Introduction

The following is a mock excerpt from a Form 10-K for a pulp and paper manufacturer, "Edwards Global Paper Co.," that incorporates disclosure to the SASB Standard for Pulp & Paper Products into its Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A). This document serves as an example of one type of disclosure SASB envisions for its standards; it is not intended to provide a template for companies to follow. This is a working document on which SASB is actively soliciting feedback on the content, scope, and presentation format of disclosure to SASB Standards. Comments can be sent to: comments@sasb.org

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2014

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 000-12345

Edwards Global Paper Co.

(Exact name of registrant as specified in its charter)

Delaware	**99-999999**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1926 Betty Ave., San Diego, California	**92109-1111**
(Address of principal executive offices)	(Zip Code)

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Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Sustainability Performance

Overview

Intelligently managing natural resources has always been crucial to the success of Edwards Global Paper Co. (EGP) and will continue to be so in the future. As such, the Company's Board of Directors carefully reviewed the Sustainability Accounting Standards Board's (SASB) Sustainability Accounting Standard – Pulp and Paper Products (RR0202) and determined that all the topics in it represent trends and uncertainties that may materially impact Company operational performance or financial condition. The following pages include disclosure and discussion of EGP's performance on all the topics included in the SASB standard. At the end of this section, we present Table 1, which summarizes the quantitative metrics we report, and Table 2, which displays three sets of "activity metrics." These "activity metrics" describe some facets of our operational scale. We include them so that readers have an additional tool to put our performance in context of our size and to compare our performance to that of other similar companies of various sizes.

Greenhouse Gas Emissions

Gross global Scope 1 emissions

Many aspects of our operations produce emissions of greenhouse gases (GHGs). The primary emitting activities are converting biomass into energy used to power our mills and other plants and transporting raw materials and finished products throughout the supply chain. Regulatory authorities generally consider converting biomass into energy to be carbon neutral on a lifecycle basis and allow us to exclude GHG emissions from biomass conversion in our reports to them. It is possible that these authorities may change their assessment in the future. Such a change could materially impact our financial results, particularly if it results in higher compliance costs, but we currently believe the risk of such a change to be low. Further discussion of the potential impacts of regulatory change is discussed in the "Energy Management" section.

In mid-2012, in order to accommodate continued growth stemming from our expanded production of hygiene products, we purchased a plant from another paper and pulp manufacturer that was ceasing operations. During the six months immediately following the acquisition, we modified and upgraded many of the plant's facilities to increase production and reduce gross emissions. All emissions figures are based on data collection through Continuous Emission Monitoring Systems (CEMS).

	Year Ended December 31,		
Metric	**2012**	**2013**	**2014**
Gross global Scope 1 emissions (in thousands of metric tons CO_2-e)	2,273	2,055	1,911

Strategy to manage Scope 1 emissions

As noted in Item 1A: Risk Factors, it is impossible at this time to predict the scope and severity of the effects on our business and operations of climate change. It is clear that, if unaddressed and unabated, climate change could have a material adverse effect on our operations and/or financial results. We can control neither legislation related to climate change nor the actions of other companies or individuals. Our California production facility is subject to AB 32, the Global Warming Solutions Act of 2006, which requires a reduction to 1990 levels of GHG emissions by 2020. We have chosen to voluntary apply this reduction target to all our operations throughout Idaho, Washington State, Oregon, South Carolina, Georgia, and British Columbia, Canada. For our operations, this translates into an eighteen percent reduction, in absolute terms, from 2007 levels. Because of the carbon-neutral nature of biomass conversion emissions, the legislation and the efforts described here apply to our non-biomass conversion emissions.

To reduce emissions at our mills and production plants, we are increasing energy and production efficiency and accelerating our shift from purchased energy to biomass conversion energy. The first step, concluded in 2009, was conducting a Company-wide audit to understand how our operational practices translated into energy usage. Next, we identified and implemented those changes that would produce the greatest reductions in energy usage and emissions without substantially impacting our output. When we acquired the plant described above in 2012, we conducted a similar audit. Over time, we have continued to re-audit our operations and iteratively improve them with respect to energy and production efficiency. These efforts have required investments in personnel, consultants, and equipment. All these investments have already been recouped through reduced energy costs.

Our ultimate goal is to rely on renewable energy, in the form of biomass conversion or solar or wind power, to power all our operations. This goal requires us to make some substantial operational changes. So far, we have:

- Increased the capacity of our most recently acquired plant to efficiently convert biomass into energy.
- Improved the efficiency of biomass conversion at all our other plants by an average of twelve percent (2014 compared to 2012), thereby reducing our need for purchased energy.

- Transitioned our San Diego, California headquarters to run primarily on solar power by joining a consortium of businesses with offices in the same complex.

Next, we plan to:

- Design and build a new production facility that is co-located with our mill in Meridian, Idaho. This facility will replace a plant located in nearby Nampa, Idaho that runs on purchased energy. The new facility will run on a combination of converted biomass and solar power.
- Convert our transportation fleet to run on electricity and then ensure that electricity is purchased from renewable sources.
- Identify and implement sufficient energy-efficiency measures to reduce our need for purchased energy to no more than five percent of total energy usage by 2017.
- Identify opportunities to shift our energy purchases to renewable sources. Implement all those that we estimate will provide positive returns on investment within seven years.

Based on our current analyses, these efforts should be sufficient to reduce our non-carbon-neutral emissions at all our facilities, including those not covered by AB 32, to the level AB 32 requires. To date, we are on track to meet our target reductions. Our analyses may prove incorrect, though, and if they do, we may need to revise our plans. These revisions could incur costs, but we do not expect such costs to materially impact our financial results. Still, it is not possible to predict exactly how climate change legislation will evolve, and if places in which we operate implement regulations more stringent than AB 32, we may face risks. These would primarily translate into increased costs, either for investments necessary to reduce emissions or costs related to fines, emissions allowances, or other fees. These costs could have a materially negative impact on our financial results.

Air Quality

Some of our operations involve emitting oxides of nitrogen and sulfur, volatile organic compounds (VOCs), particulate matter (PM), and hazardous air pollutants (HAPs). One of our key short-term environmental goals is to control and reduce these emissions to the extent practicable. We expect investments made in this goal will help us avoid and/or defray costs associated with increased regulations. The resulting reductions will also help support good relations with the communities in which we operate.

Air emissions from oxides of nitrogen and sulfur, VOCs, PM, and HAPs

As we do with our GHG emissions, we monitor emissions of other regulated compounds using CEMS, and we check our equipment regularly to ensure accuracy. Over the past three fiscal years, we have reduced these emissions, despite having acquired a plant that required significant upgrades to its production and air emissions control systems. In the future, we expect to continue to reduce these emissions but at a decreasing rate.

Under current regulations, we believe our emissions to pose no material adverse effect to our financial results. However, it is possible that these regulations may become more stringent over time. In addition, as we transition more of our energy production to biomass conversion, our emissions of these pollutants may increase. To the extent that both of these events occur, we may need to either (1) re-evaluate our plans to reduce gross global Scope 1 GHG emissions and energy consumption or (2) face increased costs or other risks related to increased emissions of other pollutants. Either of these outcomes could increase costs, which could in turn impact our financial results.

	Year Ended December 31,		
Metric	**2012**	**2013**	**2014**
Air emissions from			
NO_x	12,431	11,990	11,400
SO_x	10,320	8,900	6,400
Non-methane VOCs	4,325	4,097	3,800
PM	3,457	3,107	2,990
HAPs	1,072	984	980

Energy Management

Total energy consumed, percentage grid electricity, percentage from biomass, and percentage from other renewables

As previously described, we are making several efforts to increase our use of energy derived from biomass and other renewable energy sources. Today, the primary non-biomass renewable energy we consume is solar; we consume only a small amount of wind energy. We do not expect this mix to change in the near future, but in the longer term, it may.

	Year Ended December 31,		
Metric	**2012**	**2013**	**2014**
Total energy consumed (in millions of gigajoules)	162	170	183
Percentage grid electricity	19%	16%	11%
Percentage from biomass	68%	73%	75%
Percentage from other renewables	17%	16%	14%

Relying on biomass as an energy source presents risks and uncertainties to EGP. As noted earlier, it is possible that regulations may change such that emissions from converting biomass into energy are no longer considered carbon neutral. Also, as more governing authorities develop and implement regulations on emissions, some entities may not define biomass as a renewable energy source at all. Of all the risks associated with biomass as an energy source, the potential impact of regulatory changes on our financial results is greatest. If regulatory changes occur, we might need to dramatically increase our purchases of grid electricity or make expenditures to control emissions associated with using biomass fuel. Either of these actions could substantially increase operating costs and decrease or eliminate profits. Such a regulatory change could also affect our reputation, both within the communities in which we operate and with consumers as a whole. We believe regulatory changes would likely affect our competitors and us in similar ways.

At present, we cannot estimate the probability that these regulatory changes might occur, and we have a relatively limited set of tools at our disposal to manage this risk. We monitor the regulatory landscape to identify agencies relevant to our operations that may be either re-considering the status of biomass as an energy source or beginning to draft emissions-related legislation and/or rules. To the extent practicable, we communicate with these agencies through various channels, including public-comment systems and lobbyists. We are also working to accelerate our shift from purchased electricity to solar and wind energy. In the event of regulatory change, it might be possible for us to substantially increase our usage of this energy. However, that could come at a significant cost or involve delays while we increase capacity and/or identify alternative sources for solar, wind, or other renewable energy.

Another risk of biomass conversion relates to emissions from oxides of nitrogen, sulfur, and other compounds. As we increase our use of biomass, these emissions may increase, as could costs to comply with regulations of these emissions. To help mitigate this risk, we have adopted a strategy to reduce our overall air pollution emissions. Our efforts include:

- Switching boilers from coal power to natural gas.
- Refining and, in some cases, revamping processes.
- Installing air pollution control technologies, such as filters and scrubbers.
- Thoroughly maintaining equipment to ensure it is operating within acceptable parameters.

We incur costs to implement this strategy, but we believe the resulting benefits help us reduce our overall, long-term compliance costs and mitigate reputational risks. Still, this strategy is no guarantee against the potential need for unplanned capital expenditures or other costs, such as regulatory fines. We cannot precisely estimate the nature of future regulations, but we believe they are likely to become more stringent. Therefore, we carefully monitor regulatory trends and communicate with the appropriate agencies through public-comment systems, lobbyists, and other channels. We also believe that working to reduce our emissions below the regulated level now will prove a wise investment in the future, both in financial and reputational terms. However, risk to our financial results remains and may increase over time.

Reputational risks also extend to the source of biomass. If the biomass used to generate energy was not sustainably harvested, or if that status is unclear, the carbon neutrality of the energy production may be called into question. At present, thirty-four percent of the biomass we use to generate energy is certified by the Forest Stewardship Council (FSC). By 2018, we plan to increase that percentage to forty-five percent and by 2020 to fifty percent. We believe that this risk may increase with time, but we also believe that our efforts to increase our use of certified biomass help mitigate it. However, if the reputational risks increase more quickly or to a higher level than we expect, our mitigation efforts may not sufficiently prevent impacts to our financial results; these impacts could be material.

Water Management

Total water withdrawn, total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress

Access to fresh water is essential to our operations, and carefully managing our water usage is essential to our sustainability. To date, we have had good access to ample supplies of clean water. We do not currently operate in areas with a High or Extremely High Baseline Water Stress level (as determined by the World Resources Institute Water Risk Atlas tool). However, according to the tool's projections, water stress levels in the central and western United States are expected to increase substantially between now and 2020 and further increase into 2030 and 2040. Should those projections prove true, our operations in Idaho could face restricted or reduced water access. Our operations in the Southeastern U.S. may also be affected, but to a lesser degree. In either event, our operating costs could increase, and we may need to close facilities on a temporary or permanent basis. Such operational disruptions would likely incur significant costs, which could then negatively impact our financial results in a material way.

