



American Pad & Paper L.L.C. (the "Company") is committed to complying with government laws as well as Company policies. The Company is, therefore, committed to the highest levels of integrity in the conduct of all business practices. Integrity is a core value of the Company, and the Company will not tolerate any behavior that compromises its standards in this area. Each employee has an obligation to act at all times with honesty - because it is morally and legally right and because the Company's success is based on its reputation for integrity and on the trust and confidence of everyone with whom the Company does business.

Consistent with this policy the Company endorses a workplace code of conduct, similar to workplace codes of conduct adopted by other employers in manufacturing industries, which includes the following principles:

Forced Labor: There shall not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.

Child Labor: No person shall be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.

Harassment or Abuse: Every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

Nondiscrimination: No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion or social or ethnic origin.

Health and Safety: Employers shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with or occurring in the course of work or as a result of the operation of Company facilities.

Freedom of Association and Collective Bargaining: Employers shall recognize and respect the right of employees to freedom of association and collective bargaining.

Wages and Benefits: Employers recognize that wages are essential to meeting employees' basic needs. Employers shall pay employees, as a floor, at least the minimum wage required by local law or the prevailing industry wage; whichever is higher, and provides legally mandated benefits.

Hours of Work: Except in extraordinary business circumstances, employees shall (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country do not limit the hours of work, the regular work week in such country plus 12 hours overtime and (ii) be entitled to at least one day off in every seven-day period.

Overtime Compensation: In addition to their compensation for regular hours of work, employees shall be compensated for overtime hours at such premium rate as is legally required in the country or manufacture or, in those countries where such laws do not exist, at a rate at least equal to their regular hourly compensation rate.