

# Additional information

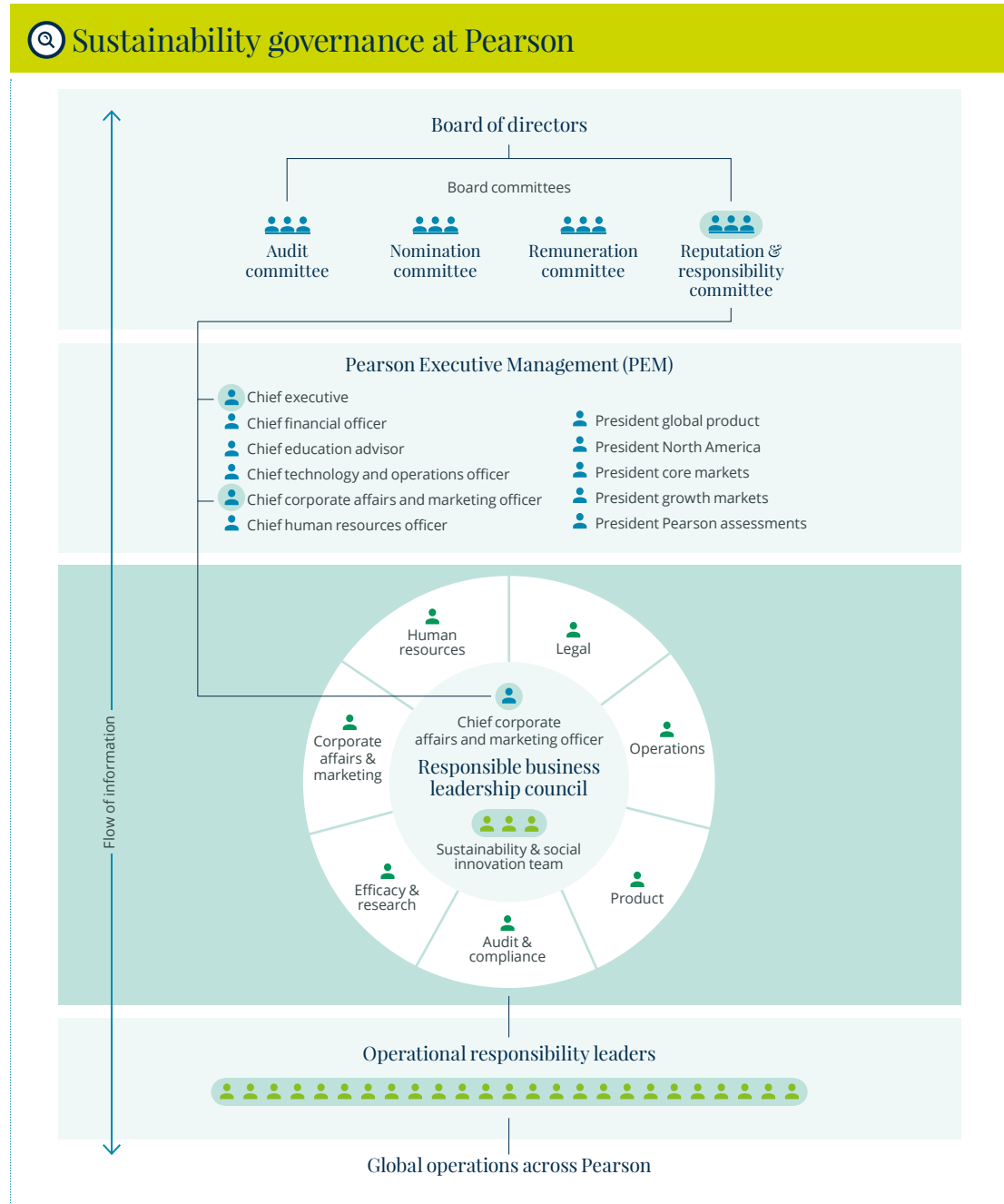
**As we embed sustainability into our business, we are also updating our processes and reporting methodology.**

We are including a more comprehensive discussion of the way sustainability fits in with our core business activities, and are working toward identifying more robust goals, targets, and performance indicators over time, as well as increasing the transparency and completeness of our reporting.

This section provides more detail on our sustainability governance practices, material issues, targets, performance, and recognitions in 2015.

# Sustainability governance

The Pearson board of directors has ultimate responsibility for considering all sustainability issues as part of our business strategy. The board has established audit, remuneration, nomination, and reputation and responsibility committees which have written terms of reference. For more information about these committees, see p68 in the Annual report.



## Reputation and Responsibility Committee (RRC)

The RRC is a formal committee of the board providing ongoing oversight and scrutiny across all of our responsible business activities, including communication strategies and policies and processes related to reputational issues and people.

