



Pearson

Transforming our impact

Pearson Sustainability report 2015



ALWAYS LEARNING

Transforming our impact

We are transforming sustainability at Pearson to respond effectively to the world's biggest challenges, maximize the value we create for stakeholders, and increase our positive impact on society.

Our mission is to help people make progress in their lives through access to better learning. It informs how we run our day-to-day operations, develop our products and services, and measure our success.

We want to help learners of all ages, stages, and circumstances find their path to a fulfilling life. Because wherever learning flourishes, so do people.

About our reporting

This report marks a new approach to sustainability at Pearson. In addition to reporting on our past year's performance, it sets out a new vision for an embedded approach to sustainability across our business. It also provides the framework for more robust goals and targets.

For the first time we are reporting according to Global Reporting Initiative's G4 reporting guidelines. Over the coming years, we aim to continuously improve our reporting practices.

Front cover

Children play at the Save the Children Rainbow Kindergarten in Zaatari Refugee Camp in Jordan.

➔ See p52

Photo: Hannah Maule-Ffinch/Save the Children



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Pearson at a glance

About Pearson

Welcome to Pearson, the world’s learning company. Powered by technology, we offer a world-class portfolio of educational products and services.

More than
37,000 people
work for Pearson



We are now active in more than
70 countries
around the world



Our mission is
to help people make
progress in their lives
through access to
better learning.

We believe that learning opens up
opportunities, creating fulfilling
careers and better lives.

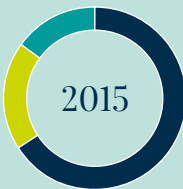
Financial highlights

Sales

£4.5bn
-5%

Sales by Geography

● North America	66%	£2,940m
● Core	19%	£836m
● Growth	15%	£692m

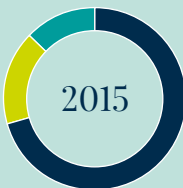


Adjusted operating profit

£723m
-3%

Adjusted operating profit by Geography

● North America	72%	£480m
● Core	17%	£114m
● Growth	-2%	-£12m
● Penguin Random House	13%	£90m
● Discontinued		£51m



What we do

We provide a range of educational products and services to institutions, governments, and individual learners, which help people everywhere aim higher and fulfil their true potential.

Our products and services

Content

We provide world-leading educational content for use in both traditional and digital learning.



Assessment

We provide assessment services to measure and validate learner progress, and to certify competency.



Services

We provide integrated services that help educational institutions improve learner outcomes.



We help learners at every stage of the education journey discover a love of learning that helps provide opportunities throughout their lives.

Learning stages

School

We help young children and students all around the world reach their learning potential and prepare for future success in further education and in the workplace.

Higher education

In close partnership with colleges and universities, we make higher education more effective, accessible, and affordable to a wide community of learners around the world by providing innovative products, services, and delivery models.

Professional

We equip global business professionals with the information, language, and credentials to fulfil their potential at work.

2015 sustainability highlights

Developed a new

➔ See p10-17

Sustainability plan

Aligns with the UN Sustainable Development Goals, and focuses our efforts under three pillars:

Be a trusted partner



Reach more learners



Shape the future of education



Launched

➔ See p52

Every Child Learning

A partnership with Save the Children to tackle the educational barriers faced by children affected or displaced by conflicts and emergencies.



Contributed

➔ See p33

£10.7 million in community investment

In 2015, our community investment was £10.7m, or 1.5% of pre-tax profits.



Reduced

➔ See p39

Our climate footprint by 15%

(Scope 1 and 2, compared with 2014)



Committed to empower the lives of

➔ See p56

200 million learners

annually by 2025, more than doubling our current reach.



Published

➔ See p57

13 efficacy reports

demonstrating the learner outcomes of key Pearson products.

➔ See more at efficacy.pearson.com



More than

➔ See p33

453k children and 247k parents and caregivers

to benefit from Project Literacy-funded programs.



Chief executive's introduction

John Fallon
Chief executive



Meeting the needs
of the world by ensuring
the sustainability
of our business.

At Pearson, we aim to help people make progress in their lives through learning.

Sustainability is critical to achieving that mission and ensuring our long-term competitiveness. Our customers, employees, partners, and learners expect us to uphold the highest business standards, continuously enhance the quality of our products, and contribute to their communities. Operating ethically and sustainably is not just a responsibility, it is a fundamental enabler of our commercial success.

I am proud of Pearson's track record in sustainability. We are a founding signatory to the United Nations (UN) Global Compact, have been climate neutral since 2009, and are committed to reporting on efficacy – how our products and services improve learning outcomes – by 2018. This year we set ourselves our long-term growth objective to reach 200 million learners annually by 2025.

The launch of the UN Sustainable Development Goals (SDGs) opens up new opportunities for us to help solve some of the world's biggest economic, social, and environmental challenges. Education can help deliver all 17 SDGs. It is one of the most powerful forces for good, empowering people to take charge of their lives and creating pathways to greater opportunities for families, communities, and nations.

A more sustainable planet depends on providing everyone with the tools to progress in their lives. Yet millions of people worldwide cannot access quality education, and millions more do not learn the skills they need to be successful in life and work.

This report describes our sustainability progress in 2015. A lot has changed since we first began reporting on our sustainability activities over a decade ago. As Pearson becomes increasingly global, digital, and data-driven, and interacts more directly than ever before with consumers, we believe that we can make a unique contribution to the achievement of the SDGs.

By building a stronger and more sustainable Pearson, we will impact the lives of more learners and help lay the foundations for a safer, more inclusive, more prosperous world.

John Fallon
Chief executive

➔ For more information on our business strategy, see Pearson Annual report and accounts 2015

🔍 The global education challenge

Access to quality education

58 million

primary-aged children are not in school.¹



250 million

children are in school but are not learning.²



Note 1 UNESCO Policy Paper, June 2014

Note 2 UNESCO, Education For All Monitoring Report, April 2013

Literacy and numeracy skills

More than

750 million

adults are illiterate.³

Even in developed countries,

200 million

young people have not mastered basic literacy and numeracy skills.⁴



Note 3 UIS Fact Sheet, Sept. 2015

Note 4 The Economist, April 2013

Obtaining the right skills for employability

290 million

young people and

206 million

adults are out of work.⁵



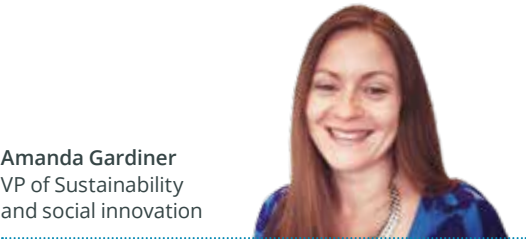
Meanwhile,

40% of employers are unable to find qualified candidates to fill vacancies.⁶

Note 5 The Economist, April 2013

Note 6 The Economist, April 2013

Reimagining sustainability at Pearson



Amanda Gardiner
VP of Sustainability
and social innovation

Over the past year, we've begun to transform sustainability at Pearson. Our new plan helps us focus our efforts on where we can make the most significant positive impact.

In 2015 we reviewed our approach to sustainability in order to ensure our strategy and activities match our ambition to be the global leader in education. The review took into account the changing education and business climate, and reflected the views of a wide range of stakeholders, both internal and external, who helped us refine our priorities and begin to define how to meaningfully report on progress.

The result is our new sustainability plan, a five-year vision to create value for our learners, shareholders, and society more widely. The plan is built around three core pillars:

- › Be a trusted partner
 - › Reach more learners
 - › Shape the future of education
- ➔ Read more about our three pillars on p17

While still a work in progress, it represents a significant step in moving beyond traditional 'corporate social responsibility' toward a more holistic approach to 'sustainability' that informs and integrates all of our business activities.

This report tells the story of our new plan, and of the changing nature of sustainability at Pearson. It provides an overview of our company's progress in 2015, including the social, economic, and environmental impacts of our everyday practices, and the link between business strategy and our commitment to help create a more sustainable world. For the first time, we have adopted the Global Reporting Initiative's G4 reporting guidelines to enhance our previous disclosures and increase transparency around our key impacts.

At Pearson, we are 'Always Learning'. We are proud of our 2015 achievements, but we also know that the hard work is just beginning. We will continue to share our story as we integrate sustainability even further into business strategy and planning. Along the way, we will identify and address gaps.

Our immediate focus is to:

- › Work collaboratively with Pearson leaders and partners to develop the targets and KPIs that will help us deliver on our new plan
- › Improve how we capture and analyze data to evidence our performance
- › Formalize the structures and behaviors for sharing our plan and engaging with stakeholders in the most meaningful way, and
- › Communicate our plan to Pearson employees to encourage further engagement and bring sustainability to life across the business.

What does sustainability leadership look like for an education company? We hope to challenge the way people inside and outside of Pearson think about our opportunity and capacity to improve the world.

When I consider the scope of Pearson's capabilities and expertise, the talent and purpose-driven spirit of our employees, and our commitment to continuous improvement, I'm confident that our contribution to creating a better world can be transformative.

Amanda Gardiner
VP of Sustainability and social innovation

What we did in 2015-2016

Assess how we create value

➔ See p10-11

Align our business with global aims

➔ See p12-13

Identify our material issues

➔ See p14-15

2016-2020

Define our sustainability plan

➔ See p16-17

Be a trusted partner

Reach more learners

Shape the future of education

Strategy development

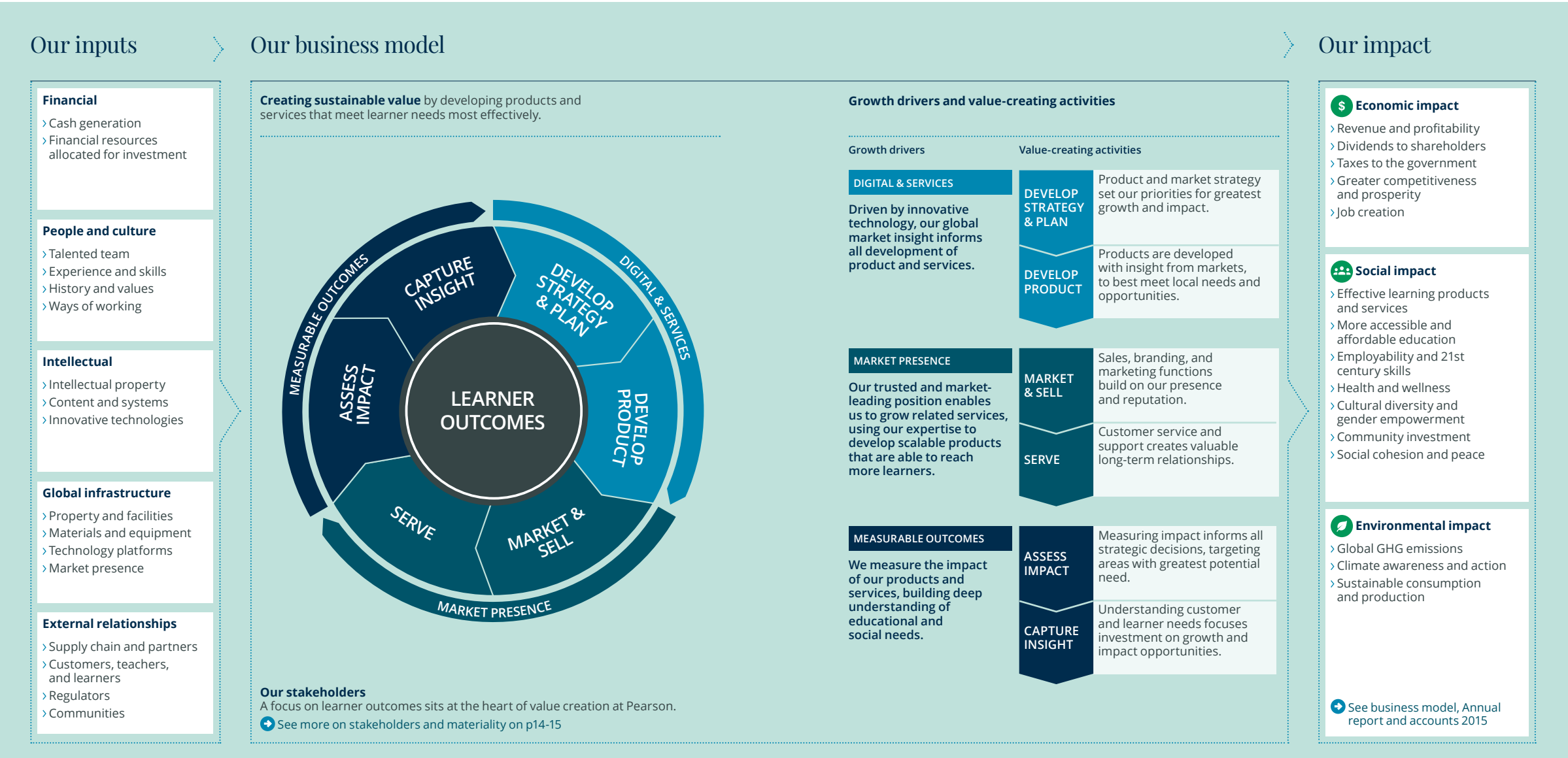
Implementation and reporting

Assess
how we
create value

We believe that a company must deliver value for society in order to be successful in the long term.

We create value for stakeholders by developing innovative products and services that enable people to make progress in their lives. As a result, our business makes an important contribution to creating peaceful societies and generating inclusive economic growth.

The model below describes how our inputs and activities deliver impact for society.



Align our business with global aims

To have a truly transformative impact, our business must be aligned with global efforts to address the world's biggest challenges.

2015 marked an important year for the future of our planet. Member States of the United Nations adopted the Sustainable Development Goals (SDGs), which aim to make the world a better place by 2030, and 195 countries adopted the first-ever global climate deal.

All 17 SDGs are important and interlinked – the achievement of one depends on achievement of the others. However, we identified three where we think we can make the most impact through our business strategy.

We aligned our business strategy to the UN Sustainable Development Goals.

- 1 No poverty
- 2 Zero hunger
- 3 Good health and wellbeing
- 4 Quality education
- 5 Gender equality
- 6 Clean water and sanitation
- 7 Affordable and clean energy
- 8 Decent work and economic growth
- 9 Industry, innovation, and infrastructure

- 10 Reduced inequalities
- 11 Sustainable cities and communities
- 12 Responsible consumption and production
- 13 Climate action
- 14 Life below water
- 15 Life on land
- 16 Peace, justice, and strong institutions
- 17 Partnerships for the goals

We identified the three goals where we can have the most impact.



4 Ensure inclusive and equitable education and promote lifelong learning opportunities for all.

How Pearson aligns with the intent of this goal:

As a fundamental human right and a driver of economic and social progress, education underpins the achievement of all 17 goals. The education goal and corresponding targets closely align with Pearson's mission, our capabilities, and our public commitment to delivering access, success, and progress for more learners.



8 Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all.

How Pearson aligns with the intent of this goal:

We deliver products and services that ensure learners acquire the knowledge and capabilities they need for employment and empowerment, working in close collaboration with governments, educators, employers, and others around the world. We aim to provide our own employees with a healthy, fulfilling, and inclusive workplace that recognizes their contributions and provides opportunities for advancement, and we encourage our suppliers to do the same.



10 Reduce inequality within and among countries.

How Pearson aligns with the intent of this goal:

We strive to develop inclusive products and ways of learning that are compatible with every learner's needs, and available at appropriate and affordable prices. In our interactions with employees, suppliers, customers, and communities, we promote equal opportunities for all – innovating where possible to address the specific needs of marginalized and vulnerable groups.

Identify our material issues

In 2015 we engaged an independent third party to help us assess the material sustainability issues for our business.

Based on an analysis of the areas of most concern to our external stakeholders, and a review of our company policies, activities, and priorities, we identified a shortlist of 19 issues that are most relevant to the sustainability of our business. Through further consultation with senior leaders at Pearson, we narrowed these down to nine issues we believe are most material at this time. Finally, we consulted with external experts to confirm our prioritization.

- To determine materiality, we took into account:
- › The degree of influence and immediacy of opportunity we have to tackle the issues
 - › The risk posed to our business, considering what steps we are already taking to address the issues
 - › The relative impact of the issues on maintaining or building our reputation and business success.

