

Chain of Custody Policy.

The CANFOR logo consists of the word "CANFOR" in white, uppercase, sans-serif font, centered within a red rounded rectangle.

Canfor Pulp is committed to establishing and maintaining a Chain of Custody system consistent with PEFC and FSC standards within selected operations to create an information link between the raw material used in company manufacturing plants and the forest area of origin of the raw material. The Chain of Custody system is subject to management audit and annual external audit.

We will use the chain of custody system to:

- Track the origin of raw material from sawmills through transport to delivery in log yards and consumption in our pulp and paper mills.
- Track the origin of raw material from outside suppliers.
- Track and record separately, the volume of raw material from forests certified by standards defined by the following organizations:
 - Sustainable Forestry Initiative®
 - Forest Stewardship Council®
 - Canadian Standards Association CAN/CSA-Z809 Sustainable Forest Management
- Track and record the volume of raw material from uncertified forests and make best efforts to avoid sourcing and trading raw material from:
 - Illegally harvested areas;
 - Wood harvested in violation of traditional and human rights;
 - Wood from forests in which high conservation values are threatened by management activities;
 - Wood from forests being converted to plantations or non-forest use; and
 - Wood from forests in which genetically modified trees are planted; and
 - Suppliers in violation of any of the ILO Core Conventions.
- Conduct regular audits of our Chain of Custody system.
- Communicate information about our Chain of Custody to meet the needs of our customers and other stakeholders.

A handwritten signature in black ink that reads "S. Mackie".

Stephen Mackie
President & CEO,
Canfor Pulp