Letter from Shira Goodman

Dear Stakeholders,

Staples officially turned 30 years old this year. A lot has changed over the last three decades, transforming the retail and B2B industries in which we operate. A few of the many differences include the shift from bricks and mortar to eCommerce; changes in core office product use as technology adoption has flourished; new delivery supply chain models; and evolving approaches and expectations related to corporate responsibility. Among all of the change we’ve seen and that the future will bring, one thing is clear — we are laser focused on evolving our business to deliver more value for our customers, shareholders and other stakeholders.

To further refine and strengthen our corporate responsibility strategy, late in 2015 we conducted a materiality assessment. The assessment looked at broader social and environmental issues and trends globally around corporate responsibility; internal and external stakeholder requests and interactions with Staples; and survey results from a diverse group of Staples associates about a large set of issues. The findings (shared throughout the website and detailed in this section) identified a number of topics that are important both to Staples as a company and to our stakeholders.

Some of the top issues identified included sustainable products (including responsible sourcing), governance, data and customer privacy, recycling services, workplace, diversity and inclusion, sustainable operations, and community support. This past year, Staples had several positive achievements in these areas that we’ve highlighted throughout this website and in Staples’ 2015 Annual Report.

For example:

- We sold more than $5.21 billion in products with environmental features in 2015, equal to about 29 percent of our total product sales globally.
- We donated more than $13 million to non-profit organizations around the world.
- We were included in the Dow Jones Sustainability Index for the 12th straight year.
- We launched a dedicated website, www.StaplesDiversity.com, focused on showcasing our diverse workforce and inclusive culture to job seekers and published Gender Transition at Staples guidelines.
- We recycled more than 26 million pounds of eWaste for customers globally in 2015, continuing to make progress toward our goal of collecting 40 million pounds annually by 2020.
- For more detail on the goals we’ve established to keep these programs moving forward, see the Goals section of our website. For performance updates against our key corporate responsibility indicators, see our detailed Performance Summary.

The next few years will prove to be exciting times for Staples as we continue to transform our business. This includes traditional areas like growing sales profitably, managing costs, and always putting the customer first. But it also includes making sure we foster a diverse, engaged and collaborative work culture; we give back to the communities we touch; we make it easy for our customers to be more sustainable; and we protect the people and the planet upon which we all depend.

Thank you for your interest in Staples’ corporate responsibility programs, and we hope you find this website and report helpful as you learn more about all the things we do.

Sincerely,

Shira Goodman
CEO

Staples, Inc.

Shira Goodman
CEO

Staples 2015 Corporate Responsibility Report
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 around the world, several organizations recognized Staples for excellence in corporate responsibility.

- For the 13th consecutive year, Staples was selected as a component of the Dow Jones Sustainability Indexes (DJSI) for 2016/2017
- Staples Canada ranked 9th most reputable brand in 2015 Leger & Marketing Magazine's Corporate Reputation Study
- Named to Newsweek’s Top Green Companies in the U.S. 2015 rankings
- Staples won an ENERGY STAR Partner of the Year award in 2015 for Sustained Excellence. Staples has been an ENERGY STAR Partner of the Year for 7 consecutive years.
- 2015 Environmental Leader Product & Project Award — Top Product of the Year Award for TerraCycle Zero Waste Box Launch
- For the 6th straight year, earned perfect 100% score on the Human Rights Campaign’s Corporate Equality Index
- Included on Black EOE Journal’s 2015 Best of the Best Lists: Top Disability-Friendly Companies and Top LGBT-Friendly Companies
- Recognized by US Business Leaders Network for Disability Inclusion in our Fulfillment Center business
- Shira Goodman recognized by Professional Women’s Magazine as one of 2015’s “Women Worth Watching”
Our Strategy

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.

- 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, including meeting with our Audit Committee to advise them on environmental considerations in our company-wide risk management process. 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. As a retailer, we recognize that 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.

This combined emphasis on dialogue and collaboration, as well as staying abreast of trends, opportunities and challenges, helps the organization keep environmental sustainability front of mind in the company’s decision making.

Internationally, 84 of our facilities have environmental management systems certified to the ISO 14001 standard. These facilities are located in the following countries:

- Australia
- Canada
- China
- Denmark
- Finland
- France
- Germany
- The Netherlands
- New Zealand
- Norway
- Portugal
- Sweden
- The United Kingdom & Ireland
The performance and progress reported below reflect the vast majority of our global business operations, based on data available to date. 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. View detailed performance data on our Performance Summary page.

### Performance Highlights

<table>
<thead>
<tr>
<th>Vision</th>
<th>Goals</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sell more sustainable products and services.</strong></td>
<td>Continue to improve the sourcing, identification and promotion of greener products to customers. Reduce the use of outbound packaging materials in the United States by 20% before 2020 from a 2011 baseline.</td>
<td>In 2015, Staples had $5.2 billion in sales of products with one or more environmental features, globally, representing 29% of total product sales. From 2011 to 2015, the weight of all packaging materials used per package shipped decreased by 8%.</td>
</tr>
<tr>
<td><strong>Offer customers easy recycling solutions.</strong></td>
<td>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.</td>
<td>Globally, we collected approximately 56.8 million ink and toner cartridges in 2015, a decrease of approximately 9% from 2014. Based on continued declines in ink and toner sales, we're collecting fewer units. We will be revising this goal to better reflect recycling as a percentage of sales. Globally, we collected approximately 26.5 million pounds of eWaste in 2015, a very slight decrease from 2014. This was despite closing 76 stores globally in FY15 (62 of which were in the U.S.), which reduces our available collection points.</td>
</tr>
<tr>
<td><strong>Eliminate operational waste.</strong></td>
<td>Reduce waste to landfill by 25% globally before 2020 from a 2010 baseline.</td>
<td>Globally, we sent approximately 38,590 tons of waste to the landfill in 2015, an approximately 2% increase from our 2010 baseline, largely due to improved data availability and, as a result, less estimation.</td>
</tr>
<tr>
<td><strong>Maximize energy efficiency &amp; use of renewable energy.</strong></td>
<td>Reduce the electrical intensity of our global operations by 25% before 2020 from a 2010 baseline. Ensure that 50% of our active locations in the United States achieve ENERGY STAR® certification by 2020. Reduce net global carbon emissions by 50% before 2020 from a 2010 baseline.</td>
<td>Our global electricity intensity in 2015 was 10.64 kWh/ft², a 7.5% reduction from our 2010 baseline. At the end of 2015, 38% (or 527) of our active U.S. facilities were designated as ENERGY STAR® certified. This represents an increase of 5 percentage points from 2014. In 2015, our global carbon emissions were approximately 396,580 MtCO₂e, an approximately 28% decrease from our 2010 baseline emissions. This year, we have restated our goal and recalculated our emissions to reflect the new location-based methodology for calculating emissions from purchased electricity.</td>
</tr>
</tbody>
</table>
Sustainable Products

With more than 1 million products available to its retail, online and Advantage customers around the world, the production, transport, use and end-of-life management of Staples’ product assortment represents a large portion of our environmental and social impacts as a company. In addition, our customers are increasingly seeking products that contain safe, nontoxic materials; use resources responsibly; are packaged sustainably; have an appropriate end-of-life solution; and are clearly marketed to enable informed decisions. Staples has a growing portfolio of more sustainable products, including Staples own brand and national brands, to meet customer demand and to reduce our environmental and social impacts. Adopting policies and setting targets communicates our intentions. Assessing the impacts of our products allows us to prioritize our efforts. Relying on third-party expert partnerships bolsters our efforts and credibility with customers.

