

DIVERSITY & INCLUSION

Newsletter – Summer 2019



THE POWER OF
INCLUSION:
**TOLKO'S
DIVERSITY &
INCLUSION
STRATEGY**

- > FINDING A NEW PATH FORWARD (Part 2)
- > N-GEN TRAINING & TAKING THE STAGE
- > STACKING UP STRENGTHS
- > DISC UPDATE

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TOLKO

> MESSAGE FROM TANYA WICK EXECUTIVE SPONSOR



When people ask why diversity and inclusion is important, I tell them it is the right thing to do for our company, our industry, and our communities. More than that — it makes business sense. Diverse companies are more sustainable, innovative, and profitable. An inclusive and diverse culture will set Tolko apart and support our commitment to be a place where everyone feels valued.

Tolko has a learning culture. As an organization, we are learning to be inclusive by removing barriers, building on our values-based culture, clarifying our employment value proposition, and championing our goal to be an employer of choice. But what does it really mean to be inclusive? Inclusivity is about breaking down barriers to ensure a fair playing field for everyone.

As we continue our journey, we must strive to become more aware of what it means to demonstrate diversity and inclusion every day. Being able to be your authentic self at work

is critical to one's engagement. The feeling of belonging is important to ensuring that everyone can thrive.

At the core of inclusion is the commitment to provide equal opportunities for all employees. We're working hard and making progress through our three focus areas. We have initiatives underway to promote generational, cultural, and gender diversity. Let's take a moment to reflect on a few achievements:

Generational:

- Our youth recruitment strategy is working! Almost 40% of Tolko's workforce consists of the millennial generation, up from 35% in 2017 and has been trending upwards for the last five years.
- Building on the successful re-launch of Tolko's \$34,000 high-school scholarship program, we have added an additional \$6,000 in scholarship opportunities with selected post-secondary schools to encourage youth to pursue a career in forestry.

DID YOU KNOW...

...that companies with a diverse workforce are:

- *35% more likely to outperform homogeneous ones?*
- *1.7 times more likely to be innovation leaders?*
- *70% more likely to capture new business markets?*

Research shows that diversity is a competitive advantage. According to McKinsey's Diversity Matters report, "More diverse companies...are better able to win top talent and improve their customer orientation, employee satisfaction, and decision making, and all that leads to a virtuous cycle of increasing returns."

Paying attention to diversity and inclusion leads to better results. Tolko's D&I strategies are directly linked to Tolko's values and to our Power of Great goals, our roadmap to long-term success.

Indigenous:

- Our self-declaration option for all employees has revealed that 16% of new hires in 2018 self-identified as First Nations, Métis, or Inuit.
- We introduced Indigenous Awareness Training for our leadership in Q1 2019.
- We helped develop an Essential Skills Employment program for Indigenous peoples that was supported by two of our BC mills, resulting in several new hires.
- Tolko has enrolled in the Canadian Council for Aboriginal Business (CCAB) Progressive Aboriginal Relations certification program.

Gender:

- We now employ roughly 14% women, up from 11% in 2016. Additionally, our number of females has increased from 13.5% of total hires to almost 20% of total hires.
- We have implemented actions and training to address identified development barriers.

- Recognizing we could do a better job supporting employees with their growing families, we updated Tolko's maternity and parental leave program.

Our Diversity and Inclusion Steering Committee (DISC) continues to bring forth recommendations on how to best continue our journey. I encourage all employees to reach out to their representatives with ideas and feedback so that Tolko can remain at the forefront of positive change in the forestry sector. I hope that you enjoy reading this issue of the Diversity and Inclusion newsletter.

Sincerely,



Tanya Wick

VP, People and Services

> ***THE POWER OF INCLUSION***

TOLKO'S DIVERSITY AND INCLUSION STRATEGY

How do you build an inclusive workplace? At Tolko, it begins with our company values, and it's on that foundation that we will grow and support the kind of inclusive environment that people want to join.

Research shows that a diverse and inclusive workplace improves innovation, engagement, profits, and safety performance. It also creates a work environment where everyone feels valued, respected, and safe — both physically and emotionally.

Driven to create a workplace where everyone feels welcome, Tolko has created a Diversity and Inclusion strategy that is focused on increasing generational, Indigenous, and gender diversity while simultaneously building a culture of inclusion.

"To fully realize the benefits of a diverse workforce, an inclusive culture must exist," says Michelle Mercer, HR Advisor, Diversity and Inclusion. "This means that every employee has to hold themselves accountable to Tolko's values, specifically the value of respect."

"Our goal is to help employees see the link between diversity and inclusion in the workplace and improved productivity, growth, safety, and engagement," says Heather Press, Project Manager, HR.

"From a diversity perspective, our emphasis is

on groups that have been underrepresented in the past," says Heather. "These focus areas help us think about how we can understand cultural, gender, and multi-generational differences as well as develop a workforce that is representative of the communities where we operate."

"While diversity is about representation, inclusion is about culture."

"While diversity is about representation, inclusion is about culture," says Michelle. "An inclusive culture encourages all employees to share their talents and ideas, all of which contribute to Tolko's success. It's about creating an environment where diversity is valued and respected."

The Diversity and Inclusion strategy supports Tolko's five-year Power of Great strategy and our goal to become an employer of choice.

"Being an employer of choice means consistently demonstrating a welcoming and inclusive workplace for all employees, regardless of their role or where they're located," says Michelle. "This kind of environment not only fosters a sense of belonging for our current employees, it makes Tolko a more desirable employer to potential employees. This competitive advantage will help set Tolko apart."

In fact, younger generations entering the workforce expect their workplace to value diversity and inclusion, adds Heather.

"We live in a global economy where interactions with diverse perspectives are the norm and are what younger generations expect," she says.

"If we want to attract the next generation of employees, we need to fully realize a diverse workforce and inclusive culture."

With a clear vision in mind, Tolko continues to move forward with initiatives that will help us grow and reach our diversity and inclusion goals;

a strategy that will evolve and adapt as we learn, adds Michelle.

"Right now, we are focused on building a more diverse workforce and creating more awareness around the importance of having an inclusive culture at Tolko," says Michelle. "If all employees live the company values and stay focused on our goals, we will succeed in building an inclusive culture and be an employer of choice."

INCLUSIVE CULTURE



TOLKO'S INCLUSION JOURNEY

Average Age: 47

GENERAL
DIVERSITY

2011

1. Attract youth to build pipeline
2. Maximize opportunities of a m

1. Increase Indigenous employee population to be more representative of the communities we operate in
2. Retain Indigenous employees by working with Indigenous communities to provide development & career opportunities

STRATEGY LAUNCH

2014

DATA-DRIVEN STRATEGIES:

We began with comprehensive research to establish baselines from which to develop actions and measure success

1. Improve gender representation
2. Remove barriers to ensure development opportunities are fair and equitable

RNEY

NATIONAL DIVERSITY

Average Age: 43

to meet current and future needs
multi-generational workforce

2018

INDIGENOUS DIVERSITY

16.5% INDIGENOUS NEW HIRES

7.8% INDIGENOUS NEW HIRES
(Began tracking in 2017)

2018

n at Tolko
velopment
itable

11% WOMEN

GENDER DIVERSITY

14% WOMEN

2016

2018

> DISC COMMITTEE UPDATE

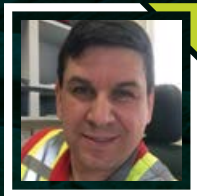
In the spirit of ensuring we have diversity of thought, it's important that we add new perspectives to the Diversity & Inclusion Steering Committee (DISC) on a regular basis. As members leave the committee, they continue to promote awareness about diversity and inclusion and provide support to our new members.

We are pleased to welcome the following new committee members:



**Brianne
Coones**

Payroll Administrator, Meadow Lake



**Jason
Lightening**

Planer Supervisor, High Level Lumber



**Justin
Giddens**

HR Business Partner, Lavington

We currently have more D&I Committee seats available, so if you're interested in getting involved, contact Michelle Mercer. We are especially interested in new members from divisions currently not represented on the committee.