### Key activities overseen by the committee in 2015 included:

- › The launch of Project Literacy
- › Progress towards external efficacy reporting
- › Plans to link the UN's Sustainable Development Goals to our business model
- › Ongoing work around Pearson's brand and culture
- › Reputational risk management.

In 2016, the committee will continue to oversee Pearson's progress in embedding sustainability and social impact into our strategy and business model, including implementation of our new sustainable plan.

## Responsible Business Leadership Council (RBLC)

The RBLC is an internal governance group of senior executives from across the business. Led by the Chief corporate affairs and marketing officer, the RBLC meets quarterly to provide guidance and input on sustainability strategy and activities.

### Key activities in 2015 included advising on:

- › Sustainability strategy and reporting
- › Global standards and policies
- › Risks and opportunities related to the efficacy agenda
- › Values and culture
- › Initiatives including Project Literacy and Every Child Learning.

In 2016, the committee plans to discuss issues including sustainability goals and targets, product affordability and accessibility, reputation management, as well as social impact programming.

## Audit committee

The Audit committee oversees the accounting, financial reporting, internal controls, and risk management processes of the company. A key role of the committee is to provide oversight and assurance to the board regarding the integrity of the company's financial reporting, internal control policies, and procedures for identifying, assessing, and reporting risk. Some material sustainability issues, like data privacy and security, have also been identified as significant business risks and the committee is carefully monitoring these to ensure there is adequate visibility, policies, procedures, and controls.

# About our reporting

The 2015 Sustainability Report covers data from 1 January to 31 December 2015.

## Our reporting framework

This report has been developed in accordance with the Global Reporting Initiative (GRI) G4 guidelines, including the media sector supplement. Read more about GRI G4 at [globalreporting.org](http://globalreporting.org).

Our Annual report 2015 includes a summary of the issues covered in this report and, as required by 2013 amendments to the UK Companies Act, comprises a separate strategic report with disclosures on human rights, gender diversity, and greenhouse gas emissions and a fully compliant directors report.

See the list of material issues and their relevance to GRI G4 on p16-17 and in the GRI tables download at [pearson.com/social-impact/2015-report.html](http://pearson.com/social-impact/2015-report.html).

## Assurance

The environmental data on p38-41 and p85-86 was assured by independent external assurance providers. In 2015, this was completed by Corporate Citizenship, and it is available for download at [pearson.com/social-impact/2015-report.html](http://pearson.com/social-impact/2015-report.html). We have also engaged Deloitte to comment on the robustness of our data collection process.

We recognize the importance of assurance for building credibility and driving performance. As in previous years, we will aim to address the recommendations made for improvement, and to report on our progress in next year's environment report.

## United Nations Global Compact

Pearson was a founding signatory to the Global Compact in 2000, and considers its ten principles in our reporting process. The Global Compact has successfully engaged many thousands of companies around the world in considering their responsibilities on issues of labor standards, human rights, environmental management, and corruption. As a former member of the Advisory Council, Pearson is proud to have played a role in this success by guiding the early development of the Global Compact.

## Contact us

This report has been prepared by Pearson's sustainability and social innovation team in consultation with other key departments within Pearson. We welcome your thoughts and feedback. Please email [sustainability@pearson.com](mailto:sustainability@pearson.com) with any questions or comments.



➔ See our 2015 Sustainability report [pearson.com/social-impact/2015-report.html](http://pearson.com/social-impact/2015-report.html)

## Useful links



➔ See GRI G4 detail at [globalreporting.org](http://globalreporting.org)



➔ See UN Global Compact detail at [unglobalcompact.org](http://unglobalcompact.org)

## See our supporting documents online



➔ Environmental report 2015



➔ GRI tables 2015



➔ UN Global Compact Progress report

# Material issues

We applied the Global Reporting Initiative G4 principles to help define the content of our report. The GRI G4 reporting framework considers material issues in the context of their impact within and outside the business and also the ability of an organization to directly or indirectly affect the material issue identified.

The following table provides further detail on how we define our material sustainability issues, where the impact of these issues occurs (inside or outside the organization, or both), and the key stakeholders impacted by the issues.