Helping our customers be more sustainable

An increasing number of customers are looking for easy ways to reduce the environmental impacts of running their businesses and home offices. In stores and online, Staples offers more than 13,000 eco-conscious products, including items that meet some of the most stringent environmental standards like Forest Stewardship Council (FSC) certified paper products, EPA Safer Choice certified cleaners, Fair Trade certified coffees, level® certified furniture, and ENERGY STAR® certified electronics. Staples sold globally more than $5.21 billion of products with one or more environmental features in 2015, or about 29% of our total product sales. And more than $3.03 billion of those sales were products meeting our criteria for more advanced environmental features. For the U.S., 31% of product sales were products with environmental features, and a little over half of those sales met our criteria for more advanced environmental designs.

We strive to make it easy for customers to understand and access our sustainable product offering. For our Staples Business Advantage customers, our Strategic Account Leaders and dedicated Sustainable Solutions Managers can help develop and execute sustainability programs. This includes reporting tools that provide visibility into the percentage of spend with Staples that meets environmental criteria, benchmarking environmental spend against peers, and “eco-alternatives” functionality to help drive increases in sustainable procurement. Our recently re-launched Sustainability Center on staples.com® helps raise awareness about how to identify eco-responsible products and makes it easy for customers to directly shop for those products.

This year, Staples Advantage Europe launched a new customer environmental program called Easy on the Planet, through which Staples and global charity partner Plant-for-the-Planet will plant trees as a reward for our customers’ positive environmental behavior. When customers reduce their numbers of small orders, select eco-conscious products, and consolidate categories with us, not only do we reduce excess packaging and transport emissions – Staples will also plant trees on our customers’ behalf. Plant-for-the-Planet plants trees in the areas around the globe where they have the largest environmental and social impact, restoring eco-systems and creating jobs for communities in countries across the world.

Vision

Sell more sustainable product 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.
Making our supply chain more sustainable

Staples has a large, complex and geographically diverse supply chain. Staples partners directly with more than 2,200 suppliers, both large and small, across a few dozen countries, and we spend billions of dollars annually on products that we re-sell to customers across all of our sales channels. We have approximately 400 key suppliers who represent approximately 80 percent of our sales and who we work with most closely to support product promotions and marketing initiatives. Staples sells products and services using multiple business channels, including “brick and mortar” retail, online sales and direct-to-business contract sales, with each channel requiring a unique supply chain process from how we receive products and ultimately deliver them to customers. We sell millions of SKUs, including contract manufactured Staples® brand products, name-brand products, and a portfolio of products sourced through wholesalers. We also operate in more than 25 countries around the world, from North America to Europe and emerging markets, each with its own unique supply chain opportunities and challenges.

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, Kimberly-Clark, International Paper, Epson, Avery Dennison, 3M, Apple and our own Staples® Brands Group, have invested in sustainable product development for many years to bring more eco-conscious products to market.

Several years ago, we evaluated our primary product categories to identify those with the most significant environmental impacts. This allowed us to focus our efforts on initiatives in these categories to allow for better transparency into our supply chain and a better understanding of the most relevant issues. While we don’t currently screen all new suppliers using environmental criteria, we do have our Supplier Code of Conduct, which forms the basis of our environmental and social expectations of all of our vendors and own brand suppliers. We expect all suppliers to comply with the policy, and we audit Staples own brand suppliers in high-risk regions to evaluate compliance.

Collaborating to advance product sustainability

Staples has been supporting independent research to advance our work on sustainable products 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
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 including the Rainforest Alliance and GreenBlue’s Forest Products Working Group to help us improve paper product sustainability. We 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.

Eco-Copy & Print

We are committed to offering our customers environmentally responsible Copy & Print services that meet our high quality standards. Staples® Print and Marketing Services 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.

Staples partners with several organizations on our paper sustainability initiatives:

- Rainforest Alliance SmartSource
- Forest Legality Alliance
- Forest Products Working Group (FPWG), a project of GreenBlue
- Canadian Boreal Forest Agreement
- 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)
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 reduces corrugate 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 2015, the weight of all packaging materials used per package shipped decreased by 8%. Corrugated cardboard used per package has decreased by over 5%, and air pillows used per package have decreased by 27%. 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.
Recycling Solutions

Staples offers responsible, free and convenient recycling solutions for technology, ink and toner cartridges, and rechargeable batteries at all of our retail stores in the U.S., most of Canada, and various locations in Europe. Customers value these recycling programs because we help make it easier for them to be more sustainable. Managing this material flow is also valuable to us as a business, since we generate additional store visits and traffic through these programs; foster a positive brand experience with customers by helping them recycle traditionally hard-to-recycle items; and can offer incentives to customers to drive new purchases when they recycle. Plus these programs reduce the lifecycle environmental impacts of the technology products we sell. We’ve recently branched into other recycling services to continue to meet the needs of our customers for other hard-to-recycle waste streams.

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). We have similar eWaste programs in Canada, where a variety of electronic waste is collected, with some variations and exclusions depending on the province. Staples is an e-Stewards Enterprise, meaning we have committed to using certified e-Stewards® Recyclers wherever feasible to handle the electronic materials we collect for recycling.

Staples also offers a technology recycling service for all of our U.S. Staples Business Advantage® customers. This B2B recycling program allows businesses to recycle old electronics such as computers, cell phones, keyboards, telecom equipment and multifunction devices in three easy steps:

- Order recycling boxes online.
- Fill boxes with electronics and ship back to Staples using the provided return label.
- Receive a Certificate of Recycling from Staples certifying that their electronics have been properly recycled and data was safely removed.

In 2015, Staples collected more than 16.7 million pounds of eWaste from our U.S. customers and more than 26.5 million pounds of eWaste globally.

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.

Electronic Items collected for recycling globally. (Millions of pounds)
Ink and cartridge recycling

Recycling ink pays big dividends for the environment and our customers. In addition to reducing the amount of waste going to landfills and reusing valuable resources, our U.S. retail and staples.com® customers receive $2 back in Staples Rewards® for each ink or toner cartridge recycled (with certain restrictions).

Ink and toner recycling is also available to our Staples Business 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. Canada retail locations and our retail locations in other markets also offer free recycling of ink and toner.

In the U.S., Staples recycled more than 50.4 million ink and toner cartridges in 2015 and more than 56.8 million cartridges globally. However, the volume of ink and toner cartridges collected annually for recycling continues to 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, the 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.

