested and the return in social benefits for the community and/or the group of beneficiaries of the initiative. But it does more than measure the cost-benefit ratio of the investments. The methodology goes beyond analysis of the results, driving deeper comprehension of the true impacts of the projects. This provides greater clarity about the potential added value generated by intangible assets.

At Cogna, the SROI considers initiatives to promote access to education, contributions to public education, promoting employability for young people and adults, principally Kroton students and graduates, and the actions undertaken by the company's social arms. The positive effects of the students' education, such as the resulting improvement in remuneration, are not part of the metric, which focuses exclusively on the benefits generated by our social activities, which are not linked with the commercial relationship between the business and our customers (the students). Amounts invested via tax incentive laws are also not taken into account in calculating social return on investment.

We use methodologies especially formulated to measure the impacts of our actions: SROI (social return on investment) and relief for public authorities.

The formatting of the metric for Cogna was done with support from EY, in 2019. In 2021, the indicator was measured for the third time – the second time it was undertaken internally by the company team. The result for the year demonstrated that each R\$ 1 invested in these initiatives by Cogna generated R\$ 7.68 in benefits for society. This is higher than in 2020, when the result was R\$ 7.

Another indicator tracked by the company measures how much the contribution made by the special free services provided to the public by Kroton teachers and students represents in relief for services provided by the public authorities. The indicator, which we have disclosed since 2018, takes into account services in the areas of health, psychosocial assistance, veterinary services and legal services offered to local communities – including the number of cases, the hours dedicated to the services and the infrastructure employed in the services. In 2021, this amounted to R\$ 430 million.

It should also be noted that we measure the number of municipalities in which we are present that have a low Human Development Index (HDI), as well as the places where we are the only higher education institution. The ***Cogna Commitments for a Better World*** indirectly include the measurement of the advance in social impact assessments. There are no assessments of environmental impacts on the communities, since these are not considered a material topic. However, we monitor the main environmental indicators and, from 2022, we will monitor and disclose the Cogna operations' greenhouse gas (GHG) emissions. There is no specific process for consulting local communities, a factor that was included in the materiality definition process. **GRI 413-1**

**EACH R\$ 1 INVESTED BY COGNA,
GENERATES A RETURN OF
R\$ 7.68 FOR SOCIETY**

3.5 million
people benefited

R\$ 9 billion
in socioeconomic
assets

**R\$ 8 billion in economic
assets, equivalent to the
income generated by
students, employees and
suppliers.**

**And R\$ 1 billion in social
assets, which is the value
of the actions executed
if they were charged.**

In accordance with SROI methodology, Cogna takes into account the following impacts in calculating the social return on investment. The calculation does not include the value of the economic impacts on the life of the student (such as increased salary due to better education), employee remuneration, payments to suppliers, and environmental impacts, such as the reduction in the consumption of natural resources.

INTANGIBLE ASSETS INCLUDED IN THE SROI CALCULATION:

Access to education

Promoting and/or facilitating community access to education (e.g.: study scholarships, free university entrance courses, donation of educational materials).

Public education administration

Enhancing Brazilian public education (e.g.: Fundação Pitágoras and Aliança Brasileira education projects).

Community

Promoting social transformation in areas around the units (e.g.: professional services offered by the HEIs).

Insertion in labor market

Benefiting society by promoting access to the labor market (e.g.: Conecta and employability fairs).

Curricular

Promoting social transformation through the dissemination of information (training students in social projects).

Social impact strategy

GRI 103-2, 103-3



CONTRIBUTION TO THE SDGS

PILLARS

ACTIVITY FOCUS



PUBLIC EDUCATION

Contributing to Public Education in the country

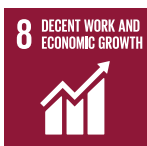
To promote training in school administration, enabling public school teachers and managers of receive high quality ongoing education.

To contribute to improved quality in public education with programs in Public Education Administration.

To contribute towards access to education for socially and economically vulnerable young people.

To contribute to literacy at the right age through reading.

To contribute to the debate on technology and innovation applied to education.



ECONOMIC OPPORTUNITIES

To change people's lives through access to employment, helping them in their professional journey and in building their career.

To provide tools for young people and adults to enter the labor market, both through technical education and entrepreneurship.

To promote training and awareness around the employability of vulnerable young people and ex-prisoners.



LOCAL DEVELOPMENT

To promote economic and social development in the areas surrounding the teaching units

To contribute to local development and improvements in quality of life in the communities in which we are present.

To promote and contribute to early childhood programs .

TRANSVERSAL FRONTS: INNOVATION & TECHNOLOGY AND DIVERSITY & INCLUSION

Innovation and technology - Use the new technologies to minimize negative impact and leverage the business's positive social impact

Diversity and inclusion - Respect and value disabled people; and support equality in gender, ethnic origin, religion, sexual orientation and gender identity

FLÁVIO ALEXANDRE DE SOUZA

A student at Anhanguera in São Bernardo do Campo (SP) who studied Citizenship and Brazilian Society in 2021.

“I noted that the (activity) was good not only for the people in the half-way house, but also in helping me to learn. It required research, the elaboration of methodology and knowledge related to the subject presented in the talk. It also put me in direct contact with people in a vulnerable situation, showing how information is important for this section of the population.”

HIGHER EDUCATION INSTITUTIONS ENGAGE IN SOCIAL QUESTIONS IN THE COMMUNITY

In higher education, the HEIs and the Kroton Centers promote services to meet the needs of the surrounding communities. Teachers and students work as volunteers, dedicating hours of work to offer assistance to families, including health and legal services and psychosocial support, among other interventions.

In addition to assisting the places in which the units are located, these initiatives integrate community social impact into the students' practical education, reinforcing their active role in changing the reality of which they are part. These initiatives are stimulated by the University Extension Policy, part of the curriculum of the undergraduate courses, based on four programs: Community Service; Innovation and Enterprise; Cultural Action and Diffusion; and Sustainability.

In 2021, we resumed the inclusion of voluntary social activity in the discipline Citizenship and Brazilian Society in the undergraduate courses. This involves at least four hours of volunteer work on the part of the students. The initiative had been discontinued because of the pandemic. In 2021, it was resumed with the participation of 1,586 students.

The HEIs and centers receive training in social projects and in the Sustainable Development Goals, the company's main activity fronts, as well as guidance on compliance practices. On an annual basis we

also develop a social impact calendar with dates and good network practice projects that can be followed. In 2021, we initiated a web series with tips on impact, sharing good practices throughout the network.

Due to the pandemic, many services were rendered remotely. All the units and centers prepare social balance sheets indicating the actions undertaken to ensure transparency and accountability to students and civil society.

IN NUMBERS

485 social projects

**135,000
beneficiaries**

**22,000
teachers and
students**

**24,538 hours
of volunteer work**

**Equivalent to over 2 years
and 8 months of work.**

IMPACT BY REGION

485
social projects

3,717,105
attendances

more than 135,000
beneficiaries

more than 22,000
teachers and students
involved

24,538 hours
of volunteer work

Equivalent to
over 2 years and
8 months of work.

R\$ 430,393,213.60
in relief for public
authorities.

