



2020 SUSTAINABILITY REPORT

YDUQS



TABLE OF CONTENTS

Summary

Message from the CEO

Initiatives during the pandemic

Yduqs

Governance Dimension

Social Dimension

Corporate Social Responsibility

Educational Dimension

Economic Dimension

Environmental Dimension

GRI Summary

YDUQS

2020 SUSTAINABILITY

REPORT



SUMMARY GRI 102-46

This Report recalls the most important events for Yduqs in the 2020 journey

In its 2020 Sustainability Report, Yduqs presents the most important events of its journey throughout the year - a time marked by the social and economic effects of an unprecedented pandemic in this century.

Faced with the challenges, the Company pursued more than ever to accommodate all its stakeholders, especially students, professors, employees and the communities surrounding its operations.

As one of the leaders in private higher education, present in all Brazilian states, Yduqs has validated its mission statement: Educate to Transform, giving priority to everyone's health and the quality of its education.

The five dimensions discussed in this Report (Governance, Social, Education, Economic and Environmental) provide detailed information on Yduqs' 2020 performance. They address corporate ethics and integrity; people management and organizational culture; operational expansion and recent acquisitions; educational innovations and relationship with students; financial indicators and strategy.

The Company's outstanding performance in environmental, social and governance (ESG) topics is embedded in this Report's entire content, with emphasis on corporate social responsibility activities.

Similarly, to 2019, Yduqs 2020 Sustainability Report was prepared in accordance with the Global Reporting Initiative (GRI) Standards, in the Core option.

Good reading!





MESSAGE FROM THE CEO

GRI 102-14

For Yduqs, 2020 has felt like living five years in one. The new coronavirus pandemic has proved to be an unprecedented turning-point in our way of operating, with impacts on financial performance, student services and people management. But it was also a year of achievements, where the Company continued to grow, delivered a new On-Campus learning model and improved indexes such as student retention and satisfaction.

Without overlooking its environmental, social and governance (ESG) initiatives, in a scenario that required everyone to cooperate.

In March, given the state of emergency, our first concern was our people: students and employees. In just one week, 300 thousand students began taking classes from home, with major effort from the professors. We have closely monitored our internal stakeholders' health. We have recorded some Covid-19 cases, but at a low ratio in a realm of 16,000 people.

Our financial stability allowed us to take actions for the benefit of our students. We did not want to cancel classes, so they have never stopped. We helped those who lost their jobs by offering full scholarships in the "Com Você" ("With You") programs. We have also helped making access to internet easier to those who did not have it. Almost 95% of our students evaluated our work during the pandemic as "good" or "very good".

Our Net Promoter Score (NPS) was higher than in 2020, given all the adversities.

We were successful to implement Aura, our new On-Campus Model that offers innovative technological resources and greater interactivity. With the digital content, students are better prepared. And this was possible thanks to EnsinMe – a business unit consolidated in 2019 that produces educational content to all our On-Campus, Premium and Digital Learning operations.

It is important to bear in mind that, with the acquisitions in 2020, we have added 10 new brands and more than 20 educational units to Yduqs. This has been an important year for the strategies of each business unit. All of them are more independent, operating as business owners. Digital and Premium segments recorded significant growth. Medicine has evolved in organization and number of students, which has also been picked up by lbmec. Estácio gained more identity and respect.

Our ESG initiatives, which have historically been a priority, will become even stronger and more organized. In 2021, we launched the Yduqs Institute, which will concentrate all social initiatives and give freedom to carry out projects, enter into partnerships and raise external funding.

In 2020, in the social sphere, despite the challenges brought by the pandemic, we have

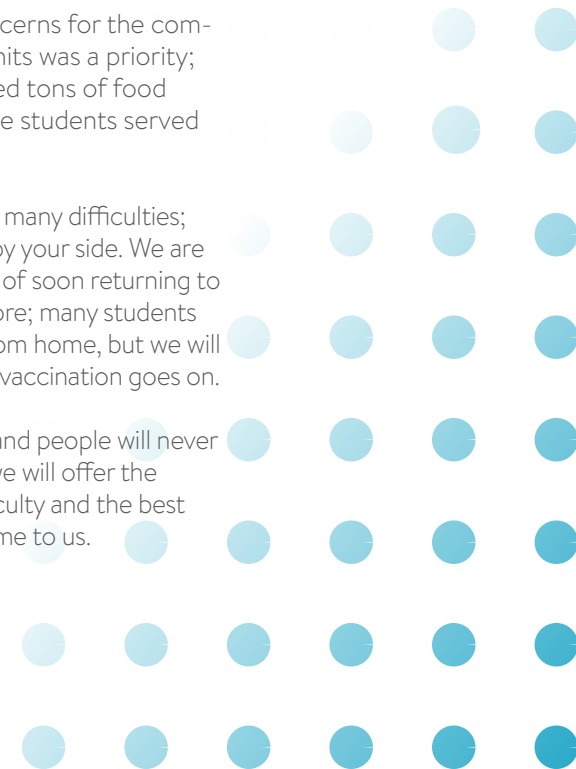


achieved so much. Our concerns for the communities surrounding our units was a priority; our regional offices collected tons of food items for donation. Medicine students served the local population.

Together we have overcome many difficulties; even so we are happy to be by your side. We are optimistic about the outlook of soon returning to the classes as they were before; many students will keep on taking classes from home, but we will begin to return to normal as vaccination goes on.

Yduqs will continue to grow and people will never stop reaching out to us. So we will offer the best technology, the best faculty and the best experience to those who come to us.

Eduardo Parente
CEO





INITIATIVES DURING THE PANDEMIC

In 2020, given the social and economic impacts of the Covid-19 pandemic, Yduqs sought to leave a positive footprint on students, professors, administrative employees and the communities surrounding its operations. The work will continue in 2021, while the

pandemic continues to affect the population. Among the initiatives, we place emphasis on the donation campaigns in several units, manufacturing and donation of protective masks, full and partial scholarship programs and launch of free online courses.



DONATION CAMPAIGNS DURING THE PANDEMIC IN 2020

+ 120 tons of food items

1,454 clothing items

87,089 basic hygiene items

1,112 blood bags donated

2,917 toys

4,100 protection masks

60,045 thousand people benefited

+ than 1.4 million views of the content posted on Youtube



For students

In addition to not interrupting the On-Campus classes, which have been adapted to remote learning (read more in the *Education Dimension*), Yduqs has taken on several initiatives to support students during the pandemic. Students whose incomes have been impacted amid the pandemic were able to rely on the “Com Você” (“With You”) scholarship program (read more in *Economic Dimension*).

“PLANTÃO CORONAVIRUS” WEBSITE

Estácio has created the website resource <https://portal.estacio.br/plantaocoronavirus> so that students may follow the news about the return to campus and get information about the online academic activities.

PROMOTION OF LIVE ONLINE CLASSES

Student-athletes of the Estácio Team have been invited to record videos talking about their class routines during the social distancing period. Contents have been used to promote the On-Campus activities on social media. The initiative reached more than 3 million people in 2020.



PARTNERSHIPS FOR THE STUDENTS

Even during the pandemic, Yduqs group’s educational institutions ensured that On-campus classes have continued. With initiatives to support students, the Strategic Partnerships department have come together with internet providers and computer stores to offer better conditions in internet bundles to our students.

Magalu, one of Brazil’s largest department stores, has widened the already existing partnership by also including nearly 2,000 products in the Computers category, in addition to the partnership with Positivo Tecnologia, which has also offered special conditions to our students.



EDUCATIONAL INSURANCE

In order to ensure that our undergraduate students continued going to school, Estácio offered an educational insurance in 2020. This option ensures the payment of up to six times the amount of the monthly tuition in case the person responsible for the payments of the student’s educational agreement becomes unemployed or accidentally dies.



For employees **GRI 102-10**



On March 20, 2020, the Brazilian Senate declared state of public emergency throughout the country, due to the quick spread of the new coronavirus in Brazil. In just 3 days, Yduqs' entire faculty and administrative staff adopted the work-from-home regime. Computers have been provided to employees who did not have proper equipment.

As a measure to protect our cashflow, some benefits have been temporarily suspended, according to the provisions of Law 14.020, approved in June. Even after adopting said law, employees who had their working hours cut back, have still received the full amount of their net salaries; Yduqs has covered the portion that is usually funded by the government.

All changes have been monitored by the labor unions that represent several employee categories. Hence, it was possible to keep job stability, without any layoffs during the most severe period of the pandemic.

In the months that followed the stabilization of this new work model, the concern was to maintain a healthy and collaborative internal environment. The *Equilibre* Program has focused efforts on the follow-up of our employees, based on three pillars: productivity, communication and wellness.

The follow-up of employees' health has also changed: more than 2,000 people have been monitored, according to their risk level and symptoms shown.

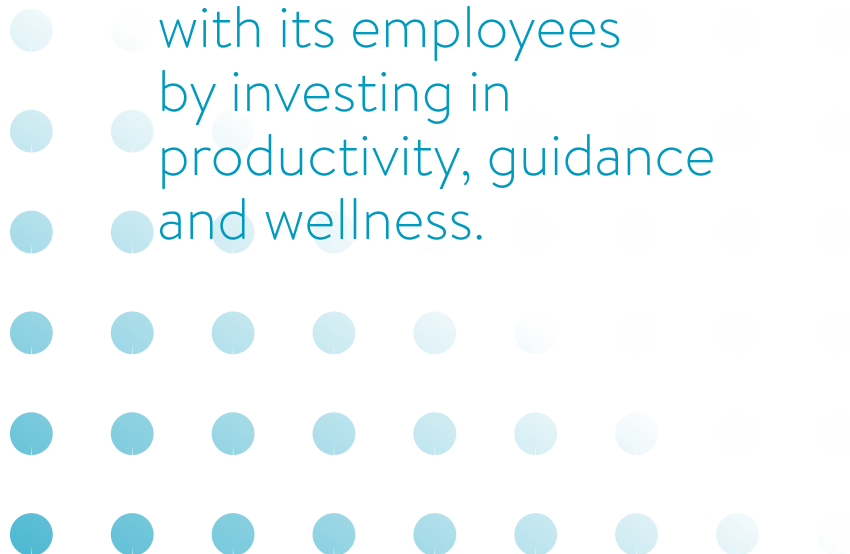
In addition to virtual doctor appointments scheduled by the health insurance, employees have received support and advice via telephone calls.

Through the Covid-19 Newsletter, the Company has regularly promoted guidelines to make working from home easier and shared important information on health and wellness, in addition to other relevant news. Similarly, the Coronavirus Hotline is a direct channel to clarify any health-related questions. Yduqs' Occupational Medicine department is responsible for these clarifications.

Pulse surveys, conducted in shorter periods, seek to measure the work climate and people's motivation in their daily routines. In the internal communication front, engagement campaigns with the participation of the leadership (such as the CEO, Eduardo Parente) were released, as well as motivational lectures with external guest speakers.

A channel dedicated to the employees' mental health was opened - *Escuta +*, an initiative of the *Equilibre* Program, with the participation of professors and students. Complementarily, behavioral trainings focused on helping accept and overcome losses have been offered as well as methodologies to adapt activities that used to be performed in person to the new work-from-home regime. With the need for social distancing, the scholarship discount to employees in graduate and MBA programs have been increased to 100% until September 2020.

Through the *Equilibre* Program, Yduqs has been following up with its employees by investing in productivity, guidance and wellness.





Education

RESOLVE SIM

Through a free-of-charge platform (www.resolve-sim.com.br), Yduqs has helped over 1 million public high school students to prepare for the National High School Exam (or ENEM, in Portuguese) during the pandemic. Built in partnership with Eleva Educação, the platform can be accessed from any computer, smartphone or tablet. With multi-media content distributed in four knowledge fields, the platform also provides the “Simulação” (Mock tests).

ONLINE ENTRANCE EXAMINATION

During the social distancing period, candidates throughout the country have taken their entrance examination from home – in addition to enjoying special discounts in several campuses and distance learning centers.

FREE ONLINE COURSES

Estácio has released courses from its portfolio, free of charge, during the quarantine period, so that anyone could improve in their career or personal knowledge. Contents have been split into four areas of interest: business administration, engineering and management, education, gastronomy and computer sciences.

The advertisement features a teal background with a large, stylized graphic of a person's head and shoulders on the right side, filled with a colorful, abstract pattern. The text is in Portuguese and promotes the RESOLVE SIM platform for preparing for the ENEM exam. The Eleva Educação and Estácio logos are at the bottom.

SEU FUTURO NÃO TEM QUE ESPERAR. CHEGOU

RESOLVE SIM

Alunos da rede pública agora têm um grande apoio na preparação para o ENEM e vestibulares. Tudo 100% online e gratuito. Aqui você Resolve Sim.

Eleva
EDUCAÇÃO

Estácio
Você e Estácio. Formou.



Health



FREE TUTORIAL ON THE FIGHT AGAINST COVID-19

In order to train and inform our health professionals in the frontlines of the fight against the new coronavirus, the Regional Medicine Board of the state of Rio de Janeiro, the Carlos Chagas Institute and Estácio have prepared a tutorial on official conduct. It was the first material of this kind to be approved and ratified by a Regional Medicine Board and is available for reference on Estácio's YouTube channel.



PHYSICAL ACTIVITY FOR THE ELDERLY

Estácio Ceará's social responsibility project, the Senior Institute, has offered tips and online activities to the elderly that stayed at home. Part of the in-person activities have been adapted and sent in video to the participants, so as to provide physical and mental quality of life.

LIVE BROADCASTS AND APP ABOUT COVID-19

Yduqs' Institutions, such as Estácio Belo Horizonte (MG) and Estácio Resende (RJ), have conducted live broadcasts hosted by professors and health professionals on the internet and open to the general public. The purpose was to ensure that the population has access to information about the pandemic during the social distancing period. On the other hand, Estácio Juiz de Fora (MG) made the Coronavirus Guide available and free of charge on the Android platform. Produced by the unit's students, this guide gathers information about the virus from reliable sources.

DONATION OF EQUIPMENT IN MANAUS

Estácio do Amazonas has donated hospital items to the State's healthcare units. 244 medical equipment were delivered, including oxygen cylinders, N95 protective masks and humidifiers for the cylinders. In January 2021, during the Covid-19 second wave's peak, Estácio donated more than 10,000 items to *Instituto de Saúde da Criança do Amazonas* (ICAM), *Serviço de Pronto Atendimento* (SPA-Alvorada) and *28 de Agosto Hospital*.

SUPPORT TO THE USE OF "ELMO" IN CEARÁ

In partnership with the Public Health School (ESP) of the State of Ceará, Estácio Ceará participated in a project to train healthcare professionals to use the Elmo – a respiratory assist helmet to treat patients with light and moderate symptoms of Covid-19.

PHYSICAL THERAPY IN CAMPINAS

Centro Universitário UniMetrocamp, in Campinas (SP), has offered free-of-charge respiratory and motor physical therapy to the people who were infected by the new coronavirus. Patients have received treatment in the institution's Integrated Multidisciplinary Health Centers (or NIIS, in Portuguese), with appointments made by phone or e-mail.

VACCINATION PARTNERSHIP IN RIO DE JANEIRO

In February 2021, Estácio's Medical students participated in the launch of the Covid-19 vaccination drive-thru at the Rio de Janeiro Sambódromo. In partnership with the Local Government of Rio de Janeiro, Estácio participated in the event through its Teaching Hospital. The students helped to do the triage, vaccinated the elderly and to clarify any questions asked by the population.

THE LISTENING EAR NETWORK

An initiative from Estácio Nova Friburgo (RJ) that offers psychological support to low-income population and healthcare professionals. It is a partnership between Estácio Nova Friburgo's Applied Psychology Service and InovaFri – Nova Friburgo's Innovation Ecosystem.



Social Campaigns



“FORMOU ESPERANÇA” CAMPAIGN

A movement created by Estácio that has involved institutions, influencers and the community; it was launched as a tribute to all healthcare professionals in a visual show at the Christ the Redeemer Statue, on April 12. Estácio has also contributed by donating 6 tons of food items.

COLLABORATIVE ATTITUDE NETWORK | COVID-19

Created by Estácio, the initiative allows Yduqs' employees to contribute to improve quality of life of the population living in social vulnerability. On the portal, it is also possible to learn more and help projects developed by different NGOs and institutes throughout Brazil. The initiative is part of the Citizenship pillar, under the Corporate Social Responsibility Program “Educar para Transformar” (Educate to Transform).

INITIATIVES IN SEVERAL STATES

Yduqs' Institutions have collected and donated several items in different states:

- **Ananindeua (PA):** through the “Moda em Ação” (“Fashion in Action”) project, the Estácio do Pará (Doca Campus) Fashion Design Program entered into a partnership with the “Ação Pensando o Bem” assistance group. The initiative manufactured cloth masks to the community of Aurá, in the city of Ananindeua.
- **Brasília (DF):** Collaborating with the Federal District Mark Wearing movement, Estácio Brasília has collected food items to be donated to low-income communities
- **Cotia (SP):** Estácio's students and professors in São Paulo collected nearly 200 kg of food items, in addition to personal hygiene products and used clothing items. Donations were sent to Pequeno Cotoengo Paulista, a philanthropic institution that houses people with disabilities, and to a low-income community in the city of Itapevi (São Paulo).
- **Boa Vista (RR):** The Creative Economics' students at Centro Universitário Estácio da Amazônia manufactured protective masks to be donated. Produced in 3D printers, the masks were sent to healthcare professionals that were treating Covid-19 patients who needed to be hospitalized.
- **Goiânia (GO):** Physical Education students and professors of Estácio Goiás collected nearly 350 kg of non-perishable food items, that benefited more than 30 families.
- **Imperatriz (MA):** The professors and students from Facimp's Neonatal and Pediatrics Occupational Therapy course conducted activities with the Associação de Pais e Amigos dos Excepcionais (Apae), and donated toys, raffle gifts and supported patient care.
- **Itaperuna (RJ):** the city's Distance Learning Center donated masks to the Military Police (29th Battalion), to help in the fight against Covid-19.
- **Juazeiro do Norte (CE):** food items and personal hygiene products were distributed by Estácio to more than 50 families, in a joint initiative of the Support Center for the Affected People In Extreme Situations (Nase, as the Portuguese acronym), Thanatology lab and Ecomed.
- **Macapá (AP):** Estácio units donated personal protective equipment (gloves and masks as well as 70% ethyl rubbing alcohol) to the 1st Battalion of the Military Policy, in addition to food items collected by freshmen.
- **Ourinhos (SP):** Estácio Ourinhos collected food items and personal hygiene products, which were donated to the Lar Santa Teresa Jornet philanthropic institution.
- **Salvador (BA):** UniRuy conducted the solidarity entrance examination, to support the União Bahia social movement. Every approved candidate, upon enrolling in the institution, donated 1 kg of non-perishable food and UniRuy doubled the volume collected.
- **Teresina (PI):** The School-Pharmacy of Centro Universitário UniFacid produced 120 kg of alcohol-based hand sanitizer to be freely distributed to the candidates who took the Enem examination in person.



Service and information to the public

SERVICES TO THE POPULATION

Following all safety protocols, Yduqs Institutions kept their service focused on the community, including: help preparing income tax returns, regularize the Individual Taxpayers' document (or CPF, in Portuguese), request and withdraw the emergency allowance, help to individual entrepreneurs, among others.

ADVISORY LIVE BROADCASTS

During quarantine, financial and tax advice were given through live broadcasts (via Microsoft Teams and Instagram). One example of that was Estácio Resende, which held free virtual sessions on several topics, such as employability and entrepreneurship, physical education and nutrition. In turn, Ibmecc held virtual meetings to discuss the economic impacts of the pandemic and changes in the job market, among other topics.

The services offered to the public have not been interrupted during the pandemic, through the implementation of safety protocols.





YDUQS

One of Brazil's largest private higher education groups, Yduqs had more than 762,000 students in 2020.

In 2021, it surpassed 1 million students upon the acquisition of Qconcursos

Present in all Brazilian states and the Federal District, Yduqs is a technology and services group that uses digital innovation to provide Higher Education across all states. Gathering renowned educational institutions (Estácio, Wyden, Ibmecc, UniToledo, Damásio Educacional, Curso Clio, SJT Med and Athenas Educacional), Yduqs had nearly 762.6 thousand students in 2020, in both On-Campus and Digital Learning segments.

GRI 102-1, 102-2, 102-4, 102-6, 102-7

Created in July 2019 from Estácio Participações S.A., Yduqs is a publicly-held company headquartered in Rio de Janeiro (RJ) with national reach and serves the most diverse student profiles. The expansion and diversification of the Company's higher educational institutions (IES, in Portuguese) allows the holding company to reach students from all social levels, with different life goals and expectations towards learning – from young people pursuing professional development opportunities to students interested on elite specialization programs, recognized by the market and the academia. **GRI 102-3, 102-5**





Yduqs Mission GRI 102-16

Educate to transform:

we integrate academia and management to offer an education that transforms to the largest number of people possible, creating a positive impact on society.



Yduqs Values GRI 102-16

Focus on the student

The student is the reason for our existence.

People & meritocracy

We value and recognize the merits of our most important asset: our people.

Innovation

We should always create and be audacious.

Simplicity

We should simplify to be quick and stern.

Results

We pursue outstanding results with passion and method, always acting as “owners”.

Ethics

We do not tolerate inappropriate behavior.

Excellence

We pursue excellence in service, both inside and outside the classroom.

Hospitality

We treat others the way we like to be treated.



EDUCATIONAL INSTITUTIONS AND BUSINESS UNITS

Yduqs has consolidated its operations in four business units, each one with specific learning solutions targeted at distinct target audiences. In 2020, two new institutions were incorporated into the group, Athenas Educacional and Adtalem. Learn more about all the educational institutions and their profiles. [GRI 102-2](#)

IBMEC

São Paulo

1 Campus

Rio de Janeiro

2 Campi

Belo Horizonte

1 Campus

Brasília

1 Campus

PREPARATORY COURSES AND SPECIALIZATION

1,700 franchises present in
all Brazilian states (SJT, Clio
and Damásio)



ESTÁCIO

Roraima

2 units

Amapá

2 units

Pará

5 units

Maranhão

2 units

Piauí

1 units

Ceará

7 units

Rio Grande do

Norte

3 units

Paraíba

1 units

Pernambuco

2 units

Sergipe

1 units

Bahia

5 units

Espírito Santo

2 units

Minas Gerais

4 units

Rio de Janeiro

34 units

São Paulo

11 units

Rio Grande do Sul

1 units

Santa Catarina

3 units

Paraná

2 units

Acre

1 unit

Goiás

1 unit

Mato Grosso do

Sul

2 units

Distrito Federal

2 units

Mato Grosso

2 units

Alagoas

1 unit

Amazonas

1 unit

LOCAL HIGHER EDUCATION INSTITUTIONS (IES)

Amazonas

Faculdade Martha Falcão

Pará

Faculdade Faci

Piauí

Centro Universitário UniFacid

Maranhão

Faculdade Facimp

Ceará

Centro Universitário UniFanor

Pernambuco

Faculdade UniFBV

Centro Universitário UniFavip

Bahia

Centro Universitário UniRuy

São Paulo

Centro Universitário

UniMetrocamp

UniToledo



Educational Institutions GRI 102-2



Estácio: One of Brazil's largest higher education players, Estácio has more than 50 years of operations focused on democratic access to quality higher education and the individual and social transformation of its students. Estácio has more than 600,000 students in over 90 units, offering more than 100 undergraduate programs and over 400 graduate programs (*lato sensu*, MBA, master's and doctorate degrees), in both on-campus and distance learning programs. Furthermore, it has one of Brazil's strongest and most active social responsibility programs and supports more than 50 projects per year in education, culture, sports and citizenship fields.

Ibmec: A synonym for excellence in business and management, offering programs in Engineering, Law, International Relations, Architecture and City Planning, Social Communication and Economics, graduate degrees, MBA programs, LL.M. and master's degrees, in addition to partnerships with other corporate organizations and programs. With 5 campuses in São Paulo, Rio de Janeiro, Brasília and Belo Horizonte and more than 10,000 students in its base, Ibmecc has received IGC grade 4 in all its institution, in addition to several quality seals and certificates.

UniToledo: The Centro Universitário UniToledo, headquartered in the city of Araçatuba (São Paulo), has high quality indicators and nationwide programs, such as the Law program, which has the recommendation seal from the Brazilian Bar Association (OAB *Recomenda*), and the Gastronomy program, among others that stand out. The institution achieved the maximum score in MEC's evaluation, receiving the institutional grade A, and has more than 5,000 students.

Wyden Educacional: Wyden is a group of 9 educational institutions and 11 campuses exclusively present in the Northeastern and Northern regions of Brazil and has more than 50,000 students. It offers undergraduate and graduate programs, both in on-campus and digital learning modes, including the fields of management and business, engineering and information science, arts, science, media and technology.

SJT Med: With over 20 years of operations, SJT Med offers preparatory programs of Medicine (on-campus and digital learning), focused on preparing students for medical residence and specialist position exams, in addition to continued medical education programs, *lato sensu* graduate programs as well as preparing students for *Revalida* – the Brazilian program to validate medical degrees granted by foreign educational institutions.

Damásio Educacional: Damásio is an institution recognized nationwide as one of Brazil's most qualified Law programs. It has more than 30,000 students among graduate programs, preparation courses for public legal service positions and the Brazilian Bar Association (OAB) examination.

Clio Course: Founded in 2003, Curso Clio is now a national benchmark in preparing students for diplomatic careers, with approximately 500 students in its current base. From 2011 to 2018, 100% of candidates approved by Instituto Rio Branco – the Ministry of Foreign Affairs' diplomatic preparation center, were Clio's students.

Athenas Educacional: A group of 5 IES located in Rio Branco (Acre) (Unimeta), Ju-Paraná (Rondônia) (UNIJIPA), Rolim de Moura (Rondônia) (FSP), Pimenta Bueno (Rondônia) (FAP) and Cáceres (Mato Grosso) (Fapan). It has more than 9,000 students and a portfolio of over 60 undergraduate programs, undergraduate technical degrees (CST) and Distance Learning Graduate Programs, in addition to a potential for 300 seats/year in Medicine. In October 2020, the regional IES, which are Athenas' legacy, became officially part of Estácio, enjoying the institution's full tradition, reputation, expertise, and academic quality of national reach.



Expansion timeline

1970

Faculdade de Direito
Estácio de Sá is founded in
Rio de Janeiro

1972

Faculdades Integradas
Estácio de Sá is created
with new program offers

1988

Estácio de Sá becomes
a University

1996

Estácio's expansion begins
in the state of Rio de Janeiro

1998

Estácio expands
to other states

2013

Acquisitions: Facitec
(Federal District), Assesc
(Santa Catarina) and
UniSeb (São Paulo)

2012

Acquisitions: Seama
(Amapá), Faculdade
São Luís (Maranhão),
Faculdade iDez (Paraíba),
Fargs (Rio Grande do
Sul), Uniuol (Paraíba)

2011

Acquisitions: FAA (Roraina),
FAL (Rio Grande do Norte),
Fatern (Rio Grande do
Norte) and Academia do
Concurso

2008

Listed in B3's Novo Mercado

2007

The Company goes public
and has its IPO on B3

2014

Acquisitions: Literatus
(Amazonas), IESAM
(Pará), CEUT (Piauí)

2015

Acquisitions: Nossa Cidade
(São Paulo), Faculdade de
Castanhal (Pará)

2019

Yduqs brand is created,
acquisition of UniToledo
(São Paulo)

2020

Acquisitions: Adtalem
Educatonal, Athenas
Educatonal

2021

Acquisitions:
Qconcursos



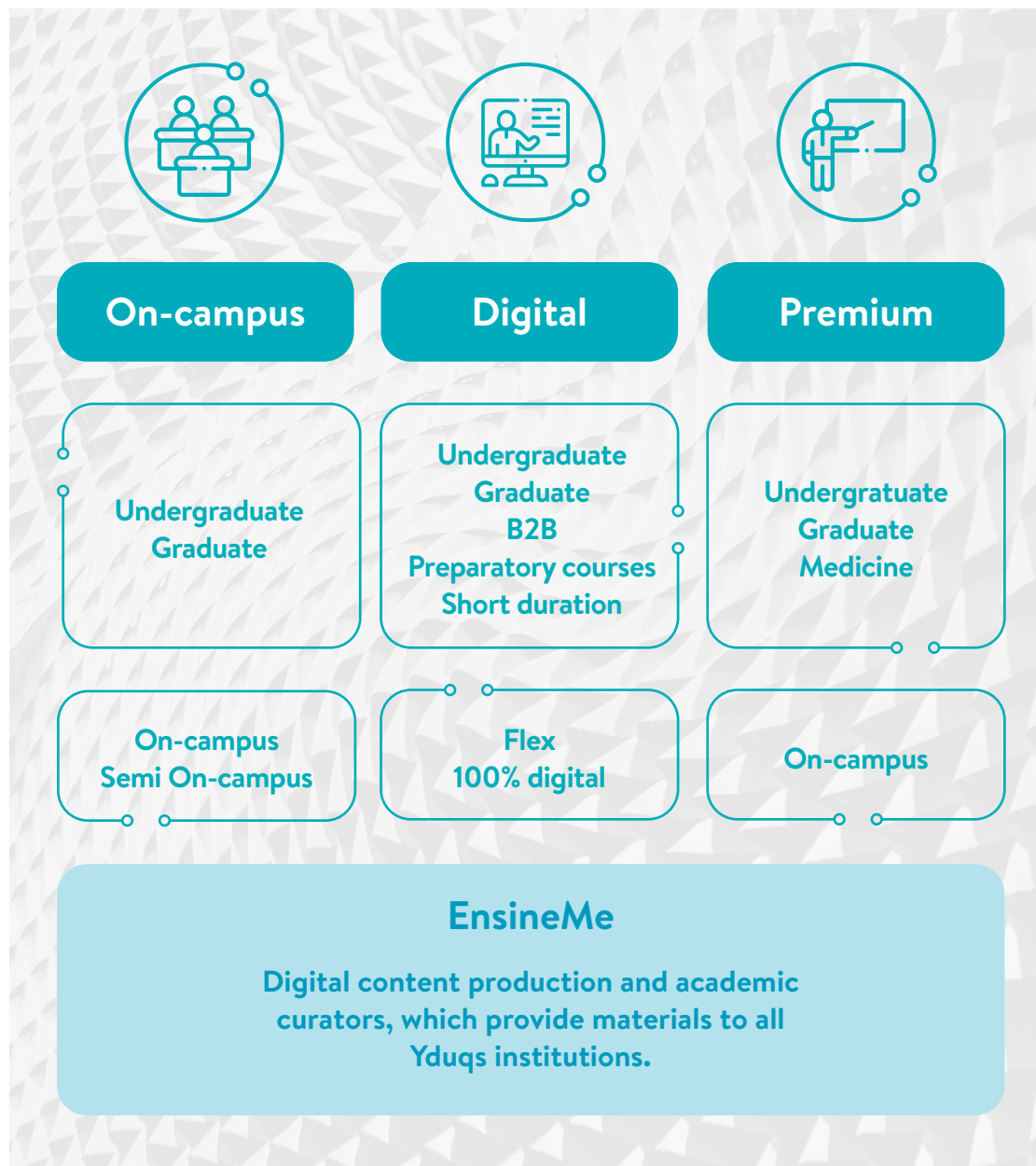
Business Units **GRI 102-2**

Yduqs has been divided in four business units, in which institutions have been grouped according to the programs they offer and the target audience they search for. The EnsiMeMe unit, created in 2020, brings together a team of academic curators and digital content developers who work to research and prepare digital learning content and formats, which are used by the institutions gathered in the other 3 business units.

HIGHLIGHT IN THE RANKINGS “VALOR 1000” AND “MELHORES DA DINHEIRO”

In its first full year as a holding company, Yduqs stood out in 2 important corporate rankings. For the second year in a row, the Company was named the best company in the Education and Learning segment of the *Valor 100* award, organized by Valor Econômico newspaper. Released every year, the list gathers the 1,000 companies that stand out in 25 segments of the Brazilian economy.

In the *Melhores da Dinheiro* award, Yduqs was the best company in the Education category in 2020. Organized by IstoÉ Dinheiro magazine, for 17 years the annual publication has been honoring companies that stand out in terms of management and performance.





SUSTAINABILITY MANAGEMENT

Yduqs' sustainability guidelines are aligned with the commitments of the United Nations' (UN) Global Compact and Ethos Institute. These are guidelines that foster the engagement of internal and external stakeholders and help promote the group's good practices.

GRI 102-12, 102-13

- **Global pact:** Yduqs is a signatory of the Compact and adopts its principles in the fields of human rights, labor relations, fight against corruption, quality education and positive impact on the communities.
- **Global Reporting Initiative (GRI):** Since 2014, Yduqs has used this global methodology to disclose its results and performance in the Company's Sustainability Reports.
- **Ethos:** The Company systematically adopts Ethos indicators for sustainable business. The self-evaluation process enables the preparation of several Continuous Improvement Plans, which are regularly implemented and monitored.

ESG COMMITTEE

Upon creation of the ESG Committee, which relies on the participation of employees from several departments, Yduqs carries on with an over 50-year tradition of social responsibility initiatives, built by institutions such as Estácio, Damásio Educacional and Ibmecc. In 2020, we carried out a major work of mapping all initiatives developed by Yduqs companies, in order to organize the Company's actions in environmental, social and governance (ESG) topics and integrate the focus and strategy targeted at these matters.

YDUQS INSTITUTE

Yduqs Institute will be launched still in 2021 and will gather the Company's social & environmental and cultural projects. Stemming from all the planning done throughout 2020, the Institute will allow the Company to multiply the positive impact of already existing initiatives and will make easier to implement new actions and partnerships with companies, public authorities and non-profit organizations.

Materiality



At the beginning of 2021, Yduqs identified and prioritized economic, environmental and social topics that are the most relevant for its activities. The list of resulting topics is what makes the Company's materiality and shows the main impacts of its activities on its main stakeholders. Sector studies and analysis of internal documents were fundamental for the new materiality process, which have also addressed the recent changes to Yduq's strategy and Brazil's educational market given the challenges brought by the Covid-19 pandemic.

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The table in the following page presents the final list of 9 material topics, organized according to the Company's perspective and their correlation with the United Nations' (UN) Sustainable Development Goals (SDG). The SDG list can be found in the GRI attachment to this Report.



GRI 103-1

Material topics GRI 102-47

Definition GRI 102-44, 102-46

ESG aspects relations

Correlation with
the SDGs

In and out Yduqs impacts

| | | | | | |
|----------|---|--|--|-----------|---|
| 1 | Quality of teaching and services offered | Learning journey; course assessment; pedagogical support; MEC accreditation; student experience and service | Social (Educational Dimension) | 4 8 9 12 | ↩ In: entire organization; ➡ Out: students and society |
| 2 | Employability and entrepreneurship | Employability during and after undergraduate program; learning in theory and in practice; support for internship search; partnerships; entrepreneurship; support for startups | Social (Corporate Social Responsibility, Educational Dimension) | 1 4 8 | ↩ In: entire organization; ➡ Out: students and society |
| 3 | Innovation and technology | Platforms and tools; DL; investments in classroom technology; modernization of labs | Governance, social (Social Dimension, Educational Dimension) | 9 12 | ↩ In: entire organization; ➡ Out: all stakeholders |
| 4 | Diversity, equality and inclusion | Diverse work environment, with equality of treatment, opportunities and compensation, without any form of discrimination | Social (Social Dimension) | 5 10 16 | ↩ In: entire organization; ➡ Out: all stakeholders |
| 5 | Accessible education | Public policies on the topics; quotas; scholarships; education for the visual and hearing impaired; inclusion of underprivileged people; reach | Social (Educational dimension, Corporate Social Responsibility) | 1 4 8 | ↩ In: entire organization; ➡ Out: students and society |
| 6 | Corporate governance, ethics and strategy | Ensure high governance standards. Transparency in relationships and compliance with laws, rules, regulations and code of conduct | Governance (Governance Dimension) | 12 16 | ↩ In: entire organization; ➡ Out: all stakeholders |
| 7 | Human care and development | Care for the health and well-being, human rights and good work relations; talent attraction and retention; career management; employee and faculty development; preparation for retirement; volunteering | Social, governance (Social dimension) | 5 9 10 | ↩ In: entire organization; ➡ Out: all stakeholders |
| 8 | Environmental management policy and system | Minimize environmental impacts; waste and natural resources management; reduce plastics consumption; ensure operational ecoefficiency | Environmental, social (Environmental dimension) | 7 8 12 13 | ↩ In: entire organization; ➡ Out: all stakeholders |
| 9 | Cultural programs, social projects and extension projects aimed at the community | Social & environmental and educational initiatives targeted at the communities surrounding our campuses and that contribute to their social & economic development. | Social, environmental (Corporate Social Responsibility, Educational Dimension) | 4 10 | ↩ In: entire organization; ➡ Out: students and society |



Relationship with stakeholders

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

For each stakeholder group, Yduqs uses special communication and relationship channels. The Company has continually engaged with stakeholders throughout the year. The table on the right summarizes the channels dedicated to each stakeholder group.



STAKEHOLDER

TYPE OF ENGAGEMENT

Students

Academic Information System, Online Survey, WhatsApp, Academic website, Blog, Jobs Portal, App, Virtual Assistant, email marketing, text messages, secretariats, academic departments, call center, Institutional Websites, social media and Sustainability Report

Graduating Students

Jobs Portal, blog, Online Survey, emails, social media, Institutional websites, call center and Sustainability Report

Partner Centers

Conexão Polos Portal, Institutional Website, Telegram, Weekly live broadcasts (MS Teams), institutional emails, chat, phone call service, Field Managers, Large Account Managers, Training Journey (*Educare*), Electronic Request System (SEC, in Portuguese), Intranet and Sustainability Report

Society

Press release, social media, advertisement in all media (billboards, TV, radio, printed material, bus ads, street furniture ads, etc.) email marketing, Institutional Websites and Sustainability Report

Investors

Institutional Websites and contents available in the following media: Sustainability Report, Notices to the Market, Material Facts, Investor Days, Market Events and other documents filed at the Brazilian Securities and Exchange Commission (CVM)

Suppliers

Supplier system (SAP/ARIBA), email, Institutional Websites and Sustainability Reports

Administrative employees

Intranet, Online Survey, Electronic Request System (SEC), email, social media and Sustainability Report, WhatsApp, Corporate website

Faculty

Academic Information System, Electronic Request System (SEC), Intranet, e-mail, social media and Sustainability Report, WhatsApp, Academic website



Press and social media

Yduqs' presence in the traditional media and social media is daily monitored and performance and engagement reports are prepared on a monthly basis.

In 2020, more than 30,000 news pieces about Yduqs have been published in several means (printed, electronic, radio). This means R\$183 million in spontaneous media returns for the Company. These are historical figures, both in number of displays and estimated financial value.

The press department was responsible for disclosing and coordinating the complete structure of press relations agencies for all educational institutions. A network of more than 30 press offices located in all Brazilian regions have handled the relationship with journalists.

Given the challenges brought by the pandemic, throughout the entire year the Press department has been committed to promoting, Yduqs' initiatives to support the affected population (read more in the section *Initiatives during the pandemic*), On-campus learning model turning into remote classes (read more in the *Educational Dimension*) as well as supporting initiatives and granting of full or partial scholarships to students who endured financial losses (read more in *Educational Dimension* and *Financial Dimension*).



more than

30,000

News pieces
about Yduqs

R\$ 183
million

in spontaneous
media returns.



GOVERNMENT RELATIONS

Yduqs maintains institutional relationships with several public authorities – for example the Ministry of Education (MEC), the National Education Board (CNE), the Anísio Teixeira National Institute of Educational Studies and Research (Inep), the National Fund for Education Development (FNDE) and the Department for Training of Higher Education Staff (Capes). **GRI 102-13**

These relationships, as well as the participation in private sector higher education associations, are the responsibility of the Office of the Vice-President (VP) of Government Relations, Sustainability and Communication. Due to the pandemic, in 2020, the work of this Office was intensified, thus focusing on the needs flagged by federal, state and local agencies. In different states, “Resolve Sim” and the “Com Você” programs have been presented to representatives of the Executive and Legislative branches in several meetings.

The Government Relations Office has been actively working, whether in talks with the public sector, or actions in private the sector associations, to create educational public policies to fight against the new coronavirus and also ensure the provision of quality

private higher education to the students of Yduqs Group’s educational institutions and of Brazil as a whole.

Approval of new Medical School seats was a priority in the dialogs with MEC. At a meeting with the Minister of Education, Milton Ribeiro, accreditation ordinances for the institutions offering the Medical program in the cities of Quixadá (CE), Açailândia (MA) and Castanhal (PA) have been executed. At said meeting, Yduqs’ CEO, Eduardo Parente, also presented social initiatives taken during the pandemic (read more in the section *Initiatives during the pandemic*).

In Rio de Janeiro, where Yduqs is headquartered, the Company had a meeting with the state Security Community Board, also attended by representatives of the Military



Picture: Luis Fortes/MEC

and Civil Police of the State of Rio de Janeiro, the Providência Community Policing Unit and the Municipal Guard of Rio de Janeiro, in addition to civil society representatives. The Government Relations, Sustainability and Communications VP has also represented Yduqs in entities such as, the Brazilian Association of Private Universities (Anup) and the Brazilian Association of Higher Education Sponsoring Entities (Abmes), in addition to managing strategic partnerships entered into with companies and organizations. **GRI 102-13**

The Company has joined in several live broadcasts and virtual meetings to discuss material topics for the industry as well as initiatives of its ESG agenda, such as the partnership with telecommunication companies to offer internet connection to students in Brazil’s most remote regions.



GOVERNANCE DIMENSION

How Yduqs has improved
and preserved its corporate
ethics management and
compliance activities in 2020





GOVERNANCE DIMENSION

Corporate Governance is one of the supporting pillars of Yduqs' strategy and positioning in the higher education market. Quality, management excellence, corporate integrity and maintaining compliance and an ethical behavior are the Company's commitments while working towards expanding access to quality higher education.

Improving the Company's governance and compliance has been a constant movement since 2008, when Estácio Participações – the Company's former name – began trading in B3's Novo Mercado, the listing segment for publicly-held companies with the highest levels of transparency and compliance.

Yduqs' main governance-related documents are available for public reference at the Company's website.