Our stakeholders



Prioritizing our material issues

The following matrix shows how we mapped our 19 shortlisted material issues, and highlights the nine that we have deemed to be most material for the purpose of our sustainability strategy, planning, and reporting at this time.

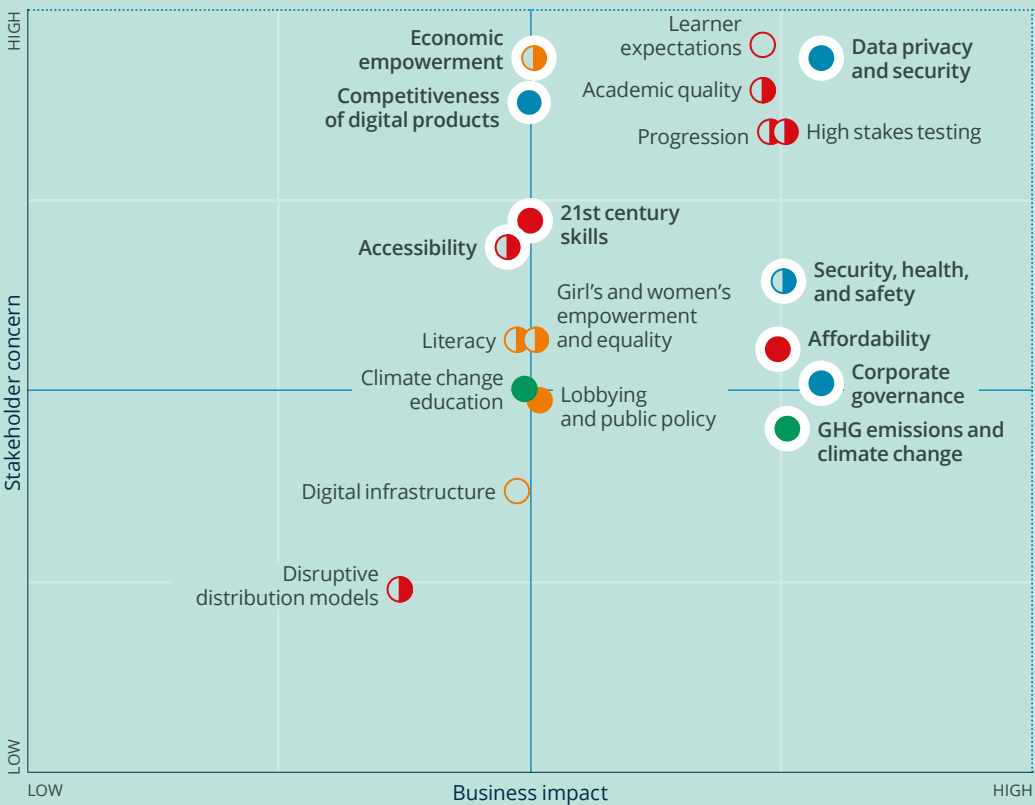
We will evaluate, refine, and talk with stakeholders about our material issues on an ongoing basis, in the spirit of continuous iteration and improvement.

Key to material issues
● **Nine material issues**
(for the purpose of our sustainability strategy and reporting)

Degree of control
● High
◐ Medium
○ Low

Corporate functions
Societal issues

Education industry
Environmental issues



➔ For more details on how we define our material issues, please see p74

Define our sustainability plan

Our new sustainability plan challenges us to maximize our contribution to the delivery of quality education for all and the creation of a better, more sustainable world.

The three strategic pillars of the plan, shown below, are intended to inform and integrate all of our business activities. We will continue to build and implement the strategy for delivering on these pillars, which will help us embed sustainability throughout our business, and guide us as we move to a more rigorous and transparent approach to reporting.

Our review process...

We assessed how sustainability and impact are embedded throughout our business model.
➔ See p10-11



We aligned our business strengths with the world's needs.
➔ See p12-13

- 4** Quality education
- 8** Decent work and economic growth
- 10** Reduced inequalities

We identified the most important issues, risks, and opportunities for our company, in collaboration with key stakeholders.
➔ See p14-15



- Data privacy and security
- Competitiveness of digital products
- Security, health, and safety
- Corporate governance
- Economic empowerment
- Accessibility
- Affordability
- 21st century skills
- GHG emissions and climate change

...led to a clear sustainability plan.

Pillars	Strategic intent	
Be a trusted partner ➔ Go to <i>Be a trusted partner</i> in our performance section, on p18	› Operate responsibly, ethically, and transparently › Treat learners, customers, and partners with integrity and honesty › Respect and progress our employees	› Contribute to our communities › Consult our stakeholders › Progressively improve environmental stewardship
Reach more learners ➔ Go to <i>Reach more learners</i> in our performance section, on p42	› Innovate to improve access to quality education › Enhance affordability and accessibility of our offerings › Collaborate to improve access to quality education	
Shape the future of education ➔ Go to <i>Shape the future of education</i> in our performance section, on p54	› Measurably improve learning outcomes › Foster 21st century skills and competencies	› Contribute to research and knowledge › Engage with others to promote quality education

Be a trusted partner



We seek to operate responsibly, ethically, and transparently in everything we do. This is the foundation for establishing and maintaining the trust of our shareholders, employees, suppliers, customers, learners, and partners, and for earning our license to operate in communities around the world.

In this section:

Operate responsibly, ethically, and transparently ➔ p20-23

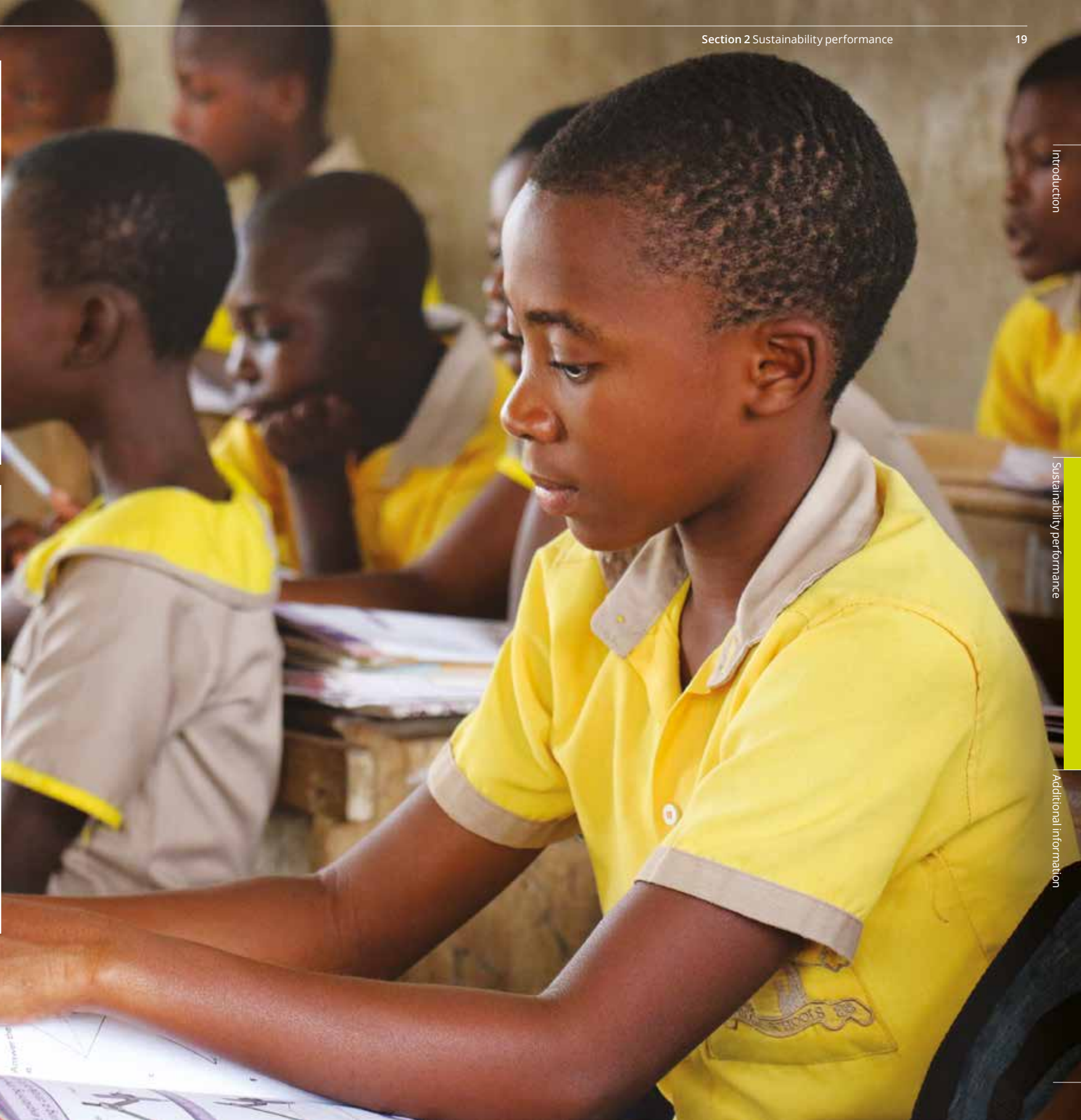
Treat learners, customers, and partners with integrity and honesty ➔ p24-25

Respect and progress our employees ➔ p27-32

Contribute to our communities ➔ p33-36

Consult our stakeholders ➔ p37

Progressively improve our environmental stewardship ➔ p38-41



Be a trusted partner continued

Operate responsibly, ethically, and transparently

We maintain the highest level of ethical conduct in all of our company's activities.

We encourage an open and honest culture, guided by our values and Code of conduct.

Culture and values

Our values define who we are and how we behave as a company and as employees. In our 2015 employee engagement survey, 89% of employees agreed that "Pearson's values are important to me." The survey also indicated that as a result of our work to review, refine, and reiterate Pearson's values in 2014, behaviors consistent with our values were significantly more visible to employees across the company.



"Pearson's values are important to me"

In our 2015 employee engagement survey, 89% of employees agreed that "Pearson's values are important to me".

During the year, many of our leaders wrote, spoke, or tweeted about our values in order to demonstrate their importance and set the 'tone from the top.' We also integrated the values into our performance review process, setting out clear behavioral expectations against each one and developing toolkits to support leaders, managers, and teams in integrating them in their daily work. All new employees are encouraged to view a brief training module to familiarize themselves with our values as part of the global onboarding program.

Code of conduct

Our values are reinforced by our Code of conduct, which sets out global standards and provides guidance to employees on how to apply these standards in day-to-day work. It covers, among other things, individual conduct, safeguarding of learners, employee rights and responsibilities, community involvement, the environment, ethical and social obligations, and legal and regulatory requirements. We make sure everyone is aware of the Code and this forms part of the onboarding process for new employees.

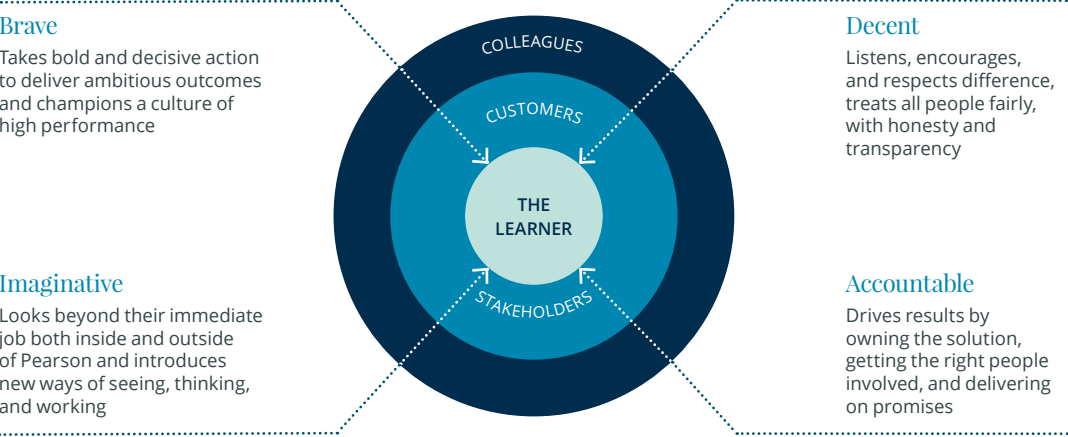
In 2015, we completed a significant review and rewrite of the Code including detailed additional guidance and case study support. Our values and behaviors were used to help shape the revised Code, with a particular focus on speaking up and challenging behaviors inconsistent with our values. The updated Code was circulated to every Pearson employee. More than 99% of employees confirmed that they had read and understood it, and affirmed that they would comply.

Our Code of conduct is supported by a suite of global policies and principles including our Business partner code of conduct, introduced in 2015, which governs relationships with joint venture partners, vendors, franchisees, distributors, suppliers, contractors, consultants, and agents; and our Anti-bribery and corruption policy, revised in early 2016. These policies can be viewed on our website at pearson.com/business-partner-code-of-conduct.html

Raising concerns

We operate a free, confidential telephone helpline and website for anyone who wants to raise a concern, and we have a clear non-retaliation policy in place to encourage honesty and openness. All cases with significant risk to the business are reported to the Pearson audit committee. In 2015, 119 concerns (112 in 2014) were raised and investigated – 77 concerns (65%) related to human resources matters and 42 concerns (35%) related to financial irregularities or violations of our policies – none were classed in our highest risk category. Appropriate steps were taken to resolve the issues, mainly through employee training, improvements of policies, or disciplinary action. In 2015, we terminated the employment of 12 individuals as a result of these investigations.

Our values



Our behaviors

			
Brave - Shows determination and courage in the face of obstacles and setbacks - Offers ideas or opinions without fear of criticism or professional risk - Sets high standards for own and others' performance	Imaginative - Assesses complex issues from multiple angles and addresses problems that don't have clear solutions or outcomes - Offers creative ideas and innovative solutions to solve problems and address opportunities - Takes a broad perspective to identify opportunities and solutions	Decent - Is honest, transparent, and straightforward when working with others - Builds trusting relationships with a broad range of people inside and outside Pearson - Looks for and includes diverse viewpoints and talents of others	Accountable - Takes ownership of own work and drives to successful completion and closure - Identifies and involves others to accomplish individual and group outcomes - Follows through on commitments

 Be a trusted partner continued

Limiting bribery and corruption

As part of our commitment to conducting our business fairly, honestly, and lawfully, we have a zero-tolerance policy towards bribery and corruption of any kind. This includes compliance with all applicable anti-bribery and corruption laws, including the US Foreign Corrupt Practices Act and the UK Bribery Act 2010, as well as local ethics and bribery laws. We aim to work and partner only with those who share this commitment.

Over the past two years, we have committed additional resources to supporting our employees and business partners around the world with improved guidance, training, and communication strategies to ensure that they have the tools and resources to avoid bribery and corruption in the markets we serve. We consistently emphasize that it is important to ‘do the right thing’, even when that means making difficult business decisions. Over the next several years, Pearson’s goal is to continue being a leading voice in the education sector in this area.

Human rights

We recognize a corporate responsibility to respect human rights in line with the Universal Declaration of Human Rights and the UN’s Guiding Principles on Business and Human Rights. We are a founding signatory to the UN Global Compact, and are a member of the Global Compact’s UK Local Network, a group dedicated to implementing the principles and attracting additional companies to join. Our approach to human rights is guided by the principles set out by these documents.

We respect the human rights of our employees, and have made a commitment to follow the International Labour Organization’s declarations on fundamental principles and rights at work. Subject to relevant laws in the countries where we operate, we respect the right of our people to freedom of association and representation either through trade unions, works councils, or any other appropriate forum. We are also committed to using our influence with our suppliers to improve standards for their employees and the communities in which they operate.

In 2016, we plan to develop an overarching human rights policy, and report against the UN Global Compact’s Children’s Rights and Business Principles.



Good governance

Our CEO and the Pearson board of directors are ultimately accountable for everything we do as a company. The board organizes its work around four major themes: governance, strategy, performance, and people. Board committees for audit, remuneration, nomination, and reputation and responsibility guide decision-making.

The board is deeply engaged in developing and measuring the company’s long-term strategy, performance, and value. Board members take a number of steps to ensure the effectiveness of the board, including participation by non-executive directors in a bespoke induction program upon joining, ongoing training, regular meetings with management, and an annual evaluation.

