



Pearson

Context index

Pearson Sustainability report 2016

Global Reporting Initiative (GRI)

UN Global Compact (UNGC)

UN Sustainable Development Goals (SDGs)

Children's Rights and Business Principles (CRBPs)

Content index

We have applied relevant international reporting standards and frameworks, including the Global Reporting Initiative (GRI) guidelines, UN Global Compact (UNGC) Ten Principles, UN Sustainable Development Goals (SDGs), and the UNGC/ UNICEF/Save the Children Children's Rights and Business Principles (CRBP). This report has been developed in accordance with the GRI G4 Core guidelines, including the media sector supplement.

General standard disclosures			Reference			Notes / Omissions	UNGC	SDGs	CRBP
Indicator	Description	Coverage	SR 2016	AR 2016					
Strategy and analysis									
G4-1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	●	p4-5				Statement of commitment to the ten principles from chief executive		
G4-2	Description of key impacts, risks, and opportunities	●	p10-12; p18; p42-45; p87-89	p22 (material issues & other Pearson risks); p44-55 (risk sections)			1-10	4, 8, 10	1, 2, 3, 4, 5, 7
Organizational profile									
G4-3	Name of the organization	●	p1	p1					
G4-4	Primary brands, products, and services	●	p10-12	p2-3					
G4-5	Location of organization's headquarters	●		p128					
G4-6	Number of countries where the organization operates and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	●	p12	p2; p38-43; p188-189					
G4-7	Nature of ownership and legal form	●		p107; p173					
G4-8	Markets served	●	p12	p135-139; p188-189					
G4-9	Scale of reporting organization	●	p10-12; p42-43	p122-125; p137-138; p143-145					
G4-10	Employee makeup	◐	p10-12; p42-43	p25 (gender diversity); p141 (employees by region)	We report the total number of employees by region and gender.				
G4-11	Percentage of employees covered by collective bargaining agreements	◐	p26		Pearson employees are participants in trade unions across the group. Representation takes many forms. For example, in the UK we launched an Employee Engagement Forum providing employees and senior executives regular opportunities to discuss the strategic development of the company.				
G4-12	Description of the organization's supply chain	●	p37-38	p23					
G4-13	Significant changes during the reporting period regarding size, structure, ownership, or supply chain	●		p35, p139					
G4-14	Precautionary approach or principle addressed by the organization	●	p35-37	p22; p44-55	Pearson has carried out a robust assessment of the principal risks facing the company. We have also analyzed our environmental impacts and taken precautionary action by reducing our greenhouse gas emissions and other environmental impacts.	7	6, 7, 13, 14, 15	7	
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or to which it endorses	●	p8-9, p26, p36, p37, p76						
G4-16	Memberships of associations (such as industry associations) and national and international advocacy organizations	◐	p76		This section provides a list of sustainability and education associations.			17	10

GRI/UNGC/SDGs/CRBP index

General standard disclosures <i>continued</i>			Reference		Notes / Omissions	UNGC	SDGs	CRBP
Indicator	Description	Coverage	SR 2016	AR 2016				
Identified material aspects and boundaries								
G4-17	Entities in consolidated financial statements	●		p135; p122-125				
G4-18	Process for defining the report content and Aspect Boundaries	●	p18; p87-89	p21-22				
G4-19	Material Aspects	●	p18; p87-89	p21-22				
G4-20	Internal Aspect Boundary	●	p87-89					
G4-21	External Aspect Boundary	●	p87-89					
G4-22	Effect of restatement information	●			No effect			
G4-23	Report significant changes in the Scope and Aspect Boundaries	●			No changes			
Stakeholder engagement								
G4-24	List of stakeholders engaged	●	p14-17; p72; p77	p80-81				
G4-25	Basis for identifying stakeholders to engage	●	p14-17; p18; p77; p87-89		We plan to continue our focus to engage with our stakeholders in the future.			
G4-26	Approach to stakeholder engagement	●	p14-17; p77; p87-89					
G4-27	Key topics of concern raised by stakeholders	●	p14-17; p18; p77; p87-89					
Report profile								
G4-28	Reporting period	●	p78					
G4-29	Date of most recent report	●	p78					
G4-30	Reporting cycle	●	p78					
G4-31	Contact point for questions	●	p78					
G4-32	"In accordance with" option	●	p78					
G4-33	External assurance for report	◐	p78		Our environmental data and data on community investment were assured by independent external assurance providers.			

GRI/UNGC/SDGs/CRBP index

General standard disclosures <i>continued</i>			Reference		Notes / Omissions	UNGC	SDGs	CRBP
Indicator	Description	Coverage	SR 2016	AR 2016				
Governance								
G4-34	Governance structure		p39-40	p58-59; p63; p56-112				
G4-38	Composition of the highest governance body and its committees	●	p32; p39-40	p60-62				
G4-39	Whether the Chair of the highest governance body is also an executive officer	●		p60-62				
G4-42	Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social impacts.	●	p39-40	p78-79				
G4-48	Highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	●	p39-40	p78-79				
Ethics and integrity								
G4-56	Organization's values, principles, and standards	●	p31; p40; p77	p24	Company policies are posted on the sustainability section of our website (https://www.pearson.com/corporate/sustainability/reporting-and-policy-downloads/policies.html).	1-10		
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	●	p41; p42	p24				

GRI/UNGC/SDGs/CRBP index

Specific standard disclosures

The specific standard disclosures are organized by Pearson's material topics, and within topics, by GRI aspects

Indicator	Description	Coverage	Reference		Notes / Omissions	UNGC	SDGs	CRBP
			SR 2016	AR 2016				
Economic performance								
DMA	Economic performance	●	p1; p4-5; p8; p11; p18	p12-13				
EC1	Direct economic value generated and distributed	●	p10-12	inside front cover-p3; p30-37; p122-125		1	1, 8, 10	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	◐	p35-38	p22, p25		7, 8, 9	6, 7, 13, 14, 15	7
EC7	Development and impact of infrastructure investments and services supported	●	p 23; p26; p33-34; p46-63; p66-67	p14-15			4, 8, 10	
EC8	Significant indirect economic impacts, including the extent of impacts (i.e. economic development, availability for products and services for those with low incomes, enhancing skills and knowledge)	●	p46-63; p65-77				4, 8, 10	
Environmental – energy								
DMA	Energy	●	p35-37		See Pearson environment review at: https://www.pearson.com/corporate/sustainability/reporting-policies/reports-benchmarks.html	7, 8, 9	7, 13	7
EN3	Energy consumption within the organization	●	p35-37; p44-45		See Pearson environment review at: https://www.pearson.com/corporate/sustainability/reporting-policies/reports-benchmarks.html	7, 8, 9	7, 13	7
EN6	Reduction of energy consumption	●	p35-37; p44-45		See Pearson environment review at: https://www.pearson.com/corporate/sustainability/reporting-policies/reports-benchmarks.html	7, 8, 9	7, 13	7
Environmental – emissions								
DMA	Emissions	●	p35-37; p44-45		See Pearson environment review at: https://www.pearson.com/corporate/sustainability/reporting-policies/reports-benchmarks.html	7, 8, 9	7, 13, 14, 15	7
EN15	Direct GHG emissions (Scope 1)	●	p35-37; p44-45	p25	See Pearson environment review at: https://www.pearson.com/corporate/sustainability/reporting-policies/reports-benchmarks.html	7, 8, 9	7, 13, 14, 15	7
EN16	Energy indirect GHG emissions (Scope 2)	●	p35-37; p44-45	p25	See Pearson environment review at: https://www.pearson.com/corporate/sustainability/reporting-policies/reports-benchmarks.html	7, 8, 9	7, 13, 14, 15	7
EN17	Other indirect GHG emissions (Scope 3)	●	p35-37; p44-45	p25	See Pearson environment review at: https://www.pearson.com/corporate/sustainability/reporting-policies/reports-benchmarks.html	7, 8, 9	7, 13, 14, 15	7
EN18	GHG emissions intensity	●	p35-37; p44-45	p25	See Pearson environment review at: https://www.pearson.com/corporate/sustainability/reporting-policies/reports-benchmarks.html	7, 8, 9	7, 13, 14, 15	7
EN19	Reduction of GHG emissions	●	p35-37; p44-45	p25	See Pearson environment review at: https://www.pearson.com/corporate/sustainability/reporting-policies/reports-benchmarks.html	7, 8, 9	7, 13, 14, 15	7

GRI/UNGC/SDGs/CRBP index

Specific standard disclosures <i>continued</i>			Reference		Notes / Omissions	UNGC	SDGs	CRBP
Indicator	Description	Coverage	SR 2016	AR 2016				
Environmental – products and services								
DMA	Products and services	●	p35-37			7, 8, 9	7, 13, 14, 15	7
EN27	Extent of impact mitigation of environmental impacts of products and services	◐	p35		A priority area going forward is looking beyond direct emissions to capture impacts across the digital and physical value chain. In 2016, we introduced book carbon – an initiative that allows us to calculate our physical impact from forest to distribution center, and mapped the impact of our first product	7, 8, 9	7, 13, 14, 15	7
Environmental – transport								
DMA	Transport	●	p35-37			7, 8, 9	7, 13, 14, 15	7
EN30	Significant environmental impacts relating to transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	◐	p35-37; p44-45	p25	We do not yet disclose product distribution data.	7, 8, 9	7, 13, 14, 15	7
Environmental – supplier environmental assessment								
DMA	Supplier environmental assessment	●	p37-38			7, 8, 9	7, 13, 14, 15	7
EN32	Percentage of new suppliers screened using environmental criteria	◐	p37-38		We assess new supplier relationships based on external and internal environmental standards, including our commitment to the UN Global Compact principles and business partner code of conduct, which forms an integral part of our contracts with key suppliers.	7, 8, 9	6, 7, 13, 14, 15	7
EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	◐	p37-38		No significant issues were brought to our attention.			
Labor practices and decent work – employment								
DMA	Employment	●	p9; p17; p26-29; p30-34	p23-24		1, 2, 3, 4, 5, 6	8, 10	3
LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region	◐	p42		We report on turnover on the US and UK. We are implementing a new HR platform that is expected to enhance our ability to analyze and report on employee data.	6	5, 8, 10	3
LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	◐	p33; p43		We currently report on the US only and plan to include additional country data next year.		8, 10	3
Labor practices and decent work – occupational health and safety								
DMA	Occupational health and safety	●	p26-29	p23-24	We are enhancing our tracking system to support rigor and transparency in our reporting.	1, 2	8, 10	3
LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	◐	p26-29; p42		We do not report this information by region or gender.	1, 2	8, 10	3

GRI/UNGC/SDGs/CRBP index

Specific standard disclosures <i>continued</i>			Reference			Notes / Omissions	UNGC	SDGs	CRBP
Indicator	Description	Coverage	SR 2016	AR 2016					
Labor practices and decent work – training and education									
DMA	Training and education	●	p31	p23-24		1	4, 8, 10		
LA9	Average hours of training per year per employee by gender, and by employee category	◐	p43		We report average hours of training per year per employee.		4, 8, 10		
LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	●	p30-31	p23-24			4, 8, 10		
LA11	Percentage of employees receiving regular performance and career development, by gender and by employee category	●	p31		All full-time employees receive performance reviews.		4, 8, 10		
Labor practices and decent work – diversity and equal opportunity									
DMA	Diversity and equal opportunity	●	p31-32	p24		1, 2, 5, 6	8, 10		
LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	◐	p32; p42	p24-25	We report on gender but not other indicators of diversity.	1, 2, 5, 6	8, 10		
Human rights – investment									
G4-DMA	Human rights - investment	◐	p26; p37-38			1, 2	8		
HR1	Total number and percentage of significant investment agreements and contracts that include human rights screening	◐	p26; p37-38		We do not report a number or percentage but plan to for 2017. Our business partner code of conduct forms an integral part of our contracts with key suppliers.	1, 2	8		3
HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	◐	p27; p40-41	p24; p46	We provided training on the code of conduct, data privacy, safeguarding, D&I, and anti-corruption but have not reported the number of hours.	1, 2, 10	8, 16		3
Human rights – freedom of association and collective bargaining									
G4-DMA	Freedom of association and collective bargaining	●	p26; p37						
HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	◐	p26; p37		We do not report on specific operations or suppliers. We have committed to international standards for human rights that apply to our operations and supply chain, including the UN Global Compact principles. Our business partner code of conduct forms an integral part of contracts with key suppliers, and we have a process for identifying and addressing potential issues at medium- and high-risk suppliers.	3	8		3

GRI/UNGC/SDGs/CRBP index

Specific standard disclosures <i>continued</i>			Reference			UNGC	SDGs	CRBP
Indicator	Description	Coverage	SR 2016	AR 2016	Notes / Omissions			
Human rights – child labor								
DMA	Child labor	●	p26; p37					
HR5	Operations and suppliers identified as having significant risk of child labor	◐	p26; p37		We do not report on specific operations or suppliers. We have committed to international standards for human rights that apply to our operations and supply chain, including the UN Global Compact principles. Our business partner code of conduct forms an integral part of contracts with key suppliers, and we have a process for identifying and addressing potential issues at medium- and high-risk suppliers.	5	8	2, 3
Human rights – forced labor								
DMA	Forced labor	●	p26; p37					
HR6	Operations and suppliers identified as having significant risk of incidents of forced or compulsory labor	◐	p26; p37		We do not report on specific operations or suppliers. We have committed to international standards for human rights that apply to our operations and supply chain, including the UN Global Compact principles. Our business partner code of conduct forms an integral part of contracts with key suppliers, and we have a process for identifying and addressing potential issues at medium- and high-risk suppliers.	4	8	3
Human rights – supplier human rights assessment								
DMA	Supplier human rights assessment	◐	p26; p37-38			1, 2, 3, 4, 5, 6	8	2, 3
HR9	Total number and percentage of operations that have been subject to human rights assessments or impact assessments	●	p26; p37-38		100% of medium- and high-risk direct manufacturing suppliers are assessed.			
HR10	Percentage of new suppliers that were screened using human rights criteria	◐	p26; p37-38		We do not report a number or percentage screened. Our relationships with suppliers are guided by our commitments to international standards, including the UN Global Compact principles, and our business partner code of conduct, which forms an integral part of our contracts with key suppliers. These contracts include our commitments to universal human rights, good labor practices and decent working conditions, and environmental stewardship. We have a process for identifying and addressing potential issues at medium- and high-risk suppliers.	1, 2, 3, 4, 5, 6		2, 3
Society – local communities								
DMA	Local communities	●	p33-34; p47-63					1, 4, 8, 10
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	◐	p33-34; p47-63		We do not report a percentage. We engage communities through core business efforts to expand access and affordability and through employee volunteering and giving.			1, 4, 8, 10

GRI/UNGC/SDGs/CRBP index

Specific standard disclosures <i>continued</i>			Reference			UNGC	SDGs	CRBP
Indicator	Description	Coverage	SR 2016	AR 2016	Notes / Omissions			
Society – anti-corruption								
DMA	Anti-corruption	●	p40-41	p24; p54		10	16	
SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	◐	p41	p24; p54	We conduct due diligence on high-risk and other third parties.	10	16	
SO4	Communications and training on anti-corruption policies and procedures	●	p41	p24; p54		10	16	
Society – public policy								
DMA	Public policy	●	p41					
SO6	Total value of political contributions by country and beneficiary	●	p41					
Society – supplier assessment for impacts on society								
DMA	Supplier assessment for impacts on society	●	p37-38			1-10	13, 14	
SO9	Percentage of new suppliers that were screened using criteria for impacts on society	◐	p37-38		We do not report a percentage. Our relationships with suppliers are guided by our commitments to international standards, including the UN Global Compact principles, and our business partner code of conduct, which forms an integral part of our contracts with key suppliers. These contracts include our commitments to universal human rights, good labor practices and decent working conditions, and environmental stewardship.	1-10	13, 14	
Customer health and safety								
DMA	Customer health and safety	●	p25; p26-27			1, 2		1, 4, 5
PR1	"Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	◐	p25; p27		We carry out risk assessments in all our majority-owned direct delivery businesses outside of China.	1, 2		1, 4, 5
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	●	p25; p26-27			1, 2		1, 4, 5
Product and service labeling								
DMA	Product and service labeling	●	p25			1, 2		1, 4, 5
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling and outcomes	●	p25			1, 2		1, 4, 5
PR5	Results of surveys measuring customer satisfaction	●	p23					
Customer privacy								
DMA	Customer privacy	●	p26-27	p53; p71		1, 2		1, 4, 5
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	◐	p26-27	p53; p71	We do not report a number of substantiated complaints but have a process in place to address the risk.	1, 2		1, 4, 5

GRI/UNGC/SDGs/CRBP index

Specific standard disclosures <i>continued</i>			Reference		Notes / Omissions	UNGC	SDGs	CRBP
Indicator	Description	Coverage	SR 2016	AR 2016				
Content creation								
DMA	Content creation	●	p23-24; p25; p47-63; p72-74			1	4, 10	5
M2	Methodology for assessing and monitoring adherence to content creation values	◐	p23-24; p25; p47-63; p72-74		By 2020, we will establish and roll out Global Content Principles to ensure Pearson content is appropriate, effective, and relevant for all learners, for the 21st century and beyond.	1	4, 10	5
M3	Actions taken to improve adherence to content creation value, and results obtained	●	p23-24; p25; p47-63; p72-74			1	4, 10	5
DMA	Content dissemination	●	p25; p47-63; p72-74	p26; p79		1	4, 10	5
M4	Actions taken to improve performance in relation to content dissemination issues (accessibility and protection of vulnerable audiences and informed decision-making) and results obtained	●	p25; p47-63; p72-74	p26; p79		1	4, 10	5, 9
Audience interaction								
DMA	Audience interaction	●	p14-17; p22-23; p47-63; p72; p77				10	
M6	Methods to interact with audience and results	◐	p14-17; p22-23; p47-63; p72; p77				10	