Statement Regarding California Transparency in Supply Chains Act

Packaging Corporation of America recognizes that the California Transparency in Supply Chains Act of 2010 requires manufacturers and certain others that do business in California to publicly disclose their efforts to eradicate slavery and human trafficking from their supply chains.

PCA seeks relationships with our suppliers based on mutual benefit, high and dependable performance and a joint commitment to continuous improvement. We expect ourselves and our suppliers to operate ethically and to comply with all applicable laws and regulations.

Most of our raw materials are sourced in the United States of America, and almost all of our manufacturing activities are conducted in the U.S. We believe the risk of slavery or human trafficking in our supply chain is low, and we have taken various steps to assess and reduce risks in our supply chain, including:

PCA Risk Assessment
We conducted an assessment of our practices and our procurement environment, as well as the general, geographic and supply-chain environments in which we conduct business. A particular emphasis was placed on identifying any potential, likely or credible risks of slavery and/or human trafficking existing within PCA's supply chain. Our assessment found that there is a low risk of slavery, human trafficking and other abuses of employees within our supply chain.

PCA’s Further Risk Monitoring (Ongoing) and Additional Efforts
PCA participates in various initiatives, such as the Supplier Ethical Data Exchange (“Sedex”), in order to facilitate a comprehensive and ongoing review of corporate social responsibility and sustainability across our operations — as well as to make our information transparent to those PCA customers with appropriate interest.

Expectations of Our People
All PCA employees are required to abide by and support PCA’s Statement of Business Principles. Our personnel are regularly trained on these and other principles. Training of our procurement professionals and other select personnel on identification of risk potential and the prevention of slavery, forced-labor and human trafficking in the supply chain is ongoing.
Expectations of Our Suppliers
We apply our ethical conduct standards when selecting suppliers and business partners. Our suppliers are required to comply with all applicable laws, including safety, labor and employment laws, and to become familiar, comply with and maintain policies consistent with our environmental, employee health, employee safety, product safety, corporate responsibility and sustainability expectations.

Third-Party Forest and Fiber Certification
All of PCA’s operations in North America are certified to the Sustainable Forestry Initiative® (SFI®) Fiber and Certified Sourcing and Chain of Custody standards. The SFI Fiber Sourcing standard contains thirteen objectives relevant to fiber procurement organizations. All of PCA’s operations are also certified to the Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody standard, which includes requirements (among others) to avoid sourcing from controversial sources, as well as to assure that forced labor is not used. Suppliers of timber, processed wood, wood fiber and paper products (including containerboard, white-top/mottled white/bleached printed or unprinted paperboard, labels and/or “top sheets”) are required to take steps to avoid sourcing from controversial sources in any shipments to, or on behalf of, PCA.

Controversial sources that shall be avoided (among others) currently include forest management activities that are in non-compliance with applicable laws, regulations and international agreements. Controversial sources also currently include those utilizing genetically modified organisms and converting forests to other vegetation types, as defined by the SFI and PEFC Chain of Custody standards.

Accountability
A supplier’s failure to comply with these expectations will result in termination of the supplier relationship. Employees who fail to comply with these expectations are subject to disciplinary action up to and including termination of employment.

Updated May 9, 2012