



BRILL



Communication on Progress 2017

Leiden, 5 January 2018

To our stakeholders:

I am pleased to confirm that *Koninklijke Brill NV* (*Brill*) reaffirms its support to the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication. The progress will also be communicated in our Annual Report due in May this year.

Sincerely yours,

Mr. Herman A. Pabbruwe
CEO
Koninklijke Brill NV

BRILL CORE VALUES and GENERAL BUSINESS PRINCIPLES

Introduction

Brill's Core Values and General Business Principles apply to all Brill companies and their subsidiaries that together make up the Brill Group. These govern how Brill and all its entities operate and conduct business. Hereafter 'Brill' refers to the Brill Group and all its underlying entities.

LIVING BY OUR PRINCIPLES

Brill's mission is to be a leading international academic publisher in the humanities and social sciences, international law, biology and natural history. Brill meets a need for multimedia information amongst specialist academic target groups and markets. To achieve its mission, the company must add value and grow consistently, mainly by increasing its market share in the fields in which it is active as well as in adjacent niches. The overriding objective is to maximize Brill's value creation benefitting all stakeholders, including the global community that provides Brill its license to operate.

Our shared core values of quality service to the scholarly community, integrity and respect for people underpin all the work we do and are the foundation of our General Business Principles. The General Business Principles apply to all transactions, large or small, and drive the behavior expected of every employee in every Brill company in the conduct of its business at all times. We are judged by our actions; therefore, our reputation will be upheld if we act in accordance with our Core Values, our Business Principles and the law. We encourage our business partners to live by them or by similar principles. It is the responsibility of management to lead by example, to ensure that all employees are aware of these principles, and behave in accordance with the spirit as well as with the letter of this statement. Employees know that acting in line with the Principles is not optional and non-compliance can have disciplinary consequences.

The application of these principles is underpinned by communication procedures, which are designed to ensure that our employees understand the principles. As part of the assurance system, it is also the responsibility of management to provide employees with safe and confidential channels to raise concerns and report instances of non-compliance. In turn, it is the responsibility of Brill employees to report suspected breaches of the Business Principles to Brill.

OUR VALUES

Brill employees share a set of core values – quality service to the scholarly community, integrity and respect for people. We also firmly believe in the fundamental importance of trust, diversity, teamwork and professionalism, and taking pride in what we do.

RESPONSIBILITIES and SUSTAINABLE VALUE CREATION

As part of the General Business Principles, we commit to sustainable development of our company. We are aware of Brill's legacy and are committed to an equally illustrious future. This requires balancing short- and long-term interests, integrating business, environmental and social considerations into our decision-making.

At Brill, we believe that creating sustainable value for all stakeholders is essential to ensure the long-term viability of the company. The company's ability to create value hinges on achieving a balance between serving the scholarly community and business considerations. To achieve this balance, we define value in terms of value created for our stakeholders. This value creation, and Brill's standing with each of these stakeholder groups is the conditional for our company to remain relevant within a changing media landscape. We recognize the following stakeholders and areas of value creation:

- Authors – Publishing Service Value
- Librarians and funders– Account Service Value
- Readers – Content and Usability Value
- Investors - Economic Value
- Staff – Development Value
- Global Community – Community Value

The Principles

Principle 1 ECONOMIC PERFORMANCE

Long-term profitability is essential to achieving our business goals and to our continued growth. It is a measure both of efficiency and of the value that customers place on Brill products and services. It supplies the necessary

corporate resources for the continuing investment that is required to develop and produce future publications to meet customer needs. Without profits and a strong financial foundation, it would not be possible to fulfil our responsibilities. Criteria for investment and divestment decisions include sustainable development considerations (economic, social and environmental) and an appraisal of the risks of the investment. Risk management supports our management process of sustainable value creation.

Principle 2 QUALITY SCHOLARLY SERVICE

Brill companies aim to provide the scholarly community with the highest level of quality and service. To this end, Brill invests not only in developing its network of scholarly authors and editors but also in offering them sound processes of peer review, continuous availability of their publication, editorial tools and standards that meet up to date requirements for digital dissemination, competitive production quality and a reliable distribution channel that ensures availability at each author's target audience. We are committed to standards of editorial integrity and independence, and our editorial policy only applies academic quality as a criterion for publishing, not adherence to any political, religious or other non-academic viewpoints.

