

MESSAGE FROM THE PRESIDENT

We are pleased to report that we have made significant gains in our academic and operational excellence initiatives across our growing school network which have contributed to our strongest financial results to date for SY 2023-2024.

We have a total of 15 campuses, 13 of which are operating, 4 of them managed with partners with one in Brunei Darussalam, our first international campus and proudly the first in the Philippines with the Commission on Higher Education (CHED) issued transnational branch permit for Nursing.

Our student population grew by 7% to 53,982 students. We provided students with greater choice adding 8 programs and a specialization across our schools covering principally health care sciences, business and artificial intelligence. Combined we now offer a total of 79 programs.

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A new partner was added to our growing network through the acquisition of the assets of Colegio de Sebastian in San Fernando, Pampanga. We are expanding our presence in regions beyond NCR with joint venture partnership agreements. For SY 2023-2024, our partner schools contributed 2% to our total student population. While modest as this is a recent initiative, we expect good growth in the coming years with the full deployment of the FEU best practices and systems.

Our first strategic plans in 2015 for target year 2020 covered academic improvement initiatives primarily for the main campus. The succeeding and ongoing strategic plans with target year 2028, our centennial year, now encompass the entire FEU Group of Schools addressing academic initiatives, transaction efficient touchpoints, sustainability, and meaningful careers for our students, faculty, and employees.

We made good progress towards these goals in SY 2023-2024. For academic initiatives, while there are many, we will be reporting on relevant rankings, accreditation, and third-party assessments areas.

Regulatory status and rankings are important as they validate how regulators and academic peers view us. We are pleased to inform that Far Eastern University (FEU) and FEU Institute of Technology (FEU Tech) have been granted Autonomous Status for a period of 3 years by CHED. Autonomous Status is a recognition granted to higher education institutions (HEIs) in the Philippines which meet specific quality standards and exhibit excellence in educational leadership and academic programs. This status offers the greatest autonomy in terms of academic program offerings and governance. FEU main campus has been autonomous since 2012. This is the first application of FEU Tech however and we are extremely proud that it has likewise achieved CHED autonomous status. Only 4.5% of the total Higher Education Institutions in the Philippines are Autonomous.

FEU likewise achieved a Quacquarelli Symonds (QS) Asian Universities ranking for SY 2023-2024. QS is a globally recognized university ranking organization. Rankings are based on various metrics, including academic reputation, faculty-to-student ratio, citations per paper, and employer reputation. A QS Asia Ranking is a testament to a university's commitment to academic excellence, research, and internationalization.

Our technical school FEU Tech likewise achieved recognition from The World University Rankings for Innovation (WURI). It placed 72nd in category Global Top Innovative University, 5th in Funding, 20th in Generative AI Application and 22nd in Global Resilience. The WURI recognition is quite pleasing as it is an acknowledgment of the innovative measures deployed for greater relevance and offerings to students.



**Increase in
Student Population**

A rectangular box with a gold border containing the FEU logo (a circular seal with a figure) and the text 'FEU' in large green letters. Below this, it says '2024 Quacquarelli Symonds (QS) 117th World University Ranking in South East Asia'. The text is centered and surrounded by a decorative gold laurel wreath.

Accreditation on the other hand ensures that an educational institution or program meets specific standards of quality in terms of teaching, curriculum, resources, and student support. This process provides external validation that the institution delivers education at a recognized level of excellence. For local accreditation, an additional 3 were undertaken with the Philippine Accrediting Association of Schools, Colleges and Universities (PAASCU) and the Philippine Association of Colleges and Universities Commission on Accreditation (PACUCOA) in SY 2023-2024. Two (2) programs at FEU Tech were accredited by the PCS Information and Computing Accreditation Board (PICAB). With respect to international accreditation, 4 were undertaken with the ASEAN University Network (AUN), thus bringing to 18 the number of internationally certified programs, easily within the group of schools in the Philippines with the most. For basic education, FEU Roosevelt's Junior High School in Rodriguez was granted Level 2 status by PAASCU.

FEU is gearing up for the AUN Institutional Assessment this November 2024, which will now involve a comprehensive review of the University's policies, procedures and practices to assess not just program specific, but overall ability to provide high quality education.

Third party assessments are principally the programs with government regulatory tests which account for

29% of the total programs offered by FEU. Our target is to achieve 85% passing for first time takers. This hurdle is achieved by many programs, but not all. FEU believes in giving everyone a chance to fulfill their choice program aspirations and thus cohort class sizes are generally large. Extensive review of curricula as well as industry consultations have been undertaken for effect in SY 2024-2025. This, together with continuing faculty development, gives us confidence that our hurdle target will be achieved consistently and for all programs.

For our Basic Education students, who are now a significant proportion of the total student population at 33%, we deploy international standard learning systems like McGraw Hill to augment our local curriculum and for the core disciplines of Math, Science, and English. These systems have been helpful in the mentoring of students and providing feedback on who may benefit from additional interventions. We have 5 schools offering basic education with FEU Roosevelt as currently the largest provider for the FEU Group. In support of its growth, a third new building has been approved to be located at the Rodriguez campus.

FEU is committed to supporting strong basic education knowledge and skills preparedness for work opportunities after senior high school, or as a pre-requisite for those who may want to continue on to higher education. The Philippine demographics is



uniquely young with a median age of 26. This brings about a demographic dividend opportunity which simply means a condition where for many years we will have a much greater working population versus the population that needs to be supported, that if educated properly and if supported by industry work demands, is our best opportunity to elevate from developing country status to emerging market or even upper middle-income status.

Our key resource is our faculty and as such Faculty Development programs are regularly conducted throughout the year. Development sessions on teaching pedagogy, technology, ethical use of Artificial Intelligence (AI), and research are regularly held, primarily for the FEU Group and its partner schools, but also public school teachers. With regards to advance studies opportunities, a total of 28 and 68 faculty have been supported with their Masteral and Doctoral studies respectively, with some of them held abroad. FEU recognizes that these degrees are positive in the development of an educator, that oftentimes available time and funds to undertake are barriers. FEU is committed to support those who aspire for higher education. Greater mastery of content by faculty to be imparted and shared with students is the FEU objective. To date, 24% of the full time faculty population have PHDs and a separate 21% are currently earning theirs.

We have likewise made good progress on Research. To be clear, FEU is a teaching university, but a good level of research is important for the growth and development of knowledge within to be shared with students. Some of our research is now internationally collaborated. The University of Queensland partnership focuses on the research initiative Continuing Care in COVID-19 Outbreak: A Global Survey of New Expectant and Bereaved Parent Experiences or COCOON. On the national side, we have a collaboration with the Department of Science and Technology (DOST) involving research about the inventory of mental health services, literacy, psychological well-being, and help-seeking of selected participants from the National Capital



Region. We are proud that international schools and organizations see FEU as a robust research collaborator.

Confidence in the FEU abilities for good faculty development and research is also reflected in the increasing amounts of research and teaching grants received. These are not intended solely for FEU but rather for the collaboration and dissemination with the wider community. We received P25 million over the past years from CHED for the integration of Smart Nation technology into classroom teaching and pedagogy. Smart Nation is a series of seminars on how to effectively implement and maximize the use of technology in learning.

Meanwhile, FEU Tech has a P2.5 million project with CHED for the Creation of an Elective Track in Advanced Energy and Green Building Technologies for all its Engineering Programs. Our stewardship for the development of others is a validation of our expanding role and significance in the education sector.

We have embedded both Sustainability and Wellness into the FEU curricula and in our day-to-day operations. This is in recognition of our responsibility to address climate change, now more evident with the ever-increasing severity of climate disruptions as well as wellness concerns that students and the FEU community face or might have.

With regards to wellness, while we don't claim to have all the solutions as it is a complex area, we strive to make FEU a safe place for expression not only of preferences, but also of apprehensions and anxieties, without any judgement and with purpose to help and address. Our Healing Spaces and Wellness Room facility are now operational, offering students a place for guided reflection alongside other student services. We likewise include organized opportunities for physical activity throughout the stay at FEU, some as part of the mandated curriculum but others, on a purely voluntary basis, to provide recreation and relaxation.



