

## RESPONSIBLE SUPPLIER CHARTER

The Hachette UK Group (**HACHETTE UK**), is part of the Lagardère group, a signatory of the UN Global Compact, pursuant to which companies are asked to “*embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption*”.

Accordingly, in the belief that respect for these universal values is of fundamental importance, HACHETTE UK requires its suppliers and indirectly their partners, subcontractors and any person(s) acting on its behalf in connection with the supply of products and services to Hachette UK to comply with these principles and generally to conduct their activities in a manner contributing to the broader objective of sustainable development from a social, environmental and economic perspective.

HACHETTE UK reserves the right to work in priority with businesses that have opted for transparency and compliance with the values stated in this Charter, irrespective of the applicable local law.

### 1. SOCIAL VALUES

The Supplier undertakes to comply strictly with the core principles outlined below and guarantees that its own employees and representatives will abide by them.

#### **A. Child and youth labour**

Not to use child labour in the manufacture of products or the provision of services to HACHETTE UK and to promote the ban and work towards the elimination of the worst forms of child labour. (ii) Child labour, which is regarded as a form of exploitation, should not be confused with the employment of young people or students. The term “child” refers to boys and girls below the minimum legal working age (which varies according to the type of work and the country) and/or the age from which schooling ceases to be compulsory. In principle, the minimum age of admission to employment or work should not be less than 15 years. For “hazardous” tasks, the minimum age is set at 18 years, irrespective of the country.

#### **B. Forced and compulsory labour**

- (i) To employ only persons whose presence is voluntary and refuse to accept any form of slavery, servitude, forced or compulsory labour debt bondage or similar practice as well as any use of (physical or psychological) violence, threats or corporal punishment, etc.

- (ii) Not to directly or indirectly engage in or support human trafficking. This includes the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation.
- (iii) To have in place its own anti-slavery and human trafficking policies and procedures and will enforce them where appropriate.
- (iv) To implement due diligence procedures for its own suppliers including without limitation subcontractors and other participants in its supply chains, to ensure that there is no slavery or human trafficking in its supply chains. On written request, the Supplier shall prepare and deliver to HACHETTE UK, a slavery and human trafficking report setting out the steps it has taken to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its business, along with a description of its relevant supply chains.
- (v) To (a) maintain a complete set of records to trace the supply chain of all goods or services provided to HACHETTE UK; and (b) implement appropriate supplier and subcontractor audits to monitor compliance with its anti-slavery and human trafficking policies and procedures.
- (vi) The Supplier undertakes that: (a) it has taken all reasonable steps to ensure that slavery and human trafficking is not taking place in any of its existing supply chains, and in any part of its own business; and (b) neither the Supplier nor any of its officers, employees, subcontractors, or other persons associated with it :
  - has been convicted of any offence involving slavery or human trafficking; and
  - to the best of its knowledge has been or is the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence of or in connection with slavery and human trafficking.
- (vii) Not to require employees to pay recruitment costs or fees, or lodge financial deposits or identity documents to secure or retain employment. Recruitment fees include:
  - Payments for recruitment services offered by labour recruiters;

- Payments made in the case of recruitment of workers for third parties;
  - Payments made in case of direct recruitment by the employer;
  - Related costs of recruitment, referral and placement within or across national borders, such as but not limited to: medical costs, insurance costs, costs for skills and qualification tests, costs for training and orientation, equipment costs, travel and lodging costs, and administrative costs.
- (viii) Not to recover recruitment costs from employees, such as foreign worker levies, even where this is allowed by local laws. If any such activity is discovered, the Supplier will immediately reimburse the employee.
- (ix) To only work with agents and sub-agents that do not require workers to pay any form of recruitment fees as defined above. The Supplier will ensure they are conducting due diligence on their recruitment agents. If any fees are found to have been paid by workers, the Supplier will immediately reimburse all workers involved.
- (x) Not prevent free movement of employees to and from the site or to and from their accommodation unless this will compromise their safety or the safety of other workers. Employees' movements will not be controlled by security guards, e.g. being followed during breaks.

