



# **VERSO CORPORATION**

# **CODE OF CONDUCT**

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# VERSO CORPORATION

## CODE OF CONDUCT

### OVERVIEW

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#### **About the Code of Conduct**

At Verso Corporation, we value our reputation for integrity and adherence to the highest ethical standards. This Code of Conduct sets forth the essential elements of our commitment to these standards. It describes the primary, fundamental standards of behavior applicable to all our people, including all employees and officers and, when they are acting on behalf of Verso, our directors. This Code of Conduct is not an exhaustive statement of Verso's policies and procedures and does not address every potential scenario, but it does provide the framework for those policies and procedures.

This Code of Conduct constitutes the "code of ethics" applicable to Verso's principal executive officer, principal financial officer, and principal accounting officer contemplated in Item 406 of Regulation S-K under the federal securities laws. It also constitutes the "code of business conduct and ethics" applicable to Verso's directors, officers and employees required by Rule 303A.10 of the New York Stock Exchange.

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#### **Expectations**

All of our people must abide by this Code of Conduct. In addition, each of us is required to comply with all applicable laws, rules and regulations and all of Verso's policies and procedures. Our policies and procedures can be found by logging onto Verso's intranet website and clicking on the "Policies" section. Our compliance in every instance must be with both the spirit and letter of these requirements.

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#### **Questions to Ask Ourselves**

In addition to complying with the requirements of the Code of Conduct, you should ask yourselves the following questions before making decisions or taking actions on behalf of Verso:

- Is my decision or action aligned with Verso's core values, mission, vision and principles?

- Is it legal, ethical and honest?
- Is it the right thing to do?
- Would I be comfortable if everyone knew about it?
- Will I feel good about myself afterwards?

**VERSO CORPORATION  
CODE OF CONDUCT**

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# OUR CONDUCT

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## **Introduction**

One of Verso's core values is "ethics and integrity." One of our principles is that "we do the right things for the company as a whole." As employees of Verso, we have the responsibility to live up to these standards, because our conduct is a reflection of Verso as a whole.

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## **Equal Employment Opportunity**

Verso provides equal employment opportunity for all qualified individuals – whether as applicants for employment or as employees of the company – regardless of their race, color, religion, age, gender, sexual orientation, marital status, citizenship, national origin, disability, military or veteran status, or any other classification protected by law. The policy pertains to any term or condition of employment, including recruitment, hiring, training, development, transfer, promotion, compensation, benefits, discipline and discharge.

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## **Harassment**

Verso is committed to providing a workplace that is respectful and free from all forms of unlawful harassment. Our commitment to fairness and mutual respect precludes harassment of our people as well as candidates for employment and our suppliers and customers. We expect that all relationships among persons in the workplace are business-like and free of bias, prejudice and harassment.

Harassment occurs when unwelcome conduct (including sexual or racial harassment and intimidation) creates a hostile or offensive work environment or is implied to be a factor in employment or advancement decisions.

We do not tolerate harassing actions, comments, inappropriate physical contact, sexual advances, or any other conduct that is intimidating or otherwise offensive or hostile. Incidents of harassment must be reported immediately to management.

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## **Workplace Violence**

Verso is committed to maintaining a safe, secure work environment. We do not tolerate:

- violent acts or threats of violence on Verso's premises or while engaged in Verso business; or

- possession of unauthorized firearms or other weapons on our premises or while engaged in our business.

For the sake of clarity, under our weapons policy, Verso generally prohibits all employees, as well as all visitors, vendors and customers, from possessing, carrying or using weapons of any type on property owned by or under the control of Verso without the express written authorization of Verso. However, there are the following limited, specific exceptions to this general rule:

- This prohibition does not apply to the performance of job duties by duly authorized public law enforcement officers or licensed security officers retained by Verso.
- If, and only to the extent, permitted by Verso's weapons policy or required by applicable law, firearms may be brought on Verso's property. Verso's weapons policy allows employees to store a properly permitted firearm in a motor vehicle parked on Verso property, provided the firearm is not removed from and is not visible from outside the vehicle, and provided that the vehicle is parked outside the mill gate if at a Verso mill. Having due regard for everyone's security and safety, Verso also recommends that the vehicle be locked and that a lock be placed on the firing mechanism of the firearm.