In order to ensure the accountability of our executive management to the board, seven out of ten of our board members are non-executive directors, and our independent chairman has clearly defined responsibilities which are distinct from those of our CEO. In addition, the non-executive directors, led by the senior independent director, conduct an annual review of the chairman’s performance.



“The board organizes its work around four major themes: governance, strategy, performance, and people.”

Vivienne Cox
Senior independent director

[Read more about Governance at Pearson in our Annual report](#)

More details about governance at Pearson can be found on our website and in our Annual report. To ensure transparency into our governance processes and activities, we report to our shareholders annually in accordance with the UK Corporate Governance Code.

Risk management

The board is ultimately responsible for the oversight of risk management, supported by the audit committee, which provides assurance with regard to the procedures for risk identification, assessment, and reporting. At least twice a year, the committee identifies, analyzes, and discusses principal risks, including social, environmental, and ethical (SEE) issues.

The process is informed by our Enterprise Risk Management (ERM) framework, which has been developed in line with international standards.

Pearson executives have accountability for risks relevant to their respective areas of responsibility, which are included in their annual performance objectives. Management is responsible for executing appropriate actions to mitigate risks where required. A consideration of risks is included in all key business decisions, such as acquisitions and strategic planning.

Our approach to risk management, as well as our principal risks, are described in detail in our Annual report.

Public policy

Government officials around the world make daily policy decisions that have a direct impact on education and our business. Our government relations team is responsible for tracking how political and legislative trends might impact our business. The team also develops and sustains relationships with key government representatives to ensure that we have a voice in policy discussions, our company is well positioned and represented, and our work is fairly and accurately conveyed in global legislative deliberations. In all our engagements with government, we act in accordance with state and local laws and regulations, and are guided by our corporate values and Code of conduct.

We also participate in trade associations relevant to our business. During 2015, we contributed to policy discussions through these associations on issues including intellectual property, improving learner outcomes, and the role of the private sector in improving access to quality education in low-income countries. For more information on how we engage in the global dialogue on education, see p63. Oversight of this aspect of the company activity is by the board’s reputation and responsibility committee. More details about the committee’s role can be found on p71.

In 2015, Pearson did not make any corporate contributions to political parties, candidates for public office, election campaigns, or political action committees.

Treat learners, customers, and partners with integrity and honesty

We treat our learners, customers, and other partners with respect and dignity by implementing high standards of transparency, safety, and care, and by ensuring our supply chain partners do the same.

Safeguarding and protecting learners

We have a responsibility to safeguard and protect learners by providing a safe, age-appropriate learning environment, whether in a classroom or online. We provide our employees and contractors with appropriate guidance and support to ensure they understand their roles in ensuring safe and appropriate products for our learners. This includes an online training module, launched in 2015, which covers how we identify and act on safeguarding concerns.

Our global safeguarding officer led work in 2015 to assign local business leads with accountability for safeguarding, establish common reporting frameworks, as well as pilot a new approach to incident prevention. For 2016, our key priorities are to continue to strengthen safeguarding governance processes, address safeguarding risks in both our direct delivery business (with a focus on China) and our investments through the Pearson Affordable Learning Fund, and increase training in direct delivery businesses.

Customer experience

Our sustainability as a company depends on building strong, long-lasting customer relationships. Everything that we do as a business is geared towards providing learners and customers with the outcomes that they need.

We use a wide range of methods to gather feedback from customers including face-to-face interviews, surveys, usability testing, and efficacy research. To better understand our customers' experiences, we introduced the Net Promoter Score (NPS) system in 2015. This is one of the most recognized methods of measuring customer loyalty and to date over 150,000 of our customers have shared their comments.

During 2015, we started to focus our customer experience work on the product areas we identified as our priority growth opportunities. In 2016, we plan on extending our insight-gathering practices and developing a cross-Pearson framework for incorporating customer feedback into our processes, with clear accountability and governance structures.

Product safety

Product safety is at the heart of how we design our products. We have a duty of care and a responsibility to ensure that everything we produce is safe, and that it will not cause harm to our learners or to the environment. Product safety in our physical products requires ensuring that no banned chemicals are present in anything we sell, and that products for the very youngest children are age-appropriate and properly labeled with choking hazard warnings.

Our product safety manual sets out procedural and legislative requirements for our production departments, including guidance on testing, development, and labeling, to help achieve this goal. The manual is regularly updated to reflect changing requirements and developments to internal processes and due diligence procedures. We carry out risk assessments considering factors such as the ages of learners, intended uses of products, and component materials to be used, and we use third parties to test and certify compliance with product safety standards. We work with industry partners to maintain an up-to-date components database to capture the full set of chemicals used in the making of our products, and then classify these chemicals according to their status under chemical safety legislation. For more information, visit pipsafety.com.



Zero incidents

In 2015, we maintained our ongoing target of zero product safety incidents or recalls.

Delivering relevant and appropriate content

Whoever and wherever our learners are, it is critical that the content we provide is relevant, appropriate, and inclusive. Our processes and procedures include editorial reviews, internal peer reviews, editorial review councils, external commissioning, and external peer review, as well as testing with teachers, pupils, and independent academic experts. Technology experts help with research, technical experimentation, software quality assurance testing, and user testing for all digital content.

A concern for the protection of children is intrinsic to how we create our products. Appropriateness of content to the age or location of students is reviewed within our Enterprise Risk Management review process. Where necessary, we enable parental controls for relevant digital products.

Data privacy and information security

Pearson has a responsibility to keep personal information about our customers and learners safe and secure. We have robust protocols in place to ensure customers are informed about how we collect and use their data, and can provide consent. All personal identifiable information we collect is maintained as confidential information and treated appropriately.

Responsibility for data privacy and information security was previously devolved to relevant teams across the business. Recognizing the growing risks and sensitivities around school and assessment data held on our systems, we centralized these functions in 2015.

Information security is overseen by the chief information security officer, accountable to the security governance board. Data privacy is managed by the chief data privacy officer, accountable to the data privacy governance board. Despite being managed separately, our security and privacy frameworks are linked to ensure we maintain a holistic management approach and provide aligned guidance on product and technology development processes, policies, training, and vendor management.

We have a robust risk management process based on recognized international standards (ISO 31000) to assess and rank data privacy and information security risks, as well as an information security management system encompassing many global standards, such as ISO 27001/2. We regularly test and evaluate our data security procedures and controls, including through a third-party review.

We seek to comply with all relevant legislation and contractual requirements and monitor regulation changes to assess their impact on our processes and programs. To help inform our approach, we are members of Software and Information Industry Association, Future Privacy Forum, and the Center for Information Policy Leadership in Europe.

Our audit committee undertook an in-depth review of our data privacy and security protocols in 2015. The review led to a number of updates and the development of a two-year improvement program to be implemented through 2017.

Be a trusted partner continued

We introduced mandatory annual training for all employees on information security and data privacy in 2015. As part of this training, we ask employees to read and sign our new acceptable use policy. In addition, any Pearson staff member who deals with US student data is required to undertake additional training on educational data protection.

Data privacy and information security progress in 2015

- In 2015, we made significant improvements to our data privacy and information security processes:
- › Appointed a chief privacy officer
 - › Established a global data privacy office and network of data privacy officers
 - › Strengthened the data privacy governance board to include representatives from each line of business, enabling function, and key geography
 - › Formed a global security operations center, providing ongoing monitoring of potential malicious attacks on our infrastructure and systems
 - › Developed a new governance framework, policies, and procedures to address data privacy risks
 - › Established a global privacy policy, as well as specialist global policies addressing key risk areas
 - › Updated data security policies
 - › Launched a privacy impact assessment process for new vendors, products, and programs
 - › Introduced mandatory annual data security and privacy training for all employees.

Influencing our supply chain

We expect all of our suppliers to adhere to our Business partner code of conduct, and we incorporate UN Global Compact principles into our terms of business for key suppliers. This includes the rejection of forced, compulsory, and child labor and a minimum age to work on Pearson projects, in line with international labour organization core conventions.

See the Business partner code of conduct at pearson.com/business-partner-code-of-conduct.html

We carry out an ongoing program of supplier visits to assess compliance with the UN Global Compact and our own standards. These visits complement independent third-party audits across a range of social responsibility indicators for suppliers assessed as medium or high risk. We have also developed a remediation process for suppliers that do not meet our standards.



UN Global Compact

We have incorporated UN Global Compact principles into our terms of business for key suppliers, including rejection of forced, compulsory, and child labor.

We work with industry partners to set global social and environmental standards for our supply chain. For example, we are a founding member and sit on the steering group of the Publishers Resolution for Ethical Manufacturing Standards (PreLIMS), collaborating to enhance industry standards related to labor and human rights.

In 2015, we reviewed our approach to franchise partners and introduced a common contract template governing our responsibilities on health and safety, labor standards, anti-bribery and corruption, safeguarding, and the environment. We plan to complete this process in 2016.

We also began work on our response to the UK's Modern Slavery Act. This new legislation requires companies to specify the steps they have taken to ensure their business and supply chains are slavery free. We will publish our first statement in 2017 in line with the Act.

Respect and progress our employees

Our success depends on an engaged, talented, and incentivized workforce. We take care to nurture our employees, develop their skills, and empower them to fulfill their potential. We encourage an open, honest, and supportive work environment that values diversity, and where employees can gain exposure to new ways of seeing, thinking, and working.

In 2015, we had on average 37,265 employees across our global businesses.

Employees by Geography

- 54% North America
- 16% Core Markets
In Australia and Europe
- 29% Growth
Economies including China, India, Brazil, and South Africa
- 1% Other



Our employee value proposition

We are determined to ensure that the experience of working at Pearson provides value for our employees in four ways:



Meaning:
Making a measurable difference in the lives of learners everywhere

Create positive, meaningful, and visible change in an industry that impacts millions of lives worldwide, and give your work profound meaning.

Shape the future of an ambitious company that is measurably raising the standards of learning and education globally through innovation.

Values:
Doing the right thing for learners and colleagues

Do brave, imaginative work and collaborate with passionate, supportive colleagues in a company committed to its values.

Take accountability and make the right decisions for learners, colleagues, and customers.

Development:
Always learning, through change

Accelerate your personal growth by constantly learning, and doing stretching, innovative work in a transforming and dynamic business.

Take advantage of new career opportunities and directions by working on new innovative projects in a diverse environment.

Trust:
Being trusted, empowered, and supported

Be trusted to take ownership of your performance and achieve your potential in an environment that is flexible, open, and empowering.

Improve how we work, thrive on challenge, and influence the success and direction of a changing global organization.

 Be a trusted partner continued

Listening, collaborating, and communicating

We use a variety of channels to connect and communicate with all our employees. This includes webinars, small group discussions, virtual town halls hosted by senior leaders, and a regular call hosted by our chief executive to update employees on business strategy and performance and to share innovations from across the company. In 2015, nearly 300 such events were held, reaching employees around the globe and providing recordings for those unable to attend live. Through our online collaboration tool, Neo, which is accessible to all Pearson staff, our employees can share ideas, expertise, and information with colleagues across the world. We conduct an annual engagement survey to gather feedback on our employees' experiences of working with us.

In 2015, Pearson was selected to pilot LinkedIn's newest content sharing platform, Elevate. Elevate enables employees to share insightful and relevant content about education, which will benefit both our brand and employees' social profiles, as well as increase employee engagement.



Talent management and development

Our global performance assessment process supports employees with setting performance expectations, and encourages feedback, communication, and behaviors consistent with our values and business strategy. It also informs our talent development and succession planning activities. This helps us identify and fill skills gaps, and ensure that our people have the technical, personal, management, and leadership skills that they need to help Pearson grow.

Our executives share their goals for the year with all employees. Every employee can link their individual goals to business objectives, and has an annual appraisal and development review with their manager to discuss performance, as well as growth and learning opportunities.

Our learning and talent teams help staff grow and develop in their careers, and support managers to recruit and retain diverse and talented people. We have introduced a single global recruitment process, which allows employees to access Pearson job openings around the world and enables a consistent approach to internal movement.

Learning opportunities

Our 'Always Learning' tagline extends to our employees. We offer a diverse and comprehensive range of learning and development opportunities, accessible to all employees through our global online platform, Milo. Learning opportunities are available in a variety of categories including career development, technical skills, sales, communications, and cultural awareness. We also partner with trusted organizations such as Lynda.com, Safari Books Online, and Ashridge to offer additional training and resources. Employees spent more than 146,500 hours completing approximately 200,000 courses in 2015.

In 2016, we launched an online manager learning community to support managers to navigate the changing business climate. The program puts all our core management, change, development, goal setting, and other resources at managers' fingertips.

Equality, diversity, and inclusion

We are committed to attracting, retaining, and developing the best people regardless of race, gender, gender identity or expression, age, disability, religion, sexual orientation, or any other differentiator. Our differences drive innovation and ensure that we reflect our customers and learners. This makes us better able to respond to changing learner needs, develop products that are reflective of the markets in which we work, and be more effectively engaged in the communities we serve. We aim to create an inclusive workplace where our people can be themselves, and everyone is respected, valued, and given equal opportunities to progress.



Our vision for...

...Equality	...Diversity	...Inclusion
Champion fair treatment, respect, and equal opportunities	Celebrate what makes us different: our individual and organizational culture, work styles, values, beliefs, experiences, backgrounds, preferences, and behaviors	Create a single global working environment and culture, where all our people can bring their full selves to work, are valued for their differences, and can contribute fully to our company purpose

- Our diversity and inclusion efforts are focused on three primary areas: our people, our culture, and our learners. We seek to:
- › Be viewed as an inclusive employer of choice to attract top talent.
 - › Build a culture of innovation and learning where every idea and perspective is valued and where we embed the principles of diversity and inclusion into all business processes and practices.
 - › Build closer relationships with our customers and learners by ensuring that our people and products reflect who we are and whom we serve.
 - › Contribute to the development of inclusive products, solutions, and services for our customers.

Diversity at senior levels

We know that to sustain an inclusive work environment, this value must be reflected from the boardroom down. The board always takes account of diversity in its broadest sense when considering new appointments, while ensuring that they are made based on merit and relevant experience. The global backgrounds of our board members contribute to diversity of experience and thought.

We are proud of the gender diversity of our board, which has a 30% female representation – ahead of the target date set for the UK's largest companies. Immediately below board level, the Pearson executive, not including the chief executive and chief financial officer, who are main board directors, has two female members out of a total of nine (representing 22%). Our senior leadership team shows a strong pipeline of female talent, with women representing 34% of our senior leaders.

We remain an enthusiastic member of the 30% club which brings together board chairs and CEOs to work together on gender balance. We participate in their cross-company mentoring program in the UK, which supports the development of talented mid-career women. See p84 for a breakdown of our employee gender diversity.

Be a trusted partner continued



Developing an inclusive and equal workplace

To support our aim of being an inclusive workplace, we offer a number of interactive diversity training modules including 'Diversity awareness and harassment prevention', 'How unconscious bias can slow our business', and 'Navigating generational differences at work'. These help our employees understand what diversity means at Pearson, how it is related to our business, and how to navigate complex diversity challenges that arise in the workplace. In 2015, we ran 42 diversity training sessions, attended by a total of 1,220 employees. To date, over 4,000 employees have completed our training on unconscious bias.

Global diversity and inclusion advocates help us implement global diversity and inclusion principles in their local businesses and offices. Advocates are a cornerstone of the diversity and inclusion program, expanding our reach to every corner of Pearson and enabling us to build a scalable, sustainable program. In 2015, we had 32 advocates worldwide, working to raise awareness and embed diversity and inclusion in everything we do in addition to their regular, full-time roles.

Diversity and inclusion advocates

Some examples of our advocates' activities in 2015 include:

- › Leading the creation of the Pearson gender transitions handbook for transitioning employees. The handbook has been lauded by the Human Rights Campaign as a best practice initiative
- › Developing our #DiscussDiversity Twitter chats, which have reached more than eight million people since their launch in November 2015
- › Sharing personal stories and experiences, for example: One of our advocates, who identifies as a Native American Seneca, wrote stories that were incorporated into our US Grade 5 reading curriculum to teach students about Native American diversity and storytelling
- › Another advocate published our company's most-read blog post ever, about her family's immigration to America.

We welcome proposals to introduce mandatory regulations on gender pay disclosure in the UK. We have established a cross-functional working group to prepare for compliance with the regulations as well as to work on any resulting programs on pay equality. The group will look to learn lessons and apply the methodology globally.

Employee Resource Groups

Pearson's Employee Resource Groups (ERGs) provide our diverse employees with opportunities to network with others of similar interests or backgrounds, access professional development and mentorship relevant to their circumstances, and contribute to our inclusive workplace and business objectives. ERGs are focused on contributing to our business as much as possible, and are an invaluable resource. For example, by piloting a product with a sample group from ERGs in 2015, we were able to make improvements to the product that enhanced the customer experience.

An accessible workplace

Disability forms a part of our wider commitment to equal opportunity. We work to ensure that appropriate policies, procedures, training, and support are available for disabled colleagues and their managers. A recent example is a guide on how to develop corporate videos, so that all our people, including those with disabilities, can access and benefit from these films.

2015 was a year of growth for the ERGs, with four new global groups launching. During the year, over 3,000 employees were involved in the following seven global ERGs:

- › Women in Learning and Leadership (WILL)
- › Pearson Latino Network
- › Pearson Able – for colleagues with disabilities and their advocates
- › Pearson Spectrum – for LGBT colleagues and allies
- › Pearson Bold – for employees of black and/or African ancestry
- › Pearson Parents
- › Pearson Veterans

In 2016, we will focus on ensuring our ERGs are properly supported and can continue to flourish and expand their global footprint to connect Pearson colleagues around the world.

Pearson Parents

Our Pearson Parents ERG is a supportive, action-oriented community of Pearson employees. Members are diverse in just about every way, but have one singular goal – to help the students and children they care for make the most of their lives through learning, and by extension help our business to do the same for children everywhere.

Health and safety

Our vision is to achieve zero harm for our employees, contractors and learners, and to prevent incidents before they occur. We strive to ensure all incidents, no matter how serious (even near-misses) are reported, so we can learn from them, correct hazards, and prevent future injuries. The most common injuries are sprains and strains from materials handling, and slips and falls. Incident data is reported internally to the audit committee every six months. Overall health and safety performance is overseen by the audit committee.

Our people work in schools, colleges, test centers, offices, data centers, call centers, and distribution centers. We systematically conduct health and safety reviews to identify and assess potential risks. Our audit plan is developed using a risk-based approach, taking into consideration locations with high-risk activities such as printing and warehousing, the number of employees, and previous audit performance. More than 50 reviews were carried out globally in 2015.

 Be a trusted partner continued

Global management of health and safety is based on OHSAS 18001 principles. Our health and safety policy was updated in 2015, and we started executing a three-year strategic plan focused on 11 areas – including prevention, communication, and reporting – each with clear accountability and performance measures. Activities included communicating our updated policy to employees, establishing a management review process with key leadership groups, and implementing a risk-based health and safety auditing program.

We have established a network of over 200 health and safety coordinators across our main countries and operating sites to ensure our businesses and locations correctly implementing our health and safety policy and minimum standards.

In June 2015, Pearson secured the Royal Society for the Prevention of Accidents’ Bronze Award for the health and safety performance of our global operations. For details about our health and safety performance, please see our Performance Tables on p79.

In 2016, we will continue to execute our three-year strategy to fully integrate the health and safety program into our global business. We continue to improve risk assessment in due diligence processes with mergers and acquisitions, as well as in our existing operations and through our franchisees and other business partners.

Corporate security

We live in an increasingly complex world with new and emerging security challenges related to, for example, geopolitical threats, terrorism, crime, and natural disasters. Pearson has a responsibility to help minimize and manage these risks. Our goal is zero harm, which we measure by the volume of adverse security incidents or near-miss events and their impact (injury, cost, or reputational impact).

As a global company, international travel plays an important role in how we do business. Nine percent of our staff completed at least one international business trip in 2015. To minimize risks for our business travelers, we reviewed our travel advice and support service, Travel ASSIST, and made the following improvements:

- › Incorporated travel safety requirements within the Global travel and expenses policy
- › Enhanced the visibility of travel itineraries and introduced a consistent global approach to travel risk management
- › Introduced a new Travel App that provides travelers with access to timely and accurate security information, including how to deal with emergency situations
- › Increased oversight of travel to designated high-risk destinations.

Further improvements to be made in 2016 include: strengthening relevant corporate security policies, procedures and standards; establishing a robust threat monitoring and risk assessment process; as well as developing an eLearning travel safety module.

Wellbeing

During 2015, we developed a new health and wellbeing strategy, to move us toward a more proactive approach to wellness in the workplace, based on what our employees value. This is currently being trialed in the UK with an initial focus on:

- › Mental health
- › Stress management
- › Mindfulness techniques
- › Line manager training

Contribute to our communities

Making a positive difference to the communities where we operate is an inextricable part of how we think, what we do, and who we are.

Beyond philanthropic contributions, we direct the power of our brand, the expertise and enthusiasm of our people, and a wealth of relevant products and services to causes and issues that help remove the barriers to learning, with a primary focus on illiteracy.



£10.7m

In 2015, our community investment was £10.7m, or 1.5% of pre-tax profits. We are members of the London Benchmarking Group and asked them to review our community investment disclosure. Download our assurance statement at pearson.com/social-impact/2015-report.html

Project Literacy

PROJECT LITERACY In 2015 we launched Project Literacy, our flagship five-year social impact campaign, to make significant and sustainable advances in the fight against illiteracy so that all people – regardless of geography, language, race, class, or gender – have the opportunity to fulfill their potential through the power of words.

Functional literacy helps people make sense of the world, pursue life-changing opportunities, and stand up for the rights of others to do the same. With words we set the potential of individuals free, and we put our global community on a path of economic, environmental, and social prosperity.

 **Project Literacy by the numbers**

40+ partners

\$7.5 million in funding
from Pearson to support literacy programs

11,460 volunteers
referred to our Project Literacy partners

969 million people reached
through media campaigns, social media, and events

453,000 children + 247,000 parents and caregivers
to benefit from funded programs

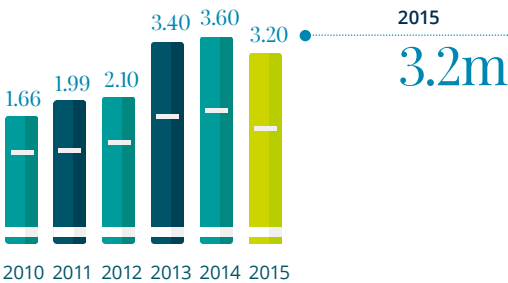


[Find out more at projectliteracy.com](http://projectliteracy.com)

Be a trusted partner continued

We convened Project Literacy in the belief that now more than ever, tackling illiteracy should be on everyone’s agenda, and that it is only through cross-sector action that we can accelerate progress on the UN’s Sustainable Development Goals. By the end of 2015, more than 40 partner organizations and thousands of individuals had joined the campaign. For more details visit projectliteracy.com/partners.

Total number of books donated (millions)



Book donations

We donated 3.2 million books in 2015 to charitable organizations serving underprivileged communities. Our books have found their way into the hands of millions of people living at or below the poverty line – in communities where there may be as few as one book per 300 children.

Employee engagement

Our people are our best ambassadors and advocates. One way we support them is to provide opportunities to give time and money to invest in their communities. We use Project Literacy as a lever, but we also support our employees to make an impact on the causes they care most about. During 2015, 30% of our employees participated in social impact activities.

Volunteering

Every Pearson employee can take up to three days of paid leave each year to volunteer in their communities. We have formal volunteer programs in place in the US and the UK with partners including Reading Partners, Jumpstart, and the National Literacy Trust. In 2015, employees volunteered more than 10,000 hours to 278 organizations. 40% of volunteering hours were spent on projects linked to literacy.

“Thanks to a transformative donation from Pearson, the Molina Foundation is able to partner with medical providers, clinics, and community organizations to bring new books into the lives of children in low-income communities across the United States. Together, we will ensure that our children are growing up in a culture of words and reading – it’s how we, as a community, can support the health and success of our youngest generation.”

Martha Bernadett MD MBA
Founder and president, The Molina Foundation

Volunteering to help children read



Reading Partners

Reading Partners works with under-resourced schools in the United States by engaging volunteer tutors to help students who struggle with reading to unlock and develop foundational skills to succeed in school and in life.

During the year, our senior executives took time out of their agenda to volunteer with Reading Partners – one of our Project Literacy partners. 80% of students at Belle Haven Elementary School in California, where they volunteered, have English as their second language, and almost one in four are homeless.

“The one-to-one support of the Reading Partners’ volunteering program provides teachers and students with invaluable support, helping to boost confidence and increase reading proficiency for some of the most deprived kids in California. My hour with Daniel was not only worthwhile – but a lot of fun!”

Kate James
Chief corporate affairs and marketing officer and Reading Partner volunteer

BookTime

BookTime is a Pearson initiative in the UK and involves employees spending 30 minutes each week volunteering in a local school, supporting children’s literacy by reading together. Through the program, volunteers have given more than 3,000 volunteer hours and supported more than 400 children.

“The best thing about being a reading volunteer is the enjoyment that the children clearly get out of it.”

Chris Boor
Senior project editor



 Be a trusted partner continued

Giving

At regular intervals, we offer match-giving contributions to support employee donations to charity, or as part of an appeal to support communities in need of disaster relief. During 2015, we ran a month-long campaign to mark the launch of the UN Sustainable Development Goals. Throughout the month, employees across Pearson who gave to charities received a 4:1 match from Pearson. The campaign raised over \$430,000.

Over the course of the year, nearly 2,000 employees supported 1,169 charities through our match-giving program, raising almost \$470,000.

We also launched an Employee Challenge Fund for Literacy in 2015. We invited Pearson teams and offices around the world to put forward proposals for directing Pearson funding and support to local charitable organizations. Projects ranging from implementing literacy programs with farmers in Malaysia to activating the first system of public school libraries in Peru will be bought to life by fund recipients in 2016.

 Providing loans through KIVA

In May 2015, Pearson teamed up with KIVA, the world’s first and largest ‘micro-lending’ platform, to provide loans to people around the world who are locked out of traditional banking systems. We committed \$1 million over two years to support the initiative, with all Pearson employees receiving \$25 to lend to a KIVA project of their choice. By the end of 2015, employees had made more than \$600,000 of loans to KIVA entrepreneurs, making Pearson the third largest business contributor to KIVA globally.

“Through KIVA, it was easy to help someone on the other side of the globe. Of course, the hardest part was choosing whom to help. First I picked a girl in Paraguay who needed money to go to nursing school. When I got part of that loan repaid, I next picked a school in Uganda that needed clean drinking water.”

Amanda Murray
Marketing specialist, Canada



John Fallon, our CEO, loaned his \$25 to the Yana School in rural Uganda, where the principal is looking to install a water filtration system. He explained:

“Students who have access to clean drinking water in school are more likely to turn up, better focused, at lower risk of waterborne diseases and dehydration, and won’t have to spend hours of their day finding and chopping wood for fires to boil water, as so many currently do. They can spend their time in class, and learning, which every child deserves to do.”

John Fallon
CEO



Consult our stakeholders

Stakeholder engagement plays a vital role in informing our strategy, improving our products and services, and maximizing our positive contribution to society.

In 2015 we worked with a leading sustainability organization to develop a framework for identifying, prioritizing, and engaging stakeholders both globally and in our key markets. We collaborated with appropriate regional leaders to create the framework, and rolled it out to relevant teams across the business.

The following table outlines some of our key stakeholders, and how we interacted with them in 2015.

Our stakeholders	How we engage
Learners	We regularly communicate with learners – through formal and informal mechanisms – to understand and address their needs. For example, our Student Advisory Board, composed of US undergraduates, works directly with Pearson product development teams to make tangible improvements to products that in turn affect student success. We invite learners to participate in internal meetings and events in order to inform our thinking and activities. In 2015, Pearson executives visited schools and classrooms to meet with students and listen to their concerns.
Customers	Our sustainability as a company depends on building strong, long-lasting customer relationships. We use a wide range of methods to gather feedback from customers including face-to-face interviews, surveys, usability testing, and efficacy research. In addition, we introduced the Net Promoter Score (NPS) system in 2015 to track customer loyalty. By the end of 2015, customers had shared their comments on 72 products.
Shareholders and investors	We are accountable to our shareholders, to whom we report quarterly. We regularly respond to requests for information from investors, including Socially Responsible Investors, and from indices such as the Dow Jones Sustainability Index. Shareholders who have concerns not addressed through normal channels can contact our senior independent board director, Vivienne Cox. For more information on how we engage with shareholders and investors, see our Annual report.
Employees	We use a variety of channels to connect and communicate with all our employees. This includes surveys, webinars, small group discussions, virtual town halls, and a regular call hosted by our chief executive. Our employees also share ideas, expertise, and information through our online collaboration tool, Neo. ➔ See p28
Governments and other education agenda-setters	We engage with national and local governments, representative groups, and other education influencers to understand needs and develop relevant and effective solutions in the countries where we operate, led by dedicated government relations teams. ➔ See p23
International, non-governmental, and non-profit organizations	We listen carefully to the insights of organizations working to improve education in various markets and for vulnerable and marginalized groups. In addition to maintaining bilateral relationships with key organizations, we participate in a number of multi-stakeholder initiatives that aim to strengthen global education systems. These relationships allow us to share experiences, capabilities, and perspectives, respond quickly to opportunities and criticisms, as well as help shape the global education debate. ➔ For some examples, see p63-64
Business partners	We work with a variety of commercial partners, ranging from large technology companies to education start-ups. Our business partnerships leverage each organization’s unique competencies in order to deliver mutual value. ➔ See p67
Suppliers	All of our suppliers agree to comply with our social and environmental standards as a requirement of working with us, and we carry out visits to assess compliance. ➔ See p26

Be a trusted partner continued

Progressively improve our environmental stewardship

Our flagship environmental initiative is climate neutrality, but our commitment embraces a wider vision to protect the natural resources on which we all depend.

Our vision is shared by others in the world of education and many of the institutions we serve are environmental leaders both in thought and practice. We also know that our customers and learners value our commitment to being a responsible environmental citizen.

We produce a separate environmental report which includes more details about our environmental performance and activities, available on our website pearson.com/social-impact.html. We also publicly disclose our performance on carbon management, water, and forest management to the Carbon Disclosure Project (CDP). Our submissions can be viewed at cdp.net

Environmental management

Development and implementation of our environmental strategy is overseen by the responsible business leadership council. The council is chaired by the chief corporate affairs and marketing officer and includes senior executives from across the company. Progress is reported to the reputation and responsibility committee, a formal committee of the board.

Our global operations are accredited against the Carbon Trust Standard. Additionally, our businesses in the UK and Australia are accredited against ISO 14001, the international environmental management standard. In other parts of the world, we apply our own environmental management system based on ISO 14001 standards.

Over the next 18 months, our priority environmental focus areas are:

Suppliers	Investigate whether our third-party data centers can be supplied by clean energy
Carbon footprinting	Look beyond direct emissions to capture impacts across the digital and physical value chain.
Low-carbon economy	Continue to invest in energy efficiency and renewable energy in order to remain carbon neutral
'Mindprint'	Establish targets, key initiatives, and/or partnerships to enable learning and skills development linked to specific sustainability challenges
Circular economy	Explore the feasibility of setting a strategy for closing the loop on products and services by 2020 (zero waste to landfill)

Pearson has a global online data collection system in place covering utilities, water, waste, and business travel. Our 2015 environmental data has been verified by Corporate Citizenship, an independent, external third party. The assurance statement covers the methodology, data collection, and accuracy of data reported.

Our submissions can be viewed at cdp.net



Climate neutrality

We have been climate neutral since 2009. Climate neutrality helps us focus our efforts to reduce our environmental impact and carbon footprint. Our climate neutral commitment covers all company operations under our direct control, but excludes supply chain activities. Our strategy is built on three key areas – measuring, reducing, and offsetting.

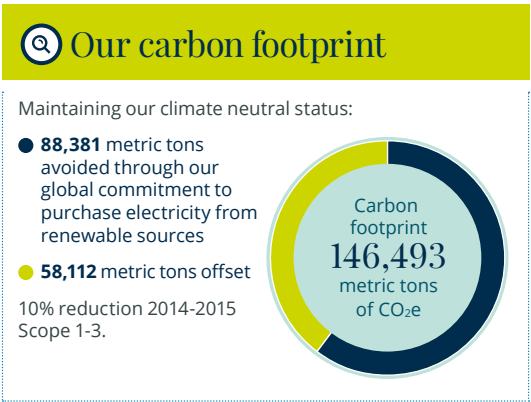
Through our efforts to reduce energy use and business travel, we reduced our climate footprint at the end of 2015 by 15% reduction for Scope 1 and 2 compared to 2014.

