



UTS
College

UNIVERSITY
OF TECHNOLOGY
SYDNEY

Corporate Governance Statement

March 2023



Insearch Limited and its controlled entities, trading as UTS College (UTS College), is committed to high standards of corporate governance and business conduct. As a public company limited by guarantee, UTS College is not required to report against the Corporate Governance Principles and Recommendations (CGPR) established by the Australian Stock Exchange Corporate Governance Council but has chosen to adopt the principles that are appropriate to UTS College and use them as a guide to best practice in corporate governance and as a framework for its reporting. This Corporate Governance Statement (Statement) sets out how UTS College applies the eight principles from version 4 of the CGPR and the corporate governance requirements of the Higher Education Standards Framework (Threshold Standards) 2021 (HES Framework). Principle 9 of this Statement contains information on how UTS College applies the academic governance requirements of the HES Framework.

Introduction

UTS College, is a registered Higher Education Provider, English Language Intensive Courses for Overseas Students (ELICOS) Provider and is ELT Accreditation Scheme Limited (NEAS) accredited. UTS College assists and promotes the University of Technology Sydney (UTS) and carries out the objectives set out in the UTS College Constitution, including to:

- provide pathways for entry to UTS.
- make donations to UTS of such amounts and at such times as the Board may determine.

As part of its ongoing relationship with UTS, UTS College reports to UTS as follows:

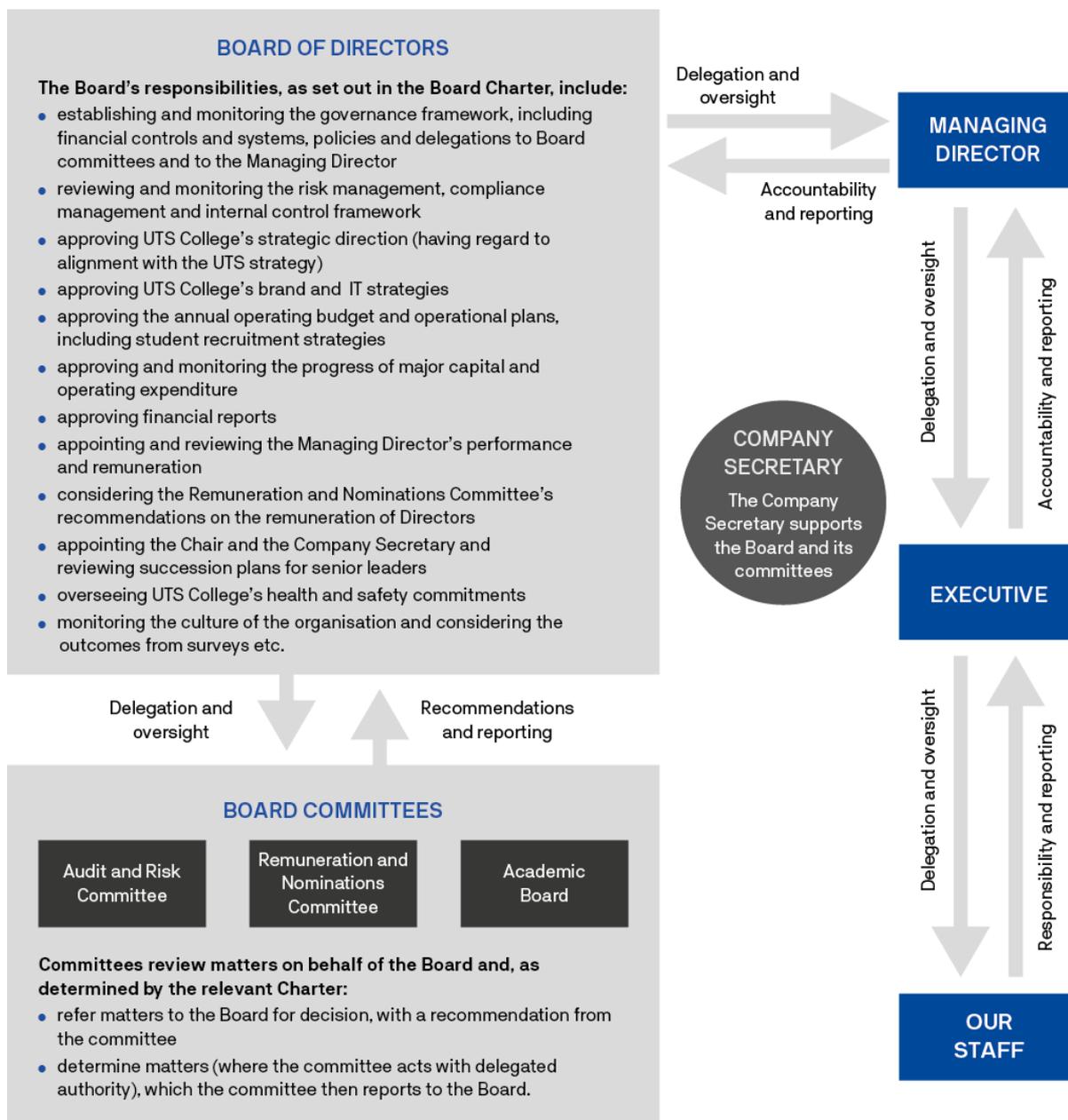
- UTS College's annual financial statements are included in the UTS annual report, and its results are consolidated in the UTS financial statement.
- UTS College provides quarterly reports to the UTS Commercial Activities Committee, which reports to the UTS Council
- UTS has four appointed representatives on the UTS College Board of Directors
- the UTS Provost and Senior Vice-President oversees the academic and commercial relationship between UTS and UTS College.

Principle 1: Lay solid foundations for management and oversight.

Role and composition of the Board

The Board's responsibilities are set out in the Board Charter. The Board is responsible for providing leadership and setting strategic direction and has the authority to determine all matters relating to the policies, practices, management, and operations of UTS College. For the purposes of the HES Framework, the Board is the formally constituted governing body which is accountable for all UTS College's operations in or from Australia, including accountability for the award of higher education qualifications and for continuing to meet the requirement of the HES Framework.

The Board holds regular meetings and is expected to meet at least six times per calendar year and as may otherwise be required to deal with urgent matters that arise between the scheduled meeting.



The Executive

The Board delegates authority to the Managing Director and the other members of the Executive to carry out the objectives of UTS College in compliance with UTS College's stated values, delegated limits of authority and Board-approved policies. Members of the Executive are responsible for implementing the strategic objectives and operating within the risk appetite set by the Board and for the day-to-day running of UTS College.

Appointment of Directors

In line with the Constitution, UTS nominates four Non-Executive Directors for appointment to the Board. UTS has internal process to ensure appointees have the relevant skills, experience, expertise, and are a fit and proper person.

Prior to the appointment of other candidates for directorship, the Remuneration and Nominations Committee (RNC) conducts appropriate due diligence before final interviews by

the Board. Due diligence includes Directors (and Executive and any other officers who are decision makers) completing the TEQSA Fit & Proper Declaration.

Given the qualifications and experience of the UTS nominees and the due diligence conducted by the RNC regarding other candidates for directorship, the members of the Board are considered to be fit and proper persons (as required by the HES Framework).

The Board conducts a comprehensive annual Board capability matrix, conflicts of interest checks, and professional development program to maintain the ideal membership mix ensuring utilisation of the Director’s individual skills, experience, and expertise, as well as their perspectives and insights.

Currently, all Directors of the Board are ordinarily resident in Australia (noting that the HES Framework requires at least two Directors to be ordinarily resident in Australia).

Company Secretary

The Company Secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board. This includes advising the Board and its committees on governance matters, coordinating Board business, and providing a point of reference for dealings between the Board and members of the Executive. Further information about the Company Secretary is available in the Directors’ Report, which forms part of the Annual Report.

Diversity and inclusion

UTS College’s staff and student bodies reflect the diversity of contemporary, multi-ethnic Australia. With a long-held commitment to diversity, UTS College knows that different opinions, viewpoints, experiences, and backgrounds create more robust and inspired work and study environments that deliver better outcomes for all. UTS College encourages this diversity, celebrating it as our greatest asset.

UTS College’s most recent report to the Workplace Gender Equality Agency (WGEA), current to 31 March 2022, contained the following gender diversity data:

	Total number of Directors or Staff	Number of female Directors or Staff	% Female staff
Insearch Board (including MD)	8	2	25%
The Executive (excluding MD) *	5	2	40%
Managers	34	14	41%
Non-Managers	434	257	59%

*Information was provided prior to February 2023. As at the date of this Statement, there is a total of 5 Executives (excluding MD), of which 3 are female (i.e., 60%).

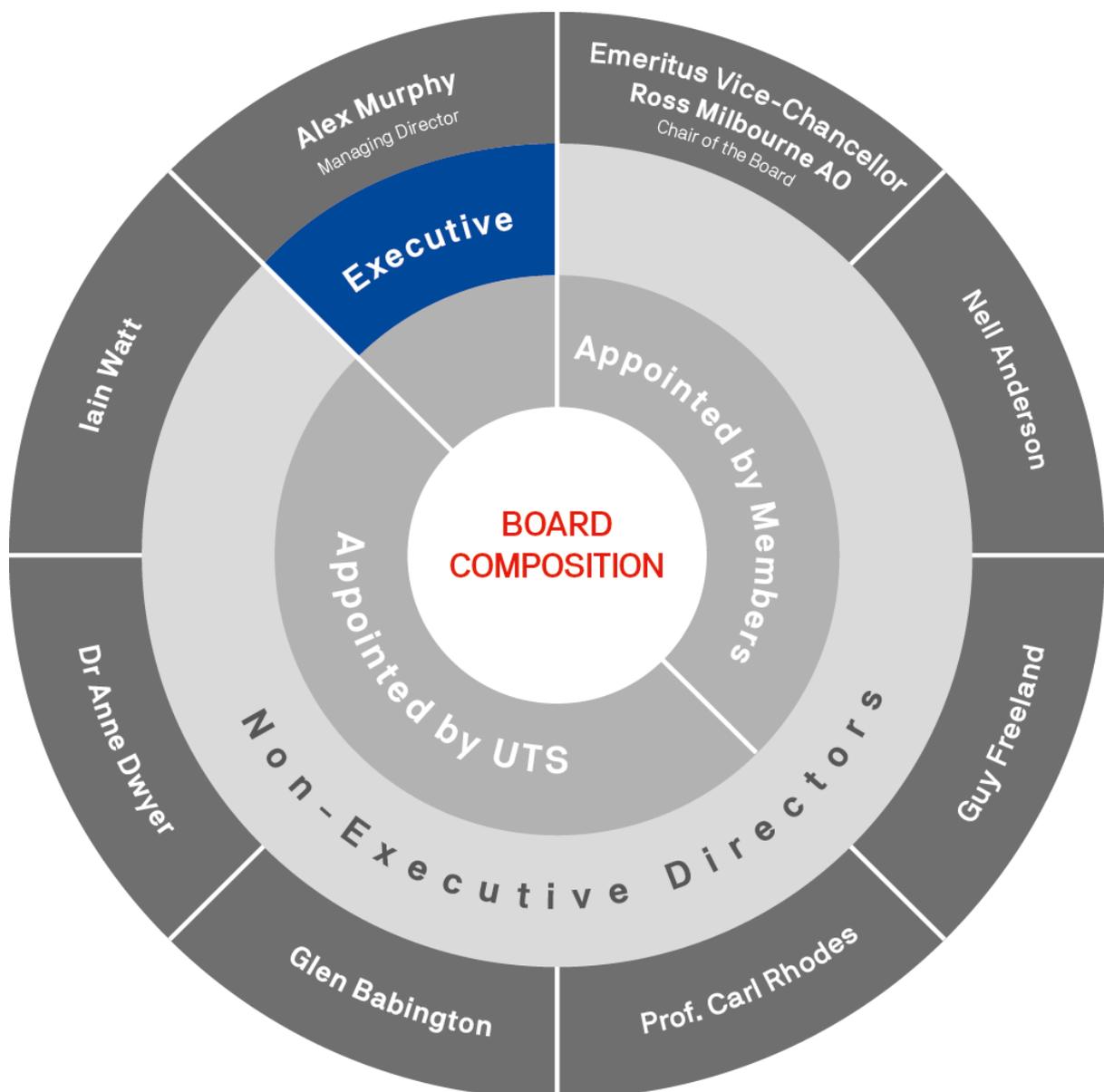
Executive performance management

The RNC is responsible for:

- assisting the Board in reviewing the performance of the Managing Director; and
- overseeing the performance review process for members of the Executive, which is conducted by the Managing Director.

