

November 2, 2016

Dear (U.S. customer),

The Natural Resources Defense Council (NRDC) is an international environmental organization that has supported efforts to protect the Canadian boreal forest over the last twenty years. On behalf of over two million members and online activists, we write to inform you of a series of actions that Resolute Forest Products has taken to chill constitutionally protected free speech by public interest organizations and undermine efforts to ensure science-based conservation and sustainable forestry in Canada's boreal forest. We request that you, as an apparent customer of Resolute, ask the company to drop its litigation against public interest organizations and focus its time and effort on addressing pressing conservation issues impacting Canada's boreal forest.

Resolute has responded to public criticisms of its forestry practices by suing its critics. In the most egregious use of this tactic, Resolute has sued Greenpeace and Stand.earth, public interest organizations that continue to be critical of Resolute's practices in the boreal forest, attempting to use the Racketeer Influenced and Corrupt Organizations Act (RICO) – a U.S. law developed to combat the mafia – to sue Greenpeace and Stand.earth. Other public interest organizations advocating for environmental protection and media organizations have filed amicus briefs in opposition to Resolute's reliance on RICO. As the Reporters Committee for Freedom of the Press and eleven media organizations and companies state, Resolute's claims "share a central purpose – silencing speech on matters of public concern."

The RICO suit is just one in a series of lawsuits the company has served on its critics. In 2013, Resolute brought a defamation case against Greenpeace for statements critical of the company's operations and practices in the boreal forest. While this litigation is ongoing, the Ontario Superior Court recently ruled that a number of the assertions by Resolute in that case should be struck as improper and irrelevant, and indeed referred to one of the assertions as "scandalous and vexatious." We expect U.S. courts to similarly condemn the manner in which Resolute has framed its critics' conduct in the RICO suit. In 2014, after the Rainforest Alliance — a leading sustainable forestry certifier — produced audits citing Resolute for non-compliance with FSC standards in two of its tenures, to the company sued Rainforest Alliance for breach of contract with the stated purpose of suppressing those reports. The Rainforest Alliance litigation was ultimately settled, but Resolute's complaint is notable for having named individual staff members as defendants. This is a chilling tactic that we most strongly condemn.

The real issue at play in the Canadian boreal is how companies like Resolute exploit the public lands opened for logging by provincial governments under their forest management regimes. Across Canada, intact forests landscapes on these public lands are steadily being degraded, the habitat of the threatened woodland caribou is declining precipitously, and one of the last refuges for the boreal forest's biodiversity is in danger of being lost as logging pushes up against the northern cutting boundaries. The long term health of Canada's boreal forest is at risk and requires urgent attention from government and industry.

In recent years, NRDC has watched with concern as Resolute has moved away from internationally accepted sustainable forestry practices. After Canadian conservation organizations determined that they were not able to make meaningful progress towards science-based conservation and forestry plans, the organizations suspended their cooperative work with the company. At the same time, Resolute has not only significantly decreased its commitment to Forestry Stewardship Council (FSC) certification, but also actively criticized the system itself. As recently as 2010, Resolute pledged to have 80% of its lands certified by the FSC. As yet, since 2012, the acreage of land managed by Resolute pursuant to FSC certification guidelines has fallen by nearly 50%.

## NRDC

by 2015, Resolute announced that it would not seek new certifications from FSC and signaled that it may not renew existing certifications. <sup>x</sup>

As a forest products customer, you have the right and the responsibility to ensure that products you buy come from companies who log in a manner consistent with sustainable forestry. NRDC hopes to work with you to urge Resolute to drop its litigation against public interest organizations, cease its attacks on the FSC system, ensure free, prior and informed consent from First Nations on their territories, and support efforts to establish strong caribou protection plans in Ontario and Quebec. We also hope you will help us weigh in with the governments of Quebec and Ontario, asking them to continue to back the FSC and promulgate real plans to protect caribou and intact areas before they are irreplaceably fragmented and degraded.

We will be in touch with you to discuss how you can effectively engage on these critical issues. In the meantime, thank you for your time and please do not hesitate to reach out to us with any questions or concerns.

Sincerely,

Anthony Swift Canada Project Director International Program

<sup>&</sup>lt;sup>1</sup> Briefs of amici in support of Greenpeace were filed by Sierra Club and eight public interest organizations and the Reporters Committee for Freedom of the Press and eleven media companies and organizations.

<sup>&</sup>lt;sup>II</sup> Brief of Amici, The Reporters Committee for Freedom of the Press and 11 media companies in support of Greenpeace's motion to dismiss and motion to strike, September 15, 2016, Pg. 3, <a href="https://www.rcfp.org/sites/default/files/2016-09-16-resolute-forest-products-inc-v.pdf">https://www.rcfp.org/sites/default/files/2016-09-16-resolute-forest-products-inc-v.pdf</a>.

<sup>&</sup>lt;sup>™</sup> Ontario Superior Court of Justice, Resolute Forest Products Inc. v. Greenpeace, August 26, 2016, pg. 22

iv Ontario Superior Court of Justice, Resolute Statement of Claim against Rainforest Alliance, Inc. et. al., May 6, 2014, Pg. 18. v Id. Pg 30.

<sup>&</sup>lt;sup>vi</sup> Canadian Parks and Wilderness Society, Environmental groups suspend further work with Resolute under Canadian Boreal Forest Agreement, May 21, 2013, <a href="http://cpaws.org/news/environmental-groups-suspend-further-work-with-resolute-under-cbfa">http://cpaws.org/news/environmental-groups-suspend-further-work-with-resolute-under-cbfa</a>.

vii Resolute, Resolute Announces Reinstatement of FSC Certification in Ontario, Nov. 25, 2015, <a href="http://resolutefp.mediaroom.com/news-releases?item=135473">http://resolutefp.mediaroom.com/news-releases?item=135473</a>; Resolute, Resolute Responds to FSC's Latest Misleading Statements, Feb. 5, 2016, <a href="http://blog.resolutefp.com/2016/02/resolute-responds-to-fscs-latest-misleading-statements/">http://blog.resolutefp.com/2016/02/resolute-responds-to-fscs-latest-misleading-statements/</a>. <a href="http://wiii.org/">viii. Resolute, Resolute Forest Products Issues 2010 Sustainability Report, Nov. 30, 2011</a>,

http://resolutefp.mediaroom.com/index.php?s=28238&item=93503.

<sup>&</sup>lt;sup>ix</sup> The decrease is 46%. In 2012, Resolute managed 14 million hectares pursuant to FSC guidelines; today, that number has declined 7.6 million hectares

<sup>\*</sup> Financial Post, Resolute Forest Products says it won't pursue new FSC certifications, Nov. 25, 2015, http://business.financialpost.com/news/agriculture/resolute-forest-says-fsc-certificate-reinstated-for-northern-ontario-forest