

The Paper Facts

Helping you make the
right choices



Fuji Xerox and Sustainability

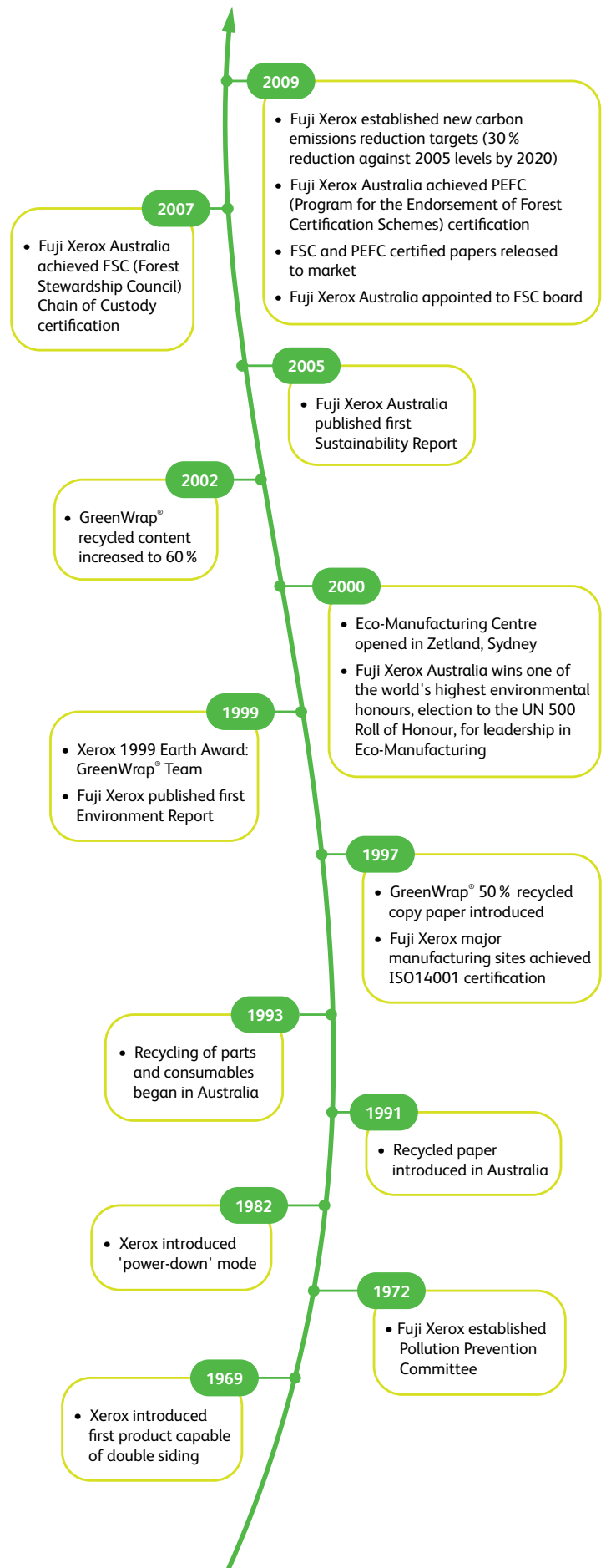
‘Sustainability in its broadest sense underpins our business. We aim to run Fuji Xerox Australia based on a set of principles that guide continuous improvement across economic, environmental and social criteria. Our responsibility to internal and external stakeholders spans these three pillars of sustainability. Whether they are employees, customers, business partners or the broader community, our stakeholders expect us to act as a good corporate citizen by finding the right balance between economic, environmental and social considerations.’

Nick Kugenthiran, Managing Director



This brochure is designed to help you get across some fundamentals of paper and the environment:

- > The Fuji Xerox sustainability commitment;
- > The paper life cycle;
- > Certification systems;
- > Environmental and social impacts; and
- > Responsible procurement frameworks.



The Paper Facts: Paper and the Environment

Is your organisation committed to environmental sustainability? Do you need help identifying paper's environmental impacts and how the industry is addressing them? Do you have criteria for responsible paper procurement but need guidance understanding how to assess compliance?

Fuji Xerox has developed resources to answer some of these questions, clear confusion, and provide transparency about where the pulp and paper industry has improved practice and where there is room for further improvement.

