

Environmental, Social and Governance



2022 Report

2022 Highlights



1,380
employees
volunteered



Approximately
15,290
students served through
employee volunteerism



37%
of employees
participated in
9 Employee
Resource Groups



Approximately
80,799
trees saved as a result of our
sustainable paper practices

Welcome



In 2022, HMH embarked on an exciting new phase in our transformational journey. Our acquisition by Veritas Capital in April set us on a path that affords us new opportunities to accelerate our positive impact on the schools and communities we serve.

With that formative event setting the stage, over the course of the last year we advanced our digital first, connected strategy while supporting teachers and students amidst the challenges of post-pandemic academic recovery and we deepened our Environmental, Social and Governance (ESG) commitments. I am proud of the strides we made together, and in this report I invite you to learn more about HMH's progress as a purpose-driven organization.

HMH's values are grounded in a critical equation: **Employee Success + Customer Success = Company Success**. We believe the HMH community is the driving force behind the pursuit of our mission: to bring learning to countless students and teachers—transforming lives, supporting communities and making our society more open, just and inclusive for all.

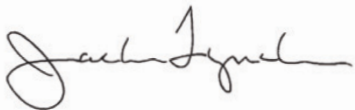
In this report, you'll learn about our Employee Value Proposition (EVP), which shapes what it means to work at HMH as well as the ways our employees live our values through community service. In 2022, **1,380** employees volunteered, including during our annual Volunteer Week when we collectively logged **3,337** volunteer hours in that week alone. HMH supported **1,007** different nonprofit organizations through giving and volunteering, benefiting communities around the world.

We also furthered our Diversity, Equity and Inclusion (DEI) commitments last year, hosting our first annual DEI summit and naming **Benita Flucker** as **HMH's first-ever Chief Equity and Inclusion Officer**. We're committed to cultivating a culture where all feel seen, heard and valued, and in 2022 we proudly welcomed our ninth **Employee Resource Group** with the addition of **HMH BRAVE**, which provides support and community for HMH's military veterans, spouses, families and allies.

HMH remains deeply dedicated to creating programs and solutions that reflect and honor the diverse communities that we serve. Our Content, Equity, Inclusion and Diversity (CEID) review panel ensures the curriculum we produce is culturally responsive and inclusive, and in 2022 over **234,000** units of content received a review.

We also made significant advances and expanded the scope of our sustainability program. We continue to surpass our target related to responsibly sourcing and using paper and have been able to calculate our baseline greenhouse gas (GHG) emissions data, which you can read about in this report.

I am incredibly proud of how we came together to accomplish work that matters in 2022. As HMH continues its transformation, one ideal will never change: our commitment to building a better world.



Jack Lynch
President and Chief Executive Officer



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Our Purpose



We bring learning to countless students and teachers—transforming lives, supporting communities and making our society more open, just and inclusive for all. That is our purpose, a social justice-driven mission with origins tracing back to our founding in 1832.

As a “double bottom line” business, HMH measures company success not only in profits but in our social impact. Only when we perform well can we achieve our guiding purpose and improve the lives of teachers and students around the world. With a purpose as imperative as ours, it is our *responsibility* to succeed.



[Learn how Blackfoot School District made huge strides in student growth last year.](#)



With the data from state assessments and the curriculum and benchmarks that are provided through HMH, we are able to understand the story of a child—the progress that is needed to help a child build and achieve success. Success is contagious.”

—Brian Kress
Superintendent, Blackfoot School District

ALIGNMENT WITH UN SUSTAINABLE DEVELOPMENT GOAL 4:

The United Nations 17 Sustainable Development Goals address the biggest and most complex challenges of our time. HMH understands that quality education is a fundamental human right, and our purpose-driven mission is strongly aligned with the UN Sustainable Development Goal 4, to “ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.” We recognize the importance of evaluating and improving how our company, including our products and services, contributes to education access, affordability and improved outcomes for all learners.

WHAT WE VALUE

These values represent the best of who we are, who we’ve been and who we strive to be. Our values guide the way we make decisions, collaborate, communicate, prioritize and grow as individuals and as a company. For more on what these values mean to us read [Our Stand](#), a declaration of our culture.



