

2024 SFI Public Summary Report

Western Forest Products Inc. Sustainable Forestry Initiative® (SFI) 2022 Fiber Sourcing Standard Sustainable Forestry Initiative® (SFI) 2022 Forest Management Standard

July 5, 2024

Project Scope and Objectives

PricewaterhouseCoopers LLP (“PwC”) completed a multi-site Maintenance Assessment on Western Forest Products Inc.’s (“the Company”, “Western”, or “WFP”) including forest management activities on the Nootka operations and the corporate fiber sourcing activities managed by WFP’s Fibre Supply Group based in Nanaimo, BC. The Lead Assessor was Nick Beals, RPF, EMS (LA). The additional assessment team members were James Lucas, RPF, EMS (LA), and Tyler Doucet, EMS (A). The assessment team was accompanied by WFP’s certification representatives, Will Sloan, RFT, and Jonathan Flintoft, RPF.

The primary objective of the assessment was to assess the Company’s SFI management system and to evaluate the Company’s implementation of the SFI Standards in the field.

Client Profile

WFP is an integrated Canadian company sustainably managing forests and manufacturing wood products on the coast of British Columbia and in Washington State. The Company has an annual available harvest of approximately 5.9 million cubic meters of timber, of which approximately 5.8 million cubic meters is from Crown lands. WFP has seven sawmills with an annual lumber production capacity in excess of 1.0 billion board feet. Principal activities conducted by the Company include timber harvesting, reforestation, milling logs into lumber and wood chips, and value-added remanufacturing. WFP’s SFI certification covers both their Mainland Coast and Nootka Forest Operations as well as fiber sourcing operations for their primary sawmills in British Columbia.

Indicators

Not all indicators in the SFI Forest Management (“FM”) and Fiber Sourcing (“FS”) Standards were within scope of this year’s Maintenance Assessment. Objectives 8, 9, 10, and 12 of the SFI Forest Management Standard were not reviewed and Objective 5 of the SFI Fiber Sourcing Standard was also not tested. These Objectives will be reviewed during the next Maintenance Assessment in 2025. There were no substitute indicators.

Assessment Process

The Assessments for both standards were completed from May 14th to May 24th, 2024, with a closing meeting held on May 27th, 2024. A half day of office review for the SFI Forest Management was held on May 14th at the Gold River Field Office and a full-day office review of both Standards was conducted on May 16th in WFP’s Campbell River office. The office assessment reviewed WFP’s SFI Forest Management and Fiber Sourcing programs including staff interviews and a review of appropriate documentation to assess policies and procedures and the implementation of SFI program requirements. Fiber sourcing field activities near Toba Inlet were reviewed on May 24th. A field review of forest management activities occurred on May 14th to May 15th of WFP’s Gold River Forest Operations. The field audit team visited

harvesting (active), road development/deactivation, reforestation sites as well procurement/fiber sourcing sites. In total, the assessment team spent 2.5 days completing office reviews and 2.5 days of field reviews.

WFP has a multi-site certification for the forest management and a single-site certification for wood fiber procurement in North America including the following: Mainland Coast and Nootka Forest Operations, and Wood Fiber Procurement company-wide in British Columbia. PwC uses a rotational assessment approach where the central office is assessed annually, and the locations are sampled on a 3-year rotating schedule that conforms to the International Accreditation Forum Inc.'s Mandatory Document 1.