Description of material issue	Boundary	Key stakeholders	Relevant GRI G4 aspects
<b>Data privacy and information security</b>			
Ensuring personal information about our customers and learners is kept safe and secure, with appropriate systems and procedures in place to prevent privacy breaches and information loss.	Impact occurs primarily outside Pearson – failure to protect privacy and security of data could significantly affect our learners and customers.	<ul style="list-style-type: none"> <li>Employees</li> <li>Learners</li> <li>Customers</li> <li>Business partners</li> <li>Suppliers</li> <li>International, non-governmental, and non-profit organizations</li> <li>Governments and other education agenda-setters</li> <li>Regulators</li> </ul>	Customer privacy
<b>Competitiveness of digital products</b>			
The potential impact on the business and learners if digital products are not perceived to be, or experienced as, leading in applicability, convenience, price, or other elements of overall competitiveness and functionality.	Impact occurs primarily within Pearson as this affects the company's economic performance. However, stakeholders outside the organization, including learners, customers, and suppliers, could indirectly be affected through the lack of supply of products.	<ul style="list-style-type: none"> <li>Employees</li> <li>Learners</li> <li>Customers</li> <li>Suppliers</li> <li>Business partners</li> <li>Shareholders and investors</li> </ul>	Content creation
<b>Security, health, and safety</b>			
Ensuring the safety and security of all employees, learners, and suppliers (including through policies and practice, training, monitoring, and disclosure).	Impact occurs both within and outside Pearson. Our ability to retain and attract the best people, maintain supply chain effectiveness, and protect our reputation could be affected if we fail in these areas.	<ul style="list-style-type: none"> <li>Employees</li> <li>Suppliers</li> <li>Learners</li> <li>Customers</li> <li>Governments</li> <li>Regulators</li> </ul>	<ul style="list-style-type: none"> <li>Occupational health and safety</li> <li>Training and education</li> </ul>
<b>Corporate governance</b>			
Establishing a framework and set of processes promoting ethical conduct, transparency, and accountability to our stakeholders.	The impact occurs both within and outside our business since the way we conduct our business affects all our stakeholders – those who work for us, do business with us, and use our products and services.	All our stakeholders	Anti-corruption

Description of material issue	Boundary	Key stakeholders	Relevant GRI G4 aspects
<b>Economic empowerment</b>			
Education is an important source of economic growth. Providing a quality education helps increase learners' earning potential, allowing them to improve their standard of living, and providing an economic value that extends to future generations.	Impact occurs primarily outside the company, both on the lives of learners who are able to improve their standard of living, and on the prosperity of communities and countries.	<ul style="list-style-type: none"> <li>Learners</li> <li>Customers</li> <li>Governments and other education agenda-setters</li> <li>International, non-governmental, and non-profit organizations</li> </ul>	<ul style="list-style-type: none"> <li>Indirect economic impacts</li> <li>Diversity and equal opportunity</li> </ul>
<b>Accessibility</b>			
Ensuring equitable access to our products for all learners, including those with disabilities and special needs.	Impact occurs primarily outside Pearson.	<ul style="list-style-type: none"> <li>Learners</li> <li>Customers</li> <li>International, non-governmental, and non-profit organizations</li> </ul>	Content dissemination
<b>Affordability</b>			
Offering products and services that are affordable for several income groups.	Impact occurs primarily outside the company. The transition to more digital products and services makes education opportunities more affordable for many learners.	<ul style="list-style-type: none"> <li>Learners</li> <li>Customers</li> <li>Governments</li> <li>International, non-governmental, and non-profit organizations</li> </ul>	Content creation
<b>21st century skills</b>			
Providing products and services that equip learners with the skills and competencies – such as creativity, entrepreneurship, and critical thinking – needed for success in the 21st century.	Impact occurs primarily outside the company. We want to help learners gain the skills they need for success in life and work through our products and services.	<ul style="list-style-type: none"> <li>Learners</li> <li>Customers</li> <li>Governments and education agenda-setters</li> <li>International, non-governmental, and non-profit organizations</li> </ul>	Media literacy
<b>GHG emissions and climate change</b>			
Managing and mitigating our greenhouse gas and climate emissions throughout our value chain.	Impact occurs both within the business and outside through our employee activities and in our supply chain. Our primary areas of impact are business travel and energy consumption in our offices.	All our stakeholders	<ul style="list-style-type: none"> <li>Energy</li> <li>Emissions</li> <li>Transport</li> <li>Supplier environmental assessment</li> </ul>





# Awards and recognitions

These are some of the ratings and awards received by Pearson in 2015.

## Sustainability




 <p><b>Corporate Knights</b></p>	Pearson has for a second year been included in a ranking of the Global 100 Most Sustainable Corporations in the World. The 2016 list is drawn from over 4,600 listed global companies with a market capitalization in excess of US \$2 billion. The assessment covers social impact, environmental performance, and corporate governance.
 <p><b>DJSI World Index</b></p>	Dow Jones Sustainability Indices (World). SAM Bronze Class. Only 10% of global listed companies in the World Index are included based on their sustainability leadership. Pearson has now been included in the indices for over a decade. Our company score for 2015 was unchanged over the previous year at 75 compared to 80 for the industry leader. However, we increased our score in 13 out of 20 of the criteria assessed and fell in three.
 <p><b>FTSE4Good</b></p>	Pearson has been included in the FTSE4Good indices since their inception in 2000.
 <p><b>Business in the Community</b></p>	Pearson has participated in BITC's Corporate Responsibility Index benchmark every year since its launch. In 2015, our CR Index Score and Performance Star Rating was as follows:  CR Index Score: 94% (2014 – 95%)  CR Index Star Rating: 3.5  Our score for diversity management fell in 2015 reflecting new questions introduced this year.