Former DISC member Ryan Johnson recently shared his thoughts with us on his time as a committee member. "I was impressed by the openness, progressiveness, and sincere interest of each member," says Ryan. "I feel confident and inspired that the work being done will create positive change and make our company more diverse and inclusive. Although I'm no longer on the committee, I'll continue to work closely with the team as an advocate for creating an inclusive culture at Tolko."

We sincerely thank our outgoing members and appreciate their continued support in promoting diversity and inclusion at Tolko!



Lana Brander

Manufacturing Controller,
Meadow Lake



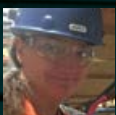
Erika Doyon

Operations Forester,
BC Woodlands



Wanda Jenner

Process & Technical
Coordinator, Athabasca



Sari Cox

Maintenance Supervisor/
Planner, Lavington



Ryan Johnson

HR Manager, Prairies

> MINERVA PANEL

In October 2017 our CEO signed the Minerva Diversity Pledge. The pledge is a public commitment by Tolko to advance gender diversity within the company. The Minerva Foundation is involved with several other activities to support gender diversity, including leadership training, scholarships, and networking events.

Michelle Mercer, HR Advisor, Diversity & Inclusion was invited to participate as a guest panelist at the Inclusive Leadership Forum held in Vancouver, BC in May of this year. The topic was 'Promising Practices: Advancing Women in Male-Dominated Industries'.

Each panelist was given an opportunity to describe a specific action or initiative that their company has implemented to advance diversity & inclusion and/or gender equity in the workplace. Other panelists were from LNG Canada, BCCA, Unbounce, and Canfor. Michelle described Tolko's Leadership Impact for Women program and talked about the key things we have learned while on our diversity journey.

"This forum reinforced for me that this journey is important across a wide range of companies and



Photo, L to R: Brad Thorlakson signs the Minerva Diversity Pledge with Tina Strehlke from the Minerva Foundation (2017).

industries and that we are on the right track," says Michelle. "Our challenges are similar to those that others are facing."

The event provided speakers with an opportunity to share experiences and hear from other organizations working to advance gender equity in the workplace. Global diversity expert and keynote speaker, Dr. Michael Kaufman, spoke about how gender equity also benefits men.

"It was interesting to learn about the innovative approaches that other companies are taking to encourage workplace diversity," says Michelle.



Last February, Tolko's Heather Press participated as a panel speaker at UBC's first Female Professional Night of the Forestry Undergraduate Society, held at the Centre for Advanced Wood Processing at UBC's Vancouver campus.

The female speakers, who represented a variety of careers, shared their work experiences and stories. The students asked questions like: "How do I get my start in the industry?" and "What are some of the best experiences and biggest challenges you've faced in your career?"

While the goal of the event was to support female graduates entering the workforce, it was also a great way to network with other professionals all with a common interest in supporting youth.

FINDING > A NEW PATH FORWARD (PART 2)

In our Winter 2019 issue, we spoke with Scot Durward, Tolko's Manager, HR Operations and Woodlands about the Truth and Reconciliation Commission's calls-to-action and what they mean for Tolko and our Indigenous partners. In Part 2, we continue with more details on Tolko's progress.



When Andrew de Vries joined Tolko in 2018 as Manager, Indigenous Opportunities, he was excited to see Tolko's commitment to the spirit of Reconciliation and building better

relationships with Indigenous communities in its harvesting and operating areas.

"Not only does Tolko honour the spirit," says Andrew, who secures economic partnerships and business venture opportunities with Indigenous communities. "It is fully committed to Reconciliation and creating partnerships with Indigenous communities based on trust and mutual respect."

Since 2018 Andrew has been working with our Human Resources, Purchasing, Sales, and Woodlands departments in pursuit of the Canadian Council for Aboriginal Business (CCAB)'s Progressive Aboriginal Relations (PAR) certification.

"It's an intensive process that requires us to examine our business practices using four pillars: leadership, employment, business development, and community relationships," says Andrew.

"We underwent our first verification last spring, and we're looking forward to getting the results shortly. They will tell us where we are and what we need to focus on."

"Under business development, for example, we have a long-standing business partnership with Tsi Del Del of the Alexis Creek First Nation," says Andrew. "Moving forward, we'll be working with other communities to develop similar business relationships."

WHAT IS RECONCILIATION?

