



Staples and Sustainability

How We Are Making Sustainable Business Happen



Environmental Responsibility at Staples

When it comes to our company and the environment, we make no secret of the fact that we have very ambitious goals. We aim to be Australasia's greenest office supplier, not only by proactively reducing our impact on the environment but by engaging our suppliers, stakeholders and customers to do the same.

It's this last part – engaging our customers – that we know will make the biggest difference. By offering more eco-conscious products for every part of the workplace and making it easier to make greener choices, we help organisations on their journey to reduce their environmental impact. We help make sustainable business happen.

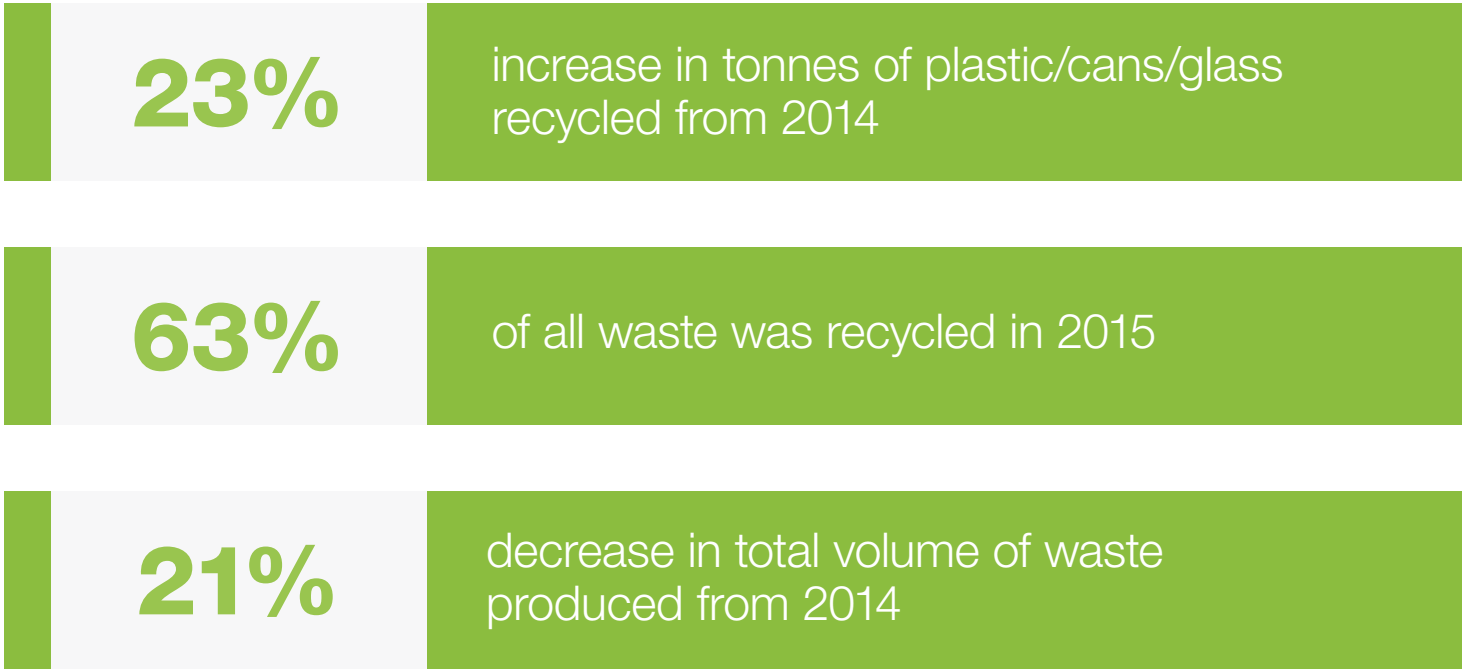
They say recycling begins at home, and for us, that's our National Distribution Centre in Erskine Park, Sydney, NSW. We're incredibly proud of the way our facility operates to reduce our impact on the environment. But it's critical that this effort doesn't end once the products leave the facility. That's why we have implemented green initiatives throughout our delivery

fleet and head office too, including recycling projects, environmental-based volunteering and sustainable driving initiatives. Every person in every part of our company has a role to play in reducing our impact on the environment.

We also see a tremendous opportunity to improve the way we reuse our waste. Take our Sustainable Earth by Staples™ calculators and staplers, which are made from 100% recycled plastic from old toner and ink cartridges. This is an award-winning initiative, but more importantly, it shows what's possible when we keep asking “what more can we do?”

We hope that our innovative approach to the environment will inspire our customers, our employees and communities. We have a responsibility to take care of our planet and preserve its beauty, resources and strength for future generations. It's a continuous commitment that requires collaboration between our company, our suppliers, our recycling partners and beyond. We've already seen great success, and we're not about to stop now.

Sustainability highlights



Our Vision:

By leading the way in sustainable business practices, we aim to generate business and environmental benefits for ourselves, our customers and our communities.

What we're doing

At Staples, we're not only focused on helping our customers reach their sustainability goals, we "walk the talk" to reduce the impact on the environment from our operations.

This focus drives everything we do, from our ISO 14001 certification and Environmental Management System through more sustainable, we continually measure and track the environmental impacts of our activities and look for ways to do things better.





Our green plan

The only way to improve our environmental performance is by understanding how we are doing today. That's why we track and report on our greenhouse gas emissions using a Greenhouse Gas Inventory Management Plan. Our online environmental reporting system enables us to assess the environmental impact of our physical footprint and set targets to improve our performance.

Sustainable facilities

Our 53,000-square-metre National Distribution Centre (NDC) in Erskine Park, Sydney, NSW, handles around 20,000 parcels per day. But that hasn't stopped us from setting a new standard for environmentally friendly logistic operations.

Here's how we did it:

Green design:

Our NDC was the first 4 Star Green Rated facility in Australia and was used by the Green Building Council of Australia to design the criteria on how to judge green rated industrial facilities moving forward. Eco-friendly features include a five-perimeter eco filtration garden to filter groundwater, an expansive roof to collect rainwater, and three water tanks.

More recycling:

Wherever we can, we compact and recycle materials such as paper, cardboard and metal strapping. We

recycle approximately 12.6 tonnes of cardboard per fortnight and 1.5 tonnes of plastic per week.

Less power:

Around 87% of on-site power comes from natural gas generators. Manual cart picking also uses less power compared to traditional automation and conveyors.

Less paper:

Using Mobile Data Terminal (MDT) technology helps us to reach our target of eliminating paper shipping documentation.

Delivery fleet

We know the combustion of greenhouse gas emissions in motorised transport directly contributes to the acceleration of climate change. That's why our primary focus is on how to reduce the environmental impact of our delivery fleet, not only from our distribution centres to customers but also between Staples locations.

We operate a national distribution model out of our National Distribution Centre at Erskine Park. This model allows products to be line-hauled and cross-docked to more than 200 directly contracted dedicated drivers servicing every capital city in Australia. We have worked hard to develop a model that is not only efficient but also has a minimal impact on the environment.

Our progress so far:

We avoid the need to travel wherever possible.

Our run optimisation program reduces the number of kilometres travelled and the amount of travel done during peak traffic periods. We have implemented our 'Perfect Order' program to which will reduce customer trips by minimising returns, back orders and urgent orders. Some ways we achieve this include using direct delivery instead of storing stock in our warehouse and purchasing stock in bulk. We have also transferred some of our line-haul movements from road to rail. Also, by working closely with our suppliers, we are reducing the amount of travel within our entire supply chain.

Our drivers operate sustainably.

Our contracted drivers are equipped with MDTs so we can optimise each run to reduce carbon emissions. Plus, our incentivised pay model means it's in their best interests to operate sustainably, for example by switching off their engines when dropping off packages and by planning their deliveries to optimise routes and minimise fuel consumption. Our drivers can also take advantage of our advanced environmental education training.

