Pearson

Fireside Chat

Art Valentine
President, A&Q

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Forward-looking statements

Except for the historical information contained herein, the matters discussed in this presentation include forward-looking statements.

In particular, all statements that express forecasts, expectations and projections with respect to future matters, including trends in results of operations, margins, growth rates, overall market trends, the impact of interest or exchange rates, the availability of financing, anticipated costs savings and synergies and the execution of Pearson's strategy, are forward-looking statements.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will occur in future. They are based on numerous assumptions regarding Pearson's present and future business strategies and the environment in which it will operate in the future.

There are a number of factors which could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including a number of factors outside Pearson's control. These include international, national and local conditions, as well as competition.

They also include other risks detailed from time to time in Pearson's publicly-filed documents and you are advised to read, in particular, the risk factors set out in Pearson's latest annual report and accounts, which can be found on its website (plc.pearson.com).

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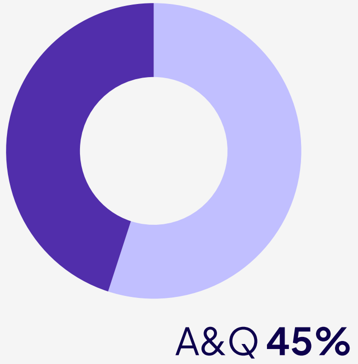
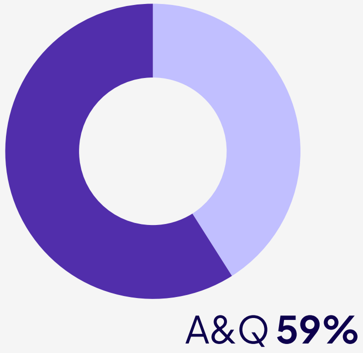
Assessment & verification sits at the core of Pearson

A&Q is a key engine of Pearson's economics, and has many levers to drive growth over the medium term

FY25 Group Revenue Mix

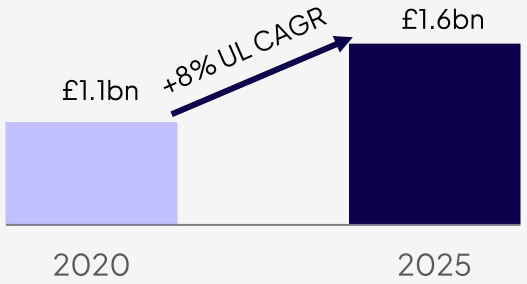


FY25 Group Profit Mix*

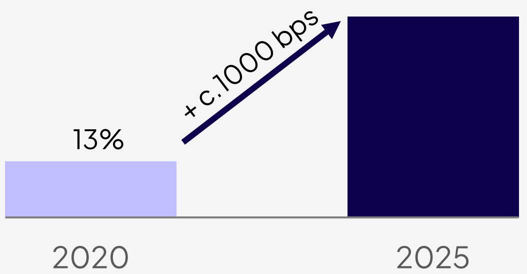


Compounding financial progression

A&Q Revenue



A&Q Adjusted Operating Margin



Medium term growth drivers of A&Q

Strengthen **Retain and win contracts**	FY25 Power Metrics **96% Renewals** **£33m Growth**
Extend & Create **Adjacent Market Expansion**	Mid/lower stakes Pharma Formative Assessments
New Skills Demand **AI / Tech driving demand for validated new skills**	Adobe salesforce ANTHROPIC Google Cloud
International **Serve growing international demand for assessments**	**c.25%**[1] of FY25 Revenue

*Adjusted Operating Profit

[1]International revenue includes all non-US revenue for Pearson Professional Assessments and Clinical Assessments, as well as all non-UK revenue for UK & International school qualifications. Revenue mix estimated based on test taker location.

