

SFI Response to Ecojustice's Application for Inquiry December 6, 2022

On December 2, 2022, Ecojustice and others filed an *Application For Inquiry* with the Competition Bureau Canada against SFI. We believe this application has no merit, and in fact, some of the same complainants (and similar groups) filed similar complaints with the Federal Trade Commission (FTC) in the United States, and after investigation, the FTC found no violation and took no enforcement action. SFI will still review all concerns and determine if there are areas we can improve upon. We also understand complaints like this are used to create confusion in the marketplace and are timed to coincide with events such as COP 15.

SFI has a proven track record of advancing sustainability through forest-focused collaborations. This is apparent through our standards, conservation impact work, community and Indigenous engagement, and environmental education and career pathways work. We welcome any scrutiny into our program and are positioned well to address any issues.

At the heart of this inquiry is whether SFI's standards require outcomes-based impact to make sustainability statements. The answer is absolutely yes. In fact, SFI's standards include outcomes-based criteria and indicators as well as systems-based criteria and indicators to achieve sustainable forest management. The main arguments of the complaint are semantic, relying on dictionary definitions. SFI Standards contain their own clear <u>definitions</u>, which are designed to be used by professionals at certification bodies and certified organizations. The complaint offers no surveys or other evidence that anyone was deceived by any SFI statement. Furthermore, SFI is not "industry-led," as the complaint claims. SFI is governed by an 18-member <u>SFI Board</u>, that consists of three chambers that represents environmental, social and economic sectors equally. SFI Board members include executive-level representatives of conservation organizations, academic institutions, aboriginal/tribal entities, family forest owners, public officials, labor and the forest products industry. This diversity reflects the variety of interests in the forestry community.

With over 350 million acres/140 million hectares certified to the SFI Forest Management Standard, and tens of millions more positively influenced by SFI Fiber Sourcing, SFI's footprint has tremendous scale. This enables SFI to measure and quantify our impact in key areas such as Climate Change and Carbon, Biodiversity, and Water Quality and Quantity. Our results demonstrate that our standards make a difference in the forest.

The Canadian Government has recognized SFI as a credible forest certification standard. The <u>Canadian Council of Forest Ministers</u> recognizes SFI as "being consistent with national and international agreements related to SFM and meeting criteria for balancing interests, being objective and science-based, implementable, and practical."

In 2008, Canada's Competition Bureau used SFI as an example of how to make sustainability statements in their "*Environmental claims: A guide for industry and advertisers.*"

In order to achieve our mission, SFI collaborates with a diverse network to provide solutions to local and global sustainability challenges. SFI works with the forest sector, brand owners, conservation groups, resource professionals, landowners, educators, local communities, Indigenous Peoples, governments, and universities.

If you would like to discuss this inquiry with an SFI representative, please contact <u>Jason Metnick</u>, Senior VP Customer Affairs.