STAPLES®

MAKE more HAPPEN®

2014 Corporate Responsibility Report

more sustainable solutions

more community support

more awareness & training

more unique perspective

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STAPLES
MAKE more HAPPEN®

Letter from Ron Sargent

Ron Sargent
Chairman and CEO
Staples, Inc

Dear Valued Stakeholder,

At Staples, we are committed to helping our customers make more happen every day.

To that end, we are continuously expanding the range of products and services we offer to best meet customer needs. We're also making it easier for customers to shop with us in whatever way is most convenient for them. And of course we always look to make savings happen for customers and in our own business.

Our corporate responsibility programs are a critical part of our customer commitment. For example:

- We promote education and career skills development in local communities around the world where we work and live.
- We help our customers reduce their environmental impacts by offering a wide assortment of eco-responsible products and diverse customer recycling programs for ink, electronics and more.
- And we ensure that our customers feel confident about shopping with a company that is committed to diversity and inclusion, and one that requires its associates and suppliers to be ethical and accountable.

I invite you to read more about our corporate responsibility initiatives on the following pages. A few highlights and accomplishments for the most recent year are included below.

Engage the communities where we work and live — We donated more than $13.8 million to non-profit organizations around the world through Staples Foundations, corporate charitable giving programs, in-kind donations and cause marketing efforts This includes $2.4 million that our associates directed to the more than 1,000 organizations that they care about most. Meanwhile, our customers donated over $1.9 million through our cause marketing and disaster relief campaigns. We also engaged more than 3,200 associates in community volunteering events in 13 countries.

Build ethics and integrity into the way we work — We continued to promote our Code of Ethics and related ethics programs through our internal website, which provides associates with easy access to our policies, training materials and other resources to ensure they have the information and tools they need to act with integrity. Also, with our training and other outreach programs, we continued to encourage associates to speak up and raise questions and concerns through our global ethics helpline or other options. We also continued implementing the Staples Supplier Code of Conduct, inspecting nearly half of the supplier factories producing our Staples® Brand Products to ensure compliance.

Foster diversity and inclusion among our associates — We added a dedicated Diversity Talent Acquisition and Diversity & Inclusion Manager to our Diversity & Inclusion Center of Excellence. These additions signaled the importance we place on building a diverse workforce and inclusive work environment aimed at helping Staples compete in a changing global marketplace We continued to evolve our Associate Resource Groups (ARGs) and have added two new groups, Diversity Matters in the Rockies and Diversity Matters in Central Florida. These groups represent a different, holistic approach compared to our existing ARGs, which are built around a specific demographic, like women or LGBT. All of our ARGs provide exceptional benefits to our associates, to Staples and to the communities in which we live and work Additionally, we continued our successful Supplier Diversity Program with excellent results. The combined efforts of our Workforce Diversity and Supplier Diversity teams further solidified Staples as an organization that strives to model the way in the Diversity & Inclusion arena.

Generate shared environmental and business benefits — At Staples, our priority is helping our customers achieve their sustainability goals. This year, we generated more than $5.4 billion in sales of products with environmental features, a testament to the diverse product assortment we offer our customers. We collected more than 26 million pounds of eWaste and more than 62 million ink and toner cartridges for recycling globally. We also launched eWaste recycling for US Advantage® customers and the ZeroWaste box for online Canadian customers. Just as importantly, we continue to focus on reducing our own impacts through our energy efficiency and renewable energy initiatives and waste reduction and recycling programs. All of these efforts are amplified by engaging our supply chain, associates and other relevant stakeholders to raise awareness, find partnership opportunities and drive change.

Our commitment to our customers is unwavering, as is our commitment to being a responsible corporate citizen. We believe in transparency and have shared our goals in this report. We look to you, our shareholders, to continue guiding us on how we can improve our community engagement, diversity and inclusion, ethics and integrity and sustainability.

Sincerely,

Ron Sargent
Chairman & CEO

Goals & Performance

Setting corporate responsibility goals and tracking our performance is one of our most important functions. It gives our company and our stakeholders the information and tools needed to make critical decisions today and tomorrow. See some of our ongoing and long-term goals below, and view performance information to the right.

Community

- Deepen associate community engagement by increasing awareness and participation in local volunteer opportunities

- Increase associate involvement in company's philanthropic initiatives

- Focus support on local organizations to maximize impact in communities

- Increase customer engagement in community giving through support of cause marketing campaigns

Environment

- Sell more sustainable products and services.
    - Continue to improve sourcing, identification and the promotion of greener products to customers.
    - Reduce the use of outbound packaging materials in the U.S. by 20% by 2020 from a 2011 baseline.

- Offer easy customer recycling solutions.
    - By 2020, recycle 100 million ink and toner cartridges each year across all operations.
    - By 2020, recycle 40 million pounds of eWaste each year globally.

- Eliminate operational waste.
    - Reduce waste to landfills by 25% globally by 2020 with 2010 as a baseline.

- Maximize energy efficiency and renewable energy.
    - Reduce the electrical intensity of our global operations by 25% by 2020 from a 2010 baseline.
    - Ensure that 50% of our active locations in the U.S. achieve ENERGY STAR® certification by 2020.
    - Reduce global carbon emissions by 50% by 2020 from a 2010 baseline.

Ethics

- Continue to increase the visibility and brand of the Global Ethics & Compliance Office and ethics program both domestically and internationally.

- Through our global training platform (online), continue to provide easy access to associate training.

- Continue to strengthen our FCPA/Anti-Corruption Program with an emphasis on our High Growth Markets.

- Support the Chief Culture Officer in the successful implementation of his ethics-related objectives.

Diversity & Inclusion

- Be more intentional in our pursuit to hire women to fill open positions across all business units with special emphasis in areas where they are currently underrepresented. We will also be more deliberate in creating programs to develop and retain our female talent.

- Offer programs designed to recognize and mitigate bias in hiring and performance management and further evolve our culture of inclusion, thereby enabling each associate to contribute to their full potential and help Staples further grow our business.

- Continue our commitment to sourcing and hiring Veterans by engaging with external partners and through more robust internal Talent Acquisition strategies.

Recognition & Awards

Thanks to the collaborative effort of our leadership team and our associates globally, several organizations recognized Staples for excellence in corporate responsibility.

- For the eleventh consecutive year, selected as a component of the Dow Jones Sustainability Indexes (DJSI) for 2014.
- Named to Newsweek's 2014 Green Rankings Top 100 U.S. companies list.
- In 2014, Staples won the ENERGY STAR Partner of the Year — Sustained Excellence award.
- Staples ranked in the Top 10 US companies with installed solar power capacity by the Solar Means Business 2014 report.
- Ranked #15 among retailers on the EPA's Green Power Partnership's ranking list
- For the fifth straight year, earned perfect 100% score on the Human Rights Campaign's Corporate Equality Index.
- Included on Black EOE Journal's 2014 Best of the Best Lists: Top Disability-Friendly Companies and Top LGBT-Friendly Companies.
- Included on The Hispanic Network Magazine's Fall 2014 Best of the Best Lists: Top Disability-Friendly Employers and Top LGBT-Friendly Employers.
- Staples Director, Supplier Diversity, Lesa Rivers, recognized as 2014 Top 25 Women in Power Impacting Diversity by Diversity Plus.
- Staples Canada named to Corporate Knight's 2014 Top Foreign Corporate Citizens list.
- Staples Canada Senior Vice President, Merchandising, Peter Gibel, and Staples Canada Director, Facility, Environmental & Procurement Services, Leigh Pearson, named to Canada's 2014 Clean50 list, one of Canada's most prestigious environmental recognitions.
- Staples Canada's Recycle for Education Contest won the Canadian Office Products Association (COPA) Award for Corporate Social Responsibility Leadership — Program.

Environment

more sustainable solutions

We help make more sustainable business practices happen. We do this by sourcing and selling more eco-conscious products, improving our offering of recycling and other green services, maximizing our energy efficiency and renewable energy use, and eliminating waste.

Our Strategy

We're focused on finding all the ways in which we can have the greatest positive impact on the environment while also meeting the needs of our customers and our business. Our commitment to accomplishing this is outlined in our Global Sustainability Policy, and summarized in the five pillars of our sustainability program:

- Selling more sustainable products
- Offering easy recycling solutions for our customers
- Eliminating operational waste
- Maximizing energy efficiency and the use of renewable energy
- Becoming a sustainability leader in the global community

We set a series of global and U.S.-specific environmental objectives. Our performance highlights track how we're progressing toward these goals.

Our sustainability efforts are managed by the Vice President of Environmental Affairs, who reports to the Chief Culture Officer, who, in turn, reports to the CEO.

The Vice President of Environmental Affairs has global responsibility for sustainability and provides periodic updates to the Board of Directors. The Environmental Affairs Department collaborates with other associates in the U.S. and internationally, including, but not limited to, associates in real estate and construction, energy management, merchandising, the Staples® Brand Group, supply chain, marketing and corporate responsibility.

Our sustainability strategy and pillars capture the key challenges and opportunities facing our company and industry. We recognize that, as a retailer, the products we sell are a significant part of our larger environmental footprint. That's why we focus both on making our products and services more sustainable, as well as reducing our internal operational impact. We continuously assess industry trends, company objectives and environmental issues to re-calibrate our programs. We evaluate our progress against goals to make sure we are on track, and, if not, to ask ourselves how we can make better progress.

Internationally, 112 of our facilities have environmental management systems certified to the ISO 14001 standard Countries include:

- Australia
- Canada
- China
- Denmark
- Finland
- France
- Germany
- The Netherlands
- New Zealand
- Norway
- Portugal
- Sweden
- The United Kingdom & Ireland

Performance Highlights

Here's how we're progressing toward our long-range global and U.S. sustainability goals. We recognize that in some cases, our performance will vary year to year due to a variety of direct and indirect factors, so we make sure to look at both long-term progress against our baseline as well as our year-over-year performance We set near-term goals to ensure we're moving in the right direction, and also consider new goals to ensure we're focused on the right opportunities and challenges.

The performance data and progress reported below reflects the vast majority of our global business operations, based on data available to date. We will update our progress as we fill minor data gaps and march closer toward our goals.

View detailed performance data in the Performance Summary section of this report.

Vision	Goals	Progress
Sell more sustainable products and services.	Continue to improve sourcing, identification and promotion of greener products to customers.	In 2014, Staples had more than $5.4 billion in sales of products with one or more environmental features, globally.
	Reduce the use of outbound packaging materials in the United States before 20% by 2020 from a 2011 baseline.	From 2011 to 2014, the weight of all packaging materials used per package shipped decreased by 11%.
Offer customers easy recycling solutions.	By 2020, recycle 100 million ink and toner cartridges each year across all operations.	Globally, we collected approximately 62.6 million ink and toner cartridges in 2014, a decrease of approximately 10% from 2013.
	By 2020, recycle 40 million pounds of eWaste each year globally.	Globally, we collected approximately 26.5 million pounds of eWaste in 2014, an increase of 20% from 2013.
Eliminate operational waste.	Reduce waste to landfill by 25% globally before 2020 from a 2010 baseline.	Globally, we sent approximately 33,280 tons of waste to the landfill in 2014, a 12% decrease from our 2010 baseline.
Maximize energy efficiency & use of renewable energy.	Reduce the electrical intensity of our global operations by 25% before 2020 from a 2010 baseline.	Our global electricity intensity in 2014 was 11.01 kWh/ft2, a 4.3% decrease from our 2010 baseline.
	Ensure that 50% of our active locations in the United States achieve ENERGY STAR® certification by 2020.	At the end of 2014, 41% (or 645) of our active U.S. facilities were designated as ENERGY STAR® certified. This represents an increase of 8 percentage points from 2013.
	Reduce net global carbon emissions by 50% before 2020 from a 2010 baseline, after accounting for offsets.	In 2014, our global carbon emissions (after offsets) were approximately 447,410 MtCO2e, an approximately 10% increase from our 2010 baseline emissions after offsets. In the same time period, our emissions before accounting for offsets decreased by more than 15%.

Sustainable Products

For years, Staples has worked with suppliers to advance and improve our offerings of greener Own brand and name-brand products Across our entire assortment, we seek to offer products that meet our customers' core requirements for quality, features and value while delivering reduced environmental and social impacts. Our key suppliers, such as HP, Domtar, International Paper, Epson, Avery Dennison, 3M, Apple and our own Staples Brands Group, have invested in sustainable product development to bring more greener products to market.

In stores and online, Staples offers customers more than 12,000 eco-conscious products, including items that meet some of the most stringent environmental standards like Forest Stewardship Council (FSC) certified paper products, Green Seal™ certified cleaners, and ENERGY STAR® certified technology. Our Easy on the Planet site has more information about our assortment, and tools and tips for customers shopping for environmental products.

Our U.S. sales of products with environmental features grew notably in 2014. We had $4.16 billion in sales of products with one or more environmental features, which represents 30% of total product sales in the U.S. Meanwhile, U.S. sales of products meeting our criteria for more advanced environmental features were over $2.05 billion, or 15% of total sales. Sales of third-party certified eco-responsible products were nearly $2.26 billion, and sales of products with recycled-content materials were more than $1.43 billion. Globally, sales of products with one or more of our many environmental features reached more than $5.4 billion in 2014.

Collaborating to advance product sustainability

Staples has been supporting independent research to advance our work with Own brand and name-brand suppliers on sustainable products. The Staples Sustainable Innovation Laboratory (SSIL) within the Golisano Institute for Sustainability at the Rochester Institute of Technology (RIT) opened in 2012 with a donation from Staples. The mission of the SSIL is to serve as a high-impact research, outreach, training and education hub that accelerates the deployment of innovative and sustainable business practices. The SSIL is conducting research in various areas, including:

- Improving the design of office furniture to reduce lifecycle environmental and human health impacts

- Uncovering opportunities for extending remanufacturing cycles for toner

- Evaluating and mitigating common sources of indoor air pollution in the office environment

- Understanding the most important contributors to environmental impact across common physical workplaces

Vision

Sell more sustainable products and services.

Long-Term Goals

- Continue to improve sourcing, identification and promotion of greener products to customers.

- Reduce the use of outbound packaging materials in the United States before 20% by 2020 from a 2011 baseline.

Greener paper choices

Our Sustainable Paper Procurement Policy forms the foundation of our commitment to ensuring that the paper products we sell are sourced in an environmentally and socially responsible manner, and defines our expectations for suppliers of paper-based products The policy focuses on four key areas:

- Protecting forest resources and communities

- Reducing demand for virgin wood fiber

- Sourcing from paper mills committed to environmental excellence

- Reporting on our progress

We collaborate with several non-profits to help us improve paper-product sustainability, and continue to work closely with our suppliers and other stakeholders to ensure we are improving our forest-management practices, protecting endangered and high conservation value forests and developing more sustainable products.

Through our participation in Rainforest Alliance's SmartSource program, we supported the development of a Web-based sustainability sourcing evaluation tool for wood and paper products. The SmartSource 360 online tool enables large paper buyers like Staples to trace the origins of these products and determine whether responsible sourcing practices have been used. Over the past several years, Staples has used SmartSource 360 with more than 30 Tier 1 suppliers in Asia and elsewhere to gain additional visibility into the wood fiber sourcing practices of our paper-based products. To help build capabilities with our suppliers, we have hosted several training sessions and participated in two responsible fiber sourcing events in China.

For several years, Staples has helped lead a multi-stakeholder effort called the Carbon Canopy in collaboration with the Dogwood Alliance. This effort engages other conservation groups, global brands, wood product companies and landowners to protect forests, combat climate change and help develop sources of Forest Stewardship Council-certified paper and wood products.

Staples partners with several organizations on our paper sustainability initiatives:

Canadian Boreal Forest Agreement

Carbon Canopy

Forest Legality Alliance

Forest Products Working Group (FPWG), a project of GreenBlue

Rainforest Alliance SmartSource

RIT Golisano Institute for Sustainability

Cleaner, safer chemicals

The introduction of new chemicals over the past few decades has improved the quality, efficiency and convenience of products At the same time, Staples recognizes that not all chemicals, materials and products are created equal when it comes to their potentially adverse effects on human health and the environment.

As a result, Staples is committed to offering products that are inherently safer and more sustainable across their lifecycle to help maintain a healthy workplace and environment. Here's how we're accomplishing this:

- Increasing our offering of safe workplace solutions, including our Sustainable Earth by Staples™ cleaning products. These products perform equal to or better than conventional or competing products and have a reduced effect on environmental and human health when compared with competing cleaning products that serve the same purpose. These products are designed and/or certified to meet third-party standards for greener chemistry developed by credible, independent organizations like EPA, Green Seal™ and GreenGuard.

- Partnering with collaborative groups that drive the advancement of green chemistry, green engineering, safer chemicals and more sustainable products in the marketplace.

- Responding to market demand for high-performance products designed and made without hazardous chemicals; plus promoting the use of chemicals, processes and products that are inherently less hazardous.

- Working with our suppliers to eliminate hazardous chemicals and transition to safer alternatives.

Staples is proud to be a part of these organizations that are dedicated to the safe production and use of chemicals:

BizNGO Working Group

Clean Production Action

EPA Safer Choice Product Labeling Program

Green Chemistry & Commerce Council (GC3)

GreenBlue

Health Product Declaration Collaborative

Lowell Center for Sustainable Production

Northwest Green Chemistry Center

Pollution Prevention Resource Center (PPRC)

Smart-Size Packaging: A perfect fit for a greener planet

Our recently implemented Smart-Size Packaging system improves our customers' experience and reduces our carbon footprint. In collaboration with Packsize International's On Demand Packaging® technology, Smart-Size Packaging produces customized packaging tailored to each order.

This new, award-winning technology should reduce corrugated use by 15% or more and void fill use by approximately 60% across our entire U.S. network. It also improves less than-full-case average cube utilization by 20%. When fully implemented, it will translate into a reduction in carbon emissions of more than 25,000 metric tons every year. We have completed installation of this new packaging solution in the majority of our U.S. delivery fulfillment centers.

Our goal is to reduce the amount of outbound packaging used in our United States operations by 20% by 2020 (from a 2011 baseline). We are using a normalized per package-shipped metric to track progress against this goal, to account for increasing numbers of packages shipped. We measure corrugated cardboard, envelope and air pillow amounts by the weight of materials purchased. From 2011 to 2014, the weight of all packaging materials used per package shipped decreased by 11%. Corrugated cardboard used per package decreased by over 8%, and air pillows used per package decreased by 80%. We anticipate finishing implementation of the Smart-Size Packaging system in the next few years, and expect that packaging reductions will be fully realized once this project is completed.

Staples Europe has invested in a packaging technology called Jivaro in the Netherlands, the UK, Italy, France, Germany, Sweden and Spain — with 12 machines active across Europe Jivaro adjusts the height of the box to the contents inside, eliminating unnecessary space This reduces cube size of boxes by up to 30% per customer order and translates into fewer vehicles required to serve customers.

We are also continuing to work with our largest suppliers to optimize and reduce product packaging, balancing product protection, marketing and environmental considerations. This includes exploring more sustainable solutions for our Staples® brand products — both in the primary product packaging and secondary master case packaging.

Smart-Size Packaging
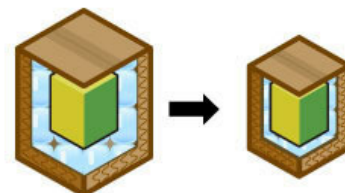
Reduces our:

Cardboard use by **15%**

Air pillows by **60%**

Annual carbon emissions by **25,000 tons**

Recycling & Eco-Services

To make it easy for our customers, Staples offers a variety of low-cost recycling programs and eco-services — from ink and toner to Copy & Print recycling.

Electronic waste recycling

In 2007, Staples was the first U.S. retailer to offer a national electronics recycling program We have been offering free office electronics recycling to all customers in the U.S. since 2012. Customers can bring any brand of office technology in any condition, regardless of where they purchased it, to Staples® stores for free recycling by our recycler, Electronics Recyclers International (ERI).

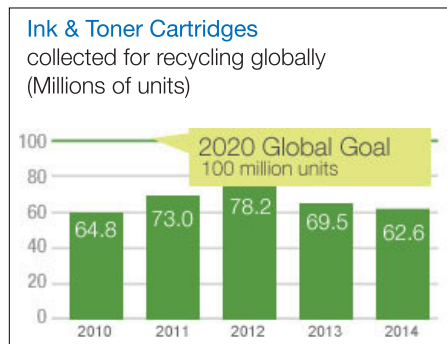**Electronic Items** collected for recycling globally. (Millions of pounds)

In 2014, Staples expanded our technology recycling offering to include our U.S. Staples Advantage® customers in the U.S., providing easy, responsible recycling for our larger customers as well.

In 2014, Staples collected more than 17.4 million pounds of eWaste from our U.S. customers and more than 26.55 million pounds of eWaste globally.
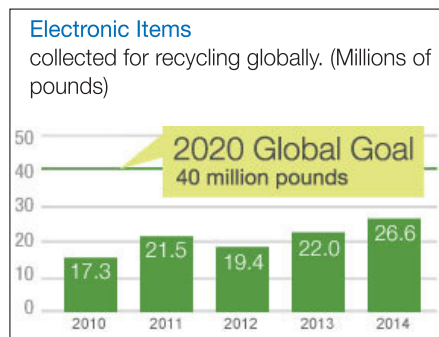
Ink and cartridge recycling

Recycling ink pays big dividends for the environment and our customers. In addition to reducing waste going to landfills and reusing valuable resources, our U.S. retail and online

Ink & Toner Cartridges collected for recycling globally (Millions of units)

customers receive $2 back in Staples Rewards® for each ink or toner cartridge recycled (up to 10 cartridges per month) — if they've spent at least $30 on ink and toner over the previous 180 days.

Ink and toner recycling is also available to our Staples Advantage® customers. The recycling program allows our drivers to pick up empty ink and toner cartridges directly from customers when we are delivering their office supplies.

In the U.S., Staples recycled more than 56.6 million ink and toner cartridges in 2014 and nearly 62.6 cartridges globally. The volume of ink and toner cartridges collected annually for recycling is starting to show a decline. This annual decrease is a result of several factors, including a slowing demand for core office supplies like print cartridges as customers print less, increasing use of extended life cartridges which print more pages per cartridge, the decreasing number of stores available for drop off as we right-size our retail network, and adjustments to our ink recycling rewards program.

> Staples has collected more than 450 million ink and toner cartridges for recycling in the U.S. since 2005, averaging more than 60 million cartridges per year for the past four years.

Eco-Copy & Print

We are committed to offering our customers environmentally responsible Copy & Print services that meet our high quality standards. Staples Copy & Print offers recycled and Forest Stewardship Council™ (FSC)-certified paper options, while our copy machines are ENERGY STAR® qualified for energy efficiency. In addition, we offer shredding services and eco-shipping options.

Vision

Recycle the equivalent of 100% of the technology products we sell.

Long-Term Goals

- Annually recycle 100 million ink and toner cartridges globally by 2020.

- Collect 40 million pounds of technology waste for recycling annually by 2020

Electronics Recycling Challenge

Through participation in EPA's Sustainable Materials Management Electronics Challenge, Staples is committed to increasing responsible electronics recycling by increasing the volumes we collect from customers and working with recognized recycling partners.

Reducing Operational Waste

Staples is not only committed to helping customers recycle and reduce their waste, we're also dedicated to eliminating waste in our own operations. We have programs in place in our stores, distribution centers and offices to recycle materials such as cardboard, mixed paper, shrink wrap and pallets. We also actively seek out new methods for attaining our waste reduction goals.