Enduring competitive strengths

We hold leading positions across our offerings, with customer relationships built on trust

Leading positions	**Leading player in assessments**	**Significant global scale**	**Unmatched breadth**
Long history of operational excellence	**c.450m** assessments delivered over the last 3 years	every **1.5** seconds a Pearson Professional Assessments exam is delivered	**20+ years** Edexcel has been an accredited UK awarding body
Deeply embedded	**96%** Renewal rate[1]	**90%+** Retention Clinical Digital Sub[2]	**550+** Pearson Professional Assessments Customers
Proprietary datasets	Proprietary assessment development, delivery and scoring capabilities	Clinical Product Offerings based on over 70yrs of peer-reviewed research	
Trust	Flight to safety in AI world	Customers increasingly asking for increased security / safety measures	

[1]Measures PPA & US Student Assessment total value of contracts renewed / (total value of contracts renewed + lost). Contracts renewed include wins and scope increases from existing customers.
[2]Clinical Assessment digital subscription model retention

Track record of new wins and high renewal rates

Long term contracts provides durability, with wins supporting future compounding growth

Wins Rates

£33m
Power Metric Growth (PPA/US Student)
2024: £36m
2023: £7m

28%
Clinical DALs Account Growth

c.700
Schools Adopting UK Qualifications[1]

Key Differentiating Factors

- Deep sales relationships drive influence over time
- Psychometric assessment capabilities
- Team focused on driving new pipeline and bookings
- Unmatched global scale / end to end delivery
- Rigorous bid / RFP process capabilities
- High levels of security integration

Renewal Rates

96%
Power Metric Renewals (PPA/US Student)
2024: 99%
2023: 87%

90%+
Clinical Digital Renewals

97%
UK School Qualifications Renewals[2]

Key Differentiating Factors

- High touch customer centricity
- Trusted results
- Incumbent advantage
- Operational excellence
- Innovation / enhancements to core offerings
- Proactive upsell/ cross sell

[1] Includes new schools adopting our UK Qualifications as well as current schools increasing their adoption of our UK Qualifications
[2] Total value of school purchases renewed / (total value of school purchases renewed + lost)

Across Pearson, we deliver a broad range of assessments

Offerings across 4 key stakeholder groups provides resilience

Stakeholder	Use Case	Description	Pearson Examples
Academic	Academic Admission & Placement	Evaluation of applicant readiness to determine program-entry or appropriate starting level within a program	UAT UK (University Admissions Tests), GMAT, AAMC Medical College Admission Test
	Special Education Eligibility & Support	Evaluation of eligibility for special education curriculum and support	Clinical Digital Assessment Library
	Academic Summative / Program Completion	Evaluation of cumulative learning to determine completion or award	edexcel, US Student Assessments, BTEC
Institution & Government	Citizenship / Immigration	Evidence of required language or foundational capability for eligibility decisions	Pearson | PTE, Pearson | PTE Express
	Licensure / Mandated Certification	Verification of minimum competency required for a regulated profession	NCLEX, NCEES, BACB
Clinical	Clinical / Diagnostic	Measurement of cognitive, behavioral, or psychological constructs to support diagnosis or treatment	Q-global, Q-interactive, >100 assessments
Enterprise	Pre-Hire Decision Making	Evaluation of candidate capability and fit to inform hiring decisions	pdri by Pearson, VERSANT by Pearson
	Skills Certifications	Validation of proficiency against defined standards, resulting in a formal externally recognized credential	aws, Microsoft, salesforce
	Talent Mobility & Workforce Assessments	Evaluation of capability and potential to inform internal role, location or progression decisions as well as inform organizational decisions	pdri by Pearson, Pearson TalentLens, FAETHM by Pearson

We provide assessment & verification infrastructure

Our services span a complex value chain of physical and digital workflows, and we are constantly innovating to improve effectiveness and drive efficiencies.

	IP Development	Assessment Delivery	Scoring, Results & Compliance
	Design & Creation; Assembly & Lifecycle Mgmt	Identity & Access; Test Delivery; Integration & Security	Scoring & Evaluation; Results; Compliance & Governance
Academic – GCSEs	Pearson develops qualifications for over 40 subjects for UK and International GCSEs	c.800k students assessed in 2025, consisting of c.2m specific, mostly paper based, tests Strict security protocols to ensure fairness	Papers marked by network of +20k assessment specialists. Results released across the UK on a single day. Strict compliance with government requirements, including calibration and benchmarking
Inst & Govt – TSA	Our client, Transportation Security Administration (TSA), develops exam content	Average c.136k[1] exams delivered annually Exams are offered online and in-person	Results scored and securely reported Compliance with government/institution requirements
Clinical – BASC	Test updated every c.10 years; Pearson collaborates with leading child behavior experts to develop updated content and field test with >12,000 participants	c.4m test administrations delivered, online and in-person, in 2025 by over 95k qualified Clinicians across paper and digital formats; integrates with medical/school records	Scoring built into Pearson platform, with results provided immediately; informs eligibility for special education services and development of intervention plans; HIPAA compliance
Enterprise – Microsoft	Pearson works in partnership to design the Microsoft Office Specialist program: 17 unique exams with c.150 versions	>2.5m exams delivered globally in 2025 Exams available online and in-person	Automatic scoring during exam session; Instantaneous results following exam completion

[1] Average annual TSA volume across 2023-2025

Clinical Assessment well positioned for continued growth

Clinical Assessment delivered a c.7% revenue CAGR over the past 3 years, driven by clear competitive advantages, execution and supportive market conditions.

Enduring Competitive Advantages

Strongest Breadth and Depth of Portfolio in industry

Backed by **multiple decades of peer-reviewed research**

Recognized as the **Gold-Standards in psychological measurement.**

100+ core assessments

Structural Tailwinds

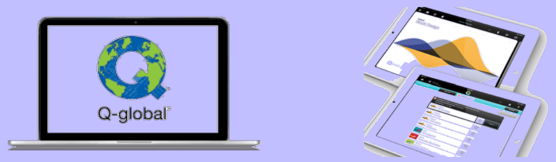
Greater awareness and societal value of mental health

