



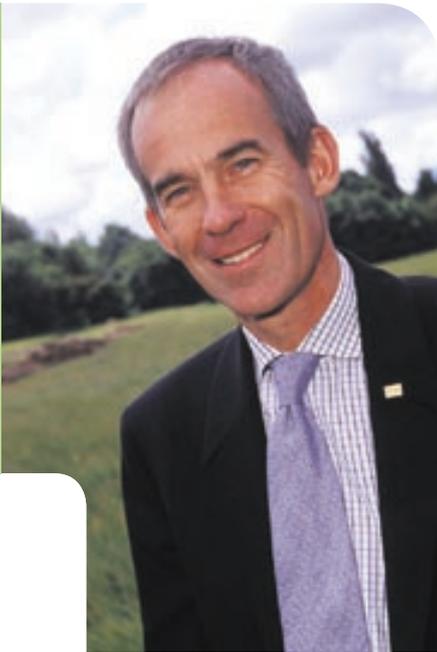
You're our number One !



SUSTAINABLE DEVELOPMENT REPORT  
2008



# A WORD FROM THE C.E.O.



«We want to be the reference that the business community turns to for office supplies solutions»

In 2008 all our teams worked hard to achieve our commitments towards sustainable development projects. One of the key projects “Early Learning For Development” in partnership with UNICEF was a real success. Our objectives have been exceeded. They will allow more than 10,280 children in Bangladesh to access schools, making sure they enter the education system and enabling better control over their health.

In 2009 we will continue our work in Social and Environmental arenas, in line with our social and environmental policies and the U.N. Global Compact principles. We will continue our efforts for young disadvantaged children to access education and have a better life. Thanks to our management system we ensure that we challenge ourselves to improve continuously and that all our staff participate in promoting and achieving our sustainable development objectives.

As I said last year, sustainable development does not stop with Lyreco. I would be happy to share with you in 2009 actions and ideas towards sustainable development.

**Eric BIGEARD**

# THE VALUES

Businesses, like families or countries, need values to work to. Without values people don't know where they stand. Our values are simple enough, but are very important. They are:



**PASSION**



**EXCELLENCE**



**PROFESSIONALISM**



**RESPECT**

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COMPACT  
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\* NUMBERS REFER TO THE 10 GLOBAL COMPACT PRINCIPLES

# THE POLICIES



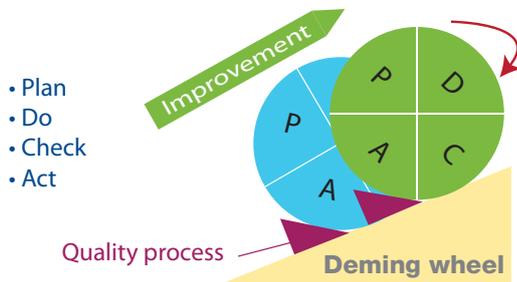
«The mission of the Lyreco group is to be the reference that the business community turns to for office supplies»

**This policy applies to all our subsidiaries. Local policies may be written to take local legal, economical and environmental context into account, however, they always include the Group policies.**

## QUALITY

The mission of the Lyreco Group is to be the reference that the business community turns to for office supplies. This goal necessitates a quality policy that encompasses the same objectives as those of the overall company policy.

For Lyreco, to be **THE reference** means fully **satisfying ALL its customers.**



Full satisfaction requires that all the associates in the company take part in achieving the results. Our customers' satisfaction means the following for every employee:

- Mastering the organisation;
- Following up the objectives on a daily basis;
- Continuously looking for ways to improve our performance.

### > MASTERING THE ORGANISATION

The Lyreco process model links the organisation to the management of the company.

Each employee must know his/her impacts on the organisation to be involved in the continuous improvement of the business.

Everybody makes an impact on the global result.

### > FOLLOWING UP THE OBJECTIVES

The Lyreco objectives are consistent with the policy. They need to be adopted and shared by all associates in the company.

Each employee should be able to clearly identify what his/her contribution will be to meet the objectives.

### > LOOKING FOR WAYS TO IMPROVE OUR PERFORMANCE

This means efficiency in our preventative and corrective actions.

Measuring the customers' satisfaction is essential in this respect. This provides Lyreco with valuable elements to perfect its operations.

Lyreco takes up this challenge in line with the values which drive all employees:

**RESPECT, EXCELLENCE, PASSION AND PROFESSIONALISM.**





## ENVIRONMENTAL PRESERVATION

We cannot consider social development without taking into account our impact on the environment and on sustainable development.

Lyreco began an ambitious project to preserve the environment several years ago.



This project consisted of obtaining the ISO 14001 certification for all the subsidiaries in the Lyreco Group.

This international certification:

- guarantees a well mastered organisation which takes into account all environmental aspects,
- guarantees a continuous improvement of our impact on the environment,
- involves our suppliers in the preservation of the environment (respect of environmental regulation),
- is given by an independent body after a complete audit of our environmental management system.

**All these actions clearly highlight Lyreco's ambition:**

To promote social development and environmental preservation in the group and with our partners.

## ETHICAL

**For Lyreco, Economical development, Social development and preservation of the Environment are interdependent components which strengthen one another.**

### > SOCIAL DEVELOPMENT

Lyreco has always considered people as the MAJOR STRENGTH of the group. For Lyreco, social development has always been a major priority.

Lyreco commits itself to the following principles:

- respect of human rights (especially children);
- respect of legislation and regulation, especially for health and safety at work;
- no discrimination in hiring, compensation, access to training or promotion.

These commitments are extremely important to our business and we look for partners and suppliers who share these views.

### > ANTI CORRUPTION

Lyreco commits itself to work against corruption in all its forms, including extortion and bribery.



## Green Highlights

### Social auditing

In 2008, in partnership with a customer who used FTSE4Good criteria to identify products and manufacturers in countries deemed to be "at risk", Lyreco decided on an additional precautionary approach to further our commitment to Labour standards. Whilst our own Lyreco brand is manufactured only by well established suppliers, used by many other large and well-known brands, we embarked on a programme of Social Auditing. Our Import Manager was trained as a Lead Social Auditor in October 2008, with SGS in Hong Kong. The course was based on the SA8000 and ILO Standards. In January 2009, the first Social Audit was undertaken, on a manufacturer premises in China, with a very positive result.



# THE BUSINESS



«At your service worldwide»

## > 29 COUNTRIES, ONE LYRECO

We have a global vision and the appropriate competitive advantages that large international companies are looking for when it comes to the management of global purchasing portfolios of office supplies.

Lyreco is one of the largest worldwide distributors of office supplies. Active in **29 countries** (35 with our partners), on **5 continents**, Lyreco believes in offering every Customer the same superior quality of products and services wherever they are.

## THE ACTIVITIES

**One of Lyreco's assets lies in the organisation and management model. The same policies, organisation and management rules apply to all Lyreco subsidiaries.**

**A unique information system facilitates the sharing and consolidation of all these elements worldwide.**

## > CONTINUOUS IMPROVEMENT IS THE RULE

All subsidiaries contribute to the continual 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.



### 4 strategic alliances

that strengthen Lyreco's worldwide coverage with presence in Russia, New Zealand, Southern Africa, Mexico and United States.





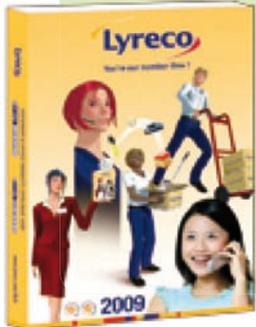
## PRODUCT SELECTION

### Product selection Indicators

- An average of **6,000** products offered by each country
- **15** product families
- **537** 'green' products i.e. **12%** of the International common range
- **100** ergonomic products i.e. **2.3 %** of the International common range

### Areas for improvement

- Continue to develop environmentally friendly products in our offering
- 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.



## SALES FORCE

### Sales force Indicators

- **5,000** sales people
- **3,210** cars

### Areas for improvement

- Increase communication on sustainable development with customers
- Reduce environmental impacts due to travelling



## CUSTOMER



## CUSTOMER SERVICE

### Customer Service Indicators

- **30,000** customer contacts/day
- **58,000** orders/day

### Areas for improvement

- Reduce environmental impacts due to hard copy orders



## ORDER PREPARATION

### Order Preparation Indicators

- **30** Distribution centres:
- **390 000 m<sup>2</sup>**
- **254,000** parcels prepared/day

### Areas for improvement

- Reduce Health & Safety risks
- Increase waste recycling



## DELIVERY

### Delivery Indicators

- **990** vans and drivers
- **254,000** parcels delivered every day

### Areas for improvement

- Reduce Health & Safety risks
- Reduce environmental impacts due to transportation





# SUSTAINABLE DEVELOPMENT

## Quality and Security

To ensure the effective implementation of Lyreco's organisation in all subsidiaries, Lyreco uses existing international standards in the areas of quality and the environment. This means that it is essential for all our subsidiaries to be certified to our quality and environment management system (ISO 9001 and ISO 14001).

The Lyreco Quality, Security and Environment Management System is totally integrated.

### > HEALTH AND SAFETY

In line with our quality and environmental management system, the H&S organisation is based on Lyreco's guidelines referring to the OHSAS 18001 standard.

Integrated quality, environmental and health & safety audits ensure organisation efficiency, in accordance with the local regulations.

THE RULE is a preventative attitude.

### > A UNIQUE CERTIFICATION BODY

To ensure the consistency of the external audits and maintain unity, Lyreco has chosen SGS as the unique certification body for all its subsidiaries.

Audit feedbacks are shared with all subsidiaries to use for internal benchmarking and continuous improvement.

### > LYRECO – SGS: A PARTNERSHIP FOR CONTINUOUS IMPROVEMENT

SGS certifies the Lyreco subsidiaries on standards ISO 9001 and ISO 14001 and attests that LYRECO is working with a risk management system at all levels: head office, subsidiaries and distribution centres.



180 INTERNAL AUDITORS





# SUSTAINABLE DEVELOPMENT Management

**In Lyreco, it is the responsibility of every employee to take sustainable development into account in their daily activities.**

**Lyreco uses its international organisation to ensure that all these actions are well organised, co-ordinated and consolidated, and that all the objectives are measured and achieved.**



## > OUR SUSTAINABLE DEVELOPMENT STRUCTURE

Sustainable Development is co-ordinated by the Quality, Security and Environment function (Q.S.E.) in each subsidiary.

In line with the importance Lyreco puts in these areas:

- there is a **Q.S.E. Manager** in each Lyreco subsidiary
- the **Q.S.E. Manager** reports to the **Managing Director**

## > MONTHLY CO-ORDINATION

Every month the sustainable development projects and actions are consolidated at group level and shared with all the subsidiaries and the group Directors.

## > A QUARTERLY GROUP QUALITY, SECURITY AND SUSTAINABLE DEVELOPMENT MANAGEMENT MEETING

Every quarter a Group Directors' management meeting is held to analyse Quality, Security and Sustainable Development projects, actions and results and to take decisions whenever necessary.

## > A SUSTAINABLE DEVELOPMENT REPORT COMMITTEE

To manage the Sustainable Development Report a Sustainable Development report committee has been created and is in charge of:

- Collecting and consolidating the information from the subsidiaries
- Checking the reliability of the information
- Producing the Sustainable Development brochure

## 2009 INITIATIVE

To start the certification process (ISO 14001 and ISO 9001) in our new subsidiaries.

Include our new subsidiaries in the customer satisfaction measurement.

# GLOBAL COMPACT



## «Lyreco supports the Global Compact»

We take our responsibility to the community at large extremely seriously. Eric BIGEARD, Lyreco CEO, signed the Global Compact initiative from the United Nations in 2004 to promote sustainable development in the company and towards its stakeholders.

All our employees have been informed about the Global Compact initiative and its objectives and participate in continuous improvement in environment and social development areas. Lyreco keeps on promoting Global Compact in all its subsidiaries and encourages all stakeholders to join the initiative to ensure a more sustainable and inclusive economy.



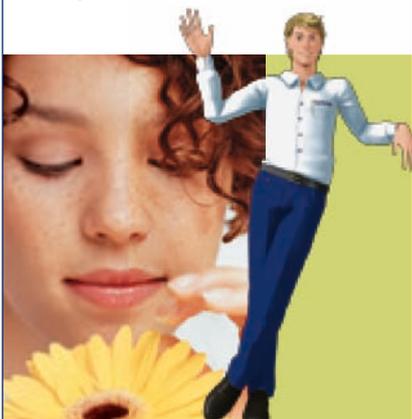
### > WHAT IS THE GLOBAL COMPACT?

Through the power of collective action, the Global Compact seeks to promote responsible corporate citizenship so that business can be part of the solution to the challenges of globalisation. In this way, the private sector – in partnership with other social actors – can help realise the United Nations' vision:

**A MORE SUSTAINABLE AND INCLUSIVE GLOBAL ECONOMY.**

### 2009 INITIATIVE

Continue to promote Global Compact in all subsidiaries.



### > THE GLOBAL COMPACT 10 PRINCIPLES COVER THE AREAS OF:

- HUMAN RIGHTS
- LABOUR STANDARDS
- ENVIRONMENT AND ANTI-CORRUPTION

These principles are totally in line with Lyreco's social and environmental policies and help us to strengthen our communication about Sustainable Development.

### > THE GLOBAL COMPACT IS A PURELY VOLUNTARY INITIATIVE WITH TWO OBJECTIVES:

- Mainstream the ten principles in business activities around the world
- Catalyse actions in support of UN goals

For more information: <http://www.unglobalcompact.org>





# Reducing our impact on the ENVIRONMENT

Environmental preservation has been a primary concern for a number of years at Lyreco. All environmental aspects of the business are identified and assessed in order to identify the major impacts.



## Green Highlights

### FRANCE

#### Green car wash

The head office employees can have their car hand washed on the car park, without water and with 100% biodegradable products. The car wash company helps unemployed people to build a business and professional skills.

#### Diesel reduction

Diesel consumption per transported tonne has been reduced by 4.5%.  
Less consumption, less pollution...

### POLAND

Each new employee sees a video and gets a leaflet with 10 basic rules on eco driving. Only electronic documents are used.

### UNITED KINGDOM

An online driver assessment has been introduced for new sales people to ensure drivers are tested before they are given a company car. This will be rolled out to all sales people.

## «A daily commitment»

### > OUR MAIN IMPACTS ON THE ENVIRONMENT ARE:

- **Cars and vans**  
Gas/diesel consumption and air pollution
- **Distribution Centres**  
Cardboard and plastic waste (see "Our logistics", page 18)

All our subsidiaries focus on these main impacts and endeavour to reduce them as much as possible.

### > COMPANY FLEET VEHICLES

Visiting and delivering to customers means cars and vans on the road. All Lyreco's environmental impacts are identified and monitored (as requested by the ISO 14001 standard) but specific focus is put on company fleet vehicles, which are considered as significant environmental impact.

Particular attention is put on vehicle selection, maintenance, consumption and pollution.

2008 VEHICLES CONSUMPTION			
Number of Vehicles	Petrol (L)	Diesel (L)	LPG / Natural gas (L)
4,200	719,662	8,937,617	72,954

L: Litre

# OTHER IMPACTS



## > POWER CONSUMPTION

Power consumption is a daily concern and objectives to reduce power consumption are in place in most of the subsidiaries.

## > HAZARDOUS WASTE RECYCLING

Lyreco generates very little hazardous waste. All such waste is recycled in accordance with the local regulations and records are kept.

## > RESOURCE EFFICIENCY

Earth has physical limits. Being resource efficient, doing more with less, improves an organisation's sustainability.

In our certified environmental management system, continuous improvement is the rule. Resource consumption is monitored and followed up in all Lyreco's subsidiaries

Here are resources consolidated 2008 figures.

Number of people	Electricity (Kwh)	Gas (Kwh)	Fuel (Kwh)	Water (M³)
4,062	37,150,029	20,008,628	960,893	170,739

## 2009 INITIATIVE

### Double side printing

Double side printing principle for office automated documents was tested in 2008 in Lyreco's Head Office. The principle will be rolled out in all subsidiaries

### Green attitude

In 2008 green messages on emails and IT charter were promoted to all Lyreco's employees. In 2009 we will develop the "green awareness" of the users promoting the switching off of the machines.

### Group Marketing department: catalogue reduction

In order to reduce our impacts on the environment and to be in line with our global policy and commitments, we will review the possibility of reducing the size of our annual catalogues. Reducing our catalogue format will save paper during the printing production and will be easier to handle for our selling force. More ergonomic and environmentally friendly! We are also considering global printing purchases in order to unify paper quality (recycled / FSC or PEFC) and find certified printers who will comply with our social and environmental expectations.

### Group Marketing department: reduce air/sea transport

Until recently, any files and source artworks to be sent to our international subsidiaries, were burnt to CD / DVD and sent by courier. We have now a Group databank specially created to share and download files through internet. In 2009, we plan to implement specific software in our subsidiaries to allow them to receive and send FTP links.

### Way to retire obsolete IT equipment

We will review the local processes and formalize a procedure regarding the recycling of the IT equipment.

## Green Highlights

### Reduction in travel

Cuts in road travels were made thanks to the use of a dedicated online remote support, meeting and training session.

	2006	2007	2008
Number of remote support, meeting and training session	274	2,142	2,777

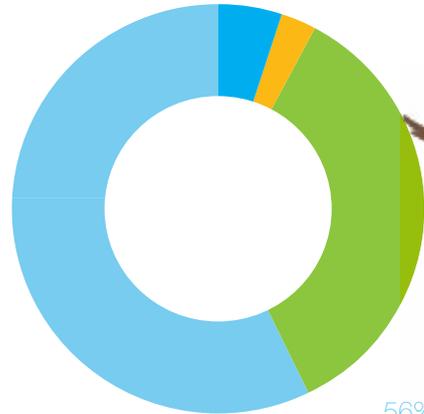


# FINANCIAL INTEGRITY

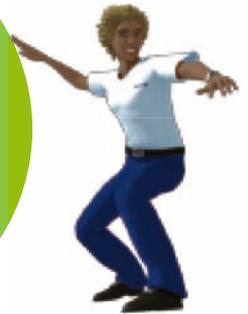
«Redistributing values to stakeholders in 2008»

## > CUSTOMERS €2,169M:

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



56% Europe Euro Zone  
35% Europe other countries  
4% North America  
4% Asia Pacific



## > FINANCIAL INTEGRITY

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

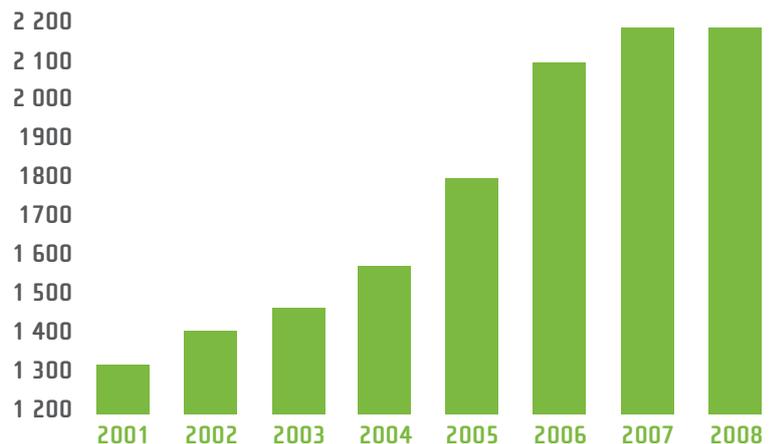
Its financial transparency is ensured by a unique worldwide accounting and reporting tool allowing access to all accounting entries in the world from its head office.

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 in million euro





# THE PRODUCTS

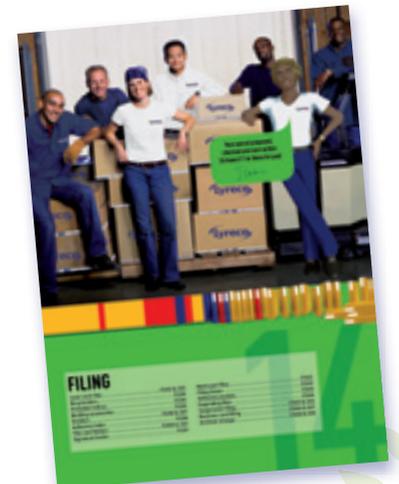
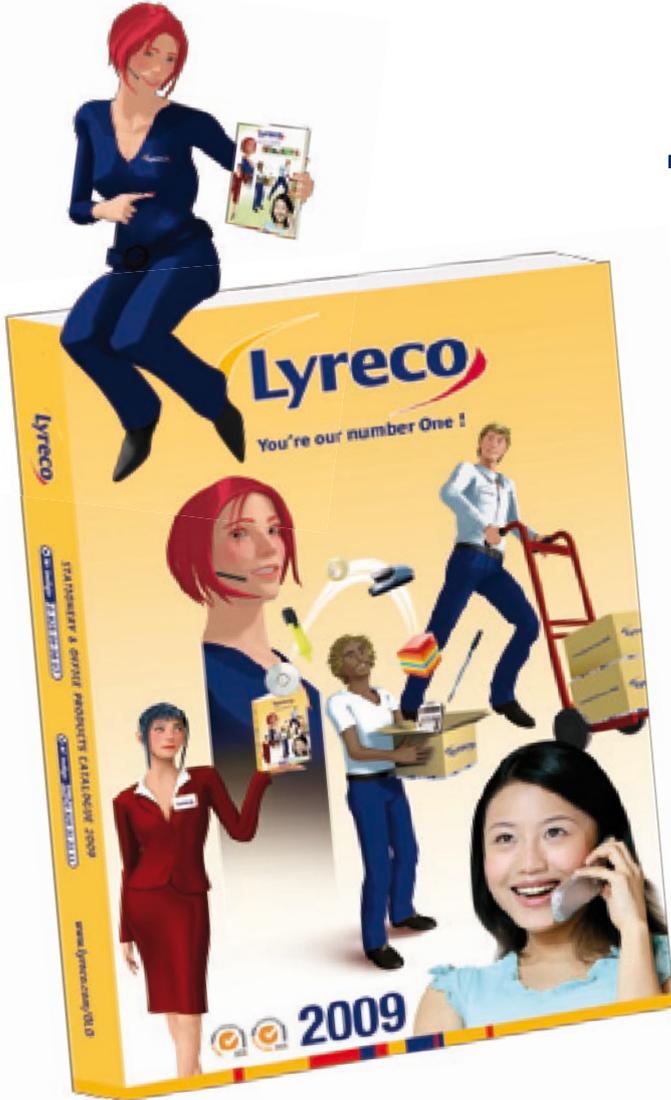
«Customers' needs are at the heart of our product offering»

Each Lyreco country has approximately 6,000 stationery products which are stocked and sold through an annual catalogue and via our online ordering facility OLO.

Over 4,000 products have been selected to match local customer requirements and are available throughout the 29 countries in which Lyreco operates.

All these items are selected with the active participation of each and every country, according to local customers needs and product market trends. The common products are displayed in our International Catalogue and can be ordered in the countries with the same product codes.

- Average number of products in the local catalogues = **6,000 products**
- Number of International common products = **over 4,000 products**
- 15 product sections common to all the countries





## > 'GREEN' & 'ERGONOMIC' PRODUCTS

As Lyreco is dedicated to operating its business in an environmentally friendly way, we also inform our suppliers about our environmental care and encourage them to develop and produce more environmentally friendly and ergonomic products.

These products are clearly identified by a symbol in the catalogue to make it easy for our customers to identify them.

## > IMPEGA BECOMES LYRECO!



### 'Green products'

= 537 products ie 12% of the International common range

### 'Ergonomic products'

= 100 products ie 2.3 % of the International common range

A product is qualified as a 'green' item if it satisfies at least one of the following criteria:

- International eco label (Blue Angel, Nordic Swan, Fairtrade Labelling Organisation, ...) and/or,
- Made from material which is less harmful to the environment (polypropylene instead of PVC, ...) and/or,
- Made from re-used paper or from water based materials in order to conserve natural resources (re-manufactured toner cartridges, recycled papers, ...)

Lyreco has developed an extensive range of own label PRODUCTS carefully selected and manufactured to the highest standards.

Because you are our Number One and you deserve the Best, we have pleasure to announce that IMPEGA will become LYRECO to assure you the best quality, identification and to strengthen the brand awareness of Lyreco.

From paper to office stationery through a range of remanufactured cartridges, our LYRECO brand offers an alternative choice endorsed with our quality guarantees and product warranties.

Total of 'Own brand' products = around 974 SKUs of the common range out of which:

- 19% are 'green' items.

# CASE STUDIES



## > EXACOMPTA

### Join Exacompta and Lyreco in protecting Nature...

Lyreco worked closely with one of our preferred vendors by deciding to not just talk about nature but make a real commitment.

The Forever range has been launched as the only 100% recycled filing range – Blue Angel certified.

The Blue Angel label guarantees that the paper and board come from 100% post consumer waste. The stringent controls implemented make this label an exacting standard ensuring excellent protection of our natural resources.

With Forever®, Exacompta and Lyreco introduce an extensive range of filing items which are recycled and recyclable. The paper and cardboard used in this range are made from industrial scrap paper in Exacompta Clairefontaine Group ISO 14001 certified factory.

In line with our active sustainable development policy, they are dyed with non-toxic pigments, without de-inking or optical bleaching, and are chlorine-free, blank and non-laminated.

In addition to their eco-friendly benefits, Forever is expressing the real colours of Nature : intensive blue, shiny orange and red, bright green.

Safeguard the future together with Exacompta and Lyreco.



## > DUNI

In our catering category, we work on a group level, exclusively with DUNI who have developed a strong environmental proposition.



They favour suppliers who adopt a similar environmental management system. All of their production sites are certified ISO 14001 and apply EMAS recommendations (Environmental Management and Audit System), which covers economic development, social dimension, environment protection and responsible management of the natural resources. Procedures and measurement tools are continually developed to evaluate our performances.

A study, conducted in 2008, has identified several objectives: Reduction of CO<sub>2</sub> emission linked to product manufacturing and transport, of energy consumption, of landfill from operations and of wastes created during the production.

Lyreco has seized the opportunity with Duni to offer a wide and complete biodegradable catering supplies to our customers (plates, cups and cutlery), following the sentence "From nature to you... and back to nature".



## > ECOVER

Ecover stands for sustainable business: they produce their washing and cleaning products in an ecological, economic and socially responsible way in a unique ecological factory. Honest and open, Ecover respects people and the environment: This is the only way for them to guarantee a sustainable future! Annually, TIME Magazine honours people who are changing the world in their special issue 'Heroes of the Environment': In October 2008, they selected ECOVER as a hero of the environment for its pioneering role in making the world a greener and cleaner place.



**ECOVER** Lyreco has chosen Ecover as partner in the detergents business for their consistency in implementing sustainable development logic all across their process. This is the heart of their business, not only a side activity. As we, Lyreco, develop our market position in the cleaning and hygiene ranges, these choices become key for Lyreco as an environmental player.



## 2009 INITIATIVE

### GREEN PRODUCTS DATASHEET:

In 2008, we planned to develop a specific "green products datasheet" in order to deliver our customers a better qualification of the environmentally friendly criteria. Some of our subsidiaries have been precursory in testing this approach on their local market and we will benefit of that local experience to launch the project at the group level. See 2008 initiatives and achievements chapter.

In 2009, green products information will be collected to be available for 2010 catalogue.

# Our catalogue PRODUCT SUPPLIERS

«Encourage them to develop and produce more environmentally friendly and ergonomic products»

### GROUP BUSINESS SUPPLIER AGREEMENT EXTRACT:

- 3.1 The SUPPLIER ensures that products selected:
  - 3.1.1 Are of merchantable quality and fit for any purpose held out by the SUPPLIER or made known to the SUPPLIER at the time the orders are placed.
  - 3.1.2 Comply with the local regulations and/or standards of the markets in which they will be sold.
    - Comply with the safety regulations of the markets in which they will be sold.
    - Meet the regulations in force in matter of environmental protection in all countries in which they will be sold.
    - Shall be labelled and packed in compliance with the regulations in force in the European Union and in any other country to which the Products are to be supplied and that all necessary information about the use for which the Products are commonly supplied shall be provided to the Customers with the Products.
    - Are manufactured or sourced from companies respecting recognised ethical trading standards. Companies must comply with local legislation on including but not limited to minimum wages, health, safety at work and no children work.

### > SUPPLIER PARTNERSHIP & ETHICS

The business relationship we have with our suppliers is consistent throughout all countries.

By constantly taking care of the consistency of the product quality we offer to our customers, Lyreco develops partnerships with its suppliers. Every year the best suppliers are rewarded during our supplier day.

### > SUPPLIER AGREEMENT

All suppliers (local and Group) working with Lyreco have to sign the same Business Agreement, in which special attention is given to ensure the social impact of our sourcing practices is taken into consideration.

### > SPIP (SUPPLIER PERFORMANCE IMPROVEMENT PROGRAMME)

- The supplier performance assessment at Lyreco targets the achievement of an increased control over our supply base, which is key to further obtain business excellence and to achieve overall corporate goals. A specific tool has been designed to give an outline on 2 areas: Marketing and Logistics. This tool and its measurements are identically used throughout all the countries on an annual basis.

The criteria taken into account range from accreditations that the suppliers have (i.e. ISO 9001, 14001, ...) to service levels and delivery lead times.

Lyreco also continues to monitor its supplier base to ensure that environmental issues are addressed and that the product portfolio is developed with these issues in mind.

- All suppliers in all the countries (local and Group) who provide us with goods during the year are included in the SPIP.



### > AVERY

Chose to select and launch an entirely new range of environmentally friendly labels produced in an ecologically sensitive way. The recently launched recycled addressing labels from Avery are made from 100% recycled paper (backing paper as well as label face paper) and have been certified with the Blue Angel. Sourced and produced in Europe they contain an eco-friendly, water-based adhesive, are bleached chlorine free, are packed in recycled cardboard and protected with a biodegradable shrink-wrap. The ecologically sensitive production of these labels uses considerably less water and energy than is required to manufacture those made from fresh wood fibres. Furthermore, 80% of the energy used in production is biogenous so the amount of CO<sup>2</sup> is reduced by an average of 75%. In addition, Avery is looking across the value chain to reduce the impact on the environment.





# LOGISTICS

«30 Distribution Centres  
400,000m<sup>2</sup> 6,000 products»

## > NO OUTER PACKAGING

More than 50% of deliveries are sent to our customers with no additional packaging. They receive the goods exactly as our suppliers sent them to us. This simple way of handling paper, toners, envelopes, etc... saves a huge amount of cardboard.

For other goods, the system automatically selects the smallest box possible to fit all items. The boxes are then cut to size, saving up to 10% of truck space and reducing the quantity of cardboard packaging sent to customers. More than 80% of our boxes are made with recycled paper.

## > ENERGY REDUCTION

50,000 m<sup>2</sup> of brand new warehouse space was built in 2007 in 3 different countries. Now up to 255,000 m<sup>2</sup>, that means 65% of our total distribution centres area, is less than 5 years old. Those buildings have been built with modern materials, are well insulated and have up to 5% natural lighting allowing us to decrease our electrical and gas consumption.

## > SOLID WASTE REDUCTION

Since the release of the previous sustainable development report, Lyreco has gone further in the analysis of waste recycling and wood waste is now included.

Here are the detailed figures for year 2008

In tonnes			
Paper and cardboard	Plastic	Wood from broken pallet	Wood Pallets in t (excluding pallets on a deposit like EURO or CHEP Pallets)
4,382	510	444	3235



## 2009 INITIATIVE

### Relamping of Premises

Considering the UK warehouse we will analyse the opportunity of relamping it with low consumption lamps. Several technologies will be compared and analysed.

Depending on the result we could roll out this solution within the group and use our purchasing synergy capacity.



«66,000 Deliveries/Day  
254,000 Parcels/Day  
99.5% Service Level»

> **FUEL REDUCTION**

Focusing on a very high 99.5% service level means that Lyreco saves millions of km every year and tons of CO<sup>2</sup>.

**2009 INITIATIVE**

**Electric Delivery Vehicle**

Several electric vehicles have been tested in 2008 such as MODEC or SMITH electric vehicle. We will analyse the opportunity to integrate some of them in our delivery fleet in areas where it would be appropriate such as city centres.



Example: with 98,5% service level, we would use 4 millions of kilometers more per year to deliver to customers (to deliver the back orders)



**Green Highlights**

**UNITED KINGDOM**

- Already 15, by the end of 2009 more than 70 vans will be equipped with a stop and start system (the engine is automatically turned off and is in standby mode, when the vehicle stops at traffic lights and traffic jams) will be integrated into the UK fleet. We will then be able to estimate the real savings brought by such vans.
- Limiting the maximum speed of vehicles to 100 km/h the fuel consumptions have been reduced by more than 9 %.

**SWITZERLAND**

All drivers have been trained to secure driving rules. We had no responsible accidents in 2008 in Switzerland.





# CUSTOMERS

“You are our number one” refers not only to our customers but is a real focus for every lyreco employee.

«You’re our number one!»

## > CUSTOMERS’ TOTAL SATISFACTION

More than **7000** of our **customers** from each country all around the world are **surveyed annually** to ensure that our products and services meet their expectations.

The surveys are systematically followed up by an action plan to adapt our products and services to customers’ needs. Continuous Improvement!

**We are more than happy to see that Sustainable Development becomes an even greater customer concern.**



## 2009 INITIATIVE

Continue to encourage our customers to contact our customer services experts or to use our online ordering tool to send their orders (instead of using fax).



