



MILLAR WESTERN FOREST PRODUCTS LTD.

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COMMITMENT TO SFI PRINCIPLES

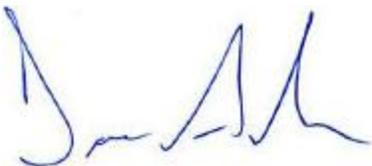
To assure stakeholders of its ongoing commitment to the highest standards of environmental performance, Millar Western Forest Products Ltd. maintains several independently-audited certifications, including forest management certification. This policy affirms the company's commitment to SFI principles.

Commitment

Millar Western Forest Product Ltd. is committed to all 14 SFI sustainable forest management principles:

1. *Sustainable Forestry* – With roots reaching back to the early 1900s, Millar Western understands the importance of maintaining forests for the future and, therefore, will continue to manage the lands in its stewardship according to the principles of sustainability. Understanding that a forest is more than a timber source, the company will work with stakeholders to manage for a broad range of forest values, including conservation of soil, air and water quality; biological diversity; wildlife and aquatic habitat; recreation and aesthetics.
2. *Forest Productivity and Health* – Millar Western remains committed to managing the forest in a way that maximizes its long-term health, adopting strategies that help to reduce the forest's vulnerability to wildfire, pests, disease and other destructive agents, and that contribute to improved yield. It will also continue to work with government and industry to ensure that governing policies remain conducive to fostering healthy, multiple-value forests for the future.
3. *Protection of Water Resources* – Understanding that water resources are critical to sustaining the diversity of life in the forest, Millar Western will continue to employ sound management practices that avoid adverse impacts on water bodies and riparian areas. It will also continue to work with government and industry to support broad-based initiatives aimed at maintaining the quality and quantity of the forest's water supply.
4. *Protection of Biological Diversity* – Millar Western supports an integrated land-use management (ILM) approach to the promotion of biological diversity and maintenance of ecosystems, working with other forest users, including oil and gas companies, trappers, aboriginal communities and recreational users, to identify and protect sensitive habitat.
5. *Aesthetics and Recreation* – Millar Western will continue to work closely with stakeholders through consultation mechanisms such as its Public Advisory Committee to identify areas prized for their beauty or recreational opportunities. Once identified, these important forest features will be given special consideration during the planning process, to ensure their value is preserved for public access and enjoyment.
6. *Protection of Special Sites* – Millar Western will continue to work with stakeholders, including aboriginal communities, to build its inventory of sites identified as having special historical, cultural or other significance and to ensure, through careful planning, that they remain protected.

7. *Responsible Fiber Sourcing Practices in North America* – Millar Western sources all of its fibre from Alberta, Canada, the vast majority from government-owned lands that are subject to strict laws and regulations. Although the risk of controversial fibre entering the supply chain is virtually non-existent, Millar Western maintains chain-of-custody certifications, enabling it to trace all timber back to the source, to further safeguard its timber supply chain against unwanted intrusions.
8. *Legal Compliance* – Millar Western is committed to maintaining its excellent record of compliance with applicable federal, provincial and local forestry and related environmental laws and regulations and to working with all levels of government to advance progressive forest policy development that reinforces Canada’s reputation as a trusted source of products made from wood that has been legally acquired from sustainably managed forests.
9. *Research* - Through its participation in industry, professional and research associations, Millar Western will continue to take a leadership role in supporting the development of progressive forest management practices. It also commits to staying current with the latest information related to sustainable forest management and, where appropriate, to incorporate new scientifically-validated ideas into its forest management activities.
10. *Training and Education* – Millar Western considers training and education of its employees and contractors as vital to ensuring our forest management activities are carried out safely, legally, with minimal impact on the environment and in a way that is consistent with our core values of integrity, honesty, trust and respect. With that in mind, we will continue to provide the necessary training and education to ensure our employees, or anyone acting on behalf of our company, are equipped to carry out their responsibilities in accordance with the highest standards.
11. *Community Involvement and Social Responsibility* – Because Millar Western’s operations take place largely on publicly owned lands, it considers public consultation essential to developing forest management plans that reflect not only corporate but, also, societal values. To that end, the company will continue to maintain a Public Advisory Committee, to offer other consultation opportunities to stakeholders (e.g. annual open houses) and to recognize and respect the rights and traditional forest-related knowledge of indigenous peoples.
12. *Transparency* – Though a privately owned and operated company, Millar Western has built solid relationships with stakeholders, including the communities where it operates, by being transparent about its operations. It will continue to share information through mechanisms such as its corporate website and open houses and to respond to public inquiries openly and honestly.
13. *Continual Improvement* – Continual improvement is a cornerstone of Millar Western’s operational approach. The company’s woodlands operations regularly measure their performance, reporting results to stakeholders and using the outcomes as a basis for improvement.
14. *Avoidance of Controversial Sources, including Illegal Logging, in Offshore Fibre Sourcing* – Millar Western does not engage in off-shore fibre sourcing, instead obtaining all of its fibre from the highly-regulated jurisdiction of Alberta, Canada.



David Anderson
Chief Operating Officer