Furniture Recycling

Staples Business Advantage in the U.S. teamed up with Davies Office in 2015 to offer customers a unique program to trade in and remanufacture their existing office furniture. Davies Office is a leading provider of high-quality remanufactured office furniture solutions, taking older furniture assets and transforming them to look and perform just like brand-new furniture, at a fraction of the cost. Staples Business Advantage customers will now be able to capitalize on innovative product banking and exchange programs and source high-quality remanufactured furniture instead of keeping their old assets in storage or sending them to a landfill. The benefits include updating office workplaces cost-effectively, earning credit toward green building standards like LEED, and receiving detailed reporting quantifying the environmental benefits.

In addition, Staples Business Advantage offers a program through IRN: The Reuse Network (IRN) to support furniture donation and reuse for our U.S. customers. IRN works with a variety of organizations including universities, public and independent schools, corporations and government agencies to place their surplus furniture assets for reuse. It then matches those assets with U.S. and worldwide charities to find the best use for them socially and environmentally, at a cost that is less than throwing the assets away.
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. As a global company, we operate nearly 2,000 owned and leased facilities worldwide as well as managing the transport of products to and from our buildings. In order to reduce the waste impacts of our operations, we have set a global waste reduction goal. We have programs in place in our stores, distribution centers and offices to recycle materials such as cardboard, mixed paper, shrink wrap and pallets, and we responsibly manage the small quantities of hazardous and restricted wastes that we generate in our operations. Globally, the volume of waste to landfill increased by approximately 2% from our baseline year to our most recent reporting year. This global increase was significantly driven by improved tracking and reporting capabilities for waste in the U.S. and Canada.

We feel optimistic that we can regain the positive trend of decreasing waste that we demonstrated in earlier years of our goal timeline. We continuously seek new ways to reduce waste and increase recycling in our facilities across the business. Initiatives include launching waste audits to identify key waste-reduction opportunities, improving communications around policies, optimizing processes, centralizing waste contracts to make it easier for facilities to adopt recycling programs, and reallocating recycling equipment to boost participation. We are currently developing and piloting initiatives with our U.S. retail store base that we believe will help further increase diversion rates including improved signage, processes and communications related to several different waste streams.

Staples generated 88 tons of hazardous and restricted waste in North America in 2015. The vast majority of the waste generated is expired or damaged product that can no longer be sold and must be processed as restricted or hazardous waste. Overall, hazardous and restricted waste represents less than one quarter of one percent of our total waste. We manage these wastes through third-party waste management parties that dispose of them responsibly, and we train all necessary associates on how to handle these materials safely and appropriately.

Additional data about total waste generated, including materials diverted for recycling, can be found in our Performance Summary.
Energy Efficiency and Renewables

With a large portfolio of facilities and vehicles, Staples recognizes the significance of the energy usage and carbon emissions impacts of its operations. Reducing these impacts has been a cornerstone of our sustainability initiative for many years. Staples’ energy management program is comprehensive, focusing on technological, behavioral and process-based solutions across our buildings and fleet. We leverage energy efficiency programs as well as incorporating renewable energy into our portfolio — all with the aim of reducing energy use and carbon emissions. We have several global and U.S. based goals to move the business forward in this area.

In the U.S. and Canada, Staples’ buildings operate in compliance with the building codes relevant to the states and provinces where we operate. As the various regions continue to adopt model building energy codes with rising energy efficiency standards, so too does Staples. However, as covered in the content below, Staples also goes above and beyond to implement voluntary energy efficiency measures to protect the environment and drive cost savings. In Europe, Staples is subject to the European Energy Efficiency Directive in several countries where we operate. In these markets, we fulfill reporting requirements to local authorities, audit our facilities and work towards stated energy efficiency objectives. In the UK, Staples also participates in the Carbon Reduction Commitment.

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 2015, we had 527 active U.S. buildings that are ENERGY STAR verified. This number represents 38% of buildings that were open and active at the end of the year, a 5 percentage point increase over 2014. We have adjusted this calculation in 2015 and for the previous two years to more accurately include buildings that are open and eligible for certification and exclude any buildings that were previously certified but are now closed (which is 100 total locations as of the end of FY15).

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

Vision

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

Focus Areas

Energy efficiency and effectiveness of facilities, fleet and logistics.

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.

In 2015, Staples signed the WRI Renewable Energy Buyers’ Principles and the American Business Act on Climate Pledge to signal our support for increasing renewable energy and reducing climate impacts.
Energy reduction initiatives for a greener future

As demonstrated by our ENERGY STAR certified buildings commitment and progress, Staples is focused on 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

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.

Through our proven energy efficiency programs, we are demonstrating tangible progress against our goals to improve our energy efficiency. From 2010 to 2015, Staples reduced our global electrical intensity by 7.5% 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).

Improving our transportation network’s environmental performance

Staples has consistently worked to improve the sustainability of its delivery practices. 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 piloting and using cleaner vehicle technologies like fully electric and natural gas powered trucks in our U.S. fleet have helped Staples to improve our long-term fuel economy trend. Currently, Staples U.S. is using a combination of a fleet of leased trucks and third-party delivery carriers.

Where it is feasible, we are striving to partner with our delivery partners to implement sustainability initiatives in final mile delivery. Part of our work to encourage delivery partners to ship more sustainably is through our participation as a Shipper Partner in the EPA’s SmartWay program, which signals our intent to work with trucking partners committed to reducing the environmental impacts of their fleet.

Staples acknowledges that our nearly 75,000 associates around the globe produce their own energy and emissions impacts as they commute to and from our facilities via car, bus and train, or travel for their jobs. While we have not yet quantified these impacts, we do aim to provide opportunities for associates to reduce these by providing resources for ride-sharing, supporting bike-to-work days and allowing telecommuting. In fact, Staples’ Home Office has been recognized for multiple years for offering and promoting sustainable commuter options by the Excellence in Commuter Options Awards. In several of our northern European countries – the Netherlands, Sweden, Norway and Denmark – Staples held bike-to-work and carpooling events on Earth Day 2015.

Our energy reduction program continues to save energy at facilities in North America and internationally. In the U.S., this results in over $1 million in operating expense savings annually, and an average of 5 percent reduction in electricity use over the last three years.
Reducing our carbon emissions

In early 2015, the GHG Protocol released updated guidance for calculating emissions from purchased electricity (a significant portion of Staples’ carbon footprint). Because this is the de facto carbon accounting standard, Staples has adjusted its carbon reduction goal, accounting practices and reporting to align with this widely accepted standard in this reporting year.

In our response to the 2016 CDP Climate Questionnaire, we reported emissions from purchased electricity in two ways – the “location-based” approach, which uses emissions factors based solely on geographic region, and the “market-based” approach, which uses supplier-specific factors and takes into account renewable energy purchases (neither approach accounts for project offsets). We have also included both “location-based” and “market-based” numbers in our Performance Summary, and have restated numbers for previous years (going back as far as 2010, our baseline accounting year).

