



Slavery and Human Trafficking Statement

Addressing the
California Transparency in Supply Chains Act of 2010
and the
Modern Slavery Act of 2015

Kraton Corporation (“*Kraton*”) and each of Kraton’s wholly-owned subsidiaries (collectively, with Kraton, the “*Kraton Group*”) are committed to conducting business in an ethical and responsible manner, which includes complying with applicable slavery and human trafficking laws. This statement applies to the Kraton Group and details the Kraton Group’s systems and controls designed to ensure that slavery and human trafficking are not present in its supply chain.

Verification of the Supply Chain

Conflict Minerals: Kraton’s Conflict Minerals Policy (available at www.kraton.com) aims to prevent human rights violations, such as modern slavery and human trafficking, from occurring by detailing the expectations for the Kraton Group and for its suppliers regarding the responsible sourcing of minerals. Where required, the Kraton Group conducts supply chain due diligence in accordance with OECD guidance, engaging suppliers who have been identified as providing the Kraton Group with materials that either contain or potentially contain Conflict Minerals. In addition, the Kraton Group has implemented provisions for new supply contracts that require suppliers to provide supply chain transparency about the source of any Conflict Minerals.

Supplier Self-Assessment Questionnaires (“SAQs”): As part of Kraton’s supply chain sustainability program, Kraton uses a risk-based approach in determining whether to submit detailed SAQs to certain strategic raw material suppliers. Among other areas, these SAQs address whether the supplier has implemented a program to monitor forced labor, slavery or the trafficking of persons.

Supplier Audits

The Kraton Group incorporates audit rights in many of its supply contracts, under which we may audit supplier compliance in accordance with the contract terms. The Kraton Group’s standard supply contract expressly reserves the right to conduct audits of the facilities and the books and records of its suppliers to evaluate the supplier’s compliance with, among other applicable laws, labor laws.

Supplier Certifications

Contractual Provisions: The Kraton Group’s standard procurement terms and conditions require suppliers to make representations and warranties with respect to compliance with all applicable laws and regulations including, but not limited to, the California Transparency in Supply Chains Act of 2010, the Modern Slavery Act 2015, and responsible sourcing regarding Conflict Minerals, as well as the Kraton Group’s Supplier Code of Conduct (the “***Supplier Code***”) (available at www.kraton.com).

Policy Certifications: As part of Kraton’s supply chain sustainability program, Kraton maintains the Conflict Minerals Policy and the Supplier Code. The Supplier Code obligates suppliers to comply with all applicable laws and regulations in all locations where they conduct business, including, but not limited to, laws and regulations related to servitude, forced and compulsory labor, slavery, and human trafficking. Suppliers will be requested to comply with the Conflict Minerals Policy and the Supplier Code and to conduct themselves in accordance with each. The Kraton Group reserves the right to terminate relationships with suppliers if issues of noncompliance with Kraton’s policies, including the Conflict Minerals Policy and the Supplier Code, are discovered or if such noncompliance is not addressed in a timely manner.

Internal Accountability Standards

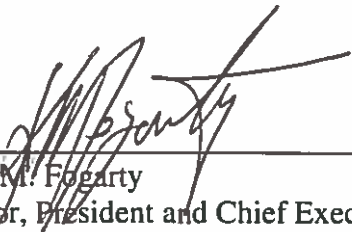
Code of Ethics: All of the Kraton Group’s directors, officers, contract workers, and employees are required to abide by Kraton’s Code of Ethics and Business Conduct (the “***Code of Ethics***”) (available at www.kraton.com). The goal of the Code of Ethics is to ensure that the Kraton Group’s business is always conducted in an ethical manner, in compliance with applicable laws and regulations, and with personal and institutional integrity and respect. The Code of Ethics applies to all Kraton Group activities in every market that it serves. Failure to comply with any of the provisions of the Code of Ethics subjects the individual to disciplinary measures in accordance with applicable local law up to, and including, termination. Employees are obligated to report violations of the Code of Ethics and other policies. Reporting allegations of misconduct is completed through a variety of reporting systems that are continually monitored. A strong non-retaliation policy is upheld for good faith reporting.

Customs – Trade Partnership Against Terrorism (“C-TPAT”): Kraton has actively participated in the C-TPAT program since 2003. C-TPAT is a voluntary U.S. government program designed to increase security and prevent slavery and human trafficking throughout the global supply chain. The C-TPAT program involves risk-based audits of the company and unannounced audits of suppliers

Authorized Economic Operator (“AEO”): Kraton has actively participated in the AEO program since 2012. Like C-TPAT, AEO is a voluntary program administered by various governments across the world that requires high quality internal processes to ensure the integrity of the global supply chain. The AEO program involves internal audits as well as verifications of supply chain security and random on-site audits performed by the customs authorities.

Employee Training

The Kraton Group regularly trains all employees in the standards of ethical behavior, policies, procedures, and legal requirements that define the way we do business. Additionally, for employees and managers who have direct responsibility for supply chain management, the Kraton Group is conducting training on the Supplier Code, with content specific to recognizing possible signs of slavery and human trafficking and mitigating risks within the Kraton Group's supply chain. The Kraton Group does not require its suppliers to complete similar training.



Kevin M. Fogarty
Director, President and Chief Executive Officer



The Board of Directors of Kraton approved this statement at its board meeting held on February 8, 2018. This is the Kraton Group's statement for the financial year ended December 31, 2017.