STRATEGIC EDUCATION INC

INVESTOR AND ANALYST DAY 2023

TUESDAY, NOVEMBER 7

NEW YORK, NEW YORK

Forward-looking statements

Statements Under the Private Securities Litigation Reform Act of 1995

Statements in this presentation are “forward-looking statements” under the federal securities laws. Such statements may be identified by the use of words such as “expect,” “estimate,” “assume,” “believe,” “anticipate,” “may,” “will,” “forecast,” “outlook,” “plan,” “project,” “potential” and other similar words, and include all statements that are not historical facts, including with respect to, among other things, the future financial performance and growth opportunities of Strategic Education, Inc. (Strategic Education); Strategic Education’s plans, strategies and prospects; and future events and expectations. The statements are based on Strategic Education’s current expectations and are subject to a number of assumptions, uncertainties and risks, including but not limited to: the pace of student enrollment; Strategic Education’s continued compliance with Title IV of the Higher Education Act, and the regulations thereunder, as well as other federal laws and regulations, institutional accreditation standards and state regulatory requirements; rulemaking and other action by the Department of Education or other governmental entities, including without limitation action related to borrower defense to repayment applications, and increased focus by the U.S. Congress on for-profit education institutions; competitive factors; risks associated with the further spread of COVID-19, including the ultimate impact of COVID-19 on people and economies; risks associated with the opening of new campuses; risks associated with the offering of new educational programs and adapting to other changes; risks associated with the acquisition of existing educational institutions, including Strategic Education’s acquisition of Torrens University and associated assets in Australia and New Zealand; the risk that the benefits of the acquisition of Torrens University and associated assets in Australia and New Zealand may not be fully realized or may take longer to realize than expected; the risk that the acquisition of Torrens University and associated assets in Australia and New Zealand may not advance Strategic Education’s business strategy and growth strategy; risks relating to the timing of regulatory approvals; Strategic Education’s ability to implement its growth strategy; the risk that the combined company may experience difficulty integrating employees or operations; risks associated with the ability of Strategic Education’s students to finance their education in a timely manner; general economic and market conditions; and additional factors described in Strategic Education’s most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Many of these risks, uncertainties and assumptions are beyond Strategic Education’s ability to control or predict. Because of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements. Furthermore, these forward-looking statements speak only as of the information currently available to Strategic Education on the date they are made, and Strategic Education undertakes no obligation to update or revise forward-looking statements, except as required by law. Actual results may differ materially from those projected in the forward-looking statements. All Strategic Education filings are available for viewing on our website at www.strategiceducation.com.


STRATEGIC
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INC
SM

Welcome

Robert S. Silberman
Chairman

- Previously Chief Executive Officer, Strayer Education, Inc., from 2001 to 2013
- Prior roles include President and Chief Operating Officer of CalEnergy Company, a subsidiary of Berkshire Hathaway, and U.S. Assistant Secretary of the Army (presidential appointment)
- MA, Johns Hopkins University, School of Advanced International Studies

Agenda

8:00AM – 12:30PM

- **Welcome** – Robert Silberman, Chairman
- **SEI Strategy & Market Opportunity** – Karl McDonnell, President and Chief Executive Officer
- **Business Unit Review: U.S. Higher Education (USHE)** – Andy Watt, President, U.S. Higher Education
    - Capella University – Constance St. Germain, EdD, Capella University President
    - Strayer University – Andrea Backman, PhD, Strayer University President

BREAK

- **Business Unit Review: Australia New Zealand (ANZ)** – Linda Brown, President, Australia New Zealand and Alwyn Louw, PhD, Vice Chancellor, Torrens University Australia
- **Business Unit Review: Education Technology Services (ETS)** – Joe Schaefer, President, Education Technology Services
- **Financial Update** – Daniel Jackson, Executive Vice President and Chief Financial Officer
- **Q&A**
- **Thank You and Closing Remarks** – Robert Silberman and Karl McDonnell


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Welcome

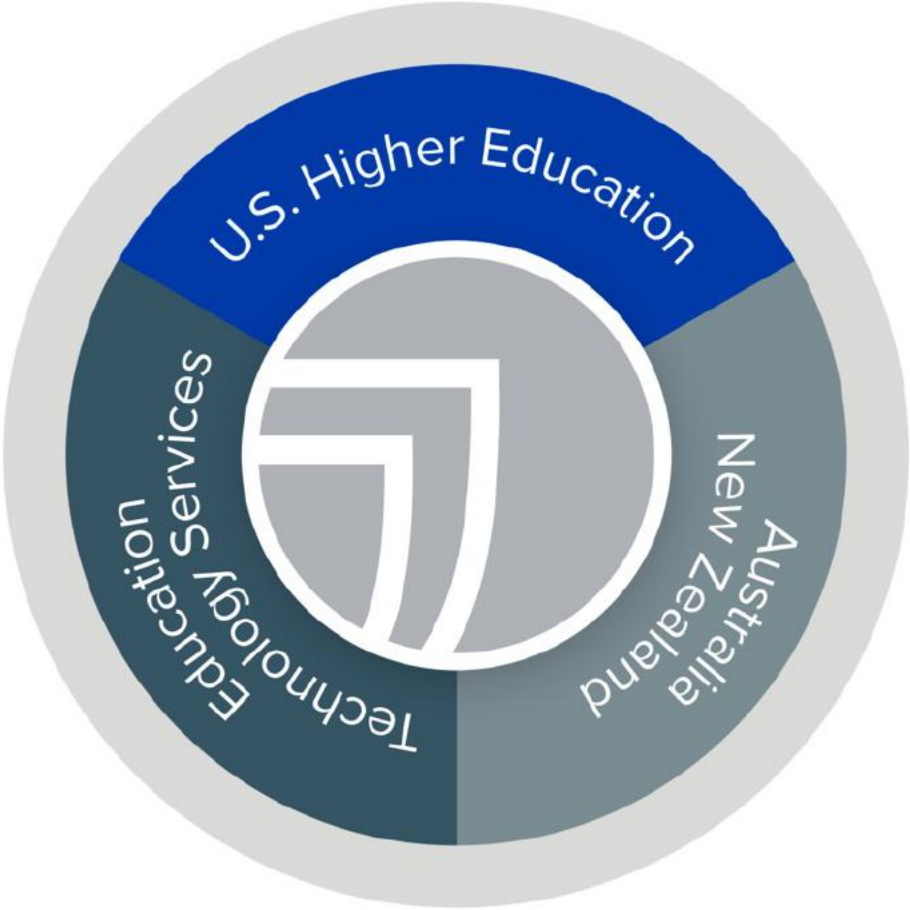
Karl McDonnell

President and Chief Executive Officer

- Previously Chief Operating Officer, Strayer Education, Inc., from 2006 to 2013
- Prior roles include Chief Operating Officer of InteliStaf Healthcare, Vice President of the Investment Banking Division at Goldman, Sachs & Co., and held senior management positions with several Fortune 100 companies, including The Walt Disney Company
- MBA, Duke University

SEI is a global leader in digital education

We own **the best education assets** in the markets we serve



Mission driven
We exist to create substantive returns on our students' education investments.

Student centric
Our students' best interests are at the center of everything we do.

Quality focused
Disciplined execution against the highest standards. We never take shortcuts.

Long-term orientation
We manage for the long-term building of enduring businesses.

Segment overview: U.S. Higher Education

U.S. HIGHER EDUCATION (USHE)

- Offer non-degree, BS, MS and doctoral degree programs
- Focused on diverse set of professional disciplines
- Heavily focused on catering to employers to meet talent needs
- Both online and hybrid delivery

CURRENT POSITION

Capella University

- One of fastest growing institutions in the U.S.
- Historic highs with both learner success and enrollment
- Strong employer enrollment mix fueled by FlexPath differentiation

Strayer University

- Stabilizing following pandemic downturn
- Reopened campuses driving conversion improvements
- Improving student success and continuation

Segment overview: Australia New Zealand

AUSTRALIA NEW ZEALAND (ANZ)

TORRENS UNIVERSITY AUSTRALIA

THINK EDUCATION

Media Design School

- Offer non-degree, BS, MS and doctoral degree programs
- Strong positions in both the domestic and international market
- Support several professional areas with both online and campus-based experiences

CURRENT POSITION

Torrens University

- The fastest growing University in Australia
- #7 for quality of education in Australia
- Online MBA ranked #18 globally
- Blue Mountains #1 Hospitality school in Oceania

Think Education

- Nursing programs deliver to critical skills need

Media Design School

- Rated as 10th best film animation school globally

Segment overview: Education Technology Services

EDUCATION TECHNOLOGY SERVICES (ETS)

ENTERPRISE PARTNERSHIPS

Workforce Edge

Sophia

- Offer innovative product, platform and channel solutions
- Focused on ecosystem at the intersection of students, employers and institutions
- Disrupt the way employers and students access quality, affordable learning

CURRENT POSITION

Enterprise Partnerships

- Delivered all-time highs in enrollment to USHE
- Now over 1,300 employer partners

Workforce Edge

- Recently launched as platform to add Tuition Assistance services solutions for employers
- Total of 60 corporate agreements collectively employing approximately 1.4M employees

Sophia Learning

- Accelerated from less than $5M in 2020 to approximately $34M in 2023 revenue
- Expanding product, subscribers and university partners

We operate in very attractive markets

UNITED STATES

$173 Billion

- Shifting toward digital delivery
- Increasingly supported as employee benefit
- Pressure to become more affordable, relevant

AUSTRALIA NEW ZEALAND

~$A50 Billion

- International destination for education in AsiaPac
- Only 43 universities – no other proprietary
- Opportunity to become more flexible for adult learners

The gaps and challenges are consistent across markets

FOR STUDENTS

NOT AFFORDABLE

TOO SLOW

UNCERTAIN OUTCOMES

INFLEXIBLE

FOR EMPLOYERS

TALENT SHORTAGES

HIGH TURNOVER

RISING SKILLS REQUIREMENTS

MISALIGNED EDUCATION PROGRAMS

SEI is the solution

Students want…

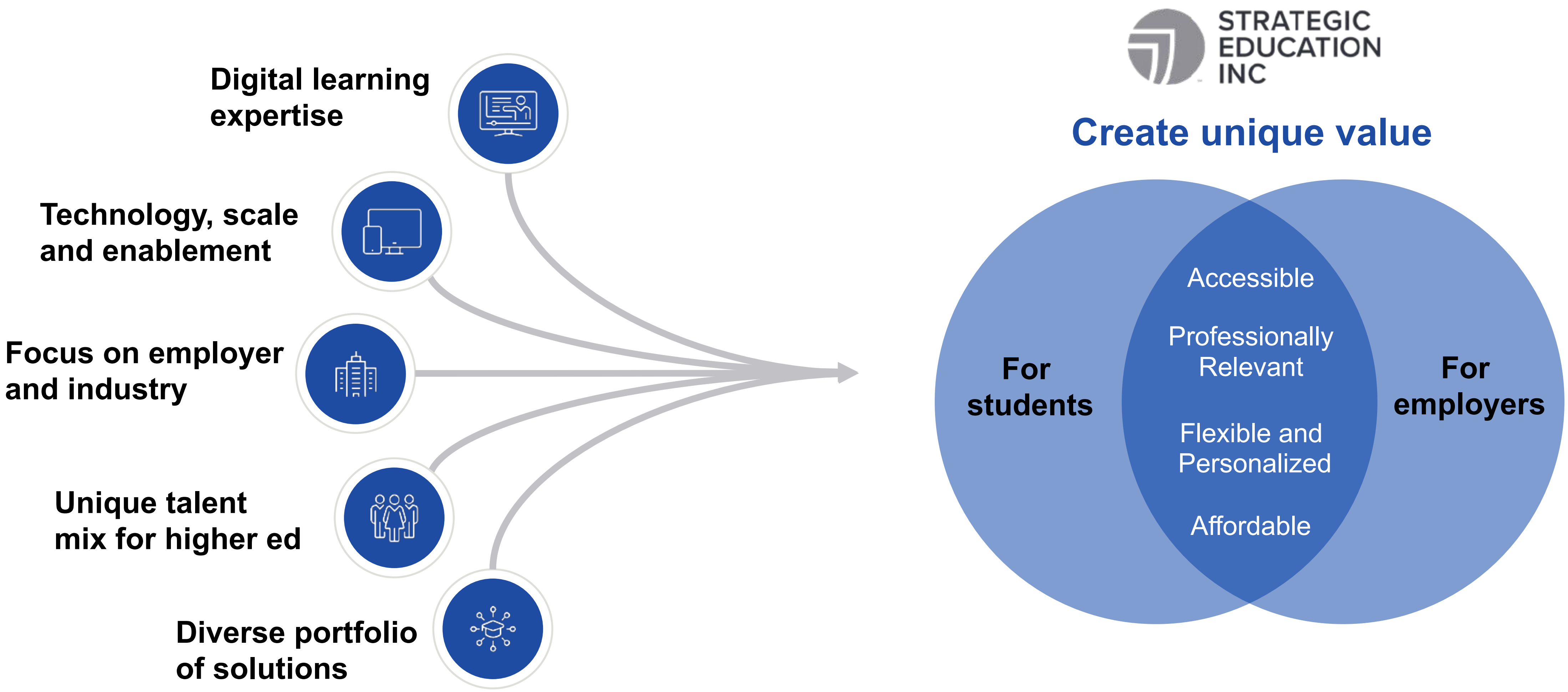
- Affordability
- Economic mobility
- Skills to make them competitive in an evolving job market
- Flexibility in learning delivery

STRATEGIC EDUCATION INC

Employers want to…

- Upskill, reskill, and retain existing talent
- Attract new talent with relevant skills
- Optimize their educational spend

Market needs play to our strengths



We've expanded our portfolio to gain greater reach with this unique value proposition

Domestic

STRAYER UNIVERSITY

CAPELLA UNIVERSITY

JACK WELCH MANAGEMENT INSTITUTE

HACKBRIGHT ACADEMY PART OF STRAYER UNIVERSITY

DEVMOUNTAIN PART OF STRAYER UNIVERSITY

ANZ

TORRENS UNIVERSITY AUSTRALIA

THINK EDUCATION

Media Design School

Benefits

- Economies of scale through shared services
- Cross-sharing innovative capabilities and learnings
- Diversified offerings
- Global market reach

We are also investing in new platform and channel capabilities to create improved access and value for students and employers

Workforce Edge | Sophia

Strayer University | Torrens University Australia
Capella University | Think Education
Jack Welch Management Institute | Hackbright Academy, part of Strayer University
DevMountain, part of Strayer University | Media Design School

Benefits

- More accelerated, affordable pathways to learning
- New market reach
- Solutions packages and network effect for SEI
- Diversification away from Title IV

All of this is enabled by our unique capabilities not common in higher education

These enablers allow our organization to create new, disruptive value where others haven't

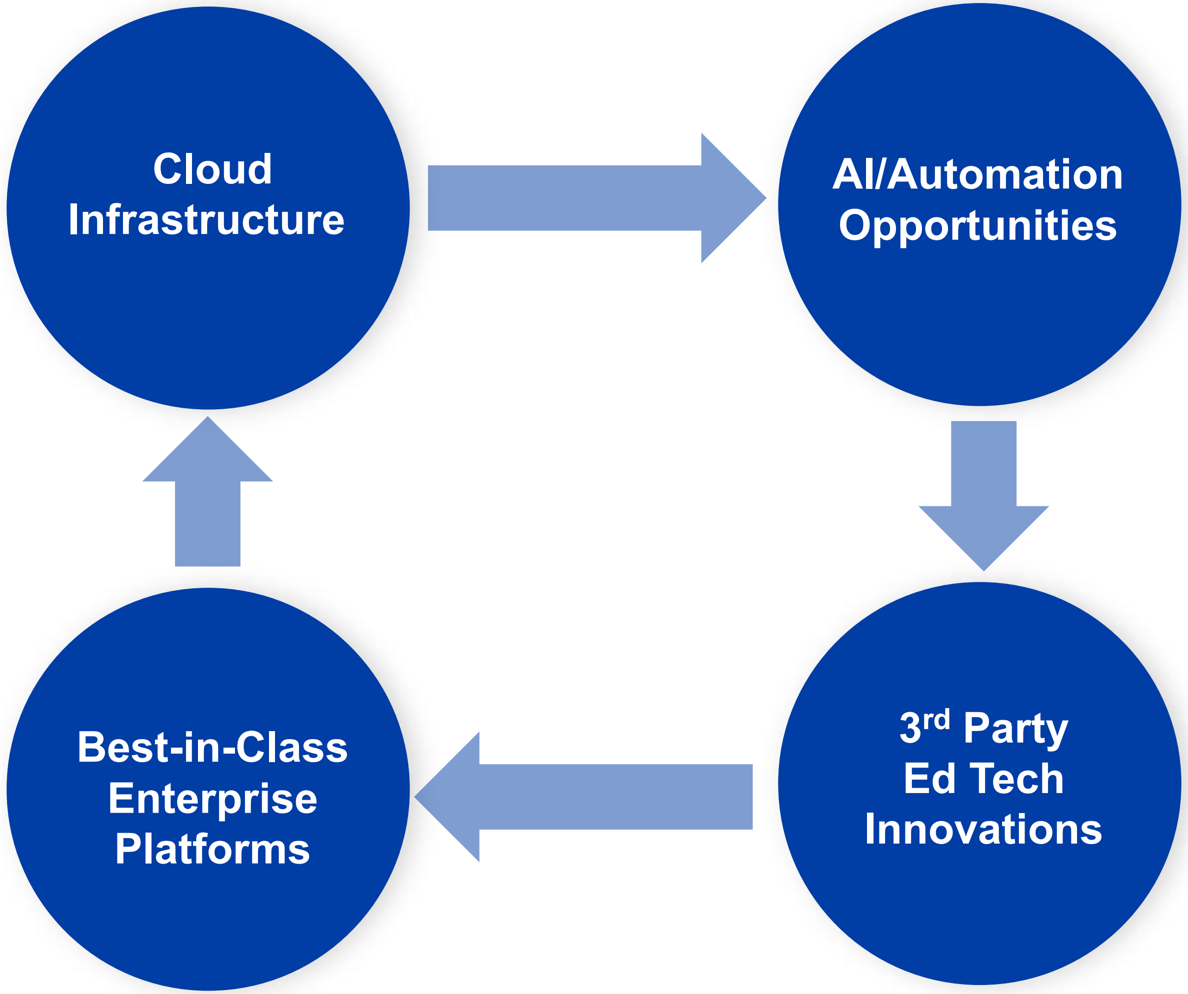
TALENT
Diverse, experienced

- Credible educators
- Technology savvy
- Diverse commercially

CULTURE
Innovative and adaptable

- Experimentation, agility
- Test, measure, expand
- Cross-sharing best practices

While utilizing and adapting to the latest technology innovations available – inside and outside higher ed



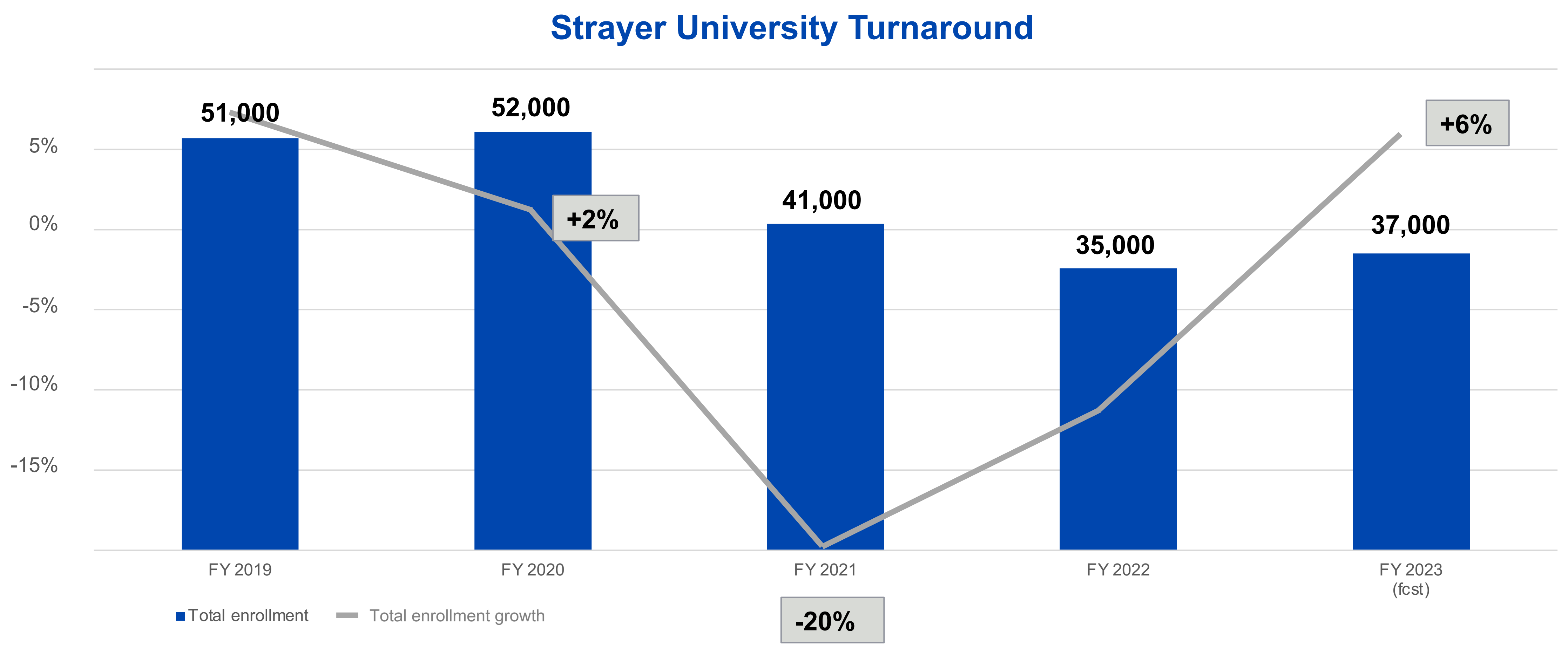
We leverage these advantages to navigate a robust U.S. regulatory environment

Regulation	Financial Responsibility	90/10	Cohort Default / Borrower Defense to Repayment / Gainful Employment
SEI approach to compliance	Maintaining a fortress balance sheet	Continued focus on employer and international student growth	Leading on program affordability and student ROI

In 2023, we made substantial progress towards our goals

- CONTINUED STRAYER RECOVERY
- ACCELERATED CAPELLA GROWTH MOMENTUM
- SIGNIFICANTLY GREW CORPORATE PARTNERSHIPS
- IGNITED SOPHIA AND WORKFORCE EDGE GROWTH
- RETURNED TORRENS UNIVERSITY TO GROWTH

Reversing the Covid setback at Strayer was significant



We remain focused on our long-term objectives

MAINTAIN STRICT REGULATORY COMPLIANCE	• Focus on the student • Lead on affordability and student ROI • Regulators as partners not opponents
GENERATE SUSTAINED REVENUE GROWTH	• USHE institutions focused on sustainable mid-single digit growth • Low double-digit growth from ANZ, driven by international • Employer driving 25%+ growth at ETS, also supporting USHE
STRENGTHEN OUR COMPETITIVE POSITION	• Increasingly unique capabilities at the center of students, employers and higher ed • Innovative and adaptive learning solutions to meet changing industry needs • Only proprietary university in Australia/New Zealand • Advantaged capabilities with technology
DISCIPLINED EXPENSE MANAGEMENT	• Build on existing AI/automation capabilities to drive improved experience and productivity • Continue to share capabilities and gain greater scale, efficiency through shared services • Positioned to double margin over next five years
MAINTAIN A VIBRANT CULTURE	• Be a destination to bring best talent from across disciplines together to transform higher education • Continue to invest in our own talent development to meet changing needs • Never lose our culture of innovation and experimentation

Notional Model for the next five years

Revenue growth of 4-6%

Expense growth of 2-3%

200 basis points of annual margin expansion

Compounded net income / cash growth of 20%

We expect strong financial results

	2028	
U.S. HIGHER EDUCATION (USHE)	Revenue $1,000M	EBIT Margin 17%
EDUCATION TECHNOLOGY SERVICES (ETS)	Revenue $150M	EBIT Margin 50%
AUSTRALIA NEW ZEALAND (ANZ)	Revenue $350M	EBIT Margin 25%
Strategic Education (SEI)	Revenue $1,500M	EBIT Margin 22%

FY 2028 using USD:AUD FX rate of 0.66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U.S. Higher Education

Andy Watt

President, U.S. Higher Education

- Previously Senior Vice President of Post-Secondary Education for Capella Education Company
- Prior roles include transaction advisory services at Deloitte & Touche and Arthur Andersen
- BS, University of St. Thomas

U.S. Higher Education overview

CAPELLA UNIVERSITY

- Founded in 1993
- Approximately 46,000 students (as of 9/30/23)
- 100% online (except residencies)
- 60% graduate and 40% undergraduate
- Headquarters: Minneapolis, MN
- Accreditor: Higher Learning Commission

STRAYER UNIVERSITY

- Founded in 1892
- Approximately 36,000 students (as of 9/30/23)
- Hybrid: primarily online; approximately 60 campuses
- 15% graduate and 85% undergraduate
- Headquarters: Washington, D.C.
- Accreditor: Middle States Commission on Higher Education

U.S. market trends play to our strengths

Demand for skills has never been greater

Digital learning is the future

Employers are invested in leveraging education

Each institution has a distinct market focus

	CAPELLA UNIVERSITY	STRAYER UNIVERSITY
STUDENT FOCUS	**“Career Amplifier”**	**“Career Builder”**
GEOGRAPHIC FOCUS	National	Regional
PROFESSION FOCUS	Mental and Behavioral Health Nursing and Health Sciences	Business and IT

Capella delivers unique value to Career Amplifiers

CAREER AMPLIFIER

Professional who has achieved success in their field and wants to expand their knowledge and make a bigger impact in their career

Professional credibility and relevance

Personalized flexibility

Affordable with speed to impact

FOR EXAMPLE

Designed for a Bachelor in Nursing candidate

- Specialized accreditation
- Competency-based education
- Employer partnerships
- GuidedPath and FlexPath delivery modalities
- Work-Integrated and Site-Based Learning
- Adult professional, online focus

Capella's strategy is working: a nursing case study

REVENUE GROWTH	$39M Revenue in 2017 $112M Revenue in 2023
LEARNER OUTCOMES	~60% Graduation Rate
DIFFERENTIATED POSITION	~60% Enrollment from Employer Partners

Extend position into new horizon

Nurse Practitioner

CAPELLA UNIVERSITY | Optum

(a UnitedHealth Group business)

Potential for 4,000+ total enrollment in 5+ years

Capella brand is gaining momentum

Built robust data and analytics around media mix modeling

Invested both more and significantly higher mix toward our brand

Double-digit growth every quarter since we started, delivering higher efficiency

Enabled by the high-quality reputation we've built with employers, regulators and students