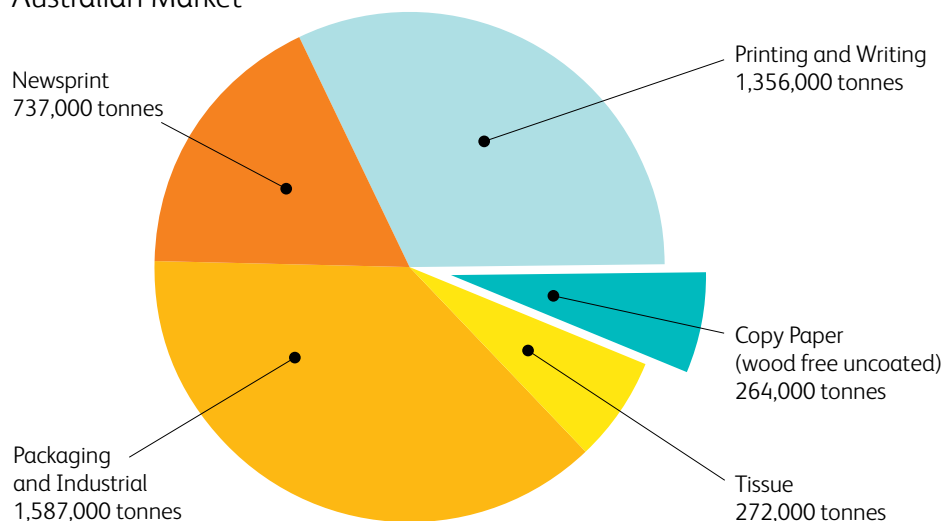
Increasing numbers of responsible organisations seek evidence for paper's environmental credentials. However the environmental issues are not always straightforward and when combined with a broadening array of environmental paper ranges and certification systems, responsible paper procurement can become a complex undertaking.

The fact is that paper production has a range of potential environmental impacts that are not easily grasped. Some sources can be biased either way and sometimes miss a significant issue. Key environmental issues of concern are fibre sourcing, water and energy use and emissions to water, land and air as well as greenhouse gas emissions and recycled content of paper. Forestry, pulp and paper production also has social implications regarding indigenous peoples and labour practices. There are also corporate

governance issues to be considered in terms of the application of standards-based management practices and transparency on sustainability performance. The challenge for those responsible for paper procurement is to get across how different paper suppliers manage each of these issues and choose a paper stock and paper supplier that best fits your organisation needs and values.

Starting with the source of the fibre used to make the paper, through its manufacture and use, Fuji Xerox strives to minimise the environmental impact of paper production and provide our customers with paper that meets both business needs and environmental criteria. With environmental and financial sustainability high on our customers' paper procurement agendas, Fuji Xerox is committed to enabling the efficient use of paper and to working only with responsible paper manufacturers and suppliers. Our goal with The Paper Facts is to introduce the environmental issues around paper and provide links to resources to enable responsible procurement.

Paper and Pulp Industry Snapshot Australian Market

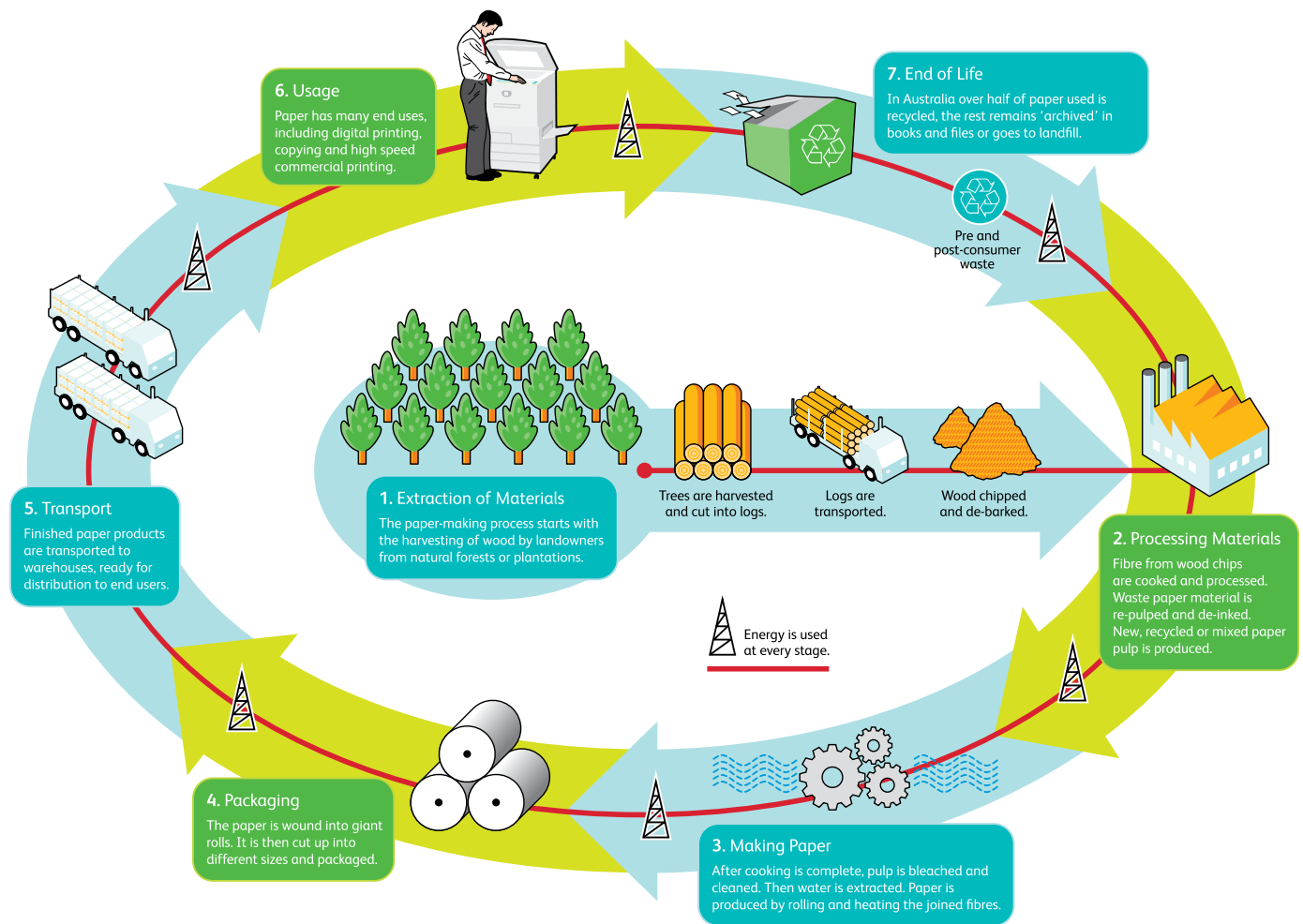


The Global Paper and Pulp Industry produces 250 million tonnes of paper per year including publication papers, fine papers, packaging papers and boards, hygiene tissue and food services papers. 15.5 million tonnes of this is copy paper (wood free uncoated).

* Sources: AP3 (Australian Plantation Products and Paper Industry Council), APIA (Australasian Paper Industry Association) and ACOR (The Australian Council of Recyclers)

The Life Cycle of Paper

Paper is part of everyday life, and with its physical properties and conveniences satisfies a communication need not always filled by digital media. In fact, the use of office paper has increased rather than decreased over the last several decades as a result of the 'information revolution'.



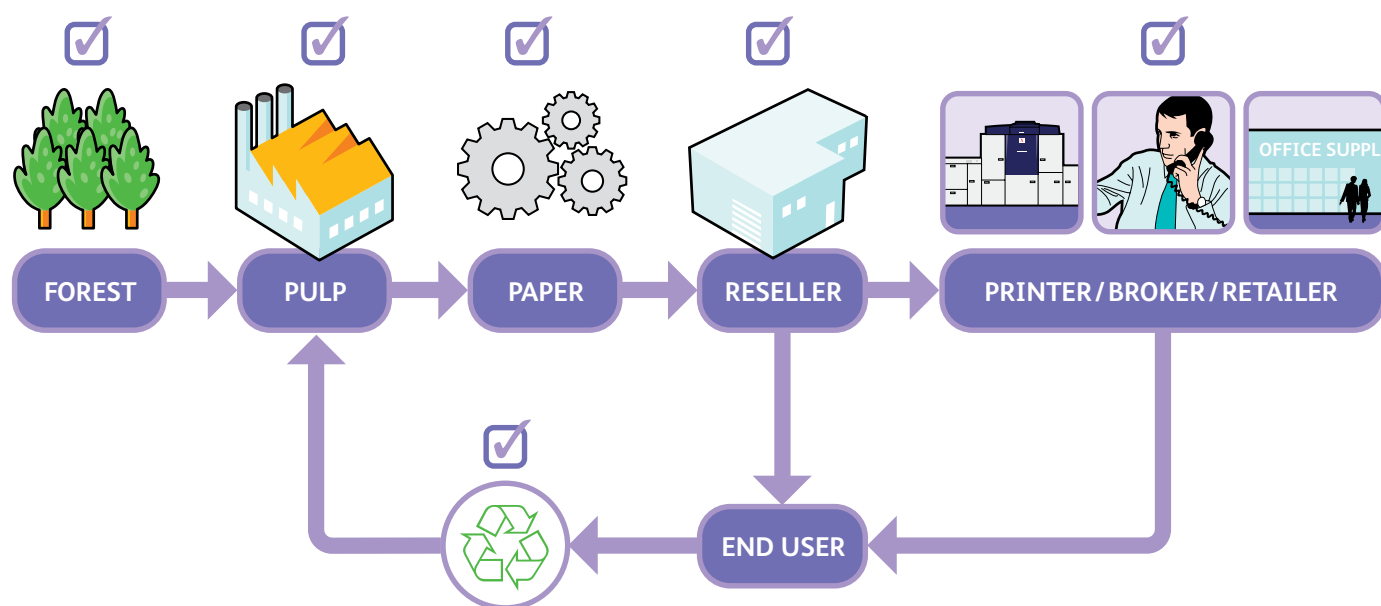
Managing paper life cycle impacts

Papermaking is a highly industrialised process and has potential environmental impacts to our world's forests, air, water, and soils. It is therefore important to understand and mitigate the environmental impacts of paper use across its life cycle – from raw material acquisition, manufacture distribution, use and disposal.

Our goal at Fuji Xerox is to work with paper manufacturers in supporting the development of a sustainable paper cycle. This means ensuring that our paper is derived from paper mills with sustainably managed fibre sources and manufacturing processes with reduced environmental impacts.

The Paper Chain of Custody

Chain of Custody is the path taken by the raw materials harvested from a **certified forest** all the way through processing, production, distribution and printing until it is a final product to be sold to an end customer.



The paper supply chain

Chain of Custody follows the legal and physical ownership of wood and paper products through the supply chain and ensures that at every stage, agreed systems and processes are in place to guarantee the integrity of the certified products. That means that any organisation that takes legal ownership of a product and wants to pass-on the right to make a claim about the product needs to hold a Chain of Custody certificate. Put another way, anyone who buys product from a supplier that does not have a Chain of Custody cannot make a claim about the product or label the product. This applies to every type of organisation in the supply chain: manufacturers, wholesalers, merchants and printers. Merchants handling certified paper need to be certified to verify that the certified material can be tracked through their inventory and stock systems. Similarly, printers need to be certified.



The Chain of Custody (CoC) scheme for forests is a process of verifying that the origin of the certified wood and timber products is indeed from forests for which there is some form of forest management certification.

In order to provide the verification, careful tracking of the wood and timber products is required through all the links of the supply chain from the forest to the markets in which the timber or other wood based product carries the claim.

Understanding Paper Certification Systems

Forest certification means that forest managers have their operations audited against a credible standard as determined by an independent certifying organisation. This standard sets out indicators that the auditor will use to verify that the operation is meeting the requirements of set principles and criteria.

These principles and criteria cover issues such as compliance with legal requirements, protection of biodiversity, protection of high conservation values, prevention of deforestation, community relations, civil and indigenous peoples' rights. Fuji Xerox Australia is progressively ensuring that all its suppliers

are certified and working towards supplying only certified paper stocks. There are essentially two bodies that certify wood for paper on a global basis: The Forest Stewardship Council (FSC) and The Programme for the Endorsement of Forest Certification (PEFC).



The Forest Stewardship Council (FSC)

FSC is an international network, which promotes responsible management of the world's forests. It accredits independent third party organisations to FSC standards to ensure well managed forestry. Its trademark provides international recognition to organisations that support the growth of responsible forest management.

Over the past 12 years, over 100 million hectares in more than 82 countries have been certified according to FSC standards, while several thousands of products are produced using FSC certified wood and carrying the FSC trademark. FSC operates through a network of national initiatives in 40 countries and is increasingly demanded by customers looking for certified paper.



Programme for the Endorsement of Forest Certification (PEFC)

PEFC is a global, independent, non-profit, non-governmental umbrella organisation for the assessment of and mutual recognition of national forest certification schemes developed in a multi-stakeholder process. These national schemes build upon the inter-governmental processes for the promotion of sustainable forest management, a series of on-going mechanisms supported by 149 governments in the world.

PEFC has in its membership 35 independent national forest certification systems of which 25 to date have been through a rigorous assessment process involving public consultation and the use of independent assessors to provide the assessments on which mutual recognition decisions are taken by the membership. These 25 systems account for more than 200 million hectares of certified forests producing millions of tonnes of certified timber to the market place making PEFC the world's largest certification system.







General Environmental labelling programs

A range of general eco-labelling systems also apply to paper. The most prominent of these are European systems. These systems generally result from government initiatives to provide consumers with assurance about products that meet defined environmental criteria.

Two that are seen on paper products available in Australia are; the Nordic Eco-labelling system and the German eco-labelling system known as Blue Angel. These programs generally conform to an ISO Standard or function with the authority of a government agency. Some are weakened by a reliance on self-declarations from companies rather than independent third party auditing while others are strengthened through some form of multi-stakeholder governance.

Fuji Xerox Paper Stocks

Fuji Xerox Australia provides Australian-made 60% recycled paper, certified post-consumer waste 100% recycled paper from Germany and a range of FSC and PEFC certified paper stocks. Our objective is to progressively move toward 100 % of our paper offering to be third party certified to a recognised standard.

Product name				
Black & White Papers				
Business+™ [A4 80gsm • A3 80gsm]	✓			
Professional™ [A4 80gsm]	✓			
Symphony™ Pastel/Mid/Dark Tints [A4 80gsm • A3 80gsm]		✓		
Performer+™ [A4 80gsm • A3 80gsm] / Quickpack	✓			
Recycled Papers				
GreenWrap® 60% Recycled Content [A4 80gsm • A3 80gsm]		✓		
Recycled Pure+ 100 % recycled post consumer content [A4 80gsm • A3 80gsm]			✓	✓
MagicColour (5 tints) 100 % recycled post consumer content [A4 80gsm]			✓	✓
Colour Papers				
Colotech+™ [A4 90-280gsm • A3 90-300gsm • SRA3 90-300gsm • SRA2 90-250gsm]		✓		
Colotech+™ Gloss Coated [A4 120-210gsm • A3 120-210gsm • SRA3 120-350gsm • SRA2 120-280gsm • 521 x 364mm 210-280gsm]	✓*	✓		
Colotech+™ Silk Coated [A4 120-210gsm • A3 120-210gsm • SRA3 120-350gsm • SRA2 120-280gsm • 521 x 364mm 210-280gsm]	✓*	✓		
Colotech+™ Supergloss [A4 160-210gsm • A3 210gsm • SRA3 210-275gsm]		✓		
Colotech+™ Digital Coated Gloss and Silk [SRA3 130-300gsm]		✓		
iGen Cover Gloss and Matt [364 x 521mm 350gsm]	✓			

PEFC (Programme for the Endorsement of Forest Certification)
FSC (Forestry Stewardship Council) Certified Mixed Sources

* 300gsm only

All stocks are correct at time of printing,

FSC no: SGS-COC-003514, PEFC no: SGS-PEFC/COC-0837
 Information correct at time of printing, for updates please visit our
 website: www.xeroxsupplies.com.au

Understanding the Impacts of Paper and Pulp Production

Paper production has a range of environmental impacts, that are not well understood by those outside the industry. Key environmental issues of concern are fibre sourcing, water and energy use and emissions to water, land and air as well as greenhouse gas emissions and recycled content of paper.

Issue	Summary of the issue	Relevant standards and certifications
 <p>Fibre sourcing and certification</p>	<ul style="list-style-type: none"> Pulp and paper making reprocesses wood or recycled fibres into paper. New fibre is sourced from wood that is harvested from tree plantations or natural forests. Recycled fibre is sourced from recycled paper and board. Issues associated with new fibre include Illegal harvesting and protection of high conservation value forests. 	<p>Relevant sustainable forestry management standards include:</p> <ul style="list-style-type: none"> Forest Stewardship Council Programme for the Endorsement of Forest Certification Australian Forestry Standard   
 <p>Forestry and carbon accounting</p>	<ul style="list-style-type: none"> Carbon emissions from all types of forestry activities and deforestation are a major contributor to global warming. Logging of old growth forests is particularly carbon intensive. Natural forests and plantations store and release carbon in different ways in different regions. 	<ul style="list-style-type: none"> Independently conducted and/or verified ISO standards-based life cycle analysis should address carbon footprinting. Greenhouse Friendly provide a methodology for carbon accounting. Australian Standard 4978.1 carbon accounting for greenhouse gas sinks. 
 <p>Energy use</p>	<ul style="list-style-type: none"> The pulp and paper sector is a significant user of energy and is member of the Energy Intensive Industry Alliance. The sector also produces and uses renewable energy through forest biomass. Australian Paper has estimated that a tonne of paper embodies 1.07 tonne of carbon. 	<ul style="list-style-type: none"> Independently conducted and/or verified ISO standards-based life cycle analysis should address carbon footprinting. Tonnes of carbon per tonne of paper produced should be monitored. Carbon labelling schemes such as Greenhouse Friendly may certify carbon neutrality, however other labelling initiatives such as Carbon Trust enable comparisons based on actual carbon content of products and drive low-carbon purchasing. Nordic Swan GRI    
 <p>Water use</p>	<ul style="list-style-type: none"> The pulp and paper sector is a significant user of water. The relative water stress of the region where paper is made is an important consideration. Modern mills are increasing the water efficiency of their operations. 	<ul style="list-style-type: none"> International water stewardship schemes and associated labelling programs are still emerging. GRI 
 <p>Waste emissions to land</p>	<ul style="list-style-type: none"> Paper production results in the creation of solid wastes. In 2003-04 Australia's major producers generated 96kg of waste per tonne of paper production. Over time the industry has progressively reduced the amount of waste per tonne of paper production. 	<ul style="list-style-type: none"> Tonnes of solid waste per tonne of paper produced should be monitored. Nordic Swan GRI  

Issue	Summary of the issue	Relevant standards and certifications
 <p>Waste emissions to water</p>	<ul style="list-style-type: none"> During the production process, water picks up waste. Total Suspended Solids (TSS), Biochemical Oxygen Demand (BOD) and Chemical Oxygen Demand (COD) of water discharge are impacts that require management. 	<ul style="list-style-type: none"> TSS, BOD and COD of wastewater should be monitored and compared to benchmark performance.¹ Nordic Swan 
 <p>Waste emissions to air</p>	<ul style="list-style-type: none"> Emissions to air include particulate matter, volatile organic compounds, sulphur oxides and gasses and oxides of nitrogen. These emissions lead to air pollution that damages the environment and human health. 	<ul style="list-style-type: none"> Emissions of dioxins, furans, NOx and SOx should be monitored and compared to benchmark performance.² Nordic Swan 
 <p>Bleaching agents</p>	<ul style="list-style-type: none"> Pollution from absorbable chlorinated compounds (AOX) is an issue associated with paper bleaching agents. Elemental Chlorine Free (ECF) bleaching processes or Process Chlorine Free (PCF) processes mitigate chemical use and associated pollution impacts. 	<ul style="list-style-type: none"> Look for ECF or PCF bleached products (totally chlorine free processes are not suitable for copy paper). Nordic Swan 
 <p>Recycled content</p>	<ul style="list-style-type: none"> Recycled paper production usually has fewer environmental impacts across a broad range of criteria: no tree felling, less energy intensive, less water and bleach use and fewer emissions to land and air. Recycled paper with a higher % of post consumer waste content has better environmental outcomes. 	<ul style="list-style-type: none"> Forest Stewardship Council Blue Angel Good Environmental Choice Australia   
 <p>Management approach</p>	<ul style="list-style-type: none"> Responsible organisations adhere to universally accepted principles in the areas of human rights, labour, environment and anti-corruption. Good business practise addresses total quality management of operations as well as environmental and safety standards. 	<ul style="list-style-type: none"> ISO 14001 environmental management ISO 9001 quality management UN Global Compact signatory OHSAS 18001:2007    
 <p>Social context</p>	<ul style="list-style-type: none"> Social aspects include respect for labor and indigenous rights, the health and safety of forest workers, sharing of economic benefits, and protection of sites of spiritual or historic value. 	<ul style="list-style-type: none"> UN Global Compact signatory Social Accountability 8000 certification   
 <p>Transparency</p>	<ul style="list-style-type: none"> Responsible organisations consult stakeholder groups before undertaking initiatives and are transparent in their reporting of plans, actions and results. Third party auditing provides greater credibility to sustainability reporting 	<ul style="list-style-type: none"> Use of AA1000 Assurance Standard Use of AA1000 Stakeholder Engagement Standard GRI-based sustainability report  

