

Modern Slavery Statement



2018 to 2019

Introduction

This statement, made on behalf of Bonnier Books UK, is published in accordance with the UK Modern Slavery Act 2015 and sets out the steps that Bonnier Books UK has taken and continues to take to ensure that modern slavery or human trafficking is eradicated from our business and supply chain.

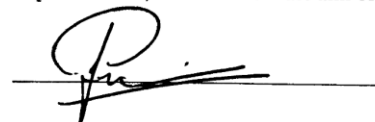
Bonnier Books UK is part of Bonnier Books AB – a company owned by privately-owned Swedish media company Bonnier.

For Bonnier working with sustainability is a prerequisite for success and a matter of taking responsibility as a family owned company over many generations.

As part of its sustainability strategy, Bonnier holds the following core values: Freedom of Speech, Power of the Individual, Commitment of a family owned business and Passion for Publishing. Supporting the Modern Slavery Act of 2015 forms an essential part of our commitment to these values. This report highlights our efforts to ensure that modern slavery, human trafficking and any further risks therein are eradicated from every part of our business.

Any form of slavery, forced or bonded labour and human trafficking is completely unacceptable. Bonnier Books UK is committed to combatting any issues within our business and supply chain through transparency, regular review of business practices and collaboration with our manufacturing partners.

In 2018, we produced over 51 million books, working with over 90 manufacturing partners, supplying goods to over 413 customers in over 50 global locations. We understand that this is a global challenge and that there is no quick fix. However, we strive to achieve the highest ethical standards, incorporating integrity and transparency into our business practices and challenge ourselves to achieve consistent improvements, with the ultimate aim of eradicating slavery completely.



Jonathan Perdoni (CFO/COO)

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About Bonnier Books UK

BBUK Modern Slavery Report 2018-19

A background image showing a child in a blue shirt reading a book. In the background, there are shelves filled with books and a woman with glasses and a polka-dot shirt looking at a book.

Bonnier Books UK is a major UK publisher with sales of £80m. Home to 14 adult and children's imprints, we publish across a wide variety of genres for different ages. From crime to reading group fiction; memoir to self-help; activity to reference – we believe every book matters.

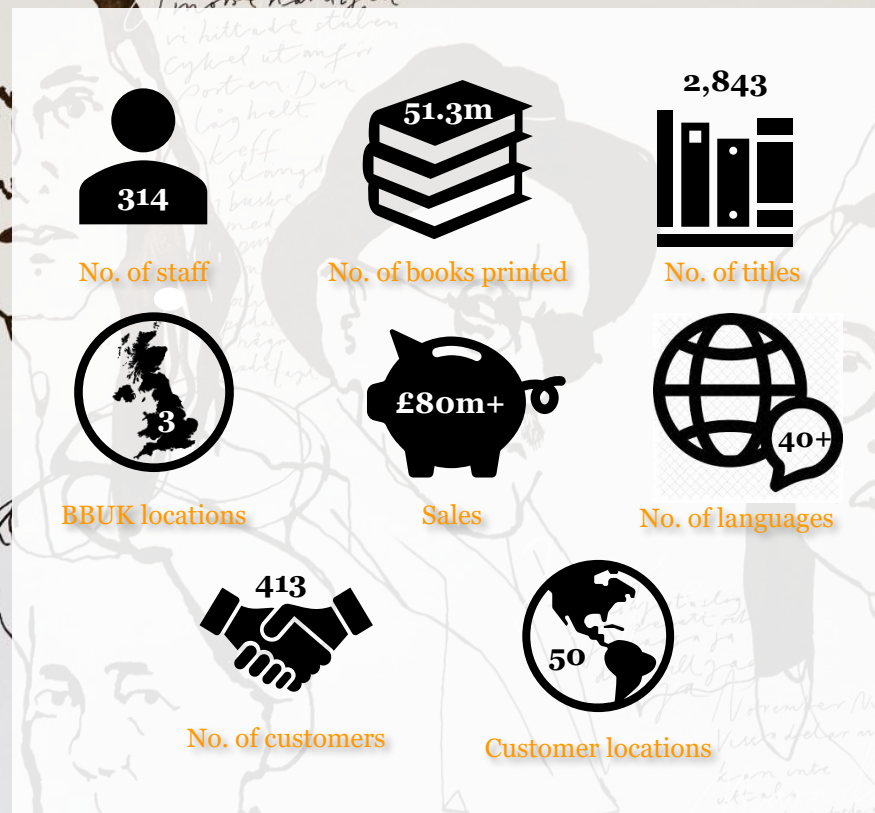
Our talented authors include Wilbur Smith, Lynda La Plante, Rosie Goodwin, Prof. Steve Peters, Lily Allen and Gary Barlow – to name but a few. We're also proud to publish for major brands including Disney, Marvel, Dungeons & Dragons and Bear Grylls.

