

Annual Impact Report

Working together, we are creating a brighter future for learners and educators around the world.

A Letter from McGraw Hill's Chief Executive Officer—Simon Allen

At McGraw Hill, we help educate the world and take great pride in the critical role we play for the learners and educators we serve.

By championing digital responsibility, promoting diversity, being a steward for our environment, and creating an inclusive workplace for our employees, we solidify our purpose and mission-driven brand.

At McGraw Hill, we invest in the communities we serve to help today's learners and educators and support the learners and educators of tomorrow.

We operate with passion and purpose for the communities where we live, work, and serve. We know that responsible business is good business, and our approach is embedded in our business strategy and operations. We also have a strong commitment to providing the most efficacious and affordable digital learning solutions.

We believe integrity is at the core of who we are. McGraw Hill has dedicated cross-functional teams to execute responsible business principles from product development to our stewardship of customer information. These teams identify and manage the evolving risks and opportunities presented by our dynamic operating environment, including the use of new technology such as generative artificial intelligence (GenAl).

None of these accomplishments would be possible without the tireless efforts of the McGraw Hill team. Delivering on McGraw Hill's strategy takes more than the best technology — it takes the best people. Providing our employees with the skills to execute our business priorities, offering opportunities for career advancement, and ensuring a collaborative and inclusive work environment gives us a competitive edge now and into the future.

The way we care for our learners, educators, communities, environment, and employees define our company. We made considerable progress last year and see many opportunities to deliver meaningful value to all our stakeholders for years to come.

Simon.

Chief Executive Officer, McGraw Hill

Our Commitments

To Learners

At McGraw Hill, our vision is to unlock the full potential of each learner. We are committed to developing innovative solutions and high-quality, accessible products to support learners and educators around the world. McGraw Hill develops trusted content for learners from PreK through higher education and beyond. Our digital platforms adapt to meet learners where they are and provide personalized learning experiences, with approximately 25 million paid digital users worldwide.

To Our People

McGraw Hill is recognized for our leadership and culture, which is rooted in innovation, inclusion, and integrity. We foster a culture of belonging and growth through many programs, and believe that our diverse experiences enrich the way we learn, teach and grow.

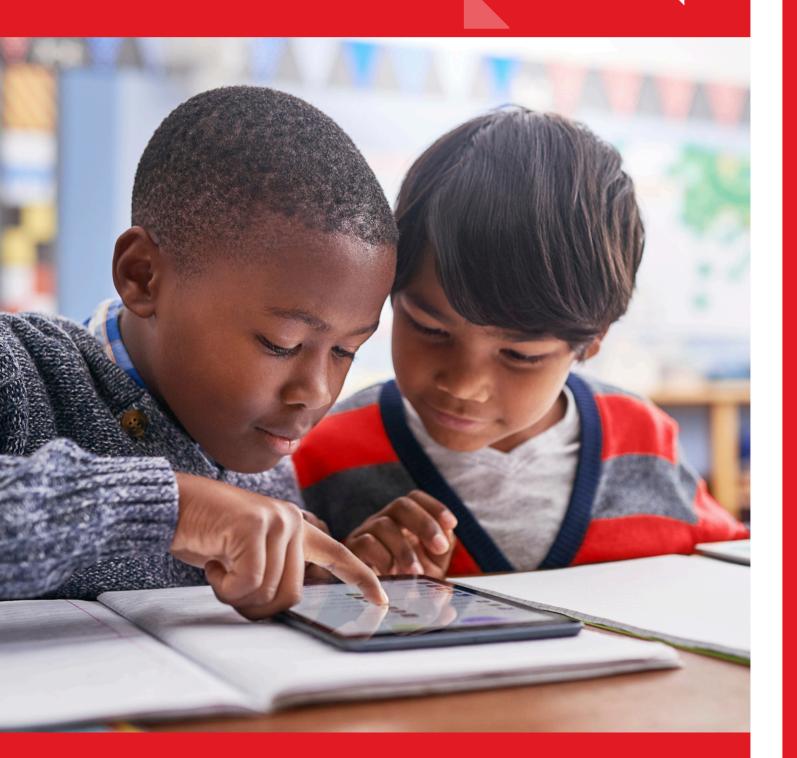
To Our Communities

We are Red Cube Proud! Our Red Cube Cares committee organizes global events to encourage employees to volunteer and fundraise for their communities. Our Employee Matching Gift program promotes employee giving by providing additional funding to nonprofit organizations where employees have made personal donations.

To the World

In addition to our responsibility to learners and educators, we also recognize our duty to protect the planet. We have reduced our emissions footprint by investing in energy-efficient design and engineering tools, rightsizing our offices and purchasing paper that is sustainably sourced.

Our Story





Our Story

Who We Are

Working together, we are creating a brighter future for learners and educators around the world.

As a leading global education company, our vision is to unlock the potential of each learner at every stage of life. At McGraw Hill, we believe that our diverse experiences enrich the way we learn, teach and grow. We know that no two journeys are the same and support each learner's path wherever it may take them — helping them achieve success on their own terms.

Through high-quality, trusted content developed with world-class authors – and flexible tools to meet the needs of different teaching and learning styles — our digital platforms adapt to help meet learners where they are and advance with them as they progress toward their goals.

The future will better leverage the data behind teaching, our digital learning experiences, and our content in more impactful ways. Digital learning solutions have improved the teaching and learning experience and facilitated content development, curation, and delivery.







At McGraw Hill, we believe the learning journey never ends.

We are driven by our passion to create the highest quality, most accessible and affordable solutions for learners and educators around the world, from PreK through higher education, into professional and beyond. Watch <u>Anna's story</u> to learn more.

Who We Are

McGraw Hill is a leading global education company serving the entire learning lifecycle, reaching over 61 million learners and educators worldwide.

We distribute our products in

100+

countries.

Our products and solutions are produced in

80+

languages.

Across various fields of study, we partner with

27,000+

authors and educators.



Source: U.S. K-12 School districts sourced from NCES

1) Our digital subscription products are sold to ~2,500 customers, including corporations, academic institutions, libraries and hospitals

Who We Are

With our best-in-class brand, strong educator relationships, tremendous scale, and highly effective learning solutions, we are committed to making a positive impact.

We constantly strive for the highest quality material and the most innovative solutions to help serve our customers around the world.

98%

of US PreK-12 districts use McGraw Hill products 86%

of US Higher Education institutions served 95%

of US-based medical libraries served ~25M+

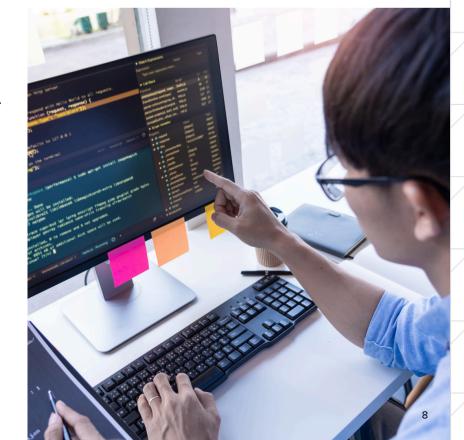
Paid digital users worldwide

To ensure that our products provide educators with meaningful, actionable insights so they can support each learner on their path to growth, we have invested over

\$2 billion

in our digital ecosystem over the last decade and have grown our staff to nearly

300 software engineers.





Our Story

FY 2024 Highlights

We are inspired every day to drive positive learning outcomes, achieve excellence, and do what's right in every area of our business. We understand our responsibility as a leading global education company to move toward a better future for our industry, customers, and employees.

Some of the highlights from the progress we made in FY 2024 include:

Best Workplaces for Innovators: Education

Fast Company 2023







Most Trustworthy Companies in America

Newsweek 2023



America's Best Midsize Employers

Forbes 2022, 2021, 2019, 2018



Corporate Champion Award

National Center for Learning Disabilities 2022



Equality 100 Award for Leader in LGBTQ+ Workplace Inclusion

Human Rights Campaign 2023, 2022, 2021



We are Red Cube Proud!

Red Cube Proud is the spirit of how we interact with our customers, and with each other.

Red Cube Proud means a commitment to giving each other the room to be ourselves, to have the chance to share ideas and have them be heard, and to celebrate, respect and reflect the diversity of the learners we serve.

