



APPVION

California Transparency in Supply Chains Act Disclosures

Appvion, Inc. (“Appvion”) has operated since 1907 with the highest ethical standards and integrity. Vital to our success is our commitment to our employees, environment, suppliers, customers and the communities in which we operate. As part of this commitment, Appvion is dedicated to following all applicable laws, including complying with the California Transparency in Supply Chains Act, which is designed to eradicate child labor, human trafficking and slave labor. In that regard, Appvion has a Supplier Code of Conduct (*web link to Code of Conduct*) that requires, among others things, that all Appvion suppliers do the following:

- Comply with applicable laws, rules, regulations and Appvion policies
- Refrain from using child labor and be in compliance with the International Labor Organization, Conventions 138 and 182.
- Guarantee that terms of employment are completely voluntary.
- Refrain from participating in human trafficking, involuntary or slave labor, indebted labor; and refrain from purchasing materials or services from companies using forced, involuntary or slave labor.
- Be able to verify that materials included in their products comply with the slavery and human trafficking laws of the country or countries in which they do business.
- Maintain a process and the documentation necessary to demonstrate compliance with Appvion’s Supplier Code of Conduct and permit Appvion access to the documents for audit and compliance verification.
- Confirm that if they are not in compliance, Appvion may request an immediate remediation plan or discontinue the business relationship.

Verification

Appvion undertakes due diligence prior to conducting business with any supplier. Often, that due diligence includes a visit to the suppliers’ headquarters or plant and discussions regarding the supplier sourcing areas. Given Appvion’s sourcing partners, Appvion has determined there is a low risk of any of those partners violating any child or slave labor or human trafficking laws. Verification is not conducted by a third-party.

Audits

As noted above, all Appvion suppliers must agree to maintain a process and the documentation necessary to demonstrate compliance with Appvion’s Supplier Code of Conduct and permit Appvion access to documents for audit and compliance verification. Additionally, certain supply relationships are governed by written contracts that provide further audit rights. Audits may be announced or unannounced depending on the circumstances, but it is likely that given the close, open and honest working relationship Appvion has with its suppliers, that audits would be announced.



Certifications

As noted above, as part of the Supplier Code of Conduct, all Appvion suppliers must be able to verify that materials included in their products comply with the slavery and human trafficking laws of the country or countries in which they do business.

Accountability

All Appvion suppliers are required to comply with all applicable laws, including those designed to eliminate human trafficking and child and slave labor. Violation of such laws by any supplier would provide Appvion with contractual rights to terminate the business relationship. Violation of the Supplier Code of Conduct likewise would require a remediation plan or termination of the business relationship.

Training

When the Appvion Supplier Code of Conduct was put in place, all procurement employees were trained on its contents and importance. Time is spent periodically at various team and department meetings discussing the Code of Conduct. Also, each Appvion employee is expected to conduct themselves according to the "Appvion Way" – which includes respecting all – and by definition, making sure Appvion's business partners do not violate human rights laws.

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