2024

SUSTAINABILITY REPORT

Building value through sound environmental, social and governance practices

Interfor's approach to sustainability is based on a broad appreciation for what it takes for our Company, and our society, to deliver on the needs of today without compromising our future.

IAN FILLINGER
President & CEO

IAN FILLINGER
President & CEO

Message from the President & CEO

This year served as an opportunity for Interfor to further strengthen our Company in the face of economic uncertainties. We are committed to the health of our Company today as we strive to shape a sustainable future. Significant weather events impacted our operations over the last two years, reinforcing the importance of protecting our forests, operations and communities to ensure long-term availability of renewable forest products for future generations.

Safety remains our highest priority in all we do. This year, we are proud of our improved safety performance, which continues to outperform the industry average. It shows our commitment to our goal of zero injuries and everyone returning home safely at the end of the day.

Our people are the backbone of Interfor, and we are growing a workforce that reflects the strengths and talents of our communities. We continue our investments in learning and development, fostering an engaged and talented workforce empowered to grow professionally and personally.

As we continue to prioritize sustainable operations, we have invested in projects that enhance energy efficiency, reduce water consumption, minimize waste and build resilience into our operations.

We are proud of what Interfor accomplished in 2024, and we will remain focused on what's ahead as we continue to strengthen our business, protect our resources and create value for our people, communities and shareholders. With a strong foundation in place, we are excited to continue growing responsibly and contributing to a sustainable world for generations to come.

Ian Fillinger
President & CEO

3

Message from the Senior Vice President, Human Resources

This year, Interfor advanced its sustainability strategy while navigating both economic and environmental challenges. We are proud of our Company's resilience and our ongoing commitment to building value sustainably.

We are pleased to present our *2024 Sustainability Report* comprising key data and progress reports on safety, people and our environmental efforts. For a more detailed look at our sustainable operations, priorities and values, we invite you to visit our website.

As evidenced in the following pages, Interfor continues to make progress toward material targets. But we know that a sustainable business is not just about meeting targets - it is a daily commitment to our values and our people.

We look forward to continuing this work in the years ahead.

Tim Hartnett
Senior Vice President,
Human Resources

TIM HARTNETT
Senior Vice President,
Human Resources

2024 SUSTAINABILITY REPORT

Interfor is one of the world's largest lumber producers, with more than 4,500 employees and well-positioned facilities across all major timber-producing regions of North America. As a supplier of high-quality lumber, offering a diverse line of products in markets around the world, we prioritize investing in our people and operations.

We aim to be the most profitable, valuable and respected forest products company in the world. To achieve this, we are committed to elevating a culture of sustainability excellence, conducting ourselves and our business with honesty and integrity and promoting continuous improvement from the forests to our mills.

Building value sustainably is an ongoing effort that requires day-to-day decisions and actions that enhance the value of our products and our business, strengthen the relationships we build and protect the environments in which we operate. We are proud to report our 2024 performance on our key sustainability pillars of safety, people and the environment, and to continue our commitment to evolving our business through the guiding principles of sustainability.

SAFETY

OUR GOAL
is that everyone returns home safely.

In everything we do, every day, safety comes first.

As we work toward our goal of zero injuries, we have set interim targets to have zero serious injuries and to reduce our medical incident rate (MIR) by 3% every year based on a three-year rolling average.
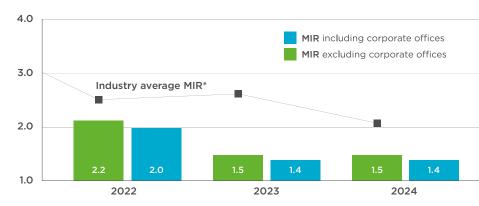
Key Safety Metrics

Our goal is that everyone returns home safely, so the targets for our medical incident rate (MIR) and lost time frequency rate (LTFR) are both zero.

Our MIR and LTFR metrics reflect incident reporting for all employees across our Company, including operations and corporate offices. Our target to reduce our MIR by 3% annually remains unchanged. We track both rates and the severity of incidents within each, and the downward trend year over year demonstrates our progress.

In 2024, most of our facilities achieved an MIR of less than 2.0, which we recognize as a meaningful threshold. We also achieved our target of reducing our MIR by 3% (based on a three-year rolling average), and 97% of our facilities reported zero serious injuries.

Please see our website for details regarding our safety programs and policies, safety certifications, safety initiatives and for more information on our key metrics.

Interfor Medical Incident Rate

Legend:
- MIR including corporate offices
- MIR excluding corporate offices
- Industry average MIR*

Values (excluding / including):
- 2022: 2.2 / 2.0
- 2023: 1.5 / 1.4
- 2024: 1.5 / 1.4

* The industry average MIR is from the British Columbia Manufacturing Advisory Group (MAG) for solid wood producers. We work with several different organizations across our operations to track and benchmark safety performance with our peers. The BC MAG has the lowest industry average MIR.

Interfor Lost Time Frequency Rate

Legend:
- LFTR including corporate offices
- LFTR excluding corporate offices

Values (excluding / including):
- 2022: 0.4 / 0.3
- 2023: 0.5 / 0.4
- 2024: 0.5 / 0.4

INTERFOR MIR		
YEAR	MIR	FATALITIES
2022	2.2	1
2023	1.5	0
2024	1.5	0

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 **MAG** for Canadian operations. Across both countries, they include medical treatments, lost time incidents, restricted work incidents and fatalities. The LTFR is calculated using the same method for lost time incidents.

