



PROCUREMENT POLICY

Customers can be confident that products manufactured by Mercury Paper go well beyond simple environmental compliance. Mercury Paper's procurement policy ensures that all products meet established, verified environmental standards. All products are produced from environmentally friendly sources that are 100 percent legal origin, including recycled or rapidly renewable fiber. Absolutely no wood from endangered or high-conservation forests is used. Mercury Paper promotes environmentally responsible, socially beneficial and economically viable forest management practices that ensure products use only legal and sustainable timber. Our suppliers must conduct extensive and independent, third-party audits of any forests they own or manage prior to harvesting any materials. In addition, our suppliers must demonstrate a commitment toward sustainable forest practices, following 100 percent legal compliance of the country of origin and/or obtaining industry recognized certification from such groups as the Forest Stewardship Council (FSC), Program for the Endorsement of Forest Certification (PEFC) or The Indonesian Ecolabelling Institute (LEI).

In addition:

- Suppliers' logging and paper manufacturing processes must conform to the environmental laws and regulations of the countries of origin.
- Suppliers must demonstrate the use of environmentally sound processes in all their operations including waste management, energy management, water management and the management of hazardous substances and other emissions.
- Mercury Paper supports initiatives to improve transparency on sustainability issues throughout the entire paper supply chain.
- Mercury Paper supports all on-going forest protection discussions that seek consensus resolution through dialogue with all stakeholders.

Finally, Mercury Paper only works with suppliers who demonstrate a social commitment to the communities in which they operate. This includes such activities as Corporate Social Responsibility programs and community development, including education, health and community training programs.

Current as of December 2009