I am so grateful to be at McGraw Hill where everyone works hard to create innovative products and deliver quality support to help learners succeed. Behind the scenes of our work is a team of people who also care deeply about company culture and helping each other excel. I have found my home and made life-long friends at McGraw Hill.

Julie Eckard
Director, Business Development
McGraw Hill International





Diversity, Equity, Inclusion & Belonging

Inclusion is at the heart of everything we do.

We believe in unlocking the potential of every learner at every stage of life. To accomplish that, we are dedicated to creating products that reflect, and are accessible to, all the diverse, global customers we serve. Within McGraw Hill, we foster a culture of belonging and we work with partners who share our commitment to equity, inclusion, and diversity in all forms.

We're working hard to minimize unconscious bias in the hiring process. This includes hiring manager and recruiter training, the implementation of a structured interview process and hiring manager tools, and making sure that both the manager and the recruiter openly and candidly discuss potential.

In 2023, we named a Chief Diversity Officer and a Manager of Diversity, Equity and Inclusion dedicated to furthering DEI (Diversity, Equity, and Inclusion) at McGraw Hill. This team partners across our business to implement a strategy enabling further connection across the various DEI stakeholders at McGraw Hill.



As of March 31, 2024, women represent nearly 60% of our global workforce and represent over 40% of Vice Presidents and above.



Career Development

We believe that when our employees grow, the company grows.

From Individual Development Plans (IDPs) to leadership workshops and training, we're committed not just to unlocking the potential of the students we serve – we want to ensure that we're helping our employees reach their full potential as well.

Clifton StrengthsFinder

We offer the opportunity for individuals and teams to take the StrengthsFinder personality assessment. The assessment provides an opportunity for employees to identify and fully utilize their strengths.

Women in Leadership Sponsorship Program
Launched in 2020, the Women's Leadership
Sponsorship program has offered 3 cohorts of
31 women increased visibility with senior
leaders and key decision makers and
opportunities to showcase their strengths to
leadership through high-profile projects.

Women @ McGraw Hill SteerCo member Lisa strikes the "solidarity" pose in celebration of Women's History Month.



Career Development



McKinsey Emerging Leaders Programs

McGraw Hill is proud to join over 1,100 organizations around the globe to offer these programs at no cost to employees, which include customized content relevant to Black, Hispanic and Latino, and Asian leaders, focusing on early professionals, midcareer managers, and senior executives. Since 2021, over 100 MH employees have been enrolled in one of the three programs offered through the Connected Leaders Academy.



LinkedIn Learning

McGraw Hill offers access to the entire LinkedIn Learning library of over 16,000 courses to its employees. By providing access to LinkedIn Learning, employees can enhance their skills and stay current with industry trends through a vast library of expert-led courses.



Manager Pods

With over 460 participants and over 60 active pods, this program helps managers connect and learn with their peers across McGraw Hill. Participants are able to learn from each other, bringing real life situations to the group for input.





Employee Resource Groups

Our Employee Resource Groups (ERGs) are the heartbeat of our inclusion philosophy.

They promote an inclusive culture throughout the company, focusing on career development, education, and networking.



The mission of the PRIDE @ McGraw Hill (Promote & Recognize Inclusion & Diversity for Employees) Employee Resource Group is to connect and empower LGBTQ+ employees and allies at McGraw Hill by providing a safe, social, and educational global community.



The mission of the Women @ McGraw Hill Employee Resource Group is to empower McGraw Hill women to leverage pathways toward more successful and fulfilling careers and to champion an organizational culture where women can achieve their professional and personal best.



The mission of the BLACK @ McGraw Hill Employee Resource Group is to foster personal and professional development opportunities through networking, leadership and growth opportunities with a focus on the advancement of Black employees at MH. BLACK @ McGraw Hill strives to nurture a safe working environment that embraces trust and acceptability of one's culture, background, and professional growth expectations.



The mission of the Latiné @ McGraw Hill Employee Resource Group is to advance the inclusion and connectedness of the Latiné community within the McGraw Hill family. Latiné @ McGraw Hill aims to accomplish the forward progression of this infinite vision by sharing knowledge, stories, and cultivating networking opportunities for personal and professional growth.