Summary of Conformance, Findings, and Good Management Practices

FOREST MANAGEMENT

SFI Forest Management Objective	Evidence of Conformity
<p>Objective 1. Forest Management Planning To ensure forest management plans include long-term sustainable harvest levels and measures to avoid forest conversion</p>	<p>Evidence: Interviews with WFP staff and contractors. Review of WFP Appendix 10 - SFI Certification Matrix, TFL management plans and Info packages, GIS data and Woodstock data and sample TSA files with constraint files and outputs, Cut Control Summary by TFL and License, LiDAR review, VILUP, WFP Forest Strategy, forest management plans, site plans and field observations.</p> <p>Summary: WFP has full in-house capability to perform internal timber supply analysis. WFP use VDYP and TIPSYP for their G&Y modeling and Patchworks and Woodstock for harvest modeling. They have developed internal ArcGIS tools for checking planned units for known resource values. The Province completes AAC analysis as part of the TSR process for WFP's area-based licenses. The Allowable Annual Cut ("AAC") is determined through the BC Timber Supply Review ("TSR") process. WFP harvests on various licenses at different points during their cut control period to manage stumpage prices, green up constraints, and First Nations concerns. Inventory information is a combination of Provincial Vegetation Resources Inventory ("VRI") data and digitized Mylar information. LiDAR data is being processed to generate inventory information and is highly integrated into WFP's planning and analysis work. WFP has initiated a test using satellite imagery to assess blowdown in and around Old Growth Management Areas ("OGMA's").</p> <p>Volumes are found on an operational basis by the planning and engineering groups. There is a split of second growth and old growth, which follow the WFP Forest Strategy and the Vancouver Island Land Use Plan ("VILUP"). Operations planning staff and contractors locate timber and are responsible for layout and Cutting Permit ("CP") development. WFP also manages all spatial data in their in-house ArcGIS system. Data inputs include forest inventory, roads, Timber Harvesting Land Base ("THLB") layer, non-timber values and constraint layers (e.g. UWR, WTPs, WHAs, etc.).</p> <p>Stand conversion into other types is not acceptable under BC Forest Practices rules and Western has not implemented this type of conversion in the past. Western manages plantation establishment using approved Forest Stewardship Plans ("FSP") stocking standards that include specifications for preferred and acceptable species as per Provincial silvicultural legislation requirements.</p> <p>The Company does not have forestlands that have been converted into non forestland use within the scope of their certification.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	
<p>Objective 2. Forest Health and Productivity To ensure long-term forest</p>	<p>Evidence: Interviews with WFP staff and contractors, Review of WFP Appendix 10 - SFI Certification Matrix, WFP Forest Strategy, post-harvest completion inspections, forest management plans, site plans and field observations.</p> <p>Summary: Reforestation plans are documented primarily in the site plan which is developed</p>

<p>productivity, carbon storage and conservation of forest resources through prompt reforestation, afforestation, minimized chemical use, soil conservation, and protecting forests from damaging agents.</p>	<p>for each block and are signed off by the Planning Forester. Site Plans reference the applicable stocking standard and FSP's identify which standards are applicable to the operating area. Accredited silviculture surveyors or other qualified professionals follow survey guidebook directions to verify if these standards have been met. Planting will occur within 2 years of harvest in spring and fall plants. Blocks have a survival survey in the spring or summer following the initial plant.</p> <p>WFP's retention harvesting system considers the biodiversity value associated with reserve areas and restricts the opening size and distance between mature forest. Sensitive soils are identified at the site plan level for each unit and addressed accordingly to reduce soil disturbance. FSP details legal requirements with FRPA legislation. Phase inspections are conducted throughout operations to ensure disturbance levels stay well below the limits.</p> <p>Post harvest completion instructions are developed by the Silviculture Forester onsite and signed off by Harvest or Contract Supervisors when completed. A final cutblock inspection form is completed at time of review by the Silviculture Forester. These are conducted on every block and are designed to confirm prescriptions have been implemented and identify any remedial works.</p>
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No Nonconformities or Opportunities for Improvement were identified related to this objective.

