



SFI Inc. — International Acceptance Through PEFC

The Sustainable Forestry Initiative® (SFI®) is an independent North American forest certification program that is accepted by international organizations and governments around the world.

In 2005, the SFI program was endorsed by the independent, non-profit Programme for the Endorsement of Forest Certification schemes (PEFC). This followed a detailed examination of the SFI program by a PEFC-approved assessor — from development to forestry content, chain-of-custody certification and accreditation policies.

PEFC endorsement adds international value to SFI Inc.'s position as a highly respected, third-party certification program with certified lands across North America.

What is PEFC?

PEFC is the world's largest forest certification umbrella organization endorsing national and/or regional forest certification standards that meet its rigorous sustainable forest management criteria. Its criteria are founded on internationally recognized criteria and indicators developed by government agencies around the world.

To earn PEFC endorsement, a certification program such as SFI Inc. must complete a detailed application, including a checklist covering hundreds of questions on how the standard is developed, the forestry content, chain-of-custody certification and accreditation. This is followed by an independent assessment, 60 days of public comment and a report by an independent assessor with recommendations for the PEFC board. The board makes a recommendation to PEFC members who vote whether to endorse the certification program.

PEFC only recognizes certifications by certification bodies that have been accredited by a national member of the International Accreditation Forum, such as the American National Standards Institute (ANSI) and ANSI-ASQ National Accreditation Board (ANAB) in the United States and the Standards Council of Canada.

PEFC was launched in 1999 by representatives of 11 officially constituted national PEFC governing bodies with the support of associations representing some 15 million woodland owners in Europe and many international forest industry and trade organizations. Its membership

had increased to 34 member countries and 25 national and/or regional forest certification standards by 2008, and in 2007 it became the first organization to have almost 500 million acres (200 million hectares) under independently certified sustainable management. Two-thirds of PEFC-certified lands are in North America.

As PEFC's National Governing Body for the United States, SFI Inc. participates in the PEFC General Assembly and has input into PEFC processes and technical documents, which affect forest certification programs globally.

PEFC CERTIFICATE OF ENDORSEMENT

This is to certify that the Sustainable Forestry Initiative Program submitted by the Sustainable Forestry Board¹ has been endorsed by the PEFC Council as meeting the PEFC Council requirements.



The compliance has been verified through an independent consultant assessment including public consultation and was approved by the PEFC General Assembly members on 6th December 2005.

This endorsement is subject to ongoing PEFC membership and is valid for the version of the scheme as approved on 6th December 2005 and for a maximum of 5 years as the PEFC Council requires a periodic revision of schemes. Any revision of the scheme has to be submitted to the PEFC Council for endorsement.

¹ Sustainable Forestry Initiative Inc. was created in January 2007, replacing the Sustainable Forestry Board.

PEFC and SFI On-Product Labels

In addition to SFI Inc., PEFC has endorsed two other certification standards in North America — the U.S.-based American Tree Farm System (ATFS) and the Canadian CAN/CSA-Z809-02 Sustainable Forest Management Standard (CSA). SFI recognizes PEFC-endorsed standards in North America by accepting fiber certified to SFI, ATFS or CSA for the SFI on-product label. As a result, the SFI program has access to fiber from 82 percent of the certified forests in North America. The Forest Stewardship Council accounts for the other 18 percent.

The fact that SFI Inc. can deliver a steady supply of certified fiber from well-managed forests is especially important at a time when there is increasing demand for green building and responsible paper purchasing, and only 10 percent of the world's forests are certified.

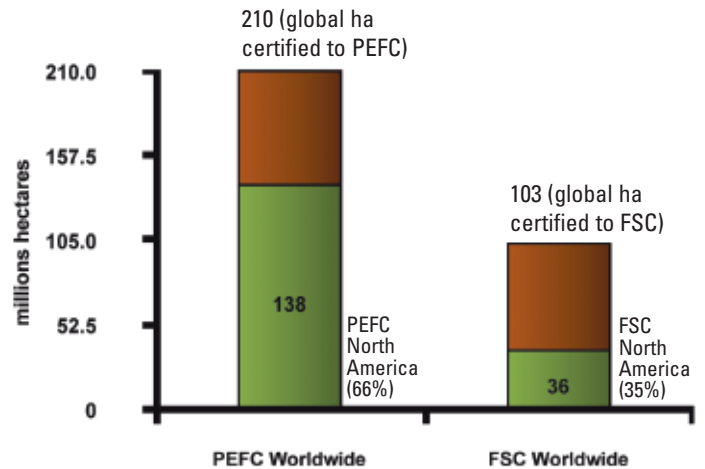
SFI and PEFC labels can be used in the following circumstances:
To use the SFI certified content chain-of-custody labels, a company must have a valid SFI or PEFC chain of custody. For certified forest content claims, a company can use fiber from an SFI-certified forest, CSA-certified forest, and/or ATFS-certified forest.



To use the PEFC label, a company must have a valid PEFC chain of custody. For certified forest content claims, a company can use fiber from any PEFC-endorsed forest standard, which includes the SFI, CSA and/or ATFS standards.



PEFC and FSC: North America and Global Statistics¹



¹ Note: Standards endorsed by PEFC include those in Australia, Austria, Belgium, Brazil, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Italy, Luxembourg, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom and the United States (SFI and ATFS).

For more information about the SFI program or fiber sourcing, visit www.sfiprogram.org
The SFI Certificate of Endorsement from PEFC is posted at www.sfiprogram.org/files/pdf/SFI_PEFC_Certificate.pdf

For more information about the Programme for the Endorsement of Forest Certification schemes, visit www.pefc.org
The PEFC news release announcing SFI endorsement in 2005 is posted at www.pefc.org/internet/html/news/4_1154_65/5_1105_1209.htm

SFI application materials and the final assessment report are posted under Members and Schemes at www.pefc.org/internet/html/members_schemes.htm

About SFI Inc.

SFI Inc. is a 501(c)(3) non-profit charitable organization, and is solely responsible for maintaining, overseeing and improving the Sustainable Forestry Initiative program (www.sfiprogram.org), that is internationally recognized and among the largest in the world. It is one of the fastest growing forest certification programs with more than 150 million acres (60 million hectares) of SFI-certified forests across North America. The SFI Standard also includes unique fiber sourcing requirements that promote responsible forest management on all suppliers' lands and a chain-of-custody certification, which can communicate to buyers how much certified fiber is in a specific product. The SFI forest standard is endorsed by the Programme for the Endorsement of Forest Certification, a global umbrella organization that has strict requirements for endorsement. SFI Inc. is governed by a three-chamber board of directors representing environmental, social and economic sectors equally.