We are also adjusting our carbon reduction goal to reflect the “location-based” accounting practice and are providing updated numbers for all years in the goal period (2010–2015). While this “location-based” reporting method does not account for renewable energy purchases (like the renewable energy certificates purchased in the U.S. and Canada), it does reflect energy efficiency improvements, which is a significant area of focus for Staples (as demonstrated by the steady decline in emissions from 2010 through 2015 in the above chart). We also feel that our inventory of supplier-specific emissions factors is not yet robust enough to yield meaningful “market-based” emissions calculations; however, we can revisit if that changes in the future.

Our global carbon emissions decreased to 396,580 metric tons in 2015, a reduction of 28 percent from our 2010 baseline.

See our Performance Summary and CDP Climate Questionnaire response for more details about our carbon emissions calculations and methodology, climate strategy, and perceived climate risks and opportunities.
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 Foundationsm, our private charitable arm. We also encourage our associates to contribute their time and resources. Through our global community and giving efforts, we have helped thousands of organizations in local communities across 26 countries.

2015 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 million to non-profit organizations around the world through Staples Foundation, corporate charitable giving programs, in-kind donations and cause marketing efforts.
- Enabled nearly 12,000 associates globally (through the 2 Million & Change grant program) to direct $2.5 million to 875 organizations they personally care about and support across 24 countries.
- Provided educational support to communities around the world affected by disasters through the Staples® Emergency Education Fund with Save the Children.
- Inspired customers to donate more than $2.1 million through 10 cause marketing and disaster relief campaigns conducted in the U.S., Canada and Europe.
- Engaged 4,000 associates in community volunteer events in 12 countries and raised over $625,000 through non-profit fundraising campaigns.
Goals for 2016

- Deepen associate community engagement by increasing awareness and participation in local volunteer opportunities.
- Increase associate involvement in the 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 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 that our 2 Million & Change program provides grant support for the causes our associates care about most.

Supporting Our Communities

United Way Day of Action
Over 300 Staples associates decorated and assembled 1,000 literacy kits for young children with limited access to books.

Amsterdam Community Day
Over 150 Staples associates volunteered with eight local organizations during a day of service.

American Diabetes Association Spin-A-Thon
More than 300 Staples associates and their families participated in the North Shore Tour de Cure and Spin-a-Thon event to raise funds for the American Diabetes Association. Over $100,000 has been raised in the past two years.

Special Olympics Truck Pull
Nearly 50 associates pulled a Staples truck 50 feet to raise funds for inclusive school sports programming.

Cradles to Crayons Backpack-A-Thon
Approximately 1,100 Staples associates volunteered to stuff 20,000 backpacks with schools supplies for disadvantaged kids.

Staples Heart Walk
Over 800 Staples associates participated in Heart Walks across five North American locations, raising more than $17,000 for the American Heart Association.

Getting Involved

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 non-profit organizations
- Participating in fitness fundraisers in which Staples teams walk, run or bike to raise money for a local cause
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.

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

Boys & Girls Clubs of America
Staples supports the Summer Brain Gain program, which provides fun learning experiences for youth 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.

Initiative for a Competitive Inner City
Staples supports urban business growth across the country through sponsorship of the Inner City 100 and Inner City Capital Connections programs.

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 2015, Staples provided relief following disasters in Europe, Nepal, and the U.S. Learn more about our disaster relief efforts.

Breakfast Club of Canada
Staples supports the Breakfast Club of Canada, which provides healthy breakfasts before school and allows children to grow and flourish. In Quebec, the Breakfast Club of Canada helps feed 16,772 students every day in 278 schools.

Plant-for-the-Planet
Partnering with Plant-for-the-Planet, Staples is planting trees for customers across Europe in reward of their eco-conscious product choices.

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 sponsorships to grants and product donations, Staples® supports 501(c)(3) non-profit organizations focused on education and job skills in a variety of ways. In fact, in 2015 we gave more than $13 million to non-profit organizations around the world.

Grants

Staples Foundation℠, our private charitable arm, awards grants through 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. 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 is building on its proud history of supporting teachers, students and education by donating to DonorsChoose.org, a nonprofit which has helped fund school classroom project requests in public schools across America. Staples has donated more than $2 million to DonorsChoose.org to fund nearly 1,800 classroom projects for more 2,000 teachers and impacted more than 200,000 students.

- Over the years, the Staples Canada Annual School Supply Drive has generated over $11 million dollars for schools, nonprofit organizations, and community groups. In 2015 alone, with the generous support of customers across the country, the drive raised more than $1.6 million dollars 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.

Eligibility guidelines:

- Registered 501(c)(3) non-profit organization
- Focused on education (e.g., schools, GED program, mentoring, tutoring, college preparation) or job skills (e.g., 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, gender identity, 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

Take action

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

Feel free to contact our Community Team with any questions or feedback. We’d love to hear from you.
Support in times of need

We’re here to help our associates, customers and local communities when a crisis or disaster occurs.

Through our partnership with Save the Children, a leader in international disaster relief focused on supporting children in times of need, we’re able to focus our giving on educational support. The Staples® Emergency Education Fund was established with Save the Children to help communities affected by disaster, with a primary focus on the 25 countries where we operate and large-scale international disasters.

In 2015, the Staples Emergency Education Fund was activated to provide relief for the following disasters:

**Nepal Earthquakes, April**
Supported temporary learning centers, reconstruction of schools, and other educational efforts for 427,900 impacted children and adults impacted by the quakes. In addition, associates and customers raised $6,500 for Save the Children’s relief fund.

**Texas Floods, May**
Provided new classroom materials, furniture and office supply kits for 15 child care centers supporting over 1,500 children and adults.

**European Refugee Crisis, September**
With support from Staples, associates and customers raised money for Save the Children’s relief fund, totaling more than $33,000.

**South Carolina Floods, October**
Helped rebuild and resupply local child care centers and schools, provided books to impacted families and supported after-school services, assisting more than 6,300 children and adults.

Helping to rebuild
When South Carolina flooding damaged the Small Minds of Tomorrow childcare center and insurance wouldn’t cover the cost, Staples was able to provide owner Lunda Green with an office supply kit donation. Contributions helped Lunda restore her center to support local families.

Associate Emergency Financial Support

Staples® Share Fund, founded and funded by associate and corporate contributions, offers relief for associates in need of severe financial assistance due to significant qualifying events, such as natural disasters, significant personal events or other circumstances beyond their control. Our associates and their well-being are extremely important to us so we offer prompt assistance whenever possible.

To learn more or donate, visit the Staples Share Fund website.
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.

A few of the many anti-corruption laws we apply to our global operations:

- U.S. Foreign Corrupt Practices Act (FCPA)
- UK Bribery Act
- Organization of Economic Cooperation Development (OECD) Convention Combating Bribery of Foreign Officials

How do we combat corruption globally?

- Anti-Corruption Policy
- Risk-based training
- Strong internal controls
- Instructor-led and online training
- Transparency International’s Corruption Perception Index

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
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, our focus on an inclusive environment and a diverse workforce is top of mind. Both are inextricably linked to our business success, now and in the future. We believe that the diversity of associates, job seekers, customers and vendors energize our thinking and help us to be a stronger and better organization. Our efforts around inclusion and diversity are about far more than compliance or “checking the box.” They represent our genuine aspiration to best serve the needs of our customers and to be an employer of choice for our talented associates.