NORTH

3 social projects
18,078 attendances
more than 15,000 people benefited
more than 1,000 teachers and students involved
90 hours of volunteer work
Equivalent to more than 3 days of work.
R\$ 2,355,302.34 in relief for public authorities

MIDWEST

132 social projects
443,926 attendances
more than 163,000 beneficiaries
more than 16,000 teachers and students involved
5,337 hours of volunteer work
Equivalent to more than 6 months of work.
R\$ 53,003,066.90 in relief for public authorities.

SOUTH

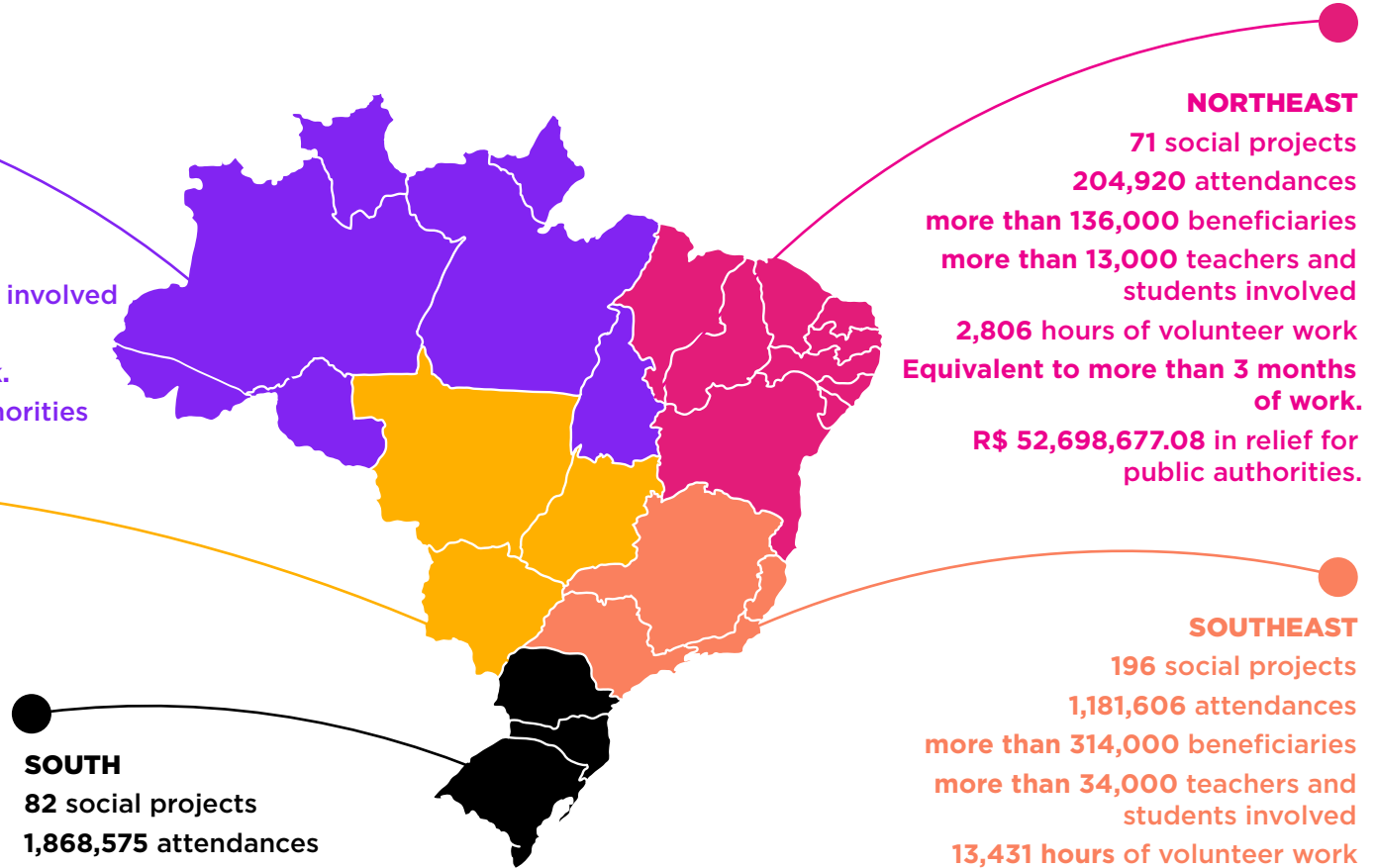
82 social projects
1,868,575 attendances
more than 96,000 beneficiaries
more than 6,000 teachers and students involved
2,869 hours of volunteer work
Equivalent to more than 3 months of work.
R\$ 174,562,180.81 in relief for public authorities.

NORTHEAST

71 social projects
204,920 attendances
more than 136,000 beneficiaries
more than 13,000 teachers and students involved
2,806 hours of volunteer work
Equivalent to more than 3 months of work.
R\$ 52,698,677.08 in relief for public authorities.

SOUTHEAST

196 social projects
1,181,606 attendances
more than 314,000 beneficiaries
more than 34,000 teachers and students involved
13,431 hours of volunteer work
Equivalent to more than 1 year and 5 months of work.
R\$ 147,773,986.47 in relief for public authorities



INSTITUTO SOMOS GRI 203-1

Based on the belief that education has the power to change the world, since its creation in 2017 the Instituto SOMOS has assumed the commitment to democratize access to education, to reading and to the competencies of the future for vulnerable young people all over Brazil. This is how the organization expects to contribute to the development of a more egalitarian society, generating opportunities for everyone who trusts in the power of education and wants to become an agent of change in the transformation of their own life.



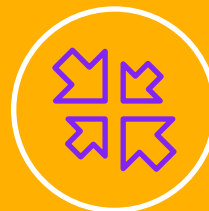
In 2021, the strategy of the Instituto SOMOS was reviewed to ensure alignment with the Social Impact Platform, while maintaining its essence of democratizing access to education. This is a non-profit social organization coordinated by the Sustainability area which is subordinated to the Cogna Institutional Relations and Sustainability structure. The review conducted in 2021 also reinforced the governance routines, with the determination of periodic meetings with SOMOS senior management and the formulation of internal policies to standardize the investment of funds – including donation, sponsorship and tax incentive policies –, with the areas responsible and approval flows defined.

The institute's budget is established annually and is funded by donations from SOMOS. The results of investments are also evaluated using SROI social return methodology, which showed that each R\$ 1 invested by the Instituto SOMOS generated R\$ 11.04 in benefits for society. The total economic impact was R\$ 16 million.



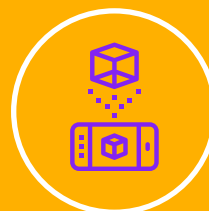
Literacy

To contribute to literacy at the right age through reading.



Access & Democratization

To contribute towards access to education for socially and economically vulnerable young people, regardless of their location.



Technology & Innovation

We believe that technology and innovation are part of mankind's daily routine, and that advances in neuroscience can contribute to the development of educational methodologies that stimulate teachers and students in the teaching-learning process.

Further information at [institutosomos](https://institutosomos.org.br)

Each

R\$ 1

invested by the Instituto SOMOS generates

R\$ 11.04

in benefits for society, in accordance with SROI methodology.

The total economic impact was

R\$ 16 million

• Programa •

Somos Futuro

One of its main programs is Somos Futuro (Somos Future), an acceleration initiative for students from public schools, in which they receive full study scholarships for secondary education in partnering private schools in the SOMOS Educação network.

The participants also receive educational and para-educational materials, online tutoring, mentoring and access to the entire project support network, which includes psychological counseling.

The program is offered in 98 cities in Brazil, and the students are selected based on their school performance, family income and background. Cogna employees play an important role in the education of these students, working as volunteers in the program. They act as interviewers in the candidate selection phases and may accompany these students as mentors throughout their course. Mentoring occurs in the 1st and 3rd year of the scholarship. In the first year the focus is on the students' adaptation to their new reality, their class mates and school routines, as well as the development of socio-emotional competencies. In the final year, the mentoring is dedicated to planning the student's future and career. These volunteers receive training for the work with the youngsters, with special attention paid to the emotional health of the scholarship holders.



Throughout the period, the scholarship holders can access psychological support, provided by the Kroton university network.

In 2020, the first group in the program finished their secondary education – the program began in 2017 – with a 28% approval rate in public universities. In 2021, 90 new scholarship holders entered the program and will start studying in 2022. The socioeconomic impact of the program is estimated at R\$ 29 million.

The program is offered in 98 cities in Brazil, with a 28% approval rate in public universities in 2021

SOMOS FUTURO

593 young people have benefited from the program since it began in 2018.



VOLUNTEERS IN 2021

107
volunteer interviewers

196
volunteer mentors

196
scholarship holders received mentoring

SCHOOLING OF GUARDIANS

25%
did not complete secondary education

76%
did not complete higher education

EROMILDE MESQUITA, mother responsible for scholarship holder

"Somos Futuro was very important for me and my family. I had no hope of being approved at USP, and I feel very uplifted by this achievement". Thank you Instituto SOMOS for enabling us to dream!"

KIZI SOUZA, aunt responsible for scholarship holder

"As aunt and mentor during the application for the scholarship, I give my deepest thanks for the opportunity she has been given. We are very happy to see such a dedicated girl have the opportunity to envisage a much better future than she could otherwise expect."

SCHOLARSHIP HOLDERS IN 2021

380

young people benefited

143

partnering schools

98

municipalities, in 19 states and the Distrito Federal

28%

approval rate in public universities

SCHOLARSHIP HOLDER PROFILE

gender

61% female
39% male

race/ethnic origin

62% white, **37%** black and mixed race, **1%** yellow and indigenous

income

Family income up to 2 minimum salaries

11% receive Brazil's Bolsa Família allowance

A WORD FROM THE PARTICIPANTS IN SOMOS FUTURO



PALOMA MARQUES,

volunteer interviewer and Platos commercial consultant

"I am so happy to be part of this process in which the goal is to transform the lives of young people. I fully believe that education has the power to change the world. Participating in this movement in consonance with the ideas behind the program represents personal and professional fulfillment for me. Thanks for the opportunity Instituto SOMOS"



EMERSON PEREIRA,

volunteer interviewer and teacher at the Pitágoras Faculty in Guarapari

"I am grateful to have had the opportunity to take part in this incredible project. Without a shadow of doubt, education is a major path towards change. As the great Brazilian educator Paulo Freire said "if education alone does not transform society, things certainly will not change without it".



VALÉRIA GOMES CARDOSO,

Somos Futuro student, who is now studying Speech Therapy at the the University of São Paulo

"Somos Futuro was very important for me and my family. I had no hope of being approved at USP and I feel very uplifted by this achievement".

OTHER INITIATIVES

The Instituto SOMOS organized the donation of educational, para-educational material and teaching for community courses and social organizations working for children, young people and adults. These include, Fera Social, a free course maintained by Anglo Curso for low-income public school students in the city of São Paulo.

The partnering organizations that benefited were:

Resgate Project
(Joinville/SC)

Fundação Roberto
Marinho - Redes da Maré
(Rio de Janeiro/RJ)

Cursinho FEA-USP
(São Paulo/SP)

Cursinho EACH-USP
(São Paulo/SP)

Cursinho Mafalda
(São Paulo/SP)

Cursinho Desafio
(São Paulo/SP)

Fera Anglo Social
(São Paulo/SP)

Instituto Verdescola
(São Sebastião/SP)

DONATIONS TO ORGANIZATIONS

3,364
people benefited

R\$ 3.6 million
in socioeconomic
impact from
materials donated

R\$ 11.6 million
in socioeconomic
impact from
educational
solutions

APPROVED BY THE UNIVERSITY OF SÃO PAULO



**“Fera helped me a lot,
it changed my life”**

BRUNA SOARES,
EX-STUDENT AT FERA
WHO IS NOW STUDYING PRODUCTION
ENGINEERING AT THE UNIVERSITY OF SÃO
PAULO POLYTECHNIC SCHOOL

The Cursinho Fera received

175
scholarship
holders

more than 900
beneficiaries since 2016

FUNDAÇÃO PITÁGORAS GRI 203-1

With a proprietary model developed for the public school networks, the Fundação Pitágoras seeks to drive improvements in learning, working with the entire school community.



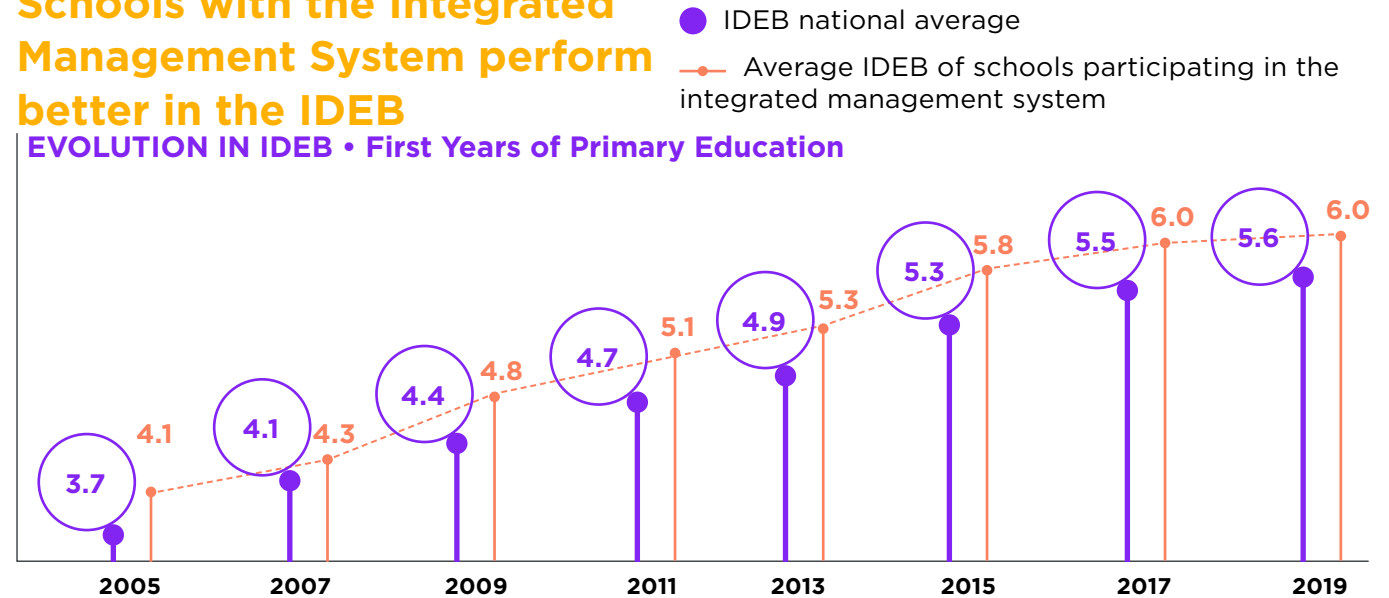
The Integrated Management System (SGI) accompanies the agents involved in schools, such as the education departments, principals, educational coordinators, supervisors and teachers, who undergo training while incorporating the elements of school administration into their daily routines. This provides them with hands-on learning, ensuring their autonomy at the end of the program. At the end of the process, the participants receive a postgraduate certification in Educational Management from the Kroton faculties.

