

An Industry Perspective

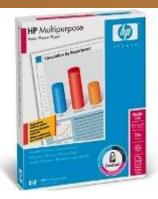
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March 24, 2009

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









Lacey Act – Business impacts



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

Fiber Procurement Policy



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 <u>illegal logging</u>, 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 Certification Policy





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





Responsible Forest Management BV-COC-080209 © 1996 Forest Stewardship Council A.C.





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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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