



# Expanding Horizons

FY 2022 SUSTAINABILITY REPORT  
EXECUTIVE SUMMARY

We see a better and brighter future ahead, and we inspire others to bring about the change to create that future.

Adtalem educates and empowers students with the knowledge and skills to become leaders in their communities and make a lasting impact on public health, well-being and beyond.

We work to provide more equitable access to education, create environments that nurture student success, expand and diversify the talent pipeline in healthcare and related fields, and help build a brighter future for communities and the world around us.

## Who We Are

Adtalem Global Education Inc. (NYSE: ATGE) is a leading healthcare educator and provider of professional talent to vital healthcare, behavioral sciences, education and related sectors of the global economy. With a dedicated focus on driving strong outcomes that increase workforce preparedness, Adtalem expands access to education at scale and is the parent organization of several degree and certification providers within the healthcare sector. We partner with organizations to proactively address future workforce needs and empower career development with access to world-class academic curriculums, certifications and training programs.



## Our Mission

We provide global access to knowledge that transforms lives and enables careers.



## Our Vision

To create a dynamic global community of lifelong learners who improve the world.

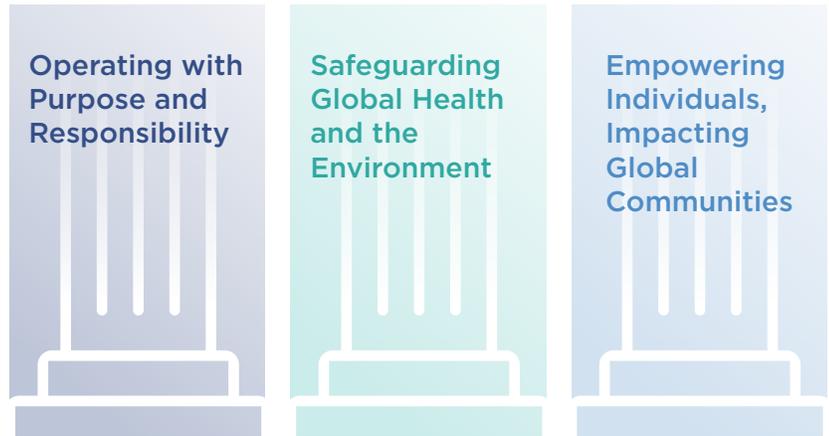


## Our Purpose

We empower students and members to achieve their goals, find success and make inspiring contributions to our global community.

## Our Approach to Sustainability is Built on Three Pillars

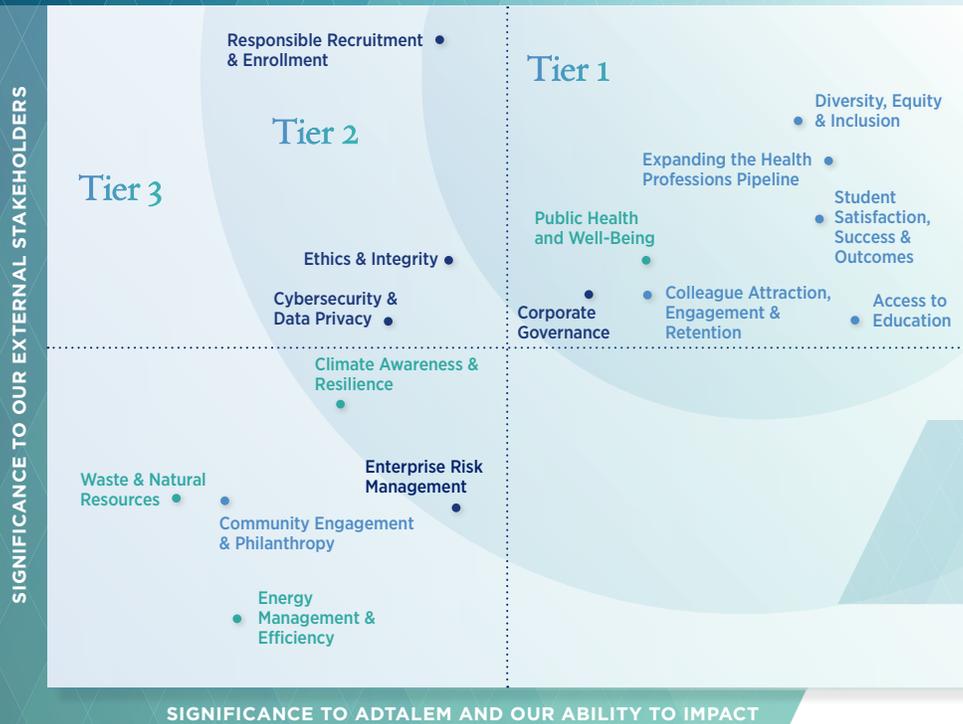
Our approach to sustainability is comprehensive, encompassing our commitment to operating as a responsible corporate citizen by addressing environmental, social and governance (ESG) topics that are most important to all our stakeholders, while also enacting broader social impact through our community partnerships and engagements. We remain focused on our mission, values and purpose as these are entwined with our approach to sustainability.



