



## Global Anti-Corruption and Whistleblower Protection Policy

### Context, Scope and Purpose

**Context:** Sustana is an industry-leading producer of quality fiber-based products and services, built on a solid commitment to sustainability and continuous improvement. From recovery to fiber to paper production, we produce the clean materials used in coffee cups, food packaging, books, and so much more. We work with leading brands, corporations, and customers to create environmentally friendly, sustainable solutions for their packaging and printed material needs and utilize recycled material to create high-quality, low carbon products. Our facilities, operations, and personnel, as well as the majority of our customers and suppliers, are located in the United States and Canada.

Corruption hampers economic development and poverty reduction efforts, distorts markets, and exacerbates inequality. According to Transparency International, corruption is a crime defined as *"the abuse of entrusted power for private gain"*. It is outlined in the United Nations Convention Against Corruption (UNCAC) as any attempt to bribe a public official, or a private individual or entity. This includes the abuse of power or position for private gain, any form of financial embezzlement or participation in money-laundering and any attempt to obstruct legal recourse. Bribery, fraud, abuse of office, extortion, cronyism, and nepotism were identified as the common forms of corruption.

Where companies choose to do business and source their products can significantly affect their risk exposure. Transparency International, in its 2021 Corruption Perceptions Index, underscored the high risk of corruption from major forestry product exporting countries, including Russia, Indonesia, Malaysia, Peru and Brazil. Utilizing post-consumer materials in its production from Canada and the US (countries with low risk of corruption) and sourcing most of its virgin fiber from Canadian-based FSC® certified suppliers, greatly reduces Sustana's corruption risk exposure, comparatively, within the industry.

**Scope:** This policy applies to Sustana, all its subsidiaries and brands and all its employees. It applies to all suppliers with whom we have a contractual agreement.

**Purpose:** To communicate our commitment to identify, report and combat any form of corruption within our business operations.



## Our Commitment: Zero Tolerance

Sustana recognizes, and through this policy, requires compliance with international and national laws and regulations on corruption, including, for example, the United Nations *Convention against Corruption* (UNCAC), the U.S. *Foreign Corrupt Practices Act* (FCPA), the Canada *Corruption of Foreign Public Officials Act* (CFPAO), the Quebec Anti-Corruption Act, and the Clean Company Act Brazil. Sustana's operations are in North America (US and Canada) with a small number of international suppliers. Sustana does not assess its overall exposure to corruption to be high risk and is committed to continue oversight to ensure full accountability within its relatively small and regional supply chain.

Sustana is committed to conducting business responsibly, ethically, and transparently throughout its global operations and value chain. The success of our business relies heavily on the trust we build and maintain with employees, customers, suppliers, investors, other partners, and the communities within which we operate. Corruption and bribery undermine that trust and are inconsistent with Sustana's core value of integrity. Incidents of corruption can result in large financial penalties, loss of a license to operate, severe damage to our reputation, and imprisonment for individuals involved. To protect and promote our core values and reputation, Sustana has a zero-tolerance approach towards all forms of corruption – including bribery and extortion – and any form of retaliation against whistleblowers. This approach is integrated throughout our corporate DNA and codified in our:

- Employee Code of Conduct
- Supplier Code of Conduct
- Employee Handbooks

## The Dos and Don'ts

Sustana prohibits all forms of corruption. Sustana employees, representatives and suppliers are expected to comply with this policy and are bound by all applicable national and international laws and regulations related to anti-corruption whether they are doing business at home or abroad.

**The Dos:** Employees, suppliers and other stakeholder should:

- Ensure that all business partners, suppliers and third parties are aware of and in accordance with the company's zero-tolerance to any act of corruption.
- Ensure that all information on payments is electronically recorded and that conversations take place using official electronic communication and if in-person are recorded.



- Identify any potential conflict of interest with business partners – including business interests, family or political affiliations, disclose these to the Compliance team and carry out enhanced due diligence as necessary.
- Report any potential incidents and red flag any concerns to the relevant team members.
- Accurately record payments and transactions so all payments are accounted for.
- Report any gifts to, and record all information with, the CFO.
- Record all business and entertainment expenses.

**The Don'ts:** Employees, suppliers and other stakeholder shall not:

- Directly or indirectly engage in any attempt to solicit money for contracts or promoting business relationships.
- Give or receive bribes or improper advantages to ensure access to business contracts or promote a specific company or individual.
- Take part in any direct relationship with public officials that may affect Sustana official business or regulation surrounding the company.
- Offer facilitation payments, such as those made to secure participation in a bid, or a contract or any form of business. In exceptional situations where employees would reasonably be deemed to be under duress (i.e., a situation whereby a failure to make payment might result in risk to your, a family member or colleagues' health and safety), a payment may be made. However, this incident must be immediately reported, and the payment and details of the transaction accurately recorded, reporting to relevant law enforcement authorities where necessary.
- Offer or pay bribes (directly or indirectly) to any public official in any jurisdiction or any private individual.
- Request or accept any form of bribe or payment-in-kind.
- Request or accept any form of gift which could be considered an attempt to influence.
- Use entertainment or other business expenses to place undue pressure.
- Turn a blind eye if you hear of any acts of bribery within the business or the supply chain, it is your responsibility to report these to the Chief Financial Officer (CFO).
- Have conversations around payments or any influence-peddling using personal devices or non- official communication tools.



## Enforcement

All Sustana employees, contract workers, interns, consultants, suppliers, and other business partners with which we have a contractual relationship must have a copy of this policy and a signed agreement to Sustana's zero-tolerance to corruption. This policy will be strictly enforced, and violation of it may result in disciplinary action, up to and including termination of employment or the business relationship. The matter may also be referred to relevant law enforcement authorities. Training will be provided for relevant Sustana employees to ensure their understanding of the policy and its application in practice.

## Incident Reporting and Whistleblowers Protection

Sustana has a dedicated team to immediately investigate any potential abuse of power or act of corruption and follow up on all reporting. Any concerns or questions regarding potential corruption and violation of this policy should be reported promptly through appropriate channels by any Sustana employees or third parties. There are a range of mediums through which concerns related to corruption may be reported, including:

- To supervisors, management, or Human Resources
- Ethics Reporting Hotline (3<sup>rd</sup> party hosted platform) to make an anonymous or non-anonymous report online or by phone: <http://sustana.ethicspoint.com/>

Sustana employees or third parties working with Sustana have the right to submit a confidential report concerning any labor or human rights-related concerns, in line with the recommendations of Guiding Principle 31 of the UNGP. Sustana is committed to carrying out a timely investigation of any reports and ensuring the confidentiality and protection of the employee or third-party. Whistleblowers are encouraged to identify themselves and reports will be treated as confidentially as possible.

Sustana has zero tolerance for any retribution within the company, recognizes the right of whistleblowers to raise concerns, and will work with them to ensure there is no retaliation for having brought forward a concern in good faith.

## Anti-Corruption Program Roles and Responsibilities

The CFO is directly responsible for oversight and implementation of this policy. The CFO may delegate one or more of the following anti-corruption program actions and responsibilities to Sustana staff.

- Monitoring of corruption risk and anti-corruption performance.

- Approval of external disclosure of corruption-related matters.
- Policy review and approval.
- Reporting of corruption risks, incidents, and corrective measures to Board of Director's Audit Committee.
- Preparation of external disclosures on anti-corruption-related matters.
- Regularly leading corruption risk assessments in cooperation with other departments across Sustana's own operations, value chain, and business relationships.
- Identifying and monitoring material corruption risks.
- Documenting best practices and lessons learned.
- Developing and updating prevention measures and processes based on lessons learned.
- Conducting investigations and identifying root causes of corruption incidents.
- Developing and updating Global Anti-corruption and Whistleblower Policy.
- Ensuring all employees have read and agreed to comply with this policy.
- Conducting anti-corruption training for relevant employees.
- Receiving confidential corruption reports and raising them to the CFO.
- Ensuring all suppliers receive and agree to comply with this policy.
- Ensuring all other third parties with which Sustana has a contractual agreement receives and agrees to comply with this policy.
- Ensuring all employees, contract workers, and interns receive and agree to comply with this policy.

## Governance

This policy is supported and has been approved by Sustana's ESG Committee. The principles of environmental and social responsibility are thoroughly integrated throughout Sustana's governance structure, and oversight of our environmental and social impact and risks rests across the Board and Senior Management ESG Committees. The Senior Management ESG Committee shall review this policy annually to make continuous improvements. Our approach is guided by the Sustana principles, which focus on human rights, labor law, the environment and anti-corruption.

## Communication and Transparency

This policy shall be made publicly available on Sustana's website and shared with all employees and suppliers. It shall be referenced in Sustana's Supplier Code of Conduct.



## Legal Disclaimers

Sustana reserves the right to modify this policy at its discretion. Updated policies will be shared in a timely manner.

**Effective:** December 30, 2022

Action	Major Revisions and Comments (if any)	Version and Date
First Edition	First version drafted by Vice President of Sustainability, reviewed by the CEO, interim CFO and COO	Version 1.0 December 30, 2022
First Revision	Ethics Reporting Hotline added	Version 1.1 August 11, 2023
Second Revision	Reviewed by the ESG Committee, signed by CEO	Version 1.2 October 1, 2024

A handwritten signature in blue ink that reads "Nathan Jeppson".

Nathan Jeppson  
CEO, Sustana