### **C. Working time**

- (i) Not to require any employee to work for more hours than as specified under local laws on working hours or 48 regular hours per week (as stipulated by the ILO) (whichever gives the employee the greatest protection).
- (ii) All overtime must be worked solely on a voluntary basis, and comply with (whichever gives the employee the greatest protection) local laws on overtime or must not exceed 12 hours per week. In any event, all overtime hours must be compensated at a rate above the normal rate.
- (iii) All employees must have at least one day off in every 6-day period.

#### **D. Wages and benefits**

- (i) To provide living wages to its employees, i.e. sufficient to cover their essential needs and those of their families (where there is no legislation applicable in this respect).
- (ii) To not withhold payments of wages to workers as a disciplinary measure. If payments are withheld as required under local laws this should only happen with the consent of the employee and where the deduction is reasonable and will not lead to wages payable beneath the living wage.
- (iii) To contribute to all statutory social security and welfare funds to which employers and/or employees are required by applicable laws to contribute, including medical insurance, industrial injury insurance, pension, housing and unemployment funds, as well as contribute to these funds on behalf of all employees in accordance with all relevant laws and regulations.
- (iv) To provide mandated benefits to all employees as required by local law and terms of employment, including annual leave, sick and maternity leave, social security and child care.

#### **E. Temporary and Agency Workers**

Temporary workers, sometimes referred to as contract labour, are those employed on short-term contracts. Sometimes those temporary workers are employed via agency labour providers.

- (i) To comply with local laws relating to the use of temporary workers and/or workers employed via agency labour providers. The Supplier shall not use these employment arrangements to avoid legal obligations to regularly employed workers.
- (ii) To have a clear written agreement with any labour provider and to conduct due diligence to ensure that all the commitments in this Charter are applied to all workers that they employ via those agency labour providers.

#### **F. Migrant Workers**

- (i) For any migrant workers employed overseas, the Supplier has a duty to inform them of the basic terms of their employment before they travel. The Supplier will ensure that migrant workers have the legal eligibility to work in the countries, regions and for the employers/clients they are deployed to, and in the job role they are hired for.

- (ii) The Supplier will ensure equality of opportunity and treatment in respect of employment and occupation, social security, trade union and cultural rights, and individual and collective freedoms for migrant workers.

#### **G. Equal opportunities**

- (i) Not to discriminate negatively against employees in any way whatsoever in terms of employment, promotion, profession, hiring, compensation or other on grounds such as race, colour, gender, religion, political opinion, sexual orientation, ethnic or national origin, social origin or on any other basis.
- (ii) To treat their employees with respect and dignity.

#### **H. Discipline**

- (i) To not tolerate an intimidating workplace. This includes not threatening to execute or executing any form of physical, psychological, sexual or verbal abuse, or any other form of intimidation against employees.
- (ii) To establish a fair disciplinary procedure for tackling intimidating practices where identified. The Supplier will communicate this procedure to employees in a clear and understandable way.
- (iii) To uphold the right for employees to have a trade union or other appropriate representation at a disciplinary hearing, where the outcome could lead to significant penalties or dismissal.
- (iv) To ensure disciplinary procedures are clearly documented and explained to employees, with accurate records kept of all disciplinary actions.

#### **I. Worker Grievance Mechanism**

- (i) To provide an anonymous complaint mechanism for employees including indirectly employed workers to report workplace grievances.
- (ii) To ensure any workplace grievances raised by employees remain confidential, that employees' rights to raise grievances are protected and that no ill effects will arise as a result of whistleblowing to the employee in question.

## **J. Health and safety**

- (i) To ensure that buildings, workplaces, machinery, equipment and work processes, as well as chemical, physical and biological substances and agents subject to control do not represent any threat to the hygiene, health and safety of employees. Likewise, if needed, protective clothing and appropriate protective equipment must be provided to prevent the risks of accidents or effects harmful to health.
- (ii) To provide adequate safeguards against fire, and must ensure the safety, strength and stability of buildings and equipment.
- (iii) To ensure that the same standards of hygiene, health and safety are applied in housing made available to its employees.  
To provide access to adequate medical facilities and first aid by a suitably trained person.
- (iv) To conduct regular occupational health checks for all staff as appropriate and in particular for those exposed to potentially harmful processes or substances.
- (v) To provide relevant information, instruction, and regular training for all employees, to ensure health and safety onsite and to raise awareness of potential risks, including training in the safe use of equipment. The Supplier shall run regular evacuation drills and communicate emergency and evacuation procedures to workers in a language that the workers understand.

## **K. Freedom of Association/Collective Bargaining**

- (i) To comply with employees' legal right to form unions and/or organisations representing their choices and/or to sign up to these and comply with employees' legal right to give these unions/organisations a mandate to represent them in collective bargaining, which must take place in a constructive manner.
- (ii) HACHETTE UK strongly encourages its suppliers to embark on a labour certification process and recommends referring, pending the introduction of an ISO norm, to the following certifications or reference frameworks:
  - SA 8000 (social accountability)
  - OHSAS 18001 (working conditions, health and safety)
  - ILO-OSH 2001 (occupational safety and health management system)

## 2. ENVIRONMENTAL VALUES

The Supplier must under the laws, regulations and administrative practices in force in the countries in which it operates and in accordance with the relevant agreements, principles, objectives and international standards take account of the need to protect the environment and the health and safety of the public.

In particular, the Supplier undertakes in the following areas:

### **A. Authorisations, licences and certificates**

To obtain and retain the authorisations, licences and/or certificates of any kind enabling it to operate at all times in accordance with the applicable regulations and upon request, provide them to HACHETTE UK

### **B. Use of natural resources and raw materials and waste management**

To use natural resources efficiently and to strive, wherever possible, to take into account the entire life cycle of the product or service at the design stage (reduce packaging and overpacking, minimise waste, use eco-accredited products, encourage eco-design, think about the recyclability of finished products, etc.).

### **C. Discharges of toxic and hazardous products and greenhouse gas emissions**

Not to use hazardous or toxic products breaching the local regulations, not to spread pollutants or contaminants and in any event to strive to adopt higher standards than merely applying the authorisations and regulations in force.

Likewise, the supplier should curb greenhouse gas emissions caused by the preparation of its products and/or services.

### **D. Hazardous substances: communication and labelling**

Not to supply any product to HACHETTE UK containing radioactive, PBT (persistent, bioaccumulative, toxic), vPvB (very persistent, very bioaccumulative), CMR (carcinogenic, mutagenic or reprotoxic) or SVHC (substances of very high concern) substances, preparations or compounds.

In certain cases permitted by law, the presence of a hazardous substance must be reported in an appropriate document and/or on the product's packaging (e.g. tobacco, alcohol, air care fragrance, adhesive, etc.).

Accordingly, HACHETTE UK strongly encourages its suppliers to embark on an environmental certification process and recommends referring to the ISO 14001 international standard or to the European EMAS system.

### 3. BUSINESS ETHICS

The Supplier undertakes to conduct its business in an ethical and responsible manner and will comply with the following principles:

#### **A. Quality**

To maintain the highest standard of rigour, from design to delivery of its products and in the performance of its services, to comply in all respects with its customers' specifications.

#### **B. Confidentiality**

To take whatever action is needed to ensure that its employees and subcontractors and any person(s) acting on its behalf in connection with the supply of products and services to Hachette UK keep strictly confidential data and sensitive information exchanged with its partners, customers and suppliers.

#### **C. Intellectual property**

To refrain from using any text, document, model or any creation in general inappropriately for business purposes, i.e. without the permission of their authors and/or beneficiaries or without paying the corresponding royalties.

#### **D. Fight against corruption**

- (i) To commit that neither itself, nor, to its knowledge, any person acting on its behalf, has offered, promised or given or will offer, promise or give any payment, gift, promise of gift or any other advantage, either directly or indirectly:
- when such payment, gift, promise or advantage is intended to bring about an improper performance of a relevant function or an activity by another person or to reward such improper performance; or
  - where the Supplier or any person acting on its behalf, knows or believes that the acceptance of such payment, gift, promise or advantage offered, promised or given, in itself constitutes the improper performance of a relevant function or activity.

The functions or activities in question include:

- All functions of a public nature.
- All activities connected with a business (which includes a trade or profession).
- Any activity performed in the course of a person's employment.
- Any activity performed by or on behalf of a body of persons (whether incorporated or unincorporated).



Improper performance means performance or non-performance which breaches an expectation that the functions or activities are carried out in good faith or impartially or the person performing them is in a position of trust.

- (ii) To commit that neither itself, nor, to its knowledge, any person acting on its behalf, has requested, received or accepted or will request, receive or accept any payment, gift, promise of gift or any other advantage, either directly or indirectly and whether the advantage is for the benefit of the Supplier or another person:
- intending that, in consequence, a relevant function or activity should be performed improperly; or
  - the request, agreement or acceptance itself constitutes the improper performance of a relevant function or activity by the Supplier or any person acting on its behalf; or
  - as a reward for the improper performance of a relevant function or activity;
  - where, in anticipation of or in consequence, a relevant function or activity is performed improperly—
- (iii) To commit that neither itself, nor, to its knowledge, any person acting on its behalf, has offered, promised or given or will offer, promise or give any payment, gift, promise of gift or any other advantage, either directly or indirectly, when such payment, gift, promise or advantage is intended to influence a public official in the performance of its functions as such an official which includes (any omission to exercise those functions and any use of its position as such an official even if not within its authority.
- A “public official” means an individual who (a) holds a legislative, administrative or judicial position of any kind, whether appointed or elected, by a national or local authority; or (b) exercises a public function (i) for or on behalf of a national or local authority or (ii) for any public agency or public enterprise, or (c) is an official or agent of a public international organisation.
- (iv) To ensure that the individuals or entities with whom the Supplier is likely to enter into a business relationship for the purpose of manufacturing or supplying the goods or performing the services supplied to HACHETTE UK, commit to comply with the anti-corruption provisions set out in this Charter.
- (v) To refrain from offering any material or intangible gifts to the employees or representatives of HACHETTE UK, or to a third party closely related to them (family, friends).

## **E. Fair Competition**

- (i) To always compete fairly and to comply with applicable antitrust laws and regulations.
- (ii) To not enter into agreements with competitors that might constitute a breach of antitrust law, nor to take advantage of any dominant market position they might hold.

## **F. Compliance with the International Trade & Economic Sanctions regulations**

- (i) To undertake to comply with the International Trade & Economic Sanctions regulations (embargoes, international financial sanctions) adopted at the international level (in particular with the UN Security Council resolutions), at the regional level (in particular with the European Union Regulations) and at the domestic level (in particular with the US and French laws and regulations) (hereinafter the « International Trade & Economic Sanctions Regulations ») ;
- (ii) To represent and warrant that they are not included on any of the restricted party lists maintained by the U.S. Government, in particular the list administered by OFAC, by the European Union or the member states (collectively, “Restricted Party Lists”)
- (iii) To undertake to immediately report to HACHETTE UK if they were to be included in any of the Restricted Party Lists;
- (iv) To represent and warrant that all activities related to their activities with HACHETTE UK and all payments related to these activities comply with the International Trade & Economic Sanctions Regulations.

In the event HACHETTE UK becomes aware or has any reason to believe that the Supplier has not, in the context of the execution of its relationships with HACHETTE UK, complied with the International Trade & Economic Sanctions Regulations, HACHETTE UK shall be entitled to suspend payments due to Supplier until it is demonstrated that Supplier was not in breach.

