Press Release – 12 January 2011

<u>Ecolabel awarded to products with excellent environmental performance</u>

Paper from the Portucel Soporcel group attains the European Ecolabel

- **Sustainable forest management, internationally certified**
- *Eucalyptus globulus,* **an eco-efficient species for paper manufacture**
- **Commitment to renewable energy sources**

The Portucel Soporcel has recently been licensed to use the European Union Ecolabel on the paper it manufactures and markets.

The EU Ecolabel promotes products and services that meet strict standards of environmental performance, which have for several years been incorporated into the management model adopted by the Portucel Soporcel group.

In the office stationery and printing paper segment, the Ecolabel rules require the use of certified timber of known provenance and ban the use of substances harmful to the environment and human health. The rules also call for the use of renewable energy, implementation of a rigorous waste management system and reduction of greenhouse gas emissions, as well as of air and water pollution.

These environmental performance standards are the outcome of scientific research and wide-ranging consultation conducted by the European Union Ecolabelling Board, made up of competent bodies from the member States, representatives of environmental NGOs, industrial and consumer associations, trade unions and representatives of SMEs and the retail sector.

The paper produced by the Group is an environmentally responsible product obtained from a natural and renewable resource planted specifically for this purpose. The award of the European Ecolabel will further reinforce the environmental positioning of the Group's paper brands, sold in markets increasingly sensitive to environmental issues.

Sustainable forest management, internationally certified and reflected in our products

Sustainable and aligned with best practice, the forest management of the Portucel Soporcel group is certified under the international scheme operated by the FSC (Forest Stewardship Council) and under the PEFC (Programme for the Endorsement of Forest Certification schemes).

The conservation of biodiversity is a leading aspect of the Group's development strategy and an integral part of its forest management model. Significantly, in the course of work carried out in partnership with the WWF (World Wildlife Fund for Nature), it was found that a large part of the woodland assets managed by the Group meet the requirements for classification as Areas of High Conservation Value, due to the diversity, abundance and interaction between species and ecosystems.

The Group is involved in a range of partnerships for conserving biodiversity over the year, including, for example, the scheme for protection of Bonelli's eagle, in collaboration with the Iberian Birdlife Research Centre and the B&B cooperation agreement with the Institute for Nature Conservation and Biodiversity.

Eucalyptus globulus, **an ideal species for the paper industry**

Forest management and the associated certification process also reflect the multiple uses made of woodlands which currently store the carbon equivalent to the CO_2 emissions generated by 1.5 million cars driving once around the world.

Eucalyptus globulus was introduced in Portugal some two centuries ago, and has adapted well to the edafoclimatic conditions in the country, to which it is well suited. In view of its properties, *Eucalyptus globulus* is regarded by experts around the world as the tree providing the ideal fibre for printing and writing paper. In addition to being excellently suited to paper production, this species allows for more rational use of raw material and lower consumption of chemicals in the production process. The reduction

in timber use, in comparison with certain species of pine and spruce, can be as high as 86%.

Portugal's leading producer of "green" energy from biomass

The industrial facilities operated by the Portucel Soporcel group are powered mainly from renewable sources, and the group is Portugal's leading producer of "green" energy from biomass.

Between 2000 and 2010, the company concluded two major industrial investment projects, with the installation of two of the largest and most up-to-date paper machines in the world for the production of office stationery and printing paper, whilst at the same time achieving reductions of 45% in water consumption and 59% in CO_2 emissions per ton of pulp and paper produced, as well as reclaiming 80% of its industrial waste.

So without losing sight of its mission to develop, produce and market competitively high quality paper, generating value for its shareholders and stakeholders, the Portucel Soporcel group pursues an active policy of incorporating sustainability issues into its operational and management practices.

The license to use the Ecolabel therefore represents recognition of the Group's sustainability practices, helping to boost its presence in international markets which are becoming increasingly sensitive to questions of environmental performance, from the sourcing of raw materials and the manufacturing process through to the actual products sold.

About the Portucel Soporcel group

The Portucel Soporcel group is one of Portugal's strongest players on the international stage.

Having completed an investment programme totalling more than 900 million euros, including a new Paper Mill, which started up in August 2009, the Group is now Europe's leading producer of UWF printing and writing paper and remains the top manufacturer of BEKP pulp in Europe, and one of the largest in the world.

The Group currently boasts production capacity for 1.6 million tons of paper, 1.4 million tons of pulp (of which 1.1 million is integrated into paper) and power generation of 1.84 TWh. With annual turnover in excess of 1 300 million euros, it sells its products to some 100 countries over five continents.

The Portucel Soporcel group is also owner of Portugal's most successful international brand, *Navigator* paper, the world's best-selling brand of premium office stationery.