August 10th, 2012

The Delphi Group and Corporate Knights have assessed Canadian Tire Corporation's (CTC) Q2 2012 Business Sustainability Performance Report to provide CTC stakeholders with an independent review. The objective of this review is to determine if the appropriate due diligence is in place for accurate public disclosures. In addition, a comparison of four of Canadian Tire's peers' (*Mountain Equipment Co-Op, Home Depot, Staples, and Wal-Mart*) sustainability reporting was conducted to see how CTC is performing with regards to public disclosures. For CTC's response to the previous quarter's (Q1 2012) recommendations please see Appendix A.

Overall, we found the following:

1. **Comprehensive business sustainability accounting system**: CTC has the appropriate due diligence and accounting system in place regarding their methodologies, data management, and accountability in relation to their sustainability reporting metrics. CTC also has a sound system in place to update and refine assumptions over time.

2. **Strong sustainability disclosures in financial reporting**: CTC's sustainability reporting practices compares well against those of the peer set. CTC is the only company to disclose sustainability data on a quarterly basis. Moreover, Canadian Tire has the highest proportion of sustainability indicators reported in 'regulated' financial disclosures and is the only company to disclose sustainability performance data in the Management Disclosure &Analysis section of its Annual Report. In terms of breadth of publicly disclosed "first generation[1]" sustainability indicators, Canadian Tire trails peer leaders MEC and Staples regarding employee turnover, and lost time injury rate and Staples regarding water consumption and waste produced.

This *Letter of Review* briefly outlines CTC's Data Review Findings, a Peer Comparison of Sustainability Reporting, and Recommendations Moving Forward. For an overview of the methodology used to conduct our review please see Appendix B.

Data Review Findings:

This quarter we reviewed two metrics from projects that were included in CTC's Q2 2012 Business Sustainability Performance Report: *Marks Lighting Retrofits and CTR Damage Reduction*. These initiatives were selected because a significant amount of projects have been undertaken in Q2 and they have not been reviewed previously by our team.

Marks Lighting Retrofits:

The Marks Lighting Retrofits projects switched out old model lighting to more energy efficient lighting equipment (i.e. T8 or LED). During our review of these projects, we found that the calculation formulas were not directly embedded into the final "Reported" document and that only the actual numbers were copied in. After requesting further supporting documentation the calculations were embedded into a working document which demonstrates that they can be traced if necessary. This suggests only a minor issue and we recommend that these calculations be embedded directly into all final documents should the calculations need to be used or checked by others and to ensure proper traceability into the future. Overall, we found that CTC has the appropriate due diligence system in place to ensure accounting accuracy and accountability, and are operating in accordance with best practices.

We also found that the forecasting assumptions used were the best possible and most appropriate at the time of project initiation.

[1] A set of seven sustainability indicators as defined by Corporate Knights that are gaining traction as a desirable base level of sustainability reporting for companies in all industry groups.

In addition, it may be possible to calculate the waste avoidance of using fewer lights due to the longer life of more energy efficient LED lighting. Currently, this is not being calculated and if the data is readily available it would be worth including in the environmental results to CTC's value chain.

CTR Damage Reduction:

The CTR Damage Reduction projects measure the environmental and economic benefits of handling and/or packaging changes implemented to reduce damage claims. This means that actual packaging and handling procedures during the transportation of CTC goods are optimized to reduce product damage and therefore the shipping of products that cannot be sold and the production of waste.

After reviewing the methodology, calculations, and accountability, we found that CTC has the appropriate due diligence system in place with regards to the Damage Reduction projects.

On a yearly basis, CTC tests the forecasting assumptions vs. actual benefits on a sample of their projects. The CTR Damage Reduction project was one of the projects tested in 2011 and was also examined in last quarter's review. At that time we found that "the methodology and data collection processes to be transparent, well-documented and fundamentally sound." We continue to assert that the forecasting assumptions used for Damage Reduction projects were the best possible and most conservative at the time of project initiation.

Currently, the shipping of products and containers are used as the basis for the GHG and energy use avoidance and the reduction in materials is used as the basis for the waste avoidance; however, the actual shipping packaging weight (i.e. pallets) is not included in the calculations. In some of the projects, the shipping packaging is modified to reduce damage. These packaging changes could increase or decrease the weight and volumes transported. If the packaging weights prior to and after modifications could be included within the calculations, this would increase the accuracy of the environmental and economic benefits reported.

