

# IDP Education Limited

## Corporate Governance Statement

### June 2020

The Board of IDP Education Limited (“IDP” or “the Company”) is committed to maximising performance, generating appropriate levels of shareholder value and financial return, and sustaining the growth and success of IDP. In conducting the business with these objectives, the Board seeks to ensure that IDP is properly managed to protect and enhance Shareholder interests, and that IDP and its directors, officers and employees operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing IDP, including adopting relevant internal controls, risk management processes and practices which it believes are appropriate for IDP’s business and which are designed to promote the responsible management and conduct of IDP.

During the year the Company has had in place policies and practices which comply, except as noted, with the recommendations in the third edition of the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations.

It should be noted that the fourth edition of the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations is effective for financial years commencing 1 July 2020 (FY21). IDP is currently undertaking a body of work to ensure that IDP complies with the requirements of the revised principles and recommendations.

The key aspects of IDP’s corporate governance framework and primary corporate governance practices are outlined below.

#### **Roles and Responsibilities of the Board and Management**

The Board has responsibility for setting and maintaining corporate integrity, behaviours and accountability. The Board operates in accordance with the IDP Board Charter, which is available on the IDP website. The Board Charter sets out the functions reserved to the Board. The Board reviews and approves the Board Charter on an annual basis to ensure it remains consistent with the Board’s objectives and responsibilities.

#### **Board Responsibilities**

The responsibilities of the Board, as set out in the Board Charter, include:

- (a) Strategy – reviewing strategic direction and approving corporate strategic initiatives developed by management;
- (b) Financial performance – reviewing the Company’s budget, monitoring management and financial performance;
- (c) Risk management – together with the Audit and Risk Committee, overseeing the effectiveness of risk management and compliance in the organisation, including the Code of Conduct and legal compliance;
- (d) Financial and other reporting – including considering and approving the Company’s half-yearly and annual financial statements – and monitoring and reviewing management processes aimed at ensuring the integrity of financial and other reporting;
- (e) Board performance and composition – together with the Nomination Committee, evaluating the performance of the Board, and determining its size and composition;
- (f) Leadership selection – evaluating the performance of, selecting and (where appropriate) removing, the CEO, the CFO and the Company Secretary;
- (g) Succession and remuneration planning – together with the Nomination Committee and the Remuneration Committee, planning for Board, CEO and senior executive succession and remuneration, and settling non-executive director remuneration within shareholder approved limits;
- (h) CEO remuneration – the remuneration of the CEO is the responsibility of the Board in direct consultation with the remuneration Committee;
- (i) Social responsibility – considering the social, ethical and environmental impact of the Company’s activities and operations and setting standards and monitoring compliance with the Company’s social responsibilities and practices;
- (j) Major expenditure and capital initiatives in excess of authority levels delegated to management – approving major capital expenditure, acquisitions and divestitures, and monitoring capital management;
- (k) Corporate governance – reviewing and monitoring the Company’s corporate governance policies and practices;

- (l) External auditor – together with the Audit and Risk Committee, selecting and recommending to shareholders the appointment of the external auditor; and
- (m) Performing such other functions as are prescribed by law or are assigned to the Board.

### **Management Responsibilities**

The Board has delegated authority over the day to day management of the Company and its operations to the CEO and the senior executive team. This delegation of authority includes responsibility for:

- (a) developing business plans, budgets and strategies for the Board's consideration and, to the extent approved by the Board, implementing these plans, budgets and strategies;
- (b) operating the Company's businesses within the parameters set by the Board from time to time and keeping the Board informed of all material developments relating to the businesses;
- (c) where proposed transactions, commitments or arrangements exceed the parameters set by the Board, referring the matter to the Board for its consideration and approval;
- (d) identifying and managing operational and other risks and, where those risks could have a material impact on the Company's businesses, formulating strategies for managing these risks for consideration by the Board;
- (e) managing the Company's current financial and other reporting mechanisms to ensure that these mechanisms are functioning effectively to capture all relevant material information on a timely basis;
- (f) implementing the Company's internal controls and procedures for monitoring these controls and ensuring that these controls and procedures are appropriate and effective;
- (g) taking all reasonable steps to ensure that the Board is provided with accurate and sufficient information regarding the Company's operations on a timely basis and, in particular, that the Board is made aware of all relevant matters relating to the Company's performance (including future performance), financial condition, operating results and prospects and potential material risks so that the Board is in an appropriate position to fulfil its corporate governance responsibilities; and
- (h) implementing all policies, processes and codes of conduct approved by the Board.

