



HACHETTE BOOK GROUP VENDOR COMPLIANCE MANUAL

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1. Introduction

This Vendor Compliance Manual (“Manual”) sets forth Hachette Book Group, Inc.’s (“HBG’s” or “our”) requirements for all vendors involved in providing manufacturing and production services to us (“Vendors” or “you”).

The requirements in this Manual are incorporated by reference and made part of each purchase order we issue to you (“Purchase Order”). HBG does not accept any terms and conditions on any pre-printed Vendor purchase orders, invoices and/or documentation. If there is a conflict between the Purchase Order and/or this Manual, on the one hand, and any separate long form fully executed written agreement we have in place with you, on the other hand, then that separate agreement will control.

This Manual is not intended to be a complete catalog of all applicable product regulations. HBG expects Vendors to remain current on requirements that apply to their products and services delivered to us. Under this Manual and our Purchase Order, it is your responsibility as the Vendor to ensure that all products and services supplied to us comply with all applicable international, national, federal, state, and local statutes, rules, and regulations (collectively “Laws”). Your acceptance and fulfillment of Purchase Orders will constitute confirmation of your agreement to comply with the terms of the Purchase Order and this Manual.

Please monitor [HBG's Vendor Page](#) for the latest version of this Manual and change log. The “Last Updated” date on page 1 controls. HBG may update this Manual at any time; Vendors are responsible for complying with the then current version.

2. Universal Requirements (All Products)

2.1. Recordkeeping

Vendors must provide manufacturer's records, bills of materials, test reports, Children’s Products Certificates and other documentation requested by HBG within a reasonable time but no longer than 3 business days from the request. Vendors must maintain all such records for at least 5 years from the date of production/completion of services.

2.2. Incident Escalation & Recall Cooperation

Regulatory Notifications. Vendor shall notify HBG **within 24 hours** of becoming aware of any information that reasonably supports a conclusion that a product **fails to comply**, contains a **defect** that could create a substantial risk of injury, triggers a **Section 15(b)** duty to report to CPSC or any other safety concern; Vendor shall **immediately** share all complaints, test failures, government communications, and lawsuits. Vendor shall assist HBG in preparing any Section 15(b) report and executing any corrective action plan or recall.

2.3. Recalls and Corrective Action

From time to time HBG may need to submit certain product information to U.S, E.U, U.K or other governmental or regulatory authorities and, in rare instances, recall a product for safety reasons or take other corrective actions. You will cooperate with all HBG’s efforts in connection with its obligations to the governmental and/or regulatory organizations, including, but not limited to, conducting a product recall

or undertaking other similar corrective actions, including making all requested records and information promptly available to HBG for this purpose.

2.4. Inspections

HBG, its licensors, clients and/or accounts, must be able to inspect Vendor's facilities (or Vendor's agent's subcontractor's facilities) upon reasonable advance notice, during normal business hours. Vendors must cooperate fully with HBG in arranging and facilitating any such inspections.

2.5. Product Labeling and Tracking Information

All products must display at least the following information, unless otherwise specified by HBG:

- a. HBG's address (based on location of the HBG imprint)
- b. Country of origin ("Printed in..." or "Manufactured in...")
- c. Print line, using numerical values to isolate a specific printing of a title
- d. Plant specific numerical or alpha numeric Vendor code, assigned by HBG.
- e. All product packaging and labeling, and any changes thereto, must be approved in writing by HBG.

2.6. Compliance

Unless otherwise specified by HBG, Vendors must deliver products and labeling that comply with applicable Laws of the United States, Canada, the European Union, the United Kingdom, Australia and New Zealand.

If you supply products to us that fail to comply with applicable Laws, this Manual, and/or the Purchase Order, in addition to HBG's other rights and remedies, you will be responsible for: (i) re-manufacturing compliant products at no additional cost; and (ii) reimbursing HBG for any additional costs associated with the non-compliance such as freight, destruction of non-compliant products, fines, penalties, fees, damages and/or reasonable attorneys' fees. HBG reserves the right to cancel Purchase Orders, withhold payment and/or reject shipments of non-compliant products.

2.7. Hazardous Chemicals

Vendors may not include any "hazardous substance" in HBG products 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, or Bisphenol A (BPA), or any of the other known hazardous substances contained in one of the lists below:

- a. Regulation (EC) No 1907/2006 of the European Parliament and of the Council on the Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH"):

<https://echa.europa.eu/substances-restricted-under-reach>

- b. ECHA Candidate List of substances of very high concern (SVHC) for Authorization:
<https://echa.europa.eu/candidate-list-table>
- c. California Proposition 65:
<https://oehha.ca.gov/proposition-65/proposition-65-list>
- d. Washington Children’s Safe Product Act:
<https://ecology.wa.gov/waste-toxics/reducing-toxic-chemicals/washingtons-toxics-in-products-laws/childrens-safe-products-act>
- e. Vermont’s Toxic-Free Families Act on Toxic Chemicals:
<https://www.healthvermont.gov/environment/childrens-environmental-health>
- f. Maine's Toxic Chemicals in Children's Product Law:
<https://www.maine.gov/dep/safechem/>
- g. Oregon’s Toxic Free Kids Act:
<https://www.oregon.gov/oha/ph/healthyenvironments/healthyneighborhoods/toxicsubstances/pages/toxic-free-kids.aspx>
- h. Canada Prohibition of Certain Toxic Substances Regulations, 2012:
<https://laws-lois.justice.gc.ca/eng/regulations/SOR-2012-285/index.html>

In certain cases, as 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.). If a product cannot be manufactured without the use of a hazardous substance, then Vendor must notify HBG in advance of manufacture so that HBG has time to change Vendors, product design, and/or product specifications.

2.8. Additional Requirements for **Children’s Products**, Mini-Kits, “Books-Plus”, Art Kits, and Other **Non-Standard Product** Design Hazard Risks

HBG may require Vendors to conduct a design hazard risk assessment prior to manufacturing products. The design hazard risk assessment must outline all applicable Laws, third party testing and labeling requirements. It should also call out any potential use of hazardous substances (as described in Section 2.7 so that HBG can implement appropriate design changes.

Design hazard risk assessments must be conducted by a third-party lab (see Section 2.11 below) and should be repeated if there is any material change in the design or manufacturing process of the product. Vendors must notify HBG immediately in writing upon receipt of a re-order if such a change has occurred and may be required by HBG to supply a new design hazard risk assessment prior to manufacturing the re-order.

2.9. Specific Requirements for Children’s Products

Children’s products are defined differently and regulated differently in each country, and if conflicting

Laws apply, they should be manufactured to comply with the most rigorous of the applicable Laws. If a product is considered, for example, both a children’s product and an art product, it must comply with Laws applicable to both children’s products and art supplies.

- a. United States: Vendors must comply with the U.S. Consumer Product Safety Improvement Act (“CPSIA”), as applicable.
 - i “Children’s products” are defined as those products designed or intended primarily for children 12 years of age or younger.
 - ii CPSIA includes the following requirements which may be applicable to HBG’s products:
 - Mandatory third-party testing for children’s products and certification requirements.
 - Tracking labels.
 - Warning label requirements.
 - Compliance with ASTM F-963 (for toys).
 - Restrictions on the amount of lead-in-substrates, lead in paint, and phthalates.
 - iii Ordinary paper and ink books, bound with conventional materials, (“Ordinary Paper and Ink Books”) will not require third party product testing. HBG will, however, require annual safety testing results for components used in the manufacture of such products (inks, water-based coatings, laminates, and adhesives) to confirm overall compliance with CPSIA lead and phthalate limits.
 - iv All other Children’s products (e.g. products other than Ordinary Paper and Ink Books that have inherent “play value”**, such as toys, kits, and/or audio books) will require third party testing of the product as a whole, and each printing must be accompanied by a corresponding Children’s Product Certificate (or “CPC”) (see Section 2.10 below).
- b. European Union and the United Kingdom:
 - i Toys must meet the **EU Toy Safety Directive 2009/48/EC** (and harmonized EN 71 standards) and the **UK Toys (Safety) Regulations 2011** (GB). Vendors must provide **DoC/UK DoC**, CE/UKCA marking as required, a **technical file**, and retain both for **10 years** after the product is placed on the market. Note: GB currently **recognizes CE marking indefinitely** for toys; follow UK OPSS guidance for labeling of the responsible economic operator.

