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SFI INC. LAUNCHES NEW STANDARD LEADS FOREST CERTIFICATION FORWARD

WASHINGTON – Sustainable Forestry Initiative[®] (SFI[®]) Inc. has released a new standard that reinforces its important role in supporting and promoting sustainable forest management as one of the world's leading third-party forest certification programs.

Among other things, the new SFI 2010-2014 Standard, the result of an extensive 18-month public review, includes revisions that:

- Improve conservation of biodiversity in North America and offshore, and address emerging issues such as climate change and bioenergy.
- Strengthen unique SFI fiber sourcing requirements, which broaden the practice of sustainable forestry in North America and avoid unwanted offshore sources.
- Complement SFI activities aimed at avoiding controversial or illegal offshore fiber sources, and embrace Lacey Act amendments to prevent illegal logging.
- Expand requirements for logger training and support for trained loggers and certified logger programs. Since 1995, more than 117,000 loggers have received training through SFI-supported programs.

"The new standard was enriched by the views and expertise of many people, and offers a solid foundation as we build new partnerships and look for more ways to promote sustainable forest practices," Kathy Abusow, president and CEO of non-profit SFI Inc., said today.

The review process included two public comment periods and seven regional workshops, and was monitored by the External Review Panel, an independent team of external experts who offer diverse perspectives and expertise to the SFI program. "The review was truly a model of open, transparent, and responsible consideration of public input, scientific and economic factors, and conflicting demands," said panel chair Michael Goergen, executive vice-president of the Society of American Foresters. "The SFI program has grown and evolved over time, largely due to its willingness to work with individuals and groups who share its dedication to responsible forest management in North America."

The SFI 2010-2014 Standard supports a comprehensive, independent certification program that works with environmental, social and industry partners to promote responsible forest management in North America and responsible fiber sourcing worldwide. More than 180 million acres (73 million hectares) are certified to the SFI forest management standard in North America – making it the largest single standard in the world. SFI chain-of-custody certification tells buyers the percentage of certified fiber in a specific product. SFI fiber sourcing requirements promote responsible forest management on all suppliers' lands.

"SFI certification benefits our forests, our communities and our business," said Guy Gleysteen, senior vice president of production at Time Inc. "The standard was already one of the leading forest certification standards in the world, and the revisions reaffirm this leadership."



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Abusow said the new standard further supports the crucial role all forest landowners play in managing North America's forests, including landowner outreach to family forest owners who supply wood fiber to SFI program participants. "The new standard's fiber sourcing requirements continue to support family forest owners in protecting threatened and endangered species, promoting reforestation and strengthening best management practices to protect water quality," she said. "In fact, it now explicitly requires this valuable assistance, along with programs to address Forests with Exceptional Conservation Value when working directly with family forest landowners." In addition, the SFI program continues to collaborate with the American Tree Farm System to increase forest certification on family forest lands.

The SFI 2010-2014 Standard is based on 14 core principles that promote sustainable forest management, including measures to protect water quality, biodiversity, wildlife habitat, species at risk, and Forests with Exceptional Conservation Value. It has five more principles than the SFI 2005-2009 Standard, including separate principles for protection of special sites, biodiversity, aesthetics and recreation, and new principles for responsible procurement practices in North America, avoidance of controversial sources offshore, research, training and education, and public involvement.

The standard also has 20 objectives, 39 performance measures and 114 indicators – up from 13 objectives, 34 performance measures, and 102 indicators. To be certified, forest operations must be third-party audited to these requirements by independent, objective and accredited certification bodies. The SFI program is committed to continuously improving responsible forest management.

Members of the SFI Resources Committee were responsible for developing the SFI 2010-2014 Standard. Like the three-chamber SFI Board of Directors, which is solely responsible for the SFI program and the standard development process, the resources committee has balanced representation from environmental, social and economic sectors. SFI Inc. publicized the process at every step, and during both review periods, it invited about 2,000 individuals and organizations to submit comments.

The new standard, posted at <u>www.sfiprogram.org/sustainable_forestry_initiative_standard.php</u>, took effect on Jan. 1, 2010, and program participants have up to one year to implement these changes.

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Editors: Backgrounders about the new SFI 2010-2014 Standard are attached.

About SFI Inc.

SFI Inc. is an independent 501c(3) non-profit charitable organization, and is solely responsible for maintaining, overseeing and improving the internationally recognized Sustainable Forestry Initiative program (www.sfiprogram.org). More than 180 million acres (73 million hectares) are certified to the SFI forest management standard across North America, making it the largest single standard in the world. SFI chain-of-custody certification tells buyers the percentage of certified fiber in a specific product. The SFI program's unique fiber sourcing requirements promote responsible forest management on all suppliers' lands. 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.



BACKGROUNDER: SFI 2010-2014 STANDARD

The SFI Standard

The SFI 2010-2014 Standard (<u>www.sfiprogram.org/sustainable_forestry_initiative_standard.php</u>), is a comprehensive system of values, objectives and performance measures developed by professional foresters, conservationists and scientists, and informed by a wide range of public and stakeholder views. It includes 20 objectives, 39 performance measures, and 114 indicators based on 14 core principles. To be certified, forest operations must be third-party audited to these requirements by independent certification bodies. The SFI program is also committed to continuously improving responsible forest management.

The new standard has five more principles than the SFI 2005-2009 Standard, including separate principles for protection of special sites, biodiversity, aesthetics and recreation, and new principles for responsible procurement practices in North America, avoidance of controversial sources offshore, research, training and education, and public involvement.