<p>Objective 3. Protection and Maintenance of Water Resources To protect the water quality of rivers, streams, lakes, wetlands and other water bodies through meeting or exceeding best management practices.</p>	<p>Evidence: Interviews with WFP staff and contractors, Review of WFP Appendix 10 - SFI Certification Matrix, WFP Forest Strategy, SOPs containing riparian protection measures (i.e., Emergency Preparedness & Response, Planning), pre-work, inspection reports, forest management plans, site plans and field observations.</p> <p>Summary: WFP FSP and SP's prescribe riparian protection measure that conform with FRPA. In some areas and for special sites these buffer requirements are expanded. These instructions are communicated to operators through maps and pre-works. WFP also has a comprehensive set of SOPs for Emergency Preparedness & Response, Planning, Grade, Hauling, Sorting & Booming, Pre-Works & Inspections as well as Common SOPs containing general riparian protection measures and are used by both WFP staff and contractors.</p> <p>GIS data is corroborated in the field during block planning and riparian assessments confirm classifications. WFP has LiDAR data covering most of their operations and probable stream locations have been modeled from this information. This aids in identifying control points and designing roads in a way to minimize impacts on riparian areas.</p> <p>WFP includes requirements in all contracts to comply with WFP's EMS (which describes BMPs) and all legal requirements.</p> <p>WFP has guidelines to address wet-weather events for various areas – including a system of automated weather stations and water balance calculations.</p>
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No Nonconformities or Opportunities for Improvement were identified related to this objective.

<p>Objective 4. Conservation of Biological Diversity To manage the quality and distribution of wildlife habitats and contribute to the conservation of biological diversity</p>	<p>Evidence: Interviews with WFP staff and contractors. Review of WFP Appendix 10 - SFI Certification Matrix, CENFOR, ArcGIS, Provincial Forestry databases, Plant/animal inventory and OGMA changes, WFP invasive species procedure, Forest Stewardship Plans, Pest Management Plans, Grass Seeding Standard, Land Use Order and FRPA requirements, Timber Supply Analysis and Management Plans, WFP Biodiversity Management Strategy, and Site Plans, WFP Species at Risk Training program, Goshawk Management Strategy and Field Card, WFP Rare Ecosystem Project includes habitat for T&E species, GIS Layers (various), WCSIC support for Nature Conservancy Project BC Species and Ecosystems Explorer, NatureServe, WFP Forest Strategy and WFP Big Tree Policy.</p> <p>Summary: WFP's FSP, TFL Management Plans and site plans all incorporate the</p>
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<p>by developing and implementing stand-and landscape-level measures that promote a diversity of types of habitat and successful stages, and the conservation of forest plants and animals, including aquatic species, as well as threatened and endangered species, Forests with Exceptional Conservation Value, old-growth forests and ecologically important sites.</p>	<p>conservation of biological diversity by setting objectives, results and strategies to meet legislative requirements such as landscape and stand level biological diversity, objectives for water, fish, wildlife and biological diversity within riparian areas, and objectives set for soils and wildlife. Measures are carried in the site level plans developed by Registered Professional Foresters. WFP has put significant resources into planning for and managing biological diversity. WFP has a full-time biologist on staff to support company goals for conservation of biological diversity. Conservation measures at the site level were reviewed in the field. Any unique features such as Karst, terrain or rare ecosystems are identified in the field and protected during the planning and harvest phases.</p> <p>Landscape level reserves (OGMAs, WHAs, UWRs, voluntary reserves and non-contributing land base) maintain stand structure on landscape. WFP has implemented and supported numerous programs and strategies to enhance diversity including Big Tree policies, variable retention, wildlife tree retention, implementation monitoring of bear den standard, and retention silvicultural system standard. WFP surpasses internal targets for forestry and wildlife tree retention targets. The WFP Big Tree policy exceeds government standards (lower required diameters and height) and Big Trees are primarily kept in retention patches, not as dispersed retention.</p> <p>Various field cards and procedures (SOPs) were observed in use at the operations. Field sites visited demonstrated the application of the WFP programs for biodiversity. WFP has incorporated their research on regional wildlife into their staff and as well as contractor training programs. LiDAR is used to map forest influence at block level and adjust block design accordingly.</p> <p>WFP subscribes to a variety of organizations (e.g., FPBC, UBC Forestry, BC Conservation Data Centre, NCASI, and the MOF) which maintain websites and newsletters to disseminate information on current research projects. These information centers help to keep practitioners aware of new forest management techniques, public opinion and forest policy/guidelines.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	
<p>Objective 5. Management of Visual Quality and Recreational Benefits To manage the visual impact of forest operations and provide recreational opportunities for the public.</p>	<p>Evidence: Interviews with WFP staff and contractors, Review of WFP Appendix 10 - SFI Certification Matrix, WFP Forest Strategy, forest management plans, site plans and field observations.</p> <p>Summary: Visual impact assessments are carried out to assist with the development of harvest operational planning on the landscape. WFP's management of visual quality was reviewed in the field at the Nootka Operations and confirmed no green-up adjacency issues observed. Operations follow requirements outlined in FSP and the higher-level land use plans.</p> <p>Historical activity information is retained within the spatial GIS system and can be procured through queries of that system. The Reporting Silviculture Updates and Land Status Tracking System (RESULTS) application tracks silviculture information by managing the submission of openings, disturbances, silviculture activities and obligation declarations as required by the Forest and Range Practices Act.</p> <p>As WFP tenured areas are crown forest land the public are permitted across all operational areas. Field observations noted good operational care around recreation sites and trails. In addition, there is maintenance of high traffic road systems that serve various public interest sites.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	
<p>Objective 6. Protection of Special Sites To manage lands</p>	<p>Evidence: Interviews with WFP staff and contractors. Review of WFP Appendix 10 - SFI Certification Matrix, GIS, and block files including FRPA checklists, AIAs and SPs. Field Observations.</p>

<p>that are geologically or culturally important in a manner that takes into account their unique qualities.</p>	<p>Summary: WFP Forest Stewardship Plans contain a cultural heritage resource strategy. The Company engages with stakeholders and First Nations to ensure that planning activities are able to manage all known special or culturally sensitive sites. Available special site or cultural information databases will also be consulted to allow for inclusion of any areas not already included in the planning process. Expert advice is sought on a regular basis from First Nations, Registered Professional Biologist's and Geotechnical professionals. Protection measures are specified in WFPs standards for various values including Bear Dens, Nests and Big Trees.</p> <p>Assessments to determine the potential and presence of special sites and strategies for their management are incorporated into harvest area planning. WFP maintains a layer within their GIS for special sites which includes cultural features. This information is used to determine potential harvesting constraints in block planning. GIS layers include: roads/landings/ water layers/geology/special features (e.g. karst, cabins)/Visual Quality Objectives/wildlife layers (deer winter range etc.)/arch sites/trappers/community watersheds. Good protection around several special features observed during field audit, all of which were appropriately mapped including bear dens and CMT's. Some wildlife features have seasonal timing restrictions within 500m, 1000m circles and these were clearly documented on harvesting maps.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	
<p>Objective 7. Efficient Use of Fiber Resources To minimize waste and ensure the efficient use of fiber resources.</p>	<p>Evidence: Interviews with WFP staff and contractors. Review of WFP Appendix 10 - SFI Certification Matrix, FSPs and SPs, field observations.</p> <p>Summary: Fiber utilization is reviewed during phase and final inspections. Fiber utilization is a key component during undocumented site visits by harvesting supervisors. A large portion of WFP's operations are within the Coast Fiber Recovery Zone which carry increased waste penalties.</p> <p>The size and scale of piles were observed during site visits of several units. Ongoing discussions are held to review opportunities for incremental hauling of this lower grade fiber to facilities that can utilize it.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	
<p>Objective 8. Recognize and Respect Indigenous Peoples' Rights To recognize and respect Indigenous Peoples' rights and traditional knowledge.</p>	<p>Not reviewed during 2024 assessment.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	
<p>Objective 9. Climate Smart Forestry To ensure forest management activities address climate change adaptation and mitigation measures.</p>	<p>Not reviewed during 2024 assessment.</p>

No Nonconformities or Opportunities for Improvement were identified related to this objective.

**Objective 10.
Fire Resilience
and Awareness**
To limit
susceptibility of
forests to
undesirable impacts
of wildfire and to
raise community
awareness of fire
benefits, risks, and
minimization
measures.

Not reviewed during 2024 assessment.

No Nonconformities or Opportunities for Improvement were identified related to this objective.

**Objective 11.
Legal and
Regulatory
Compliance**
To comply with
applicable federal,
provincial, state
and local laws and
regulations.

Evidence: Interviews with WFP staff and contractors. Review of WFP Appendix 10 - SFI Certification Matrix (WFP Trained Logger List –SFI FS Risk Assessment, WFP FSC Risk Assessments, WFP CoC Procedures, WFP WCSIC Risk Assessment forms, WFP MERC MR – Environmental Policy, EMS Compliance Log and field visits.

Summary: WFP has a comprehensive EMS program in place which includes legal and regulatory commitments, procedures to ensure compliance, defined roles and responsibilities, internal auditing of activities and review and revision of legal compliance by senior management. Forest Management regulatory updates are communicated through the organization to relevant staff when they occur. These updates are provided to WFP through individuals in working groups and through COFI and Quickscribe.

The Company also monitors websites, and changes to relevant laws and regulations. The Certification & EMS Manager conducts periodic reviews of changes to relevant laws and regulations and will determine if changes are required to programs or procedures to facilitate compliance. Any documentation changes will be made in accordance with EMS document control procedures.

The Company complies with provincial and federal social and labor legislation in Canada. A variety of WFP corporate policies are in place to ensure conformance including a health and safety policy, an annual employee code of conduct sign-off and policies for bullying and harassment and workplace violence. The Company is Safe Certified with the Forest Safety Council of British Columbia.

No Nonconformities and One Opportunity for Improvement was identified related to this objective:

- It was observed that a logging contractor pickup did not have full containment security of its tidy tank in the truck bed. One of the two containment straps was disengaged it could lead to failure of the remaining strap leading to noncompliance with internal regs and if used on motor highways noncompliance with the Motor Vehicle Act. This issue was addressed promptly by the contractor and closed out.

**Objective 12.
Forestry
Research,
Science and
Technology**
To invest in forestry
research, science
and technology,
upon which
sustainable forest

Not reviewed during 2024 assessment.

<p>management decisions are based and broaden the awareness of climate change impacts on forests, wildlife and biological diversity.</p>	
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	
<p>Objective 13. Training and Education To improve the implementation of sustainable forestry practices through appropriate training and education programs.</p>	<p>Evidence: Interviews with WFP staff and contractors. Review of WFP Appendix 10 - SFI Certification Matrix, WFP Trained Logger List –SFI FS Risk Assessment, WFP FSC Risk Assessments, WFP CoC Procedures, WFP WCSIC Risk Assessment forms, WFP MERC MR</p> <p>Summary: WFP has a Sustainable Forest Management policy. It includes a commitment to Sustainable Forest Management and to the principals of SFI. It is signed by Don Holmes, Vice President Timberlands, Jonathan Armstrong, Vice President, Forest Stewardship and Fibre Supply, Stuart Glen, Chief Forester.</p> <p>The WFP EMS Manual Appendix 5 describes the Roles and Responsibilities of the various staff and departments with regards to the SFI program. Key roles are: Chief Forester & VP, First Nation Partnerships & VP, VP Fibre Supply, Management Environmental Review Committee, Managers, and various other Departments. Roles are well defined including tasks and responsibilities. Training requirements are found in the Training Table document and include EMS and SFI Fiber Sourcing and Manufacturing CoC SOPs.</p> <p>The WFP Training Table identifies all the training requirements of woodlands, shop and warehousing staff and contractors. The frequency of review and listings of the specific SOPs required by position are included. Training records are maintained to ensure all active workers are competent in their tasks.</p> <p>WFP Fiber Sourcing Information Package (developed consistent with WCSIC Wood Producer Package and Training Policy) is given to all contractors. The materials include WFP's EMS training including SOPs. All contractors are trained in WFP's EMS prior to any work being conducted on WFP harvest units - either on their managed tenures or on stumpage sales.</p> <p>The WCSIC Training Policy and Wood Producer Information Package identify criteria and delivery mechanisms for wood producers. The WCSIC website also contains links to sources of training material. WFP conducts annual training to address continual improvement and informs contractors when appropriate training courses are available.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	
<p>Objective 14. Community Involvement and Landowner Outreach To broaden the practice of sustainable forestry through public outreach, education and involvement, and to support the efforts of SFI Implementation Committees.</p>	<p>Evidence: Interviews with WFP staff and contractors. Review of WFP Appendix 10 - SFI Certification Matrix, WCSIC member roster, WCSIC website and reporting line.</p> <p>Summary: The Company encourages forest landowners to participate in forest management certification programs through the distribution of the WCSIC Wood Producer Information Package. WFP has a certified Chain of Custody which tracks all certified fiber from large and small landowners.</p> <p>WFP representatives have attended WCSIC meetings and have participated in internal working groups focused on various initiatives.</p> <p>WFP conducts tours of its facilities and forest management activities from time to time. WFP provides in-kind support of school programs (e.g., classroom visits, tree planting events, etc.), run summer student programs, support/ participate in National Forestry Week and the Festival of Forests (teachers tour). The Standing Timber Procurement team through the fibre</p>

	<p>sourcing program put emphasis on developing capacity within small licensees' programs, particularly First Nation communities.</p> <p>The company also maintains recreation sites, trails, and maintains resource roads utilized by the public and guide outfitters.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	
<p>Objective 15. Public Land Management Responsibilities To participate and implement sustainable forest management on public lands.</p>	<p>Evidence: Interviews with WFP staff and contractors. Review of WFP Appendix 10 - SFI Certification Matrix, Western FSP and SPs.</p> <p>Summary: As WFP manages multiple public tenures across Vancouver Island and the BC Coast, the company is involved in a variety of planning and management efforts including: Land Use Orders and FRPA, Forest Stewardship Plan Consultations, Permits (CP, RP, SUP, etc.), PMP Consultations, Information Sharing and Engagement, Timber Supply Review, Stakeholder meetings and information sharing.</p> <p>WFP works with government on several fronts to conduct operations on Crown land. The FSP and CP process requires regular communication with the MoF to ensure the approval of these documents which are required for operations to proceed. At a higher-level WFP's Senior Biologist works with government scientists and land use planners on the development and implementation of biodiversity specific plans. WFP's main Silviculture Research Forester oversees a long-term research project on broadcast fertilization of cedar and hemlock. The data from this will eventually lead to new Growth & Yield curves for similar treatments in TASS and TIPSy and will feed into the government TSR process.</p> <p>WFP is required to seek input from local stakeholders prior to harvesting. These include First Nations, trappers and guides, watershed groups, adjacent landowners, and others. Specific consultation takes place during the development of Forest Stewardship Plans, Pest Management Plans, permits (CP, RP, SUP, etc.), Information Sharing & Engagement (FN's), Timber Supply Reviews, Stakeholder meetings and information sharing such as BC Caving Society and Nootka Watershed Society. Additionally, as part of their CSA SFM certification covering other divisions, WFP maintains Public Advisory Groups (PAG's) which meet regularly (both in person and remotely) to discuss WFP's operations and SFM efforts.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	
<p>Objective 16. Communications and Public Reporting To increase transparency and to annually report progress on conformance with the SFI 2022 Forest Management Standard.</p>	<p>Evidence: Review of SFI survey submission records.</p> <p>Summary: PwC is responsible for producing this report and submitting it to SFI on behalf of WFP. It can be found at: https://www.sfidatabase.org Records for the SFI report are stored in a number of databases including LRM, GIS, financial records, research documents and communication records.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	
<p>Objective 17. Management Review and Continual Improvement</p>	<p>Evidence: Interviews with WFP staff. MERC Management Review meeting minutes, EMS Manual - Management Review Process, Audits – Internal and External</p> <p>Summary: WFP Timberlands EMS Manual describes the multi-level management review process in place across all operations. Agendas for each level of management review are set in</p>

<p>To promote continual improvement in the practice of sustainable forestry by conducting a management review and monitoring performance.</p>	<p>the EMS Manual and meet the Standards’ requirements. Certification findings, progress on action items, internal/external audit findings, revisions to procedures, roles and responsibilities and other incidents/business are standing discussion topics. Action items generated from management reviews are entered in LRM to ensure completion.</p> <p>The Corporate Environmental Review Committee (MERC) is required to conduct a management review annually, however, in practice it is conducted twice per year. The latest Corporate MERC Management meeting was April 23, 2024. There are operations level management reviews which are required to be conducted twice per year.</p> <p>WFP staff perform internal audits for the Timberland operations within the scope of SFI certification with the most recent held February 20-23, 2024 (report dated March 7th, 2024), in Nootka Forest Operations. The internal audits include a mix of office and field reviews</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	

FIBRE SOURCING

<p>SFI Fiber Sourcing Objective</p>	<p>Evidence of Conformity</p>
<p>Objective 1. Biodiversity in Fiber Sourcing To address the practice of sustainable forestry by conserving biological diversity.</p>	<p>Evidence: Interviews with WFP staff and contractors. Review of WFP Appendix 10 - SFI Certification Matrix, SFI Fibre Sourcing Information Package, SFI FS Risk Assessment, WFP FSC Risk Assessments, WFP CoC Procedures, WFP WCSIC Risk Assessment forms, and site visits.</p> <p>Summary: The majority of volume that WFP purchases is through Crown sources which fall under the Forest & Range Practices Act (“FRPA”) and purchases from private lands generally fall under the Private Managed Forest Land Act (“PMFLA”) both of which address biodiversity issues. All small private purchases which do not fall under the PMFLA are risk assessed and visited pre-purchase and inspected during operations. WFP Fiber Sourcing group has good knowledge of Sustainable Forest Management (“SFM”) practices in BC, and they consult with the Timberlands group regarding any biodiversity issues which might apply to any purchase. Staff and contractor EMS training includes information on T&E species and other biodiversity issues. All sources are subject to a “Risk Assessment” at the time of purchase and where warranted, field inspections are conducted to ensure BMPs are being implemented, and that operations meet FRPA requirements around biodiversity, soil conservation, and riparian management.</p>
<p><i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i></p>	
<p>Objective 2. Adherence to Best Management Practices To broaden the practice of sustainable forestry through the use of best management practices to protect water quality.</p>	<p>Evidence: Interviews with WFP staff and contractors. Review of WFP Appendix 10 - SFI Certification Matrix, SFI Fiber Sourcing Information Package, WFP Trained Logger List - SFI FS Risk Assessment, WFP FSC Risk Assessments, WFP CoC Procedures, WFP WCSIC Risk Assessment forms, and site visits.</p> <p>Summary: For all purchased timber/stumpage, excluding BC Timber Sales, (standing timber that WFP or WFP Contractors harvest), the WFP EMS or other equivalent SFI certified systems are followed which includes BMPs (SOPs). For BCTS sales, WFP follows the BCTS EMS/SFI requirements at a minimum and the WFP EMS when they exceed the BCTS requirements. The timber procurement program includes an initial assessment of each potential sale to assess timber quality, logistics and other factors including resource values, a WCSIC Risk Assessment is completed for all timber purchases (may be multiple blocks) and trained/qualified logging contractors are hired by WFP for each sale and in many situations WFP hires an RPF directly to write the SP. Additionally, all of the road building (if any) and harvesting activities are carried out under WFP’s EMS and the relevant SOPs. The EMS also includes harvest inspections which are carried out by WFP staff at the various offices which administer the timber sales on behalf of the WFP procurement group.</p>

	<p>The Chain of Custody Standard Operating Procedure (SOP), which includes the FSC and PEFC risk assessment and Chain of Custody training information provides additional rigor around fiber sourcing with respect to BMPs and sustainable forest practices.</p> <p>At present, the majority of the WFP verifiable monitoring system is described in the CoC procedures under the Verification of Fiber Supply section - it consists of supplying Fiber Sourcing Information and training package, WCSIC Risk Assessment for each timber purchase and field inspection forms to assess levels of compliance with BMPs across WFP timber sales.</p>
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No Nonconformities or Opportunities for Improvement were identified related to this objective.

<p>Objective 3. Use of Qualified Resource and Qualified Logging Professionals To encourage forest landowners to utilize the services of qualified logging professionals, certified logging professionals (where available) and qualified resource professionals.</p>	<p>Evidence: Interviews with WFP staff and contractors. Review of WFP Appendix 10 - SFI Certification Matrix, SFI Fiber Sourcing Information Package, WFP Trained Logger List – SFI FS Risk Assessment, WFP FSC Risk Assessments, WFP CoC Procedures, WFP WCSIC Risk Assessment forms</p> <p>Summary: The WFP training program includes WFP CoC SOP (procedures for log purchases), Fiber Sourcing Information package (including BMPs), training program for suppliers, and EMS training is mandatory for all WFP contractors. SOPs are available to all vendors.</p> <p>The log supply agreement and standing timber purchase agreement contain an “SFI Certification” section that states the requirement to adhere to BMPs, the Fiber Sourcing Information Package and all applicable laws.</p> <p>A list of trained loggers is maintained within the EMS files. These logging contractors generally work on company tenures, are well known to the company and trained in the Company’s EMS program. A list of trained Fiber Suppliers is maintained (through record of circulation of the FS Information Package to suppliers).</p>
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No Nonconformities or Opportunities for Improvement were identified related to this objective.

<p>Objective 4. Legal and Regulatory Compliance To comply with applicable federal, provincial, state and local laws and regulations.</p>	<p>See SFI Forest Management Objective 11.</p>
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No Nonconformities or Opportunities for Improvement were identified related to this objective.

<p>Objective 5. Forestry Research, Science and Technology To invest in forestry research, science and technology, upon which sustainable forest management decisions are based and broaden the</p>	<p>Not reviewed during 2024 assessment.</p>
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awareness of climate change impacts on forests, wildlife and biological diversity.	
<i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i>	
Objective 6. Training and Education To improve the implementation of sustainable forestry practices through appropriate training and education programs.	See SFI Forest Management Objective 13.
<i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i>	
Objective 7. Community Involvement and Landowner Outreach To broaden the practice of sustainable forestry through public outreach, education and involvement, and to support the efforts of SFI Implementation Committees.	See SFI Forest Management Objective 14.
<i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i>	
Objective 8. Public Land Management Responsibilities To participate and implement sustainable forest management on public lands.	See SFI Forest Management Objective 15.
<i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i>	
Objective 9. Communications and Public Reporting To increase transparency and to annually report progress on conformance with the SFI 2022 Fiber	See SFI Forest Management Objective 16.

Sourcing Standard.	
<i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i>	
Objective 10. Management Review and Continual Improvement To promote continual improvement in the practice of sustainable forestry by conducting a management review and monitoring performance.	See SFI Forest Management Objective 17.
<i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i>	
Objective 11. Avoid Controversial Sources To manage the risk of sourcing fiber from controversial sources	Evidence: WFP Policies, Interviews with staff, WFP SFI FS Evidence Package, Procurement Summary Report, Procurement contracts Summary: WFP has mechanisms in place to control and monitor the sourcing of fiber areas to ensure no ineligible inputs come into the system from biological diversity, biodiversity hotspots, and high-biodiversity wilderness areas. There have been no substantiated concerns pertaining to the fiber sourcing operations and management system.
<i>No Nonconformities or Opportunities for Improvement were identified related to this objective.</i>	

Specific good management practices are noted below:

- It was observed that great care was given to road maintenance around the Star Lake recreation site. Additionally numerous public informative signage was posted around the Nootka operations to bring increased public awareness to the organization's sustainable forest management.

Conclusion

The Company has maintained conformance with the requirements of the Sustainable Forestry Initiative Fiber Sourcing Standard [2022] and the Sustainable Forestry Initiative Forest Management Standard [2022]. The Certificate can be obtained by contacting the WFP Environment Team by email at environment@westernforest.com More information on WFP's sustainable forestry program can be found at: <https://www.westernforest.com/responsibility/environment/certification/>

The next SFI Assessment will be a Maintenance Assessment in the Summer of 2025. The registration expires on November 5, 2026.