



2020

Corporate Social Responsibility Report



2020 Highlights



3,742 volunteer
hours logged



Nearly
1 million
books donated
worldwide



856
employees
participated in
HMH's first-ever
virtual Volunteer
Week



Welcome

2020 was an extraordinary year for the world, for our industry, and for HMH. The COVID-19 pandemic changed the way we live, work and learn. It was a year with no playbook, during which our team embraced our values to continue to bring learning to students, teachers, and readers when they needed us most.

HMH quickly mobilized into action to expand support for schools, educators, students, and families navigating newfound realities and challenges. We established a wide-ranging collection of flexible learning opportunities and offerings to enable continued access to high-quality materials. As you'll read in this report, this included expanded access for districts to our programs and services; use of our AI-driven personalized learning platforms; free daily activities for continued at-home learning; expert, targeted support for superintendents; and critical book donations in service of students in need of quality reading material at home.

2020 forced us all to work differently – and employee volunteerism was no exception. I'm proud that our high-purpose, high-performance team found creative ways to continue to support the communities in which we live and work. In November we held our first-ever virtual Volunteer Week, during which 856 employees logged over 2,500 hours of community service. This included virtual volunteering with nonprofit partners like City Year, which serves 96% of the most under-resourced schools with the largest equity gaps. Through our global book donation program, HMH Books for Equity, we donated nearly one million books to 228 different organizations, with a special focus on titles that amplify Black authors, stories and voices.

This year also sparked a national reckoning around racial justice. It underscored our collective responsibility to examine and disrupt the pervasive systems of inequity and dehumanizing effects of racism across our society. As a company that reaches nearly every student and teacher in America, as well as countless readers around the world, we know we have to focus even more deeply and urgently on our role as part of the solution. Amid the Black Lives Matter movement this summer, we took time to reflect and made a commitment to ensure our social justice and antiracism efforts are intentional, actionable, and designed for long-term and ongoing impact. We built upon a number of key initiatives already rooted in this critical work, including our continued sponsorship of Innovation for Equity and the formalization of our company-wide Diversity, Equity and Inclusion (DEI) program. In this year's report, with the need for transparency front and center, we are disclosing more information about employee demographics and DEI strategies than in past years. We remain in pursuit of social justice and invite you to learn more about the actionable steps we took this past year, outlined in this report, while we aim to do even more moving forward.

In 2020 our team lived our mission and showed the difference HMH can make in bringing about change in our world – a world where learning is the instrument for transforming individual lives, restoring communities, and making our society a more tolerant, more just, and more inclusive place for all. We're proud of our achievements and are poised to make an even greater social impact in 2021 and beyond. We are, all of us, a force for good and a force for change.



Jack Lynch

President and Chief Executive Officer

2020 Highlights



3,929 students served through HMH Classroom Corps



6 Employee Resource Groups established



Our sustainable paper practices resulted in saving approximately
388,860 trees

Our COVID-19 Response

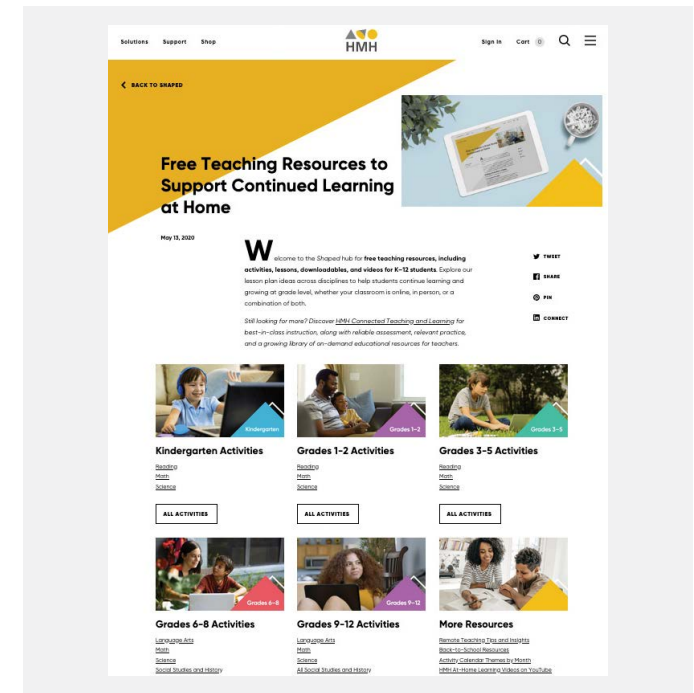
SUPPORTING OUR CUSTOMERS

When the COVID-19 pandemic hit, educators, students and families needed our support more than ever. To enable continued access to high-quality materials, keep educators and students connected through school closures and support the community at large with meaningful, engaging educational resources, HMH swiftly established an **online hub with a wide range of free offerings**. The hub went live on March 19 and was visited by hundreds of thousands of educators and families in 2020.