*** a product (or material) designed or intended for use in play by children of less than 14 years of age may have play value.*

- ii The Toy Safety Directive 2009/48/EC and Toys (Safety) Regulations 2011 (as amended) implementing the EU Toy Safety Directive refer to toys as products that are used or intended for use in play by children up to the age of 14 years.
 - iii All board books, books plus, and books with “play value” **must be accompanied by the following documentation from Vendors: Design hazard risk assessment.
 - Bill of Materials (BOM)
 - REACH Certificate/ UK REACH Certificate
 - ISO/Certificate of Quality Systems
 - Compliant safety report from third party lab
- c. Canada: Vendors must comply with the Consumer Product Safety Act (“CCPSA”), as applicable.
- i CCPSA and the Toys Regulations (administered by Health Canada) provide the safety requirements for toys and related children’s products sold in Canada.
 - ii Health Canada miscellaneous chemical and safety requirements that may apply to toys (e.g., chemical content controls and reporting) and general consumer product safety laws. Declaration of Conformity (DoC)
 - iii Any product-specific standards referenced in the applicable regulations or adopted Canadian Standards may be cited in the DoC or technical documentation.
 - iv Third-party testing to demonstrate compliance.
 - v For all toys/ board books, books with play value, and related products, vendors should provide documentation that supports compliance with CCPSA and bilingual (English and French) labeling requirements.
- d. Australia and New Zealand: Vendors must comply with the relevant Australian and NZ mandatory safety standards.
- i For toys, AS/NZS ISO 8124 is typically cited as the applicable safety standard.
 - ii Vendors must comply with national day safety and product-safety regimes, including mandatory standards, labeling, and appropriate documentation.
 - iii Third-party testing to demonstrate compliance.

2.10. Children’s Product Certificate (“CPC”)

Vendors (foreign and domestic) must provide a **CPC** for each **children’s product** subject to one or more CPSC enforced children’s product safety rules. The CPC must be based on **third party testing** conducted by a **CPSC accepted laboratory**, list **each applicable regulation** (e.g., ASTM F963, total lead content, lead in paint, phthalates where applicable), and identify the **manufacturer/importer, production date/location**,

and **recordkeeper**. **Ordinary paper and ink books** (as described by CPSC guidance) generally do **not** require third party testing nor a CPC, but components must still meet applicable substance limits and labeling rules.

CPC's must contain at least the following information:

- a. Date of issuance (month and year);
- b. Identification of the product covered by CPC (name of product and ISBN or other product identifier);
- c. Citation to each CPSC product safety regulation or test standard to which the product is certified;
- d. Identification of the party certifying compliance (name and business address);
- e. Date (month and year) and place where product was manufactured;
- f. Date, place and name of the third party lab where product or representative sample was tested for safety regulations cited above; and
- g. Contact information for the individual maintaining records of test results.

Except as otherwise agreed by HBG, a CPC is required at least seven days before final product is scheduled to ship to HBG. "Generic" CPC's that are not product specific will not be accepted by HBG.

2.11. Third Party Testing Labs

All design hazard risk assessments and testing required under this Section 2 must be conducted by a lab accredited by the CPSC: <http://www.cpsc.gov/cgi-bin/labsearch/>. HBG also requires that Vendors implement and enforce an Undue Influence Policy, as required under the CPSIA, prohibiting employees, agents, representatives, and suppliers of Vendors from exercising undue influence on a third-party testing lab.