INTERFOR LTFR		
YEAR	LTFR	LT INCIDENTS*
2022	0.4	16
2023	0.5	23
2024	0.5	21

*Lost time incidents include any in which an employee loses one or more days from work due to an occupational injury or illness.

Note: Figures reported in above tables exclude corporate offices.

Serious Injuries

Serious injuries are a subset of work-related, employee recordable incidents. They include life-threatening or life-altering injuries or injuries that result in a fatality. While the MIR and recordable incidents continue to be a focus for our safety performance and reporting, we also track and report on serious injuries with a goal to eliminate them. Currently, serious injuries make up approximately 5% of all our recordable injuries.

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 exposure hours. Exposure hours refer to the total number of hours all employees actually worked, excluding corporate offices.

SERIOUS INJURIES			
YEAR	EXPOSURE HOURS	SERIOUS INJURIES RATE	SERIOUS INJURIES
2022	9.0	0.04	2
2023	10.2	0.08	4
2024	9.2	0.02	1

Serious Injury or Fatality Potential (SIFp) Events

SIFp events are ones that had the potential or probability to be a serious injury or fatality if circumstances were slightly different. We investigate and communicate the findings and corrective actions of an SIFp event as closely as possible to an actual fatality investigation. This includes immediate senior-level on-site involvement, re-enactments, interviews and safety alerts. We began tracking SIFp events in 2020.

SERIOUS INJURY OR FATALITY POTENTIAL (SIFp) EVENTS			
	2022	2023	2024
Interfor Total SIFp Events	13	14	10
Near-Miss SIFp Events	13	9	10
Serious Injury SIFp Events	0	5	0
Total Exposure Hours (MM)	9.0	10.2	9.2

Proactive Safety Indicators

Proactive safety reports are leading indicators that can make the most significant impact on reducing incidents. They include near-miss reports, hazard reports, safety action reports and observation reports. Safety alert bulletins that summarize events and learnings offer direction on preventive and corrective actions that could be implemented to prevent future incidents.

PROACTIVE SAFETY REPORTS & SAFETY ALERTS			
	2022	2023	2024
Proactive Safety Reports Completed	48,747	46,100	58,105
Safety Alerts Shared	131	114	124

LOST WORKING DAYS & OCCUPATIONAL DISEASE			
	2022	2023	2024
Lost Working Days*	1,024	883	1,268
Lost Day Rate**	23	17	27.6
Occupational Disease Cases*	4	0	0

 * Determined using OSHA methodology, includes work-related stress leave

** Calculated using lost days multiplied by 200,000 and divided by total number of hours all employees worked

Contractor Safety

Woodlands

We work with contractors in our woodlands operations to track and report their MIR, and improving their performance is a key focus. The MIR for woodlands contractors has declined over the last nine years and is lower than the industry average for forestry operations. We recognize that we still have more work to do, and we commend our contractors for the progress they have made and their continued commitment to safety.

WOODLANDS CONTRACTOR SIFp EVENTS	2022	2023	2024
Total Woodlands Contractor SIFp Events	9	13	3
Near-Miss SIFp Events	7	10	1
Serious Injury SIFp Events	2	3	2
Exposure Hours (MM)	1.7	2.4	2.4

WOODLANDS CONTRACTORS	2022	2023	2024
MIR	1.9	2.0	1.5
Fatalities	0	0	0

Capital Projects

We require that capital project contractors demonstrate due diligence and report on key safety metrics. Each capital project plan incorporates safety as a key aspect, providing clear directions on safety standards and expectations covering topics such as lockout, hot work, incident investigation expectations, crane and lifting safety, confined spaces, and platform and walkway installation. Our capital projects contractor MIR has declined from 3.33 in 2022 to zero in 2024.

For more information on the calculators of our safety metrics, please see References & Methodology.

PEOPLE
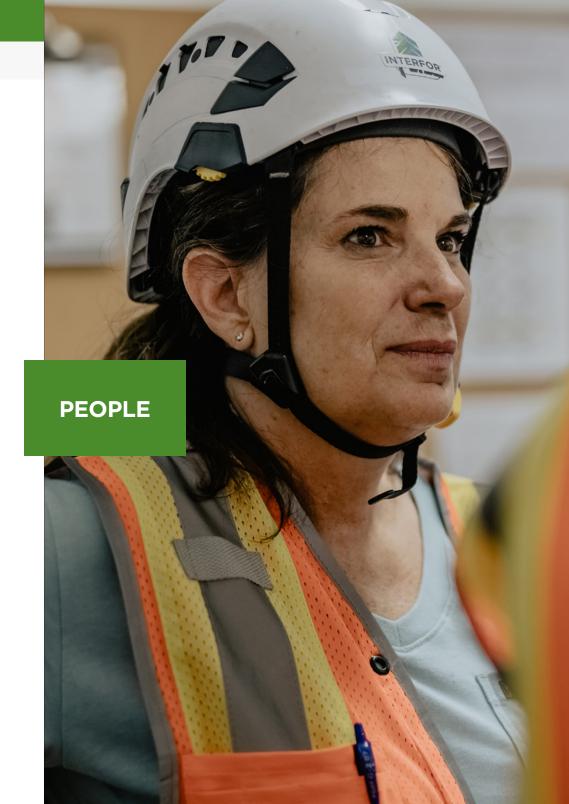
OUR GOAL
is to develop a workforce that reflects the strengths and talents of our communities.

Our people define who we are as a Company.

