

West Fraser Timber Co. Ltd.
(the “Company”)
Human Resources & Compensation Committee Charter

Approved by the Board of Directors (“Board”) on December 7, 2021

Purpose

The Human Resources & Compensation Committee of the Board of the Company (the “**Committee**”) will (i) oversee the Company’s compensation and benefits (including retirement and pension benefits) philosophy, policies and practices and (collectively, the “**Compensation Policies and Practices**”) generally, (ii) review and recommend to the Board a compensation structure for the Company’s executive management, (iii) evaluate, review and recommend to the Board the amount and components of the annual base salaries and annual and long-term incentive compensation to be granted each year to the Company’s executive management, (iv) oversee the financial position and performance, governance, administration and compliance with legal requirements of the pension plans of the Company, its subsidiaries and certain related parties, (v) oversee the Company’s people and talent development philosophies and policies and succession planning for the Company’s executive management, (vi) review proposed appointments to executive management and make recommendations for approval to the Board, and (vii) fulfill the other responsibilities set forth in this Charter. The Company’s executive management consists of its President and Chief Executive Officer, Chief Financial Officer, Chief Operating Officer (if any) and Vice-Presidents.

Membership and Independence

The Committee will consist of at least three members, comprised of independent directors.

The Board will recommend nominees and appoint the members to the Committee and designate the chair annually and as vacancies or newly created positions occur. Appointed committee members and the chair may be removed by the Board at any time.

The independence of each director on the Committee will be determined in accordance with the securities laws, rules, regulations and guidelines of all applicable securities regulatory authorities (collectively, “**Securities Laws**”) and of the stock exchanges on which the Company’s securities are listed.

In addition, for so long as any of the Company’s securities are listed on the New York Stock Exchange (“**NYSE**”), the Board will affirmatively determine, in accordance with the applicable rules of the NYSE, that such director does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director as a member of the Committee and, in doing so, must consider all factors specifically relevant to such determination.

Responsibilities

In addition to any other responsibilities that may be assigned from time to time by the Board, the Committee is directly responsible for the matters described below.

(A) Executive and Director Compensation

1. The Committee will review the Compensation Policies and Practices generally, including any incentive-compensation plans and equity-based plans and proposed amendments, and, where appropriate, recommend to the Board the approval of the adoption of new or amendments to existing Compensation Policies and Practices. In reviewing the Compensation Policies and Practices, the Committee: (a) may consider recruitment, development, promotion and retention objectives and the compensation of members of executive management and other employees of the Company and any other factors that it deems appropriate; and (b) assess on an ongoing basis whether the Compensation Policies and Practices are: (i) consistent with the sustainable achievement of the Company's business objectives; (ii) the prudent management of its operations and risks; and (iii) the promotion of adherence to the Company's Code of Conduct, its policies concerning safety and environmental stewardship and its other material policies, procedures and controls.
2. The Committee will undertake an annual risk assessment of the Compensation Policies and Practices to ensure they do not encourage unwarranted risk taking and will assess the appropriateness of the compensation of the members of executive management relative to the business risks undertaken by considering adherence to (i) the Company's Code of Conduct and generally promoting a culture of integrity, (ii) its policies concerning safety and environmental stewardship and (iii) its other material policies, procedures and controls, as well as any other factors it considers appropriate.
3. The Committee will review and recommend to the Board: (a) a compensation structure for the Company's executive management including the structure of (i) annual base salaries, (ii) annual incentive compensation, (iii) long-term incentive compensation, (iv) employment, severance, and change-in-control agreements, if any, and (v) any other compensation, ongoing perquisites, or special benefit items; and (b) the amount and components of the annual base salaries and annual and long-term incentive compensation to be granted each year to the Company's executive management, including grants stock options, share units and other entitlements to be allocated as part of any long-term incentive compensation.
4. The Committee will, every two years, review and assess director remuneration, including any additional remuneration for acting as Chair of the Board, Lead Director (if any) and chair of the various Board committees, and recommend to the Board such changes as the Committee deems necessary or appropriate.

(B) Pension Plans

The Committee is responsible for overseeing the financial position and performance, governance, administration and compliance with statutory and regulatory requirements of the pension plans of the Company, its subsidiaries and certain other related parties (the "**Pension Plans**") and for reporting on the same to the Board annually or as the Board may otherwise request.

Except to the extent reserved by the Board, the Committee will

1. with the Company's executive management establish and periodically review the major pension plan reports and documents to be provided to the Committee to assist it with fulfilling its oversight responsibilities, including
 - (i) annual reports on the financial position, performance relative to objectives, compliance with applicable laws and regulations and key governance activities of the Pension Plans, and review of the key policies and compliance with the key policies. Key policies for the Canadian Pension Plans include (i) the statement of investment policies and procedures for the Pension Plans (the "**Investment Policies**") and (ii) the governance policies, funding policies and any other significant policies for the Pension Plans (collectively, the "**Governance/Funding Policies**")
 - (ii) semi-annual reports on the investment performance, new or updated actuarial analysis and changes that may impact the funded status of the Pension Plans, and
 - (iii) such other reports and presentations as the Committee may periodically request from the Company's pension plan asset and investment management firms,
2. oversee the process and review reports provided to the Committee on the identification of material risks associated with the administration and investment activities of the Pension Plans and, with the Company's executive management, the implementation of appropriate systems and processes to identify and manage those risks,
3. periodically review the charters, mandates, terms of reference, duties and responsibilities of the management pension plan and retirement committees and other major decision making bodies with responsibilities over the Pension Plans (collectively, the "**Terms of Reference**") and compliance with the same,
4. review with the Company's executive management and
 - (i) recommend to the Board for approval Pension Plan text amendments that are of a non-administrative nature,
 - (ii) to the extent not otherwise reviewed as part of an amendment under (ii) immediately above, recommend to the Board for approval such other pension plan design changes, changes that relate to pension plan funding obligations or changes that relate to the assumption or transfer of significant pension plan liabilities or pension plan assets, and
 - (iii) approve any amendments to the Investment Policies or to the Governance/Funding Policies that are of a non-administrative nature or approve any new Investment Policies or Governance/Funding Policies.

For greater certainty, (i) amendments of a non-administrative nature to a Pension Plan text are amendments that will have a significant impact on the cost or design of benefits

or funding obligations, or that relate to the assumption or transfer of significant liabilities or assets, and (ii) amendments of an administrative nature to a Pension Plan text are amendments that (a) will not have a significant impact on cost or design of benefits or funding obligations or do not relate to the assumption or transfer of significant liabilities or assets or (b) are made solely to comply with law (regardless of impact on cost or design of benefits or funding obligations). Whether an amendment to an Investment Policy or a Governance/Funding Policy is non-administrative in nature shall be determined by the management committee or decision-making body with responsibilities over the relevant Pension Plan(s), having regard to its Terms of Reference.

5. review with the Company's executive management and approve all non-administrative amendments to the Terms of Reference and any new Terms of Reference including replacements of the existing Terms of Reference. Whether an amendment to the Terms of Reference is non-administrative in nature shall be determined by the management committee or decision-making body with responsibilities over the relevant Pension Plan(s), having regard to its Terms of Reference.
6. annually recommend to the Board the members and the chair that are to be appointed by the Board to the management pension plan committee with responsibilities over the Pension Plans.

(C) People Development and Succession Planning

1. The Committee will oversee the Company's people and talent development philosophies and policies and succession planning for executive management, and report periodically to the Board on such succession planning. The Committee will also annually review and assess the Chief Executive Officer emergency succession plan for the appointment in certain circumstances of an interim Chief Executive Officer, and recommend to the Board such changes as it deems necessary or appropriate.
2. The Committee will review proposed appointments to executive management and make recommendations for approval to the Board.

(D) Governance

1. *Report to Shareholders*

The Committee will review and approve the Compensation Discussion and Analysis report on executive compensation to be included in the Company's annual Proxy Circular and will review all executive compensation disclosure before the Company publicly discloses such information.

2. *Report to Board*

The Committee will regularly report to the Board on all significant matters it has addressed and with respect to such other matters that are within its responsibilities.

3. *Assessment of Responsibilities and Review of Charter*

At least annually, the Committee will review its effectiveness in fulfilling its responsibilities and duties as set out in this Charter, and in a manner consistent with the corporate governance guidelines adopted by the Board, and will review and assess the adequacy of this Charter and recommend to the Board for approval such amendments as the Committee deems necessary or appropriate.

4. *Equity Holding Policy*

Annually review compliance with the Equity Holding Policy relating to the minimum holdings of securities by executive management and the directors.

5. *Clawback Policy*

Annually review the Clawback Policy (included in the Executive Bonus Plan, the Phantom Share Unit Plan or elsewhere) and potential changes to the same.

6. *Governance Best Practices*

Periodically request and review reports and presentations from legal counsel regarding changes in applicable pension plan legislation and regulations and current best practices.

Access to Outside Advisors

The Committee may retain and obtain the advice of independent compensation consultants, legal counsel and other advisors (each, an “**Independent Advisor**”) as it determines necessary to carry out its duties at the expense of the Company, and without the Board’s approval, at any time and has the authority to determine any such Independent Advisor’s fees and other retention terms. For greater certainty, the Committee has sole authority to retain and terminate any Independent Advisor to be used to evaluate the compensation of the President and Chief Executive Officer, or of the President(s) or other executive officers, or to assist with the annual risk assessment of the Compensation Policies and Practices.

The Committee shall be directly responsible for the appointment and oversight of the work of any Independent Advisor retained by the Committee. The Company must provide for appropriate funding, as determined by the Committee, for payment of the fees payable to any Independent Advisor retained by the Committee.

Notwithstanding its authority to engage an Independent Advisor, the Committee may select a Independent Advisor to the Committee only after taking into consideration all factors relevant to such advisor’s independence from management and the Company.

Further, notwithstanding the engagement of an Independent Advisor or the receipt of advice or recommendations from an Independent Advisor, the Committee is free, in its discretion, to accept and rely, or not accept or rely, on such advice and will in no way be obligated to implement or act on the advice or recommendations of the Independent Advisor and will at all times exercise its own judgment in the fulfillment of the duties of the Committee.

Delegation

To the extent permitted, the Board may delegate to the Committee such of its other responsibilities related to the Compensation Policies and Practices, Pension Plans and/or director and officer compensation, benefits and incentive awards as the Board, from time to time, determines should be so delegated to the Committee.

The Committee may delegate all or a portion of the authority granted to it by the Board to one or more of its members, a member of executive management or other Board members.

Meetings

Meetings of the Committee may be called by any of its members or by the Board. Meetings will be held in conjunction with regularly scheduled Board meetings as is necessary for the Committee to fulfill its responsibilities. The Committee will appoint a secretary to be the secretary of each meeting of the Committee and to maintain minutes of the meeting and deliberations of the Committee.

The powers of the Committee will be exercisable at a meeting at which a quorum is present. A quorum will be not less than a majority of the members from time to time. Matters decided by the Committee will be decided by majority vote. Subject to the foregoing, the Business Corporations Act (B.C.) and the Articles of the Company, and unless otherwise determined by the Board, the Committee will have the power to regulate its procedure. Notice of each meeting will be given to each member, and to the Chairman of the Board and the President and Chief Executive Officer of the Company. Notice of meeting may be given verbally or by letter, facsimile or telephone not less than 24 hours before the time fixed for the meeting. Members may waive notice of any meeting and attendance at a meeting is deemed waiver of notice. The notice need not state the purpose or purposes for which the meeting is being held.

The Committee may invite, from time to time, such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.