

The free cash flow was negative by BRL1,6 billion, a reduction of BRL 1,3 billion compared to 3Q21. This difference is related to the deleveraging movement currently undergoing, regarding the BRL1,9 billion amortization that happened in 3Q22, as mentioned in section “Net Indebtedness”.

ESG | ENVIRONMENTAL, SOCIAL, AND GOVERNANCE POLICY

In this third quarter, the action plans to achieve the goals listed in the “Cogna Commitments for a Better World” are already in progress and under constant assessment. Please find below the main ESG highlights for the 3rd quarter of 2022:

- Launching of T.EX, our school to train developers. 20% of the vacancies were full scholarships funded by Cogna for people with a monthly income of up to BRL 2,000, former higher education students or part of the LGBTQIAP+ community or black people.
- Launching of the Single Day – a monthly day set aside for courses at Cogna's Corporate University, Unico, – an incentive for employees to expand their knowledge throughout the year. Some of the courses encouraged so far were: The Importance of Diversity, Health and Safety at Work, Ambidexterity, Code of Conduct and Information Security.
- Launching of Training and content pills on the Company's new Code of Conduct, launched in the 2nd quarter.
- Holding of the Diversity and Inclusion Week, which had 4 exclusive meetings for Leadership.
- Launch of the Somos Futuro 2023 Selection Process - a program to accelerate students from public schools, maintained by the SOMOS Institute – one of the Company's social arms. The quarter also included two meetings on social-emotional skills for scholarship holders in the 2nd year of the Program, with a 90% NPS.

Memberships, voluntary commitments, certifications:	
FSC – Forest Stewardship Council	Since 2006
Global Pact	Since 2010
Ethos Institute	Since 2021
LGBTI+ Company Forum	Since 2021
WOB – Women on Board	Since 2021
WEPS – Women's Empowerment Principles – UN Women	Since 2021
Clean Company – Business Pact for Integrity and Against Corruption	Since 2022
Great Place to Work	Since 2022

MAIN INDICATORS

In line with the topics identified in the materiality process, we present the most relevant indicators for Cogna on a quarterly basis, which full consolidated information can be found in our Sustainability Reports on the page: www.esgcogna.com.br.

ENVIRONMENTAL

SDGs	GRI	Water withdrawn by source ²	Unit	1st QUARTER			2nd QUARTER			3rd QUARTER			4th QUARTER	
				1Q2022	1Q2021	1Q2020	2Q2022	2Q2021	2Q2020	3Q2022	3Q2021	3Q2020	4Q2021	4Q2020
3, 11, 12	303-3	Groundwater	m ³	79,665	25,379	24,131	80,461	24,774	23,307	60,772	37,160	60,718	57,901	57,874
		Municipal supply	m ³	55,199	74,764	74,883	54,338	74,958	75,414	61,068	69,712	67,094	68,185	83,124
		Total	m ³	134,864	100,143	99,014	134,799	99,732	98,721	121,840	106,872	127,812	126,086	140,998
SDGs	GRI	Internal energy consumption	Unit	1Q2022	1Q2021	1Q2020	2Q2022	2Q2021	2Q2020	3Q2022	3Q2021	3Q2020	4Q2021	4Q2020
12, 13	302-1	Total energy consumed	GJ	38,111	32,782	33,074	39,568	32,066	32,022	36,195	31,615	26,208	32,750	32,106
		Percentage of energy from renewable sources ³	%	89%	85%	86%	90%	86%	84%	85%	83%	82%	88%	82%

WATER

- The reduction in water consumption in the third quarter is due to the vacation period in our teaching units;
- In the education and awareness axis, we continued the communication process with our employees, sending communications encouraging water and electricity savings.⁵

ENERGY

- The reduction in energy consumption during the quarter is due to the vacation period in our teaching units;
- At the end of 2021, Kroton signed a contract to install solar panels at the Jaú (SP) and Eunápolis (SP) units, as a pilot project. Since the installation period, there has been generation of energy equivalent to more than 36 thousand KWh – this value is considered in the total percentage coming from renewable sources.⁶

⁵The consumption calculations were obtained from the corresponding bills from the supply companies. Kroton's campi are located in metropolitan regions with "urban hubs" and the dry period considered predicts the rainfall regime used in the generation of "hydroelectric" electricity. The dry period considers water scarcity in all Brazilian states from May to November.

⁶Energy acquired in the Free Market environment has 100% incentive, coming from alternative sources and therefore is considered a renewable source.

SOCIAL

SDGs	GRI	Diversity in the staff by functional category	Unit	1Q2022	1Q2021	1Q2020	2Q2022	2Q2021	2Q2020	3Q2022	3Q2021	3Q2020	4Q2021	4Q2020
5	405-1	C-level - Female	% of people	25%	ND	ND	14%	ND	ND	14%	ND	ND	ND	ND
		C-level - Male	% of people	75%	ND	ND	86%	ND	ND	86%	ND	ND	ND	ND
		Total - C-level⁴	number of people	8	ND	ND	14	ND	ND	14	ND	ND	ND	ND
		Leadership - Female (≥ to management)	% of people	44%	45%	44%	45%	47%	43%	46%	47%	44%	46%	44%
		Leadership - Male (≥ to management)	% of people	56%	55%	56%	55%	53%	57%	54%	53%	56%	54%	56%
		Total - Leadership (≥ to management)⁵	number of people	619	659	723	601	678	723	617	703	700	662	659
		Academic staff - Female	% of people	55%	57%	55%	55%	57%	55%	55%	57%	56%	57%	57%
		Academic staff - Male	% of people	45%	43%	45%	45%	43%	45%	45%	43%	44%	43%	43%
		Total - Academic staff⁷	number of people	9,435	11,466	13,977	9,120	10,836	13,732	10,123	11,406	12,861	10,995	11,889
		Coordination and Administration - Female	% of people	67%	65%	62%	68%	66%	63%	69%	67%	64%	68%	64%
		Coordination and Administration - Male	% of people	33%	35%	38%	32%	34%	37%	31%	33%	36%	32%	36%
		Total - Coordination and Administration⁸	number of people	11,885	12,075	13,826	12,148	13,266	13,540	13,447	13,905	13,159	11,685	10,246
		Total - Female	% of people	61%	61%	58%	62%	61%	58%	62%	62%	59%	62%	60%
		Total - Male	% of people	39%	39%	42%	38%	39%	42%	38%	38%	41%	38%	40%
		Total - Employees	number of people	21,947	24,211	28,539	21,883	24,791	28,009	24,201	26,026	26,735	23,354	22,809
SDGs	GRI	Indirect economic impact ⁹	Unit	1Q2022	1Q2021	1Q2020	2Q2022	2Q2021	2Q2020	3Q2022	3Q2021	3Q2020	4Q2021	4Q2020
4, 10	103-2, 103-3, 203-1, 413-1	Social projects	no.	ND	ND	ND	219	229	160	ND	ND	ND	485	544
		Benefited people	no.	ND	ND	ND	56,524	37,650	48,899	ND	ND	ND	135,383	174,000
		Students and faculty involved	no.	ND	ND	ND	8,309	11,073	19,092	ND	ND	ND	22,813	53,000
		Academic volunteering	hours	ND	ND	ND	12,400	2,115	5,248	ND	ND	ND	24,538	32,000
		Corporate volunteering	hours	ND	ND	ND	1,620	1,100	1,170	ND	ND	ND	4,562	5,150
SDGs	GRI	Health and Safety	Unit	1Q2022	1Q2021	1Q2020	2Q2022	2Q2021	2Q2020	3Q2022	3Q2021	3Q2020	4Q2021	4Q2020
3	403-5, 403-9	% of units covered by the Risk Management Program (PGR)	%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
		Total number of employees trained in health and safety ¹⁰	number of people	3,213	2,539	2,555	3,209	2,796	2,791	8,322	2,327	5,668	4,526	2,423
		Total hours of health and safety training	no.	5,002	7,771	15,382	11,978	15,119	3,818	7,705	17,030	5,671	10,883	21,597
		Average hours of health and safety training per participant ¹¹	no.	1.6	3.1	6.0	4.1	5.4	1.4	2.29	2.5	2.6	4.5	4.8
		Total hours of on-site fire brigade training	no.	412	350	476	283	539	0	2,123	894	5	539	1,080
		Average hours of on-site fire brigade training per participant ¹¹	no.	12.5	17.5	12.2	13.0	13.8	0.0	13.52	15.0	16.0	13.5	12.7
		Employees - Accident frequency rate ¹²	rate	1.16	ND	ND	1.81	ND	ND	2.37	ND	ND	ND	ND
		Employees - Rate of accidents with serious consequences ¹³	rate	0.00	ND	ND	0.00	ND	ND	0.00	ND	ND	ND	ND
		Employees - Compulsory reporting accident rate ¹⁴	rate	0.87	ND	ND	1.33	ND	ND	1.24	ND	ND	ND	ND
		Employees - Death rate ¹⁵	rate	0.00	ND	ND	0.00	ND	ND	0.00	ND	ND	ND	ND

DIVERSITY

- In the 3rd quarter, we had a total of 24,201 employees in Cognia.

- The position breakdown shows a predominance of women up to coordination level and in leadership (management and above), the female share rate is 46% - a value equivalent to the public goal for 2022, already achieved. We have a goal of achieving equity (50%) by 2025.
- We ended the quarter with 30.8% of black people (black and brown) in the overall staff and 28% in leadership (equal and from coordination). The racial target of Cognia Commitments for a Better World is to reach 40% by 2025.
- Maintenance of four affinity groups since 2021, on the axes of: gender (Divers@), ethnicities (CognAfro), LGBTQIA+ (Cognia in Colors) and PCDs (Include). The groups actively work to build awareness and literacy actions in the Company.