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for coordination of all Board business, including agendas, board papers, minutes, communication with regulatory bodies and ASX, and all statutory and other filings. The roles and responsibilities of the Company Secretary are set out in the Board Charter.

All directors have an opportunity to communicate directly with the Company Secretary.

## Board Composition and Size

The size of the Board is determined by the Board, with the support of the Nomination Committee and subject to the limits contained in the Company's Constitution, and shareholders. The minimum number of directors is three and the maximum is fixed by the Board but may not be more than eight unless a shareholders resolution is passed.

The Board comprises the following directors at the date of this report:

Name	Position	Appointed
Peter Polson	Independent Non-Executive Director and Chair	March 2007
Andrew Barkla	Managing Director and Chief Executive Officer	August 2015
Ariane Barker	Independent Non-Executive Director	November 2015
Professor David Battersby AM	Non-Executive Director *	February 2011
Chris Leptos AM	Independent Non-Executive Director	November 2015
Professor Colin Stirling	Non-Executive Director *	February 2018
Greg West	Non-Executive Director *	December 2006

\* Professor David Battersby, Professor Colin Stirling and Greg West are directors of the Company's major shareholder, Education Australia Limited and as such cannot be considered independent directors for purposes of the Constitution.

## Director Independence

The Company's Constitution requires that the Chair will be an independent director. Mr Peter Polson is an independent director. The roles of Chair and CEO are not exercised by the same individual.

The Company's Constitution requires that a majority of the Board is to be comprised of "A Class" directors. "A Class" directors includes Education Australia Limited affiliated directors as well as independent directors

Recommendation 2.4 of the third edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations states that "a majority of the board of a listed entity should be independent directors". An independent director is a non-executive director who is not a member of management and is free of any business or other relationship or circumstance that could materially interfere with the exercise of objective, unfettered or independent judgment, having regard to the best interests of the company as a whole.

The Board does not comprise a majority of independent directors and as such does not comply with Recommendation 2.4.

Notwithstanding that a majority of the Board is not comprised of independent directors, the Board considers that, collectively, the directors bring an objective and independent judgement to its decision-making processes and that each of the directors make a valuable contribution to the Company. Furthermore, the directors believe that they are able to objectively analyse the issues before them in the best interests of all Shareholders and in accordance with their duties as directors.

Directors are able to access members of senior management to request relevant information in their role as a non-executive director.

Directors are entitled to seek independent professional advice at the Company's expense relating to their role as a director, subject to the prior consultation with the Chair.

## Board Skills and Experience

It is the Board's policy that the non-executive directors, with the executive directors, comprise an appropriate mix of skills to provide the necessary breadth and depth of knowledge and experience to meet the Board's responsibilities and objectives. It is intended that the Board will be made up of directors with a broad range of skills, expertise and experience, and from a diverse range of backgrounds, including gender. For further information on the directors, please refer to the Directors' Report in the 30 June 2020 Annual Report.

The skills matrix below sets out the Board's current mix of skills and experience. Its structure reflects the areas relevant to the business of the Company. Each area is adequately represented by the Board. Directors are encouraged to continue with ongoing professional development to maintain the skills and knowledge to perform their roles effectively.

<b>Skills, Experience and Expertise Matrix</b>	
<b>Strategic Areas</b>	<b>Skills</b>
<b>Leadership and strategy</b>	<ul style="list-style-type: none"> <li>• Outside directorships</li> <li>• Senior management positions</li> <li>• Appropriately represents the organisation</li> <li>• Sets and instils an appropriate Board and organisational culture</li> <li>• Makes and takes responsibility for decisions and actions</li> </ul>
<b>Corporate Governance</b>	<ul style="list-style-type: none"> <li>• Experience in the governance of organisations</li> <li>• Public company corporate governance literacy</li> <li>• Ability to assess the effectiveness of management</li> <li>• Membership of governance industry bodies or organisations</li> </ul>
<b>Financial Acumen</b>	<ul style="list-style-type: none"> <li>• Financial reporting literacy</li> <li>• Experience in managing financial risks and controls</li> <li>• Exposure to accounting standard requirements</li> <li>• Analysis of key financial statements to critically assess financial viability and performance</li> <li>• Contributes to the strategic financial planning and budget process</li> <li>• Accounting or finance qualification</li> </ul>
<b>Risk and Compliance</b>	<ul style="list-style-type: none"> <li>• Relevant risk and compliance management experience</li> <li>• Ability to identify risk, monitor risks and provide guidance on mitigation strategies</li> <li>• Provide guidance on the development and implementation of organisational policies to ensure governance</li> <li>• Regulatory awareness</li> </ul>
<b>Sectoral Exposure (Education Services)</b>	<ul style="list-style-type: none"> <li>• Experience in the International Education sector</li> </ul>
<b>International business experience</b>	<ul style="list-style-type: none"> <li>• Senior management experience leading international business divisions</li> </ul>
<b>People and Remuneration</b>	<ul style="list-style-type: none"> <li>• Remuneration regulation and structuring</li> <li>• Human capital management experience</li> </ul>

## **Appointment of New Directors**

It is the role of the Nomination Committee to identify suitable candidates to complement the existing Board and to make recommendations to the Board on their appointment. The identification of potential director candidates may be assisted by the use of external search organisations as appropriate.

The Company's Constitution also allows for nominations for candidates to be submitted at least 45 business days before any general meeting or at least 30 business days before a meeting requested by shareholders.

Where a candidate is recommended by the Nomination Committee or nominated prior to a general meeting, the Board will assess that candidate against a range of criteria including, but not limited to:

- (a) the skills, experience, expertise and personal qualities and attributes that will best complement Board effectiveness;
- (b) the diversity of Board composition;
- (c) the capability of the candidate to devote the necessary time and commitment to the role; and
- (d) potential conflicts of interest, and independence.

Before appointing a director, the Company undertakes comprehensive checks including directorships, identifying conflicts of interest, character reference, criminal history, bankruptcy and disqualified company director checks.

An offer of a Board appointment must be made by the Chair only after having consulted all directors, with any recommendations from the Committee having been circulated to all directors.

If all criteria are met and the Board appoints the candidate as a director, that director must have their appointment confirmed at the next Annual General Meeting. Details of directors being elected, or re-elected, are set out in the explanatory notes to the Notice of Annual General Meeting, as well as in the Directors' Report in the Annual Report.

## **Induction of New Directors and Ongoing Director Development**

New directors are provided with a formal letter of appointment which sets out the terms of their appointment, including their obligations and responsibilities, required time commitment, requirement to disclose any interests that conflict or other interests and matters affecting independence.

The Nomination Committee is responsible for the induction of all new directors. The IDP Director Induction framework has been established to ensure that new Board members are suitably prepared to fulfil the requirements of their role and contribute appropriately to the operation of the Board. The framework covers aspects relating to the Company's vision and strategy, financial performance, and operational and risk management positions. In addition, comprehensive briefings with the Chair, CEO, senior executives and management are provided to assist them in understanding the business, its values and culture and the industry it operates in.

Appropriate professional development opportunities for directors are also provided in order to allow directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively. On an ongoing basis, directors are provided with presentations and briefings on key developments affecting the Company and the industry and environment in which it operates.

## **Board Remuneration and Performance Review**

The Nomination Committee oversees the development and implementation of a process for the evaluation of the performance the Board, Board Committees, and directors individually, using both measurable and qualitative indicators and assisting the Board and the Chair, as required, in evaluating the performance of the Board, its Committees and individual directors. The aim of the internal Board performance review is to ensure that individual directors and the Board as a whole work effectively in meeting their responsibilities as described in the Board Charter.

The Nomination Committee is also responsible for reviewing the performance of the Chair and reporting the results of the evaluation to the Board.

Recommendation 1.6 of the third edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations states that:

A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
- (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

Board effectiveness is monitored through an annual survey assessing the effectiveness of the Board's performance against key responsibilities. The survey also addresses the effectiveness of the Board Committees in assisting the Board to meet its responsibilities. Upon completion of the survey, a report is produced which is discussed with the entire Board.

The annual survey was scheduled for completion in February 2020, however this process has been deferred due to the emergence of COVID-19 and the urgency of IDP's response to this global pandemic. Given that the annual survey was not conducted during the reporting period, Recommendation 1.6 has not been met.

The Remuneration Committee assists and advises the Board on remuneration policies and practices for non-executive directors, executive directors and senior executives. The policies and practices are designed to:

- (a) enable the Company to attract, retain and motivate directors, executives and employees who will create value for shareholders within an appropriate risk management framework, by providing remuneration packages that are equitable and externally competitive;
- (b) be fair and appropriate having regard to the performance of the Company and the relevant director, executive or employee; and
- (c) comply with relevant legal requirements.

Remuneration is detailed within the Remuneration Report in the 2020 Annual Report, explaining the remuneration components, equity performance incentives and post-employment benefits awarded to executive and non-executive directors and senior executives.

## **Executive Remuneration and Performance Review**

A formal evaluation of the performance of the CEO and senior executives occurs annually. Mutually agreed upon annual performance targets are set and performance against these targets are monitored and assessed annually.

An evaluation of the CEO's and other senior executives' performance was conducted in July 2020 in accordance with the arrangements described above.

Further information is contained in the Remuneration Report in the 2020 Annual Report.

## **Securities Trading Policy**

The Company's Security Trading Policy governs when Company Personnel, defined as including directors, officers and employees, may deal in IDP securities and the process which must be followed in respect of such dealings.

The Security Trading Policy includes prohibiting Company Personnel from entering into any transaction or arrangement, including by way of derivatives, hedges or similar financial products, which limit the economic risk of holding unvested entitlements in Company Securities allocated under a Company incentive scheme.

The IDP Security Trading Policy is available on the IDP website.

## **Diversity**

Details of IDP's Diversity Policy, FY20 Measurable Diversity Objectives and the results of the annual Workplace Gender and Equality Agency submission are set out in the June 2020 Diversity Statement.

## **Board Committees**

The Board is supported by the following Committees:

- Remuneration Committee;
- Nomination Committee; and
- Audit and Risk Committee.

## **Remuneration Committee**

The Remuneration Committee Charter, which is available on the IDP website, requires that the Remuneration Committee is to comprise a minimum of three members, a majority of whom are independent and at least one of whom is an "A Class" director. The Charter also requires that the Chair of the Remuneration Committee be an independent director. Other directors that are not members of the Committee and executives attend by invitation.

The current members of the Remuneration Committee are:

Peter Polson (Chair)	Independent Non-Executive Director/ A Class Director
Ariane Barker	Independent Non-Executive Director/ A Class Director
Chris Leptos	Independent Non-Executive Director/ A Class Director

The majority of the Committee members, including the Chair, are independent.

The number of times the Remuneration Committee met throughout the reporting period and the attendance of the Committee's members at those meetings are set out in the 2020 Directors' Report.

The Remuneration Committee Charter sets out its role and responsibilities. The Committee assists and advises the Board on remuneration policies and practices for the Board, the CEO, the CFO, senior executives and other persons whose activities, individually or collectively, affect the financial soundness of the Company. The policies and practices are designed to:

- (a) enable the Company to attract, retain and motivate directors, executives and employees who will create value for shareholders within an appropriate risk management framework, by providing remuneration packages that are equitable and externally competitive;
- (b) be fair and appropriate having regard to the performance of the Company and the relevant director, executive or employee; and
- (c) comply with relevant legal requirements.

## Nomination Committee

The Nomination Committee Charter, which is available on the IDP website, requires that the Nomination Committee is to comprise a minimum of three members, at least one of whom is an “A Class” director and at least one of whom is a representative of Education Australia. The Charter also requires that the Chair of the Nomination Committee be an independent non-executive director. Executives attend Committee meeting by invitation.