Among the achievements made until 2020, we emphasize the Company's capital stock composed of only common shares; our established membership of the Brazilian Corporate Governance Institute (IBGC, in Portuguese); our elected independent Board of Directors members; our Sustainability Reports published since 2014 according to the Global Reporting Initiative (GRI) Standards. **GRI 102-12, 102-13**

In 2021, the ESG Committee was created, which is focused on studying the main topics related to the Company's social, environmental and governance impacts and make recommendations to the Executive Board.

Yduqs is also a signatory of Instituto Ethos' Corporate Pact for Integrity and Against Corruption. The initiative seeks to bring all industries together towards integrity and corporate ethics initiatives. **GRI 102-12, 102-13**

Yduqs' Corporate Policies are available for public reference on the website www.yduqs.com.br (section "Bylaws, Policies and Internal Rules") and offer guidance on the management of topics such as appointment of the Company's Board of Directors members, executive officers and members of advisory committees, the disclosure of material facts, securities trading, transactions with related parties and risk management and information security. The Code of Ethics and Conduct and Anti-Corruption Code are also available for public reference. They lay down the internal recommendations to maintain the Company's integrity standards and prevent corruption acts.

The content of Corporate Policies and Codes is reinforced among the internal stakeholders through recurrent trainings and awareness-raising campaigns. All employees have to formally acknowledge in writing the Code of Ethics and Conduct and the Anti-Corruption Code.

MANAGEMENT

GRI 102-18

Yduqs' management is conducted by the Board of Directors and Board of Executive Officers, with the support of the Fiscal Council and the advisory committees (Statutory ones).

The Board of Directors comprises at least 5 and at most 9 members, who are elected by the General Shareholders' Meeting for a two-year term of office, and reelection being allowed. The Directors are advised by 4 committees - People & Governance Committee, Audit & Finance Committee, Performance Oversight Committee and Academic Committee.

Directors, as of the closing date of this report, were:

[illegible]



The **Statutory Executive Officers** comprises at least 3 (Chief Executive Officer, Chief Financial Officer and Chief Educational Officer) and at most 8 Executive Officers, who are elected by the Board of Directors and serve a two-year term of office, reelection being allowed. In addition to said officers, Non-statutory officers also are also part of the Company's Board of Executive Officers. Below is the Executive Officers, on the closing date of this report:



From left to right: Adriano Pistore, Alexandre Aguierras, Felipe Araújo, Cláudia Romano, Eduardo Parente, Marina Fontoura, Marcel Desco, Eduardo Haiama, Aroldo Alves, Rossano Marques.

| Executive Officers | Position | Election date | End of Term of Office |
|--------------------------|--|---------------|---|
| Eduardo Parente Menezes | Chief Executive Officer* | 05/06/2020 | |
| Eduardo Haiama | Vice-President of Finance and Investor Relations* | 05/06/2020 | Until the General Shareholders' Meeting (GSM) in 2022 |
| Adriano Pistore | Vice-President of Education* | 05/06/2020 | |
| José Aroldo Alves Júnior | Vice President of Digital Learning* | 05/06/2020 | |
| Cláudia Romano | Vice President of Government Relations, Sustainability and Communication | - | |
| Alexandre Aguierras | Executive Officer of EnsiMe | - | |
| Rossano Marques | Vice President of Corporate Operations | - | |
| Felipe Araújo | People & Management and Integration Executive Officer | - | |
| Marina Fontoura | Vice President of Premium Operations | - | |
| Marcel Desco | Marketing and Sales Executive Officer | - | |
| * Statutory positions. | | | |



The Fiscal Council is a non-permanent body and instated upon shareholders' request at the General Shareholders' Meeting.

Members of the Fiscal Council

Position

Election date

End of Term of Office

Pedro Wagner Pereira Coelho

Sitting member

04/28/2021

Jorge Roberto Manoel

Sitting member

04/28/2021

Regina Longo Sanchez

Sitting member

04/28/2021

Until the GSM
in 2022

Evany Aparecida Leitão de Oliveira Pace

Alternate member

04/28/2021

Saulo de Tarso Alves Lara

Alternate member

04/28/2021



To learn detailed information about the members of governance bodies and the members of Advisory Committees, go to www.yduqs.com.br, section "Management and Board of Directors".



COMPLIANCE AND INTEGRITY

GRI 103-2, 103-3 ANTI-CORRUPTION

In accordance with IBGC recommendations and in compliance with the rules of the Brazilian Securities and Exchange Commission (CVM, in Portuguese), Yduqs relies on a structured compliance department, which is responsible for identifying the risks for the Company's integrity and preparing a strategy to prevent, identify and apply the corrective actions. The Company's actions towards this topic include campaigns to strengthen compliance with the codes, encourage ethical and upright behavior, conduct training on the Codes of Ethics and Anti-Corruption, address misconduct claims and support creation or improvement of internal controls.

The members of the Compliance team participate in non-profit civil society initiatives to foster an ethical and transparent environment, in organizations such as the Compliance Women Committee (CWC), comprised by only women, and the Rio de Janeiro Compliance Institute (ICRio), focused on integrity and geared mostly towards initiatives for the State of Rio de Janeiro. [GRI 102-13](#)

Updated in 2020 and approved by the Board of Directors, the Corporate Risk Management Policy lays down and informs the principles, guidelines and responsibilities to be complied with in the Company's risks management process, including compliance and corruption risks – formalizing the responsibilities and procedures to be adopted.

The Company has an Internal Audit department suitable to its size and complexity of its activities, which is connected to the Audit and Finance Committee. The department is responsible for testing the efficiency of key controls, linking each one of the control gaps that may be found to pose corporate risks.

Yduqs' 121 operations have been assessed regarding corruption-related risks in 2020. The main risk identified in the relationship with public authorities – a routine task performed by several departments in the Company. All employees receive guidance about that risk and cautiously work to avoid potential misconducts that may impact Yduqs, in compliance with the applicable law. There were no confirmed corruption-related cases nor court lawsuits referring to this topic in 2020. [GRI 205-1, 205-3](#)

NEW ENTERPRISE RISK MANAGEMENT SYSTEM

In October 2020, Yduqs began to use an online risk management tool that enables the Company's leadership to view risks in a complete way and assess each of their statuses. By adopting this system, employees who work in the process can confirm or provide updates on mitigating actions, report the action plan status and analyze indicators for specific risks.



Communication and training on anti-corruption policies GRI 205-2

In the second half of 2020, the reviewed and updated Code of Ethics and Conduct and the Anti-Corruption Code were published. Compliance trainings have also been updated, creating a mandatory program comprising 5 courses in the e-learning platform *Educare* (Compliance, Code of Ethics & Conduct, Anti-Corruption Code, Anti-Corruption Code, General Data Protection and Information Security Act), as well as the formal acknowledgement of the Information Security Codes & Policy.

The Company has defined as a guideline for 2020/2021 to train a substantial number of employees, in a level never seen before on the Company's history. The goal is to train 100% of the managers and at least 80% of other employees, administrative staff and faculty, through the aforementioned training programs.

In the first quarter of 2021, nearly 60% of the target audience had completed the entire program. In 2020, the number of trained employees (directors, senior management, managers and employees) was below expected due to codes and training reviews, which took place in the second half of the year. It was not possible to obtain the data on trained employees per employment category and there was no training program offered to partners.

MEMBERS OF GOVERNANCE BODIES WHO WERE INFORMED ABOUT AND RECEIVED TRAINING ON THE COMPANY'S ANTI-CORRUPTION POLICIES AND PROCEDURES

| Board | 2018 | | 2019 | | 2020 | |
|-------|----------|---------|----------|---------|----------|---------|
| | Informed | Trained | Informed | Trained | Informed | Trained |
| # | 9 | 1 | 9 | 0 | 1 | 1 |
| % | 100 | 11.11 | 100 | 0.00 | 9.09 | 9.09 |

EMPLOYEES WHO WERE INFORMED ABOUT AND RECEIVED TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES, PER REGION

| Region | Employees | 2020 | |
|-----------|-----------|----------|---------|
| | | Informed | Trained |
| North | number | 80 | 80 |
| | % | 5.26 | 5.26 |
| Northeast | number | 200 | 200 |
| | % | 4.89 | 4.89 |
| South | number | 95 | 95 |
| | % | 17.09 | 17.09 |
| Southeast | number | 528 | 528 |
| | % | 4.91 | 4.91 |
| Midwest | number | 19 | 19 |
| | % | 3.74 | 3.74 |



Canal Confidencial (Yduqs' Whistleblowing Channel) GRI 103-2

●

All of Yduqs stakeholders have access to the Canal Confidencial (a whistleblowing channel), which ensures anonymity and confidentiality

Yduqs makes a Whistleblowing Channel available to its stakeholders, called *Canal Confidencial*, both internal and external to report any breaches to the Code of Ethics & Conduct or any other conducts that may have disrespected laws and regulations. Reports can be anonymously and confidentially submitted by phone or internet and are received by an outsourced and independent company.

Reports are analyzed by the Compliance department, supported by the business departments involved. Reports considered to be well-founded are assessed by the Conduct Committee, who can begin an administrative investigation. In more complex cases, with higher impacts, the Ethics Committee resolves on the preventive/corrective initiatives and possible disciplinary actions.

In 2020, a total of 289 reports was received. All of them have been analyzed, the appropriate steps have been taken and actions have been forwarded to the respective departments and only 3 more complex reports, are still ongoing in 2021. There was a decrease in the number of reports received in the Whistleblowing Channel when compared to 2019 (778), attributed to the pandemic scenario and also the notices and trainings offered on the correct use of the channel, therefore the reports have been more assertive, in line with service scope of this tool.

The Whistleblowing Channel received the following reports: abusive attitude, prejudicial behavior, frauds, non-compliance with laws, policies and internal procedures, violation of property rights; misconduct, information disclosure, conflict of interests, political and religious activities and reputational risk.



**Canal
Confidencial**
[click here](#)



General Data Protection Act (LGPD)

GRI 103-2,103-3 CUSTOMERS' PRIVACY



Brazilian companies had a two-year period to adapt to the requirements of the General Data Protection Act (LGPD, in Portuguese) enacted in 2018 and effective as of September 2020. In 2020, Yduqs has developed a project to verify the Company's compliance with the LGPD requirements and the initiatives it should take to comply with them. The project included a specific committee (Privacy Committee) created to monitor the protection of data handled in internal processes.

In addition to creating a Committee, the Company has appointed the Data Protection Officer (DPO), who is the chief legal officer;

devised the Privacy Policy (external) and created the Privacy Portal (where the policy is available for reference and information holder requests shall be made); implemented authorized data gathering on most of the Company's websites; and reviewed all agreements entered into by Yduqs, from the LGPD's point of view. The Company has communicated the LGPD widely to internal stakeholders via biweekly newsletters ("Did you Know?"), gamified trainings (Hacker Rangers) and a live broadcast with a specialized external partner.

There was no data leakage in 2020. Yduqs was faced with a public civil lawsuit and proved its compliance to the law. **GRI 418-1**

In 2020, Yduqs invested in adapting its processes and systems to the requirements of the new General Data Protection Act.

Legal Claims

GRI 103-2, 103-3

SOCIAL & ECONOMIC COMPLIANCE



The main goal of the Company's Civil Legal Department is to reduce the number of lawsuits by means of rulings in favor of the Company and strengthening its agreement policy, thus reducing the financial and reputational impact that legal and administrative demands may bring. Three outsourced law firms follow up on lawsuits to which Yduqs is a party in the civil and criminal fields.

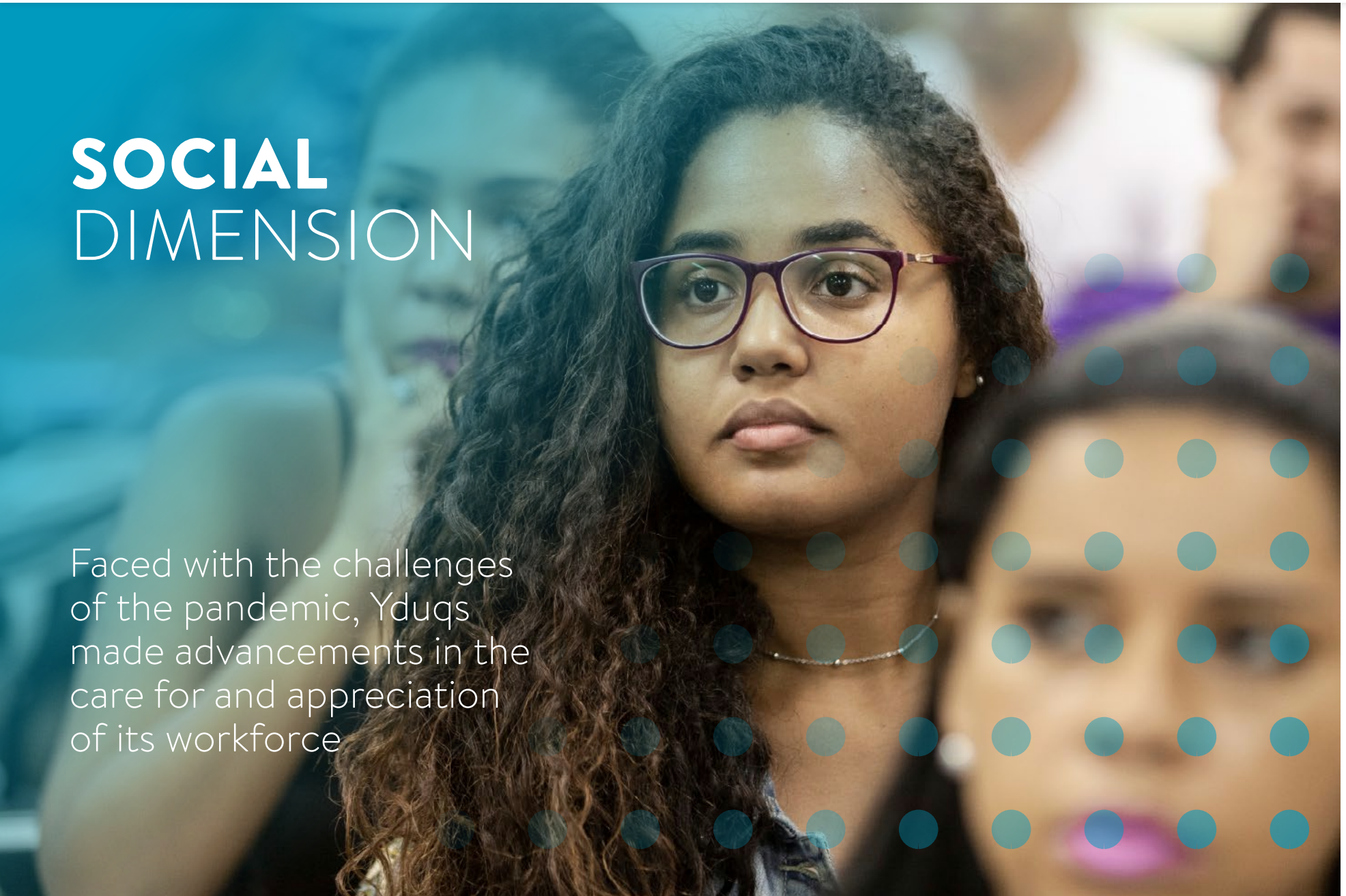
Most of the lawsuits address the requests for moral or material damages, related to operational and/or academic matters, and a few real estate lawsuits. No fines were paid in 2020 for possible non-compliance with laws and regulations. **GRI 419-1**

Since October 2019, Yduqs has been creating a new operational model for the Legal Department, aimed at efficiency gains and routine optimization – so as to enable a better control of demands, reduce costs and increase focus on preventive actions, as well as alternative ways to solve conflicts. Civil contingencies are recorded based on the technical analysis of external counselors. Information is regularly audited by the External Audit department.



SOCIAL DIMENSION

Faced with the challenges of the pandemic, Yduqs made advancements in the care for and appreciation of its workforce





SOCIAL DIMENSION

GRI 103-2, 103-3 EMPLOYMENT

Yduqs ended 2020 with a total of 16,418 employees: 7,656 faculty members and 8,762 in administrative and educational support positions. This workforce, who is committed and engaged to the Company's business model and organizational culture, is recognized as Yduqs' greatest asset. In a year marked by the Covid-19 pandemic fallouts, employees have reinvented their routines and continued to deliver excellent student-focused results.

Protecting internal stakeholders is a priority for business continuity and the People & Management and Onboarding department was able to migrate all of the Company's operations to a remote work format. This transition took place along with the monitoring of demands and level of employees' adaptation to this new reality, giving priority to keeping jobs.

ONBOARDING AND HIRES DURING THE PANDEMIC

In 2020, Yduqs increased its workforce by nearly 35% compared to the previous year - because of the group's expansion and recent acquisitions. Furthermore, the Company has also worked to strengthen its position as an employer brand.

As the entrance for new talent, the trainee program has been redone and achieved a record number of applications. During the pandemic, HR processes, such as hires and layoffs, have been reviewed to reflect a more humane approach. The recruitment model, which used to be in-person, is now almost 100% remote.

Adtalem's units and staff were being integrated to Yduqs when the pandemic hit. Since March, the work has been done remotely. Team introductions and integration between several departments have been encouraged by means of live broadcasts hosted by managers and leaders. We focused on welcoming new employees and sharing our organizational culture, without interrupting the continuity of activities.

In turn, Athenas Educacional integration was 100% online in the second half of the year, without any in-person preparation. Estácio's Northern Division supported the transition, meeting the local demands without the need for air travels during the pandemic.

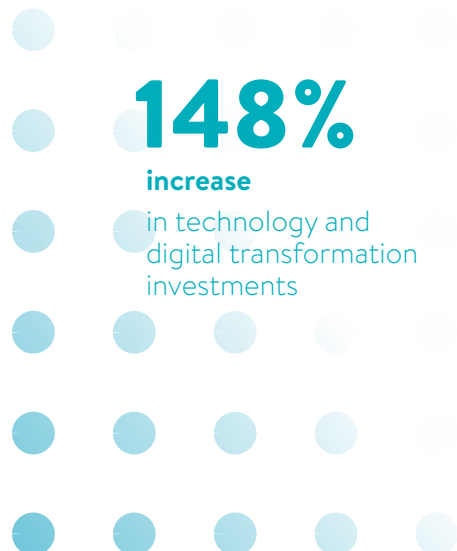
All operations have migrated to a remote work regime, protecting our employees' health



Digital Transformation

In 2020, in line with the purpose of offering even more modern educational services, Yduqs increased its investments in technology and digital transformation by 148%. Process digitalization became increasingly important this year, when almost every employee began to work remotely.

The successful full integration of the IT systems at the units incorporated in 2020 allowed us to standardize corporate and educational departments in the entire network. The Shared Services Center (CSC, in Portuguese) has also been included in the process, integrating activities such as accounts payable, procurement, acquisitions and cost control in all institutions.



Created in 2019, the Digital Transformation department was restructured in July 2020 and divided into topics: agility, innovation, product design and digital product operation. This new structure enables a quicker response to market demands as well as students' needs, through the use of agile methodologies, frameworks and governance. The department has 134 employees: 40 directly related to the Digital Transformation Department, 84 to the IT department and 10 people are allocated to the digital product squads.

Innovation is one of the Company's main priorities and is part of the whole life cycle of digital products, from the focus on open innovation and disruptive innovation, through the deep knowledge of students' struggles to the benchmarks with competitors and innovative companies so as to understand which products may solve similar problems (read more in the section *Educational Dimension*).

The Transformation Department carries out the management update and prepares employees for a new digital reality. In 2021, we expect the investments in technology to surpass R\$200 million.

Looking to the future

The lessons learned from the challenges faced in 2020 helped us structure the strategy of the People & Management department for the upcoming years. There are 5 action pillars:

1. CULTURE

In 2021, the Company began implementing Yduqs' own organizational culture, which will be the basis for people management in all of the Company's units – while also respecting the unique features of each institution.

2. EMPLOYEE EXPERIENCE

initiatives to continuously improve workplace climate as well as faculty and supporting staff's satisfaction.

3. EMPLOYER BRAND

build up capacity to attract and retain the best talents and to encourage people development.

4. ANALYTICS

use of data analysis to identify management needs, strengths and improvement opportunities.

5. PROCESSES

review human resources processes, adding more automation and digitalization.



People development 404-2



Educare - Corporate University coordinates the development and training initiatives for Yduqs' Employees. The activities include programs targeted at executive officers, unit managers and course coordinators; specific training for professors (School for Professors) and training programs for administrative employees, including customer service and sales techniques.

In 2020, training programs (which were held remotely) for managers mostly focused on improving feedback processes, raising awareness about leadership roles, contributing to a more efficient management through practical examples; and improvements in the communication between teams.

Through the *Educare Recebe* program, the Corporate University has offered lectures about topics that are relevant to the Company, which were presented by Yduqs' employees and guest speakers.

YDUQS TRAINEE PROGRAM

Yduqs Trainee program lasts for 12 months. During this period, trainees dive into the business and corporate units and receive follow-up from the Organizational Development department. The idea is to provide a complete view of the Company, from the beginning of the student's journey to the creation and monitoring of high impact projects for Yduqs.

The program seeks to reveal, shape and develop future leaders in the education industry. Graduates from programs in Business Management, Engineering, Law, Accounting Sciences, Marketing, Advertisement, Mathematics, Economics, Pedagogy, Psychology and Economic Science and related fields are eligible to participate in the program. After one year, trainees may be offered analyst, specialist and/or leadership positions. 11,780 students applied to the 2020 class and 7 have been approved.



