

IDP EDUCATION ANNUAL GENERAL MEETING

CEO AND MANAGING DIRECTOR'S ADDRESS BY ANDREW BARKLA

Tuesday 22 October 2019

Thank you, Peter.

It is my pleasure to deliver the operational review for the financial year of 2019.

As Peter explained, this year marked our 50th anniversary, and was an exceptional year for IDP.

Importantly, for you, our stakeholders, we achieved record financial and operating metrics and drove growth across all business lines.

We helped students gain entry into 50,000 courses in quality higher education institutions around the world.

We also delivered a record 1.28 million language tests through IDP's IELTS global network.

And, we achieved these operating results while simultaneously transforming our organisation.

Through this transformation, we have built the platform to deliver an exceptional customer experience and drive long-term growth for our global business.

I would like to take this opportunity to outline our key milestones and our progress in building the world's leading platform and connected community.

In 2019, we advanced our extensive **digital transformation program**, which aims to pivot all aspects of IDP to centre on our customers.

We designed an integrated set of technologies that enable us to expand the audiences we connect with and foster deeper relationships earlier in their study abroad, work and migration journeys.

This included building a leading course search network, linking customer touchpoints on a customer relationship management tool, providing timely customer support through global contact centres and introducing a sophisticated marketing automation system to support students from initial online search through to commencing studies and beyond.

To unlock the benefits from this new platform, we expanded our digital marketing capabilities in all regions. We also supported our teams by redesigning processes to ensure a superior experience, regardless of where and how a customer connects with us.

We are seeing results from this investment. In FY19, our hot and warm student enquiries increased by 37 per cent. 27 per cent more students attended our events and 33 per cent more students applied for a course through IDP.

On top of this, we saw indications this investment is improving marketing efficiencies as our cost-per-student lead decreased by 11 per cent.

These metrics give us confidence in both our progress and commitment to our vision.

I would like to turn our attention to our reportable business streams, student placement, English language testing, digital marketing and events and English language teaching.

In **student placement**, this year we helped our customers gain entry into 25 per cent more courses than last year.

This growth was shared across a varied group of source countries and study destinations.

It is this global reach that not only makes our business more resilient to local economic and political shifts, but also provides an important diverse student mix for our higher education clients.

Our five key study destinations - Australia, Canada, New Zealand, United Kingdom, and the United States – all saw double-digit volume growth, with Canada leading the charge, increasing by 72 per cent.

We also expanded our physical office network to support more students across Nepal, Pakistan, India and Canada.

We were encouraged by the uptake of our value-add services, Student Essentials. We saw 117 per cent year-on-year growth for the new banking, accommodation and insurance services that aim to help students navigate all aspects of studying abroad.

Recently, our excellence in student placement services was acknowledged when IDP was named the Education Agency of 2019 at the PIEoneer Awards in London.

In **English Language Testing**, IELTS built on its position as the world's most trusted English language test for study, work and migration.

IDP centres delivered a record 1.28 million IELTS tests – boosted by the expansion of our test centre network to new markets – Ireland, Poland, Chile and Peru.

The operational highlight of the year was the rapid roll-out of computer-delivered IELTS, which is now offered in 147 centres across 46 countries.

Our **digital marketing and events** business stream also finished the year well.

This year we launched our new B2B division – IDP Connect – and in doing so, completed the integration of the Hotcourses Group.

By combining the data-driven insights and marketing solutions of Hotcourses with the global reach and trusted advice of IDP, we are providing our clients with unrivalled opportunities to connect with the right students for their institution.

Our first integrated content services launch showed early signs of supporting customers to move seamlessly from initial enquiry to application. Clients using the Content Hub products across our digital network were 83 per cent more likely to receive a student enquiry.

Finally, our **English Language Teaching** campuses in Vietnam and Cambodia also had a positive year.

Across nine campuses, we delivered almost 95,000 courses for students looking to improve their English language skills.

Moving into FY20, we are leveraging our new operating processes and innovating how we design our products with our students, clients and test takers.

To support our continued focus on delivering superior customer service, we are introducing a net promoter score system across key touchpoints.

Next month, we will launch our Digital Campus in Chennai which will bring together 400 of our digital marketing, design and technical resources, enabling rapid product development and customer-centric innovation.

We will continue to expand our client services so we can provide data-driven insights and marketing solutions through IDP Connect. With in-market knowledge and propensity modelling, we aim to empower institutions to be more strategic about attracting a globally diverse student cohort.

We are also prioritising investment in the IELTS test taker journey. We are committed to making it an easier process for people to book and prepare for their test. By leveraging our customer experience and digital capability, we are well positioned to achieve this.

Finally – we have reinvigorated our company's sense of purpose. IDP changes the lives of our customers, and this is not lost on any of our 5,000 team members around the world.

We are committed to extending our impact to improve the lives and environments of the wider communities we operate in.

To guide this, this year we launched our Corporate Responsibility Framework.

In its initial stage, the Framework focuses on extending our investment in initiatives that aim to create a greener future and address social inequalities, including creating new opportunities for women in education.

The framework has been embraced by our global teams and I look forward to reporting more on our achievements at next year's AGM.

As we head into FY20 with great momentum, we are excited to continue delivering on our vision of building the world's leading platform and connected community for our ambitious customers.

Thank you for your ongoing support.