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ABOUT THIS REPORT

Sustainability planning is an ongoing process and a long-term commitment to excellence and continuous improvement.

In future years, Neenah plans to communicate its success, challenges, and overall progress – and our reporting will expand and progress. This report has been prepared using the Pulp & Paper Industry standards published by the Sustainability Accounting Standards Board (SASB) Foundation.


The Sustainability Accounting Standards Board Foundation (SASB) is an independent, nonprofit standard-setting organization that develops and maintains robust reporting standards that enable businesses around the world to identify, manage and communicate financially-material sustainability information to their investors.

CSR HIGHLIGHTS

Greenhouse Gas emissions **declined by more than**

15%*


Water withdrawn **fell by more than**

17%*


In 2019 **more than 400 employees** attended training workshops focusing on **leadership and management skills** 


Energy consumption was **reduced by more than**

18%*


Received the Forest Stewardship Council® **Leadership Award** in 2019

In the past 5 years, we've **increased the diversity** of both our U.S. workforce and our Board of Directors

We are the **largest purchaser of Green-E certified renewable electricity** in the state of Wisconsin, purchasing over 30,000 megawatts annually

100%


of the fibers we consume are recognized as being certified from sources with **sustainable practices**

Along with our employees, we contributed over **\$250,000** annually to charitable local causes and participated in over a dozen local activities

* Figures based on per unit of volume produced versus 2014 baseline.

ABOUT NEENAH

Neenah is a leading global specialty materials company, focused on premium niche markets that value performance and image.

Key products and markets include advanced filtration media, specialized performance substrates used for digital transfer, tape and abrasive backings, labels and other products, and premium printing and packaging papers.

The Company is headquartered in Alpharetta, Georgia and its products are sold worldwide from manufacturing operations in the United States, Europe and the United Kingdom.

Additional information can be found at the Company's web site, www.neenah.com.





EXECUTIVE SUMMARY

LETTER FROM OUR CEO

Thank you for your interest in Neenah, Inc. (“Neenah”) and our progress and initiatives in Corporate Sustainability. Neenah began as an independent company in 2004 and while our business portfolio today is materially different than it was then, our core values have not changed. We’re proud of our long-standing commitment to environmental, social, and governance issues that are both material to the success of our business and important to our stakeholders.

As a manufacturer, we know the importance of sustainability to the long-term success of our company.

Our strategies are designed to help us operate Neenah as a sustainable enterprise and appropriately manage risks. These strategies are implemented with our high-performance work force, operational excellence, customer-inspired innovation and financial strength. As a result, we believe we better serve our key stakeholders as we:

- Deliver value for our customers
- Work with ethical suppliers who share our values
- Invest in our employees, and foster a high support, results-driven culture that encourages diversity and treats everyone with respect
- Support the communities in which we work
- Generate meaningful value for our shareholders.

We’ve organized this report to align with SASB standards for our industry. The report addresses how we’re working to conserve natural resources by reducing our footprint in areas like greenhouse gas emissions, energy and water management, as well as by working with responsible suppliers, and you’ll see the demonstrated progress our teams have achieved in these areas.

We’ll also discuss how we work to maintain an attractive and successful work environment. We believe that building a more sustainable business allows us to attract and retain the best employees, and to better support the communities in which we do business. Safety remains our top priority and we believe that health and wellness

contribute to employee engagement and quality of life, and we continually seek ways to help our employees and their families embrace healthy living.

Sustainability is nothing new at Neenah, nor do we consider it simply the topic du jour. It has long been part of our culture and governance structure, which extends from our Board of Directors to each of our 2,500+ employees. The quest for sustainability is a continuous one and I’m pleased with what we’ve accomplished thus far. As Neenah has grown and expanded its global presence, this has brought added responsibilities. This is not a burden, but a duty, and it’s clear to me that doing the right thing in these areas also makes good economic sense. We will continue our commitment to caring for people and our planet as we consider the future in all areas of our company.

We look forward to continued engagement and communication with our stakeholders on our progress and hope this report provides you added insight into our initiatives, strategies and performance.

Sincerely,

A handwritten signature in black ink, appearing to read 'J P O'Donnell', written in a cursive style.

JOHN P. O'DONNELL
President & CEO
Neenah, Inc.

GOVERNANCE

Neenah is dedicated to responsible stewardship of our natural, human and financial resources and to managing these in a sustainable and productive manner.

To be effective, we are committed to having a robust corporate governance structure, with a Board of Directors and management team that are engaged and committed to championing these principles.