TRUST



JUSTICE



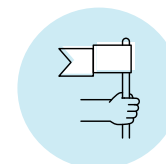
LEARNING



INNOVATION



COURAGE



OWNERSHIP

AWARDS AND RECOGNITION

//CODiE//
2022 SIIA CODiE WINNER

Writable® with *HMH Into Literature®* was named “2022 Best Reading / Writing / Literature Instructional Solution for Grades 9–12” in the CODiE Awards



Earned a “Best Place to Work for LGBTQ+ Equality” designation by the Human Rights Campaign Foundation



HMH Into Science® was named “Best Science Learning Solution” in the fourth annual EdTech Breakthrough Awards

OVERSIGHT & CORPORATE GOVERNANCE

BUSINESS ETHICS

- **ESG Council**

HMH's ESG Council, comprised of Executive Leadership Team members and other leaders from across the business, in collaboration with Veritas Capital, oversees coordination across all HMH lines of business to accelerate the ongoing development and implementation of our ESG strategy.

- **Human Rights**

As outlined in our Human Rights Policy, HMH believes that respecting and protecting human rights is fundamental to the dignity of all people without regard to race, color, religion, language, pregnancy, ancestry, age, gender, national origin, sexual orientation, gender identity, gender expression, physical appearance or characteristics, mental or physical ability, genetic information or marital or veteran status. We value a workplace that is free from bullying, harassment, intimidation, violence or threats of violence, discrimination and other unsafe or disruptive conditions resulting from internal or external threats. Our Human Rights Policy details our alignment with the United Nations Universal Declaration of Human Rights.

- **Code of Conduct**

Our entire company is trained on our Code of Conduct, which serves as the foundation of our ethics and compliance program. This training is standard for employee on-boarding and refresher trainings are offered to all employees annually (99% of employees underwent business ethics or compliance training in 2022). Included within the Code of Conduct is our Finance Department Code of Ethics, as well as policies on anti-harassment, whistle-blowing, anti-corruption, disclosures, insider trading, business conduct and ethics, workplace safety and equal opportunity. In 2022, there were zero substantiated complaints of ethical misconduct or fraud.



DATA PRIVACY AND CYBERSECURITY

HMH is committed to protecting personal data. HMH is a proud signatory of the Future of Privacy Forum/Software & Information Industry Association (SIIA) Student Privacy Pledge. HMH Board of Directors provides oversight of cybersecurity risks. HMH's [Privacy Policy](#), [Privacy Policy for Pre-K-12 products](#) and [Privacy Policy \(GDPR\)](#) provide additional information. In 2022, there was one attempted ransomware attack, which was unsuccessful, and **100%** of employees participated in HMH's annual security awareness training.

Our People



We believe high performance starts with our people. We remain focused on our critical equation for success: **Employee Success + Customer Success = Company Success**, all grounded in [our mission and our values](#). We seek to cultivate a culture where all team members feel included and valued, and highly engaged in the work that they do.



... **shared purpose** extends to the idea that by helping those students, teachers and administrators, we’re also doing something to make the world of the future a better place than the world of the present.”

—Mark Grayson

Vice President, Science Learning Experience Design

WORLD-CLASS EMPLOYEE ENGAGEMENT

Through our annual engagement survey we gain direct feedback from our employees, which we view as critical in supporting employee success at HMH. We are proud of the results from our 2022 Gallup employee engagement survey:



HMH joined the **top 10%** of companies who utilize Gallup's Q12 benchmark for overall employee engagement. This **world-class level** of employee engagement comes after five consecutive years of growth as measured by Gallup's Q12 model!

This year, we saw the **percentage of engaged employees grow**, and the percentage of disengaged employees decrease, resulting in a 15.75:1 ratio of engaged to disengaged employees, which Gallup cites as industry-leading.



We continued to see **improvement in the metrics that represent our core values**. HMH has now reached the 99th percentile on the question "Everyone at this company is treated fairly regardless of individual differences such as ethnic background, race, age, disability, sexual orientation, gender or gender identity" when compared to other companies.

While we are extremely proud of these strong results, we know we can always improve. We will continue to prioritize work that matters, incorporate employee feedback and empower team members to have the opportunity to do their best work every day.