Principle 2: Structure the Board to add value.

The diagram below illustrates the composition of the Board at the date of this Statement.



UTS College's Constitution provides that there will be eight Directors of which four are nominated by UTS. The remaining Directors are nominated and approved by the Members. The Board of Directors comprises seven Non- Executive Directors (including the Chair) and

one Executive Director, being the Managing Director. None of the Non-Executive Directors have served on the Board for longer than 10 years; their dates of appointment are set out in the Directors' Report, which forms part of the Annual Report.

Director independence

As a controlled entity of UTS, UTS College has a material business relationship with UTS. UTS College assists and promotes UTS by providing pathway courses for undergraduate entry to UTS and making donations to UTS. UTS supplies a number of services to UTS College including library and laboratory facilities (refer to Related Party Transactions Note in the Annual Report). Although the four Non-Executive Directors nominated by UTS are senior staff of UTS, or appointees of UTS Council, the Board considers that all of the Non-Executive Directors bring an independent judgment to bear in Board deliberations. For more information, refer to section 4.9 of the Board Charter.

In accordance with UTS College's Constitution and the Corporations Act 2001 (Cth) (Corporations Act), Directors are required to declare to the Board the nature of any business interests they have. Except as permitted by the Corporations Act, Directors with a material personal interest in a matter being considered by the Board may not be present when the matter is being considered and may not vote on the matter.

The Non-Executive Directors meet on a regular basis without management present in a forum intended to allow for open discussion, including in relation to Board and management performance.

Chair's appointment and responsibilities

The Board selects the Chair from the Non-Executive Directors. The Chair leads the Board and is responsible for its efficient organisation and effective functioning. The Chair ensures that Directors can contribute to Board deliberations, regularly communicates with the Managing Director to review key issues and performance trends and represents UTS College in the wider community.

Board committees

To assist the Board to discharge its duties, the following committees have been established:

Audit and Risk Committee (ARC)

The ARC was established to assist the Board in safeguarding the integrity of financial reporting and the management of risk (refer to principles 4 and 7).

The ARC meets at least four times a year and receives regular reports from management. Internal and external auditors attend these meetings and have direct line of communication to the Chair of the ARC and the Chair of the Board.

Academic Board

The Academic Board offers leadership to the organisation's academic community and oversees its educational quality system. The Academic Board provides oversight of academic matters, ensures the quality of the student experience and programs of study, and is committed to ensuring that teaching staff are actively engaged in scholarship.

The Academic Board has established the following committees to assist with discharging its functions:

- Academic Standards Committee
- Learning and Teaching Committee.

The roles of these committees are set out in separate charters approved by the Academic Board. Further information about the Academic Board’s role in academic governance is set out in principle 9 of this Statement.

The Chair of the Academic Board is invited to attend all Board meetings and is a member of the ARC.

Remuneration and Nominations Committee (RNC)

The RNC assists the Board in ensuring that the Board is comprised of individuals who are best able to discharge the responsibilities of Directors, having regard to the law and the highest standards of governance. It also assists the Board to review Board composition, performance, and succession planning, which includes identifying, evaluating and recommending candidates for Board appointment. The RNC also has responsibility for oversight of the performance and remuneration of the Managing Director and review of the general levels of remuneration and reward structures of members of the Executive. The membership and further details about the RNC are set out in principle 8.

The responsibilities of the Board and its committees are set out in their respective charters approved by the Board. The Directors’ Report contains details of Directors’ relevant qualifications and experience, and attendance at Board and committee meetings.

Skills and diversity of the Board

The Board actively seeks to ensure that it has diversity (including gender diversity) and the appropriate mix of skills, experience, and expertise to enable it to discharge its responsibilities effectively and to be well equipped to assist UTS College to navigate the range of opportunities and challenges it faces.

To assist in identifying areas of focus and maintaining this membership mix, the Board utilises a capabilities matrix which it reviews on a regular basis. The Board benefits from the combination of each Director’s individual skills, experience, and expertise in particular areas, as well as the varying perspectives and insights that arise from the interaction of Directors with diverse backgrounds.