### Clearly Identifying Our Sustainability Priorities

As part of our commitment to make progress on our sustainability journey, we collaborated with third-party ESG strategy consultants during fiscal year 2022 to conduct a materiality assessment. This work entailed a robust, stakeholder-inclusive process to identify, define and prioritize the ESG topics most pertinent to our business and stakeholders. The results of our materiality assessment are shown below and will be utilized to further define our company’s sustainability strategy.

### Materiality Matrix



Tier 1 topics are associated with the greatest opportunity to drive meaningful value for our company and stakeholders through our sustainability program. Tiers 2 and 3 include topics that are “table stakes” for our business and/or support or enhance our capability to impact Tier 1 topics.

- ESG PILLARS**
- Environmental
  - Social
  - Governance

## Our Deepening Commitment to Sustainability Oversight

In May 2022, our board approved a plan to expand ESG oversight responsibilities from the External Relations Committee (ERC) to the full board. Beginning in fiscal year 2023, the board allocated specific ESG oversight duties to its committees. These updates to the oversight structure have been incorporated into the appropriate committee charters.

A large driver for the board's heightened involvement in sustainability matters can be attributed to the fact that ESG topics manifest across various departments and levels within the company and are playing an increasingly important role in decision-making.



### Groups with Sustainability Functions at Adtalem

- Senior Leadership Team:** Senior leaders set the strategic direction for Adtalem, including guiding the company on issues that may intersect with, and advance, the company's overarching sustainability strategy. Beginning in fiscal year 2023, members of the Senior Leadership Team will be assigned ESG focus areas in which to provide oversight and drive continued progress.
- ESG Core Group:** The ESG Core Group is comprised of subject matter experts (primarily at the Vice President level) from various departments throughout the company. This group assists the Sustainability Team with strategic and tactical efforts. Members are responsible for the execution of our sustainability goals and initiatives across their corresponding departments. For example, real estate holds primary responsibility for working toward Adtalem's multiyear environmental goals; strategic sourcing sets internal targets related to supplier diversity; and human resources manages workforce diversity, equity and inclusion (DE&I).
- Sustainability Team:** Adtalem has several positions dedicated specifically to the day-to-day execution and organization of our sustainability efforts, including the Vice President of Government Relations and Sustainability, Director of Sustainability and Government External Relations, and Manager of Sustainability and Community Partnerships. This group leads the development of Adtalem's annual sustainability reports, and during fiscal year 2022, the group spearheaded the company's first materiality assessment.

# Operating with Purpose and Responsibility

We remain grounded by a strong foundation of corporate governance, ethics and risk management.



## Cultivating a Diverse Board of Directors

We ensure that our board of directors is comprised of professionals who embody our commitment to DE&I and exemplify skills and expertise that support our mission. Our directors bring a variety of skills, qualifications and viewpoints that strengthen and enrich the board's ability to carry out its oversight role as fiduciaries on behalf of our shareholders.

We foster a culture of stringent compliance and recognize the importance of reinforcing transparency and accountability throughout our organization. In addition to strictly adhering to all existing regulations, we support the implementation of additional measures that would benefit our consumers and advance our industry.

## Board Diversity and Independence

Female

33%

Ethnically Diverse

50%

Gender or Ethnically Diverse

67%

Average Age

57 years

Board Independence

83%

Data as of June 30, 2022

## Walden Acquisition and Unifying Our Company Through Structural Advancements

The completed acquisition of Walden University in August 2021 enhanced our ability to address the rapidly growing and unmet demand for healthcare professionals in the U.S. through greater scale and a wider array of healthcare educational offerings. Throughout the last two fiscal years, we have worked diligently to plan and execute a smooth integration process, including reorganizing the company's operating model, standardizing processes and procedures, and migrating assets and information into Adtalem systems.