Our GHG emissions data can be viewed in our performance tables on page 85.

Carbon reductions – buildings and business travel

Over the last six years, we have reduced our global climate footprint by 30%, with an average annual rate of reduction of 7%. This was driven by a stellar performance in the US where we have reduced our footprint by nearly half (46%). As a result, we have been able to materially exceed both our greenhouse gas and energy use targets, delivering both cost savings as well as carbon reductions.

Some of the factors contributing to this performance include our accelerating investment in technology, which allows us to switch away from physical related infrastructure such as distribution centers and reduce our directly controlled footprint. Technology also enables us to work more flexibly, increasing home working and reducing the need for business travel.



 Be a trusted partner continued

In the US, we have six buildings certified under the LEED green buildings standard, which together account for over 740,000 square feet. In 2015, our offices in Hoboken became the latest to secure LEED certification achieving a Gold Standard. We have a team of certified LEED assessors within the company to help implement these standards in new and existing buildings.

During 2015, Pearson South Africa moved into a new head office building, the Auto Atlantic Building in Cape Town. Sustainability considerations were central to the office fit-out. We installed solar panels, an advanced building monitoring system, LED lighting, and occupancy sensors as well as ensuring that all paints, adhesives, and floor finishes met with the Green Building Council of South Africa limits.

Renewable electricity

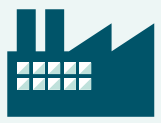
We first met our target to purchase 100% of our electricity from renewable sources in 2012. In the US, our largest market, Pearson has consistently ranked in the top 50 largest purchasers of green electricity and has twice received a Green Power Leadership Award from the Environmental Protection Agency, most recently in 2014.

We have invested in renewable energy generation at six sites and have 2.7 megawatts of wind and solar assets installed.

In 2015, we joined over 50 other companies by signing up to RE100, a global initiative of influential businesses committed to 100% renewable electricity, and working to massively increase the demand for – and delivery of – renewable energy. For more information on Pearson’s commitment, visit there100.org/pearson.

“This is the last generation that can take meaningful action against climate change. One practical step that business can take is through the purchase of electricity from renewable sources.”

Coram Williams
Chief financial officer

Global targets	Baseline year	2014	2015	New stretch targets
To reduce our Greenhouse Gas emissions by 25% by the end of 2015 using 2009 as the base year. 	210,306 MT CO ₂ e	162,410 MT CO ₂ e	146,493 MT CO ₂ e (-30%)	To reduce our absolute Greenhouse Gas emissions by 50% by the end of 2020 using 2009 as the base year. i.e. an additional 20% for the period 2016 to 2020.
To reduce energy use in our buildings on an absolute basis by 15% by the end of 2018 using 2013 as the base year. 	285,590 MWh	243,614 MWh	215,177 MWh (-25%)	To reduce energy use in our buildings on an absolute basis by 50% by the end of 2020 using 2013 as the base year. i.e. an additional 25% for the period 2016 to 2020.

Offset partnerships

Any emissions we have not been able to reduce or avoid are offset each year by supporting a range of forest-based projects that either save or absorb a metric ton of carbon for each ton that we emit. Since 2009, our climate neutral program has seen us protect over 1,300 hectares of forest through offsets. In 2015, we offset 58,112 metric tons of CO₂e emissions.

Working with our suppliers to promote environmental stewardship

Pearson is changing. Today, digital products and services combined with our direct delivery activities (where we provide education directly to learners) account for over half of our revenue. As these continue to grow in importance, a growing technology-related supply chain is reshaping our future environmental footprint. Yet, our traditional paper-based products continue to be the source of our most significant environmental impact. We purchase paper for books, and we have contracts with printers as well as with distributors and shippers to bring our products to market.

We outline the standards of environmental performance that we expect, as well as the commitments we make as a responsible purchaser, in all our supplier contract agreements.

Paper

Traditionally, paper has been the single most material environmental issue for Pearson reflecting our average purchase of some 300,000 metric tons each year. In 2015, as part of the wider shift to digital at Pearson, paper purchase was reduced to 146,000 metric tons. For 2016, we expect Pearson to be directly responsible for the purchase of around 70,000 metric tons of paper, reducing further in 2017.

Nevertheless, paper remains an important environmental issue. We collect and map data on the forest of origin for our paper in order to ensure we do not contribute to deforestation and illegal logging. In 2015, Pearson in the UK gained Chain-of-Custody accreditation by the Forest Stewardship Council (FSC), which means that our products can carry the FSC logo.

We publish an annual report on our paper purchasing activities, which can be viewed on our website.

Printing

All printing for Pearson is through third-party suppliers. In addition to our general approach to supplier responsibility, we ask our printers for additional reporting in key areas. For a number of years, we have maintained a printer register of environmental performance.

During 2015, as part of our ongoing improvement in this area, we continued to extend the reach of our vendor assurance process to cover medium-risk printers. We aim to complete this process in 2016.

Distribution and shipping

Our books are produced around the world, requiring shipment from printers to distribution centers. We outsource road distribution and shipment of our products to third-party carriers. We have worked with suppliers on consolidating shipments to maximize container loads and monitor environmental performance as part of the contractual arrangements.

➔ Read our full environmental report pearson.com/social-impact/sustainability/environment.html



Reach more learners



We have a long-term growth objective to reach 200 million learners annually by 2025 – more than doubling our reach. This will require innovation in all aspects of our business. Our product development processes foster creative and rigorous solutions to education challenges. The expansion of our digital product offerings allows us to make products more accessible, affordable, and effective. We also collaborate with organizations across sectors to address some of the biggest education challenges, including illiteracy, gender inequality, and education in conflict and emergency settings.

In this section:

- Innovate to improve access to quality education* ➔ p44-45
- Enhance the affordability and accessibility of our offerings* ➔ p46-49
- Collaborate to improve access to quality education* ➔ p50-53

 Reach more learners continued

Innovate to improve access to quality education

Learners are the core focus of our business. We research, design, develop, and continuously improve our products and services to deliver the best possible learner outcomes, and work towards our end goal of helping people make progress in their lives through learning.

The Pearson Product Lifecycle

The Pearson Product Lifecycle (PLC) provides Pearson teams with a global set of practices and tools to create market-leading products through a stage-gate development process. The framework enables teams to focus on what's most essential – the needs of the learner and the improvement of learner outcomes. Product councils, made up of a cross-functional group of decision-makers, review and approve product decisions. The PLC underpins all of our product development decisions.

“Finding new ways to create innovative, profitable products, while maximizing learner outcomes and truly delighting our learners is one of the greatest challenges we face as one Pearson company. In an ever increasingly competitive environment, we are wholly dedicated to transforming our ways of working to meet this challenge.”

Sonja Kresojevic
SVP, Global product lifecycle

By using the PLC framework, we have identified and begun funding a number of priority products, selected for their potential to generate the most business value and deliver the greatest learner outcomes at scale. In October 2015, the PLC framework won a ‘Best Innovation Program’ in the US Corporate Entrepreneur Awards in New York, followed by a ‘Best Innovation Culture’ award in November 2015 at the UK Corporate Entrepreneur Awards in London. Please see learn.leanplc.com for more information on the PLC framework.



The Pearson Product Lifecycle

The PLC has six stages outlined below. Each stage has recommended tools and best practices for creating, developing, and marketing our products and services.

1 Idea  Articulate the product or service idea with a clear hypothesis on customer needs and intended learner outcomes.	2 Explore  Confirm customer and learner problems or needs by testing assumptions in the customer and learner environment; develop the business model.	3 Validate  Start working on the solution by building a Minimum Viable Product that meets the customer and learner needs. Validate market demand and the sustainability of the business model through testing.
4 Grow  Increase customer numbers, revenue, reach, and learner outcomes.	5 Sustain  The product has matured and is relatively stable on all key metrics. Seek to maintain or improve revenue, profitability, customer satisfaction, and learner outcomes, as well as optimize operations.	6 Retire  When the product is no longer viable, move it out of the portfolio quickly and cost-effectively. Ensure that customers and learners are not inconvenienced.

Digital reach

Increasing our digital reach is necessary to reach more learners globally, and is therefore a key element of our business strategy. Technology has the power to make learning more accessible, flexible, personal, and affordable. Online and mobile learning enables students to access courses and learning resources remotely, no matter where they live. This is particularly valuable in areas with limited access to traditional schools and allows access to relevant learning opportunities.

In 2015, digital products represented 65% of our total product sales. Online degrees and virtual school programs represent 10% of Pearson today, from nothing five years ago, with rapid annual growth. With a solid platform and market position in the US, we are now expanding our digital offerings to a global audience.



Connections Academy



A great education doesn't have to take place in a classroom. Through our Connections Academy program, we are able to offer students in grades K-12 access to tuition-free, fully accredited online public schools.

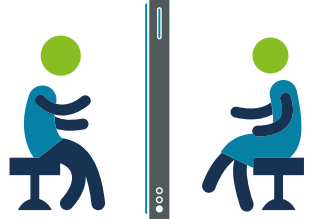
Connections Academy combines parental involvement, a first-class curriculum, personalized teaching, and a flexible learning environment into one platform, allowing students to reach their highest potential. There are no materials fees and no tuition charges. The courses not only meet, but exceed, all national and state standards while integrating the best texts, materials, and resources available to create an engaging and creative curriculum. Connections Academy's user-friendly system, Connexus®, lets students access a welcoming and collaborative learning experience anywhere they have an internet connection.

We conduct annual parent satisfaction surveys. In 2015:

93% of parents would recommend Connections Academy

95% agree that the curriculum is high quality

SAT scores for students exceeded the national average





Reach more learners continued

Enhance the affordability and accessibility of our offerings

Lack of access to quality education is a global challenge that impacts both developing and developed economies. Two huge barriers that we are determined to address are the affordability of products and services, and their accessibility to those with special needs.

By offering a portfolio of affordable, accessible products and services across multiple platforms, we hope to access new business opportunities and create the foundation for lifelong learners who see Pearson as a partner to meeting their education needs.

Affordability

The economic value of an education is growing. For example, in the US the earnings premium of a university degree has never been higher. However, the cost of education is going up faster than inflation – and public funding for education is under increasing pressure. Now more than ever, a focus on affordability is critical.

Many of our products and services are purchased by institutions and governments and offered at low or no cost to learners. In some instances, our products are directly sold to students. We aim to make these products affordable to several income groups, by taking into account customer income levels and the overall market type in our pricing. Our product prices are reviewed at least every six months to ensure they remain at the most affordable level while still allowing us to invest profits back into the development of new education solutions.

Still, up to one-third of students do not purchase course materials in an effort to save money. Unfortunately, without access to appropriate materials, students are unable to effectively engage in class. The transition to digital course materials (discussed above) has the potential to enable every student to have access to essential materials from the first day of class at a price point they can afford.

Reaching low-income markets

The need for learning applies to everyone, no matter where they live or how much they earn. As we expand our business globally, we are conscious that many of the more than four billion low-income and emerging middle-class consumers across the globe lack access to quality education. It is our aspiration to find ways to take learning to the people who need our products and services the most, and to drive growth by identifying new ways to serve these learners.

Q Pearson College research

In 2015 we partnered with Pearson College in London – one of our owned and operated colleges offering undergraduate and postgraduate degrees and short courses – on a collaborative research project exploring how to reach new customers in low-income markets. We worked with students to do in-depth research on several of our priority growth markets (Brazil, India, China, South Africa, Indonesia, Myanmar, Mexico, Colombia, and Peru) to:

- › Determine the population demographics of low-income learners in each of these countries
- › Identify the types of learning solutions that already exist, and the education needs, where there is an opportunity for new approaches
- › Provide recommendations on how Pearson should invest in the market.

The research will be shared with our internal innovation teams for consideration when assessing how our pipeline of product investments and acquisition strategies can address untapped market opportunities. We are excited to work so closely with some of our learners on this initiative, and to provide them with an opportunity to participate in business-relevant research.

Pearson Affordable Learning Fund

In 2012 we launched the Pearson Affordable Learning Fund (PALF) with \$15 million of initial capital. PALF is focused on making significant minority equity investments in fast-growing companies that deliver low-cost, high-quality education products and services. In addition to funding, Pearson brings expertise in education, efficacy, management, and business models to enable and accelerate the success of our portfolio companies. The conditions for our continued investment include demonstrating an improvement in learning outcomes, and generating financial returns. The Fund gives us the chance to reach places in the world our traditional business doesn't, and so far has invested in innovative education start-ups in South Africa, Nigeria, Ghana, India, and the Philippines. In 2015, half of our capital was invested in organizations with female founders, in a world where many start-ups are still overwhelmingly male.

Pearson has announced a further commitment of up to \$50 million over the next three years (beginning in 2015). As we consider our future investments, particular expansion areas will be companies that focus on employment skills and improved approaches to job readiness, which we believe are crucial to overcoming high unemployment.

“Parents and students everywhere desperately deserve and are demanding a better education. Meeting their demand is why we do what we do.”

Katelyn Donnelly
Managing director, PALF

➔ Find out more at affordable-learning.com

Q Some of our PALF investments

- › **Omega Schools** are a chain of affordable schools in Ghana. They have pioneered the introduction of a daily fee, which caters to the many parents that cannot afford to pay monthly or termly fees. This has helped them grow from ten schools in 2011 to a chain of 34 affordable schools serving 14,000 students today.
- › **Zaya** is an award-winning social enterprise based in India. They implement scalable, affordable technology to increase access to high-quality education and bridge the achievement gap for students in low-income schools. Students who are in classrooms with Zaya's content and technology perform 24% better in English and 14% better in math than their peers.



- › **Spark Schools** are a network of primary schools dedicated to delivering accessible, high-quality education in South Africa. Their blended learning model, which uses a combination of teacher-based learning and digital learning, is the first of its kind for primary school students in Africa. Digital content adapts in difficulty according to the learner's level and allows teachers to spend more time on group learning. Students on average learn one and a half years of curriculum in one year of study. PALF helped Spark grow from one pilot school to eight schools today.
- › **Avanti Learning Centers** provide low-income high-school students a world-class science and mathematics education, and help prepare students for college entrance exams through a two-year program. Centers employ a blended learning model that uses recorded videos and online testing coupled with high-impact tutoring. A network of student volunteers mentor and guide students. Students at the centers consistently outperform their peers, with more than 40% of them placing in the top 10% of college entrance exam results.

 Reach more learners continued

Tomorrow's Markets Incubator

Developing products and services to meet the unique needs of underserved communities requires full-scale business model innovation, new product formats and technology bases, unconventional distribution channels and alliances, and creative revenue models.

To help catalyze and support this innovation, in 2015 we prepared to launch the Pearson Tomorrow's Markets Incubator – a £1m initiative designed to help Pearson employees bring new product and service ideas that profitably serve low-income consumers to market. The Incubator will support employees as they collect evidence to build the case for their ideas, develop and test prototypes and – if there's a clear path to profitability – help take them to market. Ultimately, our goal is to tap into the creativity of the Pearson people who have a deep understanding of unmet customer needs in the markets where they live and work, and to provide them with a platform to propose, develop, and test relevant product and service ideas.

Accessibility

We strive to ensure that learners with disabilities and special needs can equitably access and benefit from our products, and are committed to providing clear and straightforward statements on the accessibility of our products for customers. We are guided in our digital accessibility efforts by widely adopted international standards such as the Web Content accessibility guidelines (WCAG) from the World Wide Web Consortium (W3C). We are in the process of integrating these standards into all of our products, and have set in place accessibility guidelines to be followed for every project.

We also work closely with members of disability and advocacy communities to share advances and insights and ensure we are following best practice. These include:

- › The National Federation of the Blind
- › The Royal National Institute of Blind People
- › The DIAGRAM Center, which looks at creating new technologies and communities to support accessible education
- › The Center for Accessible Materials Innovation
- › The EDUPUB Alliance, which looks at global standards in education.

