

# Environment 2008

Welcome to our 2008 Environmental Review.

Every person and every company has an impact on the environment and Pearson and the people who work here are no exception. Our books, newspapers and magazines all use paper - a vitally important natural resource. We use energy to heat, cool and light our buildings and to power the computers we rely on to share our ideas, products and stories. Our people travel to, from and for work. Minimising the environmental impact of our businesses is something that Pearson - and each of our operating companies - takes very seriously.

In 2007, we set an ambitious course to become a climate neutral company for our existing businesses by the end of 2009. Much has been achieved in the last 12 months but there is a still lot more to do. As a people and content business, our focus this year has been on starting to harness the ideas and enthusiasm of the people who make up Pearson. This will continue.

We're proud of the many initiatives and activities we have been working on this year, and we hope you enjoy reading more about them in this report. But one of the defining characteristics of our company culture is that we are never satisfied. We'll be working hard to extend our impact further this year.

**David Bell**  
**Director for People**

## Our Strategy: Towards a climate neutral future

There is growing international concern on matters relating to climate and the use of energy. In 2007, the Stern Review Report on the economics of climate change set out the context:

"The scientific evidence is now overwhelming. Climate change presents very serious global risks and it demands an urgent global response."

Against this backdrop, Pearson announced in early 2007 its commitment to continue the process of becoming a climate neutral company for its existing businesses with a view to completing that globally by the end of 2009. Our strategy to meet that commitment follows three main steps:

1. **Measure.** In 2008, the climate footprint relating to buildings and from business travel caught within our commitment was just below 180,000 metric tonnes of CO<sub>2</sub>.
2. **Reduce.** We have already cut the CO<sub>2</sub> we release from the energy we use by 11% in the period 2003 to 2007. This year, we went much further by introducing energy-efficient design across our buildings as well as looking at renewable energy where we can. We describe our initiatives and plans throughout this Environmental Review but together, our initiatives helped us to reduce our climate footprint by 10% in 2008.
3. **Offset.** In 2010, whatever emissions we have not been able to reduce or avoid will be offset by supporting a range of projects that either save or absorb a tonne of carbon for each tonne that we emit.

Our focus is on reduction of our Greenhouse Gas (GHG) emissions. The challenge to become climate neutral is a challenge to every Pearson operating business and every Pearson employee to become climate aware. We have set the end of 2009 as our target date to give everyone time to get involved.

We have involved all parts of Pearson in achieving our commitment:

- **Facilities** have worked on building energy efficiency design and upgrades together with looking at renewable energy options across our main buildings
- **Internal Communications** set up Planet Pearson, a dedicated environmental intranet site bringing together information, ideas, competitions and signposts to local green groups and in our regular cross-group communications
- Our **Marketing Teams** have worked on innovative partnerships to raise awareness of environmental issues; invest in offset projects and boost our reputation.
- **Editorial** colleagues have commissioned books, magazine and newspaper articles on a wide range of environmental issues
- Our **Purchasing Teams** have worked with our company car fleet suppliers to introduce new or widen existing green options into our car fleet
- **Finance** has set up capital funds in the US and the UK as our two main centres of employment to stimulate new ideas and innovation

## Realising our strategy

In 2007, we established our Environment Executive Committee to help sharpen our focus on meeting our climate neutral commitment. The Committee includes two Executive Directors of the Pearson plc board as well as senior executives from operations, communications and those leading implementation across the business.

We are most advanced in the UK, where in addition to our country committee, we have established eco-committees at key buildings to look for additional opportunities for improvement.

In the US, a small central environmental team is supported by committees that focus on buildings, business travel and employee engagement. Green teams are now in place covering most of our key buildings in North America.

In both the UK and the US, we have commissioned comprehensive reviews of our buildings identifying opportunities for reduction. In the UK, we completed a carbon management programme with the Carbon Trust.

In addition, country committees have been established in Australia, Canada, India and South Africa.

### **Contacts**

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# Climate footprint

## Our 2008 Climate Footprint

**178,168**  
 Metric Tonnes of CO<sub>2</sub>e  
**↓10.4%**  
 2008 vs. 2007

We have reported on our global carbon footprint since 2003. In 2007, we reviewed and adopted a new baseline in line with our commitment to become a climate neutral company for our existing businesses with a view to completing that globally by the end of 2009.