2.12. Testing Frequency

Children's products that require third party testing under this Section 2 must be tested on samples representative of goods shipped and re-tested every 12 months if there are no changes to the product. You may rely on valid testing from a previous print run within the last 12 months, when issuing a CPC.

New testing is required, however, if there is any manufacturing or product specification change, such as to the country of origin, factory, design, specifications, or component materials.

Upon receipt of a re-order, if there is a change in the manufacturing, it is the Vendor's responsibility to notify HBG of the change in writing within 2 business days, and to confirm new testing will be conducted and an updated CPC will be supplied to HBG prior to the new order releasing to ship.

2.13. Art Materials

All art materials must undergo a toxicologist's chronic hazard review at least every 5 years and bear the

statement “Conforms to ASTM D4236” (placed on product, packaging, or point of sale (POS) material if not practicable), per LHAMA/FHSA. When hazards exist, cautionary labeling per 16 CFR 1500.14(b)(8) is required and must include a 24/7 U.S. contact for health information. Provide HBG with LHAMA conformance and the toxicologist’s criteria submission confirmation upon request.

2.14. Button /Coin Cell Batteries (U.S.)

Reese’s Law. Any consumer product containing a button or coin cell battery must comply with 16 CFR Part 1263 (incorporating ANSI/UL 4200A-2023): (i) child-resistant battery compartments (tool or two simultaneous actions); (ii) use/misuse testing prevents battery access/liberation; and (iii) required warnings on the product (if practicable), packaging, and instructions. Toy products compliant with 16 CFR Part 1250 (ASTM F963) are exempt from Part 1263 but must meet toy-specific battery requirements. Vendors must supply evidence of compliance in test reports and artwork proofs.

3. Lagardère Group Responsible Supplier Charter

HBG is committed to legal, compliant and ethical business practices and expects all its suppliers to company with all applicable laws and regulations and to maintain the highest degree of ethics in every aspect of their business as set forth in the [Lagardère Group Responsible Supplier Charter](#) (the “Charter”). Supplier agrees to comply with the provisions of the Charter as a condition of doing business with HBG.

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LAGARDÈRE GROUP RESPONSIBLE SUPPLIER CHARTER

Lagardère

JULY 2024



PREAMBLE

In the conduct of its activities, the Company undertakes to respect and apply all treaties, laws, regulations and other sectoral standards applicable to it and, where necessary, the principles of this Charter as mentioned in the Lagardère Group's 2020 Code of Ethics.

In line with its adherence to the United Nations Global Compact, the Lagardère Group establishes and maintains business relationships with partners who conduct their activities in a way that contributes to the objective of sustainable development, in social, environmental and economic terms. Consequently, the Lagardère Group expects its suppliers, partners and service providers, as well as their subcontractors, to respect the fundamental principles set out in this charter (hereinafter, the "**Charter**").

The supplier, partner, service provider or subcontractor (hereinafter, the "**Supplier**") accepts the Charter unreservedly and undertakes vis-à-vis the subsidiary of the Lagardère Group (hereinafter, the "**Company**") to comply with its terms, and vouches for their compliance by its own employees and representatives.

The Supplier also undertakes to comply with the treaties, laws, regulations and other industry standards that are binding on it (each a "**Standard**" and collectively the "**Standards**"). In this respect, if a Standard imposes an obligation on the Supplier that is more demanding than that provided for in the Charter in this respect, the Supplier shall be contractually bound to comply with this Standard.

The Supplier accepts that the Company may carry out audits in order to verify the application of the principles of this Charter.

Any failure by the Supplier to comply with the principles set out in this Charter may be considered a serious breach of its contractual obligations. As such, the Supplier shall adopt a plan of corrective measures which it shall submit to the Company in order to improve the situation and bring itself into compliance. In the event of a serious, persistent or repeated breach, the Company has the right to terminate the commercial relationship, without compensation for the Supplier, if the fact of maintaining this relationship would be such as to incur the liability of the Company or of a company in the Lagardère Group for failure to comply with a Standard.



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01 SOCIAL VALUES

The Supplier undertakes to treat employees with respect and dignity, and to comply with the applicable standards in the field of employment and professional relations. In particular, the Supplier undertakes to:

1. CHILD AND ADOLESCENT LABOUR

- Not to employ people under the minimum legal working age and/or the age of completion of compulsory education as set out in the Standards applicable in the jurisdiction concerned.
- In any case, do not employ people under the age of 15 or 18 for dangerous work¹.

2. FORCED OR COMPULSORY LABOUR, VIOLENCE

- Not to use any form of forced or compulsory labour², slavery or any similar practice, as well as any violence (verbal, physical or moral), corporal punishment or threat of such punishment.

3. WORKING HOURS, LEAVE AND PROFESSIONAL TRAINING

- Comply with the Standards relating to the limitation of the number of working hours.
- Grant a minimum of consecutive hours of rest to each employee in accordance with the applicable Standards.
- Not regularly make its employees work more than the maximum number of hours per week in accordance with the applicable Standards.
- Grant a minimum number of days of maternity leave and/or sick leave in accordance with the applicable Standards and make its best efforts to ensure that the employee returns to his or her job - or an equivalent job - upon returning from such leave.

¹ Work which, by its nature or the conditions in which it is carried out, is likely to compromise the health, safety or morals of children and adolescents.

² Any work or service required of an individual under threat of any penalty and for which the said individual has not offered himself voluntarily.

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- Ensure that its employees have access to professional training, where appropriate in accordance with the applicable Standards.

4. UNDECLARED WORK

- Refrain from engaging in undeclared work, in particular by fulfilling all its obligations in terms of declarations to the administrative, social and tax authorities as provided for in the country concerned.

5. SALARIES

- Adopt remuneration policies that comply with the applicable minimum wage and overtime pay standards.

6. EQUAL TREATMENT AND EQUAL OPPORTUNITIES

- To treat all employees and potential recruits equally and fairly and not to discriminate in any way, shape or form in respect of employment, occupation, recruitment or remuneration on the grounds of age, origin (national, social or ethnic), gender, gender identity, sexual orientation, religion, political opinion, marital status, disability or any other category protected by the applicable Standards.
- Do not subject employees and potential recruits to compulsory health tests that are not required by the applicable Standards.

7. HEALTH AND SAFETY

- To take the necessary measures to ensure a safe, secure and hygienic working environment for its employees and subcontractors and to preserve their physical integrity. To this end, in particular :
 - (i) To comply with the applicable Standards relating to health, safety and security at work and, in particular, to ensure that buildings, workplaces, machinery, equipment and work processes comply with the applicable Standards relating to maintenance, hygiene and safety;
 - (ii) Implement procedures and systems to prevent, manage and monitor accidents at work and occupational illnesses.



8. SOCIAL RELATIONSHIPS

- Respect the applicable Standards concerning the right of employees to form and/or join trade unions and/or representative organisations of their choice and respect the applicable rights of employees to mandate such unions/organisations to represent them in collective bargaining.

9. CERTIFICATIONS AND STANDARDS

- The Company encourages the Supplier to enroll in a social certification process, in particular by referring to the requirements of the following certifications or standards:
 - SA 8000 (social certification) ;
 - OHSAS 18001 (certification relating to working conditions, health and safety) ;
 - ILO-OSH 2001 (Occupational Health and Safety Management System).





02 ENVIRONMENTAL VALUES

With regard to environmental protection, the preservation of natural resources and the fight against climate change, both in the context of activities carried out with the Company and in the rest of its activities, the Supplier endeavors to implement policies that limit the environmental impact throughout the life cycle of the products or services it markets.

It undertakes to comply with the applicable Standards in terms of environmental protection, public health and safety and the traceability of raw materials, materials and components required for the supply of goods or services.

