

John Ridding, First  
Financial Times Limited  
September 2011  
Exhibits: JR1- JR3

IN THE MATTER OF AN INQUIRY UNDER THE INQUIRIES ACT 2005  
INTO THE CULTURE, PRACTICES AND ETHICS OF THE PRESS

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**EXHIBITS JR1- JR3**

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Attached are Exhibits marked "JR1" – "JR3" referred to in the First Witness Statement of John Ridding dated 15 September 2011.

Signed .....  
John Ridding



..... Dated...15/09/2011.....



[Questionnaire](#)

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## Code of Conduct

### Pearson

#### Code of Conduct

**This Code outlines the principles we follow in our work in Pearson. If you work with us, you must comply with it and must renew your promise to comply with it every year to remind yourself how important it is to us.**

#### 1. People

- We believe our company should include a range of people from different backgrounds and different points of view. So when we hire someone to come to work in Pearson, we choose the best candidate without regard for gender, age, race, national origin, religion, disability or sexual orientation. We apply that same standard when choosing suppliers, partners and anyone else we do business with.
- People working with us can expect adequate pay for doing their job and special rewards for extraordinary work. They can also expect training; feedback; a safe, amenable place to work with freedom from bullying, harassment or favouritism and respect for their privacy, dignity and life outside work.
- We do our best to communicate honestly and openly with everyone who has an interest in our company, including colleagues, suppliers, customers and shareholders.

#### 2. The company

- We aim to avoid conflicts between the company's interests and our own, individual interests.
- In our personal capacities, we don't compete with any activity or business of the company, directly or indirectly, or use the knowledge gained here to help anyone else compete with the company.
- We don't make personal investments that might affect our business judgment. For instance, we don't have personal interests in companies that compete with or do business with Pearson unless we have disclosed this interest to Pearson's board or management and they have approved it. (This doesn't include owning small amounts of stock in publicly-traded companies.)
- We don't do business on behalf of Pearson with a company from which we or a member of our family may benefit.
- We don't work with suppliers or any third parties in ways that might affect our performance or our judgment about Pearson's business.
- We treat company property as if it were our own, but we remember it's not. We make sure it's taken care of and that it is not used for personal purposes except in special, authorized circumstances.
- We're very careful with company plans and information we get to know in the course of our work, and we don't disclose that kind of material to people outside or inside the company unless it's necessary and we're authorised to do so.
- When we receive a press inquiry about the company's business, we refer it to the communications department. We do not ever respond ourselves unless asked to by the communications department.
- We take scrupulous care to maintain books and records that fairly reflect our business transactions as they occur. We don't conceal or confuse our records in any way. We don't make false or misleading entries. We follow all our control and financial policies.

#### 3. Suppliers, associates and other partners

- We view our suppliers as partners, and we expect them to make a fair return when they do business with us. We try to treat them equally, based on objective criteria such as price and quality and on intangible criteria such as their integrity and reliability.
- We don't accept gifts or gratuities from current or would-be

suppliers or other parties interested in doing business with us or having our favour for personal or commercial reasons. Likewise, we do not ever give money or gifts to gain influence for ourselves or for Pearson. Gifts or entertainment of small value may be given or accepted in circumstances where they can be reciprocated and where they don't compromise us or the company.

- We respect all patents, trademarks, copyrights, proprietary information or trade secrets, as well as the confidentiality of anyone with whom we do business.

#### 4. Customers

- The most important thing we can do for our customers is to offer products and services that are consistently superior.
- When customers ask questions or make requests or complaints, we start with the presumption that whatever they say is correct. Our response is always quick, generous, friendly, and it resolves the situation. We never blame problems on the customer or someone else, and we always keep our sense of humour.
- When we advertise or solicit business, we are truthful in every detail.

#### 5. Governments and laws

- We comply with the laws and regulations of any country in which we do business, and we don't seek or give influence in exchange for promises, gifts or any other inducements, no matter what the local business practice may be.
- We comply with securities laws and don't trade in Pearson's shares or shares of other quoted companies controlled by Pearson except during declared open periods. We never use company information that hasn't been made public for our own or others' benefit.
- Our company is not partisan. We do make donations to a range of education or free-speech-related causes, but we do not make any donations that are considered large enough to be material to the individual or organization involved. We don't make any donations without first referring them to our government relations office to ensure that they conform to these principles.
- We always try to compete fairly and honestly, observing all applicable anti-trust and competition laws.

#### 6. Our responsibility to society

- Much of our business involves keeping faith with the public: as an education publisher and service provider with a responsibility to serve the purpose of learning; as a newspaper and information publisher dedicated to giving an unbiased account of events; as a company that protects the editorial independence of authors and editors everywhere. This public trust partly defines our company, and we will uphold it at all costs.
- We try to give both time and money to the communities of interest in which we do business through our charities and sponsorship donations and through encouraging and enabling colleagues to volunteer their time to causes they support.
- We oppose illegal or inhumane labour practices and expect our partners and suppliers to do the same.
- We support universal human rights, including equal employment, safe workplaces, freedom of speech and of association, cultural, economic and social well-being.
- We try to make it integral to our business decisions to operate in a way that is sensitive to the environment and to minimize the impact of our products on the environment.
- We expect our suppliers and associates to adhere to these legal and social responsibilities in order to do business with us.

#### SPREADING THE WORD ABOUT THE PEARSON CODE OF CONDUCT

***When you become part of Pearson, you become responsible for complying with our Code of Conduct. We're very serious about that responsibility, because doing things that violate that Code not only hurts people, it also damages the reputation of Pearson and of our business. In that way, it affects us all.***

***Because it's so important, we want to make sure everyone has access to, understands, and follows the Code. We do that in the following ways:***

### **1. Making sure the Code is widely understood**

- Once a year, everyone working for Pearson will get a copy, either electronically or on paper. You should read it (once again) and let the Pearson CEO know that you have read it and understood it and that you believe you comply with it (if you do).
- The Code will be included in the information we give every new employee. It will always be available on the Pearson intranet ([www.pearson.to/pearson.com](http://www.pearson.to/pearson.com)) and website ([www.pearson.com](http://www.pearson.com)), as well as on the websites of each of our businesses.
- All senior managers will discuss the Code in their businesses and report back to the Pearson CEO how they've done that and that all have read, understood and complied with it.
- If there is anything about any of these principles you don't understand; if you can't figure out how to apply them; or if you just want further guidance, ask one of the following people for help:
  - Your direct manager
  - Your operating company's People Department director (formerly 'human resources')
  - Group Legal Counsel, ([robert.dancy@pearsoned.com](mailto:robert.dancy@pearsoned.com), +1-201-236-3427) or Group Internal Audit ([susan.rudolph@pearson.com](mailto:susan.rudolph@pearson.com), +1-212 641 2406)
  - Of course, you can always contact Pearson's CEO ([marjorie.scardino@pearson.com](mailto:marjorie.scardino@pearson.com))
- An interactive, 30 minute on-line training module is available through the Pearson People Development website ([www.peopledevelopmenttraining.com](http://www.peopledevelopmenttraining.com)) that reviews our Code and explains how you can apply the Code in your day-to-day responsibilities.
- We will see that all our major suppliers also receive a copy of this Code and that they understand it. Our legal department and Internal Auditors will try to ensure that our agreements with them include this Code and comply with it.

### **2. Making sure we comply with the Code**

- If you think someone is acting in a way that isn't in keeping with the Code, you should report it to your manager or to any of the Pearson people listed above.
- If you feel uncomfortable doing that, we have a free, confidential telephone line/website you can use. Please click the following URL to access this service: [www.PearsonEthics.com](http://www.PearsonEthics.com). (When you make a report, you can remain anonymous, but if you want to include your name and details that may be helpful. It's your choice.)
- The Pearson Group Legal Counsel and the Head of Group Internal Audit have access to reports made on the confidential telephone line/website and are jointly responsible for following up on all reported incidents. All reports of violations to the Code will be investigated, using whatever internal or external resources needed. But these investigations will always be completely confidential and the results reported to the senior manager of your business, unless you request they not be, and to the Pearson CEO and the Pearson board of directors if appropriate.
- No action will be taken against any employee reporting actual or suspected wrong doing. No one's opportunity for promotion, pay increases or any of the other benefits that the company provides will be restricted in any way because they have reported an actual or potential breach.
- With this pledge of impunity comes responsibility. It is a serious matter to accuse someone of unethical conduct. This right and obligation should not be used for personal reasons or undertaken without good evidence.
- If, in trying to comply with the request to say you've understood the Code, you have worries or need help, you indicate that in your response and it will be followed up. Our Director for People will monitor all these and make sure they allow us to be confident that we've all embraced this Code as our way of doing business.

#### **Contact Information:**

Pearson CEO -

Director for People - [Redacted]  
Group Internal Audit - [Redacted]  
Legal - [Redacted]  
Government Relations - [Redacted]  
Communications - [Redacted]

Now that you have read the Code of Conduct, [click here to complete the questionnaire.](#)