



## CARBON POLICY STATEMENT

Climate Change is increasingly recognised as a major challenge and, it is widely accepted that the greenhouse gas (GHG) emissions caused by humans are having a negative effect on the environment.

The Howard Smith Paper Group (HSPG) is committed to progressively minimising our contribution to climate change. This will be achieved by appropriately managing our direct and indirect emissions of carbon dioxide and other greenhouse gases.

Key aspects of our policy are;

- HSPG has undertaken a full carbon assessment of our business, September 2008, audited by The Edinburgh Centre of Carbon Management (ECCM).

This encompasses all our direct and indirect emissions where they are identified. (Scope 1, 2 & 3 emissions, as defined by the Carbon Trust)

- HSPG commits to achieving a 10% reduction in our carbon emissions, for our financial year ending July 2010, based on 2008 benchmark figures and pro-rata to growth.

It is important to note that significant un-measured reductions have been achieved in the past 18 months through a consolidation of regional offices and adoption of Delivery Co, a shared PaperlinX UK delivery service.

- HSPG is working with key suppliers to understand the full life cycle and carbon arising through their activities and products. We will share best practice on carbon reduction and encourage development of low-carbon products.

- HSPG is currently considering how credibly products may be offered as carbon balanced. Where Carbon offsets are utilised in the future, they will meet Kyoto Protocol standards.

- HSPG is continually reviewing its resource efficiency. This will include how renewable energy may be utilised in the future.

A focused carbon reduction strategy is viewed as a fundamental part of our Corporate Responsibility and for the future sustainability of our business. The HSPG board takes responsibility for the maintenance of this policy, which will be reviewed annually to ensure continuous improvement.

Malcolm Lane-Ley  
Managing Director Howard Smith Paper Group