Created 20 years ago, social technology underwent a digital transformation in 2021 with the adoption of a hybrid format: a major part of the program will be offered via distance learning while maintaining a number of strategic on-site meetings. The new model will enable the extension of this benefit to more schools in less time.

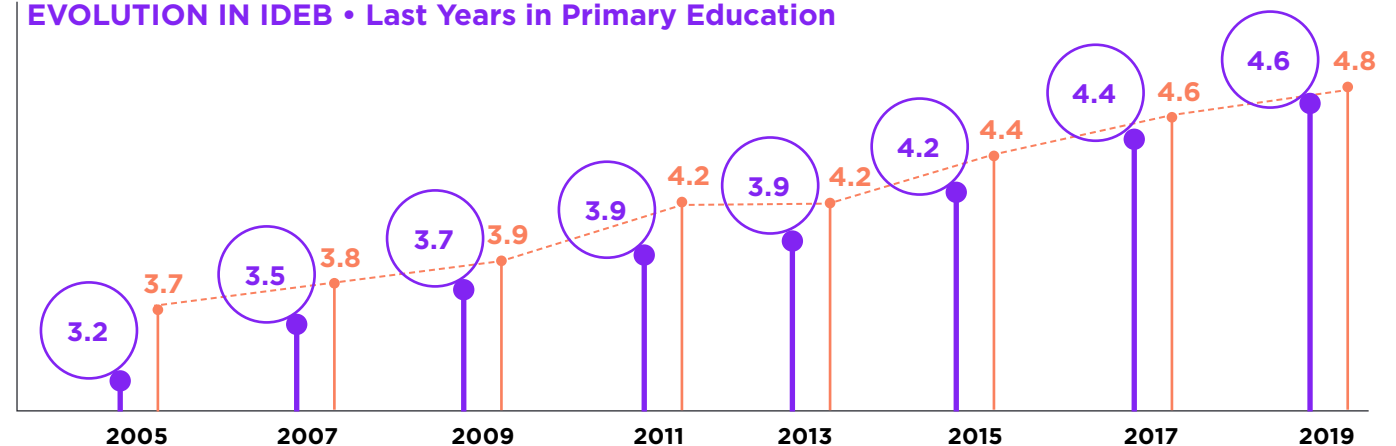
On hold in 2020 and part of 2021 due to the pandemic, the Integrated Management System was resumed in public schools in Brumadinho (MG) in the project which began in 2019 and was extended to 2023 because of the interruption. The initiative was introduced in the city of Breves, on Ilha do Marajó (PA), in 2021. The region selected to participate in the project, which works jointly with the

Schools with the Integrated Management System perform better in the IDEB

EVOLUTION IN IDEB • First Years of Primary Education



EVOLUTION IN IDEB • Last Years in Primary Education



OTHER INITIATIVES

The Fundação Pitágoras also offers education to prisoners and ex-prisoners. In 2021, together with Kroton, the foundation offered 444 technology scholarships for inmates in 51 prisons in ten states, employing a distance learning format.

The foundation has a partnership with the female prisoners' association Apac Feminina (Associação de Proteção e Assistência aos Condenados) in Belo Horizonte (MG), in which 110 prisoners take distance learning courses ranging from literacy to entrepreneurship and preparation for higher education. The pass rate for these women was 83%.

entire school community, has one of the highest child sexual abuse rates in the country.

The teaching quality indicators demonstrate the positive results of the program in the participating schools, as shown by the evolution in the IDEB primary and secondary education development index (Índice de Desenvolvimento da Educação Básica) both in the initial and final years of primary and secondary education. Data from the last evaluation available, in 2019, indicate that the results can be up to 0.5 point higher compared with the average for schools that do not have the integrated management system.

**more than
60 courses**

Course load
of up to 60 hours

**more than
140,000 people**
have taken courses

**more than
3 million hours
of classes**

**In addition to
Brumadinho
(MG), in 2021
the Integrated
Management
System was
extended to Ilha
de Marajó (PA).**

ALIANÇA BRASILEIRA PELA EDUCAÇÃO GRI 203-1

A movement to drive improvements in education that arose from a partnership between the Cogna higher education brands and the Fundação Pitágoras, the Aliança Brasileira pela Educação also underwent a strategic review in 2021, with the reorganization of its activity fronts and the expansion of initiatives.



The organization maintains its focus on cross sector mobilization, which involves higher education institutions, public authorities – such as education departments –, non-governmental organizations and private institutions.

On the public education front, the VLE (Ambiente Virtual de Aprendizagem) virtual learning environment provides free courses with certification for public school teachers and managers, who receive high quality ongoing education. There are over 60 courses of up to 60 hours aimed at the educators, with learning trails focused on developing competencies in educational management and organization. In the enterprise area, there are courses in the VLE for young people and adults which are tools for driving technical proficiency and enterprise.

Lastly, in local development, Aliança concentrated on publicizing the community service spaces and disseminating Kroton university good practices nationwide. In this case, the actions are varied, including attendance for the public in different specialties as practice for students. These service spaces provide support for the public with health services, legal and accounting support and even architecture and urban development model offices (*further information in HEIs act on social questions in the community*).

ENVIRONMENTAL MANAGEMENT

Our commitment to sustainable value generation involves care with the use of natural resources and the ongoing reduction of environmental impacts in our businesses. We also believe in inter-sector and collective action to address global environmental challenges, such as climate change.

Actions promoting balance between people and nature constitute one of the three pillars of the **Cogna Commitments for a Better World**, in which we have defined targets to advance in energy efficiency, enhance management of greenhouse gas (GHG) emissions and step up environmental education, acting directly by means of our business on the education of qualified professionals, incentivizing socioenvironmental projects in higher education aligned with the Sustainable Development Goals (SDGs) and generating knowledge on environmental questions for our stakeholder groups.

Moreover, initiatives already underway contribute to reducing environmental impacts, including awareness measures for employees and the automation of environmental management processes so that wastage is identified and remedied more rapidly. Digitalization also helps to reduce paper consumption. Cogna did not receive any



finances or administrative and judicial sanctions for non-compliance with environmental laws and regulations in 2021. The definition of relevance takes into account amounts of over R\$ 1 million, reputational and image impacts and the risk of interruptions to operations. **GRI 307-1**

For further information on the organization's environmental education actions see **Education for Sustainability**.

