

# Corporate Governance Statement

## 2023

### 1. Introduction

#### 1.1. Who we are

NextEd Group Limited (the **Company** or **NextEd**) operates a group of 10 private tertiary education businesses and a global international student recruitment agency. We educate and inspire more than 25,000 students per year across the English language, Vocational, and Higher Education sectors. We deliver our in-demand courses and services to a broad mix of domestic and international students either online or at our quality campuses located across major cities in Australia.

#### 1.2. Our purpose and values

NextEd's vision is "*unleashing potential through inspiring learning and experiences*". We apply our forward-focused approach by embracing creativity and innovation to empower our students to build confidence and achieve personal growth. We also understand that education goes beyond what happens in the classroom, so we prioritise creating support frameworks to help students build connections and engage with their learning communities and industry.

NextEd's vision is underpinned by our brand promise "*to reimagine education as empowering shared experiences between students, educators and industry which enables people to achieve personal growth and fulfilling careers.*"

Our core values are brought to life by our employees across the organisation, and guide our hiring decisions, workplace behaviours, organisational culture, operations and strategic processes. Our values are:

- **Be Bold** - courageous and forward-thinking employees who are inspired to deliver and support impactful innovation and growth strategies;
- **Be Inclusive** - diverse and engaged employees who are agile, connected and aligned to putting collective success before individual achievements;
- **Be Respectful** - honest and considerate employees who show gratitude for the efforts of others and take responsibility for their actions; and
- **Be Excellent** - passionate and results driven employees who are renowned for delivering great student experiences and outcomes.

#### 1.3. Overview

This Corporate Governance Statement outlines the governance framework and key governance practices of the Company and its subsidiaries for the financial year ending 30 June 2023 (**reporting period**).

During the reporting period, the Company's governance practices were consistent with the 4<sup>th</sup> edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (the ASX Principles and Recommendations), except where expressly stated otherwise.

This statement, together with ASX Appendix 4G is current at 25 September 2023 and has been approved by the Company's board of directors (the **Board**).

All charters and policies referred to in this Corporate Governance Statement are available on the Company's website at <https://nexted.com.au/governance/>

## 2. Role and responsibilities of the Board

The Board is ultimately accountable to shareholders for the performance of the Company. The primary objective of the Board is to build long term value for shareholders, within a risk management framework that has due regard to the legitimate interests of all of the Company's stakeholders. The Board also has responsibility for providing good governance, sound strategic guidance and effective oversight of management's performance.

The Company's Board Charter identifies the responsibilities and functions which are reserved to the Board or its Committees. Matters which are specifically reserved for the Board or its Committees include:

- the appointment and removal of the Chief Executive Officer and other senior executives;
- approval of significant changes to the organisational structure;
- approval of major capital expenditure, acquisitions and divestitures in excess of authority levels delegated to management;
- approving the budget and monitoring the integrity of financial and other reporting;
- establishing risk appetite and overseeing the adequacy of the Company's risk management processes, controls and compliance management;
- approval of key policies; and
- driving the strategic direction of the Company.

Further details of the roles and responsibilities of the Chair, the Board and senior management can be found in the Board Charter which is available on the Company's website as part of the Company's Corporate Governance Plan.

Details of the current directors, their qualifications, skills and experience and their attendance at Board and Committee meetings during the year, are set out in the 2023 Annual Report.

### 2.1. Role and responsibilities of management

#### Chief Executive Officer

The Chief Executive Officer (**CEO**) is appointed (and when necessary, replaced) by the Board.

The Board has delegated authority to the CEO for the day-to-day operations and administration of the Company in accordance with the strategy, policies and plans approved by the Board.

#### Company Secretary

Lisa Jones was appointed as the Company Secretary on 8 November 2021. Ms Jones' qualifications and experience are set out in the directors' report on page 13 of the 2023 Annual Report.

The Company Secretary reports directly to the Board through the Chair and is accountable on all matters relating to the proper functioning of the Board. All directors will have access to the Company Secretary for all Board and governance related issues.

