

Grand & Toy has made a company-wide commitment to be a leader and a partner on the journey towards sustainability. We've seen first-hand how much can be accomplished when we work together to be better for the environment, our communities and business. And we've learned that being better isn't a finish line — it's just the beginning.

Each day, we have an opportunity and a responsibility to add value to the dialogue about sustainability in Canada. Through our partnerships with leading organizations, and in our daily contact with consumers in our retail outlets, Grand & Toy provides education, advice, options and solutions for doing business in a better, more sustainably minded way.

In 2007, we established and communicated Grand & Toy's seven Pillars of Sustainability – a declaration of the areas in which we are committed to making a difference. Over the past three years, we have made progress in many of these seven areas and we have developed a better understanding of how Canadian businesses can implement effective and sustainable practices. Much of our learning has been applied to our own operations. We have streamlined our processes to reduce waste and energy consumption, increase the value we bring to our customers and improve the impact of our charitable and community activities.

Grand & Toy's Corporate Social Responsibility commitments are thoroughly supported by our parent company, OfficeMax. OfficeMax is a publicly traded U.S. company and, as such, it provides its investors and other stakeholders with an extensive annual CSR report. OfficeMax provides valuable input to Grand & Toy's CSR initiatives through the sharing of global best practices, research methodology and dedicated expertise.

This past year, we made important progress towards the specific goals and initiatives that were presented in our 2010 CSR Report. Details are included in the table below. Many of these goals, and the initiatives we have implemented to achieve them, will carry over into this year and beyond as we work to find new ways to be better each year.

PROGRESS ON 2010 GOALS	PERFORMANCE
Expand product and service offerings to include environmentally preferable alternatives	
Redefine Green Information Technology (IT) strategy to reduce overall carbon footprint	
Work with suppliers to reduce product packaging	•
Work with suppliers to increase the availability of environmentally preferable office solutions	
Continue to re-evaluate supply chain procedures to reduce waste	•
Create standardized information system for environmentally preferable products	•
Implement Partner Code of Conduct with suppliers	
Revamp third-party audit for private-label products to include environmental criteria	•
Develop and solidify external grant and donation policies in support of environmental projects, public awareness and innovative environmental solutions	•
Continue working with START2FINISH (formerly KidsFest) to increase the scope and reach of its programs	•
Incorporate additional sustainability considerations into employment practices	









Increase number of Eco-Committees and participation at our branches nationwide	9
Continue to educate customers on strategic procurement and environmentally preferable products	•
Develop environmental criteria for sales force	•
Implement policies for internal procurement needs that consider CSR criteria	•

Progress on track

Making progress; needs attention

No progress at this time





For nearly 130 years, Grand & Toy has been in the business of providing office solutions. Over the years, the challenges that our industry has faced have changed. Today, our stakeholders are looking to be more sustainable, without sacrificing performance or success. In our 2011 Corporate Social Responsibility Report, I am proud to share some of the ways that we have helped our customers' progress.

Today, organizations have a responsibility to live and operate more sustainably if we are to protect and preserve our planet for future generations. HOW we achieve that is still a learning process. We believe that Grand & Toy has a valuable role to play in helping our customers answer the question of HOW.

We start by integrating sustainability into our business strategy and making it a natural part of the way we do business. Our sustainability initiatives have helped Grand & Toy gain operational efficiencies and develop knowledge and expertise, which we pass on to our customers so that they can benefit from what we've learned first-hand. We believe in leading by example and sharing our knowledge through open, honest communication that builds strong and enduring partnerships.

Helping our customers achieve their social responsibility goals is an important aspect of Grand & Toy's success, and we couldn't do it without their co-operation. On behalf of all Grand & Toy Associates, I want to thank our customers for continuously encouraging us to be better and for allowing us to partner with them on innovative sustainability pilot projects.

Thanks also to our Associates and our sales force for committing to truly understanding Corporate Social Responsibility.

They have demonstrated true leadership in helping us to integrate it throughout our business. And, of course, I want to thank our parent company, OfficeMax for supporting and encouraging us in all of our initiatives.