See the main initiatives to drive continuous improvement in energy consumption and GHG emissions ahead.

ENERGY EFFICIENCY GRI 302-1, 302-4

We prioritize the purchase of renewable energy and promote energy efficiency initiatives in our units and corporate offices. Today, 85% of the energy used comes from the free market. Our target is to reach 90% of the operations by 2025. In the company's main distribution center located in São José dos Campos (SP), which is used to distribute books and educational materials, 100% of the energy consumed is renewable in origin, coming from the free energy market.

We have implemented a systematized management program with a dashboard to monitor the organization's energy efficiency strategy. The ongoing measures to improve eco-efficiency include exchanging light bulbs for cleaner and more efficient LED models, monitoring consumption and wastage and awareness actions to drive the rational use of energy by means of educational campaigns.

In 2021, energy consumption increased compared with 2020 due to the resumption of occupation of part of the administrative buildings and the use of laboratories. In spite of the 42% increase compared with the previous year, electricity consumption was still 43% below pre-pandemic levels. The reduction also reflects gains in efficiency from the Future Campus project, which is aimed at optimizing the use of spaces.

Moreover, the Cogna corporate headquarters building in São Paulo (SP) has LEED (Leadership in Energy and Environmental Design) certification, attesting to differentials in construction to reduce environmental impact, in particular in energy efficiency.

Specifically, the space optimization process and the restructuring of Kroton operations drove an indirect gain in the use of electricity. Consumption decreased by 4,547.97 GJ. In SOMOS, the São José dos Campos distribution center achieved consumption savings of 4% even though activities increased.

For 2022, the migration to the free market will be continued. We will also conduct awareness campaigns and issue alerts against high consumption by means of the TeCsus platform.

ENERGY CONSUMPTION (GJ)¹ GRI 302-1

	2019	2020	2021
Captive market	35,813.0	23,244.72	19,954.7
Free market	202,941.75	73,608.28	112,196.7
Total	238,755.0	96,853.0	132,151.3

1. The indicator does not include all the units. In 2021, 94% of the units were considered in the calculation.

The Kroton Medicine units in Eunápolis and Jaú have projects in place to install photovoltaic panels, boosting eco-efficiency in these operations.

EMISSIONS GRI 305-1

To understand the impacts its units have on greenhouse gas (GHG) emissions, Cogna conducted its first carbon inventory, for 2021. The survey was underway when this report was being published. When it is finalized, the inventory will be published in the **Public Emissions Registry** and in the **Cogna ESG portal**. The instrument maps the main sources of emissions, taking into account scopes 1 (direct emissions) and 2 (electricity consumption), in accordance with GHG Protocol methodology, the most widely adopted methodology worldwide.

The results mapped will shape our strategies and commitments to mitigate these effects, as well as our future targets. It is our belief that the challenge of accelerating the transition to a low carbon economy and reducing the effects of climate change is a joint responsibility of society, businesses and government. For this reason, we are committed to improving management and advancing in the mitigation of energy and GHG emission impacts, two factors that contribute to climate change.

See our
environmental
commitments
on our [website](#).

We step up
communications
to stimulate water
savings, particularly
during the dry
season (from May to
November). GRI 303-1

WATER

We also pay close attention to water consumption in our units. The advance in the automation of environmental management processes has facilitated and streamlined the identification of leaks, preventing wastage.

The operations use two types of water sources — ground water and public and private utility supplies. In 2021, with the operations still partially closed due to the pandemic, water consumption was not continuous during the year. The total volume was 441,300 m³, an increase of around 6% over 2020, when the units were also closed for part of the time.

WATER WITHDRAWAL (m ³) GRI 303-3	2019	2020	2021
Wells	217,370.0	198,157.0	135,169.7
Utility companies	540,471.0	215,726.0	306,128.7
Total water withdrawal	757,841.0	413,883.0	441,298.4
Volume withdrawn in areas with water stress ¹	NA	NA	181,121.3

NA: the methodology was changed in 2021, therefore historical data are not available.

Obs.: All the volumes withdrawn refer to freshwater. The water is discharged into sewage networks.

¹ Takes into account withdrawal from May to November, classified as the dry season for the purpose of energy production in Brazil. There are no data on the classification of water stress for the water sources used.

COMPLEMENTARY INFORMATION

EMPLOYEES GRI 102-8	2019		2020		2021	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
BY GENDER	10,744	14,209	9,148	13,661	8,835	14,519
BY TYPE OF EMPLOYMENT						
Full-time	4,849	6,935	4,045	5,988	3,719	5,845
Part-time (up to 150 hours a month)	5,895	7,274	5,103	7,673	5,116	8,674
BY REGION	2019		2020		2021	
Midwest	3,796		3,604		3,268	
Northeast	3,298		3,427		3,692	
North	1,268		1,055		1,062	
Southeast	13,230		11,885		12,016	
South	3,361		2,838		3,316	
TOTAL EMPLOYEES	24,953		22,809		23,354	
OTHER WORKERS	2019		2020		2021	
Apprentices	257		141		123	
Interns	470		361		501	
Total other workers	727		502		624	
TOTAL WORK FORCE	25,680		23,311		23,978	

Obs.: All employees are hired on a permanent basis and are covered by collective bargaining agreements.

GRI 102-41

Most of the team is hired on a salaried basis, but the percentage of hourly-paid employees has been growing year on year: 42% in 2019, 46% in 2020 and 49% in 2021. This work format is predominant in the academic staff, encompassing 76% of the entire team and 97% of the teachers.

THE FUNCTIONAL POSITIONS ARE CLASSIFIED AS FOLLOWS:

C-Level: CEO and employees reporting directly to the CEO, including presidents of businesses, vice presidents and directors.

Vice presidents: all the vice presidents not reporting to the CEO.

Directors: regional and unit directors.

Management: managers and senior managers.

Coordination: Academic and corporate coordinators.

Course coordination: members of the academic faculty.

Teachers: members of the academic faculty.

Tutors: members of the academic faculty.

Administrative/operational: specialists, advisors, assistants and analysts.

Interns and apprentices are not included in the indicators, except in clearly indicated specific cases.

