

Task Force on Climate- related Financial Disclosure Alignment

The Task Force on Climate-related Financial Disclosure (TCFD) was established in 2015 by the Financial Stability Board to make recommendations for consistent company disclosures to help financial market participants understand investment risks related to climate change. The following table provides details on Interfor’s climate-related practices and disclosures as recommended by the TCFD.

| PILLAR | RECOMMENDED DISCLOSURE | INTERFOR PRACTICES AND DISCLOSURES |
|------------|----------------------------------|--|
| GOVERNANCE | Board Oversight | Interfor’s Board has an Environment & Safety Committee that oversees environmental performance, including climate-related risks and opportunities. Each quarter, the Senior Vice President, HR & Sustainability reports to the committee, including a climate report related to material risks, opportunities, issues and performance. |
| | Management Responsibility | Interfor’s Sustainability Committee is made up of executive leadership from across all operating regions and is responsible for our climate strategy. It recommends targets as well as ways we can mitigate risks and capture opportunities related to climate. Our Energy Team and our Environment Team, each made up of regional managers, are tasked with exploring opportunities and implementing practices and strategies to achieve climate-related targets. |
| STRATEGY | Risks and Opportunities | Climate-related risks and opportunities identified through qualitative scenario analysis are discussed in detail on our website at Sustainable Forestry , Sustainable Products & Operations , and Qualitative Climate Scenarios . |
| | Strategic Impacts | The due diligence processes for strategic decisions such as capital investments and acquisitions identify and evaluate risks, including those related to climate change. We align with government strategies, contribute to land use policy discussions, and engage with peers and customers to address both risks and opportunities (see Transition to a Low-Carbon Economy on the Sustainable Products & Operations page of our website). As a manufacturer of sustainable, climate-friendly building materials and a proponent of sustainable forest management, we are well-positioned to contribute to the global effort to combat climate change. |
| | Scenario Analysis and Resilience | Interfor has a qualitative scenario analysis that was last updated in 2022 with the help of climate experts. See Climate Scenarios for details, including resilience strategies. |

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| RISK MANAGEMENT | Process for Risk Identification | Our senior executives prepare and review a report on company-wide material risks, which is shared with our Board on a quarterly basis. Annually, our senior leaders contribute updates to a register of risks that have been identified as potentially material to our business. |
| | Process for Risk Management | Interfor has an extensive program in place to protect assets from physical risks such as wildfire or hurricanes. We work with third-party loss prevention engineers to identify and mitigate risks to our assets, starting with the design of our facilities. Due diligence processes for strategic decisions such as capital investments and acquisitions also include the identification and evaluation of risks. |
| | Integration with Enterprise Risk | Identifying, understanding and planning for the mitigation of material climate risks is part of our overall risk management process. It ties closely to our duty as a publicly traded company, a manager and steward of public forested lands in Canada, and a manufacturer of sustainable forest products across North America. |
| METRICS AND TARGETS | Climate Metrics | We disclose data on a variety of climate metrics including sustainable forest management, reforestation, including species diversity, GHG emissions, energy use, carbon storage, residuals and waste, water use and environmental compliance. |
| | Greenhouse Gas Measurements | We report Scope 1, Scope 2, Scope 3 and biogenic carbon emissions in alignment with the Greenhouse Gas Protocol, a global standardized framework. Each year we work to refine and improve our GHG inventory. |
| | Climate Targets | We have set a target to reduce our Scope 1 and 2 GHG emissions by 40% by 2030 from a 2021 baseline. Details about our baseline and methodology for adjustments, such as how acquisitions or sales will be incorporated, have been outlined in our Interfor GHG Inventory and Target Methodology Guide. For more information, see References & Methodology . |