Creating a Sustainable, Closed-Loop Fiber Future

Sustana Group’s Sustainability Plan
Working for a Better Tomorrow

At Sustana Group, what you see is what you get: sustainability has been our priority and our watchword from day one and drives everything we do.

Sustana Group’s corporate philosophy leverages a special combination of insight and accountability to effect positive change.

**Lightbulb moments become ingenious processes; challenges become milestones.**

We believe that courage, humility and patience are the keys to striking a responsible balance between prosperity and purpose. That’s why we strive to achieve sustainable growth by investing in our products, our people and the planet.
## Table of Contents

<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>04</td>
<td>GLOBAL HIGHLIGHTS</td>
</tr>
<tr>
<td>06</td>
<td>SUSTAINABLE DEVELOPMENT GOALS</td>
</tr>
<tr>
<td>08</td>
<td>OUR BUSINESS</td>
</tr>
<tr>
<td>08</td>
<td>SUSTANA GROUP</td>
</tr>
<tr>
<td>09</td>
<td>SUSTANA FIBER: FIBER MANUFACTURING</td>
</tr>
<tr>
<td>09</td>
<td>ROLLAND: PAPER MANUFACTURING</td>
</tr>
<tr>
<td>10</td>
<td>PRODUCTS AND SEGMENTS</td>
</tr>
<tr>
<td>10</td>
<td>SUSTANA FIBER: RECYCLED FIBER</td>
</tr>
<tr>
<td>11</td>
<td>ROLLAND: RECYCLED PAPER</td>
</tr>
<tr>
<td>12</td>
<td>TRANSPARENCY BY THE NUMBERS</td>
</tr>
<tr>
<td>14</td>
<td>A SUSTAINABLE, CLOSED-LOOP FIBER FUTURE</td>
</tr>
<tr>
<td>16</td>
<td>ENVIRONMENTAL STEWARDSHIP</td>
</tr>
<tr>
<td>17</td>
<td>WATER MANAGEMENT</td>
</tr>
<tr>
<td>17</td>
<td>WASTE MANAGEMENT</td>
</tr>
<tr>
<td>17</td>
<td>AIR EMISSIONS MANAGEMENT</td>
</tr>
<tr>
<td>18</td>
<td>THRIVING WORKPLACE AND COMMUNITIES</td>
</tr>
<tr>
<td>19</td>
<td>EMPLOYEE HEALTH &amp; SAFETY</td>
</tr>
<tr>
<td>19</td>
<td>EMPLOYEE DIVERSITY</td>
</tr>
<tr>
<td>19</td>
<td>COMMUNITY IMPACT &amp; ENGAGEMENT</td>
</tr>
<tr>
<td>20</td>
<td>CIRCULAR VALUE CHAIN FIBER RECOVERY</td>
</tr>
<tr>
<td>21</td>
<td>FIBER RECOVERY</td>
</tr>
<tr>
<td>21</td>
<td>FIBER SOURCING</td>
</tr>
<tr>
<td>21</td>
<td>CLOSING THE LOOP</td>
</tr>
<tr>
<td>22</td>
<td>TAKING THE CIRCULAR VIEW</td>
</tr>
<tr>
<td>24</td>
<td>THE CIRCULAR ECONOMY</td>
</tr>
<tr>
<td>26</td>
<td>CLOSING THE LOOP</td>
</tr>
<tr>
<td>28</td>
<td>CLEARLY CONNECTED</td>
</tr>
</tbody>
</table>
Global Highlights

1882
The Rolland Paper Company Ltd. is founded.

1989
Breakey Fibers begins recycling waste paper and producing recycled pulp for paper production.

2004
Rolland becomes the first North American manufacturer to use local and renewable biogas energy for most of its thermal needs.

2015
Fox River Fiber becomes the only North American manufacturer to produce de-inked fiber approved by the FDA for food packaging at 100% inclusion.

2016
Fox River Fiber finds a way to divert cold water from pipes near the end of the production line back to the beginning of the process and to the plant’s cold-water supply, saving water and gas.

2017
Rolland replaces all interior and exterior lighting at its mill with LED bulbs, cutting down its lighting energy consumption by 90%.

Biogas supplies 93% of Rolland paper mill’s energy needs, reducing annual carbon dioxide emissions by 70,000 tons – equivalent to 23,400 compact cars.

Clean water in, clean water out:

Our de-inking facility recirculates every drop of water 17 times.

Our paper mill recirculates water more than 30 times.
At Fox River Fiber, 77% of process by-products are used for animal bedding.

At Breakey Fibers, 100% of process by-products are used for landfarming.

Our paper mill closes the loop by using recycled pulp made with fiber sourced across North America.

Every year, Sustana Fiber recycles enough paper to:

- Reduce landfill space by over 1 million cubic yards
- Save over 4 million trees

Sustana Fiber facilities process 2.2 million pounds of wastepaper every day.
Sustainable Development Goals

Creating value through sustainability

At Sustana Group, we define success not only by the quality of our products and our ability to meet our customers’ needs, but also by the effect our products and processes have on wildlife, people and the planet. This also means taking a broader view by contributing to social and environmental initiatives, and reinforcing the circular economy.

GOALS THE PLANET CAN GET BEHIND

Looking to build a sustainability strategy that is collaborative, relevant and multi-sectoral, we based our goals on the United Nations Sustainable Development Goals (SDG) framework, adopted in 2015 as part of the 2030 Agenda for Sustainable Development.
<table>
<thead>
<tr>
<th>Industry, innovation and infrastructure</th>
<th>Sustainable cities and communities</th>
<th>Responsible consumption and production</th>
</tr>
</thead>
<tbody>
<tr>
<td>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</td>
<td>Make cities and human settlements inclusive, safe, resilient and sustainable.</td>
<td>Ensure sustainable consumption and production patterns.</td>
</tr>
</tbody>
</table>

**OUR COMMITMENT**

Innovation is the pathway to progress. We research and implement clean and environmentally sound technologies and industrial processes to minimize water usage, energy usage and waste.

**OUR COMMITMENT**

Not only do we champion resource efficiency and climate change mitigation, we are deeply dedicated to safety, equity and diversity. Our employees and the communities where we operate are an integral part of our sustainability plan. We care as best we can for our people and those around us.

**OUR COMMITMENT**

We are firmly committed to better understanding our footprint – and actively working to make it as small as possible. We look at the cradle-to-grave impact profiles of our products and facilities, and partner with external organizations to close the fiber and paper loop.
Our Business

As an enduring supply chain partner for sustainability-conscious companies, Sustana Group is better for business, better for the environment and better for society at large.

Sustana Group

Sustana Group manufactures premium, sustainable fibers and recycled paper products. Accepting our responsibility towards the environment means taking responsibility for our actions. By overseeing and controlling the totality of our own production operations, Sustana Group is uniquely positioned to ensure superior quality and maximize resources.

A robust offering of fiber and recycled paper requires investments in specialized work equipment and strong partnerships that allow us to embed a close-the-loop mindset across our value chain. We innovate and execute strategies that push the limits of what is currently possible and set new industry standards for sustainability.

As an enduring supply chain partner for sustainability-conscious companies, customers rely on Sustana Group to deliver high-quality products they know were manufactured with sustainable operations and responsible business practices.
Sustana Fiber:
Fiber manufacturing

Committed to industry-leading product quality, continuous improvement and environmental stewardship, Sustana Fiber promotes and applies sustainable manufacturing and business practices to deliver premium 100% recycled fibers for a broad range of paper, tissue and food packaging products.

Our mills have an enduring commitment to sustainable manufacturing. This includes energy efficiency, water conservation, wastewater treatment technology, and recycling of process by-products. And we’re always seeking smarter ways to reduce our impact even further.

Rolland:
Paper manufacturing

Rolland is a leading North American commercial paper manufacturer focused on quality, performance and innovation. Our customers choose our products because of our proven track record as an environmental leader in the paper industry.

All Rolland’s production is manufactured to the highest environmental standards and has the smallest environmental footprint in North America. Our innovative manufacturing process mines the “urban forest” with the least amount of impact to the environment and its natural resources. Our products are made using renewable energy, biogas, and a closed-loop water system that recycles the water 30 times and uses 6 times less water in the production process of our paper, and our recycled fibers are de-inked without elemental chlorine.
Products and Segments

Sustana Fiber: Recycled fiber

FOOD PACKAGING FIBERS

In 2015, Sustana Fiber’s unique food packaging product EnviroLife™ became the only 100% post-consumer recycled fiber that is FDA-compliant for direct food contact under all conditions of use. Prior to the introduction of EnviroLife™, food and beverage materials required a coating such as polyethylene films, waxes or foils in order to be FDA-compliant. Our proprietary process completely eliminates OBAs, resulting in a fiber that contains zero fluorescence.

EnviroLife™ is the ideal solution for food-serving companies seeking to minimize the environmental impact of their packaging and maintain more sustainable supply chains.

PRINTING AND WRITING FIBERS

The fiber produced at Sustana Fiber facilities is produced using sustainable manufacturing methods, meaning that the paper that’s ultimately made from it is a better environmental option. Sustana Fiber’s remarkably clean 100% recycled fibers are available in PCF (processed chlorine free) and low fluorescence ECF (elemental chlorine free) grades.
TISSUE FIBERS

Our versatile, exceptionally clean premium tissue fibers are known by tissue manufacturers for their superior strength and performance.

COMMERCIAL PAPER

No matter the application, we ensure our commercial and digital printing paper is manufactured to the highest standards of environmental performance. For example, the Rolland Enviro™ product line’s contribution to climate change is less than half of the average virgin and 100% recycled papers in North America. In short, we contribute to reducing the environmental impact of organizations everywhere.
We conducted a Life Cycle Assessment (LCA) to evaluate the life cycle potential environmental impacts of EnviroLife™ food-grade fiber and Rolland Enviro™ paper, from raw material extraction and processing to manufacturing, distribution and end-of-life.

Rolland Enviro’s contribution to fresh water eutrophication is 76% less than virgin paper.

EnviroLife requires 10 times less water to produce than virgin fiber.

The impact of Rolland Enviro paper on climate change is 62% lower than virgin paper.
Rolland Enviro’s manufacturing process uses 6 times less water than the industry average, without chlorine or derivatives.

Every year, Sustana Fiber facilities recycle enough paper to produce approximately 500,000,000 pounds of premium recycled fiber that is used in paper, food packaging and tissue products.

Landfill space is reduced by over 1 million cubic yards.

99% of incoming products at our fiber facilities are reused as animal farm and/or land bedding.

The impact of EnviroLife on climate change is 28% lower than the average virgin fiber.

Using a short ton of Rolland Enviro™ rather than a virgin paper saves the equivalent of:

- 17 TREES
- 16,399 GALLONS OF WATER
- 5,512 LB OF CO₂
- 1,678 LB OF WASTE
A Sustainable, Closed-Loop Fiber Future

Sustana Group has been a leader in sustainable innovation and environmental stewardship for some time. But recycling is only part of the picture. Our three-pronged sustainability strategy prioritizes certain environmental and social issues by focusing on key topics where we know we can act transparently and make a genuine difference.

From annual reports to tissue and paper cups, fiber and paper products are an integral part of daily life. We believe we can meet the needs of all our customers while protecting the planet, supporting people and optimizing our products.

Our goal: To create a sustainable, closed-loop fiber future.
We believe in behaving responsibly and being good stewards of the valuable resources that benefit people, drive the economy and belong to everyone. Stewardship is about keeping waste out of landfills and toxins out of the air; using only what we need as efficiently as we can. We apply that principal to every point in the closed-loop journey – from day-to-day operations to strategic direction setting.
**Water Management**

We have the lowest water usage in the industry, and we maintain that rank by continuously collecting data on water usage across facility operations.

Water management is built into our core strategy, meaning we are committed to finding new ways to minimize impacts on water quality and quantity through recovery, reuse, and wastewater disposal.

- **Maintain the lowest water usage relative to peers year over year**

**Waste Management**

The resources we use are precious – for us, and for future generations.

Transforming wastepaper into high-quality products is the essence of our business, and we speak to that mission with our ongoing efforts to reduce the amount of waste we generate, recover wastepaper and alternative fibers from as many sources as we can, reuse whenever possible, recycle, and properly dispose of materials and end-of-life products.

We’ve made great strides in recent years by diverting as much recovered fiber as possible for landfarming, an end-of-life waste treatment process that tills the fiber into soil as a supplement.

- **Achieve zero waste to landfill in all pulp and paper operations and offices**
- **Target a 5% waste stream volume reduction in all pulp and paper operations and offices**

**Emissions Management and GHG**

We acknowledge that air emissions are a fact of life in the pulp and paper industry. But we’re deploying our efforts to manage air emissions of pollutants from Sustana Group’s operations, such as NOx, SOx, VOCs and PM as well as hazardous air pollutants.

- **Maintain the lowest percentile of air emissions relative to peers year over year**

**Ongoing**
Our renewable products are locally made, and we strive to support the people and communities who have helped make Sustana Group what it is today. From safety programs and diversity training to education and youth initiatives, we are serious about employee safety and community involvement.
Employee Health & Safety

We care. Employees are our most valuable assets, and we believe it’s our responsibility to ensure their health and safety, every single day. We minimize hazards in our production facilities and promote employee health, safety, security, privacy and well-being.

Reduce accident rates to 0

Employee Diversity

Strong teams help build strong companies. Diversity fosters new ways of being and doing in an ever-evolving industry landscape, and Sustana Group is committed to bringing new backgrounds and ideas to the table.

We promote a workforce culture of diversity and inclusion by extending our diversity and inclusion training programs and actively working to prevent discriminatory behaviors and attitudes.

Involve 100% of our employees in our vision of diversity and inclusion

Community Impact & Engagement

We operate in smaller cities, where we can really make a difference. Sustana Group works closely with local communities to develop programs that are aligned with their needs.

We believe that making our planet a better place starts with education and awareness. What is recyclable? What goes into making a truly sustainable product? The global sustainability movement starts with knowing the ins and outs of the recycling process, from bin to bale (and back again). That’s why our global community engagement efforts include financial contributions and product donations to education initiatives and youth programs.

Foster thriving local communities in areas of operation by donating 1% of profits to initiatives that support education, youth programs and environmental conservation initiatives

Raise awareness of recycling through community outreach programs
Did you know that companies that include sustainability in their strategic planning outperform those who don’t? In the circular economy, growth and responsible business practices go hand in hand.

Fiber recovery and fiber sourcing are a key component of Sustana Group’s operations and long-term vision. Closing the loop on a global level will require introspection and change – and we want to be that change.

Fiber Recovery

It’s no surprise that we go the extra mile to minimize the use of virgin fibers in our FSC-certified products. Recycling is more than a mission or a promise – it’s in our DNA.

As consumers shift to digital communication, there is a growing need to supplement traditional recovered fiber sources, like sorted office paper (SOP), with new sources of waste fibers. We develop new technologies, refine our processes and build industry partnerships to uncover those fibers.

Our highly automated de-inking process is run with state-of-the-art equipment – including two-stage flotation cells, washers/thickeners, dispergers and clarifiers – and that’s not only an investment in product quality, it’s an investment in the future.

Increase recovery of new sources of waste fibers by 20%

Fiber Sourcing

Our main source of raw material is the “urban forest”. We know where our supplies come from since they are FSC certified, and only work with suppliers who are good for both business and the environment.

We focus on 100% recycled fiber.

Increase use of recycled fibers across all products by 20%

Closing the Loop

Sustana Group leverages its regenerative business model to maximize resources, minimize waste and unleash the power and promise of post-consumer recycling.

The fact is, everything is connected. That’s why the circular value chain addresses sustainability issues at the root. The global movement to close the loop is gaining momentum – and Sustana Group is part of it.

Increase partnerships with external organizations to divert paper waste from landfill.
Taking the Circular View

Our method for transforming paper waste into new products is systematic and scientific. Sustainable manufacturing means energy efficiency, water conservation, wastewater treatment technology and by-product recycling.

But that’s only the beginning.

Sustana Group partners with multiple suppliers to recycle not just paper, but cups and food packaging as well, so they can be turned into recycled products.

Sustana Fiber’s recycled fiber facility invested in specialized machinery to separate the interior plastic liners from cups – the step that had made the process so challenging (until now).

Striving to contribute to the development of a circular economy, we are actively working with our supply chain partners to close the loop. We are addressing the problem of landfills, pollution, and waste generated by office papers, cups and packaging degrading the environment.

As part of the circular economy, we reuse 99% of our waste materials and transform them into animal bedding for farm land.
The Circular Economy

The circular economy is built on the notion that the life cycles of materials and resources that have already served a purpose for end users can be preserved and extended.
Post-consumer recycled paper is a perfect example of that principle: it is manufactured from recycled products that have served a purpose for end users, sold on the market where it again serves a useful purpose, and then recycled. Magazines, newspapers, promotional materials, packaging, boxes and office documents can be recovered and reused.

Manufacturing and using post-consumer recycled fibers involves partnering with various organizations that collect recycled materials to be processed at our pulp facilities. Together, we make systematic changes for diverting paper waste from landfills and closing the loop. Reintroducing materials into production and recovering by-products for reuse and side streams maximizes the value chain.
Clearly Connected

We’re proud of what Sustana Group has achieved and determined to meet the challenges that lie ahead.

We have stayed true to our core values while adapting to a changing industry and sustainability landscape. We are acting today for a better tomorrow – together.

Our role in the pulp and paper industry connects us to the earth.

Our sustainability mission contributes to the circular economy.

With smart decision making, strategic planning and strong relationships, a sustainable, closed-loop fiber future is within reach.
Closing the Loop