Verso may use all legal means available to investigate any suspected violation of our weapons policy.

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## **Alcohol and Narcotics**

Verso is committed to a safe, productive, drug-free workplace. Reporting to work under the influence of alcohol, narcotics, other intoxicants or non-prescribed drugs, and the solicitation, possession or use of them on Verso's premises, are prohibited.

Verso's property includes all indoor and outdoor work areas, parking areas and company vehicles. Operating a Verso vehicle under the influence of alcohol, narcotics, other intoxicants or non-prescribed drugs is prohibited. This includes the operation of Verso vehicles on personal time and the operation of personal and rental vehicles used for Verso's business.

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## **Media Contact**

Members of the media – newspapers, magazines, radio, television and Internet bloggers – might contact us from time to time seeking information on various aspects of our business. All media inquiries must be referred to the local Verso Communications Director in

accordance with Verso's Corporate Disclosure Guidelines. You are not authorized to communicate with the media on behalf of Verso without receiving prior approval from the appropriate Verso Communications Director.

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**Compliance  
with Other  
Policies**

Each of us is subject to additional policies and procedures attributable to your job functions and responsibilities and the business risks associated with them. Accordingly, we must each know, understand and comply with these other policies and procedures, which can be found on Verso's intranet website.

# BUSINESS ETHICS

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**Principle** Our people will conduct Verso’s business and their business activities in accordance with the highest ethical standards.

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**Guidelines** We must be truthful with each other.

We must deal fairly and honestly with each other and all of Verso’s customers, suppliers, competitors, regulators and others. We will not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

We must be candid with our management and auditors about accounting and financial reporting matters.

We must conduct ourselves in a way that avoids any actual, potential or apparent wrongdoing.

We must not seek advantages for Verso or ourselves through illegal or unethical actions.

We must take appropriate actions upon the discovery of illegal or unethical behavior among our people in the work environment.

We must cooperate with legal and ethical compliance audits and investigations.

We must not retaliate against any of our people who report in good faith any known or suspected illegal or unethical conduct or any other violations of this Code of Conduct.

## COMPLIANCE WITH LAWS

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**Principle** Our people will comply in all respects with all laws that apply to Verso's business.

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**Guidelines** We must understand the laws (including statutes, ordinances, rules, regulations and other legal requirements) that apply to Verso's business and our business activities. This includes all applicable federal, state, local and foreign laws as well as the rules and regulations of the New York Stock Exchange.

Although we are not expected to know the details of all laws, we must recognize when to seek advice from our supervisor or Verso's General Counsel.

We must adhere strictly to both the letter and the spirit of the law.

We must not offer or give any money, property, services or anything else of value, directly or indirectly, to anyone (including private parties and governmental officials) in order to obtain business for Verso or to obtain any special or unusual treatment for Verso or ourselves. However, we may provide meals, entertainment and marketing materials that are consistent with customary business practices, are not excessive in value or frequency, do not create the appearance of impropriety, and do not constitute a violation of any applicable law or Verso's contractual obligations.

We must not contribute Verso's funds to political parties or candidates for public office.

We must not commit, aid or abet insider trading – *i.e.*, trading in Verso's securities based on material, nonpublic information.

If we know or suspect that a violation of law or unethical behavior or activity has occurred, we must promptly report it to the General Counsel, to the Verso Compliance Center, to the Audit Committee of Verso's Board of Directors, or to our supervisor.

Please also see Verso's Whistleblower Policy for additional information.

# CONFIDENTIALITY

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**Principle** Our people will not engage in any unauthorized use or disclosure of confidential information.

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**Definition** The term “confidential information” means items of information or compilations of information, in any form (tangible or intangible), pertaining to Verso’s business that are not authorized for disclosure to the public by Verso or readily available to the public by proper means. Confidential information includes information about Verso and its business, information about our people, and information entrusted to Verso in confidence by third parties.

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**Guidelines** We must keep all confidential information confidential.

If we are unsure whether certain information is confidential, we must seek advice from our supervisor or Verso’s General Counsel.

Any use of confidential information that is not within the scope of our job responsibilities for Verso is unauthorized.

Any use of confidential information that contradicts any policy or procedure of Verso, including this Code of Conduct, is unauthorized.

Any disclosure of confidential information to persons within Verso that is not necessary or appropriate for such persons to perform their job responsibilities for Verso is unauthorized.

Any disclosure of confidential information to persons or entities outside of Verso without express authorization by Verso is unauthorized.

Our hourly employees are not prohibited from discussing concerns about their wages, hours of work, or working conditions with anyone, and nothing in this Code of Conduct implies otherwise.

In addition, we are not prohibited from making disclosures of confidential information that are compelled by law through court order, subpoena or any other legally binding obligation. However, if we become aware that disclosure of confidential information is compelled by law, we must inform Verso’s General Counsel as soon as possible under the circumstances (prior to disclosure whenever possible) and

take all steps reasonably available to us to protect against any unnecessary disclosure of the confidential information.

We recognize that our obligations of confidentiality extend beyond our tenure at Verso.

## USE OF VERSO'S PROPERTY

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### **Principle**

Verso's property is in place to enable our people to perform the business-related functions that their positions require.

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### **Guidelines**

Verso's property – including its buildings, equipment, vehicles and supplies – belongs exclusively to Verso and not us. We should protect Verso's property and ensure its efficient use.

Except as provided below, we may use Verso's property only for Verso's business and not for our personal benefit or gain or the benefit or gain of any person or entity other than Verso.

Verso recognizes that from time to time we may need to use its property on a limited basis for personal matters. Verso will permit our personal use of its property, provided that such use:

- is limited in extent, duration and frequency;
- does not adversely affect the performance of our job responsibilities;
- does not adversely affect the performance of other Verso people's job responsibilities;
- does not result in any material incremental cost to Verso;
- does not include or involve offensive, pornographic, harassing, derogatory or discriminating language or material;
- is not illegal or unethical, and is not in furtherance of any activity that is illegal or unethical; and
- does not violate this Code of Conduct.

# USE OF COMPUTERS, MOBILE DEVICES AND COMMUNICATIONS EQUIPMENT

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**Principle** Verso owns and leases computers, mobile devices and other communications equipment to support our business. We are the custodians of the equipment assigned for our use and share responsibility for protecting it from theft and unauthorized use.

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## Guidelines

**Personal Use** The personal use of computers, mobile devices and communications equipment assigned to us is permitted, provided that it complies with the requirements set forth in the “Use of Verso’s Property” section of this Code of Conduct and Verso’s policies and procedures.

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**Equipment Monitoring** Verso monitors the use of all computers, mobile devices and communications equipment. We do so in order to protect the security of Verso’s data, to ensure the capacity and performance of our systems, and to detect criminal activity or other wrongdoing. There should be no expectation of privacy in our use of any of Verso’s computers, mobile devices or communications equipment.

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**Changes to Equipment** Verso’s computers, mobile devices and communications equipment (including hardware and software) are configured by Verso’s IT Department to support the jobs that we do. If anything needs to be changed, added or moved, we must let IT do it.

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**Software Installation** At Verso, we respect the intellectual property rights of others and do not copy or distribute any software without permission. IT must validate licensing and grant approval before we install any software.

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**Passwords** Computer, mobile device and voicemail passwords protect the security of Verso’s data and resources. We must ensure that our passwords protect Verso from unauthorized access. Computer and mobile device passwords will be changed at regular intervals. Computer and voicemail passwords will be changed whenever they become compromised.

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**Internet Use**

At Verso, our compliance with laws and respect for our co-workers has led us to use filters to block access to inappropriate Internet sites and to monitor individual Internet use. If inappropriate content appears on a website that we are connected to, we must disconnect immediately from the site. Inappropriate site content includes, but is not limited to, sex, nudity, drugs, hate speech, gambling and criminal skills (e.g., bomb-making and computer-hacking skills). The accessing or downloading of pornographic material from the Internet is strictly prohibited.

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**Email Use**

The content of our emails reflects upon Verso as well as us. At Verso, our emails must be professional and respectful. Our emails must not send material that contain profanity, inappropriate jokes, sexually explicit material, rumors, gossip or harassing messages.

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**Cyber-Attacks**

Verso's computers, mobile devices and communications equipment are protected from service disruptions and breaches of security caused by cyber-attacks, including viruses and hackers. We are not permitted to disable or modify the security systems protecting the equipment.

## CONFLICTS OF INTEREST

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### Principle

Our people will remain loyal to Verso and avoid situations in which our interests could conflict with Verso's interests or affect our ability to act objectively in performing our jobs.

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### Guidelines

We must avoid all conflicts of interest. Among other things, we must not:

- request or solicit a gift from any of Verso's suppliers, customers or anyone else doing or seeking to do business with Verso;
- accept from any of Verso's suppliers, customers or anyone else doing or seeking to do business with Verso a gift that (a) violates any applicable law, (b) is a bribe, payoff or other improper inducement, (c) influences the business judgment of the recipient, (d) is inconsistent with customary business practices, or (e) individually, or together with all other gifts from the same supplier, customer or other source during the same calendar year, exceeds \$100 in value;
- attend, with or as the guest of any of Verso's suppliers, customers or anyone else doing or seeking to do business with Verso, a meal, reception, party, entertainment event, sporting event, or other event that (a) violates any applicable law, (b) is a bribe, payoff or other improper inducement, (c) influences the business judgment of the recipient, (d) is inconsistent with customary business practices, or (e) is excessive in value or frequency;
- participate in any enterprise in competition with Verso;
- own, directly or indirectly, more than a 3% interest in any of Verso's suppliers, customers or anyone else doing business with Verso, unless such interest is authorized by Verso's General Counsel;
- except for arm's-length transactions in the ordinary course of business, obtain loans or guarantees of personal obligations from, or enter into any other personal financial transaction with, any material customer, supplier or competitor of Verso;

- use any of Verso’s property (including information) or labor for personal reasons, except as permitted in the “Use of Verso’s Property” section of this Code of Conduct; or
- enter into dating or personal/social relationships with other Verso people with whom we have a direct or indirect reporting relationship or over whom we have hiring, firing, promotional, demotional, job-placement or investigative authority.

Note: Except at our mills, any Verso people who are family members (we define “family members” as our parents, brothers, sisters, spouses, in-laws and children), or who become family members while working at Verso, are not permitted to work together under the same supervisor, in the same department, or in a direct or indirect reporting relationship.

Our loyalty to Verso and ability to act objectively in performing our jobs can be compromised not just when we receive an improper personal benefit, but also when our family members do so. We must, therefore, avoid all conflicts of interest involving ourselves as well as our family members.

## CORPORATE OPPORTUNITIES

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### **Principle**

Our people are responsible for advancing Verso's business interests when the opportunity to do so arises.

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### **Guidelines**

We are not permitted to take for ourselves, or direct to a third party, any business opportunity discovered through our position at Verso or through the use of Verso's property or information.

We must not use our position with Verso, or Verso's property or information, for our personal benefit or gain or the benefit or gain of any person or entity other than Verso.

We must not compete with Verso in any way.

## ACCOUNTING, FINANCIAL REPORTS AND PUBLIC DISCLOSURES

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### Principle

Our people will demonstrate the highest integrity in conducting Verso's accounting operations, preparing our financial reports, and making our disclosures to the public.

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### Guidelines

Verso's financial statements, and all books and records on which they are based, must accurately reflect Verso's transactions. Verso will have only one set of books.

We must understand and adhere to Verso's accounting and financial reporting policies, procedures and practices.

We must be candid in our communications with Verso's accounting and financial reporting personnel and with our auditors. We must provide them with accurate and complete information in an objective and timely manner.

We must endeavor to ensure that Verso's financial reports and other public disclosures – including our press releases as well as our registration statements and reports filed with the Securities and Exchange Commission – contain complete, accurate and understandable disclosures and are issued or filed on a timely basis.

We must encourage others within Verso to raise legitimate questions and concerns regarding the Company's public disclosures and ensure that they are appropriately addressed.

If we know of or suspect any improper or questionable accounting or auditing or any inaccuracy in Verso's financial reports or other public disclosures, we must promptly report the matter to Verso's General Counsel, the Verso Compliance Center, or the Audit Committee of Verso's Board of Directors in accordance with Verso's Whistleblower Policy.

Please see Verso's Whistleblower Policy for additional information.

## REPORTING ILLEGAL AND UNETHICAL BEHAVIOR

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### **Principle**

Our people will report any violation of law or this Code of Conduct, unethical behavior, improper or questionable accounting or auditing, or inaccuracy in Verso's financial reports or other public disclosures.

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### **Guidelines**

We must each abide by this Code of Conduct. This is required by Verso and is a condition of our employment. There are no exceptions.

Our failure to abide by this Code of Conduct is considered a serious violation and is justification for disciplinary action up to and including immediate termination.

If you know or suspect that any violation of law or this Code of Conduct or any unethical behavior has occurred, you must promptly report the incident to the General Counsel and/or the Verso Compliance Center or your supervisor.

If you know of or suspect any improper or questionable accounting or auditing or any inaccuracy in Verso's financial reports or other public disclosures, you must promptly report the matter to Verso's General Counsel, the Verso Compliance Center, or to the Audit Committee of Verso's Board of Directors.

Any report – whether it be for a violation of law or this Code of Conduct, improper or questionable accounting or auditing, or an inaccurate financial report or other public disclosure – may be made anonymously. However, Verso prefers that you provide your name and contact information so that Verso may follow up with any questions that might arise from your report. You may feel confident in reporting violations because Verso does not allow retaliation against you for doing so.

If we believe that you, or anyone at Verso, has violated any law or this Code of Conduct, we may discuss the matter with your supervisor, Verso's General Counsel or the Audit Committee of Verso's Board of Directors. In addition, if we have a question about whether you, or anyone at Verso, has violated any law or this Code of Conduct, we may discuss the matter with the same resources. The self-reporting of past violations will not automatically jeopardize a person's employment; instead, situations will be reviewed on an individual basis. You may also report such incidents in accordance with Verso's

Whistleblower Policy. Please see Verso's Whistleblower Policy for additional information.

Each of us must take seriously any complaint or concern expressed by any of our people whom we supervise. If we determine that action is required to address the situation, we will notify all appropriate persons and make sure that the situation is investigated. Serious violations must be reported immediately to Verso's General Counsel or the Verso Compliance Center.

If Verso conducts an investigation, all persons are required to cooperate fully with the investigators, except where provided by law. Anyone who does not cooperate during an investigation could be subject to disciplinary action up to and including immediate termination.

Verso has a compelling interest in protecting the integrity of its investigations. In every investigation, Verso has a strong desire to protect witnesses from harassment, intimidation and retaliation, to keep evidence from being destroyed, to ensure that testimony is not fabricated, and to prevent a cover-up. Verso may decide in some circumstances that in order to achieve these objectives, we must maintain the investigation and your role in it in strict confidence. If Verso decides, in its reasonable discretion, to impose such a requirement and you do not maintain such confidentiality, you may be subject to disciplinary action up to and including immediate termination.

Please see Verso's Whistleblower Policy for additional information.

## INTERPRETATIONS AND WAIVERS OF THE CODE

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**Interpretations** All interpretations of this Code of Conduct will be made by Verso's General Counsel.

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**Amendments and Modifications** This Code of Conduct may be amended or modified by the Board of Directors, upon the recommendation of the Nominating and Governance Committee, subject to the disclosure and other provisions of the Securities Exchange Commission and the rules of the New York Stock Exchange. Any changes to this Code of Conduct will, to the extent required, be promptly disclosed as provided by Securities Exchange Commission or New York Stock Exchange rules.