## 3. Structure of the Board

### 3.1. Board composition

The Board currently comprises four non-executive directors.

The Board is of the view that the current directors possess an appropriate mix of skills, commitment, experience, expertise and diversity to discharge its duties effectively.

The current directors and their respective appointment dates are set out below. Details of each director's qualifications and experience are set out in the Company's 2023 Annual Report.

<b>Non-executive directors</b>	<b>Date of appointment</b>
Cass O'Connor (Chair)	29 July 2022
William Deane	8 November 2021
Sandra Hook	8 November 2021
Simon Tolhurst	10 October 2017

The composition of the Board is reviewed regularly.

### **3.2. Board skills matrix**

It has been determined through a process of review that the directors possess an appropriate mix of skills, experience and expertise to enable the Board to discharge its responsibilities. The Board skills matrix set out below identifies the combined skills, expertise and experience currently represented on the Board. To the extent they are not represented on the Board, they are augmented through management and external advisors. For example, whilst the Board has a good understanding of the laws applicable to the operations of the business, given the technicalities and interpretations of the laws, the Board defers to its external legal advisors as and when required.

The Board, with the assistance of the Nominations and Remuneration Committee, reviews, on an annual basis, the range of skills, experience and expertise which the Board currently has and is looking to achieve in the future.

<b>Board of Directors Skills, Experience &amp; Expertise</b>	<b>Out of four directors (as at 25 September 2023)</b>
<p><b>Executive leadership</b></p> <p>Successful career as a CEO or senior executive in a large public or private organisation.</p>	2/4
<p><b>Board &amp; governance</b></p> <p>Knowledge, experience, and commitment to the highest standards of governance including compliance and regulatory requirements for ASX listed entities gained as a director or senior executive of, or advisor to, listed entities.</p>	4/4
<p><b>Strategy</b></p> <p>Experience in developing strategy, defining strategic objectives and milestones, constructively questioning business plans, and implementing and monitoring strategy.</p>	4/4
<p><b>Financial management</b></p> <p>Experience in corporate and management financial accounting, management of external audits, business risk identification and mitigation and controls, and operating segment and corporate functional financial reporting.</p>	2/4
<p><b>Education industry</b></p> <p>Senior executive experience or long-term Board experience in a medium to large organisation in the tertiary education industry or extensive experience advising tertiary educational organisations.</p>	2/4
<p><b>People &amp; remuneration</b></p> <p>Experience in overseeing and assessing senior management performance, implementing remuneration frameworks, strategic human resource management, overseeing organisational change, and building and monitoring constructive corporate culture.</p>	3/4
<p><b>Technology and digital</b></p> <p>Experience in management and governance of information technology infrastructure, and setting and overseeing the implementation of technology strategies including adoption of new digital technologies.</p>	3/4
<p><b>Risk and compliance management</b></p> <p>Experience in identification, governance and management of key organisational, cyber and emerging risks, and experience in monitoring the effectiveness of risk management frameworks and practices.</p>	4/4
<p><b>Business development and customer management</b></p> <p>Commercial and business development experience, including mergers and acquisitions and development of growth strategies including launching of new products and services. Ability to understand customer needs and trends. Experience in implementing changes to enhance customer experiences.</p>	3/4

<p><b>International operations</b></p> <p>Experience operating in international markets, including oversight of development and growth of profitable international businesses.</p>	3/4
<p><b>Regulatory and public policy</b></p> <p>Experience in assessing and managing the impact of legal, public and regulatory policy matters relevant to the company or influencing public and regulatory policy formulation.</p>	2/4
<p><b>Corporate sustainability and community engagement</b></p> <p>Understanding and experience in sustainability best practices to manage the impact of business operations on the environment and community and the potential impact of climate change on business operations, and expertise in community and stakeholder relations.</p>	2/4

### 3.3. The Chair

The Chair is elected from the independent non-executive directors and there is a clear division of responsibility between the Chair and the CEO. The responsibilities of the Chair are set out in the Board Charter.

Cass O'Connor is the present serving Chair. Further information on Ms O'Connor is set out on page 9 of the Company's 2023 Annual Report.