Total Waste Sent to Landfill globally (Short Tons)

Globally, we have reduced our waste to landfill by approximately 12% from our baseline year to our most recent reporting year, putting us on track to reach our goal (despite a slight increase from 2013 to 2014). This global increase was significantly driven by an increase in waste to landfill measured in the U.S. due to improved tracking and reporting capabilities for waste.

We continuously seek new ways to reduce waste and increase recycling in our facilities across the business. Initiatives like optimizing load size and pickup frequency; centralizing waste contracts to make it easy for facilities to adopt recycling programs; using waste audits to identify waste-reduction opportunities; and reallocating recycling equipment to boost participation are helping us reduce waste and increase diversion.

Vision

Achieve zero waste in our operations and help customers minimize their operational waste.

Focus

Zero-waste stores, warehouses and office facilities.

Long-Term Goals

Globally reduce the amount of waste we send to landfills by 25% before 2020.

Renewable Energy & Efficiency

Staples' energy management program is comprehensive, focusing on technological, behavioral and process-based solutions across our buildings and fleet. The goal is to advance energy reduction and the use of renewable and clean energy to reduce our carbon impact. We emphasize education and communication about our initiatives and actively engage our associates in our programs.

Driving efficiency through the ENERGY STAR® program

Staples has partnered with ENERGY STAR since 1999. A joint program of the U.S. Environmental Protection Agency (EPA and the U.S. Department of Energy, the ENERGY STAR program helps companies like Staples save money while protecting the environment through the use of energy efficient practices and products.

Through aggressive goal setting; participation in the ENERGY STAR Battle of the Buildings and other initiatives, Staples is leading the charge for more sustainable and energy-efficient buildings.

By the end of 2014, we had 645 ENERGY STAR verified buildings, or more than 40% of our buildings.

Staples has received the honor of ENERGY STAR Partner of the Year for five consecutive years, and for the third year received the prestigious award of Sustained Excellence by the EPA, honoring our commitment to energy reduction for a better planet.

Energy reduction initiatives for a greener future

As demonstrated by our increasing number of ENERGY STAR qualified buildings, Staples is committed to reducing energy consumption through our entire organization. Here are some of the measures we've taken:

- Converting lighting to lower wattage and more efficient fixtures, lamps and ballasts
- Putting in lighting motion sensors for occupancy and daylight harvesting
- Installing energy management systems for the control of lighting and HVAC
- Installing variable-speed drives on HVAC equipment, air compressors and conveyors
- Participating in energy consumption demand response programs

> Our energy reduction program continues to save energy at all Staples distribution centers in North America, resulting in a 3% reduction in energy use and $1.5 million operating expense savings, annually.

We also run our energy audit program to identify energy reduction opportunities in our stores and distribution centers, focusing on lighting, battery chargers, conveyors, HVAC and our energy management system.

Vision

Achieve zero carbon emissions in our operations and help customers pursue the same goal.

Focus Areas

Facilities, fleet and logistics energy efficiency and effectiveness.

Long-Term Goals

- Achieve ENERGY STAR® building certification for 50% of our U.S. facilities by 2020.
- Reduce electrical intensity globally by 25% from 2010 through 2020.
- Reduce total carbon emissions by 50% globally from 2010 through 2020.

Energy engagement

We hold nine webinars monthly with managers and associates at Staples distribution facilities to share energy reduction ideas and information, and enable peer-to-peer learning

Using alternative sources of energy

While Staples' energy reduction efforts are contributing substantially to reducing the company's carbon footprint, we're shrinking that footprint even further by producing our own solar power, using fuel cell technology and participating in the EPA's Green Power Partnership.

- Today, Staples has 34 facilities hosting a total of 37 solar arrays in the U.S., which generate more than 14.6 million kWh of clean energy annually.
- In 2014, Staples purchased 3% of its U.S. electricity needs in the form of renewable energy certificates (RECs).
- As an early adopter of fuel cell technology, we continue to operate fuel cells at our distribution centers in Ontario, CA, and Rialto, CA — in both cases, the fuel cells are complemented by solar power installations.
- Staples is ranked as a top U.S. company in the "Solar Means Business" 2014 report, including being ranked #10 in the retail sector.

Improving our fleet's environmental performance

Staples has consistently worked to improve the sustainability of its delivery practices in multiple ways. Initiatives such as electronically limiting the top speed of our U.S. delivery trucks to 60 miles per hour, using idle management technologies to shut off engines after three minutes of idle time, and launching more than 50 electric trucks in our fleet have allowed Staples to improve our long-term fuel economy trend. Currently, Staples is in the process of transitioning its fleet to third-party delivery, with completion anticipated by the end of 2015. To the extent possible, we will partner with our new delivery partners to implement sustainability initiatives in final mile delivery.

> Staples is a Shipper Partner of EPA's SmartWay program.

Reducing our energy consumption and carbon emissions

Through our proven energy efficiency programs and renewable energy commitments, we

> Staples has been recognized for multiple years for offering and promoting sustainable commuter options, including the Leadership Award at the 2015 Excellence in Commuter Options Awards.

are demonstrating tangible progress against our goals to improve our energy efficiency and reduce our carbon emissions.

From 2010 to 2014, Staples reduced our global electrical intensity by 4.4% as a result of energy efficiency improvements. Our goal is to reduce the electrical intensity of our global operations by 25% by 2020 from a 2010 baseline. Although we are making progress, this goal will remain a challenge given that we are using more technology within our stores (increasing energy consumption) while also shrinking store size (decreasing square footage).

Previously, Staples' commitment to purchasing renewable energy has allowed us to reduce our global carbon footprint over time. In the U.S., we increased our purchase of renewable energy certificates (RECs) from 25% of electricity needs in 2010 to 100% in 2013, effectively eliminating our Scope 2 carbon emissions. In 2014, Staples U.S. reprioritized spending on energy management programs to focus on energy efficiency improvements, and reduced its renewable energy purchase to 3%. Because our U.S. operations account for approximately 80% of our global carbon footprint, this reduction has negatively impacted progress against our goal to reduce after-offset global carbon emissions by 50% by 2020. That said, our gross carbon emissions (before accounting for RECs and offsets) are showing a decline since 2010, indicating positive results from our energy efficiency and reduction programs.
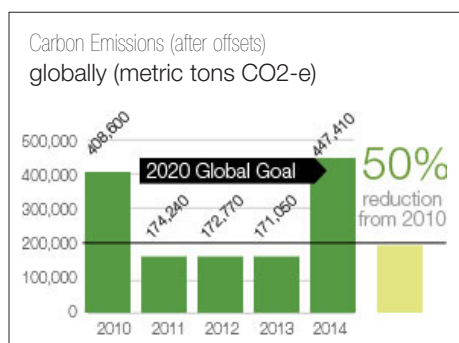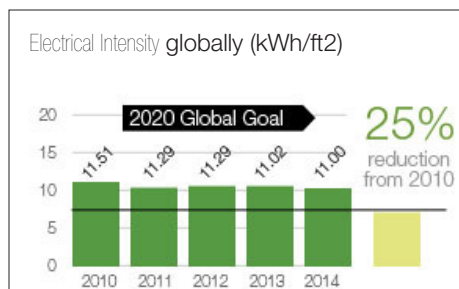
See the Performance Summary in this report for specific emissions information.

Electrical Intensity globally (kWh/ft2)

2020 Global Goal

25% reduction from 2010

2010	2011	2012	2013	2014
11.51	11.29	11.29	11.02	11.00

Carbon Emissions (after offsets) globally (metric tons CO2-e)

2020 Global Goal

50% reduction from 2010

2010	2011	2012	2013	2014
408,600	174,240	172,770	171,050	447,410

Community

Making a difference in the communities where our customers and associates live and work is something we care about very much. We promote education and career skills development in countries across the globe through donations, grants, special programs, associate volunteering, and cause marketing campaigns.

Our Community Goals

Everywhere we do business, we are proud to provide products and services that help our customers thrive and succeed. Staples also employs local workers in dependable jobs and purchases products and services from local businesses. But we believe our role in these communities requires more of us than "business as usual."

Staples customers are also our fellow citizens, our neighbors and our friends. We reach out and contribute to community life in our local neighborhoods and beyond, both through large-scale initiatives and smaller, less formal programs.

We support these causes through corporate contributions, in-kind donations and grants from Staples Foundation[sm] — our private charitable arm. We also encourage our associates to contribute their time and resources as well. Through our global community and giving efforts, we have helped more than 7,000 organizations in local communities across 26 countries.

2014 Performance Highlights

We contribute to the communities where we live and work through large-scale initiatives as well as local, grassroots programs that promote goodwill and build strong ties. Among other Staples' achievements:

- Donated more than $13.8 million to non-profit organizations around the world through Staples Foundation, corporate charitable giving programs, in-kind donations and cause marketing efforts.

- Through the 2 Million & Change program, enabled more than 9,000 associates globally to direct $2.4 million to more than 1,000 organizations they personally care about and support across 24 countries.

- Inspired customers to donate more than $1.9 million through cause marketing and disaster relief campaigns conducted in the U.S. and Canada.

- Provided educational support to communities affected by disasters through the Staples Emergency Education Fund with Save the Children.

- Engaged more than 3,200 associates in community volunteering events in 13 countries and raised money for local organizations through fitness fundraisers in eight countries.

Our goal is to support educational and job-related community efforts with a primary focus on disadvantaged youth, from literacy and mentoring to career skills development.

Staples donated more than $13.8 million to non-profit organizations in 2014.

Goals for 2015

- Deepen associate community engagement by increasing awareness and participation in local volunteer opportunities.

- Increase associate involvement in company's philanthropic initiatives.

- Focus support on local organizations to maximize impact in communities.

- Increase customer engagement in community giving through support of cause marketing campaigns.

Take action

We invite you to get involved with one of the non-profit groups that Staples and Staples Foundation^{sm} support.

Feel free to contact our Community Team with any questions or feedback. We'd love to hear from you.

Associate Engagement

When it comes to giving back to the community, we're all in. At Staples, our associates are passionate about getting personally involved in community efforts, and they're always looking for more ways to reach out. That's why we're excited about our 2 Million & Change program as a way for associates to connect with the causes they care most about.

2 Million & Change

In 2014, Staples Foundation^{sm} continued its successful associate-driven giving program, called 2 Million & Change. This unique program allows associates around the world to direct over $2 million of foundation funding to non-profit organizations focused on education and job skills. The program brings associates into the giving process and encourages community involvement.

Supporting Our Communities

Associates around the world dedicate their time and resources in many ways, including:

- Participating in a community day of service

- Leading school supply and holiday gift drives

- Mentoring and tutoring students

- Organizing community events

- Sharing business expertise and knowledge with local youth

- Participating in fitness fundraisers in which Staples teams walk, run or bike to raise money for a local cause.
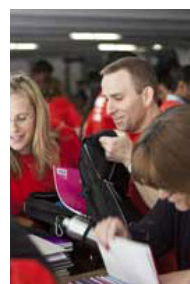
Cradles to Crayons Backpack-a-thon

Over 1,000 Staples associates volunteered to stuff 20,000 backpacks with school supplies for disadvantaged kids.

Giving Back

We believe Staples can make the biggest impact in the community by partnering with organizations that are already active at a grassroots level and focused on issues and causes consistent with our corporate priorities. Every year, we support hundreds of organizations. We've highlighted a few below.

Boys & Girls Clubs of America

Staples supports the Summer Brain Gain READ! program to encourage reading and decrease learning loss over the summer months, and encourages associate engagement through local clubs.

City of Hope

As part of the National Office Product Industry, Staples supports cancer research, treatment and educational programs through sponsorship and participation in fundraising events and initiatives.