We also offered customers **free digital licensing, virtual professional services and coaching for educators**, access to our AI-driven personalized learning platforms **Waggle, Writable and Amira**, daily activities, and more. Enabling our customers to serve students, especially in the face of challenging circumstances, is at the heart of our mission, and we continue to work daily to assess critical learning needs and provide responsive support for districts, teachers and students.

KEEPING OUR COMMUNITY SAFE

In March, HMH closed all offices and facilities, shifting most employees to **remote work** with enhanced tools and tech support. To ensure the continued delivery of our products to customers, our distribution centers re-opened in April with **strict safety and cleaning protocols**, health and temperature screenings, and social distancing and mask requirements. All employees continue to have access to 24/7 emotional and financial counseling and crisis intervention with qualified clinicians and more through our **Employee Resource Program**.



EMPLOYEES MAKE A DIFFERENCE

SCIENCE KIT DONATION IN TROY, MISSOURI

Tom Joyce and Shannon Hartle of the Global Supply Chain team led a donation of **3,000 masks and 10,000 gloves** to Mercy Hospital from unused science kits that were stored at HMH's Troy Distribution Center.

VIRTUAL MATH OFFICE HOURS FOR PARENTS

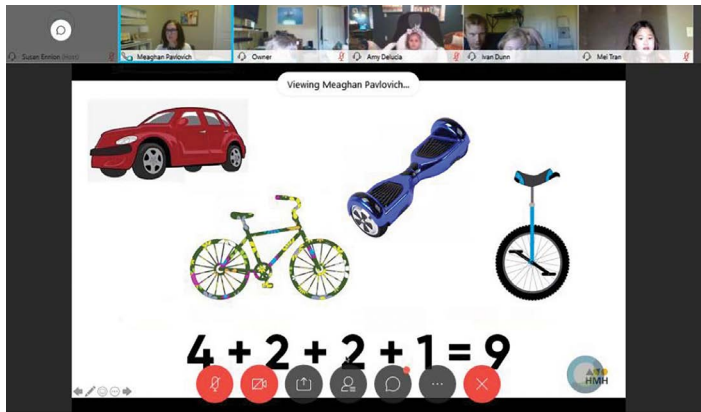
Throughout the spring, HMH Learning Architect **Erin Luhks** offered math support on Facebook live every Saturday morning, knowing that many parents were overwhelmed as they helped their children learn from home.

FEEDING LOCAL FAMILIES IN AUSTIN, TEXAS

Texas Account Executive [Christopher Benedict](#) assisted [Austin Voices for Education](#) with food distribution, helping to provide food for 520 Austin families.

HMH TEACHES

Thirteen HMH employees—all former educators—put their teacher hats on and lead thoughtful, creative and interactive math, ELA, science and social studies lessons for the kids of fellow employees while COVID-19 kept them out of school. The program, called [HMH Teaches](#), was a big hit, and we were so impressed by the teaching skills of employees from all parts of the company!



BOOK DONATIONS

HMH donated more than [95,000 books](#) to nonprofit organizations that provided critical relief to children and families during the COVID-19 pandemic, including [Save the Children](#), [First Book](#), [Reach Out and Read](#), [Book'em](#), [Too Small to Fail](#), [World Central Kitchen](#), [Food Bank of the Rockies](#) and the [Children's Hospital of New Orleans](#).

*HMH donated more than **95,000 books** to nonprofit organizations that provided critical relief to children and families during the covid-19 pandemic.*



Employee Engagement

EMBRACING VIRTUAL VOLUNTEERISM

2020 forced us all to work differently – and our volunteer programs were no exception. Our signature Corporate Social Responsibility program, **HMH Classroom Corps**, was designed to help our employees volunteer in schools, but with the help of our nonprofit partners, we found creative ways for HMH employees to work with students and complete service projects virtually.

