Corporate Responsibility Report 2019
Staples Solutions

Building a sustainable future together
Highlights 2019

2019 was a year of many activities, projects and events across our Staples Solutions European business. The below illustrates the highlights of the year.

1. **Tree planting:** 200,000 trees planted through our Easy on the Planet programme.

2. **Tree planting:** A total of over 860,000 since 2015.

3. **Compliance:** Successful ISO 14001 recertification and surveillance audits across several of our locations.

4. **Easy on the Planet:** Increase in the sales of our Easy on the Planet products to 29% for all our business channels.

5. **Climate compensation:** Our Nordic Business compensated for their internal emissions with Plant-for-the-Planet. Our Dutch Staples Advantage distribution centre and offices compensated for their scope 1, 2 and 3 carbon emissions through the Verified Carbon Standard credit programme.

6. **Air travel trips** for our Corporate Centres in Amsterdam, The Netherlands and Gdansk, Poland reduced by 59% which resulted in a significant carbon emission reduction from tCO₂e 685.31 to 261.5.

7. **Plastic alternatives:** Staples Brand single use non plastic range implemented and available for our customers.

8. **Product criteria updates:** Our Easy on the Planet criteria was updated to reflect renewable materials for facility related products such as waste bags as well as including organics cotton criteria for our textile range.

9. **Charity support:** We supported Global and Local charities in several of our locations by raising awareness and money.

10. **Supporting our communities:** Employee volunteering community days in several countries supporting a wide range of organisations.
Staples Solutions has focused on sustainability issues for many years and our central functions and business units are aligned to meet our customer sustainability needs. This report will give an overview of our activities in 2019.

The report will provide insight and comparisons for 2018 and 2019 across our European business for our Corporate Responsibility pillars: Environment, Ethics and Community and Diversity.

We have reported on our sustainability agenda since 2005 and continue to focus our attention and strategy on sustainability issues which are important for our business and customers. Our Nordic regions business produces an annual report specific to their region and customers.

For more information about this report or our Sustainability agenda please contact our European Corporate Responsibility Lead Oliver Sorby: csr-eu@staples-solutions.com
Forwards

In 2019 we localized our business to be closer to our customers and that successful transformation had an impact on our organization. That’s why I am proud on how well the team continued their focus on sustainability. The results speak for themselves; for example, we successfully recertified our ISO 14001 accreditation across our countries. For Staples Own Brand we completed our Classification, Labelling and Packaging program and we modified our ranges and introduced alternatives for single use plastic products. We organized events including plastic fishing in the Amsterdam canals, and many other community events all over Europe supporting children charities, animal shelters, refugee and homeless charities, etc. It is heartwarming to see the ongoing sustainability passion from the teams.

We believe that good business practice goes hand in hand with positive environmental benefits for our own business, our customers and our communities. That’s why we reward our customers by planting trees when they make sustainable procurement decisions through our industry-wide unique customer reward program ‘Easy on the Planet’. In 2019, this program has increased our green product sales share in the Contract business to 32% of sales. With the support from our suppliers and customers over 860,000 trees have been planted since the start of this program in 2015, and in 2020 we aim to reach the milestone of 1 million trees.

This year we elevated sustainability to a company-wide strategic priority with the aim to make a significant impact on the carbon footprint of that of our business and our customers. This provided additional initiatives to reduce the carbon footprint in our logistics, product offer, circular solutions, and operations. Our partners are vital to ensure the success of these initiatives and their contribution to The United Nation’s Sustainable Development goal #13 – Climate Action. That is why I would like to thank our suppliers, charities and our customers for their ongoing support. But most of all I would like to thank our employees, for their enthusiasm to reduce the carbon footprint of our business & customers and hereby making a true impact on our environment.

2019 was the year in which we dared to challenge ourselves and take the next step in our change journey. As a company, we looked at the entire sustainability work during 2019 and assessed opportunities. In the Swedish/Danish management team and among our employees we want to do more and communicate our ambitions towards our market in a stronger way. One key focus in 2019 and the coming years will be the fight against climate change aligned to the United Nations goal number 13 – Climate Action. In 2019, we implemented several climate initiatives to reduce our overall impact. We focused on reducing air business travel, which resulted in a decrease of over 60% and increased the proportion of train journeys by over 30%. We saw a positive improvement of the proportion of small orders within the framework of our Easy on the Planet programme. As a result of small order reductions and an increase in Easy on the Planet product sales in the Nordics more trees than ever have been planted, over 90,000 trees in total on behalf of our Nordic customers. This is an increase of over 20,000 trees from 2018!

We have taken great strides in climate impact but we have decided that we can do even more. For our customers in Sweden/Denmark, we are implementing our 50/5 strategy. We want to reduce our customers’ climate footprint by 50% within 5 years. The reduction relates to the climate impact that we as a partner to our customers can impact. The plan to achieve the goal contains both measures that we today can measure but it also contains measures that today we do not fully retain the required information. This is a necessary challenge in order to support our customers and a sustainable future for all.

Our sustainability work has a solid history and a story we are proud of. We have always been sustainability pioneers in our industry and we strive for much more in the coming years. We are committed to make a real positive change.

We want to thank our employees, customers, collaborative partners, suppliers and other stakeholders for good cooperation in 2019. We look forward to a new year with new advances in the field of sustainability for our Nordic and overall business.