Bonnier Books UK is owned by Bonnier Books, a family-owned company headquartered in Sweden.

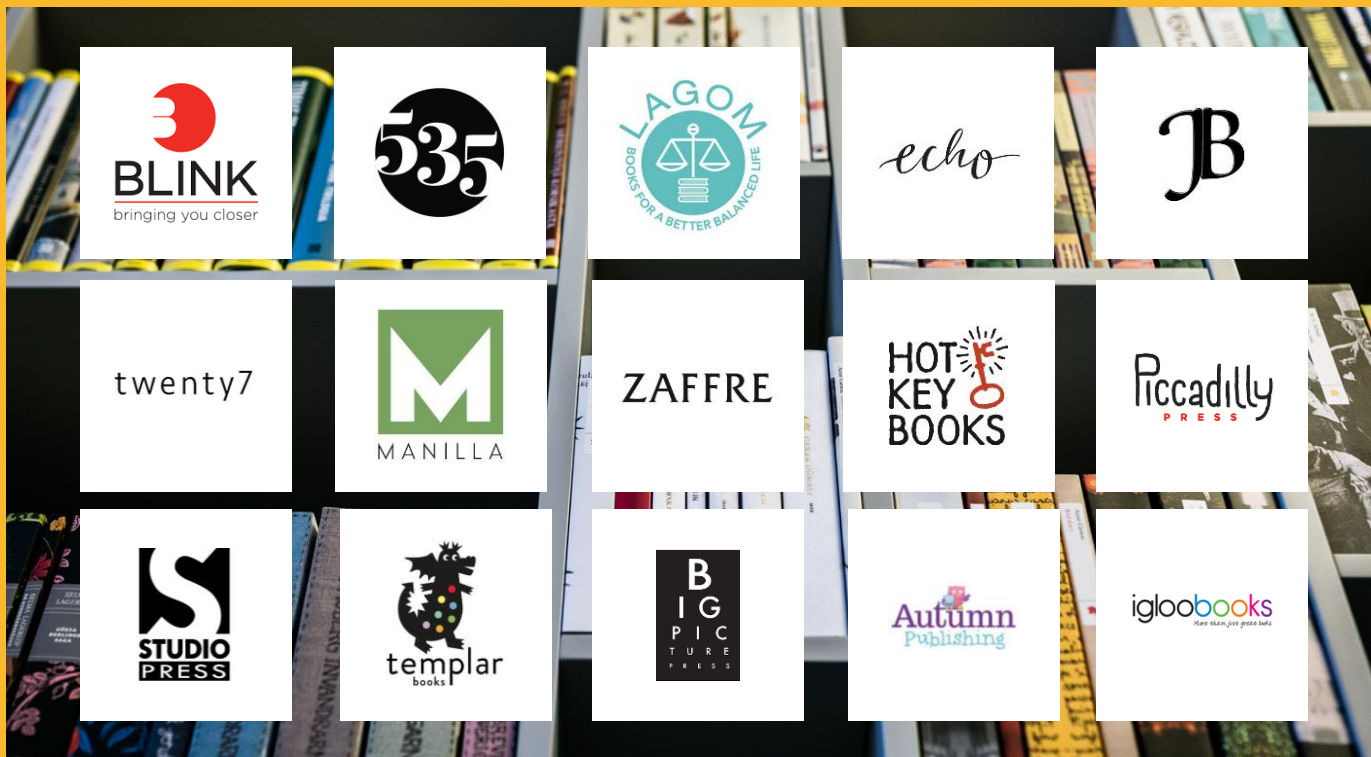
Bonnier Books is a top-15 world publisher with global sales of £545m. Bonnier Books gathers Bonnier's overall book publishing and retail activities, ranging from traditional and digital-first publishing, to quality bookstore chains, paperback retailers and digital subscription services. With a heritage stretching back to 1837, when Albert Bonniers Forlag published its first work "Proof that Napoleon never existed", Bonnier Books has grown to include a great variety of publishing houses and book retailers across Europe. Originating from, and headquartered in, Stockholm, Bonnier Books is currently present in Sweden, Finland, Norway, Germany, Poland and the UK.