Linking inclusion and diversity to our overall business objectives and holding leaders accountable for building a culture of inclusion where associates are valued for their unique contributions is critical. To that end, we have launched an Executive Inclusion & Diversity Council and a team of Inclusion Ambassadors to support our strategy. More specifically, we have amped up efforts to close the gender pay and leadership gaps, expanded our dynamic Associate Resource Groups and increased overall awareness of our programs with our associates and customers.

Our associates are encouraged to be their authentic selves and engage in healthy debates that spur the creative thinking and innovation that propels us forward. At Staples, we aren’t interested in everyone having the same idea, but in the varying thoughts, ideas and perspectives that challenge us to make more happen – all day, every day. We know that an inclusive culture is a catalyst for success!

We also remain committed to doing business with diverse vendors and in diverse communities. Through our Supplier Diversity Program, we’re not only strengthening our bond with minority and women-owned companies, but helping them grow their businesses, as well.

We are proud of our accomplishments but we are not close to being satisfied. Our commitment to diversify our teams is unwavering and our march toward full inclusion is a priority. By living our values and staying focused on serving our customers, we will continue to be a great place to work and a trusted company for many years to come.

Shira Goodman
CEO
Staples, Inc.

October 1, 2016
Diversity at Work

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. This focus supports our values. We have already been doing some of these things for a long time.

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
- 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.
A Message from Erika Hopkins, Director Global Inclusion & Diversity

Paying attention to diversity should be built into everything we do. Some may ask why. For me, the answer is easy. Demographic trends are transforming the population and workforce, giving Staples and other organizations many reasons to strive for workplace diversity and inclusion. With a growing need to be competitive globally, Staples must develop a diverse workforce with the right alignment of people to execute our business strategies.

Diversity has many dimensions – age, gender, gender identity, sexual orientation, race, nationality, physical ability, language, ideology, perspective, thinking style and much, much more! And inclusion is about creating a workplace where EVERY associate feels comfortable bringing their whole self to work. When these two elements are present, research shows that productivity and engagement at work increase exponentially. And that’s great for all of us and for our customers.

Recognizing the value diversity brings to our organization, at Staples we strive to build a dynamic and talented team of associates across all races, genders and lifestyles. By coupling 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, and 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.
CEO Statement on Supplier Diversity

Staples is committed to supporting and doing business with diversity suppliers. We believe that by working together with diverse suppliers, we can Make More Happen for our shareholders, customers and business partners. By including diverse businesses in our supply chain, we help to create opportunities and growth in the communities we serve.

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:

Shira Goodman
CEO
Staples, Inc.

Staples Belongs!

Corporate Member
National Minority Supplier Development Council (NMSDC)

Corporate Member
Women’s Business Enterprise National (WBENC)

Corporate Member
National Gay and Lesbian Chamber of Commerce
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.

