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We believe the environment and the economy are not mutually exclusive. Sustaining our environment is key to our future success as a company. That is why we have committed our entire enterprise to develop innovative, environmentally responsible coating solutions.

This 2021 Corporate Sustainability Report (Report) is the first Corporate Sustainability Report issued by Appvion Operations, Inc. (Appvion). This Report reflects our commitment to transparency and provides detail for our stakeholders on progress toward building a strong internal culture with Environmental, Social, and Governance (ESG) goals.

This Report does not include details on our financial performance. The enclosed Report details the many ways our employees are embodying our core values by operating with ethics, safety, and integrity and giving back to the communities in which we reside. Appvion anticipates issuing an annual Corporate Sustainability Report going forward.

This Report was prepared utilizing the Pulp & Paper Industry standards published by the Sustainability Accounting Standards Board (SASB) Foundation. SASB is an independent, nonprofit standard-setting organization that develops and maintains robust reporting standards which enable businesses around the world to identify, manage, and communicate financially-material sustainability information to their investors.
Appvion is North America’s largest provider of advanced materials and specialty coated solutions focused on innovation and social responsibility to address the anticipated needs of the global market.

Appvion formulates leading-edge, water-based, and functional coating solutions applied to a wide variety of flexible substrates, including products from our FDA-compliant facility. We are a pioneer in the specialty and high-performance coatings business. From our previous carbonless paper and microencapsulation advancements to today’s direct thermal and specialty coating offerings, these and other innovative solutions are attributed to the brainpower of our research and development team.

We are the market leader of direct thermal paper in North America. Our products support consumers in their everyday lives, from weigh-scale labels at the deli, medical wristbands, retail shelf marking, and e-commerce packages.

Appvion launched a packaging and specialty coatings business unit in 2019. We offer functional, water-based, dispersible coatings applied to renewable, responsibly sourced paper substrates through our brand Mission Zero™. These products provide safer, renewable, recyclable barrier packaging by eliminating plastic films and PFAS.

We have embraced many changes in our industry over the decades, and our collective efforts reveal an ongoing commitment to operational, environmental, and social responsibility.
LETTER FROM THE CEO

For nearly 115 years, Appvion has created value for our customers through the development and application of proprietary coating technologies. Charles S. Boyd founded our company based on the premise that he could add value to paper by applying coatings to enhance the product performance. Appvion employees continue to execute that original premise by providing innovative solutions to our customers coupled with superior quality and excellent customer service.

Today, we are positioned to be a world-class provider of innovative and socially responsible engineered material solutions that address the anticipated needs of the global market. We are one of the few specialty coating companies to employ phenol-free, sustainable, recyclable, and biodegradable coatings. We pride ourselves on our proprietary coating formulations that solve customer and market needs in an environmentally acceptable manner.

Sustaining our environment is key to our future success, and we believe there is a clear link between the incorporation of ESG criteria into strategy and long-term corporate performance. We are taking a cross-functional approach through integrated initiatives centered around continuous improvement in every part of our business. Our team is actively working to deliver on our commitments.

Today’s ever-changing business context calls for our team to challenge the status quo, think differently, and improve our sustainability approach. These key factors drive our strategy and are woven into our corporate fabric. Our methods are designed to help us achieve our vision of being an environmentally and socially responsible company. We directly link our strategies to our improved financial performance and regularly report to our Nominating and Governance Committee.

Appvion recognizes and understands that investor expectations remain high for companies to lead with purpose, particularly during times of severe economic disruption, and to continue to demonstrate progress toward established ESG goals.

Investors have indicated that they will assess a company’s response to the pandemic as a measure of stability, resilience, and adaptability. Many have stated that employee health, well-being, and proactive human capital management are central to business continuity. I am pleased to report that Appvion succeeded on all fronts during the pandemic while delivering customers’ requirements and launching innovative coating solutions without disrupting business operations.

Honesty, integrity, and ethical behavior are the responsibility of every Appvion team member and are the foundation of our lasting business success.

How we achieve success is as important as the success we achieve!

Intentionally fostering a culture of innovation and growth is an essential priority for Appvion. Investing in a diverse and talented workforce is fundamental in achieving this. We also believe in supporting the communities our employees live in, creating a better environment for families to prosper. Appvion’s employees continue to find new ways to touch the lives they surround.

Above all other responsible business practices, we are committed to the safety of our team. We are proud that Appvion’s safety performance has dramatically improved. We are continuing to build upon this momentum to ensure our team members go home safely each day.

This is an exciting time at Appvion. Our team embraces the world’s urgent challenges, and we aim to achieve sustained profitable growth. We will continue developing sustainable solutions for the consumer-driven economy while improving our corporate citizenship through the three pillars of sustainability.

Sincerely,

George Wurtz
President, Chairman and CEO
Appvion Operations, Inc.
We believe acting ethically and responsibly is the right thing to do and strengthens our business. We consider risks and opportunities related to our economic, social, and environmental impacts on an ongoing basis as part of our strategic planning, risk management, and governance approach.

POLICIES
Appvion is committed to following sustainable business practices through the implementation of our company policies. These policies cover all employees, officers, directors, visitors, and contractors as applicable and guide our commitment to maintaining a safe, respectful, honest, and ethical company culture where all stakeholders are empowered to report any wrongdoing.

ETHICS & COMPLIANCE
Our Code of Conduct and Ethics Policy requires honest and ethical conduct, fair and accurate financial reporting, and professional integrity that avoids coercion, harassment, discrimination, and all other unlawful conduct. Our Antitrust, FCPA and Anti-Corruption, Insider Trading, Related Person Transaction, and Travel, Entertainment, and Gift Policies all prohibit various unlawful and unethical activities related to relationships and activities with co-workers, active and potential customers, and suppliers.

- **Auditing and Monitoring:** Internal audits are conducted annually to monitor employee adherence to Appvion ethics-related policies and procedures.

- **Training and Communication:** Select policies are reviewed annually with all employees and officers.
GOVERNANCE

Strong leadership and a culture of accountability is foundational at Appvion. Our senior leadership, in collaboration with our Board of Directors, competently and ethically manage Appvion’s operations for the long-term benefit of shareholders.

Our Board of Directors (Board) is responsible for performance and strategic guidance in the best interests of Appvion, our stockholders, and our Corporate Governance Guidelines.

Our Chairman of the Board is primarily responsible for operating the Appvion Holdings Corp in accordance with the Appvion Holdings Corp Governance Guidelines established June 13, 2018.

The Board consists of seven members with diverse backgrounds and experiences, six of which are considered independent under applicable New York Stock Exchange rules.

Our Chairman and all Board members are enrolled in the National Association of Corporate Directors (NACD), a nonprofit membership organization for corporate board members who provide corporate governance resources, education, information, and research on leading board practices.

Each member of the Board utilizes the association for training, research on specific topics, and benchmarking the respective committees they lead. Appvion’s Chief Counsel conducts an annual review of Board performance and each committee to provide additional oversight and appropriate checks and balances of our work. NACD provides the guidelines for the evaluation of corporate governance.

The Board has four standing committees:

- Audit
- Compensation
- Nominating and Governance
- Strategic Planning

Each committee routinely reports its activities to the Board.

Appvion benefits from the practical Corporate Governance Guidelines. It enables our organization to work efficiently to identify, analyze, discuss, and respond to market trends, changing consumer behaviors, and other business risks and opportunities.

Please refer to the Leadership section on www.appvion.com for a complete picture of Appvion’s Board of Directors.
GOVERNANCE

BOARD OF DIRECTORS
7 directors, 6 independent, Led by Chairman of the Board

AUDIT COMMITTEE
Conducts independent financial audits for the accounting and financial planning departments to ensure the company is operating consistently with GAAP.

COMPENSATION COMMITTEE
Oversees management compensation, diversity, and other human resource-related elements for the Company’s Board of Directors, Senior Leadership, and the employees of Appvion.

NOMINATING & GOVERNANCE COMMITTEE
Identifies director candidates, organizes board and committee leadership, recommends governance principles and practices, and leads board self-assessments.

STRATEGIC PLANNING COMMITTEE
Assists with directing Company affairs with respect to business strategy and transactions, and takes related actions deemed necessary or appropriate.

OUR BOARD OF DIRECTORS

George Wurtz
President and Chief Executive Officer
Appvion Operations, Inc.
Appleton, Wisconsin
Member of our Board of Directors and Chairman of the Board since 2018

Anna Catalano
Board Director and Director, NACD Corporate Directors Institute
Fulshear, Texas
Member of our Board of Directors since 2020

Mark Boyadjian
Former Senior Vice President, HR
Resolute Forest Products
Ontario, Canada
Member of our Board of Directors since 2018

Stephen Boniferro
Former Senior Vice President, HR
Resolute Forest Products
Ontario, Canada
Member of our Board of Directors since 2018

Jonathan Foster
Founder and Managing Director
Current Capital Partners
New York, New York
Member of our Board of Directors since 2018

David Paterson
Former President and Chairman
Verso Paper Corp.
Atlanta, Georgia
Member of our Board of Directors since 2018

Alexandre Zyngier
Founder and Managing Director
Batuta Capital Advisors
New York, New York
Member of our Board of Directors since 2019
As market leaders in innovation, Appvion understands that sustainability is essential for long-term prosperity. Appvion strives to balance economic growth, social responsibility, and environmental stewardship to meet the needs of today while ensuring future generations can thrive. Appvion is committed to improving efficiency, maintaining the well-being of employees and communities, and protecting our natural resources and environment.

FROM RAW MATERIALS ⇒ THROUGH PRODUCTION ⇒ TO OUR CUSTOMERS

WE PROACTIVELY WORK WITH ENVIRONMENTALLY AND SOCIALLY RESPONSIBLE SUPPLIERS

WE PRIORITIZE THE WELL-BEING OF OUR EMPLOYEES, COMMUNITIES, AND ENVIRONMENT THROUGH POSITIVE OUTREACH AND ENGAGEMENT

WE SEEK TO CONTINUOUSLY IMPROVE OUR MANUFACTURING PROCESSES AND NATURAL RESOURCE USE TO REDUCE OUR ENVIRONMENTAL FOOTPRINT

WE STRIVE TO PRODUCE SUSTAINABLE, QUALITY SOLUTIONS AS A MARKET LEADER IN INNOVATION
PRODUCT STEWARDSHIP

Appvion effectively manages health, safety, and environmental risks during the discovery, development, manufacture, use, and disposal of our products.

Appvion has a formal Product Stewardship review process that involves assessing products during each developmental and commercialization stage.

Appvion is currently developing formal sustainability review criteria to better understand and benchmark our existing solutions with newly developed solutions. The objective is to compare the sustainability attributes throughout their life cycle. These criteria will be adopted into the current Product Stewardship review framework and be used to guide development and marketing strategies.

The review process includes the following:

- Using well-established risk assessment methods to responsibly manage health, safety, and environmental aspects of raw materials, intermediate, and finished products throughout their life cycle.
- Ensuring all products meet current regulatory requirements and applicable public safety standards
- Implementing principles of “safe product design” to integrate lower hazard alternative substances into products while still meeting end-user functionality requirements
- Promoting collaboration throughout the value chain to develop safe, quality products
- Improving products to provide environmental and social benefits.

Our team proactively tracks and anticipates changing global, market, and consumer trends to ensure that product offerings will continue to meet product stewardship expectations. We also participate with our customers in the development journey to support their stated company sustainability goals by providing product stewardship and sustainability information.
Appvion provides our customers with innovative solutions that continually improve safety and sustainability. Our solutions-based approach to sustainability supports the increase in end-user requests for products made with more natural components.

A few of our recent product highlights include:

**CLEANSLATE™**
Appvion’s revolutionary CleanSlate™ product is an alternative to traditional direct thermal paper. The image is developed without phenols, developers, or leuco dye. In addition to increased heat, water, and light resistance, this product has outstanding archivability and is easily distinguishable for users to make a statement regarding their environmental efforts.

**MISSION ZERO™**
Mission Zero™ is our brand for Appvion’s fiber-based products to enhance sustainability by providing functional materials and systems that address key issues of recyclability. Mission Zero™ products are designed to enable transformation, innovation, and optimization in the value chain and provide for a closed-loop system and circular economy.

**SAFESHIELD™**
In 2020 we launched SafeShield™, an industry-leading antimicrobial coating technology for a variety of substrates. SafeShield™ technology prevents the replication of DNA and new cell formation. Independent lab tests demonstrate up to 99.99% reduction in non-pathogenic bacteria on the paper’s surface even after printing and post-processing.

**Additional sustainable product achievements:**
- Appvion has produced BPA-free products since 2006
- Appvion developed the first direct thermal material formulated with Vitamin C instead of phenols or urea-based compounds

**Sustainable products in development:**
- Recyclable and compostable polyethylene-free cups and containers
- Oil and grease resistant (OGR) papers that are fluorochemical (PFAS) free
INNOVATION

Appvion believes strategic innovation is required to generate significant value for consumers, our customers, and our organization. It challenges us to look beyond established business boundaries and mental models to participate in open-minded, creative exploration of the realm of possibilities.

We take pride in our laboratory, pilot facilities, and testing capabilities. They offer formulation and integration opportunities that would otherwise be unavailable, affording customers the creative freedom for customizable solutions. We can analyze, design, test, and review chemical, physical, and performance attributes of product coatings. Our superior instrumentation and testing capabilities advance product development and enable rapid end-user feedback.

In 2020, Appvion launched a Technology and Innovation Council to facilitate ideation and opportunity identification within strategic market segments to drive sustainable, profitable, and future growth. The objectives for this council include:

1. Challenge our organization in a way that increases confidence in our abilities
2. Drive conversations in strategic segments to understand challenges, desires, and future states that will create areas of opportunity
3. Strengthen Appvion’s brand and position ourselves as a thought leader in the industry

We are implementing two software programs that support our innovation process. The first provides a roadmap to execute the front end of innovation flawlessly. The second promotes the deployment of new products in a synchronized, repeatable, and dynamic way.
Maintaining compliance demonstrates to our stakeholders that we are respectful of the law and permits established to preserve the natural environment we all share and ensure our ongoing license to operate.

Appvion’s manufacturing facilities in Appleton maintain an Environmental Management System that is ISO 14001 certified. Through ISO 14001, our customers and other stakeholders receive objective assurance that our business responsibly manages the environmental compliance and impacts of our operations and products.

**MANAGEMENT OF CHANGE**

Management of change is an integral part of maintaining environmental compliance. We review all process changes and capital projects for potential environmental risks and develop mitigation plans accordingly. Appvion ensures all applicable environmental compliance requirements are embedded in all work processes, ensuring adequate controls and monitoring of corrective actions.

**ENVIRONMENTAL AUDITING**

Appvion performs comprehensive environmental facility inspections and program reviews at regular intervals. These audits can focus on a single compliance regulation or be system-wide compliance. They are an essential tool to evaluate performance and identify areas needing improvement.

The Appleton plant has not had notification of violation in over 25 years with the aid of our ISO 14001 environmental management system. Our environmental policies, management system, review processes, and programs are designed to promote compliance with environmental requirements and provide a platform from which we can take our performance beyond the legal and regulatory baselines.
Access to safe water and sanitation and the sound management of freshwater ecosystems are fundamental to human health, environmental sustainability, and economic prosperity. It is also a natural resource we depend on in our manufacturing processes.

Appvion is committed to ensuring responsible water consumption and management in our operations. We achieve this by seeking to conserve water and to discharge properly treated wastewater to avoid degradation to the surrounding environment. We optimize existing water use systems to improve efficiency and expand metering to provide greater granularity of water data. We promote water reuse and recycling wherever it is applicable.

