



**Veritiv**®

**VERITIV CORPORATION**

**INSIDER TRADING POLICY**

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## INSIDER TRADING POLICY

(Effective as of December 15, 2020)

### **Background**

The Board of Directors of Veritiv Corporation (the “Company”) has adopted this Insider Trading Policy for our directors, officers and employees with respect to the trading of the Company’s securities, as well as the securities of other publicly traded companies with whom we have a business relationship.

Federal and state securities laws prohibit the purchase or sale of a company’s securities by persons who are aware of material information about a company that is not generally known or available to the public. These laws also prohibit persons who are aware of such material nonpublic information from disclosing this information to others who may trade based upon it. Companies may also be subject to liability if they fail to take reasonable steps to prevent insider trading by their representatives.

It is important that you understand the breadth of activities that constitute illegal insider trading and the consequences, which can be severe. Both the U.S. Securities and Exchange Commission (the “SEC”) and the New York Stock Exchange investigate and are very effective at detecting insider trading. The SEC, together with the U.S. Attorneys, pursues insider trading violations vigorously. Cases have been successfully prosecuted against trading by employees through foreign accounts, trading by family members and friends, and trading involving only a small number of shares. Several high profile cases come to mind in recent years.

This Policy is designed to prevent insider trading or even the appearance of possible insider trading, with the ultimate objective of protecting each of you and the Company from legal liability, and to protect the Company’s solid reputation for integrity and ethical conduct. It is your obligation to understand and comply with this Policy. Should you have any questions regarding this Policy, please contact Mark W. Hianik, Senior Vice President, General Counsel and Corporate Secretary at (770) 391-8316 or at [mark.hianik@veritivcorp.com](mailto:mark.hianik@veritivcorp.com).

### **Penalties for Noncompliance**

*Civil and Criminal Penalties.* Potential penalties for insider trading violations include (1) imprisonment for up to 20 years, (2) criminal fines of up to \$5 million, and (3) civil fines of up to three times the profit gained or loss avoided.

*Controlling Person Liability.* If the Company fails to take appropriate steps to prevent illegal insider trading, the Company may have liability for trading violations, with civil penalties of up to the greater of \$1 million and three times the profit gained or loss avoided, as well as a criminal penalty of up to \$25 million. The civil penalties can extend personal liability to the Company’s directors, officers and other supervisory personnel if they fail to take appropriate steps to prevent insider trading.

*Company Sanctions.* Failure to comply with this Policy will also subject you to Company- imposed sanctions, up to and including immediate termination for cause, whether or not your failure to comply with this Policy results in a violation of law or is detected by any governmental enforcement authority.

### **Scope of Policy**

*Persons Covered.* As a director, officer or employee of the Company or any of its subsidiaries, this Policy applies to you. The same restrictions that apply to you apply to your family members who reside with you, anyone else who lives in your household and any family members who do not live in your household but whose transactions in Company securities are directed by you or are subject to your influence or control (such as parents or children who consult with you before they trade in Company securities). It also covers other legal entities in which you have some level of discretionary control (partner, trustee, executor and the like). If in doubt, then assume that the subject person is covered by this Policy. You are responsible for making sure that the purchase or sale of any Company security by any such person complies with this Policy. Regardless of whether or not you hold your shares in brokerage accounts or other forms of ownership, unless you've completely surrendered all discretionary control over such shares, you are responsible for ensuring compliance with this Policy.

*Companies Covered.* The prohibition on insider trading in this Policy is not limited solely to trading in the Company's securities. It includes trading in the securities of other firms, such as major suppliers or customers of the Company and those with which the Company may be negotiating major transactions, such as an acquisition, investment or sale, while in possession of material nonpublic information about that other firm. Information that is not material to the Company may nevertheless be material to one of those other firms.

*Transactions Covered.* Trading includes purchases and sales of stock, derivative securities such as put and call options and convertible debentures or preferred stock, and debt securities (debentures, bonds and notes). It also includes any other form of disposal, including gifts,pledges and the like.

This Policy's trading restrictions generally do not apply to the simple exercise of a stock option using your own cash or other securities of the Company to fund the exercise price so long as the underlying shares are not then disposed of. The trading restrictions *do* apply, however, to any sale of the underlying stock or to a cashless exercise of the option through a broker and to the exercise of a stock appreciation right, as these transactions entail selling a portion of the underlying stock and/or securing a profit in the underlying stock.