Strayer delivers unique value to Career Builders

CAREER BUILDER

Individuals looking to transition from a job into a career, often with limited higher education experience

- Aligned to in-demand job skills
- Personalized support
- Affordability

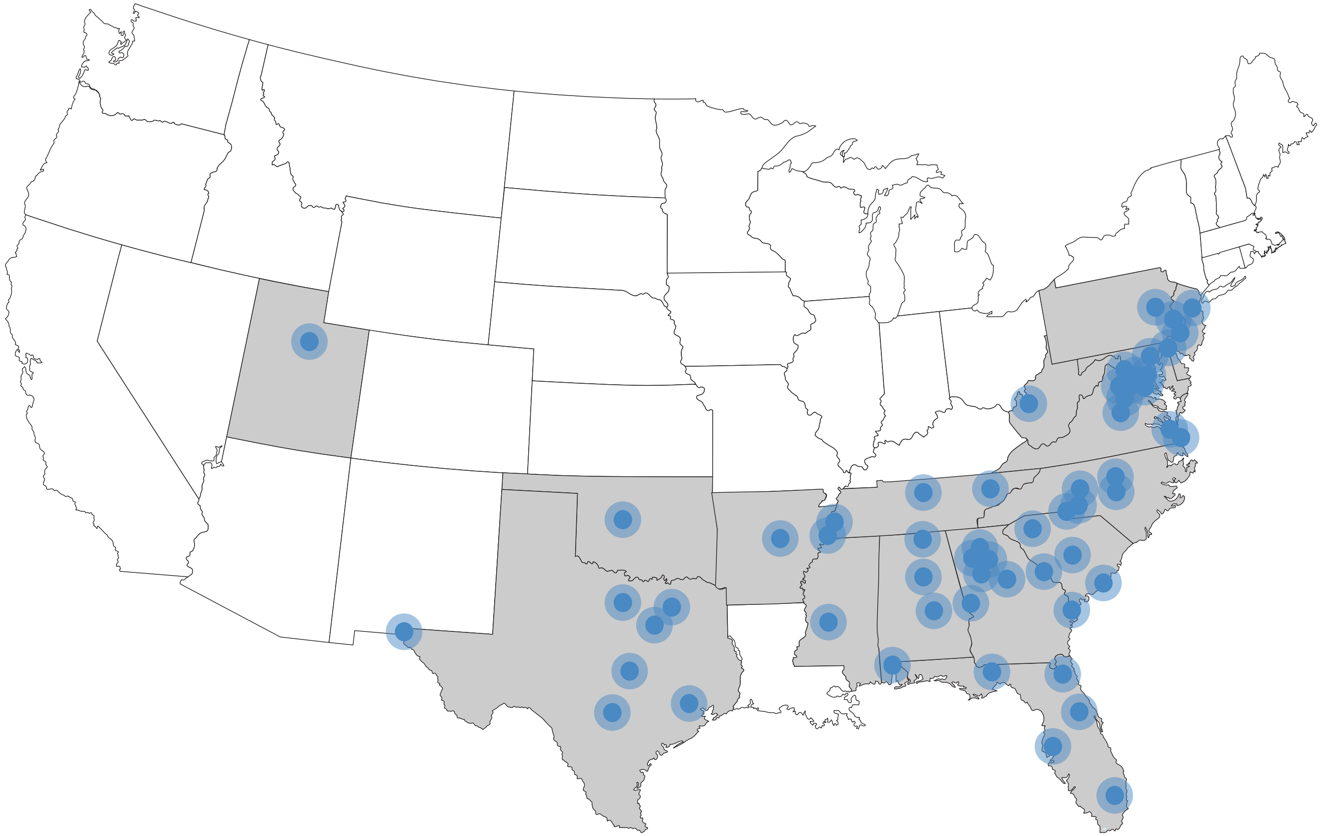
FOR EXAMPLE

Designed for a Bachelor in Business candidate

- 10 Employability Skills
- Online and in-person
- Holistic person support
- Free Sophia
- Graduation Fund
- Employer partnerships
- Microcredentials along the way

Campuses provide unique value to Career Builders

- Marketing based around campus regions
- Two-thirds of students live within 50 miles
- Higher conversion and student success rates
- Visibility and credibility for students
- Partnerships, connections and trust in communities



Driving affordability: a Strayer case study

Strayer continues to be a leader in driving degree affordability through combination of levers

Sophia

- Since launching in 2020, 23,000 Strayer students have leveraged free Sophia
- Equates to savings of over $100M in tuition, helping reduce student debt

Graduation Fund

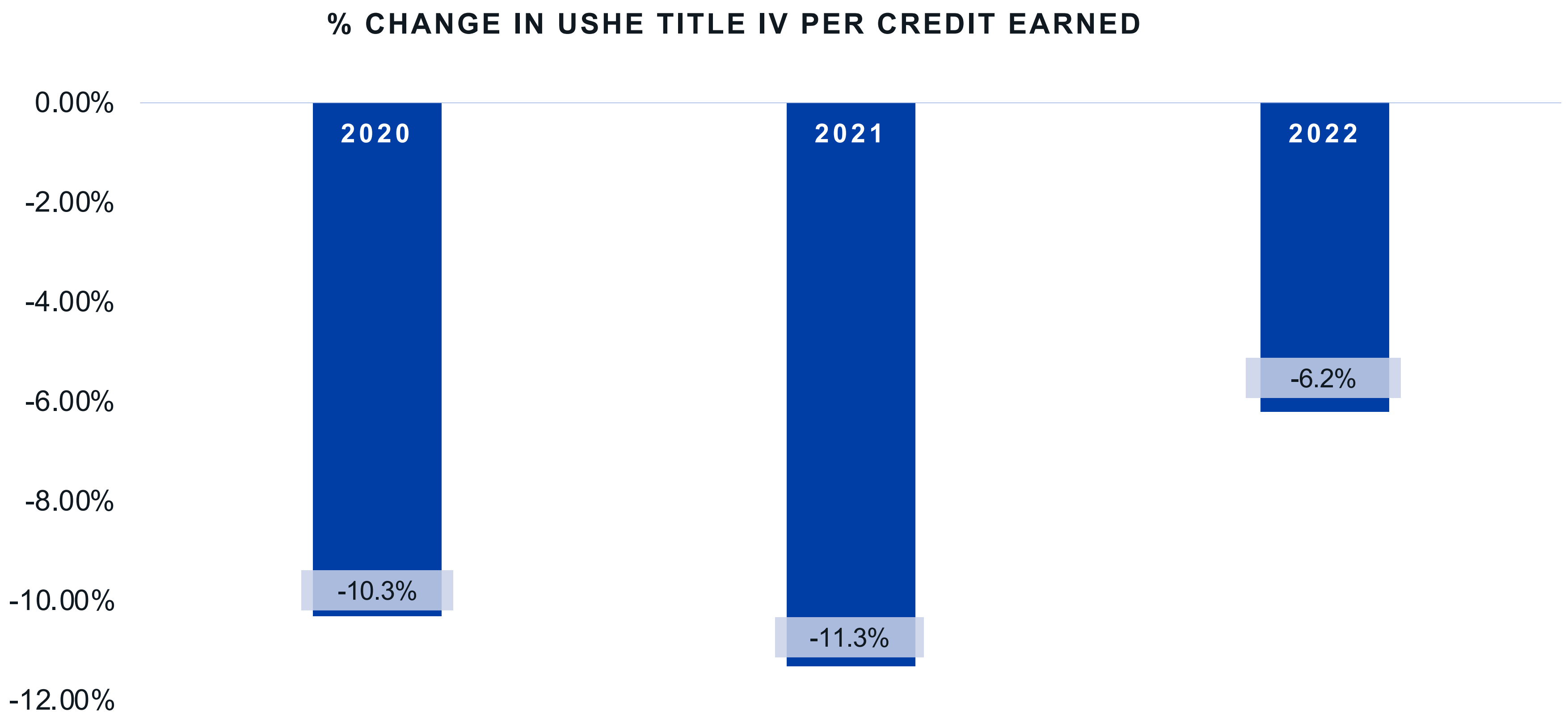
- Scholarship fund structured to build with success
- YTD 2023, almost 10% of Strayer students leveraged $43M in Graduation Fund credits

Employer tuition

- Tuition assistance aligned pricing for over 4,500 students in 2023
- Double-digit growth rate over prior year

Reducing Title IV per credit earned

Title IV per credit earned has **declined from $520 to $390** over the last three years as employer-affiliated enrollment has grown, and as more students earn credit through Sophia Learning and other affordable alternative pathways



Student experience and outcomes focus guide USHE

At Capella and Strayer, every action we take is intended to position our students for academic and professional success

Access & readiness

Personalized support

High-quality learning

Innovative experience

Career support

Total program cost

Time to impact

Graduation rate

Career impact

Capella University

Constance St. Germain, EdD

Capella University President

- Previously Provost and Chief Academic Officer, Capella University
- Prior roles include senior leadership positions at University of Phoenix and American Public University System, and U.S. Army Judge Advocate General's Corps
- EdD, Benedictine University, and JD, University of Baltimore School of Law

Capella University profile

University enrollment by school

as of December 31, 2022

How we deliver on our promise to the Career Amplifier

ACADEMICS

Competency-based education (CBE) offered in two modalities taught by faculty who are scholar-practitioners

WORK-INTEGRATED LEARNING

Practical, applied learning that integrates with students' professional tracks

INNOVATION AND TECHNOLOGY

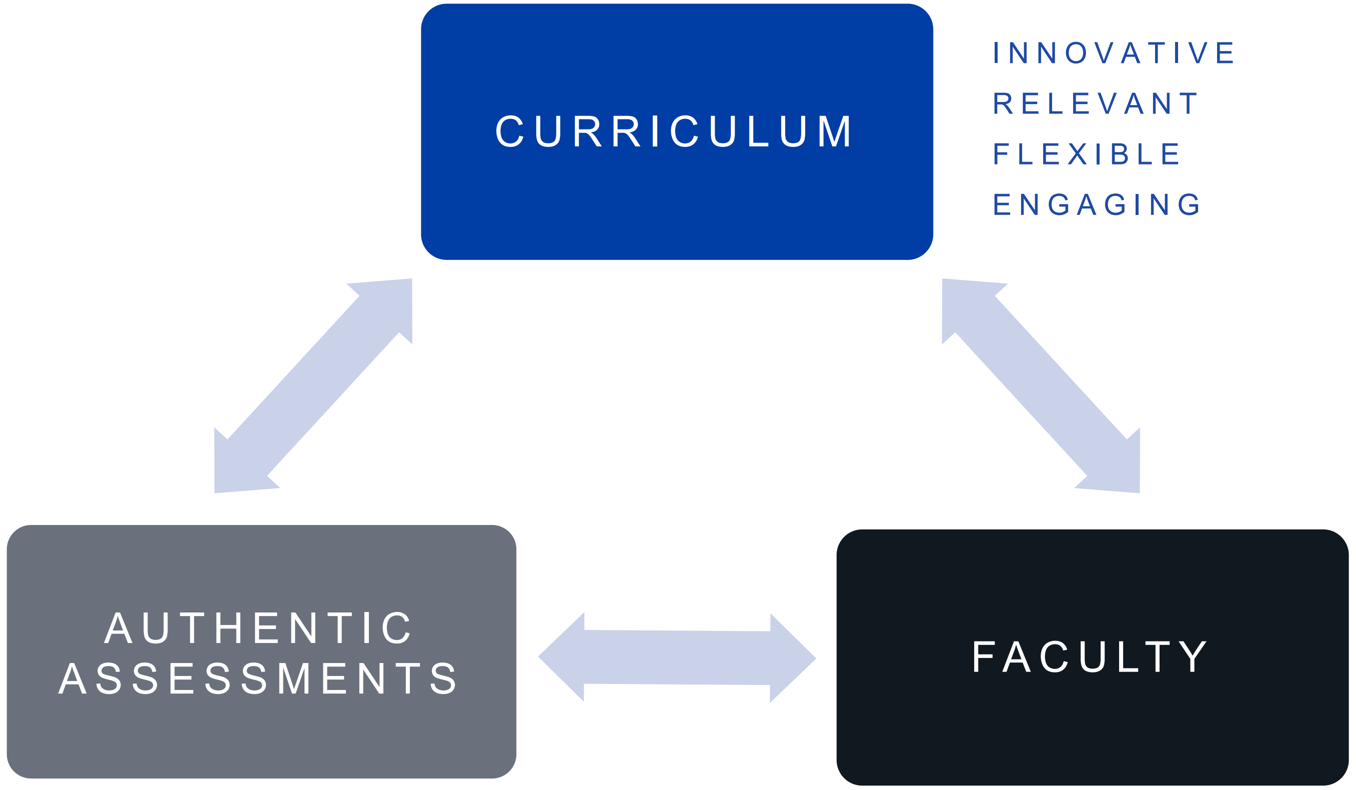
Long history of using technology to deliver learning

> *"The single-most-important innovation in higher education."*

Ted Mitchell
Former U.S. Department of Education Undersecretary and current American Council on Education President

Educational philosophy: competency-based education

A combination of theory + practical application delivered through three elements



Capella’s FlexPath model

Direct assessment

- Competency-based education offered by Capella via FlexPath
- First university approved by U.S. Department of Education to offer bachelor’s and master’s degree programs via direct assessment

