

ArchiMedia Advantage Inc.
Benefit Corporation - Annual Impact Report
As of December 31, 2023

Choose to B!

We are exceptionally proud to be legally registered as a Benefit Corporation. Our mission as a Benefit Corporation is central to what makes our company unique.

Many people are not familiar with Benefit Corporations. In a nutshell, being a registered Benefit Corporation means that we don't use our sales and operations to simply fatten profits. Instead, we reinvest our earnings to enrich the student learning experience, expand educational access through improved affordability and improve how we meet the needs of our entire family of stakeholders. When you choose to purchase from our family of brands, you are also benefitting your academic and professional communities.

What being a B Corp means to you and to us.

We are leaders in a growing global movement – using business as a force for good.

- We commit ourselves to the creation of, and broad access to affordable, comprehensive, innovative, and customizable educational resources that help students learn and professors teach.
- We weigh the impact of our decisions on all of our other stakeholders too; our employees, authors and instructors, vendors, professional societies, local communities and the environment.
- We strive to meet the highest standards of overall social and environmental performance, transparency, and accountability.

In short, we are dedicated to making the academic, professional, and other communities that we serve, a better place for everyone.

About Our Company

ArchiMedia Advantage Inc. (“ArchiMedia”) is a network of specialty education companies working together for the development and advancement of Actuaries and the actuarial profession. This alliance, which includes ACTEX Learning, ASM Study Manuals and the Actuarial Bookstore, enables customers to expand their knowledge, skills, and ultimately heighten the overall value of an Actuary through their academic and professional journey.

The ArchiMedia “advantage” stems from many important sources:

- Encyclopedic knowledge – ACTEX Learning’s educational history stretches back over 50 years. The breadth and depth of knowledge and the quality of the educational materials we offer is unmatched.
- Diversity - As a company focused on promoting the global study of Actuarial Science, we believe it is important to offer educational content with varying perspectives. Our diverse collective of professors and professional subject matter experts continues to grow. They come from all walks of life, geographically, ethnically, racially and gender-identity. To a person, we’ve empowered them to create best-in-class educational materials under the ACTEX and ASM brands.
- Customization - We work closely with students, professors, universities, corporations, and other publishers to design and develop educational content and teaching solutions. These materials offer unrivaled access to affordable and comprehensive learning solutions that students can tailor to their unique learning styles and professors can use to enhance their classroom instruction.

ArchiMedia, became a registered benefit corporation in 2022. In doing so, ArchiMedia adopted benefit purpose commitments for six distinct stakeholder groups within our community. These commitments (which you’ll find listed and described below) govern our operations at the most fundamental level. This report shares the work we’ve done during our fiscal year 2023 (January 1, 2023 – December 31, 2023) to advance public benefit and implement our specific benefit purposes.

About Our Community

We believe in the power of community. Our community members actively contribute and collaborate in support of our shared vision. Some members contribute individually, some in work in small teams, but each works collectively for the whole. The members of our educational community include YOU!

- **Students & Professionals** – giving back through communication of ideas with our authors and instructors and the broader community.
- **Professors & Instructors** – pedagogy thought-leaders, supporters of expanded access.
- **Authors & Professional Subject-Matter Experts** – recognized leaders in their field, aspirants for ever-better authorship and instruction
- **Our Team** – employees dedicated to our company vision and mission.
- **Professional Societies (SOA, CAS, IFoA, CIA and more)** – visionaries for professional education.
- **Planet Earth** - Our stewardship of the environment.

Students & Professionals

Our company mission is focused on the creation of, and broad access to, a comprehensive and expanding array of affordable, innovative and customizable educational resources that help students and professionals learn. We've been doing this since ACTEX was founded in 1972 by Professor Dick London, an academic who created the very first study manual for students preparing for actuarial exams. Today, ArchiMedia employees, authors and instructors continue to expand on our founder's noble tradition through innovation and the development of best-in-class textbooks, study manuals, video instruction, question databases and other learning tools.

As a Benefit Corporation, our biggest challenge (and reward), is simultaneously expanding our offerings and pricing our products in a manner that assures broad and expanding access. We are also firmly committed to pricing transparency. In 2023, we achieved the following:

- Affordability to further expand access – We are committed to offering our most popular study programs at the lowest possible prices. Our real and nominal price reduction efforts continue. In 2023, consumer inflation remained elevated and university tuition inflation continued unabated. We attempted to take a countervailing path to prices and affordability. Our 2023 initiatives included:
 - Our Study Manual Programs (SMPs) are already the lowest priced, complete study manual programs in the industry. Across all titles, we maintained our electronic pricing incentives, encouraging the purchase of environmentally friendly, lower priced electronic versions for students, professors and corporate customers.
 - Maintaining choice for printed SMP options, “print & ship” options are offered to students with little to no price mark up.
 - Lowering pricing on our electronic Flashcards by 39% for most titles.
- Expanded free content to help students with study techniques, career advancement and exam preparation:
 - New free electronic book titles including:
 - *Actuarial Exam Tactics: Learn More, Study Less*, 2nd Ed.
 - *The Actuarial Career: Getting Started*, 1st Ed.
 - *The Influential Actuary*, 1st Ed.
 - New/Revised/Expanded Preliminary Exam Formula & Review sheets.
 - Expanded distribution and access – now available for the first time to all students, including those outside our eLearning platform.
 - SOA: 8 exams
 - CAS: 2 exams (with one more planned for 2024)
 - IFoA: 4 exams (with two more planned for 2024)
 - Free *Calculus Review Guide* provided to all preliminary exam students within our eLearning platform.
 - Free supplemental study resources for preliminary exams.
 - Webinar: *Risk It! Be an Actuary!*

- Free Digital Solutions Manuals – In 2022, we first began offering our digital solutions manuals for free with the purchase of our textbook, *Probability for Risk Management*, 3rd Ed. In 2023, we expanded that section of our library with 4 additional preliminary exam textbooks with little to zero change in the pricing, offering the solutions manuals free of charge. New titles include:
 - *Theory of Interest and Life Contingencies with Pension Applications*, 4th Ed.
 - *Introduction to Ratemaking and Loss Reserving for Property and Casualty Insurance*, 5th Ed.
 - *Actuarial Statistics with R: Theory and Case Studies*, 1st Ed.
 - *Introduction to Credibility Theory*, 4th Ed.

- Our largest new initiative for 2023 was the launch of IFoA study programs. This is ArchiMedia’s first effort to offer study materials designed specifically for national markets outside of North America. Many of these markets are developing nations that have appreciably lower income levels, including within their student and university populations. It is our goal to offer these markets quality and affordability on a scale not previously attempted by a major actuarial science education publisher. In these markets, we view our activities through the lens of our mission as a Benefit Corporation – putting people ahead of profits and expanding economic opportunity through affordable education.

- A 20% increase in our 2023 financial donation to Actuarial Foundation, an organization offering free math education and financial literacy programs, resources, and scholarships to meet the needs of teachers, students and parents.

- We launched the ACTEX-ASM Champion Program in 2023. Aimed at university organizations all over the world, this program creates direct connections between ArchiMedia and their student populations. It brings many benefits to students:
 - The Champion (an organization student representative) receives free study materials to support their exam preparation.
 - All members of the Actuarial Program/Club/Society get access to a 20% discount coupon, valid on our most popular Associate-level study materials.
 - ArchiMedia offers free workshops to the student organizations covering range of topics including exam preparation, career paths and how to utilize our study materials in the most efficient way.

- Pricing transparency – to broaden access to all customer segments, we offer everyday affordability for all.

We strive to do even better in 2024! We are actively pursuing ways to further improve affordability and access, including a more expansive outreach effort to underserved communities.

Professors & Instructors

It is enshrined in our corporate by-laws that the company shall have a specific public benefit purpose,

“To promote innovation in education and improved access to exceptional content and expert instruction through our community of students, educators and professionals with the goal of offering customizable educational resources to improve both the effectiveness and efficiency in which students and professionals learn, and professors and instructors teach.”

Professors and instructors are central members of our community. It’s a source of pride for our company that our collaboration with professors is both mutually beneficial, self-reinforcing and directly adds value to classroom instruction and the student learning experience.

One of our most successful accomplishments during the past two years has been expanding our university classroom offerings while simultaneously expanding our university discount pricing to assure broad and expanded access. In 2023, we achieved the following:

- Maintained Academic GOAL classroom course bundles at prices ranging from 36.1% to 69.0% below individual pricing levels (which are already the lowest in the industry). These bundles include all materials professors and instructors need to teach and students to learn.
 - The first time such a discount program was offered by ACTEX-ASM in Africa was in Ghana in 2022. In 2023, we significantly expanded our partnerships with institutions on the continent. In addition, we rolled out still deeper discounts to expand access in Nigeria, Senegal and Kenya.
 - Students have realized immediate success because of these initiatives. Our partnership with the Ghana diaspora provides exam study materials at 3 universities in Ghana: KNUST, University of Ghana and University of Cape Coast. Enrolled students have far outperformed their global peers, as can be seen by their impressive pass rates:
 - During the first year of the program (2022-2023), the Ghanaian students sponsored achieved a very impressive 69% pass rate for all students! Well above the typical 50% +/- pass rates, globally.
 - During this second year of the program (November to December 2023), KNUST reported that a total of 23 students were registered for SOA exams P and FM, and 19 passed, an incredible 83% pass rate!
- Expanded access to the library of discounted and non-discounted textbooks and other titles available in Vital Source and Redshelf platforms, providing wider university distribution of these popular textbooks.

Authors & Professional Subject-Matter Experts

In 2023, we significantly expanded our global network of professors, graduate students and professional subject matter experts and empowered them to collectively create best-in-class educational materials. These pedagogy thought-leaders are attracted to our mission of expanded student access and similarly feel compelled to take personal and professional action toward work that is not necessarily bigger, but definitely better; work that has a positive impact in the world and that inspires others to take positive action too.

This past year, we achieved the following:

- Expanded our diverse network of contributing professors and graduate students by 41 talented scholars and educators. Many of these new content contributors work and reside in foreign countries such as India, Ghana, Kenya, Portugal, UK, Hong Kong and Malaysia.
- Equitable pay – Globally, we hire professors, teaching assistants, and early career actuarial professionals to work as content specialists. Regardless of country of residence, we pay the same global hourly rate. Our goal is to help offset the disadvantages often faced by those who live in lesser developed countries. It's an equal pay for equal work approach, too often missing in the US and around the world. In practice, we've found that this approach has the tangible benefit of empowering students and early graduates to sit for additional actuarial exams.
- Payment Assurance – As is our standard practice, 100% of professors (including all contractors and vendors) received timely payment, comfortably exceeding our pre-established payment terms.

Our Team

We endeavor to provide a positive and supportive work environment with high-quality benefits and training programs for our employees. In 2023, we achieved the following:

- Leadership, Communication, Management and Teambuilding training was expanded in 2023 to include the entire staff. In 2023, we increased employee training expenditures by 57.4% over the prior year. Our commitment to investment in employee development has never been higher with its continuation planned for 2024.
- We seek full participation in both our 401k and flexible spending account programs. In 2023 we had mixed success. Our 401k participation increased by 80.0% while participation in the flexible spending account remained unchanged. Our goal is 100% participation of eligible staff, and we remain committed to regular additional employee education in this area.

- We supported 1 staff member who sat for (and passed!) an actuarial exam with both study time and exam fee reimbursement.

Professional Societies

Over the past 50 years, ACTEX employees, authors and instructors have volunteered thousands of hours to the advancement of education and the actuarial profession through leadership and committee assignments at both the Society of Actuaries (SOA), Casualty Actuarial Society (CAS) and more recently, the Institute and Faculty of Actuaries (IFoA). In 2023, we worked toward completion of the following projects that put purpose (expanding the actuarial knowledge base) above profitability:

- CAS, Exam 8 Monograph Project – ACTEX is working with CAS Staff and Exam Committee members and leading a small global team of experts to create an authoritative CAS text on the subject of advanced ratemaking.
- CAS MAS-I & MAS-II simulated exam question databank project – ACTEX assisted CAS Staff and Exam Committee members to help create simulated exams for students for Exams MAS-I and MAS-II.
- SOA Exam Prep Council – ACTEX became an inaugural member of the SOA’s new Exam Prep Council. Members assist the SOA by providing feedback and ideas designed to improve the student experience.
- *Design Your Future with the Competency Framework – The Complete Actuary*, First Edition (Junker & Robbins) – nearing the launch date in the first quarter of 2024 with cooperation of the SOA.
- Reprint permission granted to SOA, allowing the SOA to use ACTEX educational materials in their candidate Study Notes for a nominal fee.
- Booklist communication with SOA, assisting the SOA to assure that the materials selected by Exam Committees are available for student use.
- Shipment of syllabi listed textbooks to SOA Exam committee members, as requested.

Planet Earth

Equally important to ArchiMedia is our stewardship of the environment. We encourage our employees and all the above-listed members of our community to support ArchiMedia’s efforts to reduce our environmental impact. As a specialty eLearning company, our carbon footprint is small. But as a Benefit Corporation, we strive to conduct our operations in a manner that seeks

to cause no unnecessary harm by reducing the environmental impact of our operations in water use, water quality, energy use, greenhouse gas emissions, chemical use, toxicity and waste. In 2023, we achieved the following:

- Paper reduction – Our company offers printed material for our own products and that of other publishers as well. We’ve undertaken a companywide effort, in partnership with many of these peer companies, to shift to electronic materials and away from printed material to reduce our combined carbon footprint. In 2022, we decreased paper usage by 34.8%. However, in 2023, our paper usage increased 8.9%.
- Shipping reduction – We are pleased that physical shipments declined an estimated 16.7%, leading to a corresponding reduction in emission pollutants.
- Healthy oceans & environmental education – On April 22nd, staff members near and far braved chilly Spring temperatures to complete the Rescue Walk for Marine Mammals. The Marine Mammal Rescue program responds to and provides rescue efforts of all marine mammals on the NH and northern MA coast, as well as educating the public about why a healthy ocean is vitally important.

Thoughts on Governance

For Benefit Corporations like ArchiMedia, “governance” means how well our actions deliver on our aspirations. As they say, “It’s easier said than done.” We are joined on this journey by some of the best educators and professionals in the world, all focused on creating positive educational, social and environmental impact. Through our own actions and those of these like-minded community members, we amplify the benefits of our actions across the globe.

In 2023, we further focused our company’s goals of operating as a socially and environmentally conscious business as well as providing a platform for public accountability. Operating as a Benefit Corporation also helps us ensure our stakeholder’s interests are transparently and authentically baked into every aspect of our business; the things we do and don’t do, and the way we interact with our student, professors, employees, suppliers and our communities. It means we set concrete goals for the positive impact we want to make, and we track and publish how well we deliver on them. And as we get better, it keeps us striving for more. It keeps us asking ourselves “What can be better?” every day.

Looking Ahead

We are pleased with this past year’s accomplishments as Benefit Corporation, but we are not satisfied. There is much more to do! As we look forward to 2024, we are implementing plans to expand our educational, societal and environmental efforts. We encourage everyone reading this report to join us – helping to expand knowledge, build community and care for our planet in the process!