## Employees

 <p><b>ISO18001</b></p>	Pearson Management Services, the company in the UK that manages our head office, is certified against ISO 18001, the international health and safety management standard.
 <p><b>The Royal Society for the Prevention of Accidents</b></p>	In June 2015, Pearson secured the RoSPA Bronze Award for health and safety performance for our global operations.
 <p><b>Human Rights Campaign</b></p>	Received a perfect score in HRC's Corporate Equality Index for lesbian, gay, bisexual, and transgender (LGBT) workplace equality in the US for three consecutive years, making our company a designated Best Place To Work for LGBT colleagues.
 <p><b>Dave Thomas Foundation</b></p>	Named as one of the 100 Best Adoption Friendly Workplaces in the US by the Dave Thomas Foundation for Adoption.

 <p><b>Stonewall</b></p>	Listed in the Stonewall Workplace Equality Index, and participate in the Stonewall Diversity Champions program.
 <p><b>WorldatWork</b></p>	Awarded the WorldatWork Work Life Seal of Distinction, which recognizes employers who demonstrate leadership in creating a culture that supports employees at work and at home.

## Environment

 <p><b>Carbon Trust Standard</b></p>	Pearson retains global certification against the Carbon Trust Standard. We were the second organization ever to secure the Carbon Trust Standard globally, which recognizes leadership in measuring, managing, and reducing year-on-year carbon emissions.
 <p><b>Leadership in Energy and Environmental Design</b></p>	Pearson's buildings in Centennial, Colorado, Cedar Rapids, Iowa, Hoboken, New Jersey, and 330 Hudson Street, New York, hold LEED Gold Certification. Together, these four buildings represent over 800,000 sq ft of space in Pearson buildings that are LEED certified.
 <p><b>ISO14001</b></p>	Pearson businesses in the UK and Australia are certified against ISO 14001, the international environmental management standard.
 <p><b>ISO50001</b></p>	Pearson in the UK is certified against ISO 50001, the international energy management standard.
 <p><b>CDP Carbon</b></p>	Pearson voluntarily discloses data and information on carbon management to the Carbon Disclosure Project.  Disclosure Score 76 – Disclosure Score (0-100) measures the level of transparency shared through our response.  Performance Band C – Performance Band (A, B, C, D or E) rates how CDP views the effectiveness on how we address climate risk.
 <p><b>CDP Forests</b></p>	Pearson voluntarily discloses data and information on carbon management to the Carbon Disclosure Project.  Our overall performance band was: B (management)  We were assessed as A – leadership for risk assessment and measurement.

# Targets and commitments – 2015 progress

Area of focus	Our targets for 2015	2015 outcomes	2015 outcomes
<b>Managing sustainability</b>			
<b>Sustainability strategy</b>	Review our sustainability strategy.	✓	We worked with an independent third party to review our existing sustainability strategy and develop a new 2020 Sustainability Plan.
<b>Prioritizing our issues</b>	Complete a materiality review.	✓	A materiality review was completed.
<b>Awards and recognitions</b>	Maintain or improve our performance in external benchmarks of sustainability and corporate responsibility practice.	✓	In 2015, we maintained our performance on external benchmarks, as described on p76.

## Trusted partner

<b>Operate responsibly, ethically, and transparently</b>			
<b>Values and culture</b>	Review and consult on Pearson values.	✓	In our 2015 employee engagement survey, we asked employees about our values, and 89% agreed that "Pearson's values are important to me."
<b>Code of conduct</b>	Revise and update the Pearson Code of conduct.	✓	Our revised Code was circulated to all Pearson employees and more than 99% of them confirmed they had read and understood it, and affirmed they would comply.
<b>Treat learners, customers, and other partners with integrity and honesty</b>			
<b>Safeguarding and protecting learners</b>	Launch guidelines, training, and an incident reporting framework.	✓	We launched an online training module, established common incident reporting frameworks, piloted a new approach to incident prevention, and assigned local business leads with accountability for safeguarding.
<b>Product safety</b>	Maintain zero incidents of product recalls or enforcement notices by regulatory bodies.	✓	No product recalls or enforcement notices occurred during the year.
<b>Supply chain</b>	Continue to embed social and environmental risk management into our procurement practices.	➔	In 2015, we reviewed our approach to franchise partners and introduced a common contract template governing our responsibilities on key issues; this will be completed in 2016. We also began work on our response to the UK's Modern Slavery Act.
	Extend the reach of our vendor assurance process to cover medium-risk printers.	➔	This process will be completed in 2016.
<b>Customer experience</b>	Extend the use of Net Promoter Score (NPS) to 50 global products.	✓	Customers shared their feedback on 72 global products through NPS by the end of 2015.