LEARNING AT HMH

We value learning and professional development for our employees. Through HMH's online learning management system, Knowledge Network, employees have access to more than **10,300** on-demand and in-person training courses and programs. In 2022, **2,994** unique employees completed a total of **19,399** training hours.

EMPLOYEE SAFETY

We're dedicated to creating workspaces that promote employee wellness and safety. We comply with the Occupational Safety and Health Act (OSHA). Each of our distribution centers has a Safety Committee responsible for implementing safety policies and ensuring we are in compliance with OSHA's requirements. We track the number of worker-related injuries, fatalities and days lost to injury annually companywide. In 2022, there was a total of 26 work-related injuries, zero work-related fatalities and zero days lost due to injury.



...To me, deeper connections also includes thinking strategically to maximize value not just for our customers, but also internally at HMH. It encourages me to get involved and endeavor to work towards a holistic view of our roles and impact within the company and in the world at large."

—Sarah Rehman
Learning Experience Designer



Our Commitment to Diversity, Equity and Inclusion



We aim to create and cultivate an employee community, company culture and business strategy that reflects the diverse demographics and perspectives of our customers and employees. We embrace diversity, equity and inclusion in our actions, our brand and our products. DEI work is embedded in all aspects of HMH as an essential dimension of our transformation.

We continue to focus our DEI Program around four core pillars: leadership, talent, culture and business, while working toward achieving our internal companywide commitments.

LEADERSHIP

We believe strong leadership is critical to build on the progress we've made against our DEI commitments and strengthen our program as we evolve.

HMH'S FIRST-EVER CHIEF EQUITY AND INCLUSION OFFICER



To help drive our DEI work forward, HMH established an Equity and Inclusion Office in July 2022, [naming Benita Flucker](#) as HMH's first-ever Chief Equity and Inclusion Officer. This critical role was established to ensure that HMH's commitment to DEI is reflected in our customer-facing solutions and all aspects of our business, while unifying our internal and external efforts. Flucker's appointment builds upon deep industry experience and more than a decade of exceptional service at HMH, including her instrumental role in launching HMH's Content, Equity, Inclusion and Diversity initiative.

DEI COUNCIL

Made up of a diverse group of employees from across the business, HMH's Diversity, Equity and Inclusion Council supports alignment with our DEI program and champions DEI efforts companywide. This group meets regularly and is focused on engaging employees from all levels of our business in taking action to help us achieve our DEI goals.





TALENT

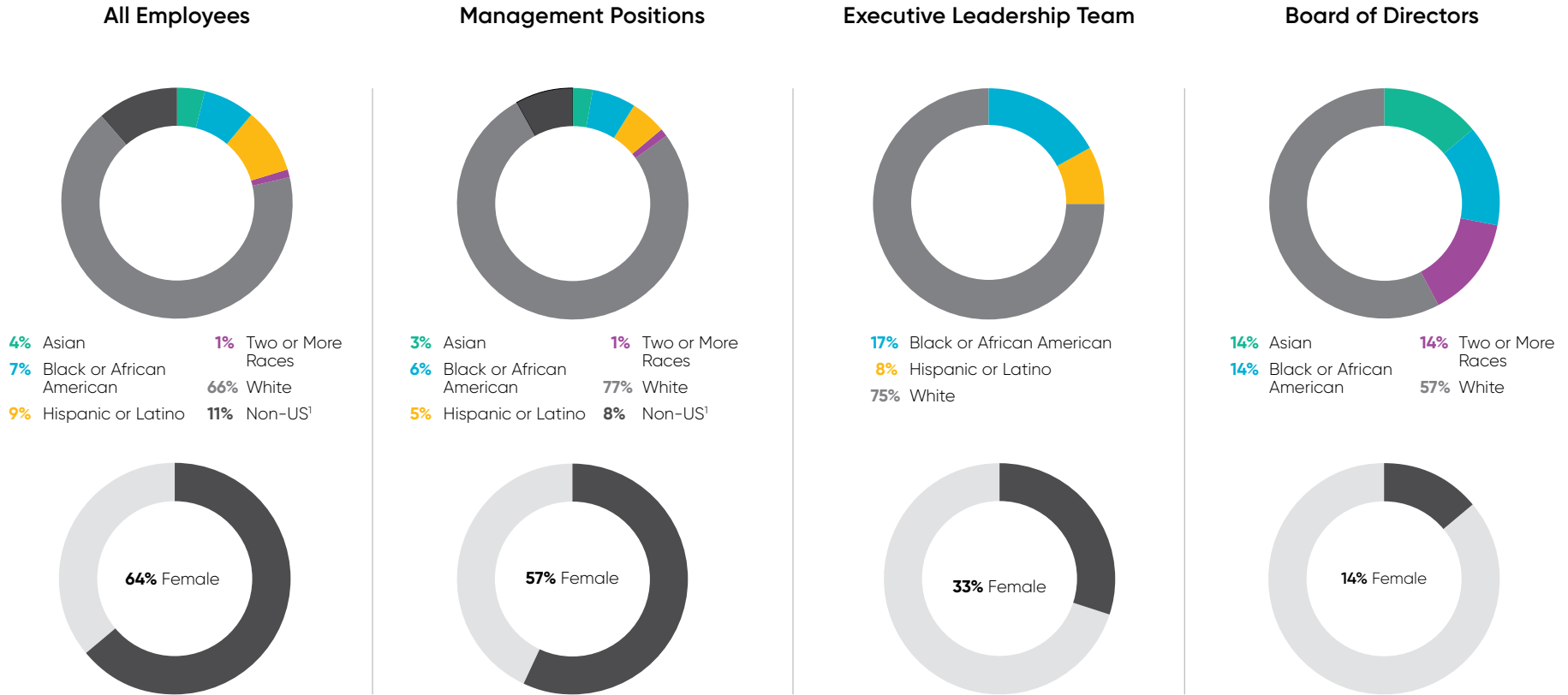
We are focused on attracting, developing and retaining employees who are dedicated to building and working in a diverse, equitable and inclusive organization.

