

FOR MANY YEARS, KRUGER HAS BEEN COMMITTED TO PROTECTING THE ENVIRONMENT, PREVENTING POLLUTION AND MANAGING ENVIRONMENTAL RISKS THAT MAY ARISE FROM OUR OPERATIONS. KRUGER RECOGNIZES ENVIRONMENTAL PROTECTION AS ONE OF OUR CORPORATE VALUES AND A KEY COMPONENT OF SOUND BUSINESS PERFORMANCE. WE ARE COMMITTED TO PROVIDING A QUALITY PRODUCT IN A MANNER THAT MINIMIZES OUR IMPACT ON THE ENVIRONMENT.

OUR COMMITMENT IS BASED ON THE FOLLOWING PRINCIPLES:

- We integrate the consideration of environmental concerns and impacts into all of our decision-making and activities;
- We promote environmental awareness among our employees and encourage them to work in an environmentally responsible manner. We provide our employees with the necessary training to enable them to apply this policy in their daily work;
- We support the responsible management of natural resources, including forests, fish and aquatic habitats, wildlife, air, water and land;
- We are committed to complying with all federal, provincial/state and municipal legal requirements and other voluntary requirements applicable to our facilities;
- We strive to use resources efficiently, to minimize our environmental footprint and to continually improve our environmental performance;

- We carry out the present policy through an effective environmental management system;
- We establish, monitor, and regularly review environmental objectives and targets;
- We regularly communicate our environmental program to our clients, customers and the public and encourage them to support it;
- We conduct frequent audits of our environmental performance;
- We require all Kruger facilities to provide reports on their environmental performance to senior management on a regular basis.

WE REQUIRE ALL OUR FACILITIES AND ALL OUR EMPLOYEES TO COMPLY WITH THIS POLICY.

Joseph Kruger II

Chairman of the Board and Chief Executive Officer

August 1, 2013

David A. Spraley

Executive Vice President and Chief Operating Officer

