



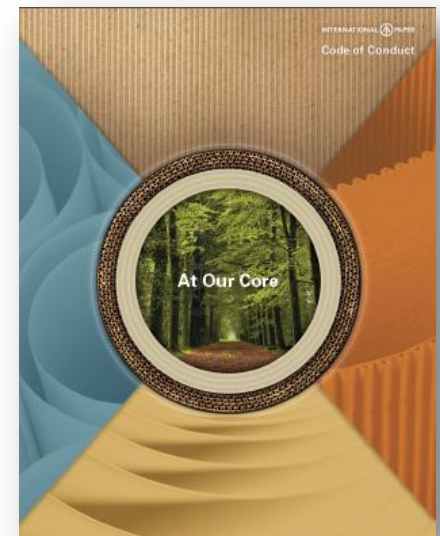
INTERNATIONAL  PAPER

Code of Conduct – 2013



Code of Conduct - 2013

- ❖ International Paper's Code of Conduct (version 4) updated and revised effective February 2013
- ❖ APPM Board briefed about the India rollout in July 2013
- ❖ Global rollout in Q3-Q4, 2013
- ❖ India rollout in Q4 2013



► The role of the Code in forming our corporate culture

“When you understand our core values and the impact they have on day-to-day business decisions, you will be ready to apply them when the need arises. This way, you will always uphold our shared heritage of integrity while contributing to our success in the future.”

John Faraci
Introduction to the *Code of Conduct*



Commitment

We are committed to doing what is in the best interest of our shareholders, the company, and each other. We protect the health and safety of our employees and support the welfare of the communities in which we operate.

Ownership

We are each individually accountable for following the spirit as well as the letter of the laws that apply to IP. Each of us will follow the law wherever we operate and uphold the highest ethical standards of conduct on the job.

Respect

We treat others with respect and dignity and believe in diversity of thought, culture and background. We deal fairly with suppliers, customers and other business partners. We manage natural resources responsibly.

Excellence

We pride ourselves on operational excellence, and we exercise integrity when managing the information and assets that are at the heart of our business. We also treat the resources of others with propriety, demonstrating our commitment to ethical excellence.



- ❖ A conflict of interest occurs when a personal or private interest interferes with your ability to do your job properly
- ❖ Conflicts can arise when you:
 - Give business to a family member
 - Hire a family member
 - Receive or give a gift/favor to or from a customer/supplier/government official
 - Participate in activities that compete with IP
 - Have personal financial interest with a company that does business with us
- ❖ Most conflicts can be resolved by disclosure (Conflict Declaration) or appropriate controls . Conflicts that are not disclosed and then later discovered will be considered a violation of Company policy
- ❖ Conflict of Interest policy rolled out in Feb-Mar 2013

Anti-Corruption & Bribery

IP is governed by

FOREIGN CORRUPT PRACTICES ACT

Prohibits bribery of foreign government or political officials

Twenty years imprisonment or fine or both if proved guilty

Requirement to make and maintain accurate books and records

Implementation of adequate internal accounting controls

Due diligence with respect to handling third parties

Gift policy that clearly documents hospitality & entertainment



Gift Policy

What's allowed.

- ❖ Reasonable in value and customary
- ❖ Given openly and transparently
- ❖ Given to promote legitimate business relationships
- ❖ Properly recorded according to company accounting requirements
- ❖ Tasteful and commensurate with IP's commitment to treat everyone with respect and dignity



What's not allowed.

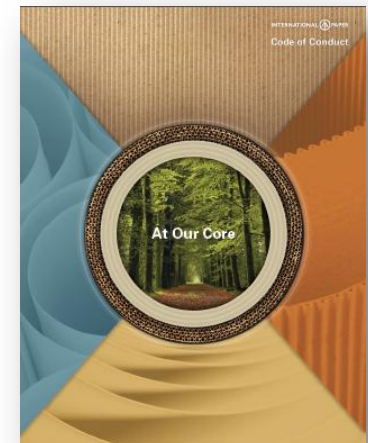
- ❖ We should never accept gifts, favors or entertainment when doing so obligates us — or even appears to obligate us — to the giver
- ❖ Nor should we give any gift or provide entertainment with an expectation that the receiver will be obligated to us
- ❖ We should never give or accept gifts that are lavish, repeated or could be interpreted as bribes — even when acceptable by local custom
- ❖ Employees should not give or accept cash or gifts that work like cash, such as gift cards. Similarly, nobody working for the company should request gifts, services or contributions from vendors, suppliers or other business partners — whether for personal benefit or on IP's behalf
- ❖ Always seek the advice of the Ethics and Compliance office or Legal department before you give any form of gift or entertainment to anyone affiliated with a government or government-controlled company.



Protecting Company Assets

Protect the Company's assets and use its assets in the manner intended

- ❖ All of us are responsible for protecting the company's assets
- ❖ Company assets should never be used for your personal benefit or for the benefit of others outside the company
- ❖ Refrain from using Company assets in a manner that could be harmful or embarrassing to our reputation
- ❖ Do not misuse your position or authority i.e. do not take for yourself any opportunity for financial gain that you can obtain because of your position at the Company, or through the Company's property or information



Responsibilities to each other

- ❖ Treat each other and all our stakeholders with respect and dignity
- ❖ Avoid abusive, harassing, dishonest and violent behavior
- ❖ Avoid violation of equal employment opportunity standards
- ❖ Avoid retaliation against anyone who reports violations in good faith



Channels of reporting/escalation

Every employee has an obligation to report violations, anonymously or not.

24/7 IP Helpline:

- ❖ 000 800 440 2101
- ❖ www.ethicsip.com
- ❖ ethics@ipaper.com



There are many other avenues for getting advice or reporting concerns, including:

- ❖ Any member of management
- ❖ IP India Legal department, HR, Internal Audit
- ❖ Chief Ethics and Compliance Officer (stephen.donovan@ipaper.com)
- ❖ IP Ethics & Compliance office

We take all reports seriously and will not retaliate against those who report a suspected or actual violation in good faith

Take Compliance Seriously!

It is the right thing to do

