



Pearson Responsible Procurement Policy

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1. Scope of Policy

- 1.1 This policy document applies to *any* third-party entity delivering goods and/or services anywhere in the world to *any* Pearson affiliate (“Suppliers”). The term Supplier shall be deemed to include all officers, employees, contractors, subcontractors and agents of the Supplier engaged directly or indirectly in the provision of goods and/or services to Pearson and its affiliates.
- 1.2 This policy (“Policy”) sets out the minimum standards expected of Pearson Supplier’s in relation to social, environmental and ethical issues.
- 1.3 Suppliers shall comply with all relevant laws, regulations and standards in all of the countries in which it operates.
- 1.4 This Policy should be read in conjunction with the definitions set out in the Appendix.

2. Monitoring, Corrective Action and Reporting

- 2.1 Suppliers are expected to monitor compliance with this Policy and to address any areas of non-conformance.
- 2.2 Suppliers shall immediately report any breaches, or anticipated breaches, of this Policy and together with Pearson agree a schedule for corrective action. This should be done by emailing supplier@pearson.com; or, can be submitted by any individual at the supplier’s organisation anonymously (where local laws permit) through [Pearson Ethics and Compliance Portal](#).
- 2.3 A breach of this Policy may be considered to be a breach of contract with Pearson, and Pearson accordingly reserves its legal rights and remedies in respect of any such breach.
- 2.4 Suppliers shall provide Pearson with reasonable access to all relevant information and access for the purposes of assessing performance against this Policy. Audits may be conducted by an independent third party on behalf of Pearson. Audits may also be conducted jointly between Pearson and Supplier, and include the assistance of an industry representative, or relevant Non-Governmental Organisation.

3. Modern Slavery and Labour Standards

- 3.1 Pearson shall not do business with any Supplier which contravenes Modern Slavery and Labour Standards.
- 3.2 Pearson Suppliers shall:
 - protect their own business, and their supply chain, from any instance of Modern Slavery;
 - provide fair wages to their employees within the country of operation;
 - uphold reasonable working hours within the country of operation;
 - ensure humane treatment of all employees, contractors and sub-contractors;
 - provide a safe and healthy work environment;
 - permit rights to freedom of association and collective bargaining;
 - take active steps to eliminate discrimination.

4. Child Labour

- 4.1 Suppliers shall strictly prohibit child labour. No person shall be employed who is below the minimum legal age for employment. The minimum age for employment shall be deemed the age for completing compulsory education in the relevant country.
- 4.2 Children (persons under the age of 18) shall not be employed for any hazardous or night work, or work that is inconsistent with the child’s personal development.

5. Forced Labour

- 5.1 Suppliers shall not use any form of forced, bonded, compulsory labour, slavery or human trafficking.
- 5.2 Supplier's employees must be entitled to leave work or terminate their employment with reasonable notice. Employees shall be free to leave work after such reasonable notice period expires. All employment shall be voluntary. Supplier shall provide each of its employees with an employment contract which contains such a reasonable notice period.
- 5.3 Suppliers shall not require employees to lodge deposits of money or withhold payment or place debt upon employees or require employees to surrender any government-issued identification, passports, or work permits as a condition of employment.

6. Working Hours

- 6.1 Suppliers shall ensure working hours of employees do not exceed the maximum set by local law.
- 6.2 Suppliers shall allow employees at least one day off following every six consecutive working days.
- 6.3 Suppliers shall grant its permanent employees the right to paid vacation.

7. Anti-bribery, Corruption and Individual Conduct

- 7.1 Suppliers shall comply at all times with Pearson's Anti Bribery & corruption Policy – mutatis mutandis.

8. Fraud and money laundering

- 8.1 Suppliers shall:
 - act in accordance with all applicable international standards and laws on fraud and money laundering;
 - not do or omit to do anything likely to cause any party to be in breach of any of such international standards and laws;
 - maintain an effective anti-fraud and (where appropriate) an anti-money laundering compliance programme, designed to ensure compliance with the law including the monitoring of compliance and detection of violations.