In 2022, we increased our hiring rate of people of color, making positive strides toward our goal of hiring more people of color across our business. We remain focused on recruiting and retaining more employees who are of diverse backgrounds and in 2023 will have expanded partnerships with organizations who can help us continue to diversify our talent pipeline.

LEAD CONNECTED

Our Connected Leadership Engagement and Development Rotation Program (LEAD Connected), aims to strengthen our internal talent pipeline by providing highly competent employees with diverse backgrounds and experiences with growth and advancement opportunities. Last year, the first cohort of participants graduated, with all seven participants receiving a promotion. We will launch two additional cohorts in 2023, with the goal of graduating 25 employees from the program by the end of 2025.

EMPLOYEE DEMOGRAPHICS



Additionally, 7% of employees have identified as LGBTQ+² , 2.4% voluntarily noted they have a disability and 0.8% of our domestic workforce were in the protected veteran population.

¹ At this time HMH does not collect ethnicity information for non-US employees.

² All data in this section is related to 2022 data, except the information related to employees who identify as LGBTQ+. This LGBTQ+ information was obtained from an optional 2021 companywide employee survey. While we did not gather this data in 2022, we plan to ask employees to provide this data on a voluntary basis in 2023.

CULTURE

We are committed to cultivating a culture that values differences and addresses barriers to DEI efforts. We strive to be an organization where every employee feels seen, heard and truly valued.

DEI SUMMIT

In March 2022, over **1,300** employees attended HMH's first annual DEI Summit, which provided an opportunity for our community to take a deeper dive into our commitment to diversity, equity and inclusion. The Summit included a guest speaker, opportunities to learn more about HMH's ERGs, and an interactive workshop.

EMPLOYEE RESOURCE GROUPS

HMH's Employee Resource Groups (ERGs) are employee-led groups formed around shared life experiences and backgrounds. In 2022, our ERG community expanded, with the formation of HMH BRAVE, which provides support and community for HMH's military veterans, spouses, families and allies. All nine HMH ERGs support personal development, strengthen our culture and create space for employees to bring their whole selves to work. ERGs are also a pivotal part of supporting HMH's strategic equity and inclusion initiatives.