Measures learning, not time

Self-paced format where students move at their own pace

Approximately 40% of total enrollment

Programs offered in FlexPath today

Undergraduate:	**5**
Master’s:	**6**
Doctoral:	**4**

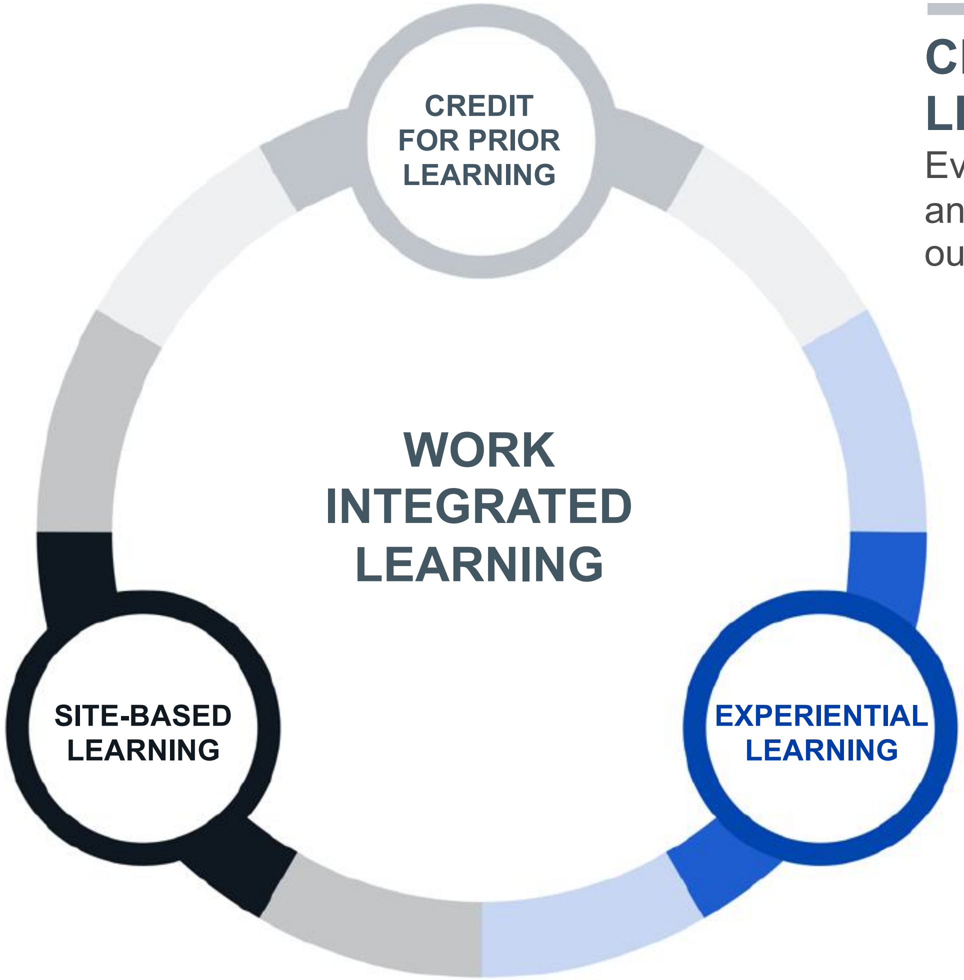
Capella FlexPath learner outcomes

Tuition expense		Financial aid borrowed		Time to completion	
Bachelor's	Master's	Bachelor's	Master's	Bachelor's	Master's
65% less	**45%** less	**58%** less	**39%** less	**50%** faster	**36%** faster

Compared to similar learners in equivalent Capella credit-hour programs

Work Integrated Learning (WIL)

Provides students with practical and relevant experiences in the workplace



CREDIT FOR PRIOR LEARNING (CPL)

Evaluation of college-level knowledge and skills an individual has gained outside of the classroom for college credit

SITE-BASED LEARNING

Practicum and internships as required for programs that lead to licensure

EXPERIENTIAL LEARNING

The process of learning by doing through real world projects

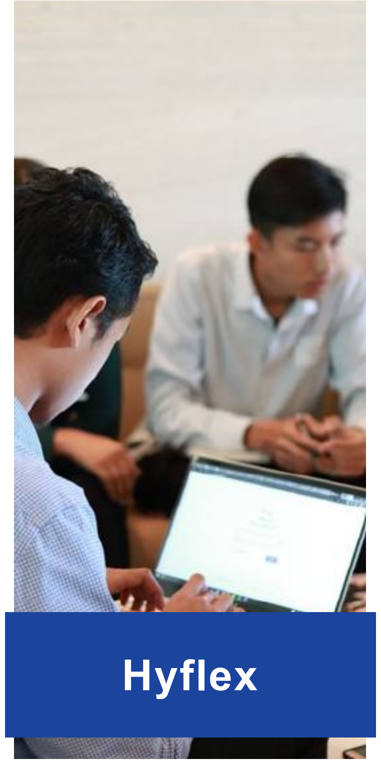
Continued areas of focus as we innovate the next education horizon

Peer-to-Peer Learning

Creates opportunities to share and discuss diverse perspectives, leading to a more well-rounded understanding of subject matter

Data Analytics

Enables personalized, responsive instruction by pinpointing specific needs, leading to enhanced student outcomes



Hyflex

Growing interest in synchronous engagement opportunities

Multimedia

Rising demand for integration of multimedia, video, and simulations in learning experiences

Artificial Intelligence

Ensuring advancements complement and elevate a steadfast commitment to a human-centric learning experience

Capella marks of quality

Professional accreditations, recognitions, and designations signify the high-quality experiences and outcomes standards we deliver

Strayer University

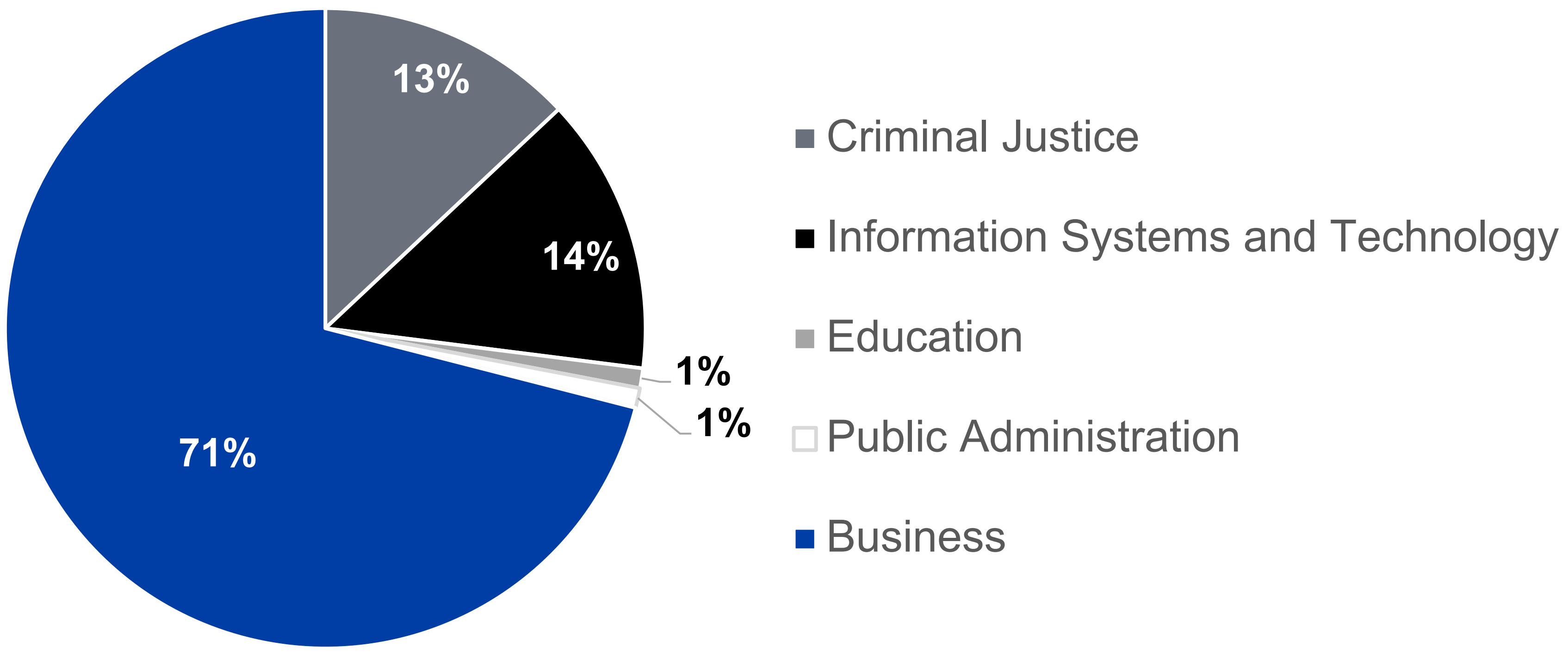
Andréa Backman, PhD

Strayer University President

- Previously Chief Academic Officer and Provost of Strayer University, Dean of the Jack Welch Management Institute
- Prior roles include leadership positions at the University of Virginia and DePaul University
- PhD, University of Virginia

Strayer University profile

University enrollment by program area



as of Fall 2022

We are driving student academic success

Student course success

- Course success rates improving with student population growth
- Maintaining academic rigor and assessment levels

WINTER '23	SPRING '23	SUMMER '23
220 bps YoY	260 bps YoY	210 bps YoY
	Record improvement	

First year success

- More new students persist through their first year of enrollment (1st – 4th term)
- Students who complete their first year are more likely to graduate

WINTER '23	SPRING '23	SUMMER '23	FALL '23
270 bps YoY	230 bps YoY	650 bps YoY	460 bps YoY
Cohort starting Spring '22	Cohort starting Summer '22	Cohort starting Fall '22	Cohort starting Winter '23

Technology is enabling learning

Irving chatbot
Proprietary AI chatbot provides supplemental instruction, courseroom reminders, and support for students

Faculty Action Center
Uses advanced analytics to help faculty deliver targeted, personalized, just-in-time interventions to students

10X instruction model
Delivers proven, superior instruction at scale, allowing the most effective faculty to teach the greatest number of students

Classroom integrations
Best-in-class technologies remove friction in the classroom and provide engaging, interactive learning experiences

Strayer Studios

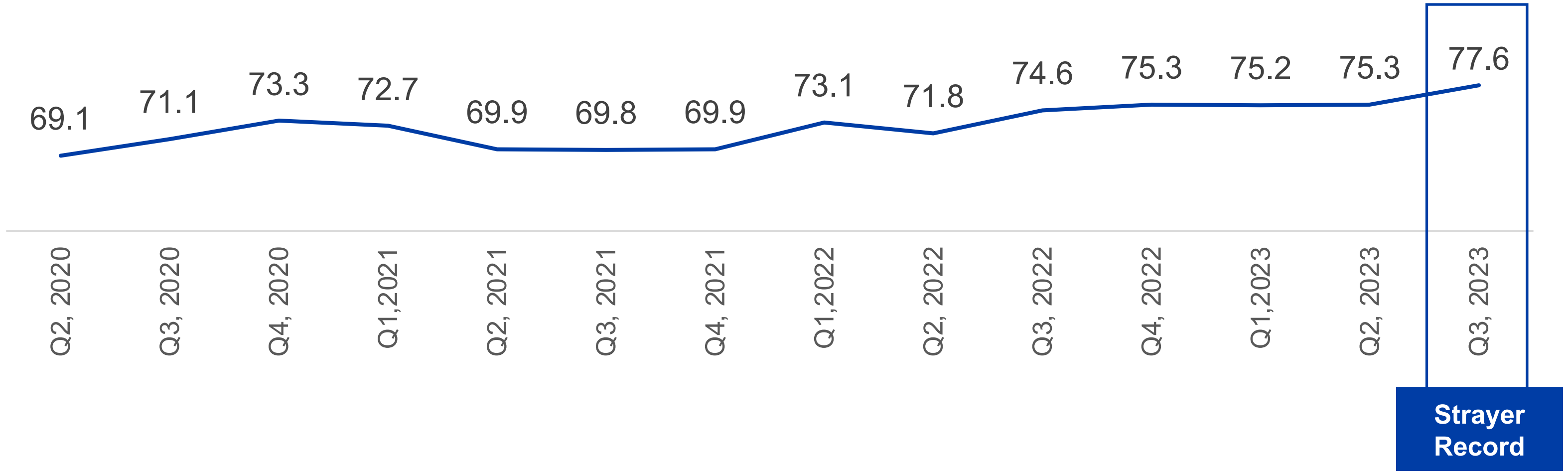
Our team of award-winning documentary filmmakers, creative writers and learning designers creates a media-rich, engaging, effective learning experience

STRAYER
STUDIOS

Documentaries. ***Podcasts.*** ***Interactive Experiences.***

Strayer University faculty are delivering world-class instruction

Overall instructional Net Promoter Scores at Strayer University



Other top scores within the Strayer portfolio

STRAYER UNIVERSITY | **83.0**

Q3 2023 Instructional NPS Score for the **10X Instructional Modality** (77% of undergraduate seats)

JACK WELCH MANAGEMENT INSTITUTE | **84.9**

Q3 2023 Instructional NPS Score for the **Jack Welch Management Institute (JWMI)**

Students receive holistic support

Center for Well-Being

Personal challenges are the **#1 reason** students submit assignments late and **one of the top three reasons** they leave or pause their education

Students receive career currency along their pathway

10 essential employability skills within general education

At most undergraduate institutions, 37% of the undergraduate degree is disconnected from the world of work...we changed that.

Microcredentials, badges and certificates

We made it possible for students to demonstrate qualifications and achievements to employers long before they finish their degree.

Networking and Career Communities

We created spaces for students to network with classmates, mentors and professionals in their chosen fields, inside and outside of the classroom.

