



**PAPER
EXCELLENCE**

POLICY NUMBER: PEC-HR-18.00

CODE OF CONDUCT

EXCELLENCE... IT'S IN OUR NAME,
OUR VISION & OUR VALUES

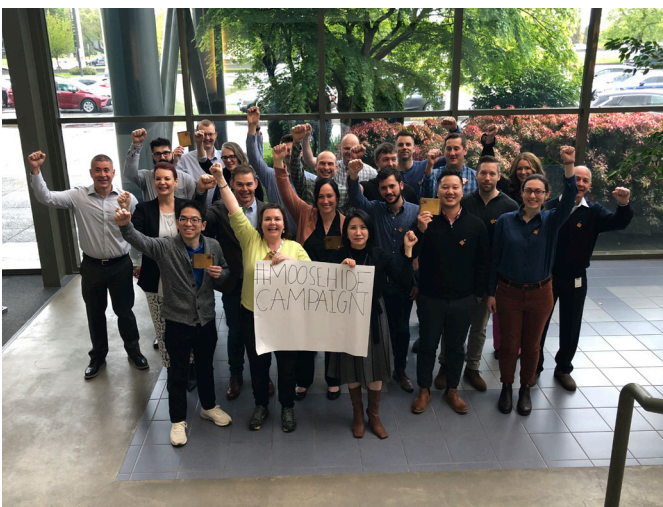
TABLE OF CONTENTS

1. INTRODUCTION	2
2. VISION & MISSION	4
3. CORE VALUES	4
4. CORE PRINCIPLES	5
5. OUR COMMITMENT	5
6. LETTER TO EMPLOYEES	6
7. CENTRAL TO OUR BUSINESS	7
8. THE CODE AND THE LAW	8
9. OCCUPATIONAL HEALTH & SAFETY	9
10. RESPECTFUL WORKPLACE	10
11. DISCRIMINATION, RETALIATION, AND HARASSMENT	11
12. EMPLOYEE PRIVACY	12
13. COMPETITION AND FAIR DEALING	13
14. ANTITRUST	13
15. ENVIRONMENTAL STEWARDSHIP	14
16. BUSINESS & FINANCIAL RECORDS	15
17. LOSS PREVENTION	15
18. COMPUTERS & INTERNET USAGE	16
19. QUALITY	16
20. CORPORATE OPPORTUNITIES	17
21. TRADE ISSUES	17
22. CONFLICT OF INTEREST	18

1. INTRODUCTION

PURPOSE AND SCOPE

To establish a Code of Conduct containing standards for appropriate business conduct for employees (including contract and temporary employees), agents, officers and directors of Paper Excellence Canada Holdings Corporation and its subsidiaries worldwide ("Paper Excellence" or the "Company").



WHO MUST FOLLOW THE CODE?

The Code of Conduct applies to everyone at Paper Excellence and its subsidiaries and affiliates. Use of the terms “Paper Excellence” and “the Company” throughout this document refers collectively to all of these entities.

This Code of Conduct covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all employees, officers, and directors of the company, its subsidiaries and affiliates (the Company). This policy applies to all conduct on Company premises, as well as conduct off premises while conducting Company business and outside-of-work conduct that has the potential to negatively affect the Company. All employees, officers, and directors must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. The Code should also be provided to and followed by the Company’s agents and representatives.

If a law, rule, or court order conflicts with a policy in this Code, you must comply with the law, rule, or court order. If you have any questions about these conflicts, you should immediately ask your supervisor or Human Resources how to handle the situation. Employees, officers, and directors are responsible for understanding the legal and policy requirements that apply to their jobs and report any suspected violations of law, this Code or Company policy to their supervisor or Human Resources. You may report any concerns or potential violations to your supervisor, Human Resources, or the Legal Department.

ALWAYS ASK FIRST, ACT LATER.

If you are unsure of what to do in any situation, seek guidance before you act.



2. VISION & MISSION

OUR VISION

To be a profitable, sustainable, and globally competitive fiber products provider that is environmentally and economically beneficial to all stakeholders.

OUR MISSION

Through innovation and adaptability, we provide products at lowest possible cost. We will constantly improve the global competitiveness of our customers, while enhancing the sustainability of our manufacturing operations and the well-being of the communities in which we operate.

3. CORE VALUES



Health and Safety

Without Compromise, Health and Safety is Our Most Important Core Value.



Accountability

Each of Us Commits to Being Held Accountable - Constantly and Consistently.



Teamwork

We are Determined to be the Best, through Individual Effort and by Working Together.



Excellence

We Will Take Action Every Day to Enhance Our Shared Values of Honesty, Trust, Integrity and inclusivity. By Doing so, We Inspire Excellence!

4. CORE PRINCIPLES



1. ACT WITH INTEGRITY
2. BE HONEST
3. FOLLOW THE LAW
4. COMPLY WITH COMPANY POLICIES AND PROCEDURES
5. BE ACCOUNTABLE

5. OUR COMMITMENT

Our Code of Conduct is based on our Core Values which embody our culture and the way that we do business. The Code addresses our responsibilities to the Company, to each other, and to our customers, suppliers, communities including indigenous communities and government.



6. LETTER TO EMPLOYEES

Our Code guides us in making the right decisions every day. By adhering to the Code we uphold our Company's expectation of moral, ethical, and legal standards of conduct. The spirit of the Code should be respected under all circumstances and can be summarized in one sentence: "Do the right thing."



We recognize that our employees are the key to our success, and nothing can be achieved without their engagement. The purpose of this Code of Conduct is to provide employees with information on what is expected of them so they can make the right business decisions, in a manner that reflects high ethical standards.

Please refer to the Company's Corporate and Local policies, standards, and procedures for additional guidance on what is expected of you as an employee. Your supervisor or human resources can provide direction on where to find information and answer questions you may have.

~The Operating Committee

Hoany Muljadi

Awie Kardiman

Doug Sheaffer

7. CENTRAL TO OUR BUSINESS

Our Code of Conduct Policy serves as a compass; we conduct business in accordance with our Vision, Mission, and Values. Each of us – employees, officers, and directors alike – have an obligation to read and comply with our Code.

We must also understand and follow all Company policies, procedures, and applicable legislation in the jurisdictions we do business. Circumstances will inevitably arise which are not provided for in the Code or our Policies, Standards and Procedures. When possible, employee should consult with their supervisor or their local human resource department if additional guidance is needed. When circumstances do not allow for consultation, a judgement should be made as to what action is sound, reasonable, and equitable in the circumstances. Employees, officers, and directors should not hesitate to act when the situation requires an immediate response.

CONSIDER YOUR ACTIONS

All representatives of the Company are expected to do what is right and to act in the best interest of the Company. If in doubt about what to do, ask yourself:

- ✓ *Is it consistent with the code?*
- ✓ *Is it legal?*
- ✓ *Is it ethical?*
- ✓ *Will it reflect well on me and the company?*
- ✓ *Would I want the people I care about to read about it in the newspaper?*

If the answer is no to any of these questions, do not do it. If you are still in doubt, ask for guidance.

8. THE CODE AND THE LAW

Obeying the law, both in letter and in spirit, is the foundation on which this Company's ethical standards are built. All employees, officers, and directors must respect and obey the laws, rules, and regulations of all relevant jurisdictions, including but not limited to, the cities, counties, states and provinces, and countries in which we operate. Although employees, officers, and directors are not expected to know the details of each of these laws, rules and regulations, it is important to know enough to determine when to seek advice. Company operations and Company employees are subject to the laws of many jurisdictions around the world. If you are uncertain which laws apply to you, or if you believe there may be a conflict between different applicable laws, seek guidance from the Legal Department.

RAISING CONCERNS

If you observe behavior that concerns you, raise the issue promptly with your supervisor or human resources. Doing so will allow the Company to deal with the issue and correct it before it becomes a violation of law or a risk to health, security, or the Company's reputation.

EXPECTATIONS FOR LEADERS

It is the responsibility of managers to discuss the Code with all their employees and to ensure they understand their responsibilities under the Code, Policies, Standards and Procedures. It is a manager's responsibility to create a positive work environment that encourages employees to seek guidance and report misconduct. If approached with a question, concern or complaint, give the person your full attention, listen carefully and ask clarifying questions. If a complaint or concern involves a breach of the Code, Law, or Company Policies, Standards or Procedure that requires investigation, contact Human Resources or use the SpeakUp form.

RESOURCES

- Your supervisor or Department Manager
- Your Human Resources Manager
- The Legal Department of your unit or the Global Chief Legal Officer
- The Vice President of Corporate Security
- Company Policies, Standards and Procedures are available on the company intranet
- Our online "Speak Up" form (paperexcellence.com/speakup)
- Phone our hotline: 1-866-616-3679.
- Our compliance email hotline: whistleblower@paperexcellence.com

The Company will investigate the matter confidentially to determine whether the Code or the law has been violated and take appropriate corrective action.

9. OCCUPATIONAL HEALTH & SAFETY

The safety and security of employees and our visitors are of utmost importance. Our first measure of success is the health and safety of our people.

Paper Excellence and its affiliated companies are dedicated to promoting safe and healthy working conditions for our employees and visitors. We continually improve our programs and develop best practices by studying other industrial health and safety programs and sharing information and ideas throughout our organization.

WHAT ARE OUR RESPONSIBILITIES?

The Company is ultimately responsible for worker health and safety. The Senior Executive Team is committed to ensuring that every reasonable precaution will be taken to protect our workers.

Managers and Supervisors will be held accountable for the health and safety of the workers under their supervision. They are collectively responsible to ensure that machinery and equipment are safe and that workers work in compliance with established safe work practices and procedures. Workers must receive adequate training in their work duties and responsibilities to protect their health and safety.

Workers must protect their respective health and safety by working in compliance with all established safe work practices and procedures within their business unit. They are expected to immediately report any unsafe condition or circumstance that may jeopardize their own safety or the safety of others.

Compliance with this commitment and applicable policies, regulations, and laws is the responsibility of every employee and contractor acting or working on our behalf and is a condition of employment or contact.

Engineers and Geoscientists have additional responsibilities given their locations and positions. For those registered with boards or regulatory agencies such as the Engineers and Geoscientists BC ("EGBC") or equivalent, registrants must:

- practice only in those fields where training and ability make the registrant professionally competent.
- maintain competence in relevant specializations, including advances in the Regulated Practice and relevant science.
- provide accurate information in respect of qualifications and experience.
- provide professional opinions that distinguish between facts, assumptions, and opinions; and,
- comply with ethical standards including:
 - the applicable Code of Ethics.
 - the applicable Guidelines on human rights, equity, diversity, and inclusion as approved by EGBC Council or equivalent; and,
 - ethical business practices addressing corruption, conflict of interest, and contractual matters.

10. RESPECTFUL WORKPLACE

Every employee is entitled to respect, dignity, and physical and psychological integrity. To this effect, the Company is committed to ensuring a healthy work environment free from harassment, bullying, workplace violence or discrimination in any form.

Paper Excellence has a Respectful Workplace Policy that every employee is expected to read, understand, and adhere to. For further information, please contact your direct supervisor or refer to Policy **PECORP-HR-2.00**



11. DISCRIMINATION, RETALIATION, & HARASSMENT

The diversity of the Company's employees is a tremendous asset. We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment based on race, color, religion, sex, national origin, age, disability, or any other protected class under applicable national, provincial/state, and local laws. Employees must comply with all anti-discrimination, anti-retaliation, and anti-harassment laws.

If any employee, officer, or director believes he or she has been harassed by anyone at the Company, he or she should immediately report the incident to his or her supervisor or any of the other Resources listed in Section 8 (above). Similarly, supervisors and managers who learn of any such incident should immediately report it to Human Resources. Human Resources will promptly and thoroughly investigate any complaints and take appropriate action.

The Company prohibits all forms of Retaliation against anyone who makes a good faith complaint or report, participates in an investigation of a complaint of inappropriate behavior, or who otherwise acts to enforce or uphold this Policy. Violators will be held accountable upon verification of retaliation and may include termination of employment and/ or criminal prosecution.

Some examples of Harassment include:

- Derogatory, bullying or dehumanizing remarks or statements, threats and insults, slurs or gestures, stories or jokes (such as sexual, sexist, ageist, or racist comments, jokes or stories);
- Whistles or catcalls; leering or staring; displaying suggestive, explicit or offensive pictures, posters, graffiti, drawings, websites or other written or pictorial material; circulating materials via email or otherwise that could reasonably be viewed as offensive.
- Unwanted touching; cornering or blocking a person's path; assault; intentional contact with another person's body; interference with normal work or movement.
- Unwelcome flirtation, requests for sexual favors, advances or propositions, and other conduct of a sexual nature when:
- Agreeing to the conduct is required, explicitly or implicitly, to obtain or continue employment.
- Rejecting the conduct is the basis for an adverse employment decision; or
- The conduct is intended to, or does, interfere with an individual's work performance or creates an intimidating, hostile or offensive work environment.

The Company will respond to all complaints of inappropriate behavior, including discrimination, harassment, and retaliation.

12. EMPLOYEE PRIVACY

The Company respects the privacy of all its employees, business partners and contractors. We must handle personal data responsibly and in compliance with the Law. Employees who handle employees' personal data will:

- Act in accordance with the applicable legislation and regulations such as the GDPR.
- Act in accordance with any relevant contractual obligations.
- Collect, use and process such information only for business purposes and only for the specific purposes permitted by company policy.
- Take precautions to avoid unauthorized disclosure.

Refer to the Corporate Information Technology Policy (**IT.PE.01**) for additional guidance on the handling of electronic data and a more detailed description of protected information.

ALCOHOL & DRUG DEPENDENCE

Employees, contractors, and visitors are expected to report fit for duty without any limitations due to use of alcohol, illicit drugs, prescription/ non-prescription medication(s) or any other substance that may impair judgment or performance.

An employee with alcohol or drug dependency illness is treated in an impartial manner, with respect for personal privacy and dignity. If an employee has an alcohol or drug dependency problem, he/she is required to self-declare either to his/her supervisor, manager, or human resources. The Company may assist the employee in accessing appropriate rehabilitation treatment. The employee will be expected to actively cooperate and participate in his/her rehabilitation plan.

Note: It is every employee's responsibility to read and understand the Corporate Fit for Work Policy (**PECORP-HR-3.00**).

13. COMPETITION AND FAIR DEALING

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior work effort -- never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited and potentially illegal. Each employee, officer and director should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors, and employees. No employee, officer or director should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other illegal trade practice.

No employee, officer or director is permitted to engage in price fixing, bid rigging, allocation of markets or customers, or similar illegal activities. The Company will fully cooperate with law enforcement and other agencies to pursue anyone engaged in illegal activities to protect the Company's good name.

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage with customers or suppliers and against competitors. No gift or entertainment should ever be offered, given, requested, provided or accepted by any Company employee, officer or director, family member of an employee, officer or director, or agent unless it (1) is not a cash gift; (2) is consistent with customary business practices; (3) is reasonable in fair market value; (4) cannot be construed as a bribe or payoff; and (5) does not violate any laws, regulations or applicable policies of the other party's organization. Please discuss with your supervisor, Human Resources, or the Legal Department any gifts or proposed gifts if you are not certain whether they are appropriate or legal.

14. ANTITRUST

Antitrust laws in Canada, the United States and other countries are intended to preserve a free and competitive marketplace. The Company requires full compliance with these laws. Employees, officers, and directors must not discuss with competitors how the Company prices, markets, services or otherwise competes. Employees, officers, and directors must not share confidential business information with our competitors and must not engage in any conduct that could unreasonably restrict our competitors' access to the market. Antitrust laws are complex and can be difficult to understand. Employees, officers, and directors should seek advice from the Legal Department when dealing with antitrust issues.

15. ENVIRONMENTAL STEWARDSHIP

We are committed to conducting business in a manner that protects the environment, conserves resources reduce our environmental footprint and ensures sustainable development. We seek to continually improve environmental performance by setting, reviewing and updating environmental goals.

Success is achieved through collaboration, positive outlook, continuous improvement and reenforcement of best practices.

WE ARE COMMITTED TO:

- Complying with all applicable legislation.
- Continuously improving our management systems, technologies, and processes to identify environmental issues and to eliminate impacts with respect to air emissions, accidental discharge, waste management and resource consumption.
- Setting measurable objectives and maintaining reliable processes for tracking our environmental performance.
- Maintaining open communication with our employees, the public and our customers.
- Conducting business in a responsible manner by respecting the rights and values of local Indigenous communities and other stakeholders.
- Promoting new technologies aimed at conservation and recycling.
- Managing and protecting forest resources to ensure sustainable forest management consistent with all applicable legislation.
- Developing, implementing, and maintaining a Chain of Custody process to track and record the flow of sustainable wood fibre from the forest through the various stages of processing to the customer.



16. BUSINESS & FINANCIAL RECORDS

Making sure business and financial records are accurate and complete is everybody's responsibility. Accurate recordkeeping and reporting reflect on your and the Company's reputation and credibility and ensures that we meet our legal obligations.

Ensure the accuracy of all Company business and financial records. In addition to financial records, these include documents and forms such as quality reports, time and attendance transactions, vacation and leave of absence forms, expense reports and submissions such as extended health benefits claim, short- & long-term disability insurance, and resumes.

Always be honest and never falsify any form or other document.

Estimate and accrue based on your best judgement, and support with appropriate documentation or background research.

Record and/or submit expenses, time-off records, and invoices in the proper accounting period.

17. LOSS PREVENTION

Protecting company assets and using company assets in the manner intended is the responsibility of all employees. Company assets include, but are not limited to money, tools & equipment, inventory, employee time at work, company systems, hardware & software, proprietary information not publicly available.

Know and follow the Corporate Loss Prevention **(PECORP-HR-11.00)** and Information Technology Policy **(IT.PE.01)**.

Physically protect confidential documents by locking away, password protecting, or shredding/shredding via secure shredding bins, to discard.

Act in the best interest of the Company and do not use Company property or opportunities for personal benefit in any inappropriate fashion.

Use common sense. For example, the occasional personal phone call or email from your workplace or mobile phone is acceptable. Excessive personal calls, social media, or email constitute a misuse of company time/assets.

Do not disclose nonpublic information to anyone outside the Company, including to family and friends, except when disclosure is required for business purposes. Even then, employees must take appropriate steps to prevent misuse of the information as outlined within Human Resources' "letter of offer" process.

Local policy may allow for personal use of certain assets with authorized, written approval. Always check local policies at your place of work to ensure you are using company assets as intended.

18. COMPUTERS & INTERNET USAGE

As with any business tool or asset, Paper Excellence requires that computers, computer accounts and internet usage be used for business purposes in a responsible, cost-effective, ethical, and lawful manner. Users are responsible for the proper and appropriate use of these computer resources and for protecting their passwords.

The use of computer resources is subject to monitoring to ensure use follows company policies and the law. System administrators are authorized to access an individual employee's access and usage to monitor for compliance.

Note: It is every employee's responsibility to read and understand the Information Technology Policy (IT.PE.01).

19. QUALITY

Paper Excellence is committed to ensuring that our products are manufactured and routinely tested to ensure conformance with customer specifications, internal quality standards and third-party requirements. Our goal is a uniform product that meets or exceeds the requirements of the customer.

To ensure we meet our commitment to quality standards, all changes to the manufacturing process or operating procedures that impact product performance, quality specifications, customer expectations or third-party requirements will be reviewed and approved by designated operations management.

Each one of us is ultimately responsible for the quality of our finished product. Employees are responsible for collecting samples, recording, or reporting data that will conduct themselves in a manner that ensures compliance with Standard Operating Procedures, unbiased sampling, accuracy in testing, correct documentation, and appropriate response to results.

20. CORPORATE OPPORTUNITIES

Employees, officers, and directors are prohibited from taking opportunities that are discovered using corporate property or information for themselves without the consent of the Operating Committee. No employee, officer, or director may use corporate property or information for personal gain and no employee, officer, or director may compete directly or indirectly with the Company. Employees, officers, and directors owe a duty to the Company to advance the Company's interests when the opportunity to do so arises.

21. TRADE ISSUES

From time to time, the countries in which we operate, foreign governments, and the United Nations have imposed boycotts and trading sanctions against various governments and regions, which must be obeyed. Advice regarding the status of these matters must be obtained from the Legal Department.

22. CONFLICT OF INTEREST

Your employment with the Company requires that you remain free of interests or relationships that potentially interfere, or appear to interfere, with your ability to make decisions in the best interest of the Company. You are required to avoid not only a real conflict of interest, but also the appearance of one that could tarnish your reputation or that of the Company. As an example, do not accept gifts or favors from suppliers or others if doing so might compromise, or appear to compromise, your ability to make objective business decisions in the best interest of the Company. Take particular care if you are responsible for selecting or dealing with a supplier on behalf of the Company.

IDENTIFYING CONFLICTS OF INTEREST

In any potential conflict of interest situation, ask yourself:

- ✓ *Could my personal interests interfere with those of the Company?*
- ✓ *Might I be swayed, or be perceived to be swayed?*
- ✓ *Might it appear to others, either inside or outside the Company, that I may be influenced to act in a manner that is not in the best interest of the Company?*

When unsure, seek guidance from your supervisor or Human Resources.

It is a conflict of interest for a Company employee, officer, or director to work for a competitor, customer, or supplier. You should avoid any direct or indirect business connection with our customers, suppliers, or competitors; except as required on our behalf. Such work and/or activities shall include, but is not limited to, directly or indirectly competing with Company in any way, or acting as an officer, director, employee, consultant, stockholder, volunteer, lender, or agent of any business enterprise of the same nature as, or which is in direct competition with, the business in which Company is now engaged or in which Company becomes engaged during the term of your employment with Company, as may be determined by Company in its sole discretion.

Conflicts of interest are prohibited as a matter of Company policy, except as approved by the Operating Committee. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with your supervisor or Human Resources. Any employee, officer, or director who becomes aware of a conflict or potential conflict must report it immediately to a supervisor or Human Resources. It is your responsibility to know the appropriate method and standard procedure for declaring a potential conflict or seeking guidance.

Nothing in this Code is intended to interfere with your rights under national and state laws, nor will the Company construe this Code in a way that limits such rights. Employees have the right to engage in or refrain from activities protected by such law.

Refer to Paper Excellence's Conflict of Interest Policy (**PECORP-HR-10.00**), and Local policies and procedures for more information on this subject.



**PAPER
EXCELLENCE**