## Government Partnerships Spur Collaborative, Stakeholder-Centric Outcomes

We engage in cross-sectoral exchanges where we can provide expertise and discuss policy that aligns with our mission as well as students' and other stakeholders' interests. For example, in April 2022, Adtalem held a nursing summit designed to advance equity in healthcare that brought together national healthcare experts, including leaders from Historically Black Colleges and Universities (HBCUs), other nursing educators, employers and policymakers to discuss solutions for addressing health inequities through education, policy and more.

**ADVANCING EQUITY**  
In Healthcare: A Nursing Summit

### Ensuring Responsible Recruitment and Enrollment

We believe that expanding horizons begins with ensuring our recruitment and enrollment procedures provide prospective students with ample information, support and resources to make an informed choice about enrolling at one of our institutions. We take this responsibility seriously, defining Responsible Recruitment and Enrollment as one of our Student Commitments and reinforcing our commitment to transparency in our [Responsible Marketing and Communications Statement](#).

### Enterprise Risk Management

We maintain a robust enterprise risk management framework that identifies, evaluates, mitigates and monitors risks at the enterprise level. Our risk governance structure is steered by board and senior leadership. Our senior management-level Enterprise Risk Committee (ERC) focuses on the most important risks to the organization. Additionally, our independent, specialized risk-targeted committees escalate and report material risks as applicable to the ERC.

### Cybersecurity

We employ a robust approach to cybersecurity and data privacy that prioritizes fortifying our systems against potential risks or outside threats to foster stakeholder trust.

During fiscal year 2022, we refreshed our Cyber Incident Response Plan (CIRP). The enterprise's internal audit team evaluated the updated CIRP, finding it to be effectively designed, and a formal cybersecurity incident tabletop exercise was conducted in alignment with the CIRP. Throughout 2022, nearly 8,000 colleagues completed the most recent Cybersecurity Awareness training program.

### Enterprise Safety and Security Highlights

- Zero Harm Safety Initiative:** In June 2022, we launched our Zero Harm safety initiative. The enterprisewide effort is designed to eliminate unsafe conditions and acts by addressing common causes of injuries in our workplace, including ergonomics; defensive driving errors; and slips, trips and falls.



The initiative also provides training, educational materials and updates on issues such as hurricane preparedness, situational awareness and active shooter drills.

- Instituted Companywide Vaccination Policy:** In July 2021, Adtalem implemented a companywide vaccination policy<sup>1</sup> that required all students, colleagues and faculty to provide proof of vaccination by October 2021<sup>2</sup>, with Walden University being integrated into compliance by February 2022. The policy was created based on guidance from the Centers for Disease Control and Prevention, the World Health Organization and the Equal Employment Opportunity Commission, among others, and demonstrates Adtalem's intention to serve as an example for other companies in implementing vaccine policies that protect our people and the community.

**Adtalem has not experienced a significant information security breach in the past three years. We maintain a cybersecurity insurance policy, which would potentially defray certain costs associated with a breach.**

<sup>1</sup> Individual vaccine policies were developed for each institution and corporate colleagues and customized accordingly. Within select countries where Adtalem operates, students, colleagues and faculty are not subject to the vaccine policy, in ensuring compliance with local laws and regulations.

<sup>2</sup> Students, colleagues and faculty are exempt from the policy in the case that they may have a medical condition or other reasons or circumstances for why they cannot receive the vaccine.

# Safeguarding Global Health and the Environment

We address issues at the confluence of the environment and public health.



## One Health Framework

Adtalem's family of institutions is educating the next generation of leaders trained to solve complex problems at the intersection of animal, human and environmental health. This approach is exemplified by our One Health framework, through which we examine societal diseases and the consequences of the natural ecosystem to address critical issues facing our collective health around the globe.



## Our Multiyear Environmental Goals<sup>3,4</sup>

Demonstrating our commitment to environmental stewardship, in 2020 we launched multiyear environmental goals through 2024 that encompass our strategic approach to reducing our carbon footprint, embracing renewable energy and enhancing waste management practices.

### Goal 1

**Achieve a 10% reduction<sup>3</sup> of controllable energy use and greenhouse gas (GHG) emissions levels** across Adtalem's U.S. properties by 2024.

**Progress:** Throughout fiscal 2022, we continued implementing energy conservation measures, such as phasing in the use of more efficient LED lighting fixtures. To date, we've replaced approximately 60% of the lighting within our leased spaces and owned facilities with LED fixtures. This initiative, in addition to other conservation measures we have implemented since 2019, has allowed us to reduce energy and emissions by 30.9% and 37.8%, respectively, from our 2019 baseline. We are proud to have achieved these reductions so far but recognize that energy and emissions data can differ year-to-year due to operational circumstances, attendance at institutions and external factors, such as COVID-19. We plan to continue managing our usage in coming years so we may maintain reductions in accordance with our 2024 target.

