

# ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

Western Forest Products Inc. (“Western” or the “Corporation”) is committed to upholding the highest standards of legal and ethical conduct in the operation of our business.

Western will not tolerate bribery or corruption. Western’s Code of Business Conduct and Ethics (“Code of Conduct”) provides a guiding framework for our employees, officers and directors on how to prevent and address conflict of interest, which may include bribery and corrupt practices. Our employees, officers and directors are expected to know and comply with the Code of Conduct and the supplemental requirements presented in this policy.

## Anti-Corruption Legislation

We obey the all federal and local laws and regulations and observe ethical standards of business conduct in all countries where we do business, including anti-bribery laws such as the Corruption of Foreign Public Officials Act (Canada) and the Foreign Corrupt Practices Act (United States), collectively referred to as the “Acts”. The Acts were adopted to prevent the following problems:

- Improper payments made by multi-national companies to foreign officials; and
- Improper recordkeeping and accounting engaged by reporting companies.

It is Western’s policy to strictly comply with the Acts and conduct its business in such a way as to not conflict or appear to conflict with the Acts. To this end, Western makes and keeps records and accounts that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Corporation’s assets. Western’s legal and corporate finance departments maintain a system of internal accounting controls providing reasonable assurances that Western is conducting its business in strict compliance with the Acts, and to ensure that none of Western’s employees bribe foreign offices to influence official action to help Western obtain or retain business.

## Sensitive Domestic Payments

Western strictly complies with the Acts. It is Western’s policy to also ensure that no improper or illegal payment (including bribes, kickbacks, influence payments, and facilitation payments) is made to elected officials, civil servants, real estate agents, lumber or timber brokers, suppliers, customers, or anyone else to induce favorable action on the part of the recipient. Accordingly, it is against Western policy and illegal for any employee to make or receive a bribe, kickback, improper payment, gift (other than nominal gifts or hospitality generally acceptable as part of doing business), etc. to or from any of the above parties

Except as specifically permitted by federal, state, provincial and local law, no Western funds shall be used to make contributions or payments to candidates or causes. In the event that a violation of this policy is suspected, it must be reported immediately to Western’s Senior Director, Legal and Corporate Secretary.

## Penalties and Consequences

Violations of anti-bribery laws can result in both civil and criminal penalties for both the Corporation and individual employees. Individuals may be fined and imprisoned as the result of criminal prosecution. In addition, employees violating this policy are subject to disciplinary action, up to and including termination of employment.

## Training

We strive for the highest standard of ethics and are committed to fostering an environment where employees, officers and directors are aware of and understand their responsibility under this policy. Recognizing the potential for policy violations, how to respond and procedures for reporting are included as a component of new employee onboarding training.

## Policy Oversight

This policy is a supplement to Western's Code of Conduct for which the Corporation's Board of Directors ("Board") is responsible. Potential violations of laws and regulations are reported internally to the Senior Director, Legal and Corporate Secretary, who is responsible for communicating violations to the President and Chief Executive Officer and to the Board.

## Reporting Concerns to Western's Compliance and Code of Conduct Hotline

Western is committed to investigating and addressing concerns for which we are made aware and taking corrective action in response to any violation.

If you would like to report a potential violation of the Corporation's Code of Conduct, policies, applicable laws or regulations, you may contact **Western's Compliance and Code of Conduct Hotline at 1-866-895-4113**. This resource is available toll-free 24-hour a day, seven days a week.