The support and encouragement we received from all of our stakeholders in 2010 allowed Grand & Toy to embark on many new initiatives and pilot projects – enabling the trial of a reusable tote pilot with one of our customers, and our successful Right Day delivery schedule. We were successful in putting our sustainability commitments into action and in demonstrating to the world HOW we are adding value for our partners. It's a strong foundation for our future success.

I invite you to learn more by reviewing our 2011 Online CSR Report, and I hope you will be encouraged to join us and our partners.

Gary D'Andrea

Chief Operating Officer

Wends







Corporate Social Responsibility practices are constantly evolving and we must evolve with them in order to fulfill our vision of powering Canadian business to lead the journey towards sustainability. In order to continuously improve our own internal sustainability programs, as well as the knowledge and expertise we offer our customers, we invest a significant amount of time in listening to and learning from our stakeholders.

In 2010, Grand & Toy executives participated in numerous industry groups, events and organizations to improve their knowledge of programs and services that support Grand & Toy's Pillars of Sustainability. These organizations included the Canadian Office Products Association, the Purchasing Management Association of Canada, the Partners in Project Green Sustainable Logistics Consortium, the Canadian Aboriginal and Minority Supplier Council, the Retail Council of Canada, and the Retail Advertising and Marketing Club of Canada, among others.

This year, we interviewed customers, suppliers, government agencies and environmental and social interest groups about the key sustainability issues that their organizations faced in 2010. Our Associates were given the opportunity to complete an online survey to provide feedback on what they learned from Grand & Toy's 2010 CSR Report and what we could do to improve our CSR practices and reporting. We learned a great deal from these consultations.

The practice of annually surveying stakeholders ensures that we focus on continuous improvement. It is also consistent with the Global Reporting Initiative's (GRI) G3 Guidelines to ensure relevance and transparency in our CSR reporting.

Through our conversations with all of our stakeholders, four key questions emerged that helped us formulate our CSR priorities and initiatives for the coming year:

- 1. How does Grand & Toy share knowledge, educate and partner with our customers on sustainability?
- 2. What does Grand & Toy do to better our communities and change our corporate culture to embed sustainability?
- 3. How are we "greening" our operations and supply chain?
- 4. What is Grand & Toy doing to ensure that the products and services we sell are as environmentally preferable as possible?

By listening and learning from our consultation process, we hope to engage more of our Associates, customers and other stakeholders in our shared journey towards sustainability.

knowledge sharing / philanthropy / minimizing waste / commitment living sustainably / greenwashing / community / collaboration accountability / partnerships / price / evaluation / doing better closing the loop / diversity / best practices / making the business case







In Grand & Toy's annual reporting, the term "Corporate Social Responsibility", its related acronym "CSR", and the terms "social responsibility" and "sustainability" are used interchangeably to describe initiatives, commitments and behaviours that are intended to have a positive social, environmental or business impact on future generations.

Grand & Toy's CSR reporting follows the G3 Guidelines of the Global Reporting Initiative (GRI). The GRI pioneered the development of the world's most widely used sustainability reporting framework for the three globally recognized areas of CSR: economic, environmental and social performance.

Where possible, we provide references to the GRI indicators that relate to specific metrics used to track our performance. The data collected for this report covers the period from January 1 to December 31, 2010. We have also provided comparative data for 2009 and 2008, wherever such data is available.





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 <sub>2</sub> )	5,427.46	5,159.68	4,736.76	EN16
Scope 2 GHG emissions (in tonnes of CO <sub>2</sub> )	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.<sup>1</sup>

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.





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.







Two of our Sustainability Pillars provide the framework to drive positive change for the people who are impacted by Grand & Toy's business. We empower our Associates to be their best through training and community involvement, and we encourage our communities to take steps to care for their citizens and the environment.

Helping communities to be better requires more than just money. Grand & Toy donates time, products, solutions and tools for building better community programs to support those in need and to protect the community's natural environment so that it can sustain future generations. We use opportunities in our retail locations to encourage other community members to become involved, and we demonstrate the power of positive change to motivate others to make a difference.

Working hand-in-hand with local customers, Grand & Toy helps make sustainability a community goal, and we are proud to share the successes with the friends, partners and Associates that help bring it to life.

Progress on some of our 2010 social indicators can be found in the table below.

KEY PERFORMANCE INDICATOR DETAILS	2008 DATA	2009 DATA	2010 DATA	GRI INDICATOR
# of Associates1	2,011	1,721	1,691	LA1
% of Associates with tenure of 5 or more years	50.8%	54.6%	56.7%	NA
% of Associates with tenure of 10 or more years	34.3%	40.6%	42.5%	NA
% of Associates covered under collective bargaining agreements	21.5%	21%	19.2%	LA4
Total # of hours of training per Associate	2.124	1,056	5,066	LA10/LA8
Average # of hours of training per sales associate	5.93	3.44	9.53	NA
% of Associates who received regular performance reviews	70.2%	72%	82.9%	LA12
\$ Monetary value of ad hoc donations given in support of charitable organizations	239,757	217,382	237,120	EC8

Additional GRI social indicators and internal social Key Performance Indicators (KPIs) can be found in the GRI Indicators, Performance Chart.

In early 2010, Grand & Toy refined its approach to social outreach to direct more focus and impact to the groups in need that align most closely with our business, company values and CSR strategy. We identified education for underprivileged children and the protection of our natural environment as our primary areas of focus. As a result, we supported fewer organizations than in 2009, but we made a bigger difference by furnishing them with more resources. The total value of donations made to charitable organizations in the year was \$237,120.





<sup>&</sup>lt;sup>1</sup> Efforts to increase efficiency and productivity, combined with the use of technology that supports continuous improvement resulted in a reduction in the total number of Associates.





The new social outreach program allowed us to invest more time and resources in one of our favourite corporate charities START2FINISH (formerly KidsFest) and their annual backpack program, which provides underprivileged children with a backpack filled with school supplies. Last year, Grand & Toy Associates volunteered their time to fill and deliver over 7,000 backpacks to prepare young students for their first day of school. This represents a 40% increase over 2009.

For the environment, Grand & Toy teamed up with one of its strategic partners, Boise Inc., a leading manufacturer of paper and packaging products, to launch the Quarter per Carton Campaign. For the month of June, every carton of recycled Boise paper sold by Grand & Toy resulted in a 25-cent donation to Learning for a Sustainable Future (LSF), an organization that promotes sustainable education programs in the Canadian education system. Smart and sustainable paper choices made by Grand & Toy customers raised \$15,000 for LSF, strengthened our partnership with Boise and helped to raise consumer awareness of the benefits of choosing recycled paper.

Empowering our Associates to be community leaders starts by providing them with the tools and knowledge they need to make good choices. In 2010, we made an important investment in training for our Associates, to help them work safely and improve their skills. The total hours of training for all Grand & Toy Associates increased by 79% over 2009. These included new sales training and the introduction of new online training tools and guides to help all of our Associates understand our business strategy and how we all play a part in Grand & Toy's success.







A Day Made Better is a program originally introduced by our parent company, OfficeMax, in response to research showing that today's teachers spend a significant amount of their personal money on buying essential supplies for their classrooms and students. In Canada, teachers spend about \$453 every year doing just that. Teachers play an important role in every community, providing the encouragement and motivation that young people need to be their best, so A Day Made Better was created to end "teacher-funded classrooms" and recognize those teachers who go above and beyond.

In our second year with the program, Grand & Toy received 42 applications from students, parents and colleagues, which is an 83% increase over 2009. Every one of them described an exceptional teacher who has made the lives of students better through his or her contributions in the classroom.

Grand & Toy was proud to give back to teachers through the donation and surprise delivery of a new chair and office supplies valued at about \$2,000 to 12 winning teachers in 2010.











One special group of Grand & Toy Associates even travelled the ocean on a mission to deliver the prize to a deserving teacher!

Rising at 5:00 a.m. one morning, the Victoria Grand & Toy Sales Office employees chartered a boat for a two-hour trip across British Columbia's Georgia Strait that took them to a small, remote school with limited access on Lasqueti Island. Determined to make the award presentation in person, the Associates invested their own time (and a few hours of regular sleep!) in order to visit with teachers and students and share in their excitement.

Reid Wilson of False Bay School couldn't believe his eyes when he saw a group of strangers pushing an office chair up the steep and rocky hill towards his classroom. With a total population of only 350 residents, the students of False Bay School aren't used to seeing many visitors, let alone receiving unexpected supplies like markers, paper, tape, glue sticks, staplers, and a new "boom box" for recess!

The impact made by our Associates was evident in the correspondence received by some of the students:

"What I liked most about your visit was how kind you all were. We were very happy that you came so far just to give us all of that stuff. You were very chill when you got here instead of complaining about the big hill you had to push your cart up!

I also wanted to thank you for coming here from Victoria. I heard that you had to get up at 5:00 in the morning to get here at 10:00. You were very nice to do that for all of us. We really appreciate it because we don't get to have that many visitors on this island of ours."

Your friend, A student in Grade 5



The gratitude of the children and the teacher definitely resulted in A Day Made Better for everyone!







Grand & Toy Associates are leaders in our communities. We connect with hundreds of small business owners and community members each week in our Business Centres across the country. These connections give Grand & Toy the opportunity to educate, engage and partner with local community members in outreach efforts and causes that we are proud to support.

Following the devastating earthquake in Haiti in 2010, our Business Centre Associates decided to reach out to community members and their customers by asking for in-store donations to help in the relief efforts. More than \$18,000 was collected for CARE Canada and the Humanitarian Coalition working on the ground to improve living conditions for thousands of displaced Haitians.

Each year, Business Centres also raise funds for the START2FINISH (formerly KidsFest) backpack program in their local communities, and each region has identified local organizations to receive donations of discontinued products. This ensures that we are minimizing the waste stream from our retail locations while contributing to those in need. Community is a foundation of our SPARK value proposition for small businesses.



Grand & Toy supported communities, both globally and locally, to build a better sense of community.





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.

<sup>1</sup>Environmental 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.







Grand & Toy is helping Canadian businesses make progress on Corporate Social Responsibility initiatives, and we are powering their potential to lead the journey towards sustainability. By embracing this role, we are also transforming the way Grand & Toy does business.

When we help our customers achieve their environmental, social and business goals, we also create opportunities that improve our internal processes and support Grand & Toy's sustainability goals. The solutions and tools we offer our customers are the same ones we adopt in our business in order to demonstrate the benefits of socially responsible decisions. As a result, we work to continuously improve and enhance our understanding and practice of CSR. We must stretch our goals, engage more of our Associates and external stakeholders, and share our challenges and successes through regular communication and transparent reporting.

There's always more we can do, and Grand & Toy has a role to play in showing the world that being better at Corporate Social Responsibility is a better way to be!

Based on the goals we stated in 2010 and new priorities for our business, goals for the coming year are:

- 1 To establish a Sustainability Management System
- 2 To track and understand our sustainability impacts in the context of our business activities
- To set reduction targets and inspirational goals for our sustainability priorities with a deadline of 2015
- 4 To expand our support and the reach of the A Day Made Better Program
- 5 To implement more stringent policies for our internal procurement needs that consider CSR criteria
- 6 To continue to re-evaluate supply chain procedures to reduce waste
- 7 To create standardized information system for environmentally preferable products
- 8 To revamp third-party audit for private-label products to include environmental criteria
- 9 To increase number of Eco-Committees and participation at our branches nationwide
- 10 To incorporate additional sustainability considerations into employment practices
- To develop and solidify external grant and donation policies in support of environmental projects, public awareness and innovative environmental solutions
- 12 To continue to educate customers on strategic procurement and environmentally preferable products
- 13 To develop environmental criteria for sales force
- 14 To work with suppliers to reduce product packaging







## 2011 Corporate Social Responsibility Report

Environmental Footprint Product Stewardship Customer Partnerships Ethical Sourcing Employment Practices
Impact on Communities

LEGEND
NT Not Tracked
NA Not Available
No Relevant GRI Indicator

GRI INDICATOR	FOCUS AREA	KEY PERFORMANCE INDICATOR DETAIL		2008 DATA	2009 DATA	2010 DATA	DETAILS/ EXPLANATIONS
EN1	Corrugate	Corrugate purchased for customer orders for the year	lbs	2,065,622	1,734,867	1,974,820	SHOW DETAILS ①
EN2	Corrugate	Content of corrugate boxes derived from post-consumer waste	%	85	85	85	SHOW DETAILS ①
EN1	Shrink Wrap	Shrink wrap purchased for customer orders for the year	lbs	NT	27,665	28,045	SHOW DETAILS ①
EN1	Air Pillows	Air pillows purchased for the year	lbs	NT	17,888	16,224	SHOW DETAILS ①
EN1	Shipping Envelopes	Courier envelopes purchased for the year	lbs	NT	11,217	13,198	SHOW DETAILS ①
EN1	Skids	Wooden skids purchased for customer orders for the year	lbs	NT	NT	3,221	SHOW DETAILS (
-	Land	Offices with LEED certification	%	0	0	0	SHOW DETAILS ①
EN11	Land	Retail locations nationwide	#	45	36	34	SHOW DETAILS ①









EN11	Land	Sales offices and Customer Fulfillment Centres (CFCs) nationwide	#	27	27	27	SHOW DETAILS 👩
EN11	Land	Area (all facilities)	sq. ft.	1,158,365	1,129,984	1,093,347	SHOW DETAILS ①
EN1	Paper (Internal)	Reams of paper consumed at all CFCs and offices	reams	8,634	7,402	6,971	SHOW DETAILS 👩
EN4/5	Electricity	Electricity consumption (all facilities)	kWh	13,201,120	11,712,071	10,875,588	SHOW DETAILS ①
EN3	Natural Gas	Gas consumption (all facilities)	m³	1,257,956	1,166,784	1,062,077	SHOW DETAILS 🔾
EN3/29	Air Travel	One-way business flights	#	NT	1,621	1,419	SHOW DETAILS ①
EN3/29	Air Travel	Total mileage travelled on business flights	km	NT	1,669,630	1,461,694	SHOW DETAILS ①
EN3/29	Owned Distribution	Total vehicles (national)	#	134	127	116	SHOW DETAILS 🔁
EN3/29	Owned Distribution	Vehicles (diesel)	#	59	52	52	SHOW DETAILS 🔁
EN3/29	Owned Distribution	Vehicles (gas)	#	75	75	64	SHOW DETAILS 🖸







EN3/29	Owned Distribution	Fuel consumption (diesel)	L	394,964	387,507	361,224	SHOW DETAILS ①
EN3/29	Owned Distribution	Fuel consumption (gas)	L	384,678	380,366	348,960	SHOW DETAILS
EN3/29	Dedicated Distribution	Total vehicles (national)	#	94	81	82	SHOW DETAILS ①
EN3/29	Dedicated Distribution	Vehicles (diesel)	#	29	24	24	SHOW DETAILS ①
EN3/29	Dedicated Distribution	Vehicles (gas)	#	65	57	58	SHOW DETAILS ①
EN3/29	Dedicated Distribution	Fuel consumption (diesel)	L	156,554	153,630	119,304	SHOW DETAILS ①
EN3/29	Dedicated Distribution	Fuel consumption (gas)	L	310,971	285,294	288,816	SHOW DETAILS (
EN16	Emissions	Scope 1 (distribution only)	tonnes CO <sub>2</sub> e	3,056.26	2,960.34	2,734.79	SHOW DETAILS ①
EN16	Emissions	Scope 1 (natural gas)	tonnes CO <sub>2</sub> e	2,371.20	2,199.34	2,001.97	SHOW DETAILS ①
EN16	Emissions	Scope 1 (distribution and natural gas)	tonnes CO <sub>2</sub> e	5,427.46	5,159.68	4,736.76	SHOW DETAILS ①









EN16	Emissions	Scope 2 (purchased electricity)	tonnes CO₂e	2,431.37	2,157.12	2,003.06	SHOW DETAILS 🚭
EN16	Emissions	Combined Scope 1 and 2 emissions	tonnes CO <sub>2</sub> e	7,858.82	7,316.80	6,739.81	SHOW DETAILS
EN16	Emissions	Scope 3 (flights only)	tonnes CO <sub>2</sub> e	NT	222.17	149.29	SHOW DETAILS ①
EN13/30	Carbon Offsets	Carbon offsets purchased	tonnes CO <sub>2</sub> e	0	1,899.75	1,140.00	SHOW DETAILS ①
EN27	Recycling	Ink and toner cartridges recycled (all customers)	#	276,393	433,242	413,547	SHOW DETAILS ①
EN27	Recycling	Ink and toner cartridges recycled (all customers)	lbs	977,434	1,429,356	1,256,005	SHOW DETAILS ①
EN22	Recycling	Waste to landfill	lbs	984,996	922,572	860,183	SHOW DETAILS
EN22	Recycling	Corrugate recycled	lbs	1,321,942	1,909,574	1,656,570	SHOW DETAILS 🐧
EN22	Recycling	Shrink wrap recycled	lbs	12,194	86,701	27,142	SHOW DETAILS 🐧
EN22	Recycling	Scrapwood recycled	lbs	16,868	23,373	131,037	SHOW DETAILS 🐧









EN22	Recycling	Mixed recycled	lbs	145,768	242,815	489,751	SHOW DETAILS (5)
EN10	Recycling	Water recycled	L	NT	NT	NT	SHOW DETAILS (
EN22	Recycling	Organic waste collected	lbs	0	0	NT	SHOW DETAILS 😝
EN22	Recycling	e-waste recycled	lbs	NT	NT	2,084	SHOW DETAILS 🐧
EN27	Recycling	Furniture recycled	lbs	0	0	600	SHOW DETAILS 🐧
EN22	Recycling	Waste diversion rate (national)	%	60.31	71.03	72.82	SHOW DETAILS 🐧
		Product Stewardship					
PR1	Environmentally Preferable Products	Products in ordering guide identified as environmentally preferable	#	1,503	1,554	1,833	SHOW DETAILS 🐧
-	Environmentally Preferable Products	Total products in ordering guide	#	6,721	6,791	6,973	
PR1	Environmentally Preferable Products	Products in ordering guide identified as environmentally preferable versus total products in ordering guide	%	22.36	22.88	26	SHOW DETAILS 🐧
-	Sales of Environmentally Preferable Products	Sales of environmentally preferable products versus total sales	%	NT	19	20	SHOW DETAILS ①









EN2	Paper	Copy paper sales that bear internationally recognized forest and manufacturing environmental certifications versus total copy paper sales	%	98	99	99	SHOW DETAILS ①
-	Paper	Copy paper sales that contained 30% or more post-consumer waste	%	15	21	23	SHOW DETAILS 🔁
		Customer Partnerships					
EN14	Paper	Marketing papers sourced from a certified responsibly managed forest	%	NT	100	100	SHOW DETAILS ①
EN14	Ordering Guide	Ordering guides printed	#	300,000	250,000	200,000	SHOW DETAILS 🔁
EN14	Ordering Guide	Page reductions over previous year	#	24	0	0	
EN14	Ordering Guide	Total paper savings from ordering guide changes	lbs	830,000	667,976	550,023	SHOW DETAILS 🐧
EN18/26	48-Hour Delivery	Customers who chose 48-hour delivery	%	-	50.61	76.50	SHOW DETAILS 🔁
EN18/26	48-Hour Delivery	Orders delivered with 48-hour option	%	-	36.21	61.54	SHOW DETAILS 🔁
EN18/26	Right Day Delivery	Customer Accounts who chose Right Day delivery	#	NT	NT	5,875	SHOW DETAILS 🕒
EN26	e-invoicing	Total new and existing accounts that selected e-invoicing as default	%	5	6	13	SHOW DETAILS 😯









EN26	e-invoicing	Total internal paper page savings as a result of e-invoicing	#	147,494	157,927	243,445	SHOW DETAILS ①
S01	Lunch and Learn	Lunch and Learns conducted	#	35	42	33	SHOW DETAILS ①
S01	Lunch and Learn	Total customer attendees	#	NT	345	500	SHOW DETAILS ①
SO1	Lunch and Learn	Post-event customer satisfaction rate (survey)	%	NT	NT	99.3	SHOW DETAILS 🔁
SO1	Small Events	Events conducted (national)	#	NT	23	10	SHOW DETAILS 🕃
SO1	Small Events	Total customers reached (all events)	#	NT	460	120	
S01	Large Events	Events conducted (national) or sponsorships	#	NT	1	1	SHOW DETAILS 🕃
SO1	Large Events	Total customers reached (all events)	#	NT	200	40	SHOW DETAILS 🕃
-	Large Events	Other business sponsorships and memberships	_	_	_	-	SHOW DETAILS 🔁
PR6	Marketing Code	Voluntary marketing codes adopted or adhered to	#	1	1	1	SHOW DETAILS 🕃







PR5	Customer Satisfaction	Customer Satisfaction survey (CSAT) statistics	_	No CSAT	No CSAT	No CSAT	SHOW DETAILS ①
EN27	THINK Program	Ink and toner cartridges recycled (national)	#	276,393	433,242	413,547	SHOW DETAILS 🕃
-	Case Studies	Customer case studies published	#	0	2	4	SHOW DETAILS ①
		Ethical Sourcing					
EN1	Paper	Paper consumed for internal purposes that bears third-party environmental certification	%	100	100	100	SHOW DETAILS ①
EN1	Paper	Paper consumed for internal purposes made from post-consumer waste	%	30	30	30	SHOW DETAILS ①
EN1	Office Supplies	Office supply orders	#	4,714	3,331	3,276	SHOW DETAILS 🕃
EN14	Office Supplies	Internal spend on environmentally preferable products / total spend	%	NT	19.9	22.5	SHOW DETAILS 🕃
EN14	Office Supplies	Environmentally preferable products that make up core ordering list	%	NT	28.5	39.5	SHOW DETAILS 🐧
EN1	Ink and Toner	Ink and toner cartridges purchased for internal purposes	#	1,785	1,952	1,268	SHOW DETAILS ①
HR2	Partner Code of Conduct	Total North American vendors	#	NT	98	91	









HR2	Partner Code of Conduct	North American vendors who signed Partner Code of Conduct	#	NT	NT	71	SHOW DETAILS (
HR2	Partner Code of Conduct	North American vendors who signed Partner Code of Conduct / total	%	NT	NT	78.02	SHOW DETAILS 🐧
HR1	SA8000 Audit	Average score for all audits	%	86.30	79.63	83.97	
HR1	SA8000 Audit	Median score for all audits	%	91.43	91.22	83.69	
HR1	SA8000 Audit	Significant investment agreements that include human rights clauses or have been screened	%	100	100	100	
		Employment Practices					
LA1/13	Workforce	Total Associates (excluding contractors)	#	2,011	1,721	1,691	SHOW DETAILS ()
LA1/13	Workforce	Total sales Associates	#	358	307	293	SHOW DETAILS ()
LA2	Turnover	Rate of employee turnover (national)	%	29	23	19	SHOW DETAILS 🐧
LA2	Hires/Fires	New hires	#	682	332	325	SHOW DETAILS ①
EC3	Hires/Fires	Benefits provided to full-time employees that are not provided to part-time employees	list	Pension Plan, Group Benefit Plan, Exceptions and Employment Assistance Plan	No Change	No Change	









-	Retention	Associates with five or more years of tenure versus total Associates	%	50.80	54.60	56.70	
-	Retention	Associates with 10 or more years tenure versus total Associates	%	34.30	40.60	42.50	
LA4	Collective Bargaining	Employees covered under Collective Bargaining Agreements (CBAs)	%	21.50	21.00	19.20	
LA5	Notice	Minimum notice period(s) (weeks) regarding operational changes, including whether specified in Collective Bargaining Agreements	#	No Change	No Change	No Change	
LA6	Health and Safety	Total workforce represented in formal joint management-worker health and safety committees	%	6.40	6.60	5.63	SHOW DETAILS (
LA7	Health and Safety	Employee medical aid incidents	#	30	40	56	
LA7	Health and Safety	Restricted work incidents	#	55	51	55	
LA7	Health and Safety	Associate recordable injuries	#	60	69	79	
LA7	Health and Safety	Associate lost-time incidents	#	30	29	23	
LA9	Health and Safety	Health and safety topics covered in formal agreements with trade unions	list	No Change	No Change	No Change	SHOW DETAILS ①







LA8/10	Training and Education	Total hours of training for all Associates	#	2,124	1,056	5,066	SHOW DETAILS (
LA8/10	Training and Education	Average hours of sales training per sales Associate	#	5.93	3.44	9.53	SHOW DETAILS 🐧
LA8/10	Training and Education	Associates who participated in G&T Continuing Education program	#	18	18	18	SHOW DETAILS (3
LA11	Training and Education	Programs for skills management and life-long learning that support continued employability	list	Tuition Reimbursement Program	No Change	No Change	SHOW DETAILS ()
LA11	Training and Education	Associates who applied for and were granted tuition reimbursement	#	18	18	18	SHOW DETAILS (
LA12	Training and Education	Associates who received performance and career development reviews	%	70	72	83	
HR3	Training and Education	Hours of employee training on policies and procedures related to aspects of human rights that are relevant to operations	#	600	0	255	SHOW DETAILS ①
SO2	Risk Audits	Retail locations audited for business risk	%	33	31	67	SHOW DETAILS (
SO2	Risk Audits	CFC locations audited for business risk	%	57	43	57	SHOW DETAILS (
SO3	Tipline	Associate-identified incidents	#	8	4	6	SHOW DETAILS ①









SO4	Tipline	Incidents of corruption	#	14	10	3	SHOW DETAILS ①
SO6	Regulatory Affairs	Total in-kind financial contributions to political parties	\$	0	0	0	SHOW DETAILS 🔁
S07	Regulatory Affairs	Total legal actions taken for anti-competitive behaviour, anti-trust and monopoly practices	#	0	0	0	SHOW DETAILS 🐧
SO8	Regulatory Affairs	Sanctions for non-compliance with laws and regulations	#	0	0	0	SHOW DETAILS ①
		Impact on Communities					
S01	Charitable Donations	Charitable organizations supported through donations of service, product or money	#	51	152	44	SHOW DETAILS 🐧
-	Charitable Donations	Monetary value of emergency or relief funds donated for special causes	\$	NT	NT	18,600	SHOW DETAILS ①
EC8	Charitable Donations	Monetary value of ad hoc donations given in support of charitable organizations	\$	239,757	217,382	237,120	SHOW DETAILS 🐧
EC8	Bryan Bridges Scholarship	Recipients who received the Bryan Bridges Scholarship	#	5	5	3	SHOW DETAILS 🐧
EC8	Bryan Bridges Scholarship	Bryan Bridges Scholarship recipients who were renewals from previous year	%	2	2	3	SHOW DETAILS (
EC8	Bryan Bridges Scholarship	Associates or Associate families who applied for the Bryan Bridges Scholarship	#	NT	NT	5	SHOW DETAILS (3)









EC8	KidsFest Backpack Program	Backpacks packed by G&T Associates for the KidsFest backpack program	#	2,400	3,500	5,920	SHOW DETAILS ①
EC8	KidsFest Backpack Program	Backpacks sponsored by G&T and suppliers for the KidsFest backpack program	#	4,650	5,000	7,020	SHOW DETAILS ①
-	KidsFest Backpack Program	Funds raised in store through customer collection	\$	27,770	34,880	26,476	SHOW DETAILS ①
EC8	KidsFest Backpack Program	Estimated value of Associate time donated for backpack program	\$	30,937	33,473	35,313	SHOW DETAILS ①
-	KidsFest Backpack Program	Estimated value of backpacks donated	\$	581,250	625,000	877,500	SHOW DETAILS ①
-	Corporate Awards	External awards received	#	1	3	3	SHOW DETAILS ①
EC8	A Day Made Better	Applications received for A Day Made Better	#	-	7	42	SHOW DETAILS ①
EC8	A Day Made Better	Teachers surprised through A Day Made Better	#	-	3	12	SHOW DETAILS ①



