

**West Fraser Timber Co. Ltd.  
(the “Company”)**

**Audit Committee Charter  
(the “Charter”)**

**Approved by the Company’s Board of Directors (the “Board”) on April 24, 2024**

**General Mandate**

The Audit Committee (the “**Committee**”) will assist the Board in fulfilling its responsibility to oversee the Company’s financial reporting and audit processes, its system of internal controls and its process for monitoring compliance with applicable financial reporting and disclosure laws, and its own policies.

The Committee will have oversight responsibility over:

- the integrity of the Company’s financial statements;
- the Company’s compliance with legal and regulatory requirements;
- the external auditors’ appointment, qualifications, independence and performance; and
- the performance of the Company’s internal audit function (“**Internal Audit**”).

The Committee’s role is one of oversight. The Company’s management is responsible for preparing the Company’s financial statements and providing all required certifications relating to those financial statements, and the external auditor is responsible for auditing those financial statements. In carrying out its oversight role, the Committee will be entitled to rely on information provided by management of the Company (“**Management**”) and the external auditor. The Committee is not responsible for providing any expert or special assurance or any guarantee as to the accuracy or completeness of the Company’s financial statements or its public disclosure.

The Committee will also be responsible for those other matters as set out in this Charter and/or as may be delegated to it by the Board from time to time.

**Responsibilities**

The Committee will carry out the following responsibilities:

Financial Statements

- Review with Management and the external auditors the significant accounting and financial reporting matters relating to the Company’s financial statements, including:
  - (i) significant matters regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of International Financial Reporting Standards as issued by the International Accounting Standards Board (“**IFRS**”);

- (ii) critical accounting policies and practices to be used by the Company in preparing its financial statements;
  - (iii) significant judgments and critical accounting estimates made in connection with the preparation of the financial statements, including (i) any analysis prepared by Management and/or the external auditors in support of significant financial reporting issues and judgments, and (ii) any analysis of the effects of alternative accounting principles in accordance with IFRS;
  - (iv) complex or unusual transactions, including any off-balance sheet transactions and any contingencies, and their impact on the Company's financial statements;
  - (v) all material alternative treatments of financial information in accordance with IFRS that have been discussed between the external auditor and Management, ramifications of the use of these alternative treatments, and the treatment recommended or preferred by the external auditors where either (i) the external auditor does not agree with the treatment proposed by Management, or (ii) the external auditor recommends an alternate treatment to that proposed by Management;
  - (vi) the effect of significant regulatory and accounting initiatives and pronouncements on the financial statements of the Company; and
  - (vii) any material issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies.
- Meet and review with Management and the external auditors prior to public disclosure:
    - (i) the annual and interim financial statements of the Company;
    - (ii) the related annual or interim management's discussion and analysis of financial condition and results of operations ("**MD&A**"); and
    - (iii) each related news release.

In completing its review, the Committee will:

- (i) consider whether the financial statements, MD&A and news release are complete, are consistent with information known to Committee members, and reflect appropriate accounting principles;
- (ii) obtain reasonable assurance that (i) the financial statements are presented fairly in accordance with IFRS, and (ii) the MD&A is in compliance with appropriate regulatory requirements; and
- (iii) provide a recommendation to the Board with respect to the approval of, or, if authority has been delegated by the Board, approve the financial statements, MD&A and news release and their filing with securities regulators in accordance with applicable securities laws.

In meeting, the Committee may meet in person, via telephone, via video-conference or by the use of any other equivalent communications platform that enables each participant to communicate with each other participant.

- Review and discuss with Management and the external auditors prior to public disclosure all earnings news releases and other press releases that contain “first-time disclosure” of significant financial information respecting the Company or contains estimates or information regarding the Company’s future financial performance or prospect, which will include review and discussions as to:
  - (i) “first-time disclosure” financial information and earnings guidance provided to analysts and, if applicable, ratings agencies; and
  - (ii) the type and presentation of information to be included in such press releases (in particular the use of “pro forma” or “adjusted” information that is not in accordance IFRS).
- Review and discuss with Management and the external auditors, and recommend to the Board for approval prior to public disclosure:
  - (i) the portions of the Annual Information Form containing significant financial information derived from the Company’s financial statements and within the Committee’s mandate;
  - (ii) the portions of any Company’s annual or special management proxy circular that (i) contain significant financial information derived from the Company’s financial statements and within the Committee’s mandate, or (ii) relate to the Committee’s composition and responsibilities;
  - (iii) all prospectuses, registration statements and other offering or tender documents, including any prospectus supplement filed pursuant to a base shelf prospectus to the extent that any of these documents include significant financial information derived from the Company’s financial statements and within the Committee’s mandate that has not previously been reviewed and approved by the Committee or the Board; and
  - (iv) significant financial information, including “pro forma” or “adjusted” non-IFRS information, respecting the Company contained in a publicly disclosed document (other than routine investor relations or similar materials or communications that contain extracts of previously disclosed financial information) that has not previously been reviewed and approved by the Committee or the Board.
- Review with Management and the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, or material reports or inquiries from regulators or governmental agencies, that could have a material effect upon the financial position of the Company, and the manner in which these matters have been disclosed in the financial statements.

#### Internal Control

- Oversee Management’s design and assessment of internal control procedures over financial reporting.

- Review and discuss Management's assessment of the effectiveness of the Company's internal controls over financial reporting on an annual basis or as more frequently required to ensure effectiveness of these internal control systems, including any identified significant deficiencies or material weaknesses in the design or operation of internal controls or any fraud that involves Management or other employees who have a significant role in the Company's internal controls.
- Review reports received from Management and/or the external auditors that include recommendations for improvement of such internal controls and processes and remediation of any identified significant deficiencies or material weaknesses on an annual basis or as more frequently required to ensure effectiveness of these internal controls.
- In connection with the Board's overall enterprise risk management responsibility, assist the Board with its responsibility to, with the advice of Management, identify the principal financial and audit risks of the Company and establish systems and procedures to ensure these principal financial and audit risks are monitored, and to make recommendations to the Board, which will include discussions with Management relating to:
  - (i) Identification of key risks, including, without limitation:
    - a. significant financial risk exposures;
    - b. significant audit risks; and
    - c. the principal information technology risks, including cyber security, data protection, information security and information systems risks;
  - (ii) the establishment of systems and procedures to ensure these risks are monitored;
  - (iii) the steps Management has taken to assess, monitor and control, manage or mitigate the Company's exposures to these risks;
  - (iv) the adoption of controls to prevent and detect fraud or improper or illegal transactions or payments and to ensure compliance with anti-fraud and anti-bribery laws;
  - (v) implementing guidelines and policies to govern the process by which risk assessment and management is undertaken; and
  - (vi) monitoring and reviewing, at least annually and more frequently as may be required, the processes and controls designed to identify, assess, monitor and manage the risks referred to above.
- Annually review the Company's disclosure controls and procedures, including any significant deficiencies in or material non-compliance with such controls and procedures.
- Commencing with the audit of the Company's financial statements for the year ended December 31, 2022, review the scope of the external auditors' assessment of internal control over financial reporting, and obtain and review reports on significant findings and recommendations, including those in respect of the Company's accounting principles or changes to such principles or their

application and the treatment of financial information discussed with Management, together with Management's responses.

#### External Audit

- Recommend to the Board the appointment or removal of the external auditor to be appointed for the purpose of preparing or issuing any audit report or performing any other audit, review or attestation services for the Company, with any such appointment or removal to be confirmed by the shareholders of the Company at each annual general meeting in accordance with the requirements of the British Columbia *Business Corporations Act*.
- Be directly responsible for the compensation of the external auditors to be paid by the Company in connection with (i) preparing and issuing the audit report on the Company's financial statements, and (ii) performing other audit, review or attestation services.
- Be directly responsible for the oversight of the services of the external auditors for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for the Company (with the external auditors reporting directly to, and being accountable to, the Committee).
- Exercise sole authority to pre-approve all audit services and all permitted non-audit services to the Company, provided that the Committee need not approve in advance non-audit services where:
  - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than 5% of the total amount of fees paid by the Company to the external auditors during the fiscal year in which the non-audit services are provided; and
  - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - (iii) such services are promptly brought to the attention of the Committee and approved prior to the completion of the audit by the Committee.

The Committee shall have the sole authority to delegate to one or more designated members of the Committee the authority to grant pre-approvals required by this section, provided that the decision of any member to whom authority is delegated to pre-approve a service shall be presented to the Committee at its next scheduled meeting. If the Committee approves an audit service within the scope of the engagement of the external auditors, such audit service shall be deemed to have been pre-approved for purposes of this section.

- Meet with the external auditors prior to the annual audit to review and approve the external auditors' proposed annual audit plan, scope, approach, staffing and fee schedule.
- Annually receive from the external auditors, and review, a report on items required to be communicated to the Committee by applicable rules and regulations.
- Review the external auditors' report to the shareholders on the Company's annual financial statements.

- Review with Management and the external auditors all matters required to be communicated to the Committee under generally accepted auditing standards and other applicable regulatory requirements arising from the annual audit and quarterly review engagements.
- Review with the external auditors any audit problems or difficulties encountered in the course of the audit of the Company's financial statements, including any restrictions on the scope of the external auditors' activities or on access to any requested information, and any significant disagreements with Management, Management's response to such disagreements and the resolution of such disagreements.
- Annually review the independence of the external auditors, including their formal written statement of independence delineating all relationships between the external auditors and the Company, review all such relationships, and consider applicable auditor independence standards and take any decisions and actions that are necessary and appropriate where the Committee becomes aware of the potential for a conflict (or the reasonable perception of a conflict) between the interests of the external auditors and the interests of the Company.
- Ensure that the external auditors are in good standing with the Canadian Public Accountability Board and, if applicable, the United States Public Company Accounting Oversight Board by receiving, at least annually, a report by the external auditors on their internal quality control processes and procedures, such report to include any material issues raised by the most recent internal quality control review, or peer review, of the external auditors, or any governmental or professional authorities of the external auditors within the preceding five years, and any steps taken to deal with such issues.
- Ensure that the external auditors meet the rotation requirements for lead audit partner assigned to the Company's annual audit by receiving a report annually from the external auditors setting out the status of the lead audit partner with respect to the appropriate regulatory rotation requirements and plans to transition a new lead audit partner onto the audit engagement.
- Annually evaluate, taking into account the opinions of Management and the head of Internal Audit, the performance of the external auditors, including the lead audit partner, and report to the Board on its conclusions regarding the external auditors and recommendation to shareholders for appointment of the external auditors.
- Periodically review and approve the Company's hiring policies with respect to partners or employees (or former partners or employees) of either former or present external auditors of the Company.

#### Internal Audit

- The Committee will be responsible for reviewing and overseeing:
  - (i) the activities, organization structure and qualifications of the Internal Audit function;
  - (ii) the adoption of a charter for the Internal Audit function (the "**Internal Audit Charter**"), and the approval of any amendments to the Internal Audit Charter from time-to-time to ensure the proper functioning of the Internal Audit function;

- (iii) during any period of transitional relief provided to the Company in implementing the Internal Audit function, the Committee will oversee Management's plans for implementation of the Internal Audit function and meet periodically with the Company personnel primarily responsible for the design and implementation of the Internal Audit function;
- (iv) the planned activities of the Internal Audit function;
- (v) the Internal Audit findings and the implementation of any accepted recommendations and Management's response thereto;
- (vi) ensure that appropriate steps have been taken to ensure that there are no unjustified or inappropriate restrictions or limitations on the functioning of the Internal Audit function or on access to requested information;
- (vii) the budget, staffing and resources allocated to the Internal Audit function in order to ensure the effectiveness, objectivity and independence of the Internal Audit function; and
- (viii) the adequacy of the line of communication between Internal Audit and the Committee, ensuring that is maintained.

#### Compliance

- Establish procedures for: (a) the receipt, retention and treatment of complaints received regarding non-compliance with the Company's Code of Conduct, violations of laws or regulations, or concerns regarding accounting, internal accounting controls or auditing matters; and (b) the confidential, anonymous submission by officers or employees of the Company or by other persons of concerns regarding questionable accounting, auditing or financial reporting and disclosure matters or non-compliance with the Company's Code of Conduct or other matters that are of a sensitive or "whistleblower" nature.
- Obtain and review regular reports from Management and others (including, without limitation, the external auditors and legal counsel) with respect to the Company's compliance with laws and regulations having a material impact on the financial statements including: (i) tax and financial reporting laws and regulations; (ii) legal withholding requirements; (iii) environmental protection laws and regulations; and (iv) other laws and regulations which expose directors to liability.
- Review and discuss with Management and with the Company's legal counsel, if necessary, any legal matters or reports or inquiries received from regulators or governmental agencies that could have a material effect upon the financial position of the Company and that are not subject to the oversight of another committee of the Board.

#### Reporting Requirements

- Regularly report, at least quarterly, to the Board about Committee activities, issues and related recommendations.
- Review any reports the Company issues that relate to Committee responsibilities.

### Other Responsibilities

- Meet separately with Management of the Company, the head of Internal Audit and the external auditors of the Company as frequently as the Committee determines to be necessary and appropriate for the Committee to discharge its oversight duties.
- Annually review and, if requested by the Human Resources & Compensation Committee, approve the calculation provided by Management to the Human Resources & Compensation Committee of any performance metrics that may be required to be calculated under any executive incentive plans or equity based compensation plans used to determine executive bonuses or cash award payouts.
- Perform other activities related to this Charter as requested by the Board.
- Confirm annually to the Board that all responsibilities outlined in this Charter have been carried out, with the annual confirmation to follow the completion of the audit of the Company's financial statements for each year and to be targeted for to the Board by no later than the meeting of the Board to follow each annual meeting of the shareholders of the Company.
- Consider and, if deemed appropriate, approve in advance any "related party transactions" to which the Company may propose to become a party to.

### **Qualifications and Procedures**

- The Committee will be comprised of at least three directors, each of whom will be "independent" as determined in accordance with the securities laws, rules, regulations and guidelines of all applicable securities regulatory authorities (collectively, "**Securities Laws**"), including without limitation the securities commissions in each of the provinces and territories of Canada and the United States Securities and Exchange Commission, and the stock exchanges on which the Company's securities are listed, including without limitation the Toronto Stock Exchange and the New York Stock Exchange ("**NYSE**").
- In addition to the foregoing requirements, the composition of the Committee will comply with all Securities Laws to which the Company is subject, including requirements for independence, financial literacy, audit committee financial experts and audit experience.
- The Chair of the Committee will be designated by the Board.
- The Committee will meet at least four times annually, and more frequently as circumstances dictate, and the Chief Financial Officer and the head of Internal Audit and the external auditors, as required by the Committee, should be available on request to attend all meetings.
- A quorum at meetings of the Committee shall be a majority of members present in person or by telephone, video communication or other telecommunication device that permits all persons participating in the meeting to speak and hear one another.
- The Committee should meet privately and separately in *in camera* sessions with representatives of each of Management, the head of Internal Audit and of the external auditors to discuss any matters of concern to the Committee or such members, including any post-audit management letter. In addition, the Committee will meet with the external auditors, upon the receipt of a request from the



external auditors, to discuss any matter that the external auditors believe should be brought to the attention of the directors or the shareholders of the Company.

- The Committee will have the authority to engage and retain independent legal counsel and any outside professional advisor that it determines necessary to carry out its duties, at the expense of the Company, without the Board's approval, at any time and has the authority to determine any such advisor's fees and other retention terms.
- The Company will provide appropriate funding, as determined by the Committee, for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties, including compensation paid to the Company's external auditor and to legal and other professional advisers retained by the Committee.
- The Committee shall fix its own procedures for meeting and keep records of its proceedings. Minutes of each meeting should be prepared, approved by the Committee and circulated to the full Board. Copies of meeting records will be made available to the external auditors as requested.

#### **Annual Performance Evaluation and Charter Assessment**

- On an annual basis, the Committee will conduct an annual performance evaluation of the Committee, taking into account this Charter, to determine the effectiveness of the Committee.
- The Committee will annually review and assess the adequacy of this Charter and will as required request Board approval for proposed changes, taking into account all applicable legislative and regulatory requirements as well as consideration of any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship.