

5/31/2024

BILL S-211 ANNUAL REPORT FISCAL YEAR 2023 ENDED JULY 1ST, 2023

Follett Higher Education Group, LLC

Author: R. Will Crawford III | ESG Director
FOLLETT

Annual Report on Forced Labor and Child Labor Compliance for Follett Higher Education Group, LLC

Fiscal Year 2023: July 3rd, 2022 – July 1st, 2023 (FY23)

Introduction

Follett Higher Education Group, LLC (Follett) is committed to eradicating forced labor and child labor within its operations and supply chains. This report outlines Follett's steps in the previous financial year to prevent and reduce the risk of such practices in compliance with Canadian Bill S-211.

Entity Information

- **Legal Name:** Follett Higher Education Group, LLC
- **Financial Reporting Year:** July 2022 – June 2023 (FY23)
- **First Submission:** This is not a revised report.
- **Submission:** Joint Report for the following entities:
 - Follett Higher Education Group, LLC
 - Follett of Canada, Inc
 - Advanced Graphic Products Inc.
 - Willo Labs, Inc.

Structure, Activities, and Supply Chains

Follett Higher Education Group, LLC (Follett) is an educational services provider operating retail services within the education sector. The company employs over 5,500 employees annually and operates more than 1,000 campus stores in the United States and Canada. Headquartered in Westchester, IL, USA, Follett focuses on providing educational products and services to academic institutions and students. Follett reaches 6 million students and 500,000 faculty, staff, and campus administrators annually. The company partners with thousands of suppliers globally for educational materials, books, apparel, and other products. These products are packaged and distributed through its logistics network.

Policies and Due Diligence Processes

Follett maintains a comprehensive Vendor Code of Conduct, which all vendors must adhere to. This Code of Conduct outlines standards for fair labor practices, wages, benefits, working hours, and safety. Follett enforces compliance through regular audits, requiring vendors to certify compliance in writing, and removing non-compliant merchandise from sale. Vendors who fail to comply with the Code may face termination of the partnership. Additionally, Follett has a Corporate Responsibility Guide explaining its beliefs and expectations to vendors. Follett is also a proud member of the Fair Labor Association (FLA), further reinforcing its commitment to maintaining high labor standards.

Governance Structure:

The governance structure includes the involvement of the Executive Committee, the Legal Department, and Human Resources Department to ensure effective policies related to forced labor and child labor. Follett enforces the Code of Conduct through appropriate disciplinary actions, up to and including termination of employment and legal action.

Risk Assessment and Management

Although Follett did not identify any risks of forced labor or child labor in its supply chain during the reporting year, the company proactively manages potential risks through its Vendor Code of Conduct. This includes regular audits, assessments, and corrective actions if issues are identified.

Remediation Measures

Follett has established procedures for remediation in case forced labor or child labor is identified. These measures include corrective actions, working with suppliers to develop and implement remediation plans, and terminating relationships with non-compliant suppliers.

Training

In the reporting year, Follett did not provide specific training regarding forced labor and child labor to its employees. Future training programs are planned to address this gap, covering topics such as identifying and mitigating risks, understanding legal requirements, and ensuring compliance with the company's ethical standards.

Effectiveness Assessment

Follett will develop methods to assess the effectiveness of measures to prevent and reduce risks of forced labor and child labor. This includes regular audits, internal assessments, and tracking compliance through the governance structure involving the Executive Committee and the Legal Department.

Environmental, Social, and Governance (ESG)

Follett is deeply committed to leading in environmental excellence, recognizing that this enhances competitive strength and benefits customers, clients, and team members. The company is dedicated to sustainable operations, resource conservation, and minimizing environmental impacts.

Diversity, Equity, Inclusion, and Belonging (DEIB):

Follett champions DEIB within its workforce and through external partnerships. The company promotes diversity in hiring practices and fosters an inclusive workplace culture. Follett also enforces a strict vendor labor code of conduct to ensure fair labor and ethical standards extend throughout its supply chain.

Summary

Follett Higher Education Group, LLC remains steadfast in its commitment to preventing child labor and forced labor within the Company's operations and its supply chains. Follett is dedicated to engaging with its employees, suppliers, and stakeholders on these critical issues and continues to strengthen its approach to mitigating the risks associated with forced or child labor. This is achieved through rigorous adherence to applicable labor laws and the implementation of comprehensive policies and procedures.

Follett's Vendor Code of Conduct, Corporate Responsibility Guide, and regular audit processes ensure that suppliers maintain the highest ethical standards. The Company's governance structure, involving the Executive Committee and the Legal Department, oversees the enforcement of these policies, ensuring compliance and taking disciplinary actions when necessary.

During the reporting year, Follett did not identify any risks of forced labor or child labor within its supply chain. However, proactive measures, including regular audits and assessments, are in place to effectively manage and mitigate potential risks. Future plans include developing comprehensive training programs for employees on identifying and addressing risks related to forced labor and child labor.

Follett is also a Fair Labor Association (FLA) member, further reinforcing its commitment to maintaining high labor standards. This summary underscores Follett's unwavering dedication to ethical business practices, human rights, and compliance with Canadian Bill S-211, reflecting our proactive stance and commitment to maintaining the highest standards in our operations and supply chains.

For more information on Follett's Vendor Code of Conduct and Corporate Responsibility Guide, please refer to Follett's website[www.follett.com].

Approval and Attestation

This statement is made pursuant to Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act for the financial year ending July 1st, 2023. It has been issued on behalf of Follett Higher Education Group, LLC and approved by Mark Sproat, Chief Legal Officer.

X  DocuSigned by:
Mark Sproat
E04FA0229B4E40B...

Chief Legal Officer

Date: