



**American
Forest & Paper
Association**

The Future of Paper Recycling

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**BETTER PRACTICES
BETTER PLANET 2020**
Continuing AF&PA's Commitment to Sustainability

About AF&PA

- Advances a sustainable pulp, paper, packaging and wood products manufacturing industry
- Fact-based public policy and marketplace advocacy
- Member companies produce 75% of U.S. pulp, paper, paper-based packaging and wood products.

Containerboard/Corrugated



Kraft Packaging



Kraft/Multi-wall Packaging



Paperboard – Bleached



Bleached Paperboard – Liquid Packaging



Paperboard – Recycled









Printing/Writing Papers



Tissue



AF&PA's 2020 Sustainability Goals

- | | | |
|----------------------|---|--|
| 1. Paper Recovery |  | Exceed 70% |
| 2. Energy Efficiency |  | Increase purchased energy efficiency by at least 10% |
| 3. GHG Emissions |  | Reduce intensity by at least 15% |
| 4. Forestry |  | Increase certified fiber procurement |
| 5. Safety |  | Reduce incidence rate by 25% |
| 6. Water Use |  | Reduce use in mills by 12% |

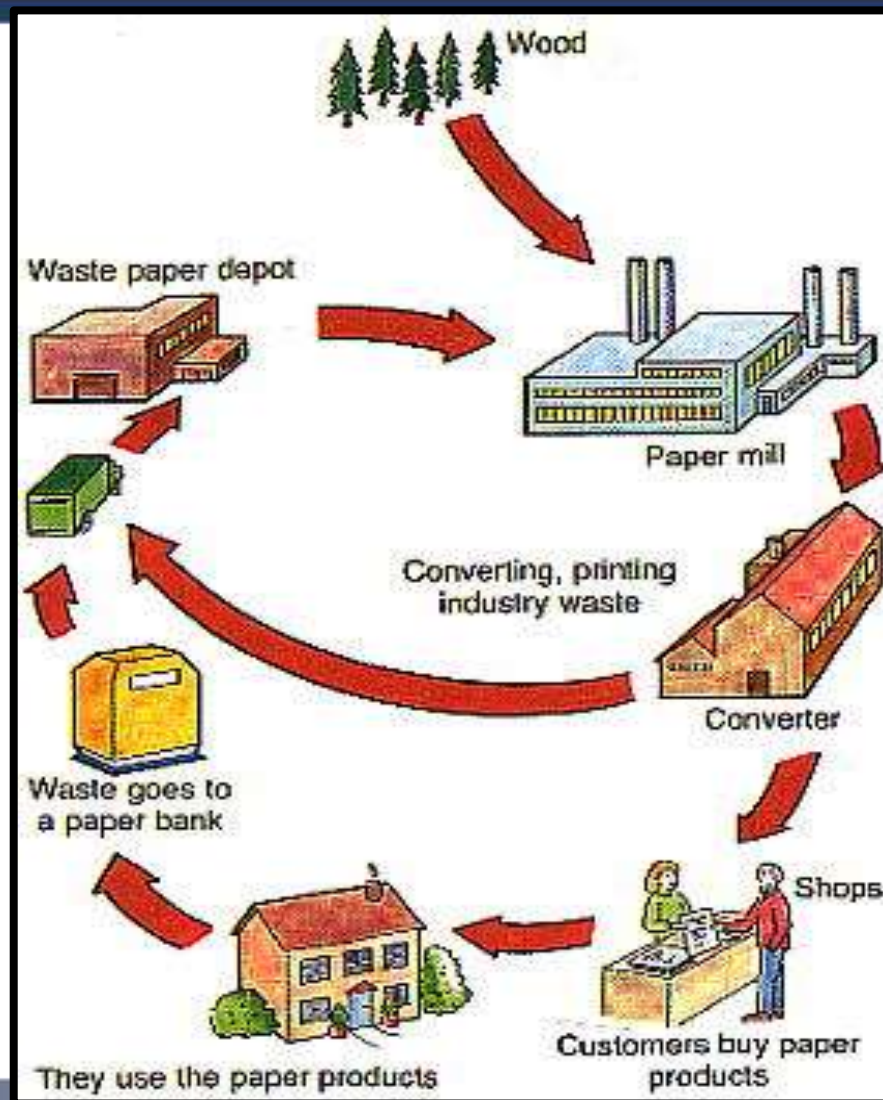


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Sustainable Manufacturing of Paper

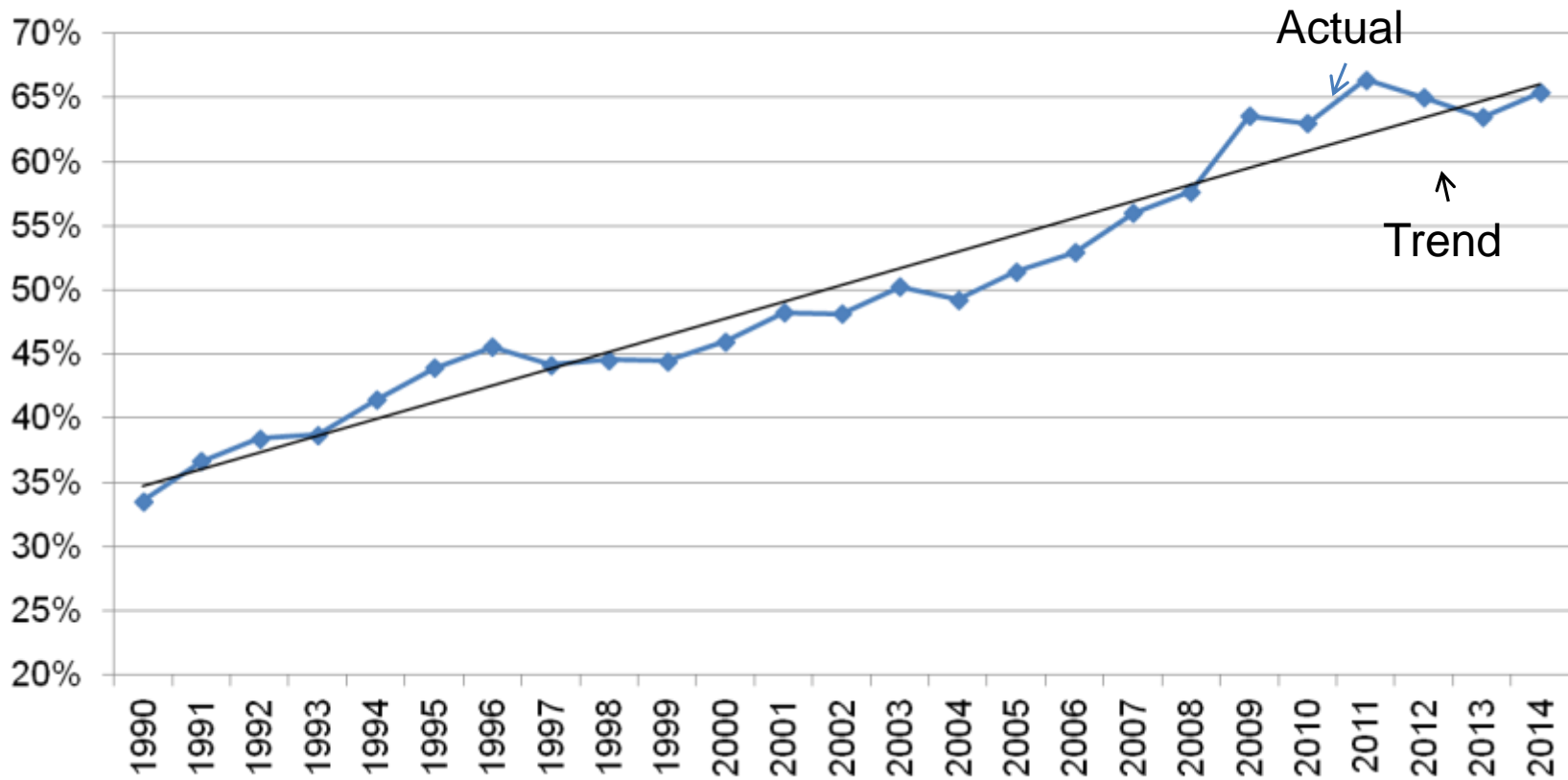
Paper and paper-based packaging are...

