



ESG 2019

REPORT



PLANET PEOPLE PRODUCTS





A MESSAGE TO OUR STAKEHOLDERS

At ACCO Brands, our core values guide the way we conduct our business.

This is the third consecutive year we are publishing our Environmental, Social and Governance Report, which outlines our commitments and highlights our performance. Throughout this ESG Report, you will read about how we are driving efficiencies throughout our operations to benefit our **PLANET**. You will learn how we are promoting diversity and inclusion to create a great place for **PEOPLE** to work, and get a view of some of the contributions we make in the communities where we live and work through our corporate charitable giving initiative. You will also see examples of how we are living our values by offering innovative and sustainable **PRODUCTS** to our customers.

In 2019, we reviewed our sustainability strategy and used the Sustainability Accounting Standards Board (SASB) Materiality Matrix to help focus our efforts on the five most relevant initiatives for our business, as expressed by our stakeholders, and those that we can best act on in the near term. These areas include Energy Management, Data Security, Workforce Diversity and Inclusion, Product Sourcing, Packaging and Marketing, and Labor Conditions in the Supply Chain. Also this year we are announcing our first set of global sustainability goals for energy efficiency, diversity and third-party environmental certification.

We believe acting responsibly in our global community is an integral part of what makes ACCO Brands the **Home of Great Brands Built by Great People**.

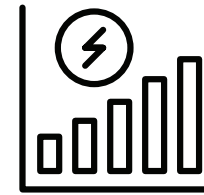
Sincerely,

Boris Elisman

Chairman, President and Chief Executive Officer



GOALS



10%

Increase our energy efficiency at our facilities by 10% by 2025



33%

Increase the percentage of Director and above female leaders globally to 33% by 2025



10pp

Increase the percentage of our revenue from products certified to third-party environmental and social sustainability standards by 10 percentage points by 2025

2019 ESG Report Highlights



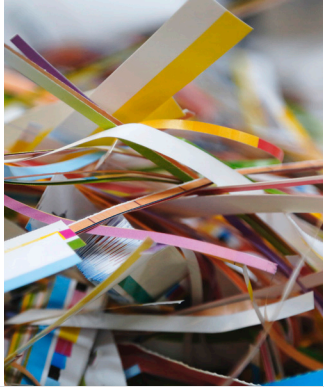
12%

Reduced water consumption by 12% in those factories and warehouses reported in our 2018 ESG report



2.2M

Donated approximately \$2.2 million in monetary and in-kind contributions to charitable organizations around the world



83%

Recycled 83% of the non-hazardous waste in our factories and warehouses



92.7%

Achieved an average score of 92.7% for internal Comprehensive Environmental and Safety Management Plan audits



96%

Suppliers audited achieved conformance with applicable standards on 96% of all social responsibility audit check points



9

Increased the number of sites that earned the ISO 50001 Energy Management standard certification from four to nine

950+

Suppliers completed 950+ e-learning modules on various compliance topics, such as labor, health & safety, security, and corrective action plan management

ACCO BRANDS COMPANY PROFILE

ACCO Brands, the Home of Great Brands Built by Great People, is one of the world's largest designers, marketers and manufacturers of branded academic, consumer and business products. Our widely recognized brands include Artline®, AT-A-GLANCE®, Barrilito®, Derwent®, Esselte®, Five Star®, Foroni®, GBC®, Hilroy®, Kensington®, Leitz®, Mead®, Quartet®, Rapid®, Rexel®, Swingline®, Tilibra®, Wilson Jones® and many others. We have manufacturing, distribution and office locations in 34 countries. Our products are sold in more than 100 countries around the world.

More information about ACCO Brands can be found at www.accobrand.com.

FIVE STAR®
★★★★★
2019-2020



Our Commitment

ACCO Brands is committed to delivering sustainable, long-term value to our investors, colleagues, customers and communities through environmental, social and governance stewardship. Our commitment to sustainability is anchored firmly in our corporate values and has been an integral part of our corporate culture for more than 100 years. **PLANET, PEOPLE and PRODUCTS** are the foundation of our global sustainability platform.

