

TAKING CARE OF TOMORROW

ACCO Brands EMEA

Sustainable Development Report

2021



TAKING CARE OF TOMORROW

Who are we?

Simplifying and organizing modern work!

That is what we aim to do at ACCO Brands. And our portfolio of well established brands are at the very core of what we do. We aim to provide our end consumers with products which delight and fulfil the necessary tasks. And where they can feel confident, that all efforts are being made to work toward reducing their environmental impact and the impact on the communities and partners with which we work.

This report aims to provide some insight into our company, how we operate and how we work towards reducing those impacts.

For more detail about our company see the additional information section at the end of this report and www.acco.com



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Company Profile

\$2 billion company listed on NYSE,

\$660+ million in EMEA

Products sold in more than **100** countries

21 factories around the world, **10** in EMEA

6 000 employees, **2 100** in EMEA



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Cezary Monko
EVP & President ACCO Brands EMEA

This is the time for re-thinking what really matters!

For much of 2021 many countries were in lockdown with people working from home as far as possible, families separated, pubs and football stadiums empty. This created challenges for us as a company but it also made us think! What really matters in all of this? Yes, we want to be successful but we want to be successful in a way that cares about the people involved and the planet which we need for everything we do. This is what really matters and this is why we must integrate this thinking deeper into everything we do!

In preparation for setting our goals for 2025 and beyond, we therefore considered carefully what our key stakeholders think we should be doing. One thing was clear: Climate change is a key concern for everyone and therefore working to reduce our emissions must be a focal point of everything we do moving forward, whether in our operations, offices and of course also in the development and improvements of our products! This is a long and complex path, it will not be easy but we are committed to making progress and strong improvements!

Of course there are further key issues which we have not left aside and have also formed into goals for 2025. Now we must all ready ourselves and think every day, in every decision we make, how we can work to integrate this thinking into what we do. We have remembered what really matters and that is what we must embed into our working, as well as our private lives.

I am proud of what we have achieved so far which you can read about in this report for 2021. But I expect much more from us in the years to come!

Yours

Cezary Monko

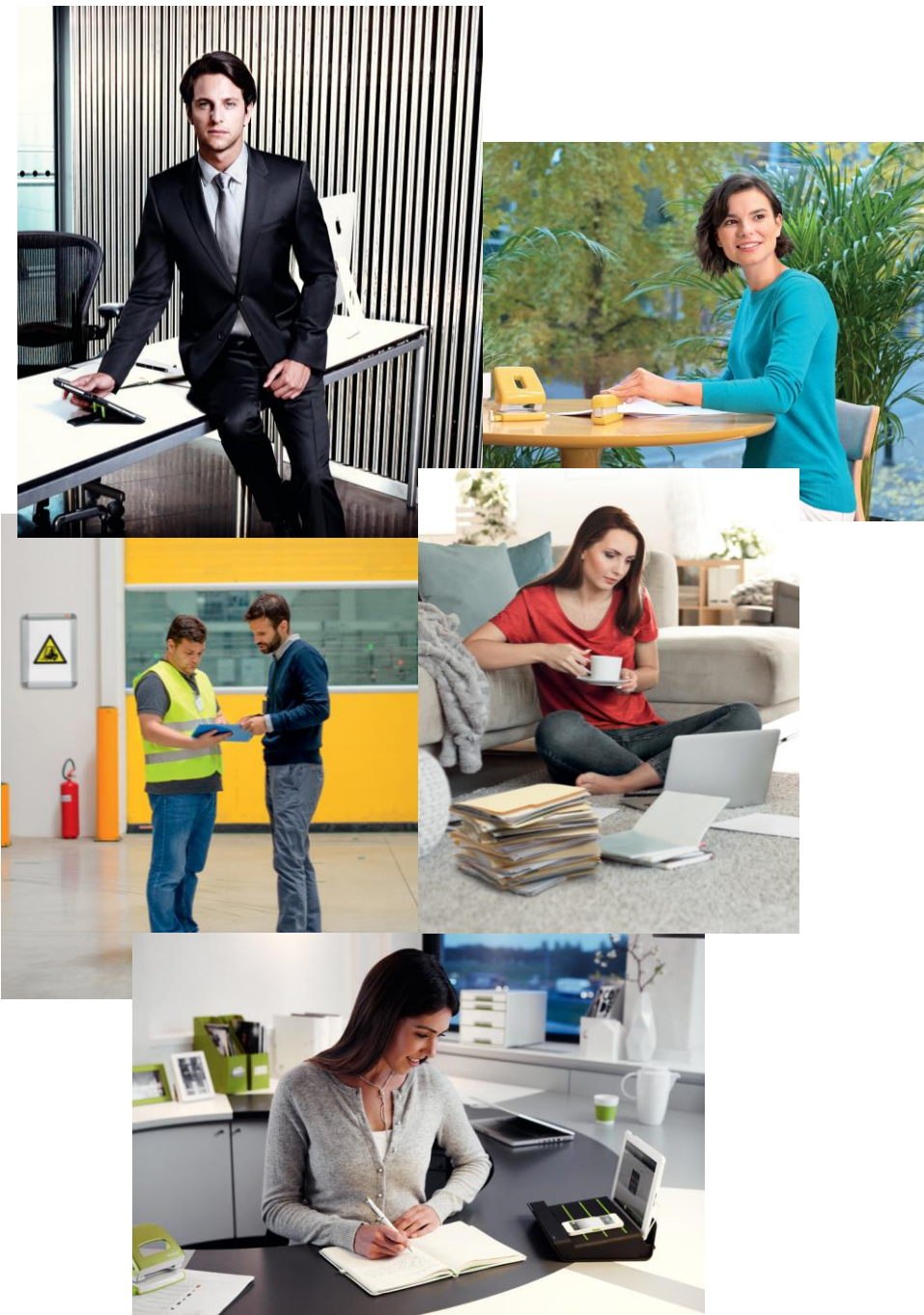
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Stakeholder View

Whilst preparing our new sustainability vision and goals for 2025, we of course took into consideration what our stakeholders believe to be the most important aspects for our company’s sustainability strategy and goals. This ranges from our shareholders, for whom it is very clear that working towards climate change mitigation and supply chain responsibility are a necessity for success in the coming years, to our management, customers and consumers. Looking at all the information we have and feedback we received, we could clearly see three core areas of focus for us moving forward:

#1: Climate change mitigation measuring and reducing our emissions	
#2: Responsible & circular customer solutions – innovating to provide products & services for the future	
#3: Engaged workforce and principled working relationships	

Further to this, we believe that focusing on emissions reductions will help us to concentrate our efforts across the board. Whether in our operations, offices or product development, working on emissions reduction will always help us to make better decisions and improvements. This focus therefore forms the core of our activities in the coming years.



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ACCO Brands EMEA

Vision & Strategy for Sustainable Development



Reducing our Operational Environmental Impact

We will drive down our use of electricity, fuel and our waste production and deepen our understanding of our indirect emissions with a long term vision of achieving net zero emissions.



Reducing our Product Environmental Impact

We are committed to better understanding the emissions caused by our products and packaging and driving down those emissions as far as possible in preparation for net zero emissions.



Working Relationships & Social Commitment

We are a diverse and committed workforce where everyone works towards the achievement of our sustainability goals. We aim to have a cooperative and principled working relationship with all of our stakeholders.

ACCO Brands EMEA Sustainable Development Key Targets 2025



Reducing our Operational Environmental Impact

- **Zero emissions from electricity** (scope 2) used at our manufacturing and distribution sites
- **15% reduction** in electricity consumption



Reducing our Product Environmental Impact

- A more **sustainable choice** in every key category we operate in*
- A minimum of **500 products** containing a minimum of 30% **recycled plastic** (from 50 today)



Working Relationships & Social Commitment

- We aim for 25% of our total EMEA management group being women by 2025 (from 20%)
- We will coach and involve all employees to help us achieve our sustainability goals

* A more sustainable choice is a product with notable improvements compared to standard products in points listed in the ACCO Brands Product Philosophy

ACCO Brands EMEA Sustainable Development Targets 2025



Reducing our Operational Environmental Impact

- We will drive our emissions from electricity consumption (scope 2) to zero at our manufacturing and distribution sites, an overall reduction of total scope 1 and 2 emissions of 75%
- We will reduce our electricity consumption at these sites by 15% (or kWh)
- We aim to further reduce our total water consumption by 15 percent
- We have the ultimate goal of achieving a zero waste rate in our manufacturing and warehouse facilities
- 33% of our company car fleet will be hybrid or electric
- We will measure and improve emissions and other environmental impacts of our sales offices



Reducing our Product Environmental Impact

- We will offer a more sustainable choice* in every key product category we operate in
- We will offer a minimum of 500 products with (minimum 30%) recycled plastic content (base is 50)
- We will increase the % of revenue from sales of products certified to 3rd party environmental and social sustainability standards by 10pp (base year 2019)
- We will design our new products for sustainability and aim to have a reduced CO₂ footprint compared to the previous model where one exists
- We will only use plastic in our packaging where necessary or ecologically worthwhile and where we use it, we aim to use a minimum of 30% recycled material
- We will build our understanding of carbon emission from our products



Working Relationships & Social Commitment

- We aim to have a transparent and principled working relationship with all our stakeholders, from employees and suppliers, to customers and consumers
- Our principles are based on the international standards set by the UN and the ILO Declaration of Fundamental Principles and Rights
- We require our suppliers to fulfil the same standards and monitor this according to a set of specific metrics
- We aim for 25% of our total management group being women by 2025 (from 20%)
- We will maintain a safe and healthy workplace with a target of zero accidents
- We will train all our sites in our sustainable approach and invite them to create a local plan to support the fulfilment of our goals

* A more sustainable choice is a product with notable improvements compared to standard products in points listed in the ACCO Brands Product Philosophy

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ACCO Brands EMEA:

Sustainable Foundations

Working in a lean way is the foundation of all our sustainability efforts.