If the breach is confirmed or if the Supplier happened to be included in any of the Restricted Party Lists, HACHETTE UK shall be entitled to immediately terminate the relationships with the Supplier for breach upon mere written notification; without prejudice to any remedies (including damages) or claims to which HACHETTE UK may be entitled.

## **G. Subcontracting**

We define subcontracting as the use of an outside organization to do work that our suppliers cannot do themselves, regardless of the volume or duration of that work. This may be due to a temporary shortage of resources, lack of appropriate equipment, a temporary lack of capacity, or a lack of expertise.

- (i) To gain prior permission and written approval from HACHETTE UK before subcontracting.
- (ii) To have a clear written agreement with their subcontractors and to conduct due diligence to ensure the welfare of all subcontractor workers is safeguarded and that the clauses in this Charter are upheld.
- (iii) To keep on file the name, location and audit reports of all approved subcontractors. The Supplier must share these with HACHETTE UK on request.
- (iv) To monitor and record conformance of their subcontractors to the same standards set out in this Charter.

#### **H. Land & Indigenous Peoples' rights**

- (i) To adhere to the practice of Free and Prior informed consent for land rights.
- (ii) To conform to relevant international, national and local standards of land tenure when working in communities.
- (iii) To have a due diligence process in place to understand the established rights to land and property in the communities where the Supplier works.

### **4. COMPLIANCE WITH APPLICABLE LAWS AND COMMUNICATION**

HACHETTE UK requires the Supplier to comply with the national laws of the country in which they are conducting business, any local laws, regulations or standards applicable to their business and the industry standards which have been established in their location; provided, however, in the event of any gap between the provisions of any of the preceding laws, regulations, or standards and the provisions of this Charter, then the provision containing the higher standards shall prevail.

### **5. COMPLIANCE WITH THIS CHARTER**

- (i) Without prejudice to any remedies (including damages) or claims to which HACHETTE UK may be entitled by virtue of the contract between the Supplier and HACHETTE UK or of the law, failure to comply with any of the undertakings set out in this Charter shall entitle HACHETTE UK to immediately terminate the contract for breach by giving written notice to the Supplier.
- (ii) The Supplier shall notify HACHETTE UK as soon as it becomes aware of any breach, or potential breach, of any of the undertakings set out in this Charter.
- (iii) The Supplier shall provide such supporting evidence of compliance with the undertakings set out in this Charter as HACHETTE UK may reasonably request from time to time. In addition, HACHETTE UK and/or its authorized representatives shall

have the right at any time upon written request and reasonable notice to visit the Supplier's sites and/or review or audit the Supplier's books, records and files relating exclusively to the provision of goods or services to HACHETTE UK for the purposes of verifying that the Supplier is in compliance with this Charter and the Supplier will promptly provide information and answer any reasonable questions that HACHETTE UK may have relating to the Supplier's compliance with this Charter. In the event that the Supplier notifies HACHETTE UK of any breach of this Charter or HACHETTE UK has reasonable grounds to suspect that the Supplier may be in breach of this Charter then, at the written request of HACHETTE UK, the Supplier shall allow HACHETTE UK and/or its authorized representatives to exercise its audit rights at such time as HACHETTE UK shall specify.

This Charter and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and interpreted in accordance with the law of England and Wales.

The Supplier will take appropriate steps to ensure that the provisions of this Charter are communicated to its employees and where appropriate its subcontractors, partners and any person(s) acting on its behalf in connection with the supply of products and services to Hachette UK

### **Bibliographical references:**

All the principles set forth in this Code of Conduct are taken from:

- (i) the following international standards:
  - UN Global Compact
  - ILO's fundamental conventions
  - OECD Guidelines for multinational enterprises (2011 edition)
  - REACH regulations (only for Europe)
  
- (ii) The following laws of England:
  - The Bribery Act 2010
  - The Modern Slavery Act 2015