



Staples Soul

Ethics

Environment

Community

Diversity

To Do

Expand scope of community involvement globally

Develop more leaders with global perspectives

Increase offering of eco-friendly products and services

Raise awareness of ethics programs and policies globally

Create new business opportunities for diversity suppliers





Dear readers,

Staples Soul is good for our customers and associates. Good for the communities where we operate. And, as you will read in this report, good for business.

This past year was not an easy one for Staples. As many other companies did, we faced several challenges due mostly to the slowdown of the U.S. economy.

Still, Staples Soul continued to make a positive impact both here in the U.S. and internationally.

Staples Soul has helped us be an employer and neighbor of choice, differentiate our brand, grow profitably and responsibly, and so much more.

For example, our customers can feel more confident about shopping with us, knowing that we developed a new global Privacy and Information Management Program to secure our customer, associate and business data.

If our stakeholders are looking for an easy way to make a difference, they can recycle their eWaste — such as old computers, monitors and printers — at any of our U.S. retail stores. We've already collected more than 2 million pounds of eWaste since launching the first-ever national retail electronics recycling program.

In 2007, we again hosted our International Management Trainee Program. This unique program, which brings associates from around the world to our home office for 12 weeks of intensive training, is just one of the many steps we are taking to make the shift from a multinational corporation to a global company.

Staples and Staples Foundation for Learning's community giving grew 27% in 2007 despite a challenging retail environment. For instance, Staples Foundation for Learning® (SFFL) expanded the Ashoka Youth Venture program from six to eight countries with the launch of the social entrepreneurship initiative in Canada and Belgium. Today, SFFL sponsors more than 1,700 youth-led social ventures, impacting more than 35,000 young people in Europe and North and South America.

These successes and so many more are due to the hard work, dedication and soul of our associates around the globe. While we are proud of what we have achieved, we know there's more we can do — more we must do.

This year, and in the years to come, you will see more, hear more and experience more Staples Soul as we continue to create a culture of integrity and diversity, protect the environment, and give back to our communities. Stay tuned. Staples Soul is here to stay.

A handwritten signature in black ink that reads "Ron Sargent".

Ron Sargent
Chairman & CEO

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What is Staples Soul?

Staples Soul reflects our commitment to corporate responsibility. It's what moves us to embrace diversity, sustain the environment, give back to our communities and practice sound ethics. Linking these values with our global business strategy and operations contributes to our financial success and helps us become a great employer, corporate citizen and neighbor.



2007 key accomplishments at a glance

Be an employer and neighbor of choice

- 9-step ethics program implementation process underway in multiple countries, including Argentina, Brazil, Canada and China.
- 27% increase in our 2008 monetary and in-kind charitable giving.
- 35,000 young people impacted by 1,700 Staples Foundation for Learning-supported Ashoka Youth Ventures in Europe and North and South America.
- 1,500 parents and early childhood educators attended 100 Early Words literacy sessions, learning how talking to children from birth promotes literacy.
- 6 regional diversity task forces developed increasing awareness, community outreach and diversity of associates within our contract business.
- 1 of the best companies to work for in Massachusetts according to the 2007 *Boston Business Journal's* "Best Places to Work" list.

Differentiate our brand

- 4th consecutive year as a member of the Dow Jones Sustainability Indexes.
- 1st global anticorruption initiative created with a new policy and supporting procedures.
- 3,000+ eco-friendly products available in North America.
- 50% post-consumer recycled FSC certified paper as the standard offering for high-speed copying at all Copy & Print Centers.
- 8 new rooftop solar systems installed for a total of 13 active across the chain.
- 1 green store opened and 4 more under construction, all of which will apply for LEED certification.
- \$100,000 donated to Boys & Girls Clubs of America through the sale of a special-edition Easy Button®.

Grow profitably and responsibly

- 100% completion of the ethics issue management system upgrade.
- 1 global Privacy and Information Management Program implemented to secure customer, associate and business data.
- 375 comprehensive social accountability audits at more than 300 active international factories making Staples® brand products.
- 2 million pounds of eWaste recycled in the U.S.
- 24 million cartridges recycled in 2007 in the U.S. alone.
- 15% reduction in our electricity use per square foot from 2001 to 2007.
- 540,000 gallons of diesel saved through fleet fuel efficiency improvements.
- 130+ grassroots organizations supported as part of our new U.S.-based market entries.
- 4th session of our International Management Trainee Program hosted to create future leaders with global perspectives.
- 7% increase in minority associates and 2% increase in female associates since 2002.
- 67% increase in spend with diverse suppliers since 2005.
- 27% reduction in injury costs due to workplace accidents because of company-wide safety programs.

Corporate responsibility recognition

In September 2007, for the fourth consecutive year, Staples was selected as a component of the **Dow Jones Sustainability Indexes (DJSI)**. Staples scored 55, compared to the retail industry average score of 41. The DJSI track the performance of sustainability leaders on a global scale.

Soul goals

- Conduct our business with integrity
- Protect customer privacy
- Work with suppliers that share our values
- Make it easy for customers and associates to make a difference for the environment
- Operate in a sustainable manner
- Support global charitable endeavors
- Provide job skills and education opportunities
- Align community alliances with business objectives
- Inspire social change
- Leverage diversity
- Encourage inclusion
- Develop and grow diverse businesses
- Create opportunity and sustainable change in our local communities

Please consider the environment before printing this report

We did. We have printed very few hard copies of this report for distribution, internally or externally. A short summary of the 2007 Staples Soul accomplishments was printed as part of the Staples 2007 annual report.



Easy to read

If you've read previous Staples Soul Reports, you may notice that this year's is significantly shorter. That's not because we're doing less. In fact, we're doing more, but want this report to focus on our most important initiatives and be fast and easy to read.

The 2007 Staples Soul Report reflects our accomplishments and challenges in 2007 and touches on some future goals. For more information, please visit the Staples Soul Web site found at staples.com/soul.



Ethics

Argentina & Brazil — Leading the way. Senior leaders gathered to discuss barriers to speaking up and ways to apply ethics to their daily business as part of several Ethics workshops led by the VP Business Ethics and VP Global Diversity and Associate Relations.

Belgium — Honesty is the best policy. Human Resources representatives from across Europe met in Belgium to learn about the global ethics program and how to deliver anticorruption training in their home countries.

China — Advancing supplier responsibility. Staples audits and monitors more than 200 factories annually in China to ensure that factories making Staples® brand products are protecting workers' human rights, health and safety, and the environment.

Environment

Argentina and Brazil — How sweet it is. Every day, Officenet offers an assortment of eco-friendly paper products made primarily from sugarcane waste.

United Kingdom — Recycling for ChildLine. Both customers and the charity ChildLine, a 24-hour helpline for children in distress, get £1 for every ink cartridge recycled at Staples, which has helped Staples raise more than £150,000 for ChildLine.

Canada — Green your office. As part of its new Community@work initiative, Staples added several new eco-friendly products, launched a campaign to help Canadians green their home offices, and continued to improve corporate energy efficiency.

Community

Germany — Bridging cultural gaps. An Ashoka Youth Venture team from Germany is using radio podcasts to help African and Latino youth gain a better understanding of each other's cultural history, while a second team is working to build unified communities and improve safety in a dangerous neighborhood.

Argentina — Education makes a difference. Culturalmente Hablando, a Youth Venture started by Officenet associates, raises money to provide much-needed school supplies to low-income students throughout Buenos Aires.

United Kingdom — World's longest paper chain. Staples UK raised £46,500 for ChildLine. Through an in-store customer donation program, Staples UK created paper links that were connected into one long paper chain representing every customer donation.

Diversity

Argentina — Future leaders with global perspectives. As part of the new International Management Trainee Program, nine associates from Argentina came to the global home office for three months of training. Their expanded knowledge of Staples is helping them further their careers and assume new responsibilities back home.

China — Future leaders with global perspectives. As part of the new International Management Trainee Program, 14 associates from China came to the global home office for three months of training. Their expanded knowledge of Staples is helping them further their careers and assume new responsibilities back home.



Staples 2007 fast facts

1986: first Staples store opened

22: number of countries where we have operations

\$19.4: total sales in billions

2,000+: number of stores around the world

76,000: number of associates behind the Easy Button®

3: the key segments of our business: North American Retail, North American Delivery and International

SPLS: our trade symbol on the NASDAQ

EASY: what we make buying office products



Staples financial and operational information

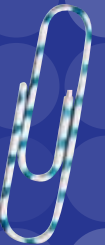
	2005	2006	2007
Sales	\$16.07 billion	\$18.16 billion	\$19.4 billion
North American Retail	\$9.04 billion	\$9.94 billion	\$10.02 billion
North American Delivery	\$4.95 billion	\$5.86 billion	\$6.61 billion
International Operations	\$2.10 billion	\$2.36 billion	\$2.74 billion
Gross Profit	\$4.59 billion	\$5.19 billion	\$5.55 billion
Net Income	\$834.4 million	\$973.7 million	\$995.7 million
Diluted EPS (pro-forma)	\$1.12	\$1.32	\$1.38
Total Retail Stores	1,780	1,884	2,038
United States	1,260	1,342	1,440
Canada	262	278	298
Europe	258	264	300
Worldwide Associates	68,304	73,646	75,588
Salaried (% of total)	20%	21%	22%
Full time (% of total)	54%	55%	57%

ethics



my goal is to weave ethics into the fabric of our business and make it easy for associates to do the right thing for Staples and our stakeholders inside and outside the company.

Nan Stout
Vice President, Business Ethics



At Staples, ethics are more than a list of rules. We rely on each associate to act with integrity, be fair and make sound decisions for Staples. We believe the actions of each individual associate have an impact — on our business, stock price, customers, investors, associates and future success. For this reason, we spent 2007 building and expanding programs that promote a culture of integrity.

Building a global culture of integrity

We've designed the ethics program at Staples to unite our 76,000 associates with a common foundation and empower them at a local level. With operations in 22 countries, our culture of integrity can unite us globally. To that end, the ethics program consists of four main building blocks:

1. Code of Ethics
2. Ethics Helpline
3. Ethics Training
4. Issue escalation, management and tracking

When we roll out the ethics program we must customize the four main building blocks to meet the business, cultural, language and legal requirements of each country.

