

GORMAN GROUP (GG) Corporate Policy Manual

Policy No.: Corporate 3(ii)

Subject: CORPORATE WOODLANDS ENVIRONMENTAL POLICY

(Environment, Sustainable Forest Management, Indigenous Communities, Log Procurement)

Issue Date: August 1, 2018

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Note: For both Gorman Group Internal Use and Public Distribution

If applicable the collective bargaining agreement shall apply in the event different

provisions than stated in this policy exist.

1.0 WOODLANDS ENVIRONMENTAL POLICY

Commitment

The Gorman Group is committed to Environmental Protection and Sustainable Forest Management in all of its Woodlands Operations.

We Will:

- Meet or exceed all legislation and other requirements governing forest management activities in B.C.
- Honour all international agreements and conventions to which Canada is a signatory.
- Work with, and involve, interested community participants, and recognize and respect First Nations rights and traditional forest related knowledge.
- Manage the Gorman Group's business and forest resources in a manner that is safe, environmentally sustainable, socially beneficial, economically viable and prevents pollution.
- Plan operations with consideration for the long term forest and soil productivity, forest health, protection of the
 water resource, biological diversity, unique habitats, aesthetics, recreational opportunities and protection of
 special sites.
- Conduct periodic internal and external audits to continually improve forest management activities and environmental performance.
- Provide training for employees and contractors that promotes environmentally responsible work practices and enhances cultural awareness with Indigenous Peoples.
- Provide conditions to safeguard the health and safety of our employees, contractors and the public through responsible forest management and work practices.

Nick Arkle, CEO Gorman Group

April 21, 2022

Month Day Year

2.0 WOODLANDS SUSTAINABLE FOREST MANAGEMENT POLICY

Commitment

The Gorman Group is committed to Sustainable Forest Management in all its Woodlands Operations.

We Will:

- Broaden the practice of sustainable forestry on all lands through open and transparent community involvement, employing socially responsible practices, and ongoing recognition and respect of Indigenous Peoples rights and incorporation of traditional forest related knowledge.
- Endeavour to meet the needs of the present and future generations by practicing a land stewardship ethic that integrates reforestation and the managing, growing, nurturing and harvesting of trees for useful products, and for the provision of ecosystem services such as the conservation of soil, air and water quality and quantity, climate change adaptation and mitigation biological diversity, wildlife and aquatic habitats, special site, recreation, and aesthetics throughout the Gorman Group's area of operations, or on the lands where the Gorman Group conducts its forestry activities.
- Provide for the regeneration after harvest, maintaining the health and productive capacity of the forest land base, and protecting and maintaining long-term soil health and productivity. Manage forest lands to protect forests from economically, environmentally or socially undesirable impacts of wildlife, pests, diseases, invasive species and other damaging agents and thus maintaining and improving long-term health and productivity.
- Protect and maintain the water quality and quantity of water bodies and riparian areas by conforming with forestry best management practices to protect water resources to meet the needs of both human communities and ecological systems.
- Endeavour to manage forests in ways that protect and promote biological diversity, including animal and plant species, wildlife habitats, ecological and culturally important species, threatened and endangered species (i.e., Forests with Exceptional Conservation Values) and native forest cover types at multiple scales.
- Continually improve the practice of sustainable forest management through monitoring, measuring and publicly
 reporting our performance against the SFI SFM Standards. Ongoing training and education of our employees and
 contractors, combined with targeted research on local issues and values will contribute to furthering the practice
 of sustainable forest management.

3.0 WOODLANDS INDIGENOUS COMMUNITIES POLICY

Commitment

The Gorman Group is committed to working with Indigenous communities in the areas where we operate.

We Will:

- Recognize and respect Indigenous Peoples' inherent rights, traditional knowledge, and history, particularly those of Nations within whose traditional territories we operate.
- Recognize the United Nations Declaration on the Rights of Indigenous Peoples, in the Canadian context, and commit to the Truth and Reconciliation Commission's calls to action for business.
- Work with Indigenous Peoples to build an innovative and sustainable future through building positive relationships in all aspects of our business.
- Endeavour to engage with Indigenous Peoples to:
 - Enhance cultural awareness with our employees and contractors,
 - Develop and grow positive relationships with Indigenous communities through open and timely communication,
 - Listen to, learn from, and consider the values and input from Indigenous communities in our forest management plans and seek to develop those plans together,
 - Respect traditional forest-related knowledge in managing for resilient ecosystems, and
 - Work towards making the Gorman Group a forestry employer of choice for Indigenous People by fostering a diverse and inclusive workforce and a welcoming workplace.

4.0 WOODLANDS LOG PROCUREMENT POLICY

Commitment

The Gorman Group is committed to only procuring wood from private and crown lands that are managed under sustainable forestry practices.

We Will:

- Commit to
 - Sustainable forest management and procuring logs from sustainably managed and non-controversial sources.
 - Promoting sustainable forest management on forestlands that are uncertified through the implementation of our log procurement program.
 - Practice sustainable forest management where activities are managed by the Gorman Group.
 - Continual improvement in our log procurement practices.
- Prioritize procurement from sources
 - Certified to a recognized sustainable forest management standard.
 - Where qualified logging professionals are utilized.
- Procure logs from sources where activities
 - Comply with applicable local, national and/or international legislation on forest management.
 - Are aligned with spirit and intent of the United Nations Declaration on the Rights of Indigenous Peoples (2007).
- Avoid procuring logs from
 - Domestic and/or internationally controversial sources.
 - Areas where land conversion occurs, other than in justified circumstances as defined in the PEFC 2002:2020 Standard.

Conduct

- Risk assessments to determine potential for non-compliance with environmental best management practices.
- Training of qualified logging professionals.
- Field-assessments of sites to confirm compliance with environmental best management practices.
- Independent third-party audits of our log procurement program to determine consistency with our commitment to sustainable forest management.