Peer Comparison of Sustainability Reporting:

Introduction

The purpose of this review is to compare the sustainability reporting practices of Canadian Tire against those of four peers in the global retailing sector:

- Home Depot;
- Mountain Equipment Co-Op;
- Staples; and
- Wal-Mart.

We selected the peer group in consultation with Canadian Tire based on industry comparability and existing sustainability reporting systems.[2] The review is largely concerned with answering two key questions:

1. What metrics do companies use to report sustainability performance to stakeholders?; and,
2. In what domain of a company's reporting structure are the metrics disclosed?

As part of our assessment, we compared the sustainability reporting of the peer set against a set of 'first generation' sustainability indicators: energy use, greenhouse gas (GHG) emissions, water consumption, waste produced, lost time injury rate, employee turnover and payroll data[3].

A brief summary of the peer set is offered in Figure 1.

[2] Since the fulcrum of this exercise was to analyze the scope of corporate sustainability reporting in financial disclosures, companies were assessed according to their consolidated global operations (e.g. the full Wal-Mart enterprise, not the Wal-Mart Canada subsidiary, etc.).

[3] Corporate Knights recently identified a set of seven "first generation" sustainability indicators that are gaining traction as a desirable base level of sustainability reporting for companies in all industry groups. For more information, see http://www.corporateknights.com/report/sustainable-stock-exchanges

Figure 1: Description of Companies in the Peer Set (Data Source: Bloomberg)

<table>
<tr><th>Company</th><th>Headquarters</th><th>Country</th><th>GICS Sector</th><th>GICS Industry Group</th><th>Sales (Millions US$), 2011</th><th>Market Cap (Millions US$ as of Dec. 31, 2011)</th></tr>
<tr><td>Canadian Tire</td><td>Toronto, ON</td><td>Canada</td><td>Consumer Discretionary</td><td>Retailing</td><td>$10,507</td><td>$5,302</td></tr>
<tr><td colspan="7">Canadian Tire's sustainability reporting practices compare very favourably to those of the peer group. Canadian Tire is the only company in the peer set to disclose sustainability performance data on a quarterly basis, which is a global best practice. Of the seven "first generation" sustainability indicators, the company publicly discloses three – greenhouse gas (GHG) emissions, energy use and total payroll cost. Canadian Tire does not currently publicly disclose water consumption, waste produced, employee turnover, and lost time injury rate. Reporting Domain: Annual Report (MD&A) and Quarterly Financial Reports.</td></tr>
<tr><td>Home Depot</td><td>Atlanta, GA</td><td>United States</td><td>Consumer Discretionary</td><td>Retailing</td><td>$70,395</td><td>$64,808</td></tr>
<tr><td colspan="7">Home Depot's sustainability reporting trails best practice within the peer set in many areas. The company does not issue a sustainability report per se, but rather a "Sustainability Strategy" document that includes one-off data points embedded in prose. Of the seven "first generation" sustainability indicators, the company only publicly discloses one – GHG emissions. Home Depot does not currently publicly disclose energy use, water consumption, waste produced, employee turnover, lost time injury rate or total payroll cost. Reporting Domain: Annual Report, Sustainability Disclosures on Website.</td></tr>
<tr><td>Mountain Equipment Co-Op</td><td>Vancouver, BC</td><td>Canada</td><td>Consumer Discretionary</td><td>Consumer Durables & Apparel</td><td>$297</td><td>N/A</td></tr>
<tr><td colspan="7">MEC's sustainability reporting practices are highly advanced for the peer group. The company uses a clear, data-driven framework to reports its sustainability performance to stakeholders. For many indicators, current (2011) year data and a trailing 3 year trend are provided. Of the seven "first generation" sustainability indicators, the company discloses five – energy use, GHG emissions, employee turnover, total payroll cost and lost-time injury rate. MEC does not currently publicly disclose water consumption, or waste produced. Reporting Domain: Accountability Report (Not a publicly traded company (co-operative) and does not face the same financial reporting obligations as the others—subscribes to principles of "Integrated Reporting[4].").</td></tr>
<tr><td>Staples</td><td>Framingham, MA</td><td>United States</td><td>Consumer Discretionary</td><td>Retailing</td><td>$25,022</td><td>$9,715</td></tr>
<tr><td colspan="7">Staples sustainability reporting practices are highly advanced for the peer group. Of the seven "first generation" sustainability indicators, the company publicly discloses six – energy use, GHG emissions, water consumption, waste produced, employee turnover and lost-time injury rate. Staples does not currently publicly disclose total payroll cost. Reporting Domain: Online Performance Summary, Proxy Statement of Annual Report.</td></tr>
<tr><td>Wal-Mart</td><td>Bentonville, AR</td><td>United States</td><td>Consumer Staples</td><td>Food & Staples Retailing</td><td>$446,950</td><td>$204,660</td></tr>
<tr><td colspan="7">Wal-Mart's sustainability reporting practices are below average for the peer group. Of the seven "first generation" sustainability indicators, the company publicly discloses two –GHG emissions and lost-time injury rate. Wal-Mart does not currently publicly disclose total energy use, water consumption, waste produced, employee turnover, or total payroll cost. Reporting Domain: Global Responsibility Report, 10K.</td></tr>
</table>

