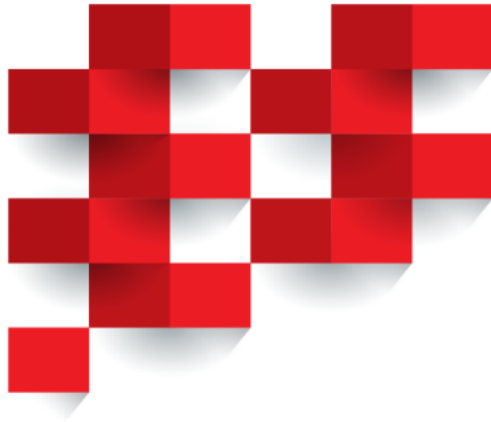


The background of the slide is a close-up photograph of green leaves, showing their veins and texture. The leaves are in various shades of green, from light to dark. A dark green horizontal bar is positioned across the middle of the image, containing the title text in white.

ESSELTE SUSTAINABLE DEVELOPMENT REPORT 2016



ACCO Brands completed the acquisition of Esselte on February 1st 2017.
This report represents the business year 2016 and hence relates only to the legacy
Esselte business and sites.



Introduction

Esselte has a long tradition of developing innovative solutions to simplify and organise work. The company was founded in 1913 in Sweden and since then has expanded across Europe and the world .

Being a company which started in printing and has always been concerned with paper and paper management, we have long been aware of our environmental responsibilities, with the addition of the ISO 14001 certification for Environmental Management to our 9001 certification for Quality more than 15 years ago already. Equally, the Blue Angel label for products made of recycled paper has been held for decades.

Since 2010 we have actively increased and deepened our focus on sustainability, adding our FSC® certification in 2011 and monitoring our emissions, use of water and waste recycling. Now we have further extended our scope and broadened our outlook even more. Read on to discover Esselte's work and achievements in sustainability!



A Changing World: Let's make it change for the better

Cezary Monko: CEO Esselte (now President ACCO Brands EMEA)



Dear Stakeholders,

Change is the only constant in life". Changes provide challenges but also the opportunity to improve ourselves or our situation. Adapting well to change and making the right changes are key success factors for living and working in the 21st century.

Making changes for the better is what our sustainability work is all about. After five years of Sustainability Reporting, we have re-examined our 'Taking care of tomorrow' strategy and targets, expanding and extending them for the next five years. We have increased the scope to include more sites, re-set our targets to give ourselves new challenges and started to track progress in some new areas. With our Lean strategy at the core of our business, we feel confident that we can continue to make further good progress in the years to come.

2016 showed that we continue to make progress in reducing our CO₂ emissions. We are proud that we have gained the ISO 50001 certification for energy management at our three sites in Germany.

We continue to reduce our water consumption and our FSC[®] certification remains firmly implanted in our paper sourcing policy. Whilst we have high recycling rates for certain materials in our plants and warehouses, we have learned that we need to change the way we have been viewing our waste in order to recognize new opportunities to reduce our total waste going to landfill. This will be a key focus in the coming years. At the same time, looking for ways to cut down the quantity of waste we produce is key. The Uelzen project to reduce the amount of pallet shrink wrapping by 50% is a fantastic example of how to create less waste in the first place.

We have further expanded our supplier responsibility programme and we will be putting more focus and resources on this in the coming years. We will also continue to support the SOFEA product assessment scheme which should help to increase the quality of the evaluation of our products in terms of sustainability, which is vital for us and for our customers alike.

There were many changes in 2016, both in the world around us and within our company. Not least, that from 2017 onwards, we will be a part of ACCO Brands. We are looking forward to the new opportunities this will bring us, especially the chance to extend our work in sustainability even further. "Taking Care of Tomorrow" must remain a focus for each and every one of us in the year to come.

I am committed to making changes for the better and together, I know we can achieve this.

Yours

Cezary Monko

Esselte Position 2016 - 2020

Esselte Sustainable Development: “Taking Care of Tomorrow”

Reducing our Environmental Impact

- We will reduce our scope 1 and 2 CO₂ emissions, at our manufacturing, warehousing and sales office sites by 25%
- We aim to further reduce our total water consumption by 15%
- Esselte has the ultimate Goal of achieving a Zero Waste Rate in our manufacturing and warehouses facilities
- All of our sites will be ISO 9001 and ISO 14001 certified
- We aim to increase our sales of Environmentally Preferable Products and fully support the development of the SOFEA environmental assessment system to improve the quality of this assessment

Stewardship of Paper & Paper-based materials

- Esselte is committed to using recycled or responsibly sourced fibres wherever possible
- All of our manufacturing plants producing fibre based products have been FSC® Certified since 2011
- We aim to use FSC, Blue Angel or EU Eco label certified paper only in our offices
- We will design our products to minimise the use of packaging
- In addition, we will source other materials such as plastic and metal in environmentally responsible ways

Good Working Relationships

- We aim to have a transparent and principled working relationship with all of our stakeholders, from employees to suppliers, customers and consumers
- Our principles are based on the international standards set by the UN and the ILO Declaration of Fundamental Principles & Rights
- We will establish a clear set of policies on Health & Safety, the Environment, Supply Chain and creating a Workplace based on high standards and fair working practices
- We will maintain a safe and healthy workplace with a target of zero accidents
- We require our suppliers to fulfill the same standards and monitor that according to a set of specific metrics

Company Profile (Esselte Business)

- Esselte: European leader in the office products industry
- A private company, owned from 2002 until December 2016 by J.W. Childs Associates, an American investment company
- Long tradition of developing innovative solutions to simplify and help to organise modern work
- Key international brands with a long heritage:



Since 1871



Since 1936



Since 1913



Since 1997

Company Profile (Esselte Business)

- Key Products: A complete range of office products, here a few examples:



Lever arch files
& binders



Staplers, hole
punches



Binding &
Lamination



Suspension/
Hanging files



Icon label
printer



Mobile device
accessories



Pockets & Folders
& Indices



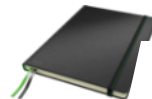
Storage &
Archiving



Creative



Letter trays/
moulded



Paper pads



Bags for
mobile
devices

Company Profile (Esselte Business)

- A complete range of fixation tools for the professional as well as the DIY consumer