Our Board of Directors

Neenah's Board is comprised of eight members, with a wealth of diverse experiences and backgrounds. The Board is led by an independent Chairman and seven of the eight members of our Board meet the criteria required for independence by the New York Stock Exchange. We also believe in diversity and almost half of our Board of Directors and a third of our senior management team consist of women.

Our Policies

We have a number of corporate governance policies that help us implement and reinforce these principles, and our employees are trained annually on many of these topics.

These policies include:

- Code of Business Conduct and Ethics
- Human Rights Policy
- Ethics Hotline
- Ethical Purchasing Policy
- Environmental Policy
- Health and Safety Policy

The Code of Business Conduct and Ethics meets the requirements of a "code of ethics" as defined by SEC rules and regulations. The Code of Business Conduct and Ethics also meets the requirements of a code of conduct under NYSE listing standards. The Human Rights Policy sets forth Neenah's commitment to promote human rights in accordance with the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights to ensure that all people are treated with

dignity and respect. The Environmental Policy sets forth Neenah's commitment to stewardship and sustainability of our natural resources. All policies are available on our website at [neenah.com](https://www.neenah.com) in the Investor Relations section.

Our Governance Structure

Neenah recognizes that a strong governance structure is essential to managing sustainability and social issues. Neenah's CEO and Board of Directors have overall responsibility for sustainability governance and are the ultimate decision-makers with respect to these issues. Responsibilities are communicated through senior management and ensure that our sustainability goals and policies are integrated with our business strategy.

We have a cross-functional sustainability team that identifies material issues, provides input on strategic decisions, gathers information, and evaluates performance against our chosen metrics. The team will also evaluate the applicability of international frameworks and standards, with focus on continuous improvement and communications, helping the Company to see, understand, and respond to not only what is current, but also what is on the horizon.

Risk Oversight & Climate Change

The Board participates in risk oversight, including environmental matters, through the Company's Enterprise Risk Evaluation, which is conducted by our Chief Financial Officer and General Counsel in conjunction with the Company's senior management team. This holds management accountable for maintenance of high ethical standards, with effective policies and practices to protect our assets and enhance our culture.

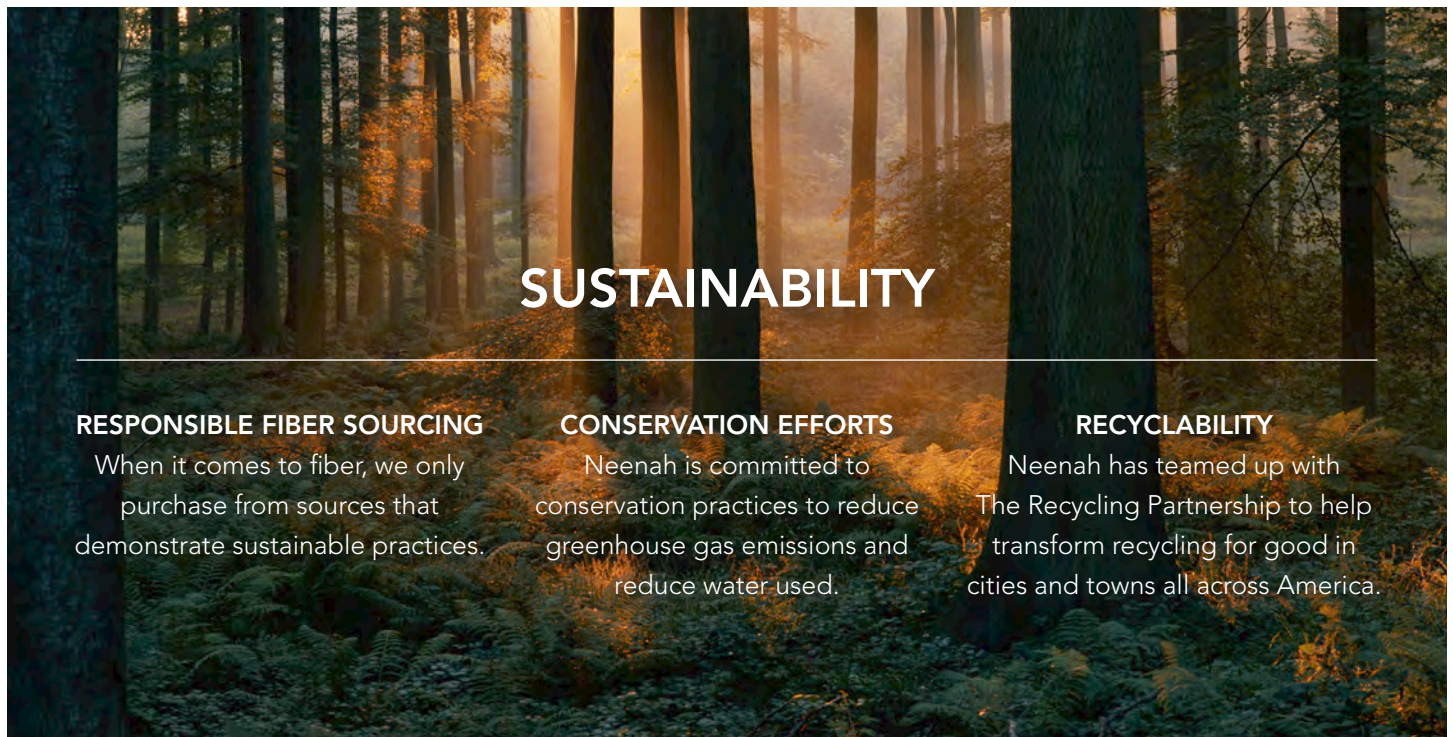
Like many companies, Neenah faces potential climate change risks, including future environmental legislation, weather-related impacts to our raw material inputs, energy or possibly even customer demand and physical assets. We're taking an active role to manage these risks appropriately and believe today we are reasonably positioned, with access to a secure water supply, raw material inputs, and protection from natural disasters.