Principle 3 BUSINESS INTEGRITY

Brill companies insist on integrity and fairness in all aspects of business and expect the same in our relationships with all those with whom we do business. The direct or indirect offer, payment, soliciting or acceptance of bribes in any form is unacceptable. We do not engage in the practice of facilitation payments to speed up or secure the performance of a routine government action. Employees must avoid conflicts of interest between their private activities and their part in conducting company business. Employees must also declare potential conflicts of interest. All business transactions on behalf of a Brill company must be reflected accurately and fairly in the accounts of the company in accordance with established procedures and are subject to audit and disclosure. As a publicly listed company, Brill is committed to following all rules around insider trading.

Principle 4 POLITICAL ACTIVITIES

Of companies

Brill companies act in a socially responsible manner within the laws of the countries in which we operate in. Brill companies do not make payments to political parties, organizations or their representatives. Brill companies do not take part in party politics. However, when dealing with governments, Brill companies have the right and the responsibility to make our position known on any matters, which affect us and our stakeholders, which is in accordance with our values and the Business Principles.

Of employees

Where individuals wish to engage in community activity, including standing for election to public office, they will be given the opportunity to do so; however, we do not use Brill's assets, including our time at work, to further personal political activities or interests.

Principle 5 CORPORATE SUSTAINABILITY

We create value for the global community and specifically the scholarly community by being a reputable publisher who facilitates the scholarly process in selected scholarly disciplines. Specifically, we believe that editorial integrity and freedom of press is in full service of the free flow of scholarly information. Acting efficiently, in the meaning of creating output using the minimal required amount of resources in the broadest sense, is of direct benefit to the scholarly process as well as to society at large, and therefore supportive to Brill's long-term reputation and continuity.

Our corporate sustainability policy can only be successful if it ties in with our core capabilities and the long-term interests of our stakeholders. Consequently, we focus on just those initiatives where we feel we can make a difference. At the same time, we strive for high standards and permanent improvement in all general facets of responsible corporate citizenship – and we expect the same from our vendors and contractors.

Principle 6 COMMUNICATION AND ENGAGEMENT

Brill companies recognize that regular dialogue and engagement with our stakeholders is essential. We are committed to reporting of our performance by providing full relevant information to legitimately interested parties, subject to any overriding considerations of business confidentiality. In our interactions with employees, business partners and local communities, we seek to listen and respond to them honestly and responsibly. Brill staff is committed to responsible use of digital communications and social media in line with Group policies.

Principle 7 COMPLIANCE

We comply with all applicable laws and regulations of the countries in which we operate. Brill's tax policy is aimed at achieving an efficient tax structure while paying fair amounts due in the constituencies where it does business.

DESCRIPTION OF ACTIONS AND MEASURED OUTCOMES

As part of Brill's membership of the UNGC awareness of the SDGs was increased within the organization and reporting lines of responsibility within organization were established for each of the companies and core departments.

To create a coherent framework for conduct of business within the Brill Group, the General Business Principles have been detailed further into the following documents:

1. Corporate Governance Policy
2. Code of Conduct
3. Vendor Policy
4. Remuneration Policy
5. Corporate Sustainability
6. Risk Management Policy
7. Whistleblower Policy
8. Code of conduct on Insider Trading

The following specific actions have been taken in the four core areas of the UN Global Compact for Businesses with measured outcomes reported where already applicable and visible.

Human Rights

Brill Companies globally have all established, written policies as an Equal Opportunity Employer regardless of age, gender, color, race, creed, national origin, religious beliefs, marital status, sexual orientation or disability. In addition, laws regarding veterans' status are observed, where applicable.

Further, Brill Companies have an established, written policy detailing Standards of Conduct expected from all employees including prohibition of sexual harassment or harassment of any other form.

The vendor policy has been updated to include specific references to the areas of Human Rights, Environment, Labour and Anti-Corruption and our vendors and suppliers are measured against these standards.

As part of Brill's Corporate Sustainability program and active participation in the public-private partnership: [Research4Life](#), a new program "[Global Online Access to Legal Information](#)" (GOALI), focusing on Global Research for Justice, has come to fruition and will be launched in March 2018. This is a multi-stake-holder initiative between the International Labour Organization (ILO), academic libraries of Cornell and Yale Law School and academic publishers, among which Brill is the founding partner. This program will help implement SDGs 8, 16 and 17, as well as promote and serve Access to Justice and Access to Information, and further the Rule of Law.

