International Paper – At a Glance

- Leading global paper & packaging company
- 61,000+ employees
- Operations in 21 countries
- Core businesses
  - Uncoated Papers
  - Industrial Packaging
  - Consumer Packaging
  - xpedx
Confusion in the marketplace surrounding compliance requirements for suppliers …

• Lack of understanding …
  • Responsibilities – suppliers, customers
  • Phase-in requirements
  • What’s covered, what isn’t covered

• Customers are requesting …
  • species lists, country of origin,
  • certification letters
  • compliance letters
  • Information on invoices, shipping documents
Our Position

• International Paper actively endorsed passage of the Lacey Act

• Long standing policies to assure that trees are sourced legally, and to use no wood from endangered forests

• Global Certification policy that supports sustainable forest management and adherence to sustainable procurement programs

• Paper supplied by International Paper …
  • Complies with all federal and state laws concerning illegal harvesting of trees
  • Meets the standards of the Lacey Act as amended in 2008
We do not compromise our adherence to the principles of sustainable forestry when procuring fiber …..

• No violations of state Best Management Practices (BMP’s)

• Require professional wood producers to complete SFI Implementation Committee approved logger training

• No controversial sources
  • Illegal logging, T&E species (ESA, CITES)

• Compliance with all applicable laws and regulations
Global Procurement Policy

Used to evaluate sources of raw material external to North America on illegal logging, conservation, promotion of sustainable forestry and social criteria …..

• Assess the origin of the wood
  • Country, state, region, forest type; are suppliers using SFM practices?

• Assess supplier commitment
  • Participation in certification, COC, or EMS; appropriate documentation?

• Determine and address risk of illegal sources
  • Proof of legal sourcing?
Global Certification Policy

• Worldwide in scope.

• Defines the global criteria and principles for the certification of our lands and facilities to forest management, fiber procurement and/or chain of custody standards.

• Recognizes PEFC, FSC, SFI, and Cerflor for use in our global operations.

• Where established certification standards are not available we will implement ISO 14001 environmental management systems on the wood or fiber purchasing systems for our facilities.
Global Certifications

- **North America**
  - ✓ SFI Fiber Procurement (ISO 14001)
  - ✓ SFI Chain of Custody
  - ✓ PEFC Chain of Custody
  - ✓ FSC Chain of Custody

- **Europe/Asia/Middle East**
  - ✓ PEFC Chain of Custody
  - ✓ FSC Chain of Custody

- **Brazil**
  - ✓ Cerflor Forest Management
  - ✓ PEFC Chain of Custody
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Summary

- Certification provides a high level of assurance for many customers – fiber procurement and chain of custody.

- Multiple certifications allow us to satisfy a wide range of customers depending on their knowledge and individual preferences.

- Certification assists us in our efforts to exercise due diligence regarding Lacey Act compliance.
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