2024 SUSTAINABILITY REPORT

President & CEO Message

SVP, Human Resources Message

Introduction &
Table of Contents

> SAFETY

Key Metrics

Contractor Safety

> PEOPLE

Employee Development

Our People

Employee Demographics & Recruiting

Indigenous Peoples

Communities & Customers

> CLIMATE & ENVIRONMENT

Greenhouse Gas Emissions

Forest Values

Biodiversity

Environmental Management

By-Products Waste & Recycling

Infrastructure & Technology

- > GOVERNANCE
- > REFERENCES & METHODOLOGY



# 2024 SUSTAINABILITY REPORT

President & CEO Message

SVP, Human Resources Message

Introduction & Table of Contents

> SAFETY

**Key Metrics** 

Contractor Safety

> PEOPLE

Employee Development

Our People

Employee Demographics & Recruiting

Indigenous Peoples

Communities & Customers

> CLIMATE & ENVIRONMENT

Greenhouse Gas Emissions

Forest Values

Biodiversity

Environmental Management

By-Products Waste & Recycling

Infrastructure & Technology

> GOVERNANCE

> REFERENCES & METHODOLOGY



# **Treatment of Divestments**

The safety and employee data presented in this report include metrics on the total number of sawmills that Interfor operated by region and our annual production capacity in 2024. Metrics for these categories include the Philomath, OR operation that was divested in 2024 and the Québec operations that were divested in January of 2025.

SAFETY METRICS METHODOLOGY		
Serious Injuries	Serious injuries are a subset of work-related employee recordable incidents. They are injuries that result in a fatality, are life-threatening or are considered life-altering.	
Medical Incident Rate (MIR)	The MIR is calculated by multiplying the number of recordable incidents by 200,000 and dividing this by the number of hours all employees worked. The 200,000 hours represent 100 full-time equivalent employees working 40 hours a week for 50 weeks. The methodology for determining recordable incidents is based on OSHA for US Operations and the BC Forest Safety Council's Manufacturing Advisory Group (MAG) for Canadian operations. Across both countries, they include medical treatments, lost-time incidents, restricted work incidents, and fatalities.	
Serious Injury or Fatality Potential (SIFp) Events	Events that were or had the potential or probability to be a serious injury or fatality if circumstances were slightly different.	
MIR Reduction Target	The target to reduce the MIR by 3% every year is based on a three-year rolling average.	
Lost Time Frequency Rate (LTFR)	The LTFR is calculated by multiplying the number of lost time incidents by 200,000 and dividing this by the number of hours all employees worked. The 200,000 hours represent 100 full-time equivalent employees working 40 hours a week for 50 weeks.	
Lost Time Incidents	Lost time incidents include any in which an employee loses one or more days from work due to an occupational injury or illness.	
Serious Injury Rate	Similar to the MIR, the serious injuries rate is the number of serious injuries per 100 employees working full-time in a year. It is calculated by multiplying the number of serious injuries by 200,000 and dividing this by the number of hours all employees worked.	
Lost Working Days	Calculated using OSHA methodology.	
Lost Day Rate	Similar to the MIR, the lost day rate is calculated by multiplying lost days by 200,000 and divided by the total number of hours all employees worked.	
Occupational Disease Cases	Determined using OSHA methodology, includes work-related stress leave.	
Proactive Safety Reports	Includes hazard reports, close call reports, safety action reports and observation reports.	
Capital Projects   Contractor MIR	See Medical Incident Rate section above for methodology. The Capital Projects Contractor MIR is calculated for each year using the total project-to-date hours and incidents for capital projects active in the reporting year.	
Woodlands Contractor MIR	See Medical Incident Rate section above for methodology. It includes all Canadian woodlands contractors, and a periodic collection of exposure hour data is used to develop informed estimates of total exposure hours.	