The Jack Welch Management Institute is delivering value

1,743	Current JWMI students
3,700+	Current JWMI alumni
15	Students' average years of professional experience
80+	Countries represented in the student/alumni population
68%	Of students received a raise or promotion during the program

We have helped more than 150,000 students graduate

Alumni are satisfied and prepared for success

83%

Agree their Strayer degree was a worthwhile investment

80%

Agree Strayer equipped them with skills employers value

77%

Agree their Strayer education prepared them for the demands of their profession

Distinguished Alumni Council

20 successful alumni who help shape and inform student and alumni strategies and provide guidance to the university president

Shantae Joseph
MBA 2016, BBA 2011
Senior Vice President, External Engagements
Wells Fargo

Carl Jackson
MBA 2018, BBA 2008
Representative for the 8th Legislative District in Maryland's House of Delegates

Victoria Boston
MBA 2009, BBA 2007
Regional Vice President, Comcast NBC Universal

Michelle Davis-Younger
MBA 2006, BBA 1995
Mayor, Manassas, Virginia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Australia New Zealand

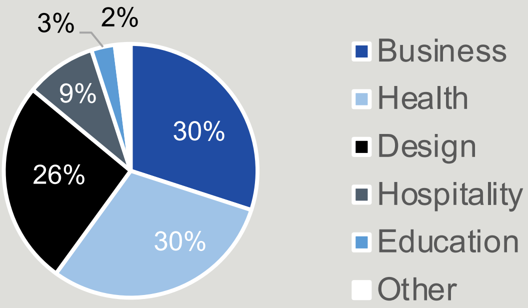
Linda Brown

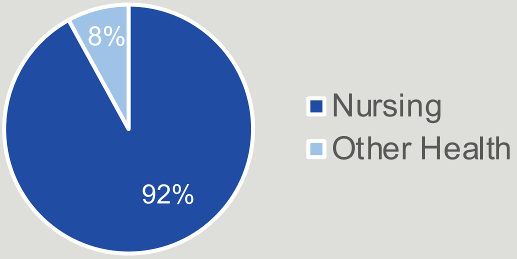
President, Australia New Zealand

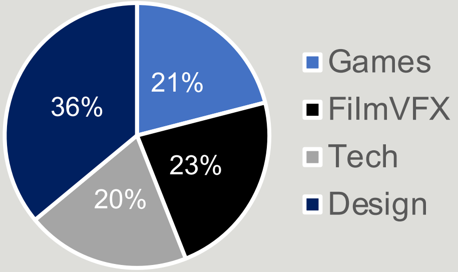
- Previously CEO Laureate ANZ
- Prior roles include senior executive with Queensland Government (HE/VET/Regulator), DVC Swinburne University and Futures Stockbroker and Area Director Fidelity / Abbey National
- EY Australia Entrepreneur of the Year and Global Finalist 2022
- MBA, Ducere Global Business School

ANZ portfolio

	TORRENS UNIVERSITY AUSTRALIA	THINK EDUCATION	Media Design School
FOUNDED	2013	2006	1998
ENROLLMENT	~16,600 students	~700 students	~1,000 students
DELIVERY	Hybrid – on campus and online		
FUNDING AND ACCREDITATION	Self accrediting National and International scope Income contingent student loans	Applied higher ed and vocational education and training (VET)	Government funds 50% of domestic tuition
PROGRAM MIX			

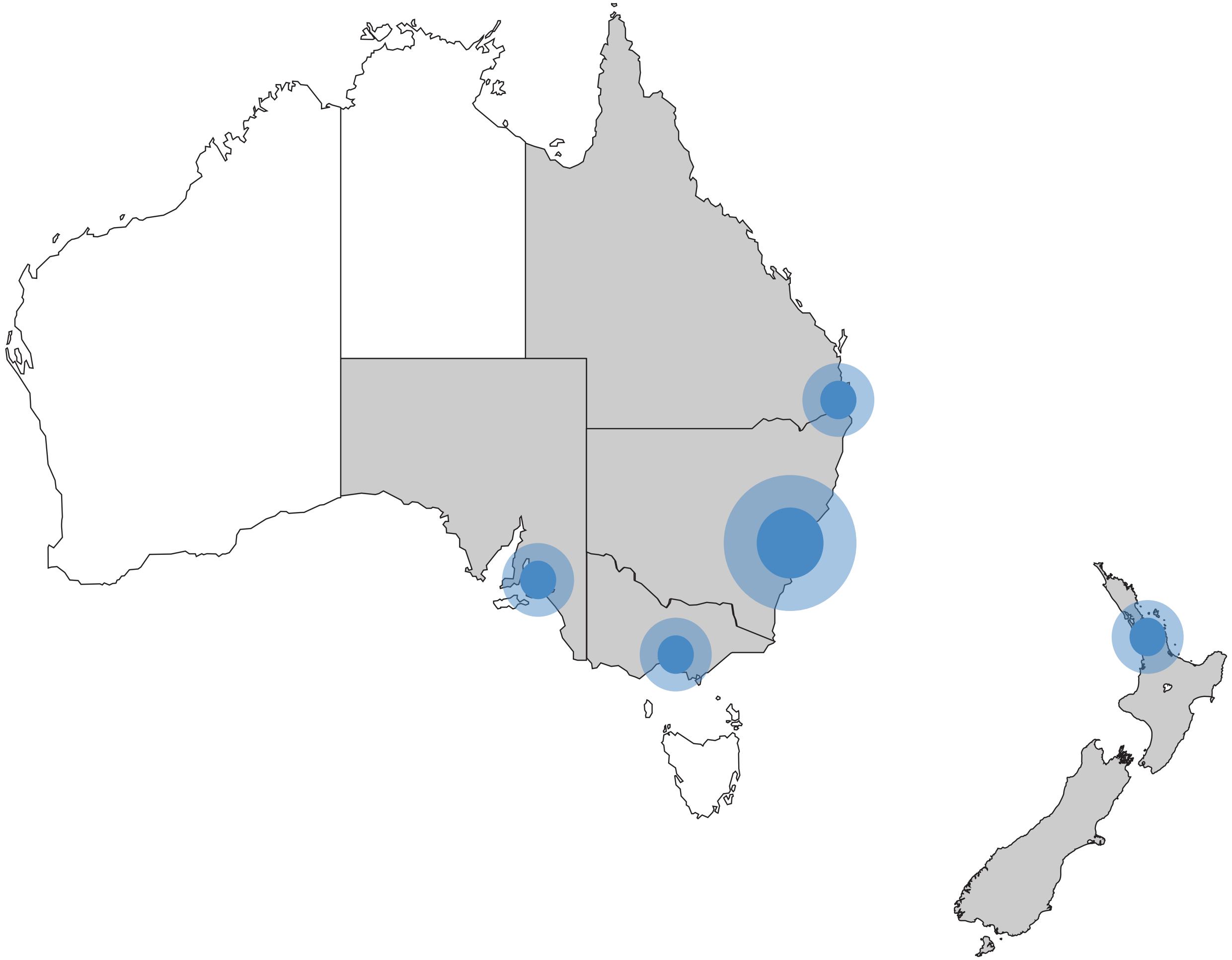






ANZ Campuses

8 state-of-the-art campuses across 5 cities in Australia and New Zealand: Adelaide, Brisbane, Melbourne, Sydney and Auckland



ANZ provides SEI a significant growth opportunity

Australia New Zealand market is very large and attractive

Australian education market

~$A50B

$A14B	$A36B
International	Domestic

- SEI/ANZ is still less than 1% share
- Uniquely positioned within the competitive set
- Opportunity to extend to broader global market
- Fastest-growing university in Australia from 2017 to 2021 (2021 Australia Higher Education Student Data by Department of Education, published on 10 Feb 2023)

Two distinct markets to drive growth

INTERNATIONAL

Stabilizing results following pandemic border lockdowns with rich future potential

- Maximize relationships with robust global agent network
- Maintain strong mix: <21% of any one nationality
- Mix shifting towards valuable onshore market
- Asia Pacific the largest region for International students

DOMESTIC

Stable market, growth in line with marketing investment

- Flexibility/hybridity a key differentiator
- Accelerate marketing investment in 2023 and beyond to drive brand awareness
- Industry cobranding to lift programmed attraction
- Opportunity to serve the unmet market needs of the large working adult audience

International enrollment

Regulatory approval

Approved for 17,000 students, currently serving 9,000

Price competitive

On average our international post-graduate tuition is 17% lower and undergraduate tuition 11% lower than our competitors

Ultimate flexibility

Customizable courses and study online, on campus or a blend of both across a national footprint of campuses

Employability outcomes

Ranked #2 in overall employment for undergraduate international graduates

7 of our top 10 courses are eligible for government post-study work rights and pathways to residency

Measured growth

Ensuring growth comes with quality

ANZ differentiates in the domestic adult student market

EARN
AND
LEARN

Underserved population whose priority is to continue to earn while they learn

Learn around work and life commitments

Personalization and flexibility

Industry relevance

TORRENS UNIVERSITY AUSTRALIA

FOR EXAMPLE

Designed for a working adult

- Hybrid delivery
- Co-designed with industry and facilitated by Pracademics
- Flexible 24/7 global support
- Open access and affordability

Brand endorsements of ANZ curriculum

Key industry brands involved in co-designing and developing curriculum, promotion and student work experiences

Building share: case studies in program differentiation

Master of Business Information Systems

INTERNATIONAL

- Designed in collaboration with industry partners
- Launched in 2019 with three months to develop
- Every subject built for online and face-to-face
- SAS certification embedded Sept. 2023

Bachelor of Branded Fashion

DOMESTIC

- Created to align with job market demand in the fashion industry
- Vogue Magazine partnership with internships
- Fourth largest degree program in ANZ Design
- Reaches incremental online audience via extended reality learning
- Two International Teaching Innovation Awards

We have the platform to reach 50K+ students

CONTINUE

- Optimize and refine brand and core markets momentum
- Leverage technology to gain efficiencies
- Heavy emphasis on returning adults and school leavers

TORRENS UNIVERSITY AUSTRALIA

BUILD

- Potential to become University College (Think Education)
- Potential to create private University in New Zealand (Media Design School)
- Build momentum on SEI synergies and multipliers

Media Design School

THINK EDUCATION

- Leverage ANZ international recruitment for USA
- Investing in direct international sales business
- ANZ's first choice to earn and learn

- Become Asia Pacific's preferred university to earn and learn
- Take Media Design School to the U.S.
- Network of international hubs
- Innovative digital community for learning

Australia New Zealand

Professor Alwyn Louw

Vice Chancellor, Torrens University Australia

- Prior roles include President and Academic President at Monash University, South Africa, as well as other senior leadership roles in higher education across Africa
- Ph.D. Sociology, Vista University, South Africa

Academic research and quality

World-class research centers build credibility and new knowledge impact

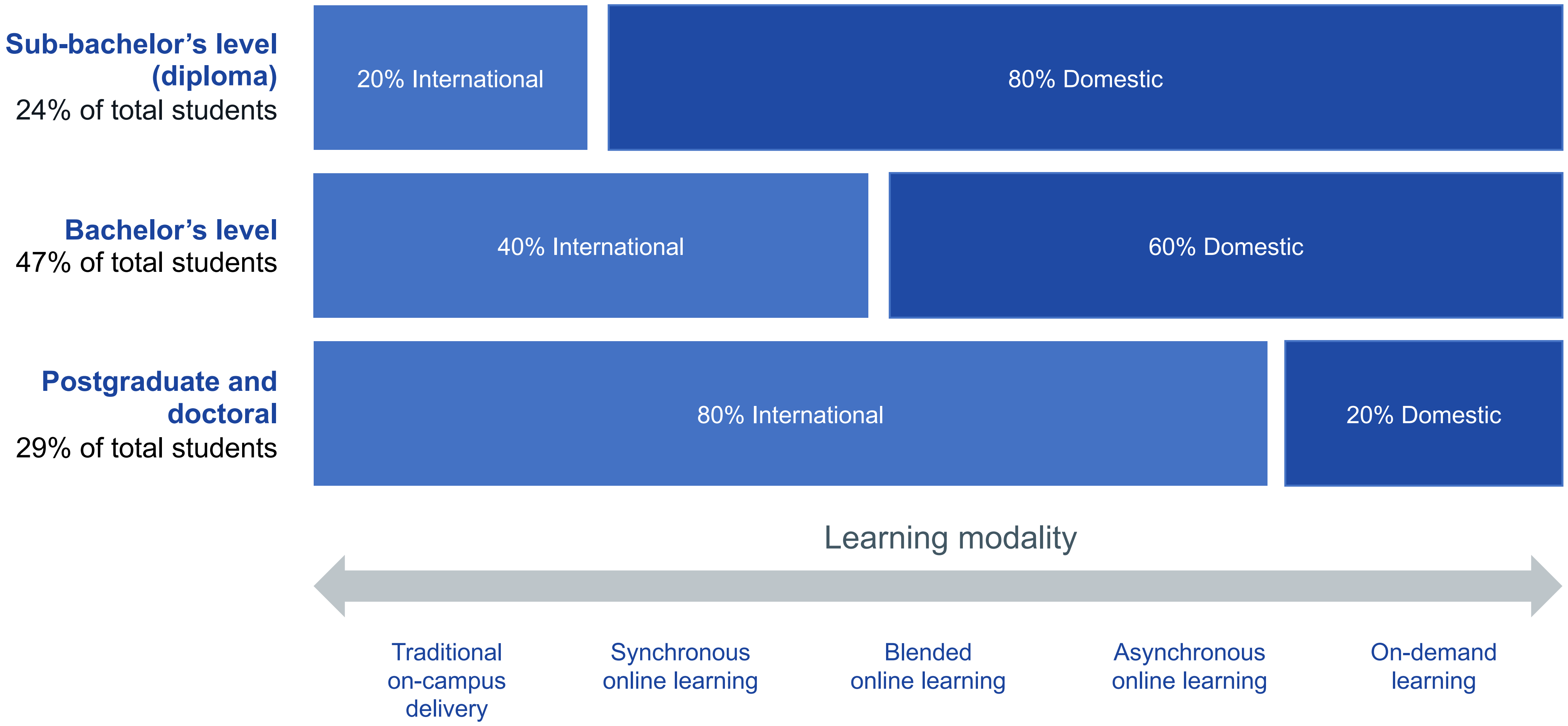
Industry co-design; building competency for the future world of work