Reducing waste in all areas and keeping processes simple and short, help with many of our objectives. Our ISO 9001 and ISO 14001 certifications provide the framework and tools to help achieve this.



* ISO 50001 for 8 sites in Germany and the UK only
ISO 9001 and 14001 for all ACCO Brands EMEA sites + Shanghai

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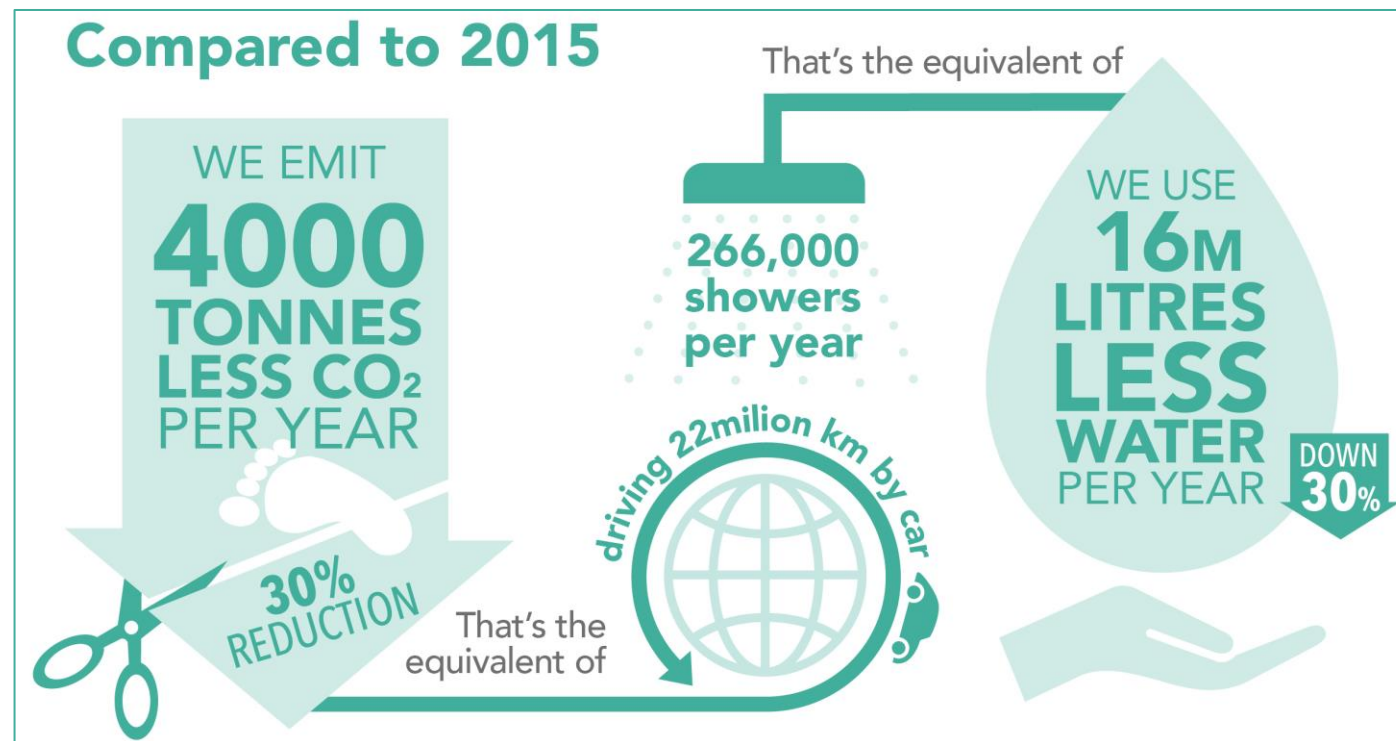
Key Achievements 2021

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Highlights 2021

- A further 13% reduction in total CO₂ emissions compared to 2019*
- 21% reduction in emissions from electricity compared to 2019*
- 94% of waste from operations recycled
- 20% of our management group are women

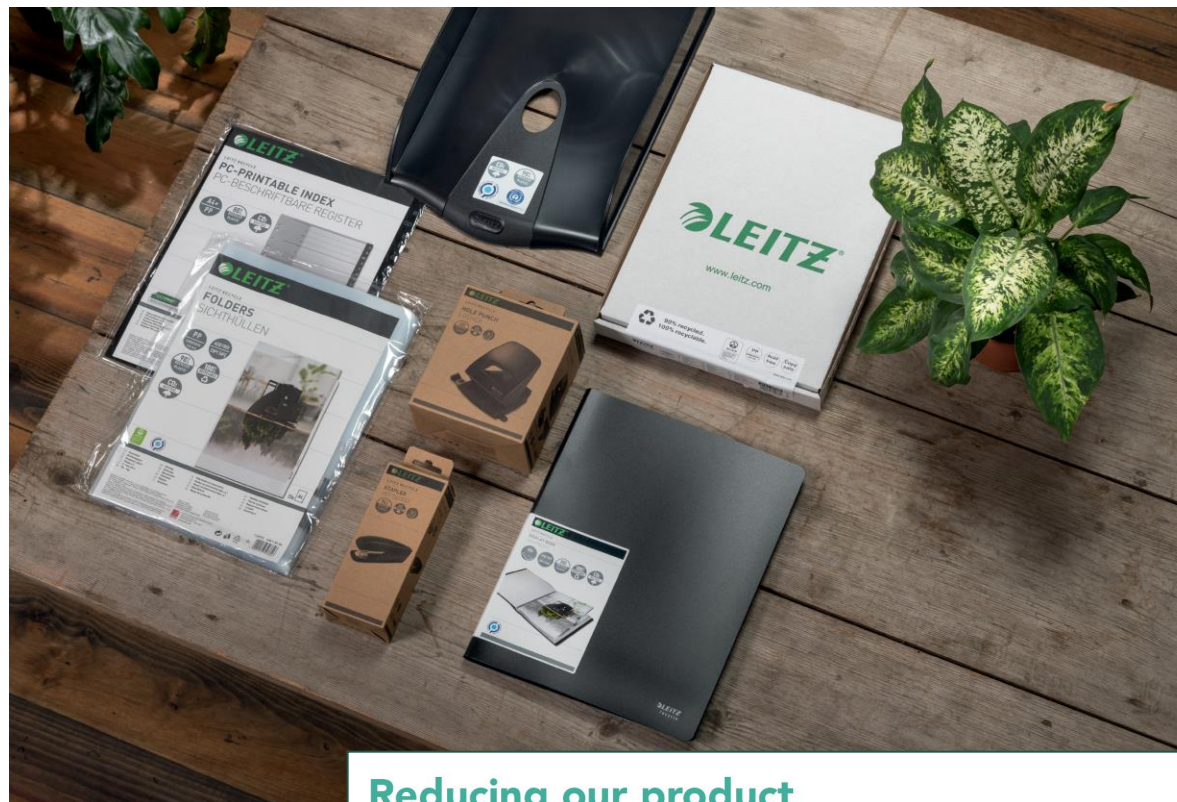
Longer Term Achievements:



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Highlights 2021

- PEFC certification on Derwent pencils
- 130 carbon neutral products
- 4326 products with 3rd party certifications
- 36% of sales made with products with at least one 3rd party certification
- 99.6% of paper & board used for products & packaging recycled, FSC® or PEFC certified
- 58 products containing 30-100% recycled plastic



Reducing our product carbon footprint



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Planet

Reducing our Operational
Environmental Impact



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Scope Emissions

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

All European manufacturing facilities were monitored from the start in 2010, except Arcos, Portugal, and Lillyhall, U.K. (added in 2017). Lillyhall (pencil manufacturing) runs a biomass boiler to heat the plant using waste material. This has been classified as carbon neutral by the Carbon Trust and is therefore not included in the results.

We continue to report the Rapid Shanghai factory as most of the production is for EMEA and it is a key facility for us.

Warehouses have been included since 2016, except Halesowen added in 2017.

