

A PRINCIPLED path to SUSTAINABILITY

.....→ 2015 SUSTAINABILITY REPORT

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VERSO'S FOUNDING PRINCIPLES

Verso's commitment to our founding principles is unwavering as we adapt and innovate in a changing marketplace. We remain dedicated to doing what is right for our business, our customers, our communities and our planet.

1
Safe from the start

2
Accountability, truth and transparency

3
Engaged and enthusiastic people

4
Initiative and resourcefulness

5
Anticipate change

6
Understand customer needs

7
Use teamwork to execute and deliver superior results

8
Do the right things for the company as a whole

9
Respect a balance among economic, social and environmental needs

10
Act with speed, simplicity and decisiveness

11
Understand and mitigate business risks



Verso is steadfastly committed to operating our business in a sustainable manner that creates value for our employees, customers, communities, investors and other stakeholders. In fact, respecting a sustainable balance among economic, social and environmental needs is one of Verso's founding principles. It's also a fact that papermaking is a resource-intensive business. It's our challenge to use these resources—trees, water and energy—as efficiently as possible and to assure that we don't harm the environment along the way.

- This is the core of our sustainability philosophy...making the products our customers want and need while leaving the smallest possible footprint behind.

Verso's five sustainability principles, which focus on responsible sourcing, environmental and safety improvement, product stewardship, stakeholder partnerships and transparency, serve as guideposts on our path to a sustainable future. Using continuous improvement as the yardstick to gauge our progress, our Verso team is dedicated to doing what's right for our company, our customers, our communities and our planet. Their dedication moves us ever closer to achieving Verso's vision to be a company with passion that is respected and trusted by all. This report is dedicated to them.

LETTER



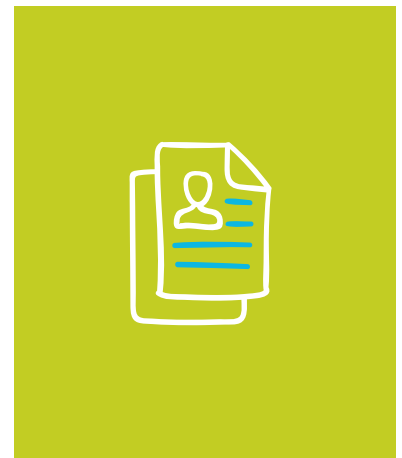
FROM OUR CHAIRMAN, PRESIDENT
AND CHIEF EXECUTIVE OFFICER

Throughout Verso's history and continuing today, the Verso Foundation document—the framework for our core values, vision, mission and principles—guides our everyday decisions and keeps us focused on the things that matter most. One of these is an uncompromising respect for a sustainable balance among economic, social and environmental needs. The theme of this year's Sustainability Report, "A Principled Path to Sustainability," reflects not only how we achieve this balance, but also who we are as a company.

On the pages that follow, you'll find examples of how Verso is "walking the talk" when it comes to sustainability – from responsibly sourcing wood fiber for use in our products and generating renewable energy to run our facilities to manufacturing more efficiently and finding beneficial uses for our solid waste. You'll also read how we're innovating to create value for Verso's customers, partnering with our stakeholders for environmental improvement, supporting our local communities and preparing the next generation of papermakers.

Most important of all, you'll learn about the many things Verso is doing to keep our team members safe at work. While we won't consider ourselves truly successful until no one gets

“ I report with great pride that **2015 was a very good year operationally for Verso,** thanks to our dedicated people who never took their eyes off the ball. ”



hurt at Verso's facilities, we're very proud that in the midst of our complex integration process and many other distractions, our overall safety performance remained stable and serious injuries declined 10% in 2015. Our goal is zero injuries, and we're working diligently to get there as quickly as possible.

Verso has said many times that financial sustainability is our primary objective, for without it we cannot achieve

We were fortunate to have agreement with our creditors on a plan of reorganization going into the Chapter 11 process which led to a smooth and orderly restructuring, the elimination of \$2.4 billion in debt and emergence from bankruptcy in just under six months. Today, Verso is operating with a more manageable capital structure that positions us to compete and win in today's global marketplace as we continue to pursue performance improvement in every aspect of our business.

The thing we're most proud of is our improvement in safety performance, particularly the reduction in serious injuries.

our other goals. In 2015, we faced a number of significant financial challenges, including an unprecedented and accelerated decline in demand for Verso's coated paper products, a substantial increase in imports resulting from a strong U.S. dollar relative to foreign currencies, and significant debt obligations. The confluence of these external factors led to some very difficult but necessary decisions, and in January 2016, Verso filed voluntary petitions under Chapter 11 of the U.S. Bankruptcy Code.

I want to thank all members of Verso's team for their commitment and contributions. Ultimately, it's their dedication, determination and hard work that help us achieve our mission to create value for all of our stakeholders.

Sincerely,



DAVID J. PATERSON

VERSO CORPORATION



AT A GLANCE*

Verso Corporation is the leading North American producer of printing papers, specialty papers and pulp.

Our printing papers are used primarily in commercial printing, media and marketing applications, including magazines, catalogs, books, direct mail, corporate collateral and retail inserts. Our specialty papers are used primarily in label and converting, flexible packaging and technical paper applications. We also produce market kraft pulp, which is used to manufacture printing and writing paper grades and tissue products.

HEADQUARTERS

Memphis, Tennessee, with a business center in Miamisburg, Ohio, and Technical Center in Biron, Wisconsin

ANNUAL SALES

\$3.1 billion

EMPLOYEES

5,200

PAPERMAKING OPERATIONS

Verso owns eight mills in the United States: Maine, Maryland, Michigan, Minnesota, Wisconsin and Kentucky**.

PRIMARY MANUFACTURING INPUTS

Wood fiber, water, energy and chemicals

ANNUAL PRODUCTION CAPACITY

3.4 million tons of paper and 290,000 tons of market kraft pulp

PRODUCT PORTFOLIO

Printing Papers

Coated freesheet (CFS)
Coated groundwood (CGW)
Supercalendered (SC)
Uncoated freesheet (UFS)

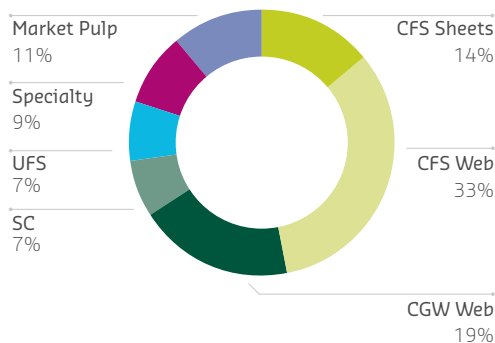
Specialty Papers

Label and Converting
Flexible Packaging
Technical Papers

Pulp

Northern and Southern Bleached Hardwood Kraft
Northern Bleached Softwood Kraft
Deinked Pulp

PRODUCT BREAKDOWN BY TONS SOLD



CUSTOMERS

Approximately 300 customers which comprise around 1,700 end-user accounts. Our relationships with our 10 largest coated paper customers average more than 20 years.

SALES CHANNELS

We sell our paper products primarily in the United States and Canada through three sales channels: direct sales to end-use customers, primarily large catalog and magazine publishers, and to publication printers; broker and merchant sales to commercial printers and end-use customers; and direct sales to specialty packaging and label manufacturers.

SALES OFFICES

Located strategically in key U.S. commercial printing, magazine, catalog and specialty markets. Our team of sales and marketing professionals are organized into three major sales groups that correspond with our sales channels.

*All data as of December 31, 2015 unless otherwise noted.

**Verso's paper mill in Wickliffe, Kentucky, was permanently closed in July 2016.



SUSTAINABILITY

POLICY AND PRINCIPLES

SUSTAINABILITY POLICY

We are committed to operating our business in a sustainable manner that creates value for our employees, customers, communities, investors and other stakeholders.

We are truthful and transparent. We are accountable to our stakeholders, and we measure and publicly report on our sustainability performance progress. We have open dialogues on sustainability issues with our stakeholders and partner with them in a wide range of endeavors to promote and grow sustainability-related efforts across North America.

We strive for continuous performance improvement in all that we do. We go beyond compliance with laws, regulations and standards to which we voluntarily subscribe whenever possible, not because it's required but because it's the right thing to do. We expect our contractors to comply with all laws, regulations and rules.

Sustainability is the core of our business philosophy, and we manage it as such.

We use raw materials, water, energy and other resources efficiently and manage our processes prudently. We develop products that provide our customers with environmental as well as economic benefits.

We manufacture our products with one of the earth's few truly renewable resources—wood fiber from trees. We verify the source of the wood fiber we procure, and use only fiber from forests that are sustainably managed to remain healthy, productive and biologically diverse for generations to come. We support third-party forest certification to credible certification standards and are committed to continuously increasing the amount of third-party certified fiber in our products. We help expand global forest certification through our participation in and sponsorship of a variety of organizations.

We are socially responsible corporate citizens. We are ethical in all our business dealings and treat everyone with respect and dignity. We provide safe and healthy workplaces for our employees, and we actively participate in the communities where we operate.

Sustainability is the core of our business philosophy, and we manage it as such. Ultimately, sustainability is part of every employee's job, and all of our employees are responsible for our continuous improvement in sustainability performance.