Since 2017 [The Journal of Interrupted Studies](#) (TJIS): A student-run journal from Oxford University which exclusively publishes submissions from authors who have been displaced by political, humanitarian, or environmental crises, is published by Brill in Open Access.

Environment

Brill Companies have an active recycling program and encourage its employees to use office resources like paper, plastic utensils, etc. prudently. Brill monitors its energy consumption on which the first measured outcomes will be reported in the upcoming Annual Report of 2018.

In 2017, a goal was set to make the production of our print marketing materials CO₂ neutral. Up until that point, our marketing materials were printed on FSC paper, but we had not taken further environmental measures. The marketing department made an agreement with two selected partners, Quantes and Tuijtel, to start to compensate the CO₂ emissions caused by the creation of our print marketing materials. The emission encompasses the following scopes:

- Direct emission, amount of energy and electricity used
- Indirect emission, created as a consequence of production, so concerning the creation of packaging, creation of source materials, transport of materials, employee travel and emission of required fuels
- Other indirect emissions

Details for printing partner Quantes

In May 2017, an order estimate was used to compensate the CO₂ footprint for Brill's 2017 orders with Quantes as a whole. The estimate was based on historical order data. From Jan 1, 2018 onwards, a more precise calculation method per order will be used, namely ClimateCalc. This method calculates and administrates the CO₂ footprint per individual order. The compensation takes place through specially selected sustainable energy projects from the Climate Neutral Group with Gold Standard Label. Through these projects, CO₂ emission is reduced elsewhere. The projects are selected based on the contribution they offer on the development of the local population and region with regard to job development, knowledge exchange, health improvement, stimulation of the regional economy and the local environment. Climate Neutral Group is a social venture with the goal to come to a 1--% climate neutral world. The Brill – Quantes agreement invests in the climate project 'Cookstoves Africa'. This project holds the following certification:

Stichting Certificatie Grafimedia Branche

Certificaat Carbon Footprint

ClimateCalc Basis GHG-protocol, ISO 14064-1:2006, ISO 14067:2013, ISO 16759:2013.

Quantes also works with bio ink and selects environmentally friendly resources for the production process. For more information: www.quant.es.nl/mvo/

In addition to the compensation of CO₂ for the production of marketing materials, the Brill - Quantes agreement also invests in the protection of one hectare of rainforest in Costa Rica. The area is called El Cerrito and is located in the region Maquenque in the north of Costa Rica.

Details for printing partner Tuijtel

Tuijtel is fully certified in the production of CO₂ neutral printing materials and also uses environmentally friendly resources. These are the details of their certification:

ISO 9001:2008

ISO 12647-2:2013 | 1, 2, 7

OHSAS 18001:2007

ISO 14001:2000

FSC en PEFC

CO₂ compensation is calculated and administrated via the method of natureOffice®

This too uses Gold standard projects selected based on the contribution they offer on the development of the local population and region with regard to job development, knowledge exchange, health improvement, stimulation of the regional economy and the local environment. All Brill print materials created by Tuijtel have been certified according to this standard.

For more information: www.tuijtel.com/overtuijtel/certificering/

In 2018, we will also look at CO₂ compensation for the transport of created print marketing materials.

Labour

Brill Companies ensure that its employees are well-informed about their legal rights. Brill USA, for example, does so by having its state and federal labor laws and employee rights prominently displayed within the office, and easily accessible online. Further, Brill Companies have comprehensive, written Employee Manuals which outline employee rights and responsibilities. These were formulated and implemented for the newly established Singapore and Beijing offices in 2017.

Brill Companies offer a variety of employee benefits, including contributions to pensions, medical and dental plans, short- and long-term disability insurance, and maternity leave.

Brill is an Equal Opportunity Employer which takes its employees safety and wellbeing very seriously, and assures that its workplace is safe and healthy. Training is (continuously) given on work safety, and in the HQ health and safety prevention personnel have been assigned their respective roles and are the first point of referral in case of questions of employees.

Anti-Corruption

Through joining the UN Global Compact, Brill reaffirmed its commitment to comply with all fair employment laws, including anti-corruption measures.

Brill Companies have a stated policy with respect to accepting or soliciting gifts of any kind from a customer, supplier or vendor representative.

For information not included in this report, please refer to www.brill.com