INDIRECT ECONOMIC IMPACT⁷

- Launching of a discipline with voluntary action – inserted in the curriculum matrix. The subject is mandatory in undergraduate courses and covers topics such as human rights, citizenship, politics, ethics, among others. In addition to the program contents, students must carry out volunteer work with non-profit social organizations of their choice. In the first semester, 11,000 students were enrolled in the course, a number that should increase over time. The initiative started as a pilot project in 2019, ended up being interrupted due to the pandemic and returned in 2021, also including possibilities for volunteering activities to be carried out remotely.
- The actions of our employees, who act as mentors in Somos Futuro – a program to accelerate students from public schools, maintained by Instituto SOMOS – one of the Company's social arms, are considered in corporate volunteer hours. Mentorships are carried out for young people in the 1st and 3rd year of high school, focusing on the development of social-emotional skills, future and career planning. Volunteer employees receive training to work with young people, with special attention to the emotional health of scholarship holders.
- Since 2017, we have maintained our Social Project Management System, which enables the monitoring, improvement and transparency of the social projects carried out by our Higher Education Institutions, as well as the sharing of good practices in the network. Some of these projects are published on the website of the Brazilian Alliance for Education – an intersectoral movement in favor of Education in the country, led by Kroton.

HEALTH AND SAFETY

- The increase in the total number of training hours on health and safety is a reflection of the company's progress towards the goal of training on the subject, one of the Cognia Commitments for a Better World.
- The increase in the accident frequency rate reflects improved controls. The topic has been widely disseminated among employees, which brings greater knowledge to the reports.
- In 2019, we started the Employee Primary Health Care project, a service that was intensified and expanded with teleservice as a result of the pandemic. That year, Espaço Saúde was launched in corporate offices with a multidisciplinary team, where we provide closer care and focus on the integral health of our people. As complementary actions, we also offer three programs: Pregnant Women Program; Mental Health Program and Nutrition Program.

⁷Indirect economic impact data are reported semi-annually, respecting the project schedule

GOVERNANCE

SDGs	GRI	Diversity in the Board of Directors	Unit	1Q2022	1Q2021	1Q2020	2Q2022	2Q2021	2Q2020	3Q2022	3Q2021	3Q2020	4Q2021	4Q2020
5	405-1	Female	% of people	33%	17%	14%	40%	29%	14%	40%	29%	14%	33%	17%
		Male	% of people	67%	83%	86%	60%	71%	86%	60%	71%	86%	67%	83%
		Total	number of people	6	6	7	5	7	7	5	7	7	6	6
SDGs	GRI	Ethical behavior	Unit	1Q2022	1Q2021	1Q2020	2Q2022	2Q2021	2Q2020	3Q2022	3Q2021	3Q2020	4Q2021	4Q2020
8 and 16	205-1, 205-2, 205-3	Employees trained on anti-corruption policies and procedures	% of people	100%	100%	60%	100%	100%	60%	100%	100%	60%	100%	100%
		Transactions subject to corruption-related risk assessment	% of transactions	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
		Number of confirmed cases of corruption	number of cases	0	0	0	0	0	0	0	0	0	0	0
SDGs	GRI	Compliance	Unit	1Q2022	1Q2021	1Q2020	2Q2022	2Q2021	2Q2020	3Q2022	3Q2021	3Q2020	4Q2021	4Q2020
16	307-1, 419-1	Fines for social economic non-compliance	BRL (thousands)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		Non-financial sanctions for social economic non-compliance	number of sanctions	0	0	0	0	0	0	0	0	0	0	0
		Fines for environmental non-compliance	BRL (thousands)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		Non-financial sanctions for environmental non-compliance	number of sanctions	0	0	0	0	0	0	0	0	0	0	0

DIVERSITY

- The election of the Board of Directors management for 2022 to 2024 took place in April, and now has 5 seats. The elected directors will have a term of office until August 2024. See the complete list.
- 60% of the seats in the Board of Directors are held by people belonging to minority groups - women, black people and LGBTQIA+. One of the goals of the Cognia Commitments for a Better World was to have these audiences represented by at least 1/3 of the positions by 2025, a goal that was achieved and surpassed even in 2022.

COMPLIANCE

- We did not record significant fines or sanctions in the economic and social aspects, except for the normal course of business. Cognia has been working strongly on the preventive labor front, having mapped the main causes of contingencies and outlined robust action plans to manage this risk with revisions and adjustments to procedures. The preventive strategy represents a 30% reduction in labor lawsuits compared to the third quarter 2020 and 2% compared to the same period in 2021.
- During the year, there were no records of fines or administrative and judicial sanctions for non-compliance with environmental laws and/or regulations. The Company's relevance criterion considers proceedings that do not harm the image of Cognia and its subsidiaries and/or stoppage of transactions, or that have significant amounts involved.