Winner of the 2020
Trainee Program:
Adrielle Nunes

Yduqs' Trainee Program
received 11,780
applications in 2020



EDUCARE PROGRAMS 404-2

Other Educare training programs in 2020 were:



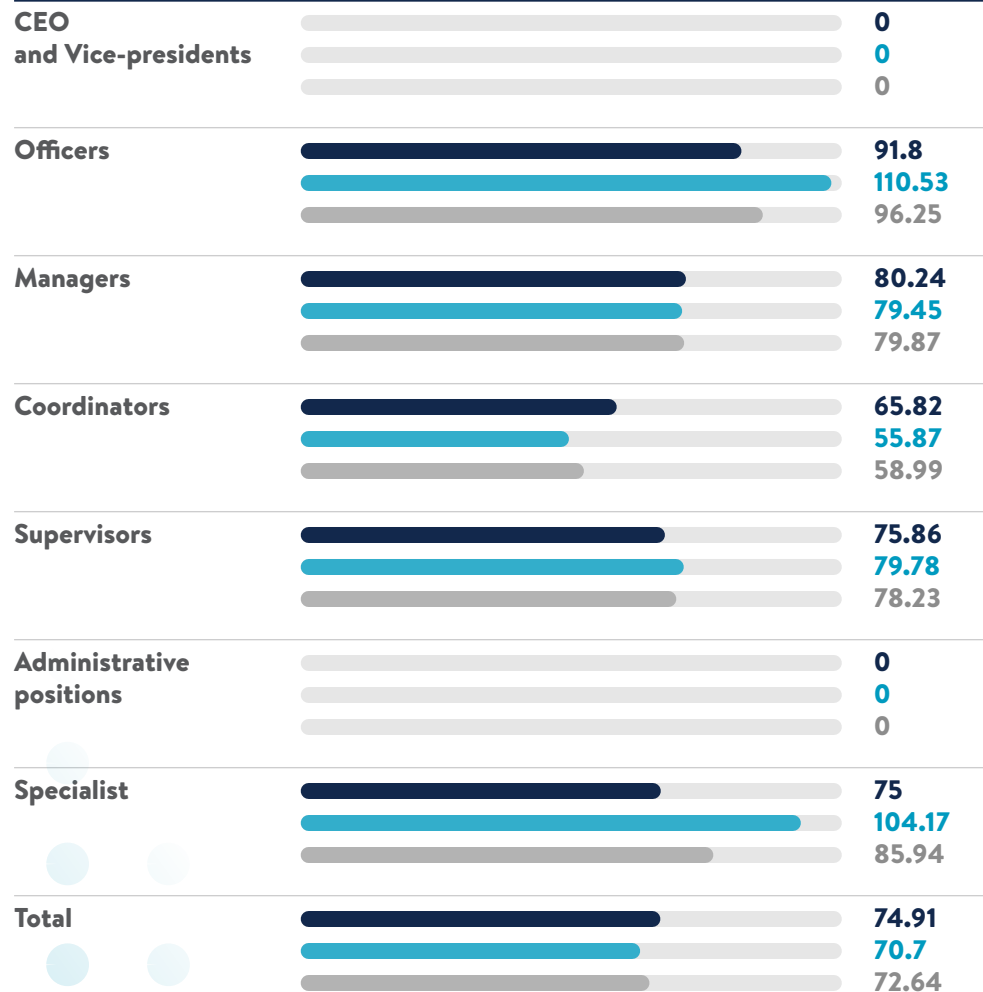
- **Lydera Veteranos** boosts the performance of employees who are already managers, thus also improving the team and the unit.
- **Lydera Novatos:** develops those who take on the challenge of being the Unit's manager, thus creating a pipeline for the position.
- **Lydera Corporativo:** offers tools to develop technical and behavioral skills, thus boosting the leaders' performance.
- **Digital Leadership Program:** developed for Digital Operation Leaders, it offers opportunities to update and enhance management and leadership skills necessary to work at Yduqs.
- **Educare Executivo:** targeted at senior management's performance upgrade through development and improvements.
- **Development Program for Course Coordinators:** geared towards offering a more strategic view of the business.
- **Center Management Program:** Dedicated to training the teams that work at Estácio's own and partner DL centers, by offering training programs in sales processes and aspects.
- **Sales Pipeline:** In-person training and online programs to equip our own sales team, sales consultants, professionals working in enrollment services and sales representatives.



Performance Assessment

EMPLOYEES WHO HAD PERFORMANCE ASSESSMENT BY EMPLOYMENT CATEGORY¹ (%) GRI 404-3

2020



Key



¹ New positions are being included in the assessment (supervisors and department heads). Due to the integration, some positions will be reviewed salary equalization. Reasons for omission: senior analysts and other higher positions are eligible for performance assessment. All other positions (junior positions and other lower positions) are considered administrative and are not assessed. Therefore, the number of administrative positions vs. assessment was not disclosed. Other eligibility criteria: employees hired until 9/30 of the previous year and actively holding the position for, at least, 3 months.



Training indicators

GRI 103-2, 103-3 TRAINING AND EDUCATION



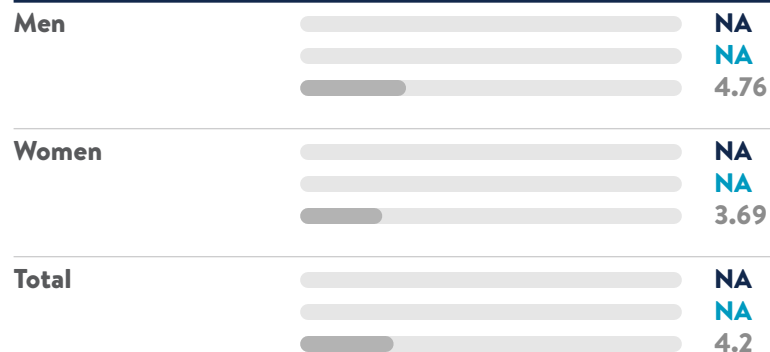
In 2020, due to the pandemic and aiming to keep our employees' safety, the training activities have been fully migrated to digital platforms at once performed remotely. After Adtalem's integration, the trainings were planned with a special focus on these employees. A new onboarding program was made available to the entire staff, complemented by the Educare Games – which encourages the employees to take new trainings based on gamification.

Key

2018
2019
2020



AVERAGE TRAINING HOURS PER EMPLOYEE, BY GENDER¹ GRI 404-1



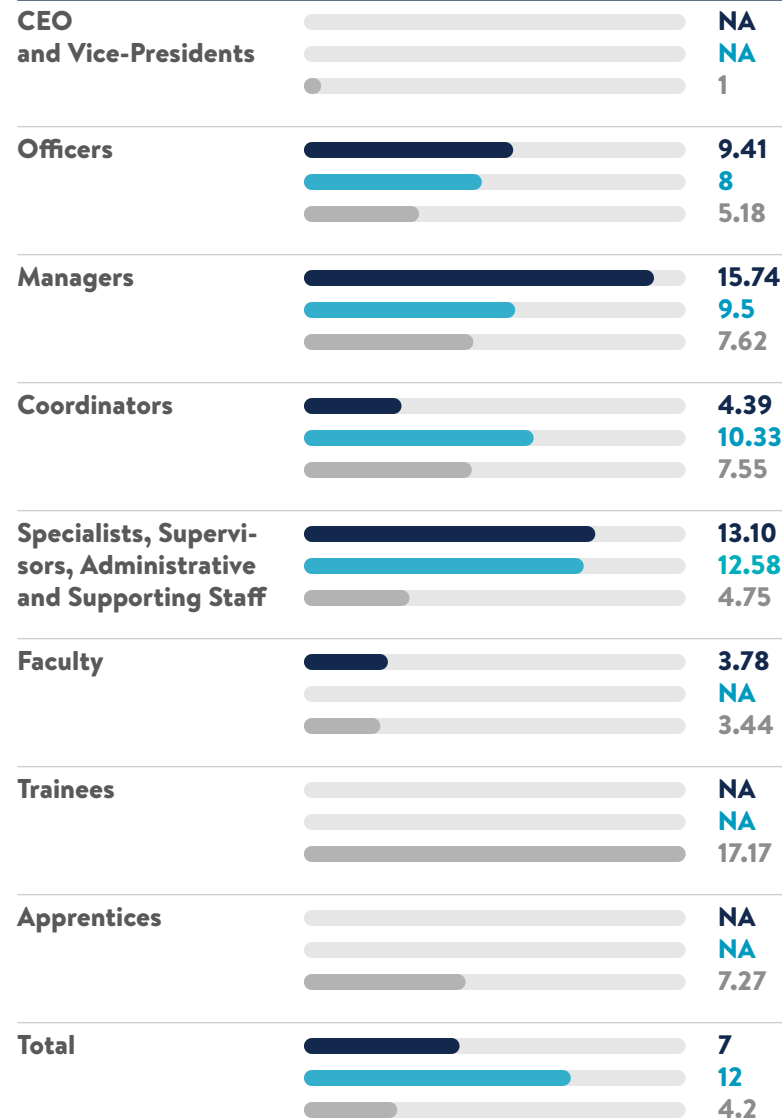
¹ NA: not available.

Key

2018
2019
2020



AVERAGE TRAINING HOURS PER EMPLOYEE, BY EMPLOYMENT CATEGORY¹





Diversity

GRI 103-2, 103-3 DIVERSITY AND EQUAL OPPORTUNITIES

Even without a strategic goal to increase internal diversity, Yduqs made advancements in 2020, especially in terms of race and gender. The number of women in leadership and management positions increased compared to 2019, reaching 55% by the end of the year. A group formed by these female leaders was created in 2020 to discuss the Company's strategy to address gender diversity. The female managers have also been offered a specific mentoring program and webinars targeted at female leadership.

Among the 2020 initiatives targeted at increasing diversity (of gender, culture, race and social), it is worth noting our attendance in the conference "Afro-Presença" (which addressed race and job market inclusion topics) and partnerships with NGOs within the scope of the Young Apprentice Program, aiming to integrate students in situations of social vulnerability.

Through the "Damásio Talks: Representativeness in Law" event, Yduqs has contributed to the discussions about a fairer society, from the Legal field's perspective. Held in November 2020 to celebrate the 50th anniversary of Damásio Educacional, the virtual debate addressed the topics of gender and representativeness in law practice and the Judiciary.

Also in November, to celebrate the Black Awareness Week, the UniRuy (BA) and UniFavip (PE) university centers organized a special agenda with the theme "Black people and racial relationships." The events were broadcast live on the internet and discussed topics such as racial violence and entrepreneurship challenges and opportunities for black people.

DAMÁSIO TALKS

A REPRESENTATIVIDADE NO DIREITO

Andremara dos Santos
JUÍZA DA 1ª VARA DE VIOLÊNCIA DOMÉSTICA E FAMILIAR CONTRA A MULHER

Fábio Esteves
JUIZ E PRESIDENTE DA AMAGIS

Ivan Siqueira
CONSELHEIRO DA CÂMARA DE EDUCAÇÃO BÁSICA

Márcia Rocha
1ª ADVOGADA TRANSEXUAL A TER RECONHECIDO O NOME SOCIAL NA OAB

Marisa Gaudio
DIRETORA DE MULHERES DA OAB/RJ

Patrícia Vanzolini
ADVOGADA CRIMINALISTA E DOUTORA EM DIREITO PENAL

DIA 11 DE NOVEMBRO, ÀS 19H30
GARANTA SUA VAGA EM **DAMASIO.COM.BR/TALKS**

AO VIVO PELO **YOUTUBE** /TVDAMASIO

DAMÁSIO EDUCACIONAL 50



Diversity Indicators¹

GRI 405-1

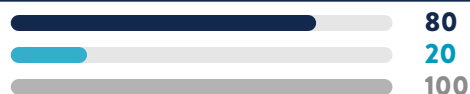


¹ People with Disability (PWD) information is extracted from the payroll system based on the employees who have identified themselves as PWD and have been confirmed as such by the occupational medicine department. There is no LGBTQIA+ information in the records. Race information are provided in the hiring process, through self-declaration; since such information is not mandatory, the data may be outdated or incomplete.

PEOPLE IN THE ORGANIZATION'S GOVERNANCE BODIES, BY GENDER (%)

2020

Board of Directors



Key

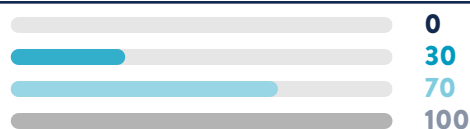
Men
Women
Total



INDIVIDUALS IN THE ORGANIZATION'S GOVERNANCE BODIES, BY AGE GROUP (%)

2020

Board of Directors



Key

Under 30 years old
Between 30 and 50 years old
Over 50 years old
Total



EMPLOYEES IN MINORITY GROUPS, BY EMPLOYMENT CATEGORY (%)

2020

Coordinators



Supervisors



Administrative Staff



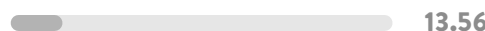
Supporting Staff



Faculty

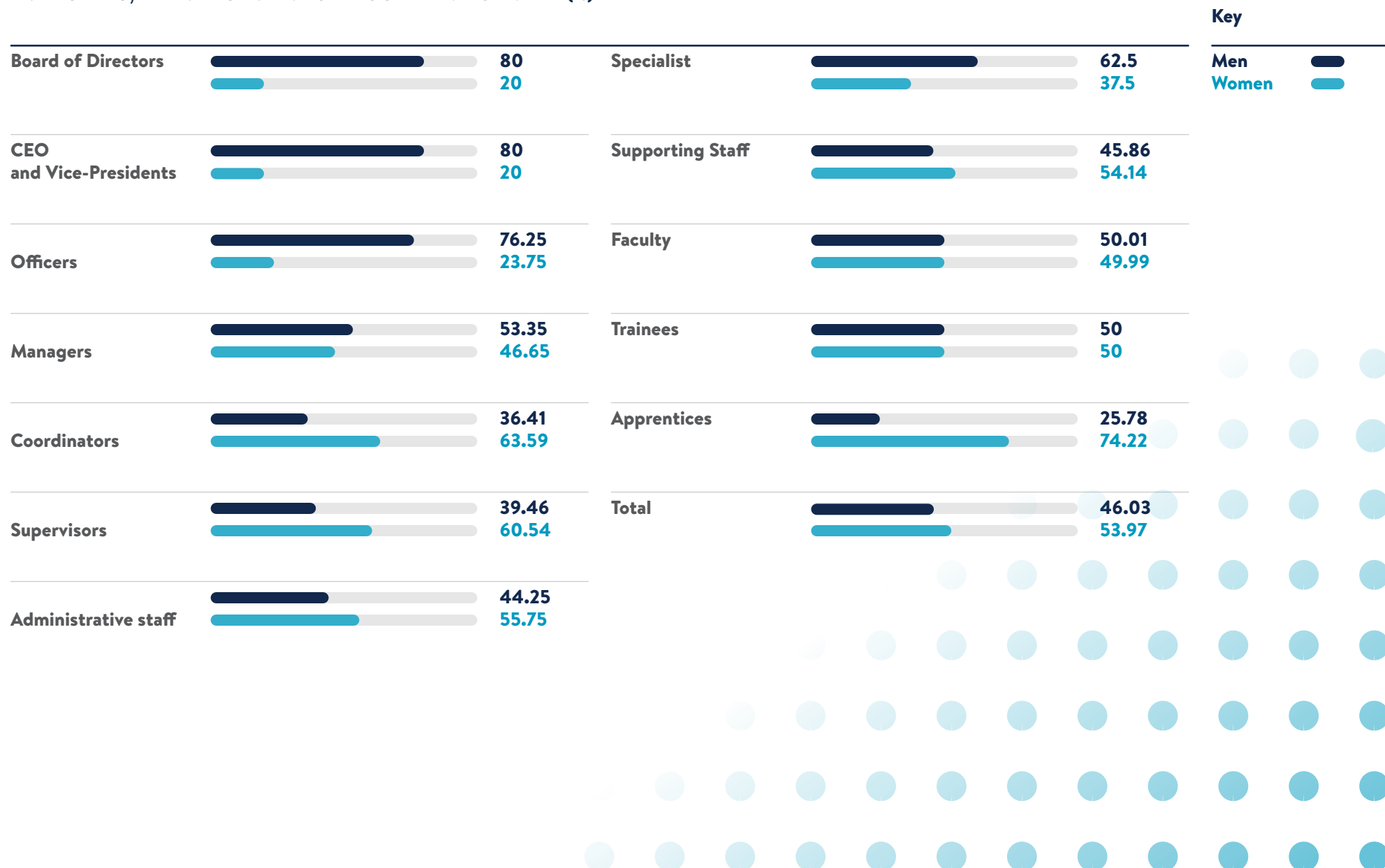


Total



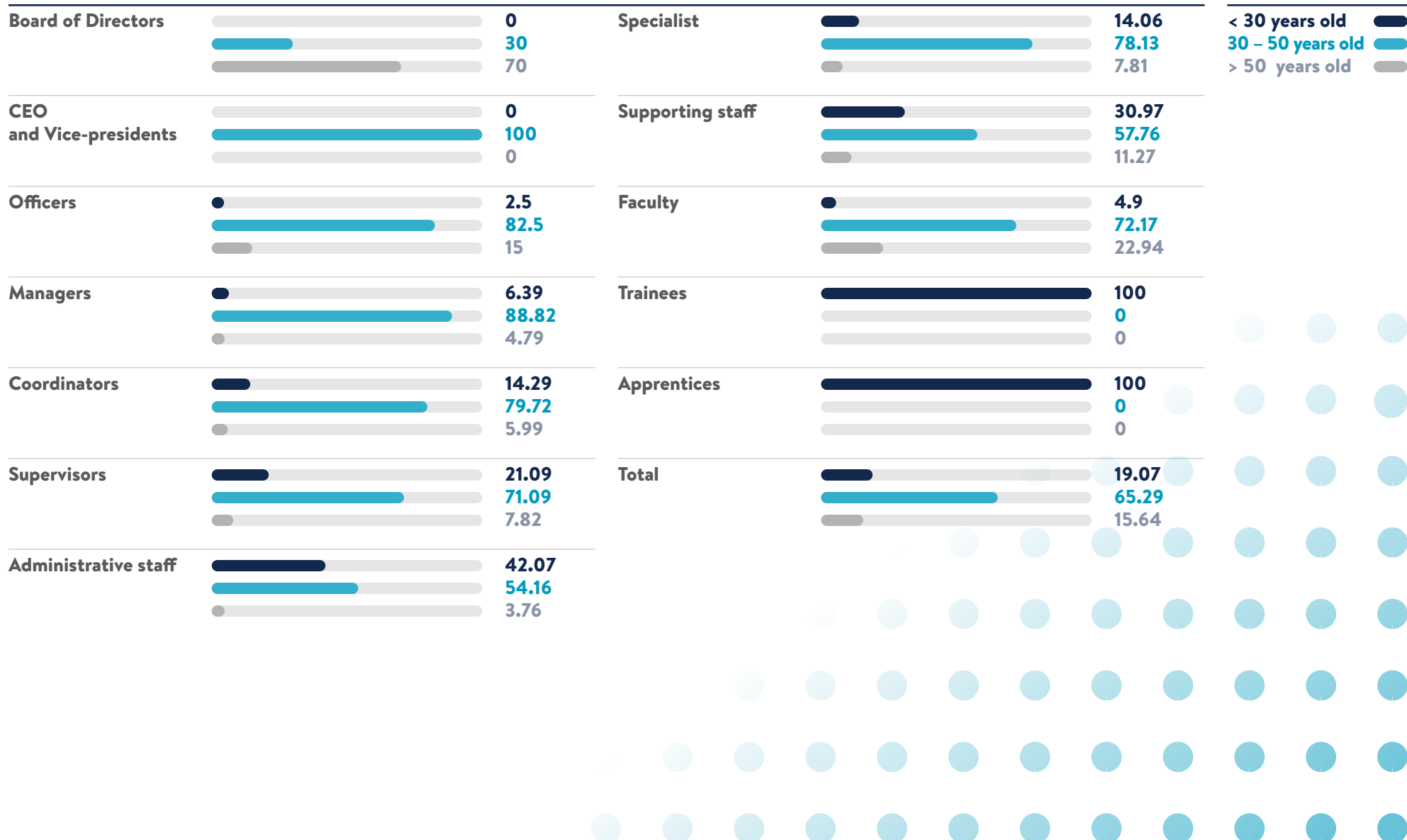


EMPLOYEES, BY EMPLOYMENT CATEGORY AND GENDER (%)





EMPLOYEES, BY EMPLOYMENT CATEGORY AND AGE GROUP (%)





2020 management highlights

ENGAGEMENT SURVEY

In 2020, the overall results of the employee engagement survey were down by 2 percentage points compared to 2019 (from 75% to 73%). Participation was also slightly smaller compared to 2019 (83% vs. 84%), due to the migration to the remote work model.

The faculty's engagement increased by 1 percentage point (76% in 2020 vs. 75% in 2019), reflecting all initiatives undertaken since 2019 – and represented the best result of this historical engagement series that began in 2008. As for the overall administrative staff (corporate and educational units), their engagement decreased by 4 percentage points (70% in 2020 vs. 74% in 2019).

