

NEWS RELEASE - For immediate release

KRUGER PRODUCTS LAUNCHES SUSTAINABILITY 2015

Ambitious initiative to reduce greenhouse gas emissions,
energy and water consumption and solid waste

Mississauga (Ontario), November 17, 2010 — Kruger Products, Canada’s leading manufacturer of quality tissue products, today launched Sustainability 2015, an ambitious five-year plan aimed at reducing the company’s environmental footprint. To do so, the company has set quantifiable targets for improving its environmental performance and is focusing on the use of innovative technologies.

“With Sustainability 2015, Kruger Products intends to become the largest supplier of quality tissue products in North America whose formal commitment to sustainable development will be reflected in concrete actions throughout our value chain, from procurement to product packaging,” said Mario Gosselin, Chief Operating Officer at Kruger Products.

Seven sectors targeted for reducing the company’s environmental footprint

Kruger Products has identified seven sectors where it will take concrete action over the next five years to significantly reduce its environmental footprint: fibres, packaging, water, energy, greenhouse gas emissions, transport and waste. For each one, the company has set a specific goal: using fibres that come exclusively from certified sustainable sources or contain a high percentage of post-consumer recycled material; reducing the packaging of its products by 5%; reducing its water and energy consumption by 15% each; lowering its general greenhouse gases as well as those generated by its transport operations by 15% each, and diverting 20% of its waste from landfill sites.

“Increasingly, consumers are calling for more environmentally responsible products. At Kruger Products, we have long been concerned with the idea of sustainability; our first reforestation program dates back 62 years. We were also among the first pulp and paper companies to set up recycling programs and manufacture products entirely from recycled fibres,” explained Steven Sage, Corporate director, Sustainable Development and Innovation. “Today, we are focusing on innovations in technology and products to continue our long-standing tradition.”

Improved technologies to benefit the environment

Kruger Products has introduced projects to improve technologies at its various facilities in Canada in order to integrate renewable energy sources into its operations and reduce its overall energy consumption. The company has already seen the beneficial effects of these improvements. In New Westminster, BC, Kruger Products introduced state-of-the-art, award-winning biomass gasification technology that significantly reduces greenhouse gas emissions at the mill.

“Since it came on line ten months ago, the biomass gasification system has already reduced emissions at the plant by 35%, which compares to planting two million trees or removing 3,500 vehicles from the roads,” said Frank van Biesen, Vice President, Technology, for Kruger Products. “This technology allows us to make concrete improvements and move toward our sustainable development goals.”

A full line of EcoLog™ certified products

Kruger Products offers one of Canada’s most extensive lines of EcoLogo-certified tissue products for in-home and away-from-home use with more than 90 products bearing the seal. EcoLogo’s third-party multi-attribute certification program is recognized as one of the most stringent in North America. Some of Kruger’s best known brands to have earned certification include: Cashmere EnviroPlus, Purex EnviroPlus, SpongeTowels EnviroPlus, Scotties EnviroPlus, Embassy and White Swan. These products are made with high-quality certified fibres from recycled materials and renewable sources.

To learn more about Sustainability 2015, visit www.krugerproducts.ca.

About Kruger Products L.P.

Kruger Products is Canada’s leading tissue manufacturer and serves the Canadian consumer market with such well-known brands as Cashmere, Purex, SpongeTowels, Scotties and White Swan, as well as away-from-home products for industrial and commercial use across Canada.

About Kruger Inc.

Founded in Canada in 1904, Kruger Inc., the parent company of Kruger Products, is a major producer of publication papers, tissue, lumber and other wood products, corrugated cartons from recycled fibres, green and renewable energy, and wines and spirits. It is also a leader in paper and paperboard recycling in North America. Kruger operates facilities in Quebec, Ontario, British Columbia, Newfoundland and Labrador, and the United States.

INFORMATION:

Steven Sage

Corporate director, Sustainable Development and Innovation

Kruger Products L.P.

905-812-6900

Email : steven.sage@krugerproducts.ca

Web site: www.krugerproducts.ca