Manual tackers



Hot air guns



Hammer tackers



Glue guns, hot melt



Electric tackers & nailers



Riveting

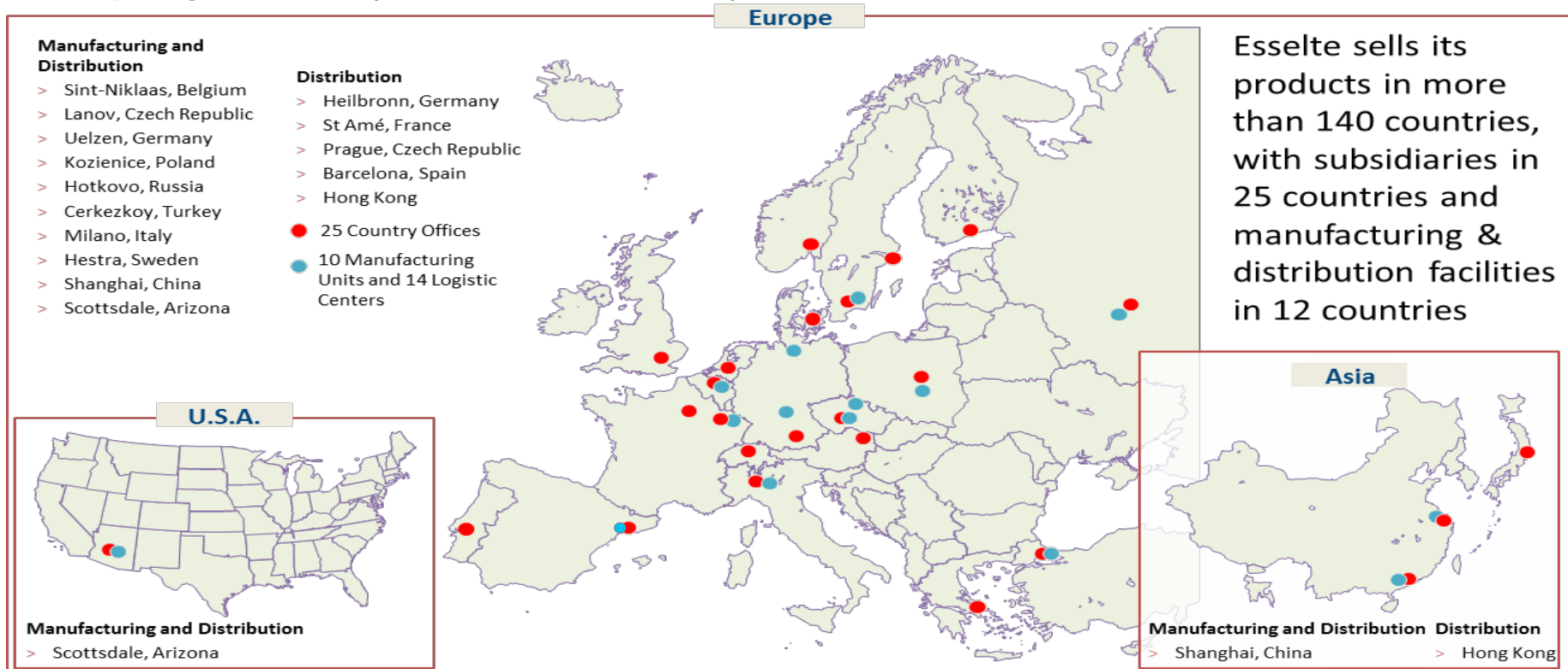


Pneumatic nailers



Cassette stapling units
printers & copiers

Company Profile (Esselte Business)

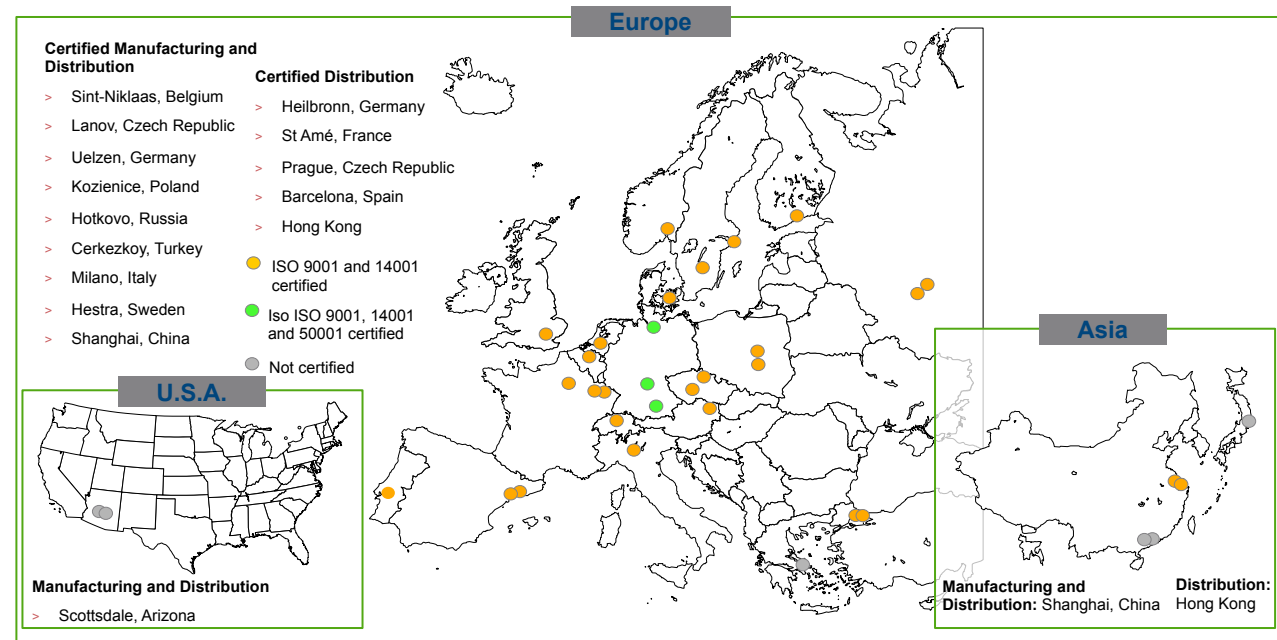


ISO Certification

Esselte is committed to maintaining internationally recognized quality and environmental standards across all of our production facilities. In addition, most warehouses and sales offices in Europe are also ISO certified. See the orange spots below for certified sites.

In 2016, we switched to the new, extended 2015 standards during our certificate renewal. This brought our ISO work even closer together with our Sustainability work.

In 2016, we gained the ISO 50001 Energy Management certification in 3 locations: Uelzen, Heilbronn and Stuttgart, all in Germany.



Esselte: Sustainable Foundations



Esselte: Sustainability Management

Esselte Sustainability Steering Committee

- Quarterly meeting to go over current position & plan future projects & goals
- Attended by:
 - Chief Operating Officer
 - SVP Marketing & R&D
 - VPs Operations & Logistics
 - VP Procurement
 - VP Human Resources
 - VP Category Management
 - Quality Production Europe & FSC Central Office Manager
 - Sustainability Manager Europe



SUSTAINABILITY RESULTS 2016

Key Sustainability Achievements 2016

ISO 50001 Certification in Germany:

3 sites in Germany now hold the

ISO 50001

Certification for Energy Management



Scope of Sustainability Focus:

Focus and analysis now covers

all

factories and warehouses

CO2 Emissions Reduction:

CO2 emissions down a

further **21%** on 2015



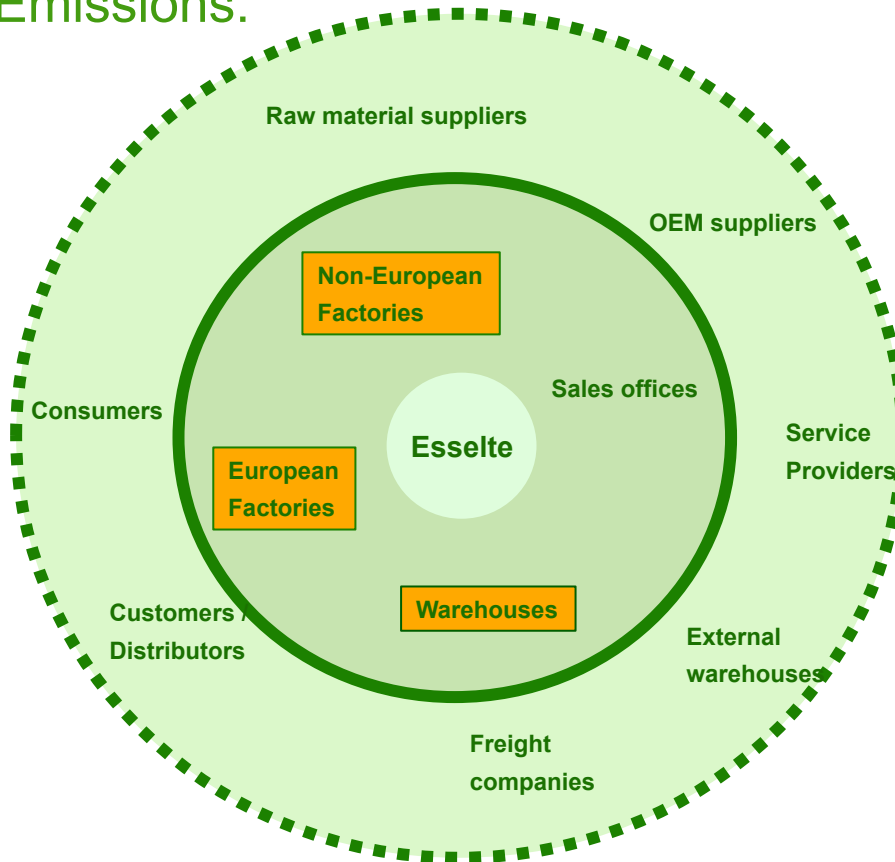
2016 Sustainability Results – Overview

- We have progressed our “Taking Care of Tomorrow” programme with an extended scope and new goals for 2020.
- We could measure total emissions for all factories and warehouses, showing a total of 10.6 tonnes of CO₂, down 21% on 2015.
- 2016 showed another large drop in water consumption, despite adding further facilities to the data. Much of this reduction was due to restructuring projects which are now completed. But we have identified further areas where we think we can still improve.
- All our European plants and sales offices as well as our Shanghai facility are ISO 9001 and ISO 14001 certified. Our 3 sites in Germany are now also ISO 50001 certified.
- 77% of total waste (excluding hazardous waste) recycled.
- 99.4% of our paper & board was FSC® certified and/or recycled, another slight increase on 2015.
- We started to measure the number of “environmentally preferable” products and see that already more than 50% hold an environmental label in relevant categories.
- We have extended the reach of our supplier social responsibility programme.
- We again managed to reduce the number of accidents taking place in our factories and warehouses, although there is still room for improvement.

