



delfort

Ancient and endangered forest conservation vision and forest fibre procurement policy

Effective: November 11, 2022

Our vision statement

delfort is committed to demonstrate environmental and social leadership in the packaging paper industry. To achieve this, we promote light weight packaging to eliminate sourcing from the world's Ancient and Endangered Forests and other controversial fiber sources.

delfort recognizes that sustainable business leadership is a fundamental component of long-term transformation. We are committed to use our influence in the market towards sustainable solutions of both supply and demand. We will collaborate with relevant partners throughout the supply chain to ensure support for the creation of packaging paper made from low footprint sourcesⁱ.

As such, delfort is committed to actively implement the goals noted below and to apply this model and principles to all our corporate packaging paper production.

Our implementation goals:

Protect and Conserve Ancient and Endangered Forests, Biodiversity and Ecosystems

delfort recognizes the impact that packaging paper production has on forests, species and the climate and therefore, the need to ensure the adoption of environmentally and socially responsible packaging paper production.

We will work in partnership with other companies, suppliers, customers, and [Canopy](#) to forward conservation of the world's critical high carbon value (HCS) and biodiverse (HCV) forest ecosystems.

delfort commits to eliminate the use of all fibre from Ancient and Endangered Forestsⁱⁱ as identified in [ForestMapper](#), as well as forest fibre from threatened and/or endangered species habitatⁱⁱⁱ by 2025. delfort will be a vocal advocate for conservation of Ancient and Endangered Forests globally.

delfort also recognizes that certain forest regions have been identified as priority for conservation by scientists and other stakeholders. Until conservation solutions are in place, we will not source from these regions which include: Canada's Boreal Forests^{iv}, Indonesia's Rainforests^v, the Amazon, the Great Bear Rainforest^{vi} on Canada's central and north coast and the Coastal Temperate Rainforests^{vii} of Vancouver Island.

delfort will ensure that by the end of 2025 we are not sourcing from controversial sources including:

- Companies that are logging forests illegally^{viii}.
- Tree plantations^{ix} established after 1994 through the conversion or simplification of natural forests. Although plantations can play an important role in supplying fibre for products,



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delfort recognizes that clearing natural forests for plantations has contributed significantly to the destruction of forests in many parts of the world

- Areas being logged in contravention of First Nations and/or Indigenous peoples' collective community rights, including the right to Free, Prior, and Informed Consent (FPIC) and the rights codified under the [UN Guiding Principles on Business and Human Rights](#). We will require that our suppliers resolve complaints and conflicts and remediate human rights violations through a transparent, accountable, and mutually-agreed dispute resolution process.
- Genetically modified organisms as per the FSC definition.

If we find that any of our fibre sources contain fibre from critical habitat or Ancient and Endangered Forests or other controversial sources, we will work either autonomously or with our suppliers to eliminate this fibre from the supply or find another source of supply.

Maximize Recycled Content

Industry-supported life cycle analyses (LCA)^x shows that sourcing recycled and post-consumer recycled fibre reduces pressure on forests and species and other important natural resources like water. It also significantly reduces the carbon footprint of the paper, especially when using fibres from post-consumer waste.

Therefore, delfort commits:

- To be a leader in the development of recycled and pre- and post-consumer recycled packaging paper grades.
- We commit to increase the recycled content to a technical possible maximum for packaging paper.

Develop Agricultural Residue Fibre Sources

delfort will work with technology innovators, pulp producers and Canopy to encourage the development of agricultural residue fibres^{xi} as a commercially viable fibre source for paper and packaging. We anticipate there will be rapid advances in this area over the next few years that will lead to new alternative fibre developments and opportunities.

Therefore, delfort will:

- Support research and development of commercial-scale production of packaging paper from sustainable alternative fibre sources such as agricultural residues.
- Commit to develop packaging paper from alternative fibres such as wheat straw residues, flax and/or other verified low-footprint agricultural residues as soon as they are commercially available in volume.
- Support investment in agricultural residue fibre pulps for paper and packaging, whether through direct investment or by providing letters of interest to purchase or off-take agreements.



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FSC Forest Certification

Where virgin forest fibre is required, delfort will ensure that it is not derived from Ancient and Endangered Forests or controversial sources. We will also work with our suppliers to preference fibre that is certified by the Forest Stewardship Council (FSC).

Reduce Greenhouse Gas Footprint

Considering emissions from biogenic carbon sources, delfort will reduce its greenhouse gas footprint and consequent impacts on the climate by addressing our fibre sourcing as outlined above. Further to this end, we will work develop smarter, resource-efficient product design.