The current members of the Nomination Committee are:

Peter Polson (Chair)	Independent Non-Executive Director/ A Class Director
Ariane Barker	Independent Non-Executive Director/ A Class Director
Professor David Battersby	Non-Executive Director/ A Class Director
Chris Leptos	Independent Non-Executive Director/ A Class Director
Professor Colin Stirling	Non-Executive Director/ A Class Director
Greg West	Non-Executive Director/ A Class Director

Recommendation 2.1 of the ASX Corporate Governance Principles and Recommendations states that a nomination committee should have at least three members and that the majority of the members are to be independent directors, with the Committee chaired by an independent director.

All non-executive members of the Board participate on the Nomination Committee. Given the Board does not comprise a majority of independent directors, Recommendation 2.1 has not been met. It is considered that the participation of the full non-executive Board in the Nomination Committee results in objective and thoughtful decision making processes around the Committee’s nomination responsibilities.

The Nomination Committee is chaired by an independent director.

The number of times the Nomination Committee met throughout the reporting period and the attendance of the Committee’s members at those meetings are set out in the 2020 Directors’ Report.

The Nomination Committee Charter sets out its role and responsibilities. In summary, the Nomination Committee assists and advises the Board on:

- (a) director selection and appointment practices;
- (b) director performance evaluation processes and criteria;
- (c) Board composition; and
- (d) succession planning for the Board and senior executives,

to ensure that the Board is of a size and composition (subject to the requirements set out in the Company’s Constitution and Board Charter) conducive to making appropriate decisions, with the benefit of a variety of perspectives and skills and in the best interests of the Company as a whole.

## Audit and Risk Committee

The Audit and Risk Committee Charter, which is available on the IDP website, requires that the Audit and Risk Committee is to comprise a minimum of three members, all of whom are non-executive directors and the majority of which are independent. The Charter also requires that the Chair of the Audit and Risk Committee be an independent non-executive director, who is not the Chair of the Board. Other directors that are not members of the Committee and executives attend by invitation.

The current members of the Audit and Risk Committee are:

Ariane Barker (Chair)	Independent Non-Executive Director/ A Class Director
Peter Polson	Independent Non-Executive Director/ A Class Director
Greg West	Non-Executive Director/ A Class Director

All of the Committee members are non-executive directors and the majority of which, including the Chair, are independent. The Committee has the requisite financial and technical expertise to discharge its mandate effectively.

For information in relation to the following, refer to the Directors' Report within the 2020 Annual Report:

- skills, experience and expertise of the Committee members; and
- number of meetings and attendance of members at the Committee meetings.

The Audit and Risk Committee Charter sets out its role and responsibilities. In summary, the role of the Committee is to assist the Board carrying out its accounting, auditing and financial reporting responsibilities, including oversight of:

- (a) the integrity of the Company's external financial reporting and financial statements;
- (b) the appointment, remuneration, independence and competence of the Company's external auditors;
- (c) the performance of the external audit function and review of their audits;
- (d) the effectiveness of the Company's system of risk management and internal controls; and
- (e) the Company's systems and procedures for compliance with applicable legal and regulatory requirements.

### **Recognise and Manage Risk**

The Board views effective risk management as essential to achieving and maintaining its operational and strategic objectives. The Company has adopted a risk management policy, the overriding purpose of which is to ensure that:

- appropriate systems are in place to identify material risk that may impact the Company's business;
- the financial impact of risk is understood, and appropriate internal control systems are in place to limit the Company's exposure to such risks; and
- appropriate responsibility is delegated to control the identified risks effectively.

The risk management policy is supported by a risk management operational policy (which adopts the risk management process described in the Australian/New Zealand Standard (AS/NZS ISO 31000:2009 Risk management – Principles and guidelines)) and applies in addition to the Company's other policies.

The Board is satisfied that the risk management policy remains relevant to the current needs of the Company and the Board.

The Board is responsible for satisfying itself annually, or more frequently as required, that Management has developed and implemented an effective risk management framework. Detailed work on this task is delegated to the Audit and Risk Committee and reviewed by the full Board. The Audit and Risk Committee assists the Board in overseeing the Company's risk profile and is responsible for overseeing management's action in the identification, management and reporting of material business risks.

The Audit and Risk Committee reviews the IDP Global Risk Register at least annually. This review was conducted in June 2019 and in June 2020.

The active identification of risks and implementation of appropriate controls and mitigation measures are the responsibilities of Management.

Recommendation 7.4 of the ASX Corporate Governance Principles and Recommendations (3<sup>rd</sup> edition) requires that IDP disclose whether it has any material exposure to the following risks:

- (a) economic sustainability: the ability of a listed entity to continue operating at a particular level of economic production over the long term;
- (b) environmental sustainability: the ability of a listed entity to continue operating in a manner that does not compromise the health of the ecosystems in which it operates over the long term; and
- (c) social sustainability: the ability of a listed entity to continue operating in a manner that meets accepted social norms and needs over the long term.

The Company does not have any material exposure to economic, environmental or social sustainability as defined above.

The Company monitors its exposure to all risks to the business including economic, social, governance and environmental sustainability risks. The Directors' Report – Operating and Financial Review included in the 2020 Annual Report sets out the Company's exposure to material regulatory, economic, competitive and other operational risks and a summary of how these risks are being managed.

Internal control systems and procedures are monitored and reviewed by the internal audit function. The role of the internal audit function is to support IDP to accomplish its objectives, by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes within the organisation. The internal audit function reports to the Audit and Risk Committee and the CFO.

The Company risk function is independent of the external audit, has access to the Audit and Risk Committee and also has access to the Company executives and employees.

When considering the Audit and Risk Committee's review of financial reports, the Board receives a written statement signed by the CEO and CFO, affirming that IDP's financial reports give a true and fair view in all material respects of the Company's financial position and comply in all material respects with relevant accounting standards. The statement also confirms that the Company's financial reports are founded on a sound system of risk management and internal control and that the system is operating effectively in relation to the management of both financial reporting risks and the Company's material business risks.

The Risk Management Policy is available on the IDP website.

### **Continuous Disclosure**

IDP's Continuous Disclosure Policy sets out the key responsibilities for the Company's employees in relation to continuous disclosure. The Continuous Disclosure Policy is reviewed regularly by the Board.

The Continuous Disclosure Policy sets out the Company's obligations under the ASX Listing Rules and the Corporations Act. It refers to the type of information that requires disclosure. The Continuous Disclosure Policy also provides procedures for internal notification and external disclosure.

The Board is responsible for ensuring that IDP complies with its continuous disclosure obligations. The ASX Communications Officer has been delegated the person primarily responsible for determining what matters might be considered to be price sensitive and whether or not disclosure is required under the ASX Listing Rules.

The Continuous Disclosure Policy is available on the IDP website.

### **Communication with Shareholders**

IDP is committed to providing relevant and timely advice to its shareholders. It works to keep shareholders informed regarding developments and important information affecting the Company.

IDP has developed a program of investor engagement to ensure effective two-way communication with shareholders, the media and the broader investment community.

The key channels currently utilised by IDP to distribute information to shareholders include:

- Disclosures to the ASX;
- Annual Financial Reports;
- Half yearly reports;
- Investor presentations; and
- the Notice of Annual General Meeting and explanatory memoranda.

The IDP website contains up-to-date information on the operation of the IDP Group, its Board, management and corporate governance structure, ASX announcements, the share price and other information, (including the above documents).

IDP holds investor relations roadshows at least twice a year to provide shareholders with the opportunity to meet and ask questions of IDP's management team, particularly following the release of the half year and annual financial results.

Shareholders have the ability to elect to receive communications and other shareholding information electronically.

### **Annual General Meeting (AGM)**

The AGM is a key opportunity for shareholders to hear the CEO and Chair provide updates on the Company's performance, ask questions of the Board, and to express a view and vote on the various matters of Company business on the agenda. Shareholders may also ask questions of the Company's external auditors at the meeting. IDP encourages its shareholders to attend its AGM. IDP also commits to deal with shareholder queries in a respectful and timely manner whenever they are received by the Company.

### **Code of Conduct**

The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has adopted a formal code of conduct to be followed by all directors, officers and employees of IDP.

The key aspects of this code are to oblige all directors, officers and employees of IDP to:

- comply with the code, IDP's policies and the law no matter where they are in the world;
- handle all business dealings with honesty and fairness;
- not use IDP's resources, assets, relationships or information for personal gain;
- protect IDP's private information at all times;
- respect the rights of all employees to fair treatment and equal opportunity and a workplace free from harassment;
- use good judgement and act in a professional and ethical manner at all times; and
- take responsibility for their actions and ask for guidance where needed.

The code of conduct sets out IDP's policies on various matters including ethical conduct, business conduct, compliance, privacy, security of information and conflicts of interest.

The Code of Conduct is available on the IDP website.

## IDP Education Limited Diversity Statement June 2020

Our people are one of our Company's greatest competitive strengths. We operate in more than 30 countries and our teams are representative of the diversity of our clients and customers and the culturally complex communities we serve. We are dedicated to providing working environments which enable our people to access opportunities to grow both professionally and personally through a variety of employment experiences.

Our Diversity and Inclusion strategy is driven by our Policy principles and is pragmatic, sustainable as well as deeply embedded in our People Plan and aligned to the business's strategic plan. We have now successfully navigated through our five year road map which was structured around four key phases of work; building the policy framework; sharing and embedding the Vision, establishing baseline measures and delivering on our action plans.

Aligned to our business needs, our three areas of strategic focus continue to resonate as key action areas and these are centred around providing our people with inclusive as well as fair and respectful working environments and actively building diverse talent pools across the organisation. This is of particular importance for our business as we strive to achieve gender balanced leadership across the Company.

To support this a number of initiatives were implemented to build capability, a global working group was established to champion development of women for senior leadership roles and a pilot program in Australia was commenced. In addition, global diversity metrics were reported to the global business leadership for the first time. The pilot of unconscious bias training in FY20 was successfully received across multiple jurisdictions with broader implementation recommended for FY21.

Inclusion was a focus through the implementation of a comprehensive digital onboarding program delivered within the first 120 days of employment. A significant milestone was achieved with the completion of pay equity audits in 11 countries concluding the full audit cycle.

As the challenges of COVID-19 were felt, our Company applied a global hiring freeze and redirected resources from the work on the global employee referral program placing this on hold until a future date.

The FY20 Measurable Objectives and achievement are set out in Table One.

Table One

FY20 Measurable Objectives				
Strategic Focus Area	Objective	Deliverable	Status	
Diverse Talent Pools	Expand talent pools to provide a diverse workforce	1. Establish a global employee referral program	On hold	
		2. Content strategy for IDP careers website to attract diverse range of candidates with key focus on Tech Talent and SP Counsellors	Complete	
		3. Establish a Global Leadership Team working group to champion development and consideration of IDP women for senior leadership roles	Complete	
Inclusion	Develop and implement an inclusive and welcoming onboarding experience to be applied across over 30 countries	4. Comprehensive onboarding program delivered within first 120 days of employment	Complete	
		5. Quarterly pulse survey to measure new hire perception of inclusion	Complete	
Fair workplaces	Pilot unconscious bias training	6. Deliver unconscious bias training to operational People Experience teams	Complete	
		7. Evaluate pilot and recommend further action to GLT	Complete	
	Establish global people reporting	8. Quarterly GLT people report on key diversity metrics including: - incidents of harassment/discrimination - turnover/exit interview trends	Complete	
		Conduct a pay equity audit	9. Audit 11 previously unaudited countries	Complete
			10. Report findings and proposed actions to the GLT	Complete

Table Two sets out the ratio of men and women on the Board and in various roles within IDP Education Australia as reported in the annual Workplace Gender Equality Agency submission.

**Table Two**

<b>Role Category</b>	<b>Female representation % (as at 31 March 2020)</b>	<b>Female representation % (as at 31 March 2019)</b>
Female non-executive directors of IDP Education Ltd	17%	17%
Female executives of IDP Education Ltd (direct reports to the CEO)	20%	20%
Combined representation of female Executives and Senior Managers (two levels removed from the CEO) within IDP Education Ltd in Australia	22%	36%
Other female employees within IDP Education Ltd in Australia	64%	65%