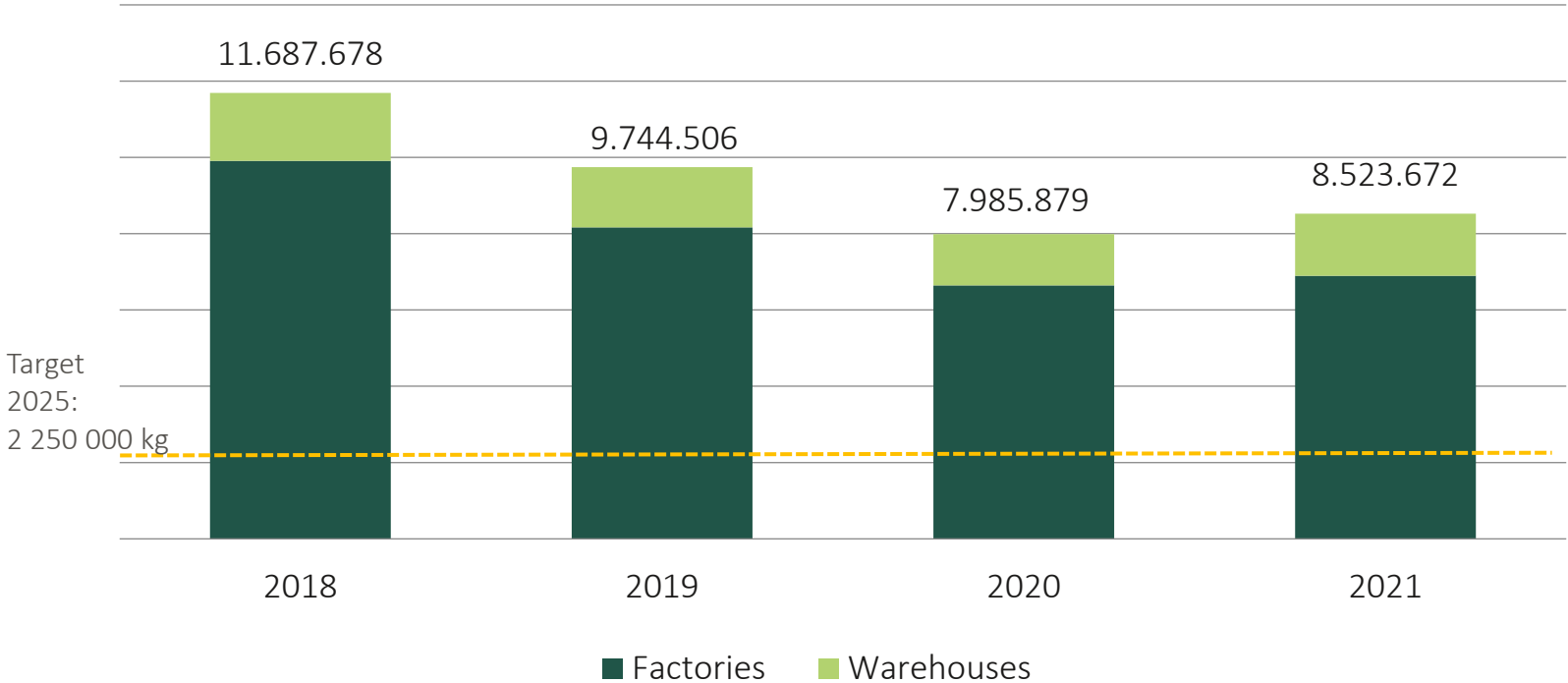
In 2021 we added CO₂ caused by HGV fuel of our owned truck in Halesowen, UK. This added ~126 tonnes CO₂ and is around 1.5% of the total.

All facilities are listed on Page 51. Sales offices, which are not physically part of one of the listed facilities, are not included, as they are classed as immaterial.

Scope 3 emissions are not included to date (all other indirect emissions such as from raw materials, external logistics, outsourced activities etc.)

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CO₂ Emissions ACCO Brands EMEA: Factories & Warehouses (kg CO₂)



2021: HGV fuel for truck owned in UK added makes up ~1.5% of the total
2019 figure is slightly higher than reported at the time due to a correction of the Santa Perpetua data



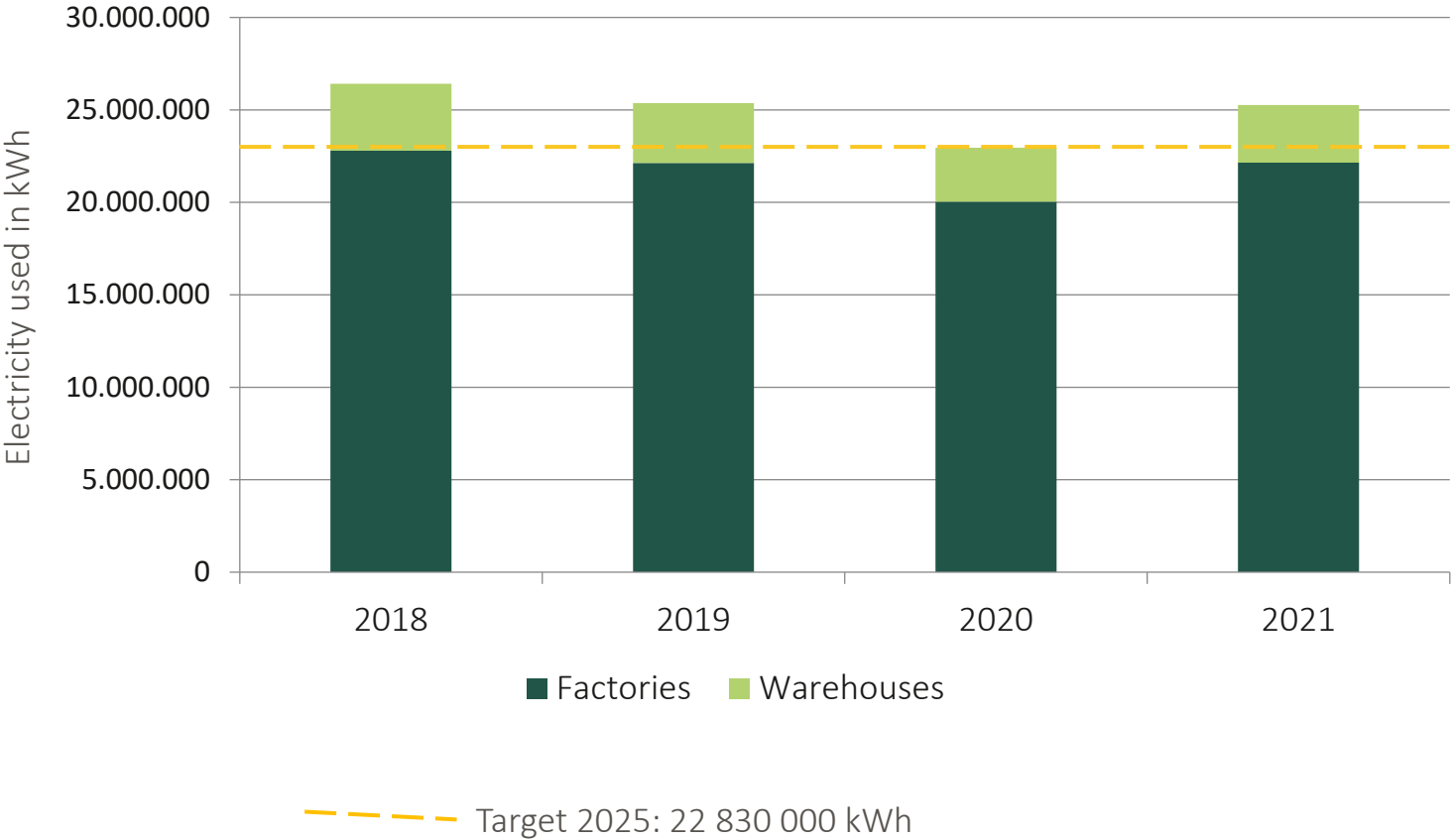
Total CO₂ emissions in 2021 (according to scope on page 14) were 8.52k tonnes, 12% lower than 2019. This shows that compared to pre-pandemic times our emissions are stable on a lower level.

This has been achieved through electricity consumption reductions at sites with higher conversion rates and buying more renewable & lower conversion factor electricity, partly via a REC in Poland.

We have set ourselves an ambitious and challenging target for 2025, to reduce emissions from electricity consumption (scope 2) to zero! The remaining scope 1 emissions (gas, oil, fuel), make up around 25% of our total emissions today, hence the 2 250 tonne CO₂ target.

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Emissions: Electricity in kWh



Total ACCO Brands EMEA electricity consumption in 2021 (according to the scope on page 14) was on a level with 2019.

Recovery from and consequences of the pandemic were quite different by site. Some sites are producing much more than before and some less. This can have an positive or negative impact on efficiency.

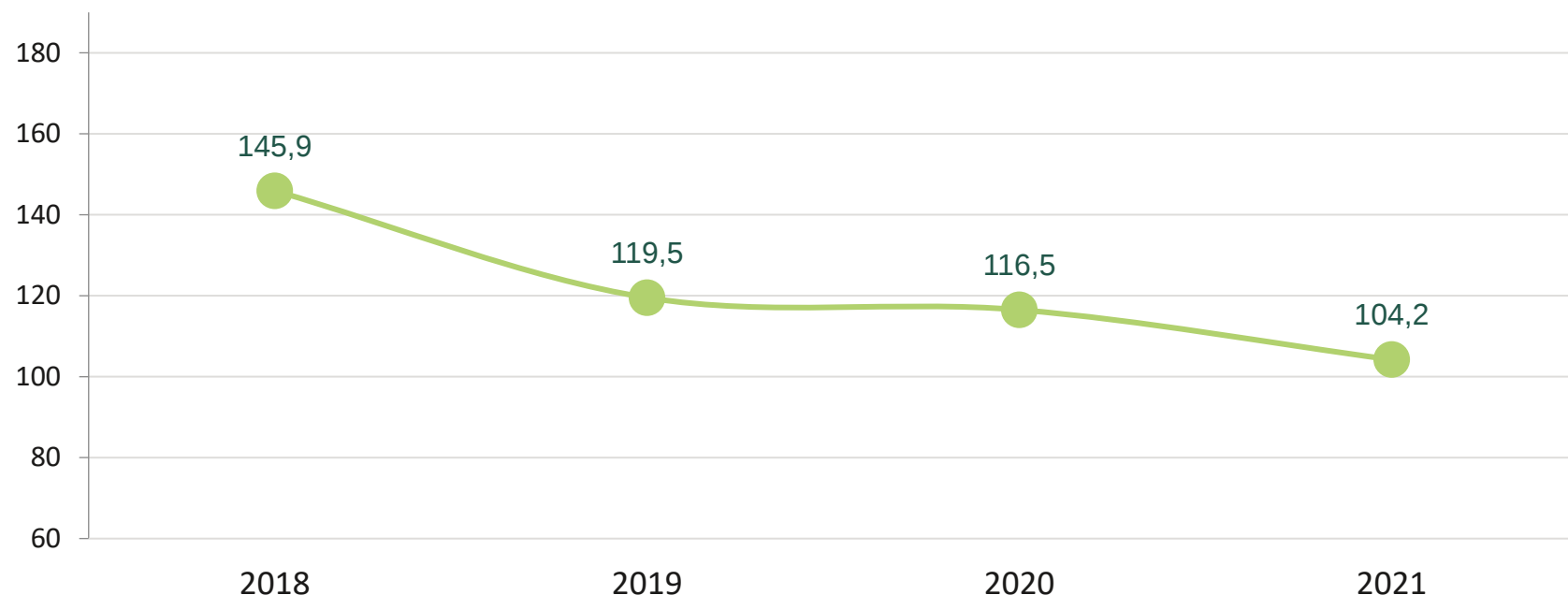
With our zero emissions from electricity target for 2025, we will have a sharp focus on electricity consumption and have many projects planned to help reduce consumption in the coming years!