Analyzing the evaluated dimensions, all of them have decreased compared to 2019, and the major declines are related to employee experience (-5 p.p.), agility and innovation (-5 p.p.) and engagement (-4 p.p.). On the other hand, focus on specific initiatives for 2020 (Feedback, role of the leader and communication) have

proven to be the right fit; departments under recovery have increased their engagement by 4% on average compared to the previous year. The proposal for 2021 is to maintain the institutional plan and increase the operational scope (departments under recovery), directly impacting employee experience.

2020 DIGITAL CONVENTION

Due to the pandemic, the 2020 Convention that gathers Yduqs's Partner centers was held remotely. The event held in December celebrated the year's positive results and achievements. CEO Eduardo Parente and Vice-President of Digital Operations José Aroldo Alves spoke at the convention, which also featured a lecture by Andrea Iorio, digital transformation specialist and former Chief Digital Officer (CDO) of L'Oréal Brazil's Professional Products division.

At the end of the meeting, six partners have been awarded in the categories of best intake, renewal, graduate student base, student NPS, engagement and Large Accounts performance.

SUPPLIER MANAGEMENT

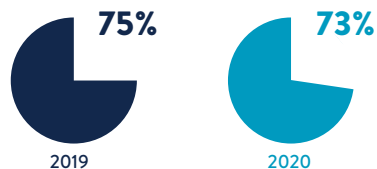
GRI 102-9, 103-2, 103-3 PROCUREMENT PRACTICES

Our commitment to supplier management is to ensure goods and services are procured at the best prices and most favorable market conditions according to the needs of internal customers, using the supplier qualification and suitability criteria. Procurement management is monitored and assessed by performance indicators, through dashboards.

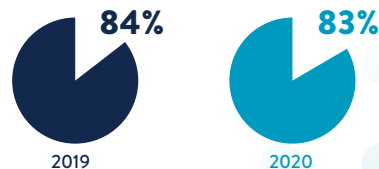
The management of Yduqs' goods and services suppliers has been unified in January 2020 through the implementation of the new digital system (SAP Ariba). The platform allows buyers and sellers to collaborate in transactions, strengthening relationships and unveiling new business opportunities effortlessly. As for the buyers, they can manage the entire contracting process, from negotiation to payment – controlling expenditures and reducing expenses, in order to create a healthy supply chain.

SAP Ariba is part of the supplies department's transformation project (e-Procurement). The purpose is to improve the process as a whole (from the moment the demand is received until the payment) by automating the procurement operations. All transactions are now executed online in the Procurement Portal and data is stored in cloud servers.

Employee engagement survey



Survey participation





PROPORTION OF SPENDING ON LOCAL SUPPLIERS GRI 204-1

Procurement budget spent on local suppliers¹

| Corporate Unit | 2018 | 2019 | 2020 |
|---------------------------------------|-------|-------|----------------|
| Budget for suppliers (R\$) | NA | NA | 284,634,567.03 |
| Amount spent on local suppliers (R\$) | NA | NA | 92,980,123.62 |
| % of budget spent on local suppliers | 40.18 | 35.29 | 32.67 |
| UNESA Division | 2018 | 2019 | 2020 |
| Amount spent on local suppliers (R\$) | NA | NA | 28,443,250.22 |
| % of budget spent on local suppliers | 21.89 | 13.83 | 9.99 |
| Mid-Southern Division | 2018 | 2019 | 2020 |
| Amount spent on local suppliers (R\$) | NA | NA | 6,333,808.52 |
| % of budget spent on local suppliers | 14.41 | 33.62 | 2.23 |
| Northern Division | 2018 | 2019 | 2020 |
| Amount spent on local suppliers (R\$) | NA | NA | 2,544,118.57 |
| % of budget spent on local suppliers | 11.76 | 6.42 | 0.89 |
| Northeastern Division | 2018 | 2019 | 2020 |
| Amount spent on local suppliers (R\$) | NA | NA | 2,003,010.03 |
| % of budget spent on local suppliers | 11.76 | 10.84 | 0.7 |

¹ Acquired companies are not included in this figure was based on per State vs. Regional. The regional offices are defined per Operations and are used to identify grouped in-person business units. In 2020, a new calculation methodology was adopted.



Human Resources indicators (2020) GRI 102-8

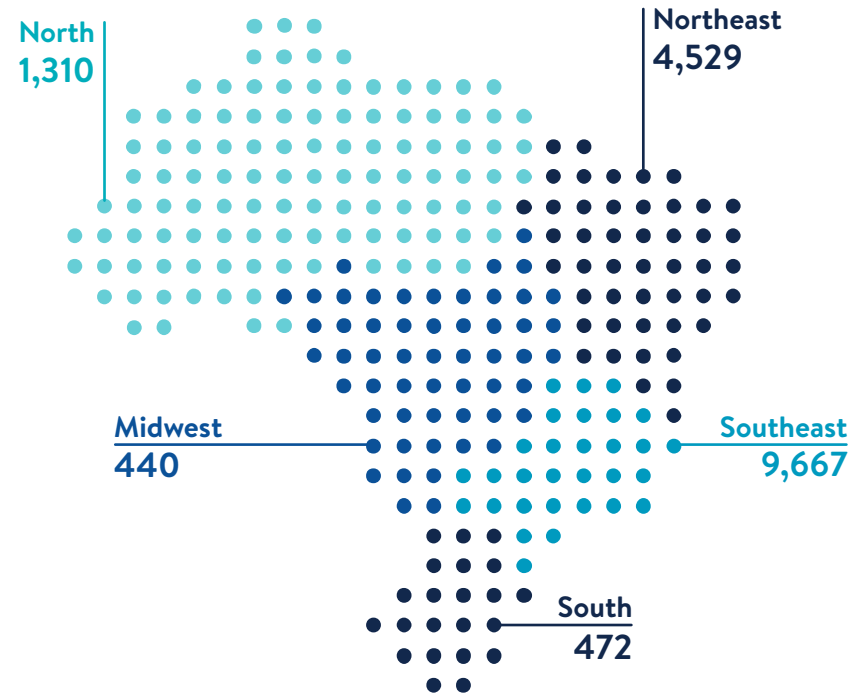


All data refer to December of each year (12/31), gathered based on reports extracted from the payroll system. Interns have not been included because of their different type of contract. In the employment type chart, minor apprentices have been included in "part-time".

EMPLOYEES BY TYPE OF EMPLOYMENT CONTRACT AND GENDER

| | Type of Contract | M | W | Total |
|------|------------------|--------------|--------------|---------------|
| 2018 | Permanent | 5,449 | 5,900 | 11,349 |
| | Temporary | 111 | 169 | 280 |
| | Total | 5,560 | 6,069 | 11,629 |
| 2019 | Permanent | 5,771 | 6,244 | 12,015 |
| | Temporary | 93 | 178 | 271 |
| | Total | 5,864 | 6,422 | 12,286 |
| 2020 | Permanent | 7,747 | 8,490 | 16,237 |
| | Temporary | 56 | 125 | 181 |
| | Total | 7,803 | 8,615 | 16,418 |

EMPLOYEES BY REGION



| Region | 2018 | | | 2019 | | | 2020 | | |
|--------------|------------|---------------|---------------|------------|---------------|---------------|------------|---------------|---------------|
| | T.C. | P.C. | Total | T.C. | P.C. | Total | T.C. | P.C. | Total |
| North | 21 | 951 | 972 | 24 | 926 | 950 | 12 | 1,298 | 1,310 |
| Northeast | 48 | 2,617 | 2,665 | 45 | 2,549 | 2,594 | 48 | 4,481 | 4,529 |
| South | 8 | 392 | 400 | 10 | 451 | 461 | 4 | 468 | 472 |
| Southeast | 189 | 6,982 | 7,171 | 186 | 7,650 | 7,836 | 110 | 9,557 | 9,667 |
| Midwest | 14 | 407 | 421 | 6 | 439 | 445 | 7 | 433 | 440 |
| Total | 280 | 11,349 | 11,629 | 217 | 12,015 | 12,286 | 181 | 16,237 | 16,418 |

T.C. Temporary Contract
P.C. Permanent Contract



EMPLOYEES BY GENDER AND EMPLOYMENT TYPE

| Employment Type | 2018 | | | 2019 | | | 2020 | | |
|-----------------|-------|-------|--------|-------|-------|--------|-------|-------|--------|
| | M | W | Total | M | W | Total | M | W | Total |
| Full-time | 5,496 | 5,940 | 11,436 | 5,804 | 6,287 | 12,091 | 7,770 | 8,520 | 16,290 |
| Part-time | 64 | 129 | 193 | 60 | 135 | 195 | 33 | 95 | 128 |
| Total | 5,560 | 6,069 | 11,629 | 5,864 | 6,422 | 12,286 | 7,803 | 8,615 | 16,418 |

EMPLOYEES BY AGE GROUP

| | 2018 | 2019 | 2020 |
|-----------------------------|--------|--------|--------|
| Under 30 years old | 2,511 | 2,495 | 3,131 |
| Between 30 and 50 years old | 6,884 | 7,709 | 10,720 |
| Over 50 years old | 2,234 | 2,089 | 2,567 |
| Total | 11,629 | 12,286 | 16,418 |

EMPLOYEES BY GENDER AND EMPLOYMENT CATEGORY

| | 2018 | | | 2019 | | | 2020 ¹ | | |
|-------------------------|-------|-------|--------|-------|-------|--------|-------------------|-------|--------|
| | M | W | Total | M | W | Total | M | W | Total |
| CEO and Vice-Presidents | 9 | 2 | 11 | 5 | 1 | 6 | 8 | 2 | 10 |
| Officers | 442 | 12 | 54 | 39 | 11 | 50 | 61 | 19 | 80 |
| Managers | 102 | 81 | 183 | 127 | 99 | 226 | 167 | 146 | 313 |
| Coordinators | 85 | 225 | 310 | 104 | 224 | 328 | 158 | 276 | 434 |
| Specialist | 25 | 22 | 47 | 25 | 17 | 42 | 40 | 24 | 64 |
| Supervisors | 45 | 57 | 102 | 48 | 63 | 111 | 116 | 178 | 294 |
| Administrative staff | 325 | 347 | 672 | 358 | 397 | 757 | 670 | 844 | 1,514 |
| Supporting staff | 1,514 | 1,577 | 3,093 | 1,929 | 2,171 | 4,100 | 2,710 | 3,199 | 5,909 |
| Faculty | 3,342 | 3,616 | 6,958 | 3,157 | 3,299 | 6,456 | 3,829 | 3,827 | 7,656 |
| Trainees | 0 | 0 | 0 | 4 | 3 | 7 | 3 | 3 | 6 |
| Apprentices | 64 | 129 | 193 | 60 | 135 | 195 | 33 | 95 | 128 |
| Total | 5,553 | 6,063 | 11,621 | 5,856 | 6,420 | 12,276 | 7,795 | 8,613 | 16,408 |

INDIVIDUALS IN GOVERNANCE BODIES

| | 2018 | 2019 | 2020 |
|--------------------|------|------|------|
| Board of Directors | 8 | 10 | 10 |

¹ Board of Directors members in 2020, by gender: 9 men, 1 woman, total of 10 people.



NEW HIRES AND TURNOVER RATE GRI 401-1

HIRED EMPLOYEES, BY AGE GROUP

| Age group | 2018 | | 2019 | | 2020 | |
|-----------------------------|-------|------|-------|------|-------|------|
| | Nº | Rate | Nº | Rate | Nº | Rate |
| Under 30 years old | 847 | 0.07 | 1,278 | 0.1 | 942 | 0.06 |
| Between 30 and 50 years old | 1,690 | 0.15 | 2,612 | 0.21 | 2,164 | 0.13 |
| Over 50 years old | 141 | 0.01 | 265 | 0.02 | 206 | 0.01 |
| Total | 2,678 | 0.23 | 4,155 | 0.34 | 3,312 | 0.2 |

HIRED EMPLOYEES, BY GENDER

| Gender | 2018 | | 2019 | | 2020 | |
|--------|-------|------|-------|------|-------|------|
| | Nº | Rate | Nº | Rate | Nº | Rate |
| Men | 1,267 | 0.11 | 1,956 | 0.16 | 1,447 | 0.09 |
| Women | 1,411 | 0.12 | 2,199 | 0.18 | 1,865 | 0.11 |
| Total | 2,678 | 0.23 | 4,155 | 0.34 | 3,312 | 0.2 |

HIRED EMPLOYEES, BY REGION

| Region | 2018 | | 2019 | | 2020 | |
|-----------|-------|------|-------|------|-------|------|
| | Nº | Rate | Nº | Rate | Nº | Rate |
| North | 249 | 0.02 | 313 | 0.03 | 334 | 0.02 |
| Northeast | 470 | 0.04 | 810 | 0.07 | 786 | 0.05 |
| South | 187 | 0.02 | 267 | 0.02 | 155 | 0.01 |
| Southeast | 1,653 | 0.14 | 2,554 | 0.21 | 1,873 | 0.11 |
| Midwest | 119 | 0.01 | 211 | 0.02 | 164 | 0.01 |
| Total | 2,678 | 0.23 | 4,155 | 0.34 | 3,312 | 0.2 |

EMPLOYEES WHO LEFT THE COMPANY, BY AGE GROUP

| Age group | 2018 | | 2019 | | 2020 | |
|-----------------------------|-------|------|-------|------|-------|------|
| | Nº | Rate | Nº | Rate | Nº | Rate |
| Under 30 years old | 735 | 0.06 | 698 | 0.06 | 759 | 0.05 |
| Between 30 and 50 years old | 2,317 | 0.2 | 2,334 | 0.19 | 2,265 | 0.14 |
| Over 50 years old | 871 | 0.07 | 737 | 0.06 | 647 | 0.04 |
| Total | 3,923 | 0.34 | 3,769 | 0.31 | 3,671 | 0.22 |

EMPLOYEES WHO LEFT THE COMPANY, BY GENDER

| Gender | 2018 | | 2019 | | 2020 | |
|--------|-------|------|-------|------|-------|------|
| | Nº | Rate | Nº | Rate | Nº | Rate |
| Men | 1,890 | 0.16 | 1,818 | 0.15 | 1,721 | 0.1 |
| Women | 2,033 | 0.17 | 1,951 | 0.16 | 1,950 | 0.12 |
| Total | 3,923 | 0.34 | 3,769 | 0.31 | 3,671 | 0.22 |

EMPLOYEES WHO LEFT THE COMPANY, BY REGION

| Region | 2018 | | 2019 | | 2020 | |
|-----------|-------|------|-------|------|-------|------|
| | Nº | Rate | Nº | Rate | Nº | Rate |
| North | 439 | 0.04 | 335 | 0.03 | 326 | 0.02 |
| Northeast | 895 | 0.08 | 871 | 0.07 | 1,337 | 0.08 |
| South | 190 | 0.02 | 194 | 0.02 | 115 | 0.01 |
| Southeast | 2,182 | 0.19 | 2,183 | 0.18 | 1,724 | 0.11 |
| Midwest | 217 | 0.02 | 186 | 0.02 | 169 | 0.01 |
| Total | 3,923 | 0.34 | 3,769 | 0.31 | 3,671 | 0.22 |

**MATERNITY/PATERNITY LEAVE¹ GRI 401-3**

| Contract type | 2020 | |
|---|------|------|
| | M | W |
| Employees who were entitled to take parental leave | 7803 | 8615 |
| Employees who took parental leave | 44 | 370 |
| Employees who returned to work, during this reporting period after the parental leave ended | 44 | 369 |
| Employees who did NOT return to work during this reporting period, after the parental leave ended | 0 | 2 |
| Employees who returned to work after the parental leave and remained at their jobs for 12 months after they returned. | 0 | 72 |
| Return rate (%) | 1 | 0.99 |
| Retention Rate (%) | 0 | 0.67 |

¹ There is no record of 100% of the information on paternity leave, because the numbers depend on the leave being filed in the employees' time recording system and not all of them have a control of working hours.

COMPENSATION AND BENEFITS

GRI 103-2, 103-3 MARKET PRESENCE

Yduqs' salary policy is in line with the market practices, including benefits provision (health and dental insurance, food/meal voucher, life insurance, funeral assistance, payroll-deductible loans and undergraduate and graduate scholarships, for all employees at their own units). All benefits offered to full-time employees are offered to temporary or part-time employees. **GRI 401-2**

In 2020, 100% of the staff (except for interns and outsourced employees) were included in the variable compensation programs, according to the department's performance and Company's results. Course coordinators have a specific compensation program.

RATIOS OF STANDARD ENTRY LEVEL WAGE BY GENDER COMPARED TO LOCAL MINIMUM WAGE GRI 202-1

| | 2018 | | 2019 | | 2020 ¹ | |
|--|------|-----|------|-----|-------------------|-------|
| | M | W | M | W | M | W |
| Lowest salary paid by the organization (R\$) | 998 | 998 | 998 | 998 | 1,045 | 1,045 |
| Minimum wage set forth by law or labor union (R\$) | 998 | 998 | 998 | 998 | 1,045 | 1,045 |
| Percentage ratio (%) | 100 | 100 | 100 | 100 | 100 | 100 |

¹ Apprentices receive a salary according to the rule linked to minimum wage in effect. As for interns, scholarships are pre-determined and without an employment contract. The lowest salary paid, on the national level, is equal to the legal minimum wage in effect. However, at some units, we follow the category's wage floor set forth in the collective labor agreement (ACT/CCT, in Portuguese) or the state law.



CORPORATE SOCIAL RESPONSIBILITY

Yduqs' performance in 2020, as regards to sports, education, culture, citizenship and Innovation & Entrepreneurship.





CORPORATE SOCIAL RESPONSIBILITY

GRI 103-2, 103-3 INDIRECT ECONOMIC IMPACTS

Educate to transform is Yduqs' mission – and also, the name of the program that organizes the Company's Corporate Social Responsibility (CSR) initiatives. With projects divided into five pillars (Sports, Education, Citizenship, Culture and Innovation & Entrepreneurship), the program aims to benefit partner social institutions and encourage the participation of students, faculty and administrative employees.

Founded by Estácio, the program has been expanded after the creation of Yduqs and now encompasses all the group's institutions, strengthening the Company's relationship with the communities, partner social organizations and federal, state and municipal government agencies.

In 2020, Yduqs supported more than 50 projects through tax waivers. The Educate to Transform Program uses funds from tax incentive laws, such as the Federal Cultural Incentive Act, the Federal Sports Incentive Act, Service State Tax/ Rio de Janeiro (ISS/ RJ), the Children and Adolescents Fund (FIA) and the Elderly Fund. The Tax Incentive Commission is responsible for choosing the projects to be sponsored.

All Yduqs' units have community engagement programs, with assessment of social and economic impacts and local development initiatives. Initiatives include community services done by students and professors (from the schools of Psychology, Law, Nursing, Nutrition and Medicine), donation campaigns and extension projects geared towards the surrounding communities. [GRI 203-2](#)

The program also has a positive indirect economic impact on society. Every year, the Partnerships, Careers and Sustainability Office takes stock of all social initiatives executed. The scholarships in the Sports and Citizenship pillars are monitored semiannually, regarding the students' academic and financial performance. This information is used as criteria to renew the scholarships.

Extension projects developed with local communities are also connected to the Educate to Transform program. Each region is unique, and the managers and units have autonomy to identify opportunities to act in the surrounding communities and develop initiatives according to the program's guidelines and Yduqs' brand positioning strategy. The focal point in each institution periodically monitors the projects through forms and evidence collection. [GRI 103-2, 103-3 LOCAL COMMUNITIES](#)

Specifically in the School of Medicine, the Program's Pedagogical Projects (PPC, in Portuguese) are structured to develop initiatives to support our commitment to the society. The population's life and health conditions are priority factors when choosing the curricular and extracurricular activities that involve both students and faculty, thus integrating courses and knowledge. [GRI 203-2](#)

**SOCIAL
INITIATIVES
IN NUMBERS -
2020**

GRI 413-1

In 2020, all Yduqs' Educational Institutions conducted social initiatives with the participation of:

3,833
both
Administrative
employees

56,044
students

266,001
total of
beneficiaries



Sports

For Yduqs, to sponsor sports is to help constructing values, motivating people to excel and to enjoy their autonomy, underpinned by ethical behavior, teamwork and commitment. Through Sports Incentive Laws, the Company sponsors large events and, through on-campus and digital learning scholarships (digital learning enables athletes and para-athletes to continue studying while they travel and compete); it also supports the development of high-performance athletes, in addition to investing in social projects that combine sports, education and citizenship.

Estácio is a partner of the Brazilian Olympic Committee and the Brazilian Paralympic Committee as well as it is a signatory of the Pact for Sports, an agreement between companies that sponsor Brazilian sports to contribute to culture and a professional, modern and efficient management.

Since the pandemic began in 2020, Yduqs has led a series of initiatives with athletes, para-athletes and partners in the Sports Pillar, in order to encourage students during the social distancing period. An agenda of initiatives (live broadcasts, virtual lectures and testimonials) with athletes and sport partners was announced for students and employees.

In the classroom (via Microsoft Teams and digital platforms), athletes shared their skills, such as resilience, discipline, focus, breakthrough, among others, to encourage students not to give up their goals nor quit studying.





Education



In the Education pillar, Yduqs acts in several fronts to stimulate and empower the country's educational reality

There are several initiatives in this pillar: conversations with departments of education, support to schools, experience sharing between professors and students and encouragement of transformative educational actions. These are projects that stimulate and empower Brazil's educational reality, mainly geared towards public education.