	Year Ended December 31,		
Metric	**2012**	**2013**	**2014**
Total water withdrawn (in millions of cubic meters)	472	468	458
Percentage of which in regions with High or Extremely High Baseline Water Stress	0%	0%	0%
Total water consumed (in millions of cubic meters)	43	42.5	40
Percentage of which in regions with High or Extremely High Baseline Water Stress	0%	0%	0%

Discussion of water management risks and description of strategies and practices to mitigate those risks

We face other risks related to water access. We rely primarily on surface water; in fact, it accounts for ninety-four percent of our water intake with ground water constituting the remaining six percent. As a result, our operations may be negatively affected by drought, public perceptions, regulations, and the actions of other water users. Regardless of the source of the risk, reduced access to water could increase our operating costs and/or force us to close facilities on a temporary or permanent basis. These outcomes would likely impact our financial results in an adverse, material way.

To mitigate the risks to water access, we have implemented a variety of initiatives aimed at conserving water and using water more efficiently. These include:

- Mapping all our production facilities to understand how water is used and where it is used inefficiently. This process has been especially important in improving efficiency at our older plants that were not designed with efficiency in mind.
- Re-designing processes, where applicable, to increase usage of recycled water.
- Re-engineering approximately fifteen percent of our products to require less water in manufacturing.
- Replacing and/or upgrading water-use systems to reduce total water usage.
- Installing rainwater collection tanks at all our production facilities to create water reserves we can use in the case of drought or other times of limited water access.

We also regularly engage with other stakeholders, including regulatory agencies and public interest and community groups, to both share our perspective and better understand theirs. This way, we can respond appropriately to potential changes in these perspectives and be prepared for their potential impact on our ability to access water. In addition, we have begun communicating with other water users in the communities in which we operate to share information and best practices. The following table provides additional information about each of these risks.

Risk	Short-term Impact Level	Long-term Impact Level	Mitigation Methods	EGP's Level of Control in Mitigating Risk
Drought	Low to medium, but varies from year to year and is not precisely predictable	Medium to high	- Efficiency/conservation efforts - Increased reserves/water storage	- In cases of short or mild drought, medium to high. - In cases of protracted or severe drought, low to medium.
Public Perception	Low to medium	Medium to high	- Efficiency/conservation efforts - Community outreach campaigns	Medium
Regulations	Low to medium	Medium to high	- Efficiency/conservation efforts - Increased reserves/water storage - Engagement in regulatory development process	Medium
Actions of Other Water Users	Low to medium	Medium to high	- Efficiency/conservation efforts - Increased reserves/water storage - Engagement/possible agreements with other water users	Low

We have not set a Company-wide target for water reduction, primarily because water is a local resource that needs to be managed locally. However, all of our production facilities are required to decrease their use of water every year as compared to the previous year. The specific reduction goal for each facility is set in conjunction with the facility's operations manager and the staff of the Chief Operations Officer, and the goal is relative to the facility's production level. We began this practice in 2011 and have, since then, reduced total water withdrawn by four percent and total water consumed by seven percent. To achieve its annual goal, each facility relies on the methods described above. The exact mechanism varies by facility because each facility faces different costs and constraints. We have no plans to eliminate this requirement once a certain level of water savings is achieved. However, at some point in the future, we are likely to realize smaller annual savings.

In establishing each annual goal, EGP managers take a lifecycle approach to account for environmental tradeoffs or additional environmental benefits that might arise from decreasing water usage. For example, reducing water usage can help reduce the need for energy, which can reduce operating costs. Reduced energy consumption can also reduce GHG emissions, which can reduce costs related to both compliance and investments in pollution-control equipment. EGP managers include these additional benefits in their analyses of potential water-reduction methods. They also factor in our expectation that regulations of GHG emissions will become more stringent, and therefore more expensive to comply with, in the future.

In addition to withdrawing freshwater, we discharge wastewater, an activity that also carries risks. We expend substantial financial resources to comply with water-discharge regulations, both in terms of capital investments and operating expenses. We expect water quality regulations to become more stringent, and more expensive to comply with, in the future. We are therefore likely to need to expend more resources on water quality in the future than we do now.

Wastewater-related risks affect multiple aspects of our business. We incur costs to treat water and to re-engineer processes and products to produce fewer pollutants. We also make investments in pollution-abatement equipment. Should problems occur with wastewater treatment, regulators could take action against us, potentially suspending or revoking our operating permits. Such actions would affect our continuity of operations. Also, our reputation could suffer if our wastewater discharges negatively impact the communities in which we operate. As regulations become more stringent, these risks have a greater potential to materially impact our financial results in an adverse way.

We have invested heavily in process re-engineering. We are currently moving from elemental chlorine free (ECF) processing to totally chlorine free (TCF) processing. We have set a goal that forty-five percent of our production, by volume, will be TCF by 2020 and fifty-five percent will be TCF by 2025. So far, we are on track to meet these goals. When appropriate for the product, we have also switched to mechanical pulping techniques, which require fewer chemicals and produce less pollution. We have also invested in equipment to more thoroughly remove pollutants from water before it is discharged. We expect these investments to reduce the total amount of pollutants released in water discharge by at least twenty percent by 2020 as compared to 2010 levels, which would exceed current regulatory standards. To date, we are on track to meet this goal, but costs to maintain the new equipment have exceeded our original estimates by approximately fourteen percent.

We face various constraints when working to reduce the pollutant level in discharged wastewater. Though there may be benefits associated with exceeding regulatory standards for wastewater discharge, we need to ensure we make cost-effective choices. We must also monitor potential emerging pollutants of concern to be prepared for future regulations, and we must ensure we have sufficient financial reserves to make any necessary operational or equipment changes.

All of these initiatives require planning, and many require investments of time and/or capital. We currently believe we will be able to fully implement our plans. However, the cost overruns related to our water filtration equipment installation may continue and/or increase. If so, we may need to re-evaluate our plans and potentially delay them. Such a delay could present some risk to our reputation in the communities in which we operate, but we believe that risk to be unlikely to translate into negative impacts to our financial results.

Fiber Sourcing & Recovery

Sustainably managed forests play an important role in ensuring we have access to adequate supplies of raw materials now and in the future. We require all our suppliers to meet certain standards (described below) with respect to forest management practices, and a number of our suppliers are also certified to third-party standards. In addition, some of our suppliers already meet the standards required for certification but have not gone through the certification process due to financial, bureaucratic, or cultural obstacles. We do not have exact data on the number of our suppliers in this position, but we estimate it is at least thirty percent of those currently uncertified. As certification programs become more popular, we expect the percentage of wood fiber we source form third-party certified forestlands to increase.

	Year Ended December 31,		
Metric	**2012**	**2013**	**2014**
Percentage of wood fiber sourced from third-party certified forestlands	32%	34%	34%
Percentage certified to Forest Stewardship Council (FSC) Chain of Custody	17%	18%	18%

Percentage certified to American Tree Farm System (ATFS)	17%	17%	17%
Percentage of wood fiber sourced meeting other fiber-sourcing standards	45%	47%	47%
Percentage meeting FSC Controlled Wood Certification standards	30%	30%	30%
Percentage meeting FSC Recycled Label standards	12%	12%	12%
Percentage meeting Sustainable Forestry Initiative (SFI) Fiber Sourcing Standard	19%	21%	21%

Note: some fiber is certified to both FSC and ATFS standards or meets criteria of multiple fiber-sourcing standards.

Fiber that is not from a certified forestland or is not certified to another sourcing standard must still meet our sourcing requirements. We include in all our contracts with fiber suppliers the following requirements:

- All wood is legally harvested and complies with the Lacy Act of 1900.
- Logging is not conducted in or near areas of indigenous peoples' land, nor is it conducted in or near areas of endangered species habitat.
- Wood does not come from areas of protected conservation status or high biodiversity value.