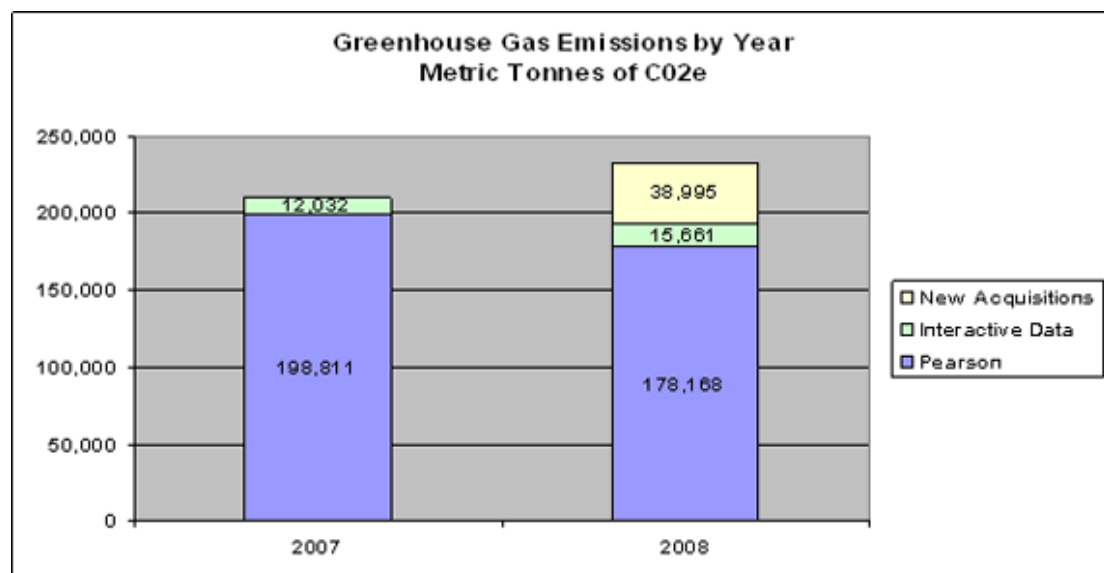
We now report progress against two measures:

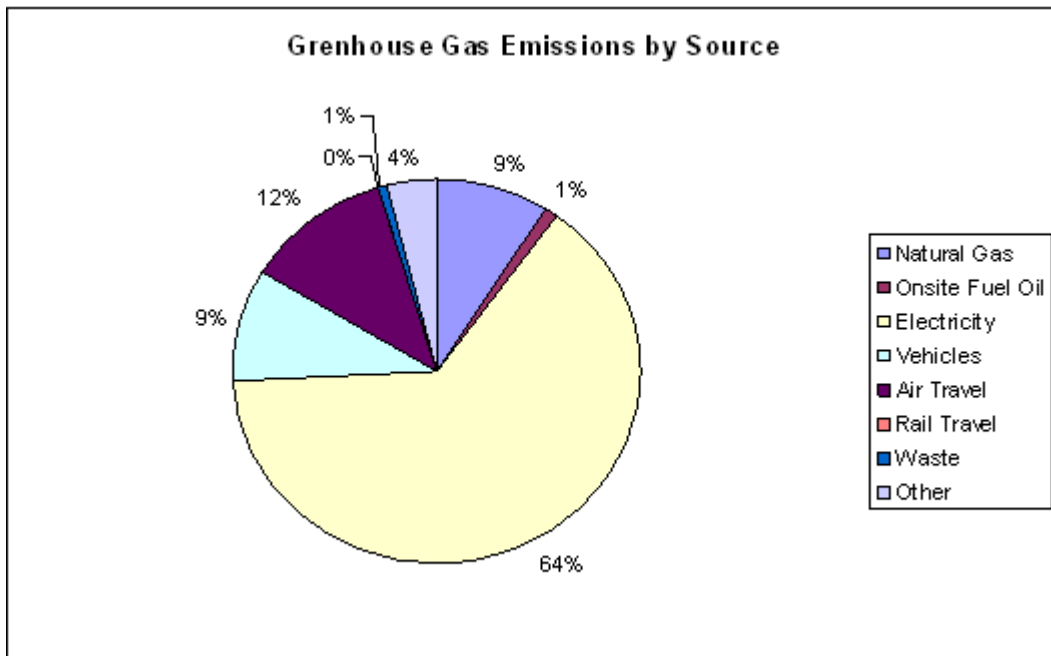
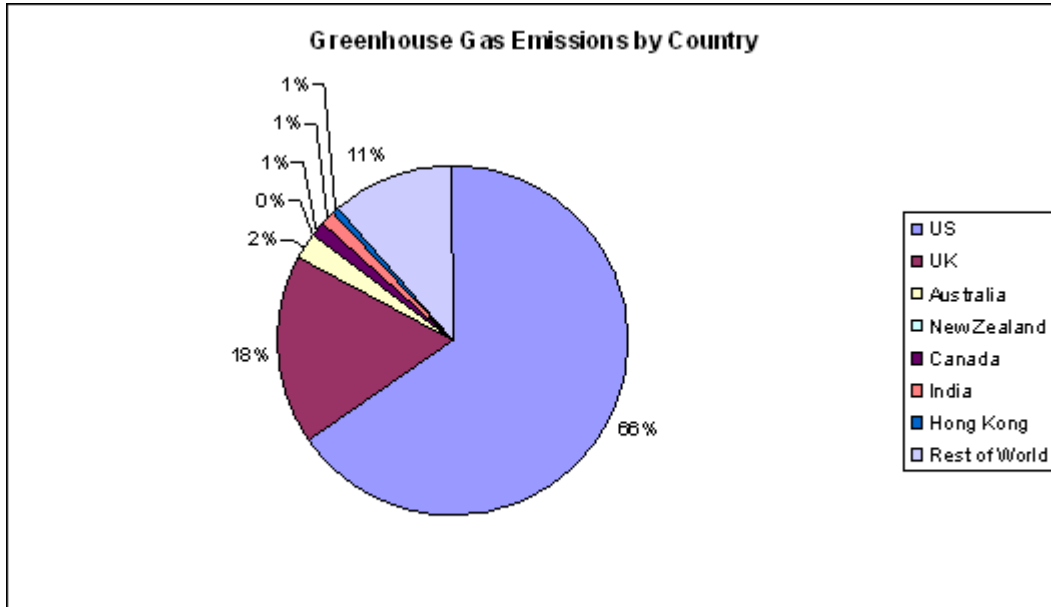
- Our primary focus is on our climate neutral commitment
- Our wider climate footprint. This includes Interactive Data which is not part of our climate neutral commitment as well as acquisitions made subsequent to that commitment

### Progress against our climate neutral commitment

2007	2008	2008 vs. 2007
<b>198,811</b>	<b>178,168</b>	<b>↓10.4%</b>
Metric Tonnes of CO <sub>2</sub> e	Metric Tonnes of CO <sub>2</sub> e	

### Our wider climate footprint: our buildings and business travel





## Methodology

We are a global business and, as such, we use the Greenhouse Gas (GHG) Protocol for reporting our greenhouse gas emissions. Established jointly by the World Resources Institute and the World Business Council for Sustainable Development, the GHG Protocol is the most widely used international accounting standard for GHG emissions. We apply the 'control' of company methodology for reporting. We therefore include 100% of the emissions of Interactive Data in our wider climate footprint reflecting our majority shareholding.

For our UK data, we have adopted the conversion factors recommended by the UK Government Department of Energy and Climate Change (DECC). In part, this is in preparation for new UK legislation in the UK on carbon management. Pearson businesses in the UK will be registered under the Carbon Reduction Commitment expected from 1st April 2010 onwards.

In line with the GHG Protocol, we report on all our Scope 1 and 2 emissions and include the optional element for emissions relating to business air and rail travel. Our climate footprint includes:

- All fuel used in our buildings and in company vehicles
- Electricity used in our buildings drawn from grids in the countries where we do business
- Emissions relating to air and rail travel

We express our total greenhouse gas emissions in the equivalent tonnes of carbon dioxide (CO<sub>2</sub>), the main greenhouse gas.

### **Assurance**

Our climate footprint has been verified again this year by the independent specialist consultant, Corporate Citizenship. The assurance statement covers the methodology, data collection and accuracy of data reported.

### **External Reporting**

In addition to this annual environmental review, we also publicly disclose our carbon management performance to the [Carbon Disclosure Project](#) (CDP).

## Our initiatives

We aim to have a positive environmental impact as part of everything we do. Our environmental commitments help shape our thinking about new books, how we manage the buildings we occupy or on how we develop relationships with suppliers and business partners. This section describes some of the initiatives started or planned in 2008.

### Our Buildings

In the UK, the US, Canada and India, we have commissioned comprehensive independent reviews of our main buildings to help us identify opportunities for energy savings. In the UK, we completed a carbon management programme with the Carbon Trust. As a result of these reviews, we are introducing energy efficient features in many of our existing buildings:

- Our new building in Sandy, Utah is on track to be our first building to be **Leadership in Energy and Environmental Design (LEED)** - certified by the US Green Buildings Council. Its use of natural light; motion sensors; advanced energy management systems and temperature controls is predicted to help us use a third less energy over conventional new buildings.
- All our buildings in the UK have put in place arrangements for all non-recyclable items to be used for "Waste to Energy" generation, meaning we send no waste to landfill
- Pearson Australia is continuing an electricity audit to identify high volume equipment using sub meter testing equipment. It is installing block out blinds in high UV sections in its Camberwell office
- A lighting upgrade investment programme at our Distribution Centre in Lebanon, Indiana helped us reduce our energy use at the facility by 20% (1,800 metric tonnes of CO<sub>2</sub>).
- Our FT headquarters building in London has recently been awarded a further 3 years' re-accreditation under the Carbon Trust's Energy Efficiency Accreditation Scheme

### Renewable energy

We are committed to using renewable electricity across our operations where it is economically viable to do so. Some of our buildings in the US already contract to purchase renewable electricity and we are looking to build on that:

- During 2008, we worked on securing supply of green electricity for all our main buildings in the UK. This was secured in April 2009. Our plan is to further extend our use of renewable energy in the US in 2010.
- We are investigating the feasibility of generating renewable energy using solar panels or wind turbines at key Pearson buildings in the US. Our aim is to commission our first project in 2009.

### Travelling on business

For essential travel, we've been encouraging our people to avoid flights wherever possible and we're gradually 'greening' our car fleet.

- Over 40 Penguin staff travelled from the UK to the Frankfurt Book Fair by train in 2008
- In both the US and UK, we have reduced the number of cars in our fleet, aiming to replace others with hybrid and lower emission vehicles where possible

- Pearson Australia plans a company wide travel survey to understand attitudes towards public transport, generate ideas for higher participation and to help inform the selection of future office sites

## **Information Technology**

We use technology extensively. Our portfolio of digital products continues to grow; we increasingly run data centres and use technology extensively in our offices. This is a focus for us as harnessing technology can help improve efficiency and save cost, as well as reducing our climate footprint:

- Improving server utilization is a hot topic for us as we have recognised the potential to reduce power and cooling consumption. A global programme involving 1,500 servers from operations in the UK, the US, Canada and Australia has helped us reduce our energy bills by \$1m and save approximately 4,500 tons of CO2.
- Working through our local green team network, we have run switch-off campaigns and in the UK introduced automatic switch-off capability where possible.
- Pearson held its first virtual Town Hall meeting on 3 December 2008, a highly interactive event allowing Pearson people from around the world to converse and discuss ideas without leaving the office. The total cost was less than 20% of traditional in-person forums through savings on a conference venue, travel fares and overnight accommodation, also avoiding over 300,000 air miles.
- By improving the video conferencing facilities in our buildings, our companies have been able to reduce the necessity to travel. In May 2009, we used virtual meeting technology to hold our biennial global finance conference.

## **Environmental Management**

Pearson has had its own global Environmental Management System for many years. In 2008, the decision was made to seek accreditation for our UK operations under ISO14001, the international environmental management standard. Work started on this project in 2008 and was successfully completed in April 2009.

## Engaging others

Climate change affects us all. It requires leadership and vision to address and we all have a role to play. As most of our people work in offices, Pearson has a relatively insignificant direct impact. However, we can have a much more significant impact through informing, engaging and enthusing the thousands of people who work for us and in our supply chain, and the millions who read our newspapers and books every day.

Our company values are to be brave, imaginative and decent. Our concern for the environment reflects those values and we want to provide opportunities for employees to get involved in our plans as they develop:

- We launched Planet Pearson, a cross-company environmental intranet site as a pilot in the US, with a view to expanding its usage across our international businesses. This site offers ideas for carbon reductions, links to local green groups and performance reports
- We now have over 30 Green Teams in place in Pearson buildings in the UK, the US, Canada, Australia, South Africa & India.

Climate change is also proving to be a hot topic for our businesses. We can make a difference in many ways from wide ranging marketing partnerships:

- Penguin Classics is supporting the Nature Conservancy's [Plant a Billion Trees campaign](#) in the US with major marketing, publicity, and in-store promotions that increase public awareness and participation. The programme has already planted 1.4 million trees in Brazil, and every dollar donated to the conservancy will put another tree in the ground.
- In 2008 we launched the FT Climate Change Challenge ([www.ft.com/climatechallenge](http://www.ft.com/climatechallenge)), in partnership with Hewlett Packard and sustainable development organisation Forum for the Future. The Challenge seeks out the most exciting innovations - practical ideas which will reduce emissions and make us more resilient to the change ahead.
- In 2008 the FT newspaper launched a major new online report, The Business of Carbon Management. In a departure from the traditional print format, the report features a series of videos, slideshows and interactive graphics. The report can be viewed at [www.ft.com/bizcarbon](http://www.ft.com/bizcarbon). The site has been viewed over 150,000 times and received over 120,000 video plays.
- Penguin publishes a range of books with an environmental theme including [The Rough Guide to Climate Change](#) and [Green, Greener, Greenest: A Practical Guide to Making Eco-Smart Choices a Part of Your Life](#). More information on Green Penguin activity and books can be found on the [UK](#) and [US](#) environment websites for Penguin.
- Penguin in the UK is helping the Woodland Trust create a new wood in the heart of the National Forest. The 96 acre Penguin Wood at Botany Bay is ten miles south of Burton-on-Trent.

