



Western Forest Products Inc.
2025 Sustainability Report

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DISCLAIMER

Forward Looking Statements

All financial references are expressed in C\$ unless otherwise referenced.

This report contains statements and estimates that may constitute forward-looking statements under the applicable securities law. Readers are cautioned against placing undue reliance on forward-looking statements because such statements are based upon a number of estimates and assumptions of management, and Western can give no assurance that such statements will prove to be correct. All statements herein, other than statements of historical fact, may be forward-looking statements and may be identified by the use of words such as “will”, “plan”, “target”, “strategy”, “expect”, “can”, “aim”, “anticipate”, “believe”, “project”, “commit”, “estimate”, “forecast”, “likely”, “ensure”, “seek”, “work to”, “continue” and similar references intended to identify forward-looking statements, although not all forward looking statements contain these identifying words.

Forward-looking statement in this report include, but are not limited to, statements relating to our current intent, belief, expectations, goals, targets, risks, strategy, commitment and impact with respect to our operations; our environmental and sustainability initiatives (including the impact of Western’s activities on carbon emissions, CO₂e and climate change); improvements in the efficiency of our production and manufacturing; the development of our carbon accounting and reporting initiatives and methodologies; our safety results, including our medical incident rate, total injury rate and severity rate; our health and safety initiatives and our journey to achieving a zero-harm workplace; our talent recruitment, development and retention initiatives; our forest stewardship practices; our engagement and relationships with Indigenous groups, communities and other stakeholders including the advancement of our Indigenous partnerships and forest landscape plans, forest operating plans, and integrated resource management initiatives; the approval of the forest landscape plan and forest operating plan in TFL 37 and the expected timing thereof;

Models, Assumptions and Uncertainties

Greenhouse gas reporting comes with considerable uncertainty. The reporting provided in the Carbon and Climate Section related to current estimates of emissions associated with harvesting and transporting logs, manufacturing, and distribution of primary products from the mills to the point of sale, and other associated emissions, and any forward-looking projections related thereto are inherently uncertain. Any forward-looking projections included in such Section should be read together with the cautionary note above.

This report is based on the best information available to Western Forest Products Inc. (the “Company”, “Western”, “us”, “we”, or “our”) management as of the date hereof. A number of models and assumptions were used in preparing the data outlined in the Carbon and Climate Section. The details of the approach and each such model and associated assumptions can be found in the appendices to this report. Due to the uncertainty of the inputs as noted above, the results are uncertain.

We note that understanding and interpretation of the GHG Protocol’s application in the forest sector is continuing to evolve, with updated guidance for calculating carbon emissions and removals for land-based activities in draft form (WRI, 2022). Due to the uncertainties this introduces with carbon accounting practices and reporting, in 2024 Western simplified its reporting in the Carbon and Climate Section to focus on the following areas: Scope 1, Scope 2, Scope 3 and biogenic emissions to the product point of sale, which is a material change of scope from prior years. Specifically, this impacts Scope 3 emissions as the new scope narrows the focus and excludes previously included emissions: hog fuel burning, processing of sold products, distribution of sold products, and end-of-life emissions. The list of included emissions from Scope 3 can be found in Appendix 1: Scope 3 Indirect Emissions from Supply Chain Activities. For the foregoing reasons, readers are cautioned that comparisons to reporting from years prior to 2024 is not appropriate due to Western’s updated approach as set out in the Carbon and Climate Section and appendices of this report. This report replaces all prior years reporting and deviations from prior years scope, presentation and reported values may be significant. As such, all previously stated years have been recalculated in this report to account for the material scope change.

Although such statements reflect management's current reasonable beliefs, expectations and assumptions made as of the date of this report, there can be no assurance that forward-looking statements are accurate or that we will achieve our goals or objectives, and actual results and performance may materially vary. Forward-looking statements are subject to a variety of risks and uncertainties that could cause our actual results or performance to be materially different from what is contemplated by these statements, including: economic and financial conditions, labour disputes and disruptions, changes in prices and demand for forest products, natural disasters, adverse weather conditions and the impact of climate change, environmental compliance costs, global pandemics, relations with Indigenous groups, the availability of fibre and allowable annual cut, development and changes in methodologies for carbon accounting, development and changes in the regulatory framework, the development and performance of technology and other factors set out in our management's discussion and analysis for the year ended December 31, 2025 and other disclosure documents we file from time to time with securities regulatory authorities, which are available on our website at westernforest.com or by referring to our profile on SEDAR+ at sedarplus.ca. The foregoing list is not exhaustive, as other factors could adversely affect our actual results and performance. Forward-looking statements are based solely on information currently available to Western and are made as of the date hereof. Except as required by law, Western disclaims any intent or obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise.

MESSAGE FROM THE PRESIDENT AND CEO

Western's approach to sustainability is rooted in responsible forest stewardship, meaningful partnerships and the production of high-value, renewable wood products that support a lower-carbon future. In 2025, we continued to focus on creating long-term value through continuous improvement, customer-focus and disciplined execution across all areas of our business. The progress we made reflects the commitment of our team, the strength of our partnerships and our shared focus on building a resilient and sustainable future.

The health and safety of our employees and contractors remains our highest priority and is foundational to how we operate. During the year, we remained focused on strengthening our safety culture, resulting in continued progress on key safety indicators, including reductions in medical incident rates in both our timberlands and manufacturing operations. These results reflect the continued commitment of our teams to regularly reviewing safety practices, proactively managing risk and fostering a culture where everyone has a role to play in keeping one another safe.

The dedication and expertise of our workforce continue to drive Western's success, and we remain committed to creating a workplace where employees feel supported, valued and empowered to succeed. In 2025, Western was recognized as a BC Top Employer, reflecting our continued investment in employee development, workplace programs and a strong, inclusive culture. This recognition reinforces our commitment to being an employer of choice and creating opportunities for team members to build meaningful, long-term careers with Western.

Collaboration with Indigenous communities remains central to our approach to sustainable forest management and responsible resource stewardship. During the year, we continued our work with the 'Namgis First Nation and jointly submitted the Province's first draft Forest Landscape Plan and Forest Operations Plan to the BC Chief Forester. This milestone represents meaningful progress in advancing shared stewardship, collaborative planning and the long-term sustainability of forest resources.

Supporting the communities connected to our operations also remains an important part of our responsibility as a company. Across our operating areas, we continued to support a range of local initiatives, including partnerships with organizations working to improve access to holiday meals and strengthen regional food security.

As we look ahead, we remain focused on delivering long-term value while advancing forest stewardship, strengthening relationships and investing in our people and communities. Together, we are helping shape a future built on renewable, high value wood products and a strong, sustainable forest sector for future generations.

Steven Hofer

President and CEO

GOVERNANCE

We recognize the importance of strong and effective corporate governance to advancing our vision and values. Our Board of Directors (“Board”) has the ultimate oversight for sustainability at Western. The Board ensures that Western remains committed to meeting or exceeding our legal requirements and having high ethical standards and that our corporate governance policies and practices meet or exceed applicable regulatory requirements. The Board has oversight responsibility for the Company’s risk management framework, including oversight of and supporting management in assessing and managing climate-related risks and opportunities. Our commitment has contributed to Western being recognized with a top governance score from Institutional Shareholder Services.

Western has four Board committees to ensure the Board functions effectively: the Audit Committee; the Nominating and Corporate Governance Committee (“NCGC”); the Environmental, Health & Safety (“EHS”) Committee; and the Management Resource and Compensation Committee (“MRCC”).

Please see our [2026 Management Information Circular](#) for further information about our Board, Board committees and governance.

The Audit Committee is responsible for overseeing the Company’s reporting standards in relation to Environmental, Social and Governance (“ESG”), including sustainability. Management reports on the Company’s ESG and sustainability matters regularly to the Audit Committee. The Audit Committee reviews this information and makes recommendations to the Board. The Audit Committee also makes recommendations on the Company’s annual sustainability report and reviews and assesses the Company’s communications in respect to its policies and practices around ESG and sustainability.

The NCGC monitors the development of ESG best practices and emerging ESG topics and trends, and reports and makes recommendations to the Board on ESG topics that may affect the business, operations, performance or public image of the Company.

The EHS Committee assists the Board in carrying out its responsibilities with respect to environmental, health and safety issues including the Company’s commitment to a safe and healthful workplace and our compliance with safety and environmental legislation. The EHS Committee reviews and makes recommendations to the Board regarding our environmental, health and safety policies, standards, procedures, practices, programs and training in light of our environmental, health and safety risks.

The MRCC is responsible for overseeing executive compensation and succession planning with consideration for diversity, equity and inclusion (“DEI”) principles, which form part of the Company’s ESG commitments. Management reports to the MRCC on DEI initiatives and representation within leadership. The MRCC reviews this information and makes recommendations to the Board to ensure compensation practices and leadership development align with the Company’s ESG objectives.

All members of the Board committees are 100% independent.

Please see the [Governance](#) section of our website for further information about our corporate governance initiatives, policies, Board and Board committee mandates and constating documents. Key policies include: Anti-Bribery and Anti-Corruption; Code of Business Conduct and Ethics; Compliance and Code of Conduct Program; Disclosure; Diversity, Equity and Inclusion; Health & Safety; Environmental; and Human Rights.

Forced Labour and Child Labour

Western published its [2025 report](#) under the Fighting Against Forced Labour and Child Labour in Supply Chains Act. This report sets out Western’s actions to identify and understand any forced labour or child labour risks related to our business and describes the policies and processes the Company has in place to combat these potential risks in our business and supply chains.

Legal Proceedings

During 2025, Western incurred no losses, and received no notices of violations associated with corruption, regulatory labelling or marketing codes, or false, deceptive or unfair marketing, labelling and advertising.

SUSTAINABILITY AND ENGAGEMENT

Our material sustainability topics are embedded in policies and practices, informed by our engagement activities, and validated by our management team. Engagement refers to all our efforts to listen to, understand, and collaborate with stakeholders and Indigenous groups, while respecting the rights and interests of Indigenous communities in the areas we work. Western operates within the traditional territories of more than 50 Indigenous groups in British Columbia (“BC”). We are committed to meaningful engagement, collaboration and long-term relationships built on mutual respect and understanding to support the advancement of shared objectives, including shared reconciliation goals.

2025 Engagement Topics

Stakeholders and Others	Key Topics	
Investors ▪ Institutional investors ▪ Other equity holders	▪ Business and financial performance ▪ ESG management and practices ▪ Operating environment ▪ Climate change	▪ Health and safety ▪ Sustainable practices ▪ Business performance ▪ Compensation and benefits ▪ Learning and development
Workforce ▪ Union ▪ Non-union ▪ Full- and part-time employees ▪ Contractors	▪ Health and safety ▪ Community investment and economic development opportunities ▪ Sustainable forest management practices and certification	▪ Reconciliation and Indigenous partnerships and agreements ▪ Local procurement and employment ▪ Carbon and climate change ▪ Recreation access
Communities ▪ Indigenous communities ▪ Non-Indigenous communities ▪ Public advisory groups ▪ Community-based groups ▪ Interest groups	▪ Health and safety ▪ Community investment and economic development opportunities ▪ Sustainable forest management practices and certification	▪ Reconciliation and Indigenous partnerships and agreements ▪ Local procurement and employment ▪ Carbon and climate change ▪ Recreation access
Customers ▪ Lumber remanufacturers ▪ Pro dealers and home centres ▪ Pulp and veneer producers	▪ Products and product development ▪ Marketing ▪ Green building and carbon storage	▪ Sustainability of wood products ▪ Supply chain ▪ Education, supporting end use applications
Educational Institutions ▪ Academic institutions ▪ Research organizations	▪ Training and work programs ▪ Mentorship opportunities	▪ Research partnerships ▪ Forest management
Governments ▪ Municipal ▪ County ▪ Provincial ▪ State ▪ Federal	▪ Health and safety ▪ Community relationships ▪ Sustainable practices ▪ Business practices	▪ Employment and skills training ▪ Sustainable forest management ▪ Regulatory policy

HEALTH AND SAFETY

At Western, the health and safety of our people is our highest priority. We are committed to providing a safe and healthful workplace where the health and safety of our people — including employees, contractors, and community partners — is a foundational commitment and essential component of the Company goals. Through continued investment in leadership, systems, and innovation, we aim to prevent harm and promote well-being across all operations. Safety is part of the core values shared across our organization. We recognize that a single safety incident can have lasting impacts on individuals, families, and communities. That's why we continue to focus on building an injury-free culture by providing the tools, training, and leadership needed to identify and control workplace risks.

We continue to advance our comprehensive Health & Safety Management System ("HSMS") to deliver improved safety performance. We have invested in the ongoing development of our safety leaders to support robust safety execution practices. This includes comprehensive onboarding processes, hazard identification and management, and consistent health and safety program monitoring and assessment. Our approach is supported by seasoned operational leaders, well-trained front-line supervisors, and the active participation of our workforce and contractors. We also work closely with regulators, industry associations and contractors to develop and implement best practices and to advocate for improvements to safety standards.

Please see the [Careers](#) section on our website for additional information on health and safety.

Health and Safety Policy and Oversight

Western's [Health and Safety Policy](#) sets out our belief that safety is a shared responsibility and details our commitments to providing a safe and healthful workplace, managing hazards, and mitigating risks. Compliance with the policy is a fundamental expectation of all employees.

Our CEO and executive team oversee our commitment to safety and ensure resources are available to implement our HSMS and provide for necessary safety training. Our EHS Committee reviews health and safety performance quarterly.

Health and Safety Management System

Our HSMS is a consistent framework that standardizes processes to drive continuous improvement in safety performance across Western. The HSMS has elements to manage all aspects of safety performance such as inspections, incident investigations and corporate safety standards. Our HSMS covers all regulatory requirements in the jurisdictions where we operate. We regularly review our safety performance to identify trends and implement corrective actions where necessary.

Health and Safety Training

Safety is a shared responsibility at Western and we invest in safety development and training for our people at all levels. We provide our workers with the resources they need to work safely and support their active participation in job-specific training, regular refresher training, and regular safety meetings. We ensure that our workforce is provided with the best educational and training tools to prevent work-related injuries and offer compliance and targeted training, including:

- **Western Safety Leadership Development Program:** A training initiative for all Western safety leaders to ensure they are well-equipped to manage hazards and reduce work-related risks.
- **Western Learning:** Salaried employees receive safety training through our online learning system, covering regulatory requirements such as Hot Work or Fall Protection Awareness.
- **Musculoskeletal Injury Prevention (MSI-P):** A foundational program that provides training, assessments, and injury prevention strategies.
- **Customized Learning Modules:** We offer Western-specific safety training materials, including Loss Control and Hazard Management.

On-site employees also participate in frequent safety meetings and in-person training sessions throughout the year.

Health and Safety Reporting

To support our journey toward a zero-harm workplace, we continue to focus on proactively reporting potential work hazards and refining our mitigation tools. Employees have proactive reporting tools to identify workplace hazards, including:

- **Hazard Identification (“Hazard ID”):** Our electronic Hazard ID system is designed to make it safer and more accessible for staff to report hazards or risks in real time. The system allows for immediate notification, tracking, and trending of reported events, ensuring timely corrections and future mitigation practices. This system has successfully mitigated risks through collaboration and teamwork, enabling prompt responses and continuous improvement in safety management.
- **Digital Inspection Tool:** Our safety inspections now leverage a mobile digital platform that improves the visibility and tracking of corrective actions. This tool enables timely follow-up, greater accountability, and better closure rates on identified issues—ultimately strengthening our safety performance.
- **Near-Miss Reporting System:** Near-Miss situations are unplanned events or situations that have the potential to cause damage or injuries. By registering any potential near-miss situations in our system, we decrease the likelihood of future workplace risks by anticipating and avoiding similar scenarios. We recognize that near-miss reporting is a discretionary action by employees and view it as a positive contribution to workplace safety.

Company Safety Performance

We collect and analyze safety performance data from our timberlands and manufacturing operations. The information we collect helps us identify areas for improvement, and we adjust our safety programs and policies accordingly. We continue to evolve our safety policies and practices on our journey to achieving a zero-harm workplace.

Our operations undergo regular audits and inspections by independent or regulated health and safety authorities. These audits ensure that we comply with safety regulations and standards. Additionally, we conduct internal audits to assess and enhance our performance. Safety performance at our Canadian operations is externally audited and we are SAFE-certified by the BC Forest Safety Council. In the United States (“US”), we operate in accordance with the regulations set by the Occupational Safety & Health Administration (“OSHA”). Beyond regulatory compliance, we align our Health & Safety practices to support voluntary OSHA consultations.

In 2025, we saw improved performance across key lagging indicators, including reductions in medical incident rates in both timberlands and manufacturing operations. These results reflect the combined impact of our MSI-P program targeting high-frequency injuries, alongside increased focus on critical risk identification and control. Continued emphasis on positive reporting and early escalation ensures that both everyday risks and higher-consequence exposures are effectively managed. Our Severity Rate increase over the past three years has been driven primarily by a small number of high-duration injuries and claims, despite overall improvements in incident frequency and proactive safety reporting.

Metric	2025	2024	2023
Medical Incident Rate: Company – Total	2.70	3.84	2.87
Medical Incident Rate: Company – Timberlands	2.08	2.68	2.46
Medical Incident Rate: Company – Manufacturing	3.53	5.24	3.78
Fatalities	Zero	Zero	Zero
Severity Rate	76.74	55.53	59.40
Near-miss Reporting	79	63	84
Health and Safety Audit Scores	Timberlands: 98 % Manufacturing: MAG Safe Certification complete for all Canadian facilities	Timberlands: 93% Manufacturing: MAG Safe Certification complete for all Canadian facilities	Timberlands: 95% Manufacturing: MAG Safe Certification complete for all Canadian facilities

Contractor Safety Performance

Contractors are expected to meet Western's safety standards. We use SupplierLink, a third-party contractor management platform, to ensure contractors remain compliant with contractual and regulatory requirements. We continue to monitor and support the safety performance of our contractors. We require that all contractors adhere to Western's safety standards and provide them with appropriate safety protocols and materials.

Metric	2025	2024	2023 ⁽¹⁾
Medical Incident Rate: Contractor – Total	3.36	3.94	3.91
Medical Incident Rate: Contractor – Timberlands	3.02	3.68	3.11
Medical Incident Rate: Contractor – Manufacturing	5.10	5.93	11.04

(1) 2023 increase due to an additional six recordable incidents from the prior year, combined with a >20% decrease in hours worked.

Highlights and Progress in 2025

- Multiple Company operations completed the year with a medical incident rate of zero, demonstrating sustained focus on prevention and operational discipline.
- MSI-P Program Maturity and Expansion: Advanced our Musculoskeletal Injury Prevention (MSI-P) program through targeted training, standardized field tools, and increased frontline engagement. Introduced focused inspections to address the most common injury exposures and drive practical, task-level improvements.
- Contractor Safety Integration: Enhanced contractor safety performance through improved onboarding, coaching, and alignment with company expectations, supported by streamlined systems and clearer performance visibility.
- Enhanced Data and Digital Tools: Expanded use of mobile and digital safety tools to support real-time reporting, trend analysis, and corrective action automation—enabling faster response times and more informed decision-making.

Looking Forward

We remain committed to our journey toward a zero-harm workplace. Through strong safety leadership, engaged teams, and continuous improvement, we are focused on reducing risk and enhancing workplace well-being.

Building on the foundation established in 2024, 2025 marked the formal integration of proactive safety metrics into our performance framework. The introduction of Proactive Incident Rate "PIR" has strengthened our ability to

measure and influence leading indicators, supporting earlier identification and mitigation of risk. Over the past year, we advanced our approach by placing greater emphasis on hazard identification for low-frequency, high-consequence work, ensuring critical risks are identified and controlled before work begins. This focus complements our MSI-P program, which is designed to address high-frequency, lower-impact exposures. Together, these distinct but connected approaches strengthen our overall risk management by addressing both common injuries and those with serious risk potential.

For 2026, we have set company-wide health and safety targets aimed at reducing our medical incident rate, total injury rate, and severity rate compared to previous years. These targets reflect our ongoing focus on prevention, accountability, and building a culture where safety is integrated into everything we do. We will maintain our focus on reducing medical incident rate, total injury rate, and severity rate, while further strengthening our proactive safety culture—ensuring that hazard identification, reporting, and continuous learning remain central to how we operate.

WORKFORCE

At Western, we believe our employees are the driving force behind our business. Our committed and dynamic team of approximately 3,350 employees and contractors across BC and the Pacific Northwest work together to deliver Western's vision of a sustainable future, built with renewable products.

In an industry that demands exceptional talent, our ability to attract, develop and retain a diverse and skilled workforce is critical to Western's long-term success. That's why we are committed to being an employer of choice in the communities where we operate. We prioritize investing in our people through training and development opportunities, complemented by competitive compensation packages. Employee feedback provides valuable insights that help us continuously strengthen our workplace experience and support our people.

At Western, we don't just aim to meet expectations; we strive to exceed them, ensuring that our employees feel valued, empowered, and inspired to drive our strategic priorities forward.

Human Rights

At Western, we uphold human rights as fundamental principles that guide our operations. Our values and policies provide the foundation for a respectful and inclusive work environment. Embedded within our [Human Rights Policy](#) is a steadfast commitment to diversity, anti-discrimination, and fair working conditions.

These commitments are integrated into every aspect of our organization, from recruitment and promotion to training and rewards. We are dedicated to cultivating an inclusive workplace where every individual feels valued and respected, recognizing that diverse perspectives are a catalyst for innovation and business excellence. Central to our efforts is a proactive commitment to increasing the representation of underrepresented groups in our workforce, including women, Indigenous peoples, people with disabilities, and other traditionally underrepresented groups who have historically faced barriers to employment.

At Western, we believe that championing human rights isn't just the right thing to do; it's foundational to building a thriving, sustainable and socially responsible workplace.

Diversity, Equity and Inclusion

At Western, we are dedicated to supporting a workplace where every employee feels empowered to bring their authentic selves to work each day. Our ongoing efforts focus on fostering an environment that promotes diverse perspectives.

Embedded within our [Diversity, Equity, and Inclusion Policy](#) is a commitment to understanding and advancing meaningful progress in our DEI initiatives. This policy is reflected company-wide and is integrated into our recruitment, promotion, training, and rewards processes. By championing diversity, we believe we will make better business decisions and support a culture where every individual feels valued.

At Western, we believe that embracing diversity strengthens a workplace culture grounded in respect, empathy and collaboration.

Attracting and Retaining Talent

At Western we understand that a strong and engaged workforce is fundamental to long-term sustainability. In 2025, we continued to prioritize employee retention and the attraction of new talent, welcoming 248 individuals across the organization. Our recruitment strategy remains multifaceted, leveraging digital platforms, recruitment partnerships, and targeted outreach initiatives such as job fairs, as well as early engagement with youth to promote careers in the skilled trades.

Throughout the year, we advanced initiatives to strengthen our talent pipeline, including raising awareness of career opportunities within the forest sector among youth, with a focus on skilled trades and workforce development across British Columbia. Key initiatives include interactive sessions and guided mill tours for high school students, offering firsthand exposure to our operations and highlighting in-demand trade roles. We also participate in hiring events at local high schools and universities to connect with students and job seekers and promote career opportunities. In addition, we regularly hire forestry students and labourers, providing hands on experience that supports their development and contributes to the future workplace of both our organization and the Province.

We also continued to evolve our approach to inclusive hiring by strengthening relationships with Indigenous communities and delivering targeted training to support equitable recruitment and retention practices. These actions reflect our commitment to building a diverse workforce and advancing Indigenous participation within our industry.

Training and Development

We provide comprehensive on-the-job training and ongoing support for employee learning and development across the organization. Our commitment to continuous development is supported through Western Learning, our online learning management system, which delivers learning content to support skills development, leadership capability, and mental wellness.

We prioritize developing talent from within to support long-term, diverse career opportunities. In 2025, we continued to evolve our learning and development offerings to meet the needs of the business and employees.

Our longstanding Lunch & Learn program remains a consistent and successful learning platform with continued growth in attendance and an expanded range of business-focused topics. The program supports cross-functional knowledge sharing and reinforces a culture of continuous learning and connection across the Western community.

New in 2025, we launched two talent development initiatives designed to strengthen leadership capability and support our succession strategy. Leadership Café, delivered three times annually at rotating locations, brings senior leaders and employees together in an in-person forum to explore leadership development topics through storytelling, personal experiences, and reflective career moments. These sessions create meaningful opportunities for employees to engage with leaders, ask questions, and take away practical leadership insights. Alongside this, we introduced Elevate, a nine-month leadership development program intentionally aligned with our succession planning efforts to identify, invest in, and develop future leaders across the organization.

Both programs were launched concurrently to ensure inclusive access to development opportunities across the breadth of the business, while also encouraging cross-team collaboration and social connection; key objectives of each initiative. Complementing these programs, we continue to build core facilitation and communication capabilities through initiatives such as Facilitation 101, launched in 2024, and responsive, moment-of-need learning delivered in partnership with our HR team and learning and development specialists as business needs are identified. Together, these initiatives support our ongoing investment in people development and our commitment to building capability from within.

Compensation and Benefits

Our compensation approach emphasizes total rewards, ensuring market-competitive and equitable total compensation that supports the attraction and retention of talent across our operations.

This includes base salaries, pay-for-performance incentives, an employer funded pension plan for salaried employees in Canada and a 401(k) plan in the United States. We also offer a comprehensive benefits program that supports employee well-being, including extended leave coverage, job-protected leaves, and maternity and parental leave top-up.

In 2025, we continued to evolve our total rewards programs to better align with market practices and employee needs. This included enhancements to our benefits program effective January 1, 2026, such as expanded mental health coverage, the introduction of a Health Care Spending Account, and reduced life insurance costs to improve accessibility and flexibility for Canadian employees.

We also advanced our compensation programs to further strengthen the connection between performance and reward. This included the introduction of a safety performance component within our incentive plans, reinforcing the importance of safety in how performance is measured and recognized.

For our CEO and executives, pay-for-performance incentives continue to include performance measures tied to advancing the Company's ESG commitments, including health and safety, environmental compliance, and the advancement of Indigenous relationships and reconciliation. Please see our [2026 Management Information Circular](#) for further details on our compensation philosophy and governance practices.

We remain committed to fair and equitable compensation practices. Building on the launch of our Pay Equity Report, we continue to monitor and assess pay practices to support consistency and fairness across the organization. All employees have access to competitive wages, comprehensive benefits, and our Employee and Family Assistance Program.

Both salaried and unionized employees participate in retirement savings programs, with unionized employees covered under jointly sponsored pension plans and Group Registered Retirement Savings Plans. This comprehensive approach reinforces our commitment to supporting employee wellbeing and recognizing the contributions of our workforce.

Employee Communication

Effective employee communication is a cornerstone of our success. At Western, we continuously acknowledge, encourage, support, and engage our employees through comprehensive communication strategies. We regularly update job opportunities on social media platforms and invest significantly in job boards and radio advertising to reach a broader audience.

Internally, our bi-weekly e-newsletter keeps everyone informed about company news and highlights employee achievements. Additionally, our presence on social media, including [Instagram \(@westernforestproducts\)](#), [X \(@WFPCcompany\)](#), [LinkedIn](#) and [Facebook](#), ensures active engagement with our staff, investors, community members, and other stakeholders. This consistent approach maintains transparency and fosters a strong, connected community.

Unionized Employees

We support freedom of association and collective bargaining. Western has collective agreements with the United Steelworkers and Public and Private Workers of Canada. The collective agreements define wages, benefits and working conditions and outline many areas where we collaborate with our unions to ensure a safe and healthful work environment. In addition to our collective agreements, we collaborate and jointly advocate with union leaders on issues of mutual benefit and interest.

Workforce Demographics

Metric	2025	2024	2023
Overall Company	1,627	1,837	1,906
Male	1,379	1,559	1,617
Female	248	260	276
Undefined	-	18	13
Salaried Employees	492	537	560
Male	316	345	363
Female	176	187	196
Undefined	-	5	1
Geographic Location			
Canada	1,474	1,590	1,664
US	145	239	233
Rest of World	8	8	9
Unionized Employees			
Company Unionized Employees	995	1,072	1,126
Workforce By Age			
< 21 years old	1.11%	2.03%	0.84%
21 to 30 years old	12.60%	13.61%	14.22%
31 to 40 years old	22.48%	23.02%	22.88%
41 to 50 years old	20.14%	19.35%	19.88%
51 to 60 years old	23.66%	24.11%	23.98%
> 60 years old	20.01%	17.88%	18.20%

Highlights and Progress in 2025

In 2025, we continued to advance our people and culture priorities, building on progress made in prior years to strengthen leadership capability, enhance employee experience, and support a resilient and engaged workforce. Our commitment to becoming an employer of choice remains a key focus, and we are proud to share the following highlights and progress achieved throughout the year.

- We enhanced our Succession Planning and Performance Management processes, strengthening year-round discipline, improving visibility into talent, and reinforcing accountability for development actions aligned with business priorities.
- We were recognized as a BC Top Employer, reflecting our continued investment in our people, programs, and workplace culture, and reinforcing our commitment to being an employer of choice.

- We completed a comprehensive review of our employee benefits programs, resulting in enhancements effective January 1, 2026, including expanded mental health coverage, the introduction of a Health Care Spending Account, and reduced life insurance costs to better support employee wellbeing.
- We launched our Elevate leadership development program, a 9-month initiative focused on building future-ready leadership capability. The program brought together high-potential employees from across the organization to work on real business challenges, culminating in executive-sponsored capstone presentations.
- We continued to strengthen leadership connection and transparency through our Leadership Café series, creating opportunities for open dialogue between employees and senior leaders while supporting leadership development and cross-functional understanding.
- We maintained a strong focus on retention and workforce trends, monitoring turnover in key areas and advancing targeted strategies to support engagement and stability in critical roles.
- We evolved our compensation and incentive programs, including the introduction of a 10% safety performance component that pays independently of company performance, reinforcing our commitment to safety as a core priority.
- We continued to support learning and development across the organization, with strong participation in programs designed to build both technical and leadership capabilities, reinforcing our commitment to continuous learning.

Looking Forward

As we look ahead, we will continue to advance our people and culture priorities with a focus on strengthening leadership capability, supporting employee wellbeing, and aligning our programs, with the evolving needs of our business.

Key areas of focus include building on the momentum of programs such as Elevate by further embedding leadership development across the organization and expanding opportunities for cross-functional learning and collaboration. We will continue to enhance employee engagement by strengthening leadership connection, increasing visibility into engagement outcomes, and reinforcing accountability for meaningful actions at all levels of the organization.

We will also continue to evolve our total rewards strategy to ensure it remains competitive, transparent, and responsive to employee needs, while supporting the attraction and retention of critical talent. In parallel, we will maintain a strong focus on strengthening our talent and succession practices, ensuring we are well-positioned to develop and retain the capabilities required for the future.

Through these efforts, we will continue to support a resilient, engaged, and high-performing workforce and reinforce our position as an employer of choice.

SUSTAINABLE FOREST MANAGEMENT

At Western, we envision a sustainable future, built with renewable products. That is why we are advancing forest practices and product innovations to ensure healthy, resilient forests, and a stable supply of long-lived wood products that are part of the global climate change solution.

We continue to collaborate with Indigenous groups, incorporating Indigenous knowledge and values into long-term holistic planning, and investing in new technology and innovations to support diverse and natural forests for the long term, including old forests and healthy habitats. Please see the Indigenous Relationships section of this report for information about our work with Indigenous groups.

Please see the [Sustainability](#) section of our website for more information about our forest management practices and policies.

