

COMPLIANCE AND CODE OF CONDUCT HOTLINE

Western Forest Products is committed to the guiding principles of ethics and integrity. Maintaining the trust of our employees, customers and shareholders is a top priority of the Organization.

COMPLIANCE WITH LAWS AND REGULATIONS

Our responsibility to abide by the laws that apply to our business wherever we operate.

BUSINESS CONDUCT

Our obligation to conduct internal and external business fairly and ethically.

RELATIONSHIPS

Our responsibility to interact fairly and respectfully with each other, our customers and suppliers, and our host communities.

IF YOU HAVE A QUESTION ABOUT WHAT APPROPRIATE BEHAVIOUR IS, SEEK GUIDANCE; ASK QUESTIONS; REPORT YOUR CONCERNS.

Making the right decision in every situation isn't always easy. If you are ever involved in a situation in which the right course of action is unclear, contact Western Forest Products directly for assistance. If you are uncomfortable speaking directly with a representative at Western, we invite you to call the Western Forest Products Inc, Compliance and Code of Conduct Hotline.

WHAT IS THE "WESTERN FOREST PRODUCTS INC. COMPLIANCE AND CODE OF CONDUCT HOTLINE?"

The Hotline is another way to voice your concerns. Employees, contractors or customers may call this toll-free service 24 hours a day, seven days a week to ask a question about what may be inappropriate behavior, or to report information about possible violations of the Company's Code of Conduct, Company policies, laws, rules and regulations. The "Hotline" is not designed to question financial or business decisions taken by the Company as part of its normal business operations.

WHAT KIND OF VIOLATIONS SHOULD BE REPORTED?

Call the Hotline to obtain guidance about ethical concerns and report possible violations relating to:

- Use of Confidential Information
- Safety and Environmental Laws
- Conflicts of Interest
- Financial Integrity
- Discrimination or Harassment
- Workplace Violence

- Compliance with Laws and Regulations
- Securities and Insider Trading
- Receiving and Giving Business Gifts beyond a nominal value
- Family and Personal Relationships on the Worksite
- Use of Company Name or Property

It is important to remember that while the “Code of Conduct Hotline” is a valuable tool, Western Forest Products through its policies and labour agreement’s has many processes in place to address workplace issues. Before contacting the “Hotline”, employees are encouraged to determine if a Company policy or article in the appropriate collective agreement can be used to address the employees’ issue.

**TO CONTACT THE WESTERN FOREST PRODUCTS INC. COMPLIANCE AND CODE OF CONDUCT
HOTLINE call 1-866-895-4113 (Toll-Free)**

WHAT HAPPENS IF YOU CALL THE HOTLINE?

A trained Communication Specialist who is employed by an outside organization, **not** WFP, answers your Hotline call. The specialist takes handwritten notes as you describe your concern, and may ask for more information. At the end of the call, you are given an identification number and a specific date to call back to check on the status of your concern or to receive a response to your question. If you have provided your name, you may be contacted by someone from WFP.

WHAT IF ENGLISH IS NOT YOUR FIRST LANGUAGE?

The service provider for this program provides support for over 1500 languages within 2 to 3 minutes of the initial contact.

DO YOU HAVE TO GIVE YOUR NAME WHEN YOU CALL?

Although you are encouraged to give your name to help in the investigation process, you may make a report without identifying yourself.

WHAT IF YOU DON'T KNOW ALL OF THE DETAILS?

Employees, contractors or customers can call about any behaviors or compliance issues that concern them. Even if your information is incomplete, the details you share could keep a serious situation from occurring.

ARE CALLS RECORDED OR TRACED?

Calls are never tracked or traced, and recording devices are never used.

WHAT HAPPENS AFTER YOU CALL?

- The Communication Specialist creates a report based on the information you provide.

- The report is forwarded to the WFP's three primary contacts (representing HR, Safety and Finance) via e-mail.
- The three primary contacts review the report and determine which sector of the Company (HR, Safety or Finance) is to be assigned the report for investigation.
- The report will be reviewed by the assigned sector to determine if the complaint should be addressed through an established Company policy/collective agreement article or if an investigation independent of the above is required. The assigned sector may call on other company personnel or retain third party consultants/advisors to assist in the evaluation of the complaint.
 - (i) If it is determined that the complaint is one that should be addressed by Company policy or the collective agreement, the response to the caller will direct the employee to the appropriate policy or collective agreement article.
 - (ii) If it is determined that the complaint is one that should be investigated independent of Company policy/collective agreement article the assigned sector will commence an investigation into the allegation. The investigation will be an independent and objective review of collaborative evidence.

The investigation will include:

- a. Initial assessment to identify all pertinent issues and concerns that are being raised. This step may require that the caller be contacted for additional information.
- b. Determination of the steps and actions that are needed to follow-up on the issues and concerns raised. This step may require interviews with the caller, witnesses and others associated with the complaint. It may also require a review of documents and/or other relevant evidence.
- c. Determining finding from the information received and drawing conclusions and recommendations.

Note: All officers, directors, employees, consultants and agents of the Company have an obligation to cooperate and comply with any review or investigation initiated.

- Once the investigation is concluded, the Company will respond to the caller with their findings and any corrective action taken.
- Monthly activity reports are also directed to the President & CEO, the Chairman of the Board of Directors and the Director of Human Resources.

WILL THERE BE RETALIATION FOR MAKING THE REPORT?

Any party can raise their concerns without fear that they will be disciplined or terminated for doing the right thing. WFP prohibits retaliation against any person making reports in good faith, which means telling the truth as you know it to be.

If you have any questions or concerns regarding the Western Forest Products Compliance and Code of Conduct Hot Line please contact:



Ania Cox	Director, Human Resources	604-648-4578
Stephen Williams	Senior Vice President & CFO	604-648-4572
John Bulcock	Director, Corporate Health & Safety	250-286-4128

Sincerely,

Western Forest Products Inc.

Per:

Don Demens
President and CEO