# Water, Waste and Packaging

## Water

Our offices do not use water beyond basic needs - we set targets to reduce usage and it forms part of our climate footprint.

## Unsold product

We sell a variety of products. Most of our products are paper-based in the form of books, newspapers and magazines. Less than 1% of our sales are products such as CDs and DVDs, and sales of magazines are small. We are committed to recycling as much of our unsold product as possible. Sometimes this happens through industry-wide agreements - as is the case for newspapers in the UK - whilst other initiatives are specific to Pearson.

Avoiding unsold product is a key business objective. Improvements in stock control and sales forecasting contribute significantly to reducing the amount of unsold product and to lower cost. Responsible disposal of unsold product is a significant environmental responsibility for us.

	2003	2004	2005	2006	2007	2008	%age change 2008 - 2007
Unsold product	99%	98.3%	96.8%	98%	99%	99%	Unchanged

**Our target is to maintain our reuse/recycle rate for all unsold books and newsprint in excess of 95%.** This has been maintained since 2003 and we again improved our overall recycling rates of unsold product. This remains a high priority for us.

## Packaging

We use a variety of packaging materials in the distribution of our products worldwide: cardboard, plastic, shrink-wrap and foamfill (a void filler). A particular objective for us has been to reduce the use of plastic and foamfill in favour of packaging based on natural materials. Our use of plastic has reduced by over 85% over the last four years and foamfill use is over 50% less than 2004. We now collect data on books handled to allow us to normalize the indicators we use.

# Going beyond our direct impacts

## Responsible purchasing

Pearson purchases in excess of £2 billion of goods and services from suppliers around the world each year. In 2001, Pearson made a series of commitments to extend its positive influence across its supply chain. These commitments formed part of our response to the UN [Global Compact](#) and covered labour standards and human rights as well as environmental responsibility. This section describes the progress we have made in linking environmental responsibility to our procurement strategy.

## Our impact

Managing the environmental impacts arising from our supply chain was first identified as a priority in the 2002 Pearson Environmental Review. This focus has continued ever since.

Pearson is a major purchaser of paper for books, newspapers and magazines. We also have contracts with printers around the world to produce our books, magazines and newspapers as well as with distributors and shippers to bring our products to market. We believe that our major environmental impacts are supply chain related, particularly relating to the supply of paper, printing and also to distribution.

During 2002, we contacted 16,000 of our suppliers describing how our environmental policies affect our purchasing decisions and introducing them to our commitments under the Global Compact. In 2006, we wrote again to our top 850 global suppliers, re-emphasizing our commitment to the UN Global Compact and our Code of Business Conduct.

Including environmental responsibility as a contract requirement defines the nature of the relationship that we seek to build with our suppliers. It is in the contract that we outline the standards of performance that we expect from our suppliers as well as the commitments we make as a responsible purchaser. The standards we set our suppliers reflect the standards that we set for ourselves.

Pearson introduced specific environmental clauses for inclusion in key contracts agreed from 2002 onwards. These clauses were reviewed following supplier feedback and the introduction by Pearson of a [Code of Business Conduct](#). These clauses are now part of our standard negotiations for new contracts and for existing contracts on renewal. Many of our key contracts run for several years, so the process of introducing these clauses is ongoing.

In many instances, legislative and regulatory controls along with industry and company initiatives have produced high standards of integrity among suppliers. Our approach seeks to reinforce the importance of high standards of responsibility and integrity.

In line with our commitment to climate neutrality, we have started the process of exploring our product carbon footprints. Where possible, we will work with industry partners to understand this complex area.

## Paper

Our books, newspapers and magazines all use paper. We lead the way in investing in new technology to provide paperless opportunities for our customers and readers to access our products. Nevertheless, we expect that our use of paper will continue to grow as a medium for delivering our products.

The amount of paper we use is determined by the news agenda of the day, our advertisers, the decisions taken by our authors, and the number of products we commission, print and sell. We therefore believe it is unrealistic to set targets to reduce



Water	86%	87%	88%	89%	89%	57%	76%	76%	78%	77%
Ink	95%	94%	94%	97%	97%	71%	79%	80%	79%	79%
Solvents	91%	90%	88%	93%	93%	76%	85%	83%	85%	84%
Alcohol	67%	89%	81%	90%	92%	67%	77%	74%	83%	85%
Energy	81%	90%	89%	93%	92%	71%	84%	84%	86%	85%
Waste Production	95%	94%	94%	97%	97%	95%	92%	91%	90%	90%

We continue to be concerned that the release of Volatile Organic Compounds (VOCs) which are present in inks and solvents are managed effectively and where possible reduced.

We encourage our printers to introduce and monitor reduction targets for VOCs and the indicators in the table above. The findings from this survey provide the basis for production teams to discuss environmental impact with suppliers. Following a review process to assess use of ink and solvents used by one of our businesses, a new imprint was launched.

Our production departments continue to use a single group knowledge management system incorporating both environmental and labour standards data together with commercial data.

During 2008, Pearson people undertook visits to existing and potential printers in Australia, China, India, Japan and Mexico, and in several European countries, including Germany, Italy, Spain and Slovakia. These visits provided an opportunity for Pearson to review performance standards in areas including environmental responsibility, health & safety, labour standards and human rights. The findings and issues identified have been discussed with our printers and are being managed as part of our normal commercial relationships.

### **Case Study** **R.R. Donnelley**

R.R. Donnelley is an important supplier to Pearson. Environmental initiatives adopted by the company include:

- Use of low-VOC inks and solvents to reduce emissions to air
- Investment in energy efficient equipment
- Use of computer-to-plate technology, eliminating wastewater discharge related to film processing
- A range of packaging reduction initiatives, including the use of shared pallets.

### **Distribution**

It is normal practice for our businesses to outsource distribution and shipment of our products to third party carriers.

### **Shipping**

Our books are produced around the world, requiring shipment from the printers to our Distribution Centres. Maximizing the container load is an important measure of environmental efficiency. A review in 2005 of the performance of different parts of the business identified an opportunity to consolidate shipments and thus maximise container loads.

Working with World Transport Agency (WTA), our main shipping agency we established a process in 2006 to measure the carbon footprint associated with the shipping of our books across 12 key routes covering over 90% of books shipped. In order to calculate the carbon footprint, WTA worked with shipping companies and the Carbon Neutral Company to develop new methodologies to measure carbon intensity through a tonnes CO2 per Container measure. Pearson was the first company to engage with WTA to apply this methodology to our shipments. We set a target for 2008 **to improve container utilization by a further 5% across our key routes**. We will report on progress on this indicator later in the second half of 2009.

## **Road**

Pearson has very few commercial vehicles of its own. The main road distributors in the UK and Europe are DHL for books and TNT for the Financial Times.

In the US, we similarly outsource distribution, with FedEx being the main distributor. These distributors have environmental policies and use modern fleets of vehicles. We monitor environmental performance as part of the contractual arrangements.

# Progress and plans

## Reporting and ratings

We use external recognition of environmental management by the company as a measure of our performance. As well as achieving accreditation for our UK operations under the environmental management standard ISO 14001, we again performed well in other key external benchmarks:

- We were ranked top of our sector in the Business in the Community Environment Index 2008. Environmental Management at Pearson was again ranked as 'platinum', the highest performance tier within the index.
- We continue to report on our progress to the UN as part of our commitment under the Global Compact.
- Pearson has been included in FTSE4Good indices since their inception.














## Commitments & targets

Our main environmental commitment is to become a climate neutral company by the end of 2009 for existing operations. This means that using 2007 as the base year, we aim to reduce our Greenhouse Gas emissions by **100%** by the end of 2009 for our operations excluding new acquisitions. Where it is not possible to reduce our emissions by other means, we expect to purchase carbon credits.

Pearson adopted a new baseline for data in 2007. Our environment archive provides historic data on our performance against targets.

2008 Targets	Progress	2009 Targets
Expand our individual company environmental committees into our US and other businesses, directly involving many more of our people.	 Ongoing. Over 30 Green Teams are now in place in Pearson facilities in the UK, the US, Canada, Australia and India.	Continue to expand our network of environmental teams across our businesses.
Continue our environmental and labour standards auditing programme, revisiting our printers in Asia, North America and parts of Europe.	 Achieved. Visits carried out in Australia, China, India, Japan, Mexico and in several European countries, including Germany, Italy, Spain and Slovakia.	Hold training refresher seminars with key Pearson production departments on labour standards and environmental issues.
Continue to explore aspects of our wider product related carbon footprint	 Ongoing. Discussions with industry partners continued.	Continue to work with industry partners to establish a methodology to assess the carbon footprint of a book.
Maintain our position in the key indices of social responsibility.	 Achieved. Pearson retained its position as Global Leader for the Media Sector in the Dow Jones Sustainability Indices and maintained its Platinum rating in the	Maintain our position in the key indices of social responsibility.

Business in the Community  
Responsibility Index.

Using 2007 as the base year, we aim to reduce energy use on a like-for-like basis by 5% by the end of 2009	 Achieved an 11% reduction in 2008.	Introduced a revised target. Using 2007 as the base year, we aim to reduce energy use on a like-for-like basis by 15% by the end of 2009.
Using 2007 as the base year, we aim to reduce our Greenhouse Gas emissions by 25% by the end of 2020	 Achieved a 10.4% reduction in 2008.	Using 2007 as the base year, we aim to reduce our Greenhouse Gas emissions by 25% by the end of 2012.
Using 2007 as the base year, we aim to achieve a per employee reduction in air travel by the end of 2009	 Ongoing. Air travel per employee increased this year to reflect inclusion of additional data from Penguin in the US.	Using 2007 as the base year, we aim to achieve a per employee reduction in air travel by the end of 2009.
Various initiatives to reduce air travel	 Ongoing. Investment programme in video-conferencing technology approved in the US.	Continue to encourage alternatives to air travel. Extend data coverage to include our top 10 markets.
Using 2007 as the base year, our target is to reduce like-for-like water use across the company by 10% per square metre of occupied space by the end of 2012	 On track. Achieved a 3.5% like-for-like reduction in 2008.	Using 2007 as the base year, our target is to reduce like-for-like water use across the company by 10% per square metre of occupied space by the end of 2012.
Maintain our reuse/recycle rate for all unsold books and newsprint in excess of 95%.	 Achieved 99%.	Maintain our reuse/recycle rate for all unsold books and newsprint in excess of 95%.
To establish a global Environment Fund to encourage capital investment projects that deliver significant GHG reductions.	 Achieved	
To investigate the viability for Pearson to invest in generating its own renewable energy at sites above 1 million square feet.	 Ongoing. Our focus is on our buildings in the US.	To continue to investigate the feasibility of generating renewable energy using solar panels or wind turbines at key Pearson buildings. Our aim is to commission our first project in the US by 2010.
To review our approach and use of renewable energy	 Ongoing. We will secure the supply of green electricity for all our main buildings in the UK in 2009	We will look to extend that commitment to the US by 2010.
Continue to raise employee awareness of the steps we are taking on corporate responsibility and how they can help.	 Ongoing. We launched Planet Pearson, a cross-company environmental intranet site as a pilot in the US.	We will look to expand its usage across our international businesses.
Continue our drive for independently verified certification to ensure the suitability of paper we purchase for our books, newspapers and magazines.	 Achieved. See our separate report on paper purchasing	Continue our drive for independently verified certification to ensure the suitability of paper we purchase for our books, newspapers and magazines.

**Commitments in 2008**

- Our new building in Sandy, Utah is on track to be our first building to be **Leadership in Energy and Environmental Design** (LEED)-certified by the US Green Buildings Council
- In both the US and UK, we reduced the number of cars in our fleet, aiming to replace others with hybrid and lower emission vehicles where possible. We will continue with this programme in 2009 and will look to set a global reduction target
- We will continue to minimize the environmental impact of packaging and distribution in our book companies.
- Last year, we set a target is to achieve a 15% reduction in consumption of paper per head by 2010 using 2005 as the base year. There has been progress. Penguin has purchased digital reading devices such as Sony [Readers](#) and Amazon [Kindles](#) for Penguin's sales force (US) and editorial and marketing staff (Australia, US and UK) to reduce paper use.

## Protecting the Environment: Data and Trends

Pearson has been collecting and reporting on its environmental impact since 2002. In 2007 we adopted a new environmental baseline and report progress against this here. Environmental data for previous years can be found in our [environmental review archive](#).

Our Climate Neutral commitment is based on our existing businesses with a view to completing that globally by the end of 2009. We report here on our absolute environmental impact which includes both new business acquisitions and IDC which do not form part of our climate neutral commitment.

### Reporting Measures

Measure	Units	2007	2008
Number of Offices Reporting		728	889
Net Internal Area of Reporting Offices Covered	m <sup>2</sup>	1,278,025	1,434,043
Full-Time Employees (FTE) Covered	FTE	31,622	33,584

### Energy Consumption

Measure	Units	2007	2008
Total Electricity Consumption (excluding from renewable sources)	MWh / year	238,319	275,354
Total Electricity Consumption from renewable sources only	MWh / year	2,594	3,950
Total Gas Consumption	MWh / year	90,419	110,550
Total Fuel Oil Consumption	MWh / year	3,190	4,047
Total Energy Consumption	MWh / year	334,523	393,901
Total Energy Consumption/ space occupied	KWh / m <sup>2</sup> /year	262	275

### Business Travel Consumption

Measure	Units	2007	2008
Air	Miles	132,365,280	116,177,904

<b>Rail</b>	Miles	1,317,442	2,118,592
<b>Road</b>	Miles	48,911,565	46,558,632
<b>Total Miles Travelled</b>	Miles	182,594,287	164,855,128
<b>Total Miles Travelled by FTE</b>	Miles / FTE	8,024	7,044

We collect business travel data in the US, the UK and Canada which together account for around 70% of total full-time employees.

### Paper

Measure	Units	2007	2008
<b>Total Paper Consumption</b>	Tonnes/ year	637	365
<b>Total Paper Consumption / FTE</b>	kg/ FTE/ year	29	16

We report here on paper consumed in our offices in the US and the UK. We have significantly reduced the paper we consume as we have adopted new paperless technologies as well as encouraging environmental responsible behaviour in our offices.

We prepare a separate [report](#) on the paper we purchase for use in our books, newspapers and magazines

### Waste

Measure	Units	2007	2008
<b>Total Waste to Landfill</b>	Tonnes / year	3,040	2,941
<b>Total Waste to Landfill / FTE</b>	kg / FTE / year	96	88

### Water

Measure	Units	2007	2008
<b>Total Water Consumption</b>	m <sup>3</sup> / year	503,816	586,288
<b>Total Water Consumption / FTE</b>	m <sup>3</sup> / FTE/ year	16	17

**Legal Compliance**

<b>Measure</b>	<b>2007</b>	<b>2008</b>
<b>Reported Environmental Prosecutions</b>	Nil	Nil

# Assurance Statement

Corporate Citizenship has been requested by Pearson plc to provide a statement relating to the accuracy of reported performance as described in the Pearson Environmental Review 2008.

Corporate Citizenship is independent of Pearson plc, but it is not independent of the process of environmental management and reporting carried out by the company. In 2001, SMART, now part of Corporate Citizenship, was commissioned by Pearson to support the development and implementation of an environmental management system across all its operations. Our role is reviewed on an annual basis by a Pearson Board Director. Included within the scope of this consultancy has been advice on the development, structure and content of the Pearson Environmental Review. We also separately provide commentary on the effectiveness of the Pearson Environmental Management System.

## Scope

Our work is to focus on verifying that the data presented by Pearson operating companies provides a reliable and accurate picture of company performance. Data is provided by the operating companies at the request of Alan Miller, Director of Group Affairs at Pearson plc. The data covered the period 1st January 2008 to 31st December 2008. The scope of this statement relates to data concerned with:

- Energy and water consumed within buildings
- Complaints from neighbours
- Business travel (air, rail and road)
- Greenhouse Gas Emissions
- Waste generation within buildings, from unsold product and packaging
- Progress towards achieving environmental targets

The objective of this assurance statement is to provide a review of:

- Effectiveness of data collection
- Accuracy of environmental performance data
- Transparency and completeness of environmental information reported

## Approach

Information and data collection was the responsibility of Pearson plc. As in previous years, it was the responsibility of Corporate Citizenship to support Pearson in developing a reliable reporting process. It is also the responsibility of Corporate Citizenship to review data collected for accuracy and completeness. In order to achieve this objective, Corporate Citizenship:

- Discussed the process and findings with members of the US and UK Environmental Working Groups
- Reviewed quantitative evidence of environmental performance
- Verified accuracy of performance data where changes of greater than +/-10% were reported.

## Opinion

On the basis of this approach and our wider experience and knowledge of Pearson, we are satisfied that the performance data as presented in the report is fair, accurate and reasonable.

Last year, we recommended that the company:

- Considers how environmental data can be made more accessible to individual facility managers as a tool to drive improved performance
- Considers moving to more regular environmental reporting in the US and the UK. Together, the US and the UK account for over 80% of the direct environmental impact for the company
- Move towards adopting a recognised system of environmental accreditation for its operations.

We are pleased that there has been some progress against these recommendations. Pearson has

- Considered a range of possible environmental data collection systems to allow easy access to data by facility managers
- Allied to the above point, a move to more regular environmental reporting is dependent upon completing the review of data collection systems
- Started the process of seeking accreditation for its UK operations under ISO14001, the internationally recognised standard for environmental management systems. This was successfully completed in April 2009.

This year, we would recommend that the company:

- Completes its assessment of options for data collection and implements a single integrated system for the UK and the US.
- Considers how it can build on its recent accreditation under ISO14001 for its UK operations by building in a commitment to continuous environmental improvement
- Pearson currently calculates country footprints for the UK, the US, Australia, New Zealand and India and for its operations in Hong Kong. We recommend expanding this beyond these core countries.

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