About Bonnier Books UK

BBUK supplies printed books, audio books, eBooks and 'books plus' (books containing other elements such as art materials, dressing up kits etc.) to co-edition customers, International Sales customers (EFL) and the UK book trade both through traditional bookshops such as Waterstones and through non-traditional outlets such as supermarkets and other retailers.



Bonnier Books UK: Our imprints



Labour and Human Rights Policy

We work closely with our manufacturing partners to encourage best practice and continual improvements in working standards and monitor and enforce this in the following ways:

The Bonnier Books Code of Conduct: All of our suppliers must sign our Code of Conduct which clearly sets out our mandatory minimum requirements for our manufacturing partners. From 2020, we will not work with any supplier who will not sign and commit to comply with these standards. New suppliers are required to provide valid audits before we agree to engage with them.

Internationally recognised social audits: All of our suppliers and their factories are subject to annual third-party assessments and ongoing monitoring to ensure that they consistently demonstrate robust social, environmental and quality management practices. We insist that any approved supplier is transparent in their worker-care standards by maintaining an up-to-date, internationally recognised social audit and ethical business standards such as BSCI (no less than Grade C), ICTI, Sedex (SMETA) 4-pillars. Other such social audits include OHSAS and ETI (SA8000) amongst others.

These audits and standards monitor and assess supplier performance on an annual basis to ensure they meet or exceed acceptable standards in the areas of health and safety, labour (no forced or child labour), working hours and wages, discrimination and disciplinary practices, and social benefits.

With the aim of improving worker care standards within our supply chain, from 2020, we will be working with our manufacturing partners in high risk areas, to concentrate on obtaining the ICTI and / or BSCI (Grade C or above) audit(s) specifically, having identified these audits as being more rigorous in their required standards.

For more detailed information regarding specific audits, please refer to the Glossary supplied.

Labour and Human Rights Policy

Continued from page 7

Supplier visits: We commit to carry out on-site factory visits to our manufacturing partners every other year in order to carry out our own internal assessments.

The Book Chain Project: Bonnier Books is an active participant of The Book Chain Project. As regards labour standards specifically, the Labour & Environment module previously known as PRELIMS (Publishers Resolution for Ethical International Manufacturing Standards) is an essential part of our efforts to monitor manufacturing practices in our supply chain and drive up standards. All our suppliers are required to work towards the standards set out by PRELIMS including areas such as child labour, discipline, forced labour, discrimination, wages, hours, freedom of association and collective bargaining. They also include standards relating to health and safety and the environment.

The Book Chain Project Code of Conduct: The Book Chain Project hosts the publishing industry Code of Conduct, which states publishers' commitments to their suppliers and what they expect from their suppliers in return. The Code articulates standards of labour practice and environmental performance. It is based on internationally-recognised standards, codes and laws, including the ILO Conventions, the UN Declaration for Human Rights and the ETI Base code, and is updated regularly.

Labour and Human Rights Policy

Continued from page 8

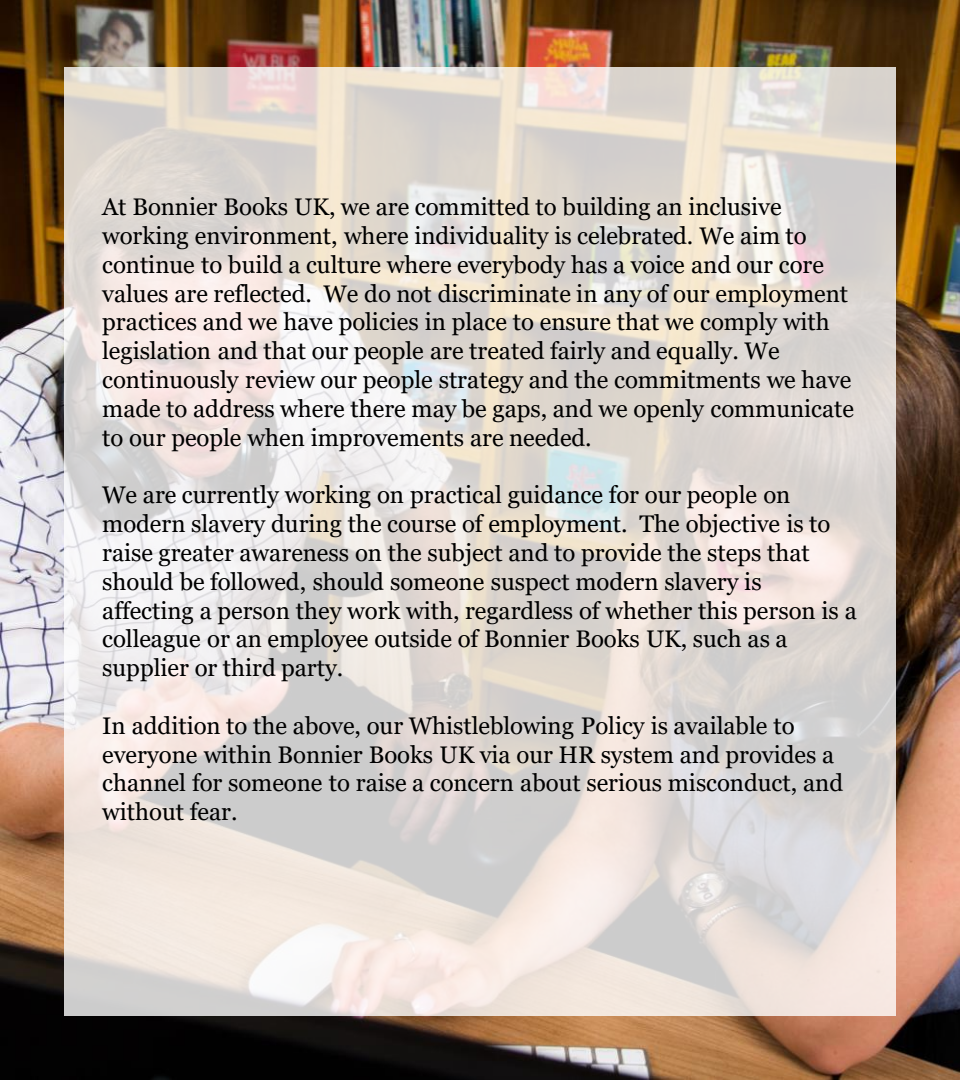
The PRELIMS Code of Conduct, Clause 3: Forced Labour – specifically outlines our requirements in this area as follows:

- Our suppliers will not use forced, bonded (also sometimes referred to as debt bondage), indentured, compulsory or involuntary prison labour
- Our suppliers will not withhold payments of wages to workers
- Our suppliers will not directly or indirectly engage in or support human trafficking, by recruiting, transferring, harbouring or receiving a worker using violence or threats of violence, force, non-violent coercion such as threats to expose the worker to authorities, or deception
- Our suppliers will not require employees to lodge financial deposits or identity documents in order to secure or retain employment
- Our suppliers will not prevent free movement of employees to and from the site or accommodation unless this will compromise their safety or the safety of other workers. Their movements will not be controlled by security guards e.g. being followed during breaks.

<https://bookchainproject.com/process#prelims>

Labour and Human Rights Policy

Internal Labour Policies



At Bonnier Books UK, we are committed to building an inclusive working environment, where individuality is celebrated. We aim to continue to build a culture where everybody has a voice and our core values are reflected. We do not discriminate in any of our employment practices and we have policies in place to ensure that we comply with legislation and that our people are treated fairly and equally. We continuously review our people strategy and the commitments we have made to address where there may be gaps, and we openly communicate to our people when improvements are needed.

We are currently working on practical guidance for our people on modern slavery during the course of employment. The objective is to raise greater awareness on the subject and to provide the steps that should be followed, should someone suspect modern slavery is affecting a person they work with, regardless of whether this person is a colleague or an employee outside of Bonnier Books UK, such as a supplier or third party.

In addition to the above, our Whistleblowing Policy is available to everyone within Bonnier Books UK via our HR system and provides a channel for someone to raise a concern about serious misconduct, and without fear.

Due diligence

New supplier approval and approved supplier monitoring procedures

As part of our due diligence, Bonnier Books employs the following new supplier approval procedure:

- i. The Supplier completes a Factory Profile Form (which contains key data enabling us to assess the Supplier's Quality, sustainability and CSR standards) plus any other salient documentation.
- ii. The Factory Profile Form and any other relevant documentation is reviewed internally for authorisation.
- iii. If we are satisfied that the Supplier meets all Bonnier Books' requirements, the Supplier is "amber lit" for quotations.
- iv. If we would like to proceed to work with a Supplier, the Bonnier Code of Conduct must be signed and returned to us.
- v. Once all documentation is in order, the Supplier is "green lit".
- vi. The Supplier's accreditation is reviewed annually.
- vii. Failure to comply with Bonnier Books' standards may result in us ceasing to do business with the Supplier.