Key: ✓ Achieved ➔ Ongoing ✗ Not achieved

Area of focus	Our targets for 2015	2015 outcomes	2015 outcomes
<b>Respect and progress our employees</b>			
<b>Data and analytics</b>	Introduce a single global HR data platform in 2016, starting with the UK and South Africa in 2015.	➔	In early 2016, we launched a new Human Resources portal, myHR, which will provide employees with information and guidance on HR policies and issues. We also launched Fusion in the UK, a 'self-service' HR system. This will be rolled out to South Africa, the US, and Canada during 2016.
<b>Listening, collaborating, and communicating</b>	Repeat our employee engagement survey.	✓	Our employee engagement survey is conducted annually.
	Continue to develop and embed Neo, our employee collaboration platform, including by consulting with employees on ways to improve Neo.	➔	Effectively communicating with our employees is a company priority. We continue our ongoing effort to keep our employees informed and to develop and enhance our internal communication tools.
<b>Diversity and inclusion</b>	Continue to rate our diversity progress through relevant external benchmarks.	✓	We received a number of diversity recognitions in 2015.
	Continue to develop learning programs and opportunities that help attract and retain talented diverse people into our business and track our progress.	➔	In 2015, our diversity training sessions were attended by 1,220 employees. We set up four new Employee Resource Group (ERG) – Pearson ABLE, Pearson Parents, Pearson Latino Network, and Pearson Veterans.
<b>Health and safety</b>	Continue work to develop consistent global policies and procedures.	✓	In 2015, we started executing a three-year strategic plan to develop a consistent global approach to health and safety. Activities included updating our health and safety policy, communicating it to employees, establishing a management review process with key leadership groups, implementing a risk-based health and safety auditing program, and establishing a network of health and safety coordinators.
<b>Wellbeing</b>	Develop and launch a wellbeing strategy as part of a wider offer to employees.	✓	During 2015, we updated our health and wellbeing strategy to move us toward a more proactive approach to wellness in the workplace. This is initially being trialled in the UK, where it was launched in early 2016.
<b>Long-term incentives</b>	Determine appropriate annual and long-term incentive arrangements that support the global education strategy.	✓	Annual and long-term incentive plans were updated in 2015 and aligned to growth objectives. In 2016, the board will review our incentive strategies.
<b>Contribute to our communities</b>			
<b>Community investment</b>	Maintain our total community investment at 1% or more of operating profit.	✓	In 2015, 1.5% of our pre-tax profits were invested in communities.
<b>Social impact strategy</b>	To invest in at least three flagship partnerships aiming to make a major impact on raising literacy levels.	✓	We launched Project Literacy, our flagship five-year social impact campaign that aims to put literacy within everyone's reach. We also launched Every Child Learning with Save the Children, and extended our partnership with Camfed.
<b>Employee engagement</b>	Launch a challenge fund and introduce a new platform to capture time and cash given to good causes.	✓	We launched the Employee Challenge Fund for Literacy, inviting Pearson employees to put forward proposals for directing Pearson funding and support to local charitable organizations. We introduced our ImpACT platform to signpost opportunities to fundraise or volunteer for good causes and to record funds and time donated.
<b>Giving</b>	Launch a global opportunity for Pearson employees to invest funds for social good.	✓	We teamed up with Kiva, a micro-lending platform, and distributed \$25 to each Pearson employee to lend to a Kiva project of their choice.

Key: ✓ Achieved ➔ Ongoing ✗ Not achieved

## Targets and commitments – 2015 progress continued

Area of focus	Our targets for 2015	2015 outcomes	2015 outcomes
<b>Progressively improve environmental stewardship</b>			
<b>Carbon footprint</b>	Put in place a new global carbon footprint tool.	✓	Tool in place.
<b>Greenhouse gas emissions</b>	Using 2009 as the base year, we aim to reduce our GHG emissions by 25% by the end of 2015.	✓	We reduced our GHG emissions by 30.3% as of end 2015.
<b>Travel emissions</b>	Target of 425 hybrid vehicles in the Pearson fleet in 2015.	✓	We have 448 hybrid cars in the fleet.
	Maintain air travel average (passenger km per employee) at 2014 levels.	✗	Air travel (passenger km per employee) increased 15% compared to 2014 levels. We have introduced new video-conferencing platforms and continue to be vigilant on costs.
	Use green messaging to promote video-conferencing technology.	✗	Travel restrictions were introduced, which made a voluntary campaign unnecessary.
<b>Energy use</b>	Reduce energy use on an absolute basis by 25% using 2013 as a baseline.	✓	We reduced energy use by 24.7% over the last two years.
<b>Green energy</b>	Maintain our commitment to purchase green electricity in 2015.	✓	We maintained our commitment to purchase green electricity. Pearson also signed up as a member of RE100.
	Complete a second solar panel project outside of the United States by the end of 2016.	✓	Solar panel project in South Africa was completed in 2015.
<b>Paper</b>	Pearson UK to seek to secure Forest Stewardship Council (FSC) certification by 2015.	✓	Pearson in the UK gained FSC Chain of Custody accreditation.
	Using 2013 as the baseline year, reduce the metric tons of paper required to generate £1m of revenue by 25% by the end of 2015.	✗	We reduced the paper we used per £1m of revenue by 21% against the target reduction of 25%. We expect further significant reduction in 2016.
<b>Waste</b>	Maintain our reuse/recycle rate for all unsold books in excess of 95%.	✓	Our reuse/recycle rate was 98%.
<b>Water</b>	Using 2014 as our new base year, our target is to reduce absolute water use across the company by 10% per square meter of occupied space by the end of 2018.	✓	We reduced water use 21% per square meter in 2015.
<b>Facilities</b>	Add a further building to be certified against Leadership in Energy and Environmental Design (LEED).	✓	Our building in River Street, Hoboken was assessed as Gold.
<b>Employee engagement</b>	Continue to extend our green team network.	✗	Green team numbers fell reflecting reorganization.

## Reach more learners

<b>Accessibility</b>	Expand globally the network of accessibility champions within Pearson.	✓	In 2015, 140 people around the world participating in the accessibility champions program. The program will be reviewed in 2016 to accommodate changes in the organization. It will resume in 2017.
	Host a Global Accessibility Awareness Day.	✓	Our Global Accessibility Awareness Day shared information about accessibility, its benefit to customers, and how to incorporate it into our daily thinking, with our employees.

Key: ✓ Achieved → Ongoing ✗ Not achieved

## 2016 Targets and commitments

Our targets for 2016	
<b>Managing sustainability</b>	
<b>Sustainability strategy</b>	Continue to embed our five-year Sustainability Plan, including by: <ul style="list-style-type: none"> <li>Refining our strategy</li> <li>Setting measurable targets and KPIs</li> <li>Improving how we capture and analyze data</li> <li>Formalizing our stakeholder engagement processes</li> <li>Increasing employee engagement with our sustainability activities</li> <li>Increasing transparency in our reporting.</li> </ul>
<b>Awards and recognition</b>	Maintain or improve how we are viewed in external benchmarks of sustainability and corporate responsibility practice.
<b>Trusted partner</b>	
<b>Operate responsibly, ethically, and transparently</b>	
<b>Ethical conduct</b>	Provide training and raise awareness of our revised anti-bribery and corruption policy for higher risk countries and activities.
<b>Human rights</b>	Develop an overarching human rights policy. Review and report against the UN Global Compact's Children's Rights and Business Principles. Prepare to publish in 2017 our first statement in response to the UK's Modern Slavery Act.
<b>Treat learners, customers, and partners with integrity and honesty</b>	
<b>Safeguarding and protecting learners</b>	Strengthen safeguarding governance processes, address safeguarding risks, and increase training in our direct delivery business.
<b>Product safety</b>	Maintain zero incidents of product recalls or enforcement notices by regulatory bodies.
<b>Data privacy and information security</b>	Begin implementing our two-year data privacy and information security improvement program.
<b>Supply chain</b>	Continue to embed social and environmental risk management into our procurement practices. Complete the process of introducing a common contract template for all our franchise partners.
<b>Customer experience</b>	Extend our insight gathering practices and develop a cross-Pearson framework for incorporating customer feedback into our processes, with clear accountability and governance structures.
<b>Respect and progress our employees</b>	
<b>Data and analytics</b>	Continue to roll out our HR portal, MyHR, and Fusion HR system by country. Conduct our annual employee engagement survey, and commit to action plans as appropriate.
<b>Talent management and development</b>	Review and update our performance assessment practices based on employee and management feedback, launch Role of Manager program, and improve learning offerings.
<b>Equality, diversity, and inclusion</b>	Create a single global diversity and inclusion team to join up diversity and inclusion programs around the world. Expand Pearson's employee resource groups. Embed diversity and inclusion programs in talent management cycle.
<b>Health and safety</b>	Continue to execute our three-year strategy to fully integrate our health and safety program into our global business.
<b>Corporate security</b>	Strengthen corporate security policies, procedures, and standards. Establish a robust threat monitoring and risk assessment process. Develop an eLearning travel safety module.
<b>Wellbeing</b>	Complete and review our wellbeing pilot in the UK.