15	41	40	25	5	16	17	53	46
19	45	46	21	18	41	47	53	47
23	43	48	12	11	38	16	51	41
29	41	38	4	14	25	15	52	43
40	45	44	22	13	46	52	53	46
1	6	8	-24	-44	-21	27	26	19
64	65	67	64	65	70	63	67	67
63	55	51	47	51	42	49	57	52
56	62	68	55	65	64	57	62	69
65	68	73	65	71	68	66	67	74
47	55	59	52	61	57	47	51	59
40	55	58	47	58	48	54	54	50
58	58	48	37	68	41	33	57	52
63	63	65	66	65	68	62	61	63
25	51	46	20	47	43	23	55	47
44	53	54	49	59	48	40	49	57
65	69	69	66	66	67	66	70	71
60	60	63	60	59	61	50	61	64
63	65	64	61	68	64	55	65	63
58	64	61	57	59	61	58	66	64
65	65	68	67	68	69	68	65	67
65	67	64	62	67	58	68	67	66



## > ENCOURAGE CUSTOMERS TO PRESERVE THE ENVIRONMENT

We endeavour to share our policies and best practices to preserve the environment with our customers and encourage them to use:

- Our catalogues with the green products range
- Recycling processes (empty toner cartridges, old batteries, etc.)...
- Global Compact initiative (see «Global Compact», page 10)
- Meetings with customers to share best practices.

**All these small gestures represent an important result once consolidated on a global scale.**

As shown in the figures below our actions, with the help of our Customers bring results.

## > EVOLUTION OF THE ELECTRONIC FLOW CUSTOMERS ↔ LYRECO

- Percentage of orders automatically processed with On Line Ordering and EDI

2006	2007	2008
40%	46%	51%



- In 2008, 180,000 E-invoices were processed.

We continue to develop E-documents such as E-offers, E-purchase orders, E-payment advices, E-chasings.

Our electronic solutions, thanks to the involvement of Customers, helped save more than 1,292,000 sheets of paper or 2,584 reams\*.

\* If we consider one sheet per paper order or invoice, which is a minimum.



### VEOLIA WATER Purchasing and Sustainable Development

#### Reminder of the purchasing department' mission

Each customer's expectations are specific. Because of its history, its geographical and environmental situation, its activities, Veolia Water, reference player and world leader of water services is able to adapt to answer its customers' needs in the different countries and cultures.

Veolia Water, water department of Veolia Environment, shares the group's values: sense of customer, solidarity, innovation, responsibility and performance.

Veolia Water commits itself to sustainable development and environment preservation, in the heart of its principal activity of water management.

Veolia Water purchasing department commits itself to carry on these stakes close to group's suppliers with the mission of securing upstream Veolia Water's activities, in particular with the risks management of:

- o Replenishment
- o Financial
- o Image and ecological footprint

#### Policy (commitment): Suppliers' commitment to a Sustainable

#### Development approach in order to secure the image risk.

o Veolia's Sustainable Development Charter point 12: "encourage its partners, subcontractors and suppliers to subscribe to its values and to bring their contribution to these commitments to sustainable development"

- o Sustainable Development specifications
- o Purchasing and Sustainable Development charter

#### Deployment (allocated resources): Sustainable Development audit campaign launched end 2006 on strategic suppliers in order to build beneficial improvement plans

o One questionnaire covering the 3 domains (Social, Environmental & Economics) through 12 chapters and 381 different questions.

o 434 people mobilized on the supplier's side and 36 on Veolia one.

#### Results (performance): Sustainable Development audits performed and improvement action plans beneficial to each other approved.

o 59 suppliers, 59 sites, 9 activity sectors, 9 countries (10 audits in 2008, among them LYRECO)

o 751 actions formalized in action plan with the 59 suppliers.



# THE EMPLOYEES

«With more than 10 000 employees worldwide in 2008, Lyreco is present on all 5 continents»



## > LYRECO, A GREAT PLACE TO WORK

2008: another year for Lyreco to be recognised by its employees in France as a "Best Place to Work".

We take part in this survey annually because our employee satisfaction is as important as our customer satisfaction. It is an opportunity for Lyreco staff to express their opinion about the working conditions and the environment at Lyreco and help us make Lyreco an even better place to work year after year.



## > VERY LYRECO PEOPLE: ONLY THE BEST DESERVE THE BEST

The Very Lyreco People programme rewards the best employees worldwide. Each year, Lyreco recognises the best sales people in the group as well as the employees that best represent the Lyreco Values of Passion, Respect, Excellence and Professionalism.

In 2008, 210 VLPs from 29 countries had the great opportunity of being part of a Caribbean cruise. In 2009, 220 VLPs from 29 countries will go on an amazing trip to the West USA.

## > OFFERING NOT ONLY A JOB BUT A CAREER

From the first day a new employee joins Lyreco, he/she is supported by a comprehensive framework for training and learning.

- Personal development programme
- Leadership development programme
- Specific training for employees identified as high potential
- Training passport allowing each employee to keep track of his/her training record





### > INTERNAL PROMOTION: A REALITY

All job opportunities are initially first displayed to Lyreco employees before external recruitment is sought. Lyreco also has a number of programmes designed to help develop employees, for example:

- High potential programme: to detect future managers or future managing directors;
- Replacement programme: to assist the supervisor in preparing promotions and managing turnover.

#### EMPLOYEES - REPARTITION MEN/WOMEN - 2008

	MANAGERS	OTHER CATEGORIES
MEN	69 %	56 %
WOMEN	31 %	44 %

Number of internal promotions : 1150

### > HEALTH AND SAFETY: A PERMANENT CONCERN

As well as the development of manual handling training for employees of distribution centres and delivery and road safety campaigns which are basic actions, LYRECO acts positively for the health and safety of its employees and visitors.

Number of work accidents	244
Number of accident per year per person	0.02
Days off following work accidents 2008 Figures	0.32% of total workman days





# THE EMPLOYEES

## 2009 INITIATIVE

### Launching Lyreco University.

This year, Lyreco is launching its own business school called Lyreco University. The objective of LU is to identify the top potentials among employees in every country and help them grow by granting them access to extra training through a very dedicated programme.



Lyreco University



### > COMMUNICATE AND SHARE

There are a number of communication channels at Lyreco to maintain employee well being, and to ensure that all employees are aware of what is happening in the whole company.

- **Internal magazines** allow all staff to be informed and involved.
- Once a year (at least), a **face to face meeting** is organized between the manager and each of his/her direct report (annual appraisal review).
- In the countries where the law does not organize the election of a group of representatives from each department, LYRECO runs the **“Voice of LYRECO”** programme. This programme gives employees the opportunity to raise issues that affect them and gives a forum to provide suggestions for improvement to our processes, policies and procedures on a quarterly basis.
- **International meetings** are regularly organised to share the best practices of each country

### > INTERNAL OPINION BAROMETER...

Every two years each member of staff has **the opportunity to anonymously express their thoughts on Lyreco**, particularly on issues relating to work environment, communication and management.

All results are analysed and handled by an external consultant to ensure anonymity and action plans are then put in place to make Lyreco an even better place to work.



> **LYRECO SUPPORTS THE DEVELOPMENT OF EDUCATION FOR CHILDREN THROUGHOUT THE WORLD.**



Because children are our future and because their future starts with a proper access to education, Lyreco is proud to support and promote the education of children around the world.

In 2008, in partnership with UNICEF, Lyreco supported the Early Learning For Development programme in Bangladesh, by collecting **185,000 euros**, enabling more than **10,280 children** to join school at the age of 3. More than 100 teachers have also been trained and 50 early learning centres supported.



> **IN 2009, LYRECO SUPPORTS THE EDUCATION OF CHILDREN IN VIETNAM**

In 2009, Lyreco pursues its efforts towards education of children around the world. This year, Lyreco is going to help fulfil initiatives involving the education of children in Vietnam.



For every **1 euro** donated by a Lyreco employee, **1 extra euro** is donated by Lyreco.



# 2008 INITIATIVES AND



## GLOBAL COMPACT

### Continue to promote U.N. Global Compact in all subsidiaries

Global Compact is promoted in all our subsidiaries (Group and local websites, Group and local catalogues). Every new hired employee is informed about Lyreco's commitment to Global Compact.



### Launch a group company vehicle policy including environment and Health and Safety

A group car policy has now been created. The green aspect of the fleet has been taken into account as Lyreco uses a Total Cost of Ownership (TCO) approach for the tenders considering the fuel consumptions of the vehicles. On top of this, it is a must that comparing cheapest cars having nearly the same TCO, the chosen one must be the greenest.

### Promote safe driving in all our subsidiaries

Drivers have been informed/trained in most of Lyreco's subsidiaries (covering more than 87 % of the turnover).

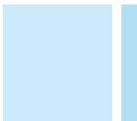
### Power management on computers Reduce the time idle monitors are powered down from 20 to 10 minutes

Energy decrease thanks to a better management of the Monitor Power activity. Pollution prevented:  
2007: 396 Tons CO<sup>2</sup> → 69 Cars Off the Road or 108 Acres of Trees Planted.  
2008: 415 Tons CO<sup>2</sup> → 72 Cars Off the Road or 113 Acres of Trees Planted.

## SOCIAL

### Safe manual handling

The Lyreco guides to safe manual handling and safe hand pallet truck use have been sent to all subsidiaries. Most subsidiaries have already implemented safe manual handling rules covered by those guides



# ACHIEVEMENTS



## ENVIRONMENT



### Double side printing

In 2008, 10% of the Head Quarters printers (reflecting 50% of the printings) were upgraded. On those printers, from 50% to 90% of the pages are now printed double sides. 590,000 sheets or 1,180 reams saved.

### Mail service and office automation documents "green messages"

In 2008, green messages on emails have been promoted in the IT charter distributed to all employees. **Green products datasheet**  
The purpose is for each product to have an accurate and detailed description of its green criteria.

In 2008, we planned to develop a specific "green products datasheet" in order to deliver our customers a better qualification of the environmentally friendly criteria. Some of our subsidiaries have been precursory in testing this approach on their local market and we will benefit from that local experience to launch the project at the group level.

#### • Benelux

By 2010, the Dutch government will purchase 50 to 100% according to sustainable criteria. In doing this, they base themselves on the criteria defined by Senternovem (public agency which is part of the Ministry of economic affairs) and not the supplier's criteria. Our product management and QSE departments are participating in stakeholder meetings with the Dutch and Belgian agencies to ensure our products meet those criteria.

#### • France

We were looking for a clear methodology and as much as possible a neutral approach to enforce our green policy. ACE (Achat Concept Eco) a small but well known consultant within the environmental area has been selected to help us with this.

With their help, the Lyreco 2008 product selection has been reviewed to confirm our green flag and ACE provided Marketing with a "tool box" to help them to select the 2009 new products and confirm their "green" benefits. Was it easy? Was it a 100% scientifically approach with no doubt and compromise? Certainly not. But we made progress and definitively delivered more value. Ready to move further in 2009!

### New box design

In order to reduce our cardboard consumption, we have launched a new project that could allow us to save up to 28% of raw material on our biggest box. The first tests are positive and having improved the design of the samples we will continue with this project. We may soon save a cardboard area equivalent to 130 soccer grounds each year!

### 13000 M<sup>2</sup> of Distribution centre extension

As planned, Lyreco has extended the National Distribution Centre in Belgium, creating up to 13,000 m<sup>2</sup> of additional modern installations. The latest environmental and health and safety rules have been taken into account, with up to 5% of natural lighting.

## CUSTOMERS



### Continue to encourage our customers to contact our customer services experts or to use our online ordering tool to send their orders (instead of using fax).

The % of orders automatically processed with OLO & EDI flow continues increasing:

% of On Line Ordering and EDI orders in		
2006	2007	2008
40%	46%	51%

In 2008, thanks to the involvement of our Customers our electronic solutions helped saving more than 1,290,000 sheets of paper or 2,580 reams\*.

\* If we consider one sheet per paper order or invoice, which is a minimum.



**You're our number One !**

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