In addition to the standards set out in our Labour and Human Rights Policy, Bonnier Books embarked on a global CSR Project in 2018 with a view to improving our standards beyond compliance and implementing collaborative and sustainable change. The project includes a complete review of our Labour and Human Rights policy in conjunction with a full audit of our suppliers to assess current labour standards with the view to setting significant improvement targets.

Due diligence

Moving beyond compliance.

Further to this, a new global database and supplier grading system is currently being developed. The objective here being to provide greater transparency which in turn enables greater ease of monitoring and maintenance of standards across our business' supply chain.

A further step towards improving standards includes a special health and safety project that The Book Chain Project undertook on behalf of its participants (of which Bonnier Books is one) called **Promising Futures: Protecting Employees and Employers in China's Print Sector**.

The Promising Futures project set out to improve how social insurance was perceived in the Chinese book printing industry. It ran from February to August 2018 and had two distinct objectives:

1. Increase the understanding and awareness of the social insurance scheme in China, and its benefits to employees and employers; and
2. Improve dialogue between employees and employers on offering social insurance.

Promising Futures was a special project from the Book Chain Project: a collaboration of over 300 paper mills, over 250 printers and first-tier suppliers, and 28 leading book and journal publishers working together to improve the sustainability of the publishing industry. This project has highlighted the barriers to joining social insurance in China, but also the opportunities to improve.

High risk areas

Bonnier Books UK Modern Slavery Statement (2018-19)

As an active participant of The Book Chain Project we utilise their Country Guides to help us identify high risk areas as regards Labour standards. The Country Guides assess geographic risk based on key corruption, governance, environmental and human rights indices - providing a high or low risk categorisation.

We have identified the following high risk countries within our current supply chain:

- China
- India
- Malaysia
- Turkey

As per our Labour and Human Rights Policy, we ensure that all suppliers provide us with an up to date social audit on an annual basis. The audit report is assessed internally and any corrective action plans are followed-up with the relevant supplier to ensure compliance.

Where a supplier is unable to provide an acceptable social audit certificate or unable to follow up successfully on any required CAP, we will cease to do business with that supplier.

This is a continual ongoing process which is an integral part of our procurement workflow.

KPIs

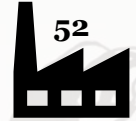
Bonnier Books UK Modern Slavery Statement (2018-19)



Manufacturing
suppliers



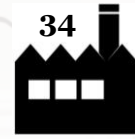
Supplier
countries



Key print
suppliers



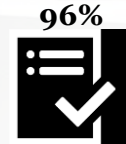
High risk
countries



Print suppliers in
high risk areas



Supplier visits



Signed Bonnier
Code of Conducts



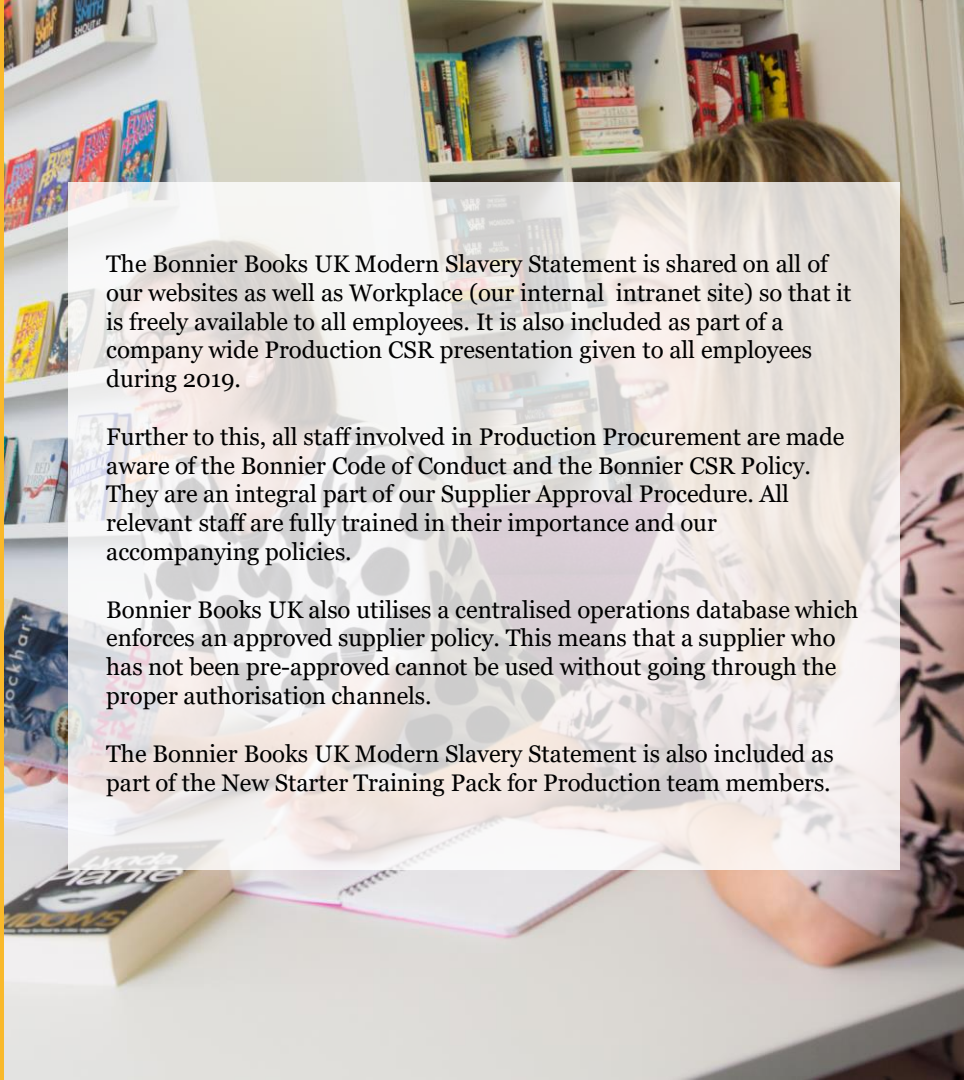
High risk area
suppliers with in-
date social audits



Component
suppliers

Staff training

Bonnier Books UK Modern Slavery Statement (2018-19)



The Bonnier Books UK Modern Slavery Statement is shared on all of our websites as well as Workplace (our internal intranet site) so that it is freely available to all employees. It is also included as part of a company wide Production CSR presentation given to all employees during 2019.

Further to this, all staff involved in Production Procurement are made aware of the Bonnier Code of Conduct and the Bonnier CSR Policy. They are an integral part of our Supplier Approval Procedure. All relevant staff are fully trained in their importance and our accompanying policies.

Bonnier Books UK also utilises a centralised operations database which enforces an approved supplier policy. This means that a supplier who has not been pre-approved cannot be used without going through the proper authorisation channels.

The Bonnier Books UK Modern Slavery Statement is also included as part of the New Starter Training Pack for Production team members.

Glossary

Please find explanations of each CSR audit or standard mentioned in the Bonnier Books Modern Slavery Report 2018-19 as follows:



Glossary

Book Chain Project, The

Web: <https://bookchainproject.com/home>

The Book Chain Project is an initiative run by Carnstone and involves twenty-eight leading book and journal publishers worldwide and includes the participation of many other groups and companies along the book supply chain and around the world, including 237 printing companies and 267 paper manufacturers. The initiative gives publishers the information they need to tell the full story of their books; from the origins of tree fibres in the papers, the safety of chemicals in their inks, glues and varnishes, to the working conditions of the factories where the books were made.

The Book Chain Project has three tools to help publishers better understand their book supply chains:

FOREST SOURCING (PREPS) audits responsible forest sources for hundreds of paper brands, delving into the pulps to identify the tree species and the countries in which those trees were harvested.

CHEMICAL SAFETY & MATERIALS (PIPS) collects and screens chemicals used in book components – inks, varnishes, glues etc. – and alerts publishers to the safety laws that control their use and importation.

LABOUR & ENVIRONMENT (PRELIMS) shares publishers' expectations for labour conditions and environmental performance at the manufacturing sites that make books.

Book Chain Project, The: Chemical Safety & Materials / PIPS

Web: <https://bookchainproject.com/process#pips>

PIPS was formed in 2010 in response to changing chemical safety legislation. The PIPS database checks the substances which appear in books against substances listed by chemical safety legislation in the EU, United States and around the world to support the publishing supply chain in demonstrating compliance with this legislation. The PIPS database captures chemical substance information at the component level to develop a full Bill of Materials (BoM) for each book. Components are screened when they are added to the database for any substances which may be of concern.