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ACCO Brands EMEA Manufacturing

CO₂ Emissions in kg/tonne Production



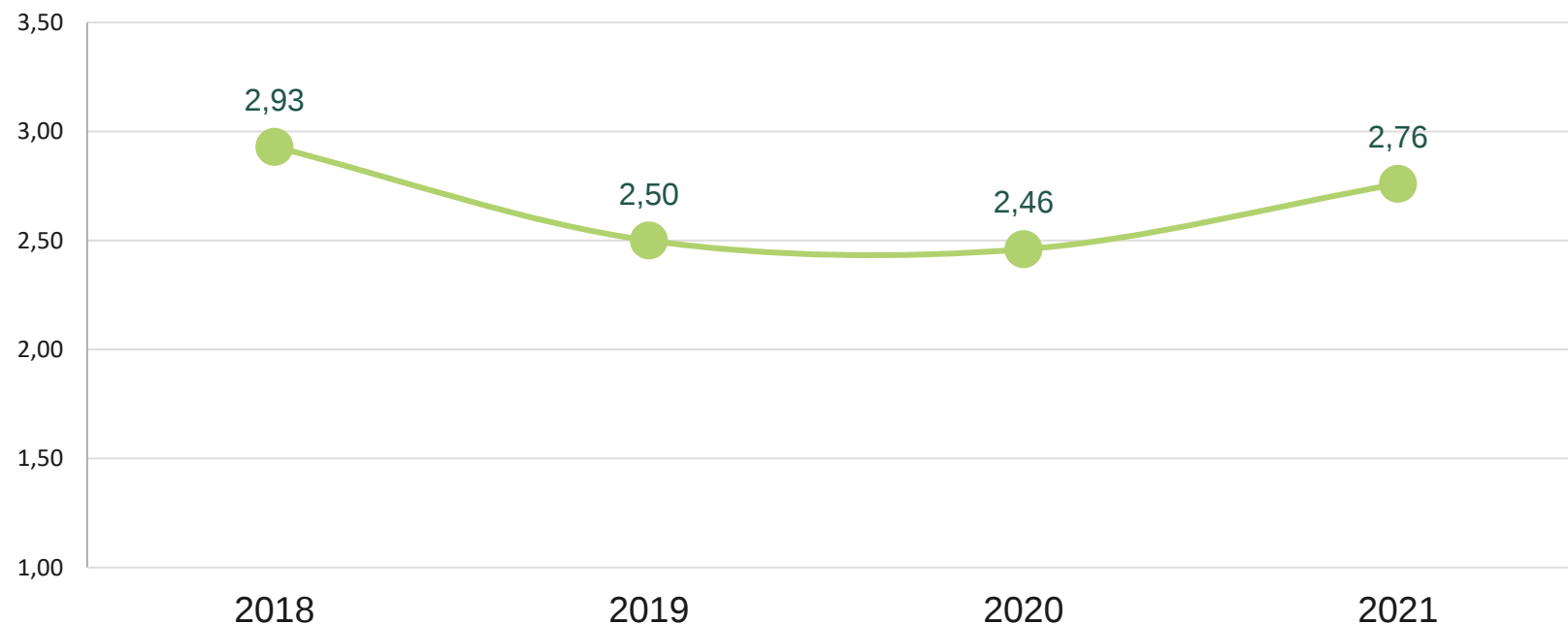
Our overall CO₂ emissions per tonne produced dropped clearly again compared to the pre-pandemic results in 2019. This shows that our factories continue to run more and more efficiently and the energy saving projects implemented thus far are taking effect.

Energy consumption reduction, in particular electricity over which we have more control, is a key part of our zero emissions from electricity and other 2025 targets.

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ACCO BRANDS EMEA WAREHOUSES

CO₂ Emissions in kg/m³ shipped



Some corrections to gas and electricity consumption in Halesowen and volumes shipped in Prague in 2018 mean that the figure for 2018 is now slightly lower than reported at the time.

A much higher proportion of the emissions caused by our warehouses are caused by heating. They are of course large, voluminous spaces and they don't have the availability of heat generated by operations which the factories have. The harshness of the winter therefore plays a much bigger role. The winter at the beginning of 2021 was much colder than in previous years.

Although our strategy focuses on electricity for the coming 5 years, we will of course also be looking at how we can make heating these buildings more efficient and less CO₂ intensive.

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Energy Saving Projects

Derwent Factory, Lilyhall, UK

Our pencil factory in Lilyhall, UK completed two projects to improve energy efficiency. First, heat exchangers were installed to the pencil strips (cores) ovens. Prior to this, the heat from the ovens was exhausted externally, but with the exchangers now feeding heat back into the ovens, less natural gas is required. So far this has resulted in a 2.8% reduction in overall site energy and with increasing volumes at the Lilyhall site, these savings have a double effect on climate protection!

Second, the efficiency of the wood furnace was greatly increased by adding a wood level sensor. The factory engineers experimented with how to make maximum use of the wood waste to reduce heating gas consumption. This resulted in an overall site energy reduction of 8.5%.



Heat exchanger fitted to the strip oven (left)

Pencil strips (below)



(Left) Biomass wood furnace at Lilyhall

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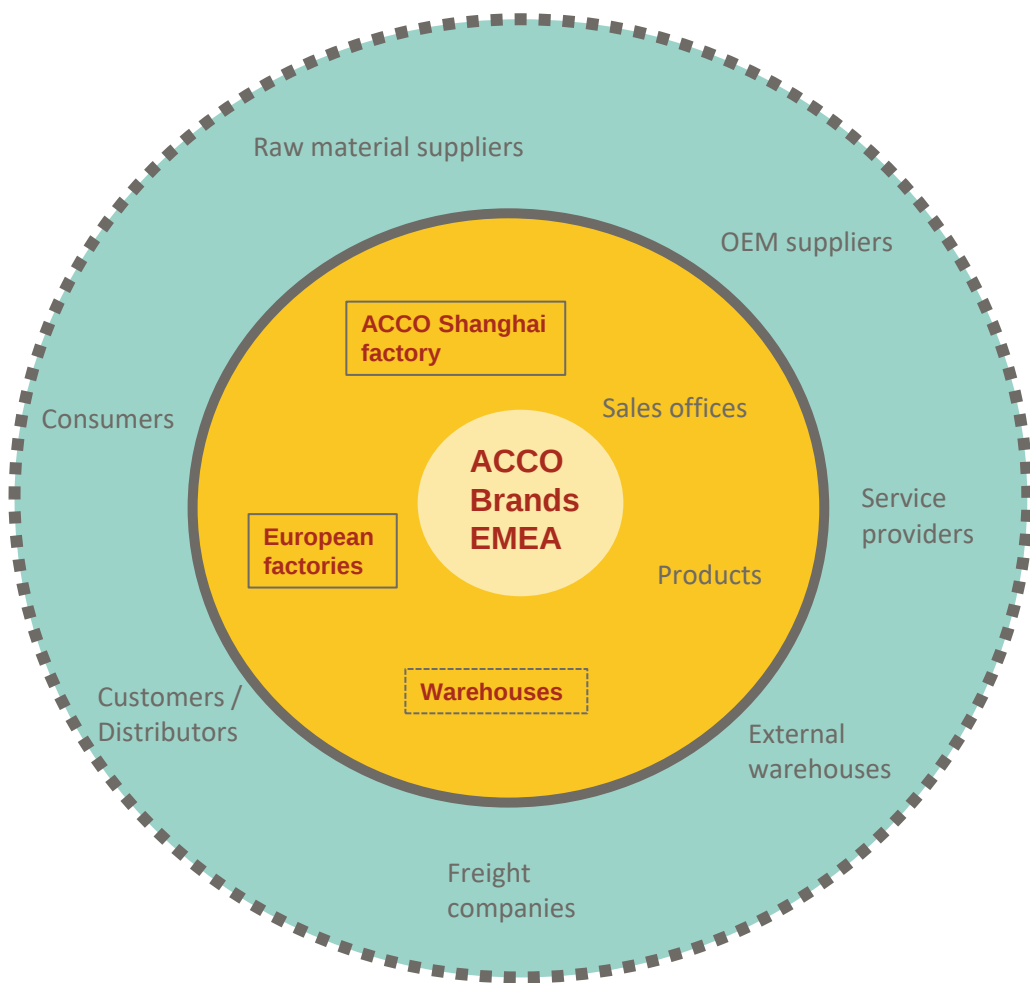
Emissions from Company Cars

Although overall, the energy needed to run our operations sites has most influence on our overall emissions, we nevertheless want to look increasingly at other causes of emissions caused by our business activities outside of the scope 1 and 2 which we measure today. Along with this, we hope to reach our employees outside of our operations sites with our aim to reduce emissions. Business travel is an obvious place to start. As well as encouraging our people to have online meetings where it makes sense and take the train wherever possible, we aim to start to move our company car fleet to electric and hybrid models as far as possible. This reflects both social trends as our people look to see sustainability become embedded in company culture and also governmental policy in many EMEA countries that encourages hybrid and electric vehicles, often through personal and corporate tax relief. We recognize however, that the changes in EMEA will occur at different rates as the infrastructure for electric vehicles is not yet advanced enough in all countries to support widespread use. Especially as many of our cars are used by salespeople with long journeys.