### 3.4. Director independence and tenure

The Board adopts the guidelines set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations in determining director independence.

Currently, all four directors are considered by the Board to be independent non-executive directors.

The Board regularly reviews the independence of each non-executive director by considering information relevant to this assessment (as disclosed by each non-executive director to the Board).

The Board will continue to review the combined expertise of the directors in considering if additional director(s) should be appointed.

The Board does not believe that it should establish an arbitrary limit on tenure. While tenure limits can help to ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operation and, therefore, an increasing contribution to the Board as a whole. Accordingly, tenure is just one of the factors that the Board takes into account when assessing the independence and ongoing contribution of a director in the context of the overall Board process. The longest serving director of NextEd is Simon Tolhurst, who has been a director for almost six years (since 10 October 2017).

### 3.5. Appointment and election of new directors

The ultimate responsibility for Board composition and succession rests with the directors, assisted by the Nominations and Remuneration Committee.

Directors of the Company are appointed based on the specific skills and experience required by the Company. In appointing non-executive directors, the Board seeks to ensure that:

- candidates have the appropriate skills, expertise and experience to complement the existing members of the Board; and

- the Company always has at least one director with experience directly relevant to the Company's operations.

In addition, directors should have the relevant blend of personal experience in:

- accounting and financial management; and
- director-level governance experience.

The Nominations and Remuneration Committee assists the Board in identifying candidates for appointment as directors and makes recommendations about Board size and composition.

Detailed background information about a potential candidate is provided to all directors. External search organisations may be engaged (as appropriate) to assist the Board identify potential director candidates.

Appropriate checks are undertaken before appointing a person or putting forward to shareholders a candidate for initial election, as a director. The Company does not propose to conduct these checks again prior to nominating an existing director for re-election by shareholders at a general meeting on the basis that it is not considered necessary in the Company's circumstances.

When a candidate is put before shareholders at a general meeting for appointment or election, or an incumbent director stands for re-election, all material information in the Company's possession that is relevant to the shareholders' decision will be provided.

In respect of the current directors, no material adverse information was revealed by checks performed in respect of each director, nor was any matter identified that might influence a director's ability to act in the best interests of the Company and its shareholders.

In accordance with the Company's Constitution, no director, except any Managing Director, shall hold office without re-election beyond the third annual general meeting at which the director was last elected or re-elected. Directors available for re-election at a general meeting are reviewed by the Nominations and Remuneration Committee after consultation with the Board.

### **3.6. Agreements with directors and senior executives**

Non-executive directors are engaged through a letter of appointment, which sets out the director's roles and responsibilities and the Company's expectations, including in respect of the requirement to comply with Company policies, the Company's Code of Conduct and ASX Listing Rules. The letter also addresses non-executive directors' indemnity and insurance arrangements, ongoing rights to access Company information and confidentiality obligations that apply on an ongoing basis.

The Company enters into written agreements with all executives (including executive directors), which sets out their individual roles and responsibilities, as well as their key performance indicators and corporate obligations in respect of adherence to Company's policies and Code of Conduct.

### **3.7. Director induction and development**

The Company introduced a formal induction program in 2022 ahead of the appointment of the new Chair in July 2022. The Board is committed to supporting all new director appointments by including an "onboarding" program as an integral part of director induction. The programme has been designed to assist new directors to rapidly understand the Company's structure, business operations and strategic priorities and to support the organisation toward achieving its strategies and purpose.

The Board has received regular briefings on market and industry developments at board and committee meetings and in dedicated workshops where directors received detailed presentations from executives on topics specific to their businesses or function as well as broader market dynamics and opportunities. Directors have visited office and campus sites during the reporting period and are developing a programme for further site visits and engagement with customers, industry participants, government and regulators.

The Company Secretary regularly briefs directors on relevant material legal and corporate governance developments relevant to ASX listed entities.

### **3.8. Board, committee and director performance**

The Nominations and Remuneration Committee is tasked with assisting the Board, as required, in relation to the performance evaluation of the Board, its Committees and individual directors, and in developing and implementing plans for identifying, assessing and enhancing director competencies.

The Board is currently undertaking an evaluation of the performance of directors, the Board and its Committees which it expects to complete by October 2023. This review is being conducted through an internal process and questionnaire facilitated by the Company Secretary as part of which the Board will review the effectiveness of its own performance and that of its Committees, as well as the contribution of individual directors to the effective functioning of the Board.

### **3.9. Board committees**

The Board has established the following Committees to assist it in discharging its functions:

- Audit and Risk Management Committee; and
- Nominations and Remuneration Committee.

All directors of the Company have a standing invitation to attend Committee meetings where there is no conflict of interest. The Committees review matters on behalf of the Board and (subject to the terms of the relevant Committee charter):

- refer matters to the Board for decision, with a recommendation from the Committee (where the Committee acts in an advisory capacity); or
- determine matters (where the Committee acts with delegated authority) which it then reports to the Board.

A summary of the roles and responsibilities of each Committee are set out below and full details are contained in the respective Committee charters available on the Company's website as part of the Company's Corporate Governance Plan.

Details of meeting attendance for members of each Committee are set out in the directors' report on page 19 of the Company's 2023 Annual Report.

#### ***Audit and Risk Management Committee***

The purpose of the Audit and Risk Management Committee is to assist the directors in fulfilling statutory, corporate governance and oversight responsibilities by:

- monitoring and reviewing any matters of significance affecting financial reporting and compliance, including:
  - the integrity of the Company's internal financial reporting and external financial statements;
  - the effectiveness of internal financial controls;
  - the independence of external auditors and rotation of lead engagement partners; and
  - the policies on risk oversight and management;
- making recommendations to the Board in relation to the appointment of external auditors and approving the remuneration and terms of their engagement; and
- assisting the Board in fulfilling its responsibilities relating to the risk management and compliance practices of the Company.

#### ***Nominations and Remuneration Committee***

The Nominations and Remuneration Committee is responsible for all matters relating to director succession planning, nomination of directors and the CEO, and remuneration of the directors, CEO and senior executives that report to the CEO.

### Committee composition

Details of the current memberships and composition of each Committee are set out below. The relevant qualifications and experience of the members of each Committee are set out in the 2023 Annual Report.

Committee	Members	Composition
Audit and Risk Management Committee	<ul style="list-style-type: none"> <li>➤ William Deane (Chair), independent, non-executive director</li> <li>➤ Simon Tolhurst, independent, non-executive director</li> <li>➤ Sandra Hook, independent, non-executive director</li> </ul>	<ul style="list-style-type: none"> <li>➤ Three or more non-executive directors</li> <li>➤ All members must be non-executive directors and a majority must be independent</li> <li>➤ Chaired by an independent director who is not the chair of the Board</li> <li>➤ The Chair must have leadership experience and a strong finance, accounting or business background</li> </ul>
Nominations and Remuneration Committee	<ul style="list-style-type: none"> <li>➤ Sandra Hook, (Chair) independent, non-executive director</li> <li>➤ Cass O'Connor, independent, non-executive director</li> <li>➤ William Deane, independent, non-executive director</li> </ul>	<ul style="list-style-type: none"> <li>➤ Three or more non-executive directors</li> <li>➤ A majority of independent non-executive directors</li> <li>➤ Chaired by an independent director</li> </ul>

### 3.10. Performance of senior executives

As part of this process, the Company's senior executives prepare strategic objectives and financial budgets that are reviewed and approved by the Board. The agreed strategic objectives and financial budgets are incorporated into senior executive performance targets which are a mix of corporate financial targets and individual operational and strategic targets.

The Board sets the CEO's performance objectives and will review his performance at least annually against objectives and overall performance. The CEO will review the performance of each senior executive and make recommendations to the Board or its committee regarding any incentive rewards for senior executives.

A performance evaluation in accordance with this process was undertaken in July 2023 in respect of the 2023 financial year.

