MEETING THE NEEDS OF TODAY’S

STUDENT PORTRAIT

ENROLLMENT BY COLLEGE
(As of December 31, 2015)

<table>
<thead>
<tr>
<th>College</th>
<th>Enrollment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business</td>
<td>23,416</td>
<td>37%</td>
</tr>
<tr>
<td>Health Professions (including Nursing)</td>
<td>15,766</td>
<td>24%</td>
</tr>
<tr>
<td>Teachers</td>
<td>14,158</td>
<td>22%</td>
</tr>
<tr>
<td>Information Technology</td>
<td>10,624</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63,964</strong></td>
<td></td>
</tr>
</tbody>
</table>

ENROLLMENT GROWTH
21% compound 5-year annual growth in enrollment

GROWTH IN CUMULATIVE GRADUATES
43% compound 5-year annual growth in graduates

DISTRIBUTION OF STUDENTS

<table>
<thead>
<tr>
<th>Level</th>
<th>Enrollment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate</td>
<td>50,133</td>
<td>78%</td>
</tr>
<tr>
<td>Graduate</td>
<td>13,831</td>
<td>22%</td>
</tr>
</tbody>
</table>

WGU STUDENT SNAPSHOT

- The average student age is 37; student ages range from 17 to 77.
- 71% of students are classified as underserved.
- 40% are first-generation college students.
- 28% are ethnic minorities.
- 12% are active military, veterans, or military family members.
- 73% of students receive financial aid.
- 40% of undergraduates receive Pell Grants.

WGU is the largest educator of math and science teachers in the U.S., conferring 5% of the nation’s baccalaureate degrees and 15% of the nation’s master’s degrees in STEM teaching.
DELIVERING A BETTER STUDENT EXPERIENCE

The 2015 National Survey of Student Engagement (NSSE) polled more than 315,000 students from nearly 600 U.S. and Canadian institutions.

Students gave WGU very high marks, well above the national average, in the following key areas:

<table>
<thead>
<tr>
<th>WGU</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition of job-related knowledge and skills</td>
<td>79%</td>
</tr>
<tr>
<td>Challenged to do their best work</td>
<td>77%</td>
</tr>
<tr>
<td>Quality of interactions with faculty</td>
<td>72%</td>
</tr>
<tr>
<td>Quality of academic support</td>
<td>85%</td>
</tr>
<tr>
<td>Would attend the same institution again</td>
<td>92%</td>
</tr>
<tr>
<td>Rating of entire educational experience</td>
<td>93%</td>
</tr>
</tbody>
</table>

- WGU’s one-year retention rate in 2015 was 79%, while the average one-year retention rate at U.S. public four-year institutions was 74%.
- Overall student satisfaction was 96%.
- 94% of WGU students are in good academic standing.
- The average time to a bachelor’s degree is 2½ years.

WGU UNDERGRADUATE GRADUATION RATES

BY ENTERING COHORT

WGU’s 3-year student loan default rate is 5%, compared with the national average of 11.8%.

WGU is the fourth largest producer of bachelor’s and master’s degrees in nursing for minorities.

“WGU’s approach puts quality first, and then makes it possible for each student to attain that level of quality in the time frame that works for them. Simply put, it’s an approach built for today’s real-world students.”

JAMIE P. MERISOTIS
President, Lumina Foundation

WGU’s tuition of less than $6,000 per year for most programs has not increased since 2008.
Since its founding, WGU has produced more than 56,000 graduates.

**DELIVERING VALUE**

Comparison of results from a 2015 Harris Poll Online survey of 1,255 new college graduates nationwide with a survey of 1,144 WGU graduates.

### Graduate Satisfaction

<table>
<thead>
<tr>
<th></th>
<th>WGU</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td>Majority of competencies related to work</td>
<td>80%</td>
<td>65%</td>
</tr>
<tr>
<td>Recommended university to others</td>
<td>96%</td>
<td>75%</td>
</tr>
<tr>
<td>Satisfied with overall experience</td>
<td>82%</td>
<td>69%</td>
</tr>
</tbody>
</table>

### Employment Outcomes

<table>
<thead>
<tr>
<th></th>
<th>WGU</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total employed</td>
<td>94%</td>
<td>89%</td>
</tr>
<tr>
<td>Employed in degree field</td>
<td>86%</td>
<td>76%</td>
</tr>
<tr>
<td>Employed full time</td>
<td>86%</td>
<td>74%</td>
</tr>
</tbody>
</table>

**INCREASE IN INCOME FOR GRADUATES WITHIN 4 YEARS OF GRADUATION**

- **WGU**: $14,700
- **NATIONAL**: $8,900

WGU graduates on average earn $10,600 more within 1–2 years of graduation. With an average cost of $15,000 for a bachelor’s degree, the return on investment of a WGU degree is less than 2 years.