Hence, we have set a goal of switching 1/3 of our EMEA company car fleet to electric or hybrid by 2025. So far, we have increased from 17 to 30 out of 302 cars, that is now 10%, with a goal of 33% by 2025.



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Scope Water Consumption

Total water consumption for all ACCO Brands EMEA plants and warehouses.

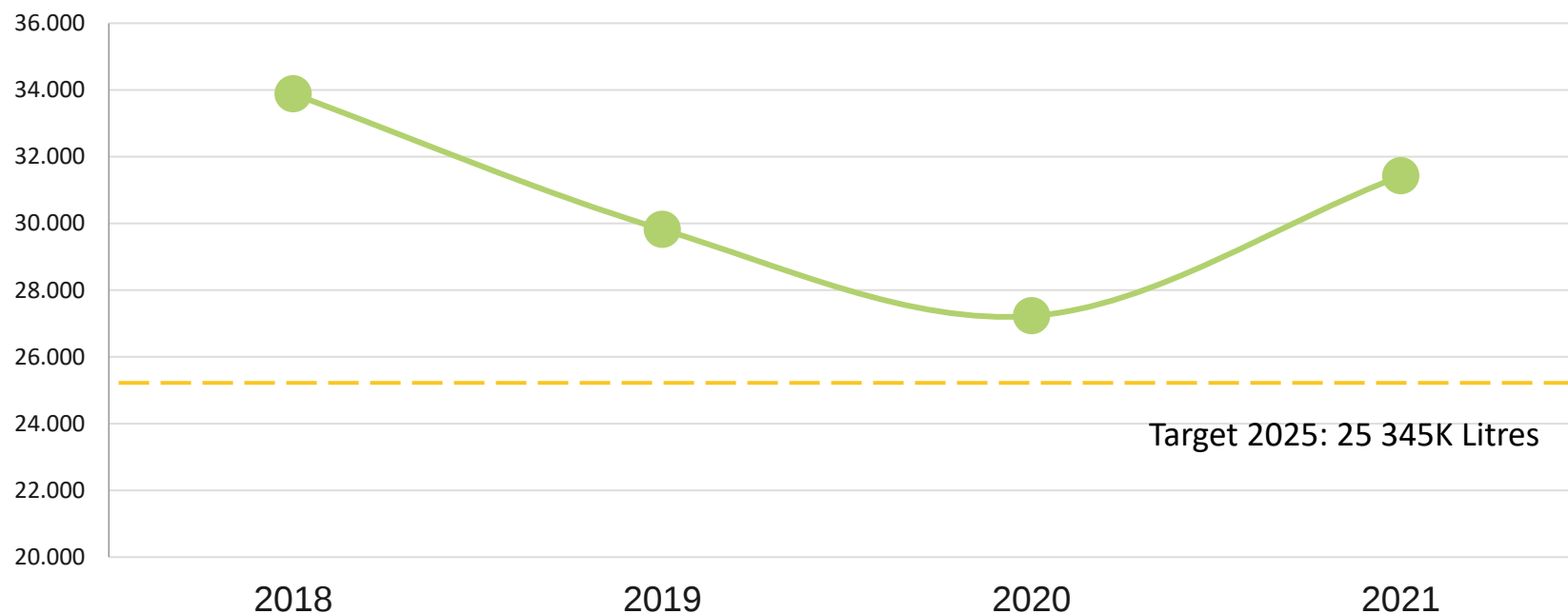
Data shown covers all ACCO Brands EMEA plants and warehouses plus the Shanghai factory. All facilities are listed on Page 51.

Local sales offices, which are not physically part of one of the listed facilities, are also not covered but as these are generally small, we can conclude that these would not have a material impact on the result.

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ACCO Brands EMEA Water Consumption

Water consumption in 000 L



Some small corrections were made to the Lillyhall and Halesowen, U.K., figure for 2018 means that the figure shown here is slightly different than reported at the time.

Our water consumption increased in 2021 to above 2019 levels. This was mainly caused by a large volume increase in the Derwent factory in Lillyhall, which is a more water intensive production and led to higher water usage. A leak at the Barcelona warehouse also led to higher water consumption there.

At the same time, compared to 2019, we saved almost 2 000 000 L of water at 11 out of 16 locations. We will continue to work to reduce and manage our water consumption as far as possible.

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Scope Waste Management & Recycling

Aim: Zero Waste

Zero Waste is generally defined as 98 percent 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. We have some difficulties with recycling companies which do not disclose if or how much waste has been “thermally recycled” but will work further to see if we can gain more knowledge on this.

Data shown covers all ACCO Brands EMEA plants and warehouses plus the Shanghai factory. All facilities are listed on Page 51.

Local sales offices, which are not physically part of one of the listed facilities, are also not covered, but waste volumes here are far smaller than at the plants and warehouses, meaning we can conclude that these would not have a material impact on the result.

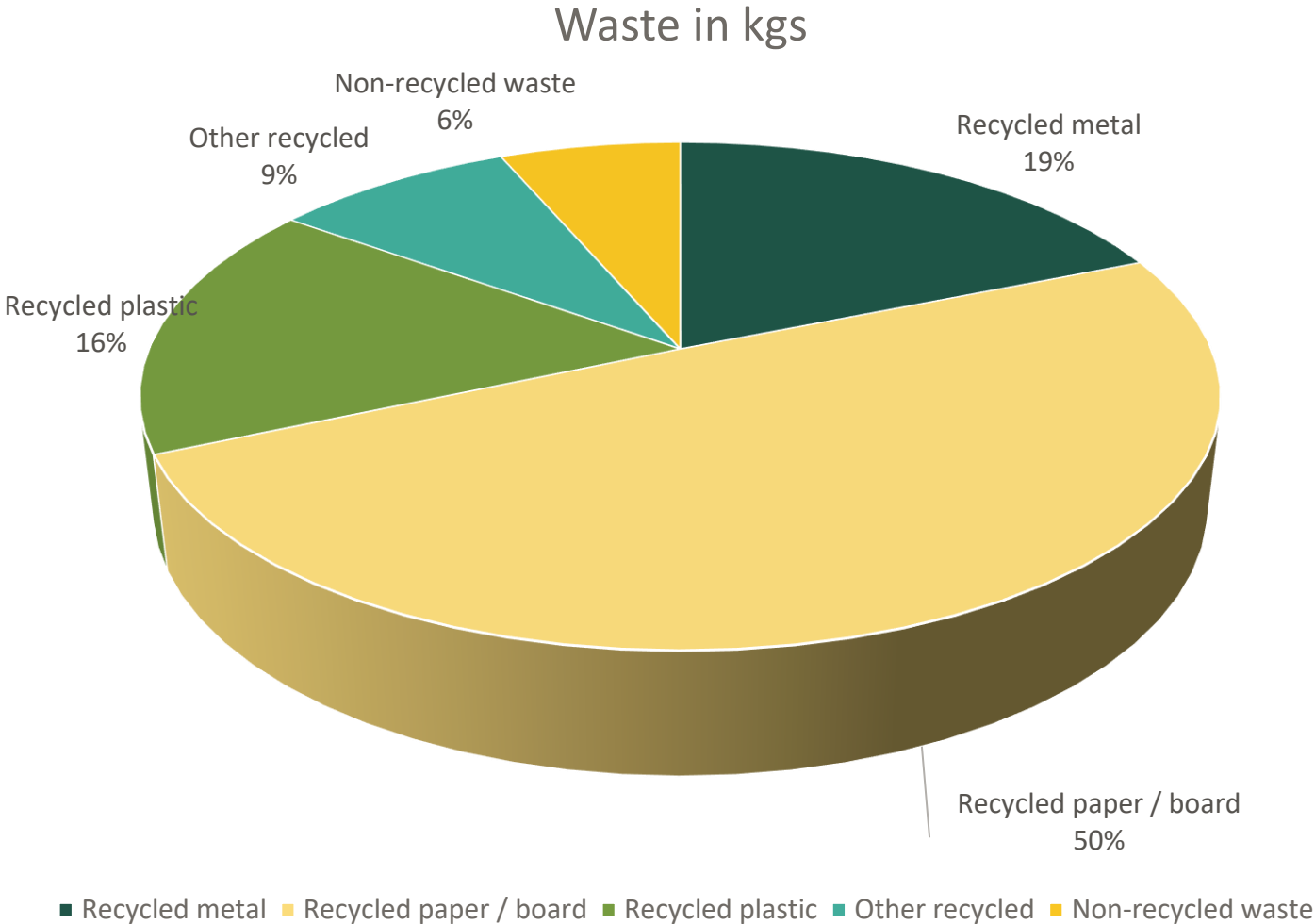
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Waste Reduction & Recycling

94% of all waste (excluding hazardous waste) was recycled in 2021, which is a 4pp improvement on 2019 (Target 98%).

15 out of 18 sites increased or held their recycling rates. The warehouses in particular have greatly improved their recycling rates since the bigger consolidation projects have been finalized. We will focus on the remaining sites for further improvement.