[4] Integrated reporting is an emergent trend in financial and corporate social responsibility reporting that "integrates" an organization's governance, strategy, and financial performance with the social, environmental, and economic context within which it operates.

Findings

Canadian Tire's sustainability reporting practices compares well against those of the peer set. Canadian Tire is the only company to disclose sustainability data on a quarterly basis. Moreover, Canadian Tire has the highest proportion of sustainability indicators reported in 'regulated' financial disclosures; data on all 10 indicators is disclosed in the MD&A section of the company's Annual Report. In terms of breadth of publicly disclosed sustainability indicators, Canadian Tire trails peer leaders MEC and Staples regarding employee turnover, and lost time injury rate and Staples regarding water consumption and waste produced. To see a summary of each company's sustainability reporting practices, their publicly disclosed sustainability indicators, and their reporting domains please see Appendix C.

Recommendations Moving Forward:

1. **Embed Calculation Formulas into Main Working Documents**: CTC should ensure that all calculation formulas are embedded directly into all working and final documents.

2. **Calculate Waste Avoidance for Lighting Retrofit Projects:** CTC should consider including waste avoidance from upgraded energy efficient lighting equipment as it is currently not calculated. This would add additional value to CTC's environmental benefits.

3. **Include Product Shipping Packaging Weights for Damage Reduction Projects**: CTC should consider including changes in product shipping packaging weights that result from projects to reduce damage from transportation. This will increase the accuracy of the economic and environmental benefits calculated. This should only be done if the data is readily available as the overall avoidances due to product packaging may be minor.

4. **Increase Scope of Sustainability Indicators Publicly Disclosed:** CTC should consider expanding the scope of its sustainability reporting to include the four first generation indicators that it does not currently publicly disclose: water consumption, waste produced, employee turnover and lost time injury rate.

Overall, Canadian Tire continues to demonstrate that they have a strong due diligence process in place regarding their Business Sustainability Performance accounting methodologies, data management, assumption setting, and accountability structure. Canadian Tire has also demonstrated leadership with regards to the amount of sustainability indicators disclosed within its financial reporting.

