

MPIL MODERN SLAVERY STATEMENT 2022

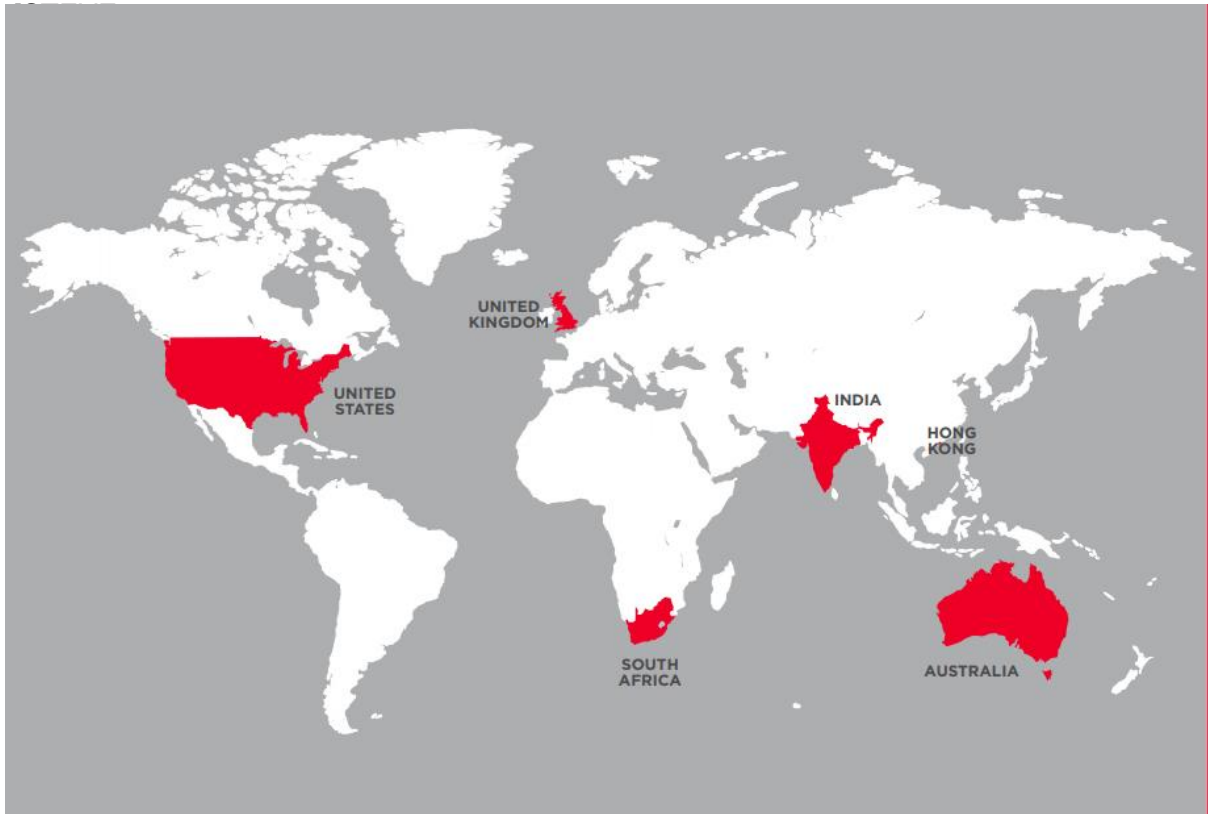
INTRODUCTION

Macmillan Publishers International Limited ("MPIL") is a part of the Macmillan publishing group of companies ("Macmillan"). Pursuant to s.54 of the Modern Slavery Act 2015, this statement constitutes MPIL's slavery and human trafficking statement ("Modern Slavery Statement") for the financial year ending 31 December 2021. It reflects practices and policies in place across the Macmillan publishing group of companies. For further transparency this statement will be uploaded to the Home Office's Modern Slavery Statement Registry after publication.

The Modern Slavery Act 2015 prohibits slavery, servitude, forced or compulsory labour, and human trafficking ("Modern Slavery"). Macmillan prohibits Modern Slavery in our organisation and our supply chain.

OUR BUSINESS

MPIL's businesses include trade book publishing and book distribution services. The Macmillan publishing group of businesses produce printed and electronic trade and educational books, digital educational and assessment products, educational response devices and provide publishing and distribution services. Macmillan has just under 3,000 employees in North America, Asia, Europe, the UK, Hong Kong, South Africa and Australia. You can view our current global employee footprint in the map below. [Steven to insert]



OUR SUPPLY CHAINS

Our supply chains include print production, logistics and distribution services, manufacturers of our educational response devices and some book-related components, IT and other office equipment suppliers, professional services, travel-related services, office cleaning, and other office facilities services.

OUR POLICIES ON MODERN SLAVERY

The [Macmillan Code of Conduct](#) reflects our commitment to acting ethically and with integrity in all our business relationships.

