



Corporate Responsibility

Supporting fair labor practices is an issue of great importance to Follett, our campus partners and our customers. More than that, it's simply the right thing to do.

As a retailer, we do not manufacture any product or employ any persons who do so, and we neither own nor operate any factories. Rather, we supply our stores through relationships with a number of approved vendors. This, however, does not diminish our sense of responsibility in ensuring that human rights violations - including child and sweatshop labor, trafficking and slavery - do not occur within our supply chain. We operate in full compliance with all applicable laws and respect and support international principles aimed at preventing and eradicating adverse working conditions, trafficking and slavery.

We know it's not enough to simply talk about our values – they must be demonstrated. That's why we were the first academic retailer to develop strict standards for our extensive network of vendors. In 1995, Follett became the first academic retailer to develop standards for fair labor practices in the manufacture of collegiate products. In doing so, we assumed a leadership role in addressing the issues of child and sweatshop labor. These standards are defined in our Vendor Labor Code of Conduct, which each of our vendors is required to sign and comply with the standards set forth as a condition of selling goods and services to Follett.

Continuing this proactive approach, in 2007, Follett also became the first retail member of the Fair Labor Association (FLA). The FLA is an independent corporate social responsibility organization, which is committed to protecting workers' rights and improving working conditions worldwide. The FLA holds all of its affiliates accountable to their Workplace Code of Conduct – a global set of principles based on standards established by the International Labor Organization to employ fair working conditions in factories around the world. To verify that affiliated companies and the factories they source from abide by this Code, the FLA has instituted a rigorous monitoring, remediation and verification system.

The FLA conducts unannounced assessments at the factories supplying products to affiliated companies, like Follett, worldwide, and promotes a transparent process by posting the results of these audits on the FLA website. Follett reviews the audits that are performed by the FLA, specifically monitoring our vendors to ensure compliance with our Vendor Labor Code of Conduct. We also strongly encourage our vendors to join the FLA, and to commit to its Workplace Code of Conduct.

To increase awareness and visibility into any concerns, Follett also engages a third-party external monitor, like Bureau Veritas®, to investigate compliance, and if necessary, audit manufacturing plants. Through this independent monitoring, Follett has previously monitored factories in the United States, China, Malaysia, Mexico, Vietnam, Pakistan and Fiji.

We have made great strides in establishing and upholding strong ethical standards while keeping up with legislation, trends or reports that can affect compliance. Follett associates who work directly with our vendors (e.g. buyers) are versed on our standards and the risks of sourcing products or merchandise from companies that cannot agree to these terms. For associates who do not interact with our vendors, Follett still provides training on our core values and how they influence our Code of Conduct.

In sum, Follett only purchases from reputable and responsible vendors that meet or exceed the ethical labor standards outlined in our strict Vendor Labor Code of Conduct.

- Our vendors must certify in writing that they are in compliance with our Code.
- Merchandise that is not manufactured according to our Code will be removed from sale. Vendors who do not comply with our Code risk termination as a source.
- Any Follett buyer who knowingly purchases products from vendors that do not comply with our Code will be subject to discipline up to and including termination.

For questions or additional information, vendors can contact vendors@fheg.follett.com . All other requests for information should be directed to campusrelations@fheg.follett.com.

Our Vendor Labor Code of Conduct is one facet of Follett's commitment to corporate social responsibility that considers impact on both human and natural environments. To learn more about the sustainability measures in place at Follett bookstores across the U.S. and Canada, please visit our Focused on Sustainability website at www.greenbkstr.com .



Follett Values are defined as follows:

- ▲ **We value CUSTOMERS** and recognize associates who demonstrate a passion for exceeding customer expectations and are proactive, approachable and responsive in their relationships with both external and internal customers.
- ▲ **We value TEAMWORK** and reward associates that are cooperative, committed to common goals and respectful of their colleagues.
- ▲ **We value INTEGRITY** and require that all associates be honest, ethical and trustworthy.
- ▲ **We value ACCOUNTABILITY** and expect associates to be responsible for their actions and to follow through on commitments.
- ▲ **We value INNOVATION** and encourage associates to be open-minded, creative, solution oriented and prudent risk takers.
- ▲ **We value EACH AND EVERY ASSOCIATE** and demonstrate this by communicating openly and honestly with associates, respecting the ideas and opinions of associates, supporting learning and growth, recognizing achievements, and providing competitive compensation and benefits