The Supplier also undertakes to comply with Regulation (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 on the placing on the market in the European Union and the export from the European Union of certain commodities and products associated with deforestation and forest degradation. As of the date of this Charter, this applies to seven commodities (cattle, cocoa, coffee, oil palm, rubber, soya and wood) and associated products containing these commodities, the full list of which is given in Annex 1 of the said Regulation. Within this framework, it undertakes in particular to set up and keep up to date a due diligence system, which must be a framework of procedures and measures intended to guarantee that derived products placed on the European Union market or exported from the European Union market are "zero deforestation" and comply with the applicable legislation and regulations.

In addition, the Supplier seeks, in the following areas, to :

1. LIMITING GREENHOUSE GASES

- Reduce its emissions of greenhouse gases, pollutants and volatile organic compounds and develop a low-carbon strategy with targets in line with international standards.

2. ENERGY EFFICIENCY AND RENEWABLE ENERGIES

- Developing an energy efficiency policy to optimise energy consumption in the development of its products and services.
- Favouring the use of renewable energies in the energy supply strategy with a view to limiting the use of fossil fuels as much as possible.



3. USE OF NATURAL RESOURCES AND RAW MATERIALS, WASTE, CIRCULAR ECONOMY AND LOCAL ECONOMY

- Use natural resources efficiently and take into account, as far as possible, the entire life cycle of the product or service at the design stage (reduce packaging and over-packaging, use eco-labelled products, encourage eco-design, reuse, re-employment, take into account the recyclability of finished products, etc.), with a view to the circular economy (usability, reusability, reparability, dismantling, remanufacturing or refurbishment, recycling, recirculation according to the biological cycle, other forms of optimisation, etc.), within a circular economy logic (usability, reusability, reparability, disassembly, remanufacturing or refurbishment, recycling, recirculation according to the biological cycle, other forms of optimisation) and in accordance with the EU action plan for a circular economy and applicable standards such as the PPWR (Proposal Packaging and Packaging Waste regulation).
- Whenever possible, give priority to local production and short distribution channels.
- Reduce waste production as much as possible and sort it. Separate hazardous waste from non-hazardous waste as far as possible, store it in appropriate conditions and ensure that it is treated in accordance with the applicable Standards.

4. PRESERVING BIODIVERSITY

- Integrate the notion of pressures on biodiversity and ecosystems as part of its activities.

5. WATER

- Limit water consumption as much as possible.
- Treat wastewater before discharging it into the natural environment or have it treated in authorised treatment plants, in accordance with the applicable Standards, where applicable.

6. DISCHARGES OF TOXIC OR HAZARDOUS PRODUCTS

- Do not use dangerous or toxic products that contravene the applicable Standards, or release polluting or contaminating substances into the environment.
- Identify, register and manage chemical and hazardous substances appropriately, in accordance with applicable Standards and using an approach that ensures the safe handling, transport, storage, use, recycling, reuse and disposal of these hazardous products.



7. RISKY SUBSTANCES : COMMUNICATION AND LABELLING

- Not to deliver any product to the Company and/or, where applicable, to Lagardère Group subsidiaries containing radioactive, PBT (Persistent, Bioaccumulative, Toxic), vPvB (very Persistent, very Bioaccumulative), CMR (Carcinogenic, Mutagenic or toxic for Reproduction) or SVHC (Substances of Very High Concern) substances, preparations or mixtures.
- Comply with the Hazardous Substance Notification Standards (e.g. tobacco, alcohol, air fresheners, glue, etc.).

8. CERTIFICATIONS AND STANDARDS

- The Company encourages the Supplier to enroll in an environmental certification process, in particular by referring to the requirements of the following certifications or standards:
 - ISO 14001 ;
 - EMAS.



03 BUSINESS ETHICS

The Supplier shall maintain ethical and responsible behaviour in the conduct of its business. In particular, it complies with the following principles:

1. COMBATING BREACHES OF BUSINESS INTEGRITY

The Company has adopted a zero-tolerance policy on corruption, rejecting any form of breach of business integrity: active or passive corruption, in the public and private sectors, illegal acquisition of interests and influence peddling (the "**Breaches of Business Integrity**").

The Supplier therefore declares and guarantees, throughout the duration of its relationship with the Company:

- (i) To comply with the applicable anti-corruption, anti-money laundering and counter-terrorism standards applicable to the performance of its relationship with the Company, as well as those governing its activities in the countries where it conducts business;
- (ii) To put in place proportionate and appropriate measures to combat and prevent Breaches of Business Integrity;
- (iii) That neither he, nor his executives, nor his employees in the context of their duties or any person acting in his name and/or on his behalf, have been convicted of Breach of Business Integrity, or involve the Company or a company in the Lagardère Group or any of its employees in an activity, practice or conduct that could constitute a Breach of Business Integrity;
- (iv) To ensure that neither it, nor its executives, employees within the scope of their duties, or any person acting in its name and/or on its behalf, promises, offers or grants to a public official³ or to any person, directly or indirectly, any payment, gift or other undue advantage which : (i) contravenes any applicable Standard; (ii) was intended to induce that person, in breach of his duties, to perform or refrain from

³Within the meaning of Article 2 a) of the United Nations Convention against Corruption of 14 December 2005: "(i) any person who holds a legislative, executive, administrative or judicial office of a State Party, whether appointed or elected, whether permanent or temporary, whether paid or unpaid, and whatever his or her level in the hierarchy; (ii) any other person who performs a public function, including for a public agency or public enterprise, or provides a public service, as those terms are defined in the domestic law of the State Party and applied in the relevant branch of the law of that State Party; (iii) any other person defined as a "public official" in the domestic law of a State Party. However, for the purposes of certain specific measures provided for in Chapter II of this Convention, 'public official' may mean any person who performs a public function or provides a public service as those terms are defined in the domestic law of the State Party and applied in the relevant area of the law of that State.

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- performing any act within the scope of his functions; (iii) constitutes a facilitation payment (iv) constitutes a Breach of Business Integrity;
- (v) To implement a compliance program, including internal rules designed to detect and prevent Breaches of Business Integrity and to sanction employees who fail to do so;
 - (vi) To implement an awareness and training campaign for its employees and stakeholders at risk;
 - (vii) To implement a third-party due diligence procedure;
 - (viii) That it maintains accurate accounts, as well as a control system to remedy breaches of the anti-corruption Standards.

The Supplier must respect these principles and must ensure that its subcontractors and suppliers also respect them.

The Supplier shall, to the extent possible, inform the Company if it becomes aware of the opening of an investigation by a competent authority or court having jurisdiction on anti-corruption matters against the Supplier or one of its executives, employees or a person acting in its name and/or on its behalf.

2. COMPLIANCE WITH INTERNATIONAL ECONOMIC SANCTIONS

The Supplier :

- (i) Undertakes to comply with the applicable International Trade Standards, including export controls, embargoes and sanctions against countries, companies or individuals (hereinafter the "**International Economic Sanctions**").
- (ii) Undertakes to provide the Company with all information relating to applicable export regulations and will issue all necessary classification certificates on request.
- (iii) Declares and warrants that neither it nor any of its executives or employees is on any applicable sanctions list, in particular those drawn up by the US government (in particular by the OFAC), by the European Union or by the Member States of the European Union (each a "**List of Person under Sanctions**", collectively the "**Lists of Persons under Sanctions**").
- (iv) Commits to notify the Company immediately if he or any of its executives or employees is named on a List of Persons under Sanctions.

In the event that, in the performance of the contract, the Supplier has not complied with the International Economic Sanctions, the Company shall be entitled to, as soon as it becomes aware of such non-compliance, suspend payments due to the Supplier until it has been demonstrated that there has been no such non-compliance.

If this breach is proven or if the Supplier is included on a List of Persons under Sanctions, the Company may terminate the contract by simple written notification, for fault on the part of the Supplier and with immediate



effect, without prejudice to any other rights and remedies that the Company or Lagardère Group may be entitled to exercise.