LITERACY PROGRAM FOR YOUTH AND ADULTS

Launched in 2018, the Literacy Program for Youth and Adults is an initiative in line with UN's Sustainable Development Goals, which aims to help reducing illiteracy. The goal is to end illiteracy in the communities surrounding Estácio's units in the upcoming years.

The project relies on a proprietary and innovative methodology, which approaches the student's knowledge and their features of discovery, ideas and hypothesis on how writing and reading work. At the beginning of the pandemic, the project had in-person classes, taught by professors and received the support of students from courses of the School of Education and Teaching – such as Pedagogy, Languages, History, Geography and Mathematics, who have worked in the project as teaching assistants. In 2020, due to the Covid-19, classes had to be suspended.

Regardless the suspension, Estácio campuses in Resende (RJ), Duque de Caxias (RJ), R9/Taquara (RJ), Nova América (RJ), Aracaju (SE), Carapicuíba and Interlagos (SP), Boa Vista (RR), Constantino Nery (AM), Vitória (ES) and Unidade Centro (CE) have been adapted to offer the Project. The Ilha do Governador (RJ), Via Brasil (RJ), Alcântara (RJ), Queimados (RJ), Natal (RN) and Taguatinga (DF) units have participated in the project and graduated 500 students since 2018.



Citizenship

The initiatives in this pillar focus on supporting institutions, NGOs and other partnerships in the social responsibility field. Yduqs grants scholarships to young people in situation of social vulnerability, who are already supported by partner organizations.

YDUQS VOLUNTEERING PORTAL

Launched in 2015, the project enables and encourages the engagement of faculty members and administrative staff, consistently getting them involved in the mission to transform society through education. The Portal connects two important links in Yduqs' relationship chain: partner institutions in the social responsibility field and employees. In 2020, the portal featured the Collaborative Attitude Network | Covid-19, which disclosed more than 70 initiatives by employees and partners.

IBMEC'S INITIATIVES IN SÃO PAULO

Students and Professors of the Legal Practice Center in Ibmecc's Law Program in São Paulo have provided services to 3,063 underprivileged people, within the scope of an agreement between the institution and the São Paulo State Public Defender's Office. In another partnership with public authorities – the *Monuem* project, which brings together the Ministry of Foreign Affairs and the State Department of Education, allowed Ibmecc students to take over elective courses at public state schools. The idea was to insert current international themes in the students' daily routine.

Culture

Every year, Yduqs organizes and supports theater projects, musical shows, exhibits, movies and books publishing about relevant social & cultural topics. The Company perceives culture as a fundamental piece to shape citizens and build the population's critical sense, offering means to expand their worldview.





Innovation & entrepreneurship



In this pillar, Yduqs seeks to foster and encourage entrepreneurship and innovative practices. Employees, faculty members, students and external organizations are encouraged to interact, thus connecting the institutions' knowledge production to the innovation ecosystem – with the purpose of building business models with real market potential.

Estácio participated in the project *Instituição Amiga do Empreendedores* (IAE, in Portuguese), an initiative from the Ministry of Education & Culture – MEC to create a network of Higher Education institutions that provide a place for orientation and training of entrepreneurs – dealing with topics such as business management, finance, market and legislation.

PROJETO

Proteje integrates the Management Practice Lab (LPG, in Portuguese) of the Business programs and aims to provide students with the link between theory and practice, offering to the community a portfolio of services capable of transforming the reality of the surrounding regions. The internal stakeholders, which means our students, are offered supplementary activities in the following fronts: Citizenship and Sustainability, Employability, Sustainability, Entrepreneurship and Innovation.

Through the connection between theory and practice, students provide services to external stakeholders (communities surrounding the units), public and private companies, associations and local organized society.

The creation of sustainable solutions for the market and educational lectures strengthens the development of the IES's sustainable entrepreneurship skills. In 2021, Projeto is present in 61 units; in the second half of 2020, the initiative has impacted 10,173 people.

DIGITAL ENTREPRENEURS NETWORK

The Digital Entrepreneurs network is a Estácio program that allows affiliates to become digital entrepreneurs and increase their income, thus fostering education. With the promotion of Estácio's undergraduate, technical undergraduate and graduate programs, entrepreneurs receive a commission for the enrollments made through the virtual store, created on the Network's platform. People who click on the affiliate's link will be able to enroll and go through the entire process online.

ENTREPRENEURS AND INNOVATION HUB (CEI)

Ibmec's students rely on the Entrepreneurship and Innovation Hub (CEI, in Portuguese), a place for experimenting innovative business ideas that aim to connect the market and the academia. Themed cells and projects provide students with a free environment to experiment, since the first semester of the program. Skills such as ability to adapt and team leadership are developed with the participants.

The student has also the opportunity to build an international experience. Agreements executed with educational institutions in 20 countries offer exchange programs and partnerships that provide the student with new experiences in line with what happens in the world.



Events

Among the CSR events held in 2020, we highlight:

SUSTAINABILITY AND SOCIAL RESPONSIBILITY WEEK

Under the “Circular economy” theme, the event took place from September 19 to 23, bringing together all Yduqs’ institutions. More than 600 activities – lectures, artistic presentations and educational actions, among others – discussed the theme, raising the awareness of administrative staff, faculty

members, students and community members. The campuses that completed

All proposed rounds have received the Socially Responsible Institution seal from the Brazilian Association of Higher Education Sponsoring Entities (ABMES, in Portuguese).



SEMANA DA SUSTENTABILIDADE E RESPONSABILIDADE SOCIAL

Economia Circular

 **REDUZIR, REUTILIZAR E RECICLAR É REAFIRMAR NOSSO COMPROMISSO COM O PLANETA.**

Uma alternativa atraente que busca reforçar nossa responsabilidade com o meio ambiente.

O UniToledo realiza, de 19 a 23/OUT, a Semana de Sustentabilidade e Responsabilidade Social, com o tema Economia Circular. Participe e fique por dentro de temas como consumo sustentável, reciclagem e economia circular dentro de casa.

UNITOLEDO®



SEMANA DA SUSTENTABILIDADE E RESPONSABILIDADE SOCIAL

Economia Circular



Semana da SUSTENTABILIDADE E RESPONSABILIDADE SOCIAL

Economia Circular



Semana da SUSTENTABILIDADE E RESPONSABILIDADE SOCIAL

Economia Circular



4TH ESTÁCIO SOCIAL RESPONSIBILITY FORUM

Held virtually in December 2020, the event celebrated Estácio's 50th anniversary. The highlights of each one of the five pillars of the Educate to Transform Program have been presented and discussed at meetings attended by famous names, such as the former Brazilian president Fernando Henrique Cardoso, tv show host Luciano Huck, former judo fighter and president of the Reação Institute Flavio Canto, businesswoman Roberta Medina and actress Malu Mader. Yduqs' Executive Officers and the Company's CEO, Eduardo Parente, were the mediators.

TROTE SOLIDÁRIO

For the 2nd year in a row, Estácio organized the *Trote Solidário*, through which veterans and freshmen unite by participating in social responsibility actions.



E DAY

On October 23, 2020, Estácio held the 9th National E Day, whose main purpose is to foster social engagement among its administrative staff, students and faculty members. During the event, the population were able to enjoy more than 150 free-of-charge activities. This was a 100% digital event, devised to create an impact on income generation and raising people's awareness, boosting its reach.

Due to the pandemic, professors and students came together as volunteers to help the communities through workshops and other activities available on the internet. Each campus broadcast its part on Instagram or the Microsoft Teams platform.





EDUCATIONAL DIMENSION

Digital innovation
and students' welcoming were the
highlights of Yduqs' work in 2020





EDUCATIONAL DIMENSION

The challenges brought by the pandemic have not prevented Yduqs from continuing to offer high-quality education to its 762,600 students. In record time, the Company has implemented adaptations and innovations that allowed classes to continue, while not compromising the service excellence nor exposing our staff and students to risks. In 2020, with the launch of a new On-campus learning model – Aura – and the evolution of the EnsinMe business unit, Yduqs leaped forward in terms of digital transformation of its educational activities, with positive impacts to all students.

In 2020, Yduqs invested R\$176 million in digital transformation projects and information technology (IT). Most of this amount was invested in innovation, such as the Aura learning model, tools developed by the EnsinMe unit and training for faculty and students about these new features. Thus, the Company has consolidated its leading positioning in the digital transformation of Brazilian education – both on-campus and distance learning, and also in student services and relationship.



STUDENT BASE (THOUSANDS)



Key 2019 2020 Change (%)

HIGH SATISFACTION LEVEL IN THE PANDEMIC YEAR

In 2020, the Net Promoter Score (NPS) – which measures the students' loyalty to Yduqs and their overall satisfaction level – was **up by 8 points** for On-campus learning and 10 points for Digital Learning (vs. 2019.2).

COURSES EVALUATION IN 2020

In 2020, due to the pandemic, the National Student Performance Examination (Enade, in Portuguese) was not held for Teaching, Information Technology and other related programs (whose evaluation will take place in 2021). The examination for the remaining cycles is forecasted for 2022.

Based on 2019 Enade results – in which Yduqs achieved an above average performance for private higher education institutions, Yduqs continues to monitor the programs' quality indicators and proposing initiatives to encourage students to take the test.

In the most recent evaluation by the Ministry of Education (MEC, in Portuguese), 100% of Yduqs programs received a "satisfactory" appraisal, with grades equal to or higher than 3 (in a range from 1 to 5) in the Courses General Index (IGC). The work continues to raise this level and ensure all programs receive grades 4 and 5 in the upcoming evaluations.



On-campus learning

The On-campus educational unit gathers on-campus undergraduate, master's and doctorate degrees from Yduqs' Educational Institutions. In 2020, this segment increased by nearly 8.5% in total students compared to 2019. With the acquisitions done in 2019 and 2020, the number of campuses grew roughly 29% (121).

Given its features, the business unit was the most impacted one by the pandemic fallouts. Adapting the activities to a new, fully remote format was a challenge that we have successfully overcome, without suspending classes.

More than 300,000 students have been included in the new remote learning format in just one week.

As of March 23, all undergraduate classes were being taught through live broadcasts while graduate students were moved to the same format on April 2. Upon training more than 8,000 professors about digital tools for remote classes, it was possible to create 15,000 virtual groups, with live classes – following the same structure, schedule, professors and contents as in the on-campus classes.

The Company has been successful in offering live classes on the Internet to approximately 95% of on-campus students. The new format was accepted wholeheartedly, which is attested by the attendance level: there was an increase in the average number of students attending classes, compared to the previous year. Through partnerships with phone service providers, Yduqs offered SIM cards for internet connection, with monthly bundles for students who live in areas with poor internet access.

The academic planning of On-Campus Learning has also been reviewed. Topics such as professors' assignment and hour allocation have been

centralized, through the use of a faculty evaluation system. Evaluation criteria include student performance as well as retention and attendance levels, among others. The highest rated professors have the opportunity to take on more classes, with a proportional increase in their pay.





Aura, the new learning model

Amidst the pandemic, Yduqs has released the Aura, an innovative learning model for the students in On-Campus learning. In the first

semester of that the new model was implemented, more than 108,000 students have been impacted by the Aura matrix, accounting for more than 40% of on-campus student base in the second semester of 2020.

The launch of this new model required building new matrices in line with the national academic guidelines, plus the full review of teaching-learning process, which has been redesigned to foster the development of skills required by the market, thus ensuring more employability for students graduating from our institutions.

The model also promotes the unprecedented integration between classroom and the virtual learning environments, since students are able to access the high-quality digital content made available in the form of virtual classes, podcasts, videos, case studies, exercises so as to participate more actively in their on-campus classes with the professors. At the digital labs, students can simulate experiments with high fidelity levels in several knowledge fields, bringing more technology and practical experience to the reality of the classroom.

The new structure of learning plans and lesson plans has also ensured additional support

to the professor, helping the faculty to build more dynamic classes, with more engaged students. Given the need for a continuous update and a permanent training process that resulted in professionals capable of implementing the necessary changes in pedagogical activities, a broad training program was created focused on improving the faculty skills.

In the second semester of 2020, we offered more than 80 courses for faculty members, structured in three learning programs: didactic innovation, active methodologies and digital education, in addition to creating a relationship channel for the faculty, with valuable information on the model, tutorial sessions, links and training schedule, among other essential information to make Aura operational.

GRI 404-2

Aura promotes a strong integration between theory and practice through active learning methodologies, which enables developing different skill axis that are related to the students' professional field, in addition to strengthening their commitment to transforming society. The focus on employability is reinforced during the learning journey, which takes place in the classroom space and in practical activities performed by the students, which simulate real professional life scenarios and problems.

The Syllabus has included the Aura Certifications Program, which seeks to give

aura educação

the students recognition, guaranteeing that they receive a certification that confirms the development of the skills required by the job market, boosting their employability and making them satisfied to be studying at one of Yduqs' Institutions. By the end of 2021, all students will be able to download their certificates and link them to their resumes, thus bringing an advantage to a selection process.

The Aura Immersion program has been designed to help students enter their university life with a schedule of exclusive practical classes, groups that debate current themes and a workshop to specifically help them create their professional life and career plans. In its first edition, 18,000 students participated in the program and the overall satisfaction level reached 96%.

The policy of diversity appreciation, environment and promotion of human rights is operated by Aura in several ways: multidisciplinary by including those topics in the learning process and by offering supplementary activities to foster the skills of ethics, citizenship and sustainability.



Digital Learning



In 2020, Digital Learning continued to be one of the main drivers of Yduqs' growth, recording a 64% increase in student base compared to 2019. This increase is due to the recent acquisitions and the accelerated expansion in the number of DL centers, that added 1,510 new units by the end of the year (62% more than 2019) – Brazil's largest distance learning infrastructure.

Throughout the year, strategic initiatives have focused on improving partners' experience, through a robust operational model and transparent center operation. Thus, in addition to a broad partner network, we have noticed a high satisfaction level with the partnerships and a light and financially sustainable operation, with guaranteed results on the investment, in line with the business.

As in 2019, the Flex model (a combination of distance learning, on-campus and virtual labs that allow students to learn in practice with excellence) was one of the highlights in the segment. There was an 84% increase in student base, following the expansion in the total number of centers.

Digital learning now has four different Educational Institutions (Estácio, UniToledo, Wyden and UniFanor) and a wider national reach. By the end of 2020, there were DL centers in all Brazilian cities with a population bigger than 100,000. More than 4,000 cities have at least one student enrolled in DL courses.

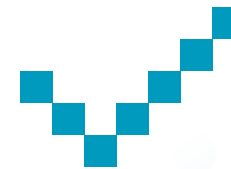
During the pandemic, an extra effort was devoted to understanding the difficulties (personal and financial) faced by students and to reinforcing the importance of education in everyone's life. The retention department redirected its focus in order to try to woo the student, a strategy that increased both student renewal and satisfaction.

The business unit aligns two important vectors: teaching methodology and technology. The strong Distance Learning is an important part of democratizing education in Brazil. In distance learning, students find the same education as on-campus. Yduqs finds solutions that enable

Individualized learning, present in all Brazilian regions, in cities with a large variety of infrastructure. **GRI 203-2**

GENIAL EDUCAÇÃO

Result of a partnership between Estácio, Genial Investimentos and B3, Genial Educação is an educational platform that offers investor-focused programs and contents. Launched in November 2020, the initiative is part of the Lifelong (Vida Toda) segment and provides unprecedented knowledge on different investment segments. All courses in the platform's first stage are virtual.



In 2020, Digital Learning was one of the biggest boosters of student base growth



LIFELONG (VIDA TODA)

The Lifelong office comprises a team of qualified professionals committed to improving and developing educational activities. The sector includes a diversified portfolio that goes beyond graduation: these are on-campus, digital and hybrid graduate and MBA programs, in addition to preparatory and specialization programs offered by Estácio, Ibmecc, Local Educational Institutions and Damásio.

Estácio: operating throughout Brazil, Estácio offers several *lato sensu* graduate and MBA programs in the fields of Law, Management, Communication & Creative Economics, Education & Teaching Courses, Health & Exact Sciences and Engineering, taught by doctors, masters and specialists with a wide professional experience and academic knowledge in their field. There are 453 on-campus and DL graduate programs, that serve more than 65,000 students.

Ibmecc Online and Management: present in more than 200 units throughout Brazil, Ibmecc Online offers MBA programs in several fields: Project Management, Finance, Business Management, Controllershship, Process Management & Agile Methodologies, Marketing, Branding & Digital Consulting, Agribusiness Management and Agricultural & Environmental Law. The Ibmecc Management units are present in 7 cities and expand its MBA and LL.M. Programs with the Ibmecc quality to places outside the headquarters. The portfolio has 5 on-campus programs: MBA in Finance, Business Management, Process Management & Agile Methodologies and LL.M. in Corporate Law and Tax Law and Accounting.

Local Higher Education Institutions (IES) (UniFBV, Facci, UniFacid, Facimp, FMF, UniRuy, UniFanor, UniFavip, UniToledo and UniMetrocamp): offer 114 on-campus graduate programs in 10 units, in different cities with more than 3,500 active students. These are important institutions within their operational reach that offer personalized service. Until 2020, Local IES offered only on-campus programs; as of 2021, 36 DL graduate programs will be launched.

Damásio: with a nationwide reach through the On-Campus Supporting Centers, Damásio Educacional offers several *lato sensu* graduate programs and preparatory legal programs. The renowned faculty comprises as guest lecturer professors who are acclaimed in the legal field. They are ministers, appellate court judges, justices, masters and doctors, who provide students with vast knowledge and legal experience. There are 23 on-campus and DL graduate programs, that serve more than 11,000 students.





Premium



The Premium business unit bundles the programs of the School of Medicine and the operations of Ibmecc. Strategic in Yduqs' long-term plan, the segment concentrates excellent and renowned institutions. In 2020, the strong organic growth (excluding acquisitions) in the student base represented a renewal rate of over 95% and a total of 10,200 students at the end of the year.

Just as in the other business lines, during the transition to remote format, classes were not suspended. Ibmecc's integration was completed by adapting the program offers and implementing hybrid classes, adding more interactivity to classes and digital resources. The segment's expansion plans include investments in the Lifelong programs (Medical and Business graduate programs) and the expansion of Ibmecc's campus in the Federal District, with an entrepreneurship hub, career guidance, international exchange programs and trips as well as partnerships with market leaders.



Upper left picture:
Marina Fontoura,
Vice-president of
Premium Operations





Medicine in 2020/2021

The student base for the School of Medicine reached 5,400 students in 2020, which is 1,400 students more than in 2019 – and 51% up on 2018. Medvest (unified entrance examination for Estácio's Schools of Medicine) filled 100% of the seats available.

Moreover, 244 new seats have been created with the integration of Athenas and Adtalem, and the expansion of the Mais Médicos program – all of the seats have been filled.

In 2021, 250 additional seats are expected to be created, of which 150 were already authorized in March. Thus, the Company expects to finalize the year with total annual authorized seats ranging between 1,600 and 1,700.



INSTITUTO DE EDUCAÇÃO MÉDICA (IDOMED)

In 2021, the Instituto de Educação Médica (IDOMED) will be launched, an innovation in the Medical field that gathers the Schools of Medicine from Estácio, Fameac, Fapan and UniFacid. The new institutions promote the standardization and integration of entrance examinations, exchange programs between the schools and enhances Yduqs presence in Brazil's Medical education field.

Focused on practical learning, IDOMED will have more than 60% of its program credit hours geared towards practical classes in partnership with public and private hospitals. In addition to offering the most advanced technology for Medical School, the institution will rely on a structured department in charge of placing the students in the job market (IDOMED Carreiras).





CITTÁ CAMPUS

In March 2020, Estácio inaugurated the Città Campus, in Barra da Tijuca (RJ), which offers undergraduate programs medical as well as graduate medical and dental programs. Equipped with the most advanced technology in the educational industry, the new unit offers virtual reality anatomy labs, virtual dissection tables and modern equipment for real simulation, imaging exams and surgery training.

“MAIS MÉDICOS” PROGRAM

Within the *Mais Médicos* program created by the Ministry of Education (MEC), Yduqs has offered 84 new Medical seats in the cities of Angra dos Reis (RJ) and Canindé (CE). These new seats are added to the 325 seats already authorized in the cities of Juazeiro (BA), Alagoinhas (BA), Jaraguá do Sul (SC) and Angra dos Reis (RJ). In 2021, another 150 new seats were authorized for the Quixadá (CE), Castanhal (PA) and Açailândia (MA) units.

The program's expansion has important social impacts in the regions surrounding the units. In 2020, students participated in initiatives to fight against the new coronavirus; investments in the campuses contribute to the local economy and attract qualified professors and other professionals to the countryside region.

GRADUATE PROGRAM

In 2020, we also expanded our portfolio of *latu sensu* graduate programs, from 4 to 22 options, in the medical and dental fields, with specialization and medical residence programs. The portfolio offers traditional programs in the market, such as Occupational Medicine (more than 18 years of tradition) and the ophthalmology graduate program (in partnership with the Brazilian Ophthalmology Association, with over 10 years of tradition).

It also offers *strictu sensu* graduate programs: *Strictu Sensu* Graduate Program in Family Health (Brazil's first professional program) and The *Strictu Sensu* Graduate Program in Dentistry, the latter in the academic format.

Strengthening the commitment to continued medical education, the Medicine Executive Office also offers extension programs in partnership with renowned institutions and programs accredited by the American Heart Association. **In 2020, Estácio became the first higher education institution in Rio de Janeiro to host the American Heart Association's (AHA) International Training Center (ITC).**

The advanced cardiovascular life support (ACLS), basic life support (BLS) and pediatric advanced life support (PALS) courses are internationally accredited and certified by AHA – institution responsible for the scientific publication of Cardiopulmonary Resuscitation (CPR) guidelines and the Emergency Cardiovascular Care (ECC), the basis for life support procedures across the globe.

With the purpose of supporting the development of projects focused on clinical research in the health fields, a Clinical Research and Innovation Unit (UPCI-YDUQS/Estácio) was created at the Città América campus. The organization of clinical research projects includes managing the necessary procedures to develop projects that encompass the qualification of researchers, scientific production and raising public and private funds to finance and promote its sustainability.



EnsineMe

000-1: INOVATION AND TECHNOLOGY



In an ever more digital and connected world, envisaging digital learning goes beyond just translating the syllabus into a virtual platform. It is necessary to know technological tools, possibilities offered by the audiovisual language and, mainly, the most modern teaching methodologies. In 2019, aligned with the most recent educational trends, EnsineMe was created.

With the mission of offering high-quality education in large scale, thus providing the student with a personalized experience and the professor with new tools, EnsineMe has transformed digital learning. By placing the student in the center of the pedagogical process through accessible technologies, hybrid classes, flexible curricula, flipped classes, integration between the physical and virtual classrooms and learning management, EnsineMe has an innovative production model, in which each course comprises a set of topics and each one has a logical knowledge unit.

In addition to making student's self-management possible, each topic is transformed into a product unit for courses in undergraduate, graduate and MBA programs, free courses, Massive Open Online Courses (MOOC), B2B trainings, among others. All topics are developed by a multidisciplinary team, always monitored by curators that ensure a high academic level.

The outcome is a distinguished product, with features that include: signature design; responsive content; intuitive browsing; dialogical and hypertext language; real-time feedback; self-learning methodology; content assessment tools; gamification; interactive charts; step-by-step information on applied activities; guided external browsing as well as videos and podcasts with several academic and market specialists.

In its first year of operations, EnsineMe was able to deliver big achievements. Its employees have produced close to 2,400 topics, 4,000 videos and 200 hours of audio in podcast format.





Research and extension

Yduqs' IESs have an outstanding position in the Brazilian research and extension scenario, with huge investments in this area. These are programs dedicated to producing knowledge, develop technological advancements, contribute to preparing professors as well as building and promoting students and professors' scientific production. There are also cooperation agreements with institutions in Argentina, Chile, Colombia, Spain, united States, Holland, Portugal, United Kingdom and Uruguay.

The main initiatives are focused on Institutional Programs Undergraduate Research, also on Research & Productivity, which have funded faculty publications, according to the guidelines of the Brazilian Board of Scientific and Technological Development (CNPq), and Estácio's extension projects. Counting the incentives to professors, we offer more than 1,400 research and extension scholarships.

Since 2009, every year the Estácio Research Seminar has provides the academic community with a space to present and discuss scientific papers in several knowledge fields. The 11th edition of the event would be held in 2020 and had to be postponed to 2021 due to the pandemic.

It is important to emphasize the success of the 1st Extension and Research Seminar (Sepesq), which involved several units from the Mid-southern division and had the attendance of professors, students and the external community. With the theme "the post-pandemic educational scenario", the event offered lectures, debates and had the participation of the field's most renowned professionals. Even with the challenges brought by the remote format, the first event had 1,184 papers submitted, considering professors and IES students who organized the event as well as external institutions, and nearly 47,000 participants in the events and work groups.

EXTENSION PROJECTS

Yduqs Extension program has projects in 7 knowledge hubs spread across different programs: Legal Science, Creative Economics, Teaching, Management, Health and Information Technology. Projects are evaluated and selected by each IES's Institutional Extension Committee (CIExt, in Portuguese) according to a specific public notice, with the purpose of directly impacting the communities surrounding the campuses by assisting and promoting autonomy and emancipation.

Throughout the pandemic, students and professors from the Health field increased the services provided at the public health

units (UBS, in Portuguese) located near the campuses all over Brazil.

They have also engaged in campaigns to distribute protective equipment and masks.

In 2020, Estácio's units developed extension projects in all knowledge fields. A total of 479 projects have been carried out, involving 1,400 students nationwide. In 2018, the Company had 315 extension projects throughout Brazil. In 2019, projects increased slightly (349). In 2020, the School of Medicine held 14 projects.

It is important to highlight the initiatives to foster entrepreneurship, fight for women's rights, as well as workers' and children's rights, several forms of health care services, in various fronts, programming classes for the youth, financial education, among others.

In addition to the institutional program *Extensão Social*, that is ruled by a public notice, there is also the extension work conducted by agencies and hubs. The Tax Service Hub, for instance, has provided service to more than 2,500 people, in addition to offering 2,500 trainings, workshops and refresher courses that created impact on more than 13,000 people.





Students



Another example is the Career Support Center (NAC, in Portuguese), which is part of the Management Practice Lab (LPG, in Portuguese) for the Business programs and has had operations in 37 of our units in the second semester of 2020. More than 18,000 people have been impacted by the program, of which 500 are students and the external community.

Services developed by the students have been offered under the supervision of experienced professors, by means of individual service or group events for the general society. The project's main goals were to help prepare resumes, provide information about how to behave on selection processes, acceptance and guidance on careers, as well as activities geared towards local culture appreciation.

NAC has also served partner companies, helping in selection processes, training programs, climate surveys and performance assessment. Students had the opportunity to put into practice what they have learned in the classroom, under the guidance, coordination and supervision of a professor who was responsible for each project developed.

The Covid-19 pandemic brought complex challenges to the Student Journey – the follow-up process of the student's academic journey, from the moment they enroll up to their graduation, and beyond. This includes welcoming them as well as communicating and providing student services at all levels, as a supplement to the offer of excellent educational content. Regardless of the scenario, Yduqs has achieved better levels of student retention and satisfaction, proving the accuracy of its strategy and student engagement initiatives.

The Customer Committee, which comprises Yduqs' executive officers, discusses and suggests improvements to be implemented in processes and products geared towards the students. During the pandemic, we have stepped up our focus and investments made in such improvements, in order to provide the best learning and service experience, even without direct and in-person contact.

STUDENT SATISFACTION LEVEL (ISA)

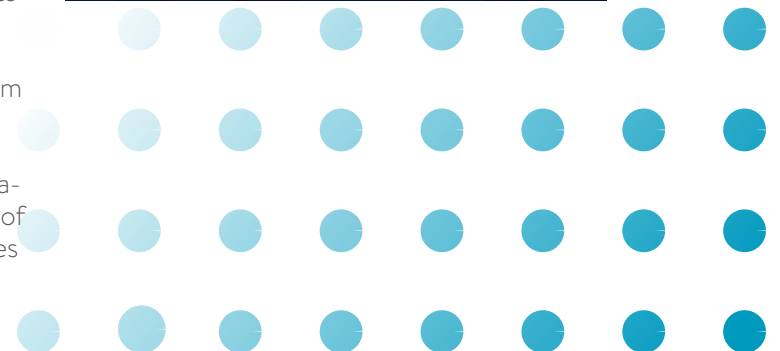
The institutional student evaluation survey (ISA, in Portuguese), which assesses students' satisfaction and engagement with Yduqs experience, was held in two moments: June and November. The Student Experience team carried out the surveys, which are regularly shared with the other departments. Topics with which students are not satisfied are strategically addressed, as an important source of information to design and prioritize initiatives in work agendas.

2020 HIGHLIGHTS

83%
retention rate in
On-Campus Learning

82%
retention rate in
Digital Learning

96%
renewal rate in
Premium segment





The survey aims to understand the students' profile and their overall satisfaction. The questionnaire is divided into the following topics: social and economic profile, reasons to choose the Institution, satisfaction with the educational service and overall satisfaction with the Company in the academic period.

GRI 102-44

In 2020, Yduqs began to develop a structured student experience program, by reviewing the metrics used so far to assess the experience in each step of the student's journey. With a close monitoring on a monthly basis, results and improvements can be noticed quickly.

DIGITAL INOVATIONS

In addition to Aura, the new learning model that allows a continuous learning process by bringing on-campus and digital environment closer together – 2 additional digital tools that make the student's life easier must be highlighted in 2020: Minha Estácio app and Renova tool.

The student app (Minha Estácio) is already a benchmark among the apps used in the sector: it is one of the best rated, the most installed and most used apps. In addition to the academic part, the app allows the student to solve most of the administrative issue, such as submitting service tickets, making consultation and renewing their enrollment. The app is currently used by more than 600,000 students and the app versions for Ibmecc and Wyden were released in 2021.

The Renova tool was released in the beginning of 2020 with the purpose of improving the enrollment renewal experience. Activities that used to be performed in-person have been migrated to the online format, giving full visibility of the renewal steps and transparency on the amounts charged. The tool offers a full renewal experience: from accepting the contract, list of desired courses for the following quarter (simulating the amount to be paid), recommended courses and generating payment slips.

STUDENTS SATISFACTION (ISA)¹

ESTÁCIO

100% DL



Flex



On-campus



¹ ISA is the Student Satisfaction Level, which shows the simple average score of the "Overall satisfaction with Estácio in this semester". The score ranges from 1 to 10. New IES will be evaluated as of 2021 and the NPS will be used as satisfaction level, both for new IES and Estácio.

Key (Semester)

2020.1

2020.2



GRADUATION

The graduation party and ceremony are symbols of a dream came true. To ensure this desired moment is not overlooked for graduating students, Yduqs' Educational Institutions held their ceremonies virtually. In the two semesters of 2020, more than 68,000 students completed their programs and graduated.

On August 29, 2020, Estácio held an unprecedented event: Virtual Graduation (Formou Virtual), an online graduation party for 30,000 students throughout the country, broadcasted live on Facebook. The initiative allowed students, families and guests to connect and celebrate the graduation together, in the midst of the pandemic. TV host Fernanda Gentil emceed the event, which had the performance of the singer Thiago Martins and, as students' patroness, writer Djamila Ribeiro.

In April 2021, we successfully tried out a new graduation ceremony format at Centro Universitário Estácio da Amazônia. Properly attired, 42 students received their diplomas inside their cars, in a drive-in graduation ceremony, together with their families. The unconventional ceremony was offered to students graduating from the programs of Business Management, Accounting Sciences, Law, Nutrition, Social Service, Graphic Design, Civil Engineering, Trade Management and Real Estate Management.



More than
68,000
students have
completed
their programs
and graduated.



WELCOMING THE FRESHMEN

In 2020, the freshmen were warmly welcomed, despite all challenges faced this year. Welcoming initiatives have been adapted to virtual format, fostering a close relationship between the IES and students, showing that even from a distance, Yduqs' educational institutions are always ready to help them.

At the class orientation, the units provided academic information and introduced their teams, presented benefits for the students, among other topics. The Spotlight on the Career (*Carreira em Foco*) week offered lectures divided by knowledge fields: new students had the opportunity to meet professionals who already work in the market and can inspire them. In the traditional National Class, guest speaker was the former volleyball player and coach, economist and businessman Bernadinho, who gave an inspiring lecture to the students.

During the pandemic, the Senior Sponsor Program (*Programa Padrinho Veterano*) fostered the virtual welcome of new students, supported by senior students. 2,000 students have registered to be freshmen "sponsors". These are senior students who already lived the experience of starting college and were able to share some advice and help freshmen with processes so as to make their daily routine easier. This voluntary work enhanced the engagement of seniors to new students.



STUDENT CLUB

The Student Club is a loyalty program that offers students discounts in more than 300 partner companies, from several segments. The Club can be accessed in an online environment via Virtual Campus and bundles all benefits offered to students of Yduqs educational institutions, on [this link](#). In 2020, it recorded more than 900,000 users.

ESTÁCIO STORE

The Estácio Store is a unique partnership in the educational industry, made with Reserva store. The concept brings the two brands together to create a t-shirt line with the classic quotes heard in the classroom, such as "Are you grading this?" (*Vai valer ponto?*) or "Sorry, I'm late" (*Desculpe o atraso*). The initiative has a social responsibility focus: each piece sold is converted into the donation of 5 meals to institutions of the Associação Civil Banco de Alimentos (Food bank). Visit [Here](#).



Careers

Renewed in 2019, the Careers department belongs to the Partnerships, Careers and Sustainability Office and its activities include helping students in the job market journey, providing guidance and information for their professional development. Through contacts with companies, Yduqs identifies opportunities and enter into strategic partnerships that include jobs and internships offers. Through this work, Yduqs seeks to boost its students' employability, an important factor to accomplish its mission of Educating to Transform.

In 2020, due to the changes brought by the pandemic, the Careers department mainly operated virtually. The department's platform bundles important content for students who are looking for a job, with employment offers, tips on entrepreneurship and professional guidance. A series of live broadcasts hosted by influencers and renowned professionals from several industries has discussed the strengthening of skills, including soft skills – those are behavioral skills that are as important as technical knowledge in the current job market.

In 2020, during the pandemic, the Career and Student Development department appreciated welcoming activities, focused on the emotional balance and self-knowledge pillars – in addition to the pandemic fallouts

in the employment relations and the even greater presence of technology in the workers daily routine. The department's initiatives also include raising awareness about diversity with events about black people in the job market, women in technology, people with disabilities and their challenges and career for workers over 40 years old.



ENTREPRENEURS AND INNOVATION CHALLENGES

In 2020, the Careers department defined 4 strategic pillars for its initiatives regarding entrepreneurship and innovation. These are guidelines for the development of academic projects in all of Yduqs' IES, in an integrated way. The pillars are:

- 1 – Creating an entrepreneurial and innovative mindset;**
- 2 – Education and training;**
- 3 – Entrepreneurship and innovation ecosystem;**
- 4 – From local to global– living experiences**

To put these pillars into practice, the Partnerships, Careers and Sustainability Office has coordinated the creation of entrepreneurship “challenges” for the students. The highlights include “Rock Your Career” (in which 100 Ibmecc Rio de Janeiro students worked in a real case during Rock in Rio), “Sebrae Startup Way Challenge” (geared towards developing business in line with UN’s SDG, it gathered 380 students) and “Red Bull Basement” (business ideas to improve campus’ daily routine and solve problems in the students’ university life), which engaged more than 1,000 students.

In addition to the challenges, the group’s institutions amount to 36 junior companies, with the participation of 576 students who have the opportunity to put into practice the knowledge they receive in the classroom.



STUDENT SUPPORT DEPARTMENT (CASA)

Created by Ibmec and Local IES, the Student Support Department (CASA, in Portuguese) provides each student with individual guidance, helping them to overcome academic and personal hurdles, in addition to preparing them to the job market. The activity includes fostering behavioral skills, geared towards personal performance and growth.

In 2020, nearly 27,000 students participated in the activities at Ibmec and institutions such as FMF, UniFanor and UniFBV. The model has been implemented in pilot format at one of Estácio's units and, in 2021, it should be expanded to other Yduqs institutions.



CAREERS: 2020 HIGHLIGHTS

- **247,750** students impacted
- **768** online events whose themes include job market, importance of mental health and entrepreneurship
- **24,378** participants in activities geared towards preparing students for the job market
- **84,619** active internship positions
- **Disclosure of 38** internship, trainee and job programs with brands such as Ambev, Bradesco and Stone
- **22,041 positions** announced
- **16,860 new companies** Registered in the "Find your position"
- **6,347 participants** in time management workshops, study orientation and mentoring.
- **2,559** participants in emotional balance lectures
- **120 students** from the Executive MBA program (Ibmec) who are receiving individual coaching
- **100** Estácio students presented their professional pitch to companies such as Bayer, Oi and Burger King



CAREER MONTH

Between October 27 and 30, the Career Month was celebrated with virtual debates. Through 14 live broadcasts, the event has addressed themes such as diversity, inclusion, women representativeness, growth mindset and career building. The virtual meetings had an average attendance of more than 4,000 people simultaneously, and a total of more than 30,000 registered participants. The debated topics have been chosen according to the challenges faced by students from On-Campus Learning, Digital Learning and Premium segments.

INTERNSHIP AND JOBS VIRTUAL FAIR

Held between June 29 and July 3, the 2020 Internship and Job Virtual Fair was attended by more than 27,000 visitors, who had the chance to apply for 5,000 job and internship positions. More than 43,000 candidates applied via the event's platform. The event also offered access to content about careers, behavioral profile tests and chats with HR professionals from 30 major companies, such as Cielo, Baker Hughes, Universia, B2W, McDonald's, Vale, LinkedIn, KPMG, Super Estágios and Grupo Cia de Talentos, among others.

EMPLOYABILITY INDICATOR

With the purpose of monitoring employability of the graduates, in the beginning of 2021, Yduqs conducted a survey with students who have graduated in the past 5 cycles from the group's IES. After the closing date of this report, the Employability Indicator of Estácio's and Ibmecc's students was validated; information regarding other institutions is under evaluation and will be disclosed in the upcoming report.





ECONOMIC DIMENSION

Faced with the impacts of the pandemic, Yduqs has proven the resilience of its business model and posted a positive performance





ECONOMIC DIMENSION

GRI 103-2, 103-3 ECONOMIC PERFORMANCE

The pandemic has strongly impacted all segments of the Brazilian economy in 2020, and the educational market was no exception. The shrinking in the country's economic activity led to unemployment and a reduction in people's average income, which is translated into an increase in drop-out and delinquency rates, especially in the first semester. New student intake has also decreased. Several state and federal laws made the temporary reduction in monthly tuition mandatory, which has impacted the industry's revenue.

Faced with those challenges, Yduqs has proven its capacity to adapt and the resilience of its business model. The instability brought by the first months of the pandemic led the Company to replan its budget, in order to protect cash flow in a still uncertain scenario. Without the need for severe adjustments, it was possible to meet the main investment goals, carry out program expansions and technology projects.

MAING HIGHLIGHTS (2020)

- **Digital Learning** continues to grow, with student base (+63% YoY for undergraduate) and centers (+62% vs. 2019) increasing at an accelerated pace.
- FIES **student base** reduced by 22% vs. 2019.
- Excluding acquisitions, **costs** were down by 7% YoY in 2020.
- Solid **cash position** closing 4Q20 at R\$1.6 billion.
- Operating cash flow before Capex is up by 40% vs. 2019, closing the year at R\$1.1 billion.
- Low debt, with the **IFRS16 Net Debt/ Adjusted EBITDA** ratio stood at 1.4x
- **Law and court injunction impact** on revenue was R\$218.0 million

In the first semester, the major negative impact came from court-mandated discounts, which mostly impacted the Premium unit's revenue, in addition to an increased delinquency rate in the second quarter (the pandemic's most severe period). Despite all these challenges and the decline in renewal rate for On-campus Learning in the last two quarters, Yduqs was able to maintain one of the most favorable margins in the industry. Cash generation continued strong, and debt was low.

From the strategic point of view, the pandemic has boosted the Digital Learning growth, with significant increases in the number of DL centers, student base and adjusted net revenue. The School of Medicine continued to grow, with equally positive figures in terms of seats offered and revenue. The pandemic also did not impact the completion of the Adtalem and Athenas acquisitions.



DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED GRI 201-1

DIRECT ECONOMIC VALUE GENERATED (R\$ THOUSAND)

| | 2018 | 2019 | 2020 |
|---------|-----------|-----------|-----------|
| Revenue | 3,440,394 | 3,396,202 | 3,471,985 |

ECONOMIC VALUE DISTRIBUTED (R\$ THOUSAND)

| Distributed | 2018 | 2019 | 2020 |
|--------------------------------|-----------|-----------|-----------|
| Operational costs | 837,400 | 965,749 | 1,264,457 |
| Employee salaries and benefits | 1,132,391 | 1,053,980 | 1,149,894 |
| Payments to capital providers | 435,370 | 358,840 | 634,511 |
| Payments to the government | 390,360 | 371,493 | 324,942 |
| Total | 2,795,521 | 2,750,062 | 3,373,804 |

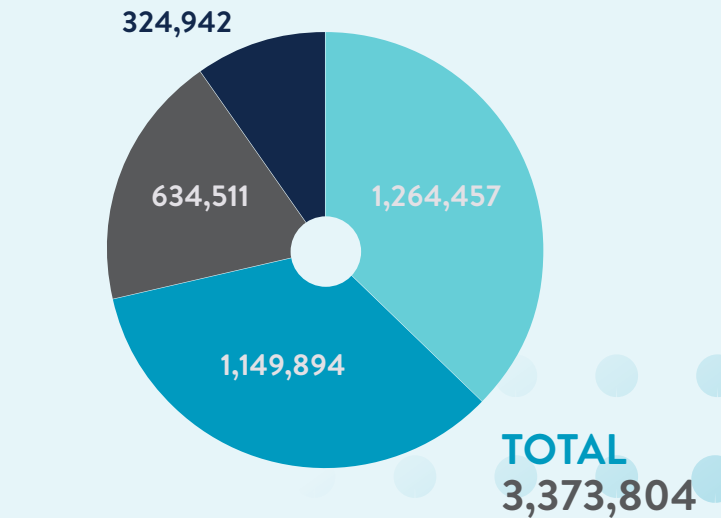
RETAINED ECONOMIC VALUE (R\$ THOUSAND)

| | 2018 | 2019 | 2020 |
|---|---------|---------|--------|
| "Direct economic value generated" less "economic value distributed" | 644,873 | 646,140 | 98,181 |

TOTAL MONETARY AMOUNT OF FINANCIAL AID RECEIVED BY THE ORGANIZATION FROM ANY GOVERNMENT AGENCY (R\$ THOUSAND) GRI 201-4

| Type of aid | 2018 | 2019 | 2020 |
|----------------------|----------------|----------------|----------------|
| Benefits and credits | 369,968,762.24 | 373,559,429.83 | 252,799,019.31 |

ECONOMIC VALUE DISTRIBUTED (R\$ THOUSAND)



- Operational costs
- Employee salaries and benefits
- Payments to capital providers
- Government payments



Discounts and financing GRI 203-2

COM VOCÊ PROGRAM

Throughout the pandemic, Yduqs made the *Com Você* program available, offering tuition exemption and flexible payment terms for the Institutions' students who had lost their income or seen it be significantly reduced. In 2020, more than 31,000 students have benefited from this program, which has been expanded to all courses. More than 400 of them were Medical students; they received tuition exemption for up to three months, considering that they lost, on average, 80% of their monthly income. The programs totaled R\$25.9 million in exemptions and flexible payments.