Book Chain Project, The: Labour & Environment / PRELIMS

Web: <https://bookchainproject.com/how#prelms>

PRELIMS shares a publishing industry Code of Conduct for suppliers ensuring that all sites meet their recognised standards for labour and environmental practices. Suppliers benefit by easily sharing their audit results with multiple publishers, saving them time and money by avoiding duplication.

The Code of Conduct collates standards that are based on existing internationally-recognised Codes and Laws. The Code outlines what the publishers expect from their suppliers, and also the publishers' commitments to their suppliers.

As well as the Code of Conduct, publishers may also accept other comparable standards through the PRELIMS tool; for example, the ICTI Care Process or SMETA audits against the ETI Base Code.

Book Chain Project, The: Forest Sourcing / PREPS

Web: <http://prepsgroup.com/home>

The Book Chain Project's Forest Sourcing tool (previously known as PREPS) uses a grading system created by the WWF where all papers are graded on whether their pulp sources are from known, legal and low risk sources:

- Grade 1 – Unknown or unwanted
- Grade 3 – Legal and low risk
- Grade 5 – FSC or 100% post consumer recycled

BSCI

Web: <http://www.bsci-intl.org/content/what-we-do-0>

The Business Social Compliance Initiative (BSCI) is a leading business-driven initiative supporting retailers, importers and brands to improve working conditions in supplying factories and farms worldwide. Our vision is a world of free trade and sustainable global supply chains, in which factories and farms are compliant with national labour legislation as well as with ILO Conventions protecting workers' rights.

ETI (Ethical Trading Initiative)

Web: <https://ethicaltrade.org>

The Ethical Trading Initiative (ETI) is a ground-breaking alliance of companies, trade unions and voluntary organisations which promotes the implementation of corporate codes of practice which cover supply chain working conditions. Their ultimate goal is to ensure that the working conditions of workers producing for the UK market meet or exceed international labour standards.

The Ethical Trading Initiative (ETI) produces guidelines aimed at the promotion and the improvement of ethical trade. The code of conduct has been elaborated in the UK by an alliance of companies, non-governmental organisations (NGOs) and trade union organisations.

It is composed of two key elements: the ETI Base Code <https://www.ethicaltrade.org/eti-base-code> and the accompanying Principles of Implementation. ETI has developed a code of labour practice - the 'Base Code' - reflecting the most relevant international standards with respect to labour practices which will be used as the basis of its work under the form of 9 statements.

Glossary

ETI member companies are expected to adopt the Base Code, or to adopt their own code so long as it incorporates the Base Code. The Base Code, which is accompanied by a set of general principles concerning implementation, provides a foundation for ETI's philosophy of learning.

FSC

Web: <https://ic.fsc.org/en/what-is-fsc>

The Forest Stewardship Council (FSC) is an international, non-governmental organisation dedicated to promoting responsible management of the world's forests. FSC runs a global forest certification system with two key components: Forest Management and Chain of Custody certification. This system allows consumers to identify, purchase and use timber and forest products produced from well-managed forests.

ICTI

Web: http://www.toy-icti.org/info/care_process.pdf

The ICTI CARE (Caring, Awareness, Responsible, Ethical) Process is the International Council of Toy Industries' (ICTI) program to promote ethical manufacturing, in the form of fair labour treatment, as well as employee health and safety, in the toy industry supply chain worldwide. Its initial focus is in China, where 80 percent of the world's toy volume is manufactured. Its intent is to provide a single, fair, thorough and consistent program to monitor toy factories' compliance with ICTI's Code of Business Practices (the "Code").

ILO Conventions:

Web: <https://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang-en/index.htm>

The ILO (International Labour Organisation) Governing Body has identified eight "fundamental" Conventions, covering subjects that are considered to be fundamental principles and rights at work: freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.

The eight fundamental Conventions are:

1. Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
2. Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
3. Forced Labour Convention, 1930 (No. 29) (and its 2014 Protocol)
4. Abolition of Forced Labour Convention, 1957 (No. 105)

5. Minimum Age Convention, 1973 (No. 138)
6. Worst Forms of Child Labour Convention, 1999 (No. 182)
7. Equal Remuneration Convention, 1951 (No. 100)
8. Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

ISO 14001

Web: http://www.iso.org/iso/catalogue_detail?csnumber=60857

ISO 14001:2015 specifies the requirements for an environmental management system that an organization can use to enhance its environmental performance. ISO 14001:2015 is intended for use by an organization seeking to manage its environmental responsibilities in a systematic manner that contributes to the environmental pillar of sustainability.

