



Sustainability is a part of the way we do business. As one of Canada's leading office solutions providers, Grand & Toy thinks about the environment with every product, purchase and delivery. We know that our role as a partner to Canadian businesses brings with it important responsibilities to find solutions that are better for the environment.

Our opportunity to work within the supply chains of so many important Canadian companies requires us to fully understand the impacts of our environmental footprint, the importance of product stewardship, and our opportunities for sustainable and ethical sourcing. We provide our customers with a lifecycle approach to office solutions, which enables them to understand their procurement behaviours and change them for the better.

Three of Grand & Toy's [Sustainability Pillars](#) clearly identify this responsibility and opportunity to make the right decisions for the future of our natural environment.

In 2010, Grand & Toy continued to implement streamlining initiatives to reduce our own environmental footprint. Our results for the year show progress in our reduction of waste, energy consumption and other environmental metrics. However, some of these improvements are the results of fluctuations in our business activity due to the economic climate during the year.

KEY PERFORMANCE INDICATOR DETAILS	2008 DATA	2009 DATA	2010 DATA	GRI INDICATOR
# of locations (Sales Office/CFC and Retail)	27 and 45	27 and 36	27 and 34	EN11
Scope 1 GHG emissions (in tonnes of CO ₂)	5,427.46	5,159.68	4,736.76	EN16
Scope 2 GHG emissions (in tonnes of CO ₂)	2,431.37	2,157.12	2,003.06	EN17
# of trucks in dedicated fleet (third-party)	94	81	82	EN3/EN29
# of trucks in owned fleet	134	127	116	EN3/EN29
Internal paper consumption (in reams)	8,634	7,402	6,971	EN1
Waste diversion rate (in percentage)	60.31%	71.03%	72.82%	EN22
% of products ordered for internal use identified as environmentally preferable	NT	19.9%	22.5%	EN14
% of all products in our ordering guide that are environmentally preferable	22%	23%	26%	PR1
# of THINK program toner cartridges recycled	276,393	433,242	413,547	EN27

Other GRI environmental indicators and internal key performance indicators (KPIs) are available in the [GRI table/Performance Chart](#).





The value of implementing sustainability practices in our own business is realized in many ways. We generate cost savings from internal efficiencies; create a culture of understanding and responsibility for sustainable actions; build knowledge and expertise; and, most importantly, lead by example, adopting many of the programs and solutions that we recommend to our customers.

In 2010, Grand & Toy implemented some innovative new projects that helped us be better for the environment, and we expanded existing programs that have delivered measurable results for our business and our customers.

Our Information Technology department contributed to energy reduction during the year with a server virtualization project that eliminated nearly 120 machines and moved them to a virtual operating environment of only 10 physical servers. Virtualizing these servers represents an energy savings of 794,279 kWh, equivalent to planting 2,400 trees or taking 85 cars off the road.¹

In our Vaughan Customer Fulfillment Centre (CFC) and Sales Office, bright lights represented the single largest electricity consumption in the Company. The main lighting system in the Customer Fulfillment Centre was old, inefficient, and consumed 30% of the total energy demand in the location. A solution to reduce electricity consumption by replacing the old light fixtures with high efficiency lighting was initiated late last year and will result in a 60% reduction in electricity demand from the CFC lighting system, lower energy costs, improved lighting conditions for Associates and over 500,000 kWh of electricity conserved each year.

Grand & Toy Associates regularly advise our customers on the benefits of choosing environmentally preferable office products and moving to more sustainable business processes, such as E-invoicing. By following our own advice, in 2010, we increased the percentage of [environmentally preferable products](#) we purchase for our own needs to 22.5% of our total spend on internal office supplies.

¹ Calculations are based on the power consumption of a standard 2 CPU server.





This year, Grand & Toy began upstream in our supply chain to determine how best to choose supplier partners that embrace our vision of sustainability and are willing to make changes that align with our Sustainability Pillars.

As an [OfficeMax](#) company, Grand & Toy benefits from our parent company's commitment to ethical sourcing. Each year, the OfficeMax Global Sourcing Office reviews the manufacturers that produce Grand & Toy branded products. In 2010, a total of 23 audits were conducted to ensure our suppliers' compliance with the SA8000 standard. SA8000 is a global standard for decent working conditions developed and overseen by [Social Accountability International](#). Based on the results of our audits, we chose not to do business with some manufacturing facilities. They will be required to complete an action plan before Grand & Toy reinitiates business with them.

In addition to formal audits and inspections, Grand & Toy continued to roll out our [Partner Code of Conduct](#), which was introduced in 2009, to our North American partners. The Code was developed according to international best practices and it encourages our suppliers to improve their operations in four key areas: health & safety, the environment, ethics, and labour and human rights. By the end of 2010, 78% of Grand & Toy's North American suppliers had voluntarily signed the Partner Code of Conduct, committing to action and compliance.

We were also able to identify more environmentally preferable products and solutions to offer our customers. During the year, we revised the criteria for the "environmentally preferable" designation on our products to require at least one of the following: a minimum content of 30% post-consumer waste, a third-party environmental certification, or some other sustainability attribute (e.g., made with less input materials than traditional alternatives). These criteria provide the indicators for [environmentally preferable products](#), which in 2010 made up 26% of all products in our ordering guide.

With an increased focus on environmental sustainability by our suppliers and manufacturers, we were also able to innovate. This year, Grand & Toy and a few of our customers participated in a unique program that will have a positive impact on the other end of the supply chain – a pen recycling program with renowned eco-products company, Terracycle, and one of our major suppliers, Newell Rubbermaid. Through this program, old and unwanted pens are collected and recycled or "upcycled" into quality consumer goods, from tote bags and purses to shower curtains and kites. Every Newell Rubbermaid brand writing instrument collected generates a two-cent donation towards a charity of choice.





In 2010, we also continued our work on **e-invoicing**, increasing the number of Grand & Toy customers who choose to receive paperless invoices by 52% over 2009. Customers who made this smart choice helped us save nearly 250,000 pages of invoice paper during the year, while improving the accuracy, internal controls and ease of processing of their own accounts payable departments.

Since we encourage our customers to accept electronic invoices, Grand & Toy wanted to lead by example, and so we asked our own vendors to invoice electronically. This new program was initiated in late 2010, targeting 16 major vendors representing 40% of the invoices to be converted into an electronic format. Grand & Toy expects to eliminate approximately 52,000 pages of paper invoices annually which previously required storage for seven years.