City Year

Staples helps at-risk youth to graduate high school through a national cause marketing campaign and sponsorship of a Boston-based school.

Initiative for a Competitive Inner City

Staples supports the Inner City 100 program, which recognizes and provides resources to the fastest- growing urban businesses across the country.

Save the Children

In partnership with Save the Children, Staples established the Staples® Emergency Education Fund, which supports educational needs in times of crisis. In 2014, Staples helped five Mississippi daycare centers get back on their feet after the devastating tornadoes that hit the Southeast.

Junior Achievement Canada

Staples Advantage® Canada supports business–and diversity–related education programs for students ages 10–19. For four consecutive years, Staples Advantage Canada has received a community leadership award of excellence from the Canadian Office Products Association for their partnership with Junior Achievement and other non profit organizations.

Society for Protection of German Forests (SDW)

As part of our EasyTree Kids program, Staples Germany supports SDW in educating children across the country on the importance of taking care of the environment. This helps create a direct link between our business operations and our community.

Junior Achievement China

Staples China supports career and education programs for students, engaging associates in teaching and leading career workshops in local schools.

Beacon Foundation

Staples Australia supports programming to help disadvantaged students achieve academic engagement, employment opportunities and personal success.

How We Give

From cause marketing and charitable donations to grants and gift cards, Staples supports 501(c)(3) non-profit organizations focused on education and job skills in a variety of ways. In fact, in 2014 we gave more than $13.8 million to non-profit organizations around the world.

Grants

Staples Foundation[sm], our private charitable arm, awards grants through the our 2 Million & Change program. This program allows associates to nominate organizations with a focus on education or job skills that they personally care about and support. In 2014, 2 Million & Change enabled more than 9,000 associates globally to direct $2.4 million to more than 1,000 organizations across 24 countries. We encourage non-profits to reach out to Staples' associates to learn more.

We Care gift cards and in-kind product donations

Staples stores support non-profit organizations through We Care gift cards and in-kind product donations. These donations allow organizations to get the supplies they need from Staples to help make a community event or program a success. All requests are evaluated by the local store and decisions are made at the discretion of store management. Request more information from your local store manager.

Cause marketing

Staples supports youth and education through a variety of cause marketing programs, enabling our customers to show their support and make a difference. We've found cause marketing to be a great way to bring together customers, associates and partners in community-building endeavors. As part of Staples' Back to School initiatives, we led the following campaigns:

- Staples pledged $10 million to support Think It Up™. Think It Up, a program launched by The Entertainment Industry Foundation, is a new movement created to inspire students to pursue their passions through student-powered, teacher-led learning projects with support from Staples for Students. As a lead donor, Staples has teamed up with multi-talented recording artist, actor and Think It Up Ambassador Nick Jonas to help raise awareness of the need to support learning projects in classrooms across the country.

- In 2014 alone, with the generous support of customers across the country, the Staples Canada Annual School Supply Drive raised more than $1.5 million to assist thousands of students in need. All proceeds go to local community organizations and schools to help send students back to school with essential school supplies. The 10th Annual Supply Drive will run from July through September 2015.

Eligibility guidelines:

- Registered 501(c)(3) non-profit organization
- Focused on education (examples: schools, GED program, mentoring, tutoring, college preparation) or job skills (examples: job training/placement, resume building, interview skills, career exploration)

Staples will not make donations to the following:

- Organizations that discriminate on the basis of race, religion, creed, national origin, gender, disability, age, sexual orientation or any other basis prohibited by law
- Political organizations
- Religious organizations, unless they are engaged in a significant project which benefits a broad base of the community
- Individuals, including educational scholarships, medical or travel expenses

Giving back to classrooms

Beginning this school year through Think It Up™, students will be able to work with their teachers to identify passion projects for their classrooms. Through this collaborative learning process, student powered, teacher-led projects will be crowdfunded on Thinkitup.org, which is fueled by DonorsChoose.org.

Take action

We invite you to get involved with one of the non-profit groups that Staples and Staples Foundation[sm] support.

Feel free to contact our Community Team with any questions or feedback. We'd love to hear from you.

Ethics

At Staples, doing right is just as important as doing well. That's why we hold all our associates, from the boardroom to the store floor to the supply chain, to the highest standards of honesty, fairness and integrity. We also work hard to ensure all our associates, suppliers and partners understand and abide by our ethical standards.

Ethics at Work

Staples Global Code of Ethics embodies our commitment to high ethical standards. It explains core expectations regarding ethical conduct and business practices and includes guidelines to help associates deal appropriately with a broad range of issues like:

- Insider trading and customer privacy
- Discrimination and harassment
- How to ask questions and voice concerns about ethics issues
- Processes for reporting and handling violations

Our Global Code of Ethics is relevant and user-friendly and is written to be easily understood with translations available in the 17 major languages our associates speak worldwide.

How we engage associates on ethical issues

Successful ethics programs require a company-wide commitment to conducting business with integrity. Staples encourages all associates to take an active role in understanding, discussing and exploring ethics issues. We do so with ethics and compliance training, internal awareness campaigns, employee Web sites, an Ethics Help Line, and regular communications from corporate leaders.

To ensure proactive participation, we feel it's critical to help associates feel comfortable speaking up and asking questions whenever they confront ethics issues. Our CEO Ron Sargent, emphasizes the Staples' commitment to open and honest communication in his letter to all associates:

"As a company, we must foster an environment where issues and concerns can be raised freely, no matter how small. And the code [of ethics] is designed to help you make the right decisions when it comes to a variety of situations: how to handle a situation when the easy way out is wrong. Or speaking up, even when it's uncomfortable, to help protect Staples' best interest and our global brand."

Corporate Policies and Programs

We have established an Anti-Corruption Program and a formal Anti-Corruption Policy that are designed to prevent corruption and promote compliance on a global level. These tools make it clear to associates that, without exception, Staples prohibits any and all forms of bribery and kickbacks, whether direct or indirect.

What we're doing to protect your privacy

Staples created its Global Privacy and Information Management (PIM) Policy that governs how we handle and protect all customer, associate and business information for maximum security. As a part of this policy, our associates receive training and education on the protocols to use when handling credit card numbers and contact details, among other things. We have also developed a comprehensive response plan should a security breach of any magnitude take place.

Associate Resources

Staples EthicsLink serves as a 24/7 ethics resource for all associates. Through this help line, they can ask for guidance on ethical and compliance issues and report suspected ethics violations. It's available via the Web or phone in multiple languages at Staples® locations around the world. While hosted by a third party, it is administered by our Global Ethics & Compliance Office, which receives all reports to ensure proper follow-up and, when needed, immediate action.

In those countries where it is legally permitted, including in the United States, associates can report concerns and contribute to investigations through Staples EthicsLink anonymously. Regardless of the country, Staples complies with all applicable requirements regarding anonymity.

Contact the Global Ethics & Compliance Office

Call: 866-294-6446

Mail: Global Ethics Office

Staples, Inc

500 Staples Drive
Framingham, MA 01702

Visit: staplesethicslink.com

Ethical Sourcing

Staples is committed to providing our customers with top-quality products at a reasonable price, but that are also manufactured responsibly. That means we expect workers making Staples® Brand Products to be treated fairly and with dignity and respect, and that the products themselves are made in an environmentally sustainable manner. In addition, we demand adherence to any and all appropriate international and U.S. laws, regulations and industry standards applicable in the countries where Staples operates.

Staples® Supplier Code of Conduct

To establish clear guidelines for responsible operation, we developed the Staples Supplier Code of Conduct to help ensure every relationship we enter — whether it's with a supplier, factory or vendor — consistently operates in accordance with Staples' requirements. The Supplier Code of Conduct (or its equivalent) is included as an appendix to each manufacturing agreement and each supplier is required to comply with its provisions and post the Code in all factory locations manufacturing Staples® Brand Products.

In general, the Code is based on international social accountability standards and contains 10 specific areas of conduct which are each evaluated during on-site audits. The Code is regularly reviewed and reinforced as business needs and requirements change.

Social Accountability Audits

The Director of Product Quality oversees supplier auditing to ensure compliance with the Supplier Code of Conduct. All audits are carried out by external, independent third parties. The Director of Product Quality works closely with the Vice President of Product Development, Sourcing and Quality, who is in charge of producing goods, and with the Director of International Supply Chain, who is in charge of shipping goods from the supplier to the end destination and maintaining compliance with all security provisions. Both individuals report up to the SVP for the Staples® Brand Group.

All suppliers in "at-risk" geographies are required to be audited prior to starting production and are recertified every year. For example, Staples currently designates the following countries as "at-risk" in accordance with industry assessments: China, Taiwan, Vietnam, Japan, South Korea, Indonesia, Malaysia, India, Bangladesh, Thailand, The Philippines, Egypt, Argentina and Brazil. Each audit is designed to allow the factory to demonstrate adherence to our Code through onsite verification by a trained auditor. The auditor conducts employee interviews and document reviews to substantiate factory operating practices and rates the factory on a point scale.

Certain requirements are deemed "Critical" to create minimum standards for each supplier to consistently achieve. Suppliers failing to meet the minimum requirements are required to sign a Letter of Commitment which states their intent to continuously improve and requests a probationary period to implement the necessary changes. They are also required to complete a Corrective Action Plan (CAP) documenting the steps they will take and the timeline for the necessary improvements. Suppliers who meet the minimum requirements but have violations in other areas receive a conditional pass and may also be required to submit a CAP. All CAPs must be approved prior to Staples continuing business with the supplier. Follow-up audits are scheduled at regular intervals to ensure suppliers stay on track while on probation and when all CAP plans have been implemented.

What suppliers must do when failing to meet minimum code requirements:

- Sign a Letter of Commitment stating an intent to improve
- Request a probationary period to implement changes
- Complete a Corrective Action Plan to document when improvements can be expected

If a factory fails to demonstrate progress on implementing corrective action, we end the relationship.

Conflict Minerals Materials

Conflict Minerals Policy

Form SD

2014 Conflict Mineral Report

Social Accountability Audit and Corrective Action Process

New factory is selected as potential supplier. Independent auditor evaluates factory using the Staples Social Accountability Audit form.

Certified Pass
Factory passes.
Needs to recertify in one year.

Conditional Pass
Factory pledges to improve conditions. Signs Corrective Action Plan (CAP) within two weeks and becomes certified vendor.
Recertification audit conducted in one year.

Fail
If failure is a result of forced labor, child labor, wages & benefits, or working hours, factory signs Corrective Action Plan (CAP) and Letter of Commitment (LOC) within two weeks.
Factory enters probation and must pass follow-up audits and post-probation audit to become certified vendor.
Any factory that does not pass the post-probation audit remains on probation until it successfully completes the Corrective Action Plan, follow-up audit, and post-probation audit. Staples reserves the right to sever ties with any factory that does not meet these requirements.

Results of 2014 Audits

Total number of suppliers: 553

362 Certified non-"at-risk" Locations

38** on Probation

153 Certified

191* "at-risk" Locations
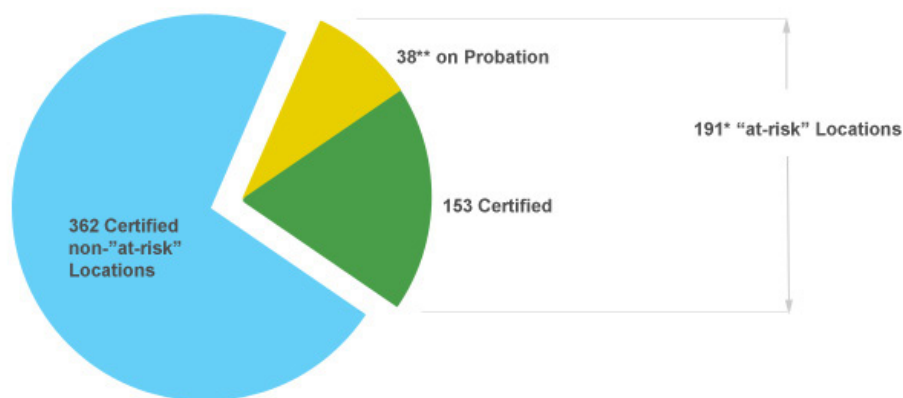
8 inactive suppliers (no Staples® Brand Products are currently being produced there

Staples did not sever ties with any factories in 2014

*A total of 218 Social Accountability audits were carried out at 191 factories, as some locations were audited more than once.

**Suppliers on probation must complete corrective action to continue working with Staples. In addition to scheduled factory inspections, Staples conducts short-notice and unannounced audits.

Social Accountability and Supply Chain Responsibility

Staples is committed to providing our customers with top-quality products at a reasonable price that are also manufactured responsibly. Staples expects all workers, with an emphasis on those who make Staples® brand products, to be treated fairly and with dignity and respect, and the products themselves are made in an environmentally sustainable manner. In addition, Staples requires its third party vendors who supply products for resale and suppliers who manufacture Staples brand products to comply with applicable international (in the countries in which the parties are doing business) and U.S. laws, regulations and industry standards.

In accordance with the California Transparency in Supply Chain Act, below you will find information regarding the efforts Staples is taking to eradicate slavery and human trafficking from our supply chain, while maintaining social accountability and supply chain transparency.

Verification

Staples is committed to fair labor practices throughout our supply chain. To establish clear guidelines for responsible operation, we developed the Staples Supplier Code of Conduct ("Code") to help ensure every relationship we enter — whether it's with a vendor of third party products or supplier of Staples brand products — consistently operates in accordance with Staples' standards. Compliance with the Code (or its equivalent) is required in each manufacturing agreement and each supplier manufacturing Staples brand products is required to post the Code in all factory locations. For all other products, Staples strongly recommends that its vendors comply with the Code (or a similar code of its own). In either case, Staples has the right to terminate its relationship with its vendors or suppliers if Staples finds that such vendors or suppliers are violating anti-slavery and human trafficking laws or the Code, respectively.

In general, the Code is based on international social accountability standards and contains 10 specific areas of conduct, including the prohibition of forced and child labor. All areas of conduct are annually assessed during on-site audits conducted by a third-party auditor who identifies and verifies that suppliers are not at risk for violating any anti-slavery and human trafficking laws. The Code is regularly reviewed and reinforced as business needs and requirements change.

Audits

All factories of Staples' suppliers in "at-risk" geographies are required to be audited and certified prior to the start of production, and recertified every year thereafter. Staples evaluates risk annually, and currently designates the following countries as "at-risk," in accordance with industry assessments: China, Taiwan, Vietnam, Japan, South Korea, Indonesia, Malaysia, India, Bangladesh, Thailand, The Philippines, Egypt, Argentina and Brazil. Factories are deemed certified when they meet Staples' standards. Each audit is designed to allow the factory to demonstrate adherence to our Code through an onsite assessment, conducted by an independent third-party auditor. Factories are given notice of a 2 week timeframe in which Staples will conduct the audit, without specific notice of which day or time. The auditor conducts assessments, by interviewing workers and facility management, reviewing documents and inspecting facilities, including dormitories where present, to substantiate factory operating practices. The auditor then rates the factory on a point scale.

Certain Staples standards are marked "critical" and create minimum standards for each supplier to consistently achieve. Suppliers that fail to meet the minimum standards are required to sign a Letter of Commitment stating intent to improve, request a probationary period to implement necessary changes and complete a Corrective Action Plan (CAP), approved by Staples, to document when improvements can be expected. Suppliers who meet the minimum requirements, but have violations in other areas receive a conditional pass and may be required to submit a CAP. In order to ensure that suppliers maintain social accountability and compliance to our stringent requirements, follow-up audits are scheduled and conducted at regular intervals for suppliers on probation and for those implementing a CAP. If a factory fails to demonstrate progress on implementing corrective action, we terminate the relationship.

In 2014, a total of 218 audits were carried out at 191 locations identified as "at-risk" factories, as some locations were audited more than once. As a result, 153 were deemed certified and the remaining 38 were put on probation and obligated to complete the necessary corrective actions. Staples did not sever ties with any of its suppliers or factories.

Certification

As mentioned above, our Code (or its equivalent) is included in each manufacturing agreement and each supplier is required to comply with its provisions, which serves as a self-certification.

To ensure that our contractors and suppliers respect and enforce our company Code and standards, upon any discovery of a violation with our Code, we respond in a manner commensurate with the nature and extent of the violation, as referenced above. See our Conflict Minerals Policy to understand other initiatives we take to support human rights.

Internal Accountability

The Director of Product Quality oversees supplier auditing to ensure compliance with the Code. All audits are carried out by external, independent third-parties. The Director of Product Quality works closely with the Vice President of Product Development, Sourcing and Quality, who oversees the production of goods, and with the Director of International Supply Chain, who is responsible for shipping goods from the supplier to the end destination and maintaining compliance with all security provisions. Both individuals report to the SVP for the Staples Brands Group. All these people maintain supervision over production and shipping and ensure suppliers maintain compliance with our Code, which supplements our other supervisory procedures, further described above. Furthermore, any supplier that fails to comply with applicable laws or ethical business practices may be subject to immediate business suspension or termination.

Training

Staples provides employees and management, who have direct responsibility and interaction with supply chain management, training on fair labor practices and human trafficking and slavery, particularly with respect to mitigating risks within the supply chain. We annually train these employees on our Code, manufacturing agreements and auditing procedures, while highlighting their importance to our business, supplier factory workers and consumers. Furthermore, we encourage anyone who becomes aware of any violations of the law, Code or any other requirements (such as our Code of Ethics) to immediately notify their management, human resources office, global ethics office, or visit StaplesEthicsLink.com to file a report or contact their region's toll-free ethics hotline.

Diversity & Inclusion

We believe that differences in age, race, gender, gender identity, nationality, sexual orientation, physical ability, background and thinking style allow us to be more innovative as a company. We're committed to maintaining a diverse and inclusive culture, from supporting associate resource groups to partnering with diversity suppliers.

CEO Diversity Statement

At Staples, we embrace and promote inclusion and diversity. We know how important it is for all associates to feel valued for who they are. We're continually evolving our inclusive company culture by celebrating associates' similarities and differences. We strive to create an environment in which the diversity of our workforce allows for diversity of ideas, so that all associates have the opportunity to be unique and innovative in their contributions.

But our commitment to diversity does not end with our associates. As we aim to provide every product a business needs to succeed, we also strive to strengthen the relationships we have within the diverse markets we serve and with the global suppliers and vendors with whom we do business.

I am proud of the progress we've made over the years and look forward to continuing our journey toward becoming an even more inclusive and diverse organization.

Ron Sargent
Chairman & CEO
March 27, 2013

Ron Sargent
Chairman and CEO
Staples, Inc

Diversity at Work

Attracting members of underrepresented groups to our associate base is just the beginning At Staples, we believe it's also our responsibility to offer opportunities that engage, develop, and retain the talented and diverse members of our workforce in all areas of our company. Not only does it help create a more inclusive, diverse and collaborative environment, but is also essential for us to enhance our organizational culture and tap new markets in an increasingly global economy.

To improve our diversity outreach, Staples is focused on:

- Recruiting and retaining under-represented minorities at our corporate headquarters
- Hiring more college interns and seasoned professionals with diverse backgrounds and experiences
- Creating strategic partnerships to employ more Veterans

Supplier Diversity

By working with diverse businesses in our supply chain, we create jobs and opportunities for the diverse communities we serve, and increase customer loyalty. In 2012, Staples spent over $303 million with small, diverse vendors, which in turn, helped us reduce supply chain costs and increase revenues while bringing superior products to market.

Diversity Product Solutions® by Staples®

Manufactured by diverse vendors and suppliers, these products offer our customers the opportunity to meet their own diversity goals, while supporting small, minority- and women owned businesses.

Want to learn more about supplier diverity? Visit us at our Supplier Diversity web site.

5 key metrics
for monitoring workforce diversity:

- Percentage of total workforce
- External hires
- Percentage at leadership levels
- Internal movement
- Voluntary turnover

Our findings help shape our recruiting and retention strategy throughout the year.

2013 performance highlights:

- Received perfect score on the Human Rights Campaign Corporate Equality Index
- Named one of the "Best Places to Work for LGBT Equality"
- Increased our number of Associate Resource Groups
- Staples Supplier Diversity program continues to engage with diverse suppliers, organizations and the larger community

Diversity talent acquisition and development

A Message from Erika Hopkins Foreman, SPHR, Director, Workplace Relations, Inclusion & Diversity

"At Staples, we see the power of diversity as a competitive advantage and strive to realize its full potential by leveraging the unique talents and strengths of our associates. When diversity is enabled by a culture of inclusion, associates feel respected and valued, allowing them to perform at their peak every single day, resulting in better innovation, idea generation and organizational performance."

Recognizing the value diversity brings to our organization, at Staples we strive to build a dynamic and talented team of associates across all diversity dimension – culture, race, gender, sexual orientation and more. By combining a diverse workforce with a culture of inclusion, our hope is that each and every associate will be encouraged to contribute to their full potential. This is not only in line with our values but it is the key in helping us achieve more together.

What are some of the things we are doing to attract diverse talent?

- We currently post all of our openings to dozens of niche job sites focused on diversity.
- We post to hundreds of colleges and universities, many of which are historically diverse.
- We partner with organizations that specialize in recruiting diverse talent for our openings.
- We collaborate with our Associate Resource Groups to encourage referrals.

What are some of the things we are doing to develop and retain diverse talent?

We currently offer training and tools through various programs across the organization: Staples University, Rising Stars, Internships, Succession Planning to name a few. We also aim to establish connections and help associates achieve their personal and professional goals through participation in our Associate Resource Groups and Mentoring program.

Another important component is the ongoing leadership training to provide our supervisors and managers with the information and tools they need to create a culture of inclusion and collaboration.

Employee Groups & Mentoring

Meaningful working relationships, whether they are associate-driven organizations like our ARGs or one-to-one mentorships, offer our associates an opportunity to network, support one another, bring greater awareness to diversity and inclusion issues, and grow both professionally and personally.

Getting together to make more happen.

Associate Resource Groups (ARGs) are recognized organizations comprised of Staples associates who have committed themselves to supporting and furthering our business goals, global diversity strategy, community involvement and associate engagement. These groups are a tremendous resource for associates seeking to network, hone professional skills, and more. On our end, they help Staples more deeply engage with our workforce and increase the retention rates of diverse employees, while also giving us valuable insights into diverse customer segments.

In addition to the existing ARG chapters listed below, we will continue to launch new ones in various locations throughout the world.

- Women Who Lead
- Out At Work (LGBT Lesbian, Gay, Bisexual, Transgender and Allies)
- BlackTies
- HOLA
- SPARC (Asian and Pan-Asian)
- Young Professionals
- Veterans
- Diversity Matters

Why mentoring makes us better

Staples believes mentoring relationships expose leaders and associates to new ways of thinking and doing by creating a deeper understanding of the unique and diverse talents and perspectives present within our organization.

Mentoring Made Easy for Associates

Staples believes mentoring relationships expose leaders and associates to new ways of thinking and doing by creating a deeper understanding of the unique and diverse talents and perspectives present within our organization. It provides a platform for learning, sharing, and growing.

Our Mentoring Made Easy Program is a great way to build the skills of associates and leaders while delivering business results at the same time. As a mentor, associates guide their mentees as they navigate the business while sharing knowledge and gaining valuable leadership skills. Mentees have the opportunity to focus on specific goals and objectives that may fit into their career plan.

By developing the mindset, behaviors and skills needed to have a successful career, mentoring helps associates make professional achievement happen!

Mentoring for Diverse Suppliers

Our innovative Diverse Supplier Mentorship Program, now in its fourth year, promotes professional and business development among diverse business enterprises. And like any great relationship, we get back as much as we give. We are proud that:

- The Staples Legal Department is partnered with a minority-owned law firm in a mentoring relationship.
- Our Contract Marketing organization is helping a local, woman-owned marketing consulting firm get to the next level of growth.
- Staples Treasury continues to utilize a minority-owned securities firm for the implementation of our share-repurchasing program.

Our Women Who Lead ARG enjoy giving back to the community

Diversity Matters in the Rockies ARG participates in events year-round

Members of our Out at Work ARG balance work and fun!

Our Black Ties ARG enjoy a night of theatre together
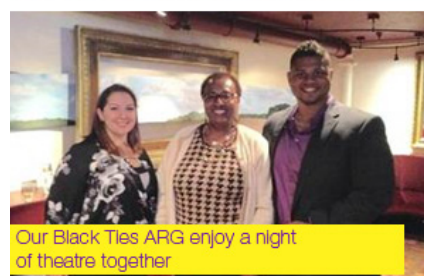
Supplier diversity program mission

Staples values diversity and recognizes how important diversity is to maintaining a competitive advantage in today's marketplace. The mission of our Diversity Supplier Program is to work with diverse businesses to reduce supply chain costs and to increase revenues by bringing superior products to market.

Connecting customers with suppliers

Staples' business-to-business Supplier Diversity Program helps our customers achieve their corporate diversity goals. We create vendor-buyer relationships that allow diverse organizations to continue to develop in our communities, while offering our customers a wider selection of quality products at competitive prices.

Diversity Council Affiliations

Staples is a member of the following national and regional diversity councils:

Staples Belongs!

Corporate Member
National Minority Supplier Development Council

Corporate Member
Women's Business Enterprise National Council

Corporate Member
WEConnect Canada

Corporate Member
Diversity Information resources

Additionally, we are members of many regional minority councils and women regional partner organizations including New England, Chicago and Georgia.

Leading the Way

Recognition & Awards

Staples has been successful in implementing great programs, events and initiatives related to inclusion and diversity. We do this because we recognize the value in creating an inclusive workplace with diverse and talented associates. Occasionally we are recognized for our work and success, and we'd like to highlight some of our recent accomplishments:

- Received a perfect score on the Human Rights Campaign Corporate Equality Index for the last five consecutive years (2011, 2012, 2013, 2014, 2015)
- Staples named one of the top most trustworthy companies in Trust! Magazine (Spring 2015)
- Shira Goodman, Staples President for North American Commercial, named as one of the top women worth watching in Profiles in Diversity Journal® (Summer 2015)
- Staples recognized as a top LGBT employer in Black EOE Journal (Summer 2015)
- Staples listed as a top employer in Latino Magazine (Summer 2015)

Supporting Gender Equity

- In March 2015 we hosted our inaugural Women's Week, providing women with training and tools to develop and grow as leaders within Staples (included Simmons Leadership Conference for nominated female associates).
- We are participating in the Corporate Challenge, a gender equality initiative started by the Massachusetts Governor in concert with Bentley College.
- We committed to 100% Talent, an initiative supported by the Mayor of Boston in concert with Simmons College aimed at making Greater Boston the premier place for working women in America by closing the wage gap and removing barriers to women's advancement.

Supporting Same-Sex Marriage

Staples joined 370+ other employers in signing an amicus ("friend of the court") brief urging the Supreme Court to legalize same-sex marriage and strike down state bans on gay marriage. We believe equal dignity is due to all employee relationships, and this is one way we can take action and influence positive change.

Performance Summary

Tracking our performance is one of our most important functions. It gives our company and our stakeholders the information and tools needed to make critical decisions today and tomorrow.

View our economic and corporate responsibility performance for the past few years below.

Global Performance Summary	2014	2013	2012
Company Snapshot [1]			
Total sales (billions USD)	22.4	23.1	24.4
Income (loss) from continuing operations (millions USD)	134	707	(161)
Number of countries in which Staples operates	25	25	26
Total retail stores	1,983	2,169	2,215
Number of global associates	79,075	83,000	85,000
Community			
Total corporate giving, including Staples, Inc., Staples Foundation, global giving and in-kind giving (USD)	$13,848,224	$1,01,96,135	$1,46,99,079
Value of in-kind donations	$6,197,673	$42,22,480	$83,84,840
Cash donations	$7,650,550	$59,73,655	$63,14,239
Ethics			
Number of Staples brand product suppliers audited	191	206	230
Number and % of audited Staples brand product suppliers that were required to take corrective action	38 (20%)	18 (9%)	14 (6%)
Number and % of audited Staples brand product suppliers with which Staples discontinued business relationships	0	0	0
Diversity [2]			
Number of Associate Resource Groups, cumulative	15	15	11
Environment			
Sustainable Products			
Total sales of products with at least one environmental feature (millions USD) [3]	$5,459	$4,979	$2,749.00
Recycling Services			
Ink and toner cartridges collected (millions of units)	62.58	69.51	78.21
Electronics collected (millions of pounds)	26.55	21.96	19.40

1

Global Performance Summary (continued)	2014	2013	2012
Energy Use & Greenhouse Gas Emissions [4]			
Total Energy Use (GJ)	4,718,644	4,725,770	4,923,250
Electricity use (MWh)	771,471	820,136	883,600
Electricity intensity (kwh/ft^2)	11.00	11.02	11.29
Scope 1 greenhouse gas emissions (MtCO2e)	117,780	117,650	110,530
Scope 1 offsets (MtCO2e) [5]	-	421	437
Scope 2 greenhouse gas emissions (MtCO2e)	342,560	354,900	385,140
Scope 2 offsets (MtCO2e) [6]	12,934	301,080	322,470
Total scope 1 and 2 emissions, before offsets (MtCO2e)	460,340	472,550	495,670
Total scope 1 and 2 emissions, after offsets (MtCO2e)	447,410	171,050	172,770
GHG emissions per dollar sales, before offsets (kg CO2e per USD)	0.0208	0.0208	0.0206
GHG emissions per dollar sales, after offsets (kg CO2e per USD)	0.0202	0.0075	0.0072
Waste and Recycling			
Waste disposed (short tons)	45,000	36,460	43,790
Waste sent to landfill (short tons)	33,280	28,500	34,010
Waste diverted for recycling (short tons)	54,430	54,490	65,870
Water			
Water use (millions of gallons)	231.42	238.40	282.9

United States Performance Summary - Environment	2014	2013	2012
Sustainable Product Sales (millions USD)			
Total sales of products with at least one environmental feature	$4,166	$2,983	$2,506
Total sales of products with advanced environmental features	$2,057	$1,968	$1,640
Estimated sales of products containing post-consumer recycled content material	$1,436	$1,181	$1,260
Estimated sales of products meeting third-party environmental standards/ certifications	$2,260	$1,705	$1,367
Estimated sales of FSC-certified products	$591	$575	$397
Estimated sales of ENERGY STAR® qualified products	$591	$595	$384
Total US sales	$16,022	$16,212	$16,784
Recycling Services			
Ink and toner cartridges collected (millions of units)	56.6	63	72
Electronics collected (millions of pounds)	17.4	13.48	12.7
Energy Use & Greenhouse Gas Emissions			
Total Energy Use (GJ)	3,444,863	3,506,280	3,440,285
Electricity use (MWh)	584,005	602,845	646,478
Electricity intensity (kwh/ft2)	11.31	11.31	11.56
Diesel use by Staples fleet (mmbtu)	261,620	331,820	336,040
Scope 1 greenhouse gas emissions (MtCO2e)	82,430	83,190	70,780
Scope 2 greenhouse gas emissions (MtCO2e)	290,010	298,870	321,840
Scope 2 offsets (renewable energy purchases) (MtCO2e) [6]	10,425	298,870	321,840
Total Scope 1 and 2 emissions, before offsets (MtCO2e)	372,440	382,060	392,620
Total scope 1 and 2 emissions, after offsets (MtCO2e)	362,015	83,200	70,780
GHG emissions per dollar sales, before offsets (kg CO2e per USD)	0.0232	0.0236	0.0234
GHG emissions per dollar sales, after offsets (kg CO2e per USD)	0.0226	0.0051	0.0042
Number & percentage of facilities verified to ENERGY STAR standard	645 (41%)	585 (33%)	513 (29%)

3

Recycling Services			
Waste disposed (short tons)	29,890	25,150	29,070
Waste sent to landfill (short tons)	27,460	23,010	26,600
Waste diverted for recycling (short tons)	40,130	39,530	41,005
Recycling rate	57%	61%	59%
Water			
Water use (millions of gallons)	186.87	189.63	224.77

[1] Detailed economic performance data can be found in the Staples Annual Reports, available in the Annual Report Archive on www.staples.com: http://investor.staples.com/phoenix.zhtml?c=96244&p=irol-reportsannual.

[2] Workforce diversity details are provided directly in the GRI Index in the Reporting Details section of this report.

[3] The types of environmental features tracked in our products varies slightly by market (e.g., to accommodate region-specific certifications), however these products generally are characterized as containing recycled content, meeting third-party environmental certification standards and/or having additional sustainable design features.

[4] Certain emissions have been restated as certain emission factor sets that Staples uses are updated on a periodic basis, and to reflect any data gaps that have been filled. While there are certain exclusions in our energy/carbon data (e.g., due to still-developing data tracking capabilities), data shown here reflects at least 98% of our operations (calculated based on percentage of sales).

[5] Scope 1 offsets shown here reflect offsets purchased in the Netherlands to offset calculated emissions at the end of the reporting year. Offsets for 2014 will be added when these details are available.

[6] Offsets shown here include emissions reductions due to the purchase of Renewable Energy Credits (RECs) in the U.S. and Canada, as well as offsets purchased in Australia and the Netherlands. Due to the geographic origin of the RECs in the U.S. and the associated emission reduction factors, the REC purchase when measured in MtCO2e can actually be higher than our Scope 2 emissions from purchased electricity (occurred in 2012 and 2013); however, we only apply enough offsets to reduce Scope 2 emissions to zero (not negative emissions).

About this Report

This site contains corporate responsibility performance information for the 2014 fiscal year (February 2, 2014 — January 31, 2015).

To shape our corporate responsibility reporting, Staples conducted a materiality analysis of environmental and social issues to guide report development in 2010 and subsequent years (detailed process and findings are discussed in our 2011 Corporate Responsibility report). While we believe the issues identified as most material by Staples and our stakeholders in this earlier assessment have not changed significantly, we also recognize that we operate in an ever-changing global marketplace with rapidly evolving trends, opportunities and challenges. Therefore, we continue to verify our program priorities to stay relevant and responsive. We also intend to conduct an updated materiality analysis this coming year before our next report.

Each of our main Corporate Responsibility areas — Community Relations, Environment, Diversity & Inclusion, and Ethics — includes information about the most relevant topics, issues and opportunities affecting their program areas, as determined through research, regulatory and legal analysis, industry engagement and stakeholder feedback, among others.

We use ongoing stakeholder dialog to identify our primary audience for our Corporate Responsibility report and website, and tailor our content to best serve these users. These include but are not limited to customers; associates; the investment community including socially responsible investors; the communities where we operate and NGOs.

This report reflects consolidated information from Staples across its global operations, to the degree available. Our Global Performance Summary provides detailed information on our performance metrics on a global level for the current reporting year and previous two years (for a total of three years). We also include environmental metrics for our U.S. operations (our largest market) in our Global Performance Summary, and on the relevant Environment sections of this report and website. More information about the markets and business units through which Staples operates can be viewed in the About Us section of www.staples.com.

We report data for leased facilities (our stores and warehouses) as well as for fully owned and/or operationally controlled buildings and operations. We exclude reporting on joint ventures, as these ventures represent an insignificant and non-material contribution to our overall impacts. The charts and tables included in this report and the performance summary clearly indicate whether the information reflects global, U.S. or international data, and whether there have been any restatements to data reported in past years.

The data measurement techniques used to present our quantitative performance vary depending on the metric presented — there are variations in data granularity, collection frequency and types of tracking systems, among other things. Where relevant we use available protocols for calculating impacts (e.g., we use the GHG Protocol Corporate Standard to calculate and report our GHG emissions); prioritize actual measured data over estimated data; and use estimation techniques that best reflect the reality of our business and operations.

This report has not undergone external assurance.

Material issues identified through materiality analysis:

- Ethical Sourcing
- Climate Change and Energy Use
- Green Product and Service Offerings
- Customer Service/Loyalty
- Sustainable Sourcing
- Community Engagement

Community Engagement

To reward green initiatives, every year Staples Canada honors 10 schools, giving each $25,000 worth of new technology.

Staples has several corporate responsibility policies

- Staples Global Code of Ethics
- Staples Supplier Code of Conduct
- Staples Global Sustainability Policy
- Staples Sustainable Paper Procurement Policy

About this Report

Nothing is more important to Staples than the relationships we build as a company. Our key stakeholders include customers, associates, communities, non-governmental organizations (NGOs), international organizations, investors, suppliers and industry groups, as each of these groups has the potential to significantly influence our ability to run a successful business. We choose which specific stakeholders within each category to meet with based on a variety of factors, including the priority issues identified through our initial materiality analysis and previous stakeholder engagement, as well as individuals' and organizations' availability and desire to meet with Staples. View detailed performance data in the Performance Summary section of this report.

Stakeholder group	How we engage
Associates	We engage with and support associates on an ongoing basis in many ways beyond their daily interactions with co workers and managers, such as: • Print, online and broadcast communications • "Breakfast clubs" with executives and senior management • Regular associate engagement surveys • "Just Ask" Q&A events with company leadership • International Corporate Social Responsibility taskforces • Associate Resource Groups (ARGs) • 2 Million & Change associate giving program • Company-wide Earth Week activities and campaigns
Shareholders & Investors	We continued our corporate governance outreach program this year, which helps us understand and respond to shareholder concerns in a timely fashion. Through this initiative, senior management meets regularly with a variety of shareholders and proxy advisory groups to discuss the governance issues that are most important to them and also discuss our executive compensation program. Management then briefs the Board of Directors and its relevant committees and takes action as appropriate. • We respond to surveys that seek information about our corporate responsibility programs and performance, such as the CDP and the Dow Jones Sustainability Indices questionnaire. • We also meet with firms that include corporate responsibility information in their investment portfolio screening process. • We conducted in-person and phone meetings with larger institutional investors, labor unions, pension funds, corporate social responsibility investors and proxy advisory groups.
Customers	To make sure that we're doing a good job, we survey customers in our retail, online and contract businesses, monitor quality assurance efforts, drop in on stores unannounced through "mystery shops," and interview customers directly. Each month, we conduct tens of thousands of customer satisfaction surveys across each of our North American business units and receive feedback from thousands of customers. In our retail operations we ask customers to rank a variety of customer service factors, including customer engagement, cashier courtesy, speed of checkout, ease of finding merchandise, product availability in store, and associate knowledge. In our contract and online businesses, we assess our customers' overall satisfaction as well as specifics such as the ease of the shopping experience — online search capabilities, accuracy of product images and ease of checkout — as well as the packaging and delivery service, and satisfaction with any problem resolution.

Stakeholder group	How we engage
NGOs/International Organizations	Staples engages with NGOs that are considered leaders in their respective areas of expertise to help us enhance our performance across our Corporate Responsibility areas, such as: • Partnering with GreenBlue, Rainforest Alliance and World Resources Institute to help drive further improvements in our sourcing practices for forest-based products, such as paper • Staples Community & Giving supports hundreds of organizations each year, including strategic partners like Boys & Girls Clubs of America • Engagement with the Ethics and Compliance Officers Association (ECOA), whose members represent the largest group of ethics and compliance practitioners in the world Staples is also an Organizational Stakeholder member of the Global Reporting Initiative (GRI).
Communities.	• We seek to be a valued and trusted member of the communities in which our associates and customers live and work. Staples works closely with all the non-profit organizations we support, whether they are long-term national partners such as Boys & Girls Clubs of America, or small grassroots groups receiving a Staples Foundationsm grant to fund a local program.
Suppliers	We engage with suppliers to promote ethics in the supply chain, environmental excellence and innovation, and a diverse supplier base. • Our Supplier Code of Conduct requires suppliers of Staples® brand products to adhere to all applicable labor standards and health and safety regulations as well as environmental laws. Factories in "at-risk" geographies are audited for compliance with those standards. We engage with our Staples® brand suppliers both in the United States and internationally to make sure they understand the provisions of the Supplier Code of Conduct. • Staples continues to work with suppliers and other stakeholders to continue to advance product sustainability in our Staples® brand and name-brand products. In addition to our work on paper-specific issues, we're supporting product-related sustainability research.
Industry Groups	We are active members in the Retail Industry Leaders Association's (RILA) working groups: • Retail Sustainability Initiative, an industry-wide educational forum for the largest U.S. retailers. It brings its members together to share leading practices, network, identify future trends, benchmark with peers, and collaborate on common industry sustainability challenges. • Energy Management Program, a multi-year program to guide energy, carbon and cost reduction across the retail industry.

GRI Index

We applied the Global Reporting Initiative Sustainability Reporting Guidelines (GRI G3) in the development of this site and are self declaring an Application Level of B. Specific indicator references can be found in the GRI Content Index. For certain GRI indicators, we do not report a response because either we do not publicly disclose this information, it is not directly relevant to our business operations or we don't track this specific data point and thus are unable to report a figure.

Staples Inc.
G3 Content Index - GRI Application Level B (2014 Reporting Year)

Application Level B

STANDARD DISCLOSURES PART I: Profile Disclosures

1. Strategy and Analysis

Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Reason for omission	Explanation
1.1	Statement from the most senior decision-maker of the organization.	Fully	CEO Letter		
1.2	Description of key impacts, risks, and opportunities.		CEO Letter		
			Goals & Performance		
		Fully	Reporting Details/About this site		See 2010 and 2011 Soul reports (in report archive) for detailed materiality analysis.

2. Organizational Profile

Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Reason for omission	Explanation
2.1	Name of the organization.	Fully	Company Overview		
2.2	Primary brands, products, and/or services.		Company Overview		
		Fully	Staples.com		
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint	Fully	Company Overview		
2.4	Location of organization's headquarters.	Fully	Company Overview		
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.		Company Overview		
			International Operations		
		Fully	Annual Report		Pages 96-97, 107-109 of PDF
2.6	Nature of ownership and legal form.	Fully	Annual Report		Page 95 of PDF
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).		Company Overview		
			International Operations		
		Fully	Annual Report		Pages 96-99 of PDF
2.8	Scale of the reporting organization, including number of employees, net sales, total capitalization, quantity of products or services provided.	Fully	Annual Report		Pages 96-99, 118 of PDF
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	Annual Report		Pages 39, 96-99, 144-145 of PDF
2.10	Awards received in the reporting period.	Fully	Recognition and Awards		

3. Report Parameters

Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Reason for omission	Explanation
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	Fiscal Year 2014 (February 2, 2014 - January 31, 2015)		
3.2	Date of most recent previous report (if any).		Most recent previous report covered Fiscal Year 2013.		
		Fully	About this site/A look back (report archive)		
3.3	Reporting cycle (annual, biennial, etc.)	Fully	Annual		
3.4	Contact point for questions regarding the report or its contents.	Fully	Contact Us page		Select (1) Corporate Responsibility from Topics drop-down menu, and (2) Environment or Community & Giving options from Category drop-down menu
3.5	Process for defining report content.	Fully	About this site		See 2010 and 2011 Soul reports (in report archive) for materiality analysis.
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	Fully	About this site		
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	About this site		
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	About this site		
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	About this site		
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	About this site		
		Fully	Global Performance Summary		
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	About this site		
			Global Performance Summary		
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	About this site/GRI Index		
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	About this site		

	4. Governance, Commitments, and Engagement				
Profile Disclosure	**Description**	**Reported**	**Cross-reference/Direct answer**	**Reason for omission**	**Explanation**
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Fully	Corporate Governance Committee Compensation Proxy Statement		Starts page 11 of PDF
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	Independent Chair Policy – We adopted a policy to require that we have an independent Chair of the Board, whenever possible. The policy is prospective, and begins to apply when Ronald L. Sargent, our current Chairman and CEO, retires or no longer serves as Chairman of the Board. The policy does not apply if the appointment violates any contractual obligation, if no independent member of the Board is available or willing to serve as Chair, or if the appointment would be inconsistent with the Board's fiduciary obligations. In accordance with its fiduciary duties, the Board will periodically make a determination as to the appropriateness of its policies in connection with the recruitment and succession of the Chairman and CEO.		
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Fully	Staples has a Board of Directors and Executive Officers. Executive Officers		
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	Annual Report Associates can also engage with leadership through channels such as a regular leaders forum, Breakfast Club with executive committee, "Just Ask" Q&A series, engagement surveys, associate resource group events, and our Chief Culture Officer.		Pages 5 (shareholders), 20-21 (enterprise risk management), 22 (communicating with board)
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Fully	Annual Report		Pages 30-32 (Directors), 38-68 (Executive compensation plan & analysis) of PDF. No specific social or environmental criteria are applied.
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	Director's Corporate Governance Guidelines		See Director's Corporate Governance Guidelines
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	Fully	Director's Corporate Governance Guidelines		See Director's Corporate Governance Guidelines
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Fully	Policy Documents (Code of Ethics) Policy Documents (Supplier Code of Conduct) Ethics at Work Ethical Sourcing		
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Fully	Annual Report		Pages 11-22 of PDF
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	Director's Corporate Governance Guidelines		See Director's Corporate Governance Guidelines

4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.		Staples stays abreast of the environmental challenges and issues facing our industry and the products and services we offer our customers. Our precautionary approach to environmental challenges is reflected in our strong goals and our leadership in launching products, services, and operational changes that support precautionary principles. For example, Staples was the first in our industry to adopt a paper procurement policy to help protect forest resources, the first retailer to offer a national electronics recycling program across all 1,800+ of our retail locations to responsibly handle electronic waste, and one of the first office products companies to launch our own brand line of Sustainable Earth green cleaning products that use greener chemistry to reduce impacts on human health and the environment. We partner extensively with NGOs on issues such as sustainable forestry issues, packaging and technology, as well as green chemistry.		
			Ethics at Work		
			Sustainable Products		
		Fully	CDP Investor Response question 2.1		
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	None		
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	Fully	About this Site/Stakeholder Engagement		
4.14	List of stakeholder groups engaged by the organization.	Fully	About this Site/Stakeholder Engagement		
4.15	Basis for identification and selection of stakeholders with whom to engage.		About this Site/Stakeholder Engagement		
			Community		
			Diversity at work /Supplier Diversity		
		Fully	Ethical Sourcing		
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.		Frequency of engagement varies greatly; some occurs on an ad-hoc basis while other engagements occur regularly. More detail is included in the following sections:		
			About this Site/Stakeholder Engagement		
		Fully	Annual Report		See pages 12-13 of PDF
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.		About this site		
		Fully	About this site/Stakeholder Engagement		
STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)					
G3 DMA	Description	Reported	Cross-reference/Direct answer		Further comments
DMA EC		Disclosure on Management Approach EC			
Aspects	Economic performance		Annual report		(Full Report)
			Global Performance Summary (Community section)		
		Fully	Our Community Goals/Community Performance Highlights		
	Market presence	Fully	Annual report		Pages 96-99 of PDF
	Indirect economic impacts		Community		
		Fully	Ethics at Work/Supplier Diversity		
DMA EN	Disclosure on Management Approach EN				
Aspects	Materials		Our Strategy		
			Reducing Operational Waste		
			Sustainable Products		
			Recycling & Eco Services		
		Fully	Global Performance Summary		
	Energy		Our Strategy		
			Renewable Energy & Efficiency		
		Fully	Performance Highlights		
	Water		Our Strategy		
		Partially	Global Performance Summary		
	Biodiversity		Our Strategy		
		Partially	Sustainable Products/Greener Paper Choices		
	Emissions, effluents and waste		Our Strategy		
			Renewable Energy & Efficiency		
		Fully	Global Performance Summary		

	Products and services	Fully	Our Strategy Sustainable Products Performance Summary/Eco-Products Recycling & Eco-Services Reducing Operational Waste	
	Compliance	Not	Not reported	
	Transport	Partially	Our Strategy Renewable Energy & Efficiency/Fleet efficiency Global Performance Summary	
	Overall	Not	Not reported	
DMA LA	**Disclosure on Management Approach LA**			
Aspects	Employment	Fully	Careers	
	Labor/management relations	Not	No related indicators are reported	
	Occupational health and safety	Partially	In order to deliver on our goals of a safe working environment, we have Occupational Health and Safety (OHS) plans that are reviewed and updated annually based on changes in the business and in local, state and federal regulatory requirements.	
	Training and education	Fully	Staples' Organizational and Executive Development oversees success planning and organizational design efforts in addition to recruiting, coaching and developing senior leaders, as well as live and virtual programs for managers globally. Staples uses annual performance reviews for associates. Individual training and development teams are embedded within business units and are responsible for organization-specific and function-specific training. Staples uses a global talent management system, Talent Track, to track training, performance, and succession planning. Finally, we offer an annual scholarship program for external training, and offer discounts on classes at partner universities.	
	Diversity and equal opportunity	Fully	Diversity & Inclusion Employee benefits	
DMA HR	**Disclosure on Management Approach HR**			
Aspects	Investment and procurement practices	Partially	Ethics and Governance Ethical Sourcing/Supplier Code of Conduct	
	Non-discrimination	Partially	Ethics and Governance Ethical Sourcing/Supplier Code of Conduct	
	Freedom of association and collective bargaining	Partially	Ethics/Global Code of Ethics Ethical Sourcing/Supplier Code of Conduct	
	Child labor	Partially	Ethics/ Global Code of Ethics Ethical Sourcing/Supplier Code of Conduct	
	Forced and compulsory labor	Partially	Ethics/Global Code of Ethics Ethical Sourcing/Supplier Code of Conduct	
	Security practices	Partially	Ethics/Global Code of Ethics Ethical Sourcing/Supplier Code of Conduct	
	Indigenous rights	Partially	Ethics/Global Code of Ethics Ethical Sourcing/Supplier Code of Conduct	
DMA SO	**Disclosure on Management Approach SO**			
Aspects	Community	Fully	Community & Giving Our Community Goals Global Peformance Summary	
	Corruption	Fully	Ethics/Global Code of Ethics	
	Public policy	Fully	Corporate Governance/Political Contributions	
	Anti-competitive behavior	Partially	Ethics/Global Code of Ethics	
	Compliance	Fully	Ethics/Global Code of Ethics	
DMA PR	**Disclosure on Management Approach PR**			
Aspects	Customer health and safety	Fully	100% Satisfaction Guarantee	See Returns Policy question
	Product and service labeling	Partially	Environment (Recycling & Eco Services, Sustainable Products) About this site/Stakeholder Engagement (Customers)	
	Marketing communications	Not	No related indicators are reported	
	Customer privacy	Partially	Protecting customer information and privacy	
	Compliance	Not	No related indicators are reported	

STANDARD DISCLOSURES PART III: Performance Indicators			
Economic			
Performance Indicator	**Description**	**Reported**	**Cross-reference/Direct answer**
Economic performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	Annual Report Global Performance Summary (Community section)
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Fully	Latest Staples CDP Investor response
EC3	Coverage of the organization's defined benefit plan obligations.	Fully	Annual Report
EC4	Significant financial assistance received from government.	Not	Not reported
Market presence			
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	Not	Not reported
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Not	Not reported
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Not	Not reported
Indirect economic impacts			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Not	Not reported
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Fully	Community & Giving Ethics at Work/Supplier Diversity
Environmental			
Performance Indicator	**Description**	**Reported**	**Cross-reference/Direct answer**
Materials			
EN1	Materials used by weight or volume.	Not	Not reported
EN2	Percentage of materials used that are recycled input materials.	Partially	Recycling & Eco Services Global Performance Summary (Sustainable Products sections)
Energy			
EN3	Direct energy consumption by primary energy source.	Fully	Renewable Energy & Efficiency Global Performance Summary (Energy Use & Greenhouse Gas section)
EN4	Indirect energy consumption by primary source.	Partially	Renewable Energy & Efficiency Global Performance Summary (Energy Use & Greenhouse Gas section)
EN5	Energy saved due to conservation and efficiency improvements.	Fully	Renewable Energy & Efficiency
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Partially	Sustainable Products
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Partially	Renewable Energy & Efficiency
Water			
EN8	Total water withdrawal by source.	Fully	Global Performance Summary (Water section) CDP Water Response
EN9	Water sources significantly affected by withdrawal of water.	Not	Not reported
EN10	Percentage and total volume of water recycled and reused.	Not	Not reported
Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Not	Not reported
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Partially	Sustainable Products/Greener Paper Choices
EN13	Habitats protected or restored.	Not	Not reported
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Partially	Sustainable Products/Greener Paper Choices
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not	Not reported
Emissions, effluents and waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	Renewable Energy & Efficiency/Reducing carbon emissions Global Performance Summary (Energy Use & Greenhouse Gas section)
EN17	Other relevant indirect greenhouse gas emissions by weight.	Not	Not reported
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	Renewable Energy & Efficiency/Using alternative sources of energy Renewable Energy & Efficiency/Reducing carbon emissions Global Performance Summary (Energy Use & Greenhouse Gas section)
EN19	Emissions of ozone-depleting substances by weight.	Not	Not reported
EN20	NOx, SOx, and other significant air emissions by type and weight.	Not	Not reported
EN21	Total water discharge by quality and destination.	Not	Not reported
EN22	Total weight of waste by type and disposal method.	Fully	Reducing Operational Waste Global Performance Summary (Waste & Recycling section) We do not report on total hazardous waste statistics as hazardous waste constitutes less than 1% of our total waste stream by weight.

EN23	Total number and volume of significant spills.	Not	Not reported
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel	Not	Not reported
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected	Not	Not reported
Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	Sustainable Products Recycling & Eco Services Our strategy
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Partially	Recycling & Eco Services Global Performance Summary (Customer Recycling section)
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Not	Not reported
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Partially	Renewable Energy & Efficiency/Fleet performance Global Performance Summary (Energy Use & Greenhouse Gas section) Latest Staples CDP Investor response (see Scope 3 emissions for Employee Business Travel emissions for US)
Overall			
EN30	Total environmental protection expenditures and investments by type.	Not	Not reported
Social: Labor Practices and Decent Work			
Performance Indicator	**Description**	**Reported**	**Cross-reference/Direct answer**
Employment			
LA1	Total workforce by employment type, employment contract, and region.	Fully	As of the end of FY 2014, Staples had a global workforce of 79,075 associates. This includes 44,400 full-time associates and 34,675 part-time associates The workforce is allocated by markets as follows: 86% in North America and 14% in International.
LA2	Total number and rate of employee turnover by age group, gender, and region.	Partially	Employee turnover rates: Globally--46.4% Age--<30: 73.9%; 30-50: 28.4%; >50: 17%
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	Employee benefits Life at Staples
Labor/management relations			
LA4	Percentage of employees covered by collective bargaining agreements.	Not	Not reported
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Not	Not reported
Occupational health and safety			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Not	Not reported
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Not	Not reported
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	Employee benefits In order to deliver on our goals of a safe working environment, we have Occupational Health and Safety (OHS) plans that are reviewed and updated annually based on changes in the business and in local, state and federal regulatory requirements.
LA9	Health and safety topics covered in formal agreements with trade unions.	Not	Not reported
Training and education			
LA10	Average hours of training per year per employee by employee category.	Not	
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	Staples' Organizational and Executive Development oversees success planning and organizational design efforts in addition to recruiting, coaching and developing senior leaders, as well as live and virtual programs for managers globally. Staples uses annual performance reviews for associates. Individual training and development teams are embedded within business units and are responsible for organization-specific and function-specific training. Staples uses a global talent management system, Talent Track, to track training, performance, and succession planning. Finally, we offer an annual scholarship program for external training, and offer discounts on classes at partner universities. Employee benefits

LA12	Percentage of employees receiving regular performance and career development reviews.	Fully	Each associate in North America receives an annual performance review that is based on objectives and development plans established at the start of the year. We have also established an annual performance review cycle as Staples policy in our international locations.

Diversity and equal opportunity

LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Fully	Annual Report As of the end of FY 2014, Staples Board of Directors had 11 members. Composition included 9 males/2 females; 1 in 30-50 age group and 10 in over 50 age group; minorities include 2 Asian American, 1 African American and 1 Hispanic. Breakdown of global employees by gender: Female, 45.6%; Male, 54.4% Breakdown of global employees by age: Under 30, 44.2%; 30-50, 38.3%; over 50 , 17.6% Breakdown of US employees by ethnicity: White, 42.6%; African American or Black, 15%; Asian, 4.4%; Hispanic, 13.4%; Native Hawaiin/Other Pac Island, 0.6%; Unknown, 23.4%
LA14	Ratio of basic salary of men to women by employee category.	Not	Not reported

Social: Human Rights	

Performance Indicator	Description	Reported	Cross-reference/Direct answer
Investment and procurement practices			
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Not	Not reported
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Fully	Ethical Sourcing
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Not	Not reported
Non-discrimination			
HR4	Total number of incidents of discrimination and actions taken.	Not	Not reported
Freedom of association and collective bargaining			
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Not	Not reported
Child labor			
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Not	Not reported
Forced and compulsory labor			
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	Not	Not reported
Security practices			
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Not	Not reported
Indigenous rights			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Not	Not reported

Social: Society			
Performance Indicator	**Description**	**Reported**	**Cross-reference/Direct answer**
Community			
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Partially	Community & Giving About this site/Stakeholder Engagement
Corruption			
SO2	Percentage and total number of business units analyzed for risks related to corruption.	Fully	Ethics The Staples Ethics and Compliance program is a risk-based program. 100% of businesses are analyzed for risks related to corruption.
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Fully	Ethics 100% of employees in high risk geographies and job functions receive training.
SO4	Actions taken in response to incidents of corruption.	Partially	Ethics/Global Code of Ethics
Public policy			
SO5	Public policy positions and participation in public policy development and lobbying.	Not	Not reported
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	Corporate Governance/Political Contributions FY 2014
Anti-competitive behavior			
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Not	Not reported
Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Not	Not reported
Social: Product Responsibility			
Performance Indicator	**Description**	**Reported**	**Cross-reference/Direct answer**
Customer health and safety			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Partially	Ethical Sourcing Warranty & Recall
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Not	Not reported
Product and service labeling			
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Partially	Sustainable Products Recycling & Eco Services
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Not	Not reported
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	About this site/Stakeholder Engagement (Customers) Staples conducts regular customer satisfaction surveys to gauge our customers' shopping experience with us. In North America, we conduct these surveys for our North American Commercial, Online and Retail customers. Results are analyzed and summarized on a monthly basis, and compared year-over-year, as well as against the annual target.
Marketing communications			
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Not	Not reported
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Not	Not reported
Customer privacy			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not	Not reported
Compliance			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Not	Not reported