9. Health & Safety

- 9.1 Suppliers shall provide a healthy and safe working environment for those who may be affected by Supplier's activities, in accordance with international standards and national laws.
- 9.2 Suppliers shall put in place mechanisms to ensure health and safety obligations are communicated and applied to all parties under its direct and indirect control.
- 9.3 Suppliers shall ensure it meets general principles of health and safety risk prevention. General principles include identifying, minimising and preventing hazards, using competent and trained people, providing and maintaining safe equipment and tools, including personal protective equipment as required.
- 9.4 Suppliers shall implement mechanisms to ensure all its employees are competent to carry out the health and safety aspects of their responsibilities and duties. This shall include the nomination and training of persons at an appropriate level (and in particular executives), who are responsible for discharging Supplier's health and safety obligations.
- 9.5 Suppliers shall ensure facilities and amenities, including employee accommodation where provided by Suppliers, shall be hygienic, safe and meet the basic needs of employees.
- 9.6 Suppliers shall implement systems and training to prepare for and respond to accidents, health problems and foreseeable emergency situations. Supplier shall have clearly documented means and procedures in

place for recording, investigating and implementing learning points from accidents and emergency situations.

10. Safeguarding

10.1 Suppliers shall:

- ensure Pearson learners are not at risk of abuse in any schools or colleges while receiving a Supplier service online or in-person;
- ensure all learners are free from sexual harassment when receiving a Supplier service online or in-person at any time.

10.2 Where any Supplier's personnel come into contact with Pearson learners, either online in any capacity or in person at any time, Suppliers shall evidence the effective safeguarding review of that individual to a standard agreed with Pearson and in keeping with local law and industry regulation.

11. Carbon

11.1 All Suppliers providing non-tangible material services to Pearson must be able to:

- measure and report on the carbon footprint of their products and services supplied to Pearson in line with good industry standards.

11.2 All Suppliers providing tangible material goods and products to Pearson must be able to:

- evidence the effective measurement (in line with good industry standards) of the supplier's carbon footprint regarding their material goods - including manufacture and freight, to Pearson.

12. Water

12.1 Suppliers must be able to:

- measure (in line with good industry standards) their water use related to both the services the supplier provides to Pearson, and in their wider operations, and provide the same on request;
- demonstrate all wastewater from their operations is treated in line with regulatory standards before being discharged into a water course of any type;
- demonstrate legal compliance with local laws, including the treatment of wastewater.

13. Prohibited Substances

13.1 Suppliers shall respect all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances. Hazardous chemicals and other materials included in products, especially those included in the substances of Very High Concern list of the REACH regulation, must be identified and managed by Supplier to ensure their safe use, recycling or re-use and disposal. The use of such chemicals and materials by Supplier must be avoided (and if not possible to avoid, minimised). Where required, Suppliers must deliver electrical or electronic equipment in line with all relevant European Union regulations such as but not limited to RoHS and REACH.

13.2 Suppliers shall identify, minimise, monitor, control and treat all hazardous air pollutants and all emissions should be avoided in accordance with international standards and applicable laws.

14. Forest-Derived Products and Ethical Supply Chains

- 14.1 As a significant user of forest-derived³ products, Pearson has a responsibility to ensure any forest-derived products we use come from sustainable forests.
- 14.2 All Suppliers of material products, not limited to paper production, must comply with environmental laws and regulations applicable in their countries of operation.
- 14.3 Where Suppliers are providing forest-derived products to Pearson, Suppliers must confirm and be able to evidence upon request or audit:
- the Supplier has an environmental management system to the extent applicable with the Suppliers business, which is active, in place and accredited, such as ISO140001;
 - the FSC certification status of all the Supplier's forest-derived products;
 - supply samples for fibre testing by either Pearson or the Book Chain Project;
 - details on the supplier's paper processing, with specific reference to the utilisation of chlorine in any part of manufacture.

and all supplier products:

- are sourced responsibly from sustainable forests;
- are legally harvested;
- include no High Conservation Value Forests materials;
- do not promote the conversion of High Conservation Value Natural Forests or peatlands into plantations;
- do not breach local community and indigenous rights;
- are not harvested, transported or processed in a way which breaches other human rights;
- are manufactured with vegetable or water-based inks.

15. Diversity, Equity & Inclusion

- 15.1 Pearson is committed to diversity, equity & inclusion and creating opportunities to do business with diverse companies. Pearson values the contribution such suppliers make to quality, accessibility and inclusive representation within Pearson products and learning experiences.
- 15.2 For a Supplier to be considered "diverse," Supplier *must* be able to provide annual verifiable documentation to confirm they are a diverse supplier, or reference active certification from:
- U.S. federal certifying agency,
 - U.S. state/local certifying agency
 - known third party certifying agencies such as, but not limited to:
 - [National Minority Supplier Development Council \(NMSDC\)](#) (U.S.A)
 - [Women's Business Enterprise National Council \(WBENC\)](#) (U.S.A)
 - [National Gay & Lesbian Chamber of Commerce \(NGLCC\)](#) (U.S.A)
 - [Disability:IN \(formerly USBLN\)](#) (U.S.A)