Planet



ACCO Brands' commitment to the planet is a driving force in our operations. We strive for greater efficiencies in the procurement, use, and ultimate disposal of our resources.

CLIMATE CHANGE

As global citizens, we're concerned about the negative consequences of climate change and are committed to doing our part to reduce greenhouse gas emissions.



Energy Management

Increasing the energy efficiency of our facilities by reducing the energy intensity of our operations is a cost-effective way to reduce emissions and support our sustainability strategy. To focus our efforts on this important initiative, we have established a global goal to increase energy efficiency at our factories and warehouses, as well as offices with 50+ employees, by 10% from our 2019 baseline* by 2025.



*Baseline = 46.74 MWh/million USD net sales

GOAL

10%

Increase energy efficiency at our facilities by 10% by 2025



Electricity Consumption

Our manufacturing, warehousing and offices with greater than 50 employees consumed 80,433 MWh of electricity in 2019. The facilities reported in our 2018 report reduced energy consumption by 2.8%. Electricity consumption comprises almost 89% of our total CO₂ emissions.

This decrease was largely attributable to energy saving projects at several locations, including replacing older inefficient air compressors and installation of LED lights and movement detectors.



Carbon Dioxide Emissions

In addition to reporting our CO₂ Scope 1 and Scope 2 emissions from our manufacturing and warehousing locations, we have decided to include our office locations with more than 50 employees, given their energy intensity. In 2019, our sites generated 42,507 tonnes of CO₂. For those sites reported in our 2018 ESG report, emissions increased by 0.2 percent. This increase is attributed to increases in electricity conversion rates for existing electricity providers at several of our locations, as well as a small increase in the use of natural gas at some of our locations, which contributes to higher CO₂ emissions.

Scope 1 emissions are emissions that come directly from ACCO Brands' manufacturing, warehousing and office locations. Scope 2 emissions are emissions that come from energy we purchase to run our manufacturing, warehousing and office locations.



Nine ACCO Brands facilities (11%) have earned certifications under the ISO 50001 Energy Management standard. ISO 50001 is designed to help an organization improve its energy performance through making better use of its energy-intensive assets. Improved energy performance maximizes the use of energy sources and energy-related assets, reducing both cost and consumption.

ENVIRONMENTAL MANAGEMENT

Forty-two percent of our ACCO Brands factory, warehouse and office sites have achieved ISO 14001 Environmental Management certification. ISO 14001 provides a systematic framework to reduce environmental impact by integrating management practices with supporting environmental protection, preventing pollution, minimizing waste and reducing energy and materials consumption.



WASTE REDUCTION

In 2019, 83% of the non-hazardous waste produced by our factories and warehouses was recycled. The recycle rate declined from 86% in 2018 because of changes in our manufacturing and warehouse footprint, which led to more non-recyclable waste, as sites managed through obsolescence.



WATER CONSUMPTION

Our factories and warehouses reduced their overall water consumption by almost 3% from 2018. When compared against our 2018 water usage, 2019 includes an additional five sites not included in our 2018 report. The five sites included one new site from an acquisition, one new assembly operation and three sites with water data previously unavailable from the landlords. The facilities that were reported in last year's report had a 12% reduction of water consumption from 2018. The reduction of water consumption is attributable to projects at various locations to improve water management and usage awareness.

People



ACCO Brands will continue to do our part in trying to make the world a better place by treating everyone with respect, valuing diversity, making our company more inclusive and providing opportunities for employees to succeed. Our corporate values include acting responsibly in our global communities through numerous employee volunteer and outreach initiatives.

We encourage our employees to make a difference in our company and in their communities by building on a fundamental commitment to integrity, teamwork, respect and inclusivity.



GOAL

33%

Increase the percentage of Director and above female leaders globally to 33% by 2025

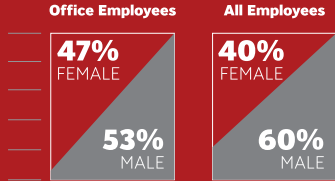
TALENT MANAGEMENT

As the Home of Great Brands Built by Great People, we believe our employees are the key ingredient to our success. In alignment with our Vision, Values and Leadership Promise, we strive to create a great place to work ... one that attracts top talent and motivates them to stay and contribute to our winning team. The company's strategic plan for Human Resources, the ACCO Brands People Plan, includes four areas of focus: Talent, Leadership, Collaboration and a strong HR Foundation. These areas of focus further advance our People Plan.