Health and Wellness

From keeping employees engaged and encouraging positive interactions in a hybrid work environment to maintaining competitive health care costs.

we inspire our employees to build healthy habits that lead to happier lifestyles.





is a wellbeing program offered at no cost to employees worldwide allowing them to earn rewards for logging healthy activities - like 30 minute workouts or getting a biometric screening.

Mindfulness in Minutes

Free programs to help practice meditation and mindfulness in bite-sized sessions.

Emotional Support

Employees can work through concerns via text, chat, video or in person — at no cost.

Financial Wellness

Free online tools and access to a financial coach anytime.

To help our employees manage and protect their mental and physical health, we offer Chill Days, additional personal days that give employees time to "chill out" and avoid burnout.





Employee Benefits

We know no two journeys are the same and that our employees need different kinds of support along life's path.

That's why we're #RedCubeProud to offer our employees a variety of health and wellness benefits.



Health Benefits

Basic Life and Accidental Death & Dismemberment Insurance Short- & Long-Term Disability Insurance Medical & Prescription Insurance **Dental Insurance**



Employee Assistance Programs

Counseling, coaching and self-help Referrals to save time and money Legal, financial, and ID theft help



Support for All Families

Paid Parental/Maternity Leave Adoption, Donor & Surrogacy Assistance Fertility Treatments





Red Cube Cares

Red Cube Cares is McGraw Hill's employee-led fundraising and volunteer program that supports local community service organizations and nonprofits around the world.

Highlights from our 2023 Red Cube Cares program included:

London

Managed a drive that provided essential items like deodorant and water bottles to 100 homeless people

New York City

Organized a skill building workshop event for disadvantaged adult job seekers

Seoul

Delivered meals to members of the community for the Babfor Sharing Movement

Singapore

Coordinated exercise morning events for seniors

Toronto

Organized an Earth Day neighborhood clean up





Red Cube Cares

Global Volunteer Week is an annual McGraw Hill event that encourages employees to volunteer and fundraise for their communities.

This initiative enhances team building, leadership skills, and morale while nurturing partnerships with non-profit and community-based organizations.



In 2023,

280+

employees participated in

31



630+

hours of service in

25+

cities across

Six

countries.













Red Cube Cares

We're committed to supporting education in the communities we serve through staff volunteerism and financial support.



Career Discovery Day

McGraw Hill participated in Career Discovery Week, a program that brings high school students into New York City workplaces for exciting hands-on career exploration. In 2023, 26 tenth graders and teacher chaperones from the Bronx Lab School toured our NYC offices, learned about McGraw Hill's professional opportunities, and participated in interactive networking sessions hosted by our employees.

Employee Match Program

Our Matching Gift program encourages employee giving by providing additional funding to nonprofit organizations where employees have made personal donations.





Red Cube Cares

Operation Backpack

Since 2016, McGraw Hill and Volunteers of America have partnered to support the Operation Backpack® campaign, with the goal of ensuring that every student living in a domestic violence or homeless shelter is equipped with a new backpack and grade-specific school supplies before their first day of school.

Holiday Giving

Our year-end GivingTuesday and Holiday Giving campaign is launched by the CEO of McGraw Hill, inviting employees to join him in supporting their favorite local charities and nonprofits worldwide.



Employees raised

\$32,000+

for 7 charity partners



Employees donated

\$41,000+

through 15 Holiday Giving global campaigns



Pathfinder Awards

Celebrating innovative educators from across PreK-12, Higher Ed and Post-Graduate education.

Founded in 2022, the McGraw Hill Pathfinder Awards honor educators who have shown innovation and inventiveness in their approach to teaching, helping learners discover their unique path to success.

Our <u>2023 winners</u> included three exceptional educators who are breaking new ground in their approach to teaching and helping learners succeed.





"Think big... Never stop learning... Surround yourself with solutionsoriented people."

Melissa Tracy, M.A., M.Ed.

Food Studies and Social Studies Teacher Odyssey Charter School Wilmington, DE



Affordability

We are committed to bringing affordable solutions to students.

Inclusive Access is a course material affordability program, designed by institutions and guided by the Department of Education to deliver digital learning resources to students, at a significantly reduced cost, on or before the first day of class. It offers students maximum choice in selecting the learning resources that are right for them, at the lowest market price, including the choice to "opt out." Since 2018, Inclusive Access has saved students over \$1 billion.

Here are the key findings from <u>Copiah-Lincoln Community College's Inclusive</u> <u>Access program</u>, which launched in 2012 and is now in 144 courses across nearly every division.

1

21%

increase in Retention Rates

14%

increase in Graduation Rates

Students save on average

\$1400 each per year

on the price of textbooks, a combined

\$4 million annually



Learn more about how Inclusive Access is impacting universities and their communities here.



Our Environmental Responsibility





Our Environmental Responsibility

Protecting the Planet

Our responsibility to learners and educators includes protecting the planet.

At McGraw Hill, we recognize that part of helping learners unlock their full potential means taking care of the world where we live.

By focusing on sustainability, we will continue to drive meaningful improvements to this critical measure of our environmental stewardship.

We remain committed to minimizing our environmental footprint and, among other deliverables, are working to evaluate our carbon emission footprint.







Our Environmental Responsibility

Protecting the Planet

We are proud of the actions we've taken to impact our environmental footprint:



We have invested in energy-efficient design and engineering tools that help reduce energy consumption. Building management control systems, timers, and sensors have been installed in most of our offices around the world. McGraw Hill has also made significant commitments to reducing its global footprint by rightsizing offices, resulting in over 40% reduction in total square footage since 2013.



Paper is one of the principal raw materials used in our business, which is why we've placed an emphasis on seeking to ensure that the paper we use is sustainably and responsibly sourced. Currently, 95% of the paper we purchase directly in the U.S. is certified by the FSC as sustainably and responsibly sourced, and we are taking steps to ensure that in the future 100% of the paper we purchase globally will be.



McGraw Hill actively participates in recycling and landfill avoidance programs throughout its global real estate portfolio, and we actively adhere to municipal codes (single and multiple waste stream standards).





Quality Management

McGraw Hill adheres to the highest standards in all that we do. We are committed to developing high-quality learning materials, and to governing our organization in a responsible and ethical way.

This section outlines McGraw Hill's approach to:

- Governance
- Bribery, Corruption, and Whistleblowing
- Data Privacy
- Cybersecurity

- Content Integrity
- Artificial Intelligence
- Accessibility
- Supplier Standards



Governance

Our commitment to integrity differentiates us, helping define who we are and where we want to go.

Our Code of Ethics

- We treat people with respect and dignity.
- We hold ourselves accountable for our actions.
- We operate transparently and honestly.
- We operate with uncompromising standards of excellence, ethics, and accountability.
- We uphold our comprehensive Code of Ethics and companion Key Employment Policies while evolving with the ever-changing nature of the education industry and the business world at large.



Employees must complete ethics and compliance training programs, ensuring we operate responsibly and are prepared to support learners to the best of our abilities. These training programs include Code of Business Ethics, Anti-Harassment and Anti Discrimination (AHAD), Privacy, Cybersecurity and Accessibility.

Bribery, Corruption and Whistleblowing



McGraw Hill maintains a policy and controls that address facilitating payments, gifts, meals, travel, entertainment, charitable contributions to intermediaries and third parties.

McGraw Hill also educates employees annually on antibribery and anti-corruption law and expectations.

Employees are encouraged to report any actions that are perceived to be in violation of our policies or law by using our employee hotline, which protects those reporting by maintaining confidentiality and preventing retaliation.



Data Privacy

At McGraw Hill, we apply the same high standards and ethics to our collection and processing of personal information as we have applied to the creation of content for over 135 years.

McGraw Hill provides students and educators with content and platforms while limiting the collection of personal information to only what is required to help individuals as they progress toward their goals. The McGraw Hill Privacy Office is tasked with guiding the organization through this complex environment in order to comply with legal requirements. Detailed information about our Privacy Notices for Customers, End-Users and Parents can be accessed here.



McGraw Hill is IMS Global Data Privacy Certified.



We are a signatory to the Student Privacy Pledge, committed to protecting student information.



Cybersecurity

At McGraw Hill, the security and confidentiality of data, and availability of our products and services, is a top priority.