- [National Veteran Business Development Council \(NVBDC\)](#) (U.S.A)
- [United States Hispanic Chamber of Commerce \(USHCC\)](#) (U.S.A)
- [United States Pan Asian American Chamber of Commerce](#) (U.S.A)
- [Minority Supplier Development UK \(MSDUK\)](#)
- [Supply Nation Australia](#)
- [Canadian Aboriginal & Minority Supplier Council](#)
- [Canadian Gay and Lesbian Chamber of Commerce \(CGLCC\)](#)
- [South African Diversity Supplier Council](#)
- [WEConnect International](#) (international women-owned business)
- [WEConnect Canada](#)

For a list of additional accepted third-party certifying agencies, refer to Appendix A4.

15.3 For Suppliers who are either publicly traded companies, or larger non-accredited suppliers, such Suppliers are expected to:

- disclose their diversity and inclusion policy and standards, including any diverse supplier spending targets together with achievement against the same;
- specifically disclose the gender, race/ethnic diversity of the supplier's Board; CEO, and CEO's direct reports;
- confirm if the supplier has a Diversity Officer and if they sit at the top of the organisation;
- disclose the gender, race/ethnicity diversity and age distribution of their full-time employee workforce(to the extent local law permits) as a whole; and by lower, mid and upper management.

15.4 Diversity status will be a factor in Pearson contract awards. Failure to provide either active certifications, or diversity information per the above requirements, may exclude a Supplier from working with Pearson.

15.5 Suppliers shall not discriminate when hiring, in relation to employment terms, or otherwise on the basis of inter alia: race, colour, age, veteran status, gender identification, sexual orientation, pregnancy, ethnicity, disability, religion, political affiliation, trade union membership, nationality, indigenous status, medical condition, HIV status, social origin, social or marital status and union membership.

15.6 Suppliers shall not tolerate racist behaviour in any form.

16. Supplier Support

If Suppliers have any queries in relation to any of the above, the supplier should contact Pearson on supplier@pearson.com

17. Responsibility and leadership within Pearson

Our Chief Procurement Officer has responsibility for this Policy and its implementation.

Appendix: Definitions

A1. Modern Slavery and Labour Standards

A1.1 Pearson is committed to respecting and protecting workers across our global supply chain as outlined in our [human rights statement](#). For the purpose of this policy we are focusing on labour standards and modern slavery. Wider human rights issues such as data privacy are covered in our wider [Business Partner Code of Conduct](#). We have a duty to go beyond compliance to ensure fair labour standards are met and upheld. We believe Modern Slavery has no place in our business and Pearson will take steps to ensure it does not occur in our supply chain.

A1.2 *“Modern slavery”*: as defined by the 1926 Slavery Convention, includes all forms of labour where the choice to work or not has been removed, or where children rights and freedoms have been affected, this can include but is not limited to: -

- forced labour - using physical or mental threats, including threats to loved ones;
- debt bondage - where workers cannot pay off debts incurred to gain work, such as excessive agency or accommodation fees;
- removal of freedom to leave – with holding identity documents or moving workers to a place they cannot afford to leave;
- restriction of movement - such as controlling accommodation, bank accounts and transport;
- servitude – the use of coercion to force another person to live in another person property;
- withholding of wages;
- human trafficking – the recruitment or movement for the purposes of exploitation;
- child labour – the use under-aged labour, especially where children lose access to education and play, or the work is heavy, illegal or dangerous.

A1.3 *“Labour Standards”* where we expect suppliers to uphold the following labour standards: -

- fair wages;
- reasonable working hours;
- humane treatment;
- non-discrimination;
- safe and healthy work environment;
- rights to freedom of association and collective bargaining.

A2. Safeguarding

A2.1 Ensuring learners are not at risk of abuse or harassment within our schools/centres/colleges or while receiving a service online. Recognising and taking appropriate action, when a child, young person or vulnerable adult might have been abused, in the community or family.

A2.2 Safeguarding covers a wide range of issues including, abuse, bullying, self-harm etc. However, safeguarding online can be placed into 3 main categories:

Content:

- material which can be damaging to children, young people or vulnerable adults;

- sites may show sexual, violent, or hate material;
- sites may promote harmful behaviour.

Contact:

- this is where adults or peers contact children with a view to abusing them;
- this is where children, young people, and vulnerable adults are contacted for exploitation and radicalisation.

Conduct

- this relates to children, young people and vulnerable adults' behaviour online;
- this may include bullying and sexting;
- this may take place inside and outside of the tutoring session.

