IU GROUP DOUBLE MATERIALITY ASSESSMENT SUMMARY

THE IMPORTANT THINGS

June 2026

THE SOCIAL AND ENVIRONMENTAL IMPACT OF IU GROUP: IDENTIFYING OUR MATERIAL TOPICS

Every few years, IU Group takes a structured look at what matters most — where our activities affect people and the planet, and where we can be confident we are doing good and playing a responsible role.

Education is fundamentally about people. That is why the topics with the greatest relevance for IU Group are those closest to our students and our employees: their wellbeing, their safety, their equal treatment. As a digital-first university, our direct environmental footprint is modest — but accounting for it and keeping it in check is a responsibility we take seriously. And the trust of every stakeholder group ultimately rests on how well we govern ourselves.

This Double Materiality Analysis makes that concrete — identifying both where IU Group has an impact on the world, and where sustainability topics affect how we can fulfil our mission. The formal analysis conducted in 2025 covered 31 topics; eight were identified as material. Further input was incorporated in 2026. This document summarises the findings.

More so than before, this process was structured around the European Sustainability Reporting Standards (ESRS) — the framework IU Group will formally adopt when CSRD-aligned sustainability reporting becomes mandatory starting in 2028.

ALEX ČAIČICS
Head of Sustainability

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ABOUT THIS ASSESSMENT

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WHAT

— A Double Materiality Analysis (DMA) assessing which sustainability topics are material for IU Group — both in terms of the company's impacts on people and the environment, and the financial risks and opportunities these topics create for IU Group.

WHO

— Conducted by IU Group in 2024–25 with external methodological support from DFGE — Institute for Energy, Ecology and Economy GmbH. Results independently quality-reviewed by a DFGE consultant not involved in the workshops.

FRAMEWORK

— Methodology based on ESRS 1, ESRS 2 (IRO-1), and EFRAG Implementation Guidance 1 (IG 1). The assessment applies a double materiality approach — impact materiality and financial materiality are assessed separately.

METHODOLOGY

01 PRE-SCREENING

Long list of 31 sustainability topics drawn from ESRS, MSCI, SASB (education sector), and Integrity Next sector standards

02 DESK RESEARCH

Review of corporate documents, competitor and customer reports. Topics with an average score below 1.7 were excluded from further assessment

03 IRO WORKSHOPS

Cross-functional expert sessions score each topic on impact materiality (scale, scope, remediability, likelihood) and financial materiality

04 CONSOLIDATION

Results aggregated. Independent quality review by a DFGE consultant not involved in the workshops. Topics were confirmed as material where actual IROs scored above 3.0, or potential IROs above 2.0 (per ESRS 1, §45)

05 STAKEHOLDER REVIEW

Outcomes validated against external stakeholder perspectives and sector benchmarks. Final results presented to IU Group Board

STAKEHOLDER ENGAGEMENT

INTERNAL

- Human Resources (working conditions, pay, employee dialogue)
- Health & Safety (occupational health, campus and office safety)
- Legal & Compliance
- Information Security & Data Privacy
- Equality & Diversity
- ESG / Sustainability Communications

EXTERNAL

- **Employee surveys**: Diversio inclusion & belonging benchmark (June 2023) and annual IU staff survey provided quantitative evidence on working conditions, pay equity, career development, and psychological safety — directly informing S1 IRO scoring.
- **Student surveys**: IU Group student experience and satisfaction surveys provided evidence on digital service quality, data handling concerns, and learning support — directly informing S4 IRO scoring.
- **Investors**: ESG ratings input and engagement priorities from institutional investors incorporated into financial materiality scoring, reflecting capital-market expectations around governance, climate risk disclosure, and social performance.
- **Sector & competitors**: Competitor reports; sector benchmarks integrated.
- **Supply chain**: Supply-chain sustainability standards applied for upstream labour-rights screening.
- **Independent review**: DFGE quality-control review by a consultant not involved in the workshops (10% of overall score).

CARBON FOOTPRINT MINIMISATION

ESRS E1 – Climate Change

- **Why material for IU Group**
  As a large organisation with operations across Germany, the UK and Canada, our Scope 1, 2 and 3 emissions are tracked and actively managed. While our carbon footprint – being 0.01 tCO_2e per student (Scope 1+2) – is very small compared to many of our peers, growing regulatory requirements under CSRD and stakeholder expectations make a formal, ESRS-aligned climate transition plan a near-term priority.

- **How we manage it**
  Annual carbon accounting across Scope 1, 2 and selected Scope 3 categories. IU Group has previously offset residual emissions; a formal climate strategy covering transition pathways is planned for 2026–2027.

ENERGY EFFICIENCY

ESRS E1 – Climate Change

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– **Why material for IU Group**
IU Group's energy consumption is to a large extent concentrated in office and campus buildings. Reducing consumption and increasing the share of renewables directly lowers Scope 2 emissions and long-term operating costs — and signals responsible stewardship to students and partners.

– **How we manage it**
Green electricity sourcing in place at key locations. Energy efficiency measures underway at campuses and offices. Consumption tracked as part of annual carbon accounting.

OCCUPATIONAL HEALTH & SAFETY

ESRS S1 - Own workforce

— **Why material for IU Group**
IU Group employs thousands of people across several countries, including staff at physical campuses. Ensuring safe and healthy working conditions — for both on-site and remote employees — is a core employer responsibility and a prerequisite for being the kind of organisation our people choose to stay with.

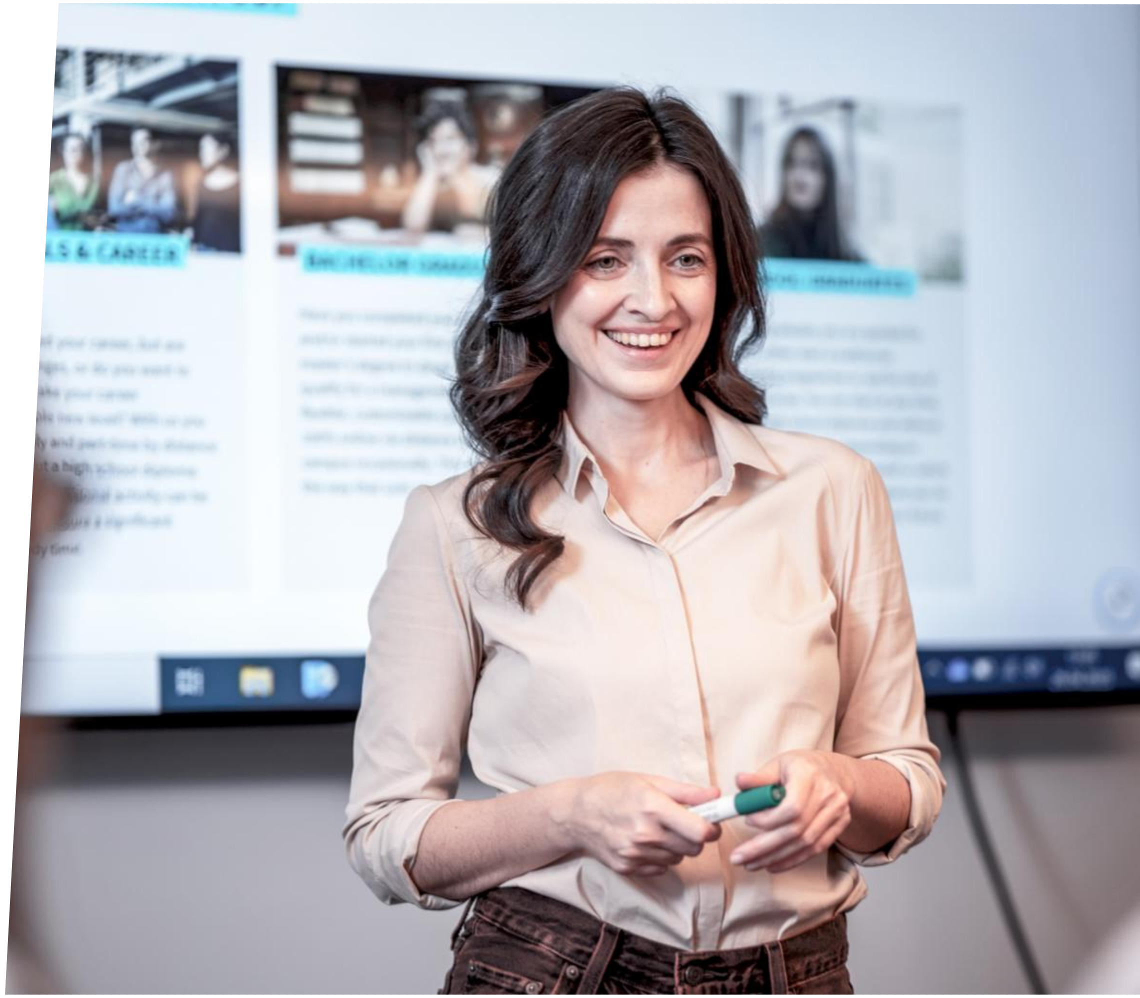
— **How we manage it**
OHS management system with defined responsibilities. Regular employee surveys monitor health and safety perceptions group-wide. Incident reporting and prevention measures in place.

WORKING CONDITIONS & PROFESSIONAL DEVELOPMENT

ESRS S1 - Own workforce

- **Why material for IU Group**
  IU Group's workforce spans multiple entities, employment models and countries. Ensuring fair, consistent and development-oriented conditions across this diversity is both an ethical obligation and essential to attracting and retaining the talent our mission depends on.

- **How we manage it**
  Group-wide HR policies and compensation frameworks. Learning & development programmes across all staff levels. Results from annual employee surveys feed directly into the people strategy.



EQUAL TREATMENT, NON-DISCRIMINATION & INCLUSION

ESRS S1 - Own workforce

— **Why material for IU Group**

A provider of higher education that prepares students for a diverse world must reflect that diversity itself. Equal treatment — across gender, background and ability — shapes our credibility as an educator and employer, and is a stated commitment under IU Group's Equality Concept 2023–2027.

— **How we manage it**

Equality Concept 2023–2027 with defined targets and accountability. Participation in benchmarks for continuous external monitoring. Progress reported to leadership.

STUDENT DATA PRIVACY & SAFETY

ESRS S4 – Consumers and end users

- **Why material for IU Group**
  IU Group serves thousands of students through digital platforms, processing personal, academic and financial data at significant scale. Trust in how that data is handled is fundamental to the student relationship — and to IU Group's licence to operate as a digital-first education provider.

- **How we manage it**
  Information Security Management System across core systems. Data Protection Officer in place. GDPR-compliant processes throughout all student-facing platforms. Regular security audits and mandatory staff training.

CORPORATE CULTURE & BUSINESS CONDUCT

ESRS G1 – Business conduct

- **Why material for IU Group**
  Culture is the foundation of how IU Group delivers on its mission. A strong, values-based culture drives employee engagement, academic quality and consistency of the student experience. As the organisation continues to grow, nurturing that culture intentionally becomes even more important.

- **How we manage it**
  Group-wide Ethics Code defining shared values and expected conduct for all employees. Annual surveys measure cultural health and engagement. Leadership development aligned to IU Group values.

BUSINESS ETHICS & INTEGRITY

ESRS G1 – Business conduct

- **Why material for IU Group**
  As one of Europe's largest private universities, operating across multiple jurisdictions, IU Group faces governance expectations from regulators, accreditation bodies and institutional partners. The integrity of our qualifications and the trust of all stakeholders depend on consistent, transparent and accountable conduct at every level.

- **How we manage it**
  Group-wide Ethics Code and internal controls framework. Compliance training completed group-wide. Whistleblower mechanism available to all employees.

WHAT NEXT

— **ESG Strategy**

The findings of this DMA will directly inform IU Group's ESG priorities and strategy.

— **Periodic Review**

IU Group will conduct a full review of the assessment every three years, with an interim review at the 18-month mark — and whenever significant changes in business model, regulatory landscape or stakeholder expectations make an earlier review appropriate.

— **CSRD Reporting from 2028**

From 2028, the Sustainability Reports of IU Group will be aligned with CSRD and structured around the European Sustainability Reporting Standards. The eight material topics identified in this analysis form the foundation of that reporting scope.

— **Questions & Contact**

We welcome feedback on this analysis and on IU Group's sustainability work: https://sustainability.iu-group.com iu GROUP