VIRTUAL PROJECT SPOTLIGHTS



STUDENT SUCCESS KITS WITH CITY YEAR

During HMH Volunteer Week, nearly **200 employees** created **1,200 resource kits** for Boston

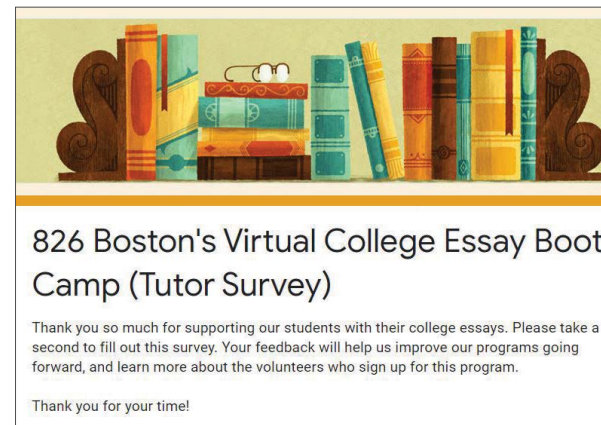
Public School students. All materials were mailed to volunteers in advance, and our community was able to gather together on Zoom as **City Year** members walked HMH employees (and some of their family members!) through steps to decorate pencil pouches, make origami bookmarks, and pack supply kits.





COLLEGE ESSAY BOOTCAMP WITH 826 BOSTON

With the help of **826 Boston**, HMH volunteers worked with a class of high school seniors from TechBoston Academy to provide **college essay guidance**. HMH volunteers met one-on-one with students in virtual breakout rooms, helping them get started, brainstorm topics, or refine written drafts. In all, **39 students** received individualized college essay support!



CITY of BOSTON

CITY OF BOSTON SCHOLARSHIP FUND

In May, **40 HMH employees** helped select recipients for the City of Boston Scholarship Fund. This needs-based program awards scholarships to bright students from Boston, **72%** of whom are the first in their families to attend college. After completing a training, HMH volunteers each carefully reviewed 5-10 applications and provided their recommendations for the top candidates.



"Every day, the City of Boston works to make education more accessible for everyone. On behalf of myself and the Scholarship Committee, I want to thank HMH for volunteering their time with the City of Boston Scholarship program. Each volunteer should take pride in knowing that due to their efforts and expertise, we're able to help turn more Boston residents' dreams of completing their post-secondary education into reality." – Boston Mayor Martin J. Walsh

Community Investment Councils

HMH is proud to support **12 Community Investment Councils** (CICs) that align with our major office locations and distribution centers across the United States and Ireland. CICs are **local employee groups** that utilize funding, training, resources and support from the Corporate Social Responsibility team to engage colleagues in volunteer opportunities and charitable campaigns to improve communities nearby and around the world.

Here's a closer look at some of the CIC-led projects in 2020.

NEW YORK PAINTS TILES AT HOME

Led by the New York CIC with the help of City Year, **35 HMH volunteers** came together virtually to paint tiles to brighten the walls of PS/MS 206 in East Harlem. After receiving a kit in the mail containing supplies, volunteers painted images of books by BIPOC authors, as well as their favorite childhood titles. The resulting **70 canvas tiles** were turned into a mural – a beautiful reminder to the students at PS/MS 206 that their community cares about them.

DUBLIN CREATES APP FOR FEED OUR HOMELESS

Dublin CIC members **Ceall O'Dunlaing** and **Lucas Zerma**, both Senior Software Engineers, spent **40 hours** creating a mobile web tracking app for the Ireland-based nonprofit **Feed Our Homeless**. The app will help the organization collect and collate data on the local homeless community – helping to create real time data while cutting down on paperwork.



Volunteer Week 2020

HMH Volunteer Week is a beloved annual tradition that connects employees with community service opportunities around the world. In 2020, the tradition continued with a twist: for the first time ever, the majority of **volunteerism took place virtually**. While we couldn't gather together in the community this year, Volunteer Week connected us in unique ways – group projects over Zoom, mentoring students virtually, completing projects online, and sharing photos, updates and reflections throughout the week.