Open access

Hybrid delivery optimizes student persistence through choice

Inclusive personalized learning support environment

Student and qualification mix



Torrens University Australia research mandate

Australian University status requires world-class research in at least 3 fields of research

Torrens University Australia is active in 4 world-class fields of research

3x increase in research publications from 2020-23

44% increase in higher degree research numbers in the past 3 years

65% of research output via international collaboration

AUD $4.8M research external funding contracts

64% growth in Q1 publication in 2023

3.1% of annual revenue is invested to grow outputs

Student satisfaction

Student satisfaction with quality of subject*

82% 2021

82% 2022

84% 2023

Student satisfaction with lecturers *

85% 2021

86% 2022

86% 2023

Student retention

88% Domestic

92% International

Student success rate

80%

**Internal ANZ Survey Student Evaluation of Subjects and Lecturers*

Quality in learning and teaching (QILT)

The Australian Government conducts and publishes an annual survey on the quality of institutional learning and teaching. In 2022:

Top 10
Student support and teaching quality

#7
Quality of entire educational experience

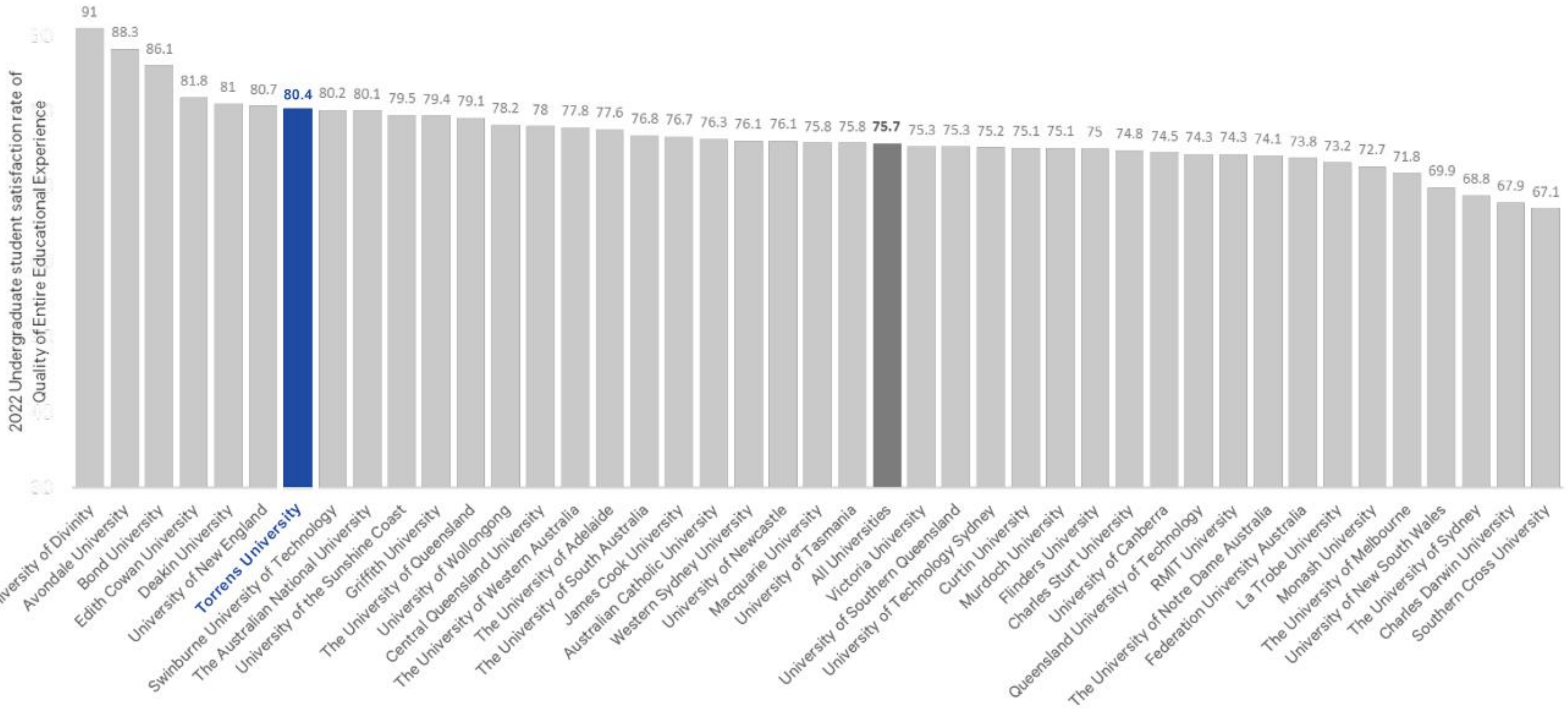
#3
Skills development for post-graduate students

86.7%
Overall employer satisfaction with graduates over time

QILT, Quality Indicators for Learning and Teaching,
Student Experience Survey 2022 I Results released in June 2023.
www.qilt.edu.au/surveys/student-experience-survey-(ses)

Torrens ranks 7th among universities in Australia for quality in education experience

QILT scores for quality of entire educational experience for undergraduate university students in 2022

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Education Technology Services

Joe Schaefer

President, Education Technology Services

- Previously Chief Technology Officer and Chief Transformation Officer for Strategic Education, Inc.
- Prior roles include consulting and outsourcing leadership positions with Accenture
- MBA, University of Virginia, Darden School of Business

ETS Mission

Education Technology Services' mission is to make SEI the leading educational partner to the nation's largest employers and to make higher education more affordable.

A long history of partnerships made stronger together

Today: 1,300 Partners
WFE 60 Partners
23,000 Employer affiliated students

2001 CU launches Corporate Alliance Program

2009 SU launches Corporate Alliance Program

2015 SU launches Degrees@ Work

2016 CU launches TAAP program

2018 Merger Creating SEI

2019 Workforce Edge Launches

2019 ETS created and Employer Teams Merge

2020 Hackbright launches Employer Model for Talent Acquisition

2020 Sophia Pathway launches in combination with SU/CU

2021 ETS creates a suite of non-degree solutions for employee upskilling

2001 2009 2018 2019 2020 2021

ETS Go-to-Market

DIRECT CORPORATE RELATIONSHIPS

- Employer sales, activation and support
- Strayer and Capella
- Flexible pricing models

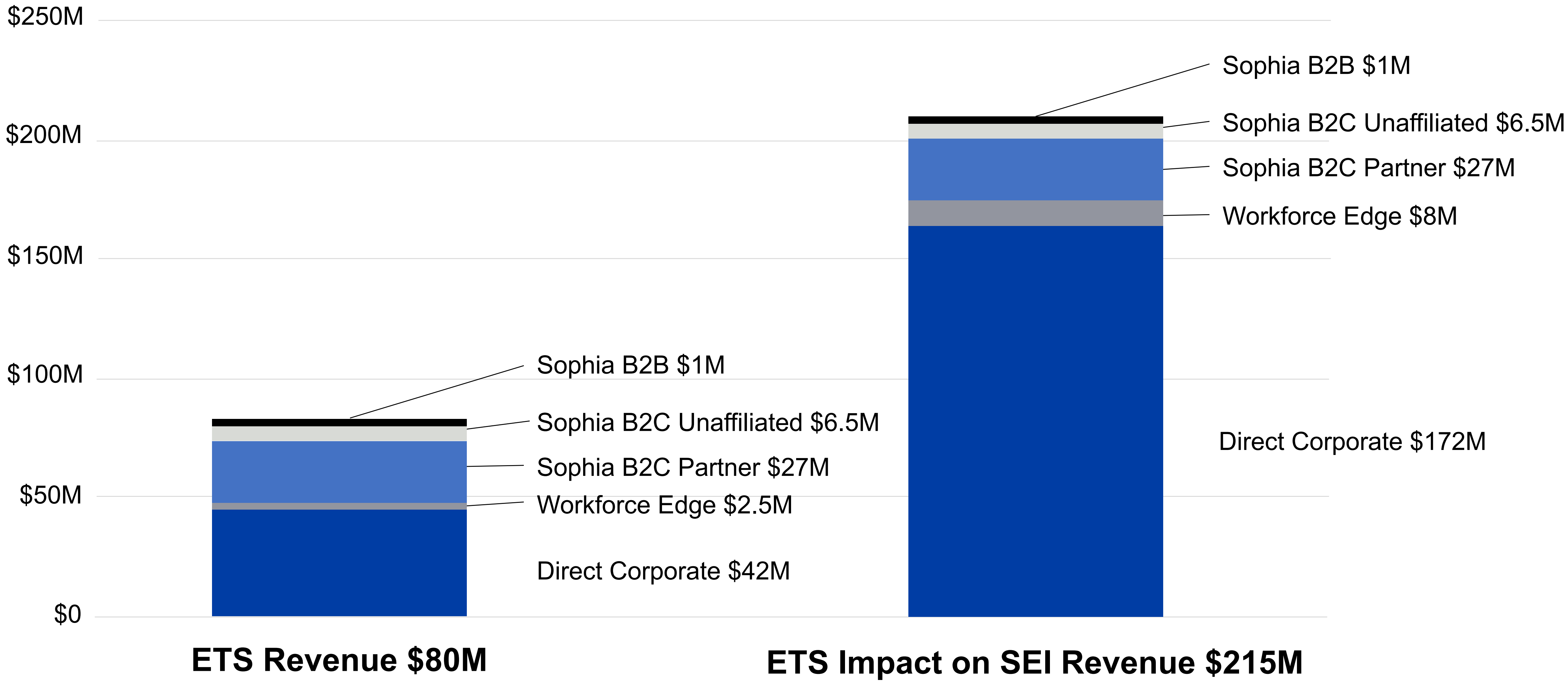
Workforce Edge

- Tuition assistance management SaaS platform
- Free to employers
- Debt-free degree options
- Includes non-SEI options

