

Analyst & Investor Event 2021

September 16th, 2021



West Fraser



General: This presentation contains “forward-looking information” and “forward-looking statements” within the meaning of Canadian provincial securities laws and “forward-looking statements” within the meaning of the *U.S. Securities Act of 1933*, the *U.S. Securities Exchange Act of 1934*, and the “safe harbor” provisions of the *United States Private Securities Litigation Reform Act of 1995*. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, include statements which reflect management’s expectations regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of West Fraser and its subsidiaries, including Norbord, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, and include words such as “expects,” “anticipates,” “plans,” “believes,” “estimates,” “seeks,” “intends,” “targets,” “projects,” “forecasts” or negative versions thereof and other similar expressions, or future or conditional verbs such as “may,” “will,” “should,” “would” and “could.”

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predictions, forecasts, and other forward-looking statements will not occur. Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: (1) assumptions in connection with the economic and financial conditions in the U.S., Canada, Europe and globally and consequential demand for our products; (2) risks inherent in our product concentration and cyclicity; (3) effects of competition and product pricing pressures, including reductions or deferral of demand in response to lumber and/or OSB price increases; (4) effects of variations in the price and availability of manufacturing inputs, including continued access to log supply and fibre resources at competitive prices and the impact of third-party certification standards; (5) availability of transportation services, including truck and rail services, and port facilities, and impacts on transportation services from wildfires; (6) various events that could disrupt operations, including natural, man-made or catastrophic events, including wildfires and any state of emergency and/or evacuation orders and ongoing relations with employees; (7) risks inherent to customer dependence; (8) impact of future cross border trade rulings or agreements; (9) implementation of important strategic initiatives and identification, completion and integration of acquisitions; (10) impact of changes to, or non-compliance with, environmental or other regulations; (11) the impact of the COVID-19 pandemic on our operations and on customer demand, supply and distribution and other factors; (12) government restrictions, standards or regulations intended to reduce greenhouse gas emissions; (13) changes in government policy and regulation; (14) impact of weather and climate change on our operations or the operations or demand of our suppliers and customers; (15) ability to implement new or upgraded information technology infrastructure; (16) impact of information technology service disruptions or failures; (17) impact of any product liability claims in excess of insurance coverage; (18) risks inherent to a capital intensive industry; (19) impact of future outcomes of tax exposures; (20) potential future changes in tax laws, including tax rates; (21) effects of currency exposures and exchange rate fluctuations; (22) future operating costs; (23) availability of financing, bank lines, securitization programs and/or other means of liquidity; (24) integration of the Norbord business and achievement of expected synergies; (25) expected North American lumber and OSB production capacity, supply and demand; (26) growth of our US South lumber and global OSB production; and (27) other risks detailed from time-to-time in our annual information forms, annual reports, MD&A, quarterly reports and material change reports filed with and furnished to securities regulators.

In addition, actual outcomes and results of these statements will depend on a number of factors, including those matters described under “Risks and Uncertainties” in our 2020 MD&A, and may differ materially from those anticipated or projected. This list of important factors affecting forward-looking statements is not exhaustive, and reference should be made to the other factors discussed in public filings with securities regulatory authorities. Accordingly, readers should exercise caution in relying upon forward-looking statements, and we undertake no obligation to update or revise any forward-looking statements publicly, whether written or oral, to reflect subsequent events or circumstances except as required by applicable securities laws.

CEO Opening Remarks

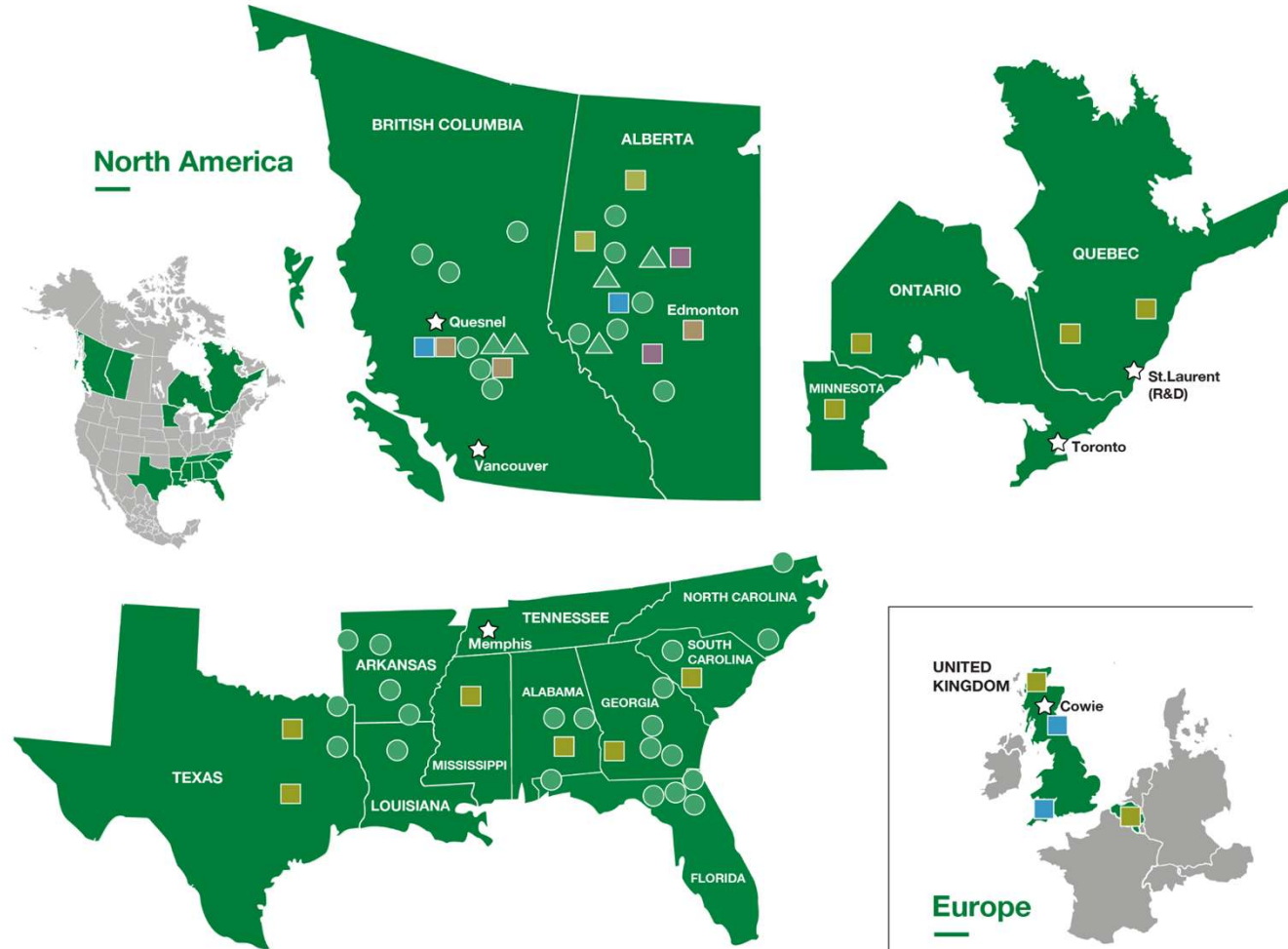


West Fraser



Operating Footprint on Two Continents

- ☆ CORPORATE OFFICES
- LUMBER
- ▲ PULP & NEWSPRINT
- ENGINEERED WOOD
 - PLYWOOD
 - MDF, PARTICLEBOARD & FURNITURE
 - VENEER & LVL
 - OSB





Product & Geographic Diversification



Lumber 33 locations

SPF	3.5 Bfbm
SYP	3.2 Bfbm
Total	6.7 Bfbm



North America EWP 19 locations

OSB:	7,360 MMsf 3/8"
Plywood:	860 MMsf 3/8"
MDF:	250 MMsf 3/4"
LVL:	2.6 MMcf



Pulp, Paper & Energy 5 locations

NBSK:	570 Mtonnes
BCTMP:	690 Mtonnes
Newsprint:	135 Mtonnes
Energy:	870 GWhrs



UK and Europe EWP 4 locations

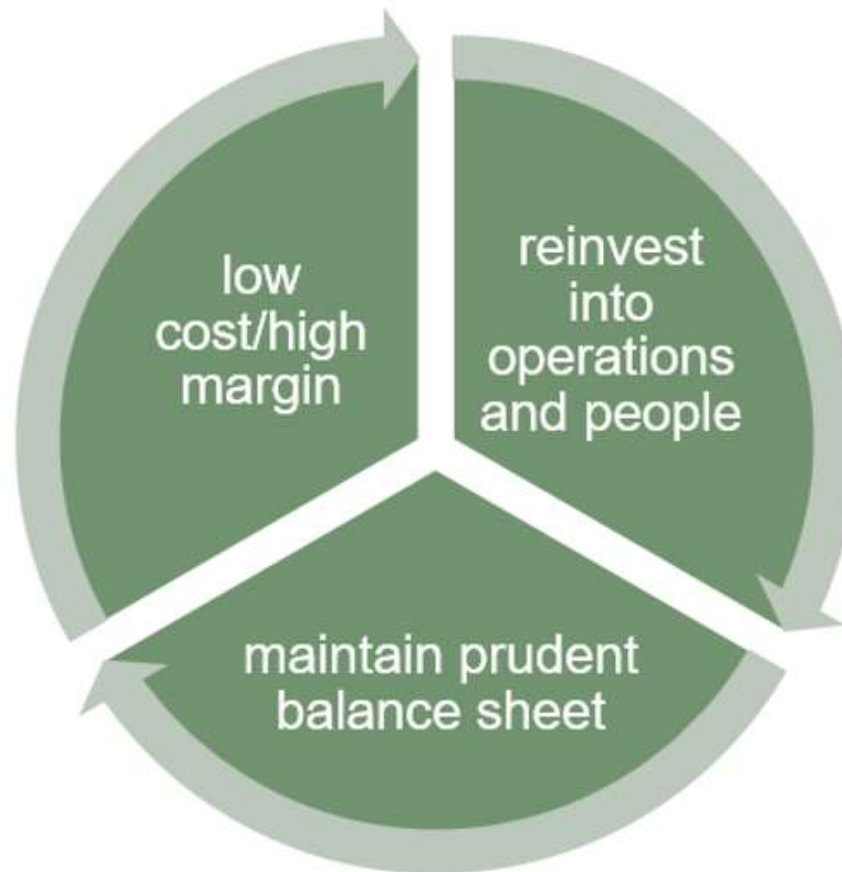
OSB	1,395 MMsf 3/8"
Particleboard	565 MMsf 3/8"
MDF	380 MMsf 3/8"