“As employers, we look for men and women who can do the job well and can do it effectively. WGU’s competency-based model means graduates have the skills and knowledge required for success in a cost-effective and efficient manner.”

BRIAN STADING
President, CenturyLink—West Region
EMPLOYER SATISFACTION
2015 SURVEY OF 305 EMPLOYERS BY HARRIS POLL

- 100% said that their WGU graduates were prepared for their jobs.
- 98% said that WGU graduates meet or exceed expectations; 92% said WGU graduates exceed expectations.
- 93% rated the job performance of WGU graduates as excellent or very good.
- 94% of employers rated the “soft skills” of WGU grads as equal to or better than those of graduates from other institutions.

WGU alumni report higher levels of engagement at work—21% higher than the national average. —WGU-Gallup 2015 Report

“Earning my degree from WGU has given me the knowledge and skills necessary to succeed in the workplace. Because of this I am more engaged and more enthusiastic about what I do.”

—Dale Boolton
B.S. Business Management, West Chester, OH

WGU GRADUATES HAVE GREAT JOBS AND GREAT LIVES

GALLUP SURVEY RESULTS

<table>
<thead>
<tr>
<th>WGU</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td>My university was the perfect school for people like me.</td>
<td>92%</td>
</tr>
<tr>
<td>I had a mentor who encouraged me.</td>
<td>89%</td>
</tr>
<tr>
<td>My university is passionate about the long-term success of its students.</td>
<td>80%</td>
</tr>
<tr>
<td>I was challenged academically.</td>
<td>83%</td>
</tr>
<tr>
<td>My education was worth the cost.</td>
<td>91%</td>
</tr>
</tbody>
</table>

WGU alumni are almost twice as likely as graduates from other U.S. universities to be thriving in all elements of well-being—purpose, social, financial, community, and physical.

—WGU-Gallup 2015 Report

“WGU’s model is founded on flexibility, affordability, and quality. None of the three is sacrificed. In fact, they all work together. I would say to anyone seeking a relevant degree in today’s modern, hectic world that WGU is the perfect model.”

PHYLLIS CAMPBELL
Chairman,
Pacific Northwest,
JPMorgan Chase & Co.

WGU delivers significant economic benefits to the U.S.—more than $1.2 billion in income growth, social savings, and public education expenses.

EMSI 2015
WHAT MAKES COMPETENCY-BASED EDUCATION DIFFERENT

- Measures learning rather than time.
- Competencies—what students need to learn and know—are developed in collaboration with key employers.
- Learning is self-paced, modular, and technology-based.
- Faculty work with students one-on-one, from the day they enroll until the day they graduate.
- Students demonstrate what they know and spend their study time focusing on what they still need to learn.
- Learning is measured through assessments: objective tests, projects, papers, and presentations.

PROMOTING COMPETENCY-BASED EDUCATION

- Working with Congress and the Department of Education to create legislation and regulations that encourage innovation, including competency-based education.
- Collaborating with state agencies to gain wider recognition and acceptance.
- Helping accrediting organizations understand competency-based education and provide for the model in their standards.

SHARING THE MODEL

- Partnering on U.S. Department of Labor TAACCCT Grant to help Austin, Broward, and Sinclair Colleges develop competency-based information technology programs—more than 300 students now enrolled.
- With funding from the Bill and Melinda Gates Foundation and the Lumina Foundation, helping community colleges in Washington, Indiana, Texas, and Florida develop competency-based degree programs.
- Delivering conferences and webinars for colleges and universities across the country to develop effective competency-based education programs.

CBE4CC WORKSHOP

WGU hosted the Competency-Based Education for Community Colleges (CBE4CC) workshop in Denver, CO, in June 2015. Teams from 60 colleges in 23 states attended sessions focused on strategy and planning, employer collaboration, curriculum, the student experience, and program delivery.

THE JOURNAL OF COMPETENCY-BASED EDUCATION

WGU is launching a new peer-reviewed, online journal focused on best practices, trends, and developments related to competency-based higher education. The CBE Journal, which will be published beginning in spring of 2016, accepts submissions from educators, administrators, and policy makers.
WGU’S STATE-BASED UNIVERSITIES

Adding affordable capacity to state higher education systems.