Our opposition to Modern Slavery is reaffirmed in the [Macmillan Code of Ethics for Business Partners \(the “Code for Business Partners”\)](#). It requires our vendors, suppliers, agents, and other business partners to conduct business ethically, honestly and with integrity. The Code requires that all workers be treated with dignity and respect and prohibits using any form of slavery, servitude, forced or compulsory labour, bonded labour, human trafficking, violence,

or coercion against labourers. Compliance with applicable minimum age and child labour laws is also specifically required.

Various Macmillan businesses participate in professional and other organisations that require detailed commitments from suppliers with respect to health and safety, labour standards, wages, discrimination and the environment. Such organisations include The Book Chain Project in the UK, a collaboration of leading publishers who have worked together since 2003 to drive social and environmental responsibility in product supply chains.

In 2021 we conducted a contract review process and amended certain contracts to bolster modern slavery clauses. Going forward these provisions will be included in all relevant supplier contracts. Additionally, we expect all our product suppliers in this part of our supply chain to commit to working towards the standards set out in The Book Chain Project [Supplier Code of Conduct](#).

DUE DILIGENCE PROCESSES

As part of our commitment to identifying and mitigating the risk of Modern Slavery in our supply chains, we have implemented a group-wide Supplier Information Management tool to enable us to assess our supply partners in respect of Modern Slavery and other risks. This review process which was originally implemented in 2019, monitors and assesses our supply chain risk based on; product or service group, spend, adverse media, sanctions and watchlists, PEPs and other focused risk areas such as health and safety and Modern Slavery. In addition to an initial background screen, the tool continuously monitors third parties to stay on top of any potential changes in third-party profiles and activity that may alter initial assessments of risk levels. In 2022 Macmillan will be re-launching its third-party due diligence programme and reiterating to the group the risks areas that Macmillan seeks to identify and mitigate through the process. This due diligence process also provides us an opportunity to remind suppliers of our values and ethical standards. New suppliers in high-risk categories of MPIL are only appointed after an initial assessment has been performed. We have created an internal procedure to ensure that payments cannot be made with suppliers who have not been approved.

Separately, MPIL production staff periodically visit our suppliers and conduct onsite reviews. During these visits, Macmillan management will review things like the factory's working conditions, production equipment and machinery, assess the supplier's warehouse and material inventory, how suppliers are conducting their production workflows and how the staff are generally interacting with each other. The management also review the structural state of the factory to ensure that all the necessary signals and warnings are in place, that the grounds are clean and well maintained and that the facilities are in a good condition.

SUPPLIER ADHERENCE TO OUR VALUES AND ETHICS

Our Code for Business Partners forms part of our standard contract with suppliers. They are required to confirm that no part of their business operations contradicts this policy. As we onboard suppliers to our Supplier Information Management tool, we ask that they affirm compliance to the Code for Business Partners or an equivalent set of principles. We pledged to review our agreements with current suppliers and ensure that they have a contractual obligation to comply with the Code for Business Partners or an equivalent set of principles. This review took place during the financial year to 31 December and was completed in April 2022.

TRAINING

In 2021 we offered complimentary ethics and compliance training to our key printers on topics including: Anti-Corruption Basics for Third Parties, Anti-Corruption Records and Reporting, Code of Conduct, Confidential Information, Conflicts of Interest, Document and Records Protection, and Ethical Decision Making. The modules were available in six languages: Chinese (Simplified), French, German, Spanish (Castilian), and UK English. 23 business partners requested the training for themselves and their teams. We continue to urge those suppliers who have joined The Book Chain to participate in the training that the organisation makes available for members.

In 2023, we intend to train our procurements and production staff in the UK, and others who work with vendors, on the risks of Modern Slavery.

WHISTLEBLOWING

Macmillan has in place whistleblowing procedures in order that violations of our Code of Conduct or Code for Business Partners can be reported. In 2020, we hosted a speak-up awareness campaign for our UK employees. Issues can be raised internally or the online facility "[Speak Up](#)" can be used anonymously or with a reporter's name to report issues. In 2022 we intend to re-launch our whistleblowing process including through the introduction of a more advanced and user-friendly application which allows two-way anonymous communication. Retaliation against those raising a good-faith concern is strictly prohibited.

PERFORMANCE INDICATORS

In 2021 we reviewed our end-to-end due-diligence process with a view to strengthen the checks and measures we have in place. We have reviewed customer and supplier audits to assess any International Labour Organization (ILO) indicators of forced labour including; abuse of vulnerability, restriction of movement, physical and sexual violence, intimidation and threats, abusive working and living conditions, and excessive overtime. In 2021 we identified potential violations of the Macmillan Code of Ethics for Business Partners. We worked with our supply chain to investigate the position and eliminate any concerns in respect of modern slavery. We also amended our existing contract with relevant parties in our supply chain to include relevant anti-slavery provisions. We will continue to monitor Modern Slavery risk, including by considering information received from our business partners and through our due diligence processes, Speak Up reports, training programmes and our professional organisation partners.

APPROVAL

This Modern Slavery Statement has been approved by the Board of Directors of Macmillan Publishers International Limited for the financial year ending 31 December 2021 on 29/06/2022.

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Lara Borlenghi
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Director for and on behalf of Macmillan Publishers International Limited