According to the Truth and Reconciliation Commission of Canada (TRC), "Reconciliation is about establishing and maintaining a mutually respectful relationship between Aboriginal and non-Aboriginal peoples in this country. In order for that to happen, there has to be awareness of the past, and acknowledgement of the harm that has been inflicted, atonement for the causes, and action to change behaviour."

Source: The Truth and Reconciliation Commission of Canada. (2015). Honouring the Truth, Reconciling for the Future: summary of the final report of the Truth and Reconciliation Commission of Canada, p. 6. Retrieved from www.publications.gc.ca/site/eng/9.800288/publication.html

The group has also created a cross-cultural training video to raise awareness about forestry's relationship with Indigenous communities in Canada. The video will be available in September and helps us meet a Truth and Reconciliation call-to-action recommendation to offer cross-cultural training for employees.

No matter what the future holds for Tolko, Andrew says the way forward is already written in the company values.

"Treating Indigenous people with respect is important and since respect is already a core Tolko

"Tolko is fully committed to Reconciliation and creating partnerships with Indigenous communities based on trust and mutual respect."

value, our culture supports this behaviour," says Andrew. He adds that there are ways employees can get involved and deepen their understanding of the many cultures that make up our fantastic country.

"One suggestion is to use Tolko's Referral Bonus Program to recommend Indigenous

people for employment opportunities," says Andrew. "Or visit a local Indigenous celebration or event. Also, September 30 is Canada's National Day for Truth and Reconciliation. I encourage everyone to take a moment to consider the importance of Truth and Reconciliation in their community and in their workplace."

> BRIGHT FUTURE AHEAD



CONGRATULATIONS EMILY!

Emily Medema is a vibrant 19-year-old Computer Science major studying at UBC Okanagan who also works one day a week with our IT department at Vernon Office.

In September 2018 Emily was selected as a recipient of the Women in STEM Scholarship, awarded by the Irving K. Barber Scholarship Society. The \$10,000 scholarship is available to full-time students completing a Science,

Technology, Engineering, or Math (STEM) degree program.

"I'm really excited about my future and I want to thank Tolko for giving me the opportunity to gain valuable experience over the last two years," says Emily.

Emily's dad, Leon works for Tolko as a Sr. GIS Analyst with BC Woodlands and says that he is "extremely proud" of his daughter's accomplishment. For the full story, visit:

<https://tolko.com/news/careers-news>

> N-GEN TRAINING

ENGAGING A MULTIGENERATIONAL WORKFORCE

Giselle Kovary, President of n-gen People Performance Inc., returned to Tolko in May to explore how varying generational identities translate into workplace behaviours.

“To create a truly collaborative and well-functioning team, we need to find common ground while respecting each other’s differences,” explained Giselle, who broke down stereotypes of

each generation and reinforced the importance of understanding their unique perspectives.

When we apply a generational lens to all our people practices, impactful strategies result.

Strategies that attract, develop, retain, and engage talent from all generations are integral to building a diverse and inclusive workplace, and improving productivity and performance.

BREAKDOWN OF TOLKO'S WORKFORCE:

TRADITIONALISTS	1922 - 1945	0
BABY BOOMERS	1946 - 1964	28%
GEN X	1965 - 1980	34%
MILLENNIALS	1981 - 1995	38%
GEN Z	1996 - 2012	<1%

> TAKING THE STAGE

Leadership Impact for Women Program

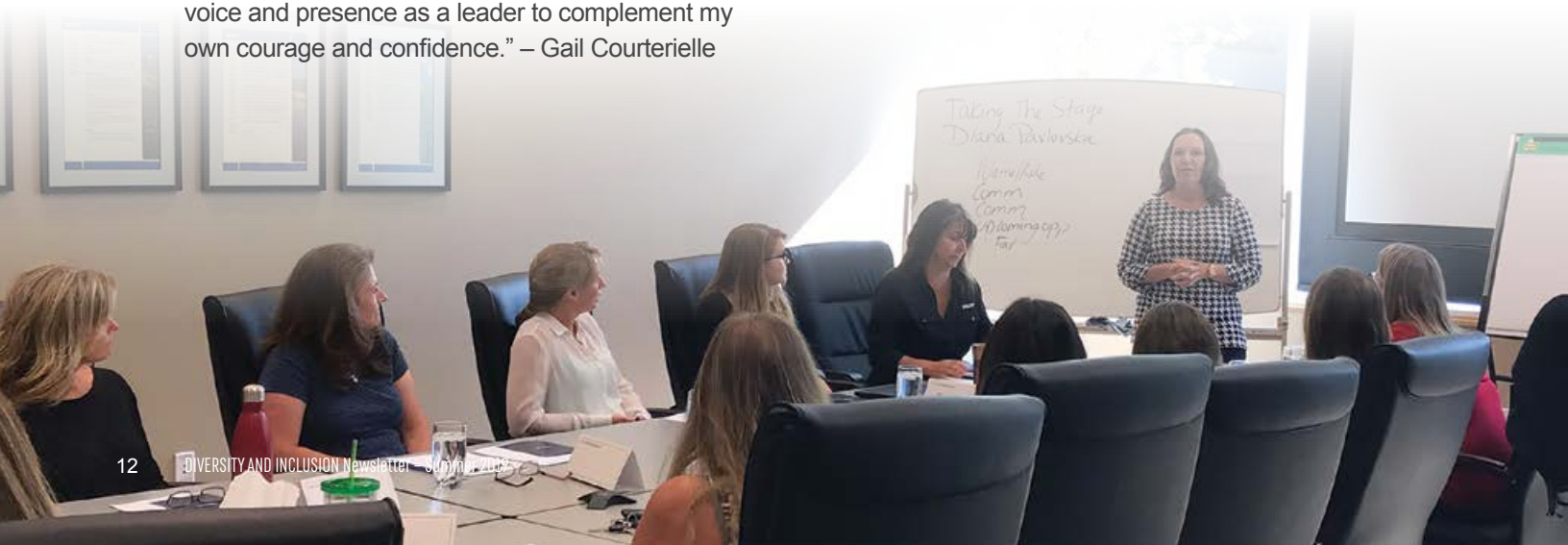
‘Taking the Stage’ is a two-day training session for women that helps them learn to speak with courage and confidence so they can be seen as leaders. In May 2019, our third group of women completed the training.

Here is what a couple of attendees had to say:

“The session taught me the skills I need to have the voice and presence as a leader to complement my own courage and confidence.” – Gail Courterielle

“The tools and concepts that were presented left me with a number of valuable takeaways, including how we can influence our personal brand, presence, and voice.” – Sarah Purslow

Donna Kelman, an alumnus of the program, put the skills she learned into action by kicking off and closing the training session.



> STACKING UP STRENGTHS

Women's mentoring pilot helps electrician reach her potential

Heather Pryor, an electrician at Tolko's Soda Creek Division knows two things about herself: she is endlessly curious, and she likes making things easier for others. She recently found her perfect fit when she took on a project making improvements to the division's sawmill stacker.

Heather is participating in Tolko's Women's Mentoring Pilot Program which launched in February 2019 as part of the company's Leadership Impact Program for Women. The six-month pilot gives both early-career and high potential female team members the chance to gain awareness of their potential and grow their career skills.

“The goal of this program is to help employees like Heather recognize their strengths and leverage them to achieve their goals faster.”

The pilot is the first of its kind at Tolko and will give us an opportunity to test the mentoring process, training, and materials for broader use across the company. Heather, who joined Tolko as a fourth-year apprentice in 2009, says the program has helped her see new ways to step back and solve big problems through collaboration.

“I'm always interested in learning new things,” says Heather. “To be personally responsible for the stacker improvement project and looking at its problems and possibilities in new ways is exciting.”

Mentor Mike Dextrase, plant manager, Soda Creek Division, approached Pryor about the mentorship program.

“I was looking at the strengths I saw in her and what others could see in her,” says Mike. “The goal of this program is to help employees like Heather recognize their strengths and leverage them to achieve their goals faster. She's been completely open to learning new things, and so we're learning together as we go.”



Photo: Heather Pryor, electrician with Mike Dextrase, plant manager, Soda Creek Division.

> Tolko supports children-at-risk programs



Photo, L to R: Gareth Jones (OKIB) with Justin Giddens & Melyssa Edwards (Tolko)

Tolko is pleased to announce its support of children-at-risk programs for the Okanagan Indian Band (OKIB), a valued community partner.

"This investment directly aligns with our Tolko values and allows us to have a positive impact on the OKIB community," says Gordon Sitter, plant manager at Tolko's Lavington Division.

"The OKIB has created programs for children-at-risk that focus on prevention and intervention," says Gareth Jones, Director, Community Services Department with OKIB. "A supportive community is vital to achieving successful outcomes for our youth, and we appreciate Tolko's generous donation."

Tolko's support is an example of partners working together to achieve positive results, especially programs that emphasize increasing self-confidence, developing social and family relationships, and making positive life choices.

> Helping North Okanagan working families thrive

Tolko is proud to support the Bridge Educational Society with a product donation for their new Early Years Daycare Centre located in Lumby, BC. The facility, which opens this summer will provide North Okanagan families with quality childcare for 63 kids within a commutable distance of their home.

"We are grateful to be part of a childcare solution that supports the local community and provides our employees with access to childcare."

- Scot Durward, Manager, HR Operations & Woodlands, Tolko.

> Sask Polytech student awarded Tolko scholarship

Jaden White-Laroque is a young man with a natural curiosity for learning. While enrolled in Sask Polytech's Heavy Equipment/Truck and Transport Technician program he applied for Tolko's \$2,500 scholarship because he thought his schooling was a good fit. Jaden says that he is "very honoured" to have been selected. "It's great to know that out of all the people who applied for this award, I was chosen," he says. "I am a hard-working and driven person, I like to succeed in everything I do."

CONGRATULATIONS JADEN!



> LIVING THE GREEN DREAM

Joshua Kranabetter - Summer Student, Armstrong Division

At Tolko, we support youth through scholarships and summer student programs. Each year, the Forest Products Association of Canada (FPAC) turns 10 upcoming stars into influencers through its Green Dream Bloggers initiative.

“The program recognizes FPAC-member summer students and promotes their work,” says Michelle Mercer, HR Advisor, Diversity and Inclusion. “It’s more impactful to

have them tell their own stories, inspiring peers to explore the forest products industry as an exciting career option.”

Tolko’s Joshua Kranabetter was selected as a 2019 Green Dream Blogger. Joshua, a UBC Okanagan

Computer Science major, is writing about his work experience through five blog posts and will receive a \$1,000 FPAC scholarship, matched by Tolko. To follow Joshua through the summer, visit www.thegreenestworkforce.ca



SEPTEMBER 2019

- 21 - 28** Gender Equality Week
- 22 - 28** National Forest Week
- 30** Orange Shirt Day
National Truth and Reconciliation Day

OCTOBER 2019

WOMEN’S HISTORY MONTH (CANADA)
LEARNING DISABILITIES AWARENESS MONTH

NOVEMBER 2019

- 11** Remembrance Day **#RemembranceDay**
- 19** International Men’s Day

DIVERSITY & INCLUSION DATES OF NOTE

DECEMBER 2019

- 3** International Day of Persons with Disabilities (UN) **#IDPWD**
- 6** National Day of Remembrance and Action on Violence Against Women (Canada)

FEBRUARY 2020

- 17** Family Day (BC/AB/SK)
- 26** Pink Shirt Day / Anti-Bullying Day

Check out our Diversity & Inclusion pages on TOLKO.COM and TNet!

Website: <https://tolko.com/responsibility/diversity-inclusion>

TNet: Visit the TNet home page and click on the Diversity and Inclusion link at the top right.

MYTH BUSTING **TACKLING DIVERSITY MYTHS**

Some might argue that diversity of thought is attainable within any workforce. Not true! Granted, any time you put two people in a room together, you will have some diversity of thought – even if they are identical twins.

The problem is, if you don't actively engage people from different parts of the human spectrum, you won't get as wide a diversity of thought as you otherwise would. Diversity of thought is paramount to how people solve problems and even identify them in the first place.

If we are not creating a diverse workforce, we will be left behind.

FEEDBACK

Questions, suggestions, or comments about Diversity and Inclusion can be directed to our confidential e-mail: **DISC@tolko.com**

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