ENROLLMENT GROWTH IN STATE-BASED UNIVERSITIES SINCE LAUNCH

<table>
<thead>
<tr>
<th>University</th>
<th>Initial Enrollment</th>
<th>Enrollment After Launch</th>
</tr>
</thead>
<tbody>
<tr>
<td>WGU Indiana</td>
<td>250</td>
<td>4,200 in 5 ½ years</td>
</tr>
<tr>
<td>WGU Washington</td>
<td>1,000</td>
<td>8,100 in 4 ½ years</td>
</tr>
<tr>
<td>WGU Texas</td>
<td>1,800</td>
<td>7,100 in 4 years</td>
</tr>
<tr>
<td>WGU Missouri</td>
<td>450</td>
<td>1,900 in 2 ½ years</td>
</tr>
<tr>
<td>WGU Tennessee</td>
<td>700</td>
<td>2,300 in 2 ½ years</td>
</tr>
<tr>
<td>WGU Nevada</td>
<td>900</td>
<td>1,300 in 6 months</td>
</tr>
</tbody>
</table>

MORE THAN 15,000 STUDENTS HAVE GRADUATED IN THESE STATES

<table>
<thead>
<tr>
<th>State</th>
<th>Graduates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indiana</td>
<td>3,000</td>
</tr>
<tr>
<td>Washington</td>
<td>5,100</td>
</tr>
<tr>
<td>Texas</td>
<td>4,300</td>
</tr>
<tr>
<td>Missouri</td>
<td>850</td>
</tr>
<tr>
<td>Tennessee</td>
<td>1,200</td>
</tr>
<tr>
<td>Nevada</td>
<td>1,000</td>
</tr>
</tbody>
</table>

WGU’s state partnerships are delivering significant economic benefits in income growth, social savings, and public education expenses. The total benefit in Indiana last year was $75 million; in Washington, it was $127 million.

—EMSI 2015

“In the next five years, more than half of the jobs in Tennessee will require post-secondary school credentials. WGU Tennessee will fill a critical gap in our higher education landscape.”

—Bill Haslam
Tennessee Governor

In June of 2015, WGU partnered with the state of Nevada to establish its sixth state-based university, WGU Nevada.

“Affordable access to accredited education is the key to our future and essential to bringing more jobs to Nevada. WGU Nevada will make it possible for more Nevadans to earn the degrees they need to advance their careers and provide better for their families.”

GOV. BRIAN SANDOVAL
State of Nevada
PERSONALIZED FACULTY SUPPORT

- Faculty Mentor from start to graduation.
- Course Mentors (subject matter experts) for every course.
- Students rate the quality of interactions with faculty 20% higher than the national average.

COMPUTER-BASED CURRICULUM

- Accessible 24/7.
- Interactive, self-paced, adaptive learning.
- Courses acquired from leading providers.

VALID, RELIABLE ASSESSMENTS

- Developed by assessment experts.
- Designed to measure critical job skills.
- Industry-recognized certifications and exams included in many degree programs.
- Robust feedback provided by faculty who are experts in the field.

"WGU constantly monitors the latest advances and innovations in assessment and brilliantly adapts them to provide continuously improved products and services."

—Lawrence Rudner,
Principal, Arcturus Group, and Member, WGU Assessment Council

ONLINE PROCTORING

- Live test proctoring 24/7 at home.
- Secure test administration.
- Self-service scheduling.
- Now being used for 93% of objective exams.

RECOGNIZED BY FAST COMPANY

“For showing public schools another way to do business. The low-cost, self-paced WGU focuses on skills that lead to better jobs in teaching, health care, IT, and business.”
ANALYTICS TO IMPROVE STUDENT SUCCESS

Enabling faculty to provide better, more personalized support to students when they need it.

- Student scorecards report individual student progress to faculty in real time.
- Faculty dashboards highlight student needs and progress.
- Identifies needed changes in curriculum and assessments.

RESPONSIBLE BORROWING INITIATIVE

- Launched in 2013.
- Encourages students to borrow only what they need for tuition.
- Average borrowing per student per year has decreased by 40%.
- Reduced overall student borrowing by $250 million.

MOBILE ACCESSIBILITY

- On any device, at any time for students and prospective students.
- One-tap access to faculty support.
- Push notifications based on student preferences.
- Immediate access to test and assessment results.

E-TEXTBOOKS

- Provided at no additional charge.
- Average savings to students: $1,200 per year.