HMH
AccessAbilities



HMH
Asian Heritage
& Advocacy



HMH
Black Alliance



HMH
Brave



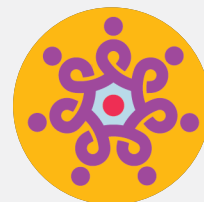
HMH
Mental Health
Matters



HMH
Mindfulness



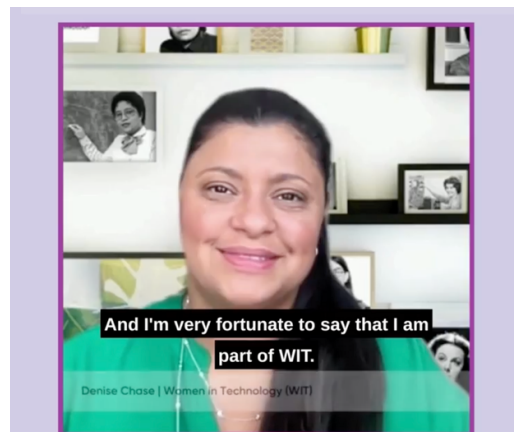
HMH
Pride LGBTQ+
Allies



HMH
Unidos

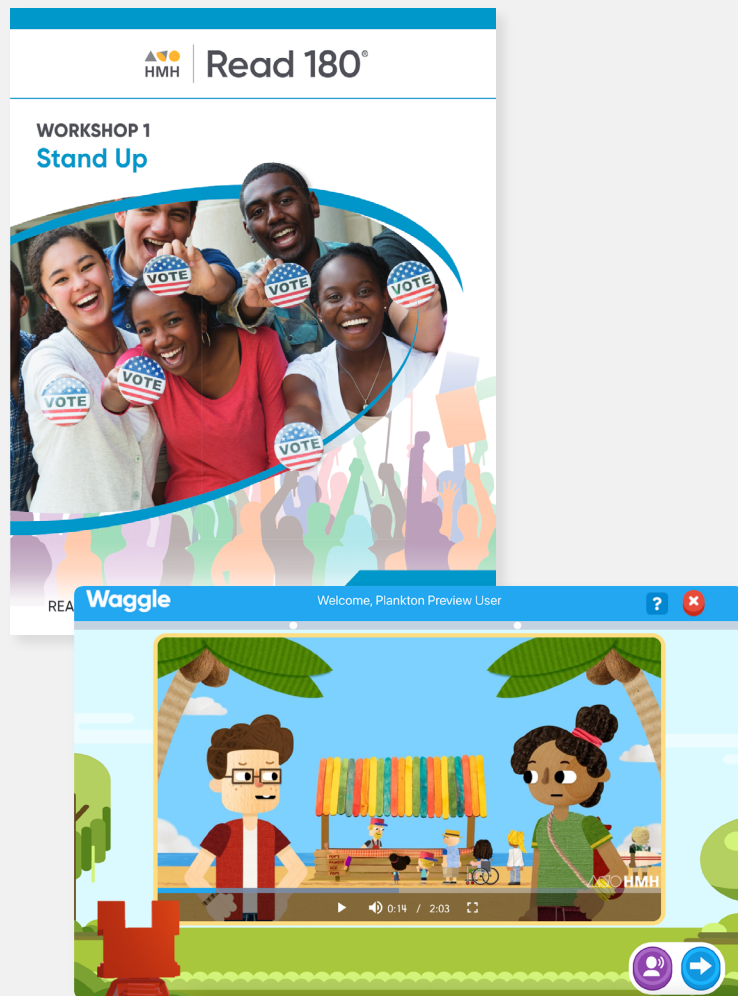


HMH
Women in
Technology



“I was one who used to think that when I came to work... I had to become a different person. I had to be this model of what I thought professionalism was, and it didn't include all of me. Now I know that **I come to a job where I'm fully seen**, I walk through the door as I am.”

—Martha Hale Farrell
Product Offering Senior Director and HMH
AccessAbilities Co-Chair



BUSINESS

We ensure that HMH's commitment to DEI is reflected in all aspects of our business, including in our customer-facing solutions and supplier partnerships.

CONTENT, EQUITY, INCLUSION AND DIVERSITY

As a learning technology company focused on empowering students and teachers, it is our responsibility to build content and provide services and resources that foster a wide understanding of our world and that **recognize, honor and amplify** the voices and perspectives of the diverse communities and individual students we serve. To that end, our cross-disciplinary **Content Equity, Inclusion and Diversity Review Panel** evaluates and makes recommendations for HMH content and curriculum. In 2022, over **234,000** units of content received an equity review. The CEID panel is comprised of highly trained and skilled HMH team members, who follow an industry-leading set of guidelines with over 12 categories of equity considerations.

EQUITY ADVISORY COUNCIL FOR LEARNING

The HMH Equity Advisory Council for Learning (EACL) partners leading education scholars, practitioners and advocates with HMH employees, forming a community of experts focused on the continuous improvement of our K-12 curriculum and materials. Last year, the group launched a new approach to identifying and resolving equity issues in the development of our materials. This included creating new rubrics to support teachers with research-based teaching strategies and prototyping evaluative measures for HMH leaders to incorporate equitable practices into our culture.

SUPPLIER DIVERSITY

Through our [Supplier Diversity Program](#), we seek to foster a more inclusive supplier base by creating a culture that embraces small and diverse suppliers, encourages partnerships with historically under-represented ownership groups, addresses barriers to inclusion and reflects our customers and employees around the world.

As part of our commitment to supplier diversity, HMH is a member of the [National Minority Supplier Development Council](#) and the [Women's Business Enterprise National Council](#).

In 2022, HMH's companywide spend with small and diverse suppliers grew **5%** over the previous year. Current and prospective suppliers can share their diverse status by registering in [HMH's supplier portal](#).

INNOVATION FOR EQUITY



Since 2018, HMH has incubated and supported the nonprofit organization launch of [Innovation For Equity, Inc.](#) (IFE). IFE is a collaboration of highly accomplished Ed Tech leaders with a shared mission to scale and improve life outcomes for Black learners from cradle to career and increasing Black leadership across the education ecosystem. IFE has grown to become an essential and active community that is pacesetter and leading the way in growing Black leadership through a senior fellowship program, while scaling classroom solutions, and responding to inequities in education by fostering innovation. In 2022, IFE convened their annual summit, which included illuminating and provocative panels of industry experts focused on teaching our history today and preparing for the workforce of the future.



Our Employees Give Back

Our employees are committed to volunteerism and giving back to communities around the world. As a company dedicated to education, many of our volunteer efforts, both in-person and virtual, are keenly focused on advancing student outcomes for those in underserved communities. This focus directly aligns with [UN Sustainable Development Goal 4](#), “ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.”

5,300+

volunteer hours
logged

1,007+

nonprofit organizations supported through
employee giving and volunteering

EMPLOYEE GIVING

Employees can utilize HMH’s matching gift program to double their impact on causes and organizations they’re passionate about. For the first time ever, in 2022 employees also had access to donation credits, where they are able to direct donations funded by HMH to nonprofit organizations of their choice through HMH’s improved giving and volunteering platform, HMH Cares.

CITY YEAR



[City Year](#) continues to be a key partner for HMH, anchored in our shared mission of building a more equitable future for all students. We proudly sponsor the team of City Year AmeriCorps members who serve at the Young Achievers Science and Mathematics Pilot School in Boston and partner on impactful volunteer projects year-round across the U.S., including MLK Day opportunities, spring service days and during our annual Volunteer Week.





CITY OF BOSTON SCHOLARSHIP FUND



For the fourth year in a row, HMH volunteers played a crucial role in the [City of Boston Scholarship Fund](#) application review process. This is a needs-based scholarship awarded to bright students from the Boston community pursuing higher education. After completing a training, **37** HMHers from all over the U.S. reviewed **409** student applications! Their care and consideration on each application helped the City of Boston's team select the **10** students who received the scholarships.

COMMUNITY INVESTMENT COUNCILS

HMH is proud to support Community Investment Councils (CICs), comprised of employees who are passionate about community service. CICs align with our major office locations and distribution centers across the United States and Ireland, including a Remote CIC to engage homebased colleagues. CIC members utilized funding, training and support from the Corporate Social Responsibility team to engage colleagues in volunteer opportunities and charitable campaigns all year long and were instrumental in planning and leading dozens of projects during HMH Volunteer Week 2022.



I really enjoyed working with students.

Having that moment in the classroom brings you back to our 'why'! It really filled my bucket."