CO₂ EMISSIONS



Scope Emissions:



Emissions scope:

Scope 1 (direct emissions) and scope 2 (indirect emissions from consumption of purchased electricity, heat or steam)

European manufacturing facilities were monitored from the start in 2010.

In 2015, the non-European facilities were added to cover ALL factories.

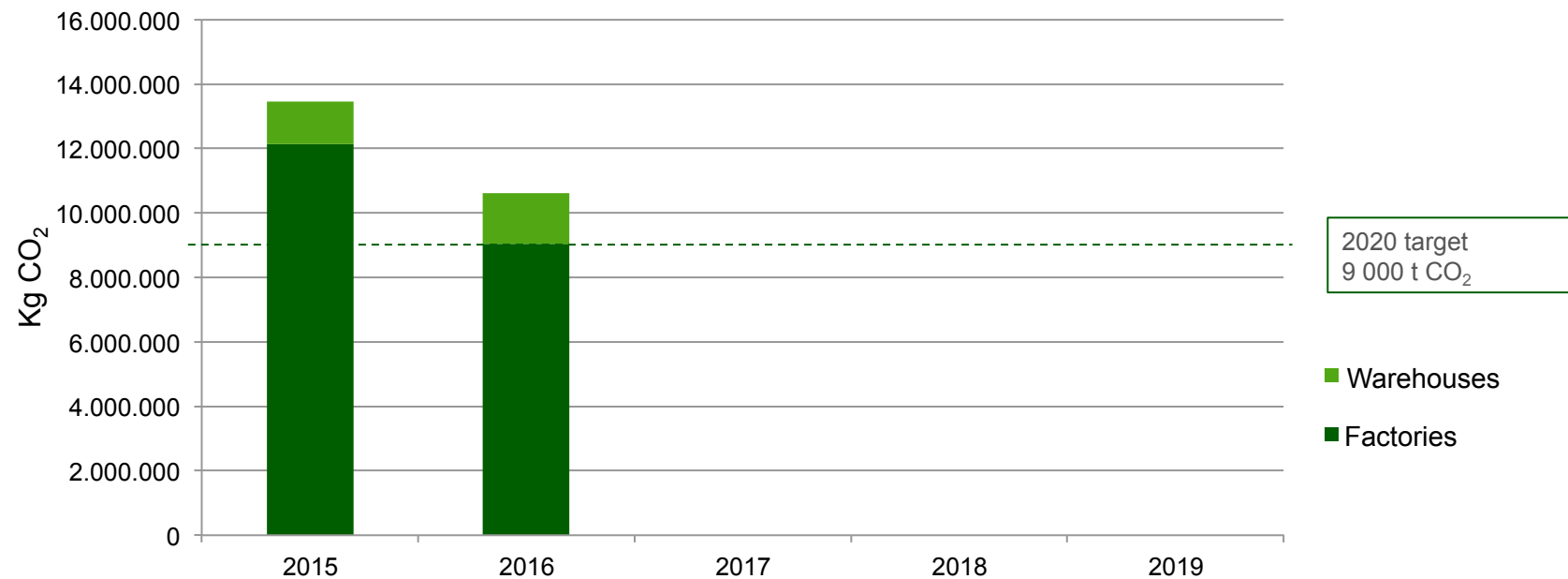
In 2016, the warehouses have been added.

All facilities are listed on slide 8.

This leaves only sales offices which are not physically part of one of the listed facilities.

CO₂ Emissions: Total Esselte Manufacturing & Warehouses

- Total CO₂ emissions in factories and warehouses were 10.6 tonnes in 2016, down 21%.
- Data for local warehouses in Hong Kong, Czech Republic and Spain is new in 2016. They make up 2% of the total CO₂ in 2016.
- Conversion rates in Poland had to be adjusted according to a change in the calculation method. These are now higher for all years.



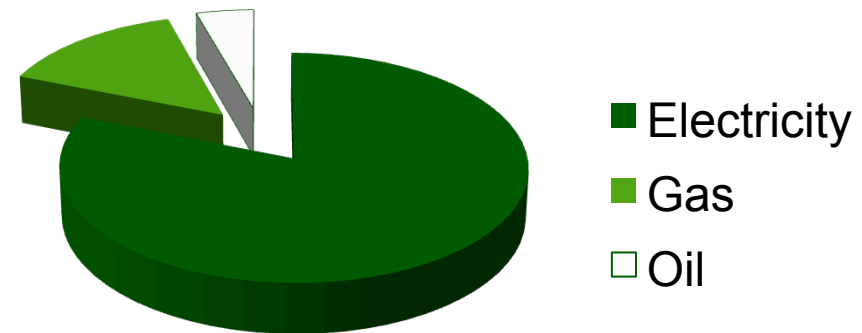
Break Down of Sources of CO₂

The chart indicates where the CO₂ originates at the applicable facilities. Scope 1 & scope 2 emissions only are listed.

The largest proportion of CO₂ (81%) comes from use of electricity and this is where we have the highest opportunity to improve.

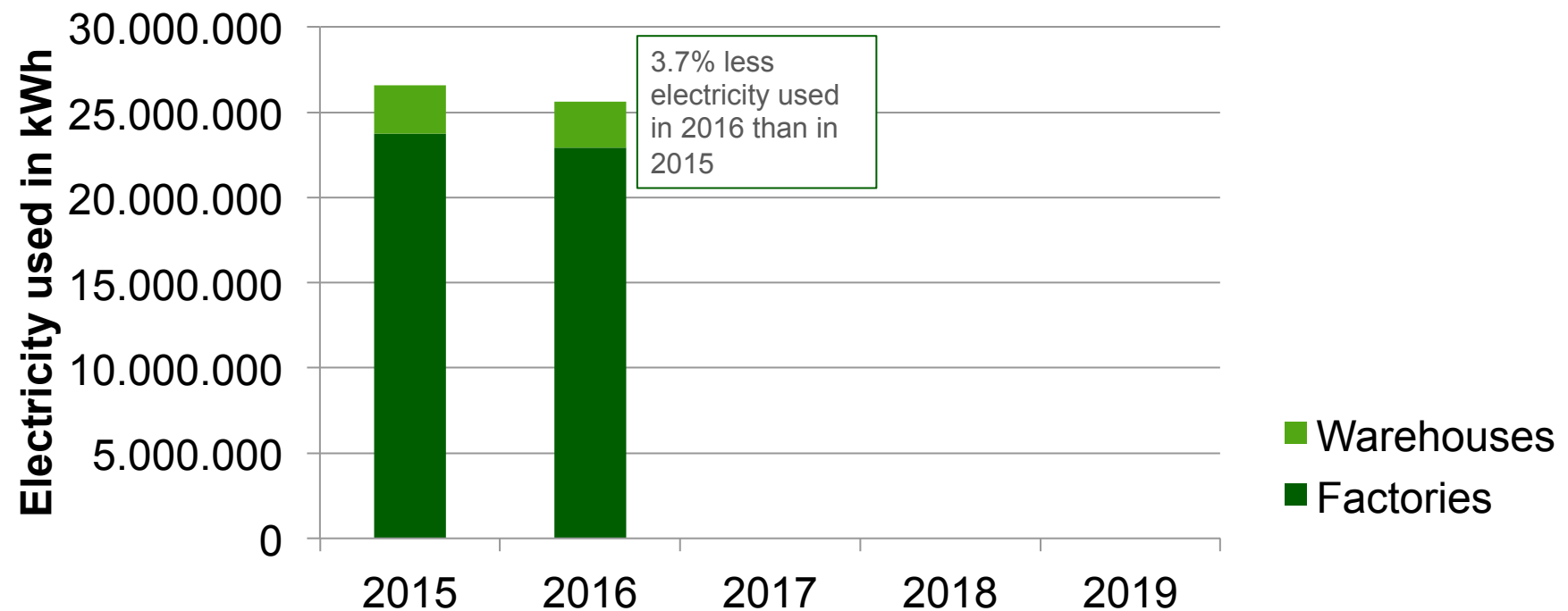
Conversion rates to CO₂ vary, which alters the picture from year to year. We are committed to buying electricity which has the lowest environmental impact, whilst at the same time weighing in the economic issues. In some countries, electricity generated using clean sources is not available and in some countries suppliers do not provide a contract specific conversion rate and we can only use one published for the whole country.

Source of CO₂



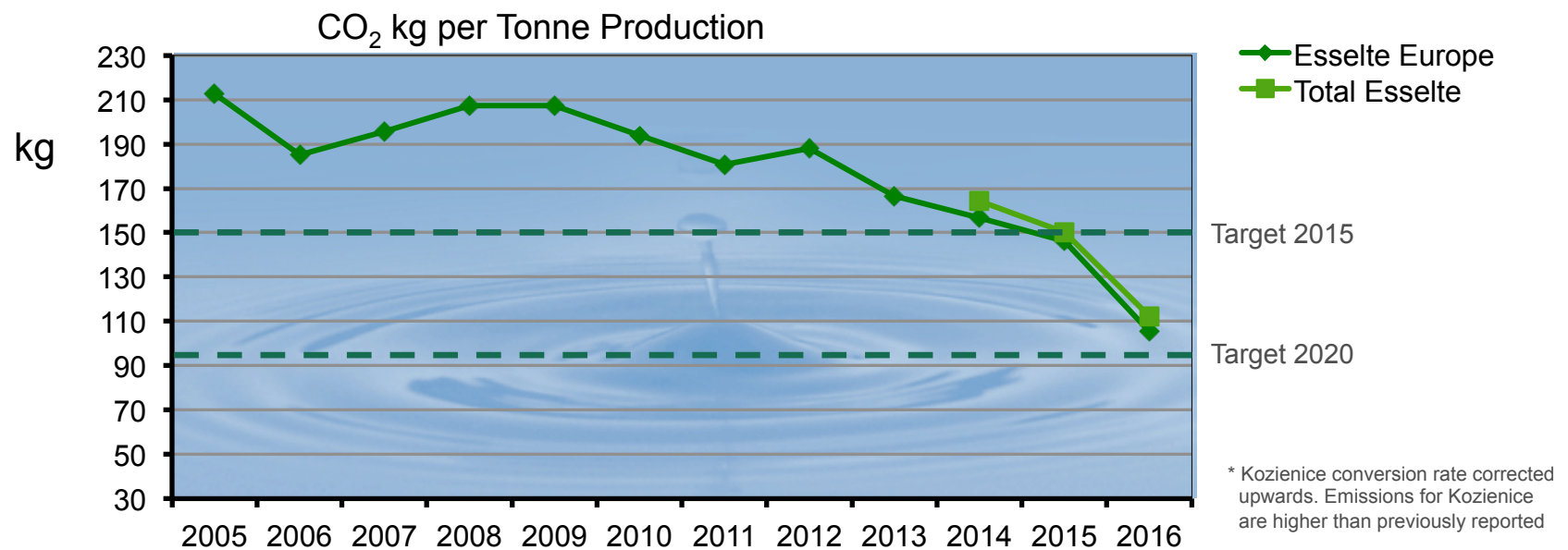
Electricity in kWh: Total Esselte Manufacturing & Warehouses

- Here we can see that we actually used less electricity in 2016 compared to 2015
- New in 2016: Local warehouses in Hong Kong, Czech Republic, and Spain.



CO₂ Emissions: Total Esselte Manufacturing

- By also looking at our factory emissions compared to production levels, we can ensure we are still working efficiently
- Emissions for all Esselte plants in 2016 were 112.3 kg CO₂ / tonne produced compared to 124.8 kg CO₂ / tonne in 2015*



Cerkezköy, Turkey: Improving Energy Efficiency

- In Cerkezköy, various energy efficiency projects lead to a real saving of around 4%



Use of solenoid valves decreases the need for pressurized air



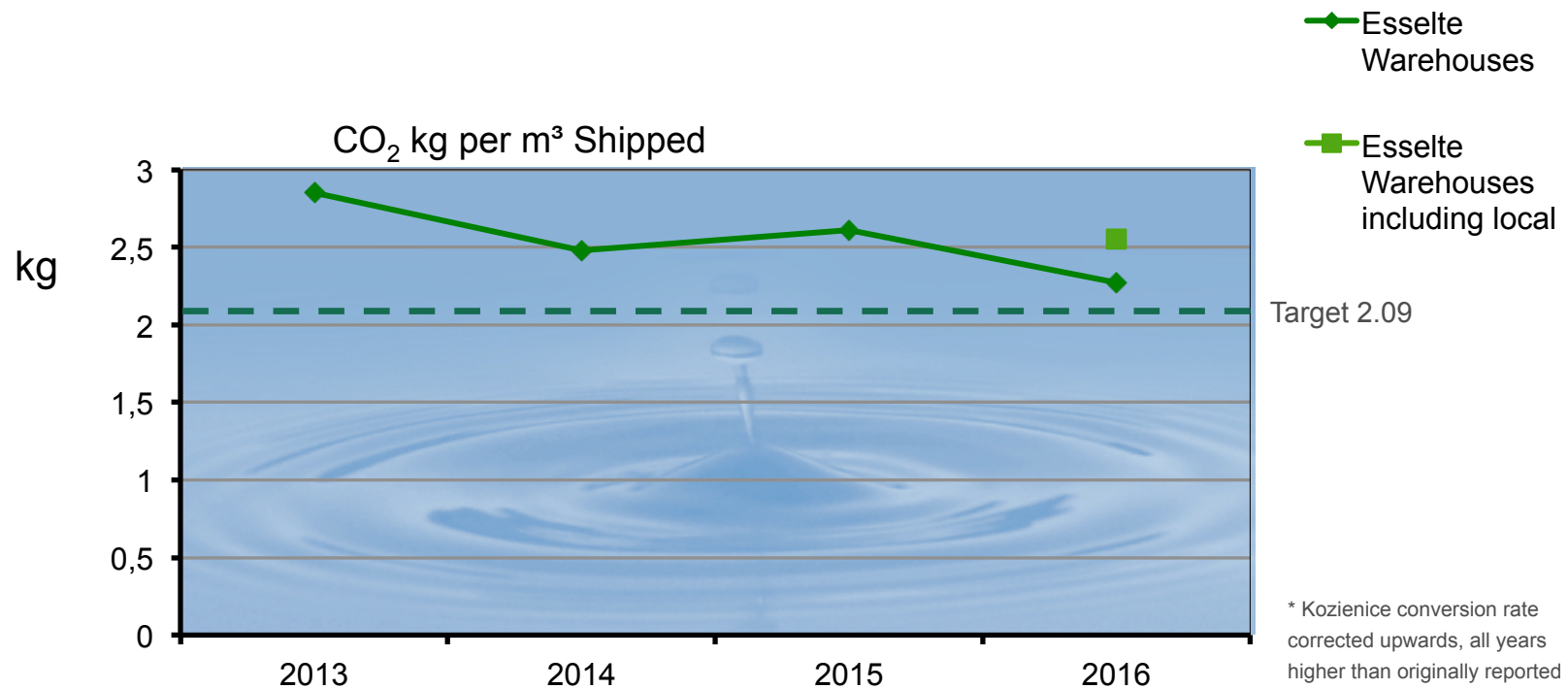
Lighting in production switched off automatically during break times .
Outside lighting also controlled automatically



Automatic start / stop system for all vacuum cleaners in the production area

CO₂ Emissions: Esselte Warehouses

- Emissions for all Esselte plants in 2016 were 112.3 kg CO₂ / tonne produced compared to 124.8 kg in 2015*
- Scope 1 and 2 emissions only, not including transport