As appropriate, delfort will work with Canopy to invest in programs that advance conservation of Ancient and Endangered Forests.

Prevent Pollution

Paper manufacturing is a resource-intensive process that can lead to air emissions and water pollution. To address this delfort will preference suppliers and products that adopt the latest technologies and practices to minimize their air and water pollution.

Transparency and Reporting

delfort is committed to transparency in implementing this policy and will publish updates in our annual CSR report. delfort will use the Global Reporting Initiative Reporting Guidelines.

Setting Benchmarks, Timelines, and other Accountability Mechanisms

delfort will establish benchmarks, timelines, and other accountability mechanisms to implement this policy, and will review and adapt these annually.

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CEO

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delfortgroup AG
November 11, 2022



Endnotes

ⁱ Environmentally friendly, lower footprint fibre sources include:

- Post-consumer recycled waste fibre
- Pre-consumer recycled fibre
- Agricultural residue defined below
- Fibre from FSC certified tenures (no controlled wood from controlled wood tenures)

ⁱⁱ Ancient and Endangered Forest Ancient and endangered forests are defined as intact forest landscape mosaics, naturally rare forest types, forest types that have been made rare due to human activity, and/or other forests that are ecologically critical for the protection of biological diversity. Ecological components of endangered forests are: Intact forest landscapes; Remnant forests and restoration cores; Landscape connectivity; Rare forest types; Forests of high species richness; Forests containing high concentrations of rare and endangered species; Forests of high endemism; Core habitat for focal species; Forests exhibiting rare ecological and evolutionary phenomena. As a starting point to geographically locate ancient and endangered forests, maps of High Conservation Value Forests (HCVF), as defined by the Forest Stewardship Council (FSC), and of intact forest landscapes (IFL), can be used and paired with maps of other key ecological values like the habitat range of key endangered species and forests containing high concentrations of terrestrial carbon and High Carbon Stocks (HCS). (The Wye River Coalition's Endangered Forests: High Conservation Value Forests Protection – Guidance for Corporate Commitments. This has been reviewed by conservation groups, corporations, and scientists such as Dr. Jim Stritholt, President and Executive Director of the Conservation Biology Institute, and has been adopted by corporations for their forest sourcing policies). Key endangered forests globally are the Canadian and Russian Boreal Forests; Coastal Temperate Rainforests of British Columbia, Alaska and Chile; Tropical forests and peat lands of Indonesia, the Amazon and West Africa. For more information on the definitions of Ancient and Endangered Forests, please go to: <http://canopyplanet.org/solutions/ancient-forest-friendly/ancient-forest-friendly-defined/> and [ForestMapper](#)

ⁱⁱⁱ 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.

^{iv} Protection of Boreal Forests where the largest remaining tracts of forests are located worldwide is critical. Canada's Boreal Forest 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.

^v Indonesia experiences the second highest rate of deforestation among tropical countries, with the island of Sumatra 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). Canopy and our NGO partners are focused on forwarding lasting protection of the Leuser Ecosystem – the last place on earth where orangutans, tigers, elephants, rhinoceros and sun bears still co-exist.

^{vi} A legal conservation plan is now finalized for the Great Bear Rainforest. On February 1st, 2016 the Government of British Columbia, First Nations, environmental organizations and the forest industry announced an Ecosystem-based Management framework that sets 85% of this region off limits to logging and stringent logging rules in the other 15%. Provided these agreements are fully implemented – sourcing from this ancient and endangered forest region can be considered to be within sustainable levels. We encourage ongoing verification of this through renewal of Forest Stewardship Council certification.

^{vii} Coastal temperate rainforests are rare and only ever covered 0.2% of the planet. On Vancouver Island only 10% of Vancouver Island's productive old growth rare coastal temperate rainforest remain. These stands of 1,000-year old trees continue to be harvested despite their immense value to local communities for tourism. Their accessibility and beauty is a remarkable global asset and Canopy is working to see these last stands protected.

^{viii} Legal forest management: Management that complies with all applicable international, national, and local laws, including environmental, forestry, and civil rights laws and treaties.

^{ix} 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.

^x Paper Task Force Report and the 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."

^{xi} Agricultural Residues are residues left over from food production or other processes and using them maximizes the lifecycle of the fibre. Fibres 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 forestland to on purpose crops is not an issue, kenaf and other on purpose crops can also be included here. (Agricultural residues are not from on purpose crops that replace forest stands or food crops.)