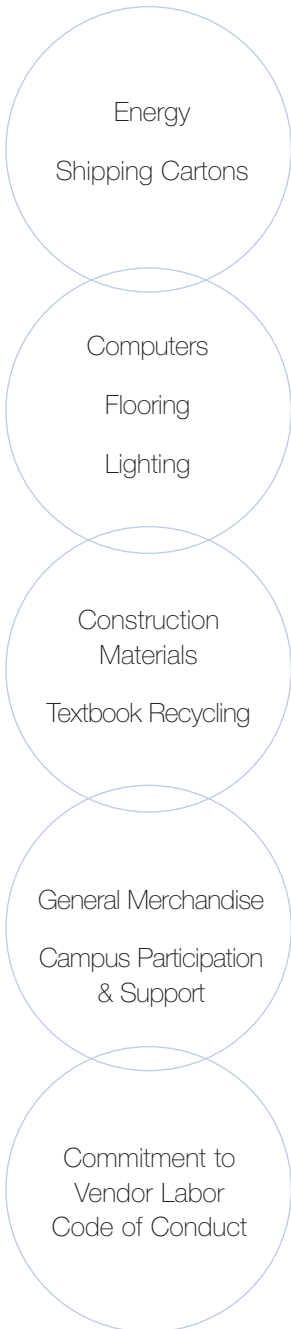


CONTACT

A NEWSLETTER FOR COLLEGE ADMINISTRATORS | October, 2007

In This Issue



OUR CORPORATE COMMITMENT TO SUSTAINABILITY

The concept of sustainability is often defined as meeting the needs of the present without compromising the ability of future generations to meet their own needs. Our commitment to corporate responsibility includes our shared responsibility to the environment and to sustainable practices. Follett is committed to both understanding and implementing sustainable practices in our corporate offices and in the bookstores we serve.

To further our obligation, Follett has joined AASHE, the Association for the Advancement of Sustainability in Higher Education, which is a member organization of colleges and universities working to advance sustainability in higher education. AASHE works in partnership with businesses, nonprofit organizations and government agencies that support sustainability.

What does sustainability mean for Follett? When you operate more than 760 bookstores, doing little things can quickly add up to a big impact. Inside this newsletter are several examples of what Follett is doing.

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(continued)

Energy

We consider energy part of our value chain; managing it strengthens our bottom line as an organization. But paying close attention to the energy we consume—and how we consume it—is about more than our bottom line. It's about ensuring a sustainable tomorrow. With that in mind, Follett evaluated every organization within our corporate family in order to develop standards and best practices that will ensure we are acting as responsible stewards of the environment.

Our organizational goals are to not only find the right suppliers at the right price, but to reduce our total energy consumption across our entire organization in order to conserve natural resources. Currently, a 5% reduction in energy consumption per year is our target goal.

Shipping Cartons

As you can imagine, when you ship nearly 20 million textbooks annually, you use a lot of shipping cartons. At Follett, we have addressed our use of shipping cartons in two ways: First, we use only cartons that have 35% post-consumer recycled content for every shipment. Second, not only are our cartons made from recycled materials, we also take great pains to recycle the carton ourselves. For example, when we conduct book buybacks, we send cartons to the bookstores we serve. When these cartons are returned to our River Grove warehouse full of textbooks, we reuse them. We employ disabled adults through an organization called El Valor, which is focused on the needs of the disabled, disenfranchised and the underserved. At El Valor, our returned shipping cartons are broken down, turned inside out and re-assembled. They are then sent back to our warehouse where we use them again before ultimately recycling them. Sometimes we receive cartons that cannot be re-used. We then shred these cartons and use them in lieu of Styrofoam peanuts as packing material for our outbound textbook shipments.

Computers

Follett ensures that computers are properly disposed of and pose no hazards to the environment. All unusable equipment is disposed of through Sipi, a Chicago-based company that has exceeded all governmental regulations and is licensed by local, state and federal authorities. Sipi's goal is to conduct their business in a manner consistent with a clean environment.

Flooring

In every bookstore we renovate, we use Nexterra™ carpet backing. Nexterra is an industry-leading, high-performance PET backing made from 35% post-consumer content recycled water and soda bottles with an additional 50% from post-consumer recycled glass. The result? Each 24" x 24" tile saves ten 16-ounce bottles from the landfill. Even better, Nexterra tiles are themselves recyclable.

Lighting

Follett has implemented T5 fluorescent lighting wherever applicable in the college stores we serve. T5 fluorescent lighting represents the very latest in lighting technology, delivering up to 33% in energy savings versus traditional lighting. Because the T5 is smaller, it requires less glass, steel and phosphor to produce. The T5 meets stringent environmental regulations such as California's Title 24, ASHRAE 90.1 and IECC.

Construction Materials

Follett uses Woodstalk™ Fiberboard, which is made from wheat straw using polyurethane resin as a binder instead of the formaldehyde typically found in similar products. The result is that formaldehyde emissions are cut by as much as 97%. The wheat straw itself is a reclaimed resource; if it were not used in Woodstalk™ Fiberboard, the straw would have likely been burned, adding greenhouse gases like carbon monoxide to the atmosphere.

