



## Vendor Labor Code of Conduct

Follett maintains a long-standing commitment to purchase products only from vendors and manufacturers who maintain the highest ethical labor standards for their employees. Follett has created this Vendor Labor Code of Conduct as a means of enforcing its commitment to purchase merchandise only from vendors who share its commitment to fair labor practices, especially those involved in the manufacturing of wearing apparel and gifts. By signing below, Vendors signify that, as a condition of selling goods and services to Follett, they agree to abide by the terms of our Vendor Labor Code of Conduct.

**I. Introduction:** Follett Higher Education Group is committed to conducting its business affairs in a socially responsible manner. Follett expects the same of its business partners. When appropriate, Follett will seek to join educational institutions, vendors, agents, businesses, and human rights, labor and governmental organizations in demonstrating its commitment to socially responsible business practices by engaging in a periodic review of this Code of Conduct to ensure that it is consistent with evolving business and social standards. Vendors will be presented with and expected to agree to any future revisions of this Code of Conduct as a condition of continuing to do business with Follett

**II. Application:** This Code of Conduct shall apply to all vendors providing products and services to Follett. Throughout this Code, use of the term "Vendor" signifies the party signing this Code of Conduct. The term "Contractor(s)" shall include Vendor, as well as its third party contractors, subcontractors, vendors, manufacturers, sublicensees, and any related entities throughout the world, which produce or sell products or materials incorporated in products sold to and through Follett.

**III. Workplace Standards and Practices:** All Contractors must operate workplaces and contract with employers whose workplaces adhere to the following minimum standards and practices.

**A. Legal Compliance:** Contractors must comply with all applicable legal requirements in conducting business related to or involving the production or sale of products or materials to Follett.

**B. Environmental Compliance:** Contractors must share Follett's commitment to the protection and preservation of the global environment and the world's finite resources and conduct business accordingly.

**C. Ethical Principles:** In addition to the workplace standards set forth in this Code of Conduct, Contractors must be committed in the conduct of their business to a set of ethical standards that are not incompatible with those of Follett. These include,

but are by no means limited to honesty, integrity, trustworthiness, and respect for the unique intrinsic value of each human being.

**D. Employment Standards:** Vendors will only do business with Contractors whose workers are in all cases voluntarily present at work, not at risk of physical harm, fairly compensated, and not exploited in any way. In addition, the following specific guidelines must be followed, particularly with respect to manufacturers:

**1. Wages and Benefits:** Contractors must provide wages and benefits that comply with all applicable laws and regulations and match or exceed the prevailing local manufacturing industry practices.

**2. Working Hours:** Contractors shall not require workers to work more than the lesser of 48 regular working hours per week, or the limit on regular working hours under applicable local law, and shall provide workers with at least one day off in every 7-day period. With respect to appropriately compensated overtime, Contractors shall not schedule overtime on a regularly scheduled basis in excess of the lesser of the standard work week plus 12 hours of overtime, or 48 standard hours plus 12 hours of overtime.

**3. Child Labor:** The use of child labor is not permissible and will not be tolerated. Contractors must meet all applicable local laws regarding the minimum age of workers. Workers can be no less than fourteen years of age and not younger than the compulsory age to be in school in the country where the work is to be performed.

**4. Forced Labor:** Contractors shall not use involuntary labor, including forced, prison, bonded or indentured labor.

**5. Health and Safety:** Contractors must comply with applicable local law in providing workers with a safe and healthy work environment. If residential facilities are provided to workers, they must be safe and healthy facilities.

**6. Non-Discrimination:** While Follett recognizes and respects cultural differences, all workers must be employed on the basis of their ability to do the job, rather than on any personal characteristic. Contractors shall not discriminate in hiring, salary, benefits, performance evaluation, discipline, promotion, retirement or dismissal on the basis of an individual's ethnic or national origin, color, religion or sex.

**7. Harassment and Abuse:** Contractors shall treat workers with dignity and respect. No worker shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

**8. Disciplinary Practices:** Contractors will not use or tolerate corporal punishment or any other form of psychological or physical coercion.

**9. Freedom of Association:** Contractors shall recognize and respect the right of workers to freedom of association and collective bargaining.

Workers shall not be subject to intimidation or harassment in the peaceful exercise of their right to join or to refrain from joining any organization.

