

Green Grades 2009

A Report Card on the Paper Practices of the Office Supply Sector

SUMMARY OF PAPERLINX

The ForestEthics and Dogwood Alliance Office Sector Scorecard assign grades for the forest-related environmental performance of corporate paper sourcing in the following areas:

- 1) Chain of Custody Systems**
- 2) Endangered Forests**
- 3) Plantation Conversion and Other Controversial Sources**
- 4) Sustainable Forestry**
- 5) Recycled and Reduction**
- 6) Climate and Forests**
- 7) Other Forest Ecosystem Conservation Leadership**

Scope of survey: all office and marketing papers bought and sold by the company, including office papers used for internal operations.

In December, 2008, a questionnaire was mailed to companies that were selected to be included in the 2009 ForestEthics and Dogwood Alliance Office Sector Scorecard. PaperlinX initially signaled their intentions to participate in the evaluation process but did not complete the questionnaire. As a result, our findings are based solely on information collected from independent research conducted by ForestEthics and Dogwood Alliance and statements made in writing by the company or collected from the public domain, such as their company website. PaperlinX and their subsidiary Spicers have not been transparent with ForestEthics or Dogwood Alliance for any of the seven categories surveyed. Given that PaperlinX has not been transparent with ForestEthics or Dogwood Alliance for the seven categories surveyed, the possibility remains that positive and/or negative aspects of the company's policies and sourcing practices are not fully reflected in our evaluations.

Green Grades Report Card:

PaperlinX's Environmental Performance in Seven Crucial Forest-Related Categories:

CHAIN OF CUSTODY: To our knowledge, PaperlinX does not have a policy or procedures in place sufficient to identify whether specific paper products might originate from endangered forests or other controversial sources. As a result, the company and its customers are likely at risk of inadvertently purchasing paper from such sources.

PaperlinX and its subsidiary Spicers are FSC CoC certified. Depending on how it is being implemented and used, FSC CoC certification can be an effective means of identifying and avoiding paper from endangered and controversial sources. However, customers can only be certain such assurances are in place when purchasing FSC labeled paper products. Consequently, the environmental and social attributes of the majority of paper sold by PaperlinX remains in question.

ENDANGERED FORESTS: To our knowledge, PaperlinX does not have meaningful policy or procedures for avoiding paper containing fiber from EF sources. The company appears to merely have a "Sustainability Charter" which guides their purchasing decisions. The charter lacks any strong and effective commitments or procedures for avoiding paper containing fiber from EF sources. It states that PaperlinX will require "Suppliers... to utilize raw materials from well-managed sources and to verify their claims on environmental issues when requested." The charter does not define "well managed forests," nor does it commit the company to identifying and avoiding paper from endangered forests.

Thus it is not surprising that the company sells papers likely to contain fiber from endangered forests. The PaperlinX subsidiary Spicers, for example, carries paper manufactured by Appleton Coated in Combined Locks, Wisconsin. This particular mill purchases fiber from three pulp mills in Canada that source fiber from the Canadian Boreal, one of which has been definitively linked to the destruction of caribou habitat. Spicers also carries paper from Sappi, Verso, NewPage, and Fraser Papers. Each of these producers has at least one mill that utilizes fiber from intact forests in the Canadian Boreal (the specific mills are Sappi Somerset, Verso Bucksport, Verso Quinnesec, NewPage Rumford, and Fraser Papers.) Some of these mills also produce FSC certified papers. Therefore it is possible for a company to responsibly purchase paper from the above mills.

Additionally, Spicers lists Asia Pulp & Paper as a supplier on its Australian website. APP is widely known for its controversial and sometimes illegal¹ logging practices in endangered forests in Indonesia, China and elsewhere². The company has been documented using large scale clearcuts to log some of the most valuable and carbon-rich forests on Earth.

PaperlinX also lists International Paper as a supplier mill. International Paper is known for controversial sourcing in the U.S. southeast³. Areas IP sources from include the ecologically significant Cumberland Plateau.

To our knowledge, neither PaperlinX, nor its subsidiaries such as Spicers, have acted to eliminate any papers sourced from these or other endangered forests. Moreover, given PaperlinX' lack of transparency, we cannot rule out the possibility that the company sells other papers with additional endangered forest connections.

PLANTATIONS AND OTHER CONTROVERSIAL SOURCES: To our knowledge, the company does not have any policies or procedures in place to avoid sourcing paper from plantations established at the expense of natural forests, or from other controversial sources such as illegal logging, the conversion of forests to non-forest land uses, or violations of indigenous peoples' rights. While the FSC certified papers sold by PaperlinX carry an assurance of being free of fiber from plantations established through forest conversion after 1994, or from other controversial sources, the non-FSC papers that make up the bulk of PaperlinX' offerings carry no such assurances.

Examples of papers sold by PaperlinX that are likely to originate from plantation conversion and other controversial sources include papers from International Paper (IP) and Asia Pulp & Paper (APP) sold by Spicers. Many IP mills in the U.S. source from ecologically harmful plantations, and IP has plans to convert much of its remaining U.S. forests to non-forest land

1 Destruction of Sumatra Forests Driving Global Climate Change and Species Extinction. Science Daily February 29, 2008. <http://www.sciencedaily.com/releases/2008/02/080226193141.htm>

2 Authorities crack down on illegal logging. China Daily, March 31, 2005. http://www.chinadaily.com.cn/english/doc/2005-03/31/content_429716.htm

3 International Paper's Southern Presence. Dogwood Alliance. <http://www.dogwoodalliance.org/content/view/38/94/>

