

ESG Performance Data

Environment

Progress measures towards targets:

Net Carbon Zero:

- By 2030, we will reduce scope 1, 2 & 3 emissions by 50% against a 2018 baseline as approved by the Science-Based Targets Initiative.
- We will be net zero across scope 1, 2 & 3 by 2030.

Re-baselining: Following Greenhouse Gas Protocol guidance, we are now retrospectively excluded emissions from relevant disposals in our base year and historical years. This enables meaningful comparison of emissions on a like-for-like basis over a long period. Both recalculated and reported emissions are disclosed on the table below.

Methodology: We have reported on all of the emission sources required under the Companies Act 2006. The method we have used to calculate GHG emissions is the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), using the Scope 2 dual reporting methodology, together with the latest emission factors from recognised public sources, including, but not limited to, the UK Department for Business, Energy & Industrial Strategy, the International Energy Agency, the US Energy Information Administration, the US Environmental Protection Agency and the Intergovernmental Panel on Climate Change. Energy use includes gas and electricity consumption in MWh and vehicle fuel use converted from mileage into MWh using BIES conversion factor.

The data in the table below has been independently verified by Corporate Citizenship, an independent third party. The scope of the assurance covers our energy consumption, Scope 1, 2 and 3 GHG emissions and renewable electricity claims. See our assurance statement here: <https://plc.pearson.com/purpose/esg-reporting/>

Category	Sub-category	2018 previously reported	2018 rebaselined figures	2019	2020	2021
Scope 1	Scope 1 – Natural Gas		3,675	7,522	3,601	5,116
Scope 1	Scope 1 – Fuel Oil	13,057	137	111	58	16
Scope 1	Scope 1 – Refrigerant Gas Loss		544	78	-	77
Scope 1	Scope 1 – Vehicles		7,854	4,789	2,875	3,187
Scope 2 – location based	Scope 2 – location based	49,920	41,586	38,298	28,385	23,333
Scope 2 – market based	Scope 2 – market based	4,583	4,583	418	529	440
1a: Purchased goods and services (product)	1a – Manufactured goods – Books	127,550	89,629	84,101	48,789	34,012
1a: Purchased goods and services (product)	1a – non print manufacturing	21,571	14,284	13,329	18,409	20,552
1b: Purchased goods and services (non-product)	1b – Non-product	212,403	183,665	193,980	157,739	175,913
2: Capital goods	2 – Capital goods	-	-	-	-	-
3: Fuel and energy related activities	3 – Fuel related	3,104	2,270	2,171	1,061	1,279
3: Fuel and energy related activities	3 – Electricity related	11,039	6,361	8,368	6,116	7,238
4: Upstream transportation and distribution	4: Upstream transportation and distribution	53,727	12,926	11,573	10,153	10,388
5: Waste generated in operations	5 – Waste generated in operations	525	390	258	0	378
6: Business travel	6 – Air	20,545	11,369	9,487	3,705	1,403
6: Business travel	6 – Hotels	2,864	2,717	2,503	426	138
6: Business travel	6 – Rail	890	885	568	96	10
6: Business travel	6 – Hired cars	1,486	1,400	1,811	1,000	1,000
6: Business travel	6 – Taxis	27	27	45	14	2
7: Employee commuting	7 – Employee commuting	28,948	25,509	27,362	6,584	-
7b: Employees working from home (WFH)	7b: Employee WFH	-	-	-	18,402	17,325
9: Downstream transportation and distribution	9: Downstream transportation and distribution	53,727	12,926	11,573	10,153	10,388
11: Use of sold products	11 – Third party test centres	6,415	6,415	6,415	6,415	6,461
11: Use of sold products	11 – Online testing	76	31	31	31	28
11: Use of sold products	11 – Online learning	5,393	2,225	2,192	2,167	3,531
12: End-of-life treatment of sold products	12 – End of life	27,581	18,265	16,999	10,182	7,961
13: Downstream leased assets	13 – Downstream leased assets	14,825	14,825	14,825	9,588	9,517
14: Franchises	14 – Franchises	4,044	4,044	2,730	2,707	1,343

Sub-category	2018 previously reported	2018 rebaselined figures	2019	2020	2021
Scope 1	13,057	12,209	12,500	6,534	8,396
Scope 2 (market based)	4,583	4,583	418	529	440
Scope 3	596,740	410,164	410,322	313,738	308,866
Total – Location based	659,717	463,959	461,120	348,657	340,595
Total – Market based	614,380	426,956	423,239	320,801	317,703

	2018	2019	2020	2021
Intensity ratios				
tCO ₂ e per employee (scope 1, 2 market & 3)	17.6	18.6	15.0	14.9
tCO ₂ e/sales revenue (scope 1, 2 market & 3)	113.5	111.6	95.0	92.7
Environmental reporting measures (Units)				
Net internal area of reporting offices (m ²)	684,712	572,478	444,468	457,519
Energy consumption measure				
% electricity from renewable sources	100%	96%	95%	99%
Total electricity consumption from renewable sources only (MWh)	88,492	81,056	65,574	57,120
Total electricity consumption from non-renewable sources only (MWh)	936	936	1,103	794
On site generated electricity (MWh)	230	225	241	150
Total gas consumption (MWh)	20,187	39,325	19,826	23,985
Total fuel oil consumption (MWh)	24	74	94	48
Vehicles (MWh)	31,115	19,119	13,822	10,437
Total energy consumption (MWh)	140,048	140,737	100,662	92,535

Resource Use

	2018	2019	2020	2021
Paper*				
Paper used (t)	103,758	96,811	37,969	29,056
% FSC		11	32	29
% PEFC				28
Waste				
Total Waste To landfill (t)	547	469	276	648**
Total Waste To landfill (t/FTE)	0.0225	0.0206	0.0129	0.0304
Water				
Total Water consumption (m ³)	520,682	374,008	238,271	152,702
Total Water consumption (m ³ /FTE)	21.41	16.45	11.17	7.15

UK Scope 1 and 2 (location-based) 3,829 tCO₂e (12%), and Global Scope 1 and 2 (location-based), 31,729 tCO₂e. UK Scope 1 and 2 (market-based), 1,352 tCO₂e (15%) and Global Scope 1 and 2 (market-based), 8,837 tCO₂e. UK (gas, electricity and transport) MWh = 17,491 (19%); Global (gas, electricity and transport) MWh = 92,535.

* Not re-baselined as the target is not a % reduction

** Pearson reports estimated waste data. This year, our estimations methodology extended the scope of sites that are included in 2021 figures.

Social

Our Employees

	2018	2019	2020	2021
Total average number of employees	24,322	22,734	21,191	20,744
Employees by geography¹ as at 31 December				
US as of 31 December			11,242	11,670
UK as of 31 December			4,202	3,826
Rest of World as of 31 December			6,407	5,854
Total number of permanent, regular employees, as of 31 December	96%	95%	96%	97%
Male	38%	41%	41%	40%
Female	62%	58%	59%	59%
Non-binary ²				0%
Not disclosed			0.03%	1%
Total number of temporary, limited term, employees, as of 31 December	4%	5.0%	4%	3%
Male	30%	36%	36%	32%
Female	68%	64%	64%	65%
Non-binary				0%
Not disclosed			0.2%	3%
Total full-time, regular, employees	79%	79%	74%	75%
Male	41%	45%	44%	44%
Female	58%	55%	56%	55%
Non-binary			0%	0%
Not disclosed				1%
Total part-time, regular, employees	18%	21%	20%	21%
Male	24%	25%	25%	27%
Female	76%	75%	75%	73%
Non-binary	0%	0%	0%	0%
Not disclosed				1%
Employee gender diversity – All numbers as of 31 December				
Total male	38%	41%	40%	40%
Total female	62%	59%	60%	59%
Non-binary				0%
Not disclosed				1%
Female leadership				
Board positions held by women	30%	33%	45%	50%
Percentage of women on Pearson's executive ⁴	9%	18%	31%	38%
Senior leadership ³	31%	34%	36%	37%
VP& Director	-	-	48%	47%
Manager	48%	50%	50%	50%
Percentage of women in technology roles (IT/engineering)	34%	35%	33%	29%
Percentage of women employees in revenue-producing roles	65%	62%	63%	63%
Percentage of promotions received by women	59%	56%	59%	60%
UK median gender pay gap	14%	12%	12%	10%

1. Prior to 2019, our business was structured around 3 geographies: North America, Growth (China, India, Brazil, South Africa) and Core (UK and rest of world).

2. We opened this option for employee self identification in 2020.

3. Typically, up to two reporting lines from the Chief Executive, the senior leadership are the employee body with responsibility for planning and directing the activities of the company.

4. Executive Directors are included in Board statistics not Pearson Executive Management.

	2018	2019	2020	2021
Employee racial and ethnic diversity				
Total workforce (US and UK)			30% (US) / 17% (UK)	31% (US) / 19% (UK)
Diverse leadership				
Board positions (diverse) (#/%)			1/10%	2/20%
Percentage of diversity on Pearson's executive team (#/%)			3/30%	2/25%
Senior leadership (US and UK)			18% (US) / 9% (UK)	20% (US) / 9% (UK)
VP and Director (US and UK)			15% (US) / 10% (UK)	17% (US) / 13% (UK)
Manager (US and UK)			21% (US) / 17% (UK)	23% (US) / 16% (UK)
US diverse group breakdown				
Asian				
Manager and above			11%	11%
All employees			9%	9%
Latinx				
Manager and above			4%	4%
All employees			8%	9%
Black				
Manager and above			3%	4%
All employees			11%	10%
Other diverse				
Manager and above			1%	1%
All employees			3%	3%
White				
Manager and above			81%	79%
All employees			70%	69%
UK diverse group breakdown				
Asian				
Manager and above			9%	8%
All employees			10%	10%
Black				
Manager and above			2%	2%
All employees			4%	4%
Other diverse				
Manager and above			4%	5%
All employees			4%	5%
White				
Manager and above			79%	77%
All employees			72%	70%
Not Specified				
Manager and above			7%	8%
All employees			10%	11%
Employee age representation, all as of 31 December				
Under 30 years old	4,165 / 15%	14%	14%	16%
30-50 years old	16,465 / 60%	58%	66%	55%
Over 50 years old	6,890 / 25%	28%	20%	28%
Not disclosed	105 / 0.4%	0.5%	0.4%	0.4%
Turnover				
Turnover rate, total average for the year	11,024 / 37%	8,627 / 37%	5,692 / 26%	7,232 / 33%
Voluntary turnover	5,101 / 20%	4,695 / 20%	3,725 / 17%	5,062 / 23%
Involuntary turnover	5,923 / 17%	3,932 / 17%	1,967 / 9%	2,170 / 10%

ESG Performance Data *continued*

	2018	2019	2020	2021
Turnover by region				
UK		4%	3%	6%
US		25%	16%	16%
Rest of world		8%	7%	10%
Turnover by gender				
Female	7,201 / 24%	5,447 / 23%	3,605 / 16%	4,512 / 20%
Male	3,711 / 13%	3,168 / 14%	2,087 / 10%	2,709 / 12%
Not disclosed	112 / 0%	12 / 0%		
Female (involuntary)			1,195 / 5%	1,274 / 6%
Male (involuntary)			772 / 4%	891 / 4%
Turnover by age group				
Under 30 years old	2,943 / 10%	7%	1,386 / 6%	2,019 / 9%
30-50 years old	5,710 / 19%	19%	2,501 / 11%	3,428 / 15%
Over 50 years old	2,193 / 7%	11%	1,744 / 8%	1,764 / 8%
Not disclosed	178 / 1%	0%	61 / 0%	21 / 0%
New hires				
Total number and rate of new employee hires (number of hires/average headcount)	7,053 / 26%	4,326 / 21%	5,488 / 25%	5,934 / 27%
Total number of new hires – female	4,661 / 66%	2,725 / 63%	3,612 / 66%	3,528 / 60%
Total number of new hires – male	2,185 / 31%	1,601 / 37%	1,855 / 34%	2,261 / 38%
Total number of new hires – NA	207 / 3%	21 / 1%	11 / < 1%	145 / 2%
New hires by region				
UK (2019 & 2020)		754 / 12%	15%	17%
US (2019 & 2020)		3,453 / 56%	65%	56%
Rest of World (2019 & 2020)		1,907 / 31%	19%	27%
New hires by age group				
Under 30 years old	2,303 / 33%	33%	24%	40%
30-50 years old	3,239 / 46%	47%	31%	42%
Over 50 years old	1,353 / 19%	18%	15%	17%
Not disclosed	158 / 2%	2%	30%	1%
Length of service				
Average length of service for a Pearson employee	6.7	7.0	7.4	6.9
Average length of service – female	6.6	7.0	7.3	6.8
Average length of service – male	7.0	7.1	7.6	7.1
Median length of service – all employees	n/a	n/a	n/a	4.3
Median length of service – female	3.8	4.6	5.0	4.2
Median length of service – male	3.9	5.0	5.0	4.7
Employee Benefits				
Health and wellness benefits				
Percentage of employees participating in Pearson medical programs	82% (US) / 53% (UK)	82% (US) / 53% (UK)	83% (US) / 48% (UK)	73% (US) / 49% (UK)
Average percentage of health insurance costs for employees paid by Pearson	80% (US) / 82% (UK)	79% (US) / 82% (UK)	79% (US) / 100% (UK)	78% (US) / 85% (UK)
Average percentage of health insurance costs for employees, spouses, and dependents paid by Pearson	84% (UK)	79% (US) / 82% (UK)	79% (US) / 89% (UK)	78% (US) / 89% (UK)
Financial benefits				
Percentage of eligible employees participating in Pearson's 401(k) Plan	92% (US)	93% (US)	92% (US)	93% (US)
Percentage of employees participating in the Employee Stock Purchase Plan	21% (US)	22% (US)	25% (US)	24% (US)

	2018	2019	2020	2021
Percentage of employees participating in the Worldwide Save For Shares Plan – globally except the US	18%	17%	10%	21%
Percentage of workforce below senior leadership eligible for LTIPs	6%	6%	4%	4%
Work/Life balance and lifestyle programs				
Number of employees using Pearson's Employee Assistance Plan	402 (US)	883 (US) / 217 (UK)	325 (US) / 125 (UK)	393 (US) / 271 (UK)
Number of interactions with Pearson's lifestyle programs	11,482 (US)	9,652 (US)	7% (US)	10,080 (US)

Health and safety

	Description	2018	2019	2020	2021
Percentage of H&S standards implemented across all locations	Primary metric for implementation of our H&S management system	92%	94%	94%	93%
Number of H&S audits & advisory reviews	Audits & advisory reviews conducted by Global Risk Management staff to provide assurance of local compliance with H&S law and policy	31	34	1*	2*
Percentage closure of open action audit findings as of 1 January	Percentage of Audit Actions closed from previous year's audits	91%	95%	98%	100%
Number of injuries	Total injuries requiring medical treatment or lost time due to injury. Does not include minor/first aid cases.	107	88	45	41
Number of work-related illness cases	Includes musculoskeletal disorders, work-related stress, and other illness cases related to work	110	121	71	37
Number of serious incidents	Internal metric defined as any work-related injury or illness resulting in more than 3 days away from work.	21	26	38	34
Number of work-related fatalities		0	1	0	0
Total incident rate per 100 employees	Rate of all incidents (including minor) per 100 employees.	0.87	0.91	0.72	0.55
Injury & illness rate per 100 employees	Rate of injuries/illness related to work, not including minor/first aid incidents.	0.29	0.28	0.51	0.35
Serious incident ratio	Internal metric designed to measure prevention of serious incidents and active reporting of minor incidents.	7%	11%	24%	29%
Workplace inspections reported		849**	444	466	333

* Scheduled audit/assurance program suspended in 2020 & 2021 due to COVID-19 related office closures globally. Resources realigned to support COVID-19 management.

** A significant number of previous year inspections came from WSE sites in Asia, which are no longer part of Pearson.

ESG Performance Data *continued*

BTECs & SDG 4

	2018	2019	2020	2021
Number of BTEC registrations outside the UK	33,403	43,906	31,141	35,722

Governance

Description	2018	2019	2020	2021
Raising concerns				
Total number of concerns raised & investigated	80	135	100	110
Human Resources Matters	25 (31%)	43 (32%)	82(82%)	93 (85%)
Financial irregularities or violations of our policies	55 (69%)	92 (68%)	18 (18%)	17 (15%)
Code of Conduct				
Percentage of employees completing code of conduct certification or training	100%	100%	100%	100%

Sustainability Accounting Standards Board (SASB) Index

Topic	Accounting Metric	SASB Code	Response
			Risk: pages 60-69 Governance: pages 73-111
Data Security	Description of approach to identifying and addressing data security risks, including use of third-party cyber security standards	TC-IM-230a.2; SV-ED-230a.1	Pearson risk assess all new vendors and existing ones at least annually. Our risk assessment framework uses the latest international standards such as ISO/IEC 27001:2013, NIST, SOC2 Type 2, Cyber Essentials; as well as Data Privacy standards such as GDPR and CCPA.
Data Security	Description of policies and practices relating to collection, usage, and retention of student information	SV-ED-230a.2	Risk: pages 60-69 Governance: pages 73-111
Data Privacy, Advertising Standards & Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy	TC-IM-220a.1	Our Code of Conduct and Business Partner Code of Conduct clarify Pearson's responsibilities and expectations for ethical and responsible business practices including Data Protection and Privacy: https://plc.pearson.com/en-GB/corporate-policies?tab=ordinary-shareholders . In addition, we have in-depth internal policies and processes regarding user privacy. As an education media company, we do not use practices relating to behavioural advertising on the internet. For a description of our content and editorial standards see: https://plc.pearson.com/en-GB/corporate-policies .
Employee Recruitment, Inclusion & Performance	Employee engagement as a percentage	TC-IM-330a.2	Pearson's Non-financial KPIs, Investing in Talent: pages 24-26
Employee Recruitment, Inclusion & Performance	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	TC-IM-330a.3	ESG Performance Data: pages 232-233
Environmental Footprint of Hardware Infrastructure	1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress)	TC-IM-130a.2	ESG Performance Data: page 231

Global Reporting Initiative (GRI)

Indicator	Description	Ar 2020	Ar 2021	Additional notes
GRI 101 and 102: General disclosures				
Organisational profile				
GRI 102-1	Name of the organisation	Page 1	Page 1	
GRI 102-2	Activities, brands, products, and services	Pages 2-3, pages 16-20	Pages 2-3; pages 20-21	
GRI 102-3	Location of headquarters	Page 143	Page 152	
GRI 102-4	Location of operations	Page 2; pages 206-209	Pages 218-219	
GRI 102-5	Ownership and legal form	Page 188	Pages 132-135	
GRI 102-6	Markets served	Pages 150-152; pages 206-209	Page 3; page 14; pages 160-161	
GRI 102-7	Scale of the organisation	Page 1; pages 2-5; pages 16-20; page 137; pages 150-152	Page 3; pages 160-161; page 169	
GRI 102-8	Information on employees and other workers	Page 13; page 28; pages 49-51; page 159	Page 169	
GRI 102-9	Supply chain	Page 29; pages 51-53	Pages 16-18; pages 40-54; page 124	
GRI 102-10	Significant changes to the organisation and its supply chain	Page 3; pages 18-25	Page 2; pages 6-9; pages 10-12	
GRI 102-11	Precautionary Principle or approach	Pages 46-47	Pages 52-53	
GRI 102-12	External initiatives	Page 55	Page 43	
GRI 102-13	Membership of associations	Page 55	Page 43; pages 40-54	
Strategy				
GRI 102-14	Statement from senior decision-maker	Page 1	Pages 6-9; pages 10-12 Page 4; pages 20-21; pages 40-54; pages 70-72	
GRI 102-15	Key impacts, risks, and opportunities	Pages 56-64		
Ethics and integrity				
GRI 102-16	Values, principles, standards, and norms of behavior	Page 13; pages 74-75; page 77	Page 1; pages 4-5; pages 40-54	Company policies are posted on the sustainability section of our website (https://plc.pearson.com/en-GB/corporate-policies).
GRI 102-17	Mechanisms for advice and concerns about ethics	Page 53	Page 43	Concerns can be raised on www.PearsonEthics.com
Governance				
GRI 102-18	Governance structure	Pages 66-102	Pages 76-81	
GRI 102-22	Composition of the highest governance body and its committees	Page 69-77	Pages 76-81	
GRI 102-23	Chair of the highest governance body	Page 66-69	Page 76	
GRI 102-25	Conflicts of interest	Page 74	Page 77	
GRI 102-26	Role of highest governance body in setting purpose, values, and strategy	Page 67; pages 74-75; pages 88-89	Pages 74-75; pages 82-85	
GRI 102-29	Identifying and managing economic, environmental, and social impacts	Pages 88-89	Pages 98-100	
GRI 102-32	Highest governance body's role in sustainability reporting	Pages 88-89	Pages 98-100	The Board's Reputation & Responsibility committee reviews the sustainability content in the Annual Report.

ESG Performance Data *continued*

Indicator	Description	Ar 2020	Ar 2021	Additional notes
Stakeholder engagement				
GRI 102-40	List of stakeholder groups	Pages 27-29	Pages 16-19	Pearson supports freedom of association and collective bargaining. Please see our Code of Conduct, Business Partner, Code of Conduct and Human Rights Statement on our policies pages https://plc.pearson.com/en-GB/corporate-policies .
GRI 102-41	Collective bargaining agreements	Page 49		
GRI 102-42	Identifying and selecting stakeholders	Pages 27-29	Pages 16-19	
GRI 102-43	Approach to stakeholder engagement	Pages 27-29	Pages 16-19	
GRI 102-44	Key topics and concerns raised	Pages 27-29	Pages 16-19	
Reporting practices				
GRI 102-45	Entities included in the consolidated financial statements	Pages 128-136; pages 150-152	Pages 218-219	
GRI 102-46	Defining report content and topic boundaries		Pages 40-43	
GRI 102-47	List of material topics		Pages 40-43	
GRI 102-48	Restatements of information		Page 53	Rebaselining of Emissions data
GRI 102-49	Changes in reporting			No changes
GRI 102-50	Reporting period			1 Jan 2021 – 31 Dec 2021
GRI 102-51	Date of most recent report			18 March 2021
GRI 102-52	Reporting cycle			Annual
GRI 102-53	Contact point for questions regarding the report			sustainability@pearson.com
GRI 102-54	Claims of reporting in accordance with the GRI Standards			This report has been prepared in accordance with the GRI Standards: Core option
GRI 102-55	GRI content index		Pages 237-241	
GRI 102-56	External assurance			See our external assurance statement at: https://www.pearson.com/corporate/sustainability/reporting-policies/reports-benchmarks.html
GRI 200: Economic disclosures				
GRI 201: Economic performance				
GRI 103-1	Explanation of the material topic and its Boundaries		Pages 14-27	
GRI 103-2	The management approach and its components	Pages 14-25	Pages 14-27	
GRI 103-3	Evaluation of the management approach	Pages 14-25	Pages 14-27	
GRI 201-1	Direct economic value generated and distributed	Pages 4-5	Pages 14-27	
GRI 201-2	Financial implications and other risks and opportunities due to climate change	Pages 14-25	Pages 14-27	
GRI 201-2	Financial implications and other risks and opportunities due to climate change	Pages 31-39	Pages 14-27	
GRI 201-2	Financial implications and other risks and opportunities due to climate change	Pages 46-47	Pages 70-72	
GRI 203: Indirect economic impacts				
GRI 103-1	Explanation of the material topic and its Boundaries	Pages 40-45	Pages 40-54	
GRI 103-2	The management approach and its components	Pages 40-45	Pages 40-54	
GRI 103-3	Evaluation of the management approach	Pages 40-45	Pages 40-54	

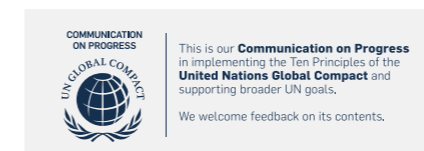
Indicator	Description	Ar 2020	Ar 2021	Additional notes
GRI 300: Environmental disclosures				
GRI 302: Energy				
GRI 103-1	Explanation of the material topic and its Boundaries	Pages 46-47	Pages 40-45; pages 52-54	
GRI 103-2	The management approach and its components	Pages 46-47	Pages 40-45; pages 52-54	
GRI 103-3	Evaluation of the management approach	Pages 46-47	Pages 40-45; pages 52-54	
GRI 302-1	Energy consumption within the organisation	Pages 46-47	Page 231	
GRI 302-3	Energy intensity	Pages 46-47	Page 231	
GRI 302-4	Reduction of energy consumption	Pages 46-47	Page 231	
GRI 305: Emissions				
GRI 103-1	Explanation of the material topic and its Boundaries	Pages 46-47	Pages 40-45; pages 52-54	
GRI 103-2	The management approach and its components	Pages 46-47	Pages 40-45; pages 52-54	
GRI 103-3	Evaluation of the management approach	Pages 46-47	Pages 40-45; pages 52-54	
GRI 305-1	Direct (Scope 1) GHG emissions	Pages 46-47	Pages 53; pages 231-232	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Pages 46-47	Pages 53; pages 231-232	
GRI 305-3	Other indirect (Scope 3) GHG emissions	Pages 46-47	Pages 53; pages 231-232	
GRI 305-4	GHG emission intensity	Pages 46-47	Pages 53; pages 231-232	
GRI 305-5	Reduction of GHG emissions	Pages 46-47	Pages 24-26; page 53; pages 231-232	
GRI 400: Social disclosures				
GRI 401: Employment				
GRI 103-1	Explanation of the material topic and its Boundaries	Page 27; pages 49-50; page 60	Pages 4-5; pages 40-43; pages 48-51	
GRI 103-2	The management approach and its components	Page 27; pages 49-50; page 60	Pages 4-5; pages 40-43; pages 48-51	
GRI 103-3	Evaluation of the management approach	Page 27; pages 49-50; page 60	Pages 40-45; pages 52-54	
GRI 401-1	New employee hires and employee turnover		Pages 233-234	
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 49	Pages 234-235	
GRI 403: Occupational health and safety				
GRI 103-1	Explanation of the material topic and its Boundaries	Page 61	Pages 4-5; pages 40-43; pages 48-51	
GRI 103-2	The management approach and its components	Page 61	Pages 4-5; pages 40-43; pages 48-51	
GRI 103-3	Evaluation of the management approach	Page 61	Pages 4-5; pages 40-43; pages 48-51	
GRI 403-2	Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities		Page 235	

ESG Performance Data *continued*

Indicator	Description	Ar 2020	Ar 2021	Additional notes
GRI 404: Training and education				
GRI 103-1	Explanation of the material topic and its Boundaries	Page 46; page 49; page 60	Pages 4-5; pages 40-43; pages 48-51	
GRI 103-2	The management approach and its components	Page 46; page 49; page 60	Pages 4-5; pages 40-43; pages 48-51	
GRI 103-3	Evaluation of the management approach	Page 46; page 49; page 60	Pages 4-5; pages 40-43; pages 48-51	
				We do not currently report the average hours of training per year per employee. We introduced non-financial KPIs for the business including indicators for investing in talent. Our non-financial KPIs in this area include: percentage of employees reskilling or upskilling and Employee NPS.
GRI 404-1	Average hours of training per year per employee		Pages 24-26	
GRI 404-2	Programs for upgrading employee skills and transition assistance programs		Pages 4-5; pages 40-43; pages 48-51	
GRI 405: Diversity and equal opportunity				
GRI 103-1	Explanation of the material topic and its Boundaries	Page 50	Pages 4-5; pages 40-43; pages 48-51	
GRI 103-2	The management approach and its components	Page 50	Pages 4-5; pages 40-43; pages 48-51	
GRI 103-3	Evaluation of the management approach	Page 50	Pages 4-5; pages 40-43; pages 48-51	
GRI 405-1	Diversity of governance bodies and employees	Page 5; page 50	Pages 232-233	
				We report on significant locations of operations in the UK, for information see: https://plc.pearson.com/sites/pearson-corp/files/pearson/pearson-gpg-2020-aw-260321.pdf
GRI 405-2	Ratio of basic salary and remuneration of women to men	Page 5	Page 119; page 232	
GRI 418: Customer privacy				
GRI 103-1	Explanation of the material topic and its Boundaries	Page 62	Pages 60-69; pages 73-111	
GRI 103-2	The management approach and its components	Page 62	Pages 60-69; pages 73-111	
GRI 103-3	Evaluation of the management approach	Page 62	Pages 60-69; pages 73-111	

UN Global Compact and UN Sustainable Development Goals (SDGs)

We have applied relevant international reporting standards and frameworks, including the UN Global Compact (UNGC) Ten Principles, and the UN Sustainable Development Goals (SDGs). This year, we are participating in the Early Adopter Programme of the UNGC Communication on Progress (CoP). Our enhanced CoP will be available in the UNGC digital platform in 2022.

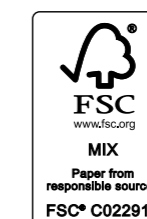


Reliance on this document

The intention of this document is to provide information to shareholders and is not designed to be relied upon by any other party or for any other purpose.

Forward-looking statements

This document includes forward-looking statements concerning Pearson's financial condition, business and operations and its strategy, plans and objectives. In particular, all statements that express forecasts, expectations and projections, including trends in results of operations, margins, growth rates, overall market trends, the impact of interest or exchange rates, the availability of financing, anticipated cost savings and synergies and the execution of Pearson's strategy, are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may occur in the future. They are based on numerous expectations, assumptions and beliefs regarding Pearson's present and future business strategies and the environment in which it will operate in the future. There are various factors which could cause Pearson's actual financial condition, results and development to differ materially from the plans, goals, objectives and expectations expressed or implied by these forward-looking statements, many of which are outside Pearson's control. These include international, national and local conditions, as well as the impact of competition. They also include other risks detailed from time to time in Pearson's publicly-filed documents and, in particular, the risk factors set out in this document, which you are advised to read. Any forward-looking statements speak only as of the date they are made and, except as required by law, Pearson gives no undertaking to update any forward-looking statements in this document whether as a result of new information, future developments, changes in its expectations or otherwise. Readers are cautioned not to place undue reliance on such forward-looking statements.



Designed and produced by Black Sun Plc.

This Report is printed on Edixion Offset which has been independently certified according to the rules of the Forest Stewardship Council® (FSC®).

Printed in the UK by Pureprint, a CarbonNeutral® company.

Both manufacturing paper mill and the printer are registered to the Environmental Management System ISO 14001:2004 and are Forest Stewardship Council® (FSC) chain-of-custody certified.