**10. Human Rights:** Products and materials shall not be manufactured or produced in any country where the human rights environment would prevent, as determined by Follett in its sole discretion, the conduct of business activities in a manner that is consistent with this Code of Conduct.

**11. Legal System:** Products and materials shall not be manufactured or produced in any country where the local legal system would prevent Follett, as determined in its sole discretion, from adequately protecting its name, trademarks, images, or other interests or from implementing any provision of this Code.

**12. Political, Economic, and Social Environment:** Products and materials shall not be manufactured or produced in any country where the political, social or economic environment would threaten Follett's reputation and/or commercial or other interests, as determined by Follett in its sole discretion. Follett will periodically issue a list of such countries for Vendors' reference.

**IV. Verification:** It shall be the responsibility of each Vendor to ensure its compliance with this Code and to verify that all of its Contractors are in compliance with this Code. Each Vendor shall maintain on file such documentation as may be needed to demonstrate its compliance with this Code and shall make the documentation available for inspection upon request by Follett or Follett's designee.

**A. Monitoring Compliance:** Follett recognizes that an effective and responsible monitoring mechanism is crucial to the successful implementation of this Code of Conduct. In order to provide a meaningful monitoring procedure, Follett has contracted with and designated an independent third-party external monitor to investigate compliance with this Code. Each Vendor shall provide Follett's designated external monitor with physical access to all Contractors' facilities where products are made, in whole or in part, whether by the Contractors or by third parties with whom the Contractors or their agents or representatives contract, in order to monitor and verify compliance with this Code of Conduct. Follett's designated external monitor shall be authorized to perform announced and unannounced visits to facilities for the purpose of monitoring compliance with this Code.

Upon request, every Vendor shall promptly provide Follett with the following information concerning each such facility where products to be sold by Follett are made: (1) the name, address, telephone number and facsimile number of the facility; (2) the name, address, telephone number and facsimile number of the owner(s) of the facility; (3) the name and job title of a contact person at the facility; (4) a detailed description of the type and quantity of all products made, assembled, or processed, in whole or in part, at the facility; (5) a summary description of the Vendor's relationship to the owners and/or operators of the facility (e.g., company owned, contractual, etc.); and (6) any other information Follett's external monitor deems necessary to effectively monitor and verify compliance with this Code.

*It shall be the Vendor's responsibility under this agreement to promptly notify Follett whenever it creates or ends relationships with new entities or facilities for the manufacture or assembly of products, in whole or in part, to be sold to Follett. If the Vendor fails to do so, and Follett incurs any expense as the result of the Vendor's failure to notify Follett pursuant to this paragraph, then the Vendor shall reimburse Follett for all such expenses.*

**B. Confidentiality:** Any information requested or provided in paragraph A above will be treated as confidential by Follett and Follett's external monitor. Said information will not be disclosed to other third parties unless Follett is required to do so by law or compelled to do so through legal process. Further, said information will be used solely to monitor, ensure and improve compliance with this Code of Conduct.

**V. Vendor Remediation:** All products, in whole or in part, sold to Follett must be manufactured in compliance with this Code of Conduct. If Follett, in its sole discretion, determines that a product has been made in violation of this Code, then Follett will consult with the Vendor to examine the issues and determine the appropriate measures to be taken. The remedy will include the Vendor taking steps necessary to correct such violations. If consultation and agreed upon measures fail to adequately resolve the violations within a specified time period, Follett shall remove the non-complying product from Follett's inventory, and return it to the Vendor at the Vendor's sole expense, for full credit.

**VI. Employee Compliance:** Any Follett Higher Education Group employee who knowingly purchases products to be sold by Follett that are in violation of this Code may be subjected to discipline up to and including discharge.

**VII. Communication and Notification:** Vendors must ensure that the management staff of each Contractor has read and understood the requirements of this Code and effectively communicates the terms of this Code to its workers.

**VIII. Miscellaneous:** These terms are not subject to negotiation or Vendor revision. In order to do business with Follett, Vendor must accept these terms in whole by signing below. Follett will not be bound by any handwritten or typed changes to this Agreement not specifically approved by Follett in writing.

**Name of Vendor:** \_\_\_\_\_  
Please Type or Print

**Name and Title of Individual  
Authorized to Sign on Behalf  
of Vendor:** \_\_\_\_\_  
Please Type or Print

**Authorized Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Witnessed By:** \_\_\_\_\_