Bruce Dudley
Senior VP, The Delphi Group

Doug Morrow
VP, Research Corporate Knights

Appendix A: Canadian Tire Response to Q4 2011 Recommendations

#	Delphi/Corporate Knights Q1 2012 Recommendations	Canadian Tire Response
1	**New Titling in Online Table**: CTC has renamed some of the titles in its Business Sustainability Performance Report Online Table from *Economic and Environmental Impact* to *Economic Result to CTC Enterprise and Environmental Result to CTC's Value Chain*. At a minimum, this new nomenclature and the reason for the change should be explained in a footnote. To highlight this point, it may be difficult for some stakeholders to understand that the Energy Use/GHG Avoidance results for the Utility Partnership In-Store Events in the online table are benefits that accrue to the customer (CTC's "Value Chain") and not Energy Use and/or GHG Emission Avoidances that are attributable to Canadian Tire's operations.	Completed. New titling was explained in a footnote in CTC's Performance on-line report.
2	**Project Investments:** CTC has done a very good job of outlining *Cost Avoidance* into the *Economic Result to CTC Enterprise Business* section of the report. CTC should consider including a new column entitled "*Project Investments*," which would include total dollars spent by either project line, key theme area, or an overall total—depending on the financial sensitivity of the data. This would give a more fulsome economic picture of costs versus avoidance and would help stakeholders to understand the financial commitments CTC has dedicated to their sustainability performance.	CTC does not disclose capital investment numbers, but we are exploring appropriate measures such as return on investment (ROI). CTC recognizes the value in measuring and communicating the ROI of our sustainability projects. The process to include total dollars spent by project or theme requires formation of a methodology, or methodologies, and socialization and buy-in from all business unit stakeholders to ensure alignment on the methodology.
3	**Avoidance Assumptions**: The assumptions used for the Road-to-Rail Conversion project should be updated during the next internal review period and CTC should continue to adhere to the Corporate Directive for updating assumptions at regular intervals.	Completed. Assumptions for the road-to-rail project were reviewed and align with corporate Directives and the internal GHG model for year-end transport footprint reporting. Q1 figures were restated to include forecasted annual benefits from inbound shipments; Q1 figures originally included forecasted annual benefits for outbound shipments only.
4	**Comparing Forecasted Benefits with Actual Benefits**: The benefits analysis that Canadian Tire conducted on ten right sizing projects was conducted on a quarter to quarter basis (e.g. comparing one quarter of baseline data with one quarter of test period data). Once sufficient data is available, it is recommended that Canadian Tire conduct a forecasting test on a project's benefits over a full year. In line with current practice, we also recommend that Canadian Tire continue to test 25-30% of total project categories. We further recommend that testing is rolled out across different categories as they become eligible (e.g. once a category has a project that has been implemented for a minimum of one year, it should be eligible for testing). Given these constraints,	CTC's standard methodology is to conduct forecasting tests for full year data. The right sizing projects tested in Q1 will be tested using full year data by Q1 of next year. Projects tested in the second quarter were within the buildings and operations segment and include CTR store HVAC upgrades, roof retrofits and CEM. In the third quarter, we will test projects within the transportation segment, thereby completing testing across all segments of our reporting.

	reasonable next targets for testing would be projects in the following categories: *CTR - In Store Décor Right-Sizing, or CTR – Store HVAC Upgrades*.	
5	**Update Sustainability Directive for Comparison Testing**: We recommend that CTC explicitly include content within their Sustainability Directive that requires the future use of findings from the forecasted versus actual assumption testing process, where it is most applicable, for comparable projects. Specifically, findings related to the increased accuracy of project-specific financial and environmental benefits assumptions should be used where possible. A review of the Control Matrix indicates that Control S7 would be the most appropriate to be amended and referenced in the Sustainability Directive.	In progress. Corporate Directives are reviewed and updated every year as per internal controls. Recalculation section of the Directives will be refined and include reference to Control S7[5]. (by end of year)

[5] Internal reviews of sustainability results will occur between the quarterly reporting periods. The aim of such reviews is continuous improvements in accuracy, completeness and efficiency in data collection and reporting. A number of metrics are selected based on their contribution in the total results reported, their newness and the method used in their calculation. These metrics are tested to verify that the assumptions taken were reasonable. The conclusions of such reviews are reported to the Business stakeholders, the VP, Corporate Strategy & Business Sustainability and AVP, Financial Reporting.

Appendix B:

Overview of Methodology:

1. **Document Review**: Review all internal and external documentation provided.
2. **Metric Selection**: Independently select a sample of two metrics within the data sets provided to the public in order to review the methodologies, data management/calculations, assumptions, and accountability system. Only a sample of the data was reviewed as a proxy for the entire data set[6]. For the purposes of this assessment the following metrics were reviewed:
    - **Q2 Business Sustainability Performance Report**:
        - **Cost Avoidance:** $100,373, Marks Lighting Retrofits, 23 Projects
        - **Waste Avoidance:** 19.2 (t), CTR Damage Reduction, 35 Projects
3. **Interviews and Supporting Documentation:** Interviews were conducted with key CTC staff in charge of the data and supporting documentation was requested in order to verify the accuracy of statements.
4. **Findings:** A final statement on each area discussing due diligence in methodology, data management and calculations, assumptions, and accountability will be written based on the results of the review.
5. **Peer Comparison of Sustainability Reporting:**
    - **Company Summary**: Provide brief summary of each company Canadian Tire, Mountain Equipment Co-Op, Home Depot, Staples and Wal-Mart (e.g. geographic headquarters, operational boundary, etc.)
    - **Analysis**: Analyze the most recent cycle of sustainability reporting by each company:
        - *What* is being reported (e.g. What metrics are used to convey company performance, the scope (1,2,3))
        - *Where* is it reported (e.g. Does the company report sustainability data in a standalone sustainability report, or in regulated filings such as 10-K, MD&A or Annual Report—i.e. "Integrated Reporting").
        - Summarize findings by showing how Canadian Tire is performing against its peers

6. **Recommendations:** Make recommendations to CTC in terms of disclosure and reporting.

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[6] If the random sample data set has no major issues then we are reasonably confident that the organization has the appropriate due diligence in place for the rest of its metrics. However, we must note that a complete audit of the data was beyond the scope of this review and we cannot comment on accuracy beyond the data in which we reviewed directly.

Appendix C:

Summary of Peer Comparison of Sustainability Reporting

Canadian Tire

Summary

Canadian Tire's sustainability reporting practices compare very favourably to those of the peer group. Canadian Tire is the only company in the peer set to disclose sustainability performance data on a quarterly basis, which is a global best practice. Of the seven "first generation" sustainability indicators[7], the company publicly discloses three – greenhouse gas (GHG) emissions, energy use and total payroll cost. Canadian Tire does not currently publicly disclose water consumption, waste produced, employee turnover or lost time injury rate.

Publicly Disclosed Sustainability Indicators

1. "Carbon footprint (tCO_2e)", segmented into 3 categories:
    a. Embedded in products
    b. Product Transport, sub-segmented into:
        i. Canadian Tire fleet;
        ii. 3rd party road;
        iii. 3rd party rail;
        iv. 3rd party ocean; and
        v. 3rd party air
    c. Buildings & Operations, sub-segmented into:
        i. Corporate Offices & Distribution Centers;
        ii. Corporate Vehicles (Non-shipment);
        iii. Corporate Stores;
        iv. Dealer, Franchise, Agent Stores; and
        v. 3rd party operated distribution centers.
2. "Energy Use (GJ)", segmented into 3 categories:
    a. Embedded in products
    b. Product Transport, sub-segmented into:
        i. Canadian Tire fleet;
        ii. 3rd party road;
        iii. 3rd party rail;
        iv. 3rd party ocean; and
        v. 3rd party air
    c. Buildings & Operations, sub-segmented into:
        i. Corporate Offices & Distribution Centers;
        ii. Corporate Vehicles (Non-shipment);
        iii. Corporate Stores;

[7] Corporate Knights recently identified a set of seven "first generation" sustainability indicators that are gaining traction as a desirable base level of sustainability reporting for companies in all industry groups. For more information, see http://www.corporateknights.com/report/sustainable-stock-exchanges

    iv. Dealer, Franchise, Agent Stores; and
    v. 3rd party operated distribution centers.

3. “Avoided cost of sustainability initiatives ($)” segmented by:
    a. Products and Packaging;
    b. Product Transport; and
    c. Buildings and Operations.
4. “Avoided energy use of sustainability initiatives (GJ)”, segmented by:
    a. Products and Packaging;
    b. Product Transport; and
    c. Buildings and Operations.
5. “Avoided GHG emissions of sustainability initiatives (tCO_2e)”, segmented by:
    a. Products and Packaging;
    b. Product Transport; and
    c. Buildings and Operations.
6. “Avoided waste of sustainability initiatives (tonnes)”, segmented by:
    a. Products and Packaging;
    b. Product Transport; and
    c. Buildings and Operations.
7. “Revenue generated by low carbon energy generation projects ($)”
8. “Cost avoidance of low carbon energy generation projects ($)”
9. “Energy generated by low carbon energy generation projects (GJ)”
10. “GHG emissions avoided by low carbon energy generation projects(tCO_2e)”
11. “Personnel Expenses (C$ millions)”
    a. Wages and salaries
    b. Benefits
    c. Shared-based payments

Reporting Domain

The MD&A section of the company’s 2011 Annual Report includes a section on “Social and Environmental Responsibility” and a link to a separate Sustainability on-line report posted on Canadian Tire’s website in the “Making a Difference” section, wherein indicators 1-6 are transparently disclosed, and supplemental information is provided on indicators 7-10. Information on indicator 11 can be found in the Consolidated Financial Statements and Notes.

Home Depot

Summary

Home Depot's sustainability reporting trails best practice within the peer set in many areas. The company does not issue a sustainability report per se, but rather a "Sustainability Strategy" document that includes one-off data points embedded in prose. Of the seven "first generation" sustainability indicators, the company only publicly discloses one – GHG emissions. Home Depot does not currently publicly disclose energy use, water consumption, waste produced, employee turnover, lost time injury rate or total payroll cost.

Publicly Disclosed Sustainability Indicators

1. "Carbon footprint (tCO_2e)"
2. "Energy use of US stores (kwh/sq ft)"
3. "Amount of electricity generated from solar panels installed at North American stores (megawatts per year)"
4. "Percentage of transportation carriers SmartWay certified by the EPA (%)"
5. "Utility bill savings from Eco Options products ($)"
6. "Water consumption savings from Eco Options products (litres)"
7. "Recycled amount of CFL bulbs (lbs)"
8. "Recycled amount of lead acid batteries (number of batteries)"
9. "Recycled amount of rechargeable batteries (lbs)"
10. "Recycled amount of cardboard (tons)"
11. "Percentage of wood sold by Home Depot by country where harvested (%)"

Reporting Domain

Indicators 5-9 are transparently disclosed in the company's 2011 Annual Report (pg. 3-4). The remaining indicators are all disclosed on the Sustainability section of the company's website.

Mountain Equipment Co-Op

Summary

MEC's sustainability reporting practices are highly advanced for the peer group. The company uses a clear, data-driven framework to reports its sustainability performance to stakeholders. For many indicators, current (2011) year data and a trailing 3 year trend are provided. Of the seven "first generation" sustainability indicators, the company discloses five – energy use, GHG emissions, employee turnover, total payroll cost and lost-time injury rate. MEC does not currently publicly disclose water consumption, or waste produced.

Publicly Disclosed Sustainability Indicators

1. "Materials from facilities with environmental management systems (%)"
2. "Products with environmentally preferred materials (#)"
3. "Audited factories (%)"
4. "Factories with zero-tolerance violations (#)"
5. "Carbon footprint (tCO_2e)", segmented into 4 categories:
    a. Product Transportation, sub-segmented into inbound and outbound emissions from:
        i. Truck;
        ii. Rail;
        iii. Ship; and
        iv. Plane.
    b. Employee Commuting
    c. Facilities Emissions
    d. Business Travel
6. "Facilities energy use (GJ)", segmented into five categories:
    a. Conventional electricity
    b. Green electricity
    c. Natural gas
    d. Green natural gas
    e. Biogas
7. "Waste diversion rate (%)"
8. "Engagement score (%)"[8]
9. "Member satisfaction (%)"[9]
10. "In-stock rating (%)"[10]
11. "Community Contributions ($M)"
12. "Voter participation (%)"
13. "Member trust (%)"
14. "Number of employees, segmented by age (5 categories) and diversity (3 categories)"
15. "Employee turnover rate (%)"

[8] This refers to the % of MEC employees who respond positively in a company survey to questions about the quality of the working environment at MEC.
[9] This refers to the % of MEC members who respond positively in a company survey to questions about member satisfaction.
[10] This refers to the % of MEC members who respond positively in a company survey to questions about the ease of finding desired purchases in stock.

16. “Number of lost time days due to injuries (days)”
17. “Number of WCB Workplace accidents (#)”
18. “Total payroll cost ($)”

Reporting Domain

MEC is unusual relative to other peers surveyed in this report in that it is structured as a co-operative and not publicly-traded. The company does not face the same reporting obligations as Canadian Tire, Home Depot, Staples or Wal-Mart. MEC issues a single “Accountability Report” that includes the 18 indicators outlined above. MEC closely subscribes to the principle of Integrated Reporting although not in a conventional sense as the company’s Accountability Report is not regulated in the same way as an Annual Report or other mandatory filing issued by a publicly traded company.