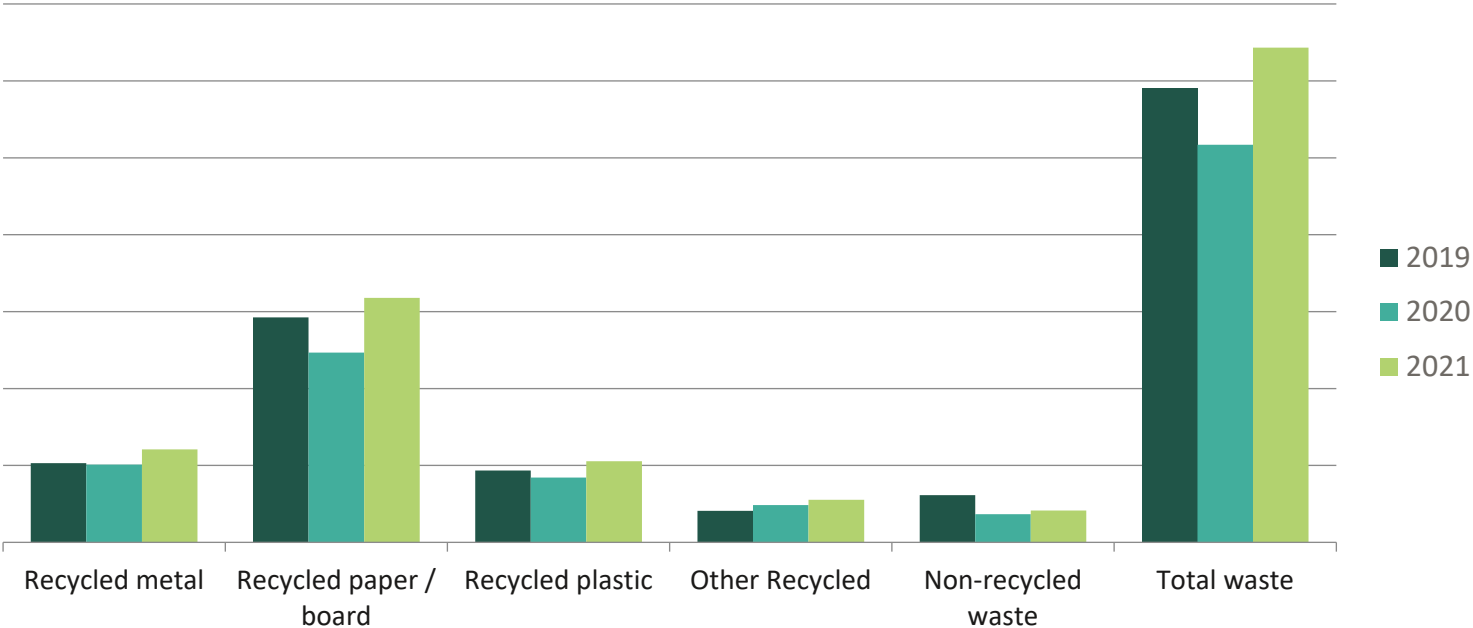
There is a difference across Europe as to which materials are accepted for recycling, not only regarding available facilities but also available volumes. Where high volumes of material are available for recycling, service providers are more selective about what they are prepared to buy and recycle. We experience this in Germany in particular.



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Waste Reduction & Recycling

Waste in kg



Total waste in 2021 was 9% above 2019. Although most sites managed to hold or improve their recycling rate, only half managed to actually reduce total waste.

Overall, the warehouses continued to reduce total waste. The factories however, saw a larger increase in 2021. We will be looking into this in detail to find further ways to reduce our waste.

A high recycling rate is of course very important and 94% is well on the way to the 98% goal. But it is of course better to avoid waste all together than to recycle it! This is embedded deep into our LEAN philosophy and we continue to focus on it every year! See the example on the next page as to how our factory in Arcos reduced waste by re-thinking how to clean the machines!

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Waste Reduction Projects

Arcos Factory, Portugal

To reduce waste, our Arcos facility installed pasting machines that apply glue to the substrates of boards that utilize a low rotation system which prevents the glue from drying during rest periods. This eliminates the necessity for daily cleaning of dried glue, which creates waste that is hazardous and cannot be recycled. These improvements yielded a saving of 13 metric tons of hazardous and non-recycled liquid waste in 2021.

(Left) Nobo Move & Meet Board

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Products

Reducing our Product
Environmental Impact



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ACCO Brands EMEA Sustainable Product Philosophy

We have identified the key factors for our product ranges which will lead to products with a lower environmental impact – and a lower carbon footprint! This forms our product philosophy. If we focus on improving these aspects in comparison to previous models or standard / similar available versions of a product, we know the carbon footprint and overall environmental impact will be reduced. It may not always be possible to improve on all aspects at once, but each and every aspect we improve will lower the footprint of the product.

Quality lasts is intentionally at the top of the circle. Continuing to use a product for a longer period saves resources and emissions. Buying one product instead of two halves the carbon footprint! It is thus our aim to create robust, long lasting products.

Of course, the social impact of creating our products is also very important and you can read about our approach to that on pages 35 to 42.



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A More Sustainable Choice in all Key Categories

ACCO Brands offers a huge range of products from paper folders to complex business machines and we want to gain experience and understanding of the full impact of those products in all the key categories we work in. We're challenging our design teams to find more sustainable alternatives for key products in our key ranges and to study the impact of the new products we develop. In both of these cases, the products should show notable improvements in the points listed in the ACCO Brands Product Philosophy compared to standard products. This can also lead to a reduction of the product carbon footprint. We have defined 21 key categories, where we already have a more sustainable choice available in 10 today (see list on page 54). The tenth of these is Drawing & Writing instruments, where we added PEFC certification to our Derwent pencils in 2021. These pencils are made of responsibly sourced, PEFC certified wood, sold in re-usable, refillable tins and manufactured in an energy efficient, ISO 50001 certified factory in the UK!



2025: A more sustainable choice in all key categories from 10/21 to

21/21

Result 2021: 11/21



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Designing More Sustainable Products

With focus on broadening our sustainable offer and reducing the carbon emissions created by our products, we have set ourselves some ambitious targets for 2025. Using recycled material is a great way to reduce the carbon footprint of our products. We have already increased our use of recycled and sustainably sourced fibres in our paper-based products and packaging in the last years to a constant level of >99% (see page 33.) Now we want to challenge our design teams to also use more recycled plastics. From a base of 50 products containing recycled plastic, covering various files, folders, staplers, punches and desktop items, we increased to 58 by the end of 2021. We want to broaden that to offer many more different products with recycled plastic content over the coming years.

2025: From 50 to

500

Products with **minimum 30% recycled plastic**

Result 2021: 58



Recycled plastic can be post- or pre-consumer recycled

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New in 2021: Kensington Laptop Sleeves made using recycled water bottles

Made using recycled water bottles, the 12" and 14" Eco-Friendly Laptop Sleeve carrying cases not only help protect laptops and tablets from scratches, bumps and drops, they help protect the planet by saving resources and reducing waste. Exterior storage pockets keep accessories and adapters stowed and protected when not in use, while helping to avoid accidentally scratching or damaging the laptop. An adjustable shoulder strap and integrated handle offer multiple carry options. With premium zips and stitching as well as tough material, these sleeves are built to last and will also help to keep your laptop or tablet in great condition for longer, also saving important resources and energy over time.

Made from recycled water bottles

1 sleeve = approximately four recycled water bottles. Perfect for most laptops and tablets up to 12.5 inches.



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Increase sales of Products with a 3rd Party Environmental or Health & Safety Label

4326

Products with 3rd party labels

941

Products with PEFC certification



1256

Products with GS safety certification



2025: **Increase 10pp** from 29% (2019) to **39%**
Result 2021: **36%**

Of course it is always good to have a product's environmental or health & safety credentials verified by a third party, when an appropriate third party certification is available. We have a long history of third party certifications, the oldest being our first Blue Angel certification for recycled products in 1995. Today the certifications verify claims across the whole ACCO Brands product philosophy. In 2021, the IGR certificate for ergonomics as well as the GS safety label was awarded to most of the products in the Leitz Cosy Ergo range and the PEFC label added to many Derwent art products. Additionally, our sales mix is shifting towards tools and machines, many of which are GS safety certified.

223

Products with other certifications
(UL Recycled content, Nordic Swan, IGR Ergonomics, Austrian Ecolabel)



1662

Products with FSC® certification



750

Products with Blue Angel certification



131

Products with Climate Neutral certification



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Paper Usage in Manufacturing and Shipping

	2019	2020	2021
Percent of paper purchased which is FSC® - or PEFC-certified, or recycled	99.2%	99.1%	99.6%
Paper/Board from non-FSC / PEFC, virgin fibres	0.8%	0.9%	0.4%
Paper types in use			
Recycled paper total*	95.1%	93.3%	95.8%
FSC® / PEFC certified paper / wood*	78.8%	71.7%	79.6%

* Material can be both recycled and FSC / PEFC certified.

ACCO Brands is committed to the responsible use of paper and paper-based materials used for the manufacturing of our products and packaging. Overall, well over 99% of our paper & board is either recycled, FSC®- or PEFC-certified. Our target is to source 100 percent of our paper / wood used in the production of our products and for our packaging from FSC®- / PEFC-certified or recycled sources. 11 factories and warehouses are FSC® certified, 1 factory is PEFC certified.



FSC® certified Leitz Cosy notebooks



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Removing plastic packaging

In an effort to reduce plastic packaging waste, our Rapid® Tools business have shifted two products to more sustainable packaging. First, they shifted a portion of their Glue Sticks packaging from plastic bags to FSC® certified boxes. Then, they introduced the EG Pen Glue gun in an FSC® certified box, replacing the PET clamshell. Additional packaging changes are being planned for 2022.



