

# Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (AGM or the meeting) of Pearson plc (the company) will be held at The Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE at 12 noon on Friday, 1 May 2009 for the following purposes:

## Ordinary business

1. To receive and consider the accounts of the company and reports of the directors of the company (directors) and auditors of the company (auditors) for the year ended 31 December 2008;
2. To declare a final dividend on the ordinary shares, as recommended by the directors;
3. To re-elect David Arculus as a director;
4. To re-elect Terry Burns as a director;
5. To re-elect Patrick Cescau as a director;
6. To re-elect Rona Fairhead as a director;
7. To re-elect Robin Freestone as a director;
8. To re-elect Susan Fuhrman as a director;
9. To re-elect Ken Hydon as a director;
10. To re-elect John Makinson as a director;
11. To re-elect Glen Moreno as a director;
12. To re-elect Marjorie Scardino as a director;
13. To reappoint Will Ethridge as a director;
14. To reappoint C K Prahalad as a director;
15. To receive and approve the report on directors' remuneration;
16. To reappoint PricewaterhouseCoopers LLP as auditors for the ensuing year;
17. To authorise the directors to determine the remuneration of the auditors; and
18. To consider and, if thought fit, to pass the following resolution which will be proposed as an ordinary resolution:

THAT, subject to the passing of resolution 19 below, the board be authorised to allot relevant securities (as defined in the Companies Act 1985):

(A) up to a nominal amount of £67,500,000; and

(B) comprising equity securities up to a nominal amount of £135,000,000 (including within such limit any shares issued under (A) above) in connection with an offer by way of a rights issue:

- (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) to people who are holders of other equity securities if this is required by the rights of those securities or, if the board considers it necessary, as permitted by the rights of those securities;

and so that the board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter;

such authorities to apply until the close of the AGM in 2010 but, in each case, so that the company may make offers and enter into agreements during the relevant period which would, or might, require relevant securities to be allotted after the authority ends and the board may allot relevant securities under any such offer or agreement as if the authority had not ended.

## Special business

19. To consider and, if thought fit, to pass the following resolution which will be proposed as an ordinary resolution:

THAT, the authorised ordinary share capital of the company of £299,500,000 be and is hereby increased by £100,500,000 to £400,000,000 by the creation of 402,000,000 ordinary shares of 25p each.

20. To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:

THAT, subject to resolutions 18 and 19 being passed, the board be given power to allot equity securities for cash under the authority given by those resolutions and/or where the allotment constitutes an allotment of equity securities by virtue of section 94(3A) of the Act, free of the restriction in section 89(1) of the Act, such power to be limited:

(A) to the allotment of equity securities in connection with an offer of equity securities (but in the case of the authority granted under resolution 18(B), by way of a rights issue only):

(i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

(ii) to people who are holders of other equity securities, if this is required by the rights of those securities or, if the board considers it necessary, as permitted by the rights of those securities;

and so that the board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

(B) in the case of the authority granted under resolution 18(A), to the allotment (otherwise than under 20(A) above) of equity securities up to a nominal amount of £10,123,000;

such power to apply until the close of the AGM in 2010 (or, if earlier, until the close of business on 31 July 2010) but during this period the company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted after the power ends and the board may allot equity securities under any such offer or agreement as if the power had not ended.

21. To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:

THAT, pursuant to article 9 of the company's Articles, the company is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 163(3) of the Act) of ordinary shares of 25p each in the capital of the company provided that: (i) the maximum number of ordinary shares hereby authorised to be purchased is 80,000,000; (ii) the minimum price which may be paid for an ordinary share is 25p per share which amount shall be exclusive of expenses; (iii) the maximum price which may be paid for an ordinary share is, in respect of an ordinary share contracted to be purchased on any day, the higher of (a) an amount (exclusive of expenses) equal to 105% of the average of the market value of ordinary shares of the company derived from the London Stock Exchange Daily Official List for the five business days before the purchase is made and (b) an amount equal to the higher of the price of the last independent trade of an ordinary

share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System; (iv) the authority hereby conferred shall end at the close of the AGM in 2010; and (v) the company may make a contract to purchase ordinary shares under the authority prior to the end of such authority which will or may be executed wholly or partly after the end of such authority and may make a purchase of ordinary shares in pursuance of any such contract as if the authority had not ended.

22. To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:

THAT, with effect from 00.01 am on 1 October 2009, the Articles of Association of the company be amended by deleting all the provisions of the company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, would otherwise be treated as provisions of the company's Articles of Association, and by deleting article 3.

23. To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:

THAT, in accordance with the company's Articles of Association, the company be and is hereby authorised until the close of the AGM in 2010, to call general meetings on 14 clear days' notice.

By order of the board



**Philip Hoffman** Secretary

26 March 2009

## Notes

1. Ordinary shareholders and/or nominee shareholders only are entitled to attend, speak and vote at this AGM. Any such shareholder or nominee shareholder may appoint one or more persons (whether members of the company or not) to act as his/her proxy or proxies to attend, speak and vote instead of him/her. The form of proxy for use at the meeting must be deposited, together with any power of attorney or authority under which it is signed, at Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6GQ, not less than 48 hours before the time appointed for the meeting or any adjourned meeting. An appropriate form of proxy is enclosed. Alternatively, you may register your vote online by visiting [www.sharevote.co.uk](http://www.sharevote.co.uk) or, if you already have a portfolio registered with Equiniti, by logging onto [www.shareview.co.uk](http://www.shareview.co.uk). In order to register your vote online you will need to enter the Voting I.D., Task I.D. and Shareholder Reference Number which are given on the enclosed form of proxy.

If you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Further details are contained in the form of proxy. Completion of a form of proxy, or the appointment of a proxy electronically, will not stop you from attending the meeting and voting in person should you so wish.

2. In order to facilitate voting by corporate representatives at the meeting (and in compliance with the relevant Institute of Chartered Secretaries and Administrators (ICSA) guidelines) arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the ICSA on proxies and corporate representatives – [www.icsa.org.uk](http://www.icsa.org.uk) – for

further details of this procedure. The guidance includes a sample form of representation letter if the chairman is being appointed as described in (i) above.

3. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a Nominated Person) may have a right, under an agreement between him/her and the shareholder by whom he/she was nominated, to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies in paragraph 1 above does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by shareholders of the company.

4. As at 4 March 2009 (being the latest practicable date prior to the publication of this Notice) the company's issued share capital consists of 809,843,030 ordinary shares, carrying one vote each. Therefore, the total voting rights in the company as at 4 March 2009 are 809,843,030.
5. The following documents are available for inspection at the company's registered office during normal business hours on any business day and also during the AGM and for 15 minutes beforehand:
  - copies of the directors' service contracts with, or letters of appointment by, the company; and
  - the company's Articles.

The register of directors' interests will also be available for inspection during the AGM.

The company, pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the company at 6 pm on Wednesday, 29 April 2009 shall be entitled to attend and vote at the AGM in respect of the number of shares registered in their name at that time. Changes to the register of members of the company after 6 pm on Wednesday, 29 April 2009 shall be disregarded in determining the rights of any person to attend or vote at the meeting.