NEW EMPLOYEE HIRES AND TURNOVER GRI 401-1

	2019				2020				2021				
	EMPLOYEES HIRED	HIRING RATE	EMPLOYEES TER-MINATED	TURNOVER RATE	EMPLOYEES HIRED	HIRING RATE	EMPLOYEES TER-MINATED	TURNOVER RATE	TOTAL EMPLOYEES	EMPLOYEES HIRED	HIRING RATE	EMPLOYEES TER-MINATED	TURNOVER RATE
By gender													
Men	3,702	33.7%	5,052	46.0%	2,614	28.1%	5,162	55.5%	9,014	3,348	37.1%	3,676	40.8%
Women	5,472	37.2%	6,874	46.8%	4,569	32.6%	6,631	47.3%	14,964	5,961	39.8%	4,971	33.2%
By region													
Midwest	1,297	32.9%	1,866	47.3%	1,078	29.2%	1,949	52.8%	3,374	1,437	42.6%	1,297	38.4%
Northeast	1,569	45.1%	1,763	50.6%	1,348	37.4%	1,764	49.0%	3,902	1,621	41.5%	1,399	35.9%
North	651	46.8%	716	51.5%	415	36.9%	737	65.6%	1,181	522	44.2%	472	40.0%
Southeast	4,631	34.4%	5,896	43.8%	3,545	29.4%	5,805	48.2%	12,183	4,310	35.4%	4,462	36.6%
South	1,026	30.0%	1,685	49.3%	797	27.9%	1,538	53.9%	3,338	1,419	42.5%	1,017	30.5%
By age group													
Under 30 years	4,123	53.5%	3,905	50.7%	3,168	48.2%	3,770	57.4%	6,847	4,352	63.6%	3,074	44.9%
From 30 to 50 years	4,594	30.7%	6,878	46.0%	3,656	26.0%	6,740	48.0%	14,539	4,526	31.1%	4,709	32.4%
Over 50 years	457	15.1%	1,143	37.8%	359	13.3%	1,283	47.4%	2,592	431	16.6%	864	33.3%
TOTAL	9,174	35.7%	11,926	46.4%	7,183	30.8%	11,793	50.6%	23,978	9,309	38.8%	8,647	36.1%

The employee total includes interns and apprentices and does not include board members.

Data were restated in comparison with the 2020 Sustainability Report.

DIVERSITY GRI 405-1

	GENDER		AGE GROUP			DISABLED PEOPLE ¹
	MEN	WOMEN	UNDER 30 YEARS	FROM 30 TO 50 YEARS	OVER 50 YEARS	
Board of Directors	66.7%	33.3%	0.0%	33.3%	66.7%	0.0%
EMPLOYEES						
<i>C-level</i>	83.3%	16.7%	0.0%	83.3%	16.7%	0.0%
Vice president	80.0%	20.0%	0.0%	100.0%	0.0%	0.0%
Director level	59.0%	41.0%	0.9%	78.3%	20.8%	1.9%
Management	51.2%	48.8%	7.3%	85.1%	7.5%	0.0%
Coordination	39.6%	60.4%	17.8%	73.5%	8.7%	0.9%
Course coordination	35.8%	64.2%	9.4%	77.8%	12.8%	1.0%
Teachers	45.1%	54.9%	13.3%	69.6%	17.0%	0.6%
Tutors	36.3%	63.7%	25.3%	65.7%	9.0%	0.4%
Administrative/operational	32.0%	68.0%	41.7%	51.1%	7.1%	1.6%
TOTAL	37.6%	62.4%	28.6%	60.6%	10.8%	1.1%

1. There is a conduct adjustment agreement (TAC) in place that establishes successive advances to fulfill the quota by 2024. The diversity and inclusion measures undertaken during the year are described in *Diversity and inclusion strategy*.

DIVERSITY GRI 405-1

COLOR, RACE, ETHNIC ORIGIN

	BLACK	MIXED RACE	WHITE	YELLOW	NOT DECLARED
C-level	0.0%	0.0%	83.3%	0.0%	16.7%
Vice president	0.0%	0.0%	80.0%	0.0%	20.0%
Director level	0.9%	22.6%	60.8%	3.3%	11.8%
Management	2.4%	10.9%	72.1%	1.6%	12.9%
Coordination	3.5%	20.1%	53.1%	1.2%	21.9%
Course coordination	2.0%	17.0%	59.8%	0.8%	19.8%
Teachers	1.7%	18.2%	44.5%	0.7%	34.6%
Tutors	3.0%	10.4%	30.3%	0.6%	55.5%
Administrative/operational	5.3%	19.8%	38.1%	0.8%	35.8%
TOTAL	3.7%	18.4%	41.6%	0.8%	35.1%

	2019		2020		2021	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Employees entitled to parental leave¹	15,603	21,414	13,736	19,699	12,274	19,472
a. Employees who took parental leave	38	683	57	633	95	507
b. Employees who returned to work after the end of the leave	36	636	55	587	94	488
Return rate (b/a)	94.7%	93.1%	96.5%	92.7%	98.9%	96.3%
c. Employees remaining in the company 12 months after returning from leave	36	564	46	458	77	415
Retention rate (c/b)	100.0%	88.7%	83.6%	78.0%	81.9%	85.0%

1. Employees, interns and apprentices in the company work force throughout each year informed.

RATIO OF WOMEN'S SALARY TO MENS'¹

GRI 405-2

	2019	2020	2021
C-level	96%	-	46%
Vice president	89%	-	111%
Director level	84%	77%	75%
Management	96%	97%	91%
Coordination	91%	77%	66%
Course coordination	107%	106%	105%
Teachers	133%	125%	113%
Tutors	137%	137%	104%
Administrative/operational	94%	93%	94%

RATIO OF WOMEN'S SALARY TO MENS'²

	2019	2020	2021
C-level	-	-	34%
Vice president	62%	-	103%
Director level	78%	69%	75%
Management	99%	100%	91%
Coordination	92%	75%	67%
Course coordination	102%	105%	106%
Teachers	133%	125%	113%
Tutors	137%	137%	104%
Administrative/operational	94%	92%	94%

1. Calculation formula: Median amounts received by women / Median amounts received by men X 100.

2. Calculation formula: Fixed salary x 13.33 + Long-Term Incentive + Short-Term Incentive + corresponding charges. The company share price used in calculating the short-term incentive is R\$ 2.48.

OCCUPATIONAL HEALTH AND SAFETY GRI 403-9 and 403-10

	2021	
Employees	TOTAL	RATE
Total number of hours worked	40,419,809	-
Fatalities due to work-related incidents	0	0.00
Accidents with and without leave ¹	62	1.53
Accidents resulting in severe injury ²	0	0.00
Accidents requiring mandatory communication ³	48	1.19
Days lost ⁴	426	10.51
Work-related ill-health requiring mandatory communication ⁵	0	-
Fatalities resulting from work-related ill-health	0	0.00
Third-parties and service providers working on company premises⁶		
Accidents with and without leave ⁷	12	-
Accidents requiring mandatory communication ³	8	-
Days lost	166	-

Obs.: The rates employ the formula Total incidents x 1,000,000/man hours worked.

1 Falls from the same level constitute the main work-related accidents; vehicle collisions constitute the most common commuting accidents.

2 Accidents resulting in injury or limitation of worker's capacity for more than six months. Does not include fatalities.

3 Accidents resulting in leave and fatalities require mandatory communication. There were no fatalities. Among the employees, the accidents with leave involved friction (4), contact (3), sprains (8), impact against (14), impact suffered (6), crushing (3), fall from height (5), fall from different level (5), fall at same level (5). The incidents involving third-parties and service providers were: fall at same level, crushing and impact suffered (2 each), and fall from different level and friction (1 each).

4 The count starts on the day after the incident and ends upon return to work.

5 Severe work-related injury or ill-health that results in leave, loss of consciousness, medical treatment besides first aid or loss or reduction in capacity to work.

6 The information is limited to absolute numbers, without the rates because Cognia does not monitor the total number of hours worked in this segment, which includes cleaning and security personnel, consultants, temporary and freelance workers.