The Board identified certain skills and areas of knowledge and experience as ‘essential’, ‘important’ and ‘desirable’. Directors are scored on a scale of 1 (no experience) to 5 (superior experience) for each attribute. As at the date of the Statement, the Board has identified the following mix of skills and diversity as important:

Essential skills, knowledge, and experience

Strategic thinking

Executive leadership

Business growth

Risk management

Commercial

Important skills, knowledge, and experience

Pathway Sector Experience

Transnational Education experience

International
Marketing
Financial performance
Higher education sector
Governance
People, organisation, and culture
Desirable skills, knowledge, and experience
Government/public sector policy networking
Information and communication technology
Legal
Campus planning

Directors participate in an induction program upon appointment and in ongoing professional development opportunities. During 2022, the Directors received briefings on pandemic related risk management and the international student market. This program of continuing education ensures that the Board is kept up to date with developments in the sector both locally and globally.

Access to information, independent advice and indemnification

After consultation with the Chair, Directors may seek independent professional advice in furtherance of their duties, at UTS College’s expense. Directors also have access to members of the Executive at any time to request relevant information.

Under UTS College’s Constitution, and to the extent permitted by law, UTS College indemnifies Directors and Officers against liabilities to third parties incurred in their capacity as Officers of UTS College and against certain legal costs incurred in defending an action for such a liability.

Board and committees’ performance review

The Board and committees evaluate their performance on an annual basis, in a manner that is considered appropriate by the Chair of the Board or committee. An independent review is conducted on a triennial basis, with the last one being undertaken in 2022. The results of an independent review are considered by the Board and the Managing Director and other members of the Executive. Once action items are agreed, these are monitored at each Board meeting until fully implemented.

Principle 3: Act ethically and responsibly

The Board strongly supports and seeks to promote and encourage ethical and responsible decision-making.

Code of Ethics

Insearch has a Code of Ethics, available at www.insearch.edu.au/about/who-we-are/vision,-purpose-and-ethics. The Code has been approved by the Board. The Board has charged the senior executive team with the responsibility of inculcating those values across the organisation.



Insearch's vision is "to actualise potential and enhance lives through the power of learning, our actions and our people". Our purpose is to provide the best available opportunity for students to develop the knowledge, skills, and attitudes they need to attain their goals. The Code sets out the core values under which the organisation acts to achieve its purpose and provides a framework for individuals and teams to engage in ethical decision-making within the organisation.

The Code sets out UTS College's commitment to being an international, commercial provider of higher education and to operating with integrity, honesty, courage, compassion, respect, and imagination.

The Code of Ethics is included in key relevant external and internal publications for students, staff, channel partners and other stakeholders.

Code of Conduct

UTS College also has a Code of Conduct which aims to set out the level of conduct required of all staff and affiliates in the performance of their work, duties and functions and the consequences of not meeting these requirements. This is communicated to every new staff member and reinforced by managers, team leaders and senior leaders on a regular basis.

Every Director, senior manager, manager, and all staff of UTS College are committed to implementing the Code of Conduct and are accountable for compliance with the Code. In addition, UTS College Directors and staff re-confirm their compliance with the Code of Conduct annually. The Board is informed of any material breaches of the Code of Conduct.

The Compliance Management Framework sets out UTS College's commitment to maintaining a culture of integrity and compliance by:

- fulfilling its obligations under applicable laws, regulations, and industry codes
- upholding its own organisational standards (including the Code of Ethics, Code of Conduct and other UTS College policies and procedures).

Whistleblowing Policy and Anti-bribery and Corruption Policy

UTS College's Whistleblower Policy, Offshore Anti-Bribery and Corruption Policy, Fraud and Corruption Control Plan, and Public Interest Disclosure Policy provide an avenue for our staff to report suspected unlawful, unethical, or irresponsible behavior. These corporate guidelines will be updated in 2023 to reflect the enhanced protections for whistleblowers under the Public Interest Disclosures Act 2022 (NSW). UTS College has an objective, independent and confidential process for reporting and investigating suspected wrongdoing. All disclosures are treated with confidentiality and can be made anonymously. In accordance with the terms of the policies, any material breaches under any of the guidelines will be immediately reportable to the Board.

Wellbeing of staff and students

The Board monitors the wellbeing of staff and students through engagement and satisfaction surveys, and through workplace health and safety reports, which include sections on student incidents. Recently, UTS College expanded its student welfare team and improved its student support services.

Principle 4: Safeguard integrity in corporate reporting

Audit and Risk Committee (ARC)

The ARC assists the Board in relation to its oversight and review of the:

- reliability and integrity of financial information
- internal control environment
- external audit, accounting, and financial reporting obligations.

Before the Board approves UTS College's financial statements, they are first reviewed and endorsed by the ARC.

The ARC is comprised of 3 Non-Executive Directors and has an independent Director as the Chair. The Board Chair is an ex-officio member. In 2022, as a result of the Board Governance review, the Chair of the Academic Board was made a member of the ARC.

Managing Director and Chief Financial Officer Declaration

The Managing Director and Chief Financial Officer provide the Board with an annual Management Representation Letter which declares that, in their opinion:

- the financial records have been properly maintained.
- the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of UTS College
- this opinion has been formed on the basis of a sound, effectively operating system of risk management and internal controls.

To support the Managing Director and Chief Financial Officer in making their annual declaration, all managers, and members of the Executive at UTS College are asked to complete twice yearly compliance certifications.

External audit

As an NSW public authority, UTS College's external auditor is the NSW Auditor General.

Auditors are also appointed in offshore jurisdictions to accommodate local reporting. Where material, results of offshore operations are incorporated into the year-end consolidated audit process.

Minutes of the Board and committee meetings

Minutes of meetings of the Board and committees are taken by the Company Secretary or his delegate and circulated to the Board or committee for approval.

Periodic Corporate Reporting

All periodic reports are subject to approval from the Board or the relevant Committee before finalisation and this approval process includes confirmation from senior management to the Directors that the relevant report has been reviewed and is accurate.

Where a periodic report is not reviewed by an external auditor, UTS College ensures it employs processes which minimise the chance of error in the report by:

- engaging relevant stakeholders during the report generation process
- validating data through multiple channels
- senior managers providing timely review and sign-off on relevant content.

Principle 5: Make timely and balanced disclosure.

UTS College reports to its Members and stakeholders and has reporting requirements that include presenting audited financial statements at its Annual General Meeting (AGM) and lodging these statements with the Australian Charities and Not-for-profits Commission (ACNC), the Tertiary Education Quality and Standards Agency (TEQSA), the Department of Education and Training and the NSW Ombudsman. UTS incorporates the UTS College annual results into the UTS annual report.

Principle 6: Respect the rights of Members.

The names of the Members of UTS College are listed on the Contents page of the Annual Report. Annual General Meetings are scheduled within five months of yearend and are regularly attended by all Members. UTS College communicates relevant and important information regularly to its Members by:

- circulating the annual report and full financial information
- providing information about the last four years' annual reports and financial data on the UTS College website
- providing access to information and updates through electronic communications, the UTS College website, media communications and access to a secure, online portal.
- In line with the UTS College Constitution, each Member present at a general meeting has one vote on a show of hands and on a poll with the Chairperson having the casting vote.

Principle 7: Recognise and manage risk.

The Board has overall responsibility for the risk management framework including approval of UTS College's strategic plan, risk management methodology and risk appetite. The ARC assists the Board in relation to its oversight and annual review of the risk management framework, UTS College's operation with due regard to the Board risk appetite, the UTS College insurance program and compliance with applicable laws and regulations. The ARC and Board approved a new risk management framework during 2022. The membership and further details about the ARC are set out in principle 4.

The following management committees assist with risk management responsibilities:

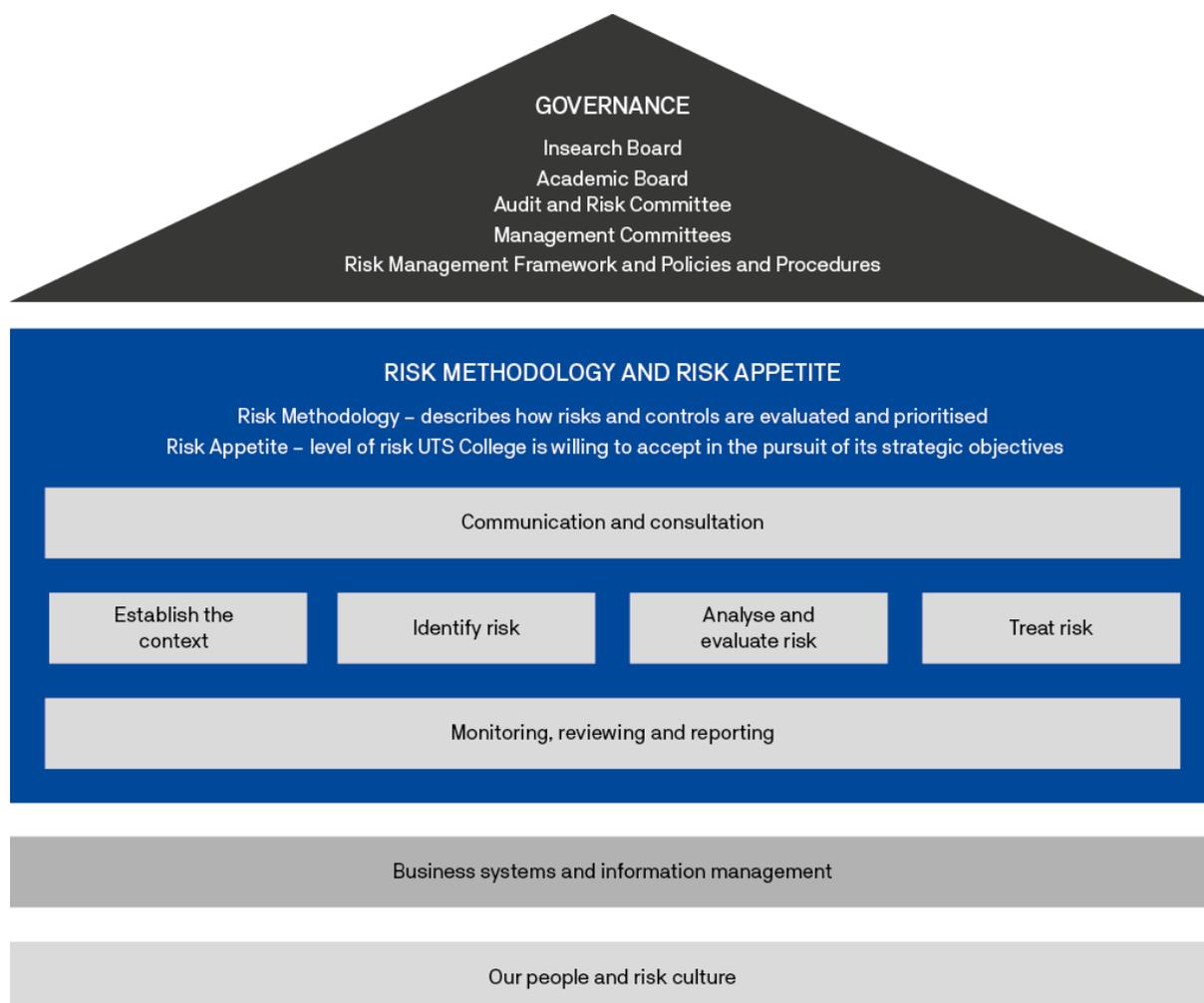
- Cyber Security Committee
- Data Governance Committee
- Health and Safety Oversight Committee
- Crisis Management Team.

Risk Management Framework

The UTS College Risk Management Framework incorporates the Three Lines of Defence model:

- First Line of Defence – all Managers at UTS College are primarily responsible for managing risk within their areas of responsibility.

- Second Line of Defence – the Governance department has oversight of risk management.
- Third Line of Defence – Internal Audit program provides assurance on aspects of UTS College’s risk management framework and if it is appropriate, effective, and adequate.



Risk Appetite Statement

The Board prepares an annual Risk Appetite Statement which is reconciled annually to the Enterprise Risk Register to determine if there is alignment and sufficient assurance activities. The Board regularly reviews UTS College’s performance against the key risks’ indicators and key performance indicators. These indicators include the matters required to be monitored by a governing body under the HES Framework.

Internal audit

UTS College outsources its internal audit function by selecting a fit for purpose auditor that is a subject matter expert in the relevant field of the audit. This is after the ARC has approved the scope for the specific internal audit which also aligns with the ARC approved internal audit plan. The current focus is on areas which support the TEQSA re-registration in 2025. The ARC maintains a rotational approach to external advisors and consideration of performance when assessing who will be appointed to conduct the respective internal audits.

Environmental and social risks

UTS College has identified and actively manages a variety of business risks, which are documented in an Enterprise Risk Register. Each risk has a risk owner, who is an Executive. Risk owners have oversight of existing and planned risk mitigation strategies and have contingency plans in place should the risks eventuate. The Board does not consider that UTS College has any material environmental or social risks.

Principle 8: Remunerate fairly and responsibly.

Remuneration and Nominations Committee (RNC)

The RNC is comprised of Non-Executive Directors (the majority of whom are appointed by UTS) and the Chair is an independent Director. The Board Chair is entitled to attend as an ex-officio member.

Remuneration of Non-Executive Directors

The RNC reviews and makes recommendations to the Board on the remuneration of Non-Executive Directors, seeking external advice as considered necessary. Changes to Non-Executive Directors' remuneration are approved by Directors' resolution and, in accordance with UTS College's Constitution, by Members' special resolution.

The remuneration of the Non-Executive Directors is fixed, and they do not receive any performance-related incentives.

Remuneration of members of the Executive

The RNC reviews and makes recommendations to the Board on the remuneration of the Managing Director. In making its recommendations, the RNC aims to motivate the Managing Director to pursue the long-term growth and success of UTS College, demonstrate a clear relationship between performance and remuneration, and to involve an appropriate balance between fixed and incentive remuneration. The RNC will ensure that the Managing Director's remuneration plan informs the establishment of remuneration plans for the whole of UTS College, particularly senior management. Reporting on staff remuneration and performance statistics is provided to the RNC.

Principle 9: Academic governance

Academic governance relates to the integrity of UTS College's core education activities of learning, teaching and academic scholarship and the structures, policies and processes which support academic standards, quality outcomes and continuous improvement. The Board delegates these academic functions to the Academic Board.

Processes and structures

The Academic Board achieves effective academic oversight of the quality of teaching and learning with the support of the Academic Standards Committee (ASC) and Learning and Teaching Committee (LTC). UTS College has a well-established and appropriate organisational structure of academic leaders, from which the members of these committees are selected.

The Academic Board is responsible for providing strategic advice to the Board on academic aspects of the UTS College strategic plan. The Chair of the Academic Board attends Board meetings and presents a standing report on the Academic Board's activities. The Academic Board chairperson is a member of the of the ARC. UTS College Directors and members of the Executive are invited to, and regularly attend, Academic Board meetings.

Quality

The Academic Board is responsible for approving academic policies and ensuring their coordination, implementation, and review, with the support of the ASC and LTC. Delegations of academic authority are documented in the ASC and LTC Charters. The ASC and LTC provide standing reports on their activities to the Academic Board, including on the exercise of their academic delegations.

The Academic Board monitors and reviews academic performance, including through external qualitative benchmarking with other higher education providers. The LTC advises on key performance indicators appropriate to student performance. Actions are taken to improve performance where necessary.

Scholarship

The Board, through the Academic Board, is committed to ensuring that teaching staff are actively engaged in scholarship with regular professional development sessions and activities. Teaching staff can apply for financial support under the UTS College Study Assistance Scheme, Education Conference Fund, and the Professional Memberships Fund. Professional staff can also access the UTS College Study Assistance Scheme for any relevant studies they wish to undertake. All staff can access UTS College's learning and development programs.

Student participation

UTS College has adopted a Student Charter which sets out the ways in which students can expect to participate in the UTS College community, including through Student Advisory Groups. There is a Student Advisory Group for each education program, enabling students to raise program-specific issues with their Program Managers.

Academic Freedom and Freedom of Expression

UTS College's Academic Freedom and Freedom of Expression Policy is available on the College website. This Policy sets out the ways in which UTS College will develop and maintain an institutional environment in which freedom of speech and academic freedom are upheld and protected.

TEQSA Provider Identification and CRICOS Code

UTS College features its TEQSA Provider Identification and provider category, as well as its CRICOS Code on relevant public material.

This Statement is current as of 23 March 2023, being the date of its approval by the Board.