evolving, refining & aligning

Finding our common purpose through sustainability
In late 2017, we took steps in our strategic transformation to build on our position as a leading B2B integrated distribution platform and enhanced our capabilities to provide not just products, but also value-added services for our customers. We broadened our distribution presence, improved our supply chain capabilities, and had the opportunity to bring world-class IT support services to all our customers, particularly underserved small- and medium-sized businesses, through our acquisition of CompuCom.

With this growth came a need to take a critical look at our sustainability strategy. The Sustainable Development Goals (SDGs) are a set of 17 global goals developed by the United Nations and agreed on by governments and over 1500 companies. They frame a vision to achieve balance among the three dimensions of sustainability – environmental, social and economic – and are as meaningful to our organizations as they are around the world. In 2018, we conducted a materiality assessment to identify our sustainability priorities, position our strategies and refresh our program to reflect our changing organization.

We are now excited to announce the launch of our first set of public-facing, SDG-aligned sustainability goals around energy consumption, transportation emissions and local communities. To support our new goals, we updated our data capturing systems to better track progress, and established our first Sustainability Governance Council to enhance and improve our sustainability program.

Today, Office Depot, Grand & Toy and CompuCom provide relevant business solutions aligned around the shared purpose of being exceptional corporate citizens. We are passionate about building strong communities, fostering inclusion and diversity, and being good stewards of the environment – and helping our customers do the same.
Thoughtful and strategic procurement plays a key role in our business. Internally, we are always looking for ways to improve and refine our procurement strategies – whether it's streamlining processes, researching and refining partner services or evaluating purchasing activities.

In the past five years, we have seen increasing needs from our customers that want to start or improve their sustainable purchasing efforts. The Office Depot Sustainable Business Team exists to strengthen our ability to support our customers in their sustainable purchasing journey, meeting each month to build on their sustainability knowledge, hear from guest speakers (i.e. vendors, eco-labels, nonprofit partners) and ultimately enhance their ability to support our customers' sustainability strategies.

Externally, we provide our customers with the sustainable products and services they need to 'green' their business. To simplify the process of making green purchasing decisions, the GreenerOffice™ Shades of Green Rating System offers our customers a consistent and easy method for choosing progressively greener workplace products. For those moving from copiers to the Cloud, CompuCom’s digital transformation services offer a way to modernize while saving natural resources.

This year, Office Depot® partnered with the Arbor Day Foundation to implement a new program for Business Solutions Division customers called TreeUp. This program allows customers to take their sustainable procurement to the next level by planting trees equal to their paper use.
partners in project green

Grand & Toy’s collaboration with Partners in Project Green builds upon an internationally recognized community of sustainable business leaders known for its competitive, high-performance and eco-friendly business climate. This partnership results in a variety of initiatives that have direct positive contributions to the health of our environment. Events like a clothing recycling collection drive diverted 9.7 metric tons of material waste from landfills in 2018.

disposal

A large part of our environmental impact comes from the waste produced through operational and shipping practices, so reducing the amount of waste sent to landfills by making improvements internally and through our customers continues to be a focus.

Companies continually purchase new assets such as mobile devices, laptops and various office supplies and equipment. The improper disposal and recycling of these devices creates a large amount of e-waste that can lead to significant fines and loss of trust in a company. CompuCom’s IT Asset Disposition (ITAD) program removes these risks and reduces the e-waste associated with outdated technology through services that include the safe tracking of devices with a detailed chain of custody, and certificates of recycling and/or data destruction. For each of the past 20 years, ITAD services have managed over 3.5 million devices, recycling over 3 million pounds of e-waste and donating more than 2,000 assets to philanthropic programs.

4.4M pounds of e-waste
recycled for customers - 3.1M lbs Office Depot, 1.3M lbs CompuCom, 177 lbs Grand & Toy

3.5M devices
being managed by CompuCom’s IT Asset Disposition

24K metric tons of waste
diverted from landfill - 24K MT Office Depot, 164 MT Grand & Toy

emissions

This year we are pleased to announce the launch of our new sustainability goals aimed at reducing our energy consumption and transportation emissions. Because our emissions come mainly from our facilities and fleet, this is a major step towards reducing our carbon footprint.

We have implemented new systems to enhance our data analysis and reporting capabilities, and will be looking closely at our operations to find new and innovative ways to be more efficient – with our energy use, the way we manage the goods we transport, and the fuel we use.

1. reduce energy consumption
10% by 2021, baseline year 2016
(Office Depot)

2. improve cube utilizations
10% by 2021, baseline year 2018
(Office Depot)

3. reduce miles per gallon
consumption in our private fleet 15% by 2021, baseline year 2018
(Office Depot)

our sustainability goals
Transportation emissions was one of the key topic areas that came out of our materiality assessment, and will be a new focus for our companies as we look at new strategies to decrease costs, optimize our fleet and address some of the challenges we face as the demand for transportation services increase.

In 2018, we began replacing some of our older vehicles with new, fuel-efficient models that include GPS tools for route optimization. We reduced the total number of trucks on the road and consolidated freight to increase the efficiency of our distribution routes. We have also expanded our focus on cube utilization by switching to larger cargo boxes and ensuring each cubic foot is being used to the fullest extent. Our team’s ultimate aim is to optimize field dispatch and product shipments to reduce emissions while maintaining the standard of service our customers expect.

In 2018, CompuCom’s new Digital Campus was unveiled as the world’s first building exclusively powered by Power over Ethernet (PoE) interior lighting technology. The Campus is more technologically advanced and 16% less expensive to operate than CompuCom’s previous headquarters.

In 2018, we implemented a number of initiatives to help tackle the energy used by our facilities. We replaced all light bulbs in 424 retail locations with energy-efficient LEDs, with the remaining stores scheduled for LED conversion in 2019. To further reduce energy use, we are in the process of evaluating and replacing our aging HVAC units with new energy-efficient models.

We also began to look at how we might utilize “big data” for efficient energy. Our current energy management partner helps us with the analysis of our Energy Management System and facility functions such as lighting timers, run time, cooling and heating set-points, and scheduling to ensure all systems are performing optimally.

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people

From our associates to our communities, we treat everyone with respect and provide opportunities that help them succeed.

The quality of our people is essential to the success of our companies. We strive to foster an inclusive culture that promotes diversity not only in backgrounds, but also in ideas that are shared. This unique culture empowers our associates to reach their highest potential. We pride ourselves on our commitment to collaboration, hard work, our customers and each other.

Our associates are enthusiastic about giving back to their local communities, and we are dedicated to supporting their volunteer and philanthropic efforts. Our community investment work mainly focuses on providing opportunities for people from all circumstances to succeed, and on increasing the quality of life in the communities where we live and work.
diversity

We recognize the importance of a diverse workforce and are committed to fostering an inclusive work environment that values and respects the talents and contributions of associates from all backgrounds. In 2018, we launched a Diversity Council to enhance our existing diversity, inclusion and belonging efforts across the business and to strengthen relationships in the workplace, marketplace and in the communities where we live and do business. The Diversity Council governs Associate Resource Groups to drive the integration and awareness of diversity and inclusion programs and practices across the organization.

Additionally, as part of our commitment to making Office Depot a great place to work, we conducted two employee engagement surveys to help us understand the collective views about our company, our culture and the ways in which we work – highlighting what we do well and what we could do better. As a result, we will be in a stronger position to make positive changes toward a 5C culture.

opportunity

We pride ourselves on being a company that enables opportunities for all people to succeed, and we re-invest in our associates to ensure they have the support they need to excel in their jobs.

As our business transforms, our Learning and Development team is committed to providing modern learning experiences that are aligned to the combined business strategy and culture. Using a consultative approach, we support our associates with team building, talent coaching, progressive leadership programming and more. Additionally, Grand & Toy aims to develop digital dexterity by automating O365 platforms for associates and engaging in comprehensive professional development.

This year we also invested resources to support our college internship program. By building partnerships with local universities, we were able to expand the program and offer entry-level roles to participants following the end of their internship.

Additionally, we continued our partnership with LaunchAbility, an eight-week program that supports disabled high school students’ transition into the mainstream workforce. To date, we have conducted seven sessions, graduated 27 students and hired 16 students from the LaunchAbility Training Academy.

candid conversations

Associate-led lunch n’ learns bring women together at Grand & Toy for candid conversations around important issues impacting women in the workplace including safety, advancement and representation, especially in light of international movements like #metoo and #timesup.

grand ideas

The Grand Ideas portal encourages all associates to submit ideas for improving Grand & Toy’s products, processes, and services. In 2018, the program incorporated a one-day session between sales managers and other departments to improve specific products and services.

people

100 percent score on Corporate Equality Index for the 8th consecutive year

37 percent of board members are female

66 percent response rate for our October 2018 engagement survey

TOP 50 Best Workplaces of the Year award from Silicon Review (CompuCom)

60 percent of students in the LaunchAbility program were hired

39 interns led to 13 new associates

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As our company continues to evolve in exciting ways, so too has the way in which we support the communities where we live and do business. In 2018, we launched new goals that reflect our commitment to improving the lives of people in the communities where we are located.

