



Leading With Integrity Guide

Integrity Code
and Legal Compliance Guide



24/7 Ethics Hotline:

1-844-606-0506

Online Reporting:

Website: kniferiver.ethicspoint.com

Mobile Website: kniferivermobile.ethicspoint.com

Our Vision

With integrity, Knife River Corporation will create superior shareholder value by being a world-class leader in safety and customer satisfaction. We will provide outstanding construction materials and services while being a great place to work.

This “Leading With Integrity Guide” has two parts. The first section is our Integrity Code, which outlines the commitments each of us is expected to make. The second part is Policies and Procedures, which provides more details on the Integrity Code. This guide, our Integrity Code and our policies and procedures all promote ethical behavior, prevent and detect crimes, and assure that we follow laws and regulations.

You should consider this Integrity Guide as our corporate Code of Conduct. It is not an employment contract and does not create any contract rights.

The corporate policies referenced in this Integrity Guide are available in the **“KRC Policies” section of the Life at Knife app.**

How to use this guide:

- Read the letter from President and CEO Brian Gray.
- Read and understand the Integrity Code.
- Read and understand the corporate policies that apply to your job.
- Ask your supervisor or company compliance officer if you have any questions.
- Complete all your required compliance training during the year.

If you have any questions or concerns, use the contact options listed at the end of this guide.

Definitions

In this guide, the terms “corporation,” “corporate,” “company” and “Knife River” refer to Knife River Corporation and all its direct and indirect subsidiaries.



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Letter From the President



Knife River Team Members,

The work we do matters. Whether providing the materials for our country's infrastructure, building roads that connect people with where they need to go, or delivering critical professional support for our efforts, you make a difference. The work we do definitely matters, and so does the way we do it.

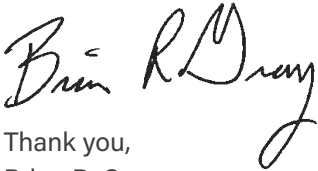
At Knife River, we operate with integrity. We expect that of everyone who works here or who represents us – all employees, officers and directors.

We must act and make decisions honestly, fairly and with the highest standards of professionalism. Integrity must be the cornerstone for all our dealings with customers, employees, stockholders, suppliers, competitors and the communities we serve. There can be no exceptions or compromises to our standards of integrity.

This Integrity Guide serves as our corporate Code of Conduct, but no business ethics program can cover every circumstance. Our corporation trusts you to follow the highest ethical standards in every aspect of your job.

Please discuss any questions about this guide with your supervisor or with your company compliance officer. We rely on you to report any conduct that you suspect is illegal or that otherwise violates our Integrity Guide. You can report suspected misconduct to your supervisor, company compliance officer or your human resources representative. You also can report concerns anonymously through our ethics hotline at 1-844-606-0506 or online at www.kniferiver.com/integrity.

Our corporation has a long, proud legacy of ethical business practice that was hard-earned by those who came before us. Our responsibility is to preserve and strengthen this legacy. Reading, understanding and living the behaviors outlined in this guide help us maintain our integrity.



Thank you,
Brian R. Gray
President and CEO
Knife River Corporation

The Integrity Code

Commitment to Integrity

We will conduct business legally and ethically with our best skills and judgment.

Commitment to Stockholders

We will act in the best interests of our corporation and protect its assets.

Commitment to Employees

We will work together to provide a safe and positive workplace.

Commitment to Customers, Suppliers and Competitors

We will compete in business only by lawful and ethical means.

Commitment to Communities

We will be a responsible and valued corporate citizen.

Commitment to Integrity

We will conduct business legally and ethically, with our best skills and judgment. We are all responsible for following the law and acting with the highest ethical standards. We do not tolerate illegal or unethical behavior.

Our Conduct Standards

To meet our commitment to integrity, we will:

- Make decisions and carry out our duties according to the spirit and letter of laws and regulations.
- Follow the highest ethical standards in performing our duties.
- Foster a culture in which ethical conduct is expected, encouraged, valued and recognized.
- Provide and receive training about laws and ethical standards related to our business and job responsibilities.

Commitment to Stockholders

We will act in the best interests of our corporation and protect its assets. Every director, officer and employee has a duty to protect our corporation's property and financial integrity, and to provide our stockholders with timely, accurate information. We will not let personal interests conflict with our corporation's interests.

Our Conduct Standards

To meet our commitment to shareholders, we will:

- Avoid any activity that creates a conflict between our personal interests and our corporation's business interests.
- Follow generally accepted accounting principles (GAAP) and applicable regulations.
- Use our corporation's resources, time and facilities only for lawful purposes and not for unauthorized personal benefit.
- Protect our corporation's confidential, privileged and competitive information.
- Not buy or sell stock or other securities based on inside information about Knife River.

Commitment to Employees

We will work together to provide a safe and positive workplace. Our employees are our most important asset. Our commitment to our employees is based on a firm belief in the value and dignity of each individual. Our corporation and all employees will maintain an environment in which each employee can perform effectively and efficiently. This commitment can be met only where there is a shared sense of responsibility for the well-being of our corporation and employees.

Our Conduct Standards

To meet our values and commitment to each other, the corporation and all employees, will:

- Follow labor and employment laws and regulations.
- Work together to provide a workplace free from discrimination, harassment, retaliation and violence.
- Recruit, hire, train, pay, promote, discipline and discharge employees fairly and impartially based on job-related criteria without regard to age, race, color, religion, gender, sexual orientation, gender identity, national origin, disability, veteran status, or any other personal characteristic determined to be protected by law.
- Respect employees' differences and support an inclusive culture where everyone can feel valued.
- Prevent workplace injuries by following safety laws, regulations and corporate standards.
- Maintain a workplace free from the influence of illegal drugs and abuse of alcohol or prescription drugs.
- Promote trust, pride and camaraderie.
- Treat each other with courtesy and respect.
- Give employees timely information about our operations and results.
- Give employees the information necessary to effectively perform their jobs.