A3. Supplier Diversity definitions by type: (U.S.-based definitions)

A3.1 List of recognised diversity defined groups:

Minority-Owned or Minority Business Enterprise (MBE) – A business that is at least 51% owned by, and whose management and daily business operations are controlled by, one or more members of a socially and economically disadvantaged minority group, namely U.S. citizens who are African Americans (Black), Hispanic Americans, Native Americans, Asian-Pacific Americans and Indian Sub-Continent Americans. A Minority Business Enterprise, usually certified by a federal, state or local government agency as having met all the government standards that award eligibility.

Women-Owned or Women Business (WBE) – A business that is at least 51% owned by, and whose management and daily business operations are controlled by one or more women who are U.S. citizens. A Women Business Enterprise usually certified by a federal, state or local government agency as having met all the government standards that award eligibility.

Veteran-Owned or Veteran Business Enterprise (VBE) – A business that is at least 51% owned by one or more veterans, who control and operate the business. Control in this context means exercising the power to make policy decisions and operate means to be actively involved in the day-to-day management of the business. The term “veteran” (38 U.S.C.'101(2)) means a person who served in the active military, naval, or air service, and who was discharged or released there from under conditions other than dishonorable.

Disabled Veteran Business Enterprise (DVBE) – A disabled veteran recognized by the state of California as a veteran of the U.S. military, naval, or air service, with a service-connected disability of at least 10% or more and who is a California resident. Where at least 51% is owned by disabled veterans and conducts daily business management and control. The home office cannot be a branch or subsidiary of a foreign corporation, foreign firm or other foreign-based business.

Service-Disabled Veteran Business Enterprise — A business that a veteran with a disability that is service connected. The term “service connected” means, with respect to disability or death, that such disability was incurred or aggravated, in the line of duty in the active military, naval or air service. (38 U.S.C. 101(16))

Small – A business independently owned, operated and in accordance with the definitions and size standards established by the SBA, available at <http://sba.gov/size>. The most common size standards are listed below:

Small Disadvantaged Business – Small disadvantaged business concern means a small business concern that is at least 51 percent unconditionally owned by one or more individuals who are both

socially and economically disadvantaged, or a publicly owned business that has at least 51 percent of its stock unconditionally owned by one or more socially and economically disadvantaged individuals and that has its management and daily business controlled by one or more such individuals. This term also means a small business concern that is at least 51 percent unconditionally owned by an economically disadvantaged Indian tribe or Native Hawaiian Organization, or a publicly owned business that has at least 51 percent of its stock unconditionally owned by one of these entities, that has its management and daily business controlled by members of an economically disadvantaged Indian tribe or Native Hawaiian Organization, and that meets the requirements of 13 CFR 124.

[Historically Underutilized Business Zone \(HUBZone\)](#) – A business whose principal office is operating in a certified historically underutilized business zone. There are 7,000 qualified census tracts (HUD) and 900 qualified nonmetropolitan counties. Must be a small business and at least 51% owned and controlled by U.S. citizens, a Community Development Corporation, an agricultural cooperative, a Native Hawaiian organization, or an Indian tribe. At least 35% of its employees live in a HUBZone. A HUBZone is an area that is located in one or more of the following:

- A qualified census tract (as defined in section 42(d)(5)(C)(i)(1) of the Internal Revenue Code of 1986);
- A qualified non-metropolitan county that is: not located in a metropolitan statistical area (as defined in section 143(k)(2)(B) of the Internal Revenue Code of 1986), and a) in which the median household income is less than 80 percent of the non-metropolitan State median household income, or b) that based on the most recent data available from the Secretary of Labor, has an unemployment rate that is not less than 140 percent of the statewide average unemployment rate for the State in which the county is located;
- Is within the external boundaries of an Indian reservation. HUBZone enterprises must certify as such with the U.S. Small Business Administration (SBA) and payments to HUB Zone enterprises are reported on the annual Subcontracting Government report.

[Woman-Owned Small Business \(WOSB\)](#) – Women-owned small business concern means a small business concern which is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and whose management and daily business operations are controlled by one or more women.

[Veteran-Owned Small Business \(VOSB\)](#) – A business that is a small business concern that is at least 51% owned by one or more veterans or in the case of any publicly owned business, at least 51% of the stock of which is owned by one or more veterans.

[Service-Disabled Veteran-Owned Small Business \(SDVOSB\)](#) – A business that is at least 51% owned, operated and managed by one or more service-disabled veterans. In the case of any publicly owned business, at least 51% of the stock must be owned by one or more service-disabled veterans and whose management and daily business operations are controlled by one or more service-disabled veterans or in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran. A Service-disabled veteran is defined in 38 U.S.C. 101(2) with a disability that is service-connected.

[8\(a\) Designation](#) – The 8(a) designation is given to small companies owned by socially and economically disadvantaged persons, so that they may bid and obtain federal government contracts and other assistance to develop their business. The business owner must be eligible under the same rules and guidelines set down by the federal government. Examples of socially and economically disadvantaged persons include:

[Alaskan Native Corporation \(ANC\)](#) – ANC means any Regional Corporation, Village Corporation, Urban Corporation or Group Corporation organized under the laws of the State of Alaska in accordance with Alaska Native Claims Act, as amended by 43 U.S.C. 1601. In addition, see below for Tribally Owned Business concern.

[Tribally Owned Business or Tribal Enterprise](#) – a business at least 51% owned by a Native American Tribe. A Native American tribe means any Native American tribe, band, nation or other organized group or community of Native Americans, including any ANC, which is recognized as eligible for the special programs and services provided by the U.S. to Native Americans because of their status as Native Americans or is recognized as such by the State in which the tribe, band, nation or community resides.

[Native Hawaiian Organisation \(NHO\)](#) – any community service organization serving Native Hawaiians, in the State of Hawaii, which is a non-for-profit organization chartered by the State of Hawaii, is controlled by Native Hawaiians, and whose business activities will principally benefit such Native Hawaiians. Importantly, “controlled by Native Hawaiians,” requires that both membership of the NHO and membership of the NHO’s board to be at least 51% Native Hawaiian. “Native Hawaiian” means any individual whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

[Disadvantaged Business Enterprise \(DBE\)](#) – A business that is usually certified by a federal, state or local government agency as having met all the government standards that award eligibility, but may include women, minority, disabled and other disadvantaged by as a result of economic disadvantages with respect to education, employment, residence or business location or social disadvantage and lack of business training.

[Disability-Owned Business Enterprise \(DOBE\)](#) – A business that is at least 51% owned by one or more disabled persons who control and operate the business. Control in this context means exercising the power to make policy decisions and operate means to be actively involved in the day-to-day management of the business.

[Historically Black Colleges/Universities & Minority Institutions \(HBCU/MI\)](#) – Historically black and minority colleges and universities that are recognized by the government as legitimate set-aside business opportunities.

[LGBT Business Enterprise \(LGBTBE\)](#)- A business that is at least 51% owned, managed, and controlled by a Gay, Lesbian, Bisexual and/or Transgender entrepreneur who are either U.S. citizens or lawful permanent residents and certified by the National Gay & Lesbian Chamber of Commerce. To qualify, a business has to exercise independence from any non-LGBT business enterprise, have its principle place of business (headquarters) in the U.S., and have been formed as a legal entity in the U.S.

A4. Diverse Supplier Accrediting agencies and bodies

A4.1 List of recognised accrediting agencies and bodies, including, but not limited to:

- [National Minority Supplier Development Council \(NMSDC\)](#) (U.S.A)
- [Women’s Business Enterprise National Council \(WBENC\)](#) (U.S.A)
- [National Gay & Lesbian Chamber of Commerce \(NGLCC\)](#) (U.S.A)
- [Disability:IN \(formerly USBLN\)](#) (U.S.A)
- [U.S. Department of Veterans Affairs Vets First Verification Program \(VETBIZ\)](#) (U.S.A)
- [National Veteran Business Development Council \(NVBDC\)](#) (U.S.A)

- [United States Hispanic Chamber of Commerce \(USHCC\)](#) (U.S.A)
- [United States Pan Asian American Chamber of Commerce](#) (U.S.A)
- [Small Business Administration](#) (U.S.A)
- [Diverse State/Local Certification Agencies](#) (U.S.A)
- [Minority Supplier Development UK \(MSDUK\)](#)
- [Supply Nation Australia](#)
- [Canadian Aboriginal & Minority Supplier Council](#)
- [Canadian Gay and Lesbian Chamber of Commerce \(CGLCC\)](#)
- [South African Diversity Supplier Council](#)
- [WEConnect International](#) (international women-owned business)
- [WEConnect Canada](#)

A5. Ethical Supply Chains definitions

- A5.1 Definition of “forest-derived” or “paper-based” products: Pearson define forest derived products as those which come directly or indirectly from felled trees, including, but not limited to, paper, cardboard, timber, furniture and stationary.
- A5.2 Definition for “High Conservation Value Forest” – see FSC.org [High Conservation Values | Forest Stewardship Council \(fsc.org\)](#)

End of Policy.