Note: EWP = Engineered Wood Products

Diversified product portfolio

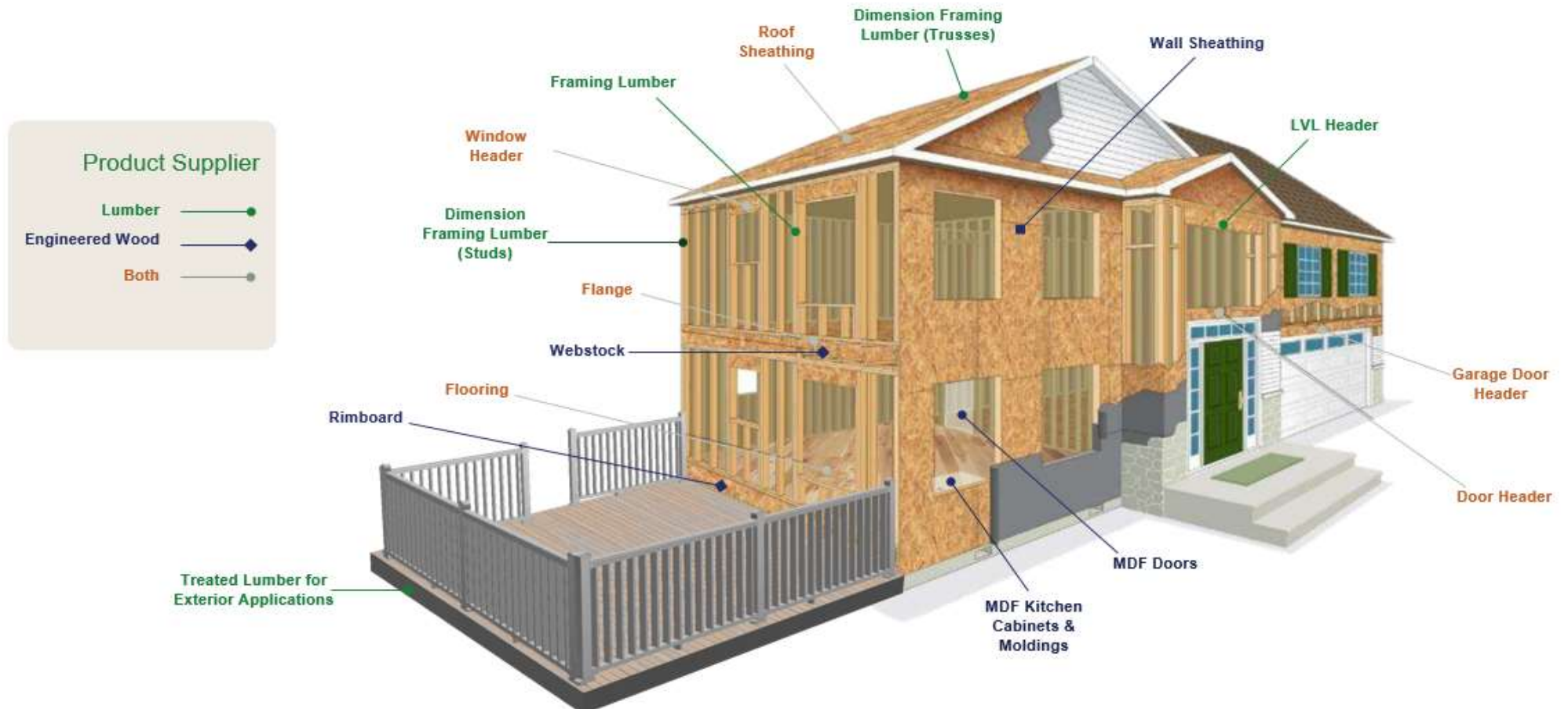


Strategy Principles of West Fraser





Wide Array of Products for Home Building



Lumber

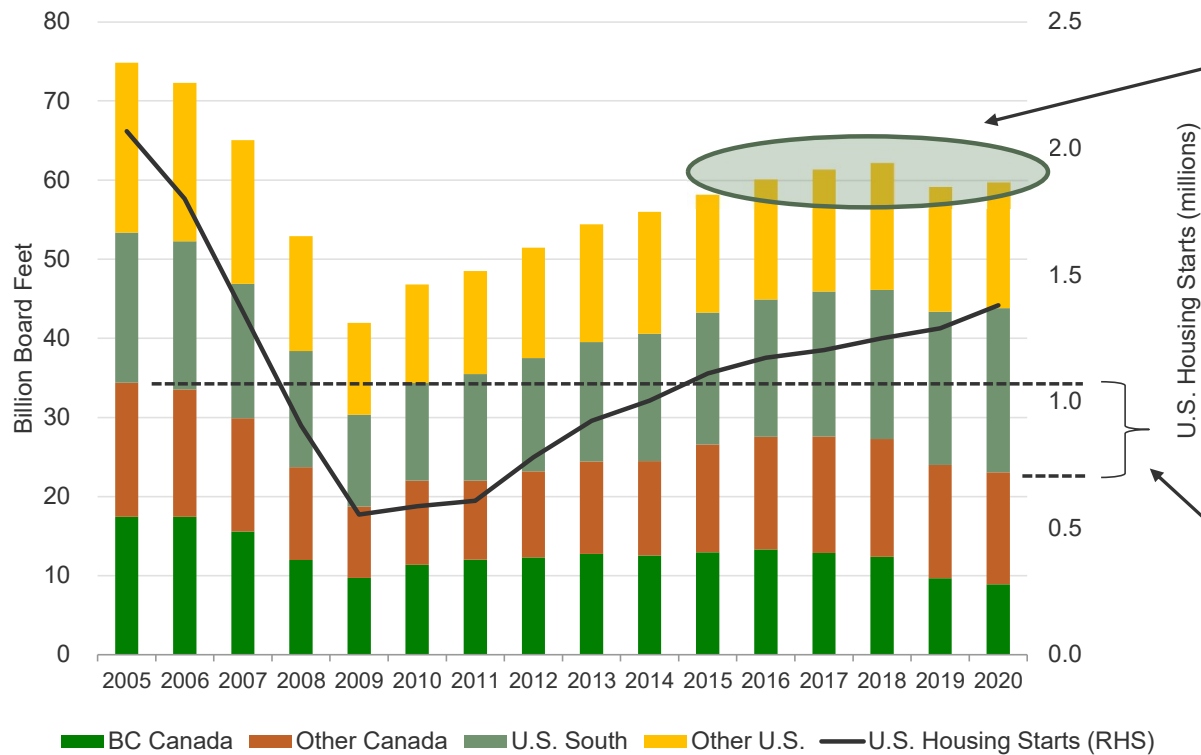


West Fraser



This is not 2005 – Today's North American Lumber Supply

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- Lumber production growth stagnating even with strong markets in 2017 and 2018; labour, equipment and log availability challenge growth

CAGR	Lumber Supply				Demand	
	BC Canada	Other Canada	U.S. South	Other U.S.	U.S. Starts	R & R
5-yr	-7.2%	0.8%	4.5%	1.2%	0.5%	2.3%
15-yr	-4.4%	-1.2%	0.6%	-2.0%	-1.5%	1.0%

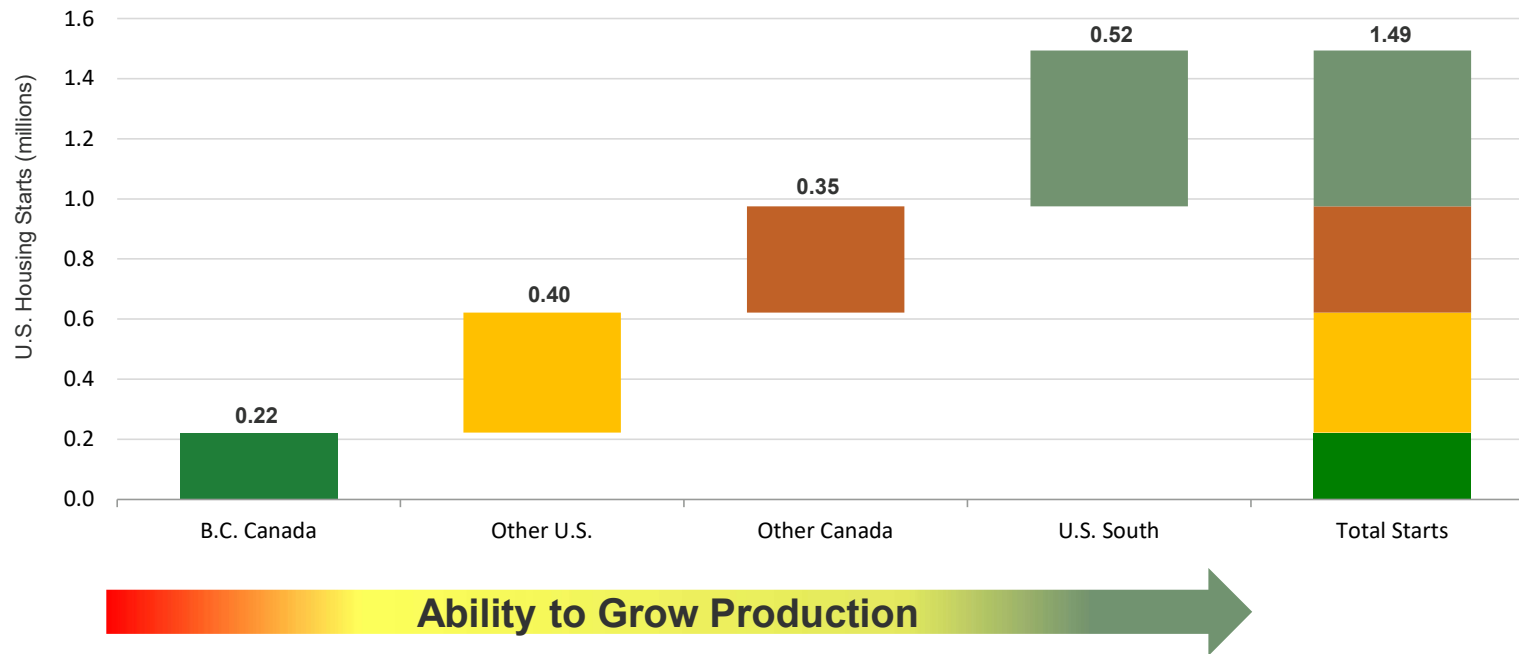
- Reduction in Canadian production of 11 BBF (~450k starts equivalent) due to lack of available logs and other constraints

Canadian available supply ~11 Bbfm lower than in 2005



North American Lumber Production in 2020 Housing Starts Equivalence*

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- 100,000 additional starts could require ~2.4BBF of additional production (approximately 10 new sawmills)

*Note: assumes 50% of incremental production is of grades suitable for new home construction with 70%/30% single family (SF)/multi-family (MF) mix and 15,000/5,000 fbm of lumber consumed per SF/MF house

North American lumber production is currently sized for ~1.5MM housing starts

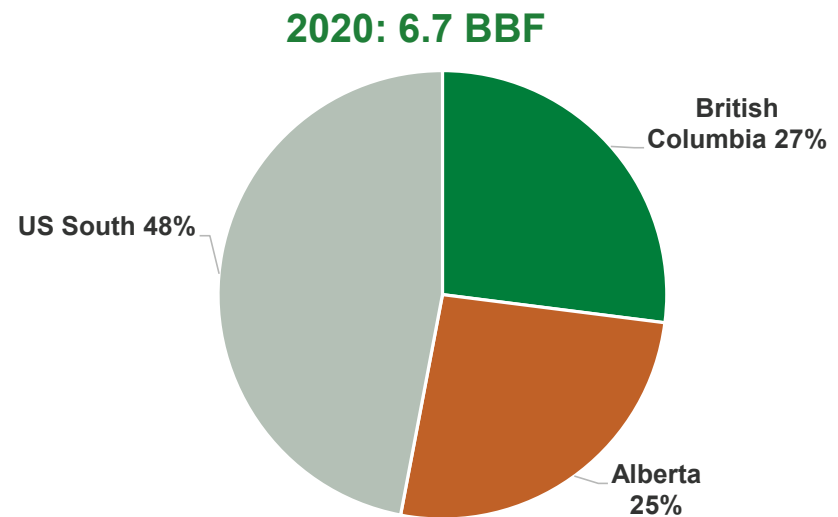
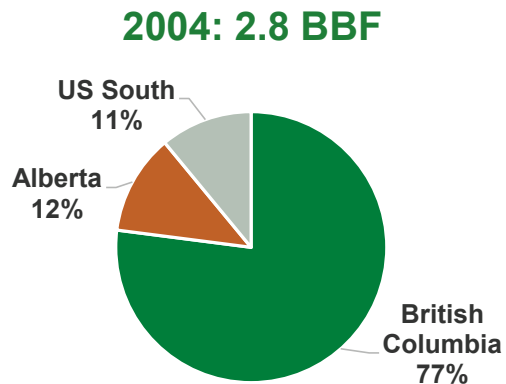
Source: FEA, NAHB, West Fraser analysis



West Fraser Lumber Capacity

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- US South growth to ~50% of capacity (from ~10%)
 - Lower-cost region
 - Not subject to US trade risk
- Exposure to higher-cost BC fiber reduced, now ~25% of capacity (from ~75%)



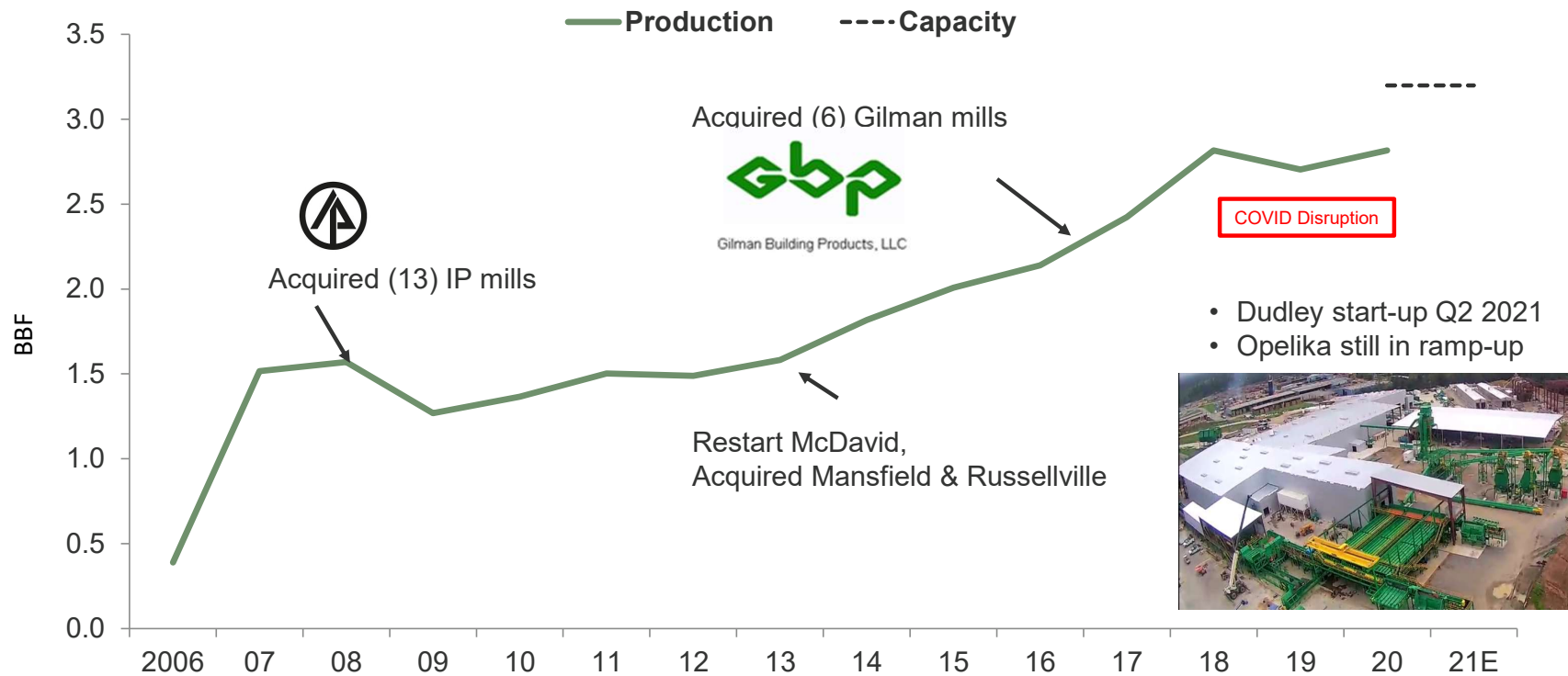
Long-term growth and repositioning of lumber business in lower-cost regions



US South Lumber – Growing Production to 3.2 BBF Capacity

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\$1.5 Bln invested since 2013, focused on automation, advanced technology, and M&A.



3.2 BBF Capacity, ~14% of total SYP Capacity



Illustrative Ecosystem of U.S. South Lumber Mill

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By building a new sawmill adjacent to our Dudley, Georgia mill we are able to utilize existing infrastructure and skilled labour, enabling a faster ramp-up while reducing financial, operational, and execution risk

Approximate resources for 250 MMfbm U.S. south mill:

- 130-140 employees
- 1MM tons of logs
- 40k logging truck loads
- 400-500k tons of residuals
- 16-20k residual truck loads
- 25-30k finished goods truck loads



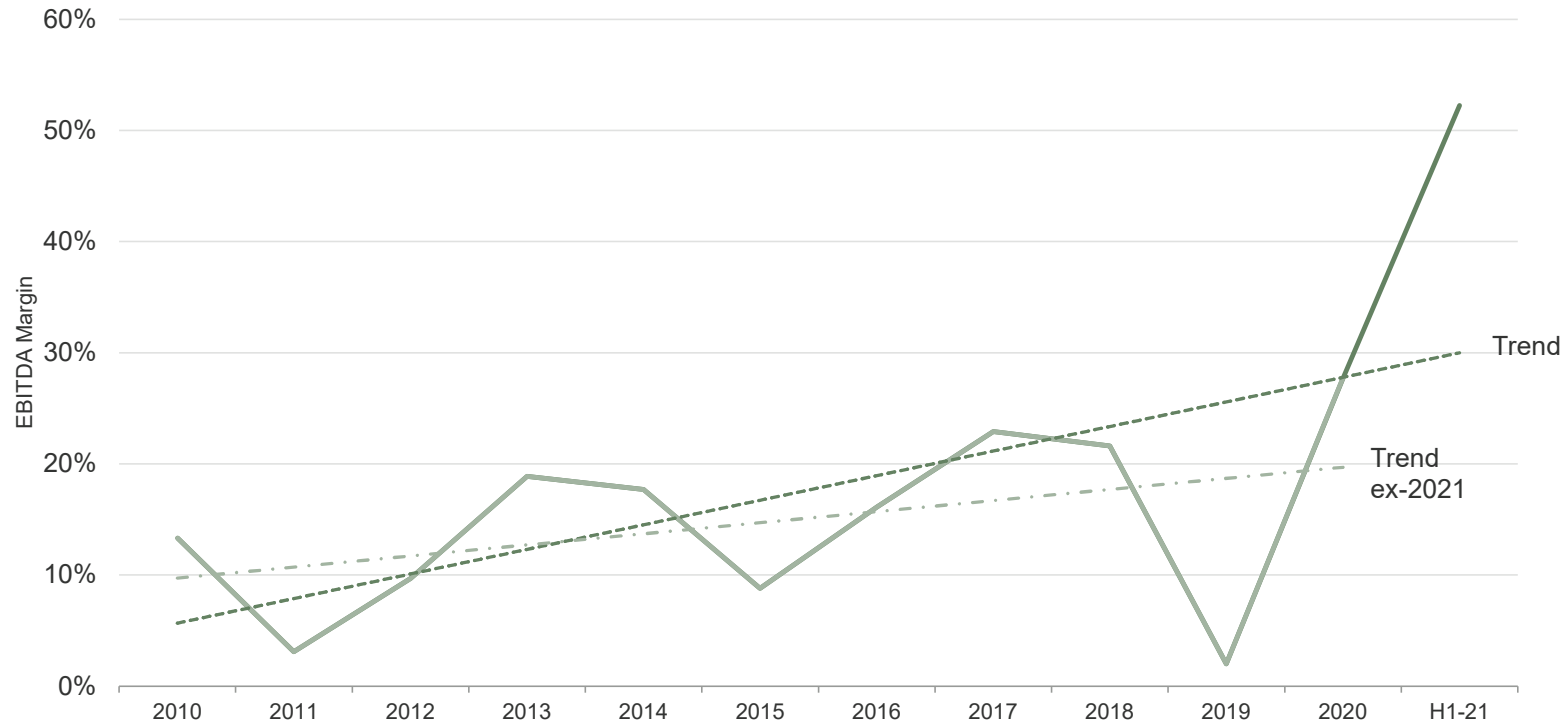
Leveraging existing ecosystem helps to de-risk brownfield growth





West Fraser Lumber EBITDA Margin

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Note: Lumber EBITDA is after duties.

Improving demand, capital and operational execution supporting margin gains



West Fraser Lumber – Largest North American Lumber Producer

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- Track record of growth, reinvestment and value creation
- Positive supply-demand fundamentals
- Assets well-positioned in low-cost regions with modernization well underway



Engineered Wood Products



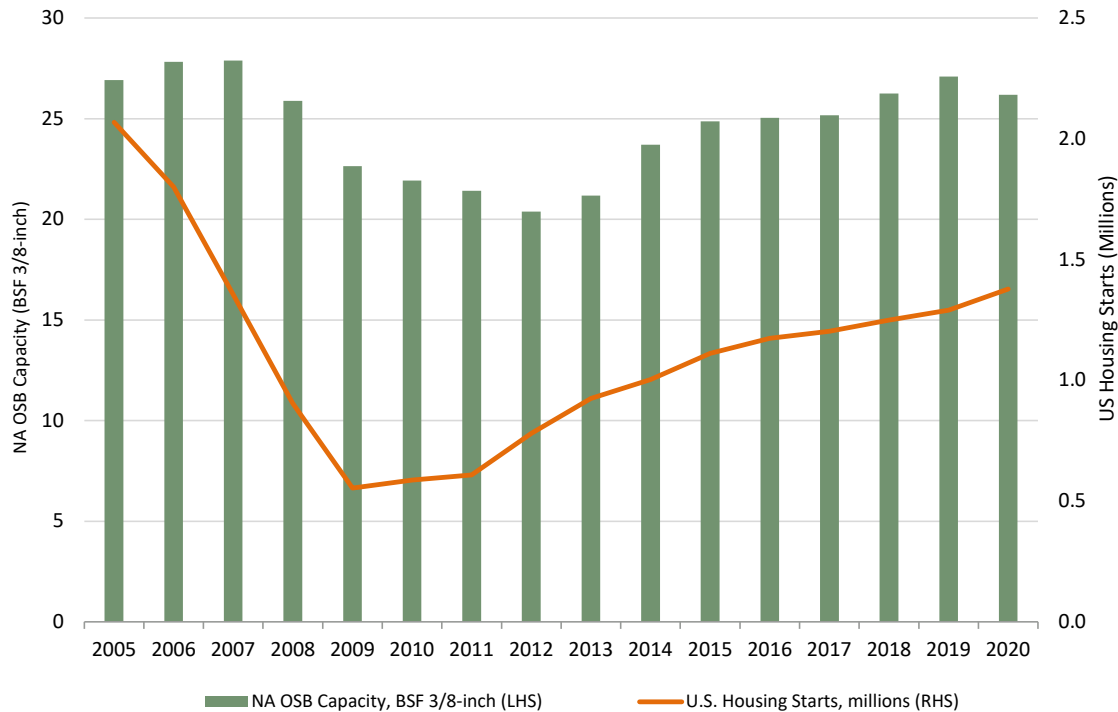
West Fraser



North American OSB Operating Capacity*

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OSB Operating Capacity and U.S. Housing Starts



- All but one OSB mill in the industry remain idled today
- West Fraser re-started its OSB mill in Chambord, Quebec in March 2021
 - The Chambord mill is ramping towards its stated annual OSB capacity of 550MMSF (3/8" basis), which is expected to take 18-24 months
- Debottlenecking and other strategic projects can add incremental capacity but will require significant capital spend

*Operating capacity above reflects the nameplate capacity of mills that are in operation and not curtailed or idled.

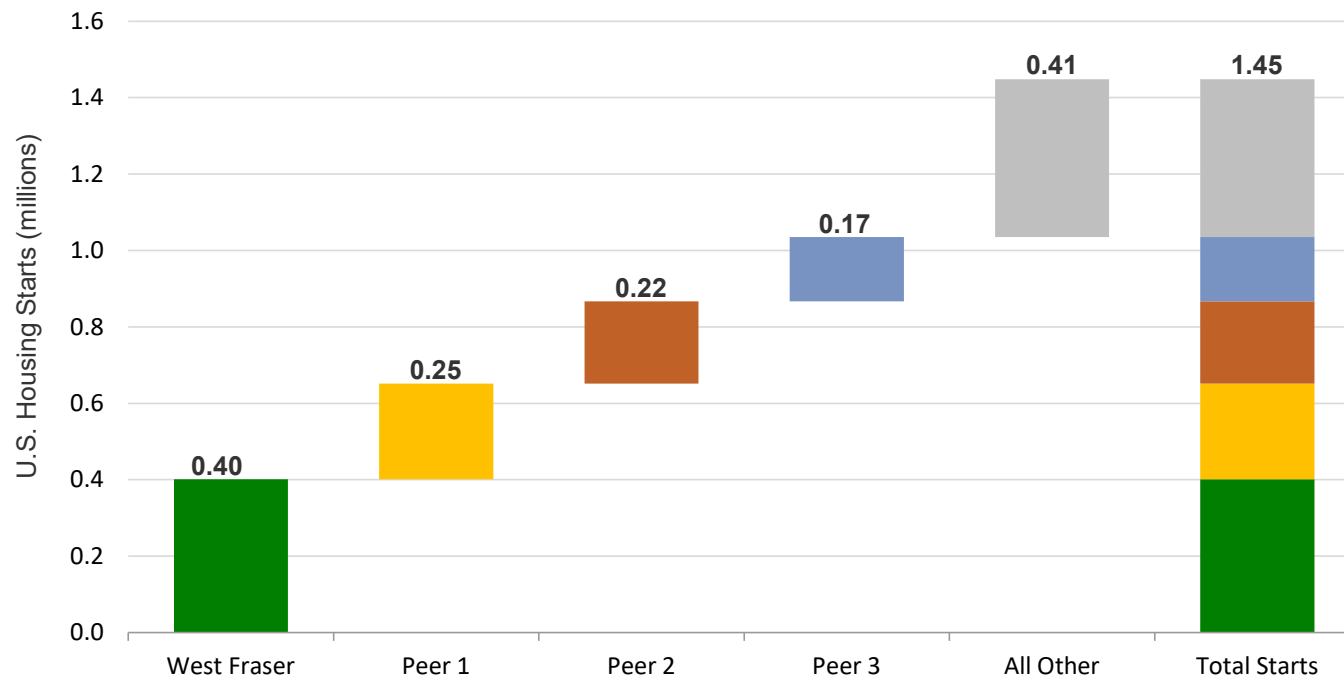
All West Fraser mills operating in 2021

Source: FEA



North American OSB Capacity in 2020 Housing Starts Equivalence*

19



- **100,000 additional starts** could require nearly 1 BSF (3/8-inch) of additional OSB capacity, which **is more than the approximate capacity of 1 large-scale greenfield OSB mill**

*Note: Analysis includes full capacities from Chambord, Quebec mill and one remaining idled peer mill

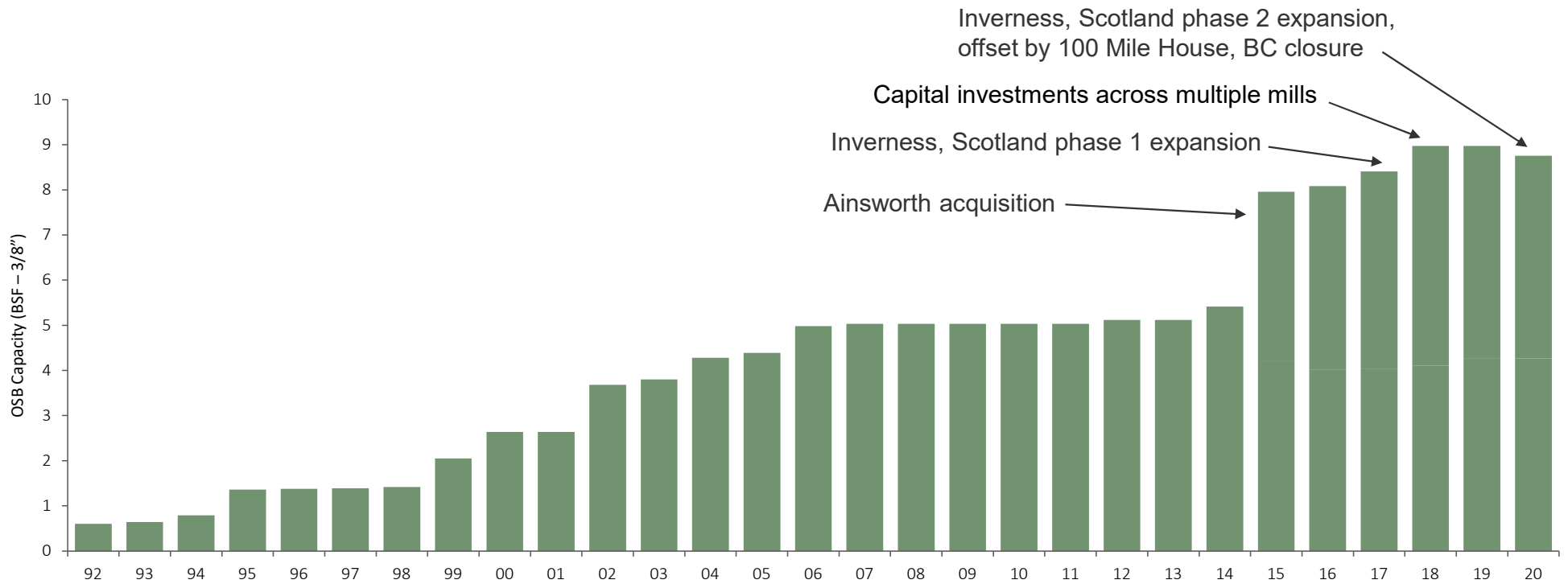
Assumes 50% of N.A. OSB production is for new home construction with 70%/30% single family (SF)/multi-family (MF) mix, 11,000/3,667 sf (3/8") of OSB consumed per SF/MF house and 96% operating rates; 100% of greenfield production assumed to be allocated to new home construction.

North American OSB capacity is currently sized for ~1.45 million U.S. housing starts

Source: FEA, NAHB, West Fraser analysis



West Fraser OSB Capacity (BSF-3/8")



Meaningful expansion of OSB capacity typically requires significant capital investment



OSB Supply Growth Considerations (1/2)

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NA Industry Challenges:

- Extended and moderate recovery in US housing starts since global financial crisis has made investment challenging
- Greenfield OSB mills require significant capital and time to market
 - \$500+ capex per Msf (3/8") of capacity with an estimated 7-year payback
 - 3-4 years to first panel with 18+ months to ramp to full production

West Fraser NA Growth Opportunity:

- In early 2021, to address increased customer demand, West Fraser restarted its OSB mill in Chambord, Quebec
 - Reinvestment of ~\$70 million
 - Good supply of labour and fiber
 - Low-cost and well-positioned to supply NE market



OSB Supply Growth Considerations (2/2)

22

EU Industry Challenges

- Constrained wood supply
- Greenfield OSB mills require significant capital, entail execution risk

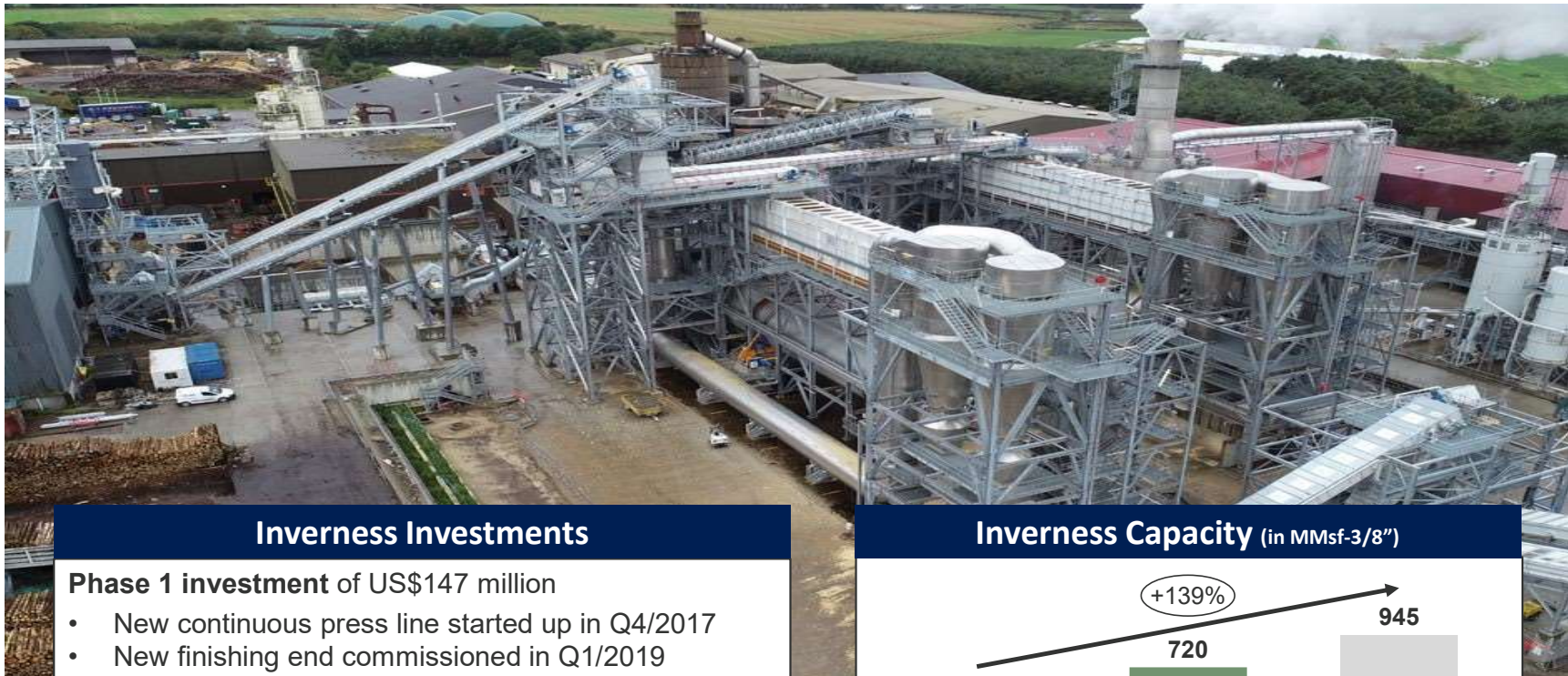
West Fraser EU Growth Opportunity

- In late 2017, to address substitution demand of OSB for plywood in the UK, West Fraser started its new continuous press line at its OSB mill in Inverness, Scotland
 - Expansion in two phases to help manage financial and operational risk; phase 2 ramp now underway
 - Total investment of ~\$200 million
 - Leverage OSB ecosystem around existing mill
 - Low-cost and well-positioned to supply UK and export markets



~\$200M Inverness Mill Expansion – Brownfield reinvestment with estimated payback less than 5 years

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Inverness Investments

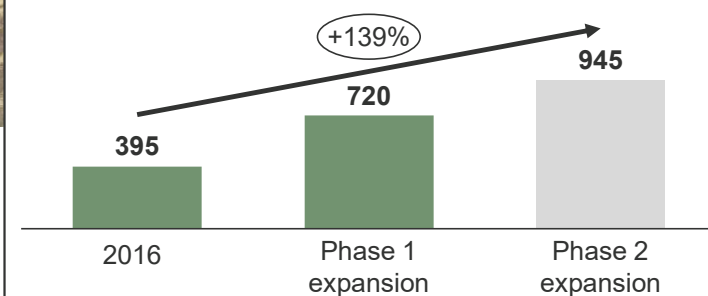
Phase 1 investment of US\$147 million

- New continuous press line started up in Q4/2017
- New finishing end commissioned in Q1/2019

Phase 2 investment of US\$46 million (£35 million)

- 2nd wood room and drying line installation complete in Q3/2020 and now commissioned
- Continuous press continues to ramp towards Phase 2 capacity

Inverness Capacity (in MMsf-3/8")



West Fraser EWP – World's Largest Producer of OSB

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- Strong track record of growth and value creation
- Aligned with key growth customers in NA & EU
- Low-cost, well-invested, state-of-the-art mills





GROWING A SUSTAINABLE FUTURE

Sustainability at West Fraser

Investor Day: September 16, 2021





Sustainable Leadership at West Fraser

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We believe in leaving the world better than we found it. This has been a cornerstone of our business since it was founded over 65 years ago.