## 4. Diversity and inclusion

The Company has adopted a Diversity Policy which sets out the Company's commitment to diversity and inclusion in the workplace. The Diversity Policy provides a framework under which the Board will set measurable objectives for achieving gender diversity targets and will assess annually both those objectives and the Company's progress in achieving them.

NextEd celebrates diversity and proudly serves its culturally and linguistically diverse (CALD) student and employee bodies which are drawn from many different nations.

The focus of the Board has prioritised gender diversity at the Board and senior executive level, and gender and CALD diversity among employees and consultants.



The Board has adopted a 40:40:20 gender target for all levels of the business, meaning 40% identifying as female, 40% identifying as male and 20% of any gender at the Board, senior executive, management and workforce levels.

The proportion of male and female employees and senior executives within the Company, and members of the Board, as well as the current gender diversity targets, are set out in the table below.

Level	% at 30 June 2023		Target: female participation
	Male	Female	
Board members	50%	50%	40%
Senior executives <sup>1</sup>	36%	64%	40%
Management team <sup>2</sup>	67%	33%	40%
All direct employees	59%	41%	40%

1 Direct reports to the CEO

2 Senior functional management who are not direct reports to the CEO

The Company is a 'relevant employer' under the *Workplace Gender Equality Act 2012*. The Company's most recent Gender Equality Indicators are set out in its 2022 Gender Equality Report, a copy of which is available at <https://nexted.com.au/governance/>

## 5. Ethical and responsible behaviour

### 5.1. Code of Conduct

The Company is committed to a high level of ethical standards in all business practices. It is proud of the quality of its employees and of the professional reputation and market image built by their work. The Company's Code of Conduct outlines how the Company expects its representatives to behave and conduct business in the workplace. It sets out the principles covering appropriate conduct in a variety of contexts, including how to manage conflicts of interest. All employees (including temporary employees and contractors) and directors must comply with the Code of Conduct.

### 5.2. Whistleblower Policy

The Company has adopted a Whistleblower Policy that provides a safe and confidential environment for current and former Company officers, employees, contractors and suppliers to report any wrongdoing in good faith.

The purpose of the Whistleblower Policy is to:

- help detect and address unacceptable conduct;
- provide information about disclosures that qualify for whistleblower protection;
- provide information about the protections available to people who report unacceptable conduct;
- provide information about to whom reports of unacceptable conduct may be made, how they may be made, and how the Company will investigate those reports;
- help support and protect people who report unacceptable conduct; and
- ensure fair treatment of employees who are mentioned in reports of unacceptable conduct and employees to whom such disclosures relate.

The Board is immediately informed of any material incidents under the Whistleblower Policy and receives regular reports regarding any active whistleblower matters.

### 5.3. Fraud & Corruption Policy

The Company has adopted a Fraud & Corruption Policy which applies to all persons who work at the Company or any subsidiary of the Company, including officers, employees and contractors.

Under this policy, use of any form of fraud or corruption, whether directly or indirectly, is strictly prohibited. The policy provides guidelines as to what constitutes fraud and corruption.

The Audit and Risk Management Committee oversees and reviews the Company's fraud and corruption framework, including the Fraud and Corruption Policy and its applicable procedures and any reported non-compliance.

#### **5.4. Trading Policy**

The Company's Securities Trading Policy is intended to explain the types of conduct in relation to dealings in securities that are prohibited under the *Corporations Act 2001* and establish best practice procedure for buying and selling securities that protects the Company, the directors and employees against the misuse of unpublished information that could materially affect the value of securities.

The purpose of the Policy is to assist NextEd personnel to avoid conduct known as insider trading and to protect the Company and its reputation in the marketplace. The Board considers that compliance with the policy is essential to ensure that the highest standards of conduct are being met by all directors and employees.

The Securities Trading Policy was revised in March 2023 and is available on the Company's website at <https://nexted.com.au/governance/>

### **6. Integrity in corporate reporting**

#### **6.1. Audit and Risk Management Committee**

The Audit and Risk Management Committee assists the Board in fulfilling its responsibilities in respect of financial reporting, risk management, compliance and internal controls. It reviews the financial reporting process, the system of internal control and management of financial risks, and the process and coverage of internal and external audit, together with business risks including strategic operation and regulatory risk and compliance with applicable laws, regulation and Company policies.