Reducing packaging

Certain information always needs to be conveyed when a product is sold and this is usually found on the packaging. Single Lever Arch Files are sold without box and for many years the required information was available on a paper insert sheet, which often also informed consumers about other product ranges as well as features and benefits of the product in hand. In 2021 we decided that this could be done better: We re-designed the product label to include all necessary information and moved all communications to our websites, thus saving almost 220 tonnes of paper, the equivalent of over 5000 trees, every year!



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People

Working Relationships
& Social Commitment



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Our People: The Heartbeat of ACCO Brands

At ACCO Brands, we are very proud of our team and the passion they show for their work and fulfilling the needs of our customers and consumers! We also know that our teams are very passionate about sustainability topics, from the efficient use of energy and resources in our plants, warehouses and offices to providing products which are made responsibly and with a low environmental impact. Apart from the many projects run in our plants and warehouses, local initiatives in offices, such as replacing lamps with LEDs, recycling coffee pods and plastic water bottles (or use of re-usable glass ones), have been in place for years already. Towards 2025, we want to ensure that every ACCO Brands employee is aware of, and helps us to work towards, our overall company goals and a more sustainable working environment.

Equally, we want to continue to look after and nurture our teams and people. We have a comprehensive H&S management policy and plan, which stood us in good stead throughout the Covid 19 pandemic years*. During this time, many of our office employees worked from home, giving them a chance to test our extensive ranges of home office products such as the Leitz Cosy and WOW ranges. This is now transitioning to hybrid working, with some days in the office and some working from home.

We are working hard on achieving our goal of 25% of our management group being female. Initiatives to support this include gender balanced shortlists, improvements to and better communication of maternity pay and leave, gender pay audits, and training for our HR team on D&I. Our Code of Conduct is an essential guide to the way we conduct business and promotes ethical, lawful and transparent behavior in all aspects of business for employees, officers and directors and third-party agents. All our workforce take part in an annual code of conduct training.



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Supply Chain Responsibility

ACCO Brands-Owned Facilities

- ISO 9001 and 14001 certified
- The ILO Declaration on Fundamental Principles and Rights at Work forms the basis for social standards on every site
- Follow the ACCO Brands H&S policy and Comprehensive Environmental & Safety Management Plan with regular training
- Sustainability reporting: CO₂, water, waste, paper and board use

Suppliers

- Focus on long-term relationships
- Compliance with REACH and the ACCO Brands Restricted Substances List
- All suppliers sign ACCO Brands Supplier Code of Conduct
- Finished goods suppliers in risk countries are risk segmented and audits covering social and environmental aspects are carried out and followed up on by a 3rd-party service provider as required with close monitoring by the ACCO Brands Vendor Compliance and Sourcing teams

Products/Marketing

- Compliance with REACH, RoHS, WEEE, packaging and all relevant EU regulations
- Environmental labels: FSC®, PEFC, Blue Angel, Nordic Swan, UL Recycled Content, Climate Neutral certifications held for 4,300+ products
- Use FSC® -certified/recycled paper and board
- Honest and transparent communication

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Supply Chain Monitoring



ACCO Brands is committed to ensuring that its employees and contract workers are treated with respect and dignity, working conditions in our own facilities as well as our global supply chain are safe, and manufacturing processes are environmentally responsible. We have a Social Responsibility Policy which is guided by the international human rights principles encompassed in the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, and the United Nations' Guiding Principles on Business and Human Rights.

The core of our Social Responsibility Policy is our Supplier Code of Conduct which establishes our standards and expectations regarding working conditions, safety, security and environmental responsibility. We conduct audits of our suppliers as well as our own manufacturing facilities according to a risk segmented approach. For any failures to conform, or "non-conformances" which are identified during the audit, we require the supplier to create a corrective action plan and monitor the progress until all major non-conformances are resolved. Our compliance experts provide support to suppliers with tailored training and coaching on specific social, environmental and governance issues, capacity building, e-learning and sharing best practices. All audits are conducted by a specialized third party. Our audit approach is designed to align risk, influence, compliance, corrective action and investment. Worker Sentiment Surveys are a critical part of our audit process. Using automated technology, workers share their views on topics such as grievance mechanisms, work atmosphere, wages and hours, and production efficiency. Their responses offer insight into issues that may not otherwise surface and provide workers' perspectives that help validate the overall assessment of compliance. A Worker Sentiment Survey was completed as part of 96% of ACCO Brands-initiated, third-party EMEA supplier audits in 2021.

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Supply Chain Monitoring: Results

	Target	2021 Result	Highlights
In-scope suppliers attested to compliance with the ACCO Brands' Supplier Code of Conduct	100%	95%	Some new suppliers missing at year end
Percentage of Priority and Moderate level (>\$100K annual spend) supplier factories audited	100%	100%	53 EMEA suppliers determined to be in-scope for audits in 2021 using a risk-based supplier selection.
Social responsibility audit assessment overall performance	100%	98%	98% of all audit checklist points indicated conformance with applicable standards
Priority issue non-conformance rate	0%	0%	Priority non-conformances are defined as the highest severity of non-conformance
Other non-conformance rate	0%	2%	All other non-conformances

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Our Aim: Zero Accidents!

At ACCO Brands, we are committed to pursuing continuous improvement in Health & Safety within all our locations and attaining our goal of zero accidents and incidents. This is our



We strive to achieve a culture where all employees contribute and take ownership for creating and maintaining a safe working environment. Our Health & Safety management system is laid out in the “Comprehensive Environmental and Safety Management Plan,” which is activated in every ACCO Brands EMEA location.

This year, ACCO Brands EMEA earned the Patron’s Gold Medal award in the annual program sponsored by the Royal Society for the Prevention of Accidents (RoSPA), an organization dedicated to accident prevention in the U.K. and around the world. This year marked the 25th consecutive year that ACCO Brands EMEA received the honor. The award marks achievement at merit, bronze, silver and gold levels. The Patron’s award, which ACCO Brands EMEA has earned, is the highest achievement award.



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Looking After People Everywhere!

Throughout the Covid 19 pandemic we had special programmes in place to protect our people. Anyone who was able to, could work from home to reduce risk. Many people, particularly in our factories and warehouses, had to continue to travel to work and share space with others. We put protocols into place to protect our people as far as possible. A global taskforce provided guidance, protocols, signage and updates on Covid 19 related topics and created a dashboard to give a clear overview of what was happening across the sites.



People at work everywhere were needing extra protection at this extraordinary time and ACCO Brands EMEA also stepped up to support this, with a broad range of acrylic screens, designed to help protect people in all kinds of working situations.



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Healthy and Safe Work Environment

Total Statutory Reportable Accidents at Factories and Warehouses

Facilities EMEA	2019	2020	2021
Kozienice, Poland	3	3	3
Uelzen, Germany	0	2	3
St. Niklaas, Belgium	2	0	0
Gorgonzola, Italy	1	1	0
Cerkezkoy, Turkey	0	0	0
Lanov, Czech Republic	3	0	1
Hotkovo, Russia	0	0	0
Hestra, Sweden	1	1	2
Arcos, Portugal	0	0	1
Lillyhall, U.K.	0	0	0
Shanghai, China	1	3	1

Warehouses EMEA	2019	2020	2021
Heilbronn, Germany	7	4	1
St. Amé, France	2	0	1
Halesowen, U.K.	1	0	0
Barcelona, Spain	0	1	2
Total Accidents	21	15	15

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ACCO Brands EMEA

Sustainable Development Report 2021

Results Summary



TAKING CARE OF TOMORROW

ACCO Brands EMEA Sustainability Scorecard 2021: Operational Environmental Impact



	Target 2025	Target change from 2019*	2019 Result	2021 Result	Progress
Emissions: Total CO ₂ CO ₂ from Electricity MWh electricity	2 250 T CO ₂ 0 22 830 MWh	-75% -100% -10%	9 745 T CO ₂ 7 550 T CO ₂ 25 369 MWh	8 524 T CO ₂ 5 967 T CO ₂ 25 266 MWh	In a year more comparable to 2019 (after the pandemic year 2020) we made good progress. We also kicked off work towards our 2025 zero emissions from electricity goal, with a 21% reduction!
Water Consumption: All factories & warehouses	25 345K Litres	-15%	29 818K Litres	31 426K Litres	Increase on 2019 but savings at 11/16 locations show projects are effective.
Zero Waste In factories & warehouses	98% of total waste recycled	+5pp	93% of total waste recycled	94% of total waste recycled	A small increase due to improvements in the warehouses but there is more to do!
33% of our company car fleet hybrid or electric	33%	Change from 2020: 28pp	2020: 5.6%	10%	The willingness of the company and people is there, the local infrastructure is often missing!

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ACCO Brands EMEA Sustainability Scorecard 2021: Product Environmental Impact



	Target 2025	Target change from 2020	Result Base Year	2021 Result	Progress
A Sustainable Choice in every key category	21/21 categories	+11 categories	2020: 10	11	The PEFC certification for the Derwent brand was a great step towards a more sustainable choice for our customers!
500 Products Where minimum 30% of plastic is recycled	500 Products	+450	2020: 50	58	We are just starting on the road to find more technically feasible and affordable recyclates!
Increase revenue from sales of 3 rd party certified products by 10pp	39%	+10pp	2019: 29%	36%	Increased sales of products with GS and additional sales of PEFC certified products.
Sustainably sourced /recycled wood fibres used in manufacturing	100%	+0.7%	99.1%	99.6%	PEFC certification on our Derwent pencils made in Lilyhall brought us a step closer to our goal!

