

ANCIENT AND ENDANGERED FOREST CONSERVATION VISION
AND ECO- PAPER PROCUREMENT POLICY

OUR VISION STATEMENT

Through this policy Arandell Corporation is positioned as an environmental leader in the printing industry, working in partnership with our customers, suppliers, and Canopy to promote sustainable forest management, the protection of endangered forests, eco-paper development and responsible environmental practices.

Arandell Corporation recognizes that business leadership and long-term success must consider the environment, including the world's forest ecosystems. Although final paper selection is determined by our customers, Arandell Corporation is positioned to influence both supply and demand in the market, and thus contribute to environmental solutions that conserve our climate, protect ancient and endangered forests and restore natural forests.

OUR IMPLEMENTATION GOALS

Protect Ancient and Endangered Forests

Arandell Corporation recognizes the impact of paper use and production on endangered forests and the environment and the need to support and encourage the adoption of environmentally and socially responsible practices. To this end, Arandell Corporation will not knowingly purchase paper derived from illegally harvested sources.

Arandell Corporation will work with Canopy and our suppliers to eliminate ancient and endangered forest fiber from our supply chain and support collaborative and visionary solutions that protect remaining ancient and endangered forests in the Coastal Temperate Rainforests of North America's Vancouver Island and Great Bear Rainforestⁱ, Canada's Boreal Forestsⁱⁱ, and Indonesia's Rainforestsⁱⁱⁱ.

We will encourage our suppliers to work with conservation organizations, governments, and other stakeholders to promote protection of endangered forests and sustainable forest management practices. Working together with our customers and suppliers, we've utilized products and processes that contribute to resource conservation and the preservation of ancient and endangered forests.

We will encourage our suppliers to eliminate the production of persistent organic pollutants in their supply chain, and should give preference to products produced with elemental chlorine free and total chlorine free processes.

We will meet regularly with our key suppliers to review their environmental performance and discuss the key components of our paper procurement practices.

In addition, Arandell Corporation will support initiatives to reduce greenhouse gas emissions where feasible and will play a role in mitigating climate change by participating in initiatives to reduce the loss of high carbon value forests.

Forest Certification

Arandell Corporation encourages our suppliers to increase protection of high conservation value forests and to eliminate the use of fiber from ancient and endangered forests. We seek to give preference to suppliers who engage in credible sustainable forest management practices and strive to limit their impact on intact forests and forests representing habitat for threatened species.

We value suppliers who report at least annually on their performance relating to sustainable forest management and who promote the health and safety of their employees and the communities in which they operate, with a view to actively protecting air, soil and water quality.

We seek to give preference to suppliers who meet and go beyond legal requirements for forest management by seeking independent third party fiber and chain of custody certification by recognized and credible sustainable forest management standards.

Being triple certified, FSC® (Forest Stewardship Counsel™), SFI (Sustainable Forestry Initiative), and PEFC (Programme for the Endorsement of Forest Certification)^{iv}, we encourage a spirit of continuous improvement and enhancement of all forest certification systems, using FSC® as the targeted standard. If our company chooses to promote a certification system any promotion will be consistent with our preference for FSC®.

Maximize Recycled Content

Industry supported life cycle analysis (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.^v We also recognize post-consumer recycled fiber content as a valuable means of preserving forests and where price and quality meet our needs, will give preference to suppliers who use post-consumer fiber content.

We encourage our suppliers to promote responsible use and conservation of materials and long-term sustainability of resources, including taking actions to reduce waste and encourage recovery of recycled materials.

Arandell strives to recycle 100 percent of the process wastes it creates: hazardous materials, oils, paper, paper roll cores, pallets, saddle wire cores, bands, shrink and stretch wrap, aluminum and other operating resources. One of the most important areas of concern in this endeavor is hazardous materials. All hazardous materials are very closely monitored. We continually search for and use chemicals that are the least harmful to the environment. All hazardous waste is disposed of through safe and environmentally- friendly ways by third parties specializing in these procedures.

Waste paper from all of our presses is separated, shredded, and baled on site for recycling. White waste is delivered directly to a recycling plant where it is processed back to be reused and recycled.

White and mixed recycled paper bins and boxes are located throughout our offices and we encourage all employees to recycle paper. We also use e-mail whenever possible to cut down on paper usage. Waste such as corrugated cartons and roll & skid wraps are collected and sold for recycling into bags, wrapped paper, placemats and chipboard.

We will continue to develop and maintain our paper recovery programs to facilitate the use of higher levels of recycled fiber, to capture paper after use, and to support entry into the recycled stream.

Develop Agricultural Residue Fiber Sources

Arandell Corporation will work with suppliers and Canopy to explore and encourage the development of agricultural residues and fibers^{vi} 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.

Industry Leadership

As a leading player in the industry, Arandell Corporation fully recognizes our responsibility to be stewards of a greener environment. We continually look for ways to reduce energy, conserve natural resources, and recycle or eliminate waste.

Arandell Corporation



Brad Hoffman
President & CEO

See also:

- Forest Management Certification - <http://arandell.com/environment/forest-management-certification/>
- Committed to Green Printing - <http://arandell.com/environment/green-printing/>
- Recycling Processes - <http://arandell.com/environment/recycling/>
- EPA's SmartWay® Transport Partner - <http://arandell.com/environment/smartway/>

ⁱ Conservation solutions are now finalized in the Great Bear Rainforest, located in coastal temperate rainforests that originally covered 0.2% of the planet, and where now less than 25% of the original forests remain. On February 1st, 2016 the Government of British Columbia, First Nations, environmental organizations and the forest industry announced 38% protection in the Great Bear Rainforest and an ecosystem-based management approach that will see 85% of this region off limits to logging. Provided these agreements hold – sustainable sourcing has been accomplished in this ancient and endangered forest. We encourage ongoing verification of this through renewal of Forest Stewardship Council™ certification.

ⁱⁱ Canada's Boreal Forests contain the largest source of unfrozen freshwater worldwide and are part of the world's largest terrestrial carbon sink – equivalent to 26 years worth of global fossil fuel use. Canopy is committed to working collaboratively on the establishment of new protected areas, the protection of endangered species and the implementation of sustainable harvesting in Canada's Boreal Forest.

ⁱⁱⁱ Indonesia experiences the second highest rate of deforestation among tropical countries, with Sumatra Island standing out due to the intensive forest clearing that has resulted in the conversion of 70% of the island's forested area (FAO Forest Assessment 2010; Margono, B.A. et al. 2012). Asia Pulp & Paper (APP) and Asia Pacific Resources International Ltd. (APRIL) have been identified as the primary cause and are criticized by local and international groups for being

implicated in deforesting important carbon rich peat lands, destroying the habitat for critically endangered species and traditional lands of indigenous communities, corruption, and human rights abuses (Eyes on the Forest. 2011. <http://www.eyesontheforest.or.id/>). APP has put in place a promising forest policy, tracking its implementation will be key to understanding if it offers lasting solutions for Indonesia's Rainforests.

^{iv} FSC® Certificate Code: BV-COC-006210
SFI Certificate Code: BV-SFICOC-US003727-1
PEFC Certificate Code: BVC-PEFCCOC-US003728-1

^v Paper Task Force Report and Environmental Paper Network 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."

^{vi} 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, cotton stalks, cotton linters, sugar cane bagasse, and rye seed grass straw. Where the LCA (life cycle analysis) shows environmental benefits and conversion of forestland to on purpose crops is not an issue, kenaf can also be included here. (Agricultural residues are not from on purpose crops that replace forest stands or food crops.)