### **Statement of Policy**

*No Trading on Inside Information.* You may not trade in the securities of the Company, directly or through family members or other persons or entities, if any of you are aware of material nonpublic information relating to the Company. Similarly, you may not trade in the securities of any other company if you are aware of material nonpublic information about that company which you obtained in the course of your employment with the Company. By engaging in any such transaction, you will be deemed to have made a representation to the Company that you are in compliance with this Policy.

*No Disclosure of Material Nonpublic Information; No Tipping.* You may not disclose material nonpublic information to anyone, except those persons within the Company or our third party

representatives (such as our independent auditors, investment banking advisors or outside legal counsel) whose work responsibilities require them to be aware of it. You may not pass material nonpublic information on to others or recommend to anyone the purchase or sale of any securities when you are aware of such information. This practice, known as “tipping,” also violates the securities laws and can result in the same civil and criminal penalties that apply to insider trading, even though you did not trade and did not gain any benefit from another’s trading.

*No Exception for Hardship.* The existence of a personal financial emergency does not excuse you from compliance with this Policy.

*Blackout and Pre-Clearance Procedures.* To help prevent inadvertent violations of the federal securities laws and to avoid even the appearance of impropriety, the Company’s Board of Directors has adopted an Addendum to Insider Trading Policy that applies to directors, executive officers subject to Section 16 of the Securities Exchange Act of 1934 (“executive officers”), and certain other designated employees of the Company and its subsidiaries who have access to material nonpublic information about the Company. The Company will notify you if you are subject to the Addendum and you will receive a copy of it.

The Addendum generally prohibits persons covered by it from trading in the Company’s securities during quarterly blackout periods (beginning near the end of a quarter and ending after the first full business day following the release of the Company’s earnings for that quarter) and during certain other event-specific blackouts. Directors and executive officers also must pre-clear all trading in the Company’s securities as specified in the Addendum.

### **Definition of Material Nonpublic Information**

Note that inside information has two important elements – materiality and public availability.

*Material Information.* Information is material if there is a substantial likelihood that a reasonable investor would consider it important in deciding whether to buy, hold or sell a security. Any information that could reasonably be expected to affect the price of the security is material. Examples of possible material information are:

- Projections of future financial results or other earnings guidance.
- Disclosure of current financial results, particularly results that are inconsistent with the consensus expectations of the investment community.
- A pending or proposed merger, acquisition or tender offer or an acquisition or disposition of significant assets.
- A change in management.
- Major events regarding the Company’s securities, including the declaration of a dividend, the declaration of a stock split, the offering of additional securities or the purchase by the Company of its own securities.
- Major transactions with other companies, such as joint ventures or licensing agreements.
- Severe financial and/or liquidity problems.
- Actual or threatened major litigation, or the resolution of such litigation.
- New major contracts, orders, suppliers, auditors, customers or financing sources, or the loss thereof.
- A major cybersecurity incident.

Both positive and negative information can be material. Because trading that receives scrutiny will be evaluated after the fact with the benefit of 20/20 hindsight, doubts concerning the materiality

of particular information always should be resolved in favor of materiality, and trading should be avoided.

*Nonpublic Information.* Nonpublic information is information that is not generally known or available to the public. One common misconception is that material information loses its “nonpublic” status as soon as a press release is issued disclosing the information. In fact, information is considered to be available to the public only when it has been released broadly to the marketplace (such as by a press release or an SEC filing) and the investing public has had reasonable time to fully digest the information. As a general rule, information is not considered publicly available until the start of the second full trading day after the information is released.

### **Additional Guidance**

The Company considers it improper and inappropriate for those employed by or associated with the Company to engage in short-term or speculative transactions in the Company’s securities or in other transactions in the Company’s securities that may lead to inadvertent violations of the insider trading laws. Accordingly, your trading in Company securities is subject to the following additional guidance.

*Short Sales.* You may not engage in short sales of the Company’s securities (sales of securities that are not then owned), including a “sale against the box” (a sale with delayed delivery).

*Publicly Traded Options.* You may not engage in transactions in publicly traded options involving the Company’s securities, such as puts, calls and other derivative securities, on an exchange or in any other organized market.

*Standing Orders.* Standing orders should be used only for a very brief period of time. A standing order placed with a broker to sell or purchase stock at a specified price leaves you with no control over the timing of the transaction. A standing order transaction executed by the broker when you are aware of material nonpublic information may result in unlawful insider trading.

*Margin Accounts and Pledges.* A margin or foreclosure sale that occurs when you are aware of material nonpublic information may, under some circumstances, result in unlawful insider trading. Because of this danger, you should exercise caution in holding Company securities in a margin account or pledging Company securities as collateral for a loan and must notify the General Counsel and the Chair of the Compensation and Leadership Development Committee of any Company securities so held or pledged.

*Hedging Transactions.* Hedging or monetization transactions, such as prepaid variable forward contracts, equity swaps, collars and exchange funds, may involve the establishment of a short position in the Company’s securities and limit or eliminate your ability to profit from an increase in the value of the Company’s securities or suffer from a decrease in such value. Therefore, you may not, directly or indirectly, engage in transactions that hedge or offset, or are designed to hedge or offset, any increase or decrease in the market value of the Company’s securities.

### **Unauthorized Disclosure**

Maintaining the confidentiality of Company information is essential for competitive, security and other business reasons, as well as to comply with securities laws. You should treat all information you learn about the Company or its business plans in connection with your employment as confidential and proprietary to the Company. Inadvertent disclosure of confidential or inside information may expose the Company and you to significant risk of investigation and litigation.

The timing and nature of the Company's disclosure of material information to outsiders is subject to legal rules, the breach of which could result in substantial liability to you, the Company and its management. Accordingly, it is important that responses to inquiries about the Company by the press, investment analysts or others in the financial community be made on the Company's behalf only through authorized individuals. Please consult the "Communications Outside of the Company" section of the Code of Business Conduct and Ethics for more details regarding the Company's policy on speaking to the media, financial analysts and investors.

### **Personal Responsibility**

You should remember that the ultimate responsibility for adhering to this Policy and avoiding improper trading rests with you. If you violate any aspect of this Policy, the Company will take disciplinary action against you, up to and including immediate termination for cause.

### **Company Assistance**

Your compliance with this Policy is of the utmost importance both for you and for the Company. If you have any questions about this Policy or its application to your circumstances, please do not hesitate to seek additional guidance from the Company's General Counsel, Mark W. Hianik at (770) 391-8316 or [mark.hianik@veritivcorp.com](mailto:mark.hianik@veritivcorp.com). Do not try to resolve uncertainties on your own, as the rules relating to insider trading are often complex, not always intuitive and carry severe consequences.

## **ADDENDUM TO INSIDER TRADING POLICY – PRE-CLEARANCE AND BLACKOUT PROCEDURES**

To help prevent inadvertent violations of the federal securities laws and to avoid even the appearance of trading on inside information, the Company's Board of Directors has adopted this Addendum to Insider Trading Policy. This Addendum applies to directors, officers subject to Section 16 of the Securities Exchange Act of 1934 ("Section 16 employees") and certain designated employees of the Company and its subsidiaries ("covered persons") who have access to material nonpublic information about the Company. The General Counsel is authorized and directed to determine from time to time those "covered persons."

Any obligations or restrictions set forth in this Addendum are in addition to and supplement those set forth in the Company's Insider Trading Policy. No exceptions may be made to the Policy or this Addendum without the permission of the General Counsel in consultation with the Chief Executive Officer.

Compliance with this Addendum will also ensure that the Company is aware of changes in the beneficial ownership of our securities by our directors and Section 16 employees. The Company can then help ensure that accurate and complete disclosure is made to the Securities and Exchange Commission ("SEC") in a timely fashion under Section 16. Failure to timely file the required disclosure forms under Section 16 with the SEC must be made public in the Company's proxy statement and/or annual report and can be embarrassing to the Company and the directors and Section 16 employees who failed to timely file. As a result, directors and Section 16 employees are also subject to the additional procedures designed to address the two-day Form 4 filing requirements under Section 16 outlined below.

### **Pre-clearance Procedures: Reporting Trades**

The Company's covered persons are subject to the following pre-clearance procedures.

