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Staples Environmental Paper Procurement Policy

Staples is committed to being the U.S. leader of the office supply industry in environmentally sound paper procurement practices. As we have done with energy conservation and other environmental issues, we will pursue this goal through sound business practices that will continue to provide to our shareholders an adequate return at an appropriate level of risk.

To reach this goal, we will increase our corporate knowledge of environmental issues related to paper and paper products. With this knowledge we will develop and implement policies and procedures for paper procurement that will continuously improve the environmental attributes of paper products offered by Staples. We will engage our vendors, customers and independent environmental leaders in this effort and report on our progress to all our stakeholders on an annual basis.

The following elements of our approach provide the framework for achieving our goal in a manner responsive to our obligations to our stakeholders:

REDUCE DEMAND FOR VIRGIN WOOD FIBER

Staples will continue our transition toward paper with post-consumer-waste (PCW) and alternative fiber content by giving preference to products produced with these materials. We will manage this transition as rapidly as feasible within the market conditions (product availability, consumer demand and profitability) as they exist and change and within the constraints of good business practices. Therefore, where we can, we will set a target date for achieving a particular element. Where we cannot be as specific, we commit to providing annual updates of our progress. Specifically:

- In our stores, catalog and on-line sales in the U.S., our goal is to increase to 30% the average percent of PCW recycled and alternative fiber products made available for sale.
- By the end of 2003 we intend to be using only PCW paper products for our internal operations.
- We will pursue expansion of the range of 50% PCW and/or alternative fiber paper products available to us to sell.

PROTECT THE WORLD'S FOREST RESOURCES

Staples is committed to phasing out paper products sourced from endangered forests. Though there is much debate on the definition of endangered forests, we include those forests with high conservation value. Specifically:

- Staples will share this policy and continue engaging in dialogue with our major paper suppliers and environmental leaders on the issue of forests.
- We will monitor the implementation of our paper procurement policy and encourage suppliers to continuously improve the environmental attributes of the paper we offer.

PROMOTE WELL-MANAGED FORESTS

Staples will rely on certification to ensure products are manufactured from well-managed forests. Specifically:

- We will continue to monitor certification systems to ensure that the systems to which we give preference meet our environmental goals.
- By the end of 2006, we will offer only certified paper products or as many such products as possible within the constraints of market conditions, consumer demand and cost factors.



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TAKE A LEADERSHIP ROLE

Staples will assume a leadership role as a principal agent for change of behavior in this arena. Specifically, we will:

- Work with our vendors to enable greater use of recycled cut sheet paper beyond current levels.
- Continuously promote recycled paper to our customers and employees through in-store training, signage, and vehicles such as catalogs, circulars and internet messaging.
- Establish at a senior level a corporate Office of Environmental Affairs and designate a corporate environmental officer to take permanent charge of this policy and our other environmental activities (e.g. energy management, recycling).

PUBLICIZE THE RESULTS OF OUR EFFORTS ON AN ANNUAL BASIS

We will use the reporting process to review any changes in knowledge or market conditions, including consumer demand, and will communicate any adjustments to our targets that result.

We believe that taking this leadership position on environmental issues will prove to be smart business and thus, in the best interests of our shareholders. It builds upon our proven commitment to being a responsible business, as shown by our achievements in energy management and recycling efforts. It also builds over time in recognition of external factors and ongoing corporate obligations we must meet in order to continue to lead.