Commitment to Customers, Suppliers and Competitors

We will compete in business only by lawful and ethical means. We will be our customers’ supplier of choice in all our markets by seeking competitive cost advantages and providing high-quality products and services. We will be honest and fair in our business dealings and will not be involved in unfair or illegal trade practices.

Our Conduct Standards

To meet our commitment to customers, suppliers and competitors, we will:

- Efficiently provide high-quality products and services.
- Protect customers’ personal information from unauthorized use or disclosure.
- Not give improper gifts to customers or suppliers or receive improper gifts from customers or suppliers.
- Not give illegal gifts or favors to any government employee or official.
- Respect the proprietary rights of others, including patents, copyrights and trademarks.
- Not enter into agreements with competitors to control or affect our products and services.
- Not enter into illegal agreements that limit competition between our corporation and our competitors.

Commitment to Communities

We will be a responsible and valued corporate citizen. Our corporation and our employees have responsibilities to the communities where we work and do business. We will be valued members of our communities and conduct business in a way that respects and promotes the quality of life in those communities.

Our Conduct Standards

To meet our commitment to communities, we will:

- Promote environmental stewardship by following or exceeding environmental regulations, and by striving to reduce harmful waste and emissions.
- Promote public safety by not creating unreasonable risks through our activities, products or services.
- Encourage employees to be involved in community activities and organizations.
- Communicate with our communities by responding appropriately and accurately, through authorized representatives, to inquiries from the news media, financial analysts and regulatory personnel.
- Maintain political integrity by contributing corporate funds and resources only for legal purposes.
- Support eligible organizations and projects in our communities.

Commitment to Integrity

We will conduct business legally and ethically with our best skills and judgment.

Overview and Corporate Policy

Corporate policy establishes the Leading With Integrity Program. The program helps promote ethical behavior, assists with preventing and detecting crimes, and helps us comply with laws and regulations. You should consider this guide to be our corporate Code of Conduct.

This Integrity Guide includes our Integrity Code and supporting policies. You are responsible for understanding and following this Integrity Guide, and for doing your job with honesty and integrity in all areas, including areas that might not be included in this guide.

Legal Compliance

You must comply with laws affecting our business. Following the law is the minimum standard of conduct and is expected of everyone. No one has the authority to break a law or tell other people to break a law on behalf of our corporation.



No one has the authority to break the law.

A copy of the corporate policy establishing the Leading With Integrity Program is available in the “KRC Policies” section of the Life at Knife app or through your designated Human Resources department.

International Operations

Laws and customs are different around the world, but we must conduct our business everywhere with the same integrity that we do in the United States. When doing business in other countries, you must follow international laws and U.S. laws that apply to international operations.

The Foreign Corrupt Practices Act generally makes it illegal to give anything of value to foreign government officials, political parties or officials, or political candidates to try to get or keep business. Even a small gift or paying for entertainment can break the law if it is meant to help get business for our corporation.

In some countries, it is illegal to give gifts or provide entertainment to international officials. So, even if a payment is customary and is permitted by the Foreign Corrupt Practices Act, you have to get prior written approval from your company president, who will consult with our corporation’s chief legal officer. You should contact your compliance officer or the Legal Department if you have questions about a specific situation.

Ethical Standards

We conduct business with integrity. We need the public’s trust to be successful, and that can happen only if we all act ethically. A single employee’s misconduct can severely damage our hard-earned reputation.

Culture

We all are responsible for complying with this Integrity Guide and for fostering a culture in which legal and ethical behavior is expected. It’s important for employees and supervisors to talk about difficult situations and ways to handle them.



We must all act with integrity.



If you ever have questions about how to handle a situation, talk to your supervisor or your company’s compliance officer.

If you have questions about this Integrity Guide, talk to your supervisor, the company’s compliance officer or the Legal Department. If you know someone has violated this Integrity Guide, you must report it. You can find details on how to file a report, including anonymously, on the last page of this Integrity Guide. There will be no retaliation against an employee who in good faith reports a suspected violation.

Reports made via the ethics hotline are handled confidentially. An internal investigation will be conducted by the company’s compliance officer or another member of the internal investigations team.

Knife River does not tolerate retaliation in any form. You will not face retaliation for reporting suspected concerns.

Employees who fail to follow this Integrity Guide are subject to disciplinary action, including termination.

Training

Our corporate compliance program helps assure we act ethically and follow the law by informing employees of expected and prohibited behaviors.

Q&A

Q: What is retaliation?

A: Retaliation is an adverse action taken by an employer or a representative of the employer, such as a supervisor or co-worker, against an employee who engages in a protected activity. Protected activities could include raising concerns about conditions or activities in the workplace that negatively affect the safety, health or well-being of employees or the public.

Commitment to Stockholders

We will act in the best interests of our corporation and protect its assets.

Overview and Corporate Policy

Our corporation is obligated to serve the long-term interests of our stockholders. This includes protecting physical things, such as property and equipment, as well as intangible things, such as our reputation for integrity as well as corporate information and intellectual property.

Conflicts of Interest

Our stockholders trust us to act in their best interest. We must be particularly careful to do the right thing in situations, both on and off the job, where a conflict of interest could occur.

Directors, officers and employees must make sure there is no conflict — or the appearance of a conflict — between their personal interests and our corporation’s interests. A conflict of interest can happen when something we do personally makes it difficult for us to fairly and objectively do our job. Examples may include having a financial stake in a customer’s, supplier’s or competitor’s operation, or using information from your job to make a personal business deal. Conflicts of interest also can happen when an employee transacts business with our corporation, including buying or selling their personal property or services to the company outside the ordinary course of business.

Employees and non-executive officers must report conflicts of interest to your supervisor, Human Resources department, the chief legal officer or the internal audit director. Directors and executive officers must report to the chief legal officer all proposed or existing transactions (as defined in the Corporate Governance Guidelines located at www.kniferiver.com) between them or their immediate family members and our corporation. The chief legal officer will determine if transactions must be reported to the Audit Committee of the Board of Directors.

Personal Financial Interests

You should not have a significant financial interest in (5 percent or more) or have an officer or director position in another organization that does business with or wants to do business with our corporation unless you have had it approved according to company policy. This includes organizations that compete with or provide services, materials, property, or equipment to our corporation.

Also, unless you have told your supervisor and have received approval from your company president, neither you nor any member of your immediate family can have a financial interest (as an investor, lender, employee or service provider) in a competitor, customer or supplier of our corporation if you or your subordinates deal with that competitor, customer or supplier on behalf of our corporation.

Q&A

Q: I have been asked to be a committee member of an outside organization. What do I need to do to make sure it isn’t a conflict of interest?

A: A conflict of interest can happen when we are involved in something that makes it difficult for us to do our job objectively and fairly. Talk to your supervisor or compliance officer if you are not sure if the position will be a conflict of interest.

Significant Relationships

The term “significant relationship” means a family, business or personal relationship that causes or appears to cause you to be unable to impartially perform your job. You are required to disclose certain significant relationships, including:

- A family, business or personal relationship with another employee with whom there is a reporting relationship, whether it is a superior-to-subordinate or subordinate-to-superior relationship.
- A relationship with an officer of any Knife River company.
- A relationship with another employee whose career or conditions of employment may be affected by your job.



If you are uncertain whether you have a significant personal relationship or financial interest that should be disclosed, talk to your supervisor, your Human Resources department, the chief legal officer or the internal audit director. You may also refer to the corporation’s related-party transaction policy.

A copy of the corporation’s policy regarding related-party transactions is available in the “KRC Policies section of the Life at Knife app or through your designated Human Resources department.

Q&A

Q: I am concerned about a possible romantic relationship between a supervisor and an employee. What should I do?

A: Employees are required to disclose certain significant relationships, including personal relationships with co-workers whom they supervise. If you suspect a relationship between a supervisor and employee has not been reported, you should report the information to your Human Resources representative, your company’s compliance officer, via the ethics hotline or by any other reporting method listed in this Integrity Guide.

Outside Employment

You generally have the right to seek employment outside our corporation and have a financial or managerial interest in other companies. However, any outside employment must not affect the quality of your work, compete with our corporation’s activities or create a conflict of interest.

You may not work for another organization that does business with or wants to do business with our corporation, or that competes with our corporation for business, unless you get approval from the company president. Before accepting a position on another organization’s board of directors, you must consider whether that position could cause or appear to cause a conflict of interest. If you are unsure, talk to your supervisor..

Independent Auditor Relationships

Corporate policy places restrictions on our corporation from hiring certain current or former employees of the corporation’s external independent auditors or certain of their family members in order to maintain the continued independence of the external independent auditor. If you have a job applicant who replies “yes” to any of the job application questions pertaining to our independent external auditor, you must contact the corporation’s chief legal officer to evaluate the candidate’s eligibility for hire.

Business Opportunities

You may not benefit personally, directly or indirectly, from business opportunities in which our corporation may have an interest.

Accounting and Financial Reporting

Each of us is responsible for protecting our corporation's financial and physical assets. Management is responsible for designing, implementing and maintaining controls to ensure accurate financial reporting as well as full, accurate and timely filings required by the U.S. Securities and Exchange Commission. Each of us is responsible for following these controls.

Our corporation must maintain accurate accounting records, which includes accounting for assets, liabilities, revenues, expenses and financial transactions in accordance with Generally Accepted Accounting Principles (GAAP). You must have the appropriate approvals for each business transaction you perform on behalf of the corporation.

Our corporate policy regarding related-party transactions also monitors any transaction or series of transactions in which the corporation is a participant and a related party (e.g., employee or officer of the corporation or an immediate family member) has or will have a direct or indirect material interest. All material off-balance-sheet business transactions and certain related-party relationships and transactions must be disclosed to the Audit Committee and our corporation's independent auditors. Certain material related-party relationships and transactions are subject to the Audit Committee's reasonable prior review and approval.

A copy of the corporation's policy regarding related-party transactions is available in the "KRC Policies" section of the Life at Knife app or through your designated Human Resources department.

No employee or director may interfere with or improperly influence the auditing of our corporation's financial records. Violators will face disciplinary action, up to and including termination, and may face substantial civil and criminal charges.

If you become aware of any improper transaction or accounting practices, you should report it immediately to your supervisor, the chief legal officer, our corporation's internal auditing director, or a

A copy of the corporation's Compliance Program Reporting and Investigation Policy is available in the "KRC Policies" section of the Life at Knife app or through your designated Human Resources department.



Report anything that seems suspicious.

Q&A

Q: My supervisor asked me to change my projected cost estimates on a construction job in order to delay recognition of a gain since we are already having a good year. What should I do?

A: Management overriding controls by purposely changing the timing of recognition of a gain is not appropriate. If you are concerned about a company accounting practice, you should discuss it with your supervisor. If you are not comfortable doing so or feel your concerns have not been addressed, you also may contact another member of management, make a report through the ethics hotline, or contact the chief legal officer, the corporation's internal auditing director, or a member of the corporation's Audit Committee.

Our company does not tolerate retaliation in any form. You will not face retaliation for reporting suspected concerns.

member of the Audit Committee. You also may file a confidential report by using the company's anonymous ethics hotline. There will be no retaliation against any employee who reports. For more information about reporting suspected violations, see the last page of this Leading With Integrity Guide.

Protection of Property

You are responsible for properly using our corporation's property, including both physical assets and business information. We all must take care in using and maintaining corporate property, and to protect assets from misuse, theft, vandalism and accidental loss. You must follow corporate policy when handling sensitive data such as Social Security numbers and banking information. You cannot use corporate property for personal use without approval from management.

Our corporation's salvage or surplus materials must be disposed of following approved procedures, and our corporation must maintain auditable accounting records when disposing of assets.

You may not use corporate telephones, computers, mobile devices, vehicles, construction equipment, office machines, materials, services or supplies for inappropriate personal use. However, unless prohibited by your supervisor, reasonable incidental use of a corporate telephone, computer or other equipment is permitted.



Do not steal or misuse company property or your co-workers' property.

Any employee who steals or attempts to steal corporate property, including documents, equipment, cash, intellectual property or any other items of value, or the personal property of other employees, will be subject to disciplinary action, including termination, and may face criminal charges. All employees have a responsibility to report attempted or actual theft to corporate management.

Trademarks, Service Marks and Copyrights

Trademarks and service marks, such as logos, words, slogans and symbols, are important business tools. Our corporation legally owns all rights, including ideas, inventions, writings and good ideas, relating to its business that employees create during their work or while using corporate resources. You may not negotiate or enter into any agreements about our corporation's trademarks and service marks without consulting the Legal Department.



Refer to and follow corporate policy when using company brands, trademarks and logos. These policies are available at in the "KRC Policies" section of the Life at Knife app or through your designated Human Resources department.



Computer System and Electronic Communications

You may be given access to computers, smartphones, email, the Internet and other corporation-issued devices to conduct our corporation's business. All communications and information transmitted by, received from, created in or stored on the corporate computer system or the corporation's "cloud" systems are the property of our corporation.

Occasional personal use of computers, email and the Internet is allowed as long as it is legal and does not negatively impact your job performance or our corporation.

You cannot install hardware or software on your corporation-issued devices without approval from the Information Technology Department.

Our corporation has the right, for any reason and without your permission, to monitor its computer system, as well as information posted on social networking sites. This includes, but is not limited to:

- Reviewing documents created and stored on its computer system.
- Deleting materials stored on its system.
- Monitoring websites visited by employees.
- Monitoring chat and news groups.
- Reviewing material downloaded from or uploaded to the Internet.
- Reviewing emails sent and received by employees.

You must act professionally when using our corporate computer system, including corporate email and chat systems. Our corporation's policies against discrimination and harassment, sexual or otherwise, apply to the computer system and social networking sites. Any violation of those policies is grounds for discipline, including termination.



Know that the corporation has the right to monitor anything you do on its computer network and devices.

Cybersecurity

We have technology resources to help protect us from security incidents. They also help us detect, respond to and recover from incidents. Each of us must exercise good judgment and caution when reviewing emails and accessing the Internet, create strong passwords and never share them with anyone, and never use the same password for a work account that you use for a personal one.

If you receive a suspicious email, delete it or report it to the corporation's IT Helpdesk. Always think before you click.

Copies of the corporation's policies relating to cybersecurity and use of corporation systems and devices are available in the "KRC Policies" section of the Life at Knife appl or through your designated Human Resources department.

Document Retention

Written or electronic documents or communications that may be relevant to a lawsuit or government investigation should be saved immediately and not altered. If you are uncertain whether documents should be saved because they might be relevant to a lawsuit or investigation, contact the Legal Department.

Confidential Information

You may have access to corporate information that is confidential, is considered personal identifiable information or has competitive value to our corporation. You must protect the confidentiality of that information.

Confidential information may be used only for corporate purposes, and not for your personal benefit or the benefit of others. All files, records and reports acquired or created in your job are the property of our corporation. You may use these documents only to perform your job and must return the documents at any time upon request.

You should protect our corporation's proprietary information and trade secrets just like all other important corporate assets. Information about pricing; products and services that are being developed; acquisitions or divestitures; and any other trade secrets must be kept confidential. You must use reasonable care to avoid disclosing proprietary information, and only use the information to perform job duties. You should discuss confidential or competitive information only with other employees who need to know the information to do their job.

Lists or other information about employees, customers or stockholders are confidential corporate information and you should not share them with others unless you are required to do so by law or you have management approval.



If you are unsure if information is confidential, ask your supervisor.

Q&A

Q: My co-worker and I were messaging each other on our work computers. We discussed personal issues and gossiped about other co-workers. Our supervisor was able to see these messages, and my co-worker and I were both terminated. Can we be terminated for this?

A: Yes, you can. Knife River has the right, for any reason and without your permission, to monitor its computer system. This includes, but is not limited to:

- Reviewing documents.
- Monitoring websites you visit.
- Monitoring your chats.
- Reviewing emails you send and receive.

You must act professionally when using the computer system, including email and chat. Corporate policies against discrimination and harassment also apply to the computer system and social media sites. Any violation of these policies is grounds for discipline, including termination.

Q&A

Q: I heard our company is buying a competing company. I mentioned it to a friend but said it was confidential. I don't think he will say anything. Was this OK?

A: No, you should not have shared the confidential information with your friend, even if he agreed not to say anything. By sharing non-public information, you have potentially "tipped" your friend and made him an "inside trader" if he buys or sells stock based on the information you gave him. This is illegal, and both you and your friend could face serious fines and even jail. Also, by sharing the information, you could jeopardize our company's ability to successfully purchase the company or impact other business opportunities. You should never share confidential information unless it is with other employees who need to know it in order to do their job.

Insider Trading

You may not trade on or recommend corporate stock to others based on inside information. “Insider trading” is buying or selling a publicly traded security, such as stock in a company, while you have important non-public information about the issuer of the security. That information might include earnings, gains or losses of business, or changes in our corporate leadership. Insider trading is prohibited by federal securities laws, and so is “tipping,” which is communicating information to others who might use it to buy or sell stock. When in doubt, you should assume that corporate information is not public.

Officers and directors of our corporation are prohibited from trading in corporate stock during a “blackout period,” which is any period in which individuals subject to the blackout period are prohibited from trading in the company’s securities. Officers and directors of our corporation are also subject to a “cooling-off period” before being able to trade in the corporation’s securities.

If you have questions about buying or selling stock involving confidential information, you should talk to your compliance officer or the Legal Department.

A copy of the corporation’s Insider Trading Policy is available in the “KRC Policies” section of the Life at Knife app or through your designated Human Resources department.

Commitment to Employees

We will work together to provide a safe and positive workplace.

Overview and Corporate Policy

A positive work environment depends on everyone. Every employee is expected to be a positive and productive member of the work group and to cooperate with co-workers. Effective teamwork and cooperation, as well as open and honest communication, are based on developing and maintaining trusting relationships.

A lifelong learning atmosphere is part of our corporation’s philosophy because employees’ skills and abilities must be continually improved in order to meet changing job requirements and maintain business competitiveness.

Safety is a vital part of every employee’s job. Every employee is responsible for preventing accidents and injuries and maintaining safe working conditions.



Employment Conditions

Our corporation is committed to equal employment opportunity and affirmative action philosophies and policies, and is dedicated to achieving equal opportunity for all employees and job applicants.

Our corporation is committed to fostering a work environment where everyone is treated with respect and integrity. Corporate policy says employees will be provided with a positive work environment that is free of sexual and other forms of unlawful harassment. Our corporation does not tolerate harassment. This includes, but is not limited to, harassment based on age, race, color, religion, gender, sexual orientation, national origin, disability or veteran status. Our corporation does not tolerate verbal or physical conduct of a sexual nature by any supervisor, employee, agent, contractor or customer that harasses, disrupts or interferes with an employee’s work or creates an intimidating, offensive or hostile work environment.

A copy of the corporation’s policies relating to equal employment opportunity and harassment is available in the “KRC Policies” section of the Life at Knife app or through your designated Human Resources department.

Our corporation complies with wage and hour laws and other statutes that regulate the employer-employee relationship and the work environment.

No employee may interfere with or retaliate against another employee who invokes his or her rights under labor and employee relations laws.

Diversity and Inclusion

Our corporation is committed to an inclusive environment that respects the differences and embraces the strengths of its diverse employees. Diversity is who we are as individuals, including all of the differences that make each of us unique. Diversity includes education, background, work function, union affiliation, management status, seniority, sexual orientation, physical ability, gender, race, age and all other factors that make us who we are. Inclusion is how our corporation respects employees’ differences and supports an inclusive culture where everyone can feel valued. It is important to our corporation that you can contribute to your full potential to help achieve these corporate goals.

Q&A

- Q:** While on our lunch break, a co-worker was using racial slurs. It made me uncomfortable. Should I tell someone?

A: Yes, you should. You have a responsibility to speak up. If you are comfortable doing so while in the situation, tell your co-worker that this conduct is unacceptable. You also should report the incident immediately to your supervisor, the Human Resources Department or file a report through the ethics hotline. Reports of any form of harassment will be investigated fairly and confidentially. Any employee who is found to have engaged in harassment will be subject to appropriate discipline, which may include termination of employment.

Safety and Health

The goal of our safety program is to prevent accidents and injuries and to provide safe working conditions for everyone. You should use required safety equipment, follow proper procedures, and use good judgment and common sense to protect yourself, your co-workers and the public from injury. Our corporation adheres to workplace safety laws and regulations and corporate standards. Corporate policy outlines our commitment to this important aspect of employment.

You are expected to report to work on time and in appropriate mental and physical condition. The use, sale, distribution or possession of illegal drugs on corporate premises, in corporate vehicles, in personal vehicles being operated on corporate business, or while conducting off-premise corporate business is absolutely prohibited. Violation of this corporate policy will result in disciplinary action, up to and including termination, and may have legal consequences.

The use, sale, distribution or possession of alcohol in corporate vehicles, or in personal vehicles being operated for corporate business, is absolutely prohibited. The use, sale, distribution or possession of alcohol on corporate premises, or while conducting off-premise corporate business, is prohibited unless approved by your company president.

The company has a policy on smoking and tobacco use. Generally, smoking and tobacco use are prohibited in corporate and company facilities except in areas designated as “smoking permitted” areas, and are not allowed in corporate or company vehicles. If either company policy or state or local laws are more stringent the more stringent requirements must be followed.

You may not carry or otherwise possess weapons in corporate buildings or corporate vehicles.

Q&A

- Q:** My company is not following proper operating and safety procedures. What should I do?

A: You should report any suspected safety concerns immediately to your supervisor, safety director, company compliance officer or via the ethics hotline. Every employee has the authority to halt work if there is imminent danger from unsafe working conditions.



Safety is a vital part of every employee’s job.

A Safe and Positive Workplace

Our corporation’s success requires that we treat each other just as we would customers, and respond to each other’s requests competently and efficiently, with quality products and services. You should treat co-workers with the same respect and courtesy you extend to external customers.

A copy of the corporation’s policies relating to the health and safety of the corporation’s employees is available in the “KRC Policies” section of the Life at Knife app or through your designated Human Resources department.

Communication

Our corporation communicates internally and externally to employees and the general public about issues and activities affecting our business. Employee communications include periodic meetings, emails, intranet sites and various other materials. You are encouraged to review these communications for important information about our corporation that may impact your work.

Commitment to Customers, Suppliers and Competitors

We will compete in business only by lawful and ethical means.

Overview and Corporate Policy

Our corporation's success can be achieved only through fair, honest and intelligent decisions in dealing with customers, suppliers and competitors.

No corporate funds or assets may be paid, loaned or otherwise given as bribes, "kickbacks" or payments designed to influence or compromise the recipient's conduct. No employee may accept funds or other assets — including preferential treatment for fulfilling responsibilities — in return for helping get business from our corporation or for getting special concessions from our corporation. Any employee who receives, makes or condones a bribe, kickback or other unlawful payment, or attempts to initiate such activities, will be subject to disciplinary action up to and including termination.

Customer Service

Our corporation's successful relationship with customers requires that we provide quality products and services and treat customers with courtesy. Our corporation makes many commitments to customers about the availability, quality and price of our products and services to meet our corporation's vision to be customers' supplier of choice in all our markets. It is up to each employee to ensure that we live up to these promises. You should be sensitive to customer problems and work to build customer appreciation for the value and quality of our services.

Our customers have a right to information about our corporation's products and services. We must maintain open communication with our customers and promptly respond to them.

 **Respond quickly to customers, with a goal of providing good customer service.**

Supplier and Customer Relationships

Our corporation's relationships with suppliers are based on a commitment to open and fair dealings. We select suppliers of goods and services based on quality, service, cost-benefit considerations, performance and supply levels. You should avoid all actions that create an appearance of preferential treatment toward any supplier.

Corporate policy generally prohibits you or your family members from requesting or accepting anything that could be seen as an attempt to influence your duties or to favor one supplier or customer over another.

Q&A

Q: I suspect my supervisor was influenced to take a contract with a vendor because the vendor sponsored an outside event my supervisor attended. What should I do?

A: Our company expects all our business deals to be honest and fair. In fact, if a business deal is unfair, it also may be illegal. If you suspect a business deal may have been handled unfairly, you should report it to your company compliance officer or via the ethics hotline. Reports are handled confidentially, and you will not face retaliation.

You may not accept from current or prospective suppliers or customers any gift of cash, gift certificate, travel or lodging without approval from your supervisor. And you must get your company president's approval before accepting any type of gift valued at more than \$200.

Normal business entertainment, such as lunch, dinner, theater or sporting events, is acceptable if they follow corporate policy and if the purpose is to hold legitimate business discussions or foster better business relations.

Review corporate policy for more information about giving or receiving gifts.

 **You should never seek gifts of any value from customers or suppliers for personal use.**

A copy of the corporation's policy relating to gifts is available in the "KRC Policies" section of the Life at Knife app or through your designated Human Resources department.

Fair Competition

Our corporation and its employees must comply with antitrust laws and avoid any anti-competitive behavior. This includes avoiding arrangements with dealers, suppliers, customers or competitors that restrict our corporation's ability to compete with other businesses or the ability of other business to compete with us. We also avoid practices that are intended to increase the use of our services except through fair marketing based on price, quality, product features and service. We do not use unfair or deceptive marketing practices.

The federal government, most state governments and many foreign governments have antitrust or competition laws that prohibit trade restraints. These laws ensure customers and sellers benefit from open competition within the market. Antitrust violations can lead to substantial civil charges — fines that are triple the actual financial damages to a plaintiff. Antitrust violations also are often treated as crimes that can result in felony convictions of corporations and employees. Antitrust laws are complex and must be strictly followed.

Some conduct is always illegal under U.S. and other countries' antitrust laws. You must never:

- Agree with competitors to:
 - Set prices or other terms of sales, purchases or licenses of goods or services; to use the same method of setting prices; or to set conditions on sales or purchases.
 - Coordinate terms of a bid, or on whether or not to bid.
 - Designate or limit customers, geographic territories, products or services, or to refrain from competing with each other in some other way.
- Not do business with (to "boycott") one or more customers, suppliers, licensors or licensees.

Q&A

Q: A vendor has offered me tickets to an event. Can I accept the tickets?

A: If the value of the tickets or any other offered gift is below \$200, you need to get your supervisor's approval before you accept. If the value of the tickets or gift is \$200 or more, you need to get your company president's approval before you accept. Your supervisor or company president will determine if you can accept the tickets or gift based on the company's gift policy.

- Limit production volumes or research and development, to refrain from certain types of selling or marketing of goods or services, or to limit or standardize the features of products or services.
- Limit recruitment of employees or otherwise fix terms of employment, including compensation and benefits.
- Agree with customers or licensees on the minimum resale price or price levels (for example, discounts) of our corporation's goods or services.

Other types of conduct may be illegal in some situations, including certain agreements with competitors, customers, suppliers, licensors or licensees, and actions that may result in claims that our corporation has monopolized or attempted to monopolize a market. These types of conduct include:

- "Predatory" pricing, or pricing below cost, to drive at least some competition from the market.
- Exclusive dealing arrangements that require customers or licensees to not deal with our corporation's competitors.
- Reciprocal purchase agreements that condition the purchase of a production on the seller's agreement to buy products from the other party.
- "Tying" arrangements, in which a customer must purchase a second product or service that they would prefer not to buy or may prefer to buy elsewhere on better terms.
- "Bundling" in which the final price depends on the customer buying multiple products to receive "market share discounts," or "loyalty discounts" depending on how much they purchase from one place as a percentage of their total purchases of a type of product. Many bundling arrangements and loyalty discounts promote competition and are legal, but those that exclude competitors from a market or allow the company to dominate a market may be illegal.
- "Price discrimination," which is selling products or services at different prices or terms to customers who compete with each other, is prohibited unless the sales comply with specific exceptions allowed by law. The two most common exceptions are:
 - Meeting Competition. If our company reasonably believes it has to offer one customer a lower price in order to meet a price offered by a competitor, our company can choose to do so. Our company should have a documented reasonable case for the decision — but you must never call or otherwise contact our competitors to verify a price that a customer is reporting.
 - Functional Discount. If a customer performs a service (such as transporting the product) that our company would otherwise have to perform, our company can provide a discount that reflects the value of that service.

This information is intended as an overview and not a comprehensive summary of all antitrust laws. If you have specific questions about a situation, contact your compliance officer or the Legal Department before taking action.



Your business dealings should always be honest and fair.

Trademarks and Copyrights

Our corporation respects the trademark rights of others. Any proposed use of a name, product or service must be submitted to the Legal Department for review before use.

Similarly, using the trademark or service mark of another corporation, even one with whom our corporation has a business relationship, always requires approval by our Legal Department.

You must avoid unauthorized use of copyrighted materials and should check with the Legal Department if you have questions about photocopying, excerpting, electronically copying or otherwise using copyrighted materials. Just because something is easy to copy, such as items downloaded from the Internet, does not mean it is legal to copy or share it, including by email or other electronic means. See corporate policy for more information.

A copy of the corporation's policy relating to trademarks and copyrights is available in the "KRC Policies" section of the Life at Knife app or through your designated Human Resources department.

Commitment to Communities

We will be a responsible and valued corporate citizen.

Overview and Corporate Policy

Our corporation is committed to corporate citizenship, including the view that companies and individuals must contribute to the well-being of society. We contribute through the important products and services we provide, and our commitment extends further. We take an active interest in the quality of life enjoyed by our employees and the people of the many cities and states we serve. Our contributions to communities are enhanced by conducting our business with integrity.

Environmental Stewardship

Our corporation has an Environmental Policy directing that we will operate efficiently to meet the needs of the present without compromising the ability of future generations to meet their needs. Our corporation's environmental goals are to:

- Minimize waste and maximize resources;
- Be a good steward of the environment while providing high quality and responsibly priced products and services; and
- Comply with or surpass applicable environmental laws, regulations and permit requirements.

A copy of the corporation's environmental policy is available in the "KRC Policies" section of the Life at Knife app or through your designated Human Resources department.

Public Safety

Our corporation maintains an accident prevention program aimed at safely delivering our products and services. We comply with all laws, ordinances, regulations, policies, standards and rules that pertain to the responsibilities and commitments of our corporation toward accident prevention and public safety.

Your job performance evaluation includes evaluating your safety performance. You are expected to consider and accept accident prevention as a personal benefit, to cooperate and take an active part in accident prevention programs, and to willingly and satisfactorily perform all accident prevention duties. You are expected to become knowledgeable on applicable laws, regulations, policies and standards pertaining to accident prevention, and to report all unsafe practices and conditions.

Q&A

Q: What can I do to help our company reduce our carbon footprint?

A: It is every employee's responsibility to use resources effectively and efficiently. Ensuring you use only the minimum amount of resources necessary to do every job – the least amount of fuel, electricity, water, etc. – will minimize the company's environmental impact and expenses, ensuring we can stay in business. If you have ideas about making the company's processes more efficient and less carbon-intensive, please share them with your supervisor or a member of management.



Safety is part of your job.

A copy of the corporation's employee safety policy is available in the "KRC Policies" section of the Life at Knife app or through your designated Human Resources department.

Community Involvement

Our corporation supports employee involvement in community activities and professional organizations. We encourage you to participate in and seek leadership roles in community and civic activities. When you pursue these interests, it reflects favorably on both you and our corporation. See corporate policy for more information about participation in political and public affairs activities.

If you accept public office or serve on a public body, you do so as an individual and not as a representative of our corporation. You must comply with policies on attendance and leaves of absence if you participate in public office positions that require time away from work.



A copy of the corporation's policy relating to employee participation in public affairs is available in the "KRC Policies" section of the Life at Knife app or through your designated Human Resources department.

Communication

Our corporation's stock is traded on the New York Stock Exchange. Stock exchange guidelines state that our corporation is expected to release quickly to the public any information that might impact our company stock.

You may be questioned by the media regarding our corporation and its business. Unless you are authorized to respond, you should refer the media representative to the appropriate corporate spokesperson. If you are not sure who the spokesperson is, ask your supervisor.



You must be careful not to accidentally disclose confidential or proprietary information through public or casual conversations, including through use of social media, that may be overheard or misinterpreted.

A copy of the corporation's policies relating to handling media inquiries and crisis communications is available at in the "KRC Policies" section of the Life at Knife app or through your designated Human Resources department.

Politics and Government

Our corporation supports our representative form of government and everyone’s right to participate in it. As part of that commitment, our corporation provides information to and shares its viewpoint with employees, customers, the general public and governmental entities.

You are encouraged to participate in the political process and to voluntarily contribute your time, talent and money to candidates and parties of your personal choice. Our corporation will not reimburse you in any way for personal contributions or donated time in support of any political candidate, party or committee.

Federal and state laws generally prohibit using corporate funds, property or services, directly or indirectly, to support or oppose a candidate or a political party or committee at any level of government. This includes direct and indirect contributions, such as buying tickets for special dinners or other fundraising events; lending employees to political parties or committees; providing transportation; providing duplicating or mailing services; and other similar activities. Under certain state and local laws, companies are allowed to make direct and indirect contributions in some circumstances to candidates. You should notify the Legal Department before making any contribution on behalf of our corporation.

Our corporation will not use its money, property or services to support or oppose foreign political candidates or a foreign political party.

Our corporation takes an active role in the political process to assure that proposed legislation and regulations are aligned with the interests of our stockholders, employees, customers, suppliers and the communities we serve. No employee can be required to make a political contribution to a candidate or political party as part of his/her job. However, voluntary contributions to our corporation’s political action committee (Knife River Corporation PAC) and volunteer service on its board of directors are permitted and encouraged.

Payments to Government Officials and Personnel

Our corporate integrity and reputation must be preserved in dealing with government representatives. You must not provide government officials or personnel with any gift, loan, donation, lavish entertainment or other payment that might be considered a payoff, bribe or improper influence. You must not do so personally or through consultants, suppliers, customers or others. You will not be reimbursed by our corporation for any personal payments you make to government officials or personnel.

Application and Decision-Making

The Integrity Guide applies to all directors, officers and employees of Knife River and its subsidiaries.

If you contract with others, such as consultants, agents and contractors, to represent our corporation or companies, you should determine if the contractor’s activities may be affected by the Integrity Guide. If so, the contractor should be made aware of and agree to comply with the Integrity Guide. Appropriate action will be taken, including terminating a contract, if the contractor does not comply. All company vendors are required to comply with Knife River’s vendor code of conduct which is available at www.kniferiver.com.

If you believe the application of the Integrity Guide in a particular circumstance would be inappropriate or detrimental to our corporation, it is your responsibility to contact our corporation’s chief legal officer to ask for clarification or request an exception. Only Knife River’s Board of Directors or a committee of the board may waive a provision of the Integrity Guide for an officer or director of Knife River, and any such waiver will be promptly disclosed to the public.

Asking Questions and Making Decisions

The Integrity Guide is a general guide. It does not answer every question regarding your conduct in every situation. You may need to refer to other policies or procedures for more guidance.

If you need to make a decision regarding your conduct, and the question is not directly addressed in the Integrity Guide or other corporate, business unit or company policies, ask yourself:

- Is the action I am considering consistent with the policies of our corporation and my company?
- Does the action I am considering follow laws and regulations?
- Does the action I am considering reflect the commitments and values of our corporation and society?
- Is the action I am considering consistent with my own definition of the right thing to do?
- Would I be hesitant to tell my company, my president or the company auditors what I am doing?

When the proper course of action is unclear, you should consult your supervisor or the compliance officer for your company.

Compliance Program

Our corporation has established the Leading With Integrity Program to ensure legal and ethical conduct throughout our corporation. The primary purposes of the compliance program are to assure that each employee is aware of and understands the Integrity Guide and that our corporation and all its employees are meeting their responsibilities under it.

Knife River’s Board of Directors has designated Knife River’s chief executive officer and its chief legal officer with the responsibility of implementing the corporate compliance program. The chief legal officer is the chief compliance officer and is responsible for administering the program. A full description of the compliance program and responsibilities for implementing the program can be found in corporate policy.

A copy of the corporation’s policy relating to its compliance program is available in the “KRC Policies” section of the Life at Knife app or through your designated Human Resources department.

Violations and Discipline

Even the appearance of illegal or unethical conduct by our corporation, employees or contractors can be extremely damaging to our corporation. You are expected to never violate a law or the Integrity Guide, even if a violation would improve financial results or help meet performance goals. Always lead and act with integrity. Employees or contractors who violate the spirit or letter of the Integrity Guide are subject to disciplinary action, up to and including termination. You are responsible for your actions. Illegal or unethical conduct will not be condoned simply because it was directed or accepted by your supervisor or someone else.

Supervisors should ensure people under their supervision, including outside contractors, know, understand and comply with the Integrity Guide. Supervisors who condone or negligently fail to detect illegal or unethical conduct by employees or contractors also are subject to disciplinary action, including termination.

Conduct that may result in discipline includes:

- Actions that violate the Integrity Guide.
- Asking others to act in a way that violates the Integrity Guide.
- Failing to promptly report a violation of the Integrity Guide.
- Failing to cooperate in investigations of possible violations of the Integrity Guide.
- Retaliating against an employee who reports a violation of the Integrity Guide.
- Failing to demonstrate the leadership and commitment necessary to comply with the Integrity Guide.
- Failing to complete required training on Integrity Guide topics.



Reporting Systems

You are critical to our corporation’s ability to maintain an effective legal compliance and ethics program. In addition to being responsible for your personal conduct, you are responsible for reporting concerns about illegal or unethical activity by others. You may feel uncomfortable reporting, but it is important to remember that tremendous harm can happen to our corporation, employees, stockholders and the public if legitimate concerns are not raised and addressed. If you believe an employee or contractor has violated or may violate a law or the Integrity Guide, you must report it so your concern can be investigated and appropriate action taken. Whenever you are in doubt, it is best to report your concerns.

You are encouraged to first bring suspected violations to your supervisor or Human Resources department. If you are uncomfortable discussing your concerns with your supervisor, or you suspect your supervisor is involved in the illegal or unethical behavior, or if your concern is not resolved after talking to your supervisor or your Human Resources department, here are more ways to report the concern or suspected violation:

24/7 Ethics hotline

1-844-606-0506

24/7 Online reporting

Website: kniferiver.ethicspoint.com
Mobile website: kniferivermobile.ethicspoint.com

Internal Auditing Director

701-530-1400
auditing@kniferiver.com

Chief Legal Officer

701-530-1400
chieflegallofficer@kniferiver.com

Report by mail

Audit Committee of the Knife River
Board of Directors
1150 W. Century Ave.
Bismarck, ND 58503

Report in person

Contact the compliance officer for your company.

kniferiver.com/integrity

Regardless of how you report suspected misconduct, do your best to include all information necessary to communicate the facts, circumstances or issues (for example, provide dates and documentation, and the names of people involved).

Our corporation will not retaliate against an employee who in good faith reports or expresses a concern about suspected illegal or unethical conduct or who is otherwise covered by federal “whistleblower” protection. Anyone retaliating or threatening to retaliate will be disciplined, up to and including immediate dismissal. If you become aware of such retaliation, you should report it using one of the above methods.

Clip and save these items
for easy reference.

KNIFE RIVER
24/7 Ethics Reporting

1-844-606-0506

Website: kniferiver.ethicspoint.com
Mobile website: kniferivermobile.ethicspoint.com



LEADING WITH INTEGRITY

Knife River provides a reporting hotline
to anonymously report any ethical concerns, such as:

- Ethical Violations
- Unsafe Working Conditions
- Quality of Service
- Discrimination
- Alcohol and Substance Abuse
- Fraud
- Conflict of Interest
- Theft and Embezzlement
- Violations of the Law
- Falsification of Contracts
- Wrongful Discharge
- Internal Controls
- Vandalism and Sabotage
- Improper Conduct
- Conduct Violations
- Threats
- Bribery and Kickbacks
- Misuse of Company Property
- Violation of Company Policy
- Falsification of Reports or Records

Regular business issues and matters not requiring anonymity should be directed to the employee's supervisor or Human Resources department.