Diversity and Inclusion

At ACCO Brands, our values include respecting the individual and celebrating diversity. We are stronger when we reflect the rich diversity of the communities in which we work and the consumers who use our products. We want our workforce to reflect the communities where we are based and the markets and consumers we serve. By 2025, our goal is to increase the percentage of Director level and above female leaders globally to 33% (40% in North America).



As of 12/31/2019



Talent Development

We invest in our employees by building individual and organizational capabilities that provide relevant learning and development solutions closely linked to business strategies. We deliver company-required learning to ensure compliance with our Code of Conduct and other important policies. We enhance leadership effectiveness by fostering managers who recognize that people leadership is where they impact the business and their teams. One important priority, “Raising the Bar” on leadership development, supports the company’s mission to have effective leaders at all levels.

We “Raise the Bar” by investing in the following ACCO Brands Leadership Development programs:

Leadership Academy – people management training for directors;

Leadership Basecamp – people management training for managers; and

Ongoing Leadership Development – continuous, targeted capability-building for all managers.



Talent and Succession Planning

Building and sustaining strong talent pipelines continue to be areas of great focus for ACCO Brands and are critical to our diversity goal and business success.

We continue to evolve our talent and succession planning processes to support the appropriate development and opportunities for our next generation of leaders. We know that offering the right mix of on-the-job experiences and learning and development will support our goal of building capable and ready talent to lead the company. In 2019, we developed talent profiles for our Vice Presidents, a framework that supports their personal development plans.

Managing Engagement and Change

At ACCO Brands, an important factor in our ability to deliver sustainable, long-term value and optimize resource utilization is our proactive management of employee engagement and change.

Employee Engagement – We periodically invite employees to give candid feedback about their experiences working for ACCO Brands and our employees enthusiastically respond at world-class participation rates. We also encourage employees to volunteer their time, efforts, and ideas to create a work culture that reflects their ideals and values. This active engagement of leadership and employees not only drives our workplace culture, it also results in positive business performance.

Change Management – Our enterprise change management strategy is designed to increase ACCO Brands change capacity and accelerate successful change within the organization. Our goal is to build change management competency by training managers, project leaders and human resources professionals to support, equip and enable individuals to transition from current state to future state so the organization realizes positive business results.

OCCUPATIONAL HEALTH & SAFETY

We are committed to Mission Zero—pursuing continuous improvement in Health and Safety within all our locations and to attain our goal of zero accidents and zero incidents.

We have implemented our Comprehensive Environmental and Safety Management Plan (CESMP) as an overall management system for our manufacturing and distribution locations. CESMP audits are completed by our EHS teams. Audit performance is a measurement of the proactive steps each location is taking to prevent injuries.



78%

of manufacturing and distribution facilities were audited in 2019

92.7%

Average score for CESMP audits was 92.7% in 2019



x6

National Safety Council Operational Excellence Achievement Awards were presented to six U.S. locations in 2019



ACCO Brands EMEA was awarded the RoSPA Order for Distinction. The award recognizes an organization's overall health and safety performance, policies and procedures.

SUPPLY CHAIN RESPONSIBILITY

We are committed to responsible sourcing and we engage, support and collaborate with our suppliers in pursuit of this objective.

950+

Suppliers completed 950+ e-learning modules on various compliance topics, such as labor, health & safety, security, and corrective action plan management

100%

100% of 260 in-scope supplier factory locations were audited

96%

96% of all social responsibility check points audited indicated conformance with applicable standards

87%

87% of requested suppliers certified compliance with ACCO Brands' Supplier Code of Conduct



ACCO Brands is a member of the Retail Industry Leaders Association (RILA) which keeps us abreast of industry trends in the areas of social compliance, human trafficking and trade.

SOCIAL RESPONSIBILITY PROGRAM

ACCO Brands continues to be committed to ensuring that workers are treated with respect and dignity, working conditions in our supply chain are safe and manufacturing processes are environmentally responsible. [See ACCO Brands' Social Responsibility Policy here.](#)

The basis for social responsibility audits is ACCO Brands' *Supplier Code of Conduct*. If non-conformances 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 our suppliers with tailor-made training and coaching on specific social, environmental and governance issues, capacity building, e-learning and sharing best practices.

In 2019, we began developing a new audit model to transition from a geographical risk model to a segmented approach. This new approach, which will be rolled out in 2020, aims to better align risk, influence, action and investment.

Metric	Target	2019 Result	Highlights
In-scope suppliers attested to compliance with the ACCO Brands' Supplier Code of Conduct	100%	87%	Launched updated Code of Conduct campaign with third-party online platform
Percentage of Priority and Moderate level (>\$100K annual spend) supplier factories audited	100%	100%	260 suppliers determined to be in-scope for audits in 2019 using a risk-based supplier selection; 55% audited by our third-party auditors; 45% using other standards (ICTI, WRAP, SMETA, BSCI, SA8000)
Social responsibility audit assessment overall performance	100%	96%	96% of all audit checklist points indicated conformance with applicable standards
Priority issue non-conformance rate	0%	1%	Priority non-conformances are defined as the highest severity of non-conformance
Priority issue corrective action rate	100%	100%	Completed within 30 days
Other non-conformance rate	0%	12%	All other non-conformances
Other non-conformance corrective action rate	100%	94%	Completed within 60-90 days



COMMUNITY

ACCO Brands Charitable Giving and Community Outreach Initiatives

Giving back to the communities where we live and work is important to us as a company and to our people.

In 2019, we made approximately \$2.2 million in monetary and in-kind donations to charitable organizations around the world. In addition to our overall corporate commitment to the City of Hope, our employees and our company support many local charities through volunteering, donating products, providing financial support and creating strategic partnerships.

Some examples of our charitable and community outreach initiatives include collecting and delivering toys for ill children undergoing medical treatment in Mexico; sponsoring an organization that focuses on the promotion of human rights, with an emphasis on the rights of people with disabilities, in Brazil; assembling gifts for children in third-world countries during the holidays in Australia; and honoring an international day of charity by executing various campaigns and activities for local nonprofit organizations throughout Europe.



City of Hope

In 2019, our giving campaign in support of City of Hope raised approximately \$1 million through company-sponsored efforts in the U.S. The company has long been a supporter of City of Hope, an independent biomedical research and treatment center for cancer, diabetes and other life-threatening diseases.

Kids In Need Foundation

ACCO Brands is proud to be a long-time partner of Kids In Need Foundation (KINF), whose mission is to ensure that every child is prepared to learn and succeed in the classroom by providing free school supplies in the United States to students most in need. In 2019, we supported KINF through \$338,000 in monetary and in-kind donations.



Products

Our commitment to sustainability is a driving force behind our products and product development processes and reflects a company built on integrity, accountability and stewardship. We distribute products in more than 100 countries and are committed to selling products that are safe, sustainable and high quality.



PRODUCTS CERTIFIED TO ENVIRONMENTAL AND SOCIAL SUSTAINABILITY STANDARDS

Product certification to environmental and social sustainability standards is an indicator of a product's safety, reliability, quality and authenticity.

The sale of products certified to environmental and social sustainability standards generated **31.9%** of our revenue in 2019.

Certifications included:

- Art and Creative Materials Institute (ACMI) Approved Product
- Austrian Eco Label
- Blue Angel
- ENERGY STAR
- Forest Stewardship Council (FSC)
- Geprüfte Sicherheit
- Good Environmental Choice Australia (GECA)
- Nordic Swan
- Programme for the Endorsement of Forest Certification (PEFC)
- Sustainable Forestry Initiative (SFI)
- UL Recycled Content

GOAL

10 pp

Increase the percentage of our revenue from products certified to third-party environmental and social sustainability standards by 10 percentage points by 2025

Paper Stewardship

We use a considerable amount of wood fiber in our paper products. As such, sourcing timber that is grown in responsibly managed forests and is harvested legally - or has recycled content - is essential to our business. We are proud that 52% of our manufacturing sites hold various third-party paper certifications, such as SFI, FSC and PEFC.

317,161,677

Over 317 million units of product sold in 2019 carried a SFI, FSC or PEFC certification.

PRODUCT SAFETY POLICY

ACCO Brands is committed to providing customers with safe products that meet or exceed their expectations for quality and safety and are designed to comply with all laws, standards and regulations. Our customers and consumers can be confident that our products are safe when used as intended. Our product safety program defines core requirements that include minimum product composition and safety standards, based on human health and environmental safety factors.

We take a risk-based due diligence approach when assessing the safety of our products. An important step of this assessment process is a product safety and compliance review, which is incorporated into our product development process. For our global products, we have a four-step gate process for products we develop that includes identification of all requirements and chemical restrictions before our products go to market.

All electrical products are designed to meet product safety, energy efficiency and electromagnetic compatibility (EMC) requirements, as applicable. Higher risk products are subject to a more stringent level of laboratory accreditation requirements, and we often obtain third-party certifications that include factory inspections. In addition, all products developed in-house are subjected to a hazard-based safety review during the development cycle to ensure that they meet industry safety standards.

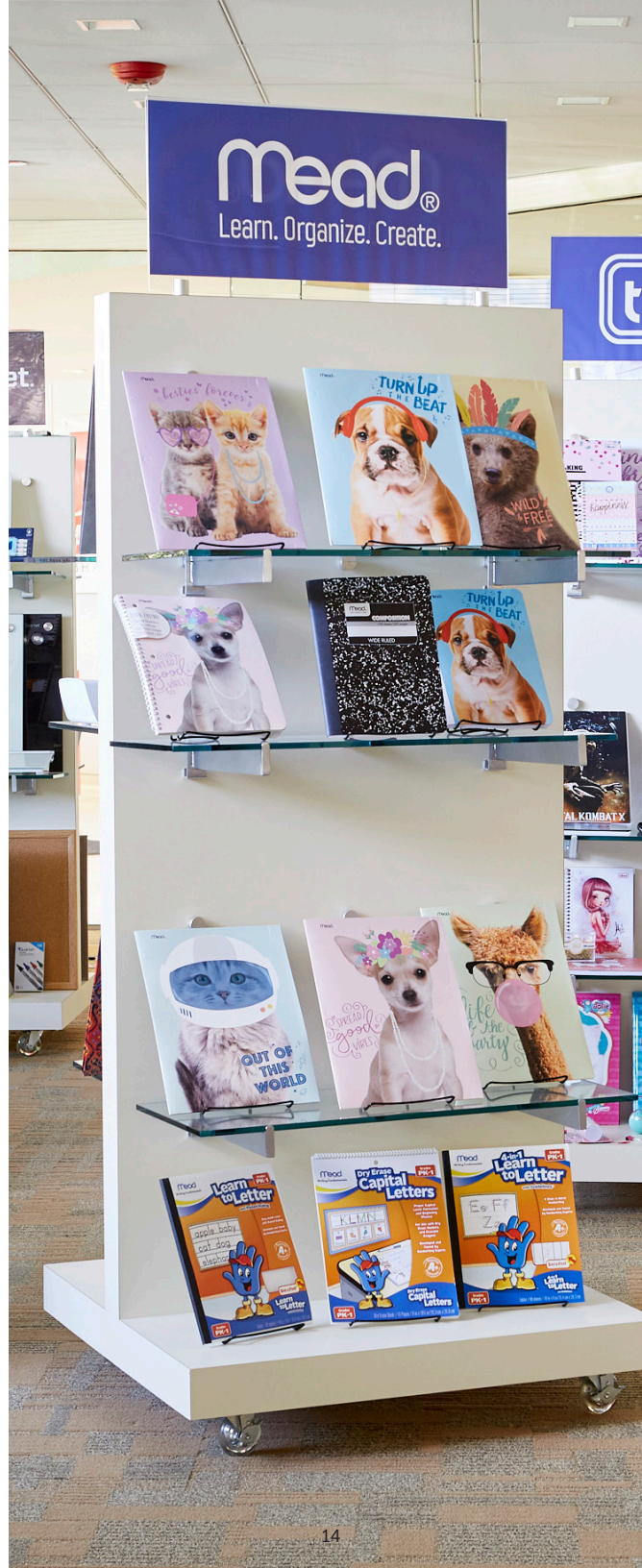
2019 Highlights:

253

substances are listed on our Restricted Substances List (RSL)

645

RSL requirements were communicated to 645 suppliers



QUALITY

Quality Management System:

ACCO Brands' suppliers and manufacturing locations follow industry best practices in assuring the quality of products. This is achieved through periodic quality system and process audits performed either by company personnel or third parties.

361

quality audits were conducted across ACCO Brands' supplier and manufacturing base

Production Start Approval:

Releases of new products are controlled through a Production Start Approval process that incorporates testing and evaluation of product samples, and implementation of quality control plans.

515

global and U.S. regional products were released through the Production Start Approval process.

Quality Control:

During production or before shipment, product inspections are performed by company employees or third-party inspectors. Inspections provide confirmation that aesthetic, function, packaging and labeling meet our specifications.

33,164

product inspections were conducted across ACCO Brands' supplier and manufacturing base



PACKAGING

We are committed to using consumer-friendly and environmentally responsible packaging and strive to reduce packaging where possible. A significant amount of our packaging contains recycled content and/or is recyclable. In 2020, we plan to begin benchmarking our current state of packaging. This effort will focus on strategic opportunities to reduce packaging, increase recycled content and consider material substitutions to lower our environmental impact.

AUSTRALIAN PACKAGING COVENANT

ACCO Brands Australia is a member of the Australian Packaging Covenant Organization (APCO), a co-regulatory, not-for-profit organization with the aim of reducing the harmful impact of consumer packaging on the Australian environment. APCO's goals are to optimize resource recovery of consumer packaging through the supply chain and prevent the impact of fugitive packaging on the environment. As a member, ACCO Brands Australia has committed to assess packaging using the Sustainable Packaging Guidelines and the Australasian Recycling Label (ARL) - an evidence-based on-pack labeling system that advises consumers how to correctly dispose product packaging.



Governance

The company's Board of Directors has adopted Corporate Governance Principles. Along with the company's Restated Certificate of Incorporation and Bylaws, charters of the Board of Directors' committees, our Code of Conduct and other key policies and practices of the Board of Directors, the Principles provide a framework for the governance of the company.

These documents are available on our website at:

<https://accobrandsgcs-web.com/corporate-governance/principles-documents-charters>



CODE OF CONDUCT

Our Code of Conduct is an essential guide to the way we conduct business. The collection of policies, practices and procedures that comprise the Code are intended to promote ethical and lawful behavior in all aspects of business for employees, officers and directors. The Code articulates the corporation's values of integrity and respect for others, and commitment to diversity and responsible behaviors in, and support for, the communities in which we work and live. Above all, it requires that the conduct of everyone associated with ACCO Brands, including our suppliers and other partners, is ethical and lawful and respects the dignity of others.

The Code of Conduct can be found at:

<https://www.accobrandsgcs.com/code-of-conduct/>



DATA SECURITY AND PRIVACY COMMITMENT

ACCO Brands is committed to securely protecting the data of its employees, customers, consumers, and others. Our Cybersecurity, Privacy and Risk Management teams collectively work to promote security and privacy throughout the organization based on fundamental principles of security, accountability, transparency, fairness and individual rights.

We understand our responsibility to promote security and privacy throughout the organization. To that end, we undertake several privacy initiatives each year, including periodic cybersecurity and privacy awareness training sessions. The company also created a data inventory documenting how it uses personal data, as well as data protection impact assessments for processes that could potentially pose privacy risks to individuals.

The company is a corporate member of the International Association of Privacy Professionals (IAPP), the world's largest and most comprehensive global information privacy community.