Patrik Schedvin,
Managing Director,
Sweden and Denmark

Dolph Westerbos,
Chief Executive Officer
Staples Solutions: Our business and impact

Staples Solutions is about much more than paper clips and pens. We are committed to creating the right workspace to help our customers accomplish more and being the go-to solutions provider for products and services for the workspace of today and tomorrow. Our customers are our priority, our single focus is to ensure that our customers have everything they need to turn possibilities into realities for a sustainable future.

With over 9 million customers across Europe, we connect with our customers through our retail stores, online presence and contract partnerships with small, mid-sized and large businesses.

Our Stores:
Staples Solutions has a strong European Retail presence in Norway, Sweden, Finland and Portugal. Our stores offer a wide variety of office products, from office supplies, technology solutions, facilities supplies to furniture. At our stores customers can also benefit from a range of services like Copy & Print, Easy Tech, Click & Collect and Endless Aisle. Staples Retail stores aim to create an in-store shopping experience that’s head and shoulders above the competition, with every one of our employees going the extra mile to help our customers accomplish more.

Our websites
We have online presence across 10 European countries including United Kingdom, Germany, Netherlands, Belgium, Luxembourg, Portugal, Sweden, Denmark, Poland, Norway, Finland and Austria. Across Europe millions of businesses and consumers turn to our websites for everything they need to accomplish more. Designed to create an easy online shopping experience for our customers, our websites offer easy login, quick search, and speedy checkout to order your items in just a few clicks.

Contract Business
As the business-to-business division of Staples, we serve organisations from 6 person offices to Fortune 500 companies across 50 European countries. Staples Business Advantage works with companies to develop customised programmes offering everything customers need to succeed through tailored pricing, dedicated account management, and a complete one-source assortment of products and services at the lowest total delivered cost. Our Easy on the Planet programme helps customers on their sustainability journey by rewarding eco-conscious purchasing behaviours with a tree planting incentive.
Corporate Responsibility is embedded in our business as a key strategy for our customers and suppliers. We work closely with our suppliers to bring more sustainable solutions to our range and offer a wider choice of products and solutions to our customers. We are aware that we have a responsibility to make a positive impact on our customers, our employees and our planet. The world we live in is changing dramatically and we believe that embracing sustainability will continue to provide us competitive advantages with our eco-conscious product range as well as our Easy on the Planet customer reward programme.

Our Corporate Responsibility focus was previously divided into four key strategic pillars; Environment, Ethics, Community and Diversity. In 2019, due to business changes and decentralization we merged two of our four pillars, Community and Diversity, into one to create three pillars. These two combined pillars are of key focus for our countries where we operate and where the level of influence exists. We focus on Environment, Ethics and Community and Diversity which will be a running theme throughout this report.
Our product range has a natural connection to education and providing our customers with the right products to fulfil their learning needs. Across our European business we carry out several programmes to support local communities and educational programmes. In Sweden, Germany and The Netherlands we had our annual community day where our employees volunteered at a range of charities in their local area. We also continue to partner with Plant-for-the-Planet and their educational programme for climate change justice through academies and planting trees. Since 2015, we have delivered 17 academies in partnership with Plant-for-the-Planet.

In 2019, we also partnered with Junior Achievement Europe for the European Final of the Enterprise Challenge for young students. Our Corporate Responsibility Lead was one of six main judges during the event providing sustainability expertise.

We focus on the following goals:

**4 QUALITY EDUCATION**
Our Easy on the Planet programme favours more eco-conscious products and rewards our customers for purchasing such products by planting trees on their behalf. We regularly review more sustainable materials for our products and certify new products that meet our Easy on the Planet criteria. We assess our Staples Brand suppliers to ensure that they operate in an environmentally friendly and ethical manner. Our own operations are certified to ISO 14001 which focuses our attention on minimising our impact on energy, waste and raising employee awareness. We are supporting our customers by researching and implementing circular solutions.

We are aware of the impact of our supply chain and how our customers can support the need for climate action. We invite our customers to assess their impact and change their purchasing behaviour to choose more eco-conscious products as well as reduce their small orders so to minimise the associated environmental impact. Within our own operations our facilities review their impact on the environment and assess where improvements can be made through their ISO 14001 accreditation. In 2020, there will be increased focus on this goal from a central and a local perspective with our customers at the forefront of our strategy.

We are directly aligned to this goal and protecting our global forests with paper being a core element of our overall business. Our customer incentive programme, Easy on the Planet, plants trees based on our customers buying more eco-conscious products and reducing their small orders. Staples Solutions alone has planted over 860,000 new trees since 2015. By the end of 2020, we aim to reach our 1,000,000 milestone.

This is pivotal to our success and maximising the sustainability impact for our business and our customers. We work closely with our employees, customers, suppliers and local communities in order to contribute towards a more sustainable future. We respond to our customers requirements and work with our suppliers to offer a broader range of sustainable products and solutions. We work with our suppliers to identify opportunities which have a direct impact on our customers overall environmental footprint.
Our vision

Our focus is across many areas of our business aligned to our overall strategy to reduce our sustainability impact and meet our customer needs.

Solutions

Partnerships
In order to achieve our goals we need to form effective partnerships. Our long standing partnership with Plant-for-the-Planet is critical for our customer programme. Our vendors are important partners to ensure that we meet the needs of our customers.

Recycling and circular economy
This is part of our responsibility and expected by our customers to support them by providing sustainable product choices, recycling services and solutions to their requirement.

Eco-Conscious products
We work closely with our vendors to update our product range and offer more sustainable products to our customers. Our Easy on the Planet criteria is updated on an annual basis as a minimum requirement.

Customer orders and logistics
We work closely with our customers to reduce their small orders. Our performance reports indicate where opportunities exist as well as the incentive of planting trees for their reduction in small orders. Our distribution centres utilise technology to ensure that product packaging is as efficient as possible to minimise waste.

Production and suppliers
We own no production facilities but we work closely with our suppliers to enforce environmental and social criteria. Our supplier code of conduct forms the foundation for how our suppliers operate as well as our audit protocol.

Eco-Conscious products
We work closely with our vendors to update our product range and offer more sustainable products to our customers. Our Easy on the Planet criteria is updated on an annual basis as a minimum requirement.
Environment

We believe that good business practice goes hand in hand with positive environmental benefits for our own business, our customers and our communities.

Our facilities are always looking at ways to minimise our environmental footprint and where possible benefit the customer. 92% of our locations are ISO 14001:2015 accredited and continue to focus on improvements and their plans to reduce their environmental impact. Several of our countries and locations carried out recertification audits in 2019 and were successfully recertified against the standard.

Our business operations are aligned to our sustainability policy which is focused on:

- offering more eco-conscious products and sustainability solutions
- reducing carbon emissions
- minimising waste creation and optimising recycling

Influencing positive change

We utilise business intelligence information to monitor contract customers purchases and order size so that they are able to strategically identify opportunities for purchasing more eco-conscious products and reducing their % of small orders.

Performance updates

We provide our contract customers with specific electronic quarterly updates which focus on their % of eco-conscious products and their % of small orders. This information enables our customers to easily monitor their status by highlighting their performance against a benchmark.

Celebrating success

We provide each contract customer with an annual certificate to reward them for their contribution to a more sustainable future. The certificate highlights how many trees will be planted on their behalf as a result of purchasing more eco-conscious products and reducing their small orders. This provides a great opportunity for our sales team to discuss opportunities for the coming year and areas of focus.

For further detail on our unique Easy on the Planet programme please read our brochure here.
Eco-Conscious product range

One element of our unique Easy on the Planet programme is to help customers contribute towards their sustainability objectives by encouraging eco-conscious product purchases with the reward of planting trees on their behalf.

Our Easy on the Planet programme contains products that have one or more of the following third party certifications as well as also including products that meet category specific environmental criteria, such as the percentage of recycled materials, remanufactured and many more. Further information about the programme criteria can be found here.

Staples Solutions offer over 16,000 eco-conscious products to help customers meet their goals. The Easy on the Planet icon reflects stringent criteria for eco-conscious products with reduced environmental impacts compared to other products in their category. We benchmark against available standards, guidelines and certifications to identify products that meet our Easy on the Planet requirements. The Easy on the Planet icon itself should not be considered an environmental certification or that it meets a certain third party standard. We routinely evaluate and develop the criteria used to identify these products. In 2019, we extended the criteria for our breakroom and facility category to include plastic free and renewable materials. We also added requirements for textile related product criteria to ensure alignment with external standards.

In 2019, our Easy on the Planet sales across our European Business increased from 26.2% to 29%. Furthermore, there was an increase in Easy on the Planet sales in all ten of the countries where our contract business is present.

<table>
<thead>
<tr>
<th>Year</th>
<th>Eco-Conscious Product Range Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>22.4%</td>
</tr>
<tr>
<td>2017</td>
<td>22.6%</td>
</tr>
<tr>
<td>2018</td>
<td>26.2%</td>
</tr>
<tr>
<td>2019</td>
<td>29%</td>
</tr>
</tbody>
</table>

Easy on the Planet criteria

Small orders

The second element of our programme is to encourage customers to consolidate product orders and reduce their small orders in order to reduce packaging, waste, fuel and material consumption. Our customers often require products at short notice, even if only one pack of pens, and it our duty to fulfil our customers requirements. However, we work closely with them to provide business intelligence to identify opportunities for ordering improvements across their portfolio and to minimise small orders with the reward of planting trees. In 2019, 50% of our countries experienced a reduction in customer small orders. This indicates that there are opportunities for improvements which we will continue to drive through our Easy on the Planet programme and our sales teams.
We are proud of the achievements of the programme since it started in 2015. With the support from our partner suppliers and customers over 860,000 trees have been planted on behalf of our contract customers. This is as a direct result of reducing their small orders and increasing their purchases of more eco-conscious products. By the end of 2020, we aim to reach our milestone of planting 1 million trees in the 5 years since the launch of our Easy on the Planet programme. This will be a significant achievement for our business, customers, our partner Plant-for-the-Planet and our environment.