In 2007, we expanded the program's global reach by holding interactive workshops, training and town hall meetings in multiple languages and countries, including Argentina, Brazil, Canada and China.

Improving the transparency of ethics concerns

Last year we upgraded the ethics issue management system and revised related procedures to provide better oversight of the types of ethics concerns that are raised and how they are handled across the company. We believe the upgrades will help us:

- Evaluate the impacts of our communications and training programs
- Analyze trends
- Be sure we are responsive and consistent

Transforming the way we manage information risks

To best protect our customer, associate and business data, Staples re-examined our approach in 2007 and developed a comprehensive new program to transform the way Staples thinks about and manages information risks.

In 2007, we built a new global Privacy and Information Management Program to lower the likelihood of a breach, streamline our practices, and enable better oversight by senior management and the audit committee.

Ethics award

Staples EthicsLink, a secure ethics helpline and Web site available to all Staples associates, was selected as one of **EthicPoint's Top 10 Client Portals** for 2007.

"I am glad to see the first round of ethics training here is so successful...I strongly believe ethics will play an extremely important role in making a group of people a real team, and growing our business in a healthy and sustainable way. While you will continue to support us in building the ethics culture for our China team, I and...other core team members here will all be committed to work with you together on this mission, trying to make our China team a real outstanding part in Staples global family, not only in terms of speed of business growing, but also from the perspective of ethics and compliance..."

— Jeff Jin, Staples China

Taking a stand against corruption

As Staples moves into emerging markets, we are more likely to face corrupt business practices than ever before. Having a robust anticorruption program helps mitigate the risk of corporate and personal liability, build trust and differentiate Staples as a good corporate citizen. Progress for 2007 includes:

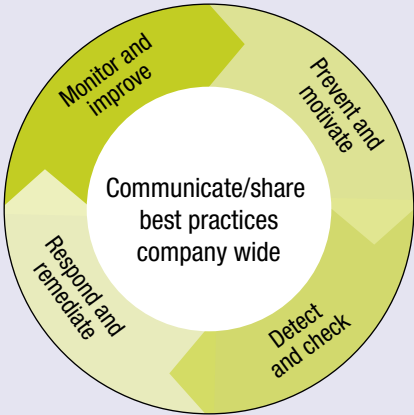
- Development of a global anticorruption program, consisting of a simple policy and practical set of procedures
- Working with TRACE, a nonprofit membership association specializing in antibribery due diligence to develop our program
- Building awareness through one-on-one meetings, workshops and forums

Sourcing product ethically

The manufacturing of Staples® brand products abroad presents us with an opportunity to improve working conditions and factory management practices by exercising our purchasing power. In 2007 we conducted more than 375 comprehensive social accountability audits at more than 300 active international factories that make Staples® brand products. We also increased our investment in Staples® brand product quality and safety programs, including enhanced testing, inspections and monitoring.

Managing information responsibly

Steps we take to protect customer, associate and business information everywhere we do business:



Social accountability factory audit data (calendar year)*

Indicators	2005	2006	2007
Number of initial, recertification and post-probation audits conducted	241	335	379
Number of factories audited for compliance with Staples' Supplier Code	223	303	339
Percentage of factories completing initial audits required to take corrective action to address violations of Staples' Supplier Code	33%	44%	40%
Percentage of factories completing post-probation audits required to take corrective action to address violations of Staples' Supplier Code	27%	38%	29%

*Number of factories audited reflects factories undergoing initial, recertification and/or post-probation audits, and is less than the number of audits conducted because factories that fail initial or recertification audits undergo post-probation audits within six months and therefore can have multiple audits per calendar year. For 2005, factory audit data is only through the end of November.

Goals

- Introduce new tools to help associates recognize potential ethical dilemmas and how to handle them.
- Customize and implement online Code of Ethics training in China, Europe, India and South America.
- Finish implementing our Privacy and Information Management Program worldwide.
- Refine our Anticorruption Program and continue the implementation process.
- Design a measurement strategy to help us evaluate the effectiveness and performance of our ethics and compliance program.
- Conduct unannounced audits of international factories producing Staples® brand products.

Quick links

[Code of Ethics](#)

[Supplier Code of Conduct](#)

[Corporate governance](#)

[Staples EthicsLink](#)

[U.S. Privacy Policy](#)

Key alliances

[TRACE International](#)

[EthicsPoint](#)

[Open Compliance and
Ethics Group](#)

[Ethics Resource Center](#)





I hope that we can show associates and customers that sustainable business practices are not only the right thing to do, but also good, smart business. Embracing sustainable business values reduces waste, improves efficiencies, reduces costs and improves profitability. We can no longer consume natural resources at a rate faster than they can be replenished and restored without doing irreparable damage to our planet. This model is not sustainable short or long term as we are all connected via a global supply chain. We hope that by doing business with this in mind, we can make it "easy" for customers and associates to make a difference.

Mark Buckley
Vice President
Environmental Affairs



environment

Going green is more than jumping on the bandwagon of the latest corporate trend. At Staples, we have a long-standing commitment to sustainable business practices. Late in 2007, we expanded our commitment with the introduction of Staples® EcoEasySM: our challenge to customers and associates to make a difference for the environment and our promise to make it easy.

