

CODE OF CONDUCT
OF



August 2013

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INTRODUCTION

The Code of Conduct of Ser Educacional S.A reflects the Company's commitment toward achieving its corporate goals with social responsibility by placing a high value on its relationships with shareholders, employees, clients and suppliers, preserving the environment and contributing to the development of the communities in which we operate.

The Code is based on the corporate values and principles established by the Company and underpins the search for the good corporate and accounting governance practices, for clear, objective and timely communication, and for actions and decisions always taken with responsibility, quality, honesty, trust, respect and loyalty.

It is the duty of all the Company's employees to comply with and see to the compliance of the provisions in this Code, and the leaders have the additional duty to disclose and ensure the compliance with the aforementioned document in their respective departments.

Thus, it is understood that any conducts that may characterize a violation of any of the principles of this Code, as well as those which do not comply with the laws and ethical standards of society in general, shall be considered as serious breaches of conduct. Aiming to ensure compliance with and application of the Code, Ser Educacional S.A. has a Conduct Committee. The Code is valid for an undetermined period of time. It must be distributed among all the Company's employees, who may not claim, under any hypotheses or based on any arguments, to be unaware of the guidelines and principles contained therein. The Company's partners, suppliers, clients, shareholders, investors and the community may also access it on the website of Ser Educacional S.A. (www.sereducacional.com.br).

MISSION, OUR VALUES AND OUR PRINCIPLES

Mission

Ser Educacional S.A. is committed to contributing to education dissemination and progress, to improving the quality of life, developing free enterprise and strengthening the country's democratic institutions.

Our Values

- Integrity
- Excellence
- Pioneering Spirit
- Valuing people

Our Principles

- Focus on the client
- Teamwork
- Competitiveness
- Profitability

ASSUMPTIONS

Ser Educacional S.A. produces information, education and culture. Its actions are guided by its respect for the laws, and it recognizes its responsibilities toward the Brazilian society of providing quality education services. The Company is committed to fully exercising its values regarding all those to which it relates; consequently, it shall not admit:

- Racist or prejudiced attitudes toward: religion, philosophical or political convictions, nationalities, economic family status, origin, sex, color, ethnicity, physical disability, age, pregnancy, sexual preference, biotype, health or marital status.
- Offensive attitudes, whether these are verbal, graphic or behavioral, which may harm the physical or moral integrity of any person;
- Use of child or slave labor;
- Offering or accepting bribes;
- Disseminating false advertising;
- Harming the environment;
- Harassment (either Moral or Sexual) involving any verbal or physical conduct resulting in humiliation, coercion or threat to the Company's employees, or the creation of a hostile professional environment which, unjustifiably, interferes in individual performance or negatively affects the harassed person's work.

The Company has issued this Code of Conduct with the aim of regulating these assumptions.

OBJECTIVES OF THIS CODE OF CONDUCT

Ser Educacional S.A. is all of us who work in the Company or provide services of any nature thereto, somehow sharing the same work environment and the company's daily operations. Our attitude must be grounded on respect, ethical behavior, transparency and commitment to the truth. For that reason, we have created this Code, which:

- (i) sets forth ethical standards that guide our conduct and our professional relationships;
- (ii) affords objectivity and clarity when interpreting ethical conduct principles, assisting in daily decision-making; and
- (iii) Sets out the basic guidelines so that we may, in each field of activity, develop our specific ethical standards.

WHO MUST COMPLY WITH THIS CODE OF CONDUCT

All those who work for Ser Educacional S.A. – shareholders, directors, employees – and all those who provide services to the Company, in addition to the other persons and entities the Company relates to.

RELATIONSHIPS IN THE WORKPLACE

Our relationships must be based on respect, transparency and team spirit. Thus, we are committed to:

- ▶ Ensuring that our search for results is underpinned by a spirit of cooperation among colleagues and among the company's departments.
- ▶ Maintaining an attitude of respect, politeness and cooperation with all employees, clients, suppliers and business partners.
- ▶ Recognizing diversity, respecting individual differences and values without discriminating against color, race, nationality, sexual orientation or political stance.
- ▶ Fighting any type of intimidation characterizing sexual or moral harassment (the latter being understood as the act of humiliating people and/or damaging their reputation through words, gestures or attitudes in association with the chain of command).
- ▶ Preserving the integrity of each position, without using this position or any information about our professional activities to influence decisions that may favor our own interests or those of third parties.
- ▶ Respecting intellectual property, recognizing the value and the ownership of projects, ideas, proposals and initiatives of both colleagues and third parties.
- ▶ Whenever necessary, maintaining the confidentiality of the work we do.
- ▶ Using internal communication media (such as electronic mail) only to address subjects related to our work and in a constructive manner.
- ▶ Using work materials responsibly and appropriately, ensuring the integrity and security of the equipment provided by the company, returning it immediately after use and avoiding using it for personal purposes.
- ▶ Contributing to and ensuring compliance with this Code of Conduct, and, whenever necessary, communicating and submitting doubts and ethical questions to the Company's Conduct Committee.

RESPONSIBILITIES OF THE LEADERSHIP

As people managers, we are role models for the other employees, clients and business partners. For this reason, when holding leadership positions, we must:

- ▶ Ensure that relationships in the workplace are always grounded on **respect, politeness, transparency** and **team spirit**.
- ▶ Recognizing and appreciating employees' merit.
- ▶ Providing equal access to professional growth opportunities according to each employee's characteristics, skills and contributions.
- ▶ Not make decisions affecting employees' careers solely based on personal relationships.
- ▶ Not use our positions to as employees for favors or personal services.
- ▶ Disclose, promote and ensure that this Code of Conduct is understood and adopted by all employees.
- ▶ Report and punish as guided by the Company's Ethics Committee any misconducts on the part of employees.

RESPONSIBILITY IN COLLABORATIONS OUTSIDE THE COMPANY

Obtain the Management's authorization to collaborate in communication media, give lectures and participate in events (such as debates, seminars and training courses) in the capacity of employee of Ser Educacional S.A. and on such occasions always follow the rules contained in this Code of Conduct.

RELATIONSHIP WITH SHAREHOLDERS

Our relationship with shareholders is based on transparency and equality, as well as on the interests of all the Company's stakeholders. Thus it is our role to:

- ▶ Maintain precise, clear and timely communication with shareholders so that they can follow the activities and performance of Ser Educacional S.A.
- ▶ Maintain the confidentiality of information regarding our activities, actions and investments not yet disclosed to the public.
- ▶ Give priority to the Company's overall interests over shareholders' individual interests.
- ▶ Protect shareholders against asset deviations on the part of individuals that have the power to influence and/or make decisions on behalf of Ser Educacional S.A..
- ▶ Ensure equality in the relationship with minority shareholders.

RELATIONSHIP WITH CLIENTS

When relating to clients – both individuals and corporations that purchase or use our products and services – it is our duty to:

- ▶ Establish transparency in business practices.
- ▶ Respect sector agreements and contracts executed.
- ▶ Adopt an open and interested approach to criticism, suggestions and requests.
- ▶ Ensure that clients receive a clear, objective and satisfactory answer to their questions and requests.
- ▶ Recognize and communicate any mistakes made.
- ▶ Respect clients' privacy, ensuring that their information is treated with confidentiality and used exclusively with their prior knowledge.
- ▶ Base marketing and communication strategies on clear objectives so that clients have no doubt on the product and/or service acquired.

RELATIONSHIP WITH BUSINESS PARTNERS

Our business partners are distributors, subscription representatives, advertising representatives, authors, publishers, re-transmitters and licensees, among others. Our approach to this type of relationship is the following:

- ▶ Complying with and honoring the agreements and contracts executed, setting forth clear and objective rules.
- ▶ Not doing business with illegal companies that conduct illegitimate activities and whose resources come from sources equally illegitimate.
- ▶ Actively encouraging our partner companies to share the same values we adopt in this Code of Conduct.

RELATIONSHIP WITH SUPPLIERS

Our suppliers are individuals and corporations that provide services to us or sell us products. In this type of relationship we must:

- ▶ Comply with the agreements and contracts executed.
- ▶ Basing the selection and decision to acquire products and services solely on technical and professional criteria and through pre-established processes.
- ▶ Maintaining clear, transparent communication during the entire process, without building expectations we cannot meet.
- ▶ Refusing favors and gifts offered by suppliers except for those up to R\$100.00.

In relationships with outsourced professionals, we must:

- ▶ Treat them with respect, politeness and the same ethical principles applied to ourselves.
- ▶ Encourage these professionals to comply with this Code of Conduct, so that they follow the same ethical standards as we.

RELATIONSHIP WITH THE PRESS

When dealing with other communication media, we must:

- ▶ Maintain a relationship based on integrity, transparency and impartiality.
- ▶ Maintain an independent and respectful approach to media relations.
- ▶ Only disclose information about issues within our authority and never about those which the company has determined as being confidential.

RELATIONSHIPS WITH UNIONS AND WORKERS' ASSOCIATIONS

Regarding the relationships with the several different unions and associations representing the industry, it is the employee's duty to:

- ▶ Deal with their representatives in a professional manner.
- ▶ Give priority to negotiation when solving conflicts of interest, always following the principles of respect and politeness.
- ▶ Defend in a legitimate manner the interests of the company and the sector to which we belong.

RELATIONSHIP WITH THE GOVERNMENT

When dealing with the federal, state and municipal government, we all must:

- ▶ Deal with government representatives professionally and politely, providing them with the information and documents requested and respecting the legal requirements.
- ▶ Treat all political parties equally and impartially.

Political and partisan engagement:

- ▶ Ser Educacional S.A. ensures its employees the right to participate in social, cultural and political events and movements, provided this participation does not negatively affect their professional activities.
- ▶ We must not use our positions or the Company's equipment, services and resources to support political parties and/or candidates.

APPROACH TO CORRUPTION AND BRIBERY

- ▶ We do not admit any type of corruption, bribery or bargaining.
- ▶ It is our duty to ensure that this approach is preserved, exercised, encouraged and disseminated within the company.

CONFLICTS OF INTEREST

It is essential to avoid situations, actions and attitudes that may be characterized or suggest conflicts between our personal interests and our professional performance. Therefore, we must:

- ▶ Not use the position we hold at Ser Educacional S.A. to obtain privileges, preserving the positions we hold or activities we exercise without ever using them for our own benefit.
- ▶ Prevent spouses, boyfriends or girlfriends from occupying positions under our influence or that may compromise our hierarchical relationships.
- ▶ Not accept discounts in personal purchases of goods or services as a result of our professional activity, except in the case of corporate promotions.
- ▶ Conduct other professional activities that are not of the interest of Ser Educacional S.A. during the exercise of our duties.
- ▶ Use the Company's assets, such as telephone and other devices, materials or information owned thereby, to conduct work unrelated to the activities conducted by Ser Educacional S.A.
- ▶ Any employee, except for faculty members, who is who is conducting a parallel activity for another company in the educational segment, even if temporary, must obtain the authorization of the CEO of Ser Educacional S.A.
- ▶ Employees may only receive gifts with promotional characteristics, such as: appointment books, pens, hats, key chains, note pads and other such gifts containing the company's logo, always making sure that this acceptance does not compromise their impartiality and that there is no explicit or implied understanding that they are in any way obliged to do something in return for the gift.
- ▶ Gifts that do not have the aforementioned characteristics may only be accepted in case their value does not exceed one hundred reais (R\$100.00), and provided the area's management is aware of and has authorized this acceptance.
- ▶ In case the gift is received under conditions that do not allow the Company's employee to refuse it, or in case there is reasonable doubt whether or not the gift's value exceeds the reference value, said gift must remain under the responsibility of the area's management awaiting the guidance of the Company's Ethics Committee or the CEO on how to deal with the item.

In case a situation should arise that represents or may come to represent a conflict of interest or a situation in which said conflict is unavoidable, the employee of Ser Educacional S.A involved in the aforementioned situation must formally submit the issue to his or her immediate leader and fully report in writing all the circumstances associated therewith.

INFORMATION SECURITY

Ser Educacional S.A. is fully aware of the importance of information security and knows that the bad handling of information may result in risks for the business, consequently it demands that its employees:

- Are careful when handling information belonging to and of the interest of Ser Educacional S.A, whether this information is transmitted via electronic media, orally or in written form;
- Disclose information regarding the Company's clients or former clients solely with prior authorization therefrom or by court orders;
- Not openly comment on issues that are not of collective interest, whether on or off the Company's premises;
- Avoid leaving confidential documents on their desks or their computers unblocked in their absence;
- Computer software shall only be installed by the IT personnel of Ser Educacional S.A;
- Not to send inappropriate content from their computers;
- Computer access passwords, telephones and name tags are non-transferrable and consequently cannot be shared;
- Work conducted, ideas and results achieved must always be published naming the source in case in case they belong to third parties;
- In accordance with the legislation in force, the company may monitor emails and Internet accesses, thus ensuring its right to track eventual leaks of corporate information or undue use of tools;
- Any objects or processes created or improved with any sort of resources owned by the company insures it the right for exclusive ownership.

CONDUCT COMMITTEE

The Company's ethics committee is directly related to the CEO of SER EDUCACIONAL S.A. and is responsible for evaluating and monitoring the Code of Conduct, in addition to making the appropriate decisions, whenever necessary. It is also responsible for:

- Determining conducts for situations that are not provided for in this code;
- Ensuring that the Company's code of ethics is updated;
- Establishing penalties for breaches of conduct and ethical conflicts;
- Cooperating and supporting internal and external audits, providing the necessary information in the period of time agreed;
- Monitoring the results and evolution of ethical conducts;
- Monitoring the outcomes of action plans originated from the audits conducted.

- VIOLATIONS OF THE CODE OF CONDUCT

Whenever we deem necessary, and regardless of hierarchical level, we must report violations of this Code of Conduct to the Senior Management. For this end, it is important to note that:

- ▶ The reports – which may not be anonymous – shall be examined and submitted in strict confidence, and, depending on the gravity of the violation, those responsible shall be guided, warned or dismissed according to their responsibility.
- ▶ There shall not be any penalty or reprisal for the submission, in good faith, of questions or reports of violations of this Code of Conduct.
- ▶ Any situations that are not explicitly addressed in the Code shall be treated as an exception and examined by the Company's Ethics Committee.
- ▶ Questions / doubts shall be submitted to the Ethics Committee via email to be sent to comissaodeconduta@sereducacional.com.

COMMITMENT STATEMENT

I declare that I have read the Code of Conduct of Ser Educacional S.A. and understand its importance, content and consequences for both the company and myself.

I hereby commit to following the ethical principles established by the company in my daily professional activities and in my work environment.

Name: _____

Department: _____

Date: ____/____/____

Signature: _____

This document must be filled out, signed, detached and sent to the Human Resources department, which shall file it in its records.