7 Predominance of work-related accidents involving machinery and equipment.

SUPPLIER CHAIN¹ GRI 102-9

2021

TOTAL NUMBER OF SUPPLIERS

7,000

TOTAL PURCHASE VOLUME

R\$ 612 million

Main categories

Administrative	30.0%
Marketing	24.0%
IT	20.0%
Others	26.0%

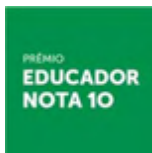
1. In 2021, 70% of suppliers were considered critical (high financial impact, high supply risk and high complexity of supplier market). The majority of suppliers are located in Brazil, in particular in São Paulo, Minas Gerais and Paraná.

MEMBERSHIP OF ASSOCIATIONS GRI 102-13

- Associação Brasileira de Direitos Reprográficos (ABDR)
- Associação Nacional das Universidades Particulares (ANUP)
- Associação Brasileira de Educação a Distância (ABED)¹
- Associação Brasileira de Sistemas e Plataforma de Ensino (ABRASPE)
- Associação Brasileira para o Desenvolvimento da Educação Superior (ABRAES)
- Associação Brasileira de Editores de Livros Escolares (Abrelivros)
- Conselho de Reitores das Universidades Brasileiras (CRUB)
- Fundação Nacional de Desenvolvimento do Ensino Superior Particular (FUNDADESP)¹
- Sindicato das Entidades Mantenedoras de Estabelecimentos de Ensino Superior do Estado de São Paulo (SEMESP)
- Associação Brasileira de Franchising (ABF)
- Fórum Nacional de Pró-reitores de Pesquisa e Pós-graduação (FOPROP)
- Associação Brasileira de Educação Médica – Uniderp/Eunápolis (ABEM)
- Associação Nacional de Procuradores e Pesquisadores Institucionais das IES Privadas (ANPI)

1. There are no recurring financial contributions.

EXTERNAL INITIATIVES GRI 102-12



SUMMARY OF GRI AND SASB CONTENT GRI 102-55

KEY

SDGS SUSTAINABLE DEVELOPMENT GOALS



GRI 101: Foundation 2016

GRI 102: General disclosures 2016

CONTENT	SDGS	PAGE/RESPONSE	WEF*
102-1 Name of organization	8	Cogna Educação S.A.	
102-2 Activities, brands, products and services	8	Cogna does not commercialize controversial services. Further information on pages. 20, 44, 54 and 57	
102-3 Location of organization's head office	8	9	
102-4 Location of operations	8	9	
102-5 Ownership and legal form	8	Cogna is a publicly traded corporation.	
102-6 Markets served	8	9, 20, 54 and 57	
102-7 Scale of organization	8	9, 12, 20, 44, 54 and 57	
102-8 Information on employees and other workers	8 10	76, 78 and 100	

*Indicators that are part of the World Economic Forum (WEF) Stakeholder Capitalism Metrics.

CONTENT	SDGS	PAGE/RESPONSE	WEF*
102-9 Supply chain	8	105	
102-10 Significant changes in the organization and its supply chain	8	49	
102-11 Precautionary principle or approach		37. For details of risk factors, consult item 4 in the Reference Form.	
102-12 External initiatives	17	105	
102-13 Membership of associations	17	105	
102-14 Statement from senior decision maker		5	
102-15 Key impacts, risks, and opportunities		37. For details of risk factors, consult 4 item in the Reference Form.	
102-16 Values, principles, standards and norms of behavior	16	9 and 33	
102-17 Mechanisms for advice and concerns about ethics	16	35	
102-18 Governance structure		28, 29	
102-19 Delegating authority		29	
102-20 Executive-level responsibility for economic, environmental, and social topics		29	
102-21 Consulting stakeholders on economic, environmental and social topics	16	Cogna consulted stakeholders in relation to sustainability for the construction/revision of the company's materiality matrix and for the construction of its Social Impact strategy. In 2021, the company initiated an assessment survey for its IR mailing list. Further information on pages 4, 26 and 42.	
102-22 Composition of the highest governance body and its committees	5 16	28, 29	
102-23 Chair of the highest governance body	16	28	

*Indicators that are part of the World Economic Forum (WEF) Stakeholder Capitalism Metrics.

CONTENT	SDGS	PAGE/RESPONSE	WEF*
102-24 Selection and nomination of the highest governance body	5 16	28	
102-25 Conflicts of interest	16	Item 12 of the Reference Form.	
102-26 Role of highest governance body in setting purpose, values and strategy		22, 74	
102-27 Collective knowledge of highest governance body		30, 31	
102-28 Evaluating the highest governance body's performance		29	
102-29 Identifying and managing economic, environmental and social impacts	16	29, 37	
102-30 Effectiveness of risk management processes		37	
102-31 Review of economic, environmental and social topics		29	
102-32 Highest governance body's role in sustainability reporting		29	
102-33 Communicating critical concerns		29	
102-34 Nature and total number of critical concerns		29	
102-35 Remuneration policies		32	
102-36 Process for determining remuneration		32	
102-37 Stakeholders' involvement in remuneration		37	
102-40 List of stakeholder groups	16	26	

*Indicators that are part of the World Economic Forum (WEF) Stakeholder Capitalism Metrics.

CONTENT	SDGS	PAGE/RESPONSE	WEF*
102-41 Collective bargaining agreements	8	100	
102-42 Identifying and selecting stakeholders	16	4, 26	
102-43 Approach to stakeholder engagement	16	4, 26	
102-44 Key topics and concerns raised		26	
102-45 Entities included in the consolidated financial statements		The entities included in this report are the same ones listed in the financial statements. The complete list is available at https://ri.cogna.com.br/	
102-46 Defining report content and topic boundaries		3	
102-47 List of material topics		4	
102-48 Restatements of information		Restatements of information are clearly indicated.	
102-49 Changes in reporting		There were no changes.	
102-50 Reporting period		3	
102-51 Date of most recent report		2020	
102-53 Reporting cycle		Annual	
102-53 Contact point for questions regarding the report		esg@cogna.com.br	
102-54 Claims of reporting in accordance with the GRI Standards		This report was prepared in accordance with the Core option of the GRI Standards.	
102-55 GRI content index		106-116	
102-56 External assurance		The report was not submitted to external assurance.	

*Indicators that are part of the World Economic Forum (WEF) Stakeholder Capitalism Metrics.

GRI and SASB Standards	Content	SDGs	Page/Response	WEF*
MATERIAL ASPECT: STUDENT AND CUSTOMER SATISFACTION				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary		4	
	103-2 Management approach and its components		51, 57	
	103-3 Evaluation of management approach		51, 57	
	Net Promoter Score (NPS) and Plurall and customer service evaluations	4	51, 58	
MATERIAL ASPECT: INNOVATION AND TECHNOLOGY				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary		4	
	103-2 Management approach and its components		18	
	103-3 Evaluation of management approach		18	
	Open innovation		18-19	
MATERIAL ASPECT: ACCESS TO EDUCATION				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	4	4	
	103-2 Management approach and its components	4	52, 54, 67, 84, 87	
	103-3 Evaluation of management approach	4	52, 54, 67, 84, 87	
	<i>Social Return on Investment (SROI)</i>	4 10	85	

*Indicators that are part of the World Economic Forum (WEF) Stakeholder Capitalism Metrics.