Waste and recycling

We recycle and use recycled products wherever we can. In 2015, 63% of our waste was recycled – and we're constantly looking for ways to reach 100%. Our waste reduction programs incorporate ethical disposal procedures and waste segregation stations. Staples delivery boxes are 100% post-consumer waste recycled cartons made in Australia from Australian waste. And all air-pillows used in packing are made from 100% biodegradable plastic film.

In 2015, we reduced the total volume of waste produced by Staples Australia and NZ by 21% from the previous year.

Green culture

We work hard to build a green culture within Staples. Our people are passionate about sustainability, and we encourage them to take meaningful environmental action at work and in their communities. That's why we support Planet Ark's annual National Recycling Week by holding a "Friday File Fling", encouraging employees to recycle their paper and ensuring it goes back into the recycling stream.

During National Recycling Week in 2015, Staples' employees joined more than 6,500 people in 120 workplaces across Australia to get involved in a Friday File Fling. Together, we diverted more than **40,000 kilos of paper** from landfill.

Partnerships and memberships

Collaborating allows us to do more than we ever could on our own. We are proud of our strong partnerships and memberships with not-for-profit organisations that help to protect and restore our environment.

Below are some of our partnerships and memberships:

Australasian Packaging Covenant (APC)

Staples is a supporter of the APC, a sustainable packaging initiative which aims to change the culture of business to design more sustainable packaging, increase recycling rates and reduce packaging litter. packagingcovenant.org.au

Planet Ark

Planet Ark is a not-for-profit organisation that helps people, governments and businesses reduce their impact on the environment. Staples works closely with Planet Ark in a number of ways, from taking part in its National Recycling Week to being the exclusive supplier of Planet Ark's recently launched 100% Recycled Copy Paper, and beyond. planetark.org

Forest Stewardship Council (FSC)

As a retail supporter of FSC Australia, Staples is committed to supplying paper and products that have been certified by FSC, the world's most rigorous forest product labelling scheme. We strongly believe in the FSC's values of openness, transparency and responsible use of the world's resources. au.fsc.org

Australian made

Staples is dedicated to supporting products that have been manufactured locally and therefore meet our high Australian standards. That's why we supply products with the Australian Made logo, which means the product has been manufactured in Australia (not just packaged or assembled) and 50% or more of the cost of making it can be attributed to Australian materials and/or production processes.

australianmade.com.au

RATA

Staples is a member of New Zealand's first sustainable certification programme, developed by New Zealanders for New Zealanders. ratacert.co.nz

Sustainable Business Network (SBN)

Staples is a member of SBN, a membership-based social enterprise made up of businesses, governmental agencies and organisations across New Zealand. SBN helps its members to succeed sustainably and to progress their role towards contributing to New Zealand being a model sustainable nation. sustainable.org.nz

Getting our hands dirty

Over the years, Staples employees have volunteered to support a range of environmental regeneration projects. In May 2016, Middle Head in Sydney Harbour's National Park played host to Staples Human Resources employees during the Foundation for National Parks and Wildlife (FNPW) corporate volunteering day. Together with volunteers from nine other companies including Grant Thornton, AGL and PwC, we provided more than 250 volunteer hours to help the Foundation for National Parks and Wildlife in Sydney. Our volunteers provided environmental regeneration support including the restoration of cultural heritage areas and the removal of weeds. It was a fantastic opportunity to get involved in a team-volunteering event, learn about local environmental issues, network, and help restore an iconic bushland site.

We also regularly volunteer as part of our partnership with not-for-profit organisation Landcare Australia. On numerous occasions, our employees have worked together clearing invasive weeds, planting seedlings and spreading mulch to regenerate important parks, like Tunks Hill in Lane Cove, NSW. In the process, they gain new skills and knowledge and enjoy a real sense of achievement.



How we're helping our customers do more

We want to be part of the solution

At Staples, we are committed to helping our customers reduce their impact on the environment. The most effective way we can do this is by developing products and services that help our customers to minimise their environmental footprint.