OUR PLANET



SUSTAINABILITY STRATEGY

Our objective is to improve our environmental footprint and exceed all regulatory standards, and we take pride in our commitment to responsible fiber sourcing, investing in conservation, and offering a wide selection of recyclable and environmentally-preferred products.



SUSTAINABILITY

RESPONSIBLE FIBER SOURCING

When it comes to fiber, we only purchase from sources that demonstrate sustainable practices.

CONSERVATION EFFORTS

Neenah is committed to conservation practices to reduce greenhouse gas emissions and reduce water used.

RECYCLABILITY

Neenah has teamed up with The Recycling Partnership to help transform recycling for good in cities and towns all across America.

We go through a rigorous process of identifying the impact of our operations on the environment and looking for ways to improve.

The following areas represent the most material environmental issues to our business:

FIBER

How and where we source our fiber is crucial to our business and our policy is only to purchase fiber from sources that demonstrate sustainable practices and are certified by one of the internationally recognized forest certification bodies. In addition, we utilize recycled post-consumer fibers in many of our papers.

ENERGY

Our manufacturing facilities utilize a range of energy sources including natural gas, oil, coal, as well as

sustainable energy sources. We continually look for ways to increase efficiencies and reduce our consumption of non-renewable sources and minimize our footprint. Our consumption of renewable energy includes steam from co-generation of electricity, hydro-generated electricity and purchased renewable power and we continue to explore new sources of renewable energy.

WATER

At Neenah we're acutely aware of global, regional, and local water issues and trends. Our practice and policy are to minimize consumption and return water used in our operations back to its source after thoroughly treating it to ensure it won't have a negative impact on the receiving environment. To achieve this, all our facilities with primary and secondary treatment plants meet or exceed rigorous performance requirements for these operations.

FIBER SOURCING

As a manufacturer with many cellulose fiber-based materials, this is the largest raw material we purchase and consume in our manufacturing process. While we do not directly manage forests or harvest trees, we are fully committed to leveraging our influence to conserve and protect our forests.

Consequently, we only purchase fiber from sources that demonstrate sustainable practices and have third-party forest management certification programs, including Sustainable Forestry Initiative (SFI), Forest Stewardship Council (FSC), and the Programme for the Endorsement of Forest Certification schemes (PEFC.)

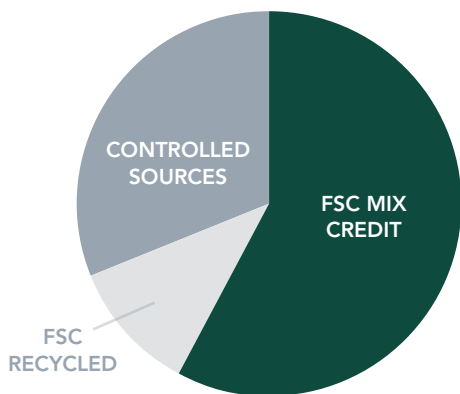
Neenah will never knowingly procure any pulp or forest products from illegally harvested wood, and we require all vendors and sub-vendors to demonstrate compliance with legal requirements. Similarly, we won't knowingly procure any pulp or forest products from areas where traditional or civil rights are violated; or from uncertified forests having high conservation values threatened by forest management activities; or harvested from genetically modified trees.

We are proud that 100% of Neenah's wood fiber purchases are coming from FSC certified materials and other controlled sources. Our premium fine paper business was the first in our industry to receive FSC certification.

In 2019, we were honored to receive the FSC Leadership award, recognizing our long-standing commitment to responsible fiber sourcing and designing innovative new products for our customers that embrace sustainable principles.



PURCHASED FIBER IN 2019



100% of our wood fiber purchases are either FSC® certified or controlled

FOREST STEWARDSHIP COUNCIL (FSC) CERTIFIED FIRST IN 2003

NON GMO

Prohibits the use of genetically-modified organisms.

SUSTAINABLE STANDARDS

Standards developed by a broad range of stakeholders, including environmental and human rights activists and forest products representatives.

CREDIBLE

Endorsed by the Sierra Club and Greenpeace. Audit results are made public and can be appealed.

FIBER SOURCING CERTIFICATES



FSC® CERTIFIED

Supports well-managed forests as well as the responsible use of forest resources.



Post-Consumer Waste

Saves trees, water, energy, and greenhouse gas emissions. At Neenah, the recycling symbol communicates that a paper contains a minimum of 30% post-consumer waste.



Green Seal

Ensures a minimum of 30% post-consumer waste is used and that the mill processes and packaging are environmentally preferable.



Process Chlorine Free

Our 100% post consumer recycled papers are produced without chlorine during the whitening process.



Alternative Fibers

Our alternative fiber offering consists of Cotton and Hemp.



ENERGY MANAGEMENT

Regardless of what type of energy sources we use, we continually look for ways to increase our efficiency and reduce consumption.

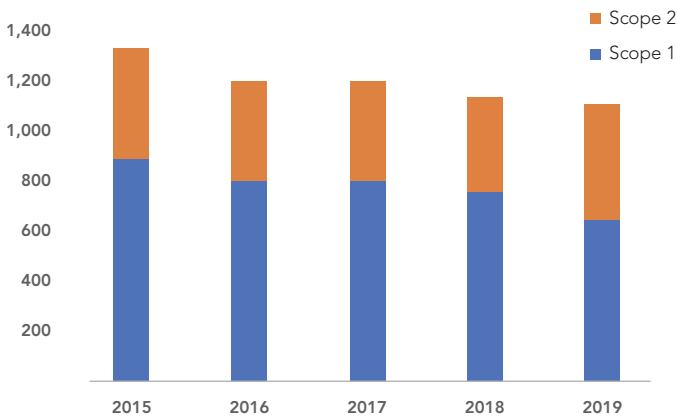
RENEWABLE ENERGY

Neenah's mills in Appleton, WI and Bruckmühl, Germany both generate almost a third of their electrical needs from on-site, non-polluting hydropower and our mill in Munising, MI utilizes waste steam from electrical generation. Neenah is also the largest purchaser in Wisconsin of Green-e certified renewable energy, purchasing over 30,000 megawatt hours annually. These efforts demonstrate our commitment to supporting renewable energy and offsetting generation of electricity from fossil fuels, while reducing air emissions and supporting the local economy.

AIR EMISSIONS / FOOTPRINT


Our manufacturing processes consume energy and result in Greenhouse Gas (GHG) emissions. We are committed to reducing these emissions and continue to invest in efforts that help us reduce these emissions.

Greenhouse Gas Emissions per Unit of Production

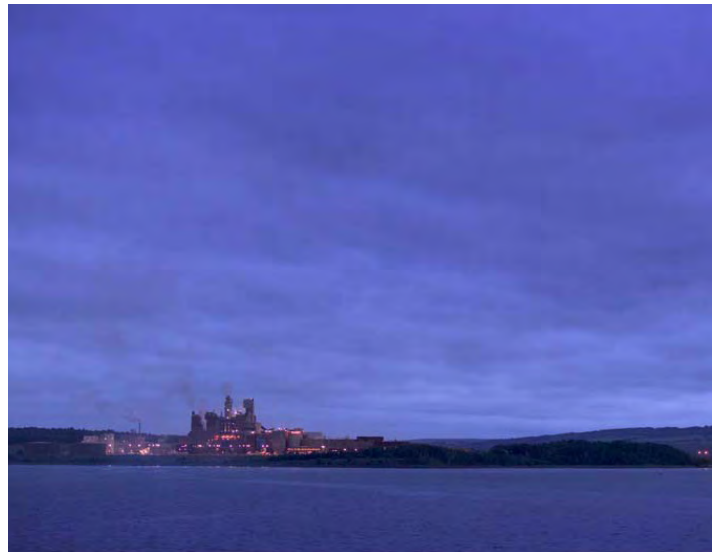


One of our latest investments was at our mill in Weidach, Germany. There we invested more than €7 million to install a Regenerative Thermal Oxidizer (RTO) that has enabled the mill to reduce Volatile Organic Compound (VOC) emissions by approximately 60% and formaldehyde emissions by 90%. The RTO also generates steam and reduces the mill's natural gas consumption by 40%.

18%



decrease in **energy** usage per unit of production over past five years



WATER MANAGEMENT

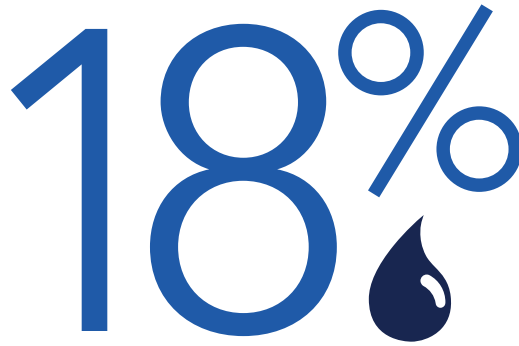
WATER QUALITY AND CONSERVATION

Neenah's facilities are not located in areas where water availability is critical, though we are acutely aware of global, regional, and local water issues and trends and know that shortages can occur due to increasing demands, contamination, and changing climatic and precipitation patterns. We're managing this from two perspectives: water conservation and state-of-the-art process water treatment.

As a company, we work to minimize the amount of fresh water we use at our manufacturing facilities, and to recycle water within a facility as much as practically possible, all while maintaining stringent quality requirements.

Due to the very high quality achieved through efficient water treatment systems, our mills have the unique opportunity of being able to recycle and reuse fully treated effluent back into our process to minimize fresh water draws. Our policy is to return the water used in manufacturing at a quality level that doesn't negatively impact the receiving environment. To ensure that this goal is achieved, all Neenah mills that have process water treatment plants meet rigorous performance standards that go beyond regulatory compliance.

18%



decrease in **water** withdrawn per unit of production over past five years



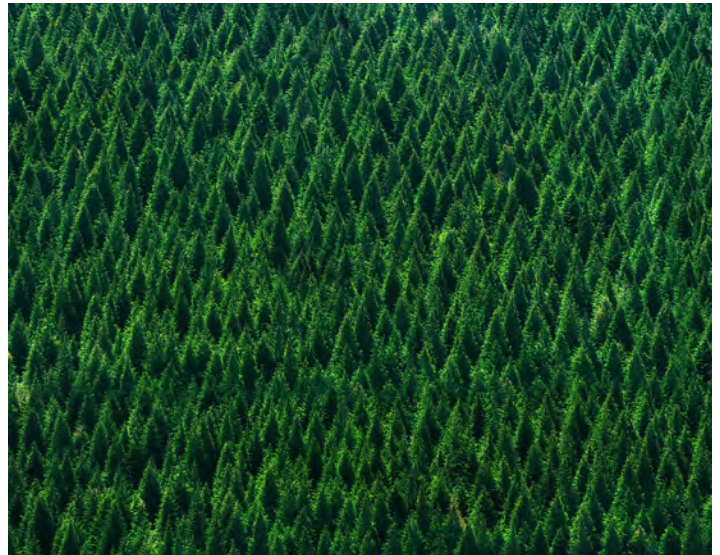
SUPPLY CHAIN MANAGEMENT

We recognize that our sphere of influence reaches beyond our facilities and are committed to be a responsible corporate citizen by conducting business ethically and with integrity to benefit society as well as our employees, customers, and stakeholders. Wherever we operate, we expect certain universal minimum standards of business conduct and work to ensure our purchasing practices and standards place a priority on promoting safety, protecting the environment, and valuing human rights.

We will only purchase goods and services which are produced and delivered under conditions which do not abuse or exploit any person or the environment.

These requirements form the backbone of the evaluation and screening criteria for our vendor selection, and we will seek alternative sources where the conduct of suppliers violates any of these standards or policies and/or fails to address shortcomings in a timely manner.

We enforce these policies by requiring our suppliers in high risk countries to undergo third-party social compliance audits and maintain SA8000 social accountability certification. We expect our suppliers and employees to fully comply with all legal and ethical standards, and these standards are outlined in detail in our Ethical Purchasing Policy on our website.





OUR
WORKPLACE

HEALTH & SAFETY

Workplace safety is our strongest commitment and priority.

It is our policy and practice to promote and support occupational safety and industrial hygiene and seek to eliminate all loss, including injuries, illnesses, property damage, and environmental concerns.

All facilities have safety management systems that include:

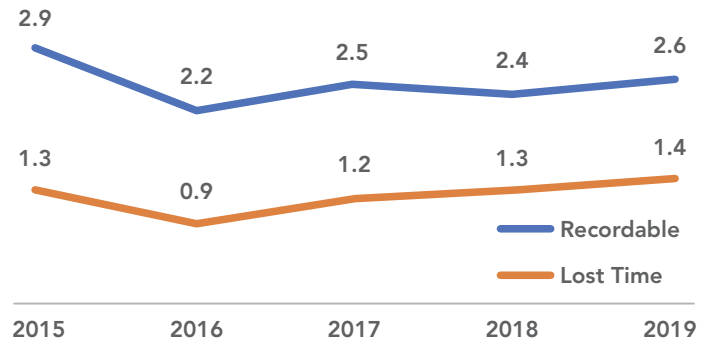
- Management leadership and commitment
- Employee involvement
- Hazard identification, prevention and control
- Occupational hygiene
- Safety and hygiene training
- Emergency response planning
- Accident/incident analysis
- Recordkeeping
- Regulatory compliance

Our employees are encouraged to actively engage in our Environmental, Health and Safety (EHS) programs, and our global data management system enables us to report and manage EHS related activities in a consistent manner across locations. This includes routine workplace safety audits, employee participation in safety meetings and training, and active safety committees.

While we have a way to go to meet our internal targets, using these approaches has allowed us to achieve a

10 percent reduction in our injury frequency rate versus 2015 and our recent results have been in line with averages for our industry.

SAFETY INCIDENT RATE



However, we are not satisfied with being in line with industry averages and strive to do better. To do so we are looking across industries for best practices and working to rebuild and revitalize our safety management system as part of a new Neenah Operating System. Initially our efforts are focused on (i) institutionalizing Leadership Skills, (ii) upgrading our Incident Investigation to allow us to better identify and address root causes and (iii) improve our Hazard Recognition & Control capabilities. We have set an internal target for a recordable injury rate of “Under 1 in 2021” as a milestone on our journey to our goal of zero injuries.

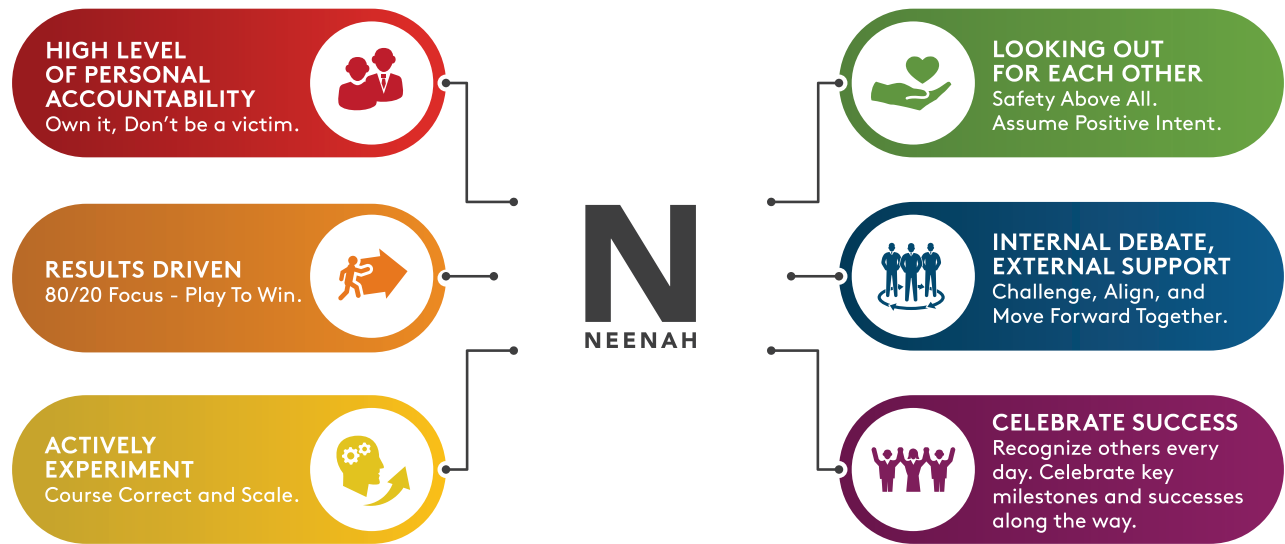


OUR CULTURE

We believe it is imperative to maintain a work environment that is safe, inclusive and effectively leverages the talents of our global workforce.