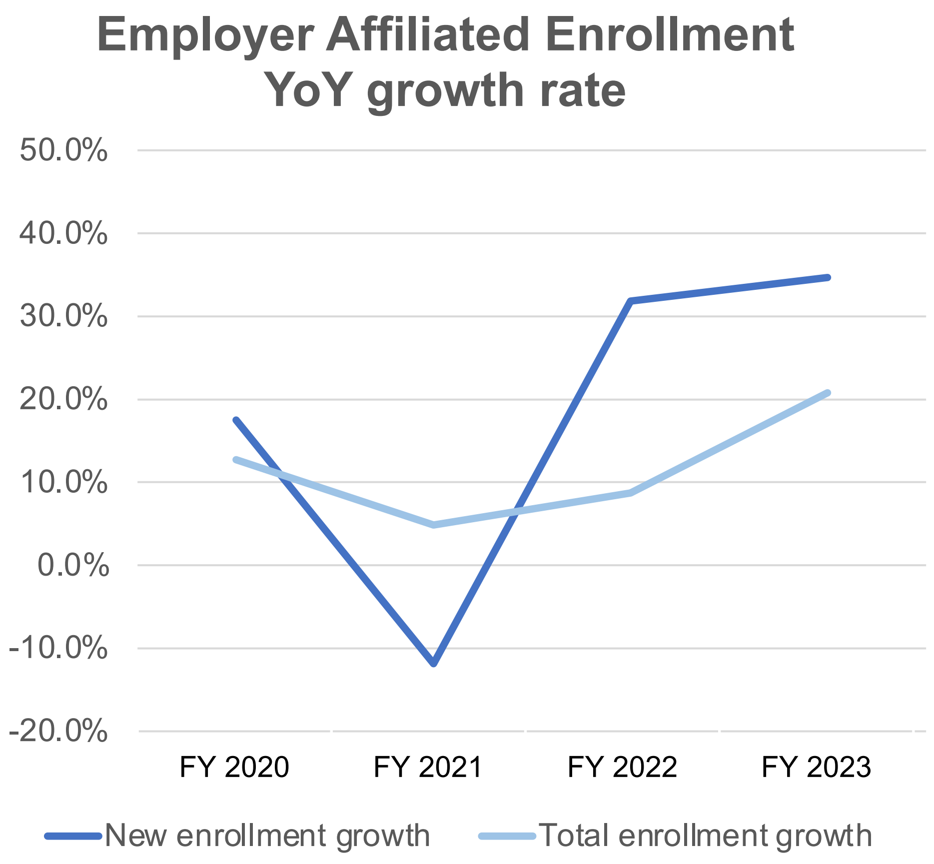
Sophia

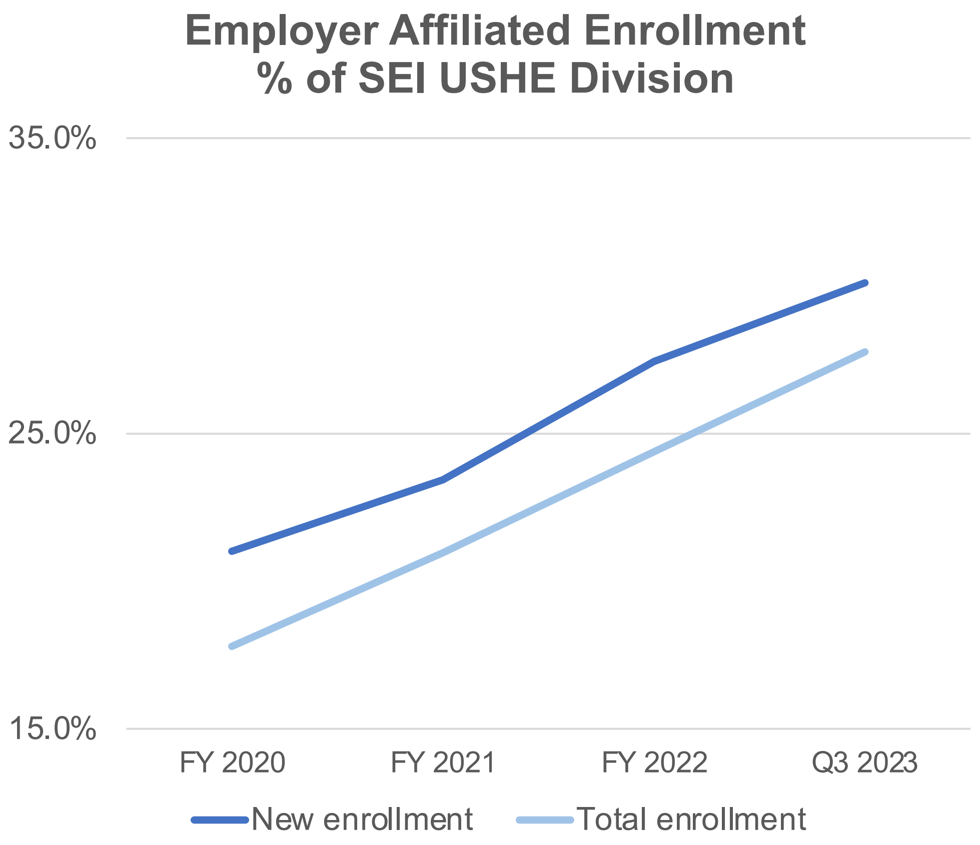
- Self-paced courses
- Low-cost subscription model
- Recommended for transfer credit by American Council on Education (ACE)
- B2C, B2U and B2B

ETS Revenue Breakdown



Employer affiliated enrollment is growing





We have the right solutions

Desired Outcomes → Needs

Desired Outcomes

- Employee upskilling and re-skilling
- Employee retention
- New talent acquisition

Needs

- Educational portfolio alignment
- Educational investment efficiency
- Educational partner administration and tuition reimbursement management
- Ability to modify and/or source content

Employer partnership lifecycle

1. Consult and design solution
2. Sign contract
3. Implement program
4. Employee communication
5. Employee chooses to use benefit
6. Employee chooses SEI school

SEI-created tuition assistance aligned pricing

Matching cost to employer benefit amounts results in no out-of-pocket costs for students

Annual cost of eligible program		Annual education benefit dollar amount		Upfront tuition payment
$5,250	-	**$5,250**	=	**$0.00**

A CVS Health case study

CVSHealth

For over 12 years, we have provided comprehensive education solutions to CVS.

2011
Launch of Capella/Aetna partnership
CAPELLA UNIVERSITY

2018
Merger of Strayer and Capella Universities to form Strategic Education, Inc. (SEI)
STRAYER UNIVERSITY

2019
CVS acquires Aetna to create CVS Health

2020
Strayer & Capella join to launch “Pathways” partnership for CVS Health. Utilizing Sophia to align degree pricing with $3000 TA policy
Sophia

2021
Launch of custom Pharmacy Spanish & Spanish for Nurses skills courses
CAPELLA UNIVERSITY

Engaged Staff Segments

FRONTLINE RETAIL

PHARMACY CLINICIANS

EXECUTIVE

A Quest case study

For almost 20 years, we have partnered with Quest to help solve key retention challenges and to help develop and promote employees through custom career pathways.

2004
Launch of Capella Corporate Alliance Program

2016
One of the first tuition-aligned, $5,250 Capella partners; fully funded degrees made available to all Quest employees; mapped “LeadingQuest competencies” to Capella B.S. Business to report on competency progression

2022
Added SU tuition-aligned pricing

2023
Launch of Workforce Edge offering Quest employees access to a variety of affordable education options

Engaged Staff Segments

- FRONTLINE EMPLOYEES
- SUPERVISORS & MANAGERS
- MID AND SENIOR-LEVEL LEADERS

A case study with a large national discount retailer

For nearly 12 years, we have partnered with a large national discount retailer to help remove barriers to education by providing affordable access to learning pathways.

2012

Launch of Strayer Corporate Alliance Program (CAP)

STRAYER UNIVERSITY

2020

Launch of SU "Free Fall Quarter" and introduced free Sophia for all employees

Sophia

2021

Launch of Strayer @ Work to ID and close critical skills gaps through customized learning programs

STRAYER UNIVERSITY

2022

Launch of Workforce Edge + CU and SU tuition-aligned pricing

Workforce Edge

Engaged Staff Segments

FULL-TIME EMPLOYEES

PART-TIME EMPLOYEES

A Stellantis case study

STELLANTIS | Degrees@Work POWERED BY STRAYER UNIVERSITY

No-cost, no-debt college degree program®

2015

- Launched Degrees@Work POWERED BY STRAYER UNIVERSITY
- Added family option
- 100 dealers participating
- 200 dealers participating

2019

- Added Sophia
- Articulated Technical Training for Strayer credit
- 300 dealers participating in program

2023

- Articulated Technical Training expanded

One of the most innovative programs of its kind*

Radically lowers cost of a degree, allowing for a debt-free education for employees

Builds company-specific competencies leading to better performance

Reviews previous academic work and professional experience for transfer credit, accelerating degree completion and boosting retention

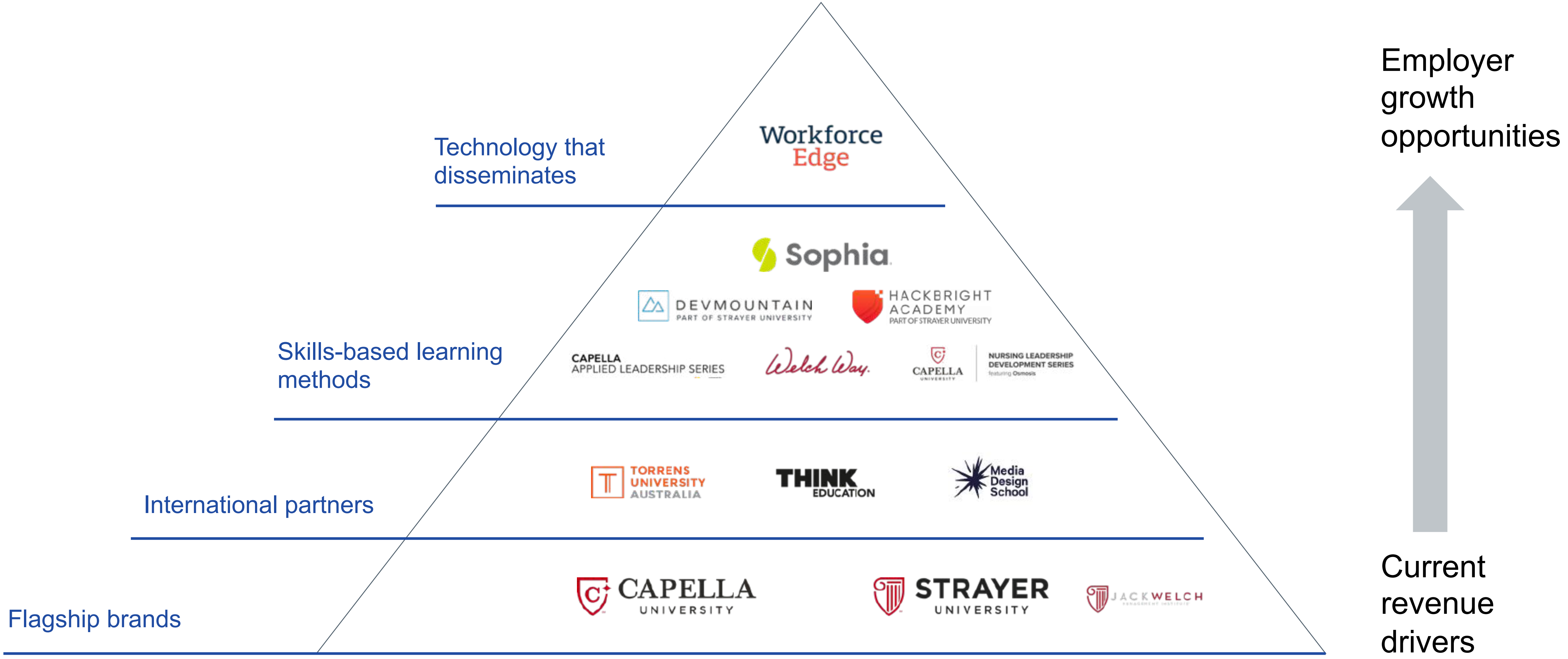
380 Dealers

52% Family plans

1,691 Total average quarterly student enrollment

*Upskill America – The Aspen Institute

ETS broad, deep, innovative and flexible portfolio



Workforce Edge enables new client expansion and a new source of USHE enrollment

- 60 employer partners with over 1.4M employees
- Over 1,250 Strayer and Capella enrollments
- ~30% of employees who use Workforce Edge choose Strayer or Capella
- Opportunity to enter new markets

Workforce Edge advantages

FOR EMPLOYEES

- Explore and manage education benefits
- Access to an exclusive curated network of fully funded pathways and discounts
- Out-of-network choice
- Personalized support from expert advisors

FOR EMPLOYERS

- Free – no software license fees
- Debt-free degree pathways maximize benefit of offering employer tuition assistance
- Curated preferred provider network while maintaining employee choice
- Dedicated account manager
- End-to-end marketing support including PR and event assistance
- HR systems and payroll integration

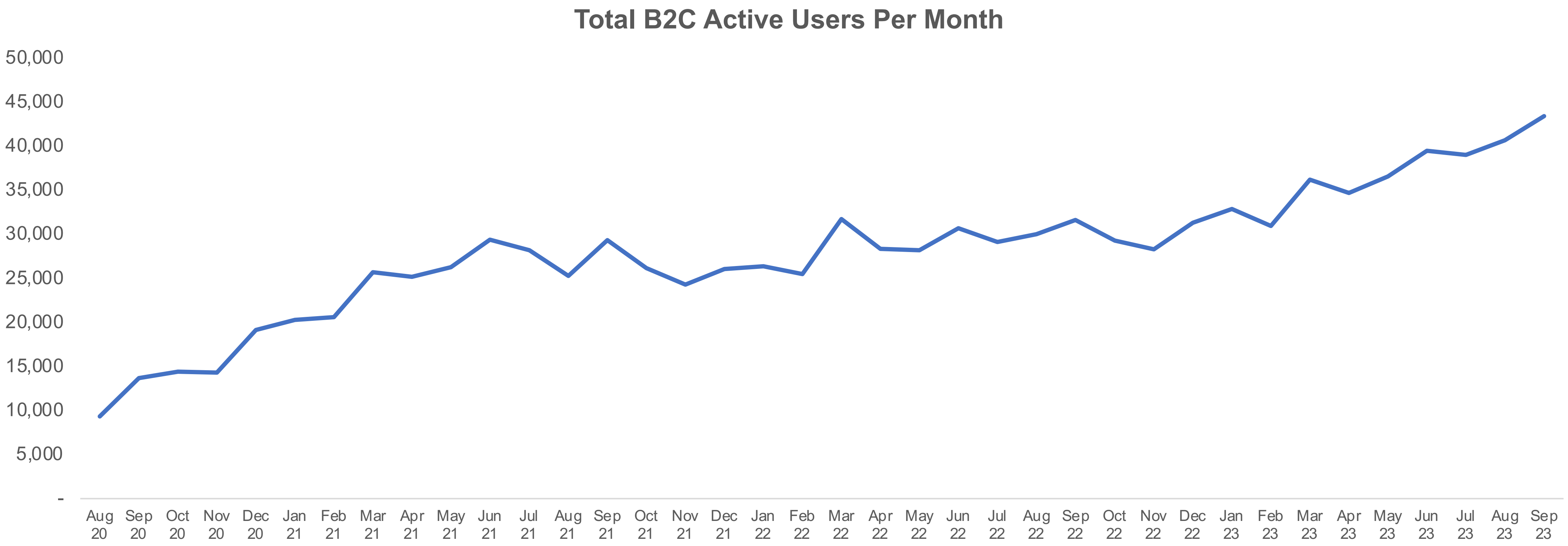
Sophia has grown rapidly since the pandemic

Sophia®

Founded in **2010**	**Free period during 2020** to help students and institutions move to online learning during the pandemic	Revenue has grown from less than **$5M** pre pandemic to approximately **$34M** in 2023	**B2C B2U2C B2B**

Sophia direct-to-consumer business

Proven success marketing directly to students, focusing on key messages of affordability, flexibility and credibility



Sophia delivers exceptional value to subscribers

Sophia®

More than	More than	More than
$500M	**500K**	**1.5M**
in tuition dollars saved	courses completed	transfer credits awarded

Savings based on average annual tuition at in-state, 4-year institutions, as reported by IPEDS, 2020.