But we don't stop there; we are also focused on raising awareness about environmental issues amongst our customers, stakeholders and the wider community to change behaviours and help make more sustainable business practices happen.

Sustainable products

Ethical Sourcing Program

At Staples, we are working with our suppliers to positively influence our social, ethical and environmental performance. This forms part of our Ethical Sourcing Policy, which ensures all our suppliers have a minimum impact on the environment and communities.

EarthSaver

Staples offers a wide assortment of products with green features: some of these are "industry standard" while others meet a higher standard for environmental performance. We use three strict criteria to qualify "eco-conscious" products:

- **Recycled content**
Contain 30% or more post-consumer recycled content.
(Post-consumer recycled content is recycled by the end-consumer of a material stream.)
- **Third-party standards and certifications**
Adhere to a select group of third-party environmental standards and certifications.
- **Other environmental designs**
Contain 30% or more agricultural residues, rapidly renewable materials or bio-based plastics.



Products that meet one or more of these criteria, as well as our Ethical Sourcing requirements, are marked with the **EarthSaver logo**. With over 2,500 eco-conscious products to choose from, it's never been easier for our customers to select products that will help them meet their environmental goals. **Keep a look out for this logo on netxpress.biz and in our catalogues.**

Sustainable Earth by Staples™

Sustainable Earth by Staples™ is an exclusive line of eco-conscious products made with recycled materials or renewable resources and validated by third-party environmental certifications. Within Australia, the range offers more than 250 everyday items for all corners of the workplace, such as tissues made from sugarcane bagasse, a renewable resource, and HB pencils made using recycled newsprint through a unique process that doesn't use any wood. This all means that our customers can reduce their impact on the environment while being confident that the solutions meet the highest standards.





Greener paper choices

Our goal is to make it easier for our customers to make eco-conscious choices. To this end, we have developed our own sustainable range of paper, made right here in Australia.

Staples 100% Recycled Copy Paper is an eco-conscious all-purpose paper made from high quality, 100% post-consumer recycled paper waste. Local waste has been diverted from local landfill to create the award-winning product. This product delivers comparable whiteness, opacity, moisture, and fluorescence to other premium quality copy papers on the market, and has gone through rigorous third-party quality testing. It has also recently gained FSC certification.

Staples Carbon Neutral 20% Recycled Copy Paper is an award-winning product certified under the National Carbon Offset Standard (NCOS) Carbon Neutral Program. This means greenhouse gas emissions associated with the products manufacture and entire lifecycle has been accounted for via an independent audit, it has demonstrated an emissions reduction plan, and is offset by investments in greenhouse gas reduction projects. The product is certified by the Australian Forestry Standard (AFS), the only forest management standard recognised by Standards Australia. The AFS sets challenging environmental, economic and social requirements for forest managers with certified wood fibre tracked from the forest to final product.

Certification requires an independent third-party audit. In 2012, Staples Carbon Neutral Copy Paper won the Australian Business Award for Best New Product and Most Innovative Product for being the first of its kind in the Australian market and a substantial step forward in sustainability.

True to Staples values and vision for sustainability, we have evolved this product further by introducing 20% recycled content into this paper in 2015. The non-recycled component is sourced from sustainably managed plantations and forestry operations. As a result, Staples 100% Recycled A4 Copy Paper and Staples Carbon Neutral 20% Recycled Copy Paper were awarded the 2015 ABA100 Winner for Best New Product and Best Eco Product in the Australian Business Awards. More recently Staples in partnership with Nallawilli Office Wares were awarded New Product Innovation and Eco Innovation awards in the 2016 Australian Business Awards for Nallawilli Office Wares 100% Recycled A4 Copy Paper.

Both these products are made at the Australian Paper Maryvale Wastepaper Recycling Plant, which means the recycled content is produced from 100% Australian waste that has been diverted from local landfill.



Benefits of choosing Australian-made recycled copy paper

- Shorter supply chain:**
Saves up to 1.9kg of CO2e in sea freight emissions per ream in comparison to recycled paper imported from Europe.¹
- Reduces local landfill volumes:**
Up to 80,000 tonnes of wastepaper diverted annually from Australian landfill.²
- Saves local landfill emissions:**
Up to 200,000 tonnes of CO2e per annum = emissions from 83,300 cars.³
- Supports Australia's waste paper collection industry:**
Australian Paper will procure around \$20 million of Australian wastepaper per year through contracts with local companies.⁴
- Supports local employment and economy:**
Underpinned 967 jobs during the construction phase and more than 240 ongoing jobs. Added \$109 million to Australia's GDP during construction and \$51 million p.a. ongoing.⁵

1. INDUFOR: A14-20879 Sustainability comparison for recycled paper 2016

2. INDUFOR: A14-20879 Sustainability comparison for recycled paper 2016

3. Carbon Dioxide Emissions Intensity for New Australian Light Vehicles 2015 (Mazda, passenger vehicle) ntc.gov.au

4. Australian Paper

5. WRI Economic Impact reports of Australian Paper operations 2012

Sustainable services

Going green made easy

We make it easier for our customers to find and select eco-conscious choices through our online ordering portal. Our customers can search for EarthSaver and Sustainable Earth by Staples™ brand products. They can also change their account to the eco-conscious alternative and set minimum order values to decrease wastage and their carbon footprint.

Cart Collect

We work hard to keep waste out of landfill and want to help our customers do the same. And we want to ensure that resources are recycled properly, so they don't pose a threat to the environment and can be reused where possible. That's why we have joined forces with Cart Collect to offer a cartridge recycling service for our customers and reuse old cartridges up to eight times. When they no longer make the cut, we take our recycling efforts one step further and ensure they are 100% recycled and reborn as our award-winning Sustainable Earth by Staples™ Calculator and Stapler!



Giving ink cartridges a new life

One of the best ways to use a resource is to reuse it. And our Sustainable Earth by Staples Stapler and 8-Digit Display ECO Calculator are award-winning proof. We partnered with Cart Collect, our cartridge recycling partner, to look at how we can reuse and recycle old toner and ink cartridges. Cartridge casing can be used up to eight times, but even the tiniest crack in a cartridge component means it can't be re-used. So we decided to melt down the plastic from the unusable parts and use the plastic in the casing of our stapler and calculator range. The Sustainable Earth by Staples Stapler has a 20-sheet stapling capacity and is available in full strip and half strip. The Sustainable Earth by Staples Calculator is ergonomic in use and features auto power-off and solar-powered usability. Both products are third-party certified to validate their environmental attributes.



Awards and accolades

We've won many awards for our environmental initiatives over the years. Being benchmarked against our industry peers and the wider business community is important for us to understand how our approach to sustainability measures up and where we need to do more.

In the past few years, our progress on sustainability and responsibility issues continued to be recognised. Here are a few highlights:

2016 ABA100 Winner for New Product Innovation and Eco Innovation in the Australian Business Awards for Nallawilli Office Wares 100% Recycled A4 Copy Paper

2015 ABA100 Winner for Best New Product and Best Eco Product in the Australian Business Awards for Staples 100% Recycled A4 Copy Paper and Staples Carbon Neutral 20% Recycled Copy Paper.

2013 Australian Business Awards Environmental Sustainability

2013 Australian Business Awards Best New Product and Best Eco Product for Sustainable Earth by Staples Calculator and Sustainable Earth by Staples Stapler

2012 Australian Business Awards Best New Product and Product Innovation for Staples Carbon Neutral A4 Copy Paper

2012 Australian Business Awards Environmental Sustainability

2012 Australian Business Awards Product Value for the Sustainable Earth by Staples product range



To find out more about how we can help you meet your sustainability goals contact us on:

Australia

staplesadvantage.com.au/environment or 13 26 44

New Zealand

staplesadvantage.co.nz/environment or 0800 800 547