—Elizabeth Whisenant
Product Manager



HMH'S 11TH ANNUAL VOLUNTEER WEEK!

Each year we carve out a dedicated week when employees are encouraged to volunteer in their local community, contributing to a wide range of causes around the world. **1,268** employees participated in our 11th annual Volunteer Week which took place in October. Through a mix of in-person and virtual projects, employees supported **82** different nonprofit organizations, impacting over **12,800** students!



1,268
Volunteers



123
Coats and Clothing
Packs Donated



3,337
Hours Volunteered



82
Nonprofit Organizations
Supported



440
Art and STEAM
Kits Created



91
Projects Completed



12,800+
Students Served



36,176
Meals Packed

PROJECT SPOTLIGHTS



Hurricane Ian Relief

After Hurricane Ian devastated areas of Florida in September, Account Executive **Vivian Covone** and Senior Area Sales Director **Mary Devore** led a supply drive to support impacted students and families of Wauchula Elementary school and additional southwest Florida district schools.



Feed Our Homeless

Talent Acquisition Partner and Dublin CIC member **Ariane Goulart** led a team of colleagues in volunteering at [Feed Our Homeless](#), a Dublin-based charity dedicated to supporting those experiencing homelessness. The team restocked shelves, prepared meals and packed hygiene kits.



Origami Cranes for Joey's Wings

LEAD Connected Manager and Co-Chair of HMH's Asian Heritage and Advocacy ERG **Andrew Shih** led a virtual project to benefit [Joey's Wings](#), a nonprofit that supports families affected by childhood cancer. Volunteers folded origami cranes which were sent to Joey's Wings. The organization puts thousands of cranes on display each year to raise awareness and funds for childhood cancer research.



PediPlace Goodie Bags

Sales Administrator and Remote CIC member **Robin Hereford** led a project to benefit the pediatric medical nonprofit [PediPlace](#) during Volunteer Week. Over twenty Texas-based employees came together to pack a total of 600 goodie bags, to be given to the children served by PediPlace.

Our Sustainable Practices



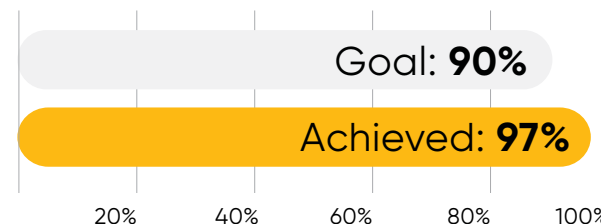
HMH is committed to making environmentally responsible choices to serve students and educators for years to come. HMH values the use and development of renewable energy, conservation programs and practices that will improve our environmental performance. We also believe access to clean water is a basic human right. In 2022, we were able to expand the scope of our sustainability program and our reporting now includes our baseline greenhouse gas (GHG) emissions data.

RESPONSIBLE PAPER USAGE

Responsibly sourcing, using and disposing of the paper in our products is key to our sustainability efforts. We track our progress annually, related to our paper procurement targets.

2022 Target Surpassed

Target of 90% of HMH purchased paper for education products to be manufactured with no less than 10% recycled fiber was surpassed. Our [2023–2024 Paper Sourcing and Usage Policy](#) reflects our renewed goals and commitments in this area.



³ Environmental savings statistic provided by New Leaf Paper, HMH's largest paper supply partner.



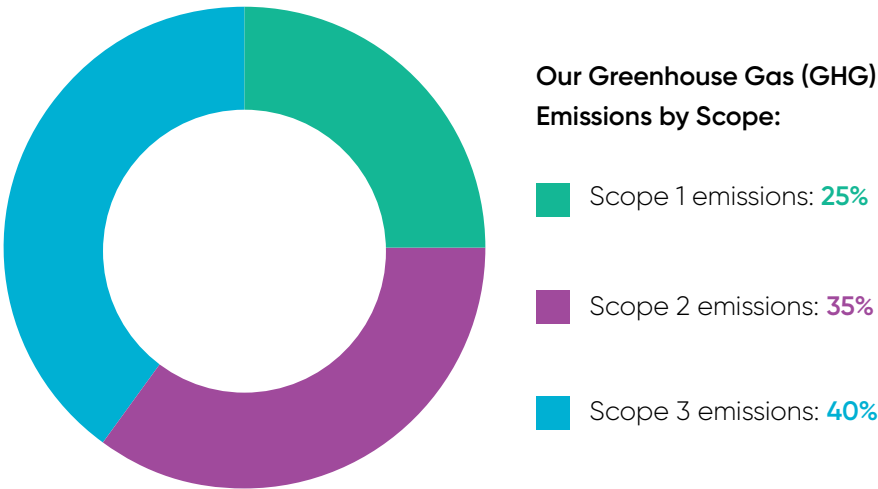
In 2022, HMH's sustainable paper practices resulted in saving approximately³:

80,799

trees



HMH'S CARBON FOOTPRINT



Scope 1	Direct emissions from HMH-owned or controlled sources
Scope 2	Includes our indirect emissions from the generation of purchased electricity
Scope 3	Includes other indirect emissions that occur in our organization's value chain

⁴ The location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using primarily grid-average emission factor data found in the EPA's 2021 Emissions & Generation Resource Integrated Database [eGRID](#)). The location-based method does not factor in instruments or contracts like Renewable Energy Certificates (RECs). It assigns the local grid average emission factor to all offsite usage, regardless of where it comes from.

2022 GHG Emissions by Scope Detail	
Emissions Source	Emissions (metric tons CO ₂ e)
Scope 1 Emissions	2,828
Stationary combustion: onsite equipment and building heat, natural gas and diesel consumption	1,658
Mobile emissions: company-owned fleet vehicles gasoline consumption	629
Fugitive emissions: building and company fleet A/C refrigerant leakage	541
Biogenic Scope 1 emissions	308
Biogenic mobile emissions: company-owned fleet biodiesel and ethanol consumption	308
Scope 2 Emissions (location-based^[4])	3,932
Purchased electricity	3,932
Total Scope 1 and Location-based Scope 2 Emissions	6,761
Scope 3 Emissions	4,433
Business travel: air and vehicles	3,795
Waste generated in operations	638
Total Scope 1, 2 and 3 Emissions	11,194



WASTE MANAGEMENT AND RECYCLING

Whenever possible, we recycle our excess product and waste generated at our distribution centers and warehouses in an effort to avoid sending recyclable products and other waste to landfills.

In our corporate offices, every employee has a recycling bin and a garbage can. We work to increase employee awareness regarding waste management and recycling with bins and signage.

94%

of the waste generated at HMH distribution centers and warehouses was recycled in 2022.

ENERGY USE

We strive to reduce energy consumption at our distribution centers, warehouses and offices through proven energy-efficient practices, including:

- using high-efficiency fluorescent bulbs;
- equipping conference rooms with motion sensor lighting;
- using energy-efficient HVAC and heating units; and
- installing LED light fixtures in parking lots.

HMH's headquarters in Boston has received the LEED® (Leadership in Energy and Environmental Design) Gold Certification for Existing Buildings™, which is the second highest LEED certification level attainable.

TRANSPORTATION

We aim to transport our products to districts and schools—a key aspect of our business—in an environmentally conscious way. In 2022, HMH saved **920,194** pounds of CO₂ (equivalent to the amount of electricity needed to charge **50,772,786** smart phones) by managing our carbon footprint with intentional transportation methods, including combining partial loads from similar geographic locations into one shipment and shipping directly from vendors to end recipients when possible.

HMH participates in the **Environmental Protection Agency's SmartWay program**, which helps companies measure and improve freight transportation efficiency. Through this program we are able to reduce our carbon footprint; in 2022, HMH saved **511,855** pounds of CO₂ (the equivalent of planting **275** acres of forest) by participating in the SmartWay program.

THE FUTURE OF SUSTAINABILITY AT HMH

At HMH, we have embraced a **digital first, connected strategy** to best serve our customers, who have a growing need for dynamic, connected digital products and solutions. While print materials will always be important, this growing demand for digital resources will allow us to use fewer natural resources and reduce our reliance on transportation to deliver print materials, which benefits the environment.

HMH is committed to improving, innovating and accelerating our companywide sustainability efforts in all areas material to our business, while serving students and teachers.





Shape Student Success.

Shape the Future.



hmhco.com