## 2016 Targets continued

Our targets for 2016	
<b>Contribute to our communities</b>	
<b>Community investment</b>	Maintain our total community investment at 1% or more of operating profit.
<b>Giving</b>	Reach \$1m in Kiva loans.
<b>Volunteering</b>	Launch a global campaign to increase volunteering activity.
<b>Progressively improve environmental stewardship</b>	
<b>Carbon footprint</b>	Pilot total carbon footprint reporting.
<b>Greenhouse gas emissions</b>	To reduce our absolute GHG emissions by 50% by the end of 2020 using 2009 as the base year.
<b>Travel emissions</b>	Maintain air travel average (passenger km per employee) at the same level. Target 450 hybrid vehicles for the Pearson fleet in 2016.
<b>Green energy</b>	Maintain our commitment to purchase green electricity in 2016.
<b>Facilities</b>	To reduce energy use in our buildings on an absolute basis by 50% by the end of 2020 using 2009 as the base year. Develop a global facilities management handbook.
<b>Paper</b>	Continue our drive for independently verified certification for the papers we use.
<b>Waste</b>	Maintain our reuse/recycle rate for all unsold books in excess of 95%.
<b>Water</b>	Using 2014 as our new base year, our stretch target is to reduce absolute water use across the company by 30% per square meter of occupied space by the end of 2018.
<b>Employee engagement</b>	Review green team strategy in 2017.

## Reach more learners

Enhance affordability and accessibility of our offerings	
<b>Accessibility</b>	Establish a high-level executive committee to oversee our accessibility activities. Set measurable targets and objectives for the accessibility of our products. Increase internal awareness of accessibility issues and requirements.
<b>Collaborate to improve access to quality education</b>	
<b>Empowering girls and women</b>	Complete our review of Pearson activities related to girls and women, with the goal of informing a more strategic approach to empowering girls and women around the world, and begin to implement some of the recommendations.

Our targets for 2016	
<b>Shape the future of education</b>	
<b>Measurably improve learning outcomes</b>	
<b>Efficacy</b>	Collect evidence and publish efficacy reports on a wider range of products. Deepen the relationship between our efficacy framework and other internal processes including product improvement, acquisitions, and strategic planning. Lead a global conversation about the impact of our efficacy work, demonstrating how effective education products and services deliver enhanced learner outcomes.
<b>Foster 21st century skills and competencies</b>	
<b>Research</b>	Support research and dialogue on 21st century skills and competencies.
<b>Contribute to research and knowledge</b>	
<b>Research publications</b>	Release papers on critical topics such as adaptive learning, artificial intelligence in education, and building efficacy into learning technologies.
<b>Engage with others to promote quality education</b>	
<b>Participate in a global conversation</b>	Maintain leadership and participation in multi-stakeholder initiatives and partnerships that promote quality education and lifelong learning.



# Performance data

	2014	2015
<b>Governance and ethics<sup>1</sup></b>		
Number of hotline concerns raised and investigated	112	119

	2013	2014	2015
<b>Labor practices and decent work<sup>1</sup></b>			
<b>Our employees</b>			
Total average for the year	42,115	40,876	37,265
Total average for the year: Turnover rate (US and UK only)	21.9%	23.5%	27%

<b>Employee gender diversity</b>			
Male	43%	42%	41%
Female	57%	58%	59%
Board positions held by women	22%	30%	33%
Senior leadership positions held by women	31%	35%	34%

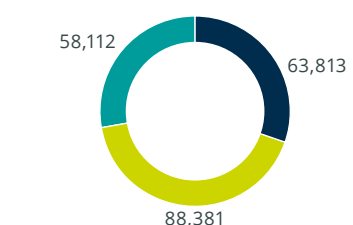
<b>Training 2015</b>			
Total hours by all employees			146,587
Average hours per year per employee			3.49

<b>Society<sup>2</sup></b>			
Community investment in GBP (£m)	11.8	14.4	10.7
Community investment as % of pre-tax profits	1.5%	2.0%	1.5%

<b>Book donations<sup>1</sup></b>			
Total number of books donated to schools, libraries and literacy charities (in millions):	3.4	3.6	3.2

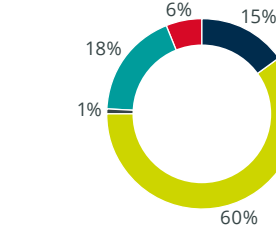
	2013	2014	2015
<b>Environment<sup>3</sup></b>			
<b>Greenhouse gas (GHG) (Carbon dioxide equivalent) emissions overview (metric tons CO<sub>2</sub>e)</b>			
<b>Scope 1</b>			
Gas, fleet and refrigerant loss	30,170	25,027	22,343
<b>Scope 2</b>			
Electricity	115,548	104,715	88,381
<b>Scope 3</b>			
Other	1,381	1,724	1,044
Business travel	31,055	22,740	26,255
Electricity	10,538	8,204	8,345
<b>Total</b>	<b>188,692</b>	<b>162,410</b>	<b>146,368</b>
<b>Total GHG/FTE metric tons CO<sub>2</sub>e/FTE</b>	<b>4.48</b>	<b>3.97</b>	<b>3.93</b>
<b>GHG emissions from Pearson businesses (metric tons CO<sub>2</sub>e)</b>			
US	105,994	94,348	79,872
UK	35,236	21,599	20,251
China	18,208	19,960	17,655
Rest of the World	29,254	26,503	28,715
<b>Total</b>	<b>188,692</b>	<b>162,410</b>	<b>146,492</b>
% decrease from year to year (for Scope 1 to 3)	3%	14%	10%

Climate neutrality: 2015



- GHG reduction for the period 2009 to 2015
- Purchase of green electricity
- Forest-based offsets

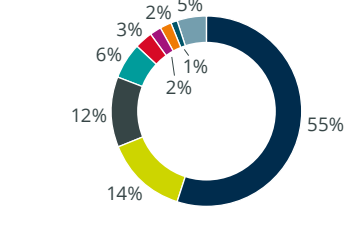
Approach



- Scope 1
- Scope 2
- Scope 3
- Scope 3 (Business Travel)
- Scope 3 (Transmission)

We measure greenhouse gas (GHG) relevant to our business and express the total as metric tons of carbon.

Sources of emissions



- USA
- UK
- China
- South Africa
- India
- Brazil
- Canada
- Australia
- Rest of the World

Eight most significant countries account for 95% of our climate footprint.

1. This data has been assured through the 2015 Annual report process  
 2. This data has been independently assured against London Benchmarking Group Principles

3. All environmental data has been independently assured (except data for legal compliance and renewable energy). For more information see p72.

## Performance data continued

	2013	2014	2015
<b>Environment continued<sup>3</sup></b>			
<b>Renewable energy (kW)</b>			
Total solar	2,470	2,570	2,575
Total wind	95	95	95
<b>Total (kW)</b>	<b>2,565</b>	<b>2,665</b>	<b>2,670</b>
<b>Environmental reporting measures (Units)</b>			
Net internal area of reporting offices (m <sup>2</sup> )	1,425,320	1,393,954	1,208,954
<b>Energy consumption measure (Units MWh/year)</b>			
Total electricity consumption (including from renewable sources)	215,460	186,356	162,916
Total electricity consumption from renewable sources only	215,460	186,356	162,916
Total gas consumption	66,375	57,144	48,760
Total fuel oil consumption	3,755	114	3,500
Total energy consumption	285,590	243,614	215,176
<b>MWh/employee</b>	<b>6.8</b>	<b>6.0</b>	<b>5.8</b>
<b>Business travel measure</b>			
Air passenger (km)	235,743,104	193,259,356	207,822,988
Rail passenger (km)	3,682,392	937,647	4,374,643
Road (distance) (MWh/year)	6,735,312	6,356,549	1,447,092
Road (fuel use) (litres)	5,849,850	5,312,226	4,894,843
Road (derived energy) (MWh)			43,899
Total GHG emissions from business travel (metric tons/CO <sub>2</sub> e)	31,055	22,740	26,255
<b>Paper</b>			
Paper used (MT)	194,760	152,181	132,551
<b>Waste</b>			
Total waste to landfill (MT)	3,273	2,005	1,112
Total waste to landfill (MT/FTE)	73	49	30
<b>Water</b>			
Total water consumption (m <sup>3</sup> )	1,154,106	1,474,077	1,014,268
Total water consumption (m <sup>3</sup> /FTE)	26	36	27
<b>Legal compliance</b>			
Reported environmental prosecutions	nil	nil	nil

See full GRI tables at [pearson.com/social-impact/2015-report.html](http://pearson.com/social-impact/2015-report.html)

3. All environmental data has been independently assured (except data on legal compliance and renewable energy). For more information see p72.

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## Principal offices

80 Strand,  
London WC2R 0RL, UK  
T +44 (0)20 7010 2000  
F +44 (0)20 7010 6060

330 Hudson Street,  
New York, NY 10013  
USA  
T +1 212 390 7100

[sustainability@pearson.com](mailto:sustainability@pearson.com)

[pearson.com](http://pearson.com)

[blog.pearson.com](http://blog.pearson.com)

[@pearson](https://twitter.com/pearson)

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