1. Benchmark performance: Swedish Standard: BOD5 Kg/Adt 7.000, COD Kg/Adt 2.900, TSS Kg/Adt 2.900

2. Benchmark performance: Swedish Standard: AOX Kg/Adt 0.210

Fuji Xerox Sustainable Paper Sourcing Standards

Fuji Xerox seeks to demonstrate and promote compliance with government recognised global social and environmental standards, and to identify and control the sources of the raw materials used in the manufacture of our paper products.

We believe it is in the interests of our industry to demonstrate responsible stewardship through the full product life cycle in order to verify paper as a socially and environmentally responsible communication medium. The Fuji Xerox Australia sustainable paper sourcing standards is one tool to achieve this objective.

We have established a set of minimum requirements for our paper suppliers across key environmental, social

and governance criteria, as well as a path for continuous improvement in line with best practice. We assess compliance with these standards annually and we work with non-government organisations to identify and escalate key issues of stakeholder concern. If areas of non-compliance are found our approach is to work with progressive suppliers to ensure standards are met. However if adequate progress is not made in a specified timeframe the supplier relationship will cease.



Assessment of Compliance

- ISO Management Standards
- Fibre Sourcing
- Carbon
- Other Emissions to Air
- Bleaching
- Water Use
- Emissions to Water
- Waste to Landfill
- Social Issues Management
- Transparency

Next Steps

The Paper Facts, helping you make the right choices. Now that you have had the opportunity to review The Paper Facts, here's some more information to help you with your sustainable procurement initiatives.

To learn more about Fuji Xerox paper products and how to develop a responsible paper procurement strategy:

- Visit the Paper Facts Microsite:
www.thepaperfacts.com.au
- Request the Fuji Xerox Paper and the Environment white paper – available for download at
www.thepaperfacts.com.au



Comments? Questions?
Please contact us: thepaperfacts@aus.fujixerox.com

- Other resources:

Certifying bodies and ecolabelling schemes:

- Forestry Stewardship Council Australia (FSC):
www.fscaustralia.org
- Forestry Stewardship Council Global (FSC): www.fsc.org
- Programme for the Endorsement of Forest Certification (PEFC): www.pefc.org/internet/html
- The Blue Angel: www.blauer-engel.de
- Nordic Swan: www.svanen.nu

Tools:

- Environmental Paper Assessment Tool (EPAT):
www.epat.org
- World Business Council for Sustainable Development: Paper industry: Sustainable Procurement of Wood and Paper-based Products Guide and Resource Kit
www.wbcsd.org/Plugins/DocSearch/details.asp?DocTypeId=25&ObjectId=MjkzNDQ
- WWF Paper Toolkit:
www.panda.org/how_you_can_help/greenliving/at_the_office/reducing_paper/paper_toolbox/

Industry Associations:

- Australasian Paper Industry Association (APIA):
www.australasianpaper.org/
- Australian Plantation Products and Paper Industry Council (AP3): www.a3p.asn.au/
- The Australian Council of Recyclers (ACOR):
www.acor.org.au/

Other resources:

- ECO-Buy: www.ecobuy.org.au/
- Environmental Paper Network:
www.environmentalpaper.org/
- The Wilderness Society Paper Resources:
www.wilderness.org.au/articles/paper

For more information or detailed product specifications,

Please call us on 02 4220 5000 or visit us at fxillawarra.com.au

FUJI XEROX BUSINESS CENTRE ILLAWARRA

87 Auburn Street, Wollongong NSW 2500

ABN: 62 096 607 135



XEROX and the sphere of connectivity design, Recycled Pure+, Colotech+ and Symphony are trademarks or registered trademarks of Xerox Corporation in the U.S. and or other countries. Green Wrap, Performer+, Business+ and Professional are trademarks or registered trademarks of Fuji Xerox Australia Pty Ltd. Other trademarks are the property of their respective owners.

Quality Endorsed Company ISO 9001:2000. QEC1950/01 SAI Global Certified Environmental Management ISO 14001:2004. C10094 SAI Global
Fuji Xerox Document Supplies reserves the right to change the specifications of the products described herein without notice.