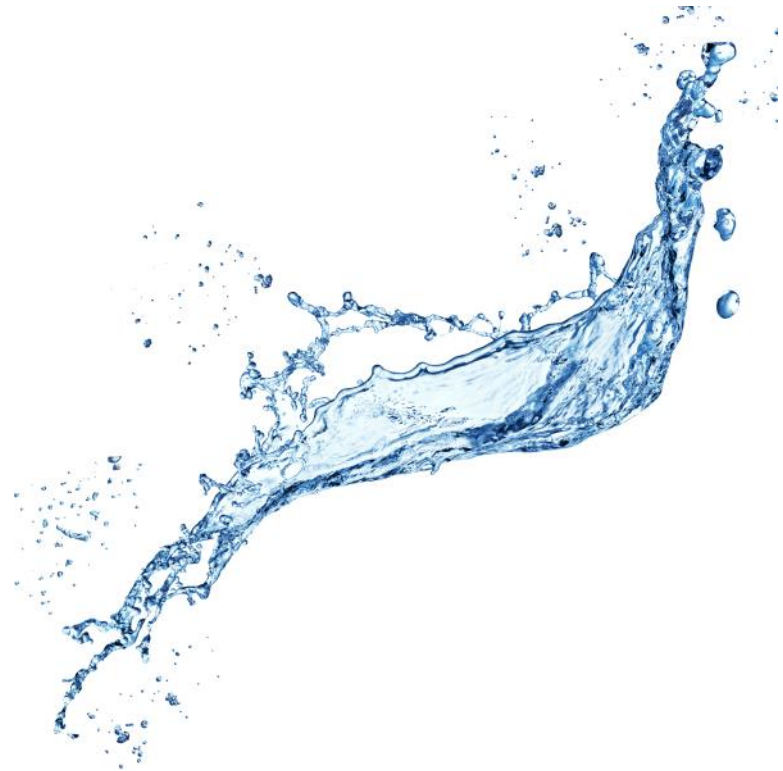


Heilbronn Warehouse, Germany: Focus on Energy Consumption

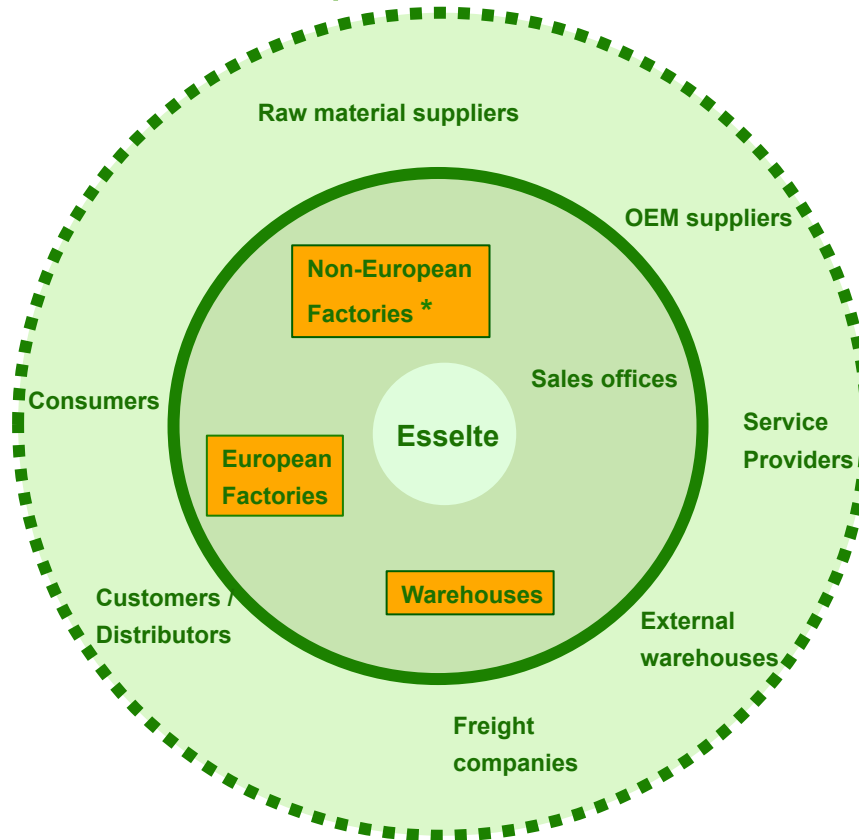
Heilbronn continues to focus on energy savings, having reduced consumption even further in 2016, the 10th year in a row. The site is now ISO 50001 certified. Projects which helped further reduce consumption in 2016 include new LED lights in the loading hall and a reduced use of electrically powered fork lift trucks due to new, more efficient picking methods on foot!



WATER CONSUMPTION



Scope: Water Consumption



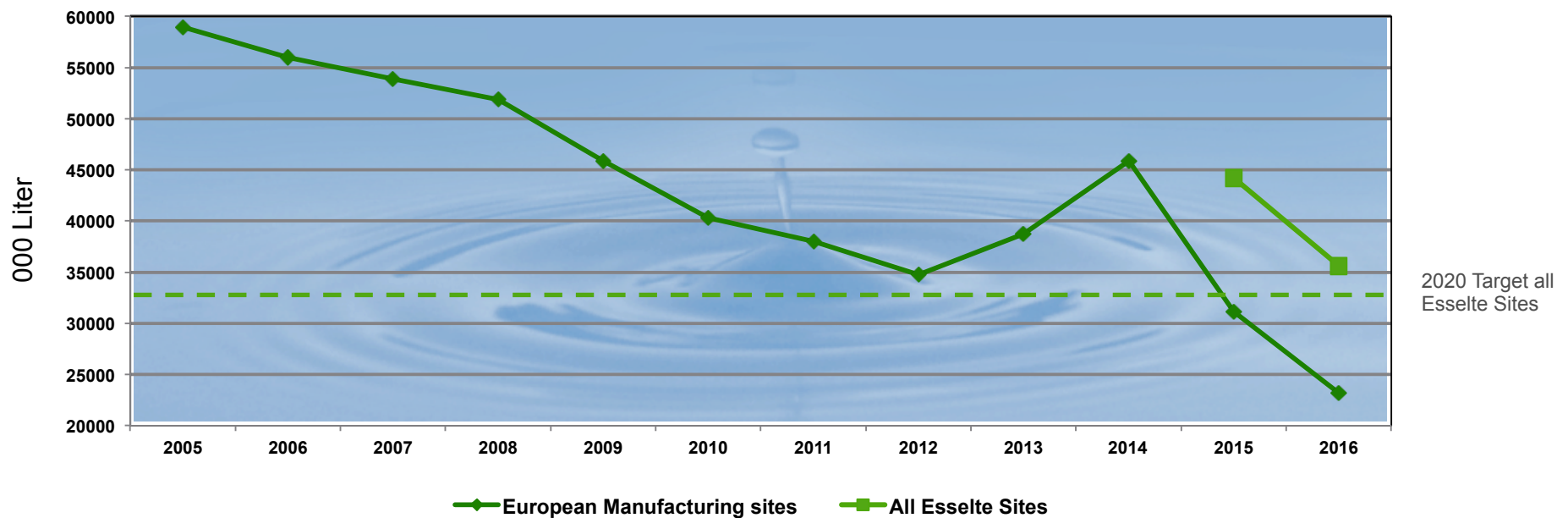
Water Consumption scope:

Total water consumption from all Esselte plants and warehouses (see list on slide 8), except Scottsdale where water volume cannot currently be measured. However, due the size and manufacturing processes at this facility, we can conclude that this does not have a material impact on the total.

* No water reported for Scottsdale.

Water Consumption

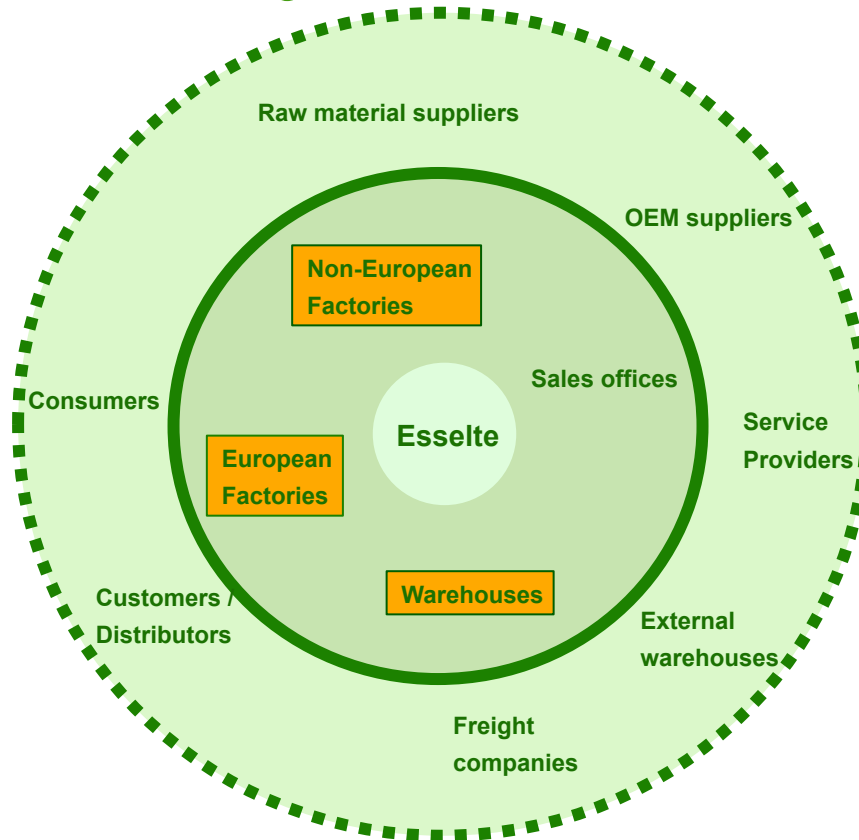
- Water consumption continued to decrease in our European factories.
- We have now added in all facilities except for Scottsdale, where up to now, no water measurement is available.
- 2016 “All sites” includes local warehouses, which are not covered in the 2015 data but this amount is not significant.



WASTE RECYCLING



Scope: Waste Management



Waste Management scope:

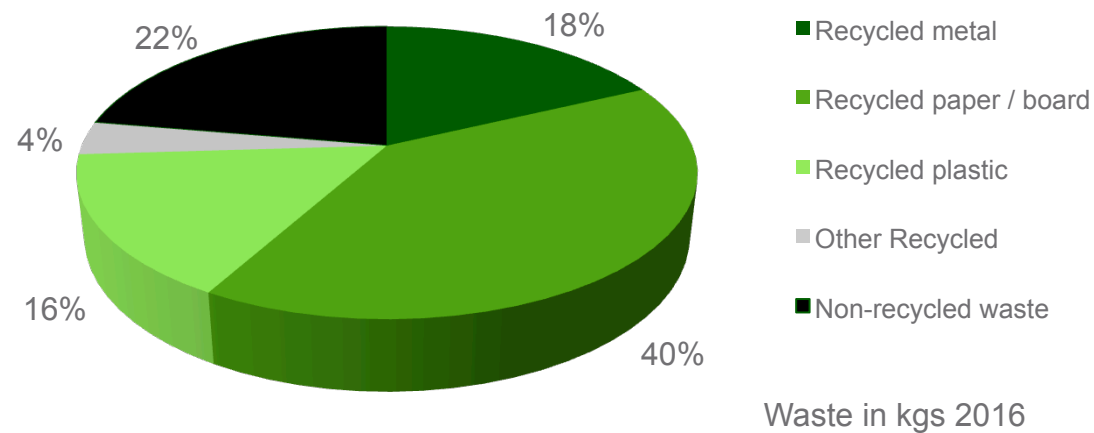
Aim: Zero Waste*

Zero Waste is generally defined as 98% of waste being recycled. “Thermal recycling” (burning) is not counted as recycled and hazardous waste is not included.

Hence data for all types of waste is collected from all sites. Previously only metal, plastic and paper / board waste from European plants were measured.

Waste Management

- 77% of all waste (excluding hazardous waste) was recycled (Target 98%)
- Key issues are obsolete or scrap mixed-material products which cannot be easily recycled
- Key focus is also a reduction of total scrap and various Kaizen projects focused on this



Waste Reduction: Reduction of Stretch Foil in Uelzen

We can also reduce waste by using less of certain materials in the first place. Packaging is a necessity which does however mean using materials, which are simply taken off and disposed of on arrival or use. This is true not only of product packaging but also of packaging required for safe transportation. For secure shipping, pallets are wrapped in PE-foil. Once the pallet arrives at its destination, the foil is removed and disposed of (hopefully to a recycling plant!).

In Uelzen, the foil is now pre-stretched, which means that roughly 45% less foil is required. In Uelzen this means a saving of more than 7 tonnes of stretch foil a year, which now do not need to be disposed of!

“Satellite” for wrapping pallets in stretch foil



PAPER STEWARDSHIP



Forest Stewardship Council® Certification

Esselte is proud to hold FSC® certification for our relevant manufacturing and administrative sites:

- Our FSC® certified paper and board products are independently audited and help to promote and support the work of FSC®
- The FSC® ensures that their certified forests are managed responsibly, considering the environment, the wildlife and the local people who live and work in the area

FSC Certified Factories and Warehouses	6
FSC Certified Sales Offices	16
FSC Certified Paper based Raw Materials	80.5%
FSC Certified Products 31.12.2015	1 443



Paper Stewardship

Esselte Paper usage in manufacturing:

- Esselte is committed to the responsible use of paper and paper-based materials in the manufacturing of our products
- Our long term target is to source 100% of our paper used in the production of our products from FSC® or Recycled sources:

	2014	2015	2016
Total Recycled/FSC certified paper Purchased	99.5%	99.3%	99.4%
Paper from non FSC, virgin fibres:	0.5%	0.7%	0.6%
Paper types in use:			
Recycled paper total:*	95.5%	95.4%	95.8%
FSC certified paper total:*	82.2%	83.6%	80.46%

* Note: paper can be both recycled and FSC certified

ENVIRONMENTALLY PREFERABLE PRODUCTS



Esselte Product Philosophy

Quality lasts: At Esselte, we firmly believe that the best way to reduce environmental impact, is to provide high quality, long lasting products. Having to replace broken or worn out products within a short space of time means the environmental impacts of raw material production, manufacture, transport of materials and finished goods and disposal of the old product are doubled or tripled. A study carried out by Esselte in 2014* showed, for example, that a Leitz stapler or hole punch is in use for approximately 10 years whereas a lower positioned model is used for only approx. 4 years. This means that in 10 years the user of a lower positioned model, causes roughly 2½ times the environmental impact than a user of a longer lasting model such as a Leitz Stapler or punch.

Recycled / Sustainable Materials: Wherever we can, we use recycled materials. And when that is not possible, we aim to use sustainably sourced material, particularly when it comes to paper and board. We use externally awarded certificates and labels to validate these claims. Around 900 products carry the Blue Angel label for recycled paper (UZ14), cardboard (UZ56) and plastic (UZ30a). This includes the only transparent PP pockets & folders with a Blue Angel! Further products hold the FSC® Recycled label, the FSC® Mix label, the Nordic Swan label or the Austrian environment label.



Re-use before recycle:

Quality lasts

**Sustainably
Sourced
Materials**



**Reduce
Packaging**

**Recycled
Materials**

**Simple
Materials**

Ease recycling

* Total Cost of Ownership Study carried out for Esselte by Vocatus in 2014

Products: Reduced Packaging for Leitz Style LED Desk Lamp



The Leitz Style LED Desk Lamp was launched in early 2016 . The attractive design and clever functionality of this Smart Lamp have made it a success. But we quickly recognised that our efforts in delivering the lamp in a consumer-friendly way and as protected as possible had lead us to a packaging solution which left room for improvement.

Previously, the lamp was shipped in one piece and well protected using EPE foam. The new box has been re-designed to use 98% recycled cardboard and pulp, using the paper-pulp trays seen in the photograph below. This is possible due to the separation of the base and the arm for transport.

Tests show that the product is just as well protected using the more environmentally conscious materials.

The box is now approx. 50% smaller in terms of volume. This leads to improved transport efficiency through being able to pack more products on pallets, inside the truck or in a container.



Products: Reduced Packaging for Rapid Staples



The robust and heavy staples used for Rapid Hand tackers are sold in a polypropylene box. There are increasing opportunities to recycle polypropylene but using less plastic in the first place is always a preferred option.

By re-designing the box, the team at Rapid have managed to reduce the amount of plastic used by 35%. This adds up to nearly 7 tonnes of PP a year which will not end up in landfill or even fill the recycling bin.



The Office Products Industry: Working Together for Sustainability

Our journey with SOFEA (Sustainable Office European Association) continued in 2016 through our board and working group memberships. We worked together with other companies and a panel of independent scientists to create the SOFEA Sustainability Assessment Scheme. We have helped to create the scheme documentation and with testing the scorecard and the online platform which is being set up for product assessment. The first Product Category Assessment Rules for 3 product categories are now being finalised and thoroughly tested as well as the online product assessment tool. The first product assessments are due to be published by the end of 2017.

<http://www.sofea.eu/>

SOFEA



SOFEA
How sustainable are you?

2017 – Go live

SOFEA "Sustainable Office European Association" is a European association driven by the office supply industry, resellers and manufacturers aiming for the establishment of a European unique and common tool for the measurement of environmental performance of office supply products.

Today we have 26 members and a Scientific Committee supporting our goals. We are working towards an online environmental product assessment, based on 98 indicators and split into product, manufacturing site and company levels. Data will be validated by a certified, independent third party and products ratings will be made available for end-users, manufacturers and resellers.

Our Mission
"To create a simple EU industry-wide rating system to encourage innovative, eco-efficient, and responsible office products by taking into account of customer requirements, existing standards, labels, and European methods and which is accessible and credible to end-users, manufacturers, and distributors."

Our Vision
SOFEA has the ambition to become the leading organisation for sustainability for office supplies in the EU. It's our goal to develop and continuously improve an scientifically approved assessment tool – acknowledged by the European Commission – for all manufacturers and resellers in the line of business of office supplies.

Our Goals

- Help the consumer making a more informed decision regarding sustainability when selecting office products.
- Support and encourage manufacturers to improve the sustainability profile of their products.
- Increase efficiency across the industry regarding sustainability data collection and processing.

Finished In 2016

Methodology ✓ System & Validation ✓ Working Groups ✓ Scorecard ✓ Test results ✓

Planning for 2017

Paperwork ✓ Finalize rating proposals ✓ Finalization of all preparatory work ✓ system goes live together with trade ✓

Outlook
The Sofea Rating system

The SOFEA rating system is still under preparation.

For more info, visit us at www.sofea.eu

Environmentally Preferable Products

In order to try and measure our position and our progress in this area, we looked for a suitable metric. At the moment, the only non-subjective way to measure this is by looking at products which have been awarded a third party environmental label such as FSC® or Blue Angel. The limitations of this are that labels are only available in certain product categories and that certain environmental improvements, such as reducing packaging, would not result in a new label. In the future, we hope to use the SOFEA product assessment scheme to evaluate our products and provide a more accurate view on our progress.

Product Categories	2015	2016
	% With Eco Label	% With Eco Label
Lever Arch Files & Binders	81%	81%
Indices & Dividers	47%	47%
Pockets & Folders	1%	1%
Document Presentation & Organisation	34%	35%
Archive boxes & Storing	54%	54%
Suspension filing	72%	72%
Paper products (pads, forms and books)	84%	84%
Desktop (Moulded)	0%	0%
Binding & Lamination	2%	0%
AV, Conference & Presentation products	20%	19%
General Office Articles	15%	15%
Total	52%	52%

Branded Products with Environmental Labels (Blue Angel, FSC®, Nordic Swan, Austrian Eco Label)

- In 2016 we launched a large range of new notepads and books with FSC certification and some range extension card folders with Blue Angel. In other areas we phased out products with eco labels.
- In the Desktop category, it would be possible to gain a Blue Angel certificate for recycled plastic. However, this requires 80% post consumer plastic and so far, we have not found a plastic which meets this requirement which we feel is strong enough for our high quality products.

GOOD WORKING RELATIONSHIPS



Supply Chain Responsibility

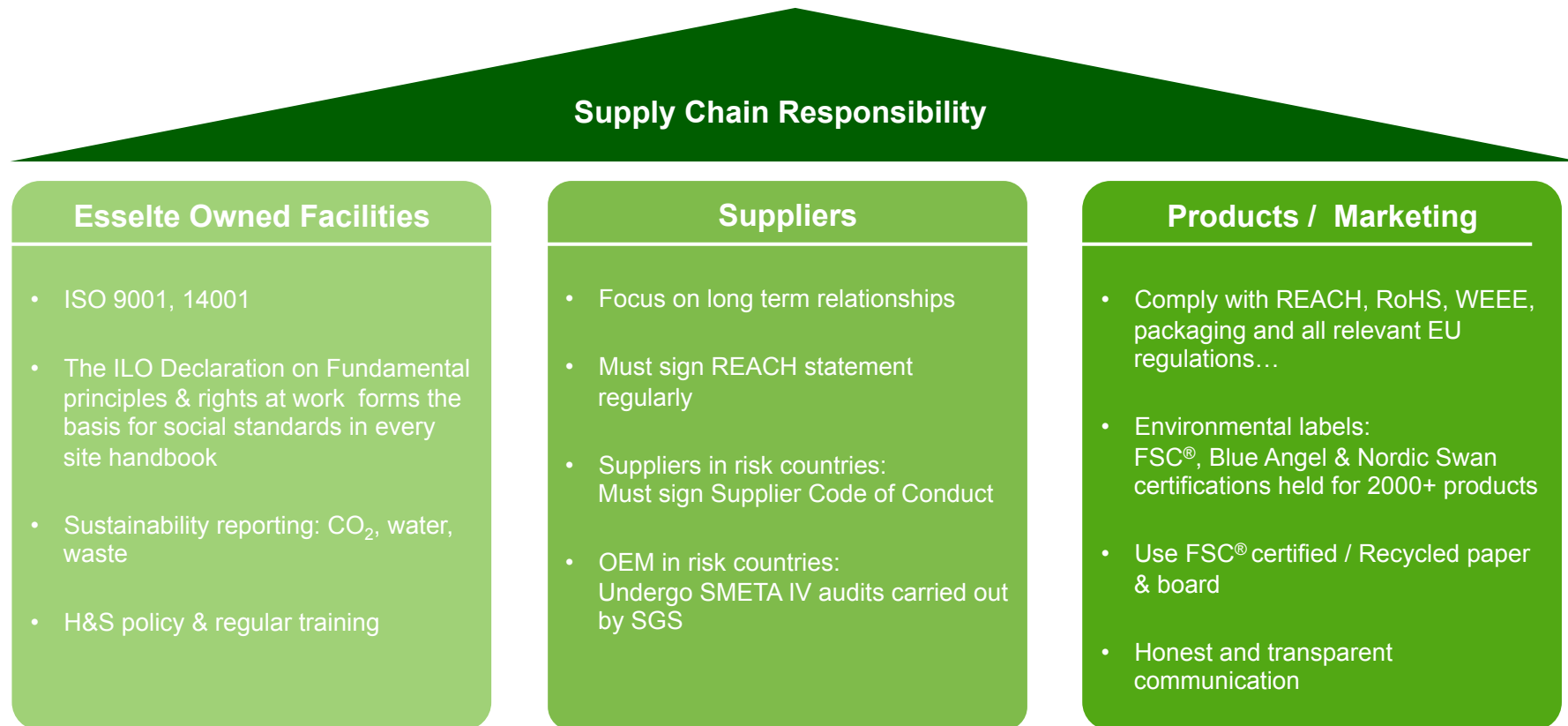
Without the careful and reliable work of our suppliers, we could not provide the expected quality and service to our customers. We value our suppliers and work with them to create benefits on both sides.

We are designing and implementing innovative and high quality products for our brands. This requires a close and trusting partnership with our suppliers. Working according to the LEAN philosophy also requires close and long term working relationships.

To ensure that our suppliers follow the same philosophy as we do, we ask them to sign our code of conduct. In 2016 we further strengthened our work by carrying out more SMETA IV audits and continuing our work with FSC®, which demonstrates our commitment to responsible sourcing of pulp and paper.



Supply Chain Responsibility



Supply Chain Responsibility Framework

Suppliers:

Long term relationships
Development & design, high
quality products
Code of conduct must be
signed

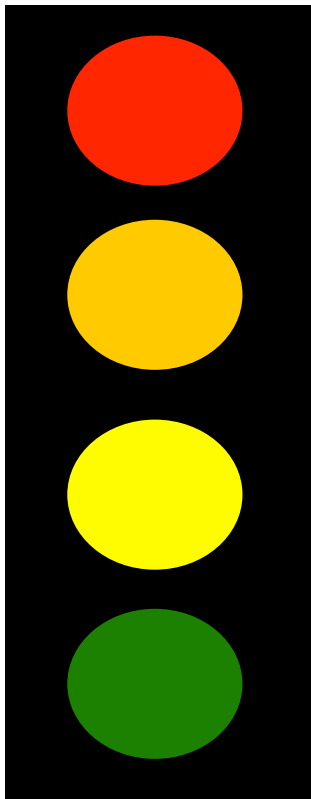
Esselte:

Visits from Sourcing Team
Risk Assessment

External Review:

SMETA IV Audits
Qualified Follow-ups
Management Review

Supply Chain Responsibility: Supplier CSR Rating System



Critical non-conformances

If these were found, top management would be immediately informed & a crisis meeting held with the supplier with view to agreeing on an immediate corrective action plan.

No Esselte suppliers are currently on this level.

Non-conformances

Purchasing management will monitor that corrective action is taken within 60 to 90 days as advised by the auditor. Follow up audits are commissioned with SGS.

