

SUPPLY CHAIN ASSURANCE CASE STUDY:

How Evergreen Packaging Provides Responsibly Sourced
Paper Products Made From Renewable Materials

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evergreen[®]
packaging 

Take a closer look at your paper grocery bag, magazine, box, envelope, coffee cup, or refrigerated beverage carton. There's a good chance that you'll find a forestry certification label. That was not the case a few years ago. Based on customer interest, many brands utilize paper products because they are made with renewable materials. They are also turning to forest certification programs to provide supply chain assurance of responsibly sourced wood and meet the growing demand for these sustainable products. By using responsibly sourced paper products made from renewable materials, you are supporting healthy forests, wildlife, and responsible forest management.

As a manufacturer of paper products, Evergreen Packaging meets our customers' needs for responsibly sourced products by holding three independent forestry certifications. This case study gives a high-level review of the efforts that Evergreen Packaging, and many other forest product companies, make to provide supply chain assurance.

WHERE DID THE IDEA OF RESPONSIBLE FORESTRY START?

In the late 1800's, George Vanderbilt pioneered the thought of implementing scientific forestry practices in the United States to manage his extensive forestlands in western North Carolina, near Evergreen Packaging's Canton, NC pulp and paper mill which is still active today. Mr. Vanderbilt first hired Mr. Gifford Pinchot to manage his forestlands, who later became the first Chief of the US Forest Service and worked to establish the Yale School of Forestry. He then hired Dr. Carl Schenck to manage his forestland operations



The founder of the Canton, NC pulp and paper mill, Peter G. Thompson, had an early vision of scientific forest management that was communicated in his obituary.

“To furnish this plant with an adequate supply of wood for the manufacturing of pulp, more than 150,000 acres of woodland were acquired, most of this virgin timber, and on this property the pulpwood is being so carefully conserved by scientific methods that when it is cut over and the far end is reached, the part where the first cutting was made will be ready with the second growth with as large a crop as at the beginning. In other words, it is a pulp reserve large enough continually to renew itself.”

- Peter G. Thompson (1931)



and start the Biltmore Forest School, the first school of scientific forestry in the United States. When the Biltmore Forest School needed to relocate, the Canton Mill worked with Carl Schenck to relocate the Biltmore Forest School to forestland owned by the Mill.

HOW HAVE FORESTRY PRACTICES EVOLVED?

Forest practices and responsible forest management have come a long way since the days of Mr. Pinchot, Dr. Schenck, and Mr. Thompson, with new research, findings, and improved forest management practices evolving every day. Protection of wildlife, threatened and endangered species, water quality, soils, special areas, social rights, and biodiversity are more important than ever. Responsible forest management and forest certification is a modern day approach to protecting our forests and providing supply chain assurance while meeting society's needs for paper products today and sustainable forests for tomorrow.

“ At Evergreen Packaging, we take our commitment to responsible forestry seriously, from the forest through our entire manufacturing chain. At the core of our business is the need for a sustainable supply of wood and promoting it is vital to the future of our company and the communities in which we do business. We have a long history of working to improve forest management and are committed to promoting responsible forest management practices today.”

– Derric Brown
Director Sustainability
Evergreen Packaging

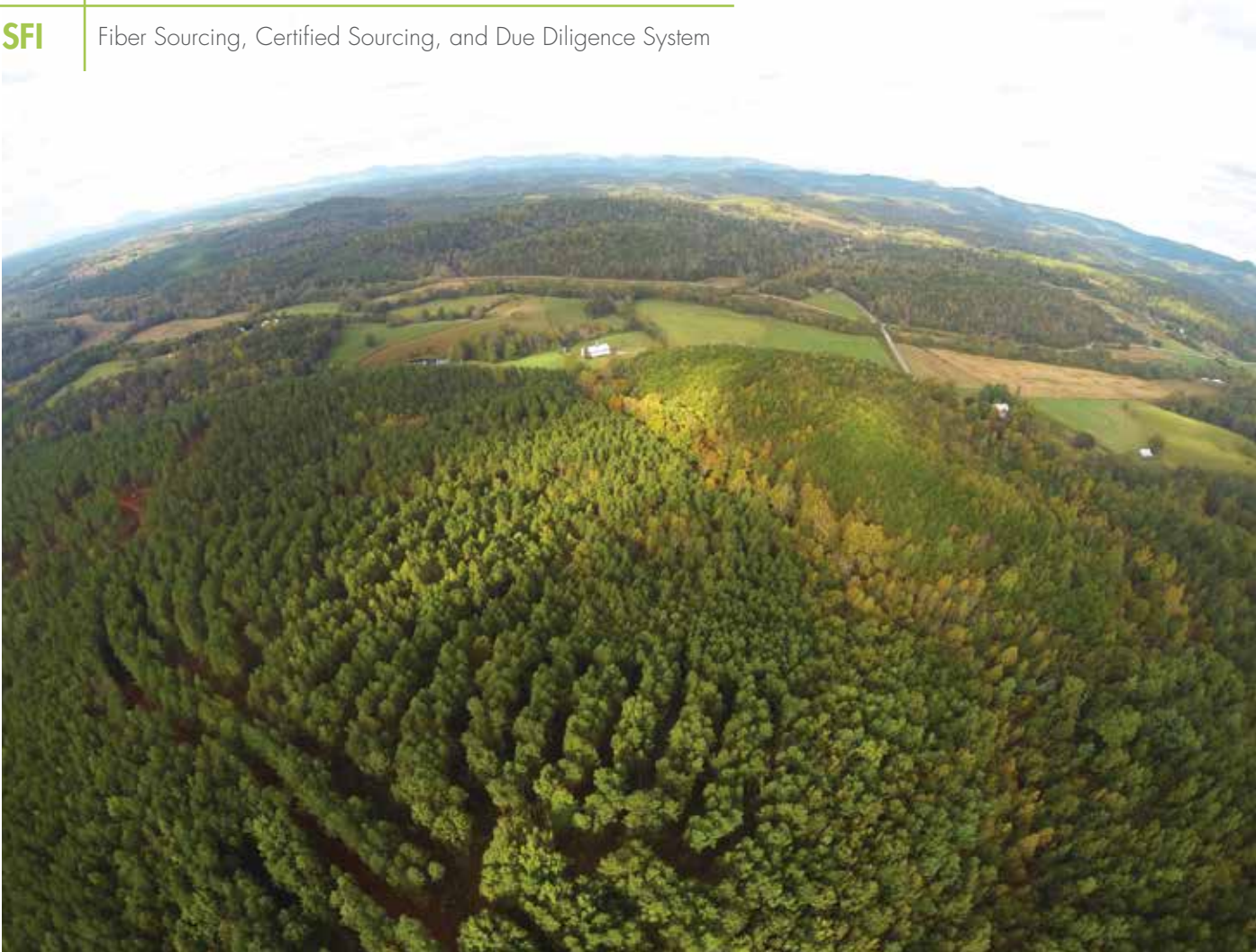


HOW DOES FOREST CERTIFICATION WORK?

It starts with responsible procurement of wood for making paper products. Evergreen Packaging holds certifications under the Forest Stewardship Council® (FSC®-C016043), the Programme for the Endorsement of Forest Certification (PEFC™), and the Sustainable Forestry Initiative® (SFI®). Simply holding these three certifications, which contain standards for wood procurement and third-party auditing, provides supply chain assurance to customers for the products they buy.

These **wood procurement standards** are listed below:

FSC	Controlled Wood
PEFC	Due Diligence System
SFI	Fiber Sourcing, Certified Sourcing, and Due Diligence System

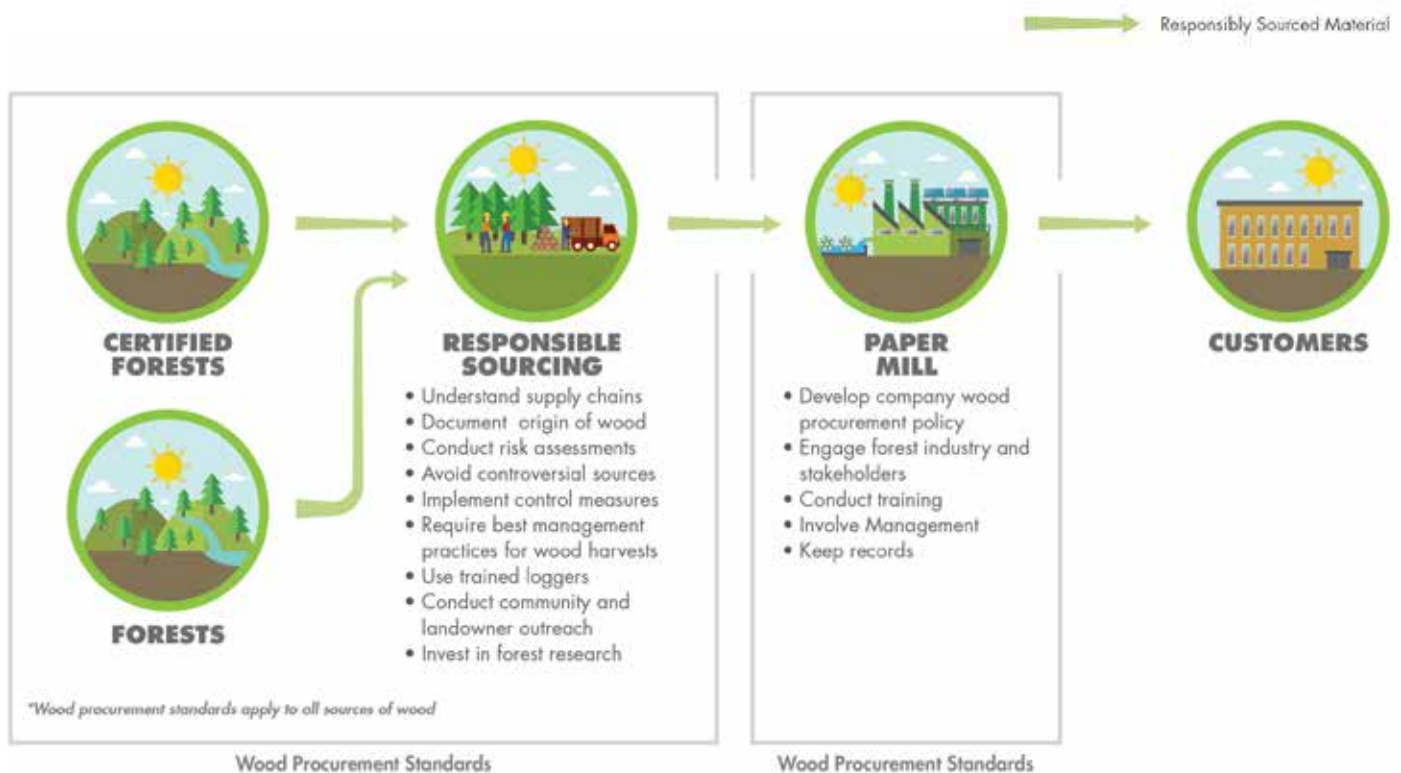


WHY INCLUDE WOOD PROCUREMENT STANDARDS?

There is a limited supply of Certified Forests and current estimates show that only 20 to 30 percent of forests in the United States are certified. In many areas of the country, there are not enough Certified Forests to meet wood procurement needs, and it is not practical to separately process only certified wood into paper. Therefore, most pulp and paper mills mix wood from Certified and non-Certified Forests to make their paper products. Given this accepted practice of mixing certified and non-certified wood, wood procurement standards are included in forest certification standards to provide assurance that **all wood** is responsibly sourced, even when it is not from a Certified Forest.

