



Pearson

# Performance data

Pearson Sustainability report 2016

# Performance data

Governance and ethics	2014	2015	2016
Total number of concerns raised & investigated	112	119	107
Human resources matters	75 (67%)	77 (65%)	61 (57%)
Financial irregularities or violations of our policies	37 (33%)	42 (35%)	46 (43%)
Terminations & separations	4	26	20
Labor practices and decent work	2014	2015	2016
Our employees			
Total average for the year	40,876	37,265	32,719
Turnover rate (US and UK only), total average for the year	23.5%	27%	26.27%
Employee gender diversity			
Male	42%	41%	40%
Female	58%	59%	60%
Board positions held by women <sup>1</sup>	30%	33%	30%
Women in senior leadership <sup>2</sup>	35%	34%	32%
Employees by geography			
North America		19,951	16,841
Core Markets (including Australia and Europe)		5,936	5,664
Growth Economies (including China, India, Brazil, and South Africa)		11,114	9,868
Other		264	346
Health & safety			
Percentage of H&S standards implemented across all locations <sup>3</sup>	36%	49%	67%
Number of H&S audits <sup>4</sup>	49	53	45
Percentage closure of open action audit findings as of January 1	– <sup>5</sup>	– <sup>5</sup>	81%
Number of improvement follow-up actions from audits implemented <sup>6</sup>	300	354	76 <sup>6</sup>
Number of injuries <sup>7</sup>	288	103	156
Number of work-related illness cases <sup>8</sup>	305	147	124
Number of serious incidents <sup>9</sup>	44	30	37
Number of work-related fatalities	0	0	0
Total incident rate per 100 employees <sup>10</sup>	1.56	1.36	1.01
Injury & illness rate per 100 employees <sup>11</sup>	0.67	0.24	0.38
Serious incident ratio <sup>12</sup>		5%	9%
Workplace inspections reported	– <sup>13</sup>	990	2287

<sup>1</sup> 30% of our board members are female, a higher percentage than the 25% target set by Lord Davies in 2015. We are a founding member of the 30% Club and also participate in its cross-company mentoring programme which helps the development of talented mid-career women.

<sup>2</sup> Two reporting lines from the chief executive.

<sup>3</sup> Primary metric for implementation of our H&S management system.

<sup>4</sup> Audits conducted by Global Risk Management staff to provide assurance of local compliance with H&S law and policy.

<sup>5</sup> New metric created in 2016, tracking closure of audit follow-up actions from previous audits as of Jan 1, 2017.

<sup>6</sup> Total injuries requiring medical treatment or lost time due to injury. Does not include minor/first aid cases.

<sup>8</sup> Includes musculoskeletal disorders, work-related stress, and other illness cases related to work.

<sup>9</sup> Internal metric defined as any work-related injury or illness resulting in more than 3 days away from work.

<sup>10</sup> Rate of all incidents (including minor) per 100 employees.

<sup>11</sup> Rate of injuries/illness related to work, not including minor/first aid incidents.

<sup>12</sup> New internal metric designed to measure prevention of serious incidents and active reporting of minor incidents.

<sup>13</sup> Capture of worksite inspection data initiated in 2015.

<b>Labor practices and decent work continued</b>	2014	2015	2016
<b>Employee training</b>			
Total hours by all employees		146,587	144,561
Average hours per year per employee		3.49	4.07
<b>Employee benefits – all numbers US only</b>			
<i>Health and wellness benefits</i>			
Percentage of employees participating in Pearson medical programs		84%	83%
Average percentage of health insurance costs for employees paid by Pearson		80%	80%
Average percentage of health insurance costs for employees, spouses, and dependants paid by Pearson		80%	80%
<i>Financial benefits</i>			
Percentage of eligible employees participating in Pearson's 401(k) Plan		92%	91%
Percentage of employees participating in the Employee Stock Purchase Plan		25%	22%
<i>Work/life balance and lifestyle programs</i>			
Number of employees using commuter benefits		1,007	692
Number of employees using Pearson's Employee Assistance Plan		486	452
Number of interactions with Pearson's lifestyle programs		12,231	14,169
<b>Society</b>			
<b>Community investment</b>			
Community investment in GBP (£m) <sup>1</sup>	14.4	10.7	6.8
Community investment as % of pre-tax profits <sup>1</sup>	2%	1.5%	1.2%
<b>Kiva Partnership</b>			
Lending		\$600k	\$1.3m
Number of employees participating		10,400	13,600
Percentage of employees participating		26%	40%
<b>Volunteering</b>			
Employee volunteer hours		10,390	14,085

<sup>1</sup> This data has been independently assured against London Benchmarking Group Principles.

<b>Managing key safeguarding issues</b>	KPI	2016 outturn vs target
To manage safeguarding risk, our risk assessment process identifies opportunities to strengthen practice.	Complete 70% of actions identified	85% were completed
We are working to extend the reach of the training program in our direct delivery businesses, which includes 4,000 employees.	Complete 75% of training	Reached 85% of the target

Environment <sup>1</sup>	2014	2015	2016
<b>Greenhouse gas (GHG) (carbon dioxide equivalent) emissions overview (metric tons CO<sub>2</sub>e)</b>			
<i>Scope 1</i>			
Gas, fleet and refrigerant loss	25,027	22,343	19,093
<i>Scope 2</i>			
Electricity	104,715	88,381	77,579
<i>Scope 3</i>			
Other	1,724	1,044	1,359
Business travel	22,740	26,255	22,708
Electricity transmission	8,204	8,345	5,647
Total scope 3	32,668	35,644	29,714
<b>Total</b>	<b>162,410</b>	<b>146,368</b>	<b>126,386</b>
<b>Total GHG/FTE metric tons (CO<sub>2</sub>e/FTE)</b>	<b>3.97</b>	<b>3.93</b>	<b>3.86</b>
<b>GHG emissions from Pearson businesses (metric tonsCO<sub>2</sub>e)</b>			
US	94,348	79,872	64,590
UK	21,599	20,251	17,167
China	19,960	17,655	18,478
Rest of the World	26,503	28,715	26,150
<b>Total</b>	<b>162,410</b>	<b>146,492</b>	<b>126,385</b>
Percent decrease from year to year (for Scope 1 to 3)	14%	10%	13.7%
<b>Renewable energy (kW)</b>			
Total solar	2,570	2,575	2,475
Total wind	95	95	95
Total	2,665	2,670	2,570
<b>Environmental reporting measures (Units)</b>			
Net internal area of reporting offices (m <sup>2</sup> )	1,393,954	1,208,954	858,237
<b>Energy consumption measure (Units MWh/year)</b>			
% electricity from renewable sources	100%	100%	100%
Total electricity consumption from renewable sources only	186,356	162,916	154,910
Total gas consumption	57,144	48,760	45,855
Total fuel oil consumption	114	3,500	276
Total energy consumption	243,614	215,176	201,041
MWh/employee	6.0	5.8	6.1

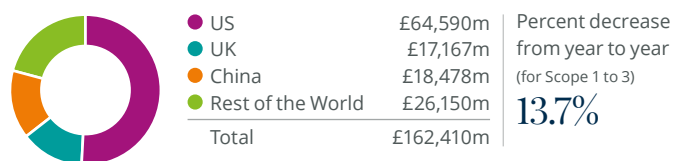
<sup>1</sup> All environmental data has been independently assured (except data for legal compliance and renewable energy). For more information see p78.

Environment continued <sup>1</sup>	2014	2015	2016
<b>Business travel measure</b>			
Air passenger (km)	193,259,356	207,822,988	163,722,174
Rail passenger (km)	937,647	4,374,643	7,496,013
Road (distance) (MWh/year)	6,356,549	1,447,092	64,318,474
Road (fuel use) (litres)	5,312,226	4,894,843	0
Road (derived energy) (MWh)		43,899	45,071
Total GHG emissions from business travel (metric tons/CO <sub>2</sub> e)	22,740	26,255	22,708
<b>Paper</b>			
Paper used (MT)	152,181	132,551	43,027
<b>Waste</b>			
Total waste to landfill (MT)	2,005	1,112	1,249
Total waste to landfill (MT/FTE)	49	30	38
<b>Water</b>			
Total water consumption (m <sup>3</sup> )	1,474,077	1,014,268	526,297
Total water consumption (m <sup>3</sup> /FTE)	36	27	16
<b>Legal compliance</b>			
Reported environmental prosecutions	nil	nil	nil

<sup>1</sup> All environmental data has been independently assured (except data for legal compliance and renewable energy). For more information see p78.

## GHG emissions from Pearson businesses (metric tons CO<sub>2</sub>e)

2016



## Climate neutrality

2016