<table>
<thead>
<tr>
<th>Global Performance Summary</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Company Snapshot</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total sales (billions USD)</td>
<td>21.1</td>
<td>22.4</td>
<td>23.1</td>
</tr>
<tr>
<td>Income (loss) from continuing operations (millions USD)</td>
<td>379</td>
<td>134</td>
<td>707</td>
</tr>
<tr>
<td>Number of countries in which Staples operates</td>
<td>25</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Total retail stores</td>
<td>1,907</td>
<td>1,983</td>
<td>2,169</td>
</tr>
<tr>
<td>Number of global associates</td>
<td>75,371</td>
<td>79,075</td>
<td>83,000</td>
</tr>
<tr>
<td><strong>Community</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total corporate giving, including Staples, Inc.; Staples Foundation; global giving and in-kind giving (USD)</td>
<td>$13,005,420</td>
<td>$13,848,224</td>
<td>$10,196,135</td>
</tr>
<tr>
<td>Value of in-kind donations</td>
<td>$3,247,900</td>
<td>$6,197,673</td>
<td>$4,222,480</td>
</tr>
<tr>
<td>Cash donations</td>
<td>$9,757,520</td>
<td>$7,650,550</td>
<td>$5,973,655</td>
</tr>
<tr>
<td><strong>Ethics</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Staples® Brand product suppliers audited</td>
<td>244</td>
<td>191</td>
<td>206</td>
</tr>
<tr>
<td>Number and % of audited Staples® Brand product suppliers that were required to take corrective action</td>
<td>40 (16%)</td>
<td>38 (20%)</td>
<td>18 (9%)</td>
</tr>
<tr>
<td>Number and % of audited Staples® Brand product suppliers with which Staples discontinued business relationship</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Diversity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Associate Resource Groups, cumulative</td>
<td>16</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Global Performance Summary (Continued)</td>
<td>2015</td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>-------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sustainable Products</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total sales of products with at least one environmental feature (millions USD)$^3$</td>
<td>$5,209$</td>
<td>$5,459$</td>
<td>$4,979$</td>
</tr>
<tr>
<td><strong>Recycling Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ink and toner cartridges collected (millions of units)</td>
<td>56.8</td>
<td>62.58</td>
<td>69.51</td>
</tr>
<tr>
<td>Electronics collected (millions of pounds)</td>
<td>26.51</td>
<td>26.55</td>
<td>21.96</td>
</tr>
<tr>
<td><strong>Energy Use &amp; Greenhouse Gas (GHG) Emissions$^4$</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total energy use (GJ)</td>
<td>4,150,203</td>
<td>4,804,737</td>
<td>4,867,106</td>
</tr>
<tr>
<td>Total electricity use, non-renewable and renewable (MWh)</td>
<td>740,202</td>
<td>795,849</td>
<td>820,136</td>
</tr>
<tr>
<td>Electricity intensity (kWh/ft²)</td>
<td>10.64</td>
<td>10.98</td>
<td>11.47</td>
</tr>
<tr>
<td>Scope 1 GHG emissions (MtCO₂e)</td>
<td>90,230</td>
<td>117,580</td>
<td>117,440</td>
</tr>
<tr>
<td>Scope 2 GHG emissions — Location based (MtCO₂e)</td>
<td>306,350</td>
<td>328,860</td>
<td>338,370</td>
</tr>
<tr>
<td>Scope 2 GHG emissions — Market based (MtCO₂e)</td>
<td>280,432</td>
<td>296,437</td>
<td>61,252</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Location based (MtCO₂e)</td>
<td>396,580</td>
<td>446,430</td>
<td>455,810</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Market based (MtCO₂e)</td>
<td>370,665</td>
<td>414,012</td>
<td>178,693</td>
</tr>
<tr>
<td>GHG emissions per dollar sales — Location based (MtCO₂e)</td>
<td>19.02</td>
<td>20.10</td>
<td>19.92</td>
</tr>
<tr>
<td>GHG emissions per dollar sales — Market based (MtCO₂e)</td>
<td>17.78</td>
<td>18.64</td>
<td>7.81</td>
</tr>
<tr>
<td><strong>Waste &amp; Recycling$^5$</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste disposed, all means (short tons)</td>
<td>40,790</td>
<td>37,930</td>
<td>36,460</td>
</tr>
<tr>
<td>Waste sent to landfill (short tons)</td>
<td>38,590</td>
<td>33,280</td>
<td>28,500</td>
</tr>
<tr>
<td>Waste diverted for recycling (short tons)</td>
<td>56,850</td>
<td>55,450</td>
<td>54,490</td>
</tr>
<tr>
<td><strong>Water$^6$</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water use (millions of gallons)</td>
<td>206</td>
<td>231.4</td>
<td>238.4</td>
</tr>
<tr>
<td>U.S. Performance Summary</td>
<td>2015</td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>--------------------------</td>
<td>------</td>
<td>------</td>
<td>------</td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustainable Product Sales (millions USD)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total sales of products with at least one environmental feature</td>
<td>$4,068</td>
<td>$4,166</td>
<td>$2,983</td>
</tr>
<tr>
<td>Total sales of products with advanced environmental features</td>
<td>$2,226</td>
<td>$2,057</td>
<td>$1,968</td>
</tr>
<tr>
<td>Estimated sales of products containing post-consumer recycled content material</td>
<td>$1,656</td>
<td>$1,436</td>
<td>$1,181</td>
</tr>
<tr>
<td>Estimated sales of products meeting third-party environmental standards/certifications</td>
<td>$2,102</td>
<td>$2,260</td>
<td>$1,705</td>
</tr>
<tr>
<td>Estimated sales of FSC-certified products</td>
<td>$608</td>
<td>$591</td>
<td>$575</td>
</tr>
<tr>
<td>Estimated sales of ENERGY STAR qualified products</td>
<td>$385</td>
<td>$591</td>
<td>$595</td>
</tr>
<tr>
<td>Total U.S. sales (including products and services)</td>
<td>$15,584</td>
<td>$16,022</td>
<td>$16,212</td>
</tr>
<tr>
<td><strong>Recycling Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ink and toner cartridges collected (millions of units)</td>
<td>50.42</td>
<td>56.64</td>
<td>62.71</td>
</tr>
<tr>
<td>Electronics collected (millions of pounds)</td>
<td>16.78</td>
<td>17.43</td>
<td>13.48</td>
</tr>
<tr>
<td><strong>Energy Use &amp; Greenhouse Gas (GHG) Emissions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total energy use (GJ)</td>
<td>2,964,094</td>
<td>3,444,863</td>
<td>3,506,281</td>
</tr>
<tr>
<td>Total electricity use, non-renewable and renewable (MWh)</td>
<td>536,528</td>
<td>584,005</td>
<td>602,845</td>
</tr>
<tr>
<td>Electricity intensity (kWh/ft2)</td>
<td>10.92</td>
<td>11.31</td>
<td>11.31</td>
</tr>
<tr>
<td>Scope 1 GHG emissions (MtCO2e)</td>
<td>62,990</td>
<td>82,430</td>
<td>83,190</td>
</tr>
<tr>
<td>Scope 2 GHG emissions — Location based (MtCO2e)</td>
<td>246,410</td>
<td>267,370</td>
<td>275,630</td>
</tr>
<tr>
<td>Scope 2 GHG emissions — Market based (MtCO2e)</td>
<td>239,220</td>
<td>243,785</td>
<td>0</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Location based (MtCO2e)</td>
<td>349,800</td>
<td>349,800</td>
<td>358,810</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Market based (MtCO2e)</td>
<td>302,215</td>
<td>326,211</td>
<td>83,189</td>
</tr>
<tr>
<td>GHG emissions per dollar sales — Location based (MtCO2e)</td>
<td>19.85</td>
<td>21.81</td>
<td>22.13</td>
</tr>
<tr>
<td>GHG emissions per dollar sales — Market based (MtCO2e)</td>
<td>19.39</td>
<td>20.34</td>
<td>5.13</td>
</tr>
<tr>
<td>Scope 3 emissions from business travel booked through Staples travel agency</td>
<td>6,940</td>
<td>7,773</td>
<td>6,441</td>
</tr>
<tr>
<td>Number &amp; percentage of facilities verified to ENERGY STAR standard</td>
<td>527 (38%)</td>
<td>493 (33%)</td>
<td>353 (22%)</td>
</tr>
<tr>
<td><strong>Waste &amp; Recycling</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste disposed, all means (short tons)</td>
<td>28,920</td>
<td>29,890</td>
<td>25,150</td>
</tr>
<tr>
<td>Waste sent to landfill (short tons)</td>
<td>28,200</td>
<td>27,460</td>
<td>23,010</td>
</tr>
<tr>
<td>Waste diverted for recycling (short tons)</td>
<td>41,115</td>
<td>40,085</td>
<td>39,530</td>
</tr>
<tr>
<td>Recycling rate</td>
<td>59%</td>
<td>57%</td>
<td>61%</td>
</tr>
<tr>
<td><strong>Water</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water use (millions of gallons)</td>
<td>165.79</td>
<td>186.87</td>
<td>189.63</td>
</tr>
</tbody>
</table>

1 Detailed economic performance data can be found in the Staples Annual Reports, available in the Annual Report Archive: http://investor.staples.com/phoenix.zhtml?c=96244&p=irol-reportsannual
2 More detailed workforce diversity statistics are provided on our Reporting Details page: http://www.staples.com/sbd/csr/marketing/about_us/reporting-details.html
3 The types of environmental features tracked in our products vary slightly by market (e.g., to accommodate region-specific certifications); however, these products are generally characterized as containing recycled content, meeting third-party environmental certification standards and/or having additional sustainable design features.
4 We have updated our GHG accounting and reporting methodologies to align with the GHG Protocol’s Scope 2 Guidance, released in early 2015. We are dual-reporting our “location-based” and “market-based” Scope 2 emissions from purchased electricity, heat, steam and cooling. We are aligning our 2020 global carbon reduction goal with the location-based accounting approach. While purchased renewable energy certificates (RECs) and other low/zero-carbon electricity is reflected in the market-based approach, they are not accounted for under the location-based approach. Neither approach accounts for carbon offsets. As a result of the above, our GHG emissions have been restated for the years included in this performance summary, as well as on our Performance Highlights page and Renewable Energy & Efficiency page on this site. 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 96% of our operations (based on percentage of sales).
5 Staples has set its waste reduction goal to focus on reducing waste to landfill since landfill is the least desirable disposal method in the waste management hierarchy, and because the majority of our waste is disposed via landfill. We still share the total amount of waste disposed here (other disposal means include incineration or destination currently unreportable) as well as the volume of waste recycled.
6 Water management is not explicitly integrated into our business strategy. It is not a highly material environmental impact or risk due to the relatively low use of water in our facilities (stores, warehouses, offices). That said, we do recognize the environmental and cost benefits of reducing our existing water use. We have set a water reduction target for the U.S., and actively identify and implement water reduction opportunities in our operations. Staples does recognize that water use could be more material in our supply chain, and has conducted some water risk assessment work on our paper supply chain. Please view our response to the CDP Water questionnaire to learn more about our risk assessments, strategies/goals and water accounting.
7 Staples responsibly disposed of 40 short tons of EPA designated hazardous waste and another 42.2 tons of restricted but not hazardous waste in the U.S. in 2015.
### Environmental Performance Summary — International