The newly opened Wellness Room at the Arts Bldg.

A good majority of the professional courses and 6 General Education courses have sustainability or SDGs in the FEU curricula. Specific to the curriculum of the Institute of Tourism and Hotel Management (ITHM), 2 specific courses are Sustainable Tourism and Hospitality Sustainability.

In addition to teaching about sustainability, we have made impressive capital investments over the past years and will continue to do so, to significantly reduce our overall carbon footprint to operate. Power is of course third party supplied but we are happy to report 2 developments. The first is that we have invested in own produced power facilities, which are rooftop solar plants, and currently they account for 3% of our power needs. We expect own produced power to grow in contribution moving forward, as rooftop solar plants will be integral to the design and operations at all campuses. The second development is supplied power from renewable energy plants will soon be at 100%. We are currently 23% inclusive of own produced, project to be at 97% by year end and are confident to be at 100% soon after.

Clean water and the conservation of this, is the second sustainability theme at FEU. Our water recovery systems have resulted in 3,830 cubic meters, or 3,830,000 liters recycled for other purposes last year. Additional recovery systems will be incorporated into our other campuses. We now have industrial grade drinking water filtration plants at the Main and FEU Tech campuses in Manila and at FEU Alabang. This simply means that the third party supply of 5 gallon jugs, the delivery and collection of such, let alone the distribution within the campuses are now eliminated. This will become an additional sustainability standard at all our campuses with scale moving forward.

While progress has been made in many areas, we must not lose sight of the fulfillment of mission. Our mission is to acknowledge that our incoming students may have varying educational foundations due to unequal opportunities, that FEU's role is to provide high value learning while within through

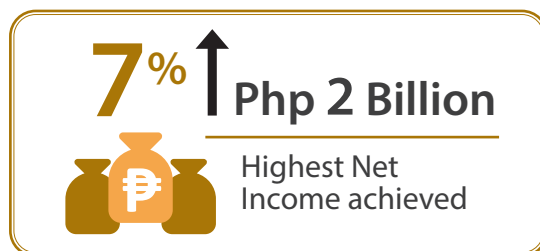
relevant content delivered by effective and caring faculty, with end result to have a meaningful career to uplift the Philippines and Filipinos.

Strong and meaningful collaborations with Industries are therefore essential to providing students with best possible work development opportunities. This is beyond simple employment, this is about interest by companies in student career development while still in school and ongoing development and learning while employed. FEU is proud to be associated with strong companies in the finance and accounting, business and knowledge processing, retailing and soon to be health sciences sectors, which share the same belief that development and learning is lifelong and that both schools and companies have a role to play. Our partnerships enable creation and delivery of industry specific content, earlier rather than last semester OJT work for greater appreciation of the work environment. In the end, additional or continual learning environments, while still in or beyond school, give our students best opportunities for meaningful careers.

We are happy to report good progress in academic and operational matters, but without a doubt, many improvements still need to be undertaken. To name some, our systems are currently being fine-tuned, some even replaced as our demands for data and efficiencies are ever increasing. We are likewise reviewing completion rates, which is how long it takes a student to graduate, with intent to provide full assistance in all aspects, including financial, to shorten this cycle.

On the financial accounts side, we had a stellar year with the highest net income yet achieved at P2 billion on the back of a 7% student population increase to 53,982 students and no tuition fee increase for existing students. We have been cited by Forbes Asia as one of the Best Under a Billion (USD) in the Asia Pacific region from a universe of 20,000 publicly listed companies to a select 200 and one of only 3 companies from the Philippines. The selection process was based on long term sustainable performance after qualitative screens

were applied such as the absence of serious governance issues, questionable accounting practices and environmental concerns. Our academic excellence progress and good financial results validate that quality and financial sustainability are not contrary to each other and that indeed they go hand in hand.



Continual improvement and loftier goals are a mindset at FEU. I would like to extend my appreciation to the vision and guidance from the Board of Trustees and to the dedication and hard work of the management team, faculty, and employees.

Onward FEU.

Juan Miguel Reyes Montinola
President
October 2024