### Goal 2

Aim to **initiate an average of one renewable energy project per year** at an owned location from 2021 through 2024.

**Progress:** During fiscal 2022, we began upgrading an existing solar array in St. Maarten that will enhance energy efficiency and equip one of our locations with 184 additional hurricane-proof solar panels. Once we complete this project in fiscal 2023, the additional solar panels will provide approximately 125,421 kilowatt hours of clean energy per year. During the year, we also began conducting a feasibility study to assess opportunities to use solar energy in St. Kitts.

### Goal 3

Implement an **enhanced waste and recycling initiative** across Adtalem's controllable waste portfolio by the end of 2024.<sup>4</sup>

**Progress:** During the year, we continued to address inefficiencies in our waste management system. For example, we instituted a competitive bid process that has enabled us to partner with local organizations to advance our recycling efforts more efficiently and cost effectively while supporting local businesses. In addition, we continued to conduct waste audits and address inefficiencies within our waste management system, such as those in our wastewater treatment processes.

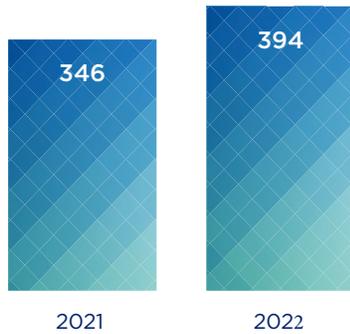
<sup>3</sup> Compared to 2019 calendar year levels.

<sup>4</sup> As of June 30, 2022, sites in the controllable waste portfolio include Addison, IL; Boise, ID; Long Beach, CA; Naperville, IL; Sacramento, CA; and Tinley Park, IL.

2022 Environmental Impact<sup>5</sup>

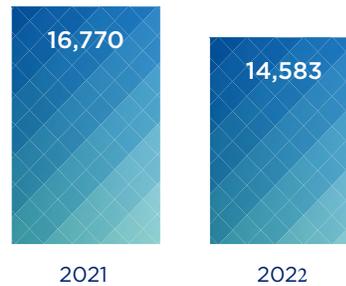
**NON-RECYCLED WASTE**<sup>6,7</sup>

(Tons)



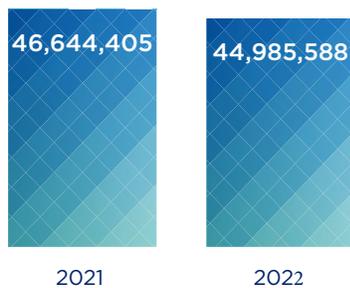
**WATER USAGE**

(kGal)



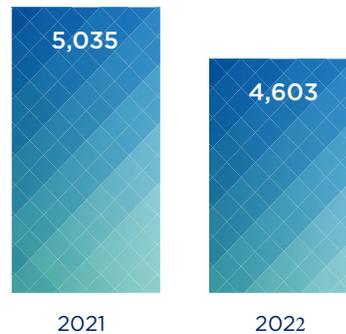
**ENERGY USAGE**

(kBtu)



**GREENHOUSE GAS EMISSIONS**

(Scope 1 + Scope 2, mtCO<sub>2</sub>e)



<sup>5</sup> Fiscal year data covers the periods between July 2020 - June 2021 and July 2021 - June 2022. We recognize that COVID-19 restrictions and reduced occupancy may have impacted data.

<sup>6</sup> These measurements account for non-recycled waste across Adtalem's controllable waste portfolio, including as of June 30, 2022: Addison, IL; Boise, ID; Long Beach, CA; Naperville, IL; Sacramento, CA; and Tinley Park, IL; our facilities supervisors have determined that part of the waste reduction is a result of reduced operations during COVID-19 restrictions.

<sup>7</sup> As more students and colleagues returned to campuses and offices in fiscal 2022, this contributed to the slight increase in waste generated during the year. We are monitoring this and working to raise awareness and address inefficiencies as additional colleagues and students return to locations during fiscal 2023.

# Empowering Individuals, Impacting Global Communities

We seek to create sustainable workforces that represent the communities they serve.