Project teams identify a designated accessibility lead who is responsible for ensuring that accessibility is considered throughout the product lifecycle. We conduct accessibility studies on our product prototypes, and regularly review our existing platforms and content to improve accessibility with each product update or release. A team of accessibility specialists are available to assist customers 24/7.

In 2016, we plan to review our management of accessibility issues and establish a high-level executive committee to oversee our activities. We will set measurable targets and objectives for the accessibility of our products, and increase internal awareness of issues and requirements. For more information on accessibility at Pearson, please visit our website.

 Raising awareness of accessibility issues

Training courses

We offer a variety of training courses to help our employees understand how to develop products and services that serve the needs of all learners. In addition to an introductory course on Pearson's accessibility guidelines and how to create accessible content, we offer eight in-depth, role-based training courses.

ABLE

In October 2015, we established ABLE – a global employee resource group dedicated to supporting accessibility, celebrating those who break barriers, and developing a culture that understands and addresses the needs of people with disabilities. ABLE aims to meet those needs in our internal employee processes and systems, as well as in the design and development of Pearson's learning solutions, to create an inclusive environment for all.

Global Accessibility Awareness Day

In 2015, we held a Global Accessibility Awareness Day to help Pearson employees learn about accessibility, its benefit to all of our customers, and how to incorporate accessibility into our daily thinking. Activities included on-site presentations by guest speakers, accessibility challenges such as 'Go Mouse-less for an Hour', face-to-face interviews with Pearson staff who have disabilities, and volunteering opportunities to increase understanding of the challenges of disabilities.



Collaborate to improve access to quality education

Improving access to quality education is not something any one sector can solve alone. We collaborate with private, public, and non-profit organizations to increase our impact.

Project Literacy

One in ten people worldwide, or over 757 million adults, are illiterate. Through Project Literacy – our flagship social impact campaign launched in 2015 – we are building a grassroots movement and driving targeted action to close the global literacy gap.

By the end of 2015, more than 40 organizations, including NGOs, multilateral agencies, and businesses, had joined Project Literacy as partners. We are also working with Results for Development (R4D), a non-profit that specializes in monitoring and evaluation for international development programs, to establish an evaluation framework to capture the progress and impact of the Project Literacy campaign. For more information, see projectliteracy.com.

By collaborating in the fight to end illiteracy, we can accelerate progress and achieve sustainable impact.

“The curse of illiteracy is that it is largely invisible. But its impact is global and devastating. If you see inequality and poverty, you’re seeing the impact of illiteracy. At Project Literacy, we are campaigning for literacy’s role in meeting the Sustainable Development Goals to be recognized and for action to be taken. The power of literacy to kick start economies and drive development must not be underestimated.”

Kate James
Chief corporate affairs and marketing officer, and Project Literacy spokesperson

 **How does Project Literacy work?**



Promote Best Practice

Why? Because there are some things we already know work to improve literacy, and we need more of them.



Innovate for New Solutions

Why? New solutions are needed to reach the most marginalized and achieve scale in the fight against illiteracy.



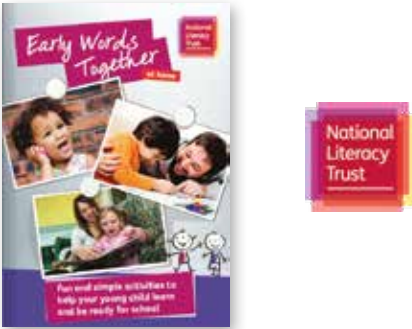
Energize Debate

Why? The extent of the problem and its potential impact on our world is huge – we need everyone on board to close the literacy gap.

Project Literacy partner case studies

Partnering to advance best practice with the National Literacy Trust (NLT)

Project Literacy and the NLT are partnering to replicate Early Words Together, a targeted literacy peer education program for families with children aged two to five, in 30 schools across the London metropolitan area in the UK. As an integral component of the program, Pearson and community volunteers are recruited and trained to help parents improve their home learning environment and adopt behaviors that support literacy.



Partnering to innovate for new solutions with Worldreader

Project Literacy and Worldreader, along with several other partners, are working together on a mobile technology pilot project in India – Mobile Reading to Children – to empower parents to talk and read more to their children. With the Worldreader mobile app, which is available on feature phones and smartphones, we will be providing a rich bank of locally relevant content at low cost for 200,000 low-income parents in Delhi who have children aged six and younger.



 **Worldreader**

Partnering to raise awareness and mobilize action

In September 2015, sixteen Project Literacy partners joined forces to sign an open letter to world leaders meeting at the United Nations General Assembly (UNGA), calling on them to make literacy a key part of the sustainable development agenda. The letter was published in *The New York Times* and *The Guardian*. This letter, combined with the launch of Project Literacy’s global ‘Unsigned Petition’, reached 410 million people through social media. The petition is our major call to action for 2015 and 2016, serving as a striking and visual reminder of the global scale of illiteracy and the 757 million people worldwide who cannot sign for themselves.



Sir Richard Branson, Founder of the Virgin Group, signs the Project Literacy petition, raising awareness of the 757m people who can’t read, write, or sign their name

 Find out more at projectliteracy.com

 Reach more learners continued

Improving education in crisis areas

According to UNICEF, nearly a quarter of the world's school-aged children – 462 million – now live in countries affected by crisis. Improving education in these settings has enormous benefits, not least of which is a contribution to peace and stability. Yet education remains the most underfunded of all humanitarian areas. According to UNESCO only 2% of global humanitarian aid was allocated to education in 2014.

In March 2015, we launched a two-year partnership with Save the Children, called Every Child Learning. The partnership aims to tackle the educational barriers faced by children affected or displaced by conflicts and emergencies.

Empowering girls and women

According to the UNESCO Institute of Statistics, 62 million girls are out of school around the world. Yet the benefits of educating and empowering girls last a lifetime. Each additional year of secondary school education increases a girl's income by up to 25%, unlocking not just her economic potential but that of her family, community, and country.



Around the world
62 million
girls are out of school

Each additional year of
secondary education increases
a girl's income by up to 25%

We work with partners to advocate for quality education for girls and women and to empower girls where they face particular barriers to learning. We also support the development, advancement, and representation of women in our own workplace (see p29-30 for more information).

In 2015, we began an effort to review Pearson activities related to girls and women across our value chain (workplace, marketplace, supply chain, social investment/philanthropy, and public policy/advocacy), with the goal of informing a more strategic approach to empowering girls and women around the world, inside and outside of Pearson. We plan to complete the review in 2016, and begin to implement some of the recommendations.

 Every Child Learning



£1.5 million pledged

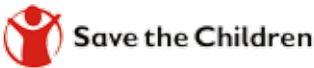
Photo: Hannah Maule-Ffinch/Save the Children

Through our Every Child Learning partnership, we are funding Save the Children, an international non-profit organization helping children in need around the world, to establish two informal education centers in Amman, Jordan. These are anticipated to support 1,400 Syrian refugees and host community children aged between 5 and 13 years old to integrate into the formal education system.

We are also investing £1 million in the co-creation of new product and program solutions to improve the quality of education for refugee and host community children in Jordan. The ambition is that solutions can be adapted, scaled, and replicated in other emergency and conflict-affected contexts.

In 2015, we conducted in-depth field research in Jordan to understand how Syrian and Jordanian families engage with educational resources in times of conflict-affected transition. The research will provide

insights into our solutions development process, helping ensure that any intervention we develop is beneficial and relevant to the unique needs of Syrian refugee and host community children.



“If we want to make the biggest difference for children, we must harness the expertise of partners to ensure the world's most vulnerable children are given the chance to learn in safe and secure environments.”

Justin Forsyth
former Chief executive, Save the Children

 Our partnership with Camfed



3,903
young women
trained

To date the partnership has enabled 3,903 young women graduates to be trained as Learner Guides, who have introduced students to the My Better World curriculum.

400,000
children
impacted

Pearson has supplied the learning materials that have so far reached more than 400,000 girls and boys in over 1,000 rural secondary schools.

Photo: Daniel Hayduk/Camfed

Camfed is an international non-profit organization tackling poverty and inequality by supporting girls to go to school and succeed, and empowering young women to step up as leaders of change. Pearson partnered with Camfed on a project funded by the UK Department of International Development (DFID), and supported by relevant national Ministries of Education, to transform educational opportunities and outcomes for girls from low-income communities in Zimbabwe and Tanzania.

Leveraging one of the company's core areas of expertise, Pearson supported Camfed to develop learning resources, with input from students, that are gender-sensitive and relevant to young people's experiences, future employability, and success. The My Better World curriculum and workbook help students to build self-knowledge, discover their talents, build resilience, select role models, set goals, and learn how to achieve them.

Graduates of Camfed's programs in the poorest rural communities are trained to become 'Learner Guides', who serve as young female role models for girls and boys still in school. In 2014, we made a commitment to develop a BTEC – one of the world's most sought-after applied learning qualifications – tailored to the unique needs of Learner Guides. 5,000 Learner Guides will have the opportunity to achieve a BTEC, and will teach and mentor over 150,000 girls and boys, using the My Better World curriculum, to help improve their attendance, retention, and learning at secondary school – creating a virtuous cycle of learning and empowerment.

The Camfed Learner Guide Program supported by our partnership has so far reached more than 60,744 vulnerable girls in Zimbabwe and Tanzania to enroll in secondary school and empowered over 400,000 girls and boys to improve their educational experience and learning outcomes.

Shape the future of education



The pace of change in education is faster than ever before. To remain at the forefront of these changes, we constantly review, refine, and evolve our products and services to ensure they provide the best outcomes for learners. We invest in and develop new technologies to make learning as personalized, adaptive, and effective as possible, and to provide the 21st century skills learners required for success.

Through participation in multi-stakeholder forums and partnerships, we share insights and learn from others in order to shape the global education agenda and push the boundaries of what is possible.

In this section:

Measurably improve learning outcomes ➔ p56-57

Foster 21st century skills and competencies ➔ p58-61

Contribute to research and knowledge ➔ p62

Engage with others to promote quality education ➔ p63-67

Measurably improve learning outcomes

We offer a comprehensive range of products and services to help people learn at all stages of their lives. These are carefully researched, expertly developed, and continually improved to ensure that they deliver the best possible learner outcomes that enable people around the world to make progress in their lives.

“We need to find out what works in education and apply it as fast as possible across the globe because that’s the only way to make sure we are giving seven billion people the skills they need for the 21st century. Through our efficacy program, we’ll be able to measure learning outcomes in a holistic way.”

Sir Michael Barber
Chief education advisor

Efficacy: the measure of success

Efficacy is a central part of our growth strategy and how we run our business. Our primary responsibility to learners is to ensure that we measure the impact of our products and services in terms of what it helps them to achieve. Our Efficacy Growth and Impact Goals are an ambitious vision that frames the collective impact of our products and investments on learners over the next ten years. Through these goals we commit to impacting the lives of 200 million learners annually by 2025 in critical ways including:

- › Access to high-quality primary, secondary, and post-secondary education
- › Success in education through enhanced literacy, numeracy, knowledge, and skills
- › Progress as a result of education into a first career or advancement in career.

 **Pearson efficacy growth and impact goals**

By 2025...

 We will help ten million primary and secondary learners access high-quality education annually.	 We will help improve the English language skills of 75 million learners annually.
 We will help two million post-secondary learners access high-quality education annually.	 We will help 25 million learners transition into the workforce after higher or further education annually.
 We will help increase the literacy and/or numeracy levels of 50 million learners annually.	 We will help 20 million learners improve their career prospects annually.
 We will help 50 million learners gain the knowledge and skills required for study and employment annually.	

 Find out more at efficacy.pearson.com

Efficacy reviews are used to determine how likely a product is to have a positive impact on outcomes. Education research and analytics are used to provide insights to further focus product design and development on creating products that are more likely to have a positive impact on learner outcomes.

We have committed to reporting publicly and transparently on the impacts of our products on outcomes for learners from 2018 onwards, and have already started doing so for 13 key products. To meet this commitment, we have put in place a program of efficacy studies to evaluate the impact of our products. These reports are available to view on our dedicated efficacy website at efficacy.pearson.com.

Over the next year, we will continue to collect evidence and publish reports on a wider range of products, as well as deepen the relationship between our efficacy framework and other internal processes including acquisitions and strategic planning.

From 2018, efficacy reports will be audited in the same way as our financial statements. In preparation, we began working this year with an external auditor, PricewaterhouseCoopers (PwC), to standardize our efficacy reporting processes and further align our evidence to support product efficacy statements.

The digital transformation: personalized, adaptive, and effective learning

The transition to digital transforms education by making it more affordable, accessible, personal, and effective. As well as engaging students in new and exciting ways, digital technologies can help improve student performance by providing a more personalized learning experience. By embedding learning analytics and adaptive technologies into product offerings, we help students focus their studies on areas that require more of their time and attention, and spend less time on skills they’ve already mastered. In addition, by collecting and analyzing data while students interact with instructional materials, we open up new possibilities for tracking progress, and help educators tailor their teaching and be more effective.

“Digital technology is revolutionizing education just as it has all other aspects of the way we work, communicate, and do business, and it presents some very large and exciting opportunities for Pearson.”

Sidney Taurel
Chairman

 **STEM education online**

According to the US Department of Education, only 16% of American high-school seniors are proficient in mathematics and interested in a STEM career. Even among those who do go on to pursue a college major in the STEM fields, only about half choose to work in a related career. Moreover, we have an increasing gender gap, an under-representation of minorities, and a decrease in retention. With all these issues, Pearson has an important role to play to help increase student STEM achievement in school and, ultimately, in the workforce. Since students at every grade level learn science, technology, engineering, and math best by doing, and by doing it their own way, we have developed STEM programs at the K-12 and Higher Education levels that give them personal pathways to succeed.

One example is MasteringChemistry, our online tutorial and problem-solving platform using personalized instruction to reinforce students’ understanding of college-level chemistry. Efficacy studies undertaken on use of MasteringChemistry indicate an increase in student engagement and higher grades and course passing rates following program adoption.

“MasteringChemistry is the closest online system I’ve found that really mimics the coaching that students receive when they come visit me in my office. There is not a steep learning curve and the user can just jump right in and use it with minimal training.”

University lecturer

Foster 21st century skills and competencies

One of the key measures of success for our products is whether they provide learners with the skills they need to succeed in the next stage of their learning, career, or life journey. In recent years it has become increasingly clear that basic reading, writing, and arithmetic, while essential, are not necessarily enough. The importance of non-cognitive skills – usually defined as abilities important for social interaction, such as creativity, critical thinking, grit, and communication – is also pronounced.

Employability

For most of our learners, education and training are a means to an end – an income that supports them and their family. In many cases, employability is the progress that people seek from learning. Across the world, 290 million young people are out of work. At the same time, almost 40% of employers tell us they can't fill their vacancies. We want to equip learners with the skills they need for employment. Through research and partnership we identify these skills, and then work to incorporate them into our offerings.

The Pearson employability advisory board brings together representatives from education, the private sector, and government to discuss ideas and opinions around employability. This includes topics such as: bridging the divide between high-school or college and career; workforce development education; and addressing the skills gap between job seekers and employers.

In addition to core academic competencies, such as literacy, numeracy, and writing, many employment opportunities require occupation-specific knowledge. We work with businesses to understand what practical skills they are looking for and ensure these are integrated into what we offer learners through elements such as work-study programs and internships. We also offer vocational courses, such as our BTEC program in the UK, and partner with organizations such as the US Green Building Council, Cisco, Adobe, and Microsoft to develop training materials that lead to industry-recognized certifications.

Employers tell us that one of the greatest skills gaps they find when hiring is in personal and social competencies, often referred to as 'soft skills'. Over the past two years, we have been analyzing a large amount of research on these skills, and have developed a Pearson Personal and Social Capabilities Framework – a broad list of the six key overarching personal and social skills learners need to become employable (see below).

Over the next year, we will be incorporating this framework into more of our products and services, and developing ways of recognizing learners who demonstrate these skills.

 **Pearson Personal and Social Capabilities Framework**

Productivity competencies skills, knowledge, and attributes that make individuals productive in the workspace



Core academic competencies



Occupational competencies



Personal & social capabilities

Traditional competencies enable individuals to secure and make progress in employment



Career knowledge & transition skills

Skills for success in South Africa

In South Africa, where we own and operate two higher education institutions, the unemployment rate for young people aged 15-24 years is more than 52%. In contrast, six months after graduating, more than 68% of CTI graduates responding to our survey are in full-time, part-time, or voluntary work, further education, or a training program. We emphasize a balanced approach to teaching theory and practical knowledge, which helps to ensure students have the skills needed for work when they graduate.

Phumudzo Madzhie studied for a degree in Business Administration at Midrand Graduate Institute (MGI), followed by honors in Business Management. Today he's a businessman, investor, philanthropist, motivational speaker, and financial literacy activist, and in 2015, he was one of the 40 young South Africans selected to participate in the Mandela

Washington Fellowship for Young African Leaders. Phumudzo attributes his success to the quality of education he received at MGI, which allowed him not only to prove his academic skills but also to develop the 'real world' skills he needed to be successful – in particular, the ability to work independently and be self-driven. He says that "a whole world opened up. It was not just theoretical, it was very much practical. As I was starting my business, I would attend class today, and tomorrow I would try to implement some of those things."

In South Africa
52%
of young people aged
15-24 are unemployed



Shape the future of education continued



India's economy is growing and, although 75% of the jobs that are being created require sector-specific skills, leading authorities estimate that only 6-10% of the Indian workforce has received some sort of vocational training.

In partnership with the Indian Government's National Rural Livelihood Mission (NRLM) initiative, Pearson IndiaCan is helping to address the gap. Through training centers in priority states, we provide young, unemployed people from rural and marginalized communities with relevant skills and full-time employment in the private sector upon graduation. The government pays for the course fees, and industry partners assist with curriculum development. Local and regional NGOs reach out to communities and garner support for the program.

Today, Pearson IndiaCan is on track to become the largest provider of vocational education and training programs in India. Over 70 training centers are in operation, with 22,000 learners graduating annually and more than 75% of them placed in full-time, formal, wage employment upon graduation.

70
training centers

22,000
learners graduating annually

75%
of graduates placed
in full-time employment

One of our graduates is Sushanta Singh. After joining an accounting and computer trade course at IndiaCan, he was able to find employment at an IT service management company, where he is doing very well. Sushanta says: "I am really thankful to IndiaCan for giving me such a great platform."



Global citizens

Today's learners will be the architects of tomorrow's world. It is imperative that we foster a generation of informed global citizens who understand global issues such as poverty, inequality, and climate change, and think about their role in making society more sustainable. This is not only key to building a prosperous and peaceful planet, but also provides learners with the cultural awareness and critical thinking skills that are necessary for success in the 21st century.

We offer a number of citizenship qualifications and modules for high-school and college level students. We are also one of the founding partners of Project Everyone's 'World's Largest Lesson', which aims to get every school in the world to teach children about the UN's Sustainable Development Goals (SDGs). In addition to a grant, in 2015 we provided the World's Largest Lesson with guidance on lesson plans to ensure relevant content across different locations and age groups.

English language skills

A second language can be important for today's global citizen. A growing number of companies are adopting English as their main language, even in non-English speaking countries, and in an international world, workers often need to engage with their colleagues, customers, suppliers, and others using a shared language. 80% of jobs today are in the service sector, and require English skills.

We have set a goal to improve the English language skills of 75 million learners annually by 2025. We offer a number of products that help children and adults advance their English language skills. Wall Street delivers English language courses to learners from beginner to advanced skill levels in 29 countries. All of our English teaching and assessment products are underpinned by our Global Scale of English (GSE) framework, developed from research with almost 6,000 teachers from more than 50 countries. The GSE measures skill levels in English reading, writing, listening, and speaking, which enables learners to easily, accurately, and frequently assess and track their improvement.

Global Learning Programme

In schools in England, we are leading the Global Learning Programme – funded by the UK government – to encourage critical examination of global issues by children aged 8 to 14. Through an inspiring and engaging curriculum, the program helps pupils make sense of the world in which they live, understand their role within a global society, and develop an ethos encouraging empathy, fairness, and respect.

Participating schools use resources and guidance provided to tailor their learning experience. As part of their global learning, a number of schools are looking at the UN's Sustainable Development Goals (SDGs). For example, at St Mary's school in Folkestone, pupils came up with innovative ideas on how to tackle the goals, and shared what they were doing with a linked school in Sri Lanka. The Sri Lankan pupils also participated in a session on the goals. At Bruton School in Somerset each class chose one goal to explore throughout the year.

Netley primary school in London chose an appropriate goal for each year group to explore through fun activities and debates, linking to different curriculum subjects such as geography and religious education, and culminating in an exhibition entitled *The World We Want*, attended by local community members.

"I was blown away by the scale and quality of the production. That the message of the Sustainable Development Goals has been so whole-heartedly embraced by the school – staff and students alike – was extremely inspiring and heartening."

The world we want exhibition visitor

Contribute to research and knowledge

Our products and services are based on robust research about the needs of learners and institutional customers, and effective teaching and learning methods. We share our insights with others in order to raise the bar in education and improve standards everywhere. We are particularly proud to share our efficacy story (see p56), about how we are enhancing learning outcomes through our products and services.

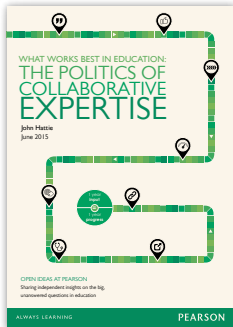
We work with educators, learners, academics, and other experts to publish reports and white papers on critical issues in education such as college and career readiness and learning assessment methods. We translate this research into concrete recommendations, products, and services. In 2015, two of our research publications on education effectiveness formed the basis of engagement with government officials, stakeholders, and academia in key markets across the world.

We plan on releasing papers on other critical topics in 2016 and beyond, including adaptive learning, artificial intelligence in education, and building efficacy into learning technologies.

We also collaborate with leading organizations to develop and disseminate research geared at raising awareness of global education barriers and opportunities. For example, we published a report written by the Economist Intelligence Unit on 'Education and Skills for Life', participated in the Steering Committee for a World Economic Forum report on the 'New Vision for Education: Unlocking the potential of technology', and contributed to a Global Business Coalition for Education report on 'The Journey of a Girl: Opportunities for business investment in girls' education'.

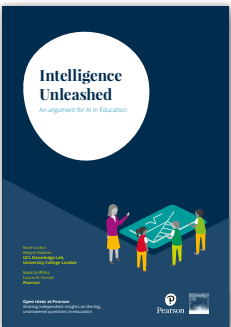
 Recent publications

What Works Best in Education
The politics of collaborative expertise



Download at pearson.com/content/dam/corporate/global/pearson-dot-com/files/hattie/150526_ExpertiseWEB_V1.pdf

Intelligence Unleashed
An argument for AI in Education



Download at pearson.com/innovation/smarter-digital-tools/intelligence-unleashed.html

New Vision for Education
Unlocking the Potential of Technology



Download at www3.weforum.org/docs/WEFUSA_NewVisionforEducation_Report2015

Engage with others to promote quality education

Participating in a global conversation

As the world's learning company, we have a responsibility and capability to play an active role in helping shape and inform the global debate around education and learning.

We are active participants in multi-stakeholder, collective action initiatives that aim to strengthen global education systems, explore the role of the private sector in global education and development, and advance global goals.

Over the past several years, Pearson has advocated for private sector engagement in the UN Sustainable Development Goals (SDGs), and actively participated in public consultations and discussions contributing to the development and promotion of SDG 4 on education. During the UN General Assembly in September 2015, we sponsored a number of high-level events and discussions aimed at raising awareness of the SDGs and the role of business in sustainable development.

[➔ Read more about UN SDGs on p12](#)

“It will be a matter of how the decision-makers in the global education community act collectively to shape the evolving direction of the education debate.

The next phase of innovation in education requires shared endeavor and collective action to address enormous and evolving challenges. We hope that, by working together, we can challenge and provoke each other to achieve more.”

John Fallon
Chief executive

Supporting dialogue and collective action

In 2015, we supported and participated in initiatives focused on:

Strengthening education systems

 **Global Partnership for Education, Board member**
The partnership brings together over 50 developing countries, donor governments, international organizations, the private sector, teachers, and civil society/NGO groups to support developing countries with their education sector plans through financial assistance and technical expertise.

 **World Economic Forum, Member**
The Forum engages the foremost political, business, and other leaders of society to shape global, regional, and industry agendas. Pearson chairs WEF's Global Agenda Council on Education. In 2015, we also participated in the Forum's New Vision for Education project, exploring the role of technology in education.

Exploring the role of the private sector in global education and development

 **Global Business Coalition for Education, Founding member**
The coalition brings the business community together to accelerate progress in delivering quality education for all of the world's children and youth.

 **Business Fights Poverty (BfP), Sponsor**
BfP is the largest global network of professionals passionate about fighting poverty through business. We support the Education Zone, highlighting news and information about business in education, and participate in research and events on related issues in collaboration with other BfP partners.

Shape the future of education continued

Promoting and accelerating the SDG agenda



Project Everyone, *Founding partner*
Project Everyone aims to communicate the SDGs with everyone around the world, to help ensure they are met.



Commission on Business and Sustainable Development *Commissioner*
To be launched in 2016, the Commission will investigate how the private sector can realize significant long-term economic rewards and help to achieve the UN Sustainable Development Goals (SDGs) by 2030. Our CEO was invited to be a Commissioner in 2015.

Fewer, better tests

Education is complex. There is no one size that fits all – but there are millions of children who want to advance, and we owe it to them to find the best way of helping them measure their success.

We know that the current approach to school tests and assessments is not perfect. Parents and teachers are rightfully concerned about the pressures on children. And we agree with President Obama’s recent statement that current policies have taken “the joy out of teaching and learning.” Between 30-40% of Pearson employees have worked in schools, so we know the challenges educators face. We want students to develop the skills they need to be successful, not simply the skills to pass tests.

We welcome the challenge to find a way of administering fewer and better tests – assessments that measure students’ progress without interfering with learning the skills that matter. We’ve been researching and developing better, more effective alternatives to traditional tests for years. As we

move toward a modernized and more digital approach to teaching and learning, we need a modernized approach to feedback too. Assessment needs to be more efficient – it can even be invisible, allowing us to reduce the amount of time students spend taking tests. From digital games to authentic and engaging performance tasks, educators can gather information about student progress without disrupting the learning process.

While we work to make tests as efficient, effective, and innovative as possible, we are already supporting states that are moving toward fewer tests. The PARCC consortium and the state of Virginia are two examples of Pearson partners who have announced they are reducing testing time. We are proud to help them implement that decision.

Contributing to public education

Governments maintain primary responsibility for education funding and provision. Around the world, governments are under pressure to identify new, cost-effective ways to increase access, improve learning outcomes, and promote inclusion in education.

We work with a variety of public sector partners to strengthen education systems, and to provide innovative solutions that can help them to reach identified educational goals. Education is delivered in innumerable ways, therefore we aim to establish long-term relationships with national, local, and other education bodies to understand needs and priorities, share lessons of what works and what doesn’t, and develop relevant, tailored, and effective approaches wherever we operate.

Partnering with Arizona State University



Arizona State University (ASU) has the highest enrollment of any public university in the United States. Online education is fundamental to ASU’s vision as a new american university able to provide non-traditional students with the ability to access high-quality degree programs that are rigorous, engaging, and affordable.

In 2010, Pearson partnered with ASU to enhance and rapidly expand its online learning services and resources, and to provide enrollment services including retention and student support, prospect generation services, and admission services. Pearson’s high-growth, online learning delivery model involves a breadth of meaningful services and resources for online students that go far beyond the traditional, on-ground college experience, or one-size-fits-all online offerings.

The partnership between ASU and Pearson represents a new education delivery model for fully online programs in which Pearson blends the operational and commercial capabilities of a for-profit business with the academic ethos, curriculum, and faculty at one of the nation’s leading public universities. Since partnering with Pearson, ASU Online’s enrollment increased by 325%, and more than 4,000 students have completed their degree.

Students appreciate the flexibility of the offering. Elizabeth Hernandez, a public safety dispatcher with the Ventura County (California) Sheriff’s Department is earning her Bachelor of Science in Criminology and Criminal Justice while working full time. She says, “ASU not only provided me with the flexibility I needed to continue to work in a job that I love, it is also helping me to relate what I am learning to my work. I’ve felt welcomed and supported from the moment I applied, and I know that ASU will support me throughout my career.”



Arizona’s State University’s online enrollment increased by

325%

and more than 4,000 students have completed their degree.

 Shape the future of education continued

 **Supporting a GradNation**

In 2015, we started a three-year collaboration with America's Promise Alliance to increase US high-school graduation rates to 90%. Our \$3 million investment in the GradNation State Activation initiative will help more learners to prosper by encouraging states to collaborate, replicate each other's best practice approaches, and develop successful models that all states can implement.

Each year, we award three \$200,000 grants to state convening organizations with innovative approaches to increase US graduation rates. In 2015, these were awarded to initiatives in Arizona, Massachusetts, and Minnesota that facilitate cross-sector collaboration, leverage state assets, communicate progress and best practice, and develop programs that can be replicated and scaled. In addition, our online GradNation Activation Community provides a hub for sharing strategies and successful practices, asking questions, and facilitating conversations for grant applicants as well as other organizations and communities working to increase statewide graduation rates.

"Despite gains in the national graduation rate, nearly all states are graduating significantly lower percentages of students from low-income families, students of color, and students with disabilities. We see an opportunity – through these grants – to support collaborative models at the state level that can unify communities and produce real results."

John Gomperts
President & CEO, America's Promise



\$3 million
Invested in the GradNation State Activation initiative to help more learners to prosper, regardless of their backgrounds.



\$600,000
We will award three \$200,000 grants to state convening organizations with innovative approaches to increase US graduation rates.

Partnering with others in the private sector

Pearson works with various partners ranging from large technology companies to education-focused start-ups to achieve our business goals. These relationships allow us to leverage innovation and make our products and services more effective and accessible, as well as create market opportunities for innovative third-party products and technologies.

"The combination of Cisco's market-leading and cutting-edge technologies with the best engineering minds as authors has fueled the success of Cisco Press for two decades now. Having been with Cisco Press since almost the beginning, it has been fascinating to watch the evolution of networking technology and witness the way Cisco has helped change the way people live, work, and play."

Brett Bartow
Product line manager, Cisco Press

Our partnerships also help us stay responsive to student needs and technology trends. Through our partnership with Mathspace, we support students with step-by-step feedback to help them master their math homework.

 **Working with LinkedIn to increase employability**

Our relationship with LinkedIn allows users to update their profile with badges that demonstrate their achievements through our Acclaim program. This can provide credibility to their online learning and allow them to increase their employability. Our LinkedIn relationship also allows us to identify qualified students for online university programs, and to create effective career success products.