856 HMH employees participated in HMH Volunteer Week 2020, logging over **2,500 hours** of community service!



856
Volunteers



2,500+
Hours Volunteered



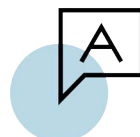
1200
Student Success
Kits Created



800+
Cards Crafted for
Hospitalized Children



10
Little Free
Libraries Built



65
Virtual Story
Times Shared



1750+
Students Served



39
College
Essays Edited



Many got their families involved with volunteer service from home – including crafting cards for hospitalized children together.



Employees in HMH's Troy and Indianapolis warehouses found ways to safely volunteer on-site, including creating comfort blankets.

VOLUNTEER WEEK PROJECT SPOTLIGHTS

LITTLE FREE LIBRARY CONSTRUCTION

10 HMH employees assembled and painted **Little Free Library** (LFL) kits to bring the joy of reading to their communities. Most turned the opportunity into a fun family project!

Senior ICLE Fellow **Venola Mason** donated her LFL to the M&S Magical Stars Daycare and Learning Center in Rex, Georgia. With a donation of **600 HMH books**, she held a ribbon cutting ceremony and book giveaway for families who attend the center.

*"It was such a joy to see the faces of the children as they picked out their new book in time for Christmas! I'm so pleased that I work for a company that values the communities we serve and seeks out opportunities to give back!" – **Senior ICLE Fellow Venola Mason***



50 employees participated in a career panel and inter-generational letter writing session with New York-based nonprofit Girls Write Now.



Senior ICLE Fellow Venola Mason donated her LFL to the M&S Magical Stars Daycare and Learning Center in Rex, Georgia.



Employees packed "goodie bags" of toys, treats and HMH books for children served by Texas-based nonprofit PediPlace.



Employees recorded virtual story times for families served by nonprofits like Reach Out and Read, City Year and Bernie's Book Bank.



A team in the Dallas-Fort Worth area has made it an annual tradition to support PediPlace, a Texas-based nonprofit pediatric clinic.



Dublin-based employees ran, biked or swam to raise funds for a few local nonprofit organizations, including the Irish Cancer Society.



Sr. Account Executive Jon Dempsey constructed a Little Free Library, which he donated to the Teeta Rollins Early Literacy Initiative in his community.



A team of Dublin-based employees led virtual trainings for St. Francis Hospice staff members on how to effectively use Microsoft Word, Excel and PowerPoint.

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While employees could not join large, in-person service projects during Volunteer Week, our teams got creative by volunteering "together" over Microsoft Teams.

HMH Books for Equity

Research tells us that more than **60%** of low-income families have no books in their homes, putting those children at a disadvantage when they enter school. At HMH, we aim to ensure more children gain access to our high-quality books and educational materials. Through our book donation program, **HMH Books for Equity**, we proudly donate our award-winning educational materials, children's stories, and adult and reference titles.

In 2020, HMH donated nearly **1 million books** to **228 organizations**, including:

- More than **95,000 books** to nonprofit organizations providing critical relief to children and families during the **COVID-19 pandemic**.
- **50,000 titles by Black authors** to more than **20 youth-serving nonprofit organizations**.

DONATION SPOTLIGHTS

DISASTER RELIEF

HMH donated **21,380 books** to longstanding partner **Save the Children (STC)** to assist with relief efforts in Louisiana following Hurricane Laura in September 2020.

"The generous HMH donation is helping to provide critical learning and literacy support to families most impacted by Laura. The donation is being shipped to New Orleans where our partners will be able to distribute the books to children whose families have been displaced for weeks in isolated hotel shelters. At its height, we estimate nearly 3,000 children were in these shelters and many of these children have had nothing except the few possessions they carried with them as they evacuated southwest Louisiana. The need for educational resources and activities to help children learn and cope has been a critical gap in service."

- Sarah Thompson, STC Director of Emergency Programs, US



KEEPING MILITARY FAMILIES CONNECTED

HMH made its **first-ever eBook donation** to support **United Through Reading** (UTR), a nonprofit organization that keeps military families connected through books, enabling service members to record themselves reading one of five HMH ebooks for the children in their lives to watch on demand. In 2020, service members faced long separations from loved ones and many National Guard members were activated to help assist with COVID-19 relief efforts, underscoring the need for these connections.

"Thanks to Houghton Mifflin Harcourt's generosity, service members are able to read a book on our app when they don't have access to physical books, making our app even more accessible,"
– Dr. Sally Ann Zoll, CEO of United Through Reading



Diversity, Equity and Inclusion

At HMH, **social justice** is a core value. We believe that the education system needs to change, and we will continue to use our platform to make that change. The critical work to improve **diversity, equity and inclusion** is an inward and outward process – we are constantly seeking new ways to better our own culture as we strive to better our world. We aim to create and cultivate an **employee community, company culture and business strategy** that reflects the diverse demographics and perspectives of our customers. As such, our diversity, equity and inclusion program centers around four pillars: **Leadership, Talent, Culture and Business**.

1 LEADERSHIP

Our CEO Jack Lynch has signed the CEO Action for Diversity & Inclusion pledge, the largest CEO-driven business commitment to advance diversity and inclusion within the workplace.

HMH established the **DEI Council** made up of a cross-functional, diverse group of employees. The DEI Council also supports our company-wide DEI efforts and takes actionable steps toward reaching our DEI goals. The council supports HMH's Employee Resource Groups, DEI trainings, and discussions on how to build HMH as a model antiracist community.

HMH appointed a **Director of Diversity, Equity and Inclusion** to engage critical stakeholders company-wide in guiding our DEI goals and areas of focus.

Last year HMH provided opportunities for education and growth, including formal and informal opportunities for **meaningful conversations** – namely, **antiracism roundtable discussions** and company-wide **unconscious bias training** for People Managers.

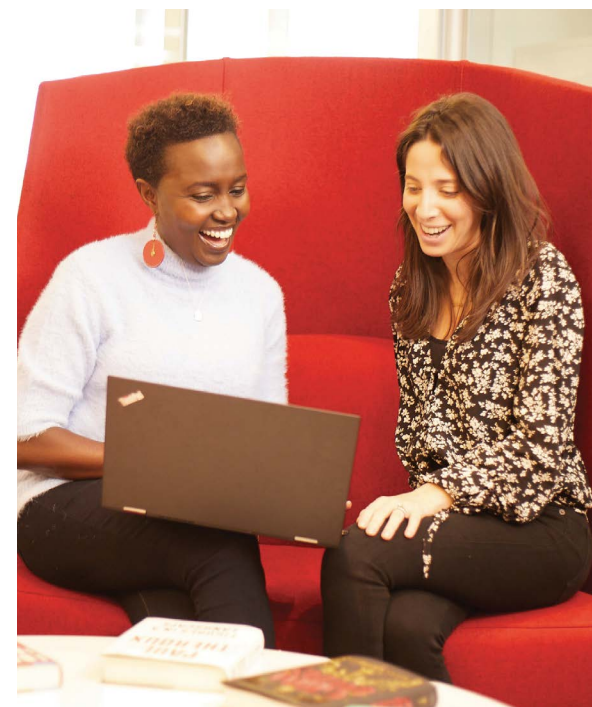
2 TALENT

TALENT ACQUISITION

We strive to cultivate a culture and vision that supports and enhances our ability to **recruit, develop and retain diverse talent** at every level. For the first time, we're sharing our employee demographic information, recognizing that **we can and must improve representation** in order to reflect the communities we serve. Through partnerships with organizations like **Resilient Coders, Girls Write Now, Hacker X,** and **Editors of Color**, we are working to increase the diversity of our employee base by expanding our talent pipeline.

EMPLOYEE DEMOGRAPHICS

As of December 31, 2020, our domestic workforce was approximately 67% female and approximately 77% white, approximately 9% Hispanic or Latino, approximately 8% Black or African American, approximately 5% Asian American, and approximately 1% two or more races or other. Additionally, as of December 31, 2020, approximately 38% of executive management roles were held by women and our executive management team was approximately 77% white, approximately 15% Black or African American, and approximately 8% Hispanic or Latino.



3 CULTURE

We embrace the **diversity of our employees, customers and stakeholders**, including their unique backgrounds, experiences, thoughts and talents. We strive to cultivate a **culture and vision** that supports and enhances our ability to recruit, develop and retain diverse talent at every level. We take direct actions to nurture an inclusive workplace – and paramount to that effort are our **Employee Resource Groups**.



EMPLOYEE RESOURCE GROUPS



HMH AccessAbilities celebrates the spectrum of how we learn, work, and express ourselves, providing a safe space for employees with disabilities, neurodiversity, and different abilities to celebrate strengths, discuss experiences, and synthesize solutions.