The SFI program has made significant changes through its standard development processes and related public input since implementation of its original principles and implementation guidelines began in 1995, and evolved as the first SFI national standard in 1998. For example:

- The SFI 2005-2009 Standard included new provisions to conserve old-growth forests; to strengthen fiber sourcing from jurisdictions outside of North America and supply chain monitoring; and to address invasive exotic species. It introduced new performance measures and indicators related to the certification of public forestlands, including requirements to confer with affected indigenous peoples.
- The SFI 2002-2004 Standard introduced, among other things, measures to protect Forests with Exceptional Conservation Value, and provisions to help prevent illegal logging and to promote the conservation of biodiversity hotspots and major tropical wilderness areas.

SFI 2010-2014 Standard Review Process

The SFI Standard is regularly reviewed through an open public process, and is subject to continuous improvement so it can incorporate the latest scientific information and respond to emerging issues.

The SFI 2010-2014 Standard review process was launched in June 2008. It included two public comment periods (60 days beginning in June 2008 and 30 days beginning in January 2009) and seven regional workshops in early 2010 (Sacramento, California; Vancouver, British Columbia; Minneapolis, Minnesota; Charleston, South Carolina; Little Rock, Arkansas; Portland, Maine; and Montreal, Quebec).

The process encouraged on-line comments, which were posted on the SFI website along with revised drafts of the standard during the 18-month process. SFI Inc. publicized the process at every step, and during both review periods, it invited about 2,000 individuals and organizations to submit comments.

The SFI 2010-2014 Standard took effect on Jan. 1, 2010, and program participants have up to one year to implement these changes.



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Some of the Revisions in the SFI 2010-2014 Standard

Illegal logging: The SFI program only certifies forests in North America, however its fiber sourcing and chain-of-custody standards apply to North America and offshore fiber sources. The new standard strengthens illegal logging provisions, which require program participants to perform risk assessments on offshore fiber supplies to avoid controversial sources such as illegal harvesting operations or areas of civil unrest. It includes a definition of illegal logging consistent with amendments to the Lacey Act in the United States. These requirements build on the foundation of responsible sourcing and legality throughout the SFI 2010-2014 Standard, and are supported by the SFI Inc. Policy on Illegal Logging.

Fiber sourcing: The new SFI 2010-2014 Standard strengthens unique SFI fiber sourcing requirements, which address the fact that less than 10 percent of the world's forests are certified. SFI program participants must require, rather than encourage, the use of trained loggers and resource professionals when fiber is sourced from lands in North America that are not certified. Program participants must clearly define fiber sourcing policies in writing, and make them available to their wood suppliers.

Logger training: Since 1995, more than 117,000 loggers have received training through SFI-supported programs. In 2008, 93 percent of raw material used by those involved in the SFI fiber sourcing program was provided by trained loggers and resource professionals. The new standard has expanded logger training requirements to address invasive exotic plants and animals, special sites, and emerging technologies and markets such as carbon offsets and bioenergy.

Certified loggers: New provisions recognize the emergence of logger certification programs, and require that, where possible, program participants promote and support these programs. SFI Implementation Committees, grassroots committees at state, provincial and regional levels, must establish basic criteria, which includes verification of performance in the forest, to recognize certified logger programs.

International labor laws: Provisions were added to ensure activities in SFI-certified forests respect the rights of workers and labor representatives in a manner than encompasses the intent of International Labour Organization (ILO) core conventions on freedom of association, right to organization, collective bargaining and discrimination.

Research: Since 1995, SFI program participants have invested more than \$1 billion (US) in research to improve the health, productivity and responsible management of forests in North America. The new standard supports these efforts by expanding the definition of relevant research to include environmental and social benefits, and environmental performance of forest products.

Best Management Practices: To meet the SFI standard, program participants must follow best management practices, which means there are fewer issues around water quality and soil disturbance. The new standard has added a requirement for best management practices use provisions in contracts for the purchase of raw material.



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Forests with Exceptional Conservation Value: Since 2002, the SFI Standard has required that participants protect lands with ecological, geological, historical or cultural significance. The new standard clarifies the term Forests with Exceptional Conservation Value, and makes it clear they include areas with critically imperiled and imperiled species and communities.

Biodiversity: Program participants sourcing fiber outside of North America must continue to promote the conservation of biodiversity hotspots and high-biodiversity wilderness areas as defined by Conservation International. This has been expanded to include new sources of information for the conservation of biodiversity from organizations such as the Alliance for Zero Extinction, World Wildlife Fund, World Resources Institute and International Union for Conservation of Nature.

Emerging topics: The SFI 2010-2014 Standard addresses the fact that sustainable forestry makes an important contribution to addressing climate change and adapting to changing ecosystems. Provisions were added related to carbon management and bioenergy feedstock, tempered by the recognition that these are topics where both science and regulatory frameworks are still evolving.

Biotechnology: The new standard appropriately addresses the use of genetically modified trees under the research objective, because genetically modified trees are not commercially grown or available in North America. The SFI program only certifies lands in North America. The SFI program does not ban government-approved and controlled research on genetically modified trees because research may find ways to reduce pests, insects and disease, which can ravage forests and increase greenhouse gas emissions, or it may find ways to restore lost native species such as the American chestnut.

Public reporting: Requirements for public reporting, currently part of audit procedures and qualifications, have become a new objective for greater emphasis and transparency, with added clarity that public audit summaries must be prepared by the independent certification body.

Organization: Revisions and clarifications throughout the document align the standard's principles with the international Montreal Process Criteria and Indicators, and ensure it appropriately recognizes U.S. and Canadian interests, laws and regulations, social issues and terminology.

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