

ENVIRONMENTAL POLICY

Since its inception in 1904, Kruger has always made it a priority to protect the environment and the quality of life of its employees and the communities in which it operates. Our environmental and forest policies confirm our commitment to sustainable development and government programs for the protection of the environment.

Kruger shares with all communities' important responsibilities to the environment in which we live and work. It supports the responsible stewardship of resources, including forests, fish and aquatic habitats, wildlife, air, land and water.

Responsible stewardship makes sustained economic development possible. In this spirit, the Company believes that a set of principles should govern its attitude and action in environmental matters.

These are as follows:

- The Company is committed to excellence in sustained yield multiple-use forest management.
- It conducts its business in a responsible manner designed to protect the environment, the health and safety of its employees, customers and the public.
- It assesses, plans, constructs and operates facilities in compliance with all applicable regulations.
- Beyond or in the absence of regulatory requirements, the Company applies sound prevention and management practices to advance environmental protection and minimize environmental impact.
- The Company promotes environmental awareness among employees and the public, and trains employees in their environmental responsibilities.
- The Company reports regularly to its Board of Directors on environmental status and performance.
- The Company works with governments in the development of regulations and standards based on sound, economically achievable technologies, and the analysis of environmental impact.
- The Company continues to advance the frontiers of knowledge in environmental protection through the support of scientific research and, as appropriate, apply such knowledge at its facilities.
- The Company is committed to the principle of recycling raw materials. It ensures the use of recycled fiber in each division as long as it is economically and environmentally acceptable.
- The Company appoints at each of its operating centers a person reporting to its operating management and responsible for implementing the present policy.
- The Company appoints at its corporate level a person reporting to the corporate management and responsible for implementing the present policy throughout the Company. The corporate manager of environmental services maintains liaison with the operating divisions and local mill and plant sites.