In 2019, Appvion’s Innovation Center invested in a state-of-the-art air-cooled Tappi unit to replace an outdated model. After installation, water usage reduced from over 5,000 gallons of water per day to averaging between 700 - 1,500 gallons per day. Overall, this initiative led to over one million gallons of water saved annually. Appvion remains committed to finding and executing water savings projects such as this.
ENERGY & GREENHOUSE GAS

We understand the broad impacts of greenhouse gas (GHG) emissions and air pollutants, including implications for climate, concerns regarding the implications for public health, and threats to ecosystems.

Emission reductions, however, can also signal improving overall operational efficiency at our manufacturing facilities, and we see our focus on emission reductions as a competitive advantage. We monitor our process emissions closely and work to minimize our respective impacts in support of maintaining compliance with our regulatory obligations and reducing our global environmental footprint.

We also look to partner with our customers and others who share our goal of reducing emission impacts across the value chain by providing products that can help lower their emissions and significantly lessen the impact of their products throughout the product life cycle.

We are continuously working on ways to reduce our energy consumption. With equipment upgrades, ongoing process improvements, and waste reduction projects, we are working toward increasing our energy efficiency company-wide.
WASTE MANAGEMENT

We focus our waste reduction efforts on diverting waste from the landfill to reduce our environmental footprint, conserve valuable operational resources, and help the communities we serve.

Appvion implemented a waste management standard requiring each facility to map waste streams for further analysis. We aim to identify opportunities for reduction, recycling, and beneficial uses for all current wastes. We advocate for all employees to bring forth waste reduction ideas and collaborate across the value chain to identify solutions.

Reducing waste from our company facilities and operations is just one-way Appvion has a positive impact on the global environmental footprint. Appvion also acknowledges its role in developing innovative sustainable products that are committed to a circular economy. By partnering with customers, we are mutually working to eliminate waste and promote the continual use of resources.
FIBER SOURCING

As a company, we believe that responsible forest management is critical to the future of our planet. Appvion earned the Forest Stewardship Council® (FSC®) Chain of Custody (FSC-C003368) certification, giving us the ability to offer our customers FSC® products.

We are committed to sourcing wood-fiber material from certified chain of custody and non-controversial sources.

We do not source wood fiber that is:

- Illegally harvested
- Harvested in violation of traditional and civil rights
- Harvested where global conservation priorities are threatened
- Harvested in natural forests undergoing significant conversion to plantations or non-forest uses
- From forests in which genetically modified trees are planted.

We support efforts to eliminate deforestation. To achieve our goals, we developed and adopted appropriate programs and procedures to guide our wood fiber procurement, production of certified products, and associated environmental claims and labels.
COMPANY VALUES

SAFETY
There is nothing more important than the safety and well-being of our employees. We are personally accountable for our safety and the safety of others. We measure, learn, and share information to improve safety continuously.

INTEGRITY
We treat all people with dignity and respect. We conduct ourselves in accordance with the highest business standards. Integrity and ethical behavior are the foundation of our lasting business success.

CUSTOMER FOCUS
Strong customer relationships are essential. We pride ourselves on understanding their needs and ensuring customer satisfaction to create economic value for both Appvion and our customers.

VALUE CREATION
Our goal is to create real long-term value by economic means. We strive to eliminate waste and understand, develop, and apply proven techniques to achieve superior results in all areas of our company.

EXCELLENCE IN ALL WE DO
We strive to demonstrate the sense of urgency and entrepreneurial spirit that started every great company. We challenge our organization in a way that increases confidence in our abilities and returns the cost of capital year over year.

ACCOUNTABILITY
We consistently hold ourselves and our colleagues accountable to ensure productivity in our area of responsibility. We recognize, celebrate, and reward our successes and also have the courage to address underperformance.
HEALTH & SAFETY

Employee safety is our number one priority. We believe every employee should return to their families at night in the same condition as they left.

Our Safety Management System includes routine workplace safety audits, employee participation in safety meetings and training, and active safety committees. Through these initiatives, Appvion has drastically reduced the number of incidents in the workplace to well below the 2019 Paper Manufacturing Industry Average.

We will continue to work on improvements until we have successfully reached our goal of zero injuries.

Appvion is also working to reduce the severity of injuries. We have seen a significant decrease in lost time incident rate, which is work-related injuries or illnesses that result in days away from work, restricted work, or transfer.

Our employees are dedicated to keeping themselves and others safe in the workplace, which can be seen from our outstanding achievements. In 2020, our Appleton plant location reached 500,000 safe person-hours, and our Headquarters and R&D locations have achieved three years without an incident.
FOCUS ON DIVERSITY & INCLUSION
Appvion is an Affirmative Action and Equal Opportunity employer. We recognize and value differences in experience, thought, and culture. We look for opportunities to hire a diverse workforce and do not discriminate against any employee or applicant for employment because of:

- Race, color, religion, sex, sexual orientation, gender identity, national origin, disability, or Veteran status

All employment decisions are based only on valid job requirements. This applies to:

- Recruitment
- Hiring
- Promotion
- Transfer
- Demotion, layoff, recall
- Termination
- Rates of pay or other forms of compensation
- Development opportunities

FOCUS ON HIRING
Communication is a critical component of our recruiting process. We make sure our candidates receive timely updates on their selection process and what they can expect next. Once an offer is accepted, the candidate receives timely and appropriate information to prepare them for their first day with Appvion.

To ensure a positive new hire experience, we provide a best-in-class onboarding process to ensure our new employees become valuable contributors to our organization as quickly as possible. We measure the success of our efforts by conducting surveys and soliciting feedback from both the new employee and their manager.
OUR WORKFORCE

FOCUS ON INDIVIDUAL DEVELOPMENT
Appvion uses succession planning to identify and develop leaders to prepare them for future roles within the organization. Having the right talent throughout the company is a critical source of competitive advantage and for the future success of the company. Employees partner with their managers to create individualized development plans to identify achievable goals that will prepare them for the next step in their career.

FOCUS ON COMPENSATION
Appvion’s compensation philosophy is to be internally equitable and externally competitive. The following objectives support Appvion’s compensation program:

• Appvion’s compensation program enables the company to attract, motivate, and retain highly qualified people
• Provides compensation opportunities that are competitive for similar positions within similar companies when company performance meets pre-established goals
• Includes a performance-based variable pay component that supports the company’s strategic business goals

Using information from job analyses, position profiles, and market pay research, we can conduct a full compensation review that includes merit increases, market pay adjustments, and promotion opportunities for our employees.
COMMUNITY OUTREACH

We believe that, as strong corporate citizens, Appvion leadership and employees should participate in and contribute to greater causes beyond the company mission.

Appvion’s mission and goals are reflective of our corporate vision of community involvement. Our mission aims to continue serving as a corporate citizen that supports local, regional, national, and global causes. As a corporate citizen, our goals include:

• Giving back to the community in a hands-on way
• Involving company employees, as well as their family members, to fuel a collaborative spirit
• Fostering an environment where employees can advance causes that are important to them
• Providing opportunities to develop project management and leadership experience

COMMUNITY OUTREACH TEAM
The Community Outreach Team (COT) has been giving back to the community since 2014. Every year the COT team organizes several events aimed at raising money to donate to local nonprofits and charities in need. In 2019, COT raised $4,000. The donations collected in 2019 went to many different organizations such as Salvation Army, Toys for Tots, Pillars, The 206 Club, Harbor House, Desert Veterans of Wisconsin, SOAR, and The Center for Suicide Awareness.

APPVION YOUNG PROFESSIONALS NETWORK
The Appvion Young Professionals Network’s (AYPN) mission is to build and maintain a young professional network within Appvion to develop future leaders by focusing on development, community outreach, and networking. This professional network hosts many volunteerism and community outreach-based events for the entire Appleton campus. Recent events include contributions to Appleton Harbor House, St. Joe’s Food Pantry, and Help for the Homeless.
PARTNERSHIPS & AWARDS
Appvion recognizes the importance of strategic collaboration to make meaningful progress across our value chain. Engaging with third-party organizations helps us broaden our sustainability efforts so that together, we have a greater impact.

**American Forest & Paper Association**

The American Forest & Paper Association (AF&PA) is the national trade association of the forest products industry and advances public policies that promote a strong and sustainable U.S. forest products industry in the global marketplace.

**National Council for Air and Stream Improvement, Inc. (NCASI)**

NCASI is a non-profit association organized to serve the forest products industry as a center of excellence providing unbiased, scientific research, and technical information necessary to achieve the industry’s environmental and sustainability goals.

**EPA SmartWay Transport Partner**

Appvion has been an EPA SmartWay Transport Partner since 2009. The SmartWay Transport Partnership provides a framework to assess the environmental and energy efficiency of goods movement supply chains.

**Wisconsin Sustainable Business Council**

The Wisconsin Sustainable Business Council’s (WSBC) mission is to advance sustainable principles and practices through the power of business.

**Sustainable Packaging Coalition**

The Sustainable Packaging Coalition is a membership-based collaborative that believes in the power of industry to make packaging more sustainable.

**Tag & Label Manufacturers Institute (TLMI)**

Tag & Label Manufacturers Institute (TLMI) is the premier label industry association. TLMI is dedicated to helping members succeed in the label and package printing industry.
AWARDS

Appvion received the American Forest & Paper Association 2020 Innovation in Sustainability Award for our work in advancing the sustainability of an essential industry with our CleanSlate™ Technology.

Appvion has received Silver Recognition from EcoVadis since 2016, which offers the leading solution for monitoring sustainability in global supply chains. Appvion is in the top 18% of companies assessed in the manufacturer of pulp, paper, and paperboard industry.

Appvion won the 2020 Insight Innovation Product Category for our new direct thermal technology, CleanSlate™, free of reactive chemical developers, phenols, and leuco dye.

Appvion has participated in the Wisconsin Sustainable Business Council Green Masters program since 2010. The program is an assessment and recognition for Wisconsin businesses interested in improving their sustainability initiatives.
## APPENDIX

### REPORT DATA

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Greenhouse Gas Emissions (tons CO2 eqv.)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scope 1</td>
<td>40,389</td>
<td>35,307</td>
<td>32,411</td>
</tr>
<tr>
<td>Scope 2</td>
<td>30,132</td>
<td>23,577</td>
<td>22,247</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>70,520</td>
<td>58,884</td>
<td>54,658</td>
</tr>
<tr>
<td><strong>Energy</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Consumption (MWH)</td>
<td>263,909</td>
<td>231,401</td>
<td>213,937</td>
</tr>
<tr>
<td><strong>Water</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Withdrawn (gallons)</td>
<td>101,502,014</td>
<td>89,278,715</td>
<td>82,292,931</td>
</tr>
<tr>
<td>Consumed (gallons)</td>
<td>43,711,814</td>
<td>25,857,959</td>
<td>22,243,410</td>
</tr>
<tr>
<td><strong>Waste</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diversion Rate</td>
<td>Not available</td>
<td>98.03%</td>
<td>97.37%</td>
</tr>
<tr>
<td><strong>Purchased Fiber</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FSC 100%</td>
<td>5%</td>
<td>28%</td>
<td>70%</td>
</tr>
<tr>
<td>FSC Controlled Wood</td>
<td>95%</td>
<td>72%</td>
<td>30%</td>
</tr>
<tr>
<td><strong>Total FSC</strong></td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Safety</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OSHA Incident Rate</td>
<td>2.06</td>
<td>1.15</td>
<td>0.45</td>
</tr>
<tr>
<td>Lost Time Incident Rate</td>
<td>0.88</td>
<td>0.19</td>
<td>0.22</td>
</tr>
<tr>
<td><strong>Workforce</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal Mobility</td>
<td>30%</td>
<td>22%</td>
<td>41%</td>
</tr>
<tr>
<td>Quality of Hire</td>
<td>75%</td>
<td>81%</td>
<td>89%</td>
</tr>
</tbody>
</table>

**NOTES:**
- DATA EXCLUDES RESULTS OF DIVESTED BUSINESS UNITS
- DATA AS REPORTED FROM OPERATIONS, NOT INDEPENDENTLY AUDITED