The detailed responsibilities of the Audit and Risk Management Committee are set out in the Committee Charter.

The membership and composition of the Audit and Risk Management Committee are set out in section 3.9 of this Corporate Governance Statement. The members of the Committee collectively have the accounting and financial expertise and a sufficient understanding of the industry in which the Company operates to effectively discharge the Committee's mandate.

The Audit and Risk Management Committee maintains unrestricted access to management, employees and all relevant Company information and regularly meets with the Company's external auditors. The CEO, Chief Financial Officer, Company Secretary, the external auditor (Pitcher Partners), and other members of the executive team as appropriate attend meetings of the Committee by invitation.

#### **6.2. Chief Executive Officer and Chief Financial Officer declarations**

Before the Board approves the Company's quarterly, half-year and full-year financial report, the CEO and CFO provide the Board with declarations that, in their opinion, the financial records of the Company have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group, and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

#### **6.3. Role of the external auditor**

The Company has appointed Pitcher Partners as its external auditor. The effectiveness, performance and independence of the external auditor is reviewed annually by the Audit and Risk Management Committee.

##### ***Independence declaration***

Rod Shanley, lead auditor, has provided the required independence declaration to the Board for the financial year ended 30 June 2023. The independence declaration forms part of the directors' report and is provided on page 31 of the 2023 Annual Report.

### ***Non-audit and assurance-related services***

During the reporting period, the external auditor did not provide any services in addition to their statutory audit services. A statement to this effect is found on page 30 of the 2023 Annual Report. There were no non-audited related services provided by the previous auditor (Charter Hall WA Partnership) in the reporting period.

### ***Attendance at annual general meeting***

The lead audit partner of Pitcher Partners will attend the Company's annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report. The external auditor will also be allowed a reasonable opportunity to answer written questions submitted by shareholders.

## **7. Disclosure and investor engagement**

### **7.1. Continuous Disclosure Policy**

The Company's Continuous Disclosure Policy establishes procedures to ensure, on the one hand, protection of confidential information and, on the other hand, the timely and balanced disclosure of all material matters concerning the Company.

The basic principle underlying the continuous disclosure framework is that timely disclosure must be made of information which may affect security values or influence investment decisions, and information in which shareholders, investors and ASX have a legitimate interest.

The Board has appointed the Company Secretary to act as the Disclosure Officer to monitor the Company's compliance with disclosure obligations and as the person with the primary responsibility for all communication with the ASX in relation to Listing Rule matters.

Information will be communicated to shareholders through the lodgement of all relevant financial information and other information with ASX and continuous disclosure announcements will also be made available on the Company's website.

### **7.2. Investor engagement**

The Company aims to ensure that shareholders are kept informed of all major developments affecting the state of affairs of the Company. Additionally, the Company recognises that potential investors and other interested stakeholders may wish to obtain information about the Company from time to time.

To achieve this, the Company communicates information regularly to shareholders and other stakeholders through a range of forums and publications.

The Company has a Shareholder Communications Strategy that promotes effective communication with shareholders and encourages presentation of information to shareholders in a clear, concise and effective manner. The Shareholder Communications Strategy is available on the Company's website as part of the Corporate Governance Plan.

One of the Company's key communication tools is its website at <https://nexted.com.au/governance/>. The Company's website contains a comprehensive overview of the Company's profile and businesses.

Measures adopted by the Company for communicating important aspects of the Company's affairs include:

- Notices of Meetings: The full text of all notices of meetings and explanatory material are available on its website; the Company encourages shareholders to provide email addresses so that notices of meeting and explanatory material can be sent to shareholders via email;
- Annual General Meeting: The Company encourages attendance and full participation of shareholders at its Annual General Meeting each year and a full transcript of the Chairman's and the CEO's addresses are published. Shareholders are encouraged to lodge proxies and direct votes electronically in accordance with instructions on the Voting Form;
- Annual Report: The Company's Annual Report is available on its website and contains important information about the Company's activities and results for the reporting period. Shareholders can elect to receive the Company's Annual Report as an electronic copy or in hard copy through the mail;

- Announcements lodged with the Australian Securities Exchange: All ASX announcements made to the market, including annual and half year financial results, are posted on the Company's website as soon as they have been released by ASX; and
- Presentations: Copies of all investor presentations made to analysts and media briefings are posted on the Company's website, and where appropriate, the Company uses webcasting or teleconferencing of these presentations and briefings.

The Company provides a telephone and email inquiry service to assist shareholders with any queries.

The Company is currently considering how to facilitate shareholders' greater participation at meetings of shareholders including through webcasts and other technological methods.

Shareholders are given the option of receiving communications from the Company, and sending communications to the Company, electronically.

## **8. Risk management**

### **8.1. Risk management overview**

Risk management is viewed by the Company as integral to its objective of creating and maintaining shareholder value. The Company is committed to embedding risk management practices through all levels of the organisation to support the achievement of business objectives and to fulfil its corporate governance obligations.

Under the Board Charter one of the key roles and responsibilities of the Board is reviewing, ratifying and monitoring systems of risk management and internal compliance and control, and identifying business risks facing the Company and using reasonable endeavours to ensure that appropriate monitoring and reporting internal controls are in place to manage such risks. The Board has established the Audit and Risk Management Committee to assist it in discharging its functions. The Board also delegates responsibility for implementing the risk management system to the CEO who must report to the Board on the management of risk and submit particular matters to the Board for approval.

The Audit and Risk Management Committees' primary roles with respect to risk management and compliance are to:

- oversee the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements; and
- review reports by management on the efficiency and effectiveness of risk management and associated internal compliance and control procedures.

Further details regarding the Audit and Risk Management Committee are set out in section 3.9 of this statement.

### **8.2. Internal audit**

Given the size of the Company, it does not have an internal audit function.

The Board meets with the auditors at least twice a year without any executives present to discuss an oral report as to whether the auditors have discovered any matters requiring an independent internal report. If the Board has any concerns with controls or processes, it may request the external auditors to carry out additional audit work.

As the Company's operations grow and evolve, the Board will reconsider the appropriateness of creating an internal audit function.

### **8.3. Social and environmental risks**

The Company's primary operation is the provision of educational courses through its operations.

Sustainability is an essential part of delivering the Company's purpose. An overview of the material risks associated with the Company's business are set out on pages 18 of the 2023 Annual Report.

## **9. Remunerate fairly and responsibly**

### **9.1. Nominations and Remuneration Committee**

The Nominations and Remuneration Committee assists the Board in fulfilling its responsibilities with respect to human resources policies, remuneration matters and nomination and succession planning for the Board and CEO. The Committee is responsible for ensuring that the Company's human resources, remuneration and incentive

policies are aligned to its values and business objectives and performance and demonstrate a clear relationship between overall Company performance, executive performance and remuneration.

Further details regarding the Nomination and Remuneration Committee are set out in section 3.9 of this statement.

## **9.2. Remuneration of non-executive directors and executives**

Remuneration of directors and KMP is determined with regard to the performance of the Company, the performance and skills and experience of the particular person and prevailing remuneration expectations in the market. The Board will devote times on an annual basis to discuss the level and composition of remuneration for the directors and KMP and will ensure such remuneration is appropriate and not excessive.

Details of remuneration of directors and KMP are disclosed in the Remuneration Report in the 2023 Annual Report. The full Board determines all compensation arrangements for directors. It is also responsible for setting performance schemes, superannuation entitlements, retirement and termination entitlements and professional indemnity and liability insurance cover.

Non-executive directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. This limit is currently set at \$550,000 as approved at the 2021 Annual General Meeting.

There are no termination or retirement benefits for non-executive directors (other than for superannuation). Non-executive directors may be offered equity securities as part of their remuneration, subject to shareholder approval. Executives are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements.