

Independent Assurance of Pearson's 2021 GHG Emissions Data

ISAE 3000 (2020) Statement

March 2022

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The nature of the assurance

This is a report by Corporate Citizenship for the management of Pearson.

Corporate Citizenship has undertaken an independent limited assurance of Pearson's 2021 GHG Emissions Data against the WRI/WBCSD Greenhouse Gas Protocol, 2015 revised edition, as described below:

Scope	Source	Unit	2018	2019	2020	2021
Scope 1 GHG emissions	Combustion of fuel and operation of facilities	Metric tons CO ₂ e	12,209	12,500	6,534	8,396
Scope 2 GHG emissions (location-based)	Purchased electricity	Metric tons CO ₂ e	41,586	38,298	28,385	23,333
Scope 2 GHG emissions (market-based)	Purchased electricity	Metric tons CO ₂ e	4,583	418	529	440

Scope 3 Emissions:

Scope 3 category	Unit	2018	2019	2020	2021
1. Purchase goods and services	Metric tons CO ₂ e	287,578	291,410	224,937	230,477
2. Capital Goods	Emissions from capital goods are included in the total for purchased goods and services.				
3. Fuel and energy related activities	Metric tons CO ₂ e	8,631	10,539	7,176	8,518
4. Upstream transportation and distribution	Metric tons CO ₂ e	12,926	11,573	10,153	10,388
5. Waste generated in operations	Metric tons CO ₂ e	390	258	0	378
6. Business Travel	Metric tons CO ₂ e	16,399	14,414	5,241	2,553
7. Employee commuting ¹	Metric tons CO ₂ e	25,509	27,362	24,987	17,325
8. Upstream leased assets	Not relevant				

9. Downstream transportation and distribution	Metric tons CO ₂ e	12,926	11,573	10,153	10,388
10. Processing of sold products	Not relevant				
11. Use of sold products	Metric tons CO ₂ e	8,671	8,638	8,613	10,020
12. End-of-life treatment of sold products	Metric tons CO ₂ e	18,265	16,999	10,182	7,961
13. Downstream leased assets	Metric tons CO ₂ e	14,825	14,825	9,588	9,517
14. Franchises	Metric tons CO ₂ e	4,044	2,730	2,707	1,343
15. Investments	Not relevant				

Total **Metric tons CO₂e** **410,164** **410,322** **313,738** **308,867**

In addition, we have also undertaken a limited assurance of the following energy consumption data against the UK government environmental reporting guidelines: Including streamlined energy and carbon reporting guidance (2019):

Source	Unit	Quantity
Natural Gas	kWh	23,984,751
Fuel Oil & Other Fuels	kWh	48,233
Vehicle Derived Energy	kWh	10,436,952
Electricity	kWh	57,914,527

The assurance covers the period from 01/01/2021 to 31/12/2021. Whilst the assurance period for the restatements of Scope 1, 2 and 3 emissions for 2018, 2019 & 2020 covers the period January to December of the respective years.

Pearson is entirely and solely responsible for the production and publication of the data assured, and Corporate Citizenship for its assurance. The data relates to Pearson's owned and leased facilities under its operational control across all geographies.

GHG quantification is subject to inherent uncertainty due to factors such as incomplete scientific knowledge about the global warming potential of different GHGs and uncertainty around the models and parameters used in estimating GHG emissions.

This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (2020) (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and the relevant subject-

matter specific ISAE for GHG data (ISAE 3410, Assurance Engagements on Greenhouse Gas Statements).

The carbon emissions data has been prepared using the WRI / WBCSD Greenhouse Gas Protocol, 2015 revised edition, and the appropriate GHG conversion factors for company reporting as published by UK Department for Business, Energy & Industrial Strategy (BEIS) and the International Energy Agency (IEA), along with regionally published emissions factors. For Scope 2 dual reporting, both supplier-specific emissions factors & residual mix factors have been used where available.

Corporate Citizenship has complied with the requirements for independence, professional ethics and quality control as stipulated by ISAE 3000 (2020).

Assurance work performed

The assurance work was undertaken from November 2021 to March 2022. Detailed records were kept of meetings and correspondence relating to the assurance. A team of three, led by a Senior Environmental Consultant, undertook the assurance with a Director acting in a supervisory capacity.

The assurance engagement was undertaken to a **limited level**, and involved the following activities:

1. In-depth management interviews with key persons at Pearson in order to understand Pearson's processes for management, reporting and performance improvement in each of the assured areas;
2. A review of underlying data sources and substantiating evidence to support this year's reporting, to assess robustness of monitoring and reporting systems;
3. A review of the activity data for energy (process, building and company vehicles), travel, water and waste;
4. A review of the tools, methodologies and estimations techniques behind the calculation of the Scope 3 footprint, including alignment to the GHG Protocol Scope 3 guidance;
5. A review of year-on-year performance trends to identify any significant changes in operational eco-efficiency and investigate the reasons behind these trends;
6. A review of the calculation methodologies behind Pearson's re-baselining process including a review of disposals and acquisitions in the reporting year.
7. A review of GHG calculations for accuracy and consistency with best practice guidelines;

8. A review of the calculation methodologies behind Pearson's market-based Scope 2 emissions, including evidence of renewable electricity purchases;
9. A review of data consolidation & aggregation;
10. A review of group reporting to check for errors or omissions in data analysis, consistency with underlying data sets and reasonableness of reporting. This was examined against the Global Reporting Initiative's Principles for Determining Report Quality, namely: balance, comparability, accuracy, timeliness, clarity, and reliability of reporting

Our experience and independence

Corporate Citizenship is a specialist management consultancy, advising corporations that seek to improve their economic, social and environmental performance around the world and is a leading assessor of corporate responsibility and sustainability reports.

We have assured Pearson's GHG emissions data since 2014. During the Year reporting period our work with Pearson focused exclusively on assurance.

Conclusion

Based on the scope of work and assurance procedures performed, nothing has come to our attention that causes us to believe that the GHG Emissions & Energy data described above is not prepared, in all material respects, in accordance with the GRI Principles for Defining Report Quality, the WRI / WBCSD Greenhouse Gas Protocol, 2015 revised edition. We note that the GHG accounting also complies with UK government environmental reporting guidelines: Including streamlined energy and carbon reporting guidance (2019).

Corporate Citizenship Limited

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2nd March 2022

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