Growing professional workforce to support clinical needs

Favorable funding trends

Clear Medium Term Growth Drivers

Accelerate digital platform growth



Adjacent Market Opportunities

Pharma

Consumer

International

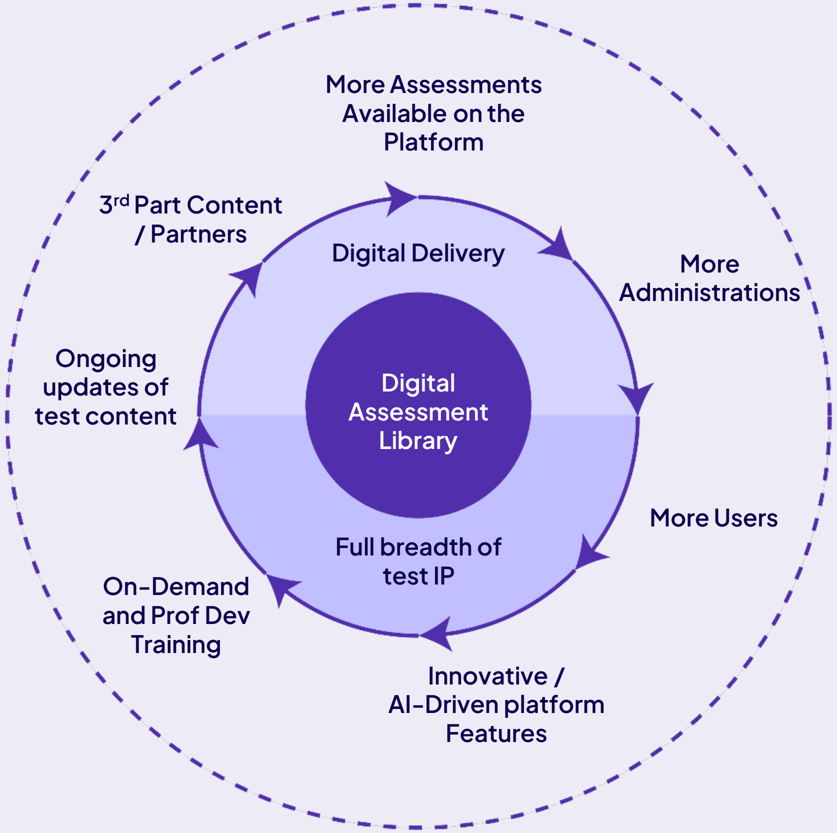
Direct Delivery Markets

Partner Markets

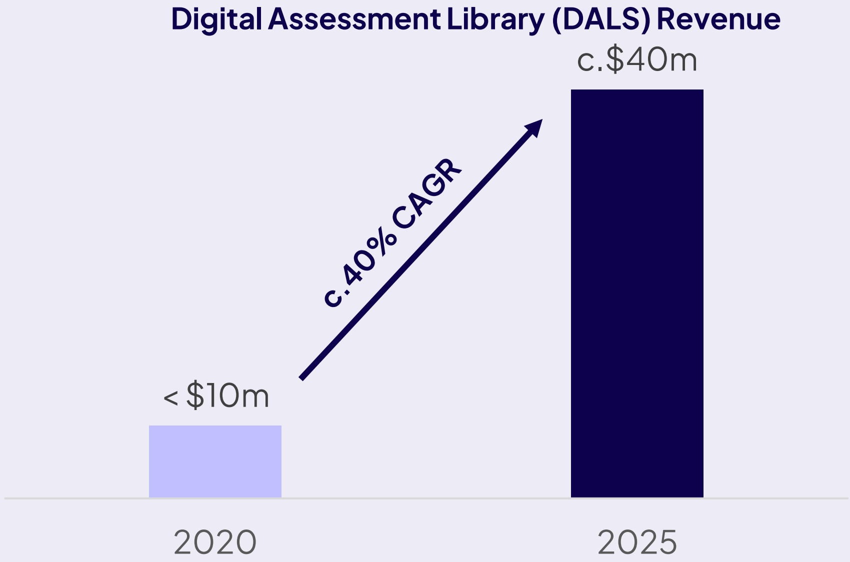
Clinical Digital platform strategy a key growth driver

Assessment platform offers an unmatched breadth of clinical offerings in a single solution, providing a clear value proposition for customers. Our strategy drives flywheel benefits, attracting third party content and deeper integration with customers, supporting future growth.

Market leading platform



Accelerating Adoption & Retention

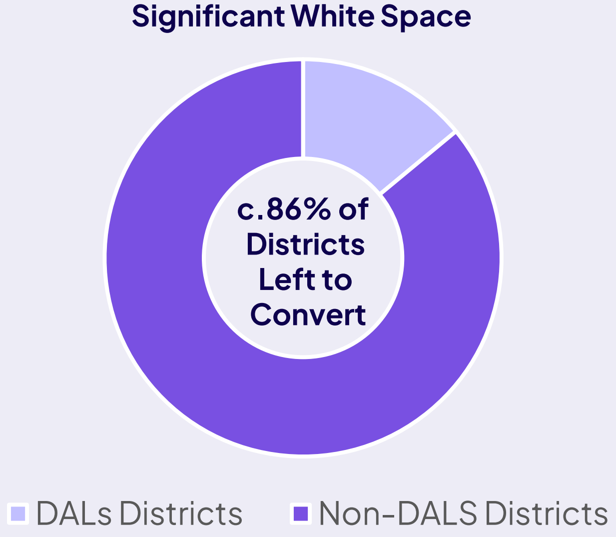


90%+ Renewal Rate

Adoption by 6 of the largest school districts

AI Co-Writing Assistant

Ongoing Growth Drivers



Winning Statewide Adoptions in US K-12

Expanding Model to Healthcare Segment

Replicating Model Internationally