

POLICY TO PROMOTE HARMONIOUS RELATIONS WITH FIRST NATIONS

GENERAL POLICY STATEMENT

KRUGER INC. BELIEVES THAT IT IS DESIRABLE, FROM A SOCIAL, CULTURAL, AND ECONOMIC STANDPOINT, TO ESTABLISH STRONG BUSINESS TIES WITH THE FIRST NATIONS OF CANADA AND TO PROMOTE COMMUNICATION AND PARTNERSHIP. SUCH RELATIONS MUST EVOLVE IN A MUTUALLY BENEFICIAL ENVIRONMENT.

GUIDING PRINCIPLES

Kruger Inc. is committed to efforts to conduct its activities according to the following guiding principles:

- To take into consideration and respect the traditional values of First Nations peoples and their Aboriginal rights, in compliance with federal and provincial statutes.
- To establish and maintain a constructive dialogue with First Nations in a spirit of respect for each others' values with a view to developing mutually beneficial relations with Aboriginal communities based on social, cultural, and economic needs.
- To define and implement, in cooperation with the First Nations concerned, an on-going consultation process tailored to the realities of the various Aboriginal communities concerned and to include those communities in Kruger Inc.'s sustainable forest management planning.
- To identify, understand, and take into account the needs, expectations, and traditional activities of the First Nations who are present on the territories where Kruger Inc. conducts forest management activities.
- In partnership with the First Nations, to promote, and assist in, the establishment of programs that focus on business development, employment access, and continuous training of the Aboriginal work force in fields related to forestry and transformation of the forest biomass.
- To promote the harmonization of, and compliance with, various employment and contract awarding policies to ensure that First Nations members can apply for jobs and/or contracts on a fair and equitable basis.
- To promote the development of sustainable business relations with the First Nations in compliance with the Company's policies and standards.



Joseph Kruger II
Chairman of the Board
and Chief Executive Officer