Our High Achievement and High Support culture promotes an environment of accountability, experimentation, challenging norms, and always doing the right thing. Our success starts with our ability to attract, engage, and retain the most talented and highest-performing

employees. We strive to provide our employees with a meaningful and engaging work experience. At the same time, ensuring the safety and health of our employees is a top priority, and we recognize the benefits of a supportive workplace for employee well-being.



HUMAN RIGHTS

Respecting human rights is a fundamental belief at Neenah and we believe that our human rights policies and procedures create shared value for our stakeholders and for society as a whole.

We strive to respect and promote human rights in accordance with the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights all while ensuring that people are treated with dignity and respect.

Our global Human Rights Policy not only applies to all our operations, but also outlines expectations for our business partners including suppliers and distributors.



LABOR RELATIONS

Approximately two-thirds of our employees are covered by collective bargaining agreements, including relationships with unions, work councils, and employee associations around the world.

We respect the decisions of our employees to exercise their rights to associate and bargain collectively and work closely with representatives from our labor union partners to provide safe and productive workplaces that enable our employees to deliver high quality products and provide excellent customer service.

At Neenah, we recognize that when we respect and value our differences and engage our employees around common goals, we create an environment that encourages employees to reach their fullest potential, contribute their best work, and live our culture of “High Achievement and High Support”.



DIVERSITY & INCLUSION

We recognize the need for a well-rounded workforce whose members have a mix of backgrounds, experiences, and perspectives and strive to foster a culture where all employees come to work feeling appreciated and knowing they have an equal opportunity to grow and succeed based on their performance, regardless of individual differences. We’re constantly working to expand our recruiting outreach because we believe companies with the best talent win, and finding the best talent means casting a wide net.

Over the past five years we’ve increased both our gender and ethnic diversity in the U.S. by over 10 percent.



INNOVATION

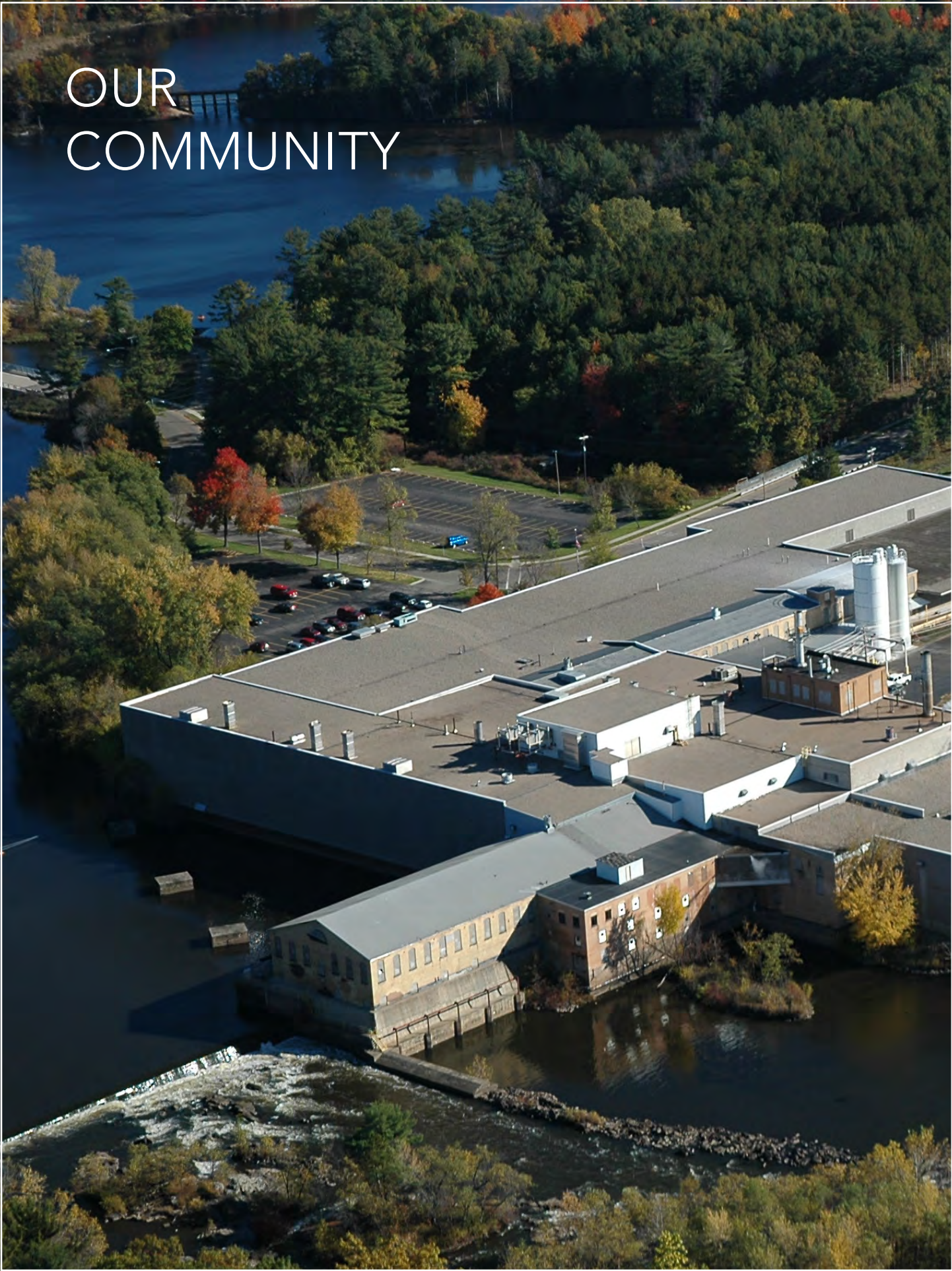
Customer-Inspired Innovation

At Neenah our R&D and innovation efforts are constantly focused on bringing more environmentally friendly solutions to meet our customers' needs.

- Premium packaging efforts have delivered more environmentally-preferred products, as customers increasingly look for alternatives to plastic. We're seeing growing demand for our paper-based gift cards, and have launched a recyclable, wide format ImageMax® signage portfolio that is an environmentally friendly alternative to styrene products.
- We're making new commercial print products with sustainable fibers to meet market needs.
- We've developed a new, low emission filter media that is environmentally friendly and outperforms current regulatory requirements.
- We recently launched TexCol®, our digital transfer brand that uses proprietary technology to transfer images onto natural fibers like cotton through a waterless process and DISPERSA®, a performance label that looks and feels like a traditional label, but dissolves rapidly in water.



OUR COMMUNITY



IMPACT / PHILANTHROPY

We strongly believe in supporting, promoting and building a positive reputation in the communities in which we operate.

Our outreach and efforts in this area take many forms. From a corporate-wide perspective, we promote a Day of Giving at all locations and provide a matching gifts program that supports and amplifies our employees' interests by providing financial support to qualified charitable organizations that our employees choose.

On a local level, our efforts take a variety of shapes, but in all cases are oriented to meet specific, identified needs of the communities in which we operate. We participate in over a dozen local activities and contribute around \$250,000 annually to charitable causes that our employees have identified as meaningful in their communities. Examples of some of these activities are shown below:



APPENDIX



APPENDIX

NEENAH CORPORATE RESPONSIBILITY REPORT DATA

	2014	2015	2016	2017	2018	2019
Greenhouse Gas Emissions (tons)						
Scope 1 (direct)	253,370	245,884	259,820	266,397	269,504	211,048
Scope 2 (indirect from purchased energy)	116,888	118,168	128,859	131,495	134,632	147,074
Total	370,258	364,706	388,678	397,893	404,043	358,122
<i>per unit of Production</i>	1,320	1,332	1,202	1,202	1,136	1,109
Energy Consumption						
Consumption (gigajules)	4,986,822	4,846,529	5,178,374	5,366,007	5,442,390	4,681,385
MMBTU per unit of Production	16.9	16.8	15.2	15.4	14.5	13.7
Average % Grid Electricity						
	16.3%	16.8%	15.3%	15.0%	16.3%	17.8%
Average % Renewable Energy						
	1.2%	1.0%	0.9%	0.8%	0.8%	0.7%
Water Withdrawn						
Withdrawn (M gallons)	4,006	3,871	3,984	3,950	4,143	3,785
<i>per unit of Production</i>	14.3	14.1	12.3	11.9	11.7	11.7
Water Consumed						
Consumed (M gallons)	252	191	250	216	304	280
<i>per unit of Production</i>	0.9	0.7	0.8	0.7	0.9	0.9
Purchased Fiber						
FSC Mix Credit	51%	48%	50%	51%	57%	58%
FSC Recycled	13%	12%	11%	12%	11%	11%
Controlled Sources	31%	36%	38%	37%	32%	31%
Sub-Total FSC Approved	96%	96%	99%	100%	100%	100%
U.S. Workforce Diversity						
% Women		20%	20%	22%	21%	22%
% Minority		8%	8%	8%	9%	9%

Notes:

Data includes acquired companies, starting the first full year after acquisition

Data excludes results of divested companies in all periods

Data as reported from operations, not independently audited

All metrics reported using the Sustainability Accounting Standards Board (SASB) Pulp & Paper Industry definitions

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