

Fellow Shareholders,

In 2012, two Stanford professors, Andrew Ng and Daphne Koller, released a few popular computer science courses on the internet and were stunned when more than 100,000 people signed up. These learners came from around the world, across many age groups, and from many walks of life. Most importantly, they also included people who did not otherwise have access to a great education. This brave experiment laid the foundation for Coursera, which celebrates its ten year anniversary this spring.

Progress

Since those early days, Coursera has grown into a three-sided learning platform that connects learners, institutions, and educators across the world.

Over the past two years, more than 50 million learners have come to Coursera, doubling our registered learner base to 97 million by the end of 2021. Learners are attracted to our world-class catalog of branded content and credentials that build job-relevant skills, advance their careers, and transform their lives. Approximately 80 percent of our learners are from outside of the United States, with the highest growth coming from regions where higher education infrastructure is severely constrained in its capacity to meet the demand of a growing population. Online education delivered at scale is making equitable access to high-quality learning a growing reality for learners worldwide.

As technology and automation accelerate the need for new skills, a new model for education must meet this challenge with unprecedented speed and scale.

In addition to our growing prominence as a destination for learners, our platform appeals to a rapidly expanding number of institutions. The total number of paid enterprise customers, which includes our direct relationships with businesses, campuses, and governments, doubled in 2021 to more than 800. Institutions are investing in the skills required to compete in today's economy. As technology and automation accelerate the need for new skills, a new model for education must meet this challenge with unprecedented speed and scale. Universities, businesses, and governments are collaborating on Coursera to address the skills shortage with a new and inclusive lifelong learning model.

Our global reach and ability to deliver affordable, high-quality education attracts educators looking to teach the world. In 2021, we welcomed more than 50 new partners to Coursera, growing our network to over 250 university and industry educators. Content on Coursera is designed to meet the needs of learners across all stages of their learning journey. Our partners have created an unmatched catalog of branded content and credentials that continues to grow – from bite-sized, hands-on learning through Guided Projects, to longer courses of study, such as professional certificates or degree programs. These credentials offer affordable and flexible pathways for learners to advance their education and careers.

Performance

I am inspired by how hard our team members work every day to serve learners. Their dedication allowed us to achieve strong results in 2021. We delivered robust top-line growth of 41 percent over the prior year with total annual revenue of $415 million. In the coming year, we expect to surpass $500 million in revenue for the first time.

Performance in 2021 was broad-based, with momentum across our three segments and in all regions. Our results continue to reflect a differentiated business model that benefits from our three-sided platform with exposure to multiple levers of growth. This includes serving individuals, institutions, and educators, as well as our ability to meet and grow with learners at any stage of their studies or career.

We ended the year in a strong financial position, with approximately $822 million of unrestricted cash, cash equivalents, and marketable securities with no debt. We also significantly improved our annual adjusted EBITDA margin over the prior year. This allows us to invest confidently in our future.

Purpose

We believe that learning is the source of human progress.

Coursera was founded to provide universal access to world-class learning so that anyone, anywhere, has the power to transform their life through learning.

The combined forces of online learning and remote work hold the promise of a more just world, where anyone, anywhere has access to educational opportunity, and anyone, anywhere has access to economic opportunity as well.

Over the past two years, online learning provided the means for educators, businesses, and governments to respond to a global crisis that fundamentally changed the way we learn and work. The combined forces of online learning and remote work hold the promise of a more just world, where anyone, anywhere has access to educational opportunity, and anyone, anywhere has access to economic opportunity as well. By working directly with leading universities and powering institutional collaboration across our platform, we are providing greater access to affordable, world-class education while paving the way for talent to rise from anywhere with remote, digital jobs.

In 2021, Coursera earned B Corp™ certification for meeting rigorous standards of social and environmental performance, accountability, and transparency. We also converted to a Public Benefit Corporation, underscoring our deep commitment to making a positive impact on society for the benefit of all our constituents, including our shareholders.

Over the past year, I had the privilege of meeting many of you as we took Coursera public. To our shareholders, I want to say thank you. We believe that the transformation of higher education is only in the early innings, and your continued support positions us for the long-term success of our mission. Together with our partners, we are excited to continue serving learners across the world and deliver on the promise Andrew and Daphne imagined a decade ago.

Jeff Maggioncalda
Chief Executive Officer, Coursera