<table>
<thead>
<tr>
<th></th>
<th>Southeast Asia</th>
<th>Europe</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Australia &amp; New Zealand</td>
<td>China</td>
<td>Austria</td>
<td>Belgium &amp; Luxembourg</td>
<td>France</td>
<td>Germany</td>
<td>Ireland</td>
</tr>
<tr>
<td><strong>2014</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total sales of products with at least one environmental feature (USD)</td>
<td>$125,463,558</td>
<td>n/a</td>
<td>$6,269,944</td>
<td>$8,939,268</td>
<td>$51,494,313</td>
<td>$100,741,285</td>
<td>$2,046,556</td>
</tr>
<tr>
<td>Ink and toner cartridges collected (units)</td>
<td>65,925</td>
<td>252</td>
<td>4,519</td>
<td>10</td>
<td>n/a</td>
<td>301,736</td>
<td>n/a</td>
</tr>
<tr>
<td>Electronics collected (pounds)</td>
<td>4,603</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>14,774</td>
<td>n/a</td>
</tr>
<tr>
<td>Electricity intensity (kWh/ft²)</td>
<td>5.03</td>
<td>3.84</td>
<td>3.01</td>
<td>5.44</td>
<td>4.05</td>
<td>5.81</td>
<td>n/a</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Location based (MtCO₂e)</td>
<td>8,251</td>
<td>2,660</td>
<td>177</td>
<td>388</td>
<td>2,715</td>
<td>7,312</td>
<td>n/a</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Market based (MtCO₂e)</td>
<td>7,592</td>
<td>2,537</td>
<td>248</td>
<td>414</td>
<td>2,594</td>
<td>2,674</td>
<td>n/a</td>
</tr>
<tr>
<td>Waste sent to landfill (short tons)</td>
<td>1,385</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total sales of products with at least one environmental feature (USD)</td>
<td>$118,687,608</td>
<td>n/a</td>
<td>$5,700,708</td>
<td>$11,263,234</td>
<td>$51,735,565</td>
<td>$97,783,954</td>
<td>$1,197,865</td>
</tr>
<tr>
<td>Ink and toner cartridges collected (units)</td>
<td>48,255</td>
<td>240</td>
<td>3,390</td>
<td>648</td>
<td>n/a</td>
<td>221,736</td>
<td>n/a</td>
</tr>
<tr>
<td>Electronics collected (pounds)</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>20,296.51</td>
<td>n/a</td>
</tr>
<tr>
<td>Electricity intensity (kWh/ft²)</td>
<td>5.17</td>
<td>4.39</td>
<td>4.38</td>
<td>4.96</td>
<td>4.18</td>
<td>5.44</td>
<td>n/a</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Location based (MtCO₂e)</td>
<td>8,074</td>
<td>3,017</td>
<td>122</td>
<td>412</td>
<td>1,555</td>
<td>6,119</td>
<td>n/a</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Market based (MtCO₂e)</td>
<td>8,074</td>
<td>3,017</td>
<td>157</td>
<td>436</td>
<td>1,461</td>
<td>1,832</td>
<td>n/a</td>
</tr>
<tr>
<td>Waste sent to landfill (short tons)</td>
<td>1,069</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>2,567</td>
<td>n/a</td>
</tr>
</tbody>
</table>
### Environmental Performance Summary — International (Continued)

<table>
<thead>
<tr>
<th>Year</th>
<th>Italy</th>
<th>Netherlands</th>
<th>Poland</th>
<th>Portugal</th>
<th>Spain</th>
<th>UK</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2014</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total sales of products with at least one environmental feature (USD)</td>
<td>$22,343,365</td>
<td>$43,840,808</td>
<td>$2,077,590</td>
<td>$11,176,239</td>
<td>$6,414,070</td>
<td>$85,222,496</td>
</tr>
<tr>
<td>Ink and toner cartridges collected (units)</td>
<td>n/a</td>
<td>389,526</td>
<td>n/a</td>
<td>416,781</td>
<td>21,198</td>
<td>1,823,358</td>
</tr>
<tr>
<td>Electronics collected (pounds)</td>
<td>n/a</td>
<td>265</td>
<td>n/a</td>
<td>9,347</td>
<td>992</td>
<td>n/a</td>
</tr>
<tr>
<td>Electricity intensity (kWh/ft²)</td>
<td>n/a</td>
<td>6.43</td>
<td>3.61</td>
<td>11.74</td>
<td>4.79</td>
<td>10.39</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Location based (MtCO₂e)</td>
<td>n/a</td>
<td>8,653</td>
<td>569</td>
<td>3,084</td>
<td>181</td>
<td>16,521</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Market based (MtCO₂e)</td>
<td>n/a</td>
<td>7,528</td>
<td>597</td>
<td>1,022</td>
<td>284</td>
<td>17,916</td>
</tr>
<tr>
<td>Waste sent to landfill (short tons)</td>
<td>n/a</td>
<td>n/a</td>
<td>23</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total sales of products with at least one environmental feature (USD)</td>
<td>$34,623,171</td>
<td>$46,882,625</td>
<td>$4,297,619</td>
<td>$10,206,378</td>
<td>$12,667,408</td>
<td>$72,540,842</td>
</tr>
<tr>
<td>Ink and toner cartridges collected (units)</td>
<td>n/a</td>
<td>668,381</td>
<td>n/a</td>
<td>322,086</td>
<td>7,664</td>
<td>1,306,759</td>
</tr>
<tr>
<td>Electronics collected (pounds)</td>
<td>n/a</td>
<td>220.46</td>
<td>1,567.49</td>
<td>10,760.76</td>
<td>881.85</td>
<td>n/a</td>
</tr>
<tr>
<td>Electricity intensity (kWh/ft²)</td>
<td>n/a</td>
<td>6.89</td>
<td>3.54</td>
<td>11.91</td>
<td>4.75</td>
<td>10.88</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Location based (MtCO₂e)</td>
<td>n/a</td>
<td>8,377</td>
<td>721</td>
<td>3,469</td>
<td>180</td>
<td>16,269</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Market based (MtCO₂e)</td>
<td>n/a</td>
<td>7,867</td>
<td>756</td>
<td>558</td>
<td>281</td>
<td>15,131</td>
</tr>
<tr>
<td>Waste sent to landfill (short tons)</td>
<td>n/a</td>
<td>n/a</td>
<td>23</td>
<td>2,230</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td></td>
<td>Europe</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td>--------------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
<td>------------</td>
</tr>
<tr>
<td></td>
<td>Denmark</td>
<td>Finland</td>
<td>Norway</td>
<td>Sweden</td>
<td>Canada</td>
<td>Brazil</td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total sales of products with at least one environmental feature (USD)</td>
<td>$7,374,287</td>
<td>$5,029,011</td>
<td>$79,293,780</td>
<td>$77,086,945</td>
<td>$658,863,668</td>
<td>n/a</td>
</tr>
<tr>
<td>Ink and toner cartridges collected (units)</td>
<td>n/a</td>
<td>35,171</td>
<td>n/a</td>
<td>n/a</td>
<td>2,685,004</td>
<td>n/a</td>
</tr>
<tr>
<td>Electronics collected (pounds)</td>
<td>n/a</td>
<td>320</td>
<td>52,417</td>
<td>3,650</td>
<td>9,035,880</td>
<td>n/a</td>
</tr>
<tr>
<td>Electricity intensity (kWh/ft²)</td>
<td>0.62</td>
<td>8.31</td>
<td>12.91</td>
<td>5.94</td>
<td>13.75</td>
<td>4.81</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Location based (MtCO₂e)</td>
<td>21</td>
<td>300</td>
<td>78</td>
<td>721</td>
<td>44,898</td>
<td>107</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Market based (MtCO₂e)</td>
<td>40</td>
<td>159</td>
<td>3,822</td>
<td>768</td>
<td>41,248</td>
<td>101</td>
</tr>
<tr>
<td>Waste sent to landfill (short tons)</td>
<td>n/a</td>
<td>7</td>
<td>194</td>
<td>n/a</td>
<td>4,212</td>
<td>n/a</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total sales of products with at least one environmental feature (USD)</td>
<td>$8,211,340</td>
<td>$9,391,157</td>
<td>$80,018,392</td>
<td>$68,820,349</td>
<td>$507,671,050</td>
<td>n/a</td>
</tr>
<tr>
<td>Ink and toner cartridges collected (units)</td>
<td>932</td>
<td>33,068</td>
<td>22,614</td>
<td>8,893</td>
<td>3,767,860</td>
<td>n/a</td>
</tr>
<tr>
<td>Electronics collected (pounds)</td>
<td>n/a</td>
<td>1,984.16</td>
<td>48,596.5</td>
<td>20,419.57</td>
<td>9,624,123.75</td>
<td>n/a</td>
</tr>
<tr>
<td>Electricity intensity (kWh/ft²)</td>
<td>0.46</td>
<td>7.31</td>
<td>12.90</td>
<td>5.99</td>
<td>12.72</td>
<td>4.73</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Location based (MtCO₂e)</td>
<td>63</td>
<td>270</td>
<td>77</td>
<td>792</td>
<td>37,556</td>
<td>106</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG emissions — Market based (MtCO₂e)</td>
<td>74</td>
<td>154</td>
<td>4,017</td>
<td>838</td>
<td>35,926</td>
<td>106</td>
</tr>
<tr>
<td>Waste sent to landfill (short tons)</td>
<td>n/a</td>
<td>12</td>
<td>163</td>
<td>n/a</td>
<td>4,324</td>
<td>n/a</td>
</tr>
</tbody>
</table>
About this Report