Please visit versoco.com/sustainability for more information on Verso's:

- ▶ Sustainability Governance
- ▶ Wood Fiber Procurement Policy
- ▶ Environmental, Health and Safety Policy
- ▶ Supplier Sustainability Expectations

SUSTAINABILITY PRINCIPLES

#1 Procure wood only from sustainably managed forests

#2 Continue to improve the environmental and safety performance of our operations

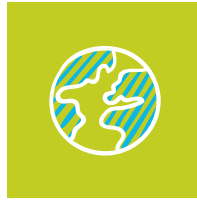
#3 Develop innovative products that provide both economic and environmental benefit

#4 Partner with customers and other important stakeholders on sustainability issues

#5 Continue to evaluate and report progress toward our sustainability goals

PRINCIPLE #1

PROCURE WOOD ONLY FROM SUSTAINABLY MANAGED FORESTS



Verso is committed to sourcing third-party certified and chain-of-custody certified fiber in our products.

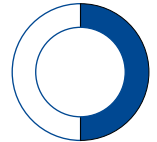
SOURCING RESPONSIBLY

Verso's team of fiber procurement professionals actively monitors the forestry practices associated with tree harvests to help assure that the fiber in our products is legally sourced from responsibly managed forests, meets water quality best management practices and meets the criteria in Verso's Wood Fiber Procurement Policy, a policy that complies with the harvested wood requirements of the U.S. Lacey Act and European Union Timber Regulation. In addition, all of the fiber used in our products is sourced from forests with positive growth ratios, that is, forests where the net growth in the volume of trees is greater than the amount harvested.

In addition, Verso is committed to sourcing third-party certified and chain-of-custody (CoC) certified fiber in our products. Certification to credible forest management standards provides verification that the wood fiber used to make our paper products comes from responsibly managed forests where biodiversity is preserved and harvested resources are restored with new growth. CoC standards track the movement of forest products from the forest to the customer. All of Verso's mills have been independently audited and certified to the Forest Stewardship Council® (FSC®), Programme for the Endorsement of Forest Certification™ (PEFC™) and Sustainable Forestry Initiative® (SFI®) CoC standards. In addition, all Verso mills are certified to both the FSC® Controlled Wood and SFI® Fiber Sourcing certification standards.

In 2015, 48% of the fiber used in our products was third-party certified and 32% of our total paper sold was CoC certified.

In 2015, **48%** of the fiber used in our products was third-party certified



32% of our total paper sold was CoC certified



INCREASING THE AVAILABILITY OF CERTIFIED FIBER

Verso is actively involved in efforts to increase the amount of certified fiber available to our mills and to the broader marketplace. One of the key barriers to achieving increased certified fiber availability is the cost of forest certification for small private landowners who account for 60% of U.S. forestland holdings. Working with a number of organizations and initiatives, including the Luke Forest Management Assistance Program, Verso Family Forest Group, and Woods & Wildlife for Today & Tomorrow, Verso is helping to develop innovative solutions that provide small private landowners with forest management consultation services, technical assistance and opportunities for group certification at a reduced cost.

EXTENDING THE USEFUL LIFE OF PAPER

Verso procures recovered paper from various suppliers throughout the United States, primarily from the Great Lakes region. This recovered paper is used at our Duluth, Minnesota, recycle pulp mill to manufacture de-inked pulp used in printing and writing papers. In 2015, we used 70,329 air-dried tons of de-inked recycled pulp generated by our recycle mill and purchased from external suppliers in our paper products.

Verso's Duluth recycle pulp mill also receives clean, high-quality recovered fiber through its magazine collection program. Nonprofit organizations provide magazines to the mill to make pulp in exchange for funds to support their programs. In 2015, nearly 1.4 million pounds of paper were recovered through this program, with 6.8 million pounds recovered since its inception in 2008. Through 2015, the Duluth Mill paid approximately \$680,000 for recovered magazines to more than 208 nonprofit groups.

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70,329 air-dried tons of de-inked recycled pulp

generated by our recycle mill and purchased from external suppliers in our paper products.



Being
“safe from the start”
is first among our
founding principles

because nothing at Verso is
more important than the safety
of our people.

Verso’s “Wizard of Oz” safety
leadership workshop emphasizes
the need for **brains, heart
and courage** when leading
safety performance improvement.



PRINCIPLE #2

CONTINUE TO IMPROVE THE ENVIRONMENTAL AND SAFETY PERFORMANCE OF OUR OPERATIONS



Working safely: it's about our people

Being “safe from the start” is first among our founding principles because nothing at Verso is more important than the safety of our people. We understand that creating an injury-free work environment requires aligned and engaged people, so we dedicate much time and effort to maintaining and communicating a consistent, companywide safety management approach where everyone has a role. While we are making progress, we have only begun the journey. In 2015, Verso’s Lost Workday Incident Rate (LWIR)—a measure of serious injuries—improved 10% to 0.54; however, our Total Incident Rate (TIR) increased slightly over the previous year to 1.44.

We won’t be satisfied until every Verso team member returns home uninjured each day. That’s what really matters!

ROLLING OUT OUR SAFETY ROADMAP

The cornerstone of our safety efforts in 2015 was the rollout of an 18-month Safety Roadmap to all mill team members. The Safety Roadmap is a strategic plan focused on standardized policies, safety communication expectations, competency through training, and checks for understanding and compliance.

As part of the Safety Roadmap process, a team of safety subject matter experts from across the company conducted a comprehensive evaluation at each of Verso’s paper mills to determine best practices, strengthen existing safety policies and procedures and establish new ones where needed. The result

was a thorough compilation of safety policies and procedures that are robust, clear and meet company standards. We published a new Safety Handbook which summarizes these policies and procedures and also serves as support documentation for ongoing safety training. Each mill has its own version of the handbook, tailored to also include mill-specific policies and procedures. All employees received a Safety Handbook, including non-mill team members who need to understand safety policies and procedures that apply to them when they visit a mill.

BUILDING STRONG SAFETY LEADERSHIP

Because strong safety leadership is critical to achieving an injury-free workplace, we included a leadership workshop in our Safety Roadmap. Aptly named for one of our manufacturing principles, the “Wizard of Oz” workshop emphasized the need for brains, heart and courage when leading safety. The workshop included a series of hands-on exercises, scenarios, role plays, assessments and discussions that reinforced the importance of engaged people using their brains to recognize potential hazards and use the appropriate safe work procedures; having the heart to care about their own safety and the safety of their teammates; and displaying the courage to be accountable by strictly adhering to safety policies and procedures and insisting that their teammates do the same. Some 250 Verso leaders were trained during 14 eight-hour workshops.

At Verso, we won’t be satisfied until we reach our ultimate goal of

ZERO ←
INJURIES.

SETTING A GOOD ENVIRONMENTAL EXAMPLE

Verso's Stevens Point Mill was recognized as a Green Masters Award winner for the second year in a row, once again placing Verso among an exclusive group of leading companies recognized by the Wisconsin Sustainable Business Council for significant and ongoing sustainability practices.

The mill was judged in a competitive process on a comprehensive range of key sustainability metrics, including energy and water use, waste management, emissions and transportation, as well as educational and community outreach.

The mill's notable 2015 accomplishments include:

Carbon Emissions Reduction

A two-year reduction of 8.8% in carbon emissions produced per ton of paper manufactured

Water Usage Reduction

A two-year reduction of nearly 19% in total water usage per ton of paper manufactured

Total Energy Usage Reduction

A nearly 4% year-over-year reduction in energy usage per ton of paper manufactured

Transportation Sustainability

More than 86% of shipments utilized the U.S. Environmental Protection Agency's SmartWay® transportation partners program

ASSESSING SAFETY MANAGEMENT SYSTEMS

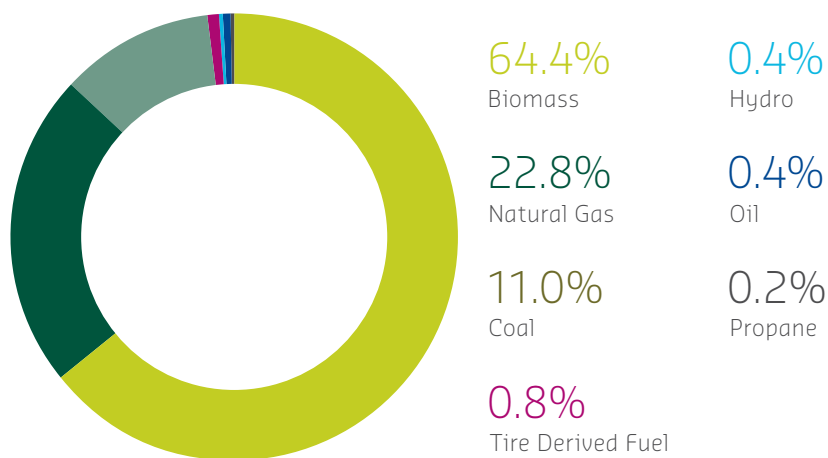
We've incorporated our annual Key Elements Assessments (KEAs) into our Safety Roadmap to assess the effectiveness of the safety management system at each of our mills. A comprehensive KEA is conducted by a broadly constituted team drawn from the host mill, along with visiting safety leaders and safety advocates. The team is charged with identifying opportunities for safety performance improvement in six areas: leadership commitment and support, employee engagement, safety policies and procedures, training, inspection and maintenance programs, and failure analysis and feedback. We use the results of our KEAs to develop specific safety improvement goals backed by targeted action plans.

IMPROVING ENVIRONMENTAL PERFORMANCE THROUGH BENCHMARKING

Throughout 2015, Verso continued to identify realizable gaps between our current manufacturing practices and world-class manufacturing benchmarks, and to develop targeted actions plans to close these "R-Gaps." Closing R-Gaps through equipment upgrades, system enhancements and process improvements enables us to manage our resources more efficiently, reduce emissions and waste more effectively, and reduce costs. For example, our Quinnesec Mill team set an objective to conserve wood fiber in the mill's pulp-making process. By revamping the equipment maintenance process and optimizing the use of reject cleaners and pressure screens, the mill team was able to reduce fiber losses to the sewer from the pulp mill and pulp dryer by 29% and 55% respectively. In addition to conserving this valuable resource, the mill saved \$558,000 in year-over-year fiber costs.

GENERATING RENEWABLE ENERGY

In 2015, carbon-neutral, wood-based biomass accounted for 64.4% of on-site energy generated at Verso's mills. Our external energy purchases vary across our mill platform and include natural gas, coal, fuel oil and electricity. Our overall energy expenditures are mitigated by our internal energy production capacity and ability to switch between certain energy sources.



BENEFICIALLY REUSING SOLID WASTE

One of Verso's sustainability objectives is to reduce the amount of solid waste sent to landfills. In 2015, 58.2% of the manufacturing byproducts generated at our mills was reused for energy generation and 28.1% was reclaimed for other beneficial reuse applications such as agricultural soil amendment, mine reclamation and dust control, road construction, landscaping and conversion into raw materials for new products. Only 13.7% of Verso's solid waste was sent to landfills.

PRINCIPLE #3

DEVELOP INNOVATIVE PRODUCTS THAT PROVIDE BOTH ECONOMIC AND ENVIRONMENTAL BENEFIT



Our products are inherently sustainable because they're manufactured using one of the few truly renewable resources on earth.

OFFERING RESPONSIBLY SOURCED PRODUCTS

Purchasing responsibly sourced paper is no longer simply a nice-to-do choice for Verso's customers. It's a business imperative as their stakeholders question the origins of the fiber in the paper they buy from us. It also has important environmental benefits. The continuing demand for responsibly sourced paper encourages landowners to keep growing trees responsibly instead of selling off forestlands for development and other non-sustainable uses.

Verso has the capability to offer FSC®, SFI® and PEFC™ chain-of-custody certified products across all paper and pulp grades. We help our customers demonstrate their commitment to forest sustainability by offering them on-product labeling options that are available through FSC®, SFI® and PEFC™. Our comprehensive product line also provides customers the opportunity to select from a variety of high quality papers with 10% to 30% recycled fiber content.

CREATING VALUE THROUGH INNOVATION

Verso's products are inherently sustainable because they're manufactured using one of the few truly renewable resources on earth—wood from trees grown in responsibly managed forests. We build on this nature-made sustainability, efficiently operating our manufacturing facilities with a deliberate intent to conserve resources—wood fiber, water and energy—and reduce environmental emissions and discharges. To keep Verso commercially sustainable, we must also create value that helps make our customers more successful. At Verso's Technical Center in Biron, Wisconsin, our product development team works directly with our customers to develop products that meet their evolving business needs. We focus on performance-driven products that help our customers adapt to changes in the marketplace and innovations in printing technology. In 2015, we launched our new coated web portfolio, introduced Ideal Offset®, an uncoated freesheet web product, and expanded our Blazer Digital® product line to better meet the needs of the newest generation of digital press technologies. We also developed two products that went to market in early 2016, Sterling® Premium Digital™ Tough Tear and Sterling® Ultra TrueJet®. For more information on these and other Verso products, please visit the "our products" section on versoco.com.

MANUFACTURING SAFE PRODUCTS

Verso is committed to responsibly manufacturing safe products in compliance with stringent quality standards, regulations and laws related to, among other things, environmental protection, safe handling, product recovery, disposal and recycling. In addition to meeting these types of product manufacturing requirements, some of our products also comply with requirements for certain regulated end uses, such as the U.S. Food and Drug Administration's requirements for food packaging.

Our comprehensive product line provides customers the opportunity to select from high quality papers with

10% TO 30%
recycled fiber content.

PRINCIPLE #4

PARTNER WITH CUSTOMERS AND
OTHER IMPORTANT STAKEHOLDERS
ON SUSTAINABILITY ISSUES

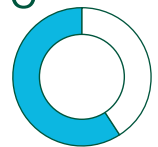


We continue to build partnerships to educate the next generation of papermakers.

BUILDING TOMORROW'S WORKFORCE TODAY

Verso is proactively engaged with a wide variety of organizations in solving one of our greatest challenges: replacing the extensive knowledge and experience that will walk out our doors over the next decade as a large percentage of our employees retire. More than 40% of our workforce is currently age 55 or older. We continue to build partnerships with local high schools and trade schools, colleges and universities, paper and science foundations, and student chapters of professional organizations to educate the next generation of papermakers about the manufacturing environment, the sustainability of our industry and the opportunities available to engineers of all disciplines, skilled tradespeople and entry level operators. Our robust internship and co-op programs provide students with immediate, hands-on opportunities to apply what they've learned in school and expose them to the many different areas of endeavor in the paper mill environment where they can enter and advance in their chosen fields. Once we attract top talent, we work hard to keep it by nurturing a culture that encourages our people to learn, develop and grow their capabilities.