McGraw Hill has invested to create a mature and best-in-class cybersecurity program. This is an area of increasing importance as cyber risk continues to increase and target educational institutions. This focus has paid off as remote learning became prevalent, and we continue to communicate the value of this commitment to our customers. At McGraw Hill, we mandate annual cybersecurity training for all employees and contractors. We have a best-in-class cybersecurity team that utilizes leading-edge tools and automation to mitigate risks and thwart attacks.





Cybersecurity



"A" Rating from SecurityScorecard

Since 2019, McGraw Hill has consistently held an "A" rating from SecurityScorecard, and we have maintained the highest score in our peer group.



Successfully completed the Service Organization Control (SOC) 2 Type 2 audit

SOC 2 is a framework developed by the American Institute of Certified Public Accountants (AICPA) and is globally recognized as the gold standard for data security. It provides our customers with assurance that McGraw Hill follows industry best practices to provide secure and stable products. Our report demonstrates the Trust Principles of Security, Availability and Confidentiality of our digital products.



National Institute of Standards and Technology ("NIST") compliant

The NIST cybersecurity framework puts forth a set of recommendations and standards that enable organizations to be better prepared in identifying and detecting cyber-attacks, and provides guidelines on how to respond, prevent, and recover from cyber incidents.



Fortra Agari Email Protection

McGraw Hill holds the top email protection score in the education industry according to Fortra Agari Email Protection.



Level 2 Certification for TX-RAMP

McGraw Hill was the first major educational publisher to achieve a Level 2 certification for TX-RAMP for our digital products, which is the highest level of certification available. TX-RAMP Certification is a requirement for a cloud computing service that processes, stores, or transmits data sold in the state of Texas.

Our Products

Content Integrity

McGraw Hill is committed to the development of high-quality, trusted content and educational solutions.

As a global education company, McGraw Hill works with educational professionals, subject-matter experts, and content specialists from around the world to develop learning resources for local markets. Editorial guidelines ensure that the products we develop are accurate, rigorous, objective, and carefully aligned to the standards and needs of today's students. To demonstrate our commitment to the delivery of best-in-class educational solutions, we apply five core principles to content development to ensure students see themselves within our materials.

Excellence

We are committed to developing high-quality academic and instructional resources that are accurate, credible, and relevant. Our content is sourced and reviewed by subject-matter experts to ensure it is accurate and meets the needs of students and educators.

Engagement

We are committed to engaging with the educational community. McGraw Hill partners with students and educators to research, design and build educational solutions, and to respond to the needs of the community through continuous feedback.

Ethics

We are committed to meeting the highest standards of integrity. As a trusted name in education, we develop products that are reliable and aligned to pedagogical standards with transparency.

Efficacy

We are committed to supporting educators and learners. We strive to deliver a superior experience with excellent products that help improve student outcomes and inspire a lifelong passion for learning.

Equity

We are committed to developing content that is accessible, inclusive and reflects the diverse world we live in. We strive to deliver diverse perspectives by collaborating with educators and advisors to ensure students see themselves within our materials.

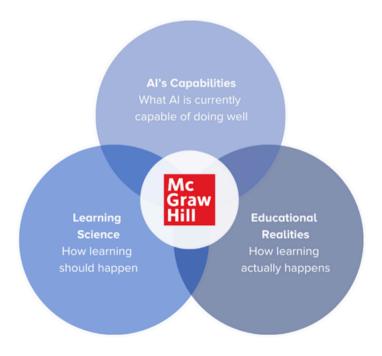


Approach to Al

Our vision is to unlock the potential of each learner at every stage of life. We are proud to support millions of educators and learners around the world with high-quality, trusted content and personalized learning experiences that are driven by the thoughtful use of technology, including artificial intelligence (AI).

Learning is a fundamentally social experience, and AI should be used to strengthen the teacher-student connection.

Drawing from evidence-based research, McGraw Hill develops solutions tailored to the educational realities of today's classrooms. Building upon our deep understanding of how learning happens, we are able to harness powerful technology like AI to facilitate meaningful learning experiences and interactions.





