



Pearson

**Modern Slavery
Statement 2016**

This statement has been published in accordance with the Modern Slavery Act 2015.

It sets out the steps taken by Pearson plc and other relevant group companies during year ending 31 December 2016 to prevent modern slavery and human trafficking in its business and supply chains.

Pearson was a founder signatory to the UN Global Compact in 2001. The 10 principles of the Global Compact include the rejection of forced and compulsory labour alongside other fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Ever since, we have monitored our performance against both the principles and a set of commitments we made relating to the UN Global Compact and report annually on our progress.

The Modern Slavery Act in the UK introduces a new requirement for companies to publish a slavery and human trafficking statement. This covers slavery, servitude and forced or compulsory labour as well as human trafficking. This statement is our compliance with the Act covering the 2016 financial year. It covers Pearson plc and all relevant subsidiaries.

Overall, the majority of the products and services that Pearson and its operating companies purchase are sourced from suppliers in advanced OECD countries mainly those in North America and Europe. A significant international business for Pearson is reflected in an increasing proportion of products and services sourced in high growth economies like China, India and Brazil. The Far East in particular is a significant source of supply. A small proportion of our global suppliers are in the low income developing economies of Africa, Asia, Latin America and the Caribbean.

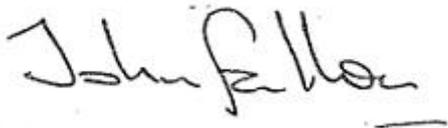
Pearson has in place policies and due diligence measures that will enable us to reasonably assure that the products and services supplied to us are Modern Slavery free. We have additional procedures for key suppliers, those providing goods or services valued in excess of £100,000 or equivalent currency. In support of this statement, Pearson:

- Requires compliance as an integral part of our HR recruitment processes including for temporary agency contractors.
- From January 2016, requires that clauses relating to Modern Slavery are an integral part of our contracts for UK suppliers. We advise our suppliers of our commitment to the Global Compact, compliance with the Modern Slavery Act and about the Pearson Business Code of Conduct.
- Undertakes a risk assessment process for key UK suppliers in our book publishing as our area of highest risk and exercises due diligence. For relevant suppliers to the UK market, we require independent third party audits consistent with the PRELIMS (Publishers Resolution for Ethical International Manufacturing Standards) Code of Conduct. We also recognise comparable codes and audit processes include the audits carried out under the ICTI Care Process, and SMETA audits against the ETI Base Code.

- Ensures our production departments continue our programme of visiting suppliers all across the world. These visits reinforce our commitment to the abolition of all forms of forced and compulsory labour, as well as the other standards covered by the Global Compact.
- Work with industry partners on setting common standards that reflect all the Global Compact principles. We provide briefings and training for production teams on the 10 principles of the Global Compact which includes forced and compulsory labour. Specific training on the Modern Slavery Act is planned for 2017.
- Commit to transparency in the implementation of this statement by making available reports on our progress to relevant stakeholders and the public.

This statement has been approved by the Board of Directors, Pearson plc:

Signed by:

A handwritten signature in black ink that reads "John Fallon". The signature is written in a cursive style with a horizontal line underneath the name.

John Fallon
Chief Executive Officer

To provide feedback on the content of the policy, please contact: peter.hughes@pearson.com

For more information on our organisation structure, business and supply chain management, please visit our [Annual Report and Sustainability Report](#).