Staples EcoEasy is focused on three key areas:

- Office products that make a difference for the environment
- Services that make it easy to do the right thing
- Operating in a manner that sustains the environment for our customers, associates, suppliers and the global community



Environmentally preferable products

Evolving our product offering

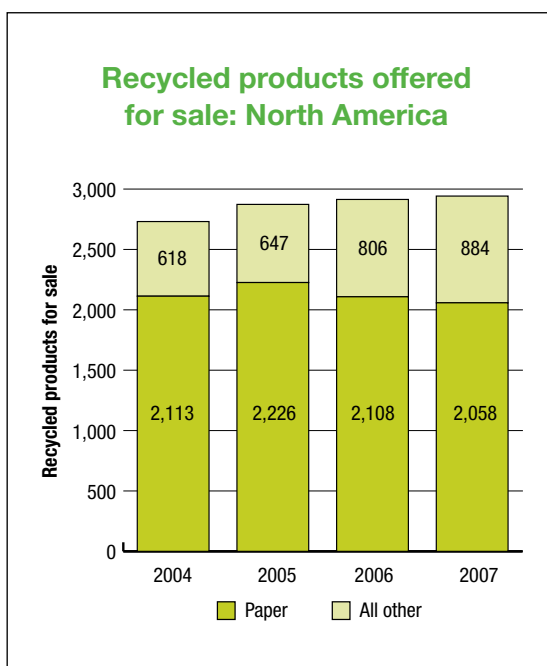
As our customers continue to demand eco-friendly products and services we continue to expand our assortment. In North America we offer more than 3,000 environmentally preferable products, including nine Staples® brand printing and copy paper products certified by the Forest Stewardship Council (FSC) to come from responsibly managed forests.

Many of these products will help us fulfill a goal Staples publicly announced in March of 2008 — to move the majority of paper products we offer to FSC-certified paper by the end of 2010, based upon availability of supply and market conditions.

In Canada, Staples expanded its offerings of FSC-certified and post-consumer recycled products offerings. In France, we improved the product labeling at JPG to help make it easier for customers to find eco-friendly products. And Officenet customers in Argentina can purchase paper products made of bagasse, the agricultural residue from sugarcane production.

Making responsible copying our standard

In 2007 we changed the standard paper offering for all black & white high-speed copy jobs in all retail Copy & Print Centers to FSC-certified printing paper containing 50% post-consumer recycled content. Additionally, to save energy, our retail Copy & Print Centers use ENERGY STAR® qualified copiers.



“Staples’ decision to increase the volume and availability of FSC-certified paper with post-consumer recycled content will help protect endangered forests and prevent native forests from being converted to tree plantations...Staples’ leadership sends a loud signal to other corporate consumers and paper producers that the market demands strong environmental performance standards.”

— Debbie Hammel,
Senior Resource Specialist
with the Natural Resources
Defense Council (NRDC)

Recycling services

Recycling eWaste

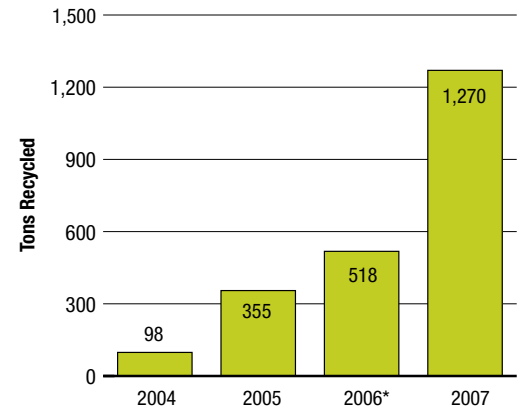
In May of 2007, we launched the first-ever U.S. retail in-store office technology recycling program to create an easy and environmentally responsible solution for customers to recycle their office technology products. Staples is a U.S. EPA Plug-In to eCycling partner, and so far we've collected and safely recycled more than 2 million pounds of material through our technology recycling program. We also work with Collective Good to offer free recycling of cell phones, and the Rechargeable Battery Recycling Corporation to offer free recycling of rechargeable batteries.

Ink and toner cartridge recycling

Staples is one of the world's largest recyclers of ink and toner cartridges. In 2007 we recycled nearly 24 million ink and toner cartridges in the U.S. alone through our in-store recycling program, InkDrop® and other ink and toner recycling programs.

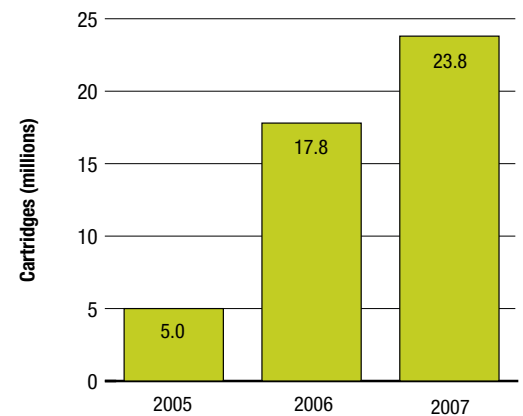


U.S. computer and peripheral recycling

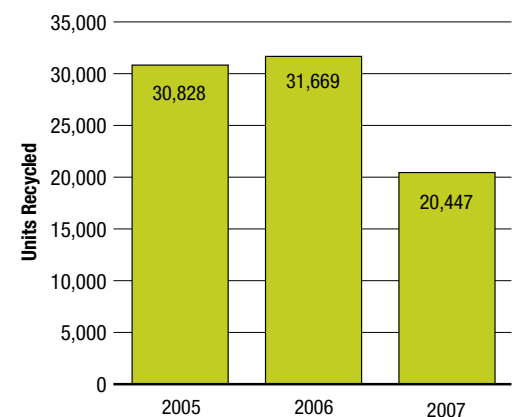


*2006 figure revised to correct previously reported information.