# 2024 SUSTAINABILITY REPORT

President & CEO Message

SVP, Human Resources Message

Introduction & Table of Contents

> SAFETY

**Key Metrics** 

Contractor Safety

> PEOPLE

Employee Development

Our People

Employee Demographics & Recruiting

Indigenous Peoples

Communities & Customers

> CLIMATE & ENVIRONMENT

Greenhouse Gas Emissions

Forest Values

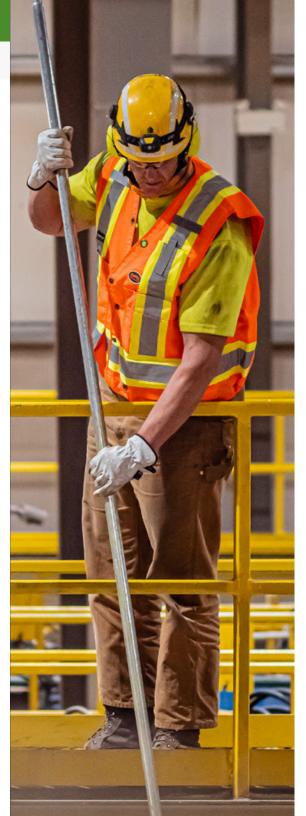
Biodiversity

Environmental Management

By-Products Waste & Recycling

Infrastructure & Technology

- > GOVERNANCE
- > REFERENCES & METHODOLOGY



EMPLOYEE METRICS METHODOLOGY		
Internal Promotions	Internal promotions include all salaried roles, excluding intern positions.	
Amount Spent on Learning and Education	Excludes wages paid to employees while learning, training or studying.	
Total Hours Spent on Learning, Company-wide in 2024	Includes hourly and salaried learning, training or studying either through our learning management system or through our millwright training programs. Excludes learning and courses completed externally such as continuing development courses provided to professionals by their associations.	
Employee Development Programs	Metrics that reference the total number of employees who have completed, graduated from, or were active in programs include those who previously completed or were active in the program but were no longer employees as of Dec 31, 2024.	
Millwright Program Highlights- Investment per Participant	Based on total spending for the programs (supplies, system costs, trade center costs, instructor wages and student travel, meals and accommodation) and excludes wages paid to employees during learning, training and studying.	
Demographics Data	In all demographics data, information for Canadian operations is based on voluntary employee surveys. Where employees decline to identify their gender or race/ethnicity, they are assumed to not belong to an underrepresented group.	
Under-Represented Groups	Under-represented groups include women, ethnic and racial minorities, and Indigenous Peoples. Employees who declined to identify their gender or race/ethnicity are assumed not to belong to an under-represented group.	
Leadership & Development Programs Target	Includes the following programs: LEAD-X, Industrial Wood Processing Program, Business of Sawmilling, Millwright Apprenticeship Program, Advanced Maintenance Training, Millwright Accelerator Training, and Saw Filer Apprenticeship Program. Employees enrolled in more than one program are only counted once. Excludes any individuals who were no longer employees as of Dec 31, 2024.	
Hourly Trades / Skilled Workforce	Includes all positions requiring advanced training and skills to operate or maintain equipment and excludes entry-level positions.	
Supervisors / Superintendents	Includes all positions in front line leadership in our manufacturing or woodlands operations and excludes corporate and senior managers.	

### 2024 SUSTAINABILITY REPORT

President & CEO Message

SVP, Human Resources Message

Introduction & Table of Contents

> SAFETY

**Key Metrics** 

Contractor Safety

> PEOPLE

**Employee Development** 

Our People

Employee Demographics & Recruiting

Indigenous Peoples

Communities & Customers

> CLIMATE & ENVIRONMENT

Greenhouse Gas Emissions

Forest Values

Biodiversity

**Environmental Management** 

By-Products Waste & Recycling

Infrastructure & Technology

> GOVERNANCE

> REFERENCES & METHODOLOGY



# **Treatment of Divestments**

The climate, environmental and other data presented in this report include metrics on the total number of sawmills that Interfor operated by region and our annual production capacity on 2024. Metrics for these categories exclude the Québec operations that were divested in January of 2025 and subsequently removed from our baseline.

# **CLIMATE METRICS METHODOLOGY**

### Base Year & Recalculation Methods

The base year selected for Interfor's GHG inventory and reduction target is 2021. Annual reporting prior to 2021 will not be recalculated. Non-organic changes to facilities in operation, changes in calculation methods (data, emissions factors), correction of errors, and assumptions or revised operational boundaries that are expected to result in a >5% change from the base year, result in a recalculation of the base year (2021) and historic emissions. See Variances from Previous Report on the following page for details on restated values in the 2024 Sustainability Report.

Includes carbon dioxide ( $CO_2$ ), methane ( $CH_4$ ) and nitrous oxide ( $N_2O$ ) expressed in tonnes of carbon dioxide equivalent ( $CO_3e$ ).

Calculated using:

- Fossil fuel consumption (natural gas, diesel, gasoline, propane, light fuel oil) for both stationary and mobile combustion at primary sawmilling operations, one remanufacturing facility, one I-joist plant and woodlands operations:
- CH<sub>4</sub> and N<sub>2</sub>O from biomass combustion at primary sawmilling operations that use biomass as a source of heat and power for kiln-drying operations.

Emissions factors for  $CO_2$ ,  $CH_4$  and  $N_2O$  were used to calculate stationary or mobile combustion of each fuel. For fuels used in both mobile and stationary applications (e.g. diesel), the amount of each application was estimated as a percentage of total use at a regional or site level. The appropriate emissions factors for the mobile portion of fuel used were selected based on the vehicle fleet and fuel use at each site (e.g. Tier 4 mobile equipment, light pickup trucks, marine).

Scope 1 Emissions

Factors used to calculate CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O emissions are from:

- United States Environmental Protection Agency (US EPA) GHG Emission Factors Hub for all US facilities;
- Environment and Climate Change Canada National Inventory Report 1990-2022 for all Canadian facilities.

Global Warming Potential (GWP) factors used to calculate  $CO_2$ e are from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) as adapted by the GHG Protocol.

Notes: Excludes  $\mathrm{CO_2}$  emissions from biomass combustion. As per the GHG Protocol these are reported separately. Regional numbers included within our Company total may vary from state or provincially reported numbers due to methodology. For example, our calculations use IPCC Fifth Assessment Report GWP factors (per GHG Protocol recommendations) while reporting requirements in some jurisdictions specify using Fourth Assessment Report GWP factors.

### 2024 SUSTAINABILITY REPORT

President & CEO Message

SVP, Human Resources Message

Introduction & Table of Contents

> SAFETY

**Key Metrics** 

Contractor Safety

> PEOPLE

**Employee Development** 

Our People

Employee Demographics & Recruiting

Indigenous Peoples

Communities & Customers

> CLIMATE & ENVIRONMENT

Greenhouse Gas Emissions

Forest Values

Biodiversity

Environmental Management

By-Products Waste & Recycling

Infrastructure & Technology

> GOVERNANCE

> REFERENCES & METHODOLOGY



### **CLIMATE METRICS METHODOLOGY CONTINUED**

Location-based emissions are calculated using regional electricity consumption and corresponding GHG emissions factors. Sources by operation are:

- Environment and Climate Change Canada National Inventory Report 1990-2022 Part 3 for all Canadian facilities (by province); and
- US Energy Information Administration Power Profiles (Power Profiler Emissions Tool 2022) by subregion:
- SRSO (South): Baxley, Eatonton, Perry, Preston, Swainsboro, Bay Springs, Fayette, Meldrim, Thomaston
- SRVC (Virginia-Carolina): Georgetown, Summerville
- SRMV (Mississippi Valley): Monticello, DeQuincy
- NWPP (Northwest): Longview, Port Angeles, Molalla, Cedarprime, Philomath

Includes purchased electricity only.

Electricity covered in building leases (minor use) is not included. GHG emissions associated with electricity lost during transportation and distribution are excluded.

# Scope 3 Emissions

Scope 2 Emissions

Interfor's Scope 3 Emissions Inventory is calculated using a combination of methods: spend-based, average-data and supplier-specific. The inventory calculations include data and estimates, and all assumptions and methods are documented in the Interfor GHG Inventory and Target Methodology Guide. A continuous improvement process will be used to refine and improve this methodology, the inventory and, as needed, to re-calculate and revise reporting for previous years.

Calculated in tonnes of CO<sub>2</sub>e per thousand board feet of lumber produced including:

### Intensity

- Direct Scope 1 emissions;
- Indirect Scope 2 emissions: and
- Annual lumber production, all divisions.

# Variances from previous year's reporting of 2021 to 2023 emissions are due to:

### Variances from Previous Report

- Exclusion of mills divested from our operations;
- Updated emissions factors; and
- Minor corrections to data.

### Carbon Stored

Calculated using the Canadian Wood Council's Carbon Calculator and the total board feet of lumber, by species grouping, sold by Interfor in the reporting year.

# Carbon Dioxide Emissions from Biomass Combustion

Includes calculated  $CO_2$  emissions from biomass consumption at facilities where biomass is consumed for energy.  $CH_4$  and  $N_2O$  emissions from combustion of biomass are included in Scope 1 emissions and excluded from biogenic carbon dioxide emissions from biomass combustion. Factors used to calculate  $CO_2$  emissions are from:

- US EPA GHG Emission Factors Hub for all US facilities; and
- Environment and Climate Change Canada National Inventory Report 1990-2022 for all Canadian facilities.

# 2024 SUSTAINABILITY REPORT

President & CEO Message

SVP, Human Resources Message

Introduction &
Table of Contents

> SAFETY

Key Metrics

Contractor Safety

> PEOPLE

Employee Development

Our People

Employee Demographics & Recruiting

Indigenous Peoples

Communities & Customers

> CLIMATE & ENVIRONMENT

Greenhouse Gas Emissions

Forest Values

Biodiversity

Environmental Management

By-Products Waste & Recycling

Infrastructure & Technology

> GOVERNANCE

> REFERENCES & METHODOLOGY



# CLIMATE METRICS METHODOLOGY CONTINUED

Energy purchased excludes electricity covered in building leases (minor use). Proportion of renewable vs. non-renewable purchased electricity is based on published percentage by region (Canada Energy Regulator, BC Hydro and US EIA Power Profiles).

# **Energy Use**

Energy produced includes:

- Energy from onsite biomass combustion calculated in GJ per tonne of biomass consumed; and
- Energy from fossil fuel combustion including natural gas, diesel, propane and gasoline calculated in GJ per units of fossil fuel consumed in both mobile and stationary applications.

Energy Resilience	Percentage of kilns by fuel type includes kilns that are actively in use.
Trees Planted	Includes total trees planted in woodlands managed by Interfor in British Columbia, Ontario and New Brunswick.

# **ENVIRONMENT METRICS METHODOLOGY**

Biodiversity Interface Management Plans Target	Target to implement Biodiversity Interface Management Plans at 100% of our sites by end of 2024 is specific to Interfor manufacturing facilities. Interfor woodlands have existing, comprehensive biodiversity management frameworks incorporated into forest management and stewardship plans.
Compliance Target	Target to achieve 100% completion of all legal and internal compliance tasks is specific to Compliance Schedules for Interfor manufacturing facilities and includes legal requirements as well as requirements under Interfor's EMS.
Water Withdrawal	Water withdrawal information is based on metered water withdrawal data, where available, and estimates. Changes in total water consumption reported reflect the removal of mills divested from our operations, as well as improved tracking of water use due to the installation of water meters.
Air Emissions	Air emissions data is compiled using mill emissions inventories and reports from each individual facility. Reported emissions methodology, such as sources included and emissions factors, are based on regional reporting requirements for each site.
Waste and Beneficial Use/Recycling	Waste and beneficial use/recycling data is compiled based on a combination of scaled weight data, waste hauling manifests and estimates; all amounts reported are approximate. Note: wastewater discharge is not included in this metric.
Reportable Spills	Includes any spill that meets the legal reporting requirement for the applicable jurisdiction.
Water Reductions	Estimated water reductions for waterless urinal target (Port Angeles) are based on manufacturer's specifications. Water reductions for calcium dust control (Elk Lake) are based on historic water use compared to 2023 trials.
Water Reductions	Waste reduction total is based on monthly data from individual mill pilot projects.

# 2024 SUSTAINABILITY REPORT

President & CEO Message

SVP, Human Resources Message

Introduction & Table of Contents

> SAFETY

Key Metrics

Contractor Safety

> PEOPLE

Employee Development

Our People

Employee Demographics & Recruiting

Indigenous Peoples

Communities & Customers

> CLIMATE & ENVIRONMENT

Greenhouse Gas Emissions

Forest Values

Biodiversity

Environmental Management

By-Products Waste & Recycling

Infrastructure & Technology

> GOVERNANCE

> REFERENCES & METHODOLOGY



# OTHER METRICS METHODOLOGY

Indigenous Territories and Agreements	Total number of territories is based on available records and information. Individual agreements and communities with agreements are based on a cumulative total since 2010.
Indigenous Employment	All metrics regarding Indigenous employment are based on voluntary disclosure or identification as Indigenous.
Eastern Operations Indigenous Workforce by Department	This table is specific to Ontario operations that track this information in support of their Partnership Accreditation in Indigenous Relations (PAIR) Certification.
Community Donations	All amounts are based on actual spending in 2024.
Capital Investments (Upgrades)	Includes capital expenditures for upgrades and investments in existing facilities and systems only.