More than **40%**
of our workforce
is currently
age 55 or older.



BETTER PRACTICES, BETTER PLANET 2020

Better Practices, Better Planet 2020, an American Forest and Paper Association (AF&PA) sustainability initiative, is a proactive commitment to the long-term success of our industry,

our communities, our environment and the nearly 900,000 men and women who make paper and wood products that



**BETTER PRACTICES
BETTER PLANET 2020**
Continuing AF&PA's Commitment to Sustainability

are vital to the lives of people around the world. Better Practices, Better Planet 2020 has six goals: increasing paper recovery for recycling, improving energy efficiency, reducing greenhouse gas emissions, promoting sustainable forestry practices, improving workplace safety and reducing water use. As an AF&PA member and an industry leader, Verso contributes to the achievement of these goals by working to continuously improve our performance in these areas.

SHARING OUR PAPER KNOWLEDGE®

Verso hosts Paper Knowledge® seminars at several of our mill locations to give customers holistic insights into the pulp and papermaking process. Customers learn about sustainable papermaking practices firsthand from company experts who provide a multidimensional learning experience which includes tours of local woodlands, Verso's paper machines, finishing equipment and shipping operations. Customers also spend time in classroom settings where they learn about paper attributes and how they impact the end use of our products.

RECYCLING WORKS IN PUBLISHING

In 2014, Verso joined a coalition of like-minded companies including publishers, paper companies, catalogers and other key players in the print supply chain as part of the Recycling Works in Publishing initiative to provide financial support to The Recycling Partnership (TRP). Together we are systematically and measurably improving the recycling of printed paper in the United States through direct community funding and engagement. As part of this coalition, Verso helps communities with limited recycling infrastructure to provide people with recycling services and access on par with more developed programs. In 2015, TRP worked directly with 71 communities representing more than 1.2 million households, resulting in 24,800 tons of additional material recovery. Through best-in-class operational and technical support, proven community outreach approaches and highly leveraged seed grants, TRP's 10-year vision is to transform recycling in 200 U.S. cities, reach 10 million households and divert more than 4 million tons of paper from landfills.



CONNECTING WITH OUR COMMUNITIES

Verso's community participation is driven by our employees who contribute thousands of hours each year in various company-sponsored and individual volunteer efforts to enhance the quality of life in our communities. In 2015, Verso and our employees made financial and in-kind contributions totaling approximately \$638,000 to a wide variety of community organizations with a focus on education, sustainability, and local health and human services. United Way is the centerpiece of our contribution efforts because of its focus on identifying specific local needs, and because all contributions remain in our local communities to help our neighbors.

→ In 2015, Verso and our employees made financial and in-kind contributions totaling approximately **\$638,000** ← to a wide variety of community organizations with a focus on education, sustainability, and local health and human services.



PRINCIPLE #5

CONTINUE TO EVALUATE
AND REPORT PROGRESS TOWARD
OUR SUSTAINABILITY GOALS



Verso's 2014 Sustainability Report reflected baseline performance for the new Verso, combining data from our predecessor companies as a starting point to gauge our progress.

However, in keeping with our commitment to match the supply of our products with our customers' demand for them, Verso permanently reduced our coated paper production capacity 430,000 tons and our dried market pulp production capacity 130,000 tons in 2015, resulting in significant changes to our year-over-year performance data. The results summarized here are absolute numbers, i.e., they are not normalized to account for capacity reductions. Where appropriate, we have indicated factors in addition to capacity reductions that contributed to the changes.

2015
SUSTAINABILITY
PERFORMANCE

SAFETY

METRIC	PROGRESS	CHANGE
Total Incident Rate (TIR)	Increased slightly to 1.44 from 1.43 in 2014	↑ 0.7%
Lost Workday Incidence Rate (LWIR)	Improved to 0.54 from 0.60 in 2014	↓ 10.0%

RESOURCE USE

METRIC	PROGRESS	CHANGE
FIBER RESOURCES		
Roundwood	Remained flat at 8.8 million green tons in both 2014 and 2015	↔ 0%
Chips	Decreased to 1.5 million green tons from 1.67 million green tons in 2014	↓ 10.2%
Purchased Pulp	Decreased to 230,600 air-dried tons from 285,000 air-dried tons in 2014	↓ 19.1%
Recovered Paper	Decreased to 70,329 air-dried tons of de-inked recycled pulp from 110,000 air-dried tons in 2014	↓ 36.1%
Percent of third-party certified fiber used	Decreased to 48% from 50% in 2014	↓ 2.0%
Percent of CoC certified paper as a percentage of total paper sold	Decreased to 32% from 35% in 2014	↓ 3.0%
CHEMICALS AND FILLERS		
Pigments	Decreased to 952,500 tons from 996,400 tons in 2014	↓ 4.4%
Binders	Decreased to 149,400 tons from 157,300 tons in 2014	↓ 5.0%
Pulping Agents	Decreased to 110,600 tons from 114,200 tons in 2014	↓ 3.2%
Bleaching Agents	Decreased slightly to 198,700 tons from 200,200 tons in 2014	↓ 0.7%
ENERGY (PAPER AND PULP PRODUCTION)		
Percent of onsite energy generated from carbon-neutral, wood-based biomass	In 2015, biomass accounted for 64.4% of onsite energy generation at Verso's mills; down from 65.3% in 2014	↓ 0.9%
Coal	Decreased significantly to 476,000 tons from 635,000 tons in 2014, primarily due to reduced production capacity but also some substitution of natural gas for coal at the Wisconsin Rapids and Escanaba mills and overall reduction in energy consumption at the Luke Mill	↓ 25.0%
Natural Gas	Increased to 19.9 billion cubic feet from 18.3 billion cubic feet in 2014, primarily due to the substitution of natural gas for coal at the Wisconsin Rapids and Escanaba mills	↑ 8.7%

RESOURCE USE (continued)

METRIC	PROGRESS	CHANGE
ENERGY (PAPER AND PULP PRODUCTION) (continued)		
Oil	More than doubled to 2.36 million gallons from 1.15 million gallons in 2014, primarily due to increased use at the Androscoggin Mill to offset extremely high natural gas prices during the winter	↑ 105.2%
Tire-derived fuel	Decreased to 23,000 tons from 25,000 tons in 2014	↓ 8.0%
Purchased biomass	Decreased significantly to 490,000 tons from 705,000 tons in 2014, primarily due to the sale of the Bucksport Mill in Maine. The No. 8 power boiler at the mill burned primarily biomass to generate renewable energy for sale to the grid.	↓ 30.5%
Purchased electricity	Decreased to 2,093 gigawatt-hours from 2,204 gigawatt-hours in 2014	↓ 5.0%
Own hydropower	Decreased to 237 gigawatt-hours from 254 gigawatt-hours in 2014	↓ 6.7%
Purchased steam	Decreased to 511 gigawatt-hours from 519 gigawatt-hours in 2014	↓ 1.5%
ENERGY (VEHICLES AND MOBILE EQUIPMENT)		
Diesel	Decreased to 1.43 million gallons from 1.68 million gallons in 2014	↓ 14.9%
Gasoline	Decreased to 133,000 gallons from 152,700 gallons in 2014	↓ 12.9%
Liquid propane gas	Decreased to 481,900 gallons from 500,700 gallons in 2014	↓ 3.8%
FRESH WATER (PROCESS AND COOLING)		
Surface water	Increased to 57.69 billion gallons from 56 billion gallons in 2014 as a result of shutdown-related procedures at the Wickliffe Mill	↑ 3.0%
Municipal water	Decreased to 2.63 billion gallons from 2.80 billion gallons in 2014	↓ 6.1%
Groundwater	Decreased to 820 million gallons from 880 million gallons in 2014	↓ 6.8%

POLLUTION PREVENTION

METRIC	PROGRESS	CHANGE
AIR EMISSIONS (DIRECT FROM MILLS)		
Carbon Dioxide Equivalent (CO₂e)	Decreased to 2.20 million metric tons from 2.47 million metric tons in 2014	↓ 10.9%
Nitrogen Oxides (NO_x)	Decreased to 8,263 tons from 10,125 tons in 2014 primarily due to reduced production capacity but also to the increased use of natural gas and corresponding reduction in coal use at the Wisconsin Rapids and Escanaba mills	↓ 18.4%

POLLUTION PREVENTION (continued)

METRIC	PROGRESS	CHANGE
AIR EMISSIONS (DIRECT FROM MILLS) (continued)		
Sulfur Dioxide (SO₂)	Decreased to 16,696 tons from 20,890 tons in 2014 primarily due to reduced production capacity but also to the increased use of natural gas and corresponding reduction in coal use at the Wisconsin Rapids and Escanaba mills	↓ 20.1%
Particulate Matter (PM)	Decreased to 1,731 tons from 2,044 tons in 2014	↓ 15.3%
AIR EMISSIONS (INDIRECT FROM PURCHASED ENERGY)		
Carbon Dioxide Equivalents (CO₂e)	Decreased to 1.16 million metric tons from 1.38 million metric tons in 2014	↓ 15.9%
Nitrogen Oxides (NO_x)	Decreased to 1,571 tons from 1,917 tons in 2014	↓ 18.0%
Sulfur Dioxide (SO₂)	Decreased to 3,435 tons from 4,298 tons in 2014	↓ 20.1%
Particulate Matter (PM)	Decreased to 246 tons from 300 tons in 2014	↓ 18.0%
WATER DISCHARGES		
Wastewater Effluent	Increased to 56.6 billion gallons from 53 billion gallons in 2014 as a result of shutdown-related procedures at the Wickliffe Mill	↑ 6.8%
Non-contact Cooling Water	Increased to 11.25 billion gallons from 10.6 billion gallons in 2014, the result of a temporary process change at the Luke Mill. Anticipate return to previous levels in 2016.	↑ 6.1%
Biochemical Oxygen Demand (BOD)	Decreased to 4,119 tons from 4,415 tons in 2014 due to increased efficiency in the removal rate at Publically Owned Treatment Water (POTW) facilities	↓ 6.7%
Total Suspended Solids (TSS)	Decreased to 5,338 tons from 5,780 tons in 2014 due to increased efficiency in the removal rate at POTW facilities	↓ 7.6%

WASTE MANAGEMENT

METRIC	PROGRESS	CHANGE
Beneficial Use of Solid Waste	Decreased to 337,559 dry tons from 384,369 dry tons in 2014. More than 58.2% of manufacturing byproducts generated was reused for onsite energy generation and 28.1% was reclaimed for other beneficial reuse applications.	↓ 12.2%
Solid Waste Sent to Landfills	Decreased to 164,077 dry tons from 194,600 dry tons in 2014. Only 13.7% of Verso's solid waste was sent to landfills in 2015.	↓ 15.7%

WASTE MANAGEMENT (continued)

METRIC	PROGRESS	CHANGE
Hazardous Waste Disposal	Increased to 179,777 pounds from 19,000 pounds in 2014 primarily due to the responsible disposal of manufacturing chemicals, waste oil, laboratory chemicals, solvents, paint, batteries and other waste resulting from the shutdown of the Wickliffe Mill	↑ 846.2%

PRODUCT TRANSPORT

METRIC	PROGRESS	CHANGE
Carbon Dioxide Equivalents (CO₂e)	Decreased slightly to 152,649 metric tons from 153,000 metric tons in 2014. Even though total production and the number of overall shipments decreased, shipment distances to customer locations increased compared to 2014 as a result of moving some production from the Bucksport and Wickliffe mills to other Verso mills.	↓ 0.2%
Diesel Fuel Consumed	Decreased slightly to 14.25 million gallons from 14.3 million gallons in 2014. Even though total production and the number of overall shipments decreased, shipment distances to customer locations increased compared to 2014 as a result of moving some production from the Bucksport and Wickliffe mills to other Verso mills.	↓ 0.3%
Percent of U.S. Environmental Protection Agency (EPA) SmartWay® Transport Partnership Shipments	Increased to 88% of product volume shipped by carriers participating in the U.S. EPA SmartWay® Transport Partnership from 79% in 2014	↑ 9.0%

ENVIRONMENTAL COMPLIANCE

METRIC	PROGRESS
Environmental Notices of Violation and/or Noncompliance	<p>Notice 1: Notice of violation for missing the deadline to submit an inspection certificate for an underground storage tank at the Androscoggin Mill. Passing inspection certificate was submitted immediately upon notice.</p> <p>Notice 2: Notice of noncompliance for failure to post emergency phone numbers in appropriate areas at the Stevens Point Mill. Phone numbers were posted immediately upon notice.</p>

SOCIAL RESPONSIBILITY

METRIC	PROGRESS	CHANGE
Verso and Employees Charitable Giving	Decreased to approximately \$638,000 from \$946,000 in 2014 as a result of the financial challenges facing the company	↓ 32.6%
Support of Local Economies	Purchased goods and services to run our business from more than 2,450 local/regional vendors, spending more than \$950 million; added to this was nearly \$550 million in local/regional purchases of wood needed to manufacture our products	

END NOTES



VERSO CORPORATION is the turn-to company for those looking to successfully navigate the complexities of paper sourcing and performance. A leading North American producer of printing and specialty papers and pulp, Verso provides insightful solutions that help drive improved customer efficiency, productivity, brand awareness and business results. Verso's long-standing reputation for quality and reliability is directly tied to our vision to be a company with passion that is respected and trusted by all. Verso's passion is rooted in ethical business practices that demand safe workplaces for our employees and sustainable wood sourcing for our products. This passion, combined with our flexible manufacturing capabilities and an unmatched commitment to product performance, delivery and service, make Verso a preferred choice among commercial printers, paper merchants and brokers, converters, publishers and other end users.

For more information, visit us online at versoco.com.

REPORTING RESPONSIBILITY

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REPORTING PERIOD

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