Woodstalk™ Fiberboard has received LEED (Leadership in Energy and Environmental Design) credits from the U.S. Green Building Council in the following categories:

- IEQ 4.4 and 4.5: Low-emitting materials
- MR Credit 4.1 and 4.2: Recycled content
- MR Credit 5.1 and 5.2: Local/regional materials
- MR Credit 6: Rapidly renewable materials
- DE Credit 1.1: Innovation in design



Textbook Recycling

Follett is committed to the buying and selling of used textbooks, not only as part of our business, but also to reduce the amount of natural resources used to create these books. Follett's Wholesale division buys back and recycles more than 11 million books annually. Follett Educational Services, which serves grades K-12, also recycles more than 4.8 million books annually. Books that are declared out-of-print or old editions are not destroyed, but sent to libraries and schools in developing countries through the Bridge to Asia program. Other corporate divisions recycle books through Books for Africa.

General Merchandise

In response to customer interest, our general merchandise department introduced a number of new environmentally friendly products in a majority of our stores during this fall back-to-school rush. New products ranged from Zebra Jimmie recycled pencils and ballpoints to Environotes notebooks, filler paper, portfolios, and composition notebooks.

Campus Participation & Support

In addition to ensuring that our facilities and policies are as "green" as possible, Follett participates in campus groups that are focused on sustainability. For example, at the University of Florida, our bookstore manager is an active participant in the UF Zero Waste Task Force, which was implemented by the university's Sustainability Committee. The task force has implemented a number of initiatives, including:

Course Textbook Recycling Initiative

- **GOAL:**
 - o Reusing textbooks is an excellent way to contribute to sustainability on college campuses. One of the goals of the Task Force is to increase the number of course textbooks that are sold as used copies for the University of Florida.
- **ACTIONS:**
 - o Develop plan to provide online information and utilize other mass media sources to explain the benefits of recycling used textbooks.
 - o Form advisory groups consisting of academic department staff, faculty, and students to suggest changes to current Textbook Adoptions website, which provides textbook information for public access.
 - o Increase the sale of used titles.

- o The publication of required course textbooks and other related materials should achieve a 100% participation rate at least 45 days prior to the beginning of classes and a 90% rate 60 days prior.
- o Increase the recycling of used textbooks.

Green Textbook Initiative

- **GOAL:**
 - o Increase the number of educational publishers that use 30% post-consumer recycled content.
- **ACTIONS:**
 - o Develop a plan to educate instructors.
 - o Provide information on various websites to assist instructors and bookstores as to which publishers are participating in the Green Textbook Initiative through Green Press.
 - o Reduce the consumption of virgin paper stock by increasing the use of post-consumer recycled paper by adopting the Green Textbook Initiative.



FOLLETT ACT

OUR CONTINUING COMMITMENT TO OUR VENDOR LABOR CODE OF CONDUCT

We know it's not enough to simply talk about one's values; one must demonstrate them. That's why Follett was the first academic retailer to develop strict guidelines for the vendors with whom we do business. And it's why you can be sure we buy only from officially licensed vendors who embrace our Code.

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 position on the issue of child and sweatshop labor. Through a third party monitoring agency, Follett observes factories to ensure that no child or sweatshop labor is used to make products sold in our stores.

This past summer, Follett selected ten factories to be monitored in the countries of El Salvador, China, Pakistan, Egypt, Bangladesh, Vietnam and Columbia.

Monitoring of factories that produce items sold in Follett bookstores considers all provisions of the Follett Code of Conduct. Monitoring procedures for each provision of the code include observations of conditions in the factory, reviews of factory records and documents, inquiries of workers through confidential one-on-one interviews, and discussions with factory management. Monitors utilize a combination of procedures to corroborate information from each type of investigation to develop an understanding of conditions in the factory and compliance issues.

Provisions of the Follett Code of Conduct include:

- Legal Compliance
- Environmental Compliance

- Wages and Benefits
- Working Hours
- Child Labor
- Forced Labor
- Health and Safety
- Non-discrimination
- Harassment and Abuse / Disciplinary Practices
- Freedom of Association
- Subcontracting
- Verification – Monitoring Compliance
- Communication and Notification Compliance

Follett also subscribes to the principles of the Fair Labor Association (FLA) as the vast majority of clothing vendors who provide us with the products we sell are members of the FLA. Their commitment to protecting workers' rights and improving working conditions worldwide also adds additional monitoring and verification that international labor standards are being upheld.

In addition to monitoring, we review reports from human rights organizations, labor groups, religious organizations, and governments that provide monitoring data. We realize that supporting fair labor practices is an issue of great importance to our campus partners and our customers. More than that, it's simply the right thing to do.

Additional copies of this publication may be requested from Follett Higher Education Group, Campus Relations, 1818 Swift Drive, Oak Brook, IL 60523, or by calling 1-800-323-4506, ext. 5165.