---

### 2019 Results

- **7,366 customers**
- **Over 16,000 eco-conscious products**
- **Resulting in...**
  - **200,000 trees**
  - **2,000,000 kg of CO₂ per year decrease**

### Since 2015

- **860,892 trees planted**
- **17 Academies**
- **Climate change education for 764 children**

### 2020 Target

- **Reach 1,000,000 trees milestone**
- **11,000 customers**

---

Results worth shouting from the treetops
Our Partner
Plant-for-the-Planet

Our partnership with Plant-for-the-Planet is an integral part of our Easy on the Planet customer programme. Plant-for-the-Planet are a non-profit organisation fighting against the climate crisis by taking action in the form of planting trees and educating young children. Taking on the legacy of The United Nations Environmental Programme’s Billion Tree Campaign, since 2008 they have:

- Helped with the planting of more than 13.6 billion trees
- Organised 1,500 Educational Academies in 74 countries
- Trained 88,000 children as Climate Justice Ambassadors

Staples Solutions has hosted 17 training academies across Europe since the programme started which has engaged almost 800 children. Amazing achievements and we are proud to have supported them and our customers towards a more sustainable future for all.

“Over half a million young trees in the Staples forest are capturing carbon and generating an income for vulnerable communities on the Yucatán Peninsula. The hundreds of young Climate Justice Ambassadors we empowered around the world together are motivating other children - creating a positive chain reaction to tackle the climate crisis globally. Thank you Staples, let’s keep making change happen!”

Karim Kaamel, Corporate Partnerships Manager, Plant-for-the-Planet

Trees for Climate Justice

One tree captures on average 10kg of CO₂ per year of its life.
Reducing our own operational impact

Our environmental commitment is embedded in our operations across Europe and our facilities. We continue to demonstrate our accountability by certifying our environmental management systems to the ISO1 4001 standard, across Europe in Benelux, Denmark, Finland, Germany, Norway, Portugal, Sweden and the UK. This continual improvement process has resulted in key initiatives to reduce waste, increase recycling and stimulated specific national objectives encouraging sustainable energy and reducing emissions.

Our building operations

Across several of our distribution centres the number of picking hours for customer product orders was reduced. The team reviewed the process with the aim of improving efficiency. Historically, scheduling was set at 12 hours picking shifts for our teams to fulfil customer orders. After reviewing thoroughly and assessing options this was reduced to 8 hours. This contributed to energy savings as associated equipment was in operation for 4 hours less each day.

Our UK distribution centre integrated LUX sensors into the existing lighting system and motion sensors. This effective lighting technology resulted in areas of the distribution centre having sufficient level of lighting based on natural light levels. This change resulted in financial and energy savings in both the summer and winter months.

In our Polish distribution centre, LED lighting was installed which contributed to a reduction in energy usage across the facility. To further reduce energy usage, the team adjust the power levels and lighting according to the natural lighting levels in the building.

Our Portugal team reviewed our delivery schedule to our retail stores which resulted in a reduction of 14 weekly trips. This contributed towards a reduction in their environmental impact.

Our electricity usage in kWh / m² across our European operations has reduced slightly. We have experienced a reduction in absolute kWh energy consumption and only a minor reduction in total m² across our business. The absolute energy reduction is due to a combination of factors such as implementation of energy efficiency initiatives such as LED lighting, distribution centre initiatives such as picking hour reductions and a reduction in occupied space in certain countries.
Corporate travel reductions

We experienced a significant reduction in air travel for our two Corporate Centres in Amsterdam, The Netherlands and Gdansk, Poland. This was due to a combination of factors relating to downsizing at our Head Office and increased usage of technology. The return trips and associated kilometres travelled reduced which resulted in a significant carbon emission reduction of 61.8% to 261.5 tCO₂e. We will continue to utilise our virtual technology tools to reduce our air travel and carbon footprint.

In 2019, Staples Sweden and Denmark changed their travel policy with a clear message of keeping on the ground. As a consequence, air travel decreased by over 60% and train travel increased by more than 30%. This contributed towards a 50% reduction in scope 3 carbon emissions.

Small Orders

In 2019, 50% of our countries experienced a reduction in small orders which contributed towards a reduction in carbon emissions. On a Nordic level, including Sweden, Finland, Denmark and Norway, we experienced an improvement of efficiency regarding deliveries of our packages and thus a reduction in carbon emission per package from 2018 to 2019.
Staples Brand Products

Staples® Brand Products are engineered for business. That journey begins with ethical sourcing combined with innovative design that delivers a broad assortment of the highest quality products at unbeatable value. We recognise our responsibilities in minimising our social and environmental impact during every part of the process.

Sustainable Earth™ by Staples®

Staples® Own Brand strategy is focused on improving our eco-conscious product range enabling our customers to select alternatives with the environment in mind. Our Sustainable Earth™ by Staples® range is made with renewable resources and/or recycled materials, and are third-party certified to validate their environmental credentials. Choose from a range of categories from the breakroom to the meeting room.
Own Brand sustainable products

During 2019, our Staples Brand team assessed our own brand categories and products to identify opportunities to switch to more sustainable materials and offer our customers plastic alternatives. Our review was not only aligned to the European Union’s Single Use Plastic Directive but also other categories where plastic could potentially be removed or reduced. In total, this included a review of nine categories ranging from writing instruments to single use disposable items. We identified that for certain products an alternative at this moment in time is not readily available to meet our customer needs. In 2019, we launched a new Staples Brand range for the following products:

- Disposable paper straws
- Disposable paper drinking cups
- Disposable wooden cutlery
- Garbage / Trash bags made from 100% post-consumer recycled material

In 2020, there will be further implementation and new products and packaging available for our customers. This will include:

- Disposable paper cup lids
- Multi Purpose Cleaners packaging change to post-consumer recycled material
- Various sticky note product packaging changes to paper based
- Premium cut-sheet paper packaging change to paper material
- Graphite Pencils packaging change to paper material

A key element of the product changes success was working in partnership with our factories. One particular project related to polybags, which enable products to be sealed and protected, and resulted in a reduction of almost 60,000 pieces across various categories.
Customer recycling
In 2019, we joined partnership with Recoll for the collection and recycling of ink and toner used products for our contract and retail business. We implemented, Staples Collect, a collection platform for our customers to organise collections of their used items as well as reordering storage boxes for their used items. This has generated interest with our customers and in 2020 we will continue to focus on embedding this solution across our European business to increase the volume collected and recycled.