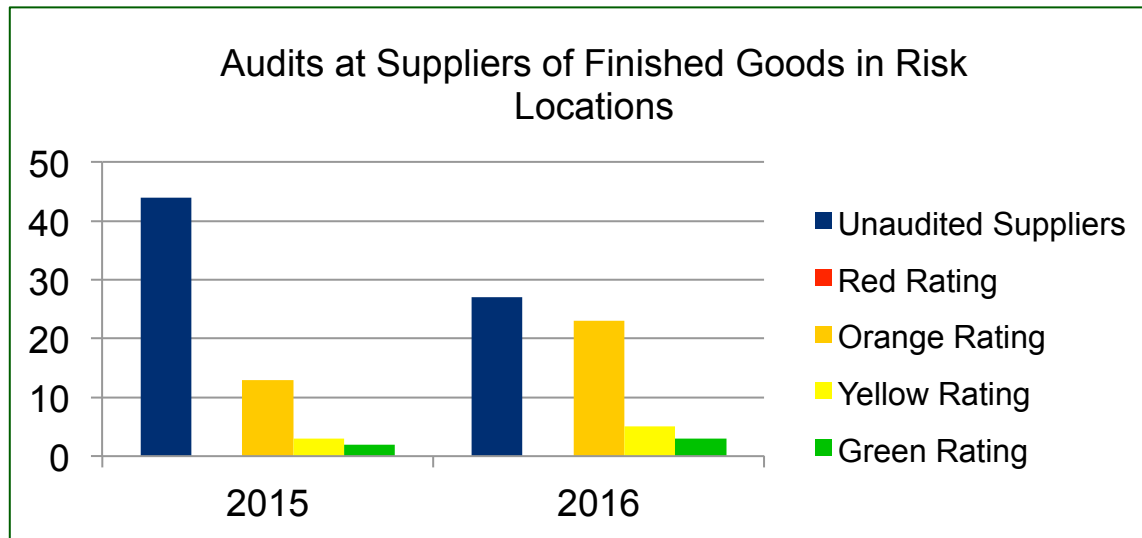
Minor non-conformances

Purchasing management will monitor that corrective action is taken within 60 to 180 days as advised by the auditor. Follow up audit may be commissioned, depending on the non-conformances observed.

No non-conformances

Supply Chain Responsibility: Supplier CSR Ratings in 2016

- Audit frequency increased since 2015, now more than half the suppliers within scope have been audited
- No serious non-conformances were identified at any audits
- 40% of suppliers are on audit level orange and we are working with them to improve on this



HEALTH & SAFETY



Healthy and Safe work environment

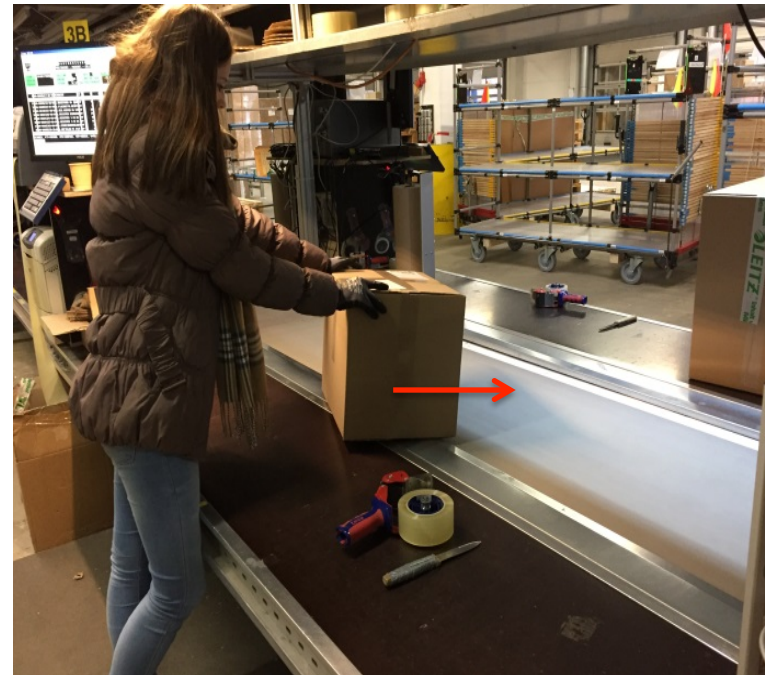
- Esselte continues to strive to obtain a zero-accident workplace
- In 2016 we have added our international facilities and warehouses
- Every location has a programme in place to educate the workforce, research the cause of every accident and find ways to prevent further accidents in the future,

Facilities Europe	2006	2013	2014	2015	2016
Kozienice, Poland	8	7	11	6	16
Stuttgart, Germany	6	3	1	0	0
Uelzen, Germany	3	4	3	6	2
St Niklaas, Belgium	7	7	2	4	0
Gorgonzola, Italy	8	1	3	5	4
Barcelona, Spain	4	1	1	0	0
Istanbul, Turkey	1	3	3	1	0
Lanov, Czech Republic	14	2	2	12	7
Moscow, Russia	0	0	0	0	0
Hestra, Sweden*	14	7	4	4	8

Facilities International	2006	2013	2014	2015	2016
Shanghai, China	17	22	20	11	1
Scottsdale, USA	N/A	N/A	N/A	1	0
Warehouses					
Sint Niklaas, Belgium	N/A	3	2	1	1
Heilbronn, Germany	N/A	20	13	9	4
St. Amé, France	N/A	5	3	7	4
Shanghai, China	N/A	0	0	0	1
Total Accidents	(78)	85	68	67	48

Healthy and Safe work environment

Health & Safety programmes are in place in all factories & warehouses and we continue to work to improve working conditions for all associates. In the Heilbronn warehouse, new picking methods using especially designed trolleys mean less walking and less lifting. Regular health & safety audits are helping to drive down the number of accidents.



Esselte Sustainability Scorecard 2020: Environmental Impact & Paper

Measure	Target 2020	Target Change from 2015	2015 result	2016 Result	Progress
<u>Emissions:</u>					
CO ² Factories (all)	94 kg/Tonne	- 25%	124.9 kg CO ₂ /T	112.3 kg CO ₂ /T	😊
Warehouses	2.09 kg CO ₂ /m ³	- 20%	2.61 kg CO ₂ /m ³	2.46 kg CO ₂ / m ³	
Total Esselte tonnes CO ²	9 450 T CO ₂	- 30%	13 451 T CO ₂	10 544 T CO ₂	
<u>Water Consumption Total Esselte</u>		-10%			
Water All Factories & Warehouses	33 000K Litres	-25%	44 179 K Litres	35 646 K Litres	😊
Water European Factories	23 300 K Litres	-25%	31 162 K Litres	23 208 K Litres	
Zero Waste	98% of waste recycled	+21%	N/A	77% of waste recycled	😐
Paper from FSC® certified/Recycled sources in Esselte manufacturing	100%	+0,7%	99.3% (Manufacturing)	99.4% (Manufacturing & warehouses)	😊
% sales (in Europe) of branded products which are environmentally preferable (Eco Label) in categories where label is available	54 %	+2%	52%	52%	😐

Esselte Sustainability Scorecard: Good Working Relationships

Measure	Target 2020	Status end 2016
Tier 1 suppliers signed up to the Esselte Code of Conduct	100%	75% non-European OEM signed (some new suppliers missing), 44% EU suppliers signed
Non-European OEM Suppliers audited to Smeta IV or equivalent in the last 3 years*	100% of purchasing volume	88% of purchasing volume audited in last 3 years 55% of OEM suppliers audited
Non-European suppliers on audit level green or yellow	100%	22% of audited suppliers on level yellow / green 12% of all OEM products are audited to green / yellow
Supply chain (tier 1) mapped in detail including risk assessment	100%	OEM & European raw material suppliers are known but not documented (mapped & risk assessed)
Zero Accidents	0	48

* Suppliers with which Esselte has as annual spend of < 25k USD are monitored by Esselte management

OUTLOOK 2017



Esselte Sustainability Focus 2017



2017 will be a further year of Change for Esselte but we intend to remain focused on our Lean culture and to continue our Sustainability journey.

A primary focus will be on reducing waste going to landfill. Also, the extension of our supplier mapping and social responsibility plan will be key projects.

Finalising the SOFEA assessment scheme as a basis for evaluating environmentally preferable products is another important target.

Esselte Sustainability:

Our Sustainability Programme has been extended and updated

We already made some progress towards achieving the new targets

There is much to do moving forward, we are looking forward to the challenges ahead and making **Good Changes!**