**Waivers** It may be appropriate, in certain extraordinary circumstances, to grant a waiver of a provision of this Code of Conduct.

Any request for a waiver must be made in writing to Verso's General Counsel.

Any waiver of this Code of Conduct for a director or executive officer may be made only by Verso's Board of Directors or its Audit Committee and must be promptly disclosed to the public in accordance with the applicable legal requirements of the Securities and Exchange Commission and the New York Stock Exchange.

# CONTACTS FOR QUESTIONS, INTERPRETATIONS AND REPORTS OF VIOLATIONS

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## Introduction

From time to time, you might have questions about whether certain conduct is permitted or prohibited by this Code of Conduct. At other times you might want to receive an interpretation of a particular provision of this Code of Conduct. There also might be situations in which you are required to report a violation of law or this Code of Conduct, unethical behavior, improper or questionable accounting or auditing, or inaccuracy in Verso's financial reports or other public disclosures. To assist in each of these instances, Verso has developed a simple approach for getting us in touch with the right person.

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## Questions and Interpretations

To ask a question about whether certain conduct is permitted or prohibited by this Code of Conduct, or to receive an interpretation of a specific provision of this Code of Conduct, you may contact Verso's General Counsel as follows:

- By email: [general.counsel@versoco.com](mailto:general.counsel@versoco.com)
  - By letter: Verso Corporation  
Attention: General Counsel  
8540 Gander Creek Drive  
Miamisburg, Ohio 45342
  - By telephone: 937-242-9210
- 

## Reporting Violations

To report any violation of law or this Code of Conduct or any unethical behavior, you may choose any of the following options:

- your supervisor by email, letter or telephone
- Verso's General Counsel by email, letter or telephone as shown above
- the Verso Compliance Center by telephone at 800-770-1453

To report any improper or questionable accounting or auditing or any inaccuracy in Verso's financial reports or other public disclosures, you may choose any of the following options:

- Verso's General Counsel by email, letter or telephone as shown above
- the Verso Compliance Center by telephone at 800-770-1453
- to the Audit Committee by mail at the following address: Verso Corporation, Attention: Audit Committee, 8540 Gander Creek Drive, Miamisburg, Ohio 45342.

Any report – whether it be for a violation of law or this Code of Conduct, improper or questionable accounting or auditing, or an inaccurate financial report or other public disclosure – may be made anonymously. However, Verso prefers that you provide your name and contact information when reporting a violation, so that Verso may follow up with any questions that might arise from our report. You may feel confident in reporting violations because Verso does not allow retaliation against us for doing so.

Please also see Verso's Whistleblower Policy for additional information.

## ACKNOWLEDGMENT AND AGREEMENT

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### **Introduction**

We believe that if our people acknowledge that they have read, understand and agree to abide by this Code of Conduct when they join Verso and then repeat that acknowledgment on an annual basis, these actions will enhance Verso's core values of ethics and integrity and will help ensure Verso's success.

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### **Notices**

This Code of Conduct supersedes any and all prior versions.

Our failure to abide by this Code of Conduct is considered a serious violation and is justification for disciplinary action up to and including immediate termination.

Nothing in this Code of Conduct creates a contract of employment between Verso and us. Unless we have an employment contract, our employment with Verso is at will, will continue for no specific period of time, and may be terminated by Verso or us for any or no reason, with or without notice, and at any time.

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### **Training**

Verso will take appropriate steps to train each of us in this Code of Conduct. The training will include computer-based educational and testing sessions. The training will be conducted when our service with Verso begins and on an annual basis thereafter.

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### **Requirement**

Each of us must acknowledge that he or she has read, understands and agrees to comply with this Code of Conduct. To make such acknowledgment, each of us will be required to provide our electronic signature when we complete the Code of Conduct training session.

**VERSO CORPORATON  
ACKNOWLEDGMENT AND AGREEMENT  
FOR  
CODE OF CONDUCT**

I acknowledge that I have read, understand and agree to comply with the Verso Corporation Code of Conduct.

[Electronic Signature]