GRI and SASB Standards	Content	SDGs	Page/Response	WEF*
MATERIAL ASPECT: TEACHING QUALITY AND SERVICES OFFERED				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	4	4	
	103-2 Management approach and its components	4	44, 54, 59	
	103-3 Evaluation of management approach	4	44, 54, 59	
	Enade National Student Performance Exam (Exame Nacional do Desempenho dos Estudantes)	4	60	
	Difference between Observed and Expected Performance Indicator (IDD)	4	60	
	Course Rating (CC)	4	60	
	Institutional Rating	4	60	
	Enem National Secondary Education Exam (Exame Nacional do Ensino Médio) and Sisu Unified Selection System (Sistema de Seleção Unificada)	4	51	
	AVALIAR tool	4	61-64	
MATERIAL ASPECT: ETHICS, TRANSPARENCY AND COMPLIANCE				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	16	4	
	103-2 Management approach and its components	16	33	
	103-3 Evaluation of management approach	16	33	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	16	33	
	205-2 Communication and training in anti-corruption policies and procedures	16	34	●
	205-3 Confirmed incidents of corruption and actions taken	16	33	●

*Indicators that are part of the World Economic Forum (WEF) Stakeholder Capitalism Metrics.

GRI and SASB Standards	Content	SDGs	Page/Response	WEF*
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	16	33	
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	16	97	
GRI 415: Public policy 2016	415-1 Political contributions	16	Cogna Educação does not make financial contributions to political parties, politicians or candidates, in accordance with law nº 13.165, dated September 29, 2015, on company donations to electoral campaigns.	
GRI 419: Socioeconomic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	16	The company did not receive fines, non-monetary sanctions, nor was it subject to relevant lawsuits brought by arbitration bodies. The definition of relevance takes into account amounts of over R\$ 1 million, reputational impacts and the risk of interruptions to operations. Labor management is addressed on page 76.	
MATERIAL ASPECT: DIVERSITY AND INCLUSION				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	5 8 10	4	
	103-2 Management approach and its components	5 8 10	77	
	103-3 Evaluation of management approach	5 8 10	77	
GRI 401: Employment 2016	401-3 Parental leave	6	103	

*Indicators that are part of the World Economic Forum (WEF) Stakeholder Capitalism Metrics.

GRI and SASB Standards	Content	SDGs	Page/Response	WEF*
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	5 8	78, 102 and 103	●
	405-2 Ratio of basic salary and remuneration of women to men	5 8 10	104	●
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	5 8	Kroton received 12 complaints related to discrimination from students in 2021. All were investigated and two were considered substantiated; both involved students against students. Applicable measures were taken.	●
	Diversity Survey	10		
MATERIAL ASPECT: HEALTH, SAFETY AND WELL-BEING (internal and external)				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	3 8	4	
	103-2 Management approach and its components	3 8	81	
	103-3 Evaluation of management approach	3 8	81	
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	3 8 16	81	
	403-2 Hazard identification, risk assessment and incident investigation	3 8	81 and 82	
	403-3 Occupational health services	3 8	83	●
	403-4 Worker participation, consultation, and communication on occupational health and safety	8 16	82	

*Indicators that are part of the World Economic Forum (WEF) Stakeholder Capitalism Metrics.

GRI and SASB Standards	Content	SDGs	Page/Response	WEF*
GRI 403: Occupational health and safety 2018	403-5 Worker training on occupational health and safety	8	81-83	
	403-6 Promotion of worker health	3	83	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	8	81-83	
	403-8 Workers covered by an occupational health and safety management system	8	81-83	
	403-9 Work-related injuries	3 8 16	82, 104	
	403-10 Work-related ill health	3	82, 104	
MATERIAL ASPECT: DATA SECURITY AND INFRASTRUCTURE				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	16	4	
	103-2 Management approach and its components	16	36	
	103-3 Evaluation of management approach	16	36	
GRI 418: Customer privacy 2016 SASB SV-ED-230a.3	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	16	36	
SASB SV-ED-230a.1	Description of approach to identifying and addressing data security risks	16	36	
SASB SV-ED-230a.2	Description of policies and practices relating to collection, usage, and retention of student information	16	36	

*Indicators that are part of the World Economic Forum (WEF) Stakeholder Capitalism Metrics.

GRI and SASB Standards	Content	SDGs	Page/Response	WEF*
MATERIAL ASPECT: EMPLOYEE AND TEACHER TRAINING AND EDUCATION				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	4 8	4	
	103-2 Management approach and its components	4 8	80	
	103-3 Evaluation of management approach	4 8	80	
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	4 5 8 10	80	
	404-2 Programs for upgrading employee skills and transition assistance programs	8	80	
	404-3 Percentage of employees receiving regular performance and career development reviews	5 8 10	80	
MATERIAL ASPECT: EMPLOYABILITY AND ENTERPRISE				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	8	4	
	103-2 Management approach and its components	8	70	
	103-3 Evaluation of management approach	8	70	
	Conecta results: job vacancies divulged; students and former students registered; number of partnering companies		70	
OTHER RELATED GRI INDICATORS				
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	8 9	40	●
GRI 203: Indirect economic impacts 2016	203-1 Investments in infrastructure and services supported	5 9 11	84, 85, 90, 95 and 96	
	203-2 Significant indirect economic impacts	1 8	85	●

*Indicators that are part of the World Economic Forum (WEF) Stakeholder Capitalism Metrics.

GRI and SASB Standards	Content	SDGs	Page/Response	WEF*
GRI 302: Energy 2016	302-1 Energy consumption within the organization	7 13	98	
	302-4 Reduction of energy consumption	7 8 12 13	98	
GRI 303: Water and Effluents 2018	303-5 Water consumption	6	99	
	303-1 Interactions with water as a shared resource	6	99	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	13 15	99	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	5 8 10	76, 101	
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	10	86	
SASB SV-ED-000.A	Number of students enrolled	4	25 and 55	
SASB SV-ED-000.B	Number of enrollment requests received	4	25 and 55	
SASB SV-ED-000.D	Number of teachers on staff and other teachers	4	76	

*Indicators that are part of the World Economic Forum (WEF) Stakeholder Capitalism Metrics.



CORPORATE INFORMATION

COGNA

Investor Relations area

Avenida Paulista, 901, 2º andar - São Paulo - SP CEP: 01310-100

<http://www.cognaedu.com.br/> • E-mail: dri@cogna.com.br

Press relations

Institutional Communication

comunicacaoinstitucional@kroton.com.br

OVERALL REPORT COORDINATION

Juliano Miguel Braga Griebeler - Director of Institutional Relations and Sustainability

Marina Pequeneza de Moraes - Sustainability Manager

Gabriela Salles - Senior Sustainability Analyst

Karina Lakerbai - Senior Sustainability Analyst

Bárbara Silva e Souza - Sustainability Analyst

Luís Ricardo de Almeida - Multimedia Specialist

CONTENT, GRI CONSULTING, GRAPHIC DESIGN

Gestão Samaúma

TRANSLATION TO ENGLISH

Raymond Maddock

PHOTOS AND VIDEOS

PC Pereira

Cogna Image Bank

Doubts and suggestions about the report:

esg@cogna.com.br