Some of our suppliers have begun investing in research and development of genetically modified trees, and we are currently exploring the potential costs and benefits of using the resulting fiber. At present, none of our suppliers are offering the fiber for, and we do not manufacture products with fibers from genetically modified trees. As such, we do not include criteria related to genetically modified organisms (GMOs) in our contractual standards for suppliers.

To ensure suppliers meet our criteria, we conduct annual site visits to observe harvesting practices and review forestry management plans. Before engaging a new supplier, we also conduct research on the land it owns and/or operates to ensure the supplier meets the second and third criteria listed above.

We source approximately seventy percent of our fiber from forests in the U.S., primarily in the Pacific Northwest and the Southeast. About sixty percent of these forests are privately owned; the balance is owned and operated by various public agencies. About thirty percent of our fiber comes from forests in Canada. Approximately eighty percent of these are publicly owned, and about twenty percent are privately owned. We perceive the risk of procuring from these sources as generally low given the level of regulation and regulatory enforcement present in these areas.

Amount of recycled and recovered fiber procured

Products made from recycled fiber have continued to increase in popularity in recent years, and that trend has contributed to increases in our procurement of recycled and recovered fiber. In addition, recycled and recovered fibers are often well suited for use in our hygiene products. Approximately sixty percent (by weight) of the recycled and recovered fiber we purchase is used in these products. The balance is used in office paper and some of our art papers (particularly drawing papers).

	Year Ended December 31,		
Metric	**2012**	**2013**	**2014**
Amount of recycled and recovered fiber procured (in thousands of metric tons)	99	103	108

Consumer demand is the primary driver of our usage of recycled and recovered fiber, and we expect to continue to increase our purchases of these fiber types over the next few years. Three other key factors also affect our decisions to purchase recycled/recovered versus virgin fiber: fiber cost, fiber quality, and environmental impact. Costs for recycled and recovered fibers fluctuate and, in some instances, are higher than the costs for virgin fiber. These fibers are also not suitable for all applications. To the extent that relative costs change and/or our product mix changes, we adjust our purchases of recycled fiber.

Estimating the environmental impact of recycled and recovered fiber versus virgin fiber is a complex task and does not always align with customer demand and/or expectations. The environmental impacts of our products are multi-dimensional and vary based on many factors. Over an entire product

lifecycle, as these factors vary, the environmental impacts of products made primarily of virgin fiber may not differ much from those of products made primarily of recycled or recovered fiber. However, in our experience the vast majority of consumers tend to choose environmentally preferred products based on one dimension: the presence of recycled or recovered fiber.

As noted earlier, we believe that environmental regulations are likely to become more stringent over time. We also expect consumer understanding of and interest in the true environmental impacts of products to expand with time. Indeed, new environmental certification systems that assess complete lifecycle impacts may arise and become popular; it is also possible that existing certification systems may evolve and take a lifecycle-based perspective. In turn, these certification systems are likely to influence consumer behavior. We also recognize that our purchases of fiber can influence the actions of suppliers, both of virgin fiber and of recycled and recovered fiber, thereby affecting the availability and costs of these inputs as well as the environment as a whole.

For example, if we significantly reduce our purchases of virgin fiber in favor of recycled or recovered fiber, owners of forests we had purchased from may choose to alter how they use their land. They may switch to other crops, develop the land, or sell it for another purpose. Any of these may have a negative impact on the environment by reducing the amount of carbon stored in the trees or destroying the habitats for other plants or animals. To date, we have carefully modeled many of the impacts of our fiber sourcing decisions and developed strategies for managing the related risks.

Costs of recycled and recovered materials: Currently, we set limits on the price we will pay for different types of recycled and recovered materials. When market prices fall below these limits, we may purchase more than we need in the short term. When prices exceed these limits, we may scale back our purchases. However, we must balance any potential savings against the costs of storing these materials and the costs of quality degradation that results from long-term storage. We regularly monitor the markets for recycled and recovered fiber and assess the prices we are willing to pay based on costs related to storage and quality control, consumer demand for products containing these fibers, and our ability to meet minimum standards necessary to label a product as "recycled."

Constraints related to accessing sufficient recycled and recovered fiber supplies: We work directly with some suppliers of recycled and recovered fibers; these partnerships allow us, in some cases, to secure preferential pricing, which helps us manage our costs. In exchange, we may offer assistance in one of two forms: prepaying for fiber, which can help partners manage their cash flow, and/or conducting public service campaigns in and around our partners' locations to encourage consumers to recycle, which can help partners increase recovery rates and secure supplies at lower costs.

Recycling infrastructure necessary to ensure sufficient supplies: Through our partnerships, we have worked to better understand the long-term infrastructure needs of our suppliers of recycled and recovered fiber. To a large extent, we rely on the prices these suppliers agree to sell their products at, either in the open market or through direct agreements with EGP, to cover their fixed and capital equipment costs. However, in a few instances, we have agreed to provide financial support to key suppliers when that support would directly result in increased fiber availability and/or higher quality fiber.

Regulation related to minimum recycled content usage: Just as we expect many environmental regulations to become more stringent in the future, we expect regulations related to minimum recycled content usage to do so. We monitor the regulatory environment carefully and work with relevant agencies (often with the assistance of lobbyists) to both understand their goals and communicate how proposed rules would likely affect us. One of the most important messages we work to relay is that a healthy market for virgin wood fiber is essential to both our operations and the environment. Neither we nor our competitors can rely entirely on recycled and recovered fiber to manufacture our products.

We work to manage these risks as efficiently as possible in order to ensure that the related costs do not outweigh the increased revenue we can earn from selling products with recycled and recovered fiber content. Although selling these products can also generate reputational benefits, these benefits must translate into revenues in order for us to operate profitably and remain a going concern.

Table 1. Summary of Quantitative Accounting Metrics

Disclosure Topic	Metric	Year Ended December 31, 2012	2013	2014
Greenhouse Gas Emissions	Gross global Scope 1 emissions (in thousands of metric tones CO_{2-e})	2,273	2,055	1,911
Air Quality	Air emissions from			
	NO_x	12,431	11,990	11,400
	SO_x	10,320	8,900	6,400
	Non-methane VOCs	4,325	4,097	3,800
	PM	3,457	3,107	2,990
	HAPs	1,072	984	980
Energy Management	Total energy consumed (in millions of gigajoules)	162	170	183
	Percentage grid electricity	19%	16%	11%
	Percentage from biomass	68%	73%	75%
	Percentage from other renewables	17%	16%	14%
Water Management	Total water withdrawn (in millions of cubic meters)	472	468	458
	Percentage of which in regions with High or Extremely High Baseline Water Stress	0%	0%	0%
	Total water consumed (in millions of cubic meters)	43	42.5	40
	Percentage of which in regions with High or Extremely High Baseline Water Stress	0%	0%	0%
Fiber Sourcing & Recovery	Percentage of wood fiber sourced from third-party certified forestlands	32%	34%	34%
	Percentage certified to Forest Stewardship Council (FSC) Chain of Custody	17%	18%	18%
	Percentage certified to American Tree Farm System (ATFS)	17%	17%	17%
	Percentage of wood fiber sourced meeting other fiber-sourcing standards	45%	47%	47%
	Percentage meeting FSC Controlled Wood Certification standards	30%	30%	30%
	Amount of recycled and recovered fiber procured (in thousands of metric tons)	990	998	1,045

Table 2. Activity Metrics

Metric	Year Ended December 31, 2012	2013	2014
Pulp production (in thousands of air-dried metric tons)	4,132	4,207	4,282
Paper production (in thousands of air-dried metric tons)	2,900	3,010	3,100
Total wood fiber sourced (in thousands of metric tons)	15,432	15,870	16,000