- Derived from sustainably managed forests
- Renewable
- Recyclable



Historical Paper Recovery Trend

U.S. Paper Recovery Rate 1990-2014



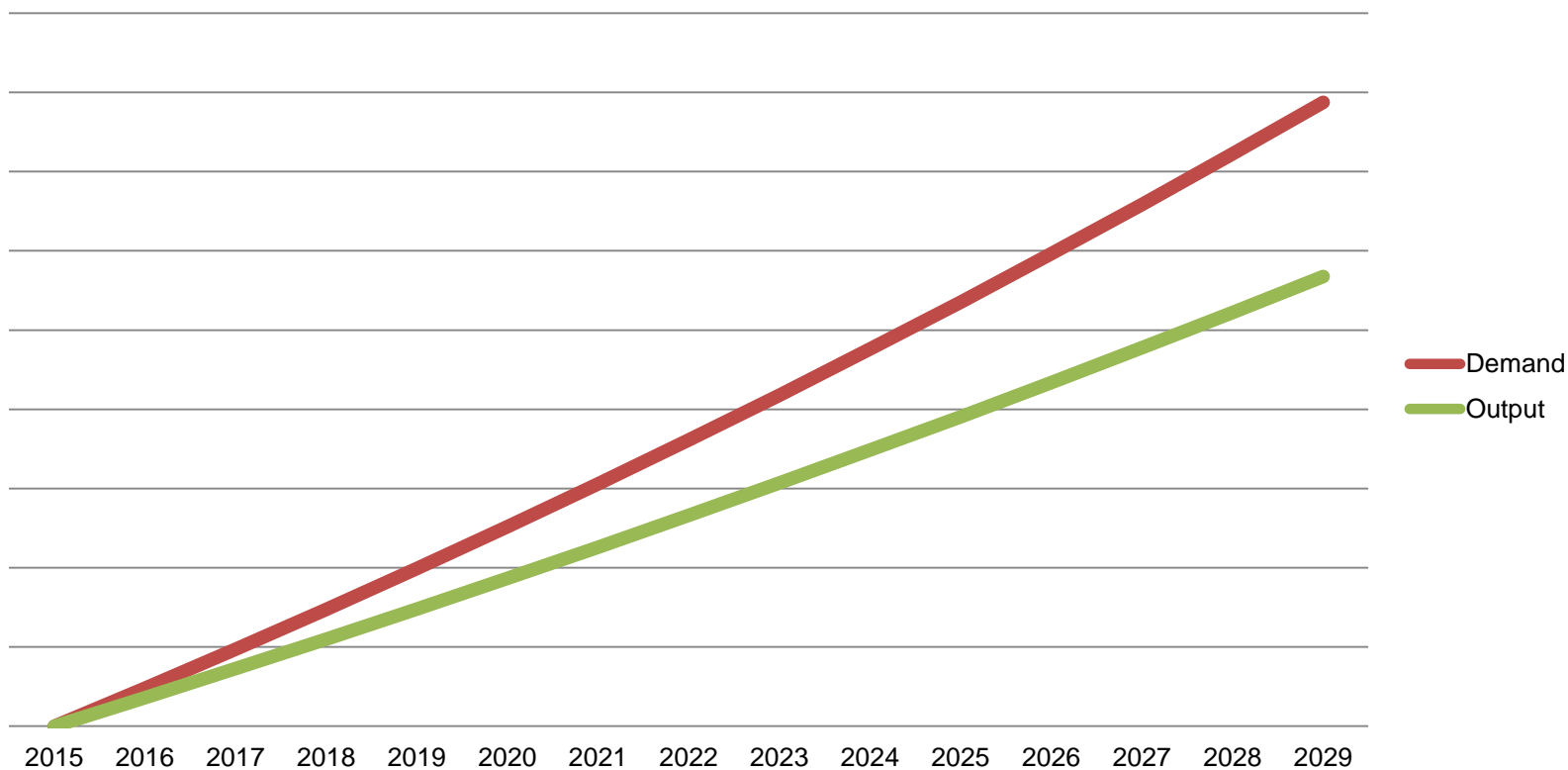
Source: AF&PA

Challenges to Increasing Paper Recovery

- Marketplace
 - Less newsprint & office/copy paper
 - Recycling collection systems

Global Demand for Recovered Paper (2015-2029)

Global Recovered Fiber Demand vs. Paper and Paperboard Output



Source: RISI

Recovered Fiber Markets

- Complex, dynamic, efficient
- Global demand
- Collection commitment by many parties
 - Municipalities
 - Paper manufacturers
 - Recycling companies
 - Millions of Americans
- Not served by regulations that restrict market-based collection or use

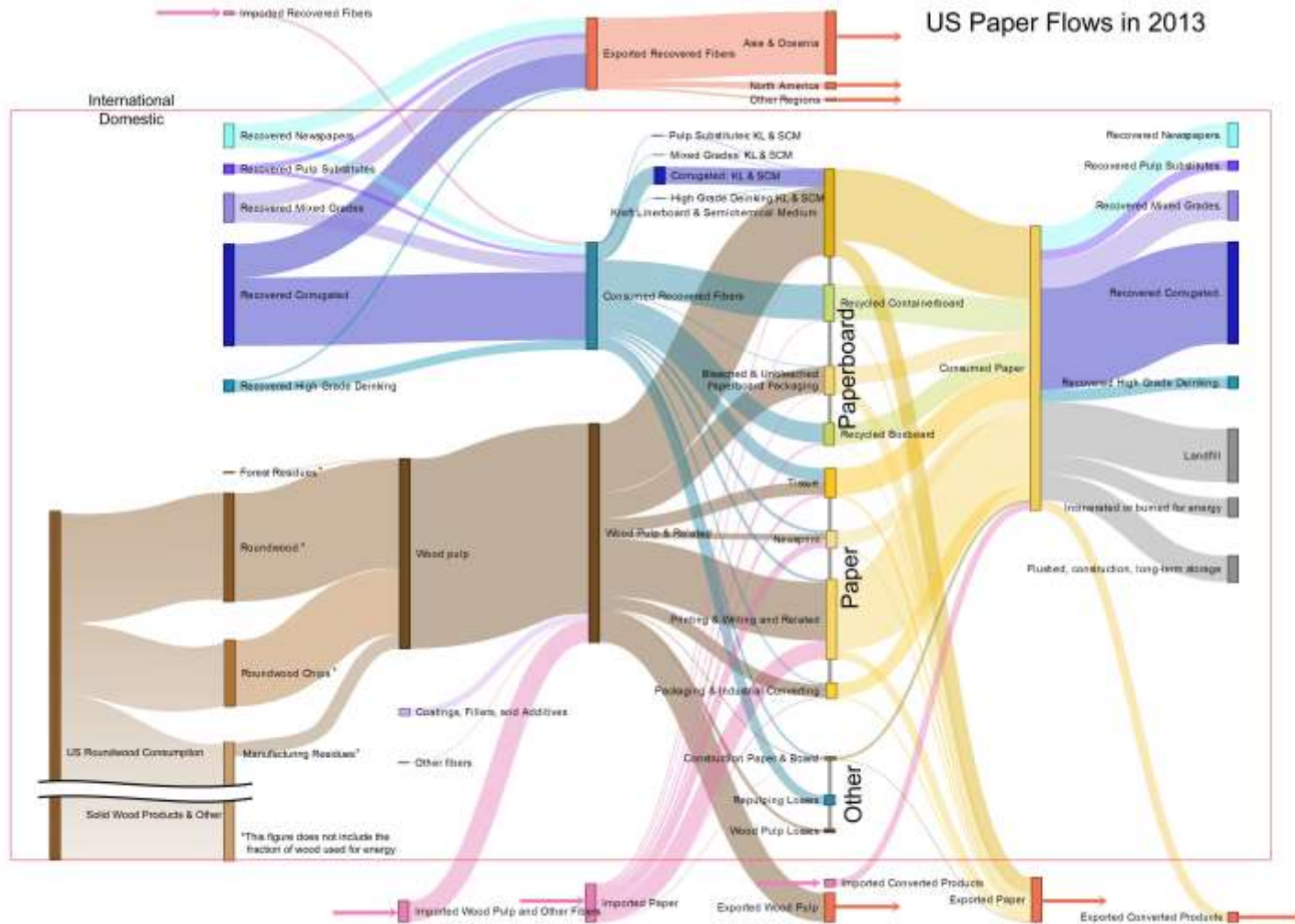
Government Policy Challenges

- Extended Producer Responsibility
- Recycled content mandates
- Product fees and bans
- Mixed-waste processing systems

Extended Producer Responsibility

- AF&PA opposes for paper & packaging
 - Markets for recovered paper are developed
 - Broad consumer access to paper recycling
 - Paper is recycled at a high rate
- Will not increase paper recovery

Recycled Content Mandates



Fiber Stage:

Sources of Fiber

Fiber Utilization in Products

End-of-Life Fiber Destinations

“One-Bin Collection”



Opportunities for Increased Recovery

- Grades
 - Paperboard boxes (cereal, tissue, etc.)
 - Corrugated boxes
 - Office/copy papers
- Sources
 - Office buildings
 - Homes
 - Schools
- New initiatives

Consumer Education

Improving Paper Recycling

“Best Practices” for Sustaining Recovered Paper Markets

- Free marketplace
 - Collection
 - Utilization
- System designed to meet end user requirements