

# KRUGER SUPPLIER CODE OF CONDUCT

Kruger Inc. (collectively with its affiliates, “**Kruger**”), is committed to protecting its employees, the environment and the communities where Kruger does business. To achieve its sustainability goals, Kruger believes in forming strong relationships with suppliers who share its values and who share the same commitment to delivering excellence. Kruger expects its suppliers and business partners to maintain high standards of honesty, integrity and fairness. Under this Code, the term suppliers refers to Kruger’s suppliers and subcontractors as well as their own suppliers across the supply chain.

This supplier code of conduct (the “**Code**”) highlights what is expected of a party conducting business with Kruger. Kruger expects its direct contractors to share this Code with their own subcontractors and require at least the same standards of conduct from their own subcontractors.

## ENVIRONMENT

Kruger recognizes environmental protection as one of its corporate values and as a key component of sound business performance. Kruger is committed to minimizing, through a continuous improvement process, the impact its activities have on the environment and encourages its suppliers to do the same.

- **Laws and regulations:** Suppliers must comply with all applicable environmental rules, laws and regulations.
- **Permits and approvals:** Suppliers must obtain and maintain environmental permits and approvals required to conduct their activities.

## SOCIAL

In accordance with internationally recognized laws and best practices governing working conditions, Kruger strives to provide the safest and healthiest work environment for all its *employees* and expects its suppliers to do the same. Under this Code, the term employees includes, but is not limited to, temporary workers, migrants, students and contract workers.

- **Child labour:** In accordance with the United Nation’s declaration of Human Rights and the principles established in the United Nations’ Global Compact, Kruger condemns child labour. In the absence of a local legislation regarding minimum working age, 15 years old must be considered the minimal working age.
- **Wages & benefits:** The salary and applicable overtime wages of all employees, as well as working hours must comply with applicable laws and collective bargaining agreements.

- **Non-discrimination & harassment:** Suppliers must ensure that their workplace promotes equal employment opportunities and prohibits discriminatory practices, including harassment. Kruger condemns all forms of discrimination, including but not limited to discrimination based on race, gender, religion, disability, age, marital status, sexual orientation, political beliefs or any other characteristic protected by applicable laws.
- **Freedom of association:** In accordance with the applicable local laws, suppliers must respect the employee's rights to bargain collectively and to freely join labour unions.
- **Health & safety:** Suppliers must comply with international, national and local health and safety laws and regulations. Kruger encourages suppliers to implement appropriate procedures to mitigate health and safety risks and monitor occupational injuries and illnesses and to maintain an effective training program.

## ETHICS

Suppliers are expected to employ fair business practices and to maintain the highest standards of ethics and integrity. Suppliers are also expected to comply with all international, and local laws and regulations. Kruger condemns any form of corruption, extortion, bribery, or falsification.

- **Unfair trade practices:** Suppliers must comply with anti-corruption laws by refraining to use inappropriate means of influence to obtain advantages. Suppliers are encouraged to implement procedures to avoid corruption and bribery in their operations.
- **Anti-trust & Competition:** Suppliers must comply with anti-trust and competition laws by condemning practices that impair the function of a free and open marketplace; including any transactions that could impair impartiality.
- **Conflict of interest:** Relationships and contracts with third parties must not prejudice suppliers' relationship with Kruger. Suppliers must never place a Kruger employee in a situation that could compromise his/her ethical behaviour or integrity or create a conflict of interest. Before entering into an agreement with Kruger, and at any time during the business relationship, a supplier or potential supplier must disclose all information concerning any actual or potential conflict of interest. If a conflict of interest arises or if any behaviour deemed unethical on the part of a Kruger employee arises, it must be disclosed to Kruger immediately.

- **Gifts, Invitations and Favors:** Suppliers must not in any way oblige or appear to oblige Kruger’s employees by providing gifts, favors, gratuities or personal benefits, unless it is a gift (such as a promotional item) of less than \$100 in value per year or casual entertainment or under the protocol or social obligations.
- **Lobbying:** Any contact with government personnel for the purpose of influencing legislation or rulemaking, including such activity in connection with marketing or procurement matters, is considered lobbying. Suppliers are responsible for knowing and adhering to all relevant lobbying laws and associated gift laws, if applicable and for compliance with all reporting requirements.
- **Anti-Corruption and Bribery:** Supplier must comply with anti-corruption laws that apply in countries where it conducts business. Accordingly, any attempt to improperly influence public officials is prohibited. Suppliers must not offer entertainment or gifts to government officials or make direct or indirect political contributions on behalf of Kruger.

## PRODUCT SAFETY

Kruger is committed to providing products that meet applicable regulatory specifications and quality standards. Products manufactured or sold to Kruger must be safe for their intended use.

## CONFIDENTIALITY AND INTELLECTUAL PROPERTY

Anything belonging to Kruger is considered Kruger’s property. Any information on Kruger that is not public is confidential. Suppliers must process any personal, confidential or sensitive data in accordance with applicable laws, contractual agreements and Kruger’s internal procedures.

Suppliers must ensure the protection of Kruger’s intellectual property, trade secrets and any other proprietary information. Suppliers acknowledge that all patents, industrial designs, trade names, trademarks, copyrights, trade secrets and other intellectual property rights of Kruger are the sole property of Kruger.

## MANAGEMENT SYSTEM

Suppliers are expected to implement appropriate control measures to ensure compliance with the Code. Suppliers must ensure that the principles and conditions set forth in the Code are being upheld and respected and must take all necessary measures to prevent and deal with any violation of the Code. Kruger reserves the right to evaluate and monitor its suppliers’ practices regarding the Code.

## AMENDMENT

Kruger may update the Code from time to time at its discretion.

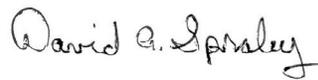
## CONTACTS

All questions or comments concerning the Code should be addressed to: [procurement@kruger.com](mailto:procurement@kruger.com).

Violations of the Code should be reported to Kruger's external ombudsman by email at the following address: [ombudsman@kruger.com](mailto:ombudsman@kruger.com) or by leaving a voicemail message at 1-877-843-4560.

## REFERENCES

- <https://www.unglobalcompact.org/what-is-gc/mission/principles>
- [https://www.un.org/Depts/ptd/sites/www.un.org.Depts.ptd/files/files/attachment/page/pdf/unscc/conduct\\_english.pdf](https://www.un.org/Depts/ptd/sites/www.un.org.Depts.ptd/files/files/attachment/page/pdf/unscc/conduct_english.pdf)



**David A. Spraley**

Executive Vice President  
and Chief Operating Officer

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