HMH Asian Heritage and Advocacy fosters networking, professional development, mentoring, and leadership opportunities for Asian individuals and their allies with a primary focus on recruitment, engagement, advancement, and retention.



HMH Black Alliance provides a forum focused on improving the experience and engagement of Black employees, while promoting cultural awareness and understanding to disrupt biases and promote social justice.



HMH Pride provides a forum for the education, awareness, and professional growth of LGBTQ individuals and allies by fostering a safe workplace that encourages self-expression.



HMH UNIDOS celebrates Latinx and Hispanic employees and allies and focuses on cultural awareness, professional development, and community building.



HMH Women in Technology works to ignite and sustain girls' interests in STEM and engage and evolve women as leaders in STEM careers to create a vibrant and diverse technology workforce and a robust talent pipeline.



COMMUNITY SUPPORT – BOOK DONATIONS SUPPORTING RACIAL JUSTICE

- Amid calls for racial justice in communities across the United States, HMH donated **50,000 titles by Black authors** to more than **20 youth-serving nonprofit organizations** across the United States, aiming to amplify Black voices while getting books into the hands of children and families in need.
- Boston-based **Camp Harbor View** used the books to support families with “camp kits” delivered to **600 families** in significant need of **at-home engagement** for their children.
- **The Boys & Girls Club of Harlem** included the books in “summer fun kits” to campers and other community youth.

4

BUSINESS

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 **holistic understanding of our world** and **honor the diverse communities we serve**.

To that end, our cross-disciplinary **Content Equity, Inclusion and Diversity Review Panel** reviews all HMH programs content, striving for equitable, nonbiased, and sensitive treatment and representation for all individuals, communities, and experiences across all HMH programs, services, and platforms. In 2020 the Panel reviewed over **4,000 pages of content**, including full proactive reviews of *Math 180* and HMH’s new *Confronting Racism* curriculum.

>> View our *Content, Equity, Inclusion and Diversity* pledge

SUPPLIER DIVERSITY PROGRAM

HMH’s newly formed, cross-functional **Supplier Diversity Council** was formed to drive **HMH’s Supplier Diversity Program** forward. The council is focused on fostering meaningful partnerships with diverse suppliers in all areas of HMH’s business – aiming to establish new partnerships with small and diverse suppliers while deepening existing relationships. HMH is a proud member of the National Minority Supplier Development Council and the Women’s Business Enterprise National Council.

INNOVATION FOR EQUITY

HMH is a proud sponsor and supporter of **Innovation for Equity**, a nonprofit organization focused on achieving equity in education through innovation and leadership development.

OUR STAND

A DECLARATION
OF OUR CULTURE

Human Rights & Conduct

Our values guide every aspect of our work. HMH believes that respecting and protecting human rights is fundamental to our work as a responsible company. We align with the [United Nations Universal Declaration of Human Rights](#) and other international human rights laws and standards, and strive to embody these values in [our culture](#). We seek to embed respect for human rights across our business and with vendors and suppliers with whom we do business as set forth in our [Supplier Code of Conduct](#).



TRUST



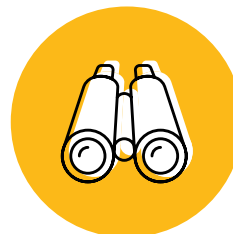
JUSTICE



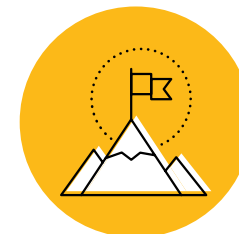
LEARNING



OWNERSHIP



INNOVATION



COURAGE

Sustainability at HMH

As corporate citizens, we at HMH have a responsibility to minimize our impact on the environment to ensure we are able to serve teachers, students and all readers for years to come. We are committed to making **environmentally responsible choices in our business practices** and strive to continually improve our sustainability efforts.

RESPONSIBLE PAPER USAGE

Responsibly sourcing, using and disposing of the paper in our products is key to our sustainability efforts. Our [Paper Sourcing and Usage Policy](#) reflects our **renewed goals and commitments for 2019–2022**, building on the incredible progress made under our prior policy (2014–2018).