Approach to Al

Our work with AI is guided by four key principles that build upon our strengths as a leading global education company serving over 60 million learners and educators around the world:



We practice unwavering adherence to the responsible use of data. Our platforms generate billions of data points and rich insights that we use to personalize learning with Al. We remain steadfast in adhering to sound data privacy and security principles.



We build technology that is accurate and effective. For over 135 years, we have supported learners, educators, and institutions across preK-12, higher education, and post-graduate settings. As technology unlocks new possibilities, we are well-positioned to continue leading the way and driving results.



Our teams ensure oversight, accountability and partnership. We take great pride in our reputation for creating trusted programs and highquality content, and commit to rigorously testing solutions that incorporate AI to ensure they are effectively improving the learning experience for all whom we serve.



Our Al empowers, protects and elevates educators and learners. As a global leader across preK-12, higher ed, and professional learning, we possess unique insights and abilities to drive positive outcomes for students across their entire learning journeys.



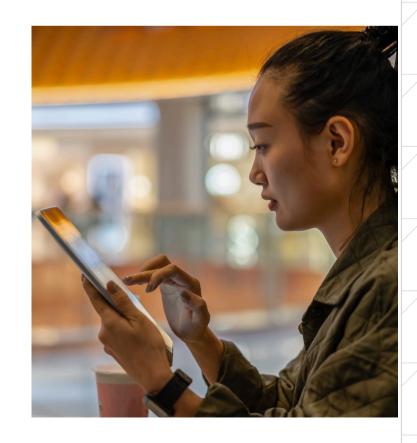
Accessibility

Accessibility is at the core of everything we do.

Our comprehensive accessibility strategy, from planning and research through employee training and product development, ensures that the interests of all learners are a priority as the company brings new educational content and technologies to market.

McGraw Hill is making every effort to ensure that all new educational content and technology follows the WCAG (Web Content Accessibility Guidelines) version 2.2 AA guidelines and best practices. To achieve this and continuously improve the accessibility of our products, our internal product teams regularly engage with external experts and solicit user feedback.

We are active participants in the community of accessibility advocates. In addition to developing experiences that meet the recommended guidelines, we are deeply engaged with accessibility advocacy organizations, forums, as well as organizations like the Book Industry Study Group, Perkins and SIIA to ensure that the software and content we produce is accessible and usable by all learners.





Supplier Standards

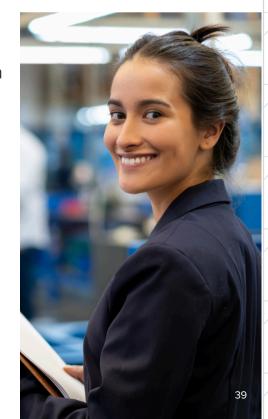
McGraw Hill is committed to fostering a more diverse supplier base and contributing to the economies of the communities in which our suppliers live and work.

Our suppliers play a key role in supporting our mission to create a brighter future for learners and educators. Our Red Cube Cares shared values are at the heart of our supplier relationships.

- Customer Focus: We are committed to providing exceptional service and solutions that exceed our customers' expectations.
- Excellence: We are passionate about providing excellent tools that deliver value and improve learning outcomes.
- Integrity: We conduct business with the highest levels of integrity and are honest, open, and respectful with our customers.
- Innovation: We empower learners and educators by delivering personalized learning experiences and unique solutions.

Our Supplier Standards demonstrate McGraw Hill's commitment to conducting business in accordance with the highest standards of business ethics and in accordance with applicable laws. McGraw Hill suppliers are expected to understand the requirements and operate in accordance with our Supplier Code of Business Ethics and Anti-Corruption Standards.

McGraw Hill aims to achieve diversification at every level of our supplier base through our Supplier Diversity program. To achieve this, we are actively seeking out, and promoting the procurement of goods and services from certified minority, woman, veteran-service disabled, veteran-owned, LGBTQ+, and disabled-owned businesses.



For more information and to stay up to date on our latest news, visit us at mheducation.com or find us on <u>Facebook</u>, <u>Instagram</u>, <u>LinkedIn</u> or <u>Twitter</u>.

You can also find specific resources related to our Impact Report on our <u>Social Responsibility</u> page, <u>Investor Relations</u> site, and our <u>newsroom</u>.