

Hachette UK Group

Anti-Slavery and Human Trafficking transparency statement

INTRODUCTION FROM THE GROUP CHIEF EXECUTIVE

We are proud of our reputation for acting fairly and ethically wherever we do business. This reputation is built on our company values, the values of our employees and our collective commitment to acting with integrity throughout our organisation. We wholeheartedly condemn corruption in all its forms and modern forms of slavery such as forced or compulsory labour or human trafficking. We will not tolerate it in our business or in any business we work with.

OUR BUSINESS AND ORGANISATION'S STRUCTURE

Hachette UK is a leading UK publishing group, with approximately 1,800 employees based in the UK. The group consists of several publishing-divisions comprising over 50 individual imprints. The publishing divisions are: Headline Publishing Group, Hodder & Stoughton, Hachette Children's Group, Hodder Education Group, John Murray (including Jessica Kingsley (Publishers) Limited) , Quercus, Little, Brown Book Group, Orion Publishing Group, Octopus Publishing Group (including Summersdale Publishers Limited, Kyle Cathie Limited and Short Books) and Storyfire Ltd (trading as Bookouture). Hachette UK is owned by Hachette Livre, the world's third largest trade and educational publisher.

Our distribution centres Bookpoint and Hachette UK Distribution Limited provide distribution services for all our companies and for many third party UK publishing clients.

DISTRIBUTION

The Hely Hutchinson Centre (HHC) opened in August 2018. It is one of the most advanced distribution centres in Europe and provides distribution services to publishers in the Hachette UK group and many third-party clients. Hachette UK Distribution ships more than 60 million books globally each year. Approximately 300 people work at the HHC in warehouse operations, customer services, IT, HR and management with a further 60 staff approximately at Bookpoint.

OUR SUPPLY CHAINS

Our supply chains relate mainly to print production, publishing, warehousing and distribution services, but also include suppliers providing creative, marketing and advertising services, general professional advisers, IT and office facilities services.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery or human trafficking, wherever we encounter it, by implementing and enforcing effective systems and controls in our business and our supply chains. Our Statement of Business Ethics reflects our commitment to acting ethically and with integrity in all our business relationships. We expect the same standards from our contractors and suppliers and will include clauses prohibiting the use of forced, compulsory or trafficked labour by our suppliers in relevant contracts.

The Book Chain Project: Sharing labour and environmental audits

Hachette UK participates in The Book Chain Project. This is a collaboration of UK and US publishers who have been working together for over a decade to develop a common process to assess labour and environmental standards in the printing facilities that produce our products.

The Book Chain Project shares a publishing industry Code of Conduct for suppliers ensuring that all sites meet their recognised standards, based on existing laws and recognised codes, for labour and environmental practices. Publishers may also accept other comparable standards through The Book Chain Project tool, for example, the ICTI Care Process or SMETA audits. Suppliers can share their audit results with multiple publishers, saving them time and money by avoiding duplication.

Hachette UK requires most of its printers to register if they are not recognised already. New suppliers will be trained, independently audited to the international standards and either certified as complying or issued with a Corrective Action Plan. In case of the latter Hachette will work with the printer in question to improve standards and achieve compliance with the required standards. Audits are carried out every two years.

ACTIONS HACHETTE UK HAS TAKEN IN 2019

We considered the areas of risk of modern slavery in our business. We concluded that most of our business is at low risk. The main areas of greater risk are:

- Colour print and book production services in Eastern Europe, China, India and the Middle East.
- Office facility services such as cleaning and catering
- Use of agency workers in warehouses and distribution centres

ONGOING ACTIONS AT HACHETTE UK

We are continuing to:

- Require all our suppliers to commit to our Statement of Business Ethics which incorporates our policy on Modern Slavery.
- To ensure that our due diligence checklist for new suppliers which includes Modern Slavery risks is completed for all relevant suppliers.

- To include a clause dealing with Modern Slavery in relevant suppliers' contracts in risky areas and require our Supplier Code which includes our anti-slavery and human trafficking policy to be signed by all relevant suppliers.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk and ensure supplier adherence to our values we will:

- Assess and keep under review our activities, especially in areas and jurisdictions deemed to be risky, and act on any areas that may pose risk.
- Set objectives and targets to respond to these risky areas, mitigate the risk of slavery and human trafficking occurring in our supply chains, and periodically and progressively audit and review progress.
- Ensure employees are made and kept aware of our policy and its objectives.
- Ensure all relevant decision-makers within the company and all relevant staff in production teams, especially those operating in identified areas or jurisdictions, are trained including to raise awareness of the signs of modern slavery and provide information on how to raise complaints within the company.

LOOKING AHEAD

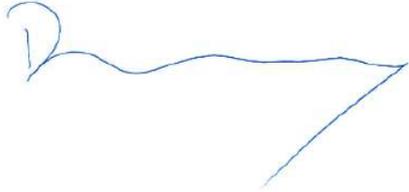
- We will conduct due diligence when appointing new suppliers.
- We will set targets to ensure relevant new suppliers or those suppliers not yet audited sign our Supplier Code as set out above.
- We will incorporate appropriate provisions in relevant agreements with relevant suppliers and monitor and audit compliance by suppliers
- We will provide training to our staff and others as required to ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business.

IMPACT OF COVID-19 PANDEMIC

At the time of signing, we are addressing modern slavery risks, where relevant in our business, during the Covid-19 pandemic. For example, we have closed our London offices in line with government guidance to prevent the spread of infection. Where possible, our employees are working from home and some have been furloughed to protect jobs. For those who continue working in our warehouses and distribution centres that have remained open during this period, we have put in place stringent measures to protect their health and safety. More details will be provided in our next annual statement.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the financial year ending 31 December 2019.

This statement was approved by the boards of the companies in the Hachette UK Group, namely Hachette UK Ltd, Little, Brown Book Group Limited, Octopus Publishing Group Limited, The Orion Publishing Group Limited and their subsidiaries.

A handwritten signature in blue ink, appearing to be 'D. Shelley', with a long horizontal stroke extending to the right and a diagonal line crossing under it.

David Shelley
Chief Executive Officer and Director
Hachette UK Limited

Date: 15 May 2020