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ACCO Brands EMEA Sustainability Scorecard 2021: Working Relationships & Social Commitment



	Target 2025	2021 Result	Progress
25% of management group (Director+) being women	25%	20%	Programmes have been kicked-off, initial progress has been made.
In scope, tier 1 suppliers signed up to the ACCO Brands Code of Conduct	100%	95% of non-European OEM suppliers have signed our Code of Conduct.	The list of suppliers changes constantly and the documentation must be kept up to date.
Percentage of Priority and Moderate level (>\$100k annual spend) supplier factories audited	100%	100%	53 suppliers were defined as being in scope in 2021 as explained on page 38.
Priority issue non conformance rate Other non-conformance rate	0% 0%	0% 2%	Of those suppliers audited, only 2% of audit lines were assessed as non-conforming and improvement plans were agreed on together with the suppliers.
Zero Accidents	0	15	Despite difficulties around Covid 19, we maintained the same accident rate as 2020. But we aim for zero!

TAKING CARE OF TOMORROW

UN Sustainable Development Goals

With our actions to lessen our impact on land and air and to improve social conditions in our company and with suppliers, we support some of the United Nations Sustainable Development Goals as listed:



5. Gender Equality

5.5.2 proportion of women in managerial positions

➔ See our goal to increase women in management positions, pages 36 & 46



8. Decent Work & Economic Growth

8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

➔ See our approach to supply chain responsibility on pages 37-39



12 Responsible Consumption & Production

12.5. By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

➔ See our actions on waste prevention & recycling, pages 23-26 and this report as a whole as evidence of our adoption of sustainable practices



13 Take urgent action to combat climate change and its impacts

➔ Not specific to a UN target but we aim to reduce our emissions to air and monitor our progress here. For our climate neutral products, we also invested in renewable power projects.



15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally

15b Mobilize significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation

➔ See our efforts to use recycled & responsibly sourced paper & wood on page 33. For our climate neutral products, we also invested in a forest protection project in South America.

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ACCO Brands EMEA

Sustainable Development Report 2021

Additional Information



TAKING CARE OF TOMORROW

ACCO Brands EMEA Key Products:



Lever Arch Files
& Binders



Pockets, Folders,
Indices & Dividers



Hanging Files &
Presentation Folders



Letter Trays/ Moulded
Products



Staplers & Perforators



Storage &
Archiving



Paper Pads



Ergonomics &
Wellbeing



Computer Accessories &
Security



Binding &
Lamination



Paper Shredders



Visual Communication

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ACCO Brands EMEA Key Products:



Manual Tackers



Hammer Tackers



Electric Tackers & Nailers



Pneumatic Nailers



Hot Air Guns



Glue Guns



Riveting



Cassette Stapling Units
Printers & Copiers



Print Finishing Solutions (PFS)



Xyron Creative Solutions



Fine Art Supplies



Social Distancing

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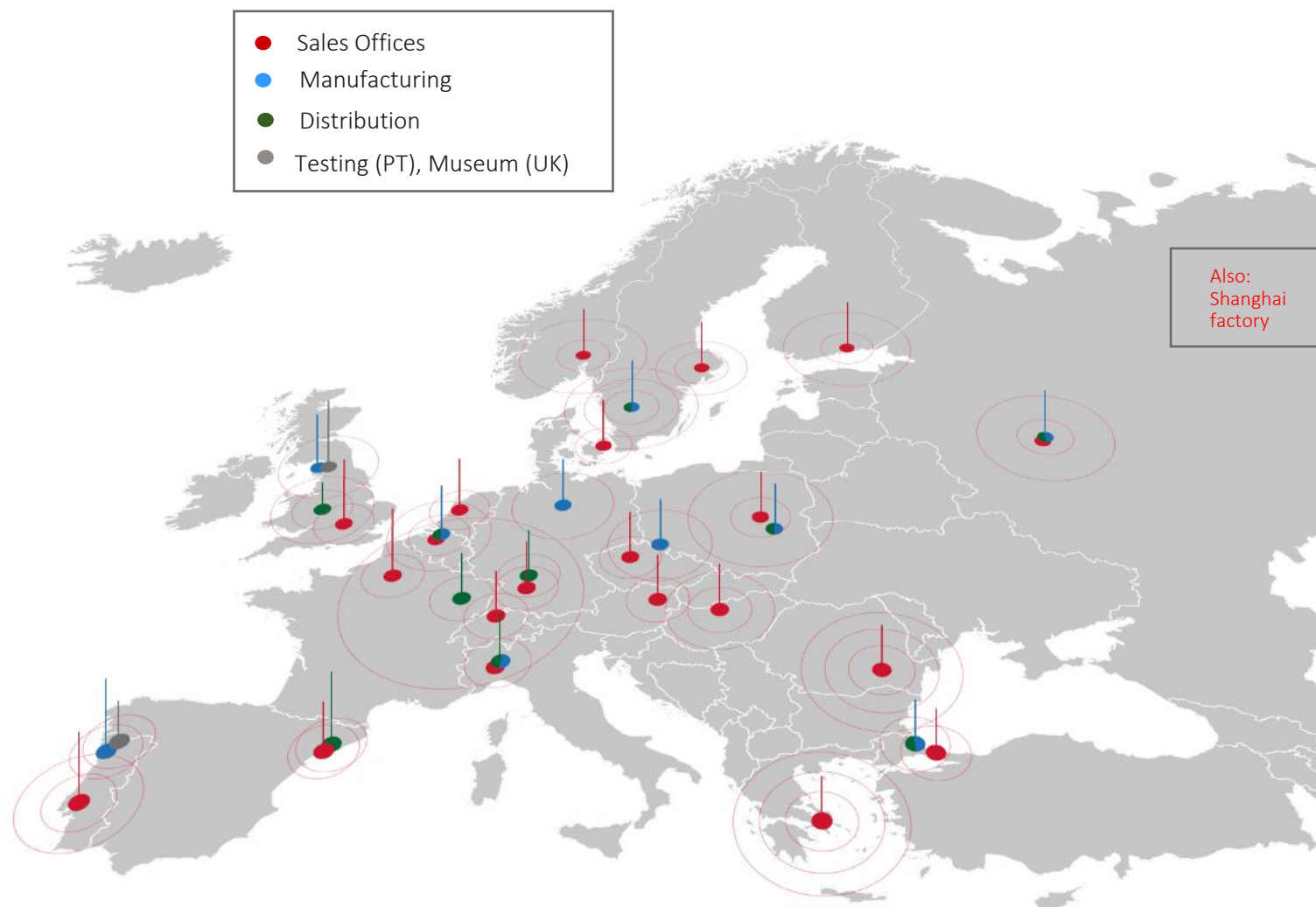
ACCO Brands EMEA: Manufacturing & Distribution:

Ten EMEA Factories plus Shanghai:

- Sint Niklaas, Belgium
- Arcos, Portugal
- Lillyhall, U.K.
- Uelzen, Germany
- Gorgonzola, Italy
- Hestra, Sweden
- Lanov, Czech Republic
- Kozienice, Poland
- Hotkovo, Russia
- Cerkezkoy, Turkey
- Shanghai, China

Five Additional Distribution Centers:

- Halesowen, U.K.
- Barcelona, Spain
- St. Amé, France
- Heilbronn, Germany
- Prague, Czech Republic



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ISO Certifications

ACCO Brands is committed to maintaining internationally recognized quality and environmental standards across all of our EMEA production facilities. As such, they are all (plus the Shanghai facility) ISO 9001 and 14001 certified. In addition, all warehouses and Sales offices in Europe are also certified to these management systems.

Eight sites in Germany and the UK are also certified to ISO 50001 for Energy Management.



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EMEA Sustainability Steering Committee

We host a quarterly meeting to go over current position and plan future projects and goals attended by:

- Senior Vice President, Operations
- Senior Vice President, Marketing and R&D
- Vice President, Operations, Production
- Vice President, Procurement
- Vice President, Human Resources
- Vice President, Innovation and R&D
- Sustainability Director, Europe

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A More Sustainable Choice in Every Key Category

Category	More Sustainable Choice Available	Done
Lever Arch Files & Accessories	Blue Angel certified, recycled, recyclable, CO ₂ neutral versions	✓
Indices & Dividers	Blue Angel, recycle, climate neutral	✓
Pockets & Folders	Recycled, climate neutral	✓
Document Presentation & Organisation	Blue Angel certified, recycled, climate neutral	✓
Archive boxes & Storing	Recycled, FSC® certified, recyclable	✓
Suspension filing	Blue Angel certified, recycled, climate neutral	✓
Desktop (Moulded)	Blue Angel certified, recycled, climate neutral	✓
Staplers & Pliers	Recycled, recyclable, climate neutral	✓
Staples & staple cartridges	Boxed versions, staples themselves are always recyclable	✓
Hole punches	Recycled, recyclable, climate neutral	✓

Category	More Sustainable Choice Available	Done
Lamination machines & supplies	Not yet	✗
Shredders	Not yet	✗
Whiteboards	Not yet	✗
Connect IT Docks, Hubs, Cables & Adaptors	Not yet	✗
Control IT Trackball, Mice & Keyboards	Not yet	✗
Ergonomic products	Not yet	✗
Secure IT / Kensington Security	Not yet	✗
Health & Wellness / Air Purifiers	Not yet	✗
Drawing & Writing Instruments	PEFC certified, refillable tins	✓
Stapling guns manual	Not yet	✗
Tools, staples	Boxed versions are available but we aim to switch more blister to boxed versions	✗