Covered persons, together with those related persons identified in the Policy, may not engage in any transaction involving the Company's securities subject to the Insider Trading Policy without first obtaining pre-clearance of the transaction, after representing that any such transaction otherwise complies with the Policy and this Addendum, as follows:

- all directors must obtain pre-clearance from both the General Counsel and the Chief Executive Officer;
- other covered persons (other than the General Counsel) must obtain pre-clearance from the General Counsel; and
- the General Counsel must obtain pre-clearance from the Chief Executive Officer.

Each such request for pre-clearance should be submitted in writing at least three business days in advance of the proposed transaction and contain all of the relevant details regarding such proposed transaction, including at least the number of shares and the period of time over which such transaction is likely to occur. Any pre-clearance shall be deemed valid only for a period of five business days, unless otherwise noted in such approval. If the transaction order is not placed in that period, pre-clearance of the transaction must be re-obtained.

All directors and Section 16 employees must submit to the General Counsel a copy of any trade order or confirmation relating to the purchase or sale of the Company's securities within one business day

of any such transaction. This information is necessary to help ensure that all such trades are timely reported to the SEC.

### **Blackout Procedures**

All covered persons are subject to the following blackout procedures.

*Quarterly Blackout Periods.* The Company's announcement of its quarterly financial results almost always has the potential to have a material effect on the market for the Company's securities. Therefore, to avoid even the appearance of impropriety, you may not trade in the Company's securities during the period beginning on the seventh calendar day prior to the end of any fiscal quarter and ending after the first full business day following the release of the Company's earnings for that quarter.

*Event-Specific Blackouts.* From time to time, an event may occur that is material to the Company and is known by only a few covered persons. So long as the event remains material and nonpublic, the persons who are aware of the event, as well as other covered persons, may not trade in the Company's securities. The existence of an event-specific blackout will not be announced, other than to those covered persons who are already aware of the event giving rise to the blackout. If, however, another covered person seeks to trade in the Company's securities during an event-specific blackout, the General Counsel will inform the requesting person of the existence of a blackout period, without disclosing the reason for the blackout. Any covered person made aware of the existence of an event-specific blackout should not disclose the existence of the blackout to any other person.

Directors and executive officers may also be subject to event-specific blackouts pursuant to the SEC's Regulation Blackout Trading Restriction, which prohibits certain sales and other transfers by insiders during certain pension plan blackout periods.

Even if a specific blackout period is not in effect, as provided by the Policy, at no time may you trade in Company securities if you are aware of material nonpublic information about the Company.

*Hardship Exceptions.* A covered person who is subject to a quarterly earnings blackout period and who has an unexpected and urgent need to sell Company stock in order to generate cash may, under appropriate circumstances, be permitted to sell Company stock even during the quarterly blackout period. Hardship exceptions may be granted only by the General Counsel in consultation with the Chief Executive Officer and must be requested at least two days in advance of the proposed trade. Under no circumstance will a hardship exception be granted during an event-specific blackout period for covered persons who are aware of the material nonpublic information that gave rise to the blackout.

### **Exception for Approved 10b5-1 Plans**

Trades by covered persons in the Company's securities that are executed pursuant to an approved 10b5-1 plan are not subject to the Policy's prohibition on trading on the basis of material nonpublic information or to the restrictions set forth above relating to pre-clearance procedures. Although not subject to such pre-clearance procedures, any trades pursuant to a 10b5-1 plan by a director or Section 16 employee must be reported to the General Counsel within one business day to help ensure that all such trades are timely reported to the SEC.

Rule 10b5-1 provides an affirmative defense from insider trading liability under the federal securities laws for trading plans that meet certain requirements. In general, a 10b5-1 plan must be

entered into while you are not in possession of material nonpublic information. Once the plan is adopted, you must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade unless at that time you are also not in possession of material nonpublic information. The plan must either specify (including by formula) the amount, pricing and timing of transactions in advance or delegate discretion on those matters to an independent third party. The Company requires that all 10b5-1 plans be approved in writing in advance by the General Counsel.

### **Company Assistance**

Your compliance with this Addendum and the Company's Insider Trading Policy is of the utmost importance both for you and for the Company. If you have any questions about this Addendum, the Policy or their application to your circumstances, please do not hesitate to seek additional guidance from the General Counsel. Do not try to resolve uncertainties on your own, as the rules relating to insider trading are often complex, not always intuitive and carry severe consequences.