3. ETHICS LINE ALERT SYSTEM

As part of its ethics and risk prevention approach, the Lagardère Group has set up the Ethics Line secure reporting system: <http://ethicsline.lagardere.com>.

This multilingual platform, operated by an external service provider, is accessible 24/7. It provides a confidential means of reporting unlawful or unethical activities or behaviour carried out within the framework of the activities of the Lagardère Group and its subsidiaries. The Ethics Line platform is open to all stakeholders of the Lagardère Group and its subsidiaries - employees and third parties.

The Lagardère Group's whistleblowing procedure, which can be accessed from the Ethics Line website, describes in detail the procedures for submitting a whistleblower's report, the processing of reports received and the guarantees offered to users of the platform.

The Supplier declares that it is aware of the Ethics Line system and the Company encourages the Supplier to inform its employees involved in its relationship with the Company of this system.

4. CONFLICT OF INTEREST

The Supplier declares and guarantees throughout the duration of its relationship with the Company :

- (i) Having verified that neither he, nor its legal representatives, nor the persons involved in the performance of the contractual obligations, are in a situation of conflict of interest.
- (ii) That it will inform the Company without delay of any conflict of interest that may arise during the contractual relationship and concerning one of the parties identified in the previous paragraph.

If a conflict of interest is identified by the Supplier or the Company in the course of their relationship, they will agree together, on a case-by-case basis, on any measures to be taken to manage and/or resolve the situation.

5. COMPLIANCE WITH COMPETITION LAW

The Supplier must comply strictly with the applicable Standards on fair trading practices and more generally with competition law, applicable in the countries in which they carry out their activities.

The Supplier shall not exchange or disclose commercially sensitive information concerning competitors, customers or suppliers.



04 REDUCING THE RISK OF ECONOMIC DEPENDENCE

The Supplier undertakes:

- To avoid voluntarily remaining in a situation of economic dependence on the Company.
- To control its subcontractors, service providers and suppliers in order to avoid significant economic dependence.
- To inform the Company if it finds itself in a situation of economic dependence and submit an action plan to overcome this dependence (diversification, internationalisation, etc.).



05 EVALUATION OF CORPORATE SOCIAL RESPONSABILITY (CSR) PERFORMANCE

The Company encourages the Supplier to take part in a CSR performance evaluation process and recommends that it refer to existing rating tools, in particular EcoVadis.

As such, the Supplier acknowledges that the Company may take the said evaluation into account when choosing its suppliers or subsequently as part of an annual evaluation campaign.

4. Legal Matters

4.1. REPRESENTATIONS, WARRANTIES AND INDEMNIFICATION

By fulfilling our Purchase Orders and doing business with HBG, Vendor represents and warrants that the products and services supplied to HBG comply with all applicable Laws, the Purchase Order, this Manual and all policies incorporated by reference in the Purchase Order and Manual. Vendor shall be responsible for the act and omissions of its agents, employees, subcontractors and sub-suppliers.

Vendor agrees to indemnify HBG, its directors, officers, employees, representatives, successors, and assigns, from any and all claims, demands, losses, judgments, damages, penalties, costs, or liabilities (including reasonable attorneys' fees) including without limitation claims for death, personal injury, government or customer penalties, or property damage, arising out of Vendor's breach of the foregoing representations and warranties; the negligence or willful misconduct of Vendor in providing the products and services to HBG; and/or claims based on strict or product liability relating to products supplied to HBG.

HBG reserves the right to settle all claims at its own expense, but such settlement shall not relieve Vendor from any of its obligations under our Purchase Order and/or this Manual. The provisions of this Section shall survive the termination or expiration of the applicable Purchase Order.

4.2. GOVERNING LAW AND JURISDICTION

The validity, interpretation, and performance of our Purchase Order and this Manual shall be governed by the laws of the State of New York, without giving effect to conflict of laws, and each Vendor agrees to irrevocably submit to venue and jurisdiction in state and federal courts of New York County, New York.