Sustainable Leadership at West Fraser

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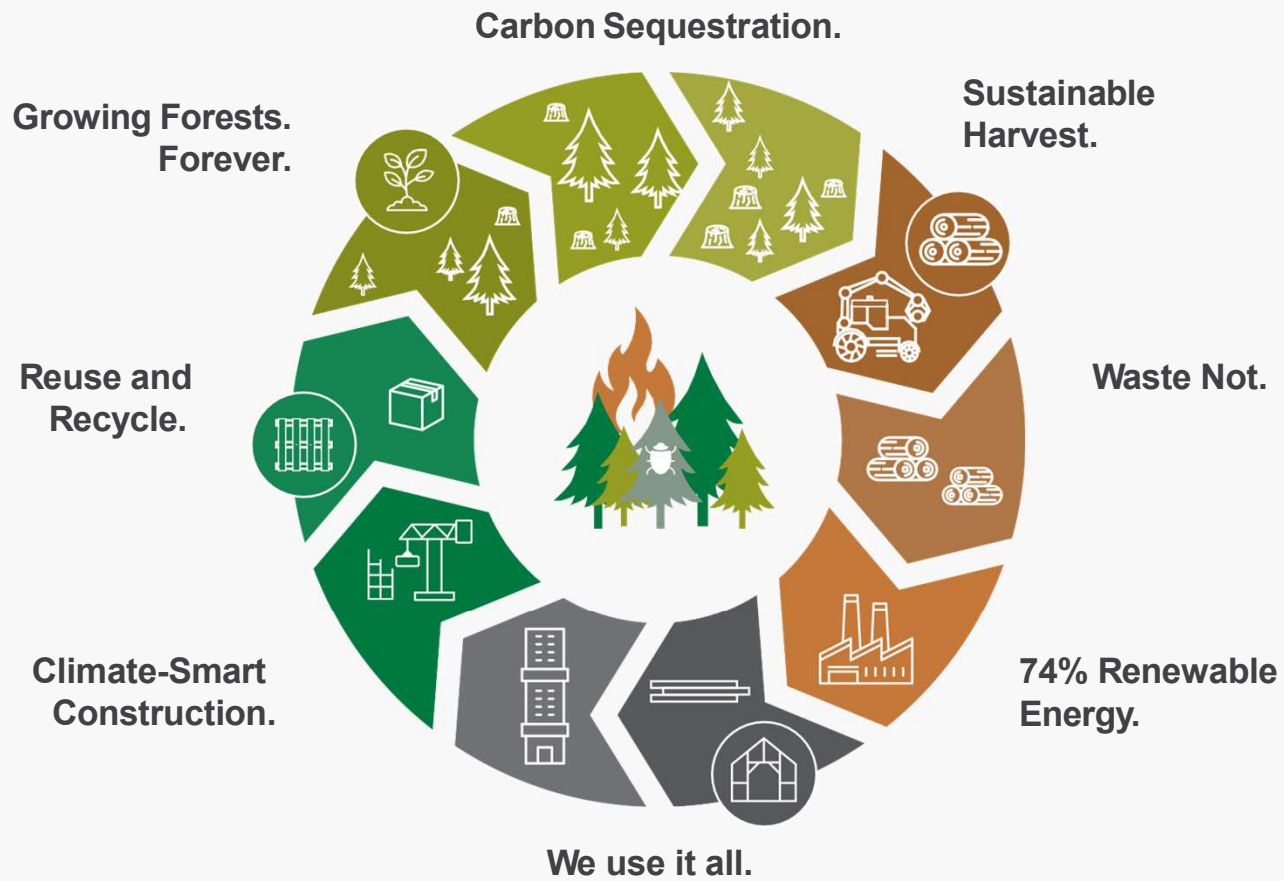
We provide renewable building products for the world, contributing to a more sustainable future.

Our business is grounded in sustainability and as this journey matures, we continuously seek ways to improve our environmental and social performance underpinned by effective governance, management systems, and a solid balance sheet





Circular Economy





Key Achievements

29



Achieved
2 billion trees planted
milestone in 2021

Stored 17.5 tonnes

of carbon (CO₂e) in 2020 production for
lumber and OSB

Powered by



renewable energy

Added solar power to our energy mix

**Recognized with a SFI Leadership
in Conservation Award,**

in collaboration with the Nature
Conservancy of Canada

Certified 100% responsible fibre sourcing



**Harvested
less than 1%**

of West Fraser's managed forest
area (annually)

Recover, reuse & repurpose:

99%

of a log utilized

94%

of water recycled



Cut scope 1 & 2 GHG emissions

by 15% since 2005



Our People

30

8%

of West Fraser's
Canadian employees
self-identify as
Indigenous

Diversity and Inclusion



25%

of all West Fraser
employees self-identify
with an under-represented
racial or ethnic identity

Defined an Indigenous
Peoples Policy

Committed to Progressive
Aboriginal Relations Certification
from the Canadian Council for
Aboriginal Businesses



In 2020, reduced injuries
through wider implementation of
equipment safeguards and
equipment verification

28% decrease in the
highest-frequency
injuries



40%
of board
members are
women



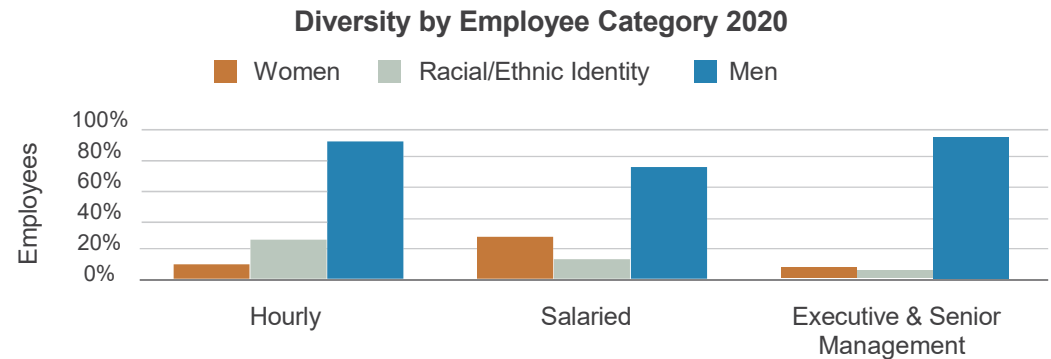
Advancing our Vision for Diversity

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A President's Diversity Council of senior Company leaders has been established to support the establishment of policy, expectations and measures to address diversity and inclusion in the organization

We are committed to improving diversity at all levels throughout our workforce. Diversity brings a wider range of perspectives which serves to strengthen our organization



14.5%
of employees are women

25%
of employees self-identify with an under-represented racial or ethnic identity



Safety

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Safety Goal:

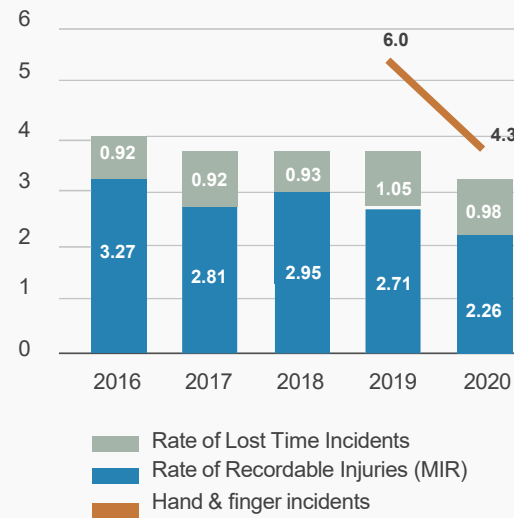
Eliminate all incidents and injuries



Safety Target:

Reduce serious injuries by 50% by 2025

Safety Incident Performance



31%

reduction in Medical Incident Rate (v. 2016)

28%

Reduction in most frequent injuries

60%

High consequence injuries down from 10 (2019) to 4 (2020)



Indigenous Peoples

33



We regularly engage with more than 80 Indigenous communities.

3-prong relationship approach:

Our approach to building relationships with Indigenous people is built on:

- community engagement,
- increasing workforce participation
- business opportunity

Progressive
Aboriginal
RELATIONS



Canadian Council for
Aboriginal Business 

Defined an Indigenous Peoples Policy

Committed to
Progressive Aboriginal
Relations Certification from
the Canadian Council
for Aboriginal Businesses

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communities are working with us to integrate traditional land use into our forestry planning processes

8%

of West Fraser's Canadian employees self-identify as Indigenous

37

mutually agreed engagement processes with Indigenous communities



Our Communities

34



In Canada, the economic multiplier for the forest sector is the highest amongst natural resource industries; 1.35.



Photo: Since 2017, West Fraser has donated \$1.5 million to the U.S.-based Home Building Institute to establish Framer/Carpenter Pre-Apprenticeship Training programs in response to disaster relief efforts after Hurricane Harvey (Houston) and Hurricane Irma (Orlando).



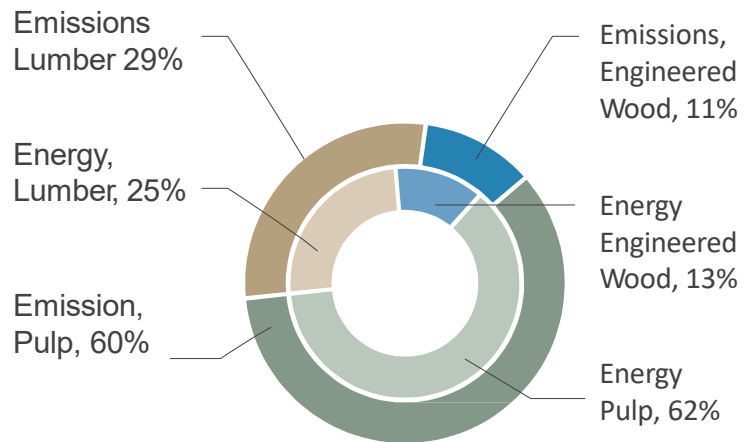
Photo: Distributed \$400,000 to community groups throughout our operating footprint to lend a helping hand to families during COVID.



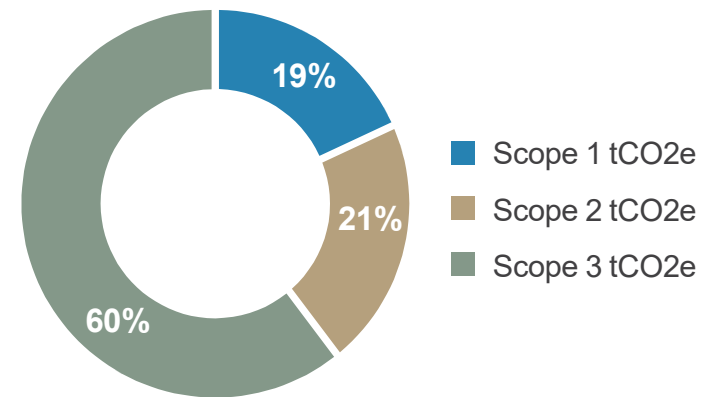
Caring for the Earth: GHG Emissions

35

Scope 1 & 2 Emissions (1.59 ktCO₂e) and Energy (63.0 kGJ)
2020 Apportioned by Product Segment



Scope 1, 2, 3 Emissions Screening
2020



↓ 15%

Scope 1 & 2 GHG emission v. 2005

850 GWH

Renewable energy generation capacity



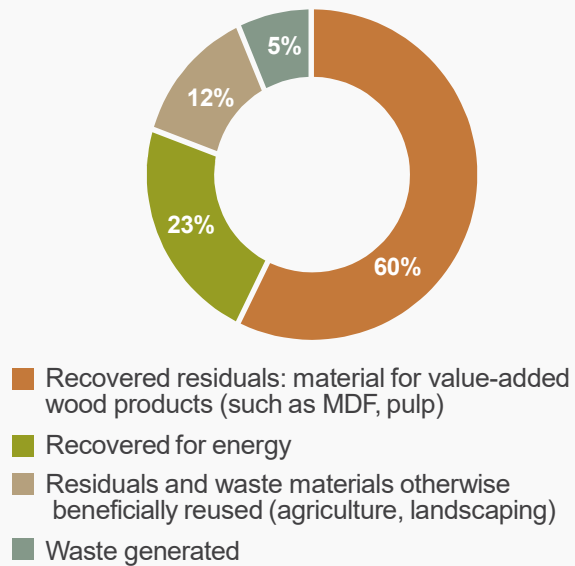
Caring for the Earth: Waste and Material Efficiency

36

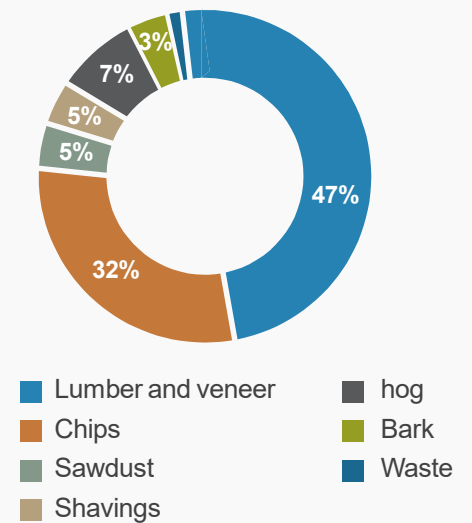


Independently verified reports on environmental performance, Environmental Product Declarations (EPDs) and cradle-to-grave life cycle analyses (LCAs) are available for our products, see [Product Life Cycle](#)

2020 Materials & Waste



Log Utilization



63%

of material is repurposed to make another product

23%

of residuals are used to generate renewable energy



Leaving the World Better Than We Found It

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West Fraser is relentlessly focused on improving our Sustainability performance

Strengthening our foundations:

- Stay tuned: In the latter stages of setting targets to reduce our carbon footprint
- Prioritizing our remaining ESG opportunities and will be setting targets over the next 6-18 months
- Enhancing our stewardship and processes to bring an even sharper focus to our ESG performance





Celebrating 2 Billion Trees Planted

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Norbord Integration



West Fraser



Diversity in Products, Geography and End Use

KEY STATISTICS

6,075

2020 MMfbm LUMBER SHIPMENTS

8,839

2020 MMsf ENGINEERED WOOD SHIPMENTS⁽¹⁾

US\$6,773mm
C\$9,075mm

2020 REVENUE

US\$1,972mm
C\$2,642mm

2020 ADJUSTED EBITDA

Note: Engineered Wood includes OSB, Plywood, MDF, LVL

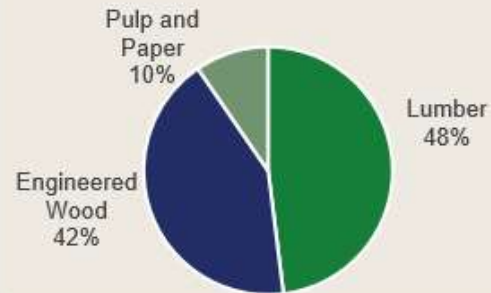
Note: Converted using USDCAD FX rate of 1.34

(1) Shipments do not include LVL. Panels converted to 3/8 basis

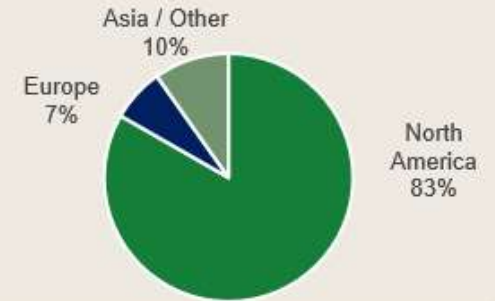
(2) Segmented EBITDA does not include unallocated corporate expenses

(3) Excludes European sales

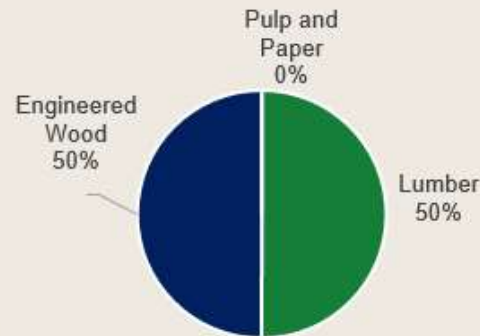
2020 Revenue Mix by Segment



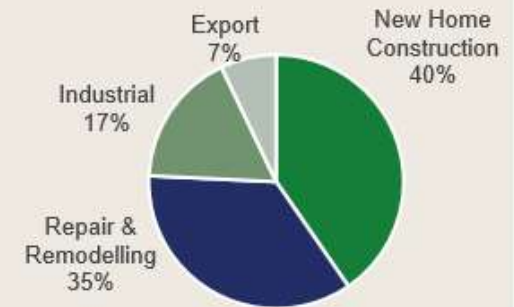
2020 Revenue Mix by Region



2020 Adjusted EBITDA Mix⁽²⁾



2019 North America End Markets⁽³⁾





Strategic Alignment, Complementary Cultures

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WEST FRASER

- Proven ability to grow strategically
- Diverse product portfolio
- Leadership in high-efficiency wood product production, innovation in manufacturing

ALIGNED STRATEGY

- Operational excellence with a priority on safety
- Focus on cost and margin improvement
- Ease of doing business with – supplier & customer of choice
- Prudent, disciplined capital allocation
 - Investing in the business
- Balance sheet strength
- Strong track record of shareholder returns
- ESG – furthers our commitment to sustainability

NORBORD

- Track record of OSB product innovation and market development
- Established business and relationships in Europe
- Operating footprint in eastern Canada

West Fraser and Norbord are Stronger Together

Integration Road Map

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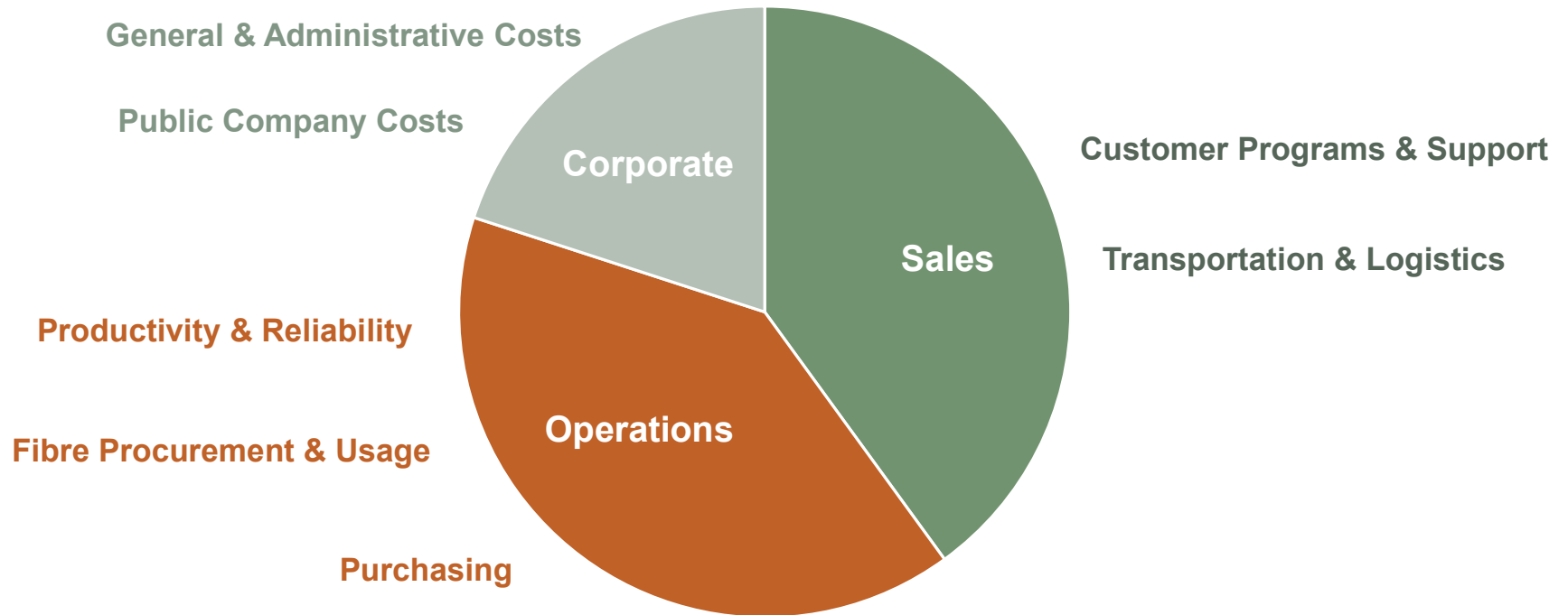


Organization Fully Engaged on Integration Workstreams



Synergy Status

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On Track to Deliver \$61MM of Synergies by End-2022

Finance

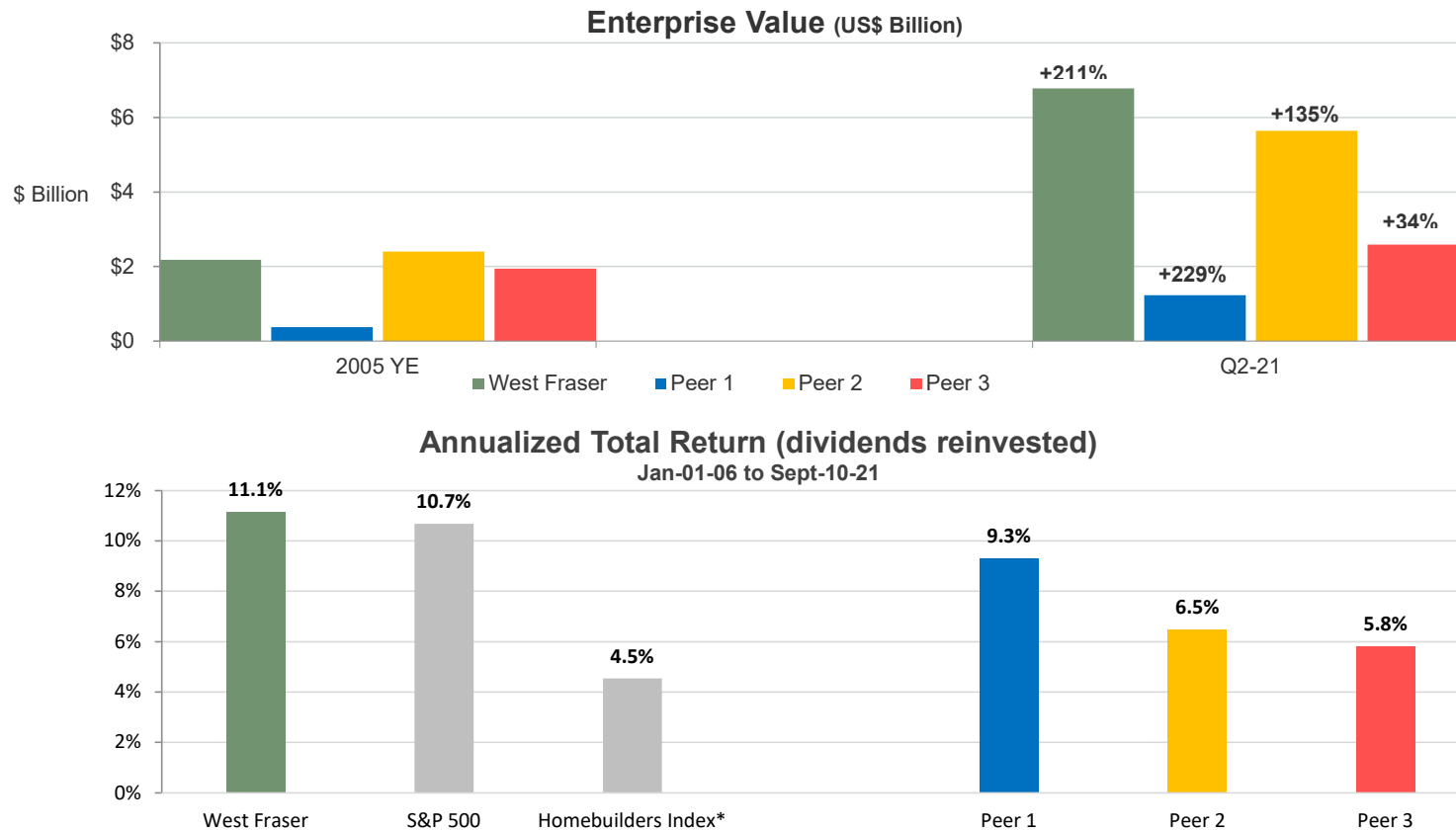


West Fraser



Performance vs. Wood Products Peers and Building Products

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* S&P Homebuilders Select Total Return Index (basket of 35 equities from homebuilders and building products segments)

Shareholder Returns Outperforming Wood Peers and Homebuilders/Building Products

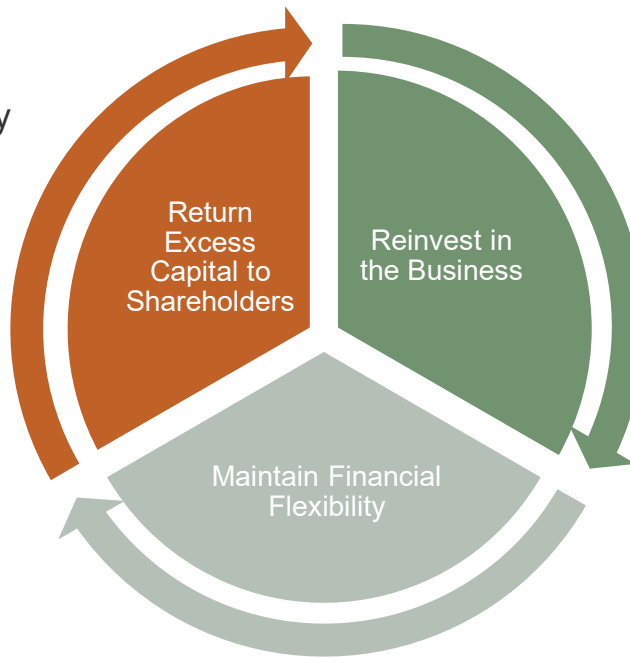
Source: Bloomberg



Capital Allocation Priorities

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- Repurchase shares when they trade at a discount to estimated intrinsic value
- Pay a stable, sustainable dividend



- Replace end-of-life assets
- Maintain low-cost position
- Strategically enhance product mix, productivity and capacity

- Maintain investment grade rating
- Maintain cash buffer to aid the pursuit of opportunistic M&A and larger-scale strategic growth initiatives

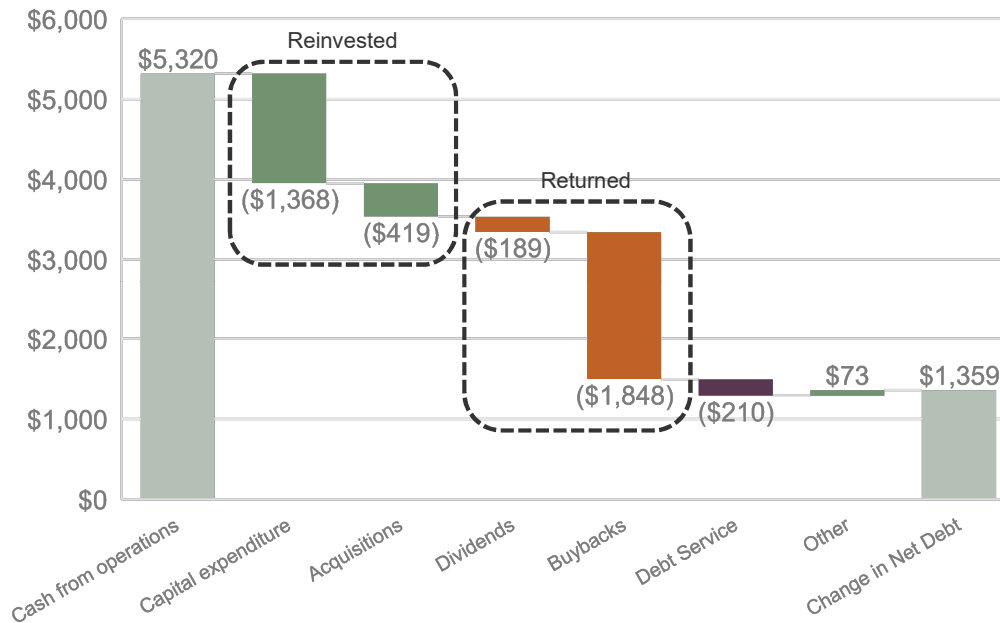
Executing a balanced and disciplined approach to capital allocation



Capital Allocation Lookback

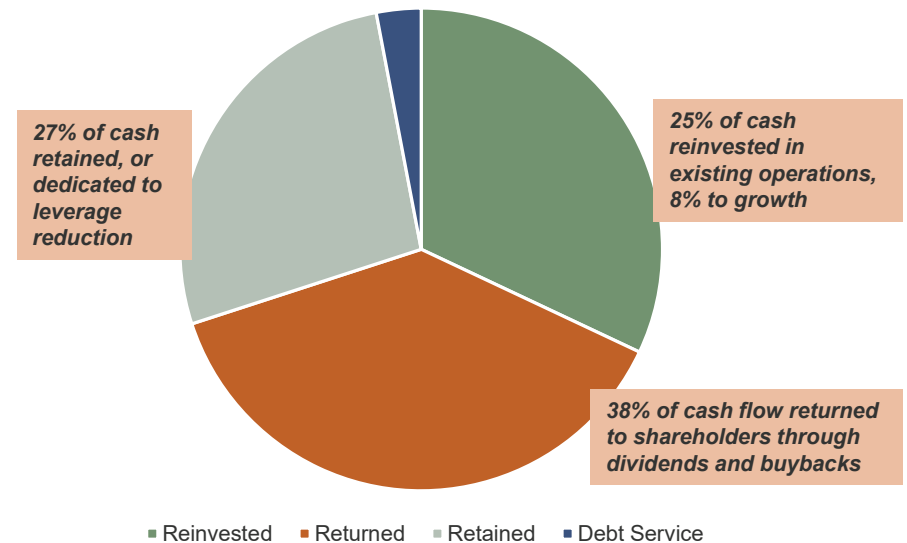
47

2016 through H1 2021, including SIB (US\$ Million)



- Multi year history of cash flow generation is strong
- Significant investments in maintaining, expanding and improving the business at ~32% of cash generated
- Excess capital returned to shareholders of ~38% of cash flow, heavily weighted to buybacks, influenced by the SIB

Balanced Capital Allocation



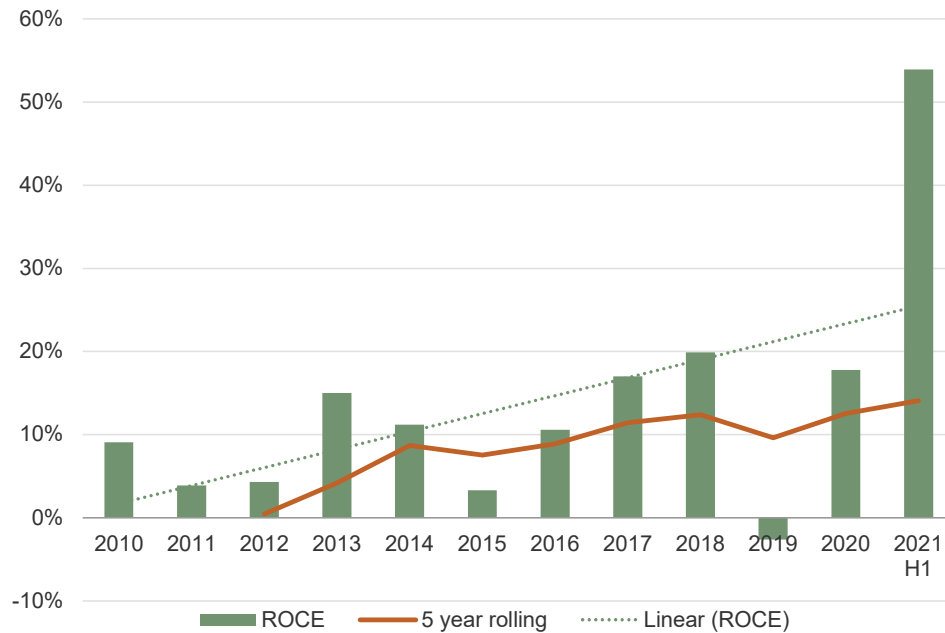
2021 results and SIB have impacted the mix of allocation



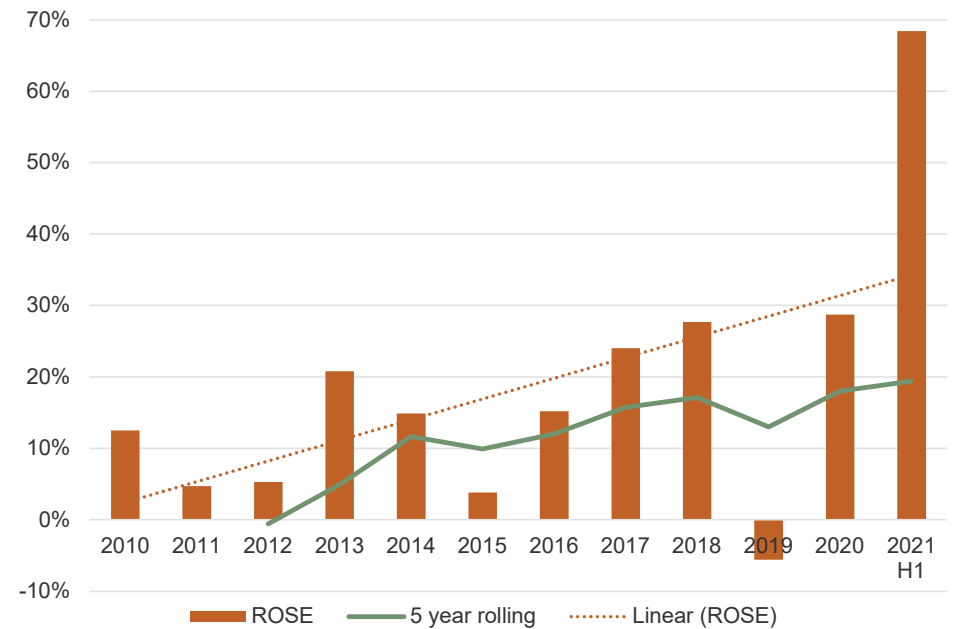
Macro Lookback on Capital Reinvested

48

Return on Capital Employed



Return on Shareholders Equity

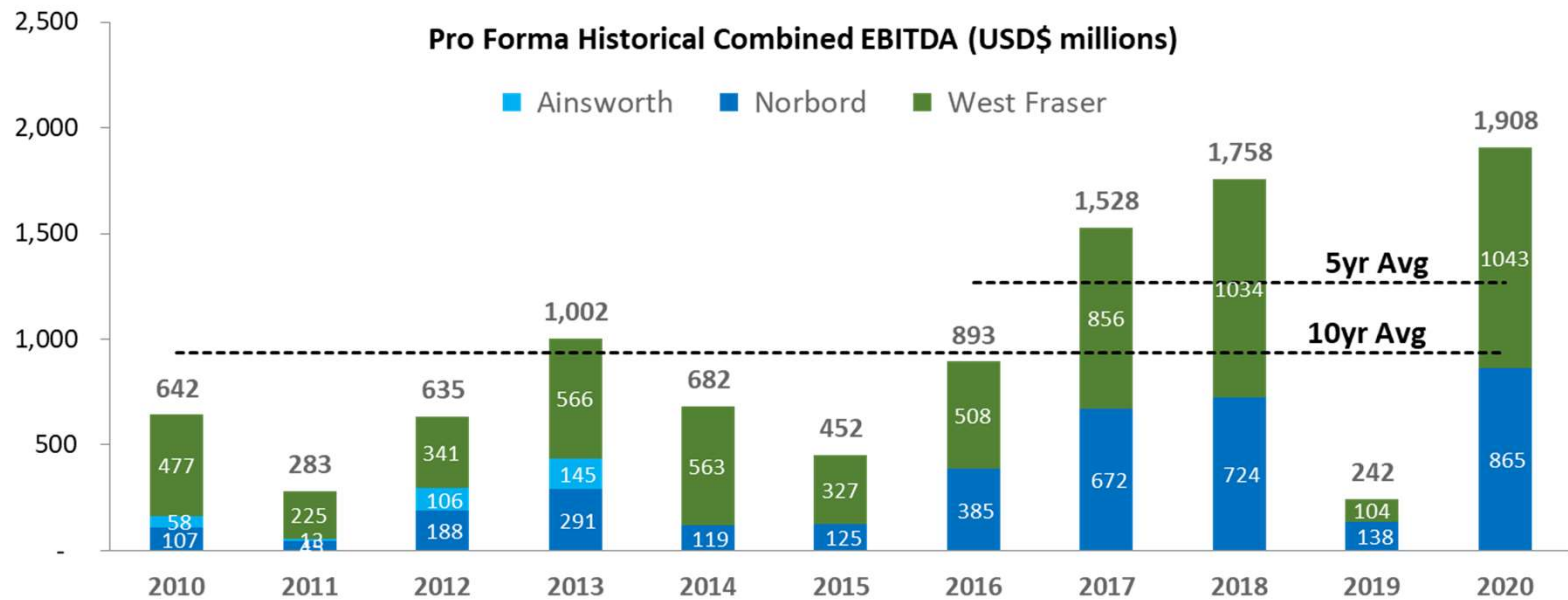


Favorable trending in ROCE and ROSE



Historic Adjusted EBITDA

49



Note: Excludes the proforma effect for the acquisition of 11 sawmills between 2010 and 2017 by West Fraser.

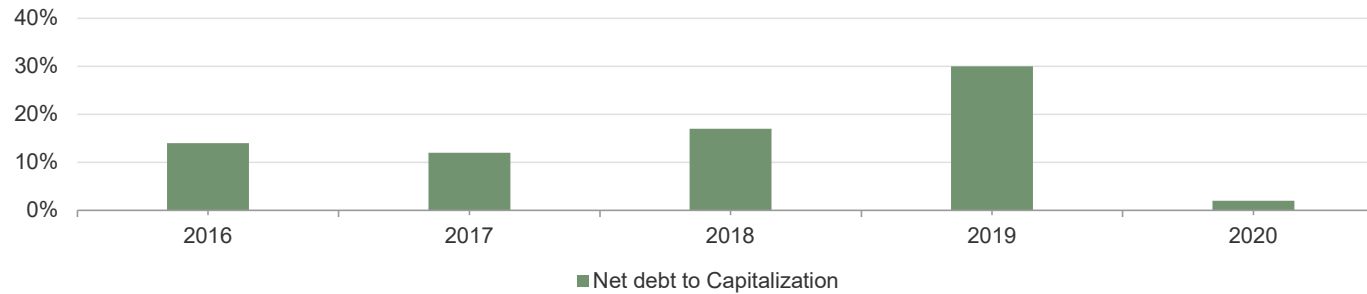
Substantial Adjusted EBITDA generation through the cycle



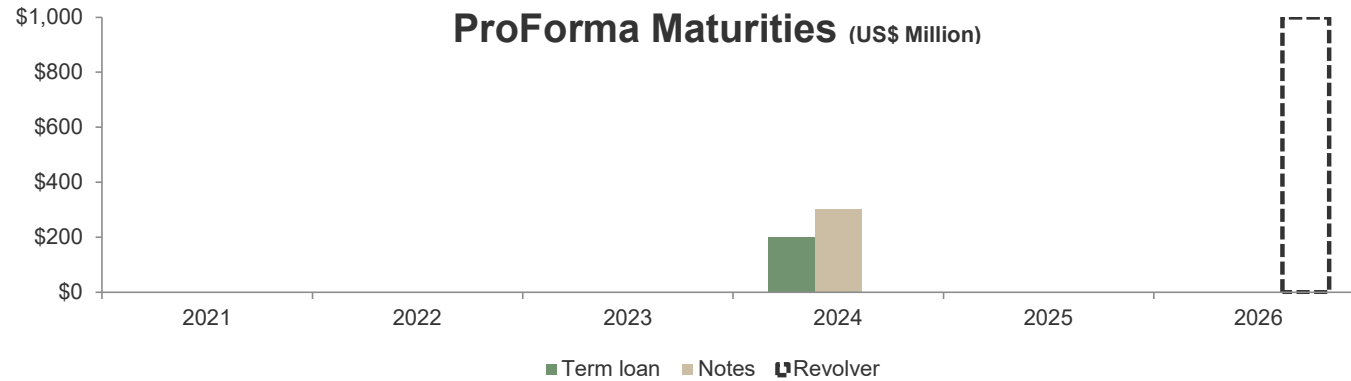
Total Liquidity and Maturities

50

Net debt to Capitalization



ProForma Maturities (US\$ Million)



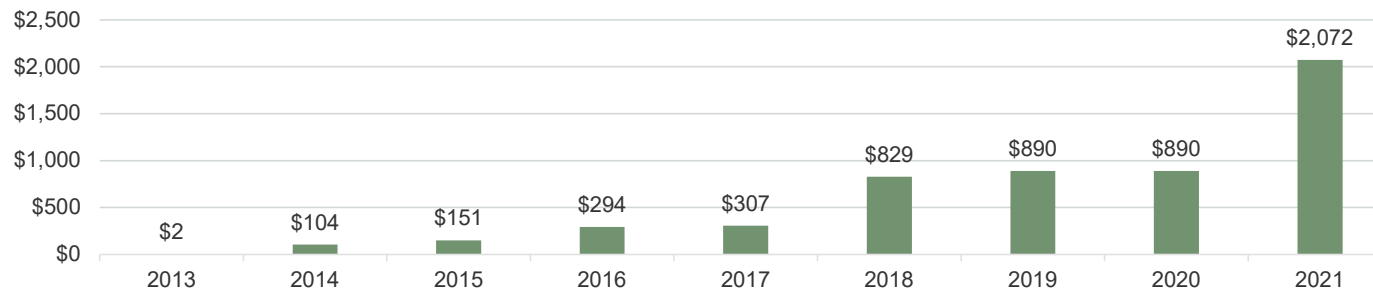
Low leverage, no near-term maturities, significant financial flexibility



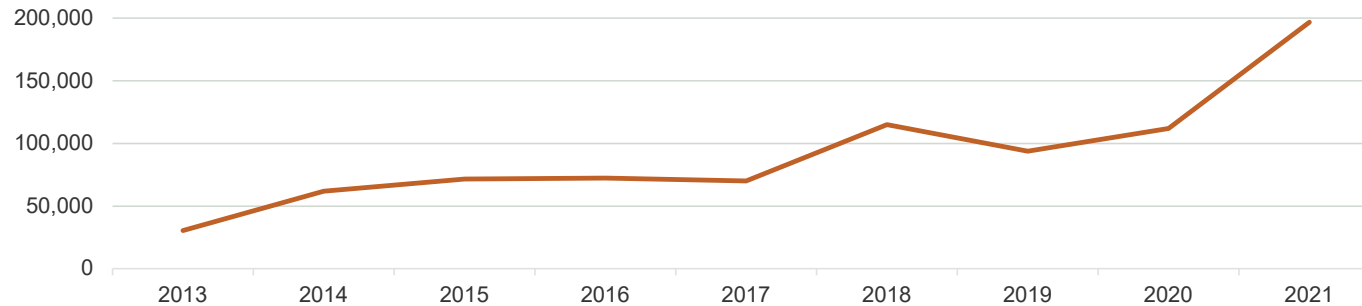
Share Repurchases

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Cumulative Investment in Repurchases* (US\$ million)



Total Volume Traded* ('000s, TSX and US exchanges)



Average repurchase price (CAD\$):

2013	\$44.60
2014	\$51.86
2015	\$55.57
2016	\$44.06
2017	\$68.45
2018	\$83.13
2019	\$68.30
2020	NA
2021	\$94.43
To date	\$79.58

* Cumulative repurchases and total volumes traded in 2021 are YTD as of September 10.

Consistently buying back shares, while trading liquidity has increased

Source: Bloomberg



Adjusted EBITDA

- Adjusted EBITDA is defined as earnings determined in accordance with IFRS adding back the following line items from the consolidated statements of earnings and comprehensive earnings: tax provision or recovery, other, finance expense, equity-based compensation, restructuring and impairment charges, and amortization.

Return on Capital Employed

- Return on Capital Employed ("ROCE") is defined as earnings before after-tax financing expense divided by average assets less average current non-interest-bearing liabilities.

Return on Shareholders Equity

- Return on Shareholders Equity ("ROSE") is defined as adjusted net income (adjusted to exclude equity-based compensation expense or recovery and any accrual for bonuses to our senior executives, both on an after-tax basis) divided by average Shareholders' equity.

Wrap-up



West Fraser



Key Investment Highlights

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Industry Fundamentals

- ✓ Positive demand backdrop for wood-based building products in new housing, repair and renovation and industrial applications
- ✓ Recovery in housing balances the supply and demand picture
- ✓ Wood is the preferred product for building in the low-carbon economy

West Fraser Fundamentals

- ✓ Well invested assets in low-cost regions
- ✓ Product and geographic diversity
- ✓ Attractive return profile, conservative financial posture and balanced capital allocation strategy
- ✓ Strong ESG credentials

Attractive Building Products Investment Opportunity