WELLCONNECT™

Provided to all students at no additional charge, WellConnect Services include:

- Mental health counseling.
- Budget and debt consulting.
- Legal consulting.

EDUCATION FOR THE FUTURE OF HEALTHCARE

- Nation’s largest competency-based nursing programs.
- New Accountable Care learning Collaborative, in partnership with Leavitt Partners and the Brookings Institution.
- New M.S. in Integrated Healthcare Management, developed in collaboration with key industry and policy leaders.

“I’m impressed by the results in places like Western Governors University. Its low-cost online programs rely on competency-based progression, not class time or credit hours. It uses external assessments to evaluate student proficiency.”

BILL GATES
“Why American Colleges Have to Change”
GRADUATE STORIES

Lisamarie Bermudez, Baltimore, MD
B.A. Interdisciplinary Studies, M.A. Mathematics Education
When she was a young child, Lisamarie moved with her family from Puerto Rico to Maryland. While she wanted to become a teacher, she faced some obstacles, including learning to speak English. She did well in high school, especially in math, but when she graduated, she needed to work to support her family and couldn’t afford to go to college. While working as a teacher’s aide, Lisamarie learned about WGU and enrolled. She earned her bachelor’s degree in elementary education and went on for a master’s degree in math education, all while working full time. Today, she teaches math at a Baltimore middle school, where she was voted teacher of the year by her school and was one of the finalists for Harford County Teacher of the Year.

“In addition to advancing my career, having my education has been a huge asset for my kids. WGU has absolutely changed my life, and, more importantly, has changed the lives of my kids as well.”

—Lisamarie Bermudez

Misty Dieffenbach, Port Orchard, WA
B.S. Human Resource Management
Master of Business Administration
One hot summer afternoon a few years ago, Misty found herself sitting in her car with her baby, running the air conditioning to protect her child from the 100-degree heat. The power in her home had been shut off because she and her husband had gotten behind on their payments. For Misty, who had been more focused on her family’s day-to-day survival than getting a college degree, this was a wakeup call. She needed to find an affordable way to earn a degree that would fit into her busy life as a working mother. Misty enrolled in WGU, and with the support of her family, completed her bachelor’s degree in human resources, landing a job in HR for a school district in western Washington state. While working as a human resources professional, Misty continued at WGU, earning an MBA—and a significant promotion. Today, she is an HR executive at a large school district in Washington.

In addition to advancing my career, having my education has been a huge asset for my kids. WGU has absolutely changed my life, and, more importantly, has changed the lives of my kids as well.

“WGU prepared me to become the teacher I am today!”

—Misty Dieffenbach

At WGU the education was great, the flexibility was amazing, and the support was always just a phone call away. WGU prepared me to become the teacher I am today!”

—Misty Dieffenbach
Sarah Aronack, New Brockton, AL
M.S. in Nursing—Leadership & Management

A veteran and military spouse, Sarah was accustomed to moving often. She worked as a charge nurse at various facilities around the country. When it was time to take her nursing career to the next level, she knew she needed a master’s degree program she could take with her when her husband was assigned to a new base. Sarah enrolled at WGU, and when the family moved to rural Alabama, she was able to stay on track with her studies. While working on her degree, Sarah began a new job as director of nursing at a small rural hospital. When the hospital faced losing key Medicare and Medicaid funding, Sarah used her master’s degree capstone project to address and correct the issues threatening the funding, which saved the hospital from closure.

“Not only did my degree at WGU help me advance my career, it also helped save a rural hospital and the community’s access to local, quality healthcare.”

—Sarah Aronack

Jason Franklin, San Antonio, TX
B.S. Network Design and Management, M.S. Information Security and Assurance

Jason thought he had found career success without a college degree working in IT for the federal government. His career was moving forward until his boss told him that he needed to earn his degree to advance any further. He enrolled at WGU, becoming the first in his family to go to college, and when he graduated, he not only earned his needed bachelor’s degree, but also six industry-standard certifications, immediately earning him a promotion. A short time later, he enrolled in WGU’s M.S. in Information Security and Assurance degree program, completing it in about a year. Thanks to his knowledge, skills, certifications, and two college degrees, Jason is moving forward on his desired career path with the federal government, now serving as an Information Dominance Warfare Officer in the U.S. Navy.

“Because of WGU’s competency-based model I was able to leverage my experience and progress through the courses at my rate. My degrees have opened many doors for me and prepared me with the skills and knowledge I need to succeed.”

—Jason Franklin