



## **HEMLOCK PRINTERS PAPER PROCUREMENT POLICY: CONSERVING AND PROTECTING ANCIENT & ENDANGERED FORESTS**

**Completed and signed in collaboration with Canopy (canopyplanet.org)  
Effective: April 16, 2015**

### **Our Vision**

Hemlock will create positive environmental change through the continual evolution of its paper purchasing practices. We are committed to ongoing collaboration with our staff, our suppliers, our customers and with our partner, Canopy, to promote sustainable forest management, the protection of endangered forests, eco-paper development and responsible environmental practices within the printing industry.

Hemlock recognizes that environmental sustainability is a critical issue both within our community and around the globe. As such, our company activities must always consider impacts on the environment, including the world's forest ecosystems. Hemlock's position within the paper supply chain enables us to have a positive influence on both supply and demand in the market, and thus contribute to the development of environmental solutions that conserve our climate, protect ancient and endangered forests and restore natural forests. Hemlock fully supports responsible forest management practices that protect biodiversity and ecosystem integrity, and provide long-term social and economic benefits to communities.

Hemlock supports the development and use of environmentally progressive papers for all products it produces. With a growing number of FSC® certified, low-carbon and post-consumer recycled paper grades, Hemlock will continue to inform and educate its customers of the latest options and will work with its suppliers to bring new environmentally progressive products to the marketplace.

With the assistance of Canopy, Hemlock has developed the following Implementation Goals applicable to the company's paper purchasing activities.

### **Our Implementation Goals**

#### **1. Protection of Ancient and Endangered Forests**

Hemlock recognizes the impact of paper use and production on endangered forests and the environment. We acknowledge the need to support and encourage the adoption of environmentally and socially responsible practices to ensure that fiber used in the paper we purchase are sourced from well-managed forests, and that land use choices and management practices contribute to the conservation of natural resources and in some instances additional environmental protection. Hemlock will use reasonable efforts to influence our paper supply chain to use environmentally responsible practices.

Hemlock will work to influence the elimination of the use of fiber from ancient and endangered forests in places such as: the Canadian Boreal Forests; Temperate Rainforests of British Columbia, Alaska and Chile; and the Tropical Rainforests of Indonesia and the Amazon. In portions of Canada's Boreal Forest and the Great Bear Rainforest where visionary agreements are currently being implemented, Hemlock will work with Canopy to identify opportunities to support and encourage these initiatives.

Hemlock will work to ensure that paper products do not originate from endangered species habitat. If we find that any of our papers do contain fiber from such habitat, we will engage our suppliers to cease operations in that area.



## 2. **Conservation of Ancient and Endangered Forests and Protection of Biodiversity and Ecosystems**

Hemlock will give preference to suppliers that work toward conservation of endangered forests and the protection of biodiversity and ecosystems contained within these forests. Hemlock recognizes that certain regions have been identified as priority regions for forest conservation and biodiversity by the conservation science community and other stakeholders, and will work toward phasing out and finding suitable alternatives to any fiber sourced from these regions.

## 3. **Forest Certification**

Hemlock will give purchasing preference to fiber originating from Forest Stewardship Council (FSC) certified operations.

## 4. **Avoiding Controversial Sources**

Hemlock will presently reduce, and by 2017, eliminate, its purchase of paper products from other highly controversial sources including: companies that are logging forests illegally<sup>ii</sup>; forests that comprise habitats of endangered, species<sup>iii</sup>; intact<sup>v</sup> and old growth forests; tree plantations<sup>v</sup> established after 1994 through the conversion or simplification of natural forests<sup>vi</sup>; or areas being logged in contravention of First Nations peoples' rights<sup>vii</sup>. Furthermore, we will work with, and communicate to, our clients and customers to encourage these same responsible choices.

## 5. **Plantations**

Hemlock will source paper with fiber originating from FSC© certified, well-managed, longstanding plantations or from new fiber plantations established on degraded agricultural or pasture lands. Hemlock will encourage paper suppliers to abandon the practice of conversion of natural forests to plantations (more details are given in endnotes 7 and 8).

## 6. **Illegal Logging**

Hemlock is committed to working with its paper suppliers and other stakeholders to ensure that illegally sourced fibers are not used in the manufacture of paper purchased by Hemlock (see details in endnote 4).

## 7. **Reduce Greenhouse Gas Footprint**

Hemlock is committed to reducing our greenhouse gas footprint and consequent impacts on climate change. Towards this end, we have implemented and will continue to implement a broad range of strategies, including but not limited to:

- Offering our ZERO program [[www.hemlock.com/zero](http://www.hemlock.com/zero)] launched in 2007 in collaboration with Offsetters
- Supporting meaningful offsets in the Great Bear Rainforest
- Engaging suppliers to curb deforestation and/or fragmentation of intact forests
- Using Ancient Forest Friendly and recycled papers
- Give preferences to paper manufactured by suppliers that use effective strategies to actively reduce their greenhouse gas footprint<sup>viii</sup>



**8. Maximize Recycled Content**

Industry supported Life Cycle Assessment (LCA) shows sourcing recycled fiber can reduce overall pressure on forests and other important natural resources like water, as well as reduce the carbon footprint of the paper, especially when fibers from post-consumer waste are used in paper production<sup>x</sup>. Therefore, Hemlock is committed to give preference to paper with high-recycled content and specifically post-consumer waste content, to progressively set targets to increase recycled content while meeting the physical and performance demands required for the individual product, to encourage our suppliers to continuously improve and expand the availability of recycled content in papers and to work to maximize the overall recycled fiber content of its papers to a minimum average of 35% within 5 years.

**9. Develop Agricultural Residue Fiber Sources**

Hemlock is working with suppliers and Canopy to explore and encourage the development of agricultural residues and fibers<sup>x</sup> as a commercially viable fiber source for paper. We anticipate this will be an area of rapid advances over the next few years, and will keep abreast of new developments and potential opportunities in this area. We will continue to source papers from alternative fibers such as flax, wheat straw or other agricultural residues, when possible, as well as support research and development of commercial scale production of pulp and paper from alternative fiber sources.

**10. Increase Paper Efficiency and Decrease Consumption**

Hemlock is committed to reducing its paper waste by 2% or more<sup>xi</sup> annually through a number of measures, including improving efficiency in paper use through focused efforts to reduce waste from material handling, inefficient job layout, pressroom, binding and finishing, shipping and receiving and miscellaneous waste. Where appropriate, we will use and develop technology platforms that help reduce paper consumption, as well as supporting local paper recycling initiatives (such as selling or donating waste and scrap paper to local recyclers and community groups, advocating for recovered paper to be sorted rather than mixed into a "single stream" system).

**11. Prevent Pollution**

Paper manufacturing is a resource-intensive process that can lead to air and water emissions that impact overall environmental quality. Hemlock will give purchasing preference to paper that is chlorine free and has been processed utilizing responsible bleaching technologies such as Process and Totally Chlorine Free (PCF and TCF) bleaching. Hemlock will also give preference to suppliers that monitor and reduce overall emissions by adopting the latest technologies and practices to minimize air and water pollution. We will ask prospective suppliers for a description of how they are meeting legal requirements and reporting annually on plant performance related to these issues.

**12. Setting Benchmarks, Timelines, and other Accountability Mechanisms**

Hemlock will establish benchmarks, timelines, and other accountability mechanisms to implement this policy, and to review this process annually. For details see ANNEX I.

**13. Involving all Stakeholders in the process**

Hemlock will involve employees, suppliers, shareholders and customers in the implementation of its Ancient and Endangered Forest Friendly paper procurement policy through extensive communication and engagement at all stakeholder levels.



14. **Working with Incumbent Suppliers**

Hemlock will work with current suppliers to encourage them to supply information so that their practices can be compared to this policy. Hemlock will work with suppliers on identified compliance matters to address and reconcile any shortfalls, contradictions or inconsistencies in those practices.

15. **Promote Industry Leadership**

Hemlock recognizes the benefit of creating environmental awareness among its customers, employees and peers. As implementation progresses:

- Hemlock will note the post-consumer content of the paper and/or use the Ancient Forest Friendly logo where appropriate;
- Hemlock will incorporate our environmental commitment into web and electronic forums as appropriate;
- Hemlock will initiate campaigns that help promote Ancient Forest Friendly initiatives (such as sales collateral, advertisements, trade shows, customer events ,displays, etc);
- Hemlock will promote ancient and endangered forest friendly paper procurement policies with other printers and paper buyers, suppliers, customers, and advertisers;
- Hemlock will work with our suppliers, Canopy, non-governmental organizations and other partners and stakeholders in protecting endangered and ancient forests, improving forest management and production practices, and reducing demand on forests.

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A handwritten signature in black ink, appearing to read "Richard Kouwenhoven".

Richard Kouwenhoven  
President  
Hemlock Printers Ltd.  
April 16, 2015



## ANNEX I – IMPLEMENTATION MEASURES

To fulfill the preceding commitments, Hemlock Printers will:

1. Execute an action plan encompassing essential measures and other actions needed to implement paper procurement policy.
2. Educate and train relevant Hemlock Printers staff about our this policy, its implementation measures, and action plans.
3. Conduct an initial supply vendor audit with Chain of Custody forms supplied by Canopy to:
  - Benchmark our purchases and usage of paper products;
  - Determine the forests of origin for these paper products;
  - Identify any paper products purchased and sold by Hemlock Printers that may contain inputs from endangered forests and/or other controversial sources.
4. Conduct an audit of Hemlock Printer’s purchase and usage of paper products to benchmark the company’s use of FSC certified paper, post-consumer recycled (PCR) and chlorine-free paper, and alternative/agricultural residue fiber papers, if any.
5. Develop and implement an action plan to achieve the implementation goals above for:
  - Increasing the purchase and usage of FSC certified paper products;
  - Increasing the purchase and usage of PCR and chlorine-free paper;
  - Increasing Hemlock Printers ’s efficiency in the use of paper products;
  - Exploring opportunities to increase the usage of papers containing agricultural residue fibers.
6. Establish an internal monitoring and feedback system to identify progress in meeting Hemlock Printer’s Ancient and Endangered Forest Conservation Vision and Eco-Paper Procurement Policy commitments, and to enable improved implementation of this initiative. The system should require progress reports to be prepared annually.
7. Maintain our targeted goals and objectives in accordance with the Global Reporting Initiative Guidelines as they relate to Forestry Issues:
  - Include plans to communicate with paper suppliers, and advise them that to retain Hemlock Printers’ business, they must phase-out paper from endangered forests and other controversial sources per the requirements of Hemlock Printer’s Endangered Forest Conservation Vision and Eco-Paper Procurement Policy;
  - If the suppliers manage forests, then they must commit to identifying and protecting endangered forests under their management, as well as commit to seeking FSC certification;
  - Include plans for conducting third-party supply vendor audits for proposed new paper products, to confirm the sources of those products are not endangered forests and/or otherwise controversial;
  - Include plans to require all forest product suppliers to submit annual performance reports detailing their progress in meeting the requirements of Hemlock Printer’s Endangered Forest Conservation Vision and Eco-Paper Procurement Policy;
  - Include plans to consult with conservation organizations, including Canopy, and independent scientists if assistance is needed in identifying endangered forests, other controversial sources, and/or products from these areas.
8. Explore opportunities to develop pilot projects and partnerships that can stimulate the market for environmentally responsible products, such as those containing 100% recycled content, agricultural residue content and FSC certified paper.
9. Produce a format sustainability report every two years per the preceding commitments using the current Global Reporting Initiative guidelines and/or participate in Canopy’s Ancient Forest Friendly awards and Green Print Leadership Reporting.

## ENDNOTES

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<sup>i</sup> The 2006 Great Bear Rainforest Agreements signed between environmentalists, logging companies, First Nations and the British Columbia Government includes the creation of a new land management regime called Ecosystem-Based Management that includes more than 2 million hectares protected from logging and new lighter touch logging regulations applied outside of protected areas. The deadline for implementing the Great Bear Rainforest Agreement is late 2014. This policy provides market support for implementation of the agreement.

<sup>ii</sup> Legal forest management: Management that complies with all applicable international, national, and local laws, including environmental, forestry, and civil rights laws and treaties.

<sup>iii</sup> A good source to identify endangered, threatened and imperiled species is NatureServe's Conservation Status rankings for imperiled species that are at high risk of extinction due to very restricted range, very few populations (often 20 or fewer), steep declines in populations, or other factors.

<sup>iv</sup> An Intact Forest Landscape (IFL) is an unbroken expanse of natural ecosystems within the zone of current forest extent, showing no signs of significant human activity, and large enough that all native biodiversity, including viable populations of wide-ranging species, could be maintained. <http://www.intactforests.org>

<sup>v</sup> Plantations are areas planted predominately with non-native trees or other commercial plants. Forests comprised of native species can also be managed as plantations, including via single species plantings on sites that would normally support multiple species, exclusion of other species via herbicide applications, short logging rotations that preclude the development of forest composition and structure, and/or other practices.

<sup>vi</sup> The goal to ensure no fiber comes from tree plantations established after 1994 through the conversion or simplification of natural forests is under review pending our ability to procure sufficient paper supplies without it and having a credible verification system in place with our supply chain partners

<sup>vii</sup> We rely on FSC guidelines for Free Prior Informed Consent <https://ca.fsc.org/preview.fsc-guidelines-for-fpic.a-505.pdf>

<sup>viii</sup> Rolland Paper, Sappi, Neenah and Mohawk are examples of mills with credible green house gas reduction initiatives. Burning biomass for energy is proving to not be carbon neutral. Manomet Report, 2010

<sup>ix</sup> Paper Task Force Report and Environmental Defense Paper Calculator. "The scientific basis for these conclusions is the analysis of the Paper Task Force, a three-year research project convened by Environmental Defense and involving Duke University, Johnson & Johnson, McDonald's, Prudential Insurance, and Time Inc. The Paper Task Force examined environmental impacts through the full lifecycle of paper, along with economic and functional issues across major paper grades. Its findings were extensively peer-reviewed by scientists, academics, environmental experts, and government and industry representatives."

<sup>x</sup> Agricultural Residues are residues left over from food production or other processes and using them maximizes the lifecycle of the fiber. Fibers include: cereal straws like wheat straw, rice straw, seed flax straw, corn stalks, sorghum stalks, sugar cane bagasse, and rye seed grass straw. Where the LCA (life cycle analysis) shows environmental benefits and conversion of forest land to on purpose crops is not an issue, other on purpose crops such as kenaf can also be included here. (Agricultural residues are not from on purpose crops that replace forest stands or food crops.)

<sup>xi</sup> Companies have been known to achieve a 30% reduction in less than a year.