Our culture is formed by the core values of our employees, how we take care of each other, and how we meet the needs of our customers and the communities where we operate.
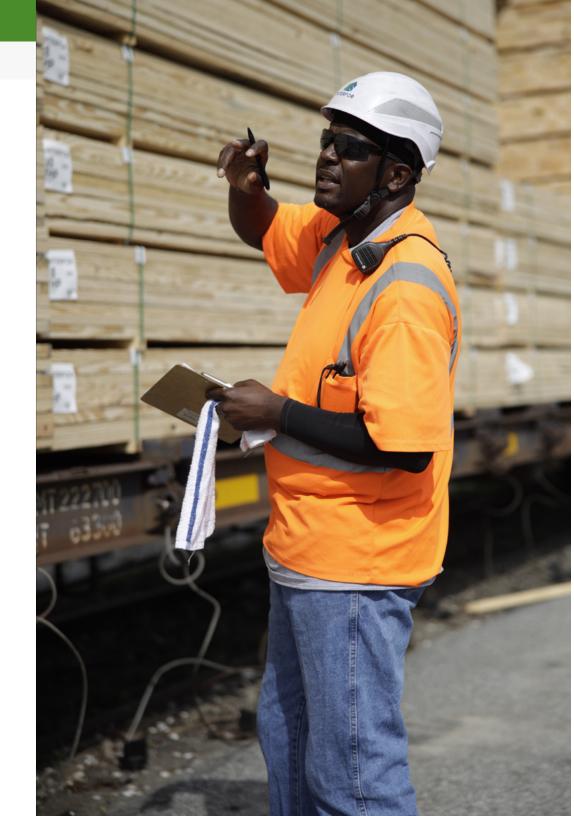
Employee Development

We provide opportunities for our employees to grow, prosper, and develop their abilities through on-the-job training and working with experienced mentors. For more details on employee development programs, please visit our website.

FOUNDATIONAL TRAINING PROGRAM GRADUATES		
PROGRAM	# OF GRADUATES SINCE PROGRAM BEGAN	# OF PARTICIPANTS IN 2024
Industrial Wood Processing Program	146	14
Business of Sawmilling Course	41	15
LEAD-X	306	71
Senior Leader Development Program	N/A	6

US Trades Program Highlights

183 participants including:

- **82 active** apprentices working toward millwright certification
- **84 advanced** mechanical training participants
- **17 saw filer** apprentices gaining experience

In 2024, we invested more than **$7,000** per millwright apprentice and paid wages for more than **31,000** classroom and study hours.

Learning & Development Highlights

635 courses offered through our online learning management system

- More than **31,000 hours** of learning completed by employees
- More than **$2.4 million** spent on learning and education
- **71% of openings** filled by internal promotions
- Introduction of our US Hourly Pay Progression program, which advances employees based on skill levels and training obtained
- Dedicated technical training positions providing customized mill-specific training solutions

11

Our People

As part of our commitment to sustainability, we strive to build a workforce that reflects the strengths and talents of the communities we serve. We recognize that an inclusive and balanced workforce is essential to driving innovation, fostering engagement and ensuring our long-term success.

At the core of our approach is a commitment to merit-based hiring and promotion. We are dedicated to recognizing and rewarding hard work, ensuring that every employee has the opportunity to grow and succeed based on their contributions and achievements. Our focus remains on building high-performing teams that reflect our core values.

To drive meaningful progress, we continuously engage with our employees, identify and implement best practices, and measure our efforts to ensure accountability. Through ongoing initiatives, mentorship programs, leadership development and inclusive hiring strategies, we are committed to creating a workplace where everyone has an opportunity to thrive.

For more details on the actions we've taken to strengthen our workforce in 2024, please visit our website.

OUR DIVERSE WORKFORCE	2022	2023	2024
Overall Workforce from Under-Represented Groups*	46%	41%	39%
Hourly Trades/Skilled Workforce from an Under-Represented Group	36%	35%	33%
Supervisors and Superintendents from Under-Represented Groups	26%	29%	25%
Employees in Leadership and Development Programs from an Under-Represented Group	28%	33%	27%
Women in Our Hourly Workforce	7%	8%	8%
Women Supervisors and Superintendents	9%	10%	9%
Women Senior Managers	17%	16%	11%
Women Executives	14%	8%	15%
Women on Our Board of Directors	27%	25%	33%
External Hires from Under-Represented Groups	56%	47%	44%

* Under-represented groups include women, ethnic and racial minorities, and Indigenous Peoples. Employees who declined to identify gender or race/ethnicity are assumed not to belong to an under-represented group.

Employee Demographics & Recruiting

We focus on key recruiting programs and partnerships to build the talented and dynamic workforce we need to grow our future leaders.

Our campus recruiting program provides students with a defined plan for their success through the help of a dedicated and knowledgeable mentor and a project that drives business value while building knowledge. We engage with Historically Black Colleges and Universities (HBCUs) in our recruiting efforts as we grow our workforce of top talent that reflects the communities where we operate. And we continue to take action to increase representation of women in our workforce. We also offer part-time and casual shifts at several of our sawmills to attract a greater diversity of candidates, such as parents with childcare restrictions.

NUMBER OF INTERNS HIRED

	2022	2023	2024
Intern Positions	104	41	23
Hired into Full-Time Positions	14	9	4

EMPLOYMENT TYPE

	2022	2023	2024
Full-Time	4,797	5,188	4,449
Part-Time	23	18	16
Temporary	83	77	64

We respect the rights of workers, including freedom of peaceful assembly and association, collective bargaining, fair working hours and conditions, and fair compensation. We are committed to constructive engagement and stable relationships with our employees and bargaining in good faith with the organizations that represent them.

NUMBER OF EMPLOYEES COVERED BY A COLLECTIVE BARGAINING AGREEMENT

	2022	2023	2024
Full-Time	1,357	1,600	1,516

INTERFOR EMPLOYEES

● MEN 3,903 | 86%   ● WOMEN 616 | 14%   ● TOTAL | 4,529*

EMPLOYEES BY LOCATION, SALARIED/HOURLY

Canada | 2,372* | 52.4%

SALARIED
MEN 452 | 67.1%
WOMEN 222 | 32.9%

HOURLY
MEN 1,531 | 90.6%
WOMEN 158 | 9.4%

US & Other | 2,157* | 47.6%

SALARIED
MEN 332 | 75.1%
WOMEN 110 | 24.9%

HOURLY
MEN 1,586 | 92.7%
WOMEN 124 | 7.3%

TOTAL EMPLOYEES

SALARIED
MEN 786 | 70.2%
WOMEN 334 | 29.8%

HOURLY
MEN 3,117 | 91.7%
WOMEN 282 | 8.3%

EMPLOYEES BY AGE

Under 30
MEN 679 | 88.4%
WOMEN 89 | 11.1%

40-49
MEN 849 | 84.6%
WOMEN 155 | 15.4%

30-39
MEN 944 | 84.4%
WOMEN 174 | 15.6%

50+
MEN 1,431 | 87.8%
WOMEN 198 | 20.2%

Total by Age*
● UNDER 30 | 769
● 30-39 | 1,123
● 40-49 | 1,003
● 50+ | 1,632

* Includes 10 employees who declined to identify their gender

13

Indigenous Peoples

Our Canadian operations are within the territories of more than 100 Indigenous Nations. Since 2010, we have signed more than 190 individual agreements with 57 Indigenous communities or Nations, leading to a host of mutual benefits. In 2024, we signed 27 new agreements.

Additionally, over the past two years, we provided $31.7 million in funding and financing to support Indigenous economic development and capacity building. We remain committed to further expanding Indigenous participation and benefits within the forest industry.

For additional examples of current agreements and collaborations with our Indigenous partners, please visit the Indigenous Peoples section of our website.

Agreements with Indigenous Partners

The foundations of our agreements with our Indigenous partners can be organized into five categories:

1. GOVERNANCE

2. ECONOMIC BENEFIT AND REVENUE

3. STEWARDSHIP AND SUSTAINABILITY

4. CAPACITY BUILDING AND EMPLOYMENT

5. COMMUNITY ENGAGEMENT

Since 2022, our Ontario operations have held bronze level certification through the Partnership Accreditation in Indigenous Relations (PAIR) program, formerly Progressive Aboriginal Relations (PAR) program.

EASTERN OPERATIONS INDIGENOUS WORKFORCE BY DEPARTMENT		
	MANUFACTURING	WOODLANDS
Percent of Total Employees	7.2%	5.9%

BC WOODLANDS CONTRACTORS

2024
47%

BC Woodlands contractors Indigenous-owned or with Indigenous employees

ACTIVE INDIGENOUS TERRITORIES

2022 **48**   2023 **57**   2024 **75**

Number of Indigenous territories with active Interfor harvesting or road-building operations

In 2024, we successfully transferred 104,689 cubic meters of annual harvest under replaceable forest tenure to Tiicma Forestry Inc., owned by the Ka:'yu:'k't'h'/Che:k:tles7et'h' First Nations. Additionally, we transferred 165,392 cubic meters of annual harvest under replacement forest tenure to Cape Mudge Forestry Ltd., a company owned by the We Wai Kai First Nation.

Since 2021, we have transferred tenures for approximately 50% of our Allowable Annual Cut (AAC) in the BC Coastal region to Indigenous ownership. This includes three licenses to the shíshálh First Nation, who are actively involved in the Forest Landscape Planning process, protecting additional conservation areas that exceed government requirements.

Communities

Continuing our commitment to build value in the communities where our employees work and live, we aim to support a healthy economy and environment. In 2024, we supported these communities through:

- **$800,000+** in total donations

- **850+** employee volunteer hours

Through more than 30 events with our employees, we honored significant cultural observances and celebrated the diversity of our workforce and communities.

For more details on our community events and engagement in 2024, please visit the Communities section of our website.

Taxes & Employees

In 2024, Interfor employed 4,529 people and paid $31.7M in taxes, including amounts paid or payable in corporate income, property tax and certain other taxes to governments in the jurisdictions in which we operate. Due to a combination of the Company's 2023 business performance and previous years' tax payments, Interfor also received a tax refund of $69.8M in 2024 for Canadian federal income tax and BC logging taxes, as well as for US federal and state income tax. Excluded from our taxes reported here are taxes paid but not separately tracked or readily quantifiable, including BC provincial sales and carbon taxes.

TAX PAYMENTS				
	2021	2022	2023	2024
Canada	$66,708,000	$68,165,000	$2,659,000	$15,742,000
US	$154,117,000	$138,287,000	$29,813,000	$15,919,000
International	$197,000	$161,000	$14,000	$1,000
Total	$221,022,000	$206,613,000	$32,486,000	$31,662,000

EMPLOYEES				
	2021	2022	2023	2024
Canada	937	2,187	2,533	2,372
US	2,539	2,710	2,746	2,153
International	7	6	4	4
Total	3,483	4,903	5,283	4,529

Commitment to Customers

We are committed to meeting the needs of our customers. Our quality control programs ensure that our products meet exacting grade standards approved by the American Lumber Standard Committee (ALSC) Board of Review in the US and the Canadian Lumber Standards Accreditation Board (CLSAB) in Canada. We provide information to help ensure our customers and employees handle and use our products safely.

In 2024, Interfor did not have any of the following:

- Violations or nonconformance with regulatory labeling and/or marketing codes

- Product recalls

- Legal fines/settlements for violations of bribery corruption, or anti-competitive standards

In response to the devastation of Hurricane Helene in the southeastern United States in 2024, we donated $165,000 to help our Baxley and Swainsboro Divisions and surrounding communities with recovery efforts. Our donations to local nonprofits supported essential needs including local food banks, emergency management agencies, animal protection groups and family services. Employees across Canada and the US also raised funds, donated materials and cooked meals for colleagues affected by the hurricane.

CLIMATE & ENVIRONMENT

OUR GOAL
is to have a positive influence on the climate and environment.

Our industry is part of the powerful, natural carbon cycle of forests.

As one of the world's largest lumber producers, we are proud to provide low-carbon building products, and we continue to combat climate change through sustainable forest management.

GHG Emissions Inventory

Our emissions are reported in line with guidance from the Greenhouse Gas Protocol (GHG Protocol), a global standardized framework. Progress toward our 40% reduction goal outlined here is tracked from an established 2021 baseline.

- **Scope 1** emissions include the direct emissions we produce at our facilities from the combustion of fuels.

- **Scope 2** emissions include the emissions associated with the production of purchased electricity used at our sites (location-based).

- **Scope 3** emissions include the emissions associated with our supply chain, both upstream and downstream.

- **Biogenic emissions** include carbon dioxide (CO_2) emissions from biomass fuels, while methane (CH_4) and nitrous oxide (N_2O) from biomass combustion are included under Scope 1.

Baseline and prior year recalculations are completed in accordance with guidance from the GHG Protocol and Interfor's GHG Inventory and Target Methodology. For more information on the methodology, factors and calculators used in our GHG reporting, please see References & Methodology.

EMISSION CATEGORY	2021	2022	2023	2024
Scope 1 GHG Emissions (tCO$_2$e) Direct Fossil Fuel GHGs + CH$_4$/N$_2$O from Biomass	142,784*	143,324	128,448	123,272*
Scope 2 GHG Emissions (tCO$_2$e) Purchased Electricity	122,487*	125,334	132,246	124,418*
Scope 3 GHG Emissions (tCO$_2$e)	3.1M	3.1M	2.9M	2.7M
Value Chain Emissions	2M	2M	1.8M	1.4M
Biogenic Emissions from Our Value Chain	1.1M	1.1M	1.1M	1.3M
Direct Biogenic Carbon Emissions (tCO$_2$) Biomass Combustion	882,689*	886,831	884,125	785,551*
GHG Emissions Intensity (tCO$_2$e/MFBM) Scope 1 + 2 Emissions	0.0614	0.0635	0.0630	0.0640

*ERM CVS limited assurance

Carbon dioxide component from biomass is reported separately, reflecting the natural carbon cycle. Methane and nitrous oxide from biomass are included in Scope 1.

INTERFOR ENERGY USE	2022 (GJ)	% of Total	2023 (GJ)	% of Total	2024 (GJ)	% of Total
Energy Purchased (electricity)	1,814,038	13%	1,834,343	13%	1,740,915	13%
Renewable	631,788	5%	715,556	5%	581,641	4%
Nonrenewable	1,182,250	9%	1,117,787	8%	1,159,274	9%
Energy Produced (on-site combustion)	11,886,092	87%	12,117,091	87%	11,618,254	87%
Renewable	10,293,522	75%	10,028,333	72%	9,597,313	72%
Nonrenewable	1,592,570	12%	2,088,758	15%	2,020,941	15%
Total Energy (GJ)	13,700,130	100%	13,951,434	100%	13,359,169	100%
Energy Intensity (GJ/MFBM)	3.61		3.37		3.46	

2021 baseline through 2023 GHG emissions and energy use adjusted to account for removal of divested Québec operations.

Electricity

In 2024, 71% of the energy we consumed was from renewable sources such as biomass, hydro-power and solar power generation. Our continued capital investments to improve the production and efficiency of our mills, along with energy reduction projects and operational improvements, resulted in a 5% reduction of average electricity consumption. We continue to power 82% of our drying kilns with biomass and 18% with fossil fuels.

External Independent Limited Assurance

In 2024, Interfor engaged ERM CVS, an independent verification and validation body, to provide third-party limited assurance of our baseline year (2021) and 2024 Scope 1 and Scope 2 GHG emissions and direct biogenic carbon emissions inventory and methodology. A summary of the ERM CVS independent limited assurance report is available on our website.

> "In the long term, a sustainable forest management strategy aimed at maintaining or increasing forest carbon stocks, while producing an annual sustained yield of timber, fiber or energy from the forest, will generate the largest sustained mitigation benefit."
>
> *- United Nation's Intergovernmental Panel on Climate Change 2007*

Forest Values

Interfor is a leader in sustainable forest management and responsible sourcing to ensure environmental, economic and social opportunities for current and future generations.

We manage more than 4.9 million hectares of forests on public lands in Canada, 100% of which are third-party certified to the globally recognized Sustainable Forestry Initiative® (SFI) Forest Management Standard. Beginning this year, our total hectares reported excludes our BC Coastal Woodlands operations which are currently undergoing the process of tenure disposition. To read more about the tenure disposition process in our BC Coastal region, please visit the Indigenous Peoples section of our website.

In addition to the forests we manage, we work with landowners and other log suppliers to protect forest values, and 100% of our lumber manufacturing operations are certified to internationally recognized fiber sourcing and chain-of-custody standards. In 2024, we planted over 22.6 million trees in the woodlands we manage.

For more details on our sustainable forestry values and practices, please visit our website.

Reporting on cutblock area and retention or reserves differs across regions due to differences in tenure management and provincial regulations in BC, Ontario and New Brunswick. We work to survey and finalize harvested area boundaries for up to six months after the end of each year prior to reporting. As such, the most recent reporting year's data are not included as they are not yet finalized. Interfor tenures refers to management units for which Interfor has responsibility over forest management planning. Reserve area in Ontario is assigned at the Forest Management Plan (FMP) development stage which was done in 2021 and 2022 for Interfor's tenures and remains relatively constant for the 10-year term of the FMP, with minor additions.

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HARVEST AND RETENTION ON INTERFOR TENURES

	MEASUREMENT	2021	2022	2023
BC Total Cutblock Area	Hectares	10,097	9,894	9,984
BC Total Area Retained	Hectares (%)	1,339 (15%)	2,560 (35%)	1,458 (15%)
NB Total Cutblock Area	Hectares	N/A	N/A	13,326
NB Total Area Retained	Hectares (%)	N/A	N/A	2,367 (18%)
ON Total Cutblock Area	Hectares	6,817	6,757	4,205
ON Total Area within Reserves	Hectares	218,292	218,292	218,292

SUSTAINABLE FORESTRY

	MEASUREMENT	2022	2023	2024
Hectares Managed in Canada	Millions	4.0	5.1	4.9
Interfor-Managed Forests Certified to Internationally Recognized Sustainable Forest Management Standards*	%	100%	100%	100%
Lumber Manufacturing Operations Certified to Internationally Recognized Fiber-Sourcing and Chain-of-Custody Sourcing	%	100%	94%	100%
% of Log Supply from Canada and the US	%	100%	100%	100%
Trees Planted in Canadian Woodlands	Millions	14.3	22.4	22.6

*Excluding BC Coastal Woodlands due to tenure transfers in process
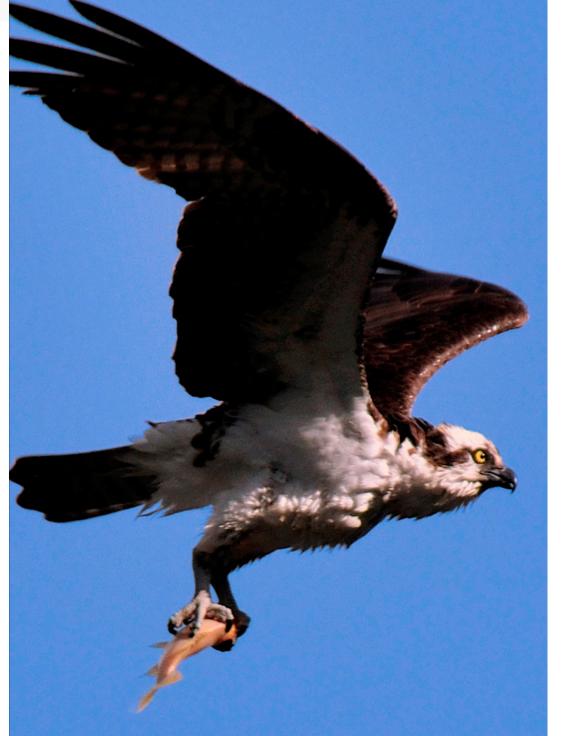
Biodiversity

We operate under a range of formal frameworks and internal procedures to protect wildlife, biodiversity and forests of high conservation value. We recognize the importance of responsible management of all the lands we impact, from the woodlands we manage to our mill sites. That's why we set a target to establish Biodiversity Interface Management Plans (BIMPs) for 100% of our sawmill facilities by the end of 2024. This effort aimed to address the intricacies of wild and industrial interfaces and promote biodiversity richness. We met this goal and are now taking action to implement key strategies from the plans to raise employee awareness and minimize risks and impacts.

Biodiversity Interface Management Plans

Our BIMPs support local and native plant species, wildlife and insect biodiversity, and differ by region and local legal requirements. Various components include but are not limited to:

- Geographical description of the ecoregion and watersheds draining the area

- Historical account of the property and surrounding area, including identifying Indigenous territories

- Pollinator habitat

- Native and invasive plant species

- Wildlife habitat, particularly species at risk, migratory birds, keystone species, and imperiled or critically imperiled species, if applicable

We look forward to reporting on measurable results of the Biodiversity Interface Management Plans in future years. Details on our efforts to protect and promote biodiversity in the woodlands we manage can be found on our website.

Environmental Management

Interfor is committed to protecting the environment by adhering to the highest standards in sustainable forest and mill management. In our manufacturing operations, we use environmental monitoring programs that cover aspects such as water use, air emissions, waste management, fuel handling, spill and fire prevention, and preparedness.

Environmental Audits

We have an ongoing goal to achieve 100% completion of all regulatory legal requirements and internal compliance tasks. We conduct annual Environmental Management System (EMS) audits. In 2024, we completed 98.3% of all regulatory legal and internal environmental compliance actions.

For more information on our efforts to reduce environmental impacts, visit our website.

REPORTABLE SPILLS			
	2022	2023	2024
Number of Reportable Spills	12	28	7

This table is based on legal reporting requirements for each of the jurisdictions in which we operate.

Air Emissions

We minimize air emissions from our manufacturing facilities using pollution control technologies suited to each site. We identify and report the air emissions produced as required by applicable legal and regulatory requirements.

AIR EMISSIONS						
	2022		**2023**		**2024**	
	TOTAL (TONNES)	INTENSITY (GRAMS/ MFBM)	TOTAL (TONNES)	INTENSITY (GRAMS/ MFBM)	TOTAL (TONNES)	INTENSITY (GRAMS/ MFBM)
Particulate Matter	904	238	981	237	845	221
NOx	660	174	707	171	750	196
SOx	55	14	66	16	76	20
CO	1,177	310	1,266	306	1,549	405
VOCs	4,285	1,130	4,481	1,084	4,379	1,145

For details on what is included in these metrics, please see References & Methodology.

Water Withdrawal

We recognize that water is a universal human right, and our Environmental Management System (EMS) programs have strict guidelines for protecting water quality in both our mills and our woodlands operations. Although our operations use very little water compared with other industries, our guidelines ensure we maintain the highest standards for our water use.

By the end of 2024, we reached our target of installing water meters at all of our mills. For more details on our various water reduction initiatives, please visit our website.

WATER WITHDRAWAL				
	MEASUREMENT	2022	2023	2024
Withdrawal	m³	1,078,795	1,227,749	947,234
Intensity	m³ Water per MFBM of Lumber Produced	0.287	0.297	0.239

This information is based on metered water withdrawal data and estimates where meters were not yet operational.

Previous years' reporting for all tables reflects the inclusion of divested Québec operations.

Environmental Audits

We have an ongoing goal to achieve 100% completion of all regulatory legal requirements and internal compliance tasks. We conduct annual Environmental Management System (EMS) audits. In 2024, we completed 98.3% of all regulatory legal and internal environmental compliance actions.

For more information on our efforts to reduce environmental impacts, visit our website.

In 2024, we sold 3.3 million tonnes of sawmill residuals into the market. Wood residual by-product is an alternative to electricity generated by burning fossil fuels and is a growing source of residential heating, particularly in Europe. This renewable resource is also used for co-firing with or replacement of coal in some power plants. The CO_2 released during combustion is roughly equivalent to that absorbed by the trees during their growth, particularly when sourced from sustainably managed forests. We are part of a powerful, natural cycle replanting on average 16.4 million trees each year for the past five years.

By-Products, Waste & Recycling

The main by-product of our manufacturing process is wood residuals in the form of sawdust, shavings, chips and bark. While historically many of these residuals were once landfilled or incinerated without energy recovery, today most are sold, recycled or repurposed for the production of green renewable energy, panels, medium-density fiberboard, pulp and paper, and used for landscaping and animal bedding. We recycle or dispose of limited amounts of other hazardous and non-hazardous waste, such as batteries and light bulbs. Overall, we sell, recycle, or repurpose more than 99% of our total residuals and waste materials. In 2024, we diverted 1,294 tonnes of waste from landfill through pilot projects, exceeding our goal of 711 tonnes. For more details on our waste reduction initiatives, please visit our website.

WASTE & RESIDUAL MATERIALS	2022 (TONNES)	2023 (TONNES)	2024 (TONNES)
TOTAL WASTE	**41,854**	**29,049**	**33,644**
Residuals Directed to Disposal*	27,025	13,193	17,177
Hazardous Waste**	119	252	306
Non-Hazardous Waste	14,710	15,604	16,161
TOTAL WASTE DIVERTED OR RECYCLED	**6,964**	**13,140**	**10,313**
Hazardous Waste Recycled	97	97	213
Non-Hazardous Waste Recycled	6,867	13,042	10,100
RESIDUALS RECOVERED	**5,419,089**	**5,294,309**	**3,655,574**
Residuals Repurposed	4,962,453	4,842,754	3,262,640
Residuals Used for Energy (Biomass)	456,636	451,555	392,934

Waste data presented here is based on a combination of weight records for waste and residuals from Interfor's facilities and from estimates. Changes in our waste volumes over the last three years reflect an increased focus on identifying and collecting data for the various waste streams produced by our operations, as well as adjustments associated with our divested Québec operations.

 * Includes wood residuals that were used for soil amendments in landfills.

** Includes common or universal waste such as batteries.
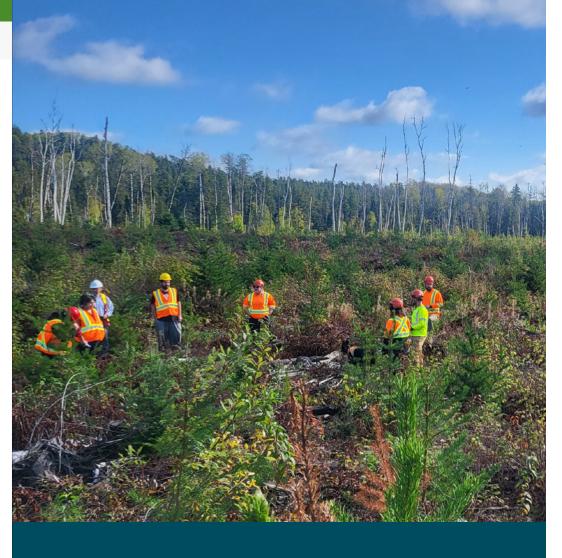
Members from Chapleau Cree and Brunswick House First Nations and representatives from the Ministry of Natural Resources joined our Silviculture team in Ontario on a field tour to the site of the brush saw trial. The trial was carried out in the summer of 2024 to assess motor-manual tending as an alternative to herbicide tending.

Infrastructure & Technology

On average, Interfor has invested $148 million annually over the last 10 years to upgrade facilities and systems and to employ the latest technology in forest management. These improvements help keep our workplaces safe, increase efficiency and productivity, deliver high-quality products, increase forest management intelligence and improve environmental performance.

Facility Investments

- A new planer at our Thomaston, Georgia mill, to improve efficiency and increase production and lumber grade

- Planer upgrades at our Elk Lake, Timmins and Nairn Divisions in Ontario

- Automatic shut-of timers installed on forklifts and log loaders at Bathurst Division in New Brunswick to reduce excess idling

- Building upgrades at Timmins, Ontario, including energy-efficient lighting, insulation and drainage management

- Thermal cameras installed at Nairn, Timmins, and Ear Falls Divisions in Ontario to enhance planer safety and loss prevention

- Integrated Scan-Link RFID technology installed into the mobile equipment-pedestrian interface at Eastern Canada sites to improve safety

- A thermal camera rollout to all Interfor contractors in the US Pacific Northwest region to streamline fire watch and preparedness operations

Research Investments

- A steep slope and tethered harvesting study at our Grand Forks and Castlegar operations in British Columbia to develop best management practices for reducing environmental impact

- A motor-manual brush saw trial in our Ontario woodlands in 2024 to evaluate the effectiveness of this technique as an alternative to herbicide tending

- Continued support for the University of British Columbia Faculty of Forestry research projects, including biodiversity protection and restoration and fungal decay impacts on greenhouse gas emissions, as well as support for Selkirk College in British Columbia's Interior to develop models for assessing potential hydrological impacts resulting from landscape alterations and climate change

GOVERNANCE

Our industry-leading governance practices and policies promote the long-term interests of our stakeholders, ensure that we operate sustainably and build public trust in our Company. They are built on a framework of written policies and guidelines, which we update and enhance regularly.

POLICIES & GUIDELINES

- **Code of Conduct & Ethics**
- **Whistleblower Policy**
- **Human Rights Policy**
- **Diversity Policy**
- **Majority Voting Policy**
- **Environment Policy**
- **Insider Trading Policy**

- **Health & Safety Policy**
- **Anti-Bribery & Anti-Corruption Policy**
- **Compensation Policy**
- **Indigenous Relations Policy**
- **Sustainable Forestry & Log Procurement Policy**

Risk Management

A report on company-wide material risks is reviewed by our senior executives and the Audit Committee of the Board on a quarterly basis. Senior leaders throughout the Company contribute updates to a register of risks that have been identified as material to our business. These are reported to the Board and inform our risk mitigation strategies. Responsibility for managing each category of risks on this register resides with the executive who leads the relevant function, which can be reviewed in detail in Risk Management on our website.

Political Contributions

Political contributions made on behalf of Interfor are governed by our Code of Conduct & Ethics. They must comply with all applicable laws for the relevant jurisdiction and must be approved in advance by either our CEO or senior management.

POLITICAL CONTRIBUTIONS

COUNTRY	2022		2023		2024	
	TOTAL $	% OF REVENUE	TOTAL $	% OF REVENUE	TOTAL $	% OF REVENUE
Canada	None	N/A	None	N/A	None	N/A
US	17,250 USD	<0.001%	11,950 USD	<0.001%	5,500 USD	<0.001%

To review all Intefor's Policies and Guidelines, please visit our website.

References & Methodology

We are committed to transparency in our reported metrics and continuous improvement of our methodology. Methodologies of our metrics are outlined on the following pages.

Additional References on Our Website

- An outline of our approach to the United Nations Sustainable Development Goals

- Climate Scenarios Analysis Risk Summary Table

CORPORATE GOVERNANCE HIGHLIGHTS 2024

Size of Board	12 Directors
Policy on Board Independence	Yes - Board Terms of Reference
Independent Directors	11 (92%)
Independent Board Chair	Yes
Separate Board Chair and CEO	Yes
Committee Independence	100% of each of the 4 Board committees is independent
Independent Director Meetings Without any Management Present	Yes - after every Board meeting and additional if deemed necessary
Average Age of Directors	66.3 years
Mandatory Retirement Policy for Directors	75 years of age and tenure >10 years
Average Board Tenure	8.8 years
Board Member Elections	All Directors are elected annually
Women on Board	4 (33%)
Average Board and Committee Meeting Attendance in 2024	100%
Supermajority Vote Requirements	No supermajority required, except for amalgamations, arrangements or altering rights/restrictions attached to issued shares
% Vote in Support of CEO at 2024 Annual Meeting	99.57%
% of Vote in Support of Board Chair at 2024 Annual Meeting	98.25%
Shareholder Vote on Executive Pay	Yes - 91.90% in favor at 2024 AGM
Restated Financials or Late Financial Disclosures in the Past 2 Years	0
Latest Audit Opinion	Unqualified (i.e. a clean opinion)
Controlled Company?	No–Interfor is a widely held public company listed on the TSX
Dual-Class Stock?	No–only common shares are issued and outstanding
Shareholder Rights Plan?	None

REFERENCES & METHODOLOGY

We are committed to transparency in our reported metrics and continuous improvement of our 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.

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 under-represented 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.

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.

Scope 1 Emissions	Includes carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O) expressed in tonnes of carbon dioxide equivalent (CO_2e).

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_4 and N_2O 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).

Factors used to calculate CO_2, CH_4 and N_2O 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_2e are from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) as adapted by the GHG Protocol.

Notes: Excludes 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.

CLIMATE METRICS METHODOLOGY CONTINUED

Scope 2 Emissions

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

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.

Intensity

Calculated in tonnes of CO_2e per thousand board feet of lumber produced including:

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

Variances from Previous Report

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

- 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.

CLIMATE METRICS METHODOLOGY CONTINUED

Energy Use	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 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.

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.

Respecting Nature.
Building Sustainably.

Credit: Randy Waterous