U.S. ink and toner cartridge recycling



U.S. cell phone, PDA and pager recycling



Sustainable operations

Staples' investments in energy efficiency, renewable energy, green building design and waste reduction and recycling continue to reduce our costs and our overall environmental footprint.

Controlling costs through energy efficiency

Maximizing energy efficiency continues to be a priority for Staples. We invested \$3 million in 2007 in the U.S. alone in capital improvements to conveyors, HVAC systems and lighting. And in Europe, all business units have a goal of reducing energy costs by 5% by 2008 regardless of organic growth. Some examples of progress in 2007:

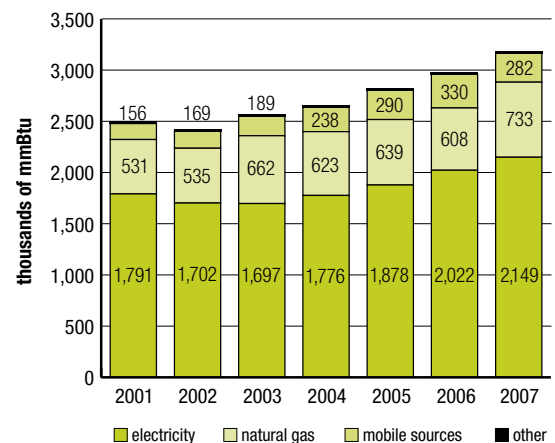
- Reduced electricity use by more than 5 million kWh in U.S. distribution facilities by launching a contest among the facilities to identify and implement energy efficiency improvements.
- Saved more than 540,000 gallons of diesel and nearly \$1.5 million in 2007 due to modifications to our truck fleet that limited top driving speeds.
- Joined EPA's SmartWay program as a shipper partner in 2007 to help drive fuel efficiency and environmental improvements among our third-party carriers.
- In a distribution center in the UK, saved more than 430,000 kWh through lighting improvements, thereby preventing the emission of 186,000 pounds of carbon.
- In our JPG distribution facilities in France we saved more than \$100,000 in energy costs through efficiency improvements.
- Obtained a hybrid diesel/electric delivery truck in the U.S. for testing and evaluation.

Investing in renewable energy

Staples continues to invest in Green-e certified renewable energy certificates (RECs) and solar energy, helping to foster increased investment in renewable energy nationally and offset the carbon impacts of our electricity use.

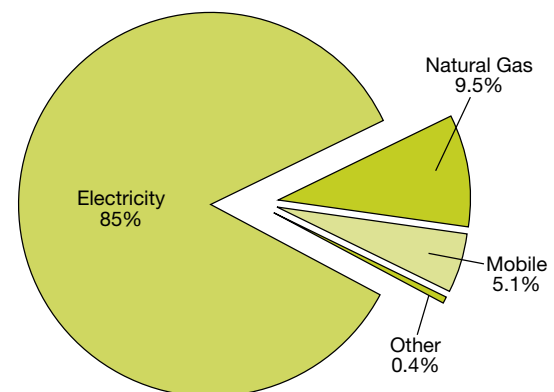
- We installed eight new rooftop solar systems in 2007, for a total of 13 active power-saving renewable energy systems as of the end of 2007. Solar power from these systems will provide clean electricity equivalent to the power used by nearly 400 homes every year.
- Staples purchased 124 million kWh of green power in 2007, or about 20% of Staples' total U.S. electricity demand. This is equivalent to the electricity consumed by more than 11,240 homes annually. Using this amount of green power instead of traditional power reduces our carbon emissions by more than 220 million pounds.

U.S. total energy use*

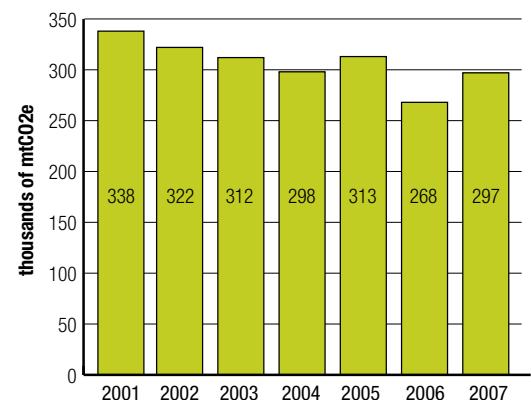


*To align with Staples' EPA Climate Leaders reporting, all previously reported figures have been adjusted to quantify energy use over the calendar year versus the fiscal year.

U.S. 2007 contribution of energy source to greenhouse gas emissions



U.S. greenhouse gas emissions net of offsets*



*To align with Staples' EPA Climate Leaders reporting, all previously reported figures have been adjusted to quantify emissions over the calendar year versus the fiscal year.

Constructing greener buildings

We broke ground on our first green retail store last year in Miami, Florida and opened the location in early 2008. The building is registered under the LEED Green Building Rating System and is currently applying for certification to the Silver level. We also broke ground on a second green building in Roslindale, Massachusetts at the end of fiscal year 2007, which should be complete by September 2008. It, too, is applying for LEED certification. Staples continues to pursue opportunities to design and build new stores that will qualify for LEED certification.

Improving internal recycling

We revised and relaunched several internal recycling policies



in 2007 for our retail stores to raise the visibility of these programs. We also transitioned to a new national paper and cardboard recycling vendor to better measure and manage this portion of our recycling stream.

U.S. internal recycling (tons)

	2005	2006	2007
Corrugated cardboard	20,715	26,120	34,340
Mixed paper	203	460	732
Plastic shrink wrap	219	199	333

“Building green is smart growth and with partners like Staples, the City of Miami can achieve its goal of becoming a model city for sustainable living.”

— Miami Mayor Manny Diaz



Staples first hybrid diesel/electric delivery truck

Environmental awards

- **U.S. EPA 2007 Climate Protection** and **Green Power Partner** awards. Staples ranked No. 4 among all retailers, No. 11 among Fortune 500 companies and No. 24 nationwide as of June 2008.
- **2007 Climate Champion Award** by Clean Air — Cool Planet (CA-CP) for leadership in programs to save energy and reduce greenhouse gas emissions.
- **2007 AltWheels “Green Pioneer” Award** honoring Staples for its position as the largest private user of solar power in New England.
- Staples received the highest grade among office product companies reviewed in a 2007 report issued by the environmental groups ForestEthics and Dogwood Alliance: **Green Grades: A Report Card on the Paper Practices of the Office Supply Sector.**

Goals

- Move the majority of paper products offered for sale to FSC-certified paper by the end of 2010, based on availability of supply and market conditions.
- Launch new Web site functionality and catalog offerings in 2008 and beyond to make it easier for customers to find and shop for eco-friendly products and services.
- Recycle 3.5 million pounds of electronic waste in the U.S. in 2008 through our technology recycling program.
- Complete or start construction on 12 new rooftop solar installations in 2008 in our retail and nonretail locations.
- Expand environmental information collection and reporting capabilities to the majority of our international locations by 2010.

Quick links

[Staples® EcoEasysm](#)

[Soul Environment Web site](#)

[Environmental Paper
Procurement Policy](#)

Key alliances

[Collective Good](#)

[Earth911](#)

[EPA Climate Leaders](#)

[EPA Green Power Partnership](#)

[EPA Plug-In to eCycling](#)

[EPA SmartWay](#)

[EPA WasteWise](#)

[Metafore](#)

[World Resources Institute](#)

community



Since we are a global company with operations in thousands of locations, it is vital that we invest in local communities. Strengthening the neighborhoods where our customers and associates live and work is essential to the strength of our business.

Joy Errico
Director, Community Relations



Staples strives to make a positive impact in the communities where our associates live and work through the creation of new jobs, financial giving, product donations and the engagement of associate volunteers. We have seen that community involvement enriches our brand, engenders customer loyalty, fuels local economies and helps attract and retain top talent.

In 2007 we focused on making our community involvement more global in scope while also deepening our impact in Boston, the city that gave us our start.

Increasing community giving


Last year we grew worldwide community giving throughout all business units to more than \$16.5 million — a 27% increase over 2006. In particular, Staples Foundation for Learning® (SFFL) donated \$3.2 million in grants to hundreds of educational nonprofit organizations in more than 140 communities throughout North America. We are particularly proud of this accomplishment because Staples, like so many retailers, faced many challenges this year due to a broader economic downturn.

2007 giving	
Total corporate FY 07 giving	\$16,592,594
Staples Foundation for Learning total giving	\$3,200,000
Total organizations supported by SFFL	199
Total communities supported by SFFL	141
In-kind donations	\$9,128,869
Cash donations	\$7,463,725

We also supported new stores around the United States, from Miami to Missoula, by linking them with local grassroots nonprofit organizations and providing monetary donations. Through these store openings, we gave to more than 130 grassroots organizations as part of our efforts to join the community and help make a difference. When entering a new market, such as South Florida or Denver, we engage community, business and political leaders to help us create locally aligned community platforms around education and job skills training.

Promoting social entrepreneurship

Through SFFL, Staples brought Ashoka’s Youth Venture program to Belgium and Canada, and deepened program activities in Europe and North and South America. Through the creation of more than 1,700 youth-led social ventures, Youth Venture impacted more than 35,000 young people around the world. With this relationship, we enabled associates to become more involved in addressing the needs of their communities and helping local youth join a worldwide movement of change makers.



ASHOKA

“This exciting and growing collaboration highlights the power of entrepreneurship. Together, Staples Foundation for Learning and Youth Venture are showing how powerful organizations and societies are built and run by change makers.”

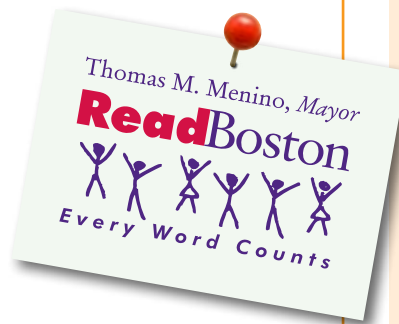
— Bill Drayton, founder and chief executive officer of Ashoka

Growing global community involvement

When Staples associates in Germany learned about Deutscher Kinderschutzbund, they were impassioned to grow their involvement in the community. To support the protection and advocacy of abused children, Staples donated \$44,000 toward the organization's educational programs. During the back to school and holiday seasons, all stores in Germany donated a portion of the proceeds of select items to Deutscher Kinderschutzbund. When a new store opened in Hamburg, Staples Germany contributed €1 to Kinderschutzbund for every customer who shopped on opening day. Every customer who made a purchase received a flag, which was displayed in the front of the store to symbolize the joint work of Staples associates and its customers in support of Germany's at-risk youth.

Promoting literacy through talking

To continue giving back to the community that gave us our start, we created an exclusive relationship with Boston Mayor Thomas Menino in support of ReadBoston's Early Words initiative. This innovative public awareness program emphasizes talking to young children from birth to age three to foster communication skills, literacy and scholastic success. Through this multiyear \$550,000 contribution, Staples is giving children a strong base to grow their vocabulary through positive interactions with adults.



“This strategic alliance with Staples allows ReadBoston to educate parents on the influential role they play during the early stages of childhood development. With Early Words, we're providing the first steps that will help us reach our overall goal — to have every child reading at grade level by the end of third grade.”

— Boston Mayor
Thomas M. Menino

Early Words

To build awareness of Early Words, Staples' internal advertising agency created the program's logo, ads and other collateral materials pro bono.



Helping associates help others

In 2007 we provided associates with opportunities to secure support for nonprofit organizations they are personally involved with through hundreds of thousands of dollars in donations. We also provided associates with access to volunteer opportunities with organizations supported by SFFL such as Boys & Girls Clubs of America, Ashoka and grassroots nonprofits. These opportunities enabled associates to grow their teamwork skills and job morale and become more involved and invested in their communities.



Goals

- Deepen the impact of Staples' community giving in the countries where we operate.
- Drive associates' understanding and awareness of community relations programs with a special emphasis on global associates.
- Meet or exceed established metrics of success with each nonprofit partner to maximize the impact of our investment.
- Engage our customer base in Staples-supported community causes and giving.



Quick links

[Staples Foundation for Learning®](#)

[Partnerships](#)

[Local giving](#)

[Cause marketing](#)

Key alliances

[Boys & Girls Clubs of America](#)

[Ashoka](#)

[Initiative for a Competitive Inner City](#)

[Earth Force](#)

[Hispanic Heritage Foundation](#)

[ReadBoston](#)

diversity

The world is becoming more complex, more diverse and continuously changing. To create a competitive advantage that will ultimately define our success, our role as leaders and associates will be to embrace diversity of people, ideas, talents and experiences.

— Doreen Nichols, Vice President,
Associate Relations and Global Diversity



I am personally and professionally committed to the growth and development of minority, women-owned and disadvantaged businesses. Our Diversity Supplier Program is foundationally based on integrity.

We strongly believe in building capacity within diverse business enterprises and creating a win-win-win for our diversity suppliers, our customers and Staples. Ultimately, Staples is committed to sustaining a competitive advantage in the marketplace by integrating diverse suppliers into our sourcing, purchasing and merchandising processes and mentoring them so that they may develop a strong foundation for future growth.

— Tara Spann, Director, Diversity Initiatives

With operations in 22 countries around the globe, diversity is a business imperative for Staples that provides shareholder value, brand recognition and sustainability. At Staples, diversity goes beyond race and gender. It's about creating an inclusive environment that values and leverages diversity of thought, people and experience. And not just within the confines of our own building, but also for the communities where we have operations, the vendors with whom we do business, and more.

Our diversity initiatives focus on reflecting the face of our customers — all around the world, transforming Staples from a multinational to a truly global organization.

Developing leaders with global perspectives

Last year we hosted the fourth session of our International Management Trainee Program, in which we bring associates from around the world to the home office for 12 weeks of intensive training and an energetic exchange of best practices and innovation. One participant said, "What invaluable information I have gathered during my 12 weeks at Staples. As a result, my business will pass our competition."

Maximizing diversity of talent

Since 2002 we have increased the number of U.S. minority associates by 7% and women associates by 2%. In 2007, growth of minority and women associates slowed as Staples is not hiring as many people due to the broader economic downturn and lack of diversity at some of the companies we've acquired.

Despite slowdown in hires, we continue to see the benefits of a workforce that reflects the face of our customers. In South Florida, for example, our management team is very diverse and this region had the highest customer satisfaction scores in the U.S. for 2007.

Diversity awards

- **A Best Diversity Company**
DiversityCareers.com (2007)
- **America's Top 50 Corporations for Multicultural Business Opportunities** (No. 25)
DiversityBusiness.com (2007)

Cultivating the next generation of workers

- Hosted a **Junior Achievement Shadow Day Tour** of the Staples home office. Students sat in on meetings, learned how to start a career at Staples, and discussed career interests.
- **Mentored Northeastern University students.** Staples' senior-level management presented to students at Northeastern, hosted them for a visit to Staples' corporate offices, and judged a business plan competition where students pitched new ideas for Staples to pursue.
- Annually create a climate of learning with youth through **Bring Your Child to Work Day**.

Enhancing our commitment to diversity

Communicating our diversity approach internally and externally

Ongoing communication is critical to educating and building relationships with internal and external groups regarding diversity initiatives at Staples. Our VP of Associate Relations and Global Diversity has talked about the importance of reflecting the face of our customers in large internal forums such as the Supply Chain Conference, Global Leadership meeting, and Contract Sales Conference. She has also presented Staples' diversity programs to audiences at Harvard University, Howard University, Suffolk University, Northeastern University and others. In addition, Staples has communicated how diversity has benefited the bottom line through interviews with *The Vault*, *Diversity Careers Magazine* and *DiversityInc Magazine*.

Within our sales organization we have an Associate Diversity Plan of Action and an organizational structure of six regional diversity task forces. The goals of these task forces are to increase awareness of the importance of diversity, reach out and engage with local communities through local organizations and universities, and further increase diversity within our sales organizations at Staples.

Creating new business opportunities for diversity suppliers

To continue fueling local economies, we've increased spend with diverse suppliers by 67% since 2005. Staples provides training for our strategic diversity suppliers at the annual Diversity Supplier Workshop and Summit, which gives our diversity suppliers direct contact with and targeted guidance from Staples senior leaders. In 2008, Staples will hold its first Diversity Supplier Sales Summit, "Taking it to the Next Level," specifically geared toward Sales and Customer Service training.

Building capacity

One of the most rewarding elements of our program is the mentoring we offer to diverse suppliers to help them build capacity within their organizations. This mentoring has helped create impressive sales growth, profitability and job creation, and increased market share.

Diversity goals

- Spread our culture of inclusion and enhance our commitment to diversity each time we grow through new store openings and acquisitions.
- Create opportunities to globally increase diversity awareness.
- Give qualified diverse office products distributors access to large contracts.
- Advance the inclusion of diverse suppliers into our sourcing, purchasing and merchandising processes by providing access to our supply chain.
- Develop sustainable business processes that comply with the spirit, intent and guidelines provided by government, local and national diversity purchasing councils.
- Align diversity of talent with diversity of business to help move from being a multinational corporation to a global company.

"We've received a tremendous amount of support from Staples. Staples executives not only served as mentors, but champions as well, sharing best business practices..."

— Beth Williams,
President and CEO, Roxbury
Technology Corporation



Beth Williams

"The accessibility of the Key Supplier Program (Diversity) has allowed our company to triple its business with Staples in 2007, truly an inclusive program driven from the top down."

— Bob Kelly, President and
CEO, Kelly Computer Supply
Company, LLC

"Staples' Diversity Supplier Program helps assure the customer of best-of-class service at the lowest possible cost and with meaningful minority business participation."

— Richard Huebner,
Executive Director, Houston
Minority Business Council

Avoiding workplace accidents

Company-wide safety programs decreased injury costs by 27%, an estimated \$7 million, over the last five years. Staples has best-in-class safety programs to ensure a healthy and safe place to work and shop for our associates and our customers. Safety at Staples transcends every level of the organization and throughout each business unit. We reinforce safety with associate recognition for safe behaviors. We also have progressive health and wellness activities such as prework stretching exercises.

Fostering the professional development and health of associates

Staples granted scholarships to 1,300 associates and paid a total of \$1.9 million for classes that associates took in 2007. Through our extensive training offerings, Staples associates in the U.S. completed more than 2.1 million hours of required and optional training classes in 2007. We continue to invest in the professional development of all associates. As part of our commitment to protecting the health of our associates, we offered on-site health screenings at 10 large facilities with more than 1,000 participants.

Expanding financial literacy

We received the Best Practice Award from the New England Employee Benefits Council for our Income Tax Pilot with H&R Block, which provides tax preparation assistance, screening for earned income tax credit, and benefit counseling on 401(k), ESPP, Flexible Spending Accounts and our Scholarship Plan.

Workplace goals

- Develop a process and/or system to measure the return on investment of our training programs.
- Engage and empower associates to understand and manage their physical, emotional and financial well-being by providing them with helpful tools and resources.

Quick links

[Diversity at Staples](#)

[Staples Supplier Diversity](#)

[First-Time Suppliers and
Staples Associates Registration](#)

[Existing Suppliers and
Staples Associates Login](#)

Key alliances

[InRoads](#)

[Bottom Line](#)

[Association of Latino
Professionals in Finance
and Accounting](#)

[The National Black
MBA Association](#)

[National Society of
Hispanic MBAs](#)

[National Association of
Black Accountants](#)

[National Minority Supplier
Development Council \(NMSDC\)](#)

[Women's Business Enterprise
National Council \(WBENC\)](#)

[Small Business
Administration \(SBA\)](#)