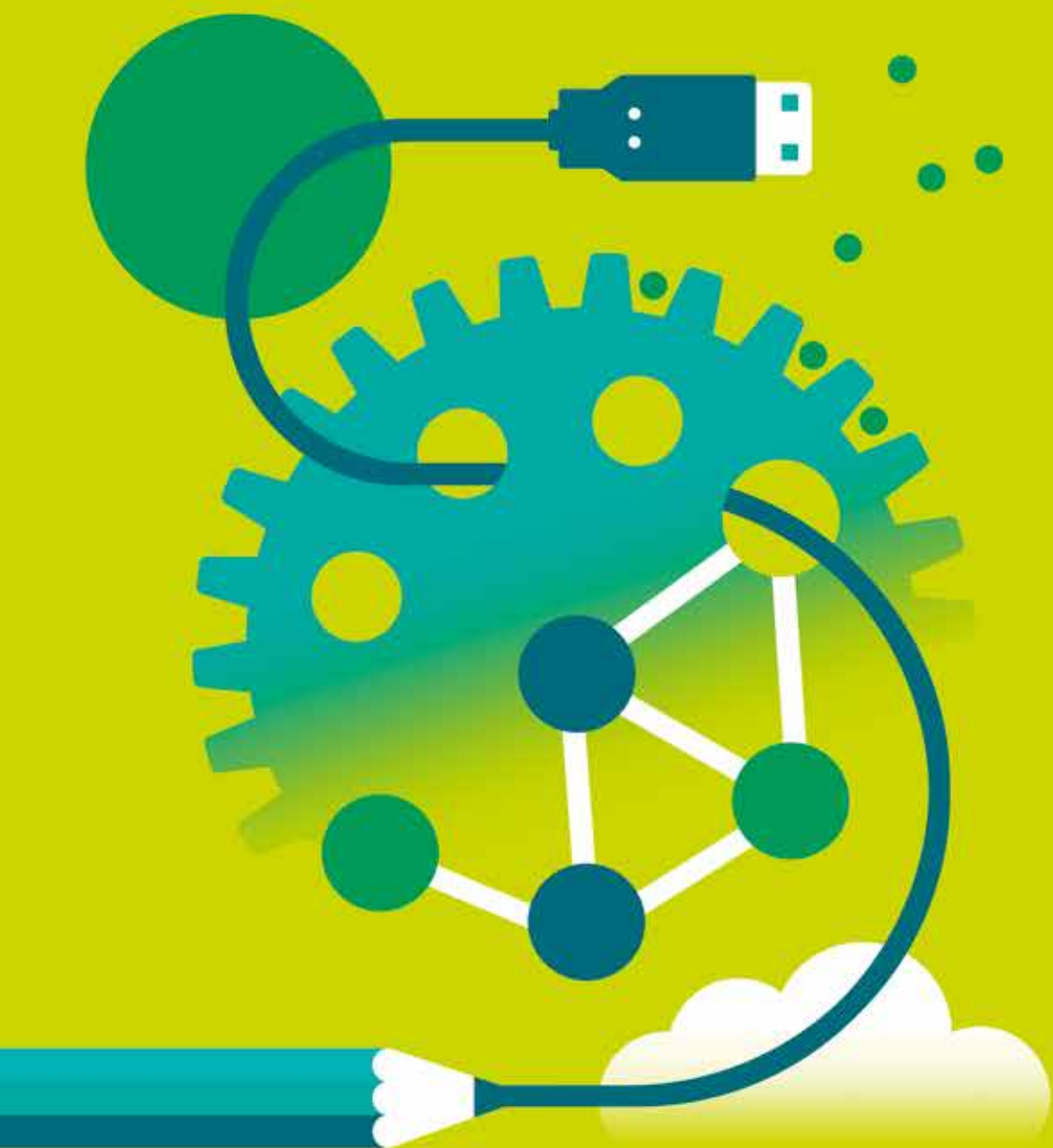
"I was having a tough time finding a job because my computer skills were out of date. The Acclaim badges were the perfect way to show employers that I could easily get back up to speed and learn new skills."

Coletta Teska
Acclaim program user



 See LinkedIn detail at [linkedin.com/company/acclaim-badging](https://www.linkedin.com/company/acclaim-badging)

 See Pearson Acclaim detail at youracclaim.com



Additional information

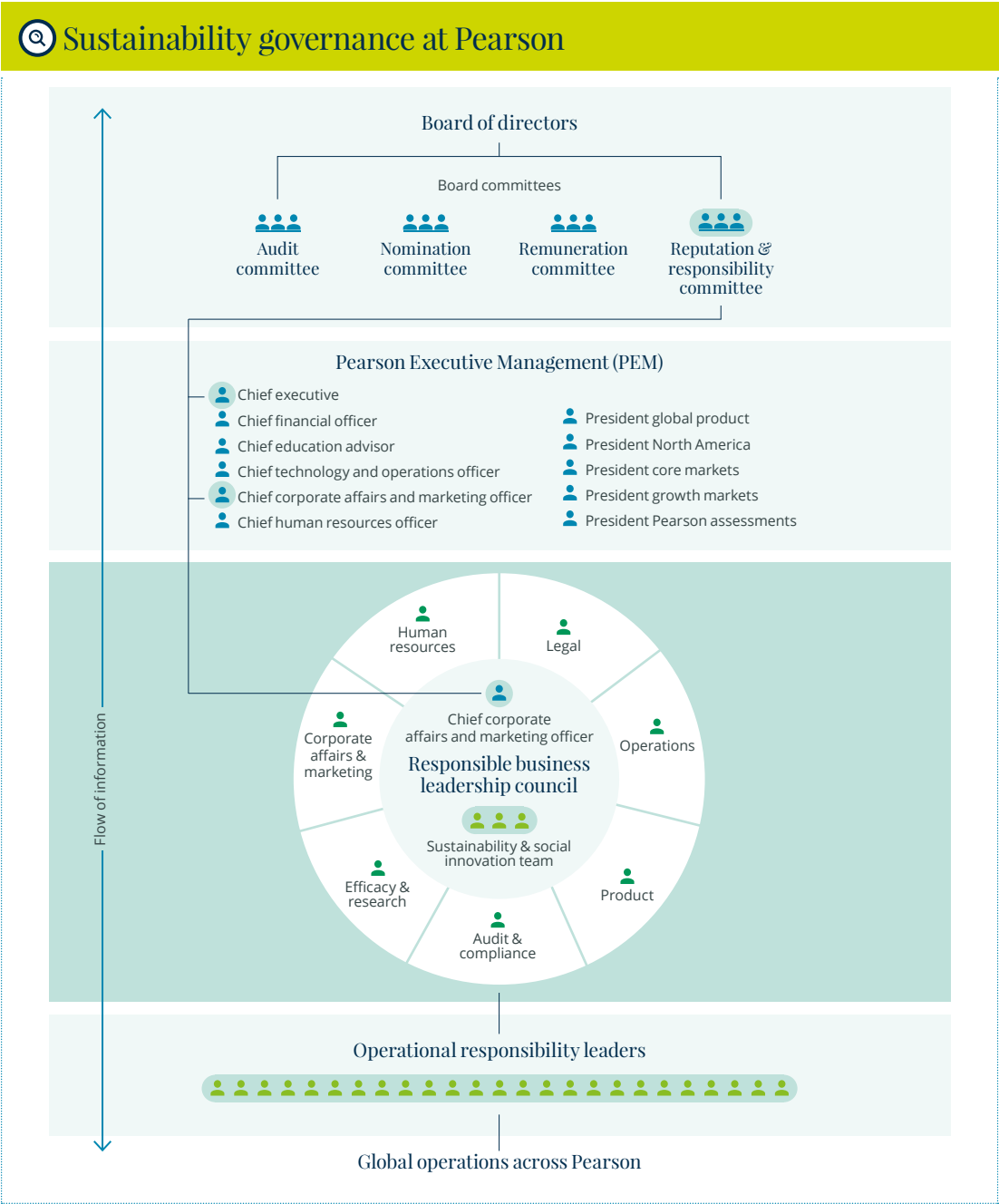
As we embed sustainability into our business, we are also updating our processes and reporting methodology.

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.

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.

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. 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 with any questions or comments.



➔ See our 2015 Sustainability report pearson.com/social-impact/2015-report.html

Useful links



➔ See GRI G4 detail at globalreporting.org



➔ See UN Global Compact detail at 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
Data privacy and information security			
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.	Employees Learners Customers Business partners Suppliers International, non-governmental, and non-profit organizations Governments and other education agenda-setters Regulators	Customer privacy
Competitiveness of digital products			
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.	Employees Learners Customers Suppliers Business partners Shareholders and investors	Content creation
Security, health, and safety			
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.	Employees Suppliers Learners Customers Governments Regulators	Occupational health and safety Training and education
Corporate governance			
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
Economic empowerment			
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.	Learners Customers Governments and other education agenda-setters International, non-governmental, and non-profit organizations	Indirect economic impacts Diversity and equal opportunity
Accessibility			
Ensuring equitable access to our products for all learners, including those with disabilities and special needs.	Impact occurs primarily outside Pearson.	Learners Customers International, non-governmental, and non-profit organizations	Content dissemination
Affordability			
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.	Learners Customers Governments International, non-governmental, and non-profit organizations	Content creation
21st century skills			
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.	Learners Customers Governments and education agenda-setters International, non-governmental, and non-profit organizations	Media literacy
GHG emissions and climate change			
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	Energy Emissions Transport Supplier environmental assessment

Awards and recognitions

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

Sustainability

Corporate Knights 	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.
DJSI World Index 	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.
FTSE4Good 	Pearson has been included in the FTSE4Good indices since their inception in 2000.
Business in the Community 	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

ISO18001 	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.
The Royal Society for the Prevention of Accidents 	In June 2015, Pearson secured the RoSPA Bronze Award for health and safety performance for our global operations.
Human Rights Campaign 	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.
Dave Thomas Foundation 	Named as one of the 100 Best Adoption Friendly Workplaces in the US by the Dave Thomas Foundation for Adoption.

Stonewall 	Listed in the Stonewall Workplace Equality Index, and participate in the Stonewall Diversity Champions program.
WorldatWork 	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

Carbon Trust Standard 	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.
Leadership in Energy and Environmental Design 	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.
ISO14001 	Pearson businesses in the UK and Australia are certified against ISO 14001, the international environmental management standard.
ISO50001 	Pearson in the UK is certified against ISO 50001, the international energy management standard.
CDP Carbon 	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.
CDP Forests 	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
Managing sustainability			
Sustainability strategy	Review our sustainability strategy.	✓	We worked with an independent third party to review our existing sustainability strategy and develop a new 2020 Sustainability Plan.
Prioritizing our issues	Complete a materiality review.	✓	A materiality review was completed.
Awards and recognitions	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

Operate responsibly, ethically, and transparently			
Values and culture	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."
Code of conduct	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.
Treat learners, customers, and other partners with integrity and honesty			
Safeguarding and protecting learners	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.
Product safety	Maintain zero incidents of product recalls or enforcement notices by regulatory bodies.	✓	No product recalls or enforcement notices occurred during the year.
Supply chain	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.
Customer experience	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
Respect and progress our employees			
Data and analytics	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.
Listening, collaborating, and communicating	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.
Diversity and inclusion	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.
Health and safety	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.
Wellbeing	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.
Long-term incentives	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.
Contribute to our communities			
Community investment	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.
Social impact strategy	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.
Employee engagement	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.
Giving	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
Progressively improve environmental stewardship			
Carbon footprint	Put in place a new global carbon footprint tool.	✓	Tool in place.
Greenhouse gas emissions	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.
Travel emissions	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.
Energy use	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.
Green energy	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.
Paper	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.
Waste	Maintain our reuse/recycle rate for all unsold books in excess of 95%.	✓	Our reuse/recycle rate was 98%.
Water	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.
Facilities	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.
Employee engagement	Continue to extend our green team network.	✗	Green team numbers fell reflecting reorganization.

Reach more learners

Accessibility	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	
Managing sustainability	
Sustainability strategy	Continue to embed our five-year Sustainability Plan, including by: - Refining our strategy - Setting measurable targets and KPIs - Improving how we capture and analyze data - Formalizing our stakeholder engagement processes - Increasing employee engagement with our sustainability activities - Increasing transparency in our reporting.
Awards and recognition	Maintain or improve how we are viewed in external benchmarks of sustainability and corporate responsibility practice.

Trusted partner

Operate responsibly, ethically, and transparently	
Ethical conduct	Provide training and raise awareness of our revised anti-bribery and corruption policy for higher risk countries and activities.
Human rights	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.
Treat learners, customers, and partners with integrity and honesty	
Safeguarding and protecting learners	Strengthen safeguarding governance processes, address safeguarding risks, and increase training in our direct delivery business.
Product safety	Maintain zero incidents of product recalls or enforcement notices by regulatory bodies.
Data privacy and information security	Begin implementing our two-year data privacy and information security improvement program.
Supply chain	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.
Customer experience	Extend our insight gathering practices and develop a cross-Pearson framework for incorporating customer feedback into our processes, with clear accountability and governance structures.
Respect and progress our employees	
Data and analytics	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.
Talent management and development	Review and update our performance assessment practices based on employee and management feedback, launch Role of Manager program, and improve learning offerings.
Equality, diversity, and inclusion	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.
Health and safety	Continue to execute our three-year strategy to fully integrate our health and safety program into our global business.
Corporate security	Strengthen corporate security policies, procedures, and standards.
	Establish a robust threat monitoring and risk assessment process.
	Develop an eLearning travel safety module.
Wellbeing	Complete and review our wellbeing pilot in the UK.

2016 Targets continued

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

Reach more learners

Enhance affordability and accessibility of our offerings	
Accessibility	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.
Collaborate to improve access to quality education	
Empowering girls and women	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.

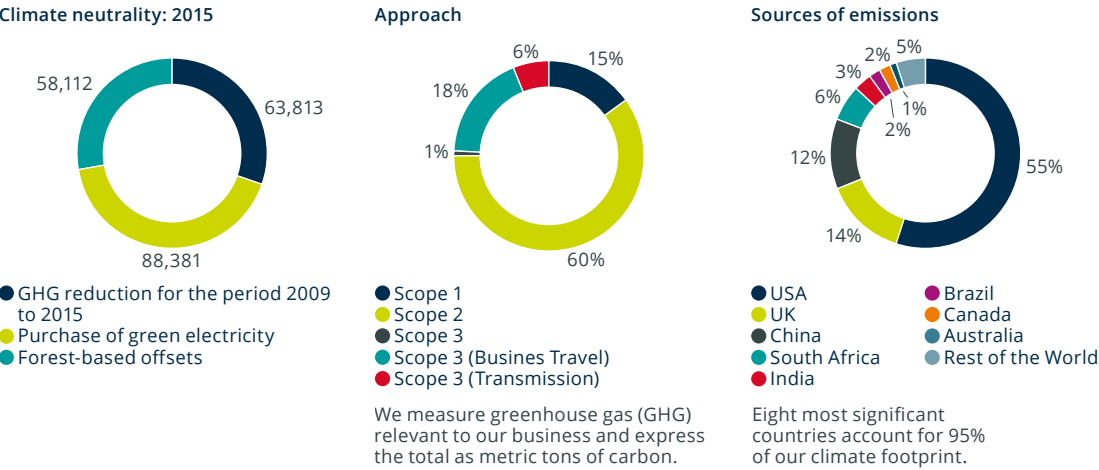
Our targets for 2016	
Shape the future of education	
Measurably improve learning outcomes	
Efficacy	Collect evidence and publish efficacy reports on a wider range of products.
	Deepen the relationship between our efficacy framework and other internal processes including product improvement, acquisitions,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

Performance data

	2014	2015	
Governance and ethics ¹			
Number of hotline concerns raised and investigated	112	119	
	2013	2014	2015
Labor practices and decent work ¹			
Our employees			
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%
Employee gender diversity			
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%
Training 2015			
Total hours by all employees			146,587
Average hours per year per employee			3.49
Society ²			
Community investment in GBP (£m)	11.8	14.4	10.7
Community investment as % of pre-tax profits	1.5%	2.0%	1.5%
Book donations ¹			
Total number of books donated to schools, libraries and literacy charities (in millions):	3.4	3.6	3.2

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

	2013	2014	2015
Environment ³			
Greenhouse gas (GHG) (Carbon dioxide equivalent) emissions overview (metric tons CO ₂ e)			
Scope 1			
Gas, fleet and refrigerant loss	30,170	25,027	22,343
Scope 2			
Electricity	115,548	104,715	88,381
Scope 3			
Other	1,381	1,724	1,044
Business travel	31,055	22,740	26,255
Electricity	10,538	8,204	8,345
Total	188,692	162,410	146,368
Total GHG/FTE metric tons CO ₂ e/FTE	4.48	3.97	3.93
GHG emissions from Pearson businesses (metric tons CO ₂ e)			
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
Total	188,692	162,410	146,492
% decrease from year to year (for Scope 1 to 3)	3%	14%	10%



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
Environment continued ³			
Renewable energy (kW)			
Total solar	2,470	2,570	2,575
Total wind	95	95	95
Total (kW)	2,565	2,665	2,670
Environmental reporting measures (Units)			
Net internal area of reporting offices (m²)	1,425,320	1,393,954	1,208,954
Energy consumption measure (Units MWh/year)			
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
MWh/employee	6.8	6.0	5.8
Business travel measure			
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 ₂ e)	31,055	22,740	26,255
Paper			
Paper used (MT)	194,760	152,181	132,551
Waste			
Total waste to landfill (MT)	3,273	2,005	1,112
Total waste to landfill (MT/FTE)	73	49	30
Water			
Total water consumption (m³)	1,154,106	1,474,077	1,014,268
Total water consumption (m³/FTE)	26	36	27
Legal compliance			
Reported environmental prosecutions	nil	nil	nil

See full GRI tables at 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

pearson.com

blog.pearson.com

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

Pearson plc
Registered number 53723 (England)