2018 was a strong year for community investment across all our companies. We launched a new platform called #depotdifference, which supports nonprofit and community organizations through volunteer and philanthropic initiatives largely aimed at education, minority-led entrepreneurship and strengthening local communities.

Under the #depotdifference umbrella, we held our first-ever Depot Day of Service, the company’s flagship volunteer celebration where associates in our largest employment markets volunteer in support of community service projects across North America.

Start Proud!, Office Depot’s new signature back-to-school philanthropic program, was created to give students, parents and teachers in low-income communities the supplies they need to start the school year off on the right foot.

A new community investment partnership was established between Grand & Toy and CompuCom Canada, bringing volunteers from both companies together to make a difference in their communities. Volunteer events included the Heart & Stroke Big Bike Ride, serving breakfast to families at the Ronald McDonald House, volunteering at the ABC Concert to benefit The Hospital for Sick Children and First Book Canada book-sorting events.

Grand & Toy’s Pause And Affect program empowers employees to volunteer in their communities individually or in teams. In 2018, a record 700+ volunteer hours were recorded for activities that centered around “Building Healthy Communities.” Over $5,000 was awarded to associates for making significant impacts as champions in community giving under the Bill Rivney Humanitarian Award program.

In addition to volunteer hours, Grand & Toy teams fundraise for causes throughout the year, and CompuCom sponsors philanthropic events and organizations that enhance the quality of life in communities, support human rights principles and promote sustainability.

1. increase the number of associate volunteers from 4,750 in 2018 to 15,000 in 2019 (Office Depot)

2. increase the number of associate hours of service from 16,625 in 2018 to 30,000 in 2019 (Office Depot)

CompuCom Cares

CompuCom offers all employees a day off to volunteer with their favorite nonprofit. The company-wide program’s success depends entirely on the efforts of associates, and everyone is encouraged to take part. 1,010 associates used their CompuCom Cares Day in 2018.

19 million dollars worth of products were donated to charity by 1,400 stores through our partnership with Feed the Children.

50,000 dollars and truckloads of school supplies donated in response to the Stoneman Douglas school shooting.

25,405 total volunteer hours

16,625 Office Depot
700 Grand & Toy
8,080 CompuCom

19 million dollars worth of products

Office Depot | CompuCom | Grand & Toy

people | 15
Our commitment to creating sustainable value is reflected in our chosen business strategies. The investments we’ve made over the past year have required a considerable commitment of both time and effort - and they have already been tremendously successful. The integration with CompuCom provided us with a platform to pivot from a predominantly products-driven model to an omni-channel business services platform that helps us better adapt to serve the needs of modern business customers, providing technology solutions to an increasingly digital world.

Greener product sales continue to be an integral part of our sales performance, demonstrating the customer demand for greener products and the effectiveness of sustainability as a business strategy. Additionally, the wide variety of business and technology solutions we can now provide has allowed us to reach new markets and new customers, further bolstering our performance.
Part of our sustainability strategy includes the promotion and assurance of ethical practices across our supply chain. All of our partners are expected to conduct business in alignment with internationally-recognized standards for labor and environmental working conditions. Our extensive third-party auditing process helps ensure their practices comply with local laws, regulations and our Supplier Guiding Principles.

We also support our business community by partnering with minority, women, veteran, disabled and LGBT-owned businesses. Supplier diversity creates value by driving economic inclusions, building wealth and boosting job creation. We proudly offer a catalog with more than 1,700 unique items from certified diverse suppliers for customers who are equally committed to supplier diversity initiatives.

In 2018, direct sourcing released a bid to our diversity vendors for a new toner supplier. As a result, hundreds of SKUs were distributed among four diversity vendors, leading to significant cost savings.

We introduced Workonomy™ in 2018 to offer a variety of business solutions married with “human touch” expertise to small- and medium-sized businesses. Workonomy reflects Office Depot’s ability to empower customers with the enhanced tools, services and technical support they need to get work done.

As we continue to refine and evolve the products and services we offer, our reach has increased exponentially. With our full realm of technology solutions and services, we are equipped to offer our employees and customers digital workplace solutions that increase workplace engagement and productivity. In fact, CompuCom has again been named a Leader in the Gartner Magic Quadrant for Managed Workplace Services, North America.

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thank you

100% post-consumer recycled content paper

SKU # 9498017

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