Circular economy solutions
This approach is directly linked to The United Nations’ Goal 12 and responsible consumption and production. We are aware that our customers require not just products but also solutions which prevent waste and enable them to minimise their environmental footprint. We are committed to providing circular solutions for categories and products where possible. In 2019, we reviewed with key partners several solutions to close the loop on traditional office supplies and textile products in several of our markets.

Circular paper solution
The demand for raw materials is increasing worldwide. Circular solutions promote sustainable ways to reduce waste and contribute to a more positive carbon footprint. Our Dutch and Belgium business have partnered with Renewi and Steinbeis to encourage the circular economy by offering a 100% circular paper solution for its customers. Renewi is a waste management company which exclusively focuses on extracting value from waste and giving a new life to used materials. Steinbeis is a producer of paper which also focuses on using waste paper as a raw material. Renewi collects used paper from companies with the aim of reducing waste and promoting reuse. The used paper is pressed into bales which are then transported to the Steinbeis paper mill and processed. This simple process ensures 100% recycled paper that has been carefully processed without any environmental pollutants such as chlorine or other halogenated chemicals. This product also meets our Easy on the Planet criteria as it has Blue Angel and EU Ecolabel certifications.
Ethics
To work towards a better society also means we conduct good business ethics. The strength of our company is directly related to our reputation. Our employee Code of Ethics is implemented across our business to guide employees in making the right decisions when it comes to a variety of situations and outline our requirements to conduct business ethically to help protect the best interest of our brand. Integrity is key to our success and our code of conduct is our fundamental guide to how we conduct business and ourselves at Staples Solutions so that we can each do our part to keep our culture of integrity alive. This is also true for our suppliers and our supplier code of conduct which is fundamental in ensuring ethical practices and fair business.

Manufacturing and sourcing responsibly
We continue to focus on how we manage our suppliers and the controls and measures we expect to be in place in order for business to be conducted responsibly and ethically. We supply Staples Branded products in collaboration with factories across the world. We ensure that these suppliers meet Staples requirements regarding safety, environment, work environment as well as product requirements and product quality. In the Far East, before starting production each factory is evaluated with a points based approach to assess the level of compliance and risk against our criteria. During 2019, two members of the Staples Corporate Responsibility team, Oliver Sorby CR Europe Lead and Johanna Jigmo-Linde CR Nordics Lead, in collaboration with our Chinese buying partner, conducted two social accountability audits and one factory quality audit in China. In addition to the visits, routine training was also conducted with our buying partner in accordance with our process to ensure that our local representatives are aligned to our own requirements.

The below table provides an overview of our activities in 2019. It highlights, for our factory quality audits three factories were issued corrective action plans relating to document control, organisation and control of storage and packaging areas and management responsibilities. From a social accountability perspective, four factories were issued with corrective action plans relating to working hours and below standard employee restroom facilities. These actions have since been rectified and the corrective action plan actions approved. There was one major deficiency with one of the factories where a child was present whilst its parent was working inside the factory’s dining room / kitchen facility. This factory was given an action plan and we supported to ensure that the correct measures were taken and the worker and child were not negatively impacted. Our follow up process identified that appropriate measures were now in place to prevent this from reoccurring.

<table>
<thead>
<tr>
<th>Year</th>
<th>Supplier Factory and Social audits conducted</th>
<th>Corrective Action Plans Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>149*</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>177*</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>171*</td>
<td></td>
</tr>
</tbody>
</table>

* Of a total 100 factories, 49 were in low risk areas. This includes external audits by Staples auditing partner and ISO related audits / certificates. Fewer factories due to consolidation activities.
Embedding our Code of Conduct

Our Code of Conduct remains a pivotal part of our supplier working relationship and governance process. Our code of conduct is integrated into our central contract agreements with our suppliers. It is the foundation and framework for our factory and social audits for our Staples Brand suppliers and it is based on the International Standard SA8000. It outlines our requirements for responsible business for our suppliers and producers. Our Staples Brand suppliers are audited by our external audit partner Bureau Veritas against both factory and social criteria and in line with the International Standard SA 8000 and our code of conduct. Our code of conduct is updated regularly to align to industry best practices, our own requirements and changes in international standards. In 2019, we updated our code of conduct to include animal welfare provisions which was also integrated into our central supplier agreement process.

Our Code of Conduct focus

1. Forced Labour
2. Child Labour
3. Harassment and Abuse
4. Non-discrimination
5. Health and Safety
6. Freedom of Association and Collective Bargaining
7. Wages and Benefits
8. Hours of Work / Compensation
9. Ethical Standards
10. Environmental Impact
11. Animal Welfare

Traceability

Our Staples Own Brand products are sourced from various countries around the world. This provides unique opportunities for product ranges and innovation.

We are committed to ensuring that our supply chain is traceable and that our Staples Brand products can be tracked from manufacture to customer purchase. Each Staples Brand product is labelled with the production site information which allows Staples to track & trace the origin. Each production site has a unique site code.

Far East: 7% of total spend and 340 products
Europe: 93% of total spend and 4,000 products
Community and Employee Engagement

In 2019, we continued to connect with our local community in different ways across our business operations. Our commitments continue to focus on:

- Encouraging employee engagement in our local communities
- Giving back to our local communities in support of education and job skills training where possible

Employee volunteering

In some of the countries in which we operate our employees participate in a community day. This provides the opportunity for our employees to give back time to charities and community initiatives which rely on volunteer support. For example this included:

- Amsterdam and Almere, Netherlands community day with 50 employees supporting Plastic Whale, Ronald McDonald House and Stitching App Monkey sanctuary
- Munich, Germany community day with 40 employees supporting Ronald McDonald House, an animal shelter and Hanseatic Help Refugee and homeless charity
- Sweden community day supporting children charities at Queen Silvia’s Hospital in Gothenburg and Stockholm City Mission in partnership with Scandic Hotels.
Supporting Global campaigns

We supported two cancer charities in 2019 with Breast Cancer Pink Ribbon and Movember. For Breast Cancer Pink Ribbon we partnered with HP and International Paper to advertise and sell the specially designed pink ream. For each ream of this product sold, €0.10 was donated to a European programme focused on breast cancer awareness and prevention. Staples customers purchased 118,000 pink reams which resulted in a donation of €11,800.

For Movember, Our Swedish and Dutch colleagues participated in a variety of ways to raise money from growing a moustache to bake sales. Fundraising was only one part of the campaign. During the month, through focused communication, we discovered the importance of having regular health checks for men for early diagnosis of potential issues. This included providing key facts and sharing self-help advice for simple personal health checks. We also learnt how critical it is to speak about your concerns and struggles in order to preserve mental health for men and women.
Employee engagement and insights

2019 was a year of change for our business and we utilised existing communication channels as well as introducing new activities to engage our employees and ensure high level of awareness and frequent communication updates. We engage in a variety of ways with our employees with each offering unique opportunities for engagement, communication and overall awareness, such as:

• Town Halls delivered by our CEO and COO
• Email and Intranet communication at a Central level and Country level
• Collaborative cross functional workshops to enhance project effectiveness
• Annual employee survey conducted in several of our Nordic countries
• Monthly employees drinks and networking at our head office
• Family Day at our head office
• Employee socialising for sunset parties and movie nights
• Community days in different countries
• Volunteer opportunities
• Global Charity campaigns such as Movember
• National Works Council
• European Works Council
Plant-for-the-Planet partnership

Our partnership with Plant-for-the-Planet has remained a key focus for our business and our Easy on the Planet customer programme. There is a direct connection between their global mission to combat climate change through planting trees and educating the younger generation and our core values and aim to reduce our impact on the environment. Planting trees is directly aligned to our core business and our paper products. Our Easy on the Planet programme contributes positively towards reforestation and supporting a better future for our forests and planet.

Since 2015, we have planted over 860,000 trees on behalf of our customers which is a significant contribution to reforestation in the chosen Plant-for-the-Planet plantation in Mexico. By the end of 2020, we aim to reach our milestone of planting 1 million trees in the 5 years since the launch of our Easy on the Planet programme. This will be a significant achievement for our business, customers and Plant-for-the-Planet.

Supporting young Entrepreneurs

In 2019, our Corporate Responsibility Lead was invited as one of six main judges for the Annual European Enterprise Challenge for young students as the Sustainability specialist. This two day event included representatives from 15 countries pitching business ideas with the aim of winning funding towards their new start up business. The event enables students to learn how to run a business and gain constructive feedback from all judges to enable them to be a success. It was encouraging to see sustainability elements in all business plans and such passion and dedication to make positive change.
Providing a healthier office

Fruity office
In 2019, we continued to provide fruit to our employees in our Amsterdam head office as it was a huge success when implemented in 2018. Our partner Fruitful Office provides a variety of daily healthy fruit snacks for our employees. Fruitful Office also supports an organisation which advocates employment opportunities and embraces environmental stewardship. Fruitful Office plant one fruit tree for one fruit box which is purchased by Staples. As a result 1,109 trees were planted on behalf of Staples Solutions. Fruitful Office also source their fruit as locally as possible in the Netherlands to minimise their own carbon footprint as well as that of Staples.

Mental health
Our UK business introduced trained and accredited Mental Health First Aiders across all their sites. The initiative was implemented to provide employees with the support and resource as and when help is needed. Also, those with training were provided with the skills to be able to identify those colleagues that potentially need support. Our UK business also launched a new wellbeing portal, with charity partner, Retail Trust, giving access to personalised tools to manage health and wellbeing, get help and develop skills.

Diversity
We seek to develop a workforce that reflects the diversity of the communities and customers we serve by embracing diversity in all its forms — race, gender, thought and experience. We promote a culture of inclusion within our workforce and encourage our employees to be themselves and provide opportunities for development for all.

Our Diversity policy highlights our intentions for achieving a diverse workforce and ensuring an inclusive workplace. Our main commitments include:

- Embracing diversity and inclusion by embedding it into our business and our company culture
- Promoting an inclusive work environment where all employees are respected and valued for their unique knowledge, skills and abilities
- Attracting and retaining diverse employees across our global operations, specifically with regard to gender and minority diversity in our management and executive levels

Our European Executive Leadership Team has an equal gender split with 50% male and female. The below tables illustrates the gender split at a management level across our countries.

<table>
<thead>
<tr>
<th>Country</th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>25%</td>
<td>75%</td>
<td>4</td>
</tr>
<tr>
<td>Belgium and Netherlands *</td>
<td>40%</td>
<td>60%</td>
<td>10</td>
</tr>
<tr>
<td>Finland</td>
<td>44%</td>
<td>66%</td>
<td>9</td>
</tr>
<tr>
<td>Germany</td>
<td>11%</td>
<td>89%</td>
<td>9</td>
</tr>
<tr>
<td>Norway</td>
<td>27%</td>
<td>73%</td>
<td>10</td>
</tr>
<tr>
<td>Poland</td>
<td>34%</td>
<td>66%</td>
<td>50</td>
</tr>
<tr>
<td>Portugal</td>
<td>25%</td>
<td>75%</td>
<td>12</td>
</tr>
<tr>
<td>Sweden and Denmark *</td>
<td>19%</td>
<td>81%</td>
<td>16</td>
</tr>
<tr>
<td>UK</td>
<td>29%</td>
<td>71%</td>
<td>7</td>
</tr>
</tbody>
</table>

*Joint management teams for these countries
METSÄ TISSUE’S 2030 SUSTAINABILITY OBJECTIVES
SUPPORTING METSÄ GROUP’S SUSTAINABILITY GOALS

Metsä raw material comes from sustainably managed forests

- In 2019, Metsä planted 30 Million trees
- In 2019, as every year, 4 new seedlings were planted for each harvested tree
- Metsä utilizes 100% of the tree to produce products
- 100% of the Staples products from Metsä are traceable and come from certified or controlled sources
- We achieved the Platinum award as the highest recognition in the sustainability rating of Ecovadis

WE BRING THE FOREST TO YOU
- Increasing the amount of carbon stored in forests and products
- Safeguarding biodiversity

WE WORK FOR A BETTER CLIMATE AND ENVIRONMENT
- Fossil free mills
- Resource efficient production

WE CREATE WELL-BEING
- Responsible corporate culture
- Accident-free work environment

WE OFFER SUSTAINABLE CHOICES
- Fossil free raw materials
- Sustainable supply chain
- Efficient logistics
- Plastics-free offering

Vendor partnerships
We work closely and strategically with our vendors to ensure that we meet our customers needs with regards to their sustainability requirements. This is pivotal to our success and maximising the sustainability impact for our business and our customers through offering expertise, sustainable products and solutions. The following provides an overview of our partners which support our Easy on the Planet programme.
Partnering with HP to create a more sustainable world

HP is committed to creating positive, lasting change for the planet, its people, and our communities. One way it is doing that is through partnerships that enable HP to deliver technologies, services, and solutions that help customers reduce their impact on the environment.

Closing the loop on print supplies

HP has been a leader in closed-loop plastic recycling for decades, since the founding of the HP Planet Partners recycling program in 1991. Through this program, customers are ensured that their returned HP ink and toner cartridges are recycled and the materials reused to create the next generation of print supplies. HP and Staples have partnered for more than a decade to offer free, convenient drop off locations for HP cartridge recycling in several different countries in the world-driving traffic into Staples stores to enable the next purchase of Original HP cartridges made with recycled content.

Through our closed-loop recycling process, HP has manufactured more than 4.2 billion HP ink and toner cartridges using recycled materials. This has kept 875 million returned HP cartridges, an estimated 114 million apparel hangers, and approximately 4.7 billion postconsumer plastic bottles out of landfills—instead, upcycling them to make new HP products.

Today more than 82% of Original HP ink cartridges and 100% of HP toner cartridges are made with recycled materials.*

To recycle your HP cartridges, visit www.hp.com/recycle.

Turning off the tap on ocean plastics

Each year, approximately 8 million tonnes of plastic enters our oceans, joining the estimated 150 million tonnes already circulating. And the flow of plastics shows no sign of stopping.

Building on its expertise in closed-loop recycling manufacturing, HP launched an initiative in Haiti to source plastic bottles for use in creating new Original HP ink cartridges. This effort has helped HP manufacture more sustainable ink cartridges—while also creating jobs and improving working conditions for collectors in Haiti.

And HP isn’t stopping with ink cartridges. The company has expanded the use of ocean-bound plastic to its personal systems portfolio, launching the world’s first notebook, display, mobile workstation, and enterprise Chromebook with ocean-bound plastics. HP also made a commitment to include ocean-bound plastic material in all new HP Elite and HP Pro desktop and notebook computers launched in 2020.

As of May 2020, HP has sourced more than 1.7 million pounds of postconsumer, ocean-bound plastic bottles from Haiti. That’s equal to more than 60 million bottles that might otherwise have washed into the ocean.

For more information on HP’s efforts in Haiti, see hp.com/go/Rosette.

* 82% of Original HP ink cartridges contain between 45-70% recycled plastic. 100% of Original HP toner cartridges contain between 5-45% post-consumer or post-industrial recycled content. Does not include toner bottles. See www.hp.com/go/recycledcontent for list.
A sustainable bioeconomy partner

Stora Enso care for people and for the planet – from the forest to innovation, manufacturing, product use, and end-of-life. They support you with renewable products based on raw materials from sustainably managed forests. By replacing fossil-based materials with renewable solutions, they help drive the transition from a fossil fuel consuming world to a sustainable future based on bioeconomy.

Stora Enso believe that a circular economy is only possible when raw materials are also circular – renewable, time and time again. Value chain partners, participation in industry collaboration and co-creation with customers for circular design, are part of the everyday operations.

More than 90% of Stora Enso’s paper brands are covered by one or more ecolabels, offering customers a reliable guide to easily identify products with superior environmental performance. To earn any of the three major ecolabels applied – EU Ecolabel, Nordic Ecolabel and Blue Angel Ecolabel – there are strict criteria to meet. No wonder they are proud of their achievements this far!

Multicity Zero – Stora Enso’s carbon neutral office paper

This sustainable, high quality paper helps you to both do good and feel good. No need for compromises on quality or performance. To Stora Enso, producing and developing a carbon neutral premium paper is a matter of respect. For the environment and healthy Nordic forests. For the customers sustainability targets as well as the effort invested in the paper you sell and the documents you print.

- Carbon Neutral product
  - Minimum fossil CO2 in production
  - CO2 from transport and other, CO2 emissions are offset making Multicity Zero carbon neutral
- Recyclable packaging thanks to a special wrapper that does not contain Polyethylene
- Fibre raw material is FSC certified and sourced within 100km from the mill
3M Sustainability

Our strategic sustainability framework

Science for Circular
Design solutions that do more with less material, advancing a global circular economy.
- Every product entering 3M’s commercialisation process must have a Sustainability Value Commitment
- Reduced manufacturing waste by 12.6%, indexed to sales; exceeding goal of 10%

Science for Climate
Innovate to decarbonise industry, accelerate global climate solutions and improve our environmental footprint.
- Since 2002, Scope 1 and 2 emissions have decreased with 68%; exceeding goal of 50%
- Increased renewable energy footprint to 32.6%, total electricity use; working toward goal of 50% by 2025 and 100% by 2050

Science for Community
Create a more positive world through science and inspire people to join us.
- Provided 1.24 million training instances; toward goal of 5 million training instances
- $73.3 million investment in total global giving; achieving goal of continuing to invest in global giving programs

Advancing sustainability is a priority for 3M.

In 2019, we upped our renewable energy goal from 25% to 50% renewable electricity by 2025 and 100% by 2050. We also added a new Science for Community goal to donate 300,000 skills-based work hours across the globe by 2025.

Recognition
At 3M, we strive to improve every life, act with honesty and integrity, and ask question after question to develop innovative solutions with a purpose.

The World’s Most Ethical Companies®
The World’s Most Ethical Companies® program, managed by the Ethisphere® Institute, honours companies that excel in “promoting ethical business standards and practices internally.”

EcoVadis Gold Recognition Level
EcoVadis awarded 3M a Gold Recognition Level for achievements in the 98th percentile of suppliers assessed in corporate social responsibility (CSR) in global supply chains.

100% Disability Equality Index
3M is proud to have received a 100% score on the 2019 Disability Equality Index, recognising our continued work to achieve equality and inclusion for those with disabilities.
VISION 2030
BUILDING A BETTER FUTURE FOR PEOPLE, THE PLANET AND OUR COMPANY

OUR GOALS:
HEALTHY & ABUNDANT FORESTS
THRIVING PEOPLE & COMMUNITIES
SUSTAINABLE OPERATIONS
RENEWABLE SOLUTIONS

Learn more at InternationalPaper.com/Vision-2030
Contact us at emea.communications@ipaper.com
At Sealed Air, we pledge to design and advance our innovative packaging solutions to be 100% recyclable or reusable by 2025.

We will accelerate the use of recycled materials, expand reuse models for our packaging, and lead the collaboration with partners worldwide to make this happen.

We solve our customers’ most critical packaging challenges with innovative solutions that leave our world, environment, and communities better than we found them.

With our range of high performance, efficient and sustainable solutions we are helping our customers meet their sustainability goals.

To accelerate these efforts within our operations, our customers’ operations and, ultimately, for consumers, we will:

- **Invest in Innovation**
  Design and advance packaging solutions

- **Eliminate Plastic Waste**
  Achieve an ambitious target of 50% average recycled content across all packaging solutions of which 60% is post-consumer recycled content

- **Collaborate for Change**
  Lead collaborations with partners worldwide to increase recycling and reuse rates

The new SEALED AIR® Brand Mail Lite® mailers represent a significant step towards achieving the sustainability and plastics pledge to make all its products 100% recyclable by 2025.

The new Mail Lite® mailers are designed for recycling, as the inner bubble sleeve can be easily detached from the outer paper sleeve, which in turn uses FSC® certified, non-coated Kraft paper from responsible forestry. Each component can then be separately reused or recycled in the appropriate waste stream. In addition, the SEALED AIR Brand AirCap® bubble liner uniquely contains a minimum of 60% recycled plastic
Building a sustainable future together

Find out more online at
www.staplesadvantage.eu
www.staples.eu

csr@staples-solutions.com