This report contains corporate responsibility performance information for the 2015 fiscal year (February 1, 2015– January 30, 2016).

To shape our corporate responsibility reporting and guide our program development, Staples conducted a recent materiality assessment of environmental, social and governance topics to determine which topics are most relevant to our business and our stakeholders.

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.

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.

This site reflects consolidated information from Staples across its global operations, to the degree available. Our Global Performance Summary provides detailed information about 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 this site.

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 the site 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.
<table>
<thead>
<tr>
<th>Stakeholder group</th>
<th>How we engage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Associates</strong></td>
<td>We engage with and support associates on an ongoing basis in many ways beyond their daily interactions with co-workers and managers, such as:</td>
</tr>
<tr>
<td></td>
<td>• Print, online and broadcast communications</td>
</tr>
<tr>
<td></td>
<td>• Regular associate engagement surveys</td>
</tr>
<tr>
<td></td>
<td>• Interaction with Chief Culture Officer</td>
</tr>
<tr>
<td></td>
<td>• “Breakfast clubs” with executives and senior management</td>
</tr>
<tr>
<td></td>
<td>• “Just Ask” Q&amp;A events with company leadership</td>
</tr>
<tr>
<td></td>
<td>• International Corporate Social Responsibility taskforces</td>
</tr>
<tr>
<td></td>
<td>• Associate Resource Groups (ARGs)</td>
</tr>
<tr>
<td></td>
<td>• 2 Million &amp; Change associate giving program</td>
</tr>
<tr>
<td></td>
<td>• Company-wide Earth Week activities and campaigns</td>
</tr>
<tr>
<td></td>
<td>• Volunteer Opportunities</td>
</tr>
<tr>
<td></td>
<td>• Staples Share Fund (associate assistance fund)</td>
</tr>
<tr>
<td><strong>Shareholders &amp; Investors</strong></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>• 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.</td>
</tr>
<tr>
<td></td>
<td>• We also meet with firms that include corporate responsibility information in their investment portfolio screening process.</td>
</tr>
<tr>
<td></td>
<td>• We conducted in-person and phone meetings with larger institutional investors, labor unions, pension funds, corporate social responsibility investors and proxy advisory groups.</td>
</tr>
<tr>
<td><strong>Customers</strong></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>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.</td>
</tr>
<tr>
<td></td>
<td>Our Customer Service portal on staples.com® allows customers to submit inquiries and comments about our Corporate Responsibility programs.</td>
</tr>
<tr>
<td></td>
<td>Staples customers are also our fellow citizens, our neighbors and our friends. We contribute to local communities through corporate contributions, in-kind donations and grants from the Staples Foundations, our private charitable arm.</td>
</tr>
<tr>
<td>Stakeholder group</td>
<td>How we engage</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| 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  
  - Partnering with Plant-for-the-Planet to reward Staples Advantage customers in Europe for reducing our collective environmental impact through reducing the number of small orders, purchasing eco-conscious products, and category consolidation  
  - 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  
  - Partnering with Hire Purpose, an organization dedicated to finding employment for Veterans; the Network of Executive Women (NEW); and Women For Hire to support our diversity and inclusion goals. |
| 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.  
   From cause marketing and sponsorships to grants and product donations, Staples supports non-profit organizations focused on education and job skills, as well as schools, in a variety of ways. In 2015, we gave more than $13 million to non-profit organizations and schools around the world.  
   - Though our grant program, 2 Million & Change, Staples associates helped to direct over $2.5 million to more than 875 organizations across 24 countries in 2015.  
   - 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.  
   - Staples is building on its proud history of supporting teachers, students and education by donating to DonorsChoose.org, a nonprofit that has helped fund school classroom project requests in public schools across America. Staples has donated more than $3 million to DonorsChoose.org to fund nearly 1,800 classroom projects for more than 2,000 teachers, impacting more than 200,000 students. |
| 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.  
   - We track more than 40 environmental attributes in our products, and ask our suppliers to disclose the relevant information in our SKU management database. |