

APPENDIX B

SECURITIES TRADING POLICY

Introduction

This Policy is intended to raise the general level of awareness of the trading and confidentiality obligations of employees, officers and directors of West Fraser Timber Co. Ltd. (the “Company”).

In this Policy, “West Fraser” means West Fraser Timber Co. Ltd. and each other member of the West Fraser group of companies. References to “the Company” refer specifically to West Fraser Timber Co. Ltd.

Scope of this Policy

This Policy applies to all employees, officers and directors (including their spouse and other relatives with the same home as that person) of West Fraser and its subsidiaries, affiliates and joint ventures.

Broadly speaking, an employee, officer or director of West Fraser (including their spouse and other relatives with the same home as that person) with knowledge of an undisclosed material fact or material change respecting West Fraser shall not trade in securities of the Company and shall not use or selectively disclose such information until the information is publicly known. In order to reduce potential exposure for liability under securities laws, employees, officers and directors (and their spouses, and other relatives in their household) must not trade in the Company’s securities during

1. the “Blackout Periods” described in this Policy, and
2. when advised not to do so by any member of the Disclosure Committee as a result of the existence of such undisclosed material information.

This trading restriction also applies to all securities and accounts over which such employees, officers or directors have control or direction, whether or not of such person or of relatives in the same household.

Breaches of confidentiality and violations of insider trading and tipping laws carry severe consequences both for the Company and the individuals involved. Therefore, all employees, officers and directors of the Company must comply with the provisions and procedures of this Policy. This trading restriction continues to apply to former directors, officers and employees even after termination of their employment or other arrangements with West Fraser until the material fact or material change becomes public or non-material.

Trading in Securities of the Company

Under applicable securities laws, a person in a “special relationship” with the Company must not “trade” in or enter into a transaction involving securities of the Company if the person knows of a material fact or material change with respect to West Fraser that has not been generally disclosed to the public. If the person trades securities of the Company in such a circumstance, the person may be liable to compensate the seller or purchaser of the securities, as the case may be, for damages resulting from the trade. A “trade” includes a purchase or sale of securities, an offer or solicitation to purchase or sell securities and an exercise of an option, warrant or other convertible security.

Special Relationship

All directors and officers, and their associates (which include their spouses and other relatives in their household) and affiliates, and all employees are in a special relationship with the Company, as are former directors, officers and employees who acquired knowledge of a non-public material fact or material change with respect to West Fraser while in office. In addition, anyone who acquires knowledge of a non-public material fact or material change with respect to West Fraser from a person in a special relationship with the Company is deemed to be in a special relationship with the Company.

The significance of this last portion of the definition is that it creates an indefinite chain so that any person who either trades on or discloses a non-public material fact or material change acquired directly or indirectly from someone “on the inside” will be caught by the insider trading provisions.

Material Information

Any fact or any change in the business, operations or capital of the Company, or a decision by the board or by senior management (who believe confirmation by the board is probable) to implement such a change, that would reasonably be expected to have a significant effect on the value or market price of the Company’s securities is a material fact or material change. This includes information about significant changes to senior management, financial results, decisions concerning dividends, major acquisitions, dispositions, investments, sales or restructurings, and the acquisition or loss of important contracts.

Rule Against Tipping

Employees, officers and directors with knowledge of a material fact or material change with respect to West Fraser that has not been generally disclosed to the public must not inform or “tip” others of any such information, except as required in order to carry out the duties of the person’s office or employment with the Company.

Rule as it Applies to Other Entities

Where West Fraser is involved in a material undisclosed transaction or business or other arrangement (including proposed transactions or arrangements) with another entity, each employee, officer and director of West Fraser is in a special relationship with the other entity as a

result of having knowledge of a material fact or material change with respect to the other entity that has not been generally disclosed to the public and, therefore, cannot trade in securities of the other entity using knowledge or information pertaining to the transaction or arrangement and must not inform or “tip” others of any such knowledge or information, except as required in order to carry out the duties of the person’s office or employment with the Company.

When Information Becomes Public and Blackout Periods

Information is considered to become public when it has been released to the public through appropriate channels, such as by press release or public statements by senior officers.

In recognition of the need to ensure that enough time has elapsed to permit the investment community to absorb and evaluate information, the Company has established “Blackout Periods” during which employees, officers and directors (and their spouses and other relatives in their household) must not trade in the Company’s securities, including securities or accounts over which such persons have control or direction, whether or not of such persons or of relatives in the same household. The trading restriction under an established Blackout Period continues to apply to former directors, officers and employees who terminated their employment or other arrangements with West Fraser during such Blackout Period until the applicable Blackout Period has ended.

The “Blackout Period” in respect of a fiscal quarter is:

- ◆ the period beginning on the first day of the immediately following fiscal quarter of the Company and ending at the end of the second clear trading day after the day of the announcement of the financial results for the fiscal quarter and, in respect of the fourth fiscal quarter, the financial results for the year, and
- ◆ for all other West Fraser announcements containing material information, the period beginning on the day of the announcement and ending at the end of the second clear trading day after the day of the announcement.

Blackout Period Example

For the first quarter, the Blackout Period would begin on April 1. Assuming that first quarter results were announced on April 15, the Blackout Period would end at the end of April 17. This would leave the period of April 18 to June 30 as an available trading period.

Pre-Clearance for Trading Outside Blackout Periods

Because at any time outside the established Blackout Periods there may exist corporate information concerning an existing or potential material fact or material change that has not been publicly disclosed and which might significantly affect the price or value of the Company’s securities, any trades by a director or officer or by an employee who may have access to this information (or by any spouse or other relatives in the same household as such directors, officers or employees) must be pre-cleared in advance by the Chief Financial Officer or, if unavailable, another member of the Disclosure Committee.

Post-trade Notification

All trades of securities by an officer or director, or any of his or her associates (which includes their spouse and other relatives in their household), must be reported by the officer or director within three days to the Chief Financial Officer or, if unavailable, another member of the Disclosure Committee.

Definition of Reporting Insider

A reporting insider of the Company includes (i) all directors, (ii) the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer of the Company or of a major subsidiary of the Company, (iii) all persons responsible for a principal business unit, division or function of the Company, (iv) other insiders as prescribed by applicable securities laws from time to time and (v) any person or company that beneficially owns or exercises control or direction over 10% or more of the common shares of the Company. Note that the trading restrictions described above cover individuals that are in a “special relationship” with the Company which is a broader category than “reporting insiders”. The reporting insider designation identifies those individuals who are required by law to publicly disclose their trades.

Insider Trading Reporting

It is the personal duty of each of West Fraser’s directors, senior officers and other reporting insiders to file insider reports following any trade or other change in holdings of securities of the Company (including the exercise of any options) in accordance with securities laws. The Company assists directors and officers with the filing procedures by providing administrative support. This administrative support does not remove individual responsibility to file insider reports in a timely and accurate fashion. Currently, insider reports must be filed within five days after a change in direct or indirect beneficial ownership of, or control or direction over, the Company’s securities (three days for control persons). Insider trading reports may be filed electronically. Registration of West Fraser’s insiders under this electronic filing system (known as SEDI) is available through the Company’s counsel, McMillan LLP. Copies of all insider trading reports filed are to be promptly provided to the Chief Financial Officer or, if not available, another member of the Company’s Disclosure Committee.

Individual Responsibility

Each insider or person in a special relationship with the Company has the individual responsibility to comply with this policy and applicable securities laws. The guidelines set forth in this policy are guidelines only, and appropriate judgement should be exercised in connection with any trade in the Company’s securities.

Dated as of December 9, 2002.

Last updated September 7, 2022.