Sophia higher ed partnerships

Signed articulation agreements benefit higher ed partners while also building consumer credibility and awareness by securing transferability of credits

- **60+ partners** with articulation agreements
- Transcripts sent to over **1,000 institutions**
- **Increase** retention, **expand** course offerings, and **boost** enrollment
- No cost and no technical implementation
- Advisor advocacy

Student outcomes: a Sophia case study

If a student has completed at least one Sophia course, then they are…

\+

Large Public University

+22%	…more likely to complete their first term
+47%	…more likely to enroll in their second term
+86%	…more likely to enroll in their fourth term

Sophia corporate partnerships

Low-cost way to offer frontline employees an education benefit without the financial commitment of traditional tuition assistance

Sophia®

- **Extend education benefits** to employees who were not eligible for tuition assistance
- **Leverage Sophia pathways** with tuition benefits to extract more value
- Large growth opportunity **~$1M today → $10M by 2028**
- **"Sophia for Business"** product expansion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Financial update

Daniel Jackson

Executive Vice President and Chief Financial Officer

- Previously Treasurer and Senior Vice President of Finance, Strayer Education, Inc.
- Prior roles include financial and operational positions with Legg Mason Wood Walker and Fairmont Schools
- MBA, Georgetown University

2023 Outlook (as previously communicated)

- Revenue growth in the mid-single digits
- Expenses increase 3%, or slightly higher if revenue growth more than mid-single digits
- Revenue growth strengthening in second half
- Expense growth moderating in second half
- Significant earnings growth in second half of 2023, and for full-year

Strong Q3 2023 results consistent with Outlook

	SEGMENTS							
	USHE	yr/yr Δ	ETS	yr/yr Δ	ANZ	yr/yr Δ	CONSOLIDATED	yr/yr Δ
Total Enrollment	82,548	10%	N/A	N/A	18,279	-1%	100,827	8%
Adjusted Revenue	202	9%	21	27%	66	7%	$288M	10%
Adjusted Expense	191	2%	13	12%	51	-2%	$255M	2%
Adjusted EBIT	10	N/A*	8	59%	14	60%	$33M	171%
Adjusted EBIT Margin	5%	+600 bps	40%	+810 bps	22%	+720 bps	12%	+690 bps
Adjusted EPS							$0.99	200%

Q3 2023 using Constant Currency FX of 0.68 USD:AUD
Numbers are rounded
*Operating loss in Q3 2022

Full-year 2023 forecast also consistent with Outlook

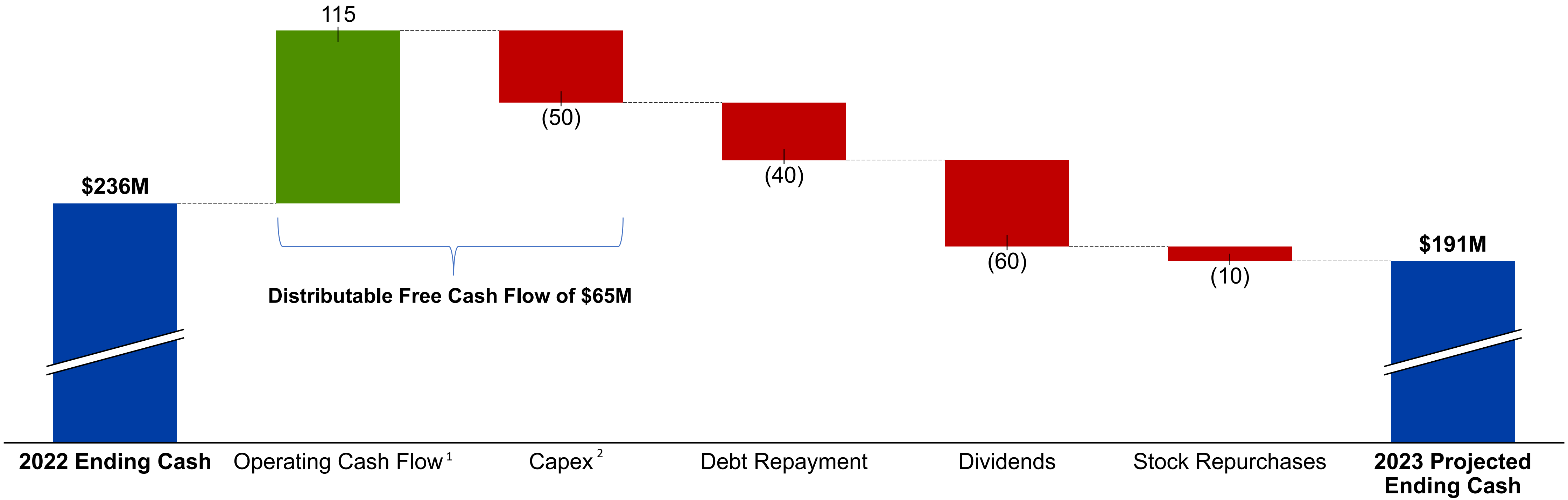
	SEGMENTS							
	USHE	yr/yr Δ	ETS	yr/yr Δ	ANZ	yr/yr Δ	CONSOLIDATED	yr/yr Δ
Total Enrollment	82,000	6%	N/A	N/A	18,500	-4%	100,500	4%
Adjusted Revenue	815-818	6%	78-80	24%	238-240	4%	$1,133M – 1,138M	7%
Adjusted EBIT Margin	6%	130 bps	35%	500 bps	15%	160 bps	10%	200 bps

FY 2023 using Constant Currency FX of 0.69 USD:AUD

Cash Generative Model, Supporting Investment and Capital Deployment

- Strong cash flow
- Reinvestment into the business
- Debt reduction

- Return capital to owners
  - Support dividend
  - Opportunistic share repurchases



[1] Operating Cash Flow before Cloud Computing investments

[2] Capex inclusive of Cloud Computing investments

2024 Preliminary Outlook

	2024 Outlook
USHE enrollment growth	*4-6%*
ANZ enrollment growth	*3-4%*
Sophia subscription growth	*15-20%*
Consolidated revenue growth	*4-6%*
Adjusted operating margin	*+200bps*
Adjusted effective tax rate	*30%*
Capex % of revenue*	*4-5%*

*Includes “Cloud computing” investments which flow through operating cash flow as other assets

Investing for Quality, Growth and Margin Expansion

- Capital expenditures* 4-5% of revenue to invest in:
  - Technology platform investments
  - Cross-pollinate technology and digital first investments across divisions
  - Investment in campuses to support employer and on-ground students
  - Infrastructure maintenance
  - Accelerated investments in automation (RPA and AI) and central share services

*Includes "Cloud computing" investments which flow through operating cash flow as other assets

Accelerated investments in Automation/AI

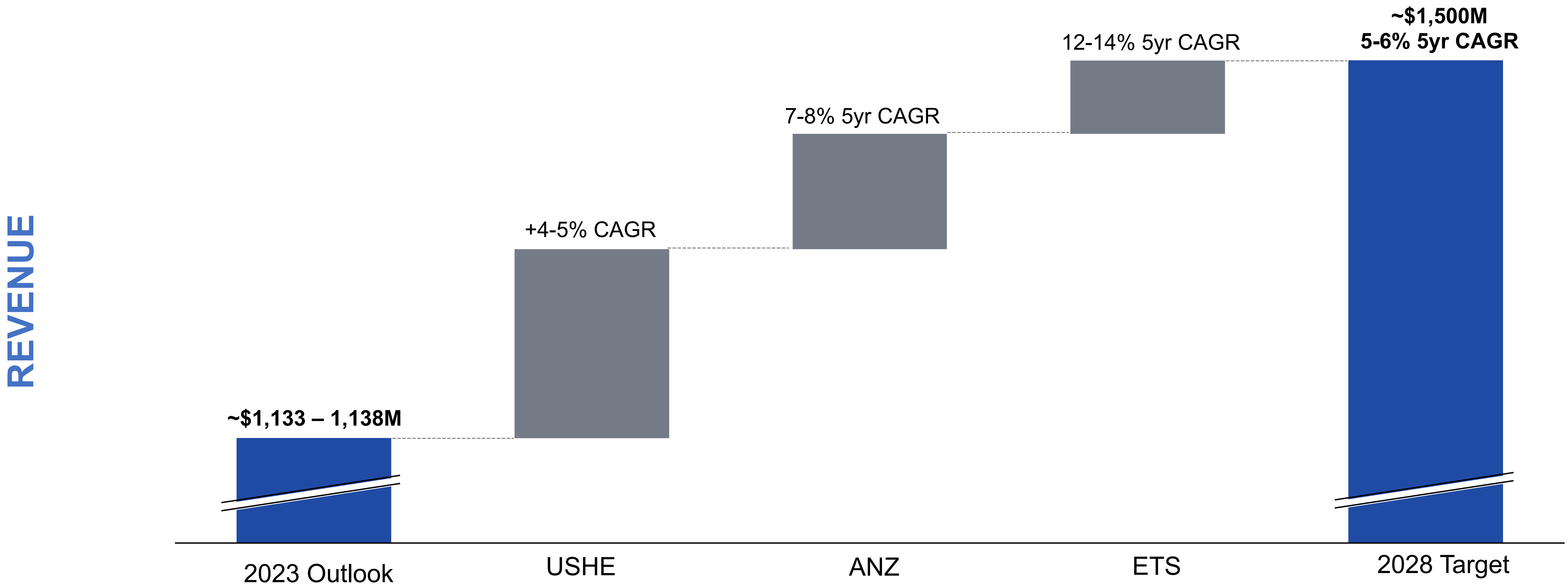
- Investing $4-5M per year over next three years to generate $30-$40M in run-rate productivity savings
    - Leveraging new capabilities from current strategic IT partners
    - Expanding use of Robotic Process Automation (RPA) tools to automate simple transactional processes across divisions and functions
    - Using generative AI tools to automate more complex processes

Five-year plan notional model

	Five-year model
USHE enrollment growth	*4-6%***
ANZ enrollment growth	*6-8%***
Sophia subscription growth	*16-18%***
Consolidated revenue growth	*5-6%***
Adjusted EBIT margin	*+200bps annually*
Adjusted effective tax rate	*30%*
Capex % of revenue*	*4-5%*

*Includes “Cloud computing” investments which flow through operating cash flow as other assets
**CAGR

Consolidated 5-year notional model



EBIT

	2023 Outlook	USHE	ANZ	ETS	2028 Target
Target Margin:	**10%**	**17%**	**25%**	**50%**	**22%**
2020 *Pro-forma Margin*:		**20%**	**17%**	**52%**	**20%**

Financial governance

- Board of Directors / Audit Committee
- Boards of Trustees / Directors at Capella, Strayer, and Torrens Universities
- Internal audit
- Outside advisors
- Tone at the top

Non-GAAP financial measures

These materials report certain financial measures that are not required by, or presented in accordance with, accounting principles generally accepted in the United States of America ("GAAP"). We discuss management's reasons for reporting these non-GAAP measures below, and our publicly available financial information reconciles the most directly comparable GAAP measure to each non-GAAP measure that we reference. Although management evaluates and presents these non-GAAP measures for the reasons described below, please be aware that these non-GAAP measures have limitations and should not be considered in isolation or as a substitute for revenue, total costs and expenses, income from operations, operating margin, income before income taxes, net income, earnings per share or any other comparable financial measure prescribed by GAAP. In addition, we may calculate and/or present these non-GAAP financial measures differently than measures with the same or similar names that other companies report, and as a result, the non-GAAP measures we report may not be comparable to those reported by others.

Management uses certain non-GAAP measures to evaluate financial performance because those non-GAAP measures allow for period-over-period comparisons of the Company's ongoing operations before the impact of certain items described below. Management believes this information is useful to investors to compare the Company's results of operations period-over-period. These measures are Adjusted Revenue, Adjusted Total Costs and Expenses, Adjusted Income from Operations, Adjusted Operating Margin, Adjusted Income Before Income Taxes, Adjusted Net Income, Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA), Adjusted EBITDA and Adjusted Diluted Earnings Per Share (EPS). We define Adjusted Revenue, Adjusted Total Costs and Expenses, Adjusted Income from Operations, Adjusted Operating Margin, Adjusted Income Before Income Taxes, Adjusted Net Income, and Adjusted Diluted EPS to exclude (1) amortization and depreciation expense related to intangible assets and software assets associated with the Company's acquisition of Torrens University and associated assets in Australia and New Zealand, (2) integration expenses associated with the Company's merger with Capella Education Company and the Company's acquisition of Torrens University and associated assets in Australia and New Zealand, (3) severance costs, lease and fixed asset impairment charges, gains on sale of real estate and early termination of leased facilities, and other costs associated with the Company's restructuring activities, (4) income/loss recognized from the Company's investments in partnership interests and other investments, and (5) discrete tax adjustments utilizing an adjusted effective income tax rate of 33.0% and 30.0% for the three months ended September 30, 2022 and 2023, respectively. To illustrate currency impacts to operating results, Adjusted Revenue, Adjusted Total Costs and Expenses, Adjusted Income from Operations, Adjusted Operating Margin, Adjusted Income Before Income Taxes, Adjusted Net Income, and Adjusted Diluted EPS for the three months ended September 30, 2023 are also presented on a constant currency basis utilizing an exchange rate of 0.68 Australian Dollars to U.S. Dollars, which was the average exchange rate for the same period in 2022. We define EBITDA as net income before other income (loss), the provision for income taxes, depreciation and amortization, and from this amount in arriving at Adjusted EBITDA we also exclude stock-based compensation expense, amortization expense associated with deferred implementation costs incurred in cloud computing arrangements, and the amounts in (2) and (3) above. Please see the press release filed as Exhibit 99.1 to the 8-K dated November 2, 2023 and available on our website at www.strategiceducation.com and our Form 10-Q for a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures. Non-GAAP measures should not be viewed as substitutes for GAAP measures.

Q&A

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