Environment Policy
1. **Scope of policy**

The scope of this policy is global covering all Pearson geographies, lines of business and functions.

2. **Policy statement**

We have a responsibility as a company to take proper care of the environment. This forms an essential part of how we run our business and reflects our support for the principle of sustainable development and our commitment to invest in sustainability.

The adoption of the Sustainable Development Goals (SDG) in 2015 provides an opportunity to further integrate external standards into our practice. The four SDG goal areas relevant to this environment policy are:

- Goal 6: ensure availability and sustainable management of water and sanitation for all
- Goal 7: ensure access to affordable, reliable, sustainable and modern energy for all
- Goal 13: take urgent action to combat climate change and its impacts
- Goal 15: protect, restore and promote sustainable use of terrestrial ecosystems, sustainably managed forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

As a learning company, our primary focus is on Goal 4 - access to quality education which also underpins global future success in meeting all the goals. Common with our commitment to 'do no harm' across all the goals, we are committed to managing our activities that impact the environment and the following policy guidelines show the principal commitments we have set for ourselves:

**Standards**

- As a minimum, we comply with the relevant environmental laws and regulations applicable in each country in which we operate.
- We work with regulatory agencies, advisers, auditors and other interested parties as necessary in the implementation of effective environmental policies. Where no regulations exist, we set our own guidelines.
- We take account of environmental responsibility as a factor in our business decision making.
- We maintain an environmental management system, review impacts, set targets and report on performance.

**Carbon Management**

- We have made a strategic decision to be a climate neutral company for those aspects under our direct control and by example, we encourage others to adopt similar commitments.
• As part of this commitment we invest in carbon management including a consideration of our environmental impact as an integral element of investment decision-making. Carbon abatement is a priority for us.

• We consider opportunities for direct investment in renewable energy production at our sites and are committed to purchase 100% of our global electricity needs from renewable sources.

• We monitor the energy used in our office buildings, call centres and distribution centres and set realistic targets to manage their use, wherever we operate.

• We monitor our business travel and offer alternatives such as teleconferencing and videoconferencing.

Water use

• Water is increasingly recognised as a major environmental impact. Water is increasingly recognised as a major area of environmental concern. Pearson is a low impact user of water in our directly controlled operations.

• We monitor the energy and water used in our office buildings, call centres and distribution centres and set realistic targets to manage their use, wherever we operate.

Resource Use

• We adopt effective procedures to minimise waste production and to promote the recycling of unused product and packaging.

• We expect our suppliers to work with us in meeting our environmental objectives. For our key suppliers of goods and services, environmental requirements are an integral part of new contracts and contract reviews.

Strategic Responsibility for Governance and Communication

• Our policy sits with our Responsible Business Leadership Council comprising senior executives and is chaired by the Chief Corporate Affairs Officer. Strategic oversight is by a Board director.

• A senior executive has the responsibility for ensuring that our environmental principles are followed and we progress towards the targets we set ourselves.

• Each of our geographies has nominated one or more senior people to take responsibility for implementing our policy in those regions. An annual report on our progress is reviewed by the Reputation and Responsibility Committee, a formal committee of the Board.
Our environmental policy and our annual environmental report are available to everyone in Pearson through our website. We actively encourage people to participate and contribute to the development of environmental initiatives as they affect our business.

3. Policy review date

- We will review this policy annually. This policy was adopted in January 2016.

4. Useful contacts

- Contact Peter Hughes at peter.hughes@pearson.com.

Kate James
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Chair of Responsible Business Leadership Council
(and Executive lead on environmental matters)

Coram Williams
Chief financial officer