

The Lyréco logo is at the top, featuring the word "Lyréco" in blue and green with a stylized leaf above the 'e'. Below it is the tagline "Together for a sustainable future". The main title "Sustainable Development Report 2011/2012" is in large green letters. The background features a woman in a black dress holding a small globe in a field with wind turbines in the distance. A large, faint green tree graphic is overlaid on the scene.

Lyréco

Together for a sustainable future

Sustainable Development Report 2011/2012



eco.lyreco.com



Lyréco
You're our number One !

→ A WORD FROM THE CEO



"We want to be the Reference for sustainable Workplace Supplies Solutions". This is Lyreco's Sustainability vision. It means that we want to create a more sustainable tomorrow, and we believe Lyreco can play a leading role in the industry towards this goal.

Sustainability is at the core of our business. Since our last Sustainability report we have made solid progress which was recognised by the whole Office Supplies industry, when we won the Corporate Social Responsibility category at the 2012 European Office Products Awards. Specifically, the judges praised "Lyreco as a company that lives, works and breathes its approach to CSR, consistent in everything it does".

We are proud of all our achievements and we wanted to build on this foundation as we look to the next step of our sustainability journey. Consequently, throughout 2011, we've listened closely to stakeholders: we asked about the future of sustainability and how businesses like Lyreco can contribute to finding solutions in more and more meaningful ways. Bearing in mind the economic challenges and increasing customer demand for value, we knew it was time to be visionary; to map out clearly the company we want to be, for a more sustainable future. This led the definition of our mid term strategy: "Eco Future". The plan sets out our new vision with commitments and targets; it demonstrates how we will grow our business while building a more sustainable tomorrow.

We believe we can achieve our targets by 2017 with hard work, innovation and investment.

"We want to be
the Reference
for sustainable
Workplace Supplies
Solutions."

Clearly, investment is key and through the annual budgeting process, we will ensure that the necessary funds are made available to deliver our internal targets; we will also ask suppliers of all types to deliver their part.

We hope that in working this way, we will engage our customers and employees, and further challenge our suppliers to work harder at what counts towards a more sustainable future.

I do hope you will enjoy this Sustainable Development report through which we aim to share our key initiatives and achievements. But that is not the main reason for publishing it. This report's primary purpose is to serve as a working document — something that our management teams can use to compare results, share information and ideas, and set ever more ambitious targets each year.

Finally, I would like to take this opportunity to acknowledge the commitment of management and staff to this endeavour. It is through their efforts and enthusiasm that Lyreco can go on making a positive contribution to the communities in which we do business.

We look forward to receiving your feedback.

Kind regards,
Steve Law

→ VALUES

Businesses, like families or countries, need values to work to. Sharing our values makes all of us stronger as a team. Our values are simple enough, but are very important. They are:



→ READ MORE ON-LINE

The "Lyreco Eco" website showcases videos and practical elements of the Sustainability initiatives and actions.

Visit the website on a regular basis so you can as well get the latest news, awards and recognitions.

eco.lyreco.com



→ CONTENT

- p. 2 A WORD FROM THE CEO
- p. 4 THE BUSINESS
- p. 5 KEY FIGURES
- p. 6 "ECO FUTURE"
- p. 7 SUSTAINABILITY STRATEGY
- p. 8 MANAGING SUSTAINABILITY
- p. 9 8 YEARS SUPPORTING THE UN GLOBAL COMPACT

p. 10-23 ENVIRONMENTAL ACTIONS

- p. 12-13 CARBON FOOTPRINT
- p. 14-15 PRODUCTS
- p. 16-18 DELIVERY
- p. 19 PACKAGING
- p. 20-22 WASTE
- p. 23 INFRASTRUCTURE

p. 24-33 SOCIAL ACTIONS

- p. 26-29 LYRECO PEOPLE
- p. 30-33 COMMUNITY

p. 34-41 ECONOMIC ACTIONS

- p. 36-38 CUSTOMER
- p. 39-41 MARKETPLACE

p. 42 CUSTOMER TESTIMONIAL

p. 42-43 BUSINESS CASES

p. 44-45 SUPPLIER TESTIMONIALS

p. 46 FINANCIAL INTEGRITY

p. 47 AWARDS

→ THE BUSINESS

Your office... our world

37 countries, one Lyreco

In addition to the extensive markets covered by Lyreco, we have also formed strategic sales alliances with 7 partners: Askul, OfficeMax, Officepro, Office Products Depot, Waltons, Inforshop and Marken.

Continuous improvement is the rule

All subsidiaries contribute to the continuous improvement of the group model by sharing new ideas and best practices. Sustainable Development takes advantage of these synergies from all areas of the business and group experts help by improving the group best practices.



You're our number One !



7 strategic alliances

These alliances allow us to better serve our international clients with a presence in Japan, Mexico, United States, Taiwan, New Zealand, South Africa, Namibia, Mozambique, Brazil and Argentina.



→ KEY FIGURES

SALES FORCE

Sales force Indicators

- 5,000 sales people
- 2,900 cars

Areas for improvement

- Increase communication on Sustainable Development with customers
- Reduce environmental impacts due to travelling
- Reduction of printed reports



CUSTOMER



CUSTOMER SERVICE

Customer Service Indicators

- 25,000 calls/day
- 61,000 orders/day
- 293,000 lines/day

Areas for improvement

- Reduce environmental impacts due to hard copy orders



ORDER PREPARATION

Order Preparation Indicators

- 31 Distribution Centres:
- 400,000 m2
- 235,000 parcels prepared/day

Areas for improvement

- Reduce Health & Safety risks
- Increase waste recycling
- Energy savings initiatives



PRODUCT SELECTION

Product selection Indicators

- An average of 6,000 products offered by each country
- 15 product families
- 790 "green" products, which is 16.3% of the International common range
- 100 ergonomic products, which is 2.3% of the International common range

Areas for improvement

- Continue to develop a deeper range of environmentally friendly products
- Continue to raise consumer awareness on Sustainable Development and pay special attention to certified suppliers
- Define strict and formalised criteria for qualification as "green" product.
- Reduce hard copy invoices (e-biller).



DELIVERY

Delivery Indicators

- 1,750 vans and drivers
- 61,000 deliveries every day

Areas for improvement

- Reduce Health & Safety risks
- Reduce environmental impacts due to transportation (route planning)
- Reduced packaging



→ SUSTAINABILITY STRATEGY

Aligned to the new vision, in early 2012, Lyreco launched a mid-term Sustainability strategy, "Eco Future".

Despite the fact that sustainability principles have been embedded in Lyreco's culture and values for many years, "Eco Future" is a visionary step, developed to bring consistency, transparency and a longer term perspective of Lyreco's Sustainable Development approach.

The "Eco Future" strategy comprises the vision; three guiding principles and clearly defined commitments: environment protection, social responsibility and economic success. Furthermore, a number of Key Performance Indicators (KPIs) and ambitious targets have been defined; making sure Lyreco's progress can be shared with all stakeholders and the general public.

THE VISION:

To be the Reference for sustainable Workplace Supplies Solutions.

It means we would like Lyreco to be a company where Sustainability is taken into account all times, at all levels, for any decision.



"Eco Future" applies to all the Lyreco subsidiaries world-wide

In order to fully communicate with stakeholders and the general public, Lyreco will be organising press releases and customer events in the countries. A dedicated video has been released on the eco.lyreco.com website along with a document to explain the full "Eco Future" Strategy.

→ SUSTAINABILITY STRATEGY

GUIDING PRINCIPLE

ENVIRONMENT PROTECTION

Reduce our ecological footprint
Help our customers and suppliers to do the same

COMMITMENTS

1. Develop environmentally preferable products & services
2. Reduce Greenhouse Gas Emissions
3. Prevent and manage waste

KEY PERFORMANCE INDICATORS & TARGETS 2017

Green Products	25% of sales
C02 emissions	reduction of 20%
Waste	90% is recycled

GUIDING PRINCIPLE

SOCIAL RESPONSIBILITY

Reinforce our long term relationship focusing on human relationships and Development

COMMITMENTS

4. Ensure a safe and healthy working environment
5. Contribute to the personal development of each individual
6. Focus on the development of our best talents
7. Promote education of children in developing countries

KEY PERFORMANCE INDICATORS & TARGETS 2017

Working conditions	90% of employees are satisfied
Training level	90% of employees consider they are properly trained
LFE* collection target	increases of 10% per year
Lost working days	decreases of 10%

* Lyreco For Education

GUIDING PRINCIPLE

ECONOMIC SUCCESS

Build lasting customer relationships by providing solutions to their sustainability goals

COMMITMENTS

8. Establish customer partnerships on sustainability
9. Establish supplier assessment programmes on sustainability
10. Develop sustainable innovations in products & services

KEY PERFORMANCE INDICATORS & TARGETS 2017

Supplier Performance level	increase of 10% per year
Suppliers Audited	100% for the Lyreco branded products



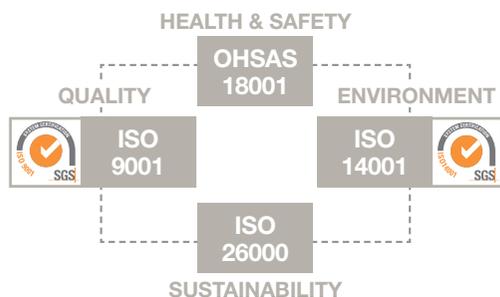
→ MANAGING SUSTAINABILITY

Sustainability as a broader concept comes naturally to Lyreco; sitting firmly on foundations of the integrated management approach to Quality, Environment and Health & Safety.

An integrated Management System – the foundation

To ensure a reliable basis and common operating practice for all subsidiaries, Lyreco uses the recognised international standards ISO 9001 and ISO 14001 to which the Integrated Management Systems are certified. This ensures that quality and environmental matters are dealt with at a level trusted by interested parties and understood by employees.

Aligned with the Quality & Environmental Management System, Health & Safety management is based on Lyreco's guidelines referring to the OHSAS 18001 standard and local legislation, applied in the subsidiaries by the Senior Management Teams.



More recently, ISO 26000, the guideline for Corporate Social Responsibility, has been adopted to provide structure to the sustainability journey, with several employees now fully trained in its application.

A unique certification body for continuous improvement

The Lyreco Quality & Environmental Management System focuses on preventive actions and continuous improvement. To ensure a consistent approach, Lyreco has chosen SGS as the unique certification body for all the subsidiaries world-wide.



SGS audits all Lyreco subsidiaries annually on the standards ISO 9001 & ISO 14001 and re-certifications are done once every three years.

In addition, some countries have also chosen to obtain an FSC CoC Certification (Forest Stewardship Council – Chain of Custody). These certifications are also issued by SGS.

The audit feedback and results are shared within Lyreco and used for internal benchmarking as well as global improvement. Through many years of cooperation SGS report that Lyreco has a management system that lives in all levels of the organisation, which shows daily in all Lyreco's processes.

Daily management

In every subsidiary, there is a department whose main responsibilities are the components of Sustainable Development, including Quality and Environmental management.

The QSS Manager reports directly to the Managing Director. The aim of this structure is to ensure that key business decisions are made with Quality, Environment, Health, Safety, Economic and Social aspects taken into account – thus ensuring a sustainable growth.

Each local Senior Management Team is supported by a Management Team at Lyreco Group level. Regular Group Directors meetings are held to analyse and discuss Sustainability projects, actions and results, and make corporate decisions regarding these matters.

Each country has its own Quality, Security & Sustainability Manager (QSS), who is a member of the Senior Management Team.

International strength through global coordination

In 2010, a structured monthly Coordination template was set up to encourage sharing of best practices and to enable data gathering, analysis and follow up of sustainable development projects.



→ 8 YEARS SUPPORTING THE UN GLOBAL COMPACT



In 2004, Lyreco became the first office supplies signatory to the United Nations (UN) Global Compact, affirming commitment to the advancement of its 10 universal principles in the areas of human rights, labour, the environment and anti-corruption.

Since then, Lyreco has proudly reaffirmed its support of the UN Global Compact annually and published a Communication on Progress, which is a public disclosure to stakeholders posted on the UN Global Compact website.

The Ten Principles

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption. The Ten Principles enjoy universal consensus and are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption.

Human Rights

- **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
- **Principle 2:** make sure that they are not complicit in human rights abuses.

Labour

- **Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- **Principle 4:** the elimination of all forms of forced and compulsory labour;
- **Principle 5:** the effective abolition of child labour; and
- **Principle 6:** the elimination of discrimination in respect of employment and occupation.

Environment

- **Principle 7:** Businesses should support a precautionary approach to environmental challenges;
- **Principle 8:** undertake initiatives to promote greater environmental responsibility;
- **Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- **Principle 10:** Businesses should work against all forms of corruption, including extortion and bribery.

About the UN Global Compact

The United Nations Global Compact is the largest corporate responsibility initiative in the world – with 7,000 signatories based in more than 135 countries and Local Networks existing or emerging in 90 countries.

For more information, go to www.unglobalcompact.org

ENVIRONMENTAL ACTIONS



In the delivery of its Sustainable Development vision and policy, Lyreco aims to:

- Identify and evaluate opportunities to reduce environmental impacts in serving customers and to take opportunities to enhance the environment.
- Ensure our operations and projects are managed in accordance with accredited quality (ISO 9001) and environmental management (ISO 14001)

systems to include sustainability priorities. This means dedicated actions and programmes on Products, Packaging, Delivery, Waste Management, Carbon Footprint and Infrastructures.

The following pages detail activity carried out in 2011 or scheduled to be carried out in 2012.

→ ENVIRONMENTAL APPROACH

Environmental actions across the whole business



CARBON FOOTPRINT

- Measure and reduce the carbon footprint

p. 12-13

PRODUCTS

- Shop green with the new e-shopping website
- FSC Chain of Custody from forest to consumer
- European Eco Label for Lyreco Paper
- Sustainable Product Assessment

p. 14-15

DELIVERY

- Reduced impact of delivery vans
- Green fleet policy
- Transporting goods by train
- Paper storage at the regional delivery centres
- Collection of customer returns

p. 16-18

PACKAGING

- Re-use supplier box programme
- Reduced packaging for small orders

p. 19

WASTE

- Office supplies waste collection
- Improving waste segregation in offices
- Target zero waste
- Green printing awareness
- "Sales Force Mobility": one step further

p. 20-22

INFRASTRUCTURE

- IS infrastructure consolidation

p. 23

→ MEASURE AND REDUCE THE CARBON FOOTPRINT

Lyreco's business operations inevitably create carbon emissions - one of its most significant environmental impacts. As part of the "Eco Future" strategy, it was agreed that a meaningful carbon reduction plan required first a thorough understanding of the footprint of the operations globally. As a result, in early 2011, a project was launched to do just that.



5 main steps in assessing Lyreco's global carbon footprint:

1. Selection of a consistent method to ensure accurate results

Lyreco chose the international standard ISO 14064 as a guideline on which to build the Carbon Footprint Calculator, which is bespoke to Lyreco in terms of activities and countries.

2. Definition of the Scope

All Lyreco subsidiaries are included in the calculation of the Carbon Footprint. In terms of operational boundaries, all scope 1 and scope 2 emissions are taken into account, as well as a part of scope 3.

What is ISO 14064 standard?

The ISO 14064 standard is part of the ISO 14000 series of International Standards for environmental management. The ISO 14064 standard provides governments, businesses, countries and organisations with an integrated set of tools for programmes aimed at measuring, quantifying and reducing greenhouse gas emissions.

What are scope 1, 2 and 3 emissions?

■ Scope 1 - Direct emissions

Direct emissions resulting from activities within the Lyreco's control. It includes Distribution (company vans), process emissions such as Consumables and Materials, and Fixed Assets.

■ Scope 2 - Energy Indirect emissions

Indirect emissions from Energy Sources purchased and used by Lyreco, such as electricity and gas.

■ Scope 3 - Other Indirect emissions

Any other indirect emissions from sources not directly controlled by Lyreco. Lyreco includes Movement of People (employee business travel) and Direct Waste (waste disposal).

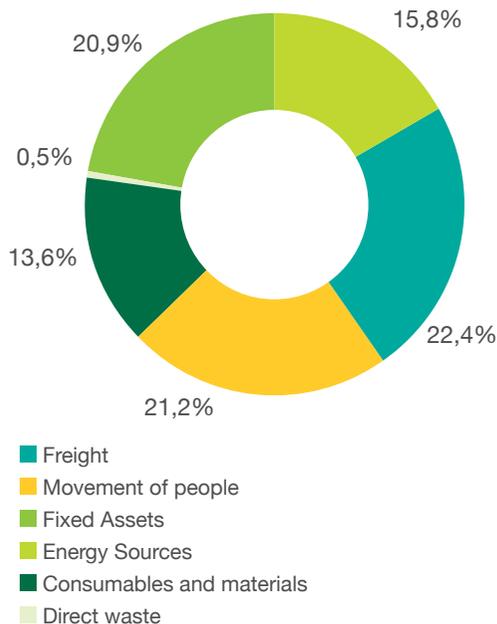
→ MEASURE AND REDUCE THE CARBON FOOTPRINT

	2010	2011
Energy Sources - t CO ₂ eq.	17 826	14 993
Freight - t CO ₂ eq.	23 783	21 249
Movement of People - t CO ₂ eq.	20 695	20 106
Consumables and Materials - t CO ₂ eq.	12 508	12 886
Direct Waste - t CO ₂ eq.	279	450
Fixed Assets - t CO ₂ eq.	19 990	19 723
TOTAL - t CO ₂ eq.	95 081	89 407
Kg CO ₂ eq. per Delivery	6.32	6.04

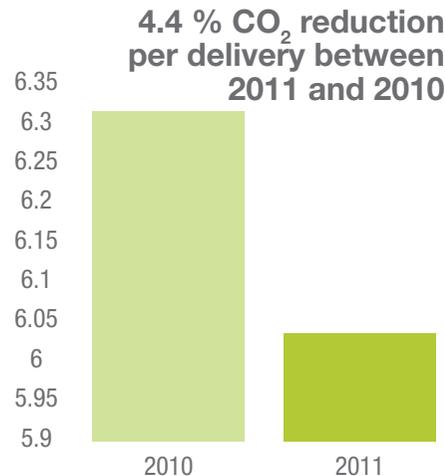
Scope = all Lyreco entities except Finland.

* t CO₂ eq. = equivalent tonnes of carbon dioxide.

LYRECO'S CARBON FOOTPRINT (IN %) - 2011



KG CO₂ EQ. PER DELIVERY



3. Data collation

A template was issued to all subsidiaries with guidance – the key being to collect data as thoroughly and accurately as possible – in order to set up relevant Carbon reduction programmes at the next stage. During the process, it was found that the accuracy of some data could not be verified by Lyreco and therefore a number of areas have been excluded from the calculation, such as "subcontractors own vehicles" and "completely outsourced activity". Again, the aim was to ensure consistency across countries and accuracy long term.

4. Conversion of footprint into CO₂ equivalence

The Carbon Footprint was measured in equivalent tonnes of CO₂ (t CO₂ eq.). A range of conversions provided by credible environmental agencies were used to calculate and then convert the huge amount of data that was collated from the 27 countries.

5. Reporting the Carbon Footprint

Lyreco's carbon footprint is broken down as detailed in the opposite table and graph. Having identified the footprint successfully for the base year of 2010, work is being undertaken in early 2012 to calculate the 2011 footprint. Furthermore, a number of improvement programmes have been assessed in detail to define the Lyreco Carbon Footprint reduction target for the mid term (see the "Eco Future" Strategy for further details), aiming overall for a 20% CO₂ reduction by the end of 2017 compared to 2010.

Lyreco plans a 20% CO₂ reduction by 2017 compared to its 2010 emissions levels.*

**In line with the European Union's unilateral commitment in 2007 that Europe would cut its emissions by 20% of 1990 levels by 2020.*

→ SHOP GREEN ON-LINE

During 2012 Lyreco will introduce a new online ordering tool which has been designed to help drive the sustainable development strategy towards customers when they purchase. With a fresh and modern design, the new Webshop incorporates a powerful search engine, simplified shopping and intuitive features.

Most importantly, to assist customers in fulfilling their environmental purchasing agendas, the search engine integrates a product filter, allowing the user to quickly narrow down its search results, making it easy to find products with sustainable credentials.

■ In line with Lyreco's innovative approach and the "Eco Future" vision.

Webshop will deliver a feature unique to the industry called "shop green", a single click option allowing the user to convert the shopping basket to greener products.

■ In a prominent position on the shopping basket, the shop green button will make the conversion of the product items to products with better environmental credentials easy.



- 1 - in your basket, click on shop green button
- 2 - select the green alternative
- 3 - validate the change, it's done!

→ FSC CHAIN OF CUSTODY FROM FOREST TO CONSUMER

Adding to the list of certifications, Lyreco has taken the step of extending the Chain of FSC custody right through to a number of Lyreco distribution centres; providing comfort that products are indeed completely FSC, from forest to consumer.

In September 2010, Lyreco was the first distributor in the Benelux market to be FSC Chain of Custody Certified.

■ In 2011, 2 more countries were certified:

- Spain, in one warehouse.
- Canada, in 3 warehouses.

■ In 2012, a certification project will also be launched in France.

Countries certified FSC Chain of Custody



How does FSC operate?

In order to also be able to guarantee to customers that a product originates from a sustainably managed forest, an audit must be performed at every intermediary step. The "Chain of Custody" (or supply chain) is the full path that the timber (product) must travel between an FSC-certified forest and the consumer. Everyone involved in the processing chain (sawmill, importer, pulp mill, print shop, wood industry...) is checked by an independent body, and will only then receive its own Chain of Custody certificate.



What is FSC?

FSC is an acronym for "Forest Stewardship Council", and is a label or quality mark on a wood or paper product, indicating that it originates from a responsibly managed forest. The FSC label guarantees sustainable origins, because not only is the forest of origin being checked, but also the whole supply chain up to the final consumer.

→ EUROPEAN ECO LABEL FOR LYRECO PAPER

Furthering sustainable development commitments on product, Lyreco has decided to offer own brand office papers; Lyreco Premium and Lyreco Standard, with EU Ecolabelling across Europe from 2012.



This will provide a consistent approach for European customers, helping them recognize at a glance which criteria are considered and measured in sourcing and producing Lyreco office paper.

Why EU Ecolabel, and not other national ecolabel such as the Blue Angel or Nordic Swan?

Even though national labels have been very successful and contributed to the environmental awareness of the public, the progress towards a single "European Market" necessitates a common instrument that prevents confusion amongst consumers and producers.

The advantage of the EU Ecolabel is that it promotes transparency, simplicity and consistency across the whole EU.

What's the EU Ecolabel?

The Flower is the symbol of the EU Ecolabel. It is a voluntary scheme, established in 1992 by the European Union to encourage businesses to market products and services that are kinder to the environment.



Today, the EU Ecolabel covers a wide range of products and services. Product groups include cleaning products, appliances, **paper products**, etc.

EU Ecolabel rules require the following when paper is manufactured:

- The **use of recycled or virgin fibers coming from sustainably managed forests;**
- The **reduction of greenhouse gas emissions**, as well as air and water pollution;
- The implementation of a rigorous **waste management system;**
- The **banning of use of substances harmful to the environment and human health.**

These environmental performance standards are the outcome of **scientific research and wide-ranging consultation** involving competent bodies from the member States, representatives of environmental NGOs, etc.

The EU Ecolabel is only awarded after verification that a product meets the related requirements.

→ SUSTAINABLE PRODUCT ASSESSMENT

In line with the vision to bring sustainable solutions to customers, Lyreco have been working on a method to allow customers to assess and compare the sustainable credentials of the product ranges.

In view of the fact that there is no international definition for a "green product", Lyreco decided to build a bespoke methodology to assess the green features of each product listed.

The methodology combines:

- an assessment of **self-claims** made by suppliers, based on the standard ISO14021 and supported by suppliers evidences
- **product certified claims** supported by third party certificates

The accuracy of the claims and application of the qualifications of each criteria was assessed not only by marketing, but also by the Quality, Security & Sustainability teams, as per the description of ISO 14021.

The scope and validity of the certificates were also checked for each product.

The scoring mechanism

In order to compare the environmental performance of the products, Lyreco has created a scoring rate, attributing points to each of the twelve criteria of the standard ISO 14021 and to each label, depending on the scope of the life cycle covered by the label. Products with the highest score will receive a **Green Tree**, provided that their environmental credentials result in a differentiation from the other products of the range.

Based on this new assessment process, more than 1,700 products listed in the international common range will receive a Green Tree; 32% of the range.

The methodology will be rolled-out step by step in almost all of the countries during 2012, so that the results are fully available for the 2013 selection.

Finally, having defined a clear process applicable to all suppliers across 15 sections and 27 countries Lyreco believes the company to be in a uniquely competitive position on the market, allowing to support customers in their sustainable approach at local or international level.



→ REDUCED IMPACT OF DELIVERY VANS

With carbon emissions from the delivery fleet a significant environmental impact, investigating lower impact technologies has always been important to Lyreco.

Reduced impact vans are now operational in 6 countries: UK, Italy, France, Belgium, the Netherlands & Thailand.

In Italy, a first Natural Gas Van (NGV) started to deliver goods to customers in May 2011, and by the end of 2012, they will use 15 NGVs and one electric van.

In late 2011, France ordered 12 Fiat Ducato NGV 3.5 T and 3 Iveco Daily NGV 7 T. These vehicles will be split across different French cities:

- Paris: 9 vehicles
- Valenciennes: 3 vehicles
- Toulouse: 2 vehicles
- Bordeaux: 1 vehicle

The limitation being that there are only 27 gas stations opened up in France to companies such as Lyreco.

Regards electric vans; with 2 already in use in London city centre, a further 2 Iveco Daily Electric were received in Benelux at the end of 2011. One is used in Brussels city centre and the other one is used in Utrecht (the Netherlands).

These new vehicles are 100% electric and

are able to cover more than 100 km every day, without any emissions.

In France, the preference has been to order 4 Renault Kangoo Electric which will be spread across Paris city centre. As the loading capacity of these vehicles is lower than a standard 3.5 tonne van, it is planned that the Kangoo will deliver part of the route in the morning, returning to the distribution centre to restock before delivering the second part of its route in the afternoon.

As a result more than 160 Parisian customers will receive deliveries daily without any CO₂ emissions.

Furthermore, the use of 4 electric vans instead of 4 diesel vans will save 12,000 diesel litres per year.

Number of Environmentally Friendly Vans



→ GREEN FLEET POLICY

Lyreco is committed to reducing the carbon dioxide emissions of the extensive company car fleet. However, this is the first time CO₂ reduction targets have been defined for all car categories and all the European countries through our car fleet policy.

Taking a continuous improvement approach, the below figures will also be reviewed on an annual basis in order to help reduce our global carbon footprint in line with the targets set.

The reduction targets have been integrated in the Group Request For Quotation (RFQ) sent to the manufacturers for 2012 as detailed in the opposite table.

Type of Car (*)	Max CO ₂ (g/km)
Car category 1	110
Car category 2	130
Car category 3	135
Car category 4, 5, 6, 7 & 8	145
Car category 9	180
Van – 3.5 T	225

The targets have been defined following market research and will directly benefit the countries that are included in the Group RFQ. Those not included in the RFQ must use the same framework and maximum CO₂ levels as reference for the selection of cars.

(*) Lyreco internal classification, depending on the job profile.

→ TRANSPORTING GOODS BY TRAIN

In Switzerland long distance hauling of product in volume is carried out by train. The Swiss Railway Company (SBB) is reputed to be as punctual as a Swiss watch and very reliable. As trucks are not allowed to drive on the roads between 10.00 p.m. and 05.00 a.m., an alternative solution to transport parcels to regional distribution centres overnight, Lyreco sought and came upon a significantly reduced environmental impact.

Workflow is as follows:

- during the day, the long distance volumes are placed on pallets and then into the railway wagon which is located next to the sorting gates of the national distribution centre. The parcels which will travel the longest distance have a high priority.
- They are prepared by 09.00 p.m. at latest. At 09.30 p.m. the train comes to pull away the wagons in the direction of St. Gallen (East Switzerland), Bern (middle of Switzerland), Geneva (North West of Switzerland) and Cadenazzo (South of Switzerland).
- No later than 05.30 a.m. the railway wagons are at their destination where the Lyreco drivers come to unload the pallets and then prepare their daily distribution route.

There are of course advantages and disadvantages to using the railways. The downside is that an increased volume of orders on the day could lead to delay in

the preparation and possibly missing the train to the final destination. However, this is totally outweighed by the positives of reduced environmental impacts; punctuality of the arrival; zero traffic jams; no road taxes and a good safety record.

Long distance transport is done only by train and accounts for 30% of the total parcels per day.

Environmental benefits of train transport compared to road transport:

- 91,000 kg of CO₂ saved in 2011
- 99% less polluting particles

Volumes per day: about 100 m³, the equivalent of 20 tonnes of material.



→ PAPER STORAGE AT THE REGIONAL DISTRIBUTION CENTRES

Structuring distribution to maximise efficiency within Lyreco operations and those of our suppliers is subject to regular review for volume products. In particular, paper deliveries have been reorganised for Paris in France in order to reduce daily transportation between Villaines (the National Distribution Centre) and the Regional Distribution Centres (RDC) in Paris.

Since October 2011, paper deliveries of Lyreco A4, Lyreco Premium A4 and Lyreco Budget A4 are shipped directly from supplier mills to the RDCs based at La Courneuve, Vitry-sur-Seine, Gennevilliers and Morangis. Orders for these papers are prepared directly by the RDC employees.

The equivalent of more than one truck a day is spared, a journey of 250 km equating to about 19,000 diesel litres saved every year. This is the equivalent of around 50,000 kg of CO₂.

In the coming months, a fourth paper product will be added to the process, saving between 2 and 3 trucks every day, equating to about 39,000 diesel litres and 102,000 tonnes of CO₂. In a second phase, this process may be rolled out to other RDCs in France and duplicated in other countries.

	2011	Target 2012
 CO ₂ Emissions Saved	10,000 kg	50,000 kg



→ COLLECTION OF CUSTOMER RETURNS

In most Lyreco countries, customers benefit from an excellent returns policy that involves their goods being collected by a Lyreco driver, no matter what the reason for return. In the past, the driver may have made a special journey to collect goods from a customer the day after their phone call; however, under a new scheme piloted in France, Lyreco waits for the customer to place their next order (within a maximum delay of five days) to simultaneously deliver the new order and collect the return.

This saves transportation costs and emissions

through visiting the customer once instead of twice and appears not to affect the service level from the customer perspective.

Benelux has recently adopted this approach with positive effects and roll-out is planned in some other countries, where volumes allow it.

Even though the return rate is as low as 1% this will still save about 14,000 diesel litres on an annual basis.

	2011	Target 2012
 CO ₂ Emissions Saved	37,300 kg	56,000 kg

→ RE-USE SUPPLIER BOX PROGRAMME



Packaging waste is another of Lyreco's environmental impacts and a good reason for Canada to launch a project to re-use supplier boxes for packing customer orders.

Initially, some market research was carried out to ensure that customers would welcome the initiative. The results were positive and the project was rolled out to three distribution centres in Halifax, Calgary and Kingston.

The flow of the process is as follows:

- 3 containers are installed to sort and store supplier packaging boxes
- Re-stockers must take care to keep the cardboard boxes which are defined as re-usable, in shape.

They must then be stored in the correct containers. No less than 60 suppliers were selected for their quality cardboard boxes.

■ Pickers then take the cardboard box they need from the corresponding container. A flyer explaining the reuse project was put into each parcel at the packing stage for the first three months

■ "This box has been re-used" labels are also affixed to the parcels, to further explain the concept.

The results are as follows:

- Halifax: Since August, nearly 4,000 cardboard boxes per month (26% of the total volume) are reused.
- Calgary: Since September, nearly 6,500 cardboard boxes per month (16% of the total volume) are reused.



■ Kingston: Since December, nearly 10,000 cardboard boxes per month (12% of the total volume) are reused.

■ Environmentally: Small Logistic changes, BIG ENVIRONMENTAL IMPACT!

Plans to rollout this process to other suitable NDCs are under consideration.

In total across the 3 Distribution Centres, this will save more than 91,000 square meters of paper in 2012

 CO ₂ Emissions Saved	2011	Target 2012
	5,000 kg	32,000 kg

→ REDUCED PACKAGING FOR SMALL ORDERS

This project, launched in Italy at the beginning of November 2011, sought to reduce the number of small volume consignments being shipped in boxes that would be considered too large.

The picking process is as normal, but at the final checking point, a supervisor assesses the volume of the products in the box: if it is less than the thickness of a "Lyreco Catalogue" the items are removed and packed in an envelope instead of a parcel.

This process results in supervisors packing an average of 150 more envelopes per day and usually the envelopes contain one or two products. Envelopes represent 1 to 1.4 % of total parcels shipped. Therefore about 13,500 square meters of paper are saved in one year, the equivalent of 4,735 kg CO₂.

- The environmental benefits are:
- A reduction of raw material - as an envelope needs less paper than a small cardboard box
 - A reduction of transportation impacts - lower volume and lower weight to be transported, plus energy savings
 - A reduction of waste

 CO ₂ Emissions Saved	2011	Target 2012
	4,700 kg	20,000 kg

In subsidiaries where this process is suitable, it will be considered for roll-out.



→ OFFICE SUPPLIES WASTE COLLECTION

In 2011 Iberia (Spain & Portugal) implemented a project combining environmental and social aspects, where employees extended their waste segregation skills from batteries, aerosols and CDs to writing implements such as pens and markers.

A new waste partnership was established with a company that pays Lyreco for each collection of plastic wastes and recycles them into new products. The payment received for the wastes is donated by Lyreco to AEA (Aide et Action), the Non Governmental Organisation involved in the Lyreco For Education project (see pages 30 & 31).

How does it work?

Boxes are collected twice per year and contain at least 500 units of writing and correction products.

- Social Action: For every collected unit, 0.02€ is given to AEA
- Environmental Action: writing and correction implements are recycled and they are used as raw material to make

new plastic products such as plastic bags, folders, picture frames, recycling bins, eco-kites and so on.

The campaign

In Iberia, the action covers offices in Cornellà de Llobregat (Barcelona - Spain) and Alovera (Guadalajara - Spain). To manage the project the Quality, Security and Sustainability Department worked together with the Human Resources and Marketing Communication Departments. Communication is always key to gaining employee buy-in to these projects, hence the poster designed by Marketing, which is used to cover the recycling box and to promote the campaign. It's slogan is: "**I write, so I recycle**"

Results

It's too early in the campaign for results as yet, but the employees are very positive and since it involves supporting the Lyreco Charity, Lyreco For Education, employees are determined to segregate their waste carefully! The campaign will be rolled out to other offices and locations through 2012.



→ IMPROVING WASTE SEGREGATION IN OFFICES

Especially in France, waste segregation has been a way of life for years in our Distribution Centres, where up to 27 different waste treatment schemes have been implemented. However, at the registered Head Office, only 3 streams of waste were managed in the past: office paper, cardboard and water bottles. To increase the emphasis on recycling and encourage each employee to play a part, a number of steps were taken.

An analysis of the bins showed that close to 60% of the waste was made up of plastic cups from vending machines or water fountains. The volume seemed significant enough to look for solutions.

2 companies were found to help recycle this type of product.

- One offered containers for collection and a recycling scheme that converts cups into a material that can be mixed in washing machine ballast.

■ The other provides a compactor that not only sorts 3 categories of waste (plastic bottles, aluminium cans and plastic cups), but also helps turn plastic cups into a raw material that could be used, for instance, to replace wood veneer in the manufacturing of furniture.

Taking a further step to enforce segregation, all individual waste bins were removed and replaced with sorting stations in each department. Now employees must get up to throw away their waste. However, this has been made this easier by putting a magazine rack on each desk (Lyreco product code: 3 335 894) where waste paper can be collected all through the day. This way, sheets can be used as draft paper, therefore saving on books and pads.

From a financial point of view, waste segregation makes sense. All the required investments are offset by reduced collection costs (waste skips) and cleaning costs (less bins to empty). Savings will be re-invested in extra cleaning hours to bring more comfort to the employees and sub-contractors. This is the offset to thank employees for the mindset change needed to accept these constraints with good grace.

→ TARGET ZERO WASTE

In line with the zero waste target set for WISE (UK / Ireland), when tenders for management of pallets and general waste were undertaken for the UK National Distribution Centre during 2011, efficiency and costs were high on the agenda.

Pallets

Lyreco receives pallets of all varieties each day from suppliers, but they cannot reuse all of them to onward ship goods to Regional Distribution Centres. The new partner pays a rebate for pallets they take and at the same time provides excellent reporting on recycling rates. Since the contract began in late 2011, the recycling percentage has gone up by 5% in the UK to 95%. Moreover, the rebates paid for the pallets have made the waste diversion highly cost effective.

General Wastes

During the review of land-filled wastes in 2011, a number of wastes with potential recycling options were found:

- some wood products including damaged pallets; hardboard tops; pallet frames
- glassine label backing
- plastic banding
- hard plastics
- floor sweepings

The aim of the tender was to find a partner to take all of these items and general wastes. However, the remit was only partially successful – the wood products were taken for recycling, but the other products were specialist and it was necessary to look elsewhere. Approximately 50% of the general waste to landfill was made up of label backing and plastic banding - a significant enough volume to work on.



Glassine label backing

This product arrives in rolls and is a single label wide. Once all the labels are used, the spools of label backing are not easily recyclable and those companies who were interested in taking it needed such large volumes that storage would be a difficulty and add a significant cost.

As an alternative, a company was found who offer labels with a backing made of clear plastic. This meant that once the labels were used, the backing could go directly into the plastics waste stream to be bailed; for which Lyreco receive a rebate. The performance of these labels on our printers is still under test and the Group is also reviewing the product for its potential with other subsidiaries, but a

complete solution will be in place during 2012. This is an excellent example of replacing a product that creates an unusable waste, with a product that creates a recyclable waste and therefore diverting waste from landfill.

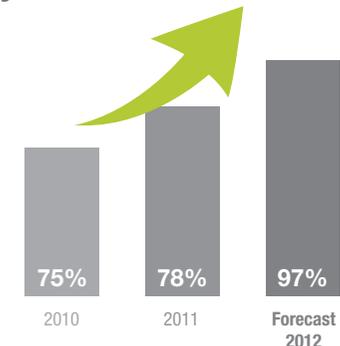
Plastic banding

This product is used to hold boxes together – especially paper. Made from a number of plastics, it causes a problem because it's difficult to contain, store and present the material to an interested organisation. The choice is to chip the material or to bale it. Both options would require the purchase or lease of a machine and a cost/benefit exercise is still in process.

With these 2 previously land-filled materials fully diverted from landfill, UK could see a

recycling percentage as high as 97 – 98%, leading Lyreco countries in terms of Waste Management and already ahead of the overall company target of 90%.

Recycling Rate – Percentage Recycled in the UK



→ "SALES FORCE MOBILITY": ONE STEP FURTHER

The September 2011 release of Sales Force Mobility SFM (see the first green insert) introduced electronic versions of reports that were previously only available as paper reports; another positive impact on the environment. Until this time, sales reports for the Field Sales Force were printed centrally or locally, with a vast share being delivered by road in hard copy. Globally, the annual volume of paper usage was close to 111 pallets. Through this dematerialisation, Lyreco has reduced their carbon footprint with the reduction of CO₂ emissions directly or indirectly linked to paper, toners and distribution associated to previous printed paper reports.

Specifically, the environmental footprint savings of moving from paper to electronic reports are estimated per year as follows:

 More than 11,000,000 pages.

 More than 3,520,000 litres water.

 More than 118,800 kg CO₂ Emissions.

 More than 1,320 trees.

Source: Australian Environmental Protection Agency estimating that using 1 ream of paper equates to 6% of a tree, 5.4 kg of CO₂ and 160 litres of water.

Lyreco has reduced carbon footprint with the reduction of CO₂ emissions directly or indirectly linked to paper

In addition, the carbon footprint reduction attributable to the long distance vehicles transporting the reports from the Group Head Office to the local Head Offices is estimated to be 31,000 kg CO₂ (corresponding to a yearly distance of 72,600 Km). Removal of the need to distribute the reports locally once they arrived within the relevant Head Offices also has a significant environmental impact reduction, since Lyreco has 5,000 sales people, however the benefit is difficult to calculate.

SFM's initial design concept and development have been driven by the dematerialisation that current technologies enable for processes and supporting documents. This applies in Lyreco case to Price Offers, Prospect and Customer Cards and Reports to name a few. This is good for both the environment and for employees who have since gained in efficiency and have seen a significant reduction of documents to sort, file and carry...



What is "Sales Force Mobility"?

This solution dedicated to the Field Sales Forces started in 2010 and today means:

- Price offers can be created online during a visit and sent directly to prospects and customers.
- Prospect or Customer details can be completed and consulted during a visit.
- Daily activity and objectives can be managed on the fly and consulted at a glance.
- Enhanced Business reports are accessible online.

What comes next?

- An off-line mode
- Accessibility on any device



→ GREEN PRINTING AWARENESS

Although printing does not represent a huge part of Lyreco's greenhouse gas emissions, it was decided in December 2011 to consider further the impact of internally printed documents. Obviously this is good environmental practice as well as good business sense.

Lyreco therefore updated the previously communicated Best Practice on this subject and launched a subsidiary assessment to review practices which was then followed by local actions.

The Best Practice update includes numerous simple technical tips and guidelines to be implemented world-wide, which can contribute significantly to the environment when combined in a large scale.

Among these, a particular focus was based on the below table:

Duplex printing	This allows printing on both sides of a piece of paper, automatically. It comes installed or as an option.
N-up printing	Found within the software (e.g. PowerPoint), this functionality allows printing of multiple pages of documents on a single page, reducing paper usage.
MFPs*	The consolidation of the devices and tasks into a single multifunction printer enables energy saving and space saving. They also often include the "duplex printing" module.
Toner Save or Eco Mode	This function allows printing in "draft mode" that uses less toner, but at the same time a good quality for documents intended for internal purposes.
Power Save Mode	Printers may be configured to go into "sleep mode" after a certain amount of time being idle, thus reducing energy consumption. The printer automatically comes out of sleep mode when a print job is sent.
Scan to File / Scan to Mail	This feature is quite often integrated in the MPF*. It allows scanning to file or email, bypassing the need for paper output.

* Multifunction Printer

"Printing greener" requires not only printers and software with built-in eco-friendly features and functionalities, but also proper communication actions to continuously raise the awareness of personnel in order to change their mindset and usage practice. The Quality Security & Sustainability Managers in each country have therefore been appointed as project coordinators to further increase the overall "green printing" level.

MPF* installed in Lyreco locations (as % of potential roll-out identified)	2010	2011	Target 2012
	25% Ref.	50% or x2	100 % or x4

→ IS INFRASTRUCTURE CONSOLIDATION



In order to make its Data Centers Energy Efficient & Greener, Lyreco uses 2 dedicated technologies for the whole IT systems: the Virtualisation & the Consolidation.

Basically, those approaches enable to reduce the number of physical servers, and consequently the power consumption and the needed infrastructure (e.g. space, cooling system).

The expectations behind are not only to improve scalability (ability of the system to be enlarged to accommodate company needs) and workloads, but as well to further optimize the

	2011	Target 2012	Target 2013
Evolution of the Power Consumption	N/A	+39% (*)	-45%

(*) Increase due to the old and new infrastructures will live together till the new system is completely up and running.

sizing of our installed base, with all associated side benefits on the environment.

In 2011, Lyreco made the decision to move towards Data-base consolidation machines.

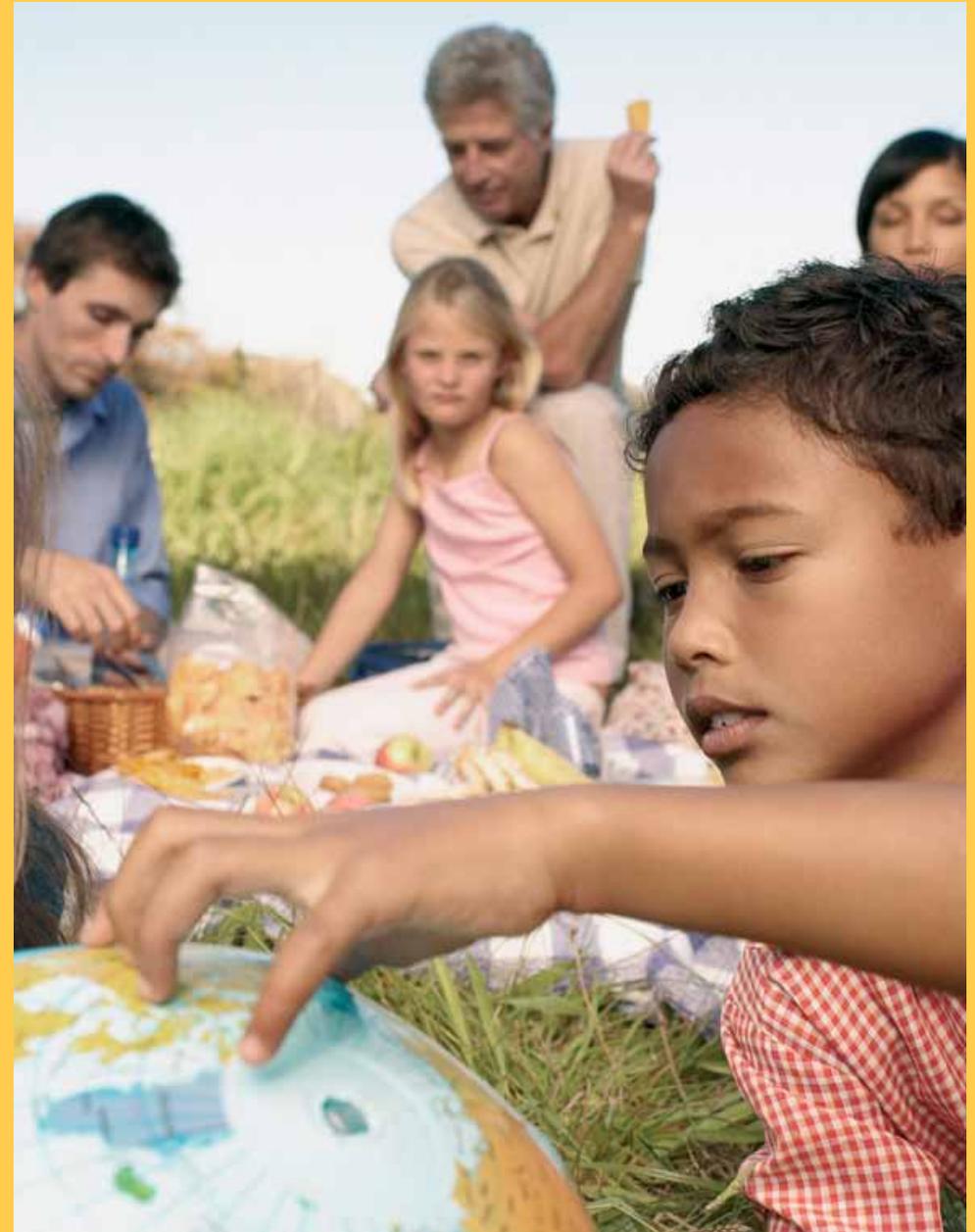
The implementation is currently in progress and will deliver increased performance, increased consolidation (i.e. the number of servers will be divided by 4) and reduced power consumption.

SOCIAL ACTIONS

In the delivery of its Sustainable Development vision and policy, Lyreco aims to:

- Develop equality and social inclusion principles throughout one organisation and supplier relationships.
- Develop and care for our people thanks to a proper work environment in terms of Health and Safety and human resources programmes (e.g. Lyreco University, Lyreco Campus, Internal Opinion Barometer, and Training Plans).
- Contribute to the progress of our community, carrying out Lyreco For Education, charity and supplier social audit actions.

The following pages detail activity carried out in 2011 or scheduled to be carried out in 2012.



→ SOCIAL APPROACH

Social actions across the whole business



LYRECO PEOPLE

- Lyreco Campus
- Lyreco University
- Career building in Group Information Systems
- Very Lyreco People

p. 26-29



COMMUNITY

- Lyreco For Education
- Mangrove planting
- Humanity in the supply chain
- Lyreco in Canada donates to Sun Youth once again
- Collection Campaign for children

p. 30-33

→ LYRECO UNIVERSITY



Lyreco University

In 2009 Lyreco launched an internal talent development programme called Lyreco University (LU).

The aim of this programme was to implement a dedicated process in each of our largest subsidiaries to secure the development of the biggest local talents.

The objectives of the LU programme are to:

- Identify the top potential individuals in every country
- Help them to grow to prepare their future and the future of Lyreco
- Motivate them by granting them access to a dedicated programme
- Use the skills of the students to review and improve our business

The programme is managed locally by the HR department and provides the students with a series of training days delivered by members of the Senior Management Team and external presenters. Through the course of the year the students will work on a business relevant project presenting the results to the SMT at the end of the programme.

This training is designed to develop the student's global understanding of how the Lyreco



business operates across all departments. The aim is to prepare them for future manager roles and increase their ability to migrate into other areas of the company.

In the beginning this programme was only intended for our biggest subsidiaries with more than 600 employees, but based on the success of the first years of the programme it's now mandatory for all subsidiaries employing 300 people. This means that the LU programme in 2011 was active in 10 of our 17 subsidiaries training and developing 60 of our best talents.

In 2012 an additional subsidiary has launched

the LU and Lyreco is currently looking at how to implement the programme in the smallest and less mature subsidiaries too. No doubt the objective is to make this a global programme.

The 2011 LU programme was active in 10 of our 17 subsidiaries training and developing 60 of our best talents

→ LYRECO CAMPUS



In 2010 as a supplement to Lyreco University, Lyreco launched an additional talent development programme. This programme was aimed at the continued development of the best talents coming out of the local Lyreco Universities.

The objectives of Lyreco Campus are to:

- Follow up on the Lyreco University programme for very high potential individuals
- Help them grow to prepare their future and the future of Lyreco
- Provide international exposure
- Motivate and retain them by granting them access to a dedicated programme
- Use the skills of the students to review and improve our business

Lyreco Campus involves bringing the absolute best talents from each subsidiary to the EDHEC international business school in Lille, France for a two week intensive training programme. For 11 straight days the programme introduces them to:

- Strategy and business models
- Performance Management & Managerial innovation
- Financial Performance Management and Demanding business games

All lectures are done by professors of the EDHEC business school and they put the students through some of the best executive



training available. It's a very ambitious programme and all the students have to be at their very best to keep up in this high pace programme. During the programme they are put through a number of demanding activities requiring them to muster both physical and mental strength. All activities are designed to prepare them for potentially stepping into a demanding management role in the future.

The Campus students are also required to work on a project defined and sponsored by the Group Senior Management Team. These projects are chosen for their high relevance to the business and potential contribution to the development of the company.

The Campus programme also involves bringing back previous years Campus alumnae to join the Group SMT and Campus students in a full day of lectures and workshops on a specific business topic. In 2011 this topic was Social Sustainability.

In 2012, 8 students have been enrolled in the

9 students completed Lyreco Campus in 2011

2 out of the 3 Campus projects presented to the Group Senior Management Team were deemed suitable for continuation.

Already 6 of these students have been promoted into senior managerial roles

Campus programme and we are hoping to see the same progress from this class.

→ CAREER BUILDING IN GROUP INFORMATION SYSTEMS



Lyreco has a commitment to improve continuously and ensure careers are developed and individuals trained.

At the end of 2008, a result of the bi-annual Internal Opinion Barometer showed that employees in the Group IS Dept were lacking in clarity around job definitions, performance assessment criteria, and evolution opportunities within Group IS and from Group IS to other operations.

Determined to address the problem, a decision was made to refine the internal descriptions for jobs and positions, with the aim of bringing increased clarity on job content and performance assessment, compensations, and possible Career opportunities for our Group Information System (GIS) employees.

Revised:

- Key job roles in GIS (11 for 90% of employees) and associated compensation schemes
- Career paths in these key job roles
- Mobility rules
- Development plan for each key job role

	2011	Target 2012
New revised Job role descriptions / % of Group IS employees	11 / 90%	20 / 100%
Number of internal promotions / % of Group IS employees	15 / 10%	N / A

→ VERY LYRECO PEOPLE



2005 - SOUTH AFRICA



2006 - INDIA



2007 - CARIBBEAN CRUISE



2008 - WEST USA



2009 - VIETNAM



2010 - BRASIL



2011 - SOUTH MEDITERRANEAN CRUISE



2012 - BALI

Since 2005, Lyreco has managed an international incentive programme to reward the best employees.

Each year, around 200 people from all subsidiaries are respectively recognised, split by leagues, as the best sales people, the best sales managers, and the best Lyreco

values representatives based on Lyreco common statements: Passion, Respect, Excellence and Professionalism. All winners worldwide come to the exclusive VLP club

and gather for one week to share an exciting trip, Vietnam in 2009, Brazil in 2010, and a Mediterranean Cruise in 2011.

→ LYRECO FOR EDUCATION



In 2008 Lyreco launched a charity programme called "Lyreco For Education" (LFE). Projects are lead in developing countries to help children all over the world to have a better future.

Thanks to the worldwide participation of customers, suppliers and employees through events, promotional opportunities and donations, LFE has supported the education of more than 50,000 children in Bangladesh, Vietnam, Brazil and Togo.



Together for Togo 2011-2013 !



In 2011, Lyreco decided with its partner, the Non Governmental Organisation AEA, to support a 3-year project in the poorest region of Togo.

COMMITMENT: to improve access to and the quality of education in the region of "les Savanes" for 32,000 children.

The OBJECTIVE: to contribute to financing 165 education projects in 165 villages for children aged from 7 to 12:

- by building new schools in remote areas
- by increasing the awareness of the parents to understand the importance of children's education
- by improving the sanitary conditions
- by recruiting and training more teachers

Thanks to the 2011 over achievements (see table), Lyreco will extend the LFE project to the Kara region in Togo, where 50 villages have been identified and only 7% of children have access to a pre-school programme.

The objective is to prepare children from the age of 3 to 5 for entry into the primary school

- by building early childhood centres
- by teaching literacy, nutrition and hygiene rules with learning games
- by recruiting and training up to 150 local teachers
- by improving the communication between school authorities and parents



School enrolment:
5% more in 2011
37,125 children
will have better
access to education

To give a good understanding of our projects to all Lyreco employees, Lyreco follows 5 people who are our LFE ambassadors from Togo and tell us step by step how the projects progress in their village.



Yétéme, a 7 year old boy in Tampiéna village



Sérémine, 10 years old



Philomène, mother of 2 little girls



Christine, educator in a childhood centre



Nantiébe, 10 years old

FIRST RESULTS - END OF 2011:

- 165 education projects established
- 165 school directors
- 576 teachers
- 19,500 parents
- 990 meetings organised by parents and teachers
- 1 school built and fully equipped

	2010	2011	2012
Collected	277,661 €	345,652 €	on-going
Achievement vs Target	188 %	162 %	on-going

To learn more about the LFE's activities, visit:
eco.lyreco.com

→ MANGROVE PLANTING

In different Lyreco countries, there are different sustainability needs. In Thailand, Lyreco is proud to have taken part in planting mangrove since 2011. This is a crucial sustainability action for biodiversity.

The expansion of many industries in Thailand has significantly impacted on the environment of the country. A survey from the Government in 1986 indicated that there was a decrease of 50%. The mangrove forest has been declining steadily, while the invasion rate has been increasing gradually. Following the introduction of new government policy; the recovery of the mangrove area has improved. As a result, the mangrove area has been increased to 2,528 Km² and later on to 2,785 Km² in 2004. This is greater than the government target and a positive trend. The biggest change has been accomplished by the cooperation of the government and the citizens together with the increase of reforestation and the decrease of deforestation.

Lyreco employees planted over 600 trees because they believed it crucial to the improvement of biodiversity in Thailand. Lyreco expect to continue this valuable project on an annual basis.



→ HUMANITY IN THE SUPPLY CHAIN



A company, which passionately believes in acting with humanity, is the Danish supplier "Vejviser". The purpose of the company is to "transform" its employees from total exclusion from the labour market to gaining the ability to enter the labour market on their own.

Historically, the district of Albertslund, at the outskirts of Copenhagen wanted to strengthen its sustainable development and asked every local company, including Lyreco, what they could do to support this goal. This resulted in Lyreco using "Vejviser" as a supplier.

In the past the employees were referred to "Vejviser" from the district of Albertslund, but as the project evolved they came from all districts in the region of Copenhagen.

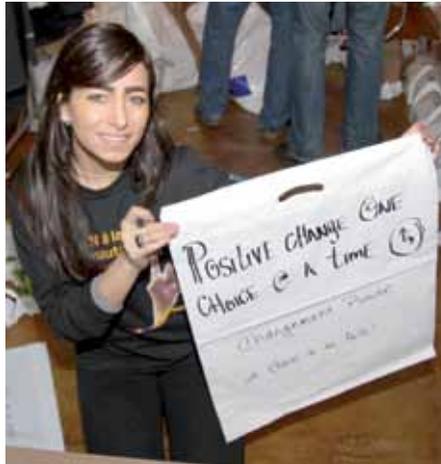
The employees are all either mentally or physically disabled or from a minority group. The number of employees varies with the number of referrals from the districts. The employees from "Vejviser" perform a variety of manual tasks like the packing of various publications and Lyreco in Scandinavia has used them for many years and is very satisfied with their performance.

	2010	2011	Target 2012
Number of hours performed by "Vejviser" employees for Lyreco	~200	~300	~800

→ LYRECO HELPS MONTREAL NEEDY

Over 150 Sales Representatives once again chose to give back to the community through a teambuilding event organised during the 2012 Sales Convention.

During November and December of 2011 Lyreco employees across Canada were encouraged to donate new and lightly used clothing items in donation boxes set up in each Lyreco location. These items were then gathered and shipped to Montreal where they were combined with food and hygiene items. The Sales Staff were then split into teams where they assembled gift baskets for 3 Montreal community organisations: Le Refuge, Dans la Rue and Sun Youth Organisation. In addition to individual donations made by Lyreco employees and goods offered by Lyreco Suppliers, the participants were given a budget to go shopping for items to include in the gift baskets.



Through their efforts, some 900 food items and hygiene products along with over 3 skips of clothing were donated making the event a great success.

→ COLLECTION CAMPAIGN FOR CHILDREN

For over 8 years, the Lyreco employees in Iberia have participated in the Red Cross campaign to collect new or nearly new toys to be given out on the Magical Night of the Three Kings, also known as Epiphany.... This is a commitment to ensure that all children have access to toys that will aid their development and educate through play to develop values that will guide them throughout life. The motto of this last campaign was "A game suitable for all - now more than ever, it's your turn!" Youth Red Cross has distributed over 36,000 toys to children of families referred by social services, thanks to the increasing support of the public. After the hard work of volunteers and staff of Youth Red Cross, this year has reached a record of 17,604 children, 24,51% more than the last phase and doubled over the past three years. This large increase would not have been possible without the help and support of 203 companies in Catalonia, including Lyreco. Specifically in Cornellà de Llobregat (Barcelona – Spain), Lyreco Head Office location.



In May 2010, coinciding with the centenary of the Red Cross and the 50 years of Red Cross Cornellà, Lyreco in Iberia received a special recognition as a business company partner with Red Cross Cornellà. Lyreco was noted as contributing to building a more united world and for their participation in the Magic Kings campaign with the aim of raising the awareness of the society on:

- social and economic inequalities faced by children
- importance of the toy in the education of children.
- cultural integration

In 2011, 274 children of 178 families had a toy for christmas, thanks to contribution of Lyreco employees.

The award states "to build a world with respect and dignity".

ECONOMIC ACTIONS

In the delivery of its Sustainable Development vision and policy, Lyreco aims to:

- Support and increase economic growth in all our countries, in a sustainable fashion.
- Promote innovation and adopt a pragmatic approach to sustainability, targeting efforts on priority issues which have meaningful benefits for the environment, community and economy.
- Work ethically with our suppliers and partners, and encourage them to apply a Sustainable Development strategy.
- Adopt a Sustainable Procurement & Product Approach.

The following pages detail activity carried out in 2011 or scheduled to be carried out in 2012.



→ ECONOMIC APPROACH

Economic Actions across the whole business



CUSTOMER

- Sustainable tools for customers
- Green bags solution
- Green welcome packs
- Lyreco, a green partner of Generali Group
- New survey for improved customer satisfaction

p. 36-38

MARKETPLACE

- Supplier Sustainability Involvement Programme
- Sustainable procurement
- Increased stakeholder dialogue
- Unique trade fair
- Advancing technology & sustainability

p. 39-41

→ SUSTAINABLE TOOLS FOR CUSTOMERS

In line with our vision to bring sustainability to customers, Lyreco has developed and launched tools that will help customers to reduce their environmental impact when purchasing workplace supplies.

Customer Environmental Balance

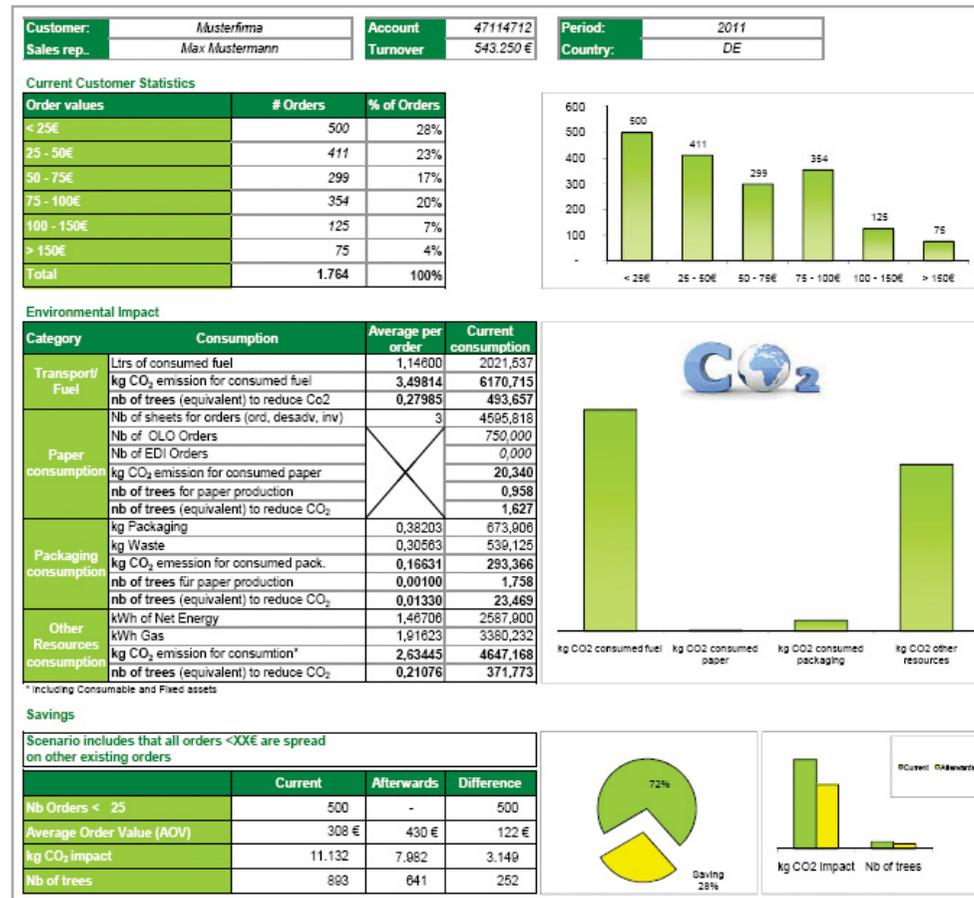
The aim of this initiative was to develop a tool for the environmental analysis of individual business processes with our customers. The tool needed to be easy to understand but professional in its use.

This need arose from discussions with customers about sustainable developments. The users told us that they wanted to contribute to a reduction of environmental impacts, but that it was difficult for them to find a suitable link to their own job or business.

All these requirements meet the Lyreco Customer Environmental balance.

Feedback from customers has been very positive regards this tool and we believe that we achieved the required objective. There have been numerous requests from customers who want to use it in their own company. With the calculator, we offer the opportunity to set up the balance sheet not only for the entire company, but also on departmental level.

The roll-out of this tool in the different countries is scheduled to be done step by step.



This tool is able to calculate the CO₂ equivalent for one customer order managed by Lyreco, to project this to the total business activity between Customer and Lyreco and finally to simulate different cases and the environmental impact.

Logistics Calculator

In a user friendly way, the objective of the tool is to:

- give environmental information about the deliveries
- suggest to the customer how to reduce its environmental impact
- show couple of initiatives

The key principles of the tool are as follows:

- use the Carbon Footprint assessed with LCFC (Lyreco Carbon Footprint Calculator)
- promote bigger and bundled orders
- the tool is fully customized as it can be fully translated and takes into account the carbon footprint of each country

At the same time, the tool is really a customer awareness tool as the figures that are provided during the simulations are based on average assumptions.



→ GREEN BAGS SOLUTION

Italy has launched a new product for customers and employees: Lyreco branded polypropylene Bags.

In 2011, the Italian government introduced a new law where plastic bags are banned and all shops had to replace them with recycled and recyclable bags. Being innovative; the team were inspired to create a useful, eco-friendly product that was practical and pleasing at the same time. The key criteria were reusability; environmental credentials and user-friendliness. A different design was produced in 2011 and 2012; both showing the catalogue cover to advertise the brand on the one side and the environmental credentials on the other, to demonstrate sustainable development commitment.

The success of the campaign led to production of 45,000 bags in 2011 and 40,000 in January, 2012. In fact the 2012 production has been so successful that another run of 35,000 bags was produced in May.

This idea is also a success from another point of view: Lyreco Bags have now a lead role of viral marketing campaign. Lyreco distribute the bags during internal events like the annual Sales Convention, as gifts for suppliers and during other sponsored events. The last occasion was "Confindustria Meeting", a national and relevant, economic and social event with 2,500 guests.



Great success of this campaign with 45,000 bags in 2011 and 75,000 in 2012.

→ GREEN WELCOME PACK

The Green Welcome Pack was created in Italy in 2011 as a gift for new Field Customers. Lyreco's intention was to give something valuable to the new customers: not only a simple selection of office products, but also a clear indicator of its attention to the environment.

All the products chosen had a low environmental impact and were packaged in a box made of 100% recycled paper with graphics printed using vegetable inks.

Future strategy and work towards the target sales of Green products.

The Welcome Pack was also appreciated by Corporate Customers and quickly became a "Green Gift" used to promote sustainable behaviours. It helped on many occasions to increase the sustainable culture among the end-users of Corporate Customers as well as promoting Lyreco's sustainable commitments during the customer's events.

All this was possible thanks to the partnership with selected suppliers: 3M, Pigna, Pilot and Bic. The Green Welcome Pack allowed them to showcase their green products to wider office community, increasing sales thanks to the end-users opportunity to test the products.

The Green Welcome Pack was an unprecedented success. Thanks to this tool Lyreco will continue to promote the Eco



→ LYRECO A "GREEN PARTNER" OF GENERALI GROUP

In 2011, Italy undertook a series of activities to improve their contribution to the sustainability strategy of Generali Group.

Lyreco attended customer seminars at "Cinque Tappe per l'Ambiente" Events (Five Stages for Environment) as speakers on 2 key topics:

- Sustainable products, waste management and energy
- Paper and mobility

The events took place in Mogliano, Veneto, Trieste, Milan, Turin and Rome with audiences of up to 100 end-user customers. The aim was to raise awareness of the company's Big Project related to Environment and Sustainability, encouraging them to be involved in purchasing choices that would relate directly to the sustainability strategy.

Lyreco provided quarterly management data regarding spend on sustainable products across the three categories of the contract: PAPER, TONER and General Office Products (GOP).

Strong involvement of Generali in Sustainability as well as the proactive Lyreco approach achieved significant changes in the switch to greener procurement.

Lyreco implemented a substitution function in the dynamic purchasing catalogue for Generali Group. The function reviews the products in the shopping basket and offers the user an equivalent but sustainable alternative.

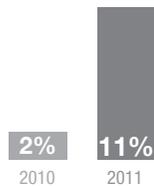
The functionality is:

- mandatory when the sustainable product is also cheaper than the standard one
- optional when the green product is more expensive than the standard one

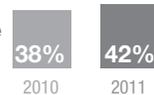
This has helped in the drive to more sustainable procurement for Generali Group.

Finally, in 2011 Lyreco started to collect waste toners from Generali Group. This service helps to reduce the environmental impact of this kind of waste as the empty toners are being re-used. These results show that partnership between customers and suppliers, when based on a sustainable approach, bring an added value to both parties and the wider community.

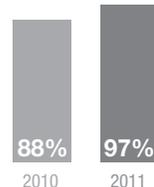
Percentage of remanufactured Lyreco Toners in toner purchases



Percentage of sustainable products in GOP purchases



Percentage of paper with environmental credentials in paper purchases



→ NEW SURVEY FOR IMPROVED CUSTOMER SATISFACTION

On an annual basis, Lyreco contacts a selection of customers to review their satisfaction levels with the products and services they have received. In the past, this survey was carried out by telephone and despite being customer-friendly, it was time-consuming and expensive.

In 2011, Lyreco reviewed the way the Customer Satisfaction was assessed with a view to improving the entire process and moved to an online format.

The overall customer satisfaction survey provides:

- a clear overview of exactly what the customers think - there is no interpretation by a phone operator; the customers' answers are recorded as provided
- identified areas of weaknesses
- a measure of progress
- an increase of the customers' total satisfaction
- an increase of the company's ongoing improvement

The new online system enables Lyreco to survey many more customers than the past, providing a more accurate overview. Furthermore the questionnaires have been updated to be more relevant to the customer and a completely new section on "Sustainable Development" has been added. This ensures we have our customer perspective and wishes on the matter. Finally, the scoring methodology has been

reviewed so that the results can be easily understood and communicated.

Some statistics:

- In each country, the objective is to send the survey to 10,000 random customers per channel (Field and Corporate)
- The survey covers at least 40 items (42 for Corporate Customers) so that all elements impacting on customer satisfaction are assessed
- To date, countries that have used the new survey have reported:
 - An overall satisfaction with Lyreco services, ranging between 7.49 to 9.02 (out of 10*) depending on the country and the customer channel
 - A minimum of 82.2% of the customers (and up to 98.54%) would (absolutely or probably) recommend Lyreco

Up to 98.5 %
customers would
recommend Lyreco

(*) The rating is done from 1 to 10 (from Very Poor to Excellent).

→ SUPPLIER SUSTAINABILITY INVOLVEMENT PROGRAMME

Striving for continuous improvement, in October 2011, Lyreco reviewed its "Socially Responsible Procurement Policy" and moved to a "Supplier Sustainability Involvement Programme"

The scope and outline of the requirements of manufacturers are now wider as, in addition to the social accountability aspects, "Environmental", "Management Systems" and "Ethical" elements are also audited.

The programme involves the following key objectives:

- Implement Supplier Sustainability Principles
- Monitor compliance to Supplier Sustainability Principles
- Support of Supplier Sustainability performance

Implement Supplier Sustainability Principles

These principles specify expectations in relation to the following areas:

- LABOUR
- HEALTH & SAFETY
- ENVIRONMENT
- MANAGEMENT SYSTEMS
- ETHICS
- COMPLIANCE with the LAW

Suppliers must review Lyreco Supplier Sustainability Involvement Programme and ensure they have the necessary policies, processes and systems to meet these requirements.

Monitor Compliance to Supplier Sustainability Principles

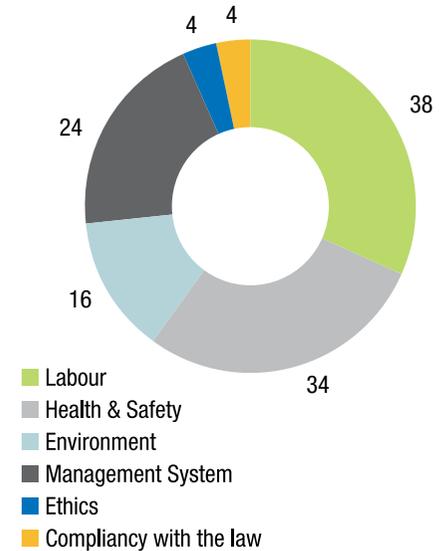
Establishing a set of minimum requirements is critical to managing sustainability risks within the supply chain. However, to ensure these principles are being implemented effectively, Lyreco audits supplier compliance with these principles once a year.

The suppliers for our Directly Imported Products must ensure that they provide all relevant policies and associated evidence required to demonstrate their compliance. Following the successful completion of the compliance audit Lyreco can provide the supplier with feedback on their sustainability performance.

Support of Supplier Sustainability Performance

Lyreco understands that real improvement in supplier sustainability is driven by a genuine partnership with our suppliers. Therefore, Lyreco provides its support if suppliers need guidelines or recommendations.

NUMBER OF CHECKS PER AREA



NB: Some checks may not be applicable to some suppliers. The list and number are subject to change depending on the audit outcomes.

	2010	2011	Target 2012
% of factories audited	100%	100%	100%
% of factories audited on Environmental, Management System and Ethical items.	0%	46%	100%
% of Non Conformances identified during the previous audit and that are completely closed during the next surveillance audit.	N/A	80%	100%
Number of Non Conformances.	10	13	N/A
Number of Opportunities for Improvement.	7	15	N/A

Scope: Lyreco Directly Imported Products manufactured in the risk countries

Why does Lyreco care about the sustainability practices of its supply chain?

Lyreco recognises that as a large purchaser of office supplies across the world, its sustainability performance is dependent on the management of the supply chain. The business conduct of suppliers can have a significant impact on Lyreco's sustainability performance and their reputation within the communities in which they operate. Therefore, Lyreco has implemented a Supplier Sustainability Programme for Directly Imported Products to manage these risks within the supply chain. The objective of the programme is to educate, influence and support the supply chain to improve their overall sustainability performance.

→ SUPPLIER PROCUREMENT

In November 2011, France committed itself to "la Charte des bonnes pratiques" (Charter of Good Practice) that defines rules for sustainable procurement. This set of rules & principles is managed by the French Ministry of Finance with the help of the Public administration.

This charter has been embraced by many prestigious companies (see insert) and accounts for more than €360 billion of purchases.

This commitment is totally aligned with the Lyreco Code of Ethics, which was introduced in early 2010 to ensure an ethical working relationship with Lyreco suppliers.

The code defines appropriate and inappropriate behaviours between Lyreco and the supply base; it has to be signed off before any supplier can enter into a tender with Lyreco and must also be referenced in any contract signed.



EADS, DANONE, L'OREAL, VEOLIA, EDF, SNCF, TOTAL, AREVA, BNP PARIBAS, FRANCE TELECOM, LAFARGE, SOCIETE GENERALE, ALLIANZ France, ATOS ORIGIN, ALSTOM Transport, BOMBARDIE Transport, BPCE, CREDIT AGRICOLE, GDF SUEZ, GROUPAMA, HP France, LATECOERE, MICROSOFT, RICARD, TECHNICOLOR, SIEMENS France and ZODIAC Aerospace.

→ INCREASED STAKEHOLDER DIALOGUE

Sustainability principles have been a part of Lyreco culture and values for many years, but stakeholder dialogue on the subject has become increasingly important.

In order to increase stakeholder awareness and dialogue, many countries set up a structured communication plan in 2011, with focus on customers, suppliers and employees.

As an overall communication tool the new eco-website was introduced and very well received because it provides a good overview of Lyreco policy and actions in the field of Sustainable Development.

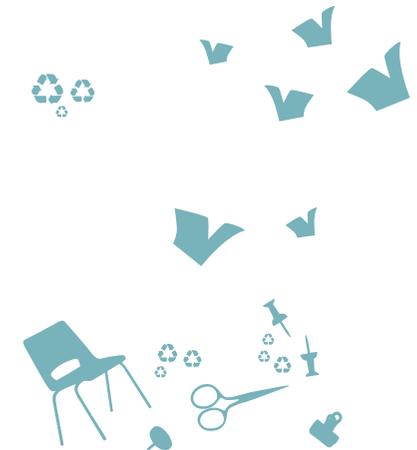
During the course of the year the Quality, Security & Sustainability Manager (QSS) set up interactive sessions around CSR (Corporate Social Responsibility) with the various departmental teams. The objective of these sessions was to give an update on Sustainable objectives and actions on the one hand, and to trigger any new ideas and suggestions to enhance our sustainable actions on the other.

It is essential that Lyreco policy is supported by its suppliers; therefore CSR sessions have been organised with our suppliers to gain more insight in their sustainable actions and the evolution of sustainable products.

This action came in addition to our Supplier Sustainable Programme consisting of the

Lyreco Purchasing Policies, our Supplier Code of Ethics and our Socially Responsible Procurement Policy.

To close the circle and to complete our stakeholder communication, an increasing number of meetings were set up with customers to discuss sustainable actions. These meetings contribute to establishing improved partnerships on sustainability and helps both customers and Lyreco to reduce their ecological footprint.



→ A UNIQUE TRADE FAIR

At the sales conventions for the last 2 years, Italy has included a new initiative, known locally as "The Green Fair".



The unique concept of the fair is that the 47 suppliers' exhibition stands are made from robust recycled and recyclable cardboard as opposed to the usual high impact metals and boards.

Although the stands may give the impression of fragility, they are in fact very durable, with a capacity of 50 kg per shelf. In addition to the basic structure composed of tables and bookcases, each stand was equipped with 6 cardboard totems of different sizes, designed to display logos and advertising banners of the suppliers. The added benefit is that the stands are re-usable, so long as stored with the correct protection and the use of these stands will continue for many years.

The Green Fair concept was themed with "respect for the environment".

It was the first time in the industry that an entire trade exhibition has featured stands made from recycled and recyclable cardboard.

The final layout was exciting, the show was a triumph of green colour and customization of Sustainable Development .

→ ADVANCING TECHNOLOGY & SUSTAINABLE DEVELOPMENT

Digitalisation and dematerialisation (removal of paper) of administrative processes are an important source of productivity improvement in business, as well as having a direct contribution to carbon reduction.

The aim of Lyreco Documents-on-Demand service (DoD) is to provide customers with easy access to electronic documents either online or by phone.

In 2010, Price Lists and Delivery Notes were made available as pdf downloadable files.

In 2011, Lyreco extended the list of Documents-on-Demand to cover Signed Proofs of Delivery, which are now available to customers in France, UK, Italy and Spain. Invoice Duplicates and Credit Notes Duplicates are now available in all European countries with the exception of Germany, CASH* & Poland which are still to be rolled out.

The plan is to extend this service to all countries and potentially to further other documents.

In the same time, the share of electronic orders has continued to grow, now taking over from fax orders.

Savings are as follows:



More than 1,000,000 pages



More than 320,000 litres water



More than 10,800 kg CO₂ emissions



More than 120 trees

Calculation basis:

1 fax order = 2 pages (1 customer and 1 Lyreco).

1 order = 4 lines.

Source: Australian Environmental Protection Agency estimating that using 1 ream of paper equates to 6% of a tree, 5.4 kg of CO₂ and 160 litres of water.

	2011 vs 2010
EDI Order Lines	4,26%
On-line ordered lines	5,19%
Fax Order Lines	-25,69%

Figures expressed in number of order lines.

EDI stands for Electronic Data Interchange / OLO is the Internet accessible ordering site of Lyreco

* Czech Republic, Austria, Slovakia and Hungary zone.

→ CUSTOMER TESTIMONIAL: MALMÖ STAD

Malmö stad has been a customer of Lyreco for several years and would like to express our appreciation for Lyreco approach towards Sustainability issues.



"As an organisation with a strong environmental focus, Malmö stad emphasizes the importance of our supplier's commitment to the environment and the responsibility towards our future generations. With the assistance from Lyreco we have been able to improve our work for Sustainable Development and this has furthermore increased the awareness of our environmental profile, both internally and externally. More specifically, together with Lyreco we have arranged weekly deliveries of office supplies which have reduced the environmental impact of each product's journey from your warehouse to us. Besides the obvious benefits that bundling our orders have brought, this has made us consider each order more carefully which in turn has reduced the number of returns.

Since our aim is to procure as sustainably as possible, Lyreco knowledge and range of eco-labelled products has proved to be very helpful for us and based on that, we attempt to optimize our purchases. In addition to this, we feel comfortable using Lyreco programme for return of empty toner cartridges. The latter is another one of your environmental

initiatives which is assisting us in covering all areas of procurement of office supplies, from a sustainability point of view.

Finally, we would like to state that the general impression of Lyreco as a company considering all dimensions of Sustainability is notable and trustworthy. In the comprehensive approach you have considered the environment, the economy as well as acknowledging your social responsibility. In terms of the last part, we have been given the opportunity to watch some footage and follow the progress of your education programme in Togo, which has inspired us as an organisation and your customer."

Anders Tapper
Procurer at Malmo Stad

Malmö stad (or Malmo Municipality) is Sweden's third largest city by population after Stockholm and Gothenburg, and is one of the largest cities in Scandinavia.

Malmö stad was awarded the prestigious prize as "Excellent Green Purchaser" in 2012 by the Swedish Environmental Management Council.

→ BUSINESS CASE: TÜV RHEINLAND

Objective

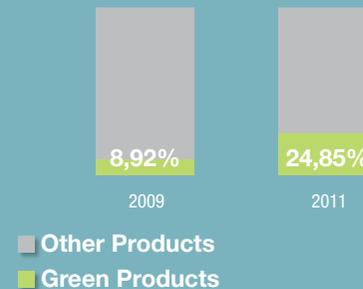
Increase the usage of sustainable products in the TÜV Rheinland Group organisation.

Actions

- Continuous control and adjustment of the product range ensuring that at all times the main focus was on sustainable products.
- Additionally, the items were flagged in the catalogue.

Results

When starting the focus on sustainable products in 2009, about 8% of the total purchasing volume was sustainable products, whereas in 2011, this percentage has increased to 25%.



To achieve sustained development of safety and quality.

"The TÜV Rheinland Group is a leading provider of technical services worldwide. Since our foundation in 1872, we have been developing safe and sustainable solutions for the challenges arising from the interaction between man, the environment and technology.

As an independent, neutral and professional organisation, TÜV Rheinland Group are committed to working towards a future that can fulfil the needs of both mankind and the environment in the long term. In the ever changing markets in which TÜV Rheinland Group operate, the focus is on serving customers, achieving success and constantly enhancing our appeal to customers, partners and staff."

→ BUSINESS CASE: GLS BANK

Objective

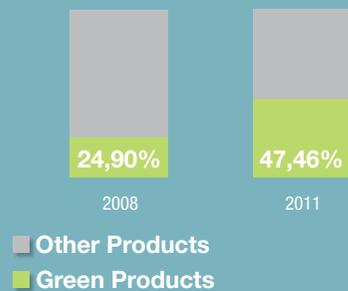
Increase the proportion of sustainable products in the product range available to the GLS Bank.

Actions

- Continuous control and adjustment of the product range ensured that at all times the main focus was on sustainable products.
- Additionally, the green tree items were flagged in the catalogue.

Results

When starting the business relationship in 2008, about 25% of the total purchasing volume were sustainable products, whereas, in 2011, the percentage has increased to 47%.



Threefold benefit for customers and members

"GLS Bank is the world's first socio-environmental full-service bank. For nearly 40 years we have combined professional banking and social responsibility. Our aim is to promote sustainable social development and conservation of natural resources. Therefore, money for us is a design element. GLS Bank is the only bank offering one-stop funds, financing, investments, foundations and donations. Specific socio-environmental investments and comprehensive transparency ensure ecologically worthwhile and innovative banking services to our customers – with a threefold benefit: human-social, forward-thinking, and economic."

→ BUSINESS CASE: HYDRO

Objectives

- Increase of "green" products in the product range
- Reduction of Km to be covered for deliveries

Those objectives are discussed on a regular basis with the customer during the dedicated business review.

Actions

- Reduction to delivery twice per week
- Route optimisation by using the Lyreco delivery analyst as part of the existing optimisation process
- Identification of "green" products in the electronic catalogue.

Results

- CO₂ reduced by 4 tonnes through reorganising delivery modes
- Driven distance reduced by 11,000 km



A leading provider of aluminium and aluminium products

"Hydro is a leading provider of aluminium and aluminum products. Offering 105 years of experience in technology development, renewable energy sources and innovative partnerships, we are striving to strengthen our customers' positions and build a future-proof society."

Number 1 in Germany

Germany is one of the leading nations regarding the use of aluminum, with Hydro providing most of the metals. Our German facilities service the highest number of customers providing the utmost variety of products. In Germany, we have the most employees – over 6,000 – and generate the highest sales figures in our industry. Our research centre in Bonn is the leading institute of its kind in Germany."

LYRECO WORK CLOSELY WITH OUR SUPPLIERS...

... through a sustainability programme and assessment. Bic, Exacompta and Tesa give us some concrete examples of what we expect from our suppliers



→ EXACOMPTA



When it comes to demonstrating a credible and concrete commitment to environmental protection, **Exacompta** is an industry leader. Part of the wider **Exacompta-Clairefontaine Group**, Exacompta has followed a sustainable development policy for more than 50 years – a policy that has directly influenced the design and evolution of its product ranges.

Now, at a time when increasing numbers of companies and organisations must abide by internal guidelines and policies around reducing their carbon footprint, **Exacompta** continues to offer a comprehensive selection of eco-friendly office products that not only meet those environmental obligations, but also deliver premium quality and functional design combined with excellent value for money.

Similarly, **Exacompta** various ranges are all expertly designed to be both aesthetically pleasing yet professionally stylish, and what is more, each product

is priced to offer a realistic equivalent to the cost of a standard non-recycled product, ensuring that there are no drawbacks, only advantages, in choosing to buy "green". Furthermore, all of **Exacompta** products have been designed and manufactured in keeping with the philosophy of sustainable development and have been independently certified accordingly.

Indeed this is an important point: **Exacompta** products are not self-certified, but rather assessed and certified by recognised, credible external organisations – such as PEFC, FSC, and the Blue Angel – that can provide consumers with real assurance that these products are what they claim to be.



Forever®
Recycled PP



→ BIC

BIC® is proud to support Lyreco Sustainable Development Strategy. For years both companies have always been innovative and active leaders on SD topics having regular contacts and sharing initiatives.

2011 BIC Group sales were 1.8 billion €. BIC® products are available across 160 countries. Consumers choose to buy, everyday, 44 million BIC® products (of which 24 million are stationery). In Europe, 94% of BIC® products sold are manufactured in Europe.

BIC® has adopted a global approach to sustainable development encompassing all of its operations and affecting all of the following key areas: products, production facilities, recycling solutions, responsibility to our customers and consumers, social responsibility and societal responsibility.

Right from the start, most of BIC® products are designed and made with “just what’s necessary” in terms of raw materials, leaving out anything that is superfluous. On top of their light weight, BIC® products have a long performance life, and everyone can afford them. To simplify the consumer’s life, BIC implemented a strategy of eco-labelling and was the first manufacturer of writing instruments to earn the “NF” Environment certification, France official ecological label.



In 2011 BIC® and recycling company TerraCycle have launched in several European countries the 1st programme for collecting and recycling writing instruments. BIC® Terracycle is a voluntary programme, free of charge, perfect for end-users who want to recycle in their offices... Whatever the brand, your pen can be collected and recycled!

Contact: denis.bonnet@bicworld.com
www.bicworld.com
www.terracycle.eu

The “BIC 4 colours”, top-seller and NF-Certified



→ TESA

For many years tesa® has been a reliable European partner of Lyreco, regularly achieving double digit growth together. Main sales drivers have been the innovative sustainable ecoLogo® line up of tesa® (10% share of total sales). Both share nearly the same sustainable visions & targets.

According to Nielsen 25% of all end users prefer ecological products and appreciate the added value of sustainability. Hence, tesa® supports the efforts of Lyreco to meet the needs of this target group.

Lyreco offers a complete range of tesa® sustainable products for different applications. This wide range covers glue sticks, glue rollers, office films, dispensers as well as packaging and masking tapes.

Moreover, tesa® & Lyreco bundle these sustainable products as attractive value packs which secure the Lyreco accounts a significant additional benefit.



There are in total four different green value packs offered by Lyreco:



tesa® Stick

tesafilm® Eco & Clear



tesafilm® Eco & Clear



tesa® desk dispenser



For further information about sustainability at tesa® please visit the tesa® homepage <http://www.tesa.com/consumer/ecoLogo> and <http://tesa.com/company/responsibility>

→ FINANCIAL INTEGRITY

Redistributing values to stakeholders in 2011

2011 SALES € 2,133m:

The chart below summarises the main financial flows between Lyreco and Stakeholders.



Financial Integrity

As a private group, Lyreco takes pride in providing the highest standard of financial transparency and reliability for its stakeholders.

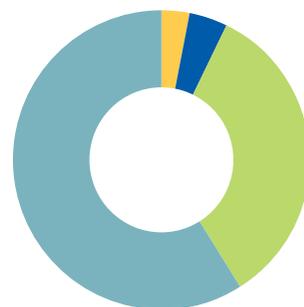
Its financial transparency is ensured by a worldwide accounting and reporting tool allowing access to all accounting entries in the world from its head office.

Financial reporting is performed in conformity with IFRS standards.

The financial reliability is structured around two controlling arms:

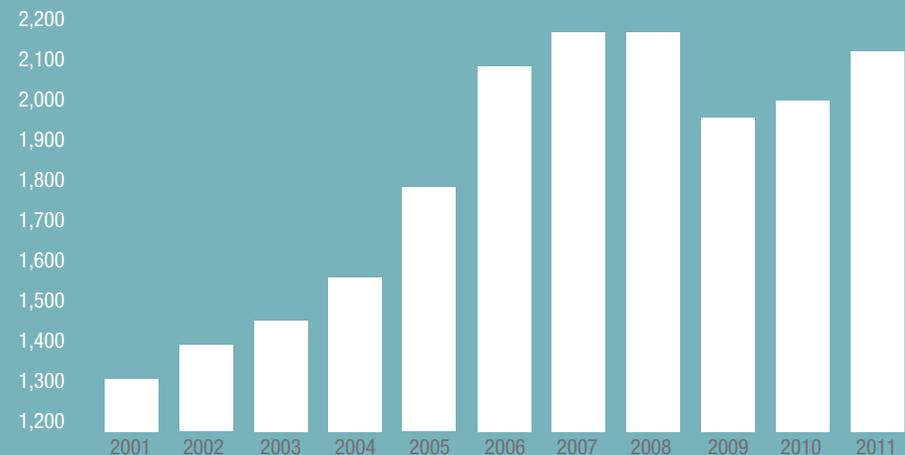
- Internal audit ensuring a strict application of our financial policies and procedures;
- A prime external audit firm certifying its financial statements. Lyreco ensures the full independence of its auditor by excluding it from any consulting function in the Group.

Sales per region



- 59% Europe Euro Zone
- 34% Europe other countries
- 4% North America
- 3% Asia Pacific

Sales in million Euro



→ CANADA

Canada awarded "2011 Community Leadership Award of Excellence"

The COPA* Awards Committee recognized Lyreco with its Community Leadership Award of Excellence for the renovation of the Montreal Sun Youth Building in January 2011.

With this award, COPA honoured Lyreco who, "in addition to its routine duties and responsibilities, went the extra miles to get involved in programmes, initiatives and activities that benefit the community in which they live and work".

*COPA – Canadian Office Products Association



Brent Milburn – Managing Director receiving the award.

→ GERMANY

Germany honoured with CSR Award

Profitable and socially responsible: Lyreco is the proof that both objectives can be combined. This was the message from the judges during a ceremony where Lyreco Germany was honoured with the CSR Award from the economic association Pro Hannover Region (PHR), supported by the German region of Lower Saxony.

Amongst the evidences presented by Lyreco, the following were highly praised by the jury:

- Code of Ethics - establishing ethical relationships with stakeholders
- Lyreco For Education programme – promoting education in developing countries
- The Environmental Calculator dedicated to helping customers reduce environmen-

tal impacts associated with their office supplies purchases

- Social Audits achieved with suppliers
- Health and Safety application
- Internal education programmes "Lyreco University" and "Lyreco Campus"



Marc Gebauer (Managing Director) and Olaf Dubbert (Quality Security & Sustainability Manager) receiving the award.

→ WORLDWIDE

Lyreco scoops the Corporate Social Responsibility award at the European Office Products Awards 2012



On January 30th 2012, more than 350 guests were present at this prestigious annual awards event, which is organised by Office Products International (OPI) during the Paperworld Exhibition in Frankfurt. During this ceremony, Lyreco was celebrated for its overall Sustainability approach and recognised effectively by the whole industry, as the entries were judged by panel of office products industry executives, including 3M, Avery, Brother, Esselte, Fellowes, Pilot, Quantore and OPI.

The assessment criteria and elements taken into account by the judges were:

- Programmes, practices and policies that enhance the company as a socially and environmentally aware operation
- Steps taken to develop a more responsible corporate culture; such as green initiatives and educational/motivational initiatives for staff or customers
- Additional schemes to improve operational impact, such community initiatives and joint ventures with NGOs
- Effective monitoring of sustainability actions

Through its press release, OPI said "Judges praised Lyreco as a company that lives, works and breathes its approach to CSR, consistent in everything it does".

This award is truly a source of pride for all the Lyreco employees who contribute on a daily basis to our sustainable approach.



Steve Law – Lyreco CEO with the award. (Paperworld is the main international office products exhibition, with more than 1,800 exhibitors and more than 50,000 visitors).



Together for a sustainable future

Rue du 19 mars 1962
59770 Marly - France
Tel: +33 (0) 3 27 23 64 00 - Fax: +33 (0) 3 27 45 17 97
eco.lyreco.com

If printed, use of EU flower labelled paper is recommended.