Figure 1 shows the top-line elements of how wood procurement standards provide responsible sourcing and supply chain assurance.

FIGURE 1. HOW WOOD PROCUREMENT STANDARDS IMPACT THE SUPPLY CHAIN



FIBER PROCUREMENT POLICY

Evergreen Packaging's publicly available Fiber Procurement Policy communicates our commitment to avoid procurement of wood from controversial and unacceptable sources and provides a foundation for our wood procurement programs. It outlines our overall goals to promote and achieve sustainable forestry management and the objectives of our responsible forestry activities.

RISK ASSESSMENTS

Risk assessments are conducted in the areas where wood is sourced to determine the risk of procurement from controversial and unacceptable sources. These controversial and unacceptable sources include illegal sources; conflict timber; sources in violation of social and indigenous rights; areas where rare, threatened or endangered species exist; forests where special societal areas exist; forests that are converted to other uses or to plantations; and genetically modified trees. If wood procurement risks are identified during an assessment process, procedures require implementation of control measures to mitigate those risks.

TRACEABILITY

All sources of wood in the supply chain are identified, along with the location of harvest areas.

MANAGEMENT REVIEW AND CONTINUAL IMPROVEMENT

Periodic updates to management are provided on forest certification programs, internal and external training on certification programs are conducted, and procedures are in place to address complaints received regarding forestry activities.

ADDITIONAL SFI FIBER SOURCING REQUIREMENTS

BMP COMPLIANCE – Implement contractual requirements with wood suppliers to meet State forestry Best Management Practices (BMP) at all harvest operations. Conduct random audits of forest tracts to evaluate BMP conformance and work with State Forest Service programs to conduct periodic post-harvest audits. In addition, randomly selected forest tracts are third-party audited to demonstrate BMP compliance.

TRAINED LOGGERS – Implement contractual requirements with wood suppliers to maintain State logging certification. Initial and annual training are required to maintain certification. Trained logger requirements are evaluated by annual third-party audits that cross reference supplier lists with State logger training certification databases. Work with State logger training programs to improve forestry practices based on findings communicated in State Forestry reports and during BMP audits.

INVESTMENT IN FOREST RESEARCH – Annually invest in forestry, wildlife, and fishery research activities. A third-party auditor reviews documentation to confirm investments.

FOREST INDUSTRY INVOLVEMENT – Participate in State Forestry Associations and SFI State Implementation Committees in states where wood is procured. These organizations provide mechanisms for monitoring forestry operations, legislation, training programs, and grant programs that support responsible forestry. Demonstrate involvement to third-party auditors with relevant documents such as payment receipts and meeting minutes.

COMMUNITY OUTREACH – Work with suppliers and landowners to provide information on forestry and management activities. Provide information on State BMP requirements, State Wildlife Plans (for biodiversity), and other information related to responsible forest practices to landowners, loggers, and others. At Evergreen Packaging, we also participate on forestry related board-of-directors, make presentations at local schools, speak at conferences, and provide mill tours to promote responsible forestry practices in our local communities.



“Just by holding these forestry certifications and meeting the wood procurement standards, we do a lot of work to provide our customers and communities with a high level of supply chain assurance and give them confidence in our products.”

– Chad Leatherwood
Project Manager Sustainability
Evergreen Packaging



A NOTE FROM THE AUTHORS

Supporting responsible forest management is a very rewarding part of the work we do. Much of the wood purchased in the southern United States comes from family forest owners and we are able to work with them to improve forest management practices in local communities. By working with other industry, non-governmental organizations, and government partners, Evergreen Packaging is able to promote responsible forest management and develop tools to assist landowners in their journey.

For more information on sustainable forestry and certification, please visit the Evergreen Packaging website (www.evergreenpackaging.com/sustainability) or call us at 866-575-4250.

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