



# MILLAR WESTERN FOREST PRODUCTS LTD.

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Policy Established: February 17, 2009

Policy Updated: September 22, 2017

## CONTROLLED WOOD POLICY

Millar Western obtains all its fibre from Alberta, Canada, with the vast majority originating from publicly owned forests. In addition to harvesting timber from forests managed under long-term agreement with the Alberta government, Millar Western obtains some wood through fibre-exchange agreements with other companies operating under government authority on public lands in the region. The company also purchases a small amount of wood from sources operating on private and public lands. In all cases, it is Millar Western's policy to avoid fibre that would fall into any of the following controversial-wood categories:

- Illegally harvested wood;
- Wood harvested in violation of traditional and civil rights;
- Wood harvested in forests where high conservation values are threatened by management activities;
- Wood harvested in forests being converted to plantations or non-forest use; or
- Wood harvested from forests in which genetically modified trees are planted; or
- Violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.

The company will ensure that harvesting contractors are directed to harvest in areas that avoid these controversial sources and that all wood suppliers provide written assurances that fibre provided to Millar Western was sourced in compliance with this policy. Furthermore, Millar Western will maintain chain-of-custody certification, to provide independent verification of the effectiveness of its wood-tracking system in tracing the origin of all wood used in its products and to prevent intrusions of controversial wood into the supply chain.

J. Craig Armstrong  
President and Chief Executive Officer