2020 ACHIEVEMENTS BASED ON OUR TARGETS

Target of 90% of HMH purchased paper for education products to be manufactured with no less than 10% recycled fiber

90% **99%**

Target of 75% or more of the paper we procure domestically for trade products to be FSC-certified

75% **87%**

Target of 80% or more of the paper we procure internationally for trade products to be FSC-certified

80% **86%**

¹ Environmental savings statistics provided by Bulkley Dunton, HMH's global paper supplier.

IN 2020, HMH'S SUSTAINABLE PAPER PRACTICES RESULTED IN SAVING

36,338

U.S. tons of paper
– approximately
388,860 trees

69,650,000

gallons of water, equivalent
to the amount of water
necessary to operate **48,910**
washing machines for one year

196,894,000

pounds of CO₂, equivalent to
the CO₂ produced by **17,905**
cars in one year¹

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.

- Donation is HMM's preferred method of disposal for excess books and materials (rather than destruction), and HMM donated nearly **1 million books** to 228 organizations in 2020.
- **96% of waste** generated at HMM distribution centers and warehouses is **recycled**.

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

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.

HMM'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

Transporting our products to districts and schools is a key aspect of HMH's business, and we aim to do so in an environmentally conscious way. In 2020, HMH saved **332,000 pounds of CO₂** (equivalent of the electricity to charge 19,205,417 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, eliminating extra carbon emissions related to multiple shipping locations.

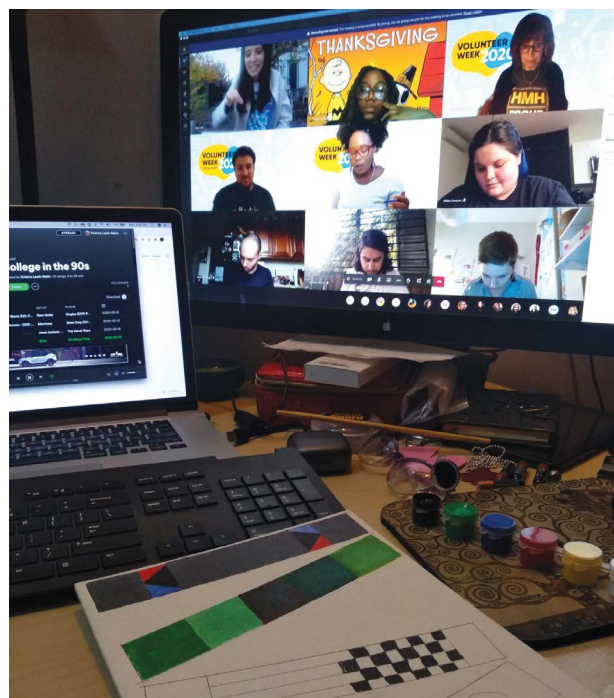
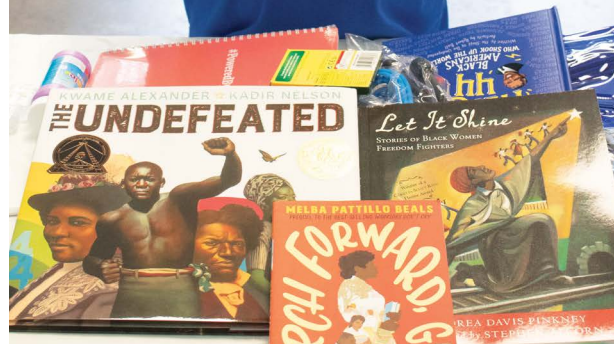
HMH participates in the **Environmental Protection Agency's SmartWay program**, which helps companies advance supply chain sustainability by measuring, benchmarking and improving freight transportation efficiency. Through this program, HMH achieves a more sustainable transportation process that reduces our carbon footprint – in 2020, HMH saved **130,000 pounds of CO₂** (the equivalent of planting 26 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. This trend, one we have seen coming in our increasingly digital world, has been accelerated by the COVID-19 pandemic. As schools shift to digital resources and a **1:1 student to device ratio** becomes universal, print materials, while still important, have become increasingly supplemental. As customers use fewer print products, we 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 company-wide sustainability efforts in all areas material to our business, **keeping our planet safe** while serving students, teachers, and life-long learners.





Activate Curiosity,
Elevate Potential,
Shape the Future.



Houghton Mifflin Harcourt.