SPEAKING UP

ACCO Brands encourages the active involvement of its employees, officers and directors in the detection and prevention of misconduct, including the reporting of such activity to the employee's manager, another manager the employee trusts, the Human Resources department, the Legal and Corporate Compliance department or MySafeWorkplace – a telephone and internet-based reporting system. The company does not allow retaliation against employees for reports made in good faith.



ACCO BRANDS

SASB REFERENCE TABLE

Our 2019 ESG Report marks ACCO Brands' first time reporting to the SASB framework. As a diversified consumer goods manufacturer, the nature of our business does not fit squarely within one industry as defined by the Sustainable Industry Classification System. We focused on the Consumer Goods sector standards to identify which topics are material to our business and identified five topics within the Multiline and Specialty Retailers & Distributors and Toys & Sporting Goods industry standards.

The Sustainability Accounting Standards Board (SASB) is an independent, private sector standards-setting organization dedicated to enhancing the efficiency of the capital markets by fostering high-quality disclosure of material sustainability information that meets investor needs. This table references the Standards for Multiline and Specialty Retailers & Distributors and Toys & Sporting Goods industries as defined by SASB's Sustainable Industry Classification System (SICS) with the location of that information in ACCO Brands 2019 ESG Report or accobrand.com.

Topic	Accounting Metric	Category	Unit of Measure	Code	Data	Reference
Energy Management	Total energy consumed	Quantitative	Gigajoules (GJ)	CG-MR-130a.1	329,822 GJ	ESG: Climate Change, pages 5-6
	Percentage grid electricity				88%	
	Percentage renewable				4.5%	
Data Security	Description of approach to identifying and addressing security risks	Discussion and Analysis	N/A	CG-MR-230a.1		https://www.accobrand.com/compliance-center/acco-brands-data-security-privacy/
Workforce Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	Quantitative	Percentage (%)	CG-MR-330a.1	Global Management: Female 34%, Male 66% Ethnic Minorities in U.S. Management: 16% (Management includes Managers and above. Data as of Dec 31, 2019)	ESG: Diversity and Inclusion, page 8
Product Sourcing, Packaging & Marketing	Revenue from products third-party certified to environmental and/or social sustainability standards	Quantitative	Reporting currency	CG-MR-410a.1	\$624,609,498 (31.9% of 2019 revenue)	ESG: Products Certified to Environmental and Social Sustainability Standards, page 13
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	N/A	CG-MR-410a.2		https://www.accobrand.com/compliance-center/chemical-management/
	Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	N/A	CG-MR-410a.3		ACCO Brands is committed to using consumer friendly and environmentally responsible packaging. A significant amount of our packaging contains recycled content and/or is recyclable. In 2020, we plan to begin benchmarking our current state of packaging and focus on opportunities to reduce packaging, increase recycled content and consider material substitutions to lower our environmental impact.
Labor Conditions in the Supply Chain	Number of facilities audited to a social responsibility code of conduct	Quantitative	Number	CG-TS-430a.1	260 facilities	ESG: Social Responsibility Program, page 11
	Direct suppliers' social responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	Quantitative	Rate	CG-TS-430a.2	Priority non-conformance rate: 1.1% Priority non-conformance corrective action rate: 100% Other non-conformance rate: 12% Other non-conformance corrective action rate: 94% within 60 - 90 days	ESG: Social Responsibility Program, page 11



CLOSING THOUGHTS

We are excited to announce our first set of global sustainability goals relating to energy efficiency, diversity and products certified to third-party environmental and social sustainability standards. We expect to add more goals and make more progress over time.

Acting responsibly in our global community goes beyond doing the minimum of what we are required to do or what we are expected to do. It includes having a positive impact on the environment, as well as protecting and helping the people who work for our company or who live in the places where we do business. It also means that we act in an ethical and conscientious manner in conducting business and managing our company.

We recognize that our actions can have impacts across the globe, and we are committed to ensuring that those impacts are positive ones.

Acting responsibly in our global community is a key part of what makes us the Home of Great Brands Built by Great People.