Staples

Summary

Staples sustainability reporting practices are highly advanced for the peer group. Of the seven "first generation" sustainability indicators, the company publicly discloses six – energy use, GHG emissions, water consumption, waste produced, employee turnover and lost-time injury rate. Staples does not currently publicly disclose total payroll cost.

Publicly Disclosed Sustainability Indicators

1. "Number of Staples brand product suppliers audited in the United States (#)"
2. "Number and % of audited Staples brand product suppliers that were required to take corrective action in the United States (#)"
3. "Number and % of audited Staples brand product suppliers with which Staples discontinued business relationships in the United States (#)"
4. "Estimated sales of products containing recycled content material in the United States ($)"
5. "Estimated sales of products meeting third-party environmental standards/certifications in the United States ($)"
6. "Estimated sales of FSC-certified products in the United States ($)"
7. "Estimated sales of ENERGY STAR® qualified products in the United States ($)"
8. "Recycled Ink and toner cartridges (millions of units)"
9. "Recycled Electronics recycled for customers (millions of pounds)"
10. "Total energy use (GJ)"
11. "Electricity use (MWh)"
12. "Electrical intensity across all locations (kWh per ft2)"
13. "Number and percentage of active facilities certified to ENERGY STAR® (#)"
14. "Facility natural gas and propane use (MMBTU)"
15. "Diesel fuel for Staples fleet (MMBTU)"
16. "Carbon footprint, $MtCO_2e$"
17. "Total Scope 1 and 2 emissions (MtCO2e, before reductions from offsets)"
18. "Total reductions from RECs and green power purchase offsets (MtCO2e)"
19. "Net GHG emissions (MtCO2e, after reductions from offsets)"
20. "GHG emissions intensity before reductions from offsets (kg CO2e per ft2)"
21. "GHG emissions intensity after reductions from offsets (kg CO2e per ft2)"
22. "Total facility area (ft2)"
23. "Retail area (ft2)"
24. "Nonretail area (ft2)"
25. "Waste to landfill or incinerator (short tons)"
26. "Percentage of waste to landfill"
27. "Waste diverted to recycling (short tons)"
28. "Rate of waste diversion to recycling (%)"
29. "Waste generated per ft2 of facility area (pounds/ft2)"
30. "Water use (millions of gallons)"
31. "Water use intensity (gallons/ft2)"

32. “% women in the U.S. workforce (%)”
33. “% minorities in the U.S. workforce (%)“
34. “Gender diversity in the United States and Canada (% women)”
35. “Average global annual employee turnover rate (%)”
36. “Salaried associate turnover rate globally (%)”
37. “Hourly associate turnover rate globally (%)”

Reporting Domain

The bulk of the company’s extensive sustainability reporting is disclosed in an online Performance Summary offered on the company’s website. The company has a section in the proxy statement of its 2011 Annual Report entitled “Corporate Values”, wherein indicators 8,9,13 and 18 are disclosed.

Wal-Mart

Summary

Wal-Mart's sustainability reporting practices are below average for the peer group. Of the seven "first generation" sustainability indicators, the company publicly discloses two –GHG emissions and lost-time injury rate. Wal-Mart does not currently publicly disclose total energy use, water consumption, waste produced, employee turnover, or total payroll cost.

Publicly Disclosed Sustainability Indicators

1. "Energy saved due to conservation and efficiency improvements (GJ)"
2. "Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives (GJ"
3. "Initiatives to reduce indirect energy consumption and reductions achieved, (GJ)"
4. "Carbon footprint, tCO_2e"
5. "Initiatives to reduce greenhouse gas emissions and reductions achieved (tCO_2e)"
6. "Total workforce by employment type, employment contract, and region (#)"
7. "Total number and rate of employee turnover by age group, gender, and region (%)"
8. "Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations ($)"
9. "Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities by region (#)."
10. Amount of waste eliminated from landfills and associated CO2 emissions prevention
11. Operational Waste Diversion rates from specific operations (China and Brasil)

Reporting Domain

Virtually all of Wal-Mart's sustainability disclosures are made in the company's "Global Responsibility Report". Only indicators 6 and 8 reported in financial disclosures (the company's 10-K form).