



Sustainable businesses are those that have vision, courage and strong partnerships. They are the businesses that consider the impact of their operations on the environment. They share their successes, take calculated risks and learn from them. They are successful and profitable, contributing to the health of the economy and their communities by providing employment, purchasing goods and giving back.

Grand & Toy partners with many such businesses, and two of our Sustainability Pillars include commitments to help our partners be better. We support the success of our customers while ensuring that we continue to make decisions that will be better for the future of our business.

Building strong partnerships with our customers has enabled Grand & Toy to advance our Corporate Social Responsibility strategy and make meaningful progress towards our sustainability goals. These partnerships are supported by trust, knowledge, openness and a willingness to share the risks and rewards of being the first to adopt new solutions to sustainability challenges. In 2010, we piloted several new programs in partnership with our customers.

We also enhanced programs that have helped our customers streamline and improve their businesses efficiencies, including innovative Grand & Toy solutions such as e-invoicing and web-based ordering systems. In 2010, we took our commitment to customer partnerships to another level by pilot testing enhanced reporting capabilities for select customers.

Some of our large and enterprise customers now benefit from an in-depth lifecycle analysis of their procurement behaviours and practices. With this detailed level of business intelligence, Grand & Toy provides the tool for our clients to make informed procurement decisions and is able to identify and offer a wider variety of products and solutions that specifically meets their identified needs.

As a wholly owned subsidiary of a publicly traded corporation, Grand & Toy does not release independent financial statements. For more information on OfficeMax Investor Relations, please click [here](#).

- The number of Grand & Toy customers who selected E-invoicing to improve their procurement efficiencies grew by 52% in 2010 over 2009.
- Grand & Toy was presented with three important awards that recognize our commitment to improving our customers' business and developing office solutions that are environmentally preferable.

- Two Service Quality Measurement (SQM) Group Awards in 2010 recognized the world-class performance of Grand & Toy's Customer Care Centre. We were proud to accept the award for "Highest Customer Satisfaction" in the retail/service industry and the award for "Highest Customer Interactive Voice Response Navigation to the Right Associate" in all industries.



- The Purchasing Management Association of Canada's 2010 Supply Chain Excellence Award recognized Grand & Toy's 48-hour Delivery Program as an innovative, environmentally preferable procurement solution for customers.





Forging strong, strategic partnerships with our customers helped Grand & Toy improve our business performance in 2010. At the same time, we contributed to our customers' success and the achievement of their sustainability goals by showing them that what is better for the environment can also be better for business.

Through three innovative customer partnerships, Grand & Toy broke new ground in socially responsible and sustainable solutions that have set the bar high for future success.

A unique collaboration with McMaster University led to the introduction of an exclusive pilot project for our first Reusable Tote program on a large scale. Grand & Toy worked with McMaster to clearly identify their goals for streamlining office supplies procurement and helped them to see that reducing deliveries and cardboard packaging could generate cost savings and reduce the university's carbon footprint. Using the results of a sustainability survey of their staff, and introducing a lifecycle approach to procurement, Grand & Toy designed a reusable bag for their deliveries, consolidated ordering for McMaster and decreased the number of deliveries to the campus. Supplies are packed in reusable totes, labelled and delivered once a week to the university campus, which takes over second-stage delivery through internal mail. Totes are returned to Grand & Toy at the next pick-up to be re-filled with new orders. The program will eliminate approximately 20,000 corrugated boxes and cut Grand & Toy's GHG emissions specific to McMaster deliveries.

Building on the success of the [48-hour Delivery](#) program introduced in 2009, we partnered with our customers to take the concept even further to support their business needs through our Right Day Delivery program. In 2010, we piloted this program with one of our largest customers, [BMO Financial Group \(BMO\)](#) with great results. Grand & Toy did a "deep dive" analysis of six months of BMO's procurement activity to identify opportunities for improvements. By increasing the efficiency of delivery to the bank's multiple locations and consolidating orders to reduce the total number of deliveries, Grand & Toy and BMO were able to significantly reduce the carbon emissions associated with BMO-specific deliveries and reduce the number of corrugated boxes used for order shipping. We are proud that 5,875 customers accounts have adopted this program to date, and while this innovative program is certainly better for business, it's also better for the environment.



¹Environmental impact estimates were made using the Environmental Defence Fund Paper Calculator. For more information, [visit here](#).





At the heart of Grand & Toy's Corporate Social Responsibility strategy is the commitment to continuous learning and the sharing of our knowledge and expertise with our customers and Associates.

In 2010, we continued to offer our customers a program of [education and demonstrations](#) to help reinforce the value of choosing environmentally preferable office solutions. By refining our popular GREENOFFICE Lunch & Learn program and targeting corporate "green teams", we reached 31% more people and achieved a 99% satisfaction score. The program included a video on creating a more environmentally responsible workplace and a presentation on more sustainable sourcing options. Currently, the Lunch & Learn program also offers a productivity session to help administrative employees gain more from their work day.

With the goal of expanding our reach and knowledge-sharing, Grand & Toy partnered with Impakt, a leader in CSR, to produce a [video information series](#) profiling innovative sustainability best practices. Each video in the series provides information, tools and practical solutions to help businesses drive real change.

Grand & Toy executives also leveraged opportunities to share the knowledge that the company has built in the areas of sustainability and social responsibility by participating in [key industry events](#). These included presentations and panel discussions on sustainable supply chains for the Purchasing Management Association of Canada, and a joint presentation with our major partner to the Canadian Association of University Business Officers.

