

## ENVIRONMENTAL POLICY

We have a responsibility as a company to take proper care of the environment. This forms an essential part of how we run our business and reflects our support for the principle of sustainable development.

We are committed to managing our activities that impact the environment and the following policy guidelines show the principal commitments we have set for ourselves:

### Standards

- As a minimum, we comply with the relevant environmental laws and regulations applicable in each country in which we operate.
- We work with regulatory agencies, advisers, auditors and other interested parties as necessary in the implementation of effective environmental policies. Where no regulations exist, we set our own guidelines.
- We take account of environmental responsibility as a factor in our business decision making.
- We maintain an environmental management system, review impacts, set targets and report on performance.

### Carbon management

- We have made a strategic commitment to be a climate neutral company for those aspects under our direct control. As part of this commitment we invest in carbon management including a consideration of our environmental impact as an integral element of investment decision-making. Carbon abatement is a priority for us.
- We consider opportunities for direct investment in renewable energy production at our sites and sourcing green energy options.
- We monitor the energy and water used in our office buildings, call centres and distribution centres and set realistic targets to manage their use, wherever we operate.
- We monitor our business travel and offer alternatives such as teleconferencing and videoconferencing.

### Resource use

- We adopt effective procedures to minimise waste production and to promote the recycling of unused product and packaging.
- We expect our suppliers to work with us in meeting our environmental objectives. For our key suppliers of goods and services, environmental requirements are an integral part of new contracts and contract reviews.

**Strategic responsibility for governance and communication**

- Our policy sits with our Environment Executive Committee comprising senior executives and chaired by a board director.
- A senior executive, Peter Hughes, has the responsibility for ensuring that our environmental principles are followed and we progress towards the targets we set ourselves.
- Each of our operating companies has nominated one or more senior people to take responsibility for implementing our policy in those businesses. An annual report on our progress is reviewed by members of the board.
- Our environmental policy and our annual environmental report are available to everyone in Pearson through our website. We actively encourage people to participate and contribute to the development of environmental initiatives as they affect our business.
- We will review this policy annually.

**Robin Freestone**  
**Chief financial officer**  
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