ISO 9001

Web: http://www.iso.org/iso/home/standards/management-standards/iso_9000.htm

The ISO 9000 family addresses various aspects of quality management and contains some of ISO's best-known standards. The standards provide guidance and tools for companies and organizations who want to ensure that their products and services consistently meet customer's requirements, and that quality is consistently improved. ISO 9001:2015 sets out the criteria for a quality management system and is the only standard in the family that can be certified to (although this is not a requirement).

OHSAS

Web: <https://www.bsigroup.com/en-GB/ohsas-18001-occupational-health-and-safety/>
OHSAS 18000 is an international occupational health and safety management system specification. It is intended to help an organization to control occupational health and safety risks. It was developed in response to widespread demand for a recognized standard against which to be certified and assessed.

PEFC

Web: <http://www.pefc.org/about-pefc/who-we-are>

The Programme for the Endorsement of Forest Certification (PEFC) is an international non-profit, non-governmental organization dedicated to promoting Sustainable Forest Management (SFM) through independent third-party certification. PEFC works throughout the entire forest supply chain to promote good practice in the forest and to ensure that timber and non-timber forest products are produced with respect for the highest ecological, social and ethical standards. Thanks to its eco-label, customers and consumers are able to identify products from sustainably managed forests.

Glossary

SA8000:

Web: <http://www.sa-intl.org/index.cfm?fuseaction=Page.ViewPage&PageID=1689>

SAI is a non-governmental, international, multi-stakeholder organization dedicated to improving workplaces and communities. It does this work with two principal types of tools; developing and implementing socially responsible standards, the first of which was SA8000; training and capacity building about specific standards and management systems for implementing social standards or workers, managers and auditors throughout the supply chain.

SA8000 is an auditable certification standard based on international workplace norms of International Labour Organisation (ILO) conventions, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. This standard is the benchmark against which companies and factories measure their performance. Those seeking to comply with SA8000® have adopted policies and procedures that protect the basic human rights of workers.

Sedex (SMETA)

Web: <http://www.sedexglobal.com/about-sedex/>

Sedex is a not for profit membership organisation dedicated to driving improvements in ethical and responsible business practices in global supply chains.

As the largest collaborative platform for sharing ethical supply chain data, Sedex is an innovative and effective supply chain management solution, helping you to reduce risk, protect your company reputation and improve supply chain practices.

Sedex has two main aims:

1. to ease the burden on suppliers facing multiple audits, questionnaires and certifications
 2. to drive improvements in the ethical performance of global supply chains
- Sedex's core product is a secure, online database which allows members to store, share and report on information in four key areas:
- i. Labour Standards
 - ii. Health & Safety
 - iii. The Environment
 - iv. Business Ethics

SMETA (Sedex Members Ethical Trade Audit)

Web: <http://www.sedexglobal.com/ethical-audits/smeta/>

SMETA is designed to reduce duplication of effort in ethical trade auditing, benefitting retailers, consumer brands, and their suppliers. It was developed in response to member demand for an ethical audit report format that could more easily be shared.

SMETA is not a code of conduct, a new methodology, or a certification process, but describes an audit procedure which is a compilation of good practice in ethical audit technique.

The SMETA documents are designed to be used in conjunction with current established practices by experienced auditors to help them to conduct high quality audits that will be accepted by multiple retailers and brands.

UN Declaration of Human Rights

Web: <https://www.un.org/en/universal-declaration-human-rights/>

The Universal Declaration of Human Rights (UDHR) is a milestone document in the history of human rights. Drafted by representatives with different legal and cultural backgrounds from all regions of the world, the Declaration was proclaimed by the United Nations General Assembly in Paris on 10 December 1948 (General Assembly resolution 217 A) as a common standard of achievements for all peoples and all nations. It sets out, for the first time, fundamental human rights to be universally protected and it has been translated into over 500 languages.

THE GENERAL ASSEMBLY proclaims THIS UNIVERSAL DECLARATION OF HUMAN RIGHTS as a common standard of achievement for all peoples and all nations, to the end that every individual and every organ of society, keeping this Declaration constantly in mind, shall strive by teaching and education to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance, both among the peoples of Member States themselves and among the peoples of territories under their jurisdiction.

BONNIER
Books UK