ESTÁCIO "TÁ PAGO"

Launched in February 2021, *Estácio Tá Pago* is geared towards students who were considering postponing higher education due to financial problems. Through the *Diluição Solidária* program (DIS, in Portuguese), participants paid only three installments of R\$49 up to June. The amount paid is granted as financial credit to the student in their second semester tuitions.

OTHER FINANCING MECHANISMS

Estácio continues to offer alternative student financing options as mechanisms to maintain its current base and attract new students. Thus, the access to higher education for thousands of people are secured (except for the school of Medicine), ensuring that most of the student base can conclude their studies.

In 2020, the Company launched the new PAR. In addition to offering the benefits of the previous PAR model, the new program grants 30% scholarships if the student has a guarantor.

Another option is dilution, created to make easier for students to enter university. The model allows students to pay R\$49 in the program's first three months; the difference from the full amount is diluted in the other semesters up to graduation. All on-campus and digital learning undergraduate students receive this incentive (except for Medical students). The benefit is valid for Estácio DIA and was extended to Wyden students under the name PIN (*Parcelamento de Ingresso*).

On-campus and distance learning undergraduate and graduate students can also benefit from *PraValer*. With the program, the student has 12 months to pay each semester and the installments do not accrue. The course is paid over double the time, in monthly installments: each semester is paid in 12 months.

Yduqs continues to search for partnerships to help students continue or begin their undergraduate studies. Thus, the partnership with *Pravaler* goes on and is extended to all institutions. Furthermore, Medical students can rely on Banco Santander financing.

FIES AND PROUNI

The share of students benefiting from the Higher Education Student Loan Fund (Fies, in Portuguese) in Yduqs' adjusted net revenue has been decreasing over the past years, following the reduction in the number of seats and restrictions to accessing the program. In 2020, the percentage was 11% compared to 26% in 2018.

FIES losses came to R\$302 million in 2020, hiding our student base growth and impacting student profile, which affects provisions, among other factors. 2020 was the last year to record a significant impact of the program on financial indicators and student base.

Regarding Prouni, the federal government's program that grants full and partial (50%) scholarships in private institutions for undergraduate programs, Yduqs continued to fill the seats offered in 2020.



Outlook



The Digital Learning and Premium segments should leverage the Company's positive results in the upcoming years

Brazil is still facing the pandemic impacts, but Yduqs foresees a less instable scenario in the short and mid-term. In terms of revenue, the impact of court decisions about the reduction/suspension of tuition payments will be reduced in 2021. The Company has restructured and extended the maturity of its debts; in February 2021, its 6th issue of simple debentures, in a single series, was approved in the total amount of R\$1.85 million and a 5-year maturity.

We see a good outlook for mergers & acquisitions (M&A), with several opportunities to be analyzed in the next 2 years. Yduqs' sound financial position will allow us to continue investing in digital transformation, with positive impacts on student retention and their satisfaction with the experience we provide.

The growth in Digital Learning and Premium units should leverage the positive results in the upcoming years. We expect that the 2 segments combined will represent close to 50% of the Company's net operating revenue in as early as 2021. The Lifelong activities (multi-brand operation, offering graduate programs to all business units) will also gain momentum in 2021.





ENVIRONMENTAL DIMENSION

Yduqs has been modernizing its management, focused on saving resources and reducing impacts





ENVIRONMENTAL DIMENSION

Through updated environmental management practices, which are in compliance with relevant laws and rules, Yduqs units seek to reduce the environmental impacts of its activities, focused on saving natural, energy and material resources. This work is based on strategic guidelines, which include ecoefficiency initiatives, selective waste collection and waste reduction.

All units go through a regular self-evaluation program that includes items such as environmental licenses, compliance with the Solid Waste Management Plan (PGRS, in Portuguese), training and compliance with environmental laws. Both corporate buildings and the educational units rely on Environmental Management, Solid Waste Management (PGRS) and effluent treatment plans. The self-evaluation takes into account the implementation of said plans and is also part of the Management Excellence Program (PEG, in Portuguese).

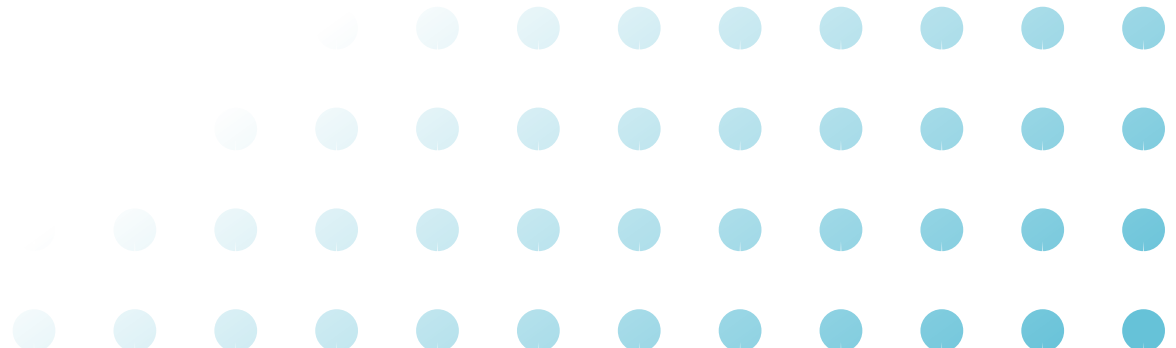
The On-Campus units are responsible for most of Yduqs' environmental impacts and, since 2019, they apply a set of Electricity and Water Rules. These are 23 questions that help assessing resource consumption management practices and the advancements made in reduction initiatives.

REPARTIR PROGRAM

Released in November 2020, the Repartir Program seeks to encourage collaboration among all educational units and DL centers. Through a single channel, technological resources and materials that are underused can be allocated to other facilities that really need them. *Repartir* is part of the Circular Economy concept, which was the theme of the 2020 Sustainability Week.

Employees can proactively take action, by identifying which campus needs the underused resource and monitor its transfer. In the Program's first phase, 95% of units from all regional offices have been registered in the system. In 2021, the Company will offer training on the right use of the platform and application of the rules in effect, which will engage the Accounting, Tax and Supplies departments.

Since its release, the program has already recorded savings of approximately R\$300,000 in the purchase of new materials, by reusing items up to their maximum useful life.





Energy GRI 103-2, 103-3 Energy

Yduqs seeks to use practices and technologies that raise awareness and reduce energy consumption at the educational units. Examples of initiatives to reduce energy consumption include consumption monitoring on a monthly basis, enabling the correction of misuses; hiring expert companies to identify opportunities at units that have major energy consumption; investments in more modern and sustainable equipment that uses less energy.

In 2020, Yduqs completed its Distributed Generation project, which consists of installing a Solar Farm in the state of Rio de Janeiro. The farm has a production capacity of 190 MWh/month. Energy produced is credited to the local concessionaire's network and offset by the consumption at six units. We estimate that in 10 years of operation, the project will be able to avoid the emission of 1,500 tons of equivalent carbon dioxide (tCO₂e), corresponding to preserving a forest area of the size of four Maracanã stadiums.

Nearly 68% of energy used by Yduqs comes from the Wholesale Energy Market – from 100% incentivized renewable sources. The energy consumption in all operations is monitored on a monthly basis by the corporate department, and results are discussed and presented to the Company's senior management.



ENERGY CONSUMPTION (MWH)¹ GRI 302-1

| | 2018 | 2019 | 2020 |
|--------------------|------|--------|--------|
| Electricity | NA | 42,387 | 27,405 |
| Total | NA | 42,387 | 27,405 |

TOTAL ENERGY CONSUMPTION ¹(MWH)

| | 2018 | 2019 | 2020 |
|---------------------------|------|--------|--------|
| Energy Consumption | NA | 42,387 | 27,405 |
| Total | NA | 42,387 | 27,405 |

¹ In GJ: 152,593.2 in 2019 and 98,658 in 2020. NA: not available



Water **GRI 103-2, 103-3**

WATER AND EFFLUENTS 303-1



Due to the pandemic, energy consumption was substantially reduced after on-campus classes have been canceled. In 2020, it was down by 35% compared to 2019. Total figure for 2020 already includes the consumption of units integrated over the year. **GRI 302-4**

REDUCTION IN ENERGY CONSUMPTION FROM IMPROVEMENTS TO ENERGY CONSERVATION AND EFFICIENCY¹ (MWH)



¹ In GJ: 53,935.2.

Most of the water used at educational units comes from local supply. In some cases, the Company uses water from artesian wells. Sanitary effluents generated by the Company's activities are mostly sent to be treated at local concessionaires.

For the units that rely on their own effluent treatment plants (ETE, in Portuguese), generation is monitored 24x7 and analyzed by accredited labs and reports are submitted to the proper authorities. In cities that do not have local legislation, the Brazilian National Environmental Board's (Conama, in Portuguese) standards are applied.

Water resource management seeks to continually improve consumption results each year. For said purpose, the Company sets goals for each unit and results are monthly monitored by the senior management. Training sessions and awareness-raising campaigns are examples of initiatives shared with employees and partners.

Here are some of the examples of our initiatives to reduce water consumption: hiring expert companies to identify opportunities at units with the highest consumption; consumption monitoring on a monthly basis, enabling correction of misconducts and agreements; equipment and methodologies to reduce consumption (economic taps, dual flush toilets, assessment of possible leakages).

In 2020, total water withdrawal and consumption was 214,527 m³, which represents a 60% reduction compared to the previous year, once again due to operational changes during the pandemic. No water discharge was measured. **GRI 303-3, 303-4, 303-5**



Occupational Safety

Occupational safety at Yduqs' units is managed by complying with Safety Requirements, where all items are mapped, plus an activity and initiative schedule that is prepared for all Units under the following aspects: legal compliance (compliance with legal requirements, such as the Environmental Risk Prevention Program and creation of Internal Accident Prevention Commissions); updating the Fire Protection System (SPCI, in Portuguese); legal training for employees who work in venues with potential risk (health, height, electricity); and creation of the Voluntary Fire Brigade (BVI, in Portuguese).

To improve the safety systems and comply with labor law documentations, the Company invested more than R\$10 million in 2020.

Improvements included the implementation of new safety systems (fire alarm, exhaustion systems, escape route stairs, sprinklers, firestop doors), in addition to the maintenance of the existing systems in the operations.



In order to prevent the Covid-19 virus spread in its operations, the Occupational Health and Safety department has prepared a Contingency Plan for each unit, which laid down safety guidelines and procedures for students and employees.

In addition, personal protective equipment, layout adaptations and trainings that followed all protocols determined by the World Health Organization (WHO) and the Ministry of Health (MS, in Portuguese) have been provided.

OCCUPATIONAL HEALTH AND SAFETY INDICATORS

| Total accidents/year | 2018 | 2019 | 2020 |
|----------------------|------|-------|------|
| Number of accidents | 25 | 2 | 16 |
| Occupational illness | 4 | 1 | 0 |
| Commuting accident | 30 | 12 | 0 |
| Fatalities | NA* | NA* | 0 |
| Lost days | 243 | 1,614 | 350 |

*NA: information not available.



GRI

CONTENT INDEX





GENERAL CONTENT

GRI 101: FOUNDATION 2016

No information for GRI 101

ORGANIZATIONAL PROFILE

| GRI Standard | Content | Page/URL | Omission | Sustainable Development Goals |
|-----------------------------------|---|--|----------|-------------------------------|
| GRI 102: General Disclosures 2016 | 102-1 Name of the organization | 12 | | |
| | 102-2 Activities, brands, products and services | 12, 14, 15 and 17 | | |
| | 102-3 Location of headquarters | 12 | | |
| | 102-4 Location of operations | 12 | | |
| | 102-5 Ownership and legal form | 12 | | |
| | 102-6 Markets served | 12 | | |
| | 102-7 Scale of the organization | 12 | | |
| | 102-8 Information on employees and other workers | 46 | | 8, 10 |
| | 102-9 Supply chain | 44 | | |
| | 102-10 Significant changes to the organization and its supply chain | 7 | | |
| | 102-11 Precautionary principle or approach | The precautionary principle is included in Yduqs' social & environmental responsibility policies | | |
| | 102-12 External activities | 19 and 25 | | |
| | 102-13 Membership of associations | 19, 23, 25, 29 | | |

STRATEGY

| | | |
|-----------------------------------|---|---|
| GRI 102: General Disclosures 2016 | 102-14 Statement from the senior decision-maker | 4 |
|-----------------------------------|---|---|

ETHICS AND INTEGRITY

| | | | |
|-----------------------------------|--|----|----|
| GRI 102: General Disclosures 2016 | 102-16 Values, principles, standards and norms of behavior | 13 | 16 |
|-----------------------------------|--|----|----|



GOVERNANCE

| GRI Standard | Content | Page/URL | Omission | Sustainable Development Goals |
|-----------------------------------|-----------------------------|-------------|----------|-------------------------------|
| GRI 102: General Disclosures 2016 | 102-18 Governance Structure | 26 up to 28 | | |

STAKEHOLDERS ENGAGEMENT

| | | | | |
|-----------------------------------|---|---|--|---|
| | 102-40 List of stakeholder groups | 21 | | |
| | 102-41 Collective bargaining agreements | 95.21% of employees are covered by Collective bargaining agreements | | 8 |
| GRI 102: General Disclosures 2016 | 102-42 Identifying and selecting stakeholders | 21 | | |
| | 102-43 Approach to stakeholder engagement | 21 | | |
| | 102-44 Key topics and concerns raised | 20 and 70 | | |

REPORTING PRACTICES

| | | | | |
|-----------------------------------|---|---|--|--|
| | 102-45 Entities included in the consolidated financial statements | https://www.yduqs.com.br/Download.aspx?Arquivo=sLMm8hCzx9U/NcMeJeDrNw== | | |
| | 102-46 Defining report content and topic boundaries | 3 and 20 | | |
| | 102-47 List of Material Topics | 20 | | |
| | 102-48 Restatements of information | There was not | | |
| | 102-49 Changes in reporting | There was not | | |
| | 102-50 Reporting period | 01/01/2020 until 12/31/2020, except when stated otherwise | | |
| GRI 102: General Disclosures 2016 | 102-51 Date of most recent report | 07/21/2020 | | |
| | 102-52 Reporting cycle | Annual | | |
| | 102-53 Contact point for questions regarding this report | sustentabilidade@yduqs.com.br | | |
| | 102-54 Claims of reporting in accordance with the GRI Standards | This report has been prepared in accordance with the GRI Standards, Core option | | |
| | 102-55 GRI Content Index | 86 up to 91 | | |
| | 102-56 External assurance | None | | |



MATERIAL TOPICS

ECONOMIC PERFORMANCE

| GRI Standard | Content | Page/URL | Omission | Sustainable Development Goals |
|------------------------------------|--|----------|----------|-------------------------------|
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 The management approach and its components | 77 to 80 | | |
| | 103-3 Evaluation of management approach | 77 to 80 | | |
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | 78 | | 8, 9 |
| | 201-4 Financial assistance received from government | 78 | | |

MARKET PRESENCE

| | | | | |
|-----------------------------------|--|----|--|---------|
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 The management approach and its components | 49 | | |
| | 103-3 Evaluation of management approach | 49 | | |
| GRI 202: Market presence 2016 | 202-1 Ratios of standard entry level wage by gender compared to local minimum wage | 49 | | 1, 5, 8 |

INDIRECT ECONOMIC IMPACTS

| | | | | |
|---|--|---------------|--|---------|
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 Management approach and its components | 51 | | |
| | 103-3 Evaluation of management approach | 51 | | |
| GRI 203: Indirect economic impacts 2016 | 203-2 Significant indirect economic impacts | 51, 62 and 79 | | 1, 3, 8 |

PROCUREMENT PRACTICES

| | | | | |
|-------------------------------------|--|--------|--|---|
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 The management approach and its components | 44, 45 | | |
| | 103-3 Evaluation of the management approach | 44, 45 | | |
| GRI 204: Procurement practices 2016 | 204-1 Proportion of spending with local suppliers | 45 | | 8 |



ANTI-CORRUPTION

| GRI Standard | Content | Page/URL | Omission | Sustainable Development Goals |
|-----------------------------------|--|-----------|----------|-------------------------------|
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 The management approach and its components | 29 and 31 | | |
| | 103-3 Evaluation of the management approach | 29 | | |
| GRI 205: Anti-corruption 2016 | 205-1 Operations assessed for risks related to corruption | 29 | | 16 |
| | 205-2 Communication and training about anti-corruption policies and procedures | 30 | | 16 |
| | 205-3 Confirmed incidents of corruption and actions taken | 29 | | 16 |

ENERGY

| | | | | |
|-----------------------------------|--|----|--|--------------|
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 The management approach and its components | 83 | | |
| | 103-3 Evaluation of management approach | 83 | | |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | 83 | | 7, 8, 12, 13 |
| | 302-4 Reducing of energy consumption | 83 | | 7, 8, 12, 13 |

WATER AND EFFLUENTS

| | | | | |
|-----------------------------------|---|----|--|----------|
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 Management approach and its components | 84 | | |
| | 103-3 Evaluation of management approach | 84 | | |
| GRI 303: Water and effluents 2018 | 303-1 Interactions with Water as a Shared Resource | 84 | | 6, 12 |
| | 303-2 Management of impacts related to discharge of water | 84 | | 6 |
| | 303-3 Water withdrawal | 84 | | 6, 8, 12 |
| | 303-4 Water discharge | 84 | | 6 |
| | 303-5 Water consumption | 84 | | 6 |



EMPLOYMENT

| GRI Standard | Content | Page/URL | Omission | Sustainable Development Goals |
|-----------------------------------|---|-------------|----------|-------------------------------|
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 Management approach and its components | 34 up to 49 | | |
| | 103-3 Evaluation of management approach | 34 up to 49 | | |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | 48 | | 5, 8, 10 |
| | 401-2 Benefits offered to full-time employees that are not provided to temporary or part-time employees | 49 | | 3, 5, 8 |
| | 401-3 Parental leave | 49 | | 5, 8 |

TRAINING AND EDUCATION

| | | | | |
|--------------------------------------|--|--------|---|-------------|
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 Management approach and its components | 36, 39 | | |
| | 103-3 Evaluation of management approach | 36, 39 | | |
| GRI 404: Training and education 2016 | 404-1 Average hours of training per year per employee | 36 | | 4, 5, 8, 10 |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | 36, 37 | Yduqs does not have career transition assistance programs, whether for layoffs or retirement. | 8 |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | 38 | | 5, 8, 10 |

DIVERSITY AND EQUAL OPPORTUNITIES

| | | | | |
|---|--|----|--|------|
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 Management approach and its components | 40 | | |
| | 103-3 Evaluation of management approach | 40 | | |
| GRI 405: Diversity and equal opportunities 2016 | 405-1 Diversity in governance bodies and employees | 41 | | 5, 8 |



LOCAL COMMUNITIES

| GRI Standard | Content | Page/URL | Omission | Sustainable Development Goals |
|-----------------------------------|--|----------|----------|-------------------------------|
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 The management approach and its components | 51 | | |
| | 103-3 Evaluation of management approach | 51 | | |

CUSTOMER'S PRIVACY

| | | | | |
|-----------------------------------|--|----|--|----|
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 Management approach and its components | 32 | | |
| | 103-3 Evaluation of management approach | 32 | | |
| GRI 418: Customer's Privacy 2016 | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | 32 | | 16 |

SOCIAL & ECONOMIC COMPLIANCE

| | | | | |
|--|--|----|--|----|
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 20 | | |
| | 103-2 The management approach and its components | 32 | | |
| | 103-3 Evaluation of the management approach | 32 | | |
| GRI 419: Socioeconomic Compliance 2016 | 419-1 Non-compliance with laws and regulations in the social and economic area | 32 | | 16 |



SUSTAINABLE DEVELOPMENT GOALS

1. No poverty
2. Zero hunger and sustainable agriculture
3. Good health and well-being
4. Quality education
5. Gender equality
6. Clean water and sanitation
7. Affordable and clean energy
8. Decent work and economic growth
9. Industry, innovation and infrastructure
10. Reduced inequalities
11. Sustainable cities and communities
12. Responsible consumption and production
13. Climate action
14. Life below water
15. Life on land
16. Peace, justice and strong institutions
17. Partnerships for the goals



Credits



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