



## CEO succession

In September, we announced that Andy Bird would be retiring from his role as our Chief Executive. On behalf of the Board and all the Group's stakeholders, I would like to thank Andy for his outstanding leadership, and his implementation of the ambitious vision and strategy that have successfully transitioned Pearson into the business we are today. During his tenure, adjusted operating profit has increased from £313m to £573m, and shareholders have benefited from a total 3-year return of 53%. Andy has accelerated our digital proposition and capability so that 82% of our portfolio today is digital or digitally-enabled. The launch of Pearson+ in July 2021 has been an important contributor, bringing us meaningfully closer to consumers and the platform had grown to around 5m registered users by the end of the full calendar year.

AI has been part of Pearson's DNA for many years, and under Andy's stewardship, we have leveraged advances in generative AI to enhance the value of our content with plans to make it available to millions more students across key titles in the year ahead. Having also put in place a strong management team, Andy leaves Pearson well-placed for the future.

Following a thorough selection process, which you can read more about on pages 83 and 91 respectively, the Board was delighted to appoint Omar Abbosh to succeed Andy. Omar is an inspirational, dynamic and growth-orientated leader with deep commercial, technology and operational expertise focused on delivering high-quality services and products across diverse markets and customer sets. He has extensive experience in creating and executing strategies to enable companies to harness technology and succeed in a world of disruptive change. He shares our values and our ambition and has a strong track record of execution. Omar joined us in January 2024 and the Board and I are enjoying working with him as we accelerate our strategy and continue to deliver value for all our stakeholders.

## Learning for impact

With our purpose of adding life to a lifetime of learning, we are focused on delivering Learning for Impact. We take a considered approach to the adoption of technologies such as generative AI that have enormous potential but also entail new risks, and we are committed to the highest standards of data privacy and security. We empower our people to make a difference, making further progress on employee engagement in the year as we continue to invest in talent and drive a culture of belonging that aims for increasingly diverse representation throughout the company. We recognise our responsibility to reduce our environmental impact, and are on track to meet our target of halving our carbon emissions by 2030, having made excellent progress to date, with a reduction of 16% vs 2022. This is the product of many different initiatives across our operations and supply chain, with significant benefits coming from our strategy to become increasingly digital, reducing the footprint and impacts of our print operations.

## The Board

We have a strong, diverse and highly experienced Board which continues to offer valuable perspective, insight and leadership. There were some changes to the Board during the year due to retirement, giving us the opportunity to welcome new talent and fresh thinking.

In June, we were delighted to welcome two new Non-Executive Directors, Alison Dolan and Alex Hardiman. Alison has been Chief Financial Officer at Rightmove plc since 2020 and brings extensive commercial and operational finance experience, specifically in digital businesses. Alex currently serves as The New York Times' Chief Product Officer and was previously at Facebook where she served as Head of News Products.

Tim Score, Deputy Chair and Senior Independent Director, will step down from the Board at the AGM in April 2024 following a nine year tenure. His vast experience has been enormously valuable to Pearson and I would like to thank him hugely for the significant contribution that he has made to the business. I am pleased that Graeme Pitkethly will be taking over the role as Deputy Chair and Senior Independent Director once Tim has stepped down.