Stewardship

Western carefully stewards 1.6 million hectares of land on the coast of BC. We work hard to earn and maintain the trust and respect of Indigenous groups, the communities in which we work, other stakeholders, our workforce, and elected officials. Civil society, including community leaders, labour, scientists, customers, and local citizens, share our vision and are working with us to develop the solutions today to secure a strong tomorrow for all. Some ways we are protecting forests to ensure their health and resiliency, include:

- **Healthy Ecosystems and Forest Values:** Ensuring healthy and resilient ecosystems starts with determining what we will leave behind as part of careful stewardship and conservation planning for the long-term. This means protecting culturally important sites, old growth forests, important wildlife habitat, fish habitat, Big Trees (as defined in Western's Big Tree Standard) and rare ecosystems, and projecting the growth of forests over 250 years into the future to ensure that these vital forest values will be sustained for future generations.
- **Full Rotation Management:** We have a long history of full rotation management developed over many decades that is based on forecasts of both financial and biological parameters. We maintain the linkages between our long-term forecast of the future harvest pattern to our seed supply needs at the Saanich Forestry Centre, stand tending activities, and the resulting log profile. Every area harvested is reforested as natural forests with ecologically suitable species and with consideration to natural stand succession and the current and future projected climate. We also monitor the health of all new forests in our care and take actions to address issues that may arise.
- **Independent Oversight:** The lands we manage are subject to some of the most stringent forest regulations in the world and many of our practices exceed the legal requirements. Our practices are verified through third-party certification, reviewed by government inspectors, and subject to audit by BC's independent forest watchdog, the Forest Practices Board. BC's independent Chief Forester sets sustainable harvest levels every 10 to 15 years. We also engage with communities and public advisory groups to develop locally relevant indicators for our Sustainable Forest Management Plans and review our plans, our performance, and our corrective action reports.
- **Sourcing from Independently Certified Forests:** In BC, most of our fibre supply continues to be sourced from our third-party certified timberlands tenures, with the remainder coming from external sources certified under the same standards. At our US and wholesale divisions, we have developed fibre sourcing standards to ensure fibre comes from legally harvested and sustainably managed private and public-land forests.

Land Base	2025	2024	2023
Total hectares of forest land	1,298,172	1,313,141	1,313,006
Total hectares of non-forest land	305,820	306,632	306,762
Total hectares of land	1,603,992	1,619,773	1,619,768
Total hectares of forest not available for harvest	679,623	694,061	686,424

Biodiversity and Ecosystem Health

Protecting and enhancing biodiversity that supports healthy and resilient ecosystems is vital to our stewardship and conservation planning. An essential element of biodiversity conservation is the complementary implementation of both landscape and stand level retention. We have collaborated with researchers and scientists to develop a comprehensive wildlife and biodiversity program that includes landscape and stand level retention to support the complexity and diversity of our coastal forests. High quality element occurrences of rare ecosystems, wildlife habitat, and important biological features, such as bear dens, bird nests, deer, elk and goat winter ranges, foraging areas, and Big Trees are retained across the forest. Other areas are set aside from harvesting to protect riparian areas, meet visual quality objectives, and maintain terrain stability. Through such measures, within our tenures over 52% of the forested land base is conserved, including the areas detailed below under *Species At Risk Habitat Conservation*.

Wildlife Feature Conservation

Species	Feature	Cumulative Through 2025
Black Bear, Grizzly Bear	Den	1,708
Bald Eagle, Great Blue Heron, Northern Goshawk, Osprey, Red-tailed Hawk, Sharp-shinned Hawk	Nest	594

Species At Risk Habitat Conservation

Habitat Conserved	Hectares
Great Bear Rainforest Class 1 Grizzly habitat	24,306
Nesting habitat conserved for Northern Goshawk	104,922
Habitat conserved for Misty Lake Stickleback	21
Nesting habitat conserved for Marbled Murrelet	74,233

Inventory and Harvest by Tree Species on Western's Tenures

We design long term plans for our harvesting activity and monitor to ensure we harvest the same profile of species that occur naturally. The species harvested each year depend on what is growing in the area approved for harvesting, resulting in some year-to-year variation.

Forest Inventory by Species	2025		2024		2023	
	Inventory	Harvest	Inventory	Harvest	Inventory	Harvest
Western hemlock	47%	49%	47%	45%	47%	45%
Amabilis fir	15%	12%	15%	15%	15%	15%
Western red cedar	15%	12%	15%	10%	15%	12%
Douglas fir ⁽¹⁾	11%	21%	11%	22%	11%	22%
Yellow cedar	7%	4%	7%	7%	7%	5%
Sitka spruce	2%	2%	2%	1%	2%	1%
Other	3%	<1%	3%	<1%	3%	<1%

(1) Harvest aligned to proportion of second growth Douglas fir in inventory.

Stand Level Conservation

In areas designated for harvesting, groups of trees are retained (not harvested) for biodiversity purposes. This is based on forest professionals' and biologists' on-site decisions and grounded in a scientific understanding of BC's ecosystems, wildlife, and their habitats. Retention cutblocks utilize a silvicultural system that retains groups of trees inside the harvest area, avoiding large open spaces.

Stand Level Conservation	2025	2024	2023
Total cutblock area ⁽¹⁾	4,002 hectares	5,553 hectares	5,521 hectares
Total area retained within cutblocks ⁽¹⁾	1,030 hectares	1,434 hectares	1,395 hectares
Percentage of available forest retained for stand level biodiversity in cutblocks	26%	26%	25%
Percent use of retention silvicultural system	71%	78%	74%

(1) Excludes mainland coast, which operates under a different framework for ecosystem-based management, guided by the Great Bear Rainforest Legal Order and associated guidance.

Great Bear Rainforest Agreement

Western was involved in a process with the Province of BC, Indigenous groups, environmental organizations, and industry to reach the Great Bear Rainforest ("GBR") Agreement. The land-use agreement supports logging in 15% of the GBR using an ecosystem-based management approach tailored to this unique area. Since the agreement was reached in 2016, we have continued to work with all groups to share collective learnings and best practices.

Protecting Old Forests and Big Trees

BC is home to some of North America's oldest and most significant trees. These trees are valued for their cultural, biological, and intrinsic value. Legislated and third-party certified forest management and harvesting practices ensure that BC will always have old forests. About two-thirds of BC's old forests are currently protected or unavailable for harvest. Within Western's tenures, 70% of old forests are conserved to meet biodiversity objectives.

Western has been conserving Big Trees since 2016. Our investment in Light Detection and Ranging ("LiDAR") technology has enabled us to take an inventory of every tree in our care. When it comes to Big Trees, we take specific steps to identify and protect these rare trees, and exceed provincial standards for Big Tree protection.

Cumulative Number of Big Trees	2025	2024	2023
Western-designated Big Trees	3,354	3,300	3,205

Reforestation

Planting millions of trees every year is no small task, but at Western, we are proud of our role in promoting healthy forests adapted to a changing climate. Our seed orchard and research have created a new generation of forests to enhance biodiversity and support critical habitats, healthy ecosystems, and waterways. The seeds of today are tomorrow's forest products that will support the long-term needs of Indigenous groups, workers, forestry-dependent communities, and global markets.

The species we replant are matched to the species harvested, with allowance for some movement to anticipate climate change and forest succession. Our aim is to maintain the natural species profile over time. Some species such as western hemlock fill in naturally and as the forest matures can begin to outcompete the other slower growing species. Therefore, we need to plant less hemlock proportionately than we harvest to achieve the desired future forest profile that is consistent with the natural condition of the forests that we manage.

Number of Seedlings Planted by Species	2025		2024		2023	
	#	%	#	%	#	%
Western hemlock	731,149	17%	857,518	19%	772,090	14%
Amabilis fir	42,280	1%	36,759	<1%	25,410	<1%
Western red cedar	1,412,800	34%	1,380,903	31%	2,422,190	45%
Douglas fir	1,604,695	38%	1,731,608	39%	1,575,521	29%
Yellow cedar	285,483	7%	358,406	9%	460,490	9%
Sitka spruce	82,520	2%	70,420	2%	63,350	1%
Other	56,955	1%	18,474	<1%	39,180	<1%
Total	4,215,882	100%	4,454,088	100%	5,358,231	100%

Leading Reforestation Efforts

To ensure the vitality of new forests, we are the coastal lead in implementing the BC forest fertilization programs, delivering 50% of the coastal programs annually. We use broadcast fertilization to support our sustainability efforts by increasing the amount of carbon sequestered from the atmosphere through promoting increased tree growth. This, in turn, improves harvesting, transportation and manufacturing efficiency.

Saanich Forestry Centre

The Saanich Forestry Centre is at the heart of Western's sustainable forest management practices. This seed orchard and tree nursery is the birthplace of millions of trees growing across coastal BC. The Saanich Forestry Centre produces an average of nearly 18 million high-quality seeds and grows close to four million seedlings every year. The main species are western red cedar, Douglas fir, yellow cedar, western hemlock, and Sitka spruce. The orchard incorporates new selections identified by BC tree breeders from advanced breeding programs as part of adapting to meet predicted changes in climate. These programs positively impact volume gain and maintain wood quality while enhancing insect and disease resistance. It is Canada's oldest continuously operating orchard and provides for almost all of Western's current and future seed needs.

Investing in Technology and Research

We harness the power of technology to enhance our forest management practices and understanding of forests. Western has led and partnered in forest research and monitoring to support the improvement of forest management practices. Our objectives are to support ecological values and processes, ensure an economic timber supply and respect social values. The strategy is to:

- Identify knowledge gaps and recommend basic and applied research needs.
- Utilize spatially and temporally explicit forest estate modelling to evaluate the long-term outcomes of our practices.

- Engage with government, academic, and private agencies that have the capacity and mandate to undertake applicable research.
- Support research funding proposals for projects of interest.
- Add value to research organizations through our cooperation in conducting basic and applied research including access and use of data.
- Test and develop applications in practice and use published research relevant to Western's management goals and responsibilities.

Significant areas of forest research that Western has or is undertaking includes:

- **Forest Ecology Research Program:** Determined the effects of stewardship activities on forest ecosystem functions and identified ways to improve our ability to predict ecosystem response. The outcome includes advancement in our implementation of ecologically sound silviculture prescriptions.
- **Silviculture Research Program:** Examined silvicultural practices for regeneration and tree growth to maintain and enhance an economically viable timber supply. Various trials – some being monitored after 30 or more years from planting – examined species selection, genetic gain for volume and pest tolerance, stock resiliency, mechanical site preparation, vegetation control, and fertilization.
- **Forest Growth and Yield & Light Detection and Ranging Program:** Through our investment in LiDAR technology, we continued to improve our forest inventory information. LiDAR provides detailed, accurate, and comprehensive information over extensive areas. In 2025 we completed a field sampling program to validate the accuracy of volume and species estimates from a LiDAR-derived individual tree inventory in Tree Farm Licence ("TFL") 64. Through this work, we demonstrated the improved accuracy of this LiDAR-derived inventory which is being incorporated in the current Timber Supply Analysis review undertaken by the Ministry of Forests.
- **Using LiDAR to Measure Fertilization Response in Cedar:** In 2025, we used a LiDAR-derived tree inventory in TFL 6 and adjacent private land to evaluate the growth response of western red cedar to urea fertilization. We found a strong growth response across a range of stands, with repeated fertilizations resulting in the greatest gains. These findings are informing and refining our approach to future fertilization efforts.

These projects are monitored, measured, and reported. Funding partners for Western's research programs include the National Council for Air and Stream Improvement, Natural Science and Engineering Research Council of Canada, Land Based Investment Strategy, Operational Tree Improvement Program, Ministry of Forests, Ministry of Land, Water and Resource Stewardship, Canadian Wood Fibre Centre and GenomeBC.

Forest Estate Modelling

We continue to make significant investments and advancements in our forest estate modelling which is integral to long-term stewardship. Spatially and temporally explicit modelling supports our collaborative forest landscape planning and integrated resource management planning with Indigenous groups, sustaining biodiversity and ecosystem health, and the implementation of multiple rotation management from seed supply through to the future log profile. Through our collaborations with Indigenous groups, we continue to advance new datasets and approaches for forecasting important values into the future. An example of these advancements is reflected in the new Forest Landscape Plan ("FLP") and Forest Operations Plan ("FOP") for TFL 37 available on our [website](#).

Reducing Waste

At Western, we diligently forecast the types of logs available for manufacturing today and in the future. We seek to ensure that every log that comes to our mills is used as efficiently as possible by:

- Investing in mill technology that optimizes fibre recovery.

- Collecting wood residues, bark chips shavings, and sawdust and diverting them to third-party producers to create pulp and paper and other products.
- Leaving wood debris from harvesting including roots, stumps, and branches in the forest on-site to decompose, to nourish new growth, in accordance with government requirements.
- Routing residual material from harvesting and sorting to pulp and paper manufacturers, bioenergy plants, local firewood, garden soil or landfills.
- Minimizing the disposal of wood debris in landfills.
- Looking for ways to improve the utilization of the resources in our care.
- Future-proofing our business by matching the timber supply of tomorrow with sound investments today in skills training, capital investment, new products, and income streams.
- Investing in manufacturing to produce forest products from the full range of tree species and sizes, with an increased focus on second growth. Year-to-year variation in species harvested is likely to occur depending on what is growing in the area approved for harvesting.

Regulatory Compliance

We have had a history of strong regulatory compliance. In 2025, two non-compliance tickets were issued to Tsawak-qin Forestry Limited Partnership and one violation ticket to La-kwa sa muqw Forestry Limited Partnership for improper road maintenance, with resulting fines totaling \$1,020.

Non-compliance	2025	2024	2023
Number of non-compliance incidents resulting in a fine	One	Two	One
Value of fines	\$330	\$690	\$173

Highlights and Progress in 2025

- **British Columbia's first draft Forest Landscape Plan and Forest Operations Plan:** In conjunction with the 'Namgis First Nation, we submitted the TFL 37 FLP and FOP in 2025 to the BC Chief Forester. Once the FLP is established and the FOP approved by the Ministry of Forests, these two new legislated plans under the Forest and Range Practices Act will replace the current Forest Stewardship Plan. The plans propose forest management practices for approximately 142,000 hectares in TFL 37 to support long-term forest health, climate adaptation, and a sustainable and secure forestry sector on northern Vancouver Island. Public feedback on the plans consistently referenced the improved predictability and transparency associated with having five years of blocks and roads made available in the FOP concurrent with clear outcomes describing the desired future forest condition in the FLP.
- **Rooted in Giving:** In 2025, we donated 37,600 seedlings to support a wide range of initiatives, including Vancouver's iconic Stanley Park restoration, First Nations and local community events, and celebration-of-life ceremonies. Our support contributes to the Stanley Park forest restoration program addressing widespread tree mortality caused by the hemlock looper outbreak.
- **Accelerating Forest Restoration:** Through the Forest Investment Program, we advanced large-scale restoration activities in 2025, including 5,119 hectares of aerial fertilization, planting 134,869 trees across 125 hectares, and rehabilitating 56.4 kilometres of forest roads to support future reforestation.
- **Holistic and Collaborative Planning:** Through our collaborative work on the TFL 37 FLP pilot project and other integrated resource management planning in TFL 6, TFL 39-1, TFL 44, and TFL 64, we advanced the ability to establish clear spatially and temporally explicit outcomes that are inclusive of the future harvest pattern, by utilizing forest estate modelling outputs combined with LiDAR and geographic information system analysis. This includes outcomes for the multiple elements of biodiversity and ecosystem health including ecosystem integrity, wildlife habitat types, riparian function, connectivity, forest

interior conditions, and rare ecosystems. These outcomes are forecast up to 300 years into the future, helping to ensure that our actions today support the desired outcome over the long-term.

Looking Forward

In 2026, we will be focusing on several continuous improvement opportunities, which include:

- **Completion and Submission of the TFL 37 FLP and FOP:** We anticipate establishment of the FLP and approval of the FOP for TFL 37 by BC's Ministry of Forests in 2026. Once the FLP is established by legal order and the FOP is approved, these plans will replace the existing Forest Stewardship Plan in guiding forest management activities within the plan area. These are likely to be the first FLP and FOP established and approved in British Columbia.
- **Stewardship Standards:** We anticipate additional refinements to our Riparian Forest Management Standard and Retention Silvicultural System Standard in 2026 to remain aligned with results from ongoing holistic and collaborative planning. As the Integrated Resource Management Plans ("IRMP") are completed, stewardship standards are updated to maintain consistency of practices.
- **Advancing Ecosystem Integrity:** We plan to work with ecology specialists to document and submit the approach to assess ecosystem integrity at a landscape-scale for publication in a peer-reviewed journal. This work highlights the value of combining LiDAR with traditional forest inventory data to assess and forecast ecosystem integrity over time.
- **Utilizing LiDAR to Improve Forest Stewardship:** We are looking forward to continuing to advance the use of LiDAR data to improve forest stewardship. Areas of focus include improving the identification of wetland areas and refining our approaches to watershed management and terrain stability.
- **Preparing for European Union Deforestation Regulation ("EUDR"):** Coming into force December 30, 2026, the EUDR aims to reduce the European Union's contribution to global deforestation and forest degradation, while promoting sustainable supply chains and biodiversity protection. The EUDR covers seven key commodities and their derived products, including wood (such as timber and furniture), as well as cattle, cocoa, coffee, palm oil, rubber, and soy.

During 2025, Western developed and validated processes to support compliance with the EUDR. Efforts focused on lumber exports to the European Union, as well as enhancing supply chain traceability back to certified timberlands. Validation activities are expected to continue throughout 2026, alongside ongoing monitoring of any updates or revisions to the implementation of the EUDR.

CARBON AND CLIMATE

The full lifecycle of wood products includes many components, each of which plays a role in influencing the amount of carbon in the atmosphere. Forests play a vital role in mitigating climate change by acting as carbon sinks—absorbing carbon dioxide from the atmosphere through photosynthesis and storing it in biomass and soils. Managing forests, through activities such as harvesting, and road building also result in some greenhouse gas emissions. These emissions, though, can be part of a broader strategy that can have positive climate outcomes. Responsible forest management can enhance forest health, reduce wildfire risk, and promote regrowth, which continues the cycle of carbon uptake. Additionally, harvested wood products can store carbon for decades and substitute for more carbon-intensive materials like concrete or steel.

Carbon emissions are generated at multiple stages throughout Western’s operations, from harvesting to the point of sale. Western operates in numerous aspects of the supply chain and as such can use its own data for carbon accounting. With managing operations from harvesting, hauling, sorting, and milling, Western tracks its own fuel consumption which is used to estimate emissions. These are defined as direct emissions, or Scope 1. Indirect emissions are defined as Scope 2 and Scope 3. Scope 2 emissions are indirect emissions from energy purchases – for Western this includes hydroelectricity. Scope 3 are upstream, downstream and contractor emissions. A full list of the components of the supply chain and their associated emissions is available in the Appendices to this report. Understanding and quantifying emissions at each step is essential for identifying opportunities to reduce the Company’s carbon footprint.

Manufacturing, Production and Supply Chain Emissions

Western’s activities were estimated to have resulted in emissions of 160,630 tonnes of CO₂ equivalent (“tCO₂e”) in 2025. Scope 1 emissions are the organization’s largest source of emission as the Company is directly responsible for much of the supply chain from harvesting logs, manufacturing, and delivery to the point of sale. Non-biogenic emissions associated with slash pile burning continue to be the main contributors to Scope 1 emissions. Total emissions were 28% lower than in 2024, which was largely the result of a reduction in gross harvest volume.

Carbon Flux (tCO ₂ e)	2025	2024	2023
Scope 1 Emissions	101,900	148,171	171,157
Scope 2 Emissions	2,937	3,899	3,971
Scope 3 Emissions	55,793	71,897	73,539
Total Emissions	160,630	223,967	248,667

Biogenic Emissions

Biogenic emissions are excluded from Scope 1, 2 and 3 emissions in accordance with the GHG Protocol. These emissions are driven by the forest operation’s burn program which is dependent on weather conditions and harvest production.

Emission Source (tCO ₂ e)	2025	2024	2023
Slash pile burning from Western’s operations	231,793	440,327	521,988
Slash pile burning from purchased logs	58,334	66,052	69,172
Total Biogenic Emissions	290,127	506,379	591,160

Forest Enhancement

Establishing and maintaining healthy and resilient forests is key in utilizing forests as a tool for climate mitigation. From ensuring the seeds and seedlings have the highest potential of surviving uncertain future climates, to promoting forest growth. Western enables various strategies:

- **Improving Forest Growth:** Western fertilized over 2,200 hectares of their tenure through funding provided by the BC provincial government in 2025. Fertilization provides nutrients to promote growth in trees, absorbing more carbon.
- **Expanding Forests:** Western's Saanich Forestry Centre supported federal and provincial programs by providing over 106,000 seedlings for planting outside of reforestation areas and on de-compacted roads.
- **Planting Best Suited Seedlings:** Western planted 4.2 million trees in managed reforestation areas. As climate change shifts tree species' natural ranges, 98% of seedlings were planted within their future optimal growing areas using climate-based seed transfer. Through tree improvement breeding programs, 2025 seedlings are anticipated to yield 16% more volume than naturally regenerated seedlings.
- **Supporting Research:** Western's Saanich Forestry Centre is active in bettering their seed and seedling stock by staying involved in various research projects:
 - Western is supporting a Swiss Needle Cast study in Douglas fir at the University of Victoria. Findings from this study may inform the development of new tools and genetic selections to improve Douglas fir resilience, survival, growth and carbon sequestration.
 - Western's tenure hosts various research sites. In collaboration with the Ministry of Forests, fertilization, provenance and progeny tests were measured or maintained in 2025. These tests are essential to support forest growth and the development of resilient, productive seedlings suited to future climates.
 - Western maintains an active role on the Forest Genetics Council which has developed a seed supply and demand tool to ensure adequate seed supply for all planting activities. This tool along with further research, will ensure there is sufficient seed and planting stock for reforestation for both current and projected future climates.

Highlights and Progress in 2025

With wildfire mitigation in mind, Western used a multi-scale forest management model in the TFL 37 Forest Landscape Plan to assess wildfire resilience by analyzing the distribution of stand ages across the landscape through time. Western continues to identify areas to reduce emissions, including decreasing energy use and slash pile burning. Ongoing replacement of older equipment, installation of more efficient infrastructure, and increased fibre utilization further reduce greenhouse gas emissions over the long term:

- **Increasing Utilization of Harvest Residue:** Thanks to an ongoing initiative, Western diverted 66,222 cubic metres of post-harvest residues from slash piles to a local facility where they were converted into fibre for coastal pulp and paper facilities.
- **In With the New:** In 2025, the Saanich nursery rented a higher efficiency refrigeration unit for keeping seedlings cool prior to shipping, reducing run time and fuel use. At the operational level, fuel efficiency was improved through the use of newer lubricants, and replacement of older equipment and vehicles. Energy use was also improved with the installation of LED lighting at facilities. In manufacturing, two additional continuous dry kilns were purchased and installed at the Value Added Division in 2025.
- **Smarter Seedling Shipping:** In 2025, we optimized seedling transport by using variable box sizes, cutting fuel consumption during delivery while reducing packaging waste.

Looking Forward

Western sustains its involvement in managing resilient and healthy forests from producing the best suited seeds and seedlings for reforestation in future climates, to supporting ongoing research on diseases impacting the health of forests to support carbon sequestration. In 2026, Western will continue to focus on improving the efficiency in production and manufacturing to reduce emissions. We plan to reduce natural gas consumption at our Saanich tree nursery by identifying and addressing sources of heat loss. We will also continue to monitor the changing guidelines and research around carbon reporting and will update methodologies as needed.

INDIGENOUS RELATIONSHIPS

Western acknowledges and respects the rights and interest of the Indigenous groups in the areas where we operate. Our coastal BC timberlands operations and manufacturing facilities are located on the traditional lands of more than 50 Indigenous groups.

At Western, we continue to advance mutually beneficial partnerships with Indigenous groups that are grounded in respect, shared values and a long-term commitment to collaboration. We believe this is the path towards ensuring a strong forest sector where everyone benefits. Through our joint forest planning work, we are learning from each other to safeguard healthy, productive forests. Together, we are also advancing shared business ownership and partnership agreements that support economic reconciliation.

In working with the Indigenous groups in the areas where we operate, we are guided by the following principles, as set out in our [Indigenous Relationships Policy](#):

- **Work** to understand the interests of Indigenous communities to support reconciliation.
- **Listen** to, learn from, and incorporate the values and input of Indigenous communities in our plans.
- **Develop** and foster meaningful relationships through open and honest communication.
- **Create** mutually beneficial and meaningful partnerships, including opportunities for equity ownership in the business.
- **Grow** mutually beneficial business relationships with Indigenous vendors and work with businesses committed to advancing reconciliation with Indigenous communities.
- **Make** Western a forestry employer of choice for Indigenous people by fostering a diverse and inclusive workforce.
- **Encourage** contractors and communities to provide Indigenous people with job opportunities.
- **Collaborate** with Indigenous communities and educational institutions to enhance worker readiness in the forest sector.

We are committed to advancing reconciliation within the framework of a sustainable forest economy. Our approach includes building new and innovative business and employment opportunities through partnerships and joint ventures, collaboration on forest stewardship planning initiatives, and promoting engagement through community enhancement contributions and capacity-building initiatives.

Please see the [Indigenous Peoples](#) section of our website for additional information.

Highlights and Progress in 2025

The following section highlights some of our actions in 2025 to advance business and employment opportunities, collaborative stewardship planning, and community enhancement and capacity-building.

Business Opportunities and Employment

Western strives to play a role in advancing economic reconciliation, including through mutually beneficial partnerships with shared governance and financial interests, joint ventures for combined harvesting, procurement of fibre supply, contracting, and employment.

Some highlights of our progress include:

- We continued our limited partnerships in La-kwa sa muqw Forestry Limited Partnership with We Wai Kai, Wei Wai Kum, K'ómoks, and Tlowitsis First Nations; in Cawak?qin Forestry Limited Partnership with Huumiis Ventures Limited Partnership (an entity beneficially owned by Huu-ay-aht First Nation); in Quatern Limited Partnership with Quatsino First Nation; in Danyas Limited Partnership with 'Namgis First Nation ("Namgis"); and our joint venture with Kitasoo Xai'xais First Nation's Kitasoo Forest Company, all of which serve as examples of our commitment to building business relationships with Indigenous communities and optimizing the benefits of working collaboratively in the forest industry.
- We entered into a memorandum of understanding with BC First Nations Forestry Council, Centurion Lumber, and Wing/Mobitech, to support the development of international relationships and help put Canadian wood products on the world stage with the goal of delivering affordable housing on Vancouver Island, strengthening First Nations partnerships in local housing projects, and addressing other key housing challenges.
- We procured over 1 million cubic metres of fibre from Indigenous or Indigenous-affiliated suppliers, including fibre purchased from our limited partnerships and joint ventures, valued at over \$190 million. This volume represents almost 75% of the total volume of fibre procured by Western in 2025.
- Western and La-kwa sa muqw Forestry Limited Partnership contracted with Indigenous vendors for over \$15 million in contract services, such as timber harvesting, brushing, silviculture, consulting, and surveys.
- We employed more than 60 individuals whose self-identification included First Nations, Métis, and/or Inuit.

Collaborative Stewardship Planning

Western is committed to working collaboratively with Indigenous groups to support healthy, sustainable forests and ecosystems, which are the foundation of strong communities and economic stability. Together with Indigenous groups, we are developing transformative models across five TFL areas to promote holistic planning and adaptive management approaches that incorporate Indigenous knowledge and values through Forest Landscape Plans, Forest Operations Plans, or integrated resource management planning initiatives.

Some highlights of our progress include:

- 'Namgis and Western reached a major milestone in the TFL 37 FLP Pilot Project, submitting the draft TFL 37 FLP and accompanying FOP to British Columbia's Chief Forester, marking an important step in our ongoing work with Indigenous communities to manage forests guided by shared knowledge and values. A technical team, made up of 'Namgis and Western representatives, led the plan development with assistance from staff from the Government of British Columbia ("Province") and subject matter experts. The draft plans bring together 'Namgis knowledge and wisdom with professional forester expertise to ensure the long-term stewardship of cultural, economic and environmental values. Earlier versions of the draft plans underwent public and stakeholder review in 2024 and were updated appropriately before submission of the first-of-its-kind plans to the Province.
- La-kwa sa muqw Forestry Limited Partnership supported by Western technical staff, continued to collaborate with We Wai Kai, Wei Wai Kum, K'ómoks, and Tlowitsis First Nations on the TFL 64 IRMP to integrate Indigenous perspectives, values, and interest into forest management, enhance forest stewardship, create socio-economic opportunities, and provide greater operating certainty.
- Western continued to support Tla'amin Nation on the implementation of the Tla'amin Forest Resource Plan in TFL 39 Block 1.
- Western and Cawak ?qin Forestry Limited Partnership continued to progress a TFL 44-wide Integrated Resource Management Plan and to support the Huu-ay-aht First Nations with the development of their Hišuk ma čawak IRMP. In addition, Western and Cawak ?qin Forestry Limited Partnership collaborated with the Province and local Indigenous groups to advance the development of a provincial-led TFL 44 FLP.

Community Enhancement and Capacity-Building

We are actively investing time and resources to support community enhancement through financial and in-kind contributions, including lumber and logs, and capacity-building initiatives.

Some highlights of our progress include:

- We provided financial and in-kind contributions, with an aggregate value of over \$450,000 towards reconciliation initiatives that are focused on needs that are important to Indigenous communities.
- We celebrated National Indigenous Peoples Day on June 21 and observed the National Day for Truth and Reconciliation on September 30, celebrating and reflecting on the rich heritage and resilience of Indigenous Peoples, and remembering that each of us has a role to play to support cultural change, including by taking our Indigenous Awareness Training course.
- Together with the 'Namgis and the Province we continued to support the removal of aggressive knotweed, an invasive species, along the Nimpkish River in northern Vancouver Island as part of a multi-year project.
- Team members from Western's Saanich Forestry Centre helped members of the Tsawout First Nation to refurbish their greenhouse, including building and installing raised beds and an irrigation system. The greenhouse provides a space for community gathering and knowledge transfer between elders and youth, while supporting the Tsawout's goals of self-sustenance through growth of both produce and cultural medicinal plants.
- Western contributed Douglas fir lumber to the 'Namgis for a hydroponic greenhouse processing hub in Alert Bay that will support the 'Namgis' efforts towards food production and bring community members together. Western donated the feature wood beams that form the backbone of the space, which is a step forward in 'Namgis' ability to provide sustainable, local food sources and its shared vision for a healthier, more resilient future.
- Western and La-kwa sa mukw Forestry Limited Partnership representatives joined Nanwakolas Council and community members in celebrating the vital role of First Nations in forestry at a summer event featuring the blessing and launch of two xwax'wana (canoes) made by carvers from the We Wai Kai, Wei Wai Kum and K'ómoks Nations, with La-kwa sa mukw Forestry Limited Partnership supporting safe access to the windfallen cedar trees in H'kusam Forest. The event also highlighted La-kwa sa mukw Forestry Limited Partnership's investment in building a more inclusive, resilient and sustainable forest sector.
- We participated in the Forest Professionals of BC Conference to share learnings from the collaborative development of the TFL 37 FLP with 'Namgis as part of a discussion about a new approach forest management and took the stage at the Indigenous Resource Opportunities Conference to introduce discussions on stronger forestry partnerships with Indigenous communities.

Looking Forward

In 2026, we plan to continue our efforts to advance reconciliation by working closely with Indigenous groups, furthering our shared goals of sustainable forest management, building lasting relationships, and sharing the economic benefits of our projects. This will include:

- Working collaboratively with 'Namgis to implement the adaptive management approach to sustainable forestry stewardship developed in the draft TFL 37 FLP and accompanying FOP that were submitted to BC's Chief Forester as part of the TFL 37 FLP Pilot Project.
- Continuing to collaborate on FLPs, FOPs, and other integrated resource management planning initiatives across several TFLs.
- Continuing to advance partnership and investment opportunities with Indigenous groups to support greater long-term stewardship and management of the land base on which Western operates.

COMMUNITIES

At Western, we work hard to be a good neighbour. We engage with community members to identify local priorities and opportunities to assist communities to achieve their goals. Building and maintaining productive relationships with communities where we operate is important to us and critical to our business' success.

Our forestry operations and manufacturing facilities are located in or near many communities on the BC coast and Washington State. These communities are diverse, and the issues affecting small, remote towns are different than the challenges facing urban centres. In addition to Western's engagement processes, our employees are valued and active participants in the communities where we operate. We rely on their relationships, knowledge and understanding of the fabric of each community to support us in being a good neighbour and an active community partner.

Providing a range of career opportunities to local employees helps to share the economic benefits of our industry with the communities in which we operate. In 2025, we contributed approximately \$1.1 billion to the Canadian and US economies through wages, contracts, government royalties and taxes, local procurement and other operating costs. We also contribute to communities by sourcing various goods and services locally.

Please see the [Community](#) section of our website for additional information.

Community Engagement

We are committed to supporting positive change in our communities, helping ensure the areas where we operate continue to thrive. This commitment is reflected in our close collaboration with community members to advance shared goals for a sustainable forest industry. We have a team dedicated to understanding and addressing community matters or concerns. We also engage with communities, interest groups and the public to share information about Western and the sector through site tours, industry workshops, career fairs, participation in community events and support for forestry education. As part of our voluntary certification programs under the Canadian Standards Association Sustainable Forest Management standard, we engage local community representatives through a structured public participation process to guide and review our forest management activities against established indicators.

Community Investments and Donations

We are proud to contribute to a broad spectrum of community initiatives, philanthropic organizations, and events through our Community Enhancement Fund. Our commitment to building enduring value and supporting positive social, economic, and environmental outcomes drives our charitable giving, in-kind donations, and volunteer hours. Western provides hundreds of thousands of dollars each year to organizations large and small.

Our direct investments and donations support community needs and initiatives focused on building communities, advancing reconciliation, supporting sustainability and contributing to climate action. We source and deliver logs to Indigenous peoples for cultural purposes and provide lumber to community groups for building needs. Our activities contribute to community infrastructure, including forestry roads we build and maintain that are also used to access remote communities and recreation areas.

Academic and Training Opportunities

We support secondary and post-secondary students by offering scholarships and funding to educational programs. We are proud to play a small part in supporting students' continued success, exploration of the forest industry, and pursuit of innovative ways to ensure sustainability. This includes scholarship donations, training program contributions and co-op and internship roles. As a company, we recognize the pivotal role we can play in developing the next generation of talent in the forestry sector.

Economic Value Generated and Distributed

Our business activities generate significant economic value. This includes high quality employment and family-supporting wages; contractor opportunities and jobs; supplier engagement, with a priority on local procurement of goods and services; and taxes and payments to government. In BC, the provincial government uses stumpage fees (based on timber volumes, species and grades harvested each year) from the forestry sector to fund important social services like health care and education. In the US, tax payments provide a range of benefits through county budgets and federal and state programs.

Value Category (millions of Canadian dollars)	2025	2024	2023
Total Revenue	\$986.5	\$1,063.9	\$1,017.5
Operating Costs	851.9	834.2	820.8
Employee Wages and Benefits	191.8	207.4	200.2
Payment to Providers of Capital	6.2	8.6	16.6
Payments to Government	54.8	45.8	63.4
Community Investments	0.6	0.4	1.1
Total Expenditures	\$1,105.3	\$1,096.4	\$1,102.1

Highlights and Progress in 2025

In 2025, while support levels were scaled to align with financial conditions and business performance, our long-standing commitment to community investment remained with notable contributions including:

- Continued to support regional food security by partnering with local organizations to expand access to holiday meals to those who would otherwise go without.
- Provided scholarships, funding and valuable industry experience to cultivate the next wave of forest industry professionals.
- Delivered logs and lumber to Indigenous groups to preserve and celebrate traditional art forms and support community infrastructure.

Looking Forward

In 2026, we expect to continue to address community priorities aligned with our giving areas of focus to support thriving communities.

APPENDIX 1: CARBON ACCOUNTING METHODOLOGY

Organizational Boundary

The organizational boundary was the operations of Western Forest Products Inc. This included all of Western's public tenures and private lands, all purchased volume, all manufacturing facilities within Canada and the United States, and the activities of wholly owned or majority-owned Limited Partnerships, including Cawak ʔqin ("Tsawak-qin") Forestry Limited Partnership and La-kwa sa muqw Forestry Limited Partnership. Emissions information was consolidated using the control approach described in the GHG Protocol. Outside of the organizational boundary were joint ventures that Western is a party to.

Scope

The scope of reporting included all supply chain activities and products through to the point of sale and was separated into:

- Scope 1 – Direct emissions.
- Scope 2 – Indirect emissions from energy purchases.
- Scope 3 – Significant indirect fossil fuel emissions from supply chain activities.

Exclusions

Reporting did not account for carbon associated with:

- Energy consumption at certain office locations, that are separate from our operating locations, on the basis of immateriality.

The following Scope 3 emissions outlined in the GHG Protocol Scope 3 Accounting and Reporting Standard, (WRI, 2015) were excluded on the basis of immateriality, both from an individual and cumulative basis:

- Purchased goods and services – The upstream emissions associated with the production and transportation of fertilizer and herbicide.
- Business travel – All business travel other than that conducted using company owned vehicles.
- Employee commuting – All employee commuting, other than that conducted using company owned vehicles.
- Upstream leased assets – These are an insignificant portion of Western's business.
- Downstream leased assets – These are an insignificant portion of Western's business.
- Franchises – Western does not operate any franchises.
- Investments – These are an insignificant portion of Western's business.

Data Used

The organizational carbon accounting was based on the best available information. Where possible, data linked to financial reporting and audited financial statements was used.

Primary data sources used were:

- Western's forest inventory, which is updated annually to account for forest growth and depletions from harvesting, and wildfire.
- Invoiced fuel purchases including natural gas, diesel, and gasoline.
- Invoiced electricity usage for manufacturing facilities.
- Invoiced costs for transportation of logs from dryland sorts.
- Number of seedlings planted by operation from internal recordkeeping systems.
- Transportation distances from nurseries to company operations and from mills to port of origin from publicly available online mapping systems.
- Transportation distances from company operations offices to cut blocks from Western's geographic information systems ("GIS") road layer.
- Sales data of volumes transported from mill to point of sale, by transport mode and species.

Secondary data sourced used were:

- Emissions factors from published sources.

Base-Year

Western continued to use a base-year of 2020 for GHG accounting. Future changes to reporting year-over-year are expected for many reasons as GHG accounting and reporting in the supply chain matures. Updates to previous years' reporting could be required due to changes or improvements to methodologies, activity data or emission factors, or scope. Changes or improvements, including changes to the organizational boundary that result in changes in total gross Scope 1, 2 and 3 emissions greater than 5% will result in restating previous years' emissions.

For material changes in emissions related to the above, restatement will follow the "Base year recalculation methodologies for structural changes" outlined in Appendix E to the GHG Protocol Corporate Accounting and Reporting Standard (WRI, 2004). For boundary expansion or improvements to reporting for business units in the supply chain, restatements will follow the "all year" approach by weighting the current year emissions and restating by the previous year's production compared to the current year. For any acquisitions or divestitures, the "pro-rata" approach will be used. Given the material change in scope in this year's reporting, all reported emissions from the base year to the current year, have been recalculated with the new defined scope.

Models and Assumptions

The following models and assumptions were used in this report. Further details are outlined in Appendix 2 and Appendix 3.

Scope 1: Direct Emissions

Direct emissions were determined from the following sources:

- Heavy machinery utilized in road building, harvesting, and log hauling from Western's tenures. This work is undertaken by a mix of contractor and company crews. The two are reported together under Scope 1 rather than split between Scope 1 and Scope 3 due to the way the data was collected.
- Mobile equipment used at Western's mills and dryland sort yards.
- Light duty vehicles.
- Boom boats.
- Natural gas used at Western's manufacturing facilities.
- Slash pile burning methane ("CH₄") and nitrous oxide ("N₂O") emissions from Western's tenures were based on waste surveys, wood densities (Gonzalez, 1990) and emission proportions by GHG (Kurz, et al., 2009).
- Truck transportation from mills to point of sale.

Scope 2: Indirect Emissions from Energy Purchases

- Electricity consumption at manufacturing facilities follows reporting from the GHG Protocol Scope 2 Guidance (WRI, 2015). Location-based reporting was used as Western does not buy market instruments and this would result in the same reported values as market-based reporting for Western's supply chain.

Scope 3: Indirect Emissions from Supply Chain Activities

- Emissions associated with harvest, primary transportation and slash pile burning (CH₄ and N₂O) for purchased logs from non-Western tenures.
- Transportation of logs to manufacturing facilities by barge and tugboat.
- Emissions associated with the extraction, production, and transportation of capital goods.
- Custom cutting of logs and third-party kiln drying.
- Emissions associated with upstream fuel production.

Scope 3 emissions were calculated using Western data on product volumes combined with published fuel use estimates for suppliers and other parts of the value chain.

Upstream Distribution Emissions

Upstream distribution emissions were based on internal data of the volume shipped to mill by truck, species mix and a carbon calculator to estimate truck emissions (CarbonCare, 2026).

Upstream Fuel Production

Upstream fuel production emissions were based on all fuel consumed in Scope 1 and 2. These emissions were estimated using the Scope 3 calculator provided by the National Council for Air and Stream Improvement ("NCASI") (NCASI, 2025).

Biogenic CO₂ Emissions

Biogenic CO₂ emissions from burning slash piles from Western's operations and from purchased logs were estimated using wood densities determined by the Canadian Forest Service (Gonzalez, 1990) and used assumptions of the proportion of carbon released as CO₂, CH₄ and N₂O (Kurz, et al., 2009).

APPENDIX 2: METHODOLOGY FOR SCOPE 1, 2 AND 3 EMISSIONS

Scope	Description	Methodology	Reference
1	Light-duty vehicles	Fuel expenses from light-duty vehicles by operation were obtained from internal recordkeeping systems. Light-duty vehicles account for surveys, planning, layout, engineering, silviculture activities, monitoring and some commuting (excluding commuting in private vehicles). Fuel usage was converted to emissions using a factor of 2.317 kgCO ₂ e/L	Environment and Climate Change Canada, 2025, Table A6.1-15
1	Harvesting equipment	Emissions associated with mobile harvesting equipment from within Western tenures (feller-bunchers, chainsaws, grapple yarders, skidders, super-snorkels, log loaders) was estimated using a fuel factor derived from an average of all five Western Forest Products CSA Defined Forest Area's from data gathered for the 2025 reporting period. The factor is 13.08 kgCO ₂ e/m ³	
1	Transport of logs from cut block to dryland sort	Emissions associated with hauling logs was estimated using a fuel factor derived from an average of all five Western Forest Products CSA Defined Forest Areas from data gathered for the 2025 reporting period. The factor is 13.08 kgCO ₂ e/m ³ .	
1	Land and water sorting of logs at dryland sort.	The number of litres of fuel for mobile equipment and boom boats by dryland sort were obtained from internal recordkeeping systems. Fuel usage for two dryland sorts where data was not available were estimated by pro-rating the log volume processed in 2025 compared to the dryland sorts where data was available. Fuel usage was converted to emissions using a factor of 2.708 kgCO ₂ e/L for diesel for machinery, 2.500 kgCO ₂ e/L for biodiesel and a factor of 2.708 kgCO ₂ e/L for boats	Environment and Climate Change Canada, 2025, Table A6.1-15
3	Transport of logs from dryland sort to internal and external manufacturing facilities	Annual expenses to transport logs from dryland sorts to internal and external manufacturing facilities by third-party barge and tugboat was obtained from internal recordkeeping systems. Fuel expenses were estimated at 35% of the total expense, based on an internal analysis. Fuel expenses were converted to litres using the average annual wholesale diesel price in 2025 in Nanaimo, BC. Fuel usage was converted to emissions using a factor of 2.708 kgCO ₂ e /L for marine, unmixed diesel.	Environment and Climate Change Canada, 2025, Table A6.1-15
3	Log purchases	Emissions associated with the purchase of logs were calculated by determining the emissions per cubic metre from Western tenures of all activities upstream from manufacturing facilities (light duty vehicles, harvesting, transport) and multiplying this by the volume purchased.	
1	Mobile equipment at manufacturing facilities	The number of litres of fuel consumed at manufacturing facilities was obtained from internal recordkeeping systems. This was converted to CO ₂ e emissions using a factor of 2.329 kgCO ₂ e/L for heavy duty unmixed gasoline, a factor of 2.708 kgCO ₂ e/L for heavy duty diesel and 1.539 kgCO ₂ e/L for propane.	Environment and Climate Change Canada, 2025, Table A6.1-15
1	Natural gas at manufacturing facilities	Natural gas usage at manufacturing facilities was obtained from invoices. This was converted to CO ₂ e emissions using the Western Climate Initiative methodology.	WCI, 2011, Table 20a, Table 20-4
2	Energy use at manufacturing facilities	Energy usage at manufacturing facilities is sourced from hydroelectricity. From invoices, emissions emitted from BC Hydro were estimated using a factor of 9.9 tCO ₂ e/GWh for 2024. The hydro emissions for mills located in Washington state were estimated with a factor of 288.5 tCO ₂ e/GWh for 2025.	Ministry of Environment & Climate Change Strategy, 2024; USEPA, 2025
3	Emissions at custom cutting facilities	Volumes of logs consumed at custom cut mills was obtained from internal recordkeeping systems. Emissions were estimated by pro-rating the emissions from Western mills on a per cubic metre of log consumption basis.	
3	Emissions at third-party kiln drying facilities	Volumes of lumber processed at third-party kilns was obtained from internal recordkeeping systems. Emissions were estimated by pro-rating the emissions from Western kilns on a per thousand board feet of lumber basis.	
1	Distribution of lumber to point of sale – trucking	Production volumes of lumber by manufacturing facility, point of sale, and species were obtained from internal recordkeeping systems. The distance travelled for lumber from each mill to the point of sale via trucks was summed and emissions estimated using the Carbon Care emissions calculator. Scope 1 includes trucking emissions.	CarbonCare, 2026
1	Transport of seedlings from nursery to block.	The number of seedlings planted in 2025 by operation and season was obtained from internal recordkeeping systems. Distances from nursery to operation office was determined from online mapping software and converted to number of trips based on whether the seedlings were on pallets or not. Distances from offices to cut blocks planted in 2025 was determined using Western's proprietary GIS road data. The number of trips from office to cut block was based on an average planting rate and the average crew size per pickup. Fuel use was calculated based on average fuel consumption for a 2014 Ford F-150. Fuel consumption was converted to emissions using a factor for heavy duty trucks of 2.708 kgCO ₂ e/L, and an emission factor of 2.317 kgCO ₂ e/L for light-duty pickup trucks. For heli-blocks, fuel usage was calculated based on average fuel consumption for a Bell 206L-4 passenger and an emission factor of 2.449 kgCO ₂ e/L for AvGas.	Environment and Climate Change Canada, 2025, Table A6.1-15
3	Upstream emissions associated with fuel production	A Scope 3 calculator created by the National Council for Air and Stream Improvement was used to estimate these emissions. A total fuel usage of Scope 1 fuels, energy used, and Scope 2 energy use were used as inputs.	NCASI, 2025
3	Emissions associated with capital goods	2025 capital goods were sourced from Western's 2025 Annual Report and converted to USD using the 2025 Bank of Canada exchange rate. Emission factors with margins (per USD) was sourced from the USEPA. Factors used were those specified for "Machinery for the paper, textile, food or other industries (except semiconductor machinery)" from 2018.	USEPA, 2020
Disclosed separately	Biogenic CO ₂ emissions	Emissions associated with burning harvesting residue in slash piles and burning hog fuel was estimated using wood densities and assumed the proportion of carbon released as CO ₂ , CO, CH ₄ and N ₂ O.	Gonzalez, 1990; Kurz, et al., 2009

APPENDIX 3: CONVERSION FACTORS USED FOR CALCULATING EMISSIONS

Scope	Emission category	Fuel Type	CO ₂ (kg/L)	CH ₄ (kg/L)	N ₂ O (kg/L)	CO ₂ e (kg/L)
1	Dryland Sort ^a	Heavy Duty/ Diesel/Moderate Control	2.681	0.00014	0.000082	2.708
		Marine/Diesel	2.681	0.00025	0.000072	2.708
		Biodiesel	2.472	0.00014	0.000082	2.500
	Mill Mobile Equipment ^a	Heavy Duty/Gasoline/ Non-Catalytic Controlled	2.307	0.00029	0.000047	2.329
		Heavy Duty/ Diesel/Moderate Control	2.681	0.00014	0.000082	2.708
		Propane Vehicles	1.515	0.00064	0.000028	1.539
	Planting ^a	Heavy Duty/Diesel/Moderate Control	2.681	0.00014	0.000082	2.708
		Light-Duty Truck/Gasoline/Tier 2	2.307	0.00014	0.000022	2.317
		Aviation Gasoline	2.325	0.00219	0.00023	2.449

Scope	Emission category	Fuel Type	CO ₂ (kg/GJ)	CH ₄ (g/GJ)	N ₂ O (g/GJ)
1	Mills ^b	Natural Gas	50.0	0.966	0.861
	Nursery ^b	Natural Gas	50.0	0.966	0.861

Scope	Emission category	2023 CO ₂ e (kg/m ³)
1	Forest Operations ^c	13.08

Scope	Emission category	CO ₂ e (kg/1000kg/km) (WTW)
1	Distribution ^d	0.11

Scope	Emission category	Fuel Type	2025 USA CO ₂ e (t/GWh)	2025 BC CO ₂ e (t/GWh)
2	Hydro ^e	Hydroelectricity	288.5	9.9

^a Factor taken from Environment and Climate Change Canada, 2025, Table A6.1-14

^b Factor taken from Western Climate Initiative, Inc. 2011, Table 20a, Table 20-4

^c Fuel factor derived from a mix of fuels compiled by Western

^d Factor taken from CarbonCare, 2026, CO₂ emissions calculator

^e Ministry of Environment & Climate Change Strategy, 2024 and USEPA, 2025

Gas Type ^f	Global Warming Potential (GWP) 100
CO ₂	1
CH ₄	25
N ₂ O	298

^fGWP (IPCC, 2007, Table 2.14)

APPENDIX 4: CALCULATED EMISSIONS FOR SCOPES 1 & 2

Scope	Emission Category	Fuel Type	Consumed (L)	CO ₂ (t)	CO ₂ (tCO ₂ e)	CH ₄ (t)	CH ₄ (tCO ₂ e)	N ₂ O (t)	N ₂ O (tCO ₂ e)	Total (tCO ₂ e)
1	Dryland Sort	Marine Diesel unmixed	242,895	651	651	0.0612	1.530	0.0175	5.210	658
		Heavy Duty Diesel unmixed	688,660	1,846	1,846	0.0964	2.410	0.0565	16.83	1,865
		BioDiesel	46,458	115	115	0.0065	0.1626	0.0038	1.135	116
	Mill Mobile Equipment	Heavy Duty Gasoline unmixed	30,221	70	70	0.0088	0.2191	0.0014	0.4233	70
		Heavy Duty Diesel	1,339,210	3,590	3,590	0.1875	4.687	0.1098	32.72	3,627
		Propane	74,368	113	113	0.0476	1.1899	0.0021	0.6205	115
	Planting	Heavy Duty Diesel unmixed	4,178	11	11	0.0006	0.0146	0.0003	0.1021	11
		Light-Duty Truck Gasoline unmixed	9,177	21	21	0.0013	0.0321	0.0002	0.0602	21
		Aviation Gas	1,453	3.4	3.4	0.0032	0.0796	0.0003	0.0996	4

Scope	Emission category	Fuel Type	Consumed (GJ)	Consumed (m ³)	CO ₂ (t)	CO ₂ (tCO ₂ e)	CH ₄ (t)	CH ₄ (tCO ₂ e)	N ₂ O (t)	N ₂ O (tCO ₂ e)	Total (tCO ₂ e)
1	Mills	Natural Gas	480,935	12,263,832	24,047	24,047	0.465	11.6	0.414	123	24,182
	Nursery	Natural Gas	11,681	297,853	584	584	0.0113	0.282	0.0101	3.00	587

Scope	Emission category	Consumed (m ³)	Total (tCO ₂ e)
1	Forest Operations	2,496,469	32,656

Scope	Emission category	Distance (km)	Weight (t)	Total (tCO ₂ e)
1	Distribution	5,873	532,476	2,831

Scope	Emission category	Fuel Type	Consumed (kWh)	Total (tCO ₂ e)
2	BC Hydro	Hydroelectricity	71,914,662	2,937

APPENDIX 5: INCLUDED EMISSIONS BY SCOPE

Scope 1		2025 tCO ₂ e
Dryland Sort		2,639
Nursery		587
Mills		24,182
Mill Mobile Equipment		3,812
Forest Operations		32,656
Slash Pile Burning (not including CO ₂)		35,156
Planting		37
Distribution		2,831
Total		101,900
Scope 2		2025 tCO ₂ e
Hydro Consumption		2,937
Total		2,937
Scope 3		2025 tCO ₂ e
Water Sorting		466
Upstream Fuel Production		16,903
Custom Cutting		169
Custom Cut Drying		335
Barging or Towing		15,374
Capital Goods		5,411
Forest Operations Purchased Logs		8,287
Slash Pile Burning Purchased Logs (not including CO ₂)		8,848
Total		55,793
Biogenic CO ₂		2025 tCO ₂ e
Slash Pile Burning Western		231,793
Slash Pile Burning Purchased Logs		58,334
Total		290,127

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