



Paper and Wood-Based Product Sourcing Policy

Overview

Staples is committed to operating our business in a sustainable manner and to making it easy for our customers and associates to make a difference for the environment. We seek to work with suppliers that share our commitment to responsibly managing natural resources, supporting local communities, and producing and promoting sustainable products. This policy specifies the efforts we will make to increase the sustainability of the paper and wood-based products we source.

Scope

This policy applies to all paper and wood-based products sold by Staples and paper and wood-based products used internally by Staples including for construction, packaging, and marketing. For the purposes of this policy, “paper and wood-based products” refers to products containing solid wood, wood-derived materials including veneers, plywood, medium density fiberboard (MDF), and other composite wood products, and/or any grades of paper-based materials. This policy also applies to common alternatives to wood-derived materials that may be sourced from – or whose sourcing could impact – natural forests, including bamboo, kenaf, and purpose grown crops and crop residues like bagasse and wheat straw. This policy excludes cellulosic fibers and other materials and products made using dissolvable pulp.

Staples seeks to implement this policy in a phased approach to all suppliers and areas of our business. We will prioritize our implementation to address potential risk based on volume of products, source, geographic origin of raw materials, and supply chain complexity and transparency.

Our Commitments

The commitments described below provide the framework for continually improving the sustainability of our paper and wood-based product sourcing while taking into account market conditions (i.e. existing and expected future product availability and demand) and the constraints of good business practices. As described below and in more detail throughout the rest of this policy, we have four overarching commitments.

1. Protect global forest resources by progressively increasing the percentage of paper and wood-based products that are purchased as certified, preferably to the Forest Stewardship Council (FSC) standard. If market conditions do not allow for the purchase of FSC or other certified products, we will seek to ensure products are sourced from non-controversial sources.
2. Support the use of post-consumer recycled and/or sustainable alternative materials in products we purchase, where market conditions allow and where credible scientific evidence indicates these material choices will reduce environmental burdens versus the available alternatives.
3. Source from suppliers who are committed to responsibly harvesting, manufacturing, and distributing paper and wood-based products.
4. Promote sustainable paper and wood-based products by identifying products with more sustainable features across our sales channels and building awareness among customers of the meaning of these features so it is easy for customers to make more sustainable choices.

1. *Protect Global Forest Resources and Forest Dependent Communities*

Staples will progressively increase the percentage of paper and wood-based products we purchase and sell that are certified, preferably to the FSC standard.

Step 1: We will ask our suppliers to confirm the sources of their wood-based products and confirm if the wood-based materials they use have been legally harvested and traded.

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Step 2: We will ask our suppliers to demonstrate that they provide paper and wood-based products from non-controversial sources, meaning that the wood or fiber:

- Is not harvested in violation of traditional and civil rights, including free, prior, and informed consent;
- Is not harvested in forests where high conservation values are threatened;
- Is not harvested from natural forests being converted to plantations or non-forest use¹;
- Is not harvested in forests or plantations that contain species that have been genetically modified.

In cases where suppliers use wood-based raw materials from forest areas or regions that have been identified as potentially controversial by appropriate national or international science-based organizations (such as the FSC, Global Forest Registry, WRI's Global Forest Watch, United Nations Environment Programme (UNEP), Food and Agriculture Organization of the United Nations (FAO), International Union of Conservation of Nature (IUCN), World Wildlife Fund (WWF), and/or Rainforest Alliance), we will ask suppliers to demonstrate through credible verification that their sourcing practices are non-controversial.

Step 3: Staples will show a preference for paper and wood-based products that are certified to the FSC standard when market conditions and good business practices allow.

If market conditions and good business practices do not support sourcing of FSC certified product, we will seek paper and wood-based products that are certified to any scheme endorsed by the Programme for the Endorsement of Forest Certification (PEFC), including the Sustainable Forestry Initiative (SFI), American Tree Farm System, Brazilian Forest Certification Programme (CERFLOR), and others.

To implement these commitments, we will survey our paper and wood-based product suppliers to identify the sources of their raw materials, the management practices and certifications held by them and/or their raw material suppliers, and the certifications that their products are labeled with, if any. Staples evaluates the supplier information provided in light of this policy and may conduct audits to confirm the validity of the information provided. We prioritize our surveys and audits to best meet the goals of this policy.

2. Reduce Demand for Virgin Wood

Staples seeks to increase the percentage by weight of all paper and wood-based products sold containing post-consumer recycled or sustainable alternative material content (wheat straw, bagasse, bamboo, etc.) when it makes environmental and business sense. We review the information we collect from suppliers as well as credible life-cycle based studies in an effort to avoid sourcing recycled or alternative materials that may have greater environmental impacts than available substitutes. We also work to confirm with our suppliers that any alternative material content in the paper and wood-based products we offer comes from non-controversial sources.

3. Source from Suppliers Committed to Environmental Excellence

We seek to work with paper and wood-based product suppliers and their associated raw material suppliers who not only comply with all environmental and forestry laws and regulations, but also demonstrate a commitment to continuous improvement, environmental innovation, and use technologies that minimize raw material utilization and emissions. As part of our evaluation process for the suppliers of raw materials going into paper and wood-based products, we may request information about factory-specific operations and practices for use in evaluating supplier performance.

4. Promote Sustainable Products

Staples strives to make it easy for customers to find and purchase environmentally responsible paper and wood products. This includes taking steps to make it easy for our customers to learn about and shop for

¹ The source forest(s) are not being actively converted from natural forest to a plantation or non-forest use, unless the conversion is justified on grounds of net social and environmental gain, including the enhancement of high conservation values in the surrounding landscape.



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more sustainable paper and wood-based products online and in stores and to recognize suppliers who are committed to offering more sustainable products.

Ongoing Review and Reporting On Progress

We will periodically review the information provided by our suppliers to verify their progress and the reliability of their data. We will seek to have our suppliers provide us with information that supports our key initiatives.

We will review our policy and commitments on a regular basis to ensure that they reflect the current state of the industry and are based on the best available science. We will update suppliers of new developments affecting our policy and commitments.

We will report on our progress with respect to this policy annually, within the environmental section of our web site(s) and/or in our corporate responsibility reporting.