## Expanding Access to Education for Underrepresented Student Populations

We believe that a more inclusive and equitable workforce strengthens economic and societal outcomes. We make a difference in many ways:

- We collaborate with HBCUs and Hispanic Serving Institutions, other higher education institutions and healthcare systems to expand access to education.
- We open doors for underrepresented student populations to preparatory education for medical school through programs such as the [Medical Education Readiness Program \(MERP\)](#). Over the past five years, 883 MERP advancers, including 211 from underrepresented groups, have graduated and entered residency positions in the U.S.
- Chamberlain is the leading grantor of BSN, MSN-Family Nurse Practitioner and DNP degrees to underrepresented students in the U.S.<sup>8</sup>
- Combined, Adtalem’s medical institutions graduate more Black physicians than any U.S. school, with more than 100 graduates per year.
- Annually, RUSVM recruits significantly more total number of Doctor of Veterinary Medicine students from underrepresented racial and ethnic groups than that of other AVMA-accredited schools.<sup>9</sup>
- Walden University is a leading grantor of graduate degrees in multiple disciplines to African American students. Over a five-year period, Walden graduated nearly as many Black and African American students as the top 10 doctorate-granting institutions combined over the same time.<sup>10</sup>

## Diversity, Equity and Inclusion

Our approach to DE&I is far reaching, encompassing how we navigate various stakeholder relationships – beginning with our students, extending to our colleagues, leaders and faculty, board of directors, business partners and suppliers, and expanding to our relationships and engagements throughout communities in which we operate.

<sup>8</sup> Analysis is based on FY2020 IPEDS data downloaded on 10/18/2021. Under-represented minority includes students who identify as American Indian or Alaska Native, Black or African American, Hispanic or Latino, Native Hawaiian or other Pacific Islander, or two or more races.

<sup>9</sup> AVMA® stands for the American Veterinary Medical Association.

<sup>10</sup> Source: National Center for Science and Engineering Statistics, Survey of Earned Doctorates.

<sup>11</sup> Includes all students actively enrolled during FY22 (attempting at least one course that started or ended in that timeframe) across our five institutions; “ethnically diverse” is defined as all race/ethnicities except White and Unknown.

<sup>12</sup> Leaders are CEO, Group Presidents and Senior Vice Presidents.

## Diversity At-a-Glance

STUDENTS <sup>11</sup>	
Ethnically Diverse	50%
Female	83%
U.S. COLLEAGUES	
Ethnically Diverse	35%
Female	75%
SENIOR LEADERSHIP <sup>12</sup>	
Ethnically Diverse	44%
Female	11%
Gender or Ethnically Diverse	44%
BOARD OF DIRECTORS	
Ethnically Diverse	50%
Female	33%
Gender or Ethnically Diverse	67%

Data as of June 30, 2022

We are honored to have received the following awards recognizing our commitment to DE&I in the workplace.



**Prioritizing Student Satisfaction, Success and Outcomes**

We inspire students to pursue their career aspirations through education, and we are there every step of the way to help them achieve their goals. In fiscal year 2022, Adtalem formed a new office of customer excellence that partners with and supports our institutions to optimize and innovate the student experience, develop differentiated learning offerings, build strategic employer partnerships, and harvest data and analytics to drive valuable insights across the enterprise.

A key project of the office was the launch of **Julian™**, a virtual tutor built with Google Cloud’s artificial intelligence and machine learning capabilities, driving personalized experiences and knowledge mastery through various educational engagement activities.



Nearly **275,000** alumni

located in all 50 states – addressing nursing and physician shortages, particularly in underserved communities.

**73%** of Adtalem’s combined medical school graduates who attained residencies in 2022 entered primary care residency programs (535 of 731), compared to only 46% for seniors from U.S. medical schools.<sup>13</sup>

In 2022, **44** U.S. states and territories will welcome AUC and RUSM graduates into their residency programs – our impact on patients and communities is widespread.

**22.7%** of combined AUC and RUSM current and former graduates who attained residency positions in the United States in 2022 identify as Hispanic or Black/African American.

In 2021, **44%** of Adtalem medical school graduates practiced in medically underserved or health professional shortage areas.<sup>12</sup>

In 2021, **88%** of Adtalem medical school graduates practice in low-income communities. This rate is higher than U.S. medical school graduates.<sup>14</sup>

<sup>13</sup> Primary care includes the following NRMP categories: Family Medicine, Pediatrics, Internal Medicine-Categorical, Internal Medicine-Primary, or Internal Medicine-Pediatrics.

<sup>14</sup> Robert Graham Center: American University of the Caribbean School of Medicine and Ross University School of Medicine Graduate Mapping Project Final Report; March 2020.

### Measuring Outcomes and Expanding the Health Professions Pipeline

Residency match rates, key licensing exam test scores and low cohort default rates are key performance indicators we use to measure student success and outcomes. Our commitment to and success in graduating diverse doctors, veterinarians, nurses, social workers, behavioral health workers and educators at scale helps address these critical workforce gaps.

#### FIRST-TIME MATCH<sup>SM</sup> RATES, 2022



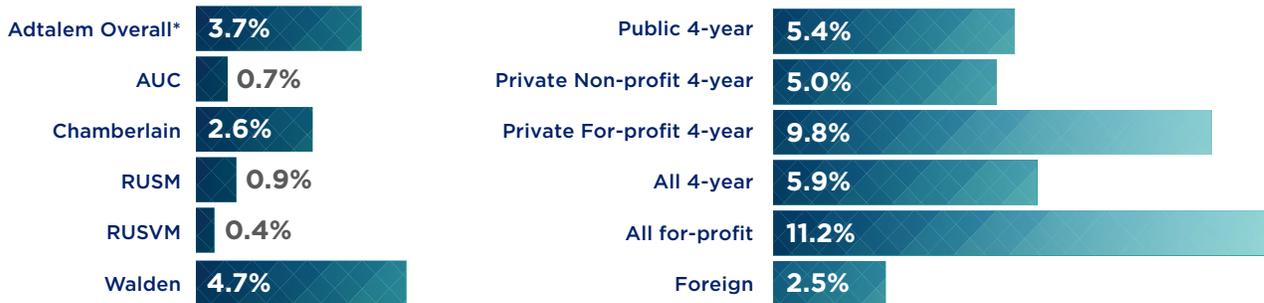
Data Source: National Resident Matching Program®, Results and Data: 2022 Main Residency Match. Adtalem data has been normalized for consistency with U.S. methodology for comparison purposes and contains residencies attained through the NRMP Main Match.

#### FIRST-TIME RESIDENCY ATTAINMENT RATE 2021-2022



RUSM/AUC first-time residency attainment rates include additional residencies obtained outside of the NRMP Main Match and SOAP, which differs from the U.S. methodology.

#### FY18 FINAL COHORT DEFAULT RATES



\* These aggregate rates are not calculated or evaluated by the Department of Education. They are provided for information purposes only. FY2018 final cohort default are the most current metrics available.

### PASS RATES



American University of the Caribbean School of Medicine

**92.4%** AUC students' five-year cumulative first-time pass rate for the USMLE Step 1 exam from 2017-2021.\*



ROSS UNIVERSITY SCHOOL OF MEDICINE

**91.6%** RUSM students' five-year cumulative first-time pass rate for the USMLE Step 1 exam from 2017-2021.\*



ROSS UNIVERSITY SCHOOL OF VETERINARY MEDICINE

**83.0%** RUSVM students' 2020-2021 NAVLE Pass Rate



CHAMBERLAIN UNIVERSITY

**85.3%** Chamberlain University's average NCLEX® first-time pass rate for 2021 calendar year

\* First-time pass rate is the number of students passing the USMLE Step 1 exam on the first attempt divided by the number of students whose first attempt was in 2017-2021. In order to sit for the USMLE Step 1 exam students must successfully complete the Medical Sciences curriculum.

Note: there is no equivalent for Walden.

## Community Engagement and Philanthropy

Driven by our core value of community, we are committed to serving others in and out of the classroom. As a responsible corporate citizen, we provide support to charitable and civic organizations across the globe that share our values by way of the Adtalem Global Education Foundation and corporate philanthropy.

### Adtalem Global Education Foundation

Founded in 2010, the Adtalem Global Education Foundation is organized to support charitable, educational and research purposes.

The nonprofit foundation's activities during fiscal 2022 reflected commitment to one or more of its strategic areas through financial grants, program expertise or other in-kind donations.

Since 2016, the Empower Scholarship Fund has awarded 2,464 scholarships totaling more than \$4.6 million to support students. In FY 2022, \$453,500 in Empower scholarship funds were awarded.

## By the Numbers

FY22

Total Adtalem Global Education Foundation Grants

**\$1,081,680**

Total Adtalem Corporate Giving

**\$376,457**



## Strategic Focus Areas

- Strengthening the pipeline of underrepresented minorities in the healthcare industry
- Increasing access for underserved populations to high quality higher education
- Addressing healthcare disparities
- Promoting economic growth through skills-based workforce development



Read more about our progress to date and ESG aspirations in our [2022 Sustainability Report](#).