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**IDP EDUCATION ANNUAL GENERAL MEETING**

**CEO AND MANAGING DIRECTOR'S ADDRESS BY ANDREW BARKLA**

**Tuesday 20 October 2020**

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Thank you, Peter.

Good morning everyone.

It is my pleasure to present the operational update for the financial year of 2020.

To echo Peter, this was a year like no other.

Resilience, adaptability, and empathy. These were the pillars that underpinned our year.

This was as true for IDP as an organisation as it was for our globally ambitious customers.

If we look back to the start of the year, IDP was making excellent progress in all areas of our business. With global teams in place, we were on track and delivering our vision of building a global platform and connected community for international students.

A highlight of the first half took place in November when we opened our 400-staff Digital Campus in Chennai.

While at the time, we knew this was an important milestone in our transformation strategy, we could not have foreseen how quickly this initiative would return benefits for our customers.

When COVID-19 began to impact our global community and economy, IDP's response was guided by three goals:

- Firstly, to keep customers and our people at the centre of our decision making
- Secondly, to take proactive, prudent actions that would enable us to emerge stronger from this period of global disruption
- And, finally, to remain focused on our longer-term strategic goals

While this was a year of new challenges, we are proud of how our organisation responded to the crisis in a way that allows for the opportunity to rapidly accelerate our successful transformation strategy.

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IDP's customer-centric culture shone through this year as teams adapted how we delivered our products and stayed connected to our customers in new ways.

From a global perspective, this meant rapidly transitioning face-to-face events and counselling services to a virtual platform, proactively implementing recommendations from governments and health authorities to adapt our IELTS test day experience and moving our language learning classrooms online.

At an individual customer level, the role of our counsellors as trusted advisors was pivotal.

In an environment of fast-changing and conflicting news, our students and families turned to IDP counsellors as a source of truth.

This was reflected in our recent IDP Connect research which showed our students across the globe usually rated their counsellor as the source of information they trust above all else – including universities, governments and media.

With our analysis showing more than 70 per cent of students with current offers from universities are aiming to commence their studies as planned, this trusted support positions us to capture demand when borders reopen and face-to-face teaching resumes.

This year forced organisations around the world to move quickly and decisively.

While the capital raising increased our financial flexibility, it was the collective efforts of IDP's global teams that helped us navigate this challenge.

I am pleased to report that, after a near global shutdown of operations and rapid adaptation to a new environment, we are steadily regaining global capacity.

On that note, I would like to take the opportunity to share an update on our trading and results since 30 June.

The gradual lifting of restrictions relating to COVID-19 has allowed IDP to increasingly reinstall IELTS testing capacity.

Our network is currently operating at around 70% of our total capacity, up from approximately 55% in late August.

Social distancing measures are still limiting our ability to deliver the test in large-scale group environments in several countries, however our shift to smaller and more frequent test sessions, enabled by computer-delivered IELTS, is helping us meet demand.

For student placement, while our applied volumes are down 22% for Q1 compared with last year, students are largely holding on to their study goals.

The credit for nurturing this pipeline goes to our global counselling teams. Our team of education experts, who have remained in place throughout the crisis, have played a key role in ensuring we remain side-by-side with our customers.

While we expect the fall intakes in the Northern Hemisphere to be smaller than last year, students are increasingly being presented with opportunities to commence studies at later intake dates.

This is particularly relevant in Canada, a destination with three intake cycles across the year.

Both Canada and United Kingdom have signalled they are ready to welcome back international students. In particular, the recent announcement of relaxed travel restrictions for international students headed to Canada was well received by our global customer base.

Turning to Australia, it is currently too early to provide commentary on intake volumes for Semester One, 2021.

Throughout uncertainty, IDP's vision of building a global platform and connected community to guide our customers through their lifelong learning journey provided us with an anchor point as we navigated COVID-19 challenges.

Most importantly, this led us to seize the opportunity to fast-track our digital transformation program.

Our teams proved that a digital transformation program has less to do with technology and everything to do with how an organisation can shift towards an agile, customer-focused mindset.

Our ability to embrace change saw our teams deliver an unprecedented number of new products and innovations.

Driven by our Digital Campus in Chennai, key highlights included:

- The rapid roll-out of IELTS Indicator, our temporary online IELTS test which was accepted by more than 900 organisations and available in 70 countries;
- The launch of AskIDP, an app that helps students have their difficult questions answered by people they trust; and
- The roll-out of our virtual event and counselling solutions.

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While the events connected to COVID-19 may have challenged our physical operations, it did not challenge our sense of purpose.

We are now, more than ever, committed to helping students change the world through global education.

2020 was the year our global corporate responsibility program gained momentum. IDP's Sustainable Futures framework covers a range of strategic and tactical initiatives that cement our commitment to improving gender equality, access to education and preserving the environment.

FY20 was the second year IDP set objectives for corporate responsibility to direct the program of work. Thirteen ambitious deliverables were set. Of these, twelve were delivered and one was delayed until FY21, largely due to challenges related to the pandemic.

Key deliverables this year included:

- Establishing global recognition awards to celebrate community and environmental action;
- Introducing customer satisfaction programs to measure customer loyalty; and
- Developing pay equity audits and action plans across 11 countries to examine gender pay imbalances.

We also continued our support of Nyumbani, an organisation providing access to education and life-long learning opportunities for children impacted by AIDS or HIV in Kenya.

To understand the steps we are taking towards building more equitable and balanced communities, we have documented our corporate responsibility goals on our website. You will find the links in our annual report. I look forward to sharing ongoing updates with you on our corporate responsibility framework at our AGMs.

Before I hand back to Peter, I would like to take this opportunity to thank you, our shareholders, for the support you have given IDP in this difficult year.

While there are factors outside of our control, the way our teams have responded to what we can control gives me great confidence in our organisation's future.

We have a key role to play in transforming the international education